

AS SEB Pank Group

Interim Report of Quarter I 2012



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Statement of the Management Board

Interim Report of Quarter I 2012 consists of the following parts and reports:

- Introduction – general information
- Management Report
- Consolidated Financial Statements
- Notes

The financial and other additional information published in the Interim Report of Quarter I 2012 is true and complete. Consolidated financial statements give a true and fair view of the actual financial position, results of operations and cash flows of the Group.

Consolidated financial statements have been compiled in accordance with the International Accounting Standard IAS 34 “Interim financial reporting” and in conformity with the requirements of Eesti Pank for publishing information. AS SEB Pank and subsidiaries of the consolidated group are assumed to be going concern.

Consolidated financial statements for the Quarter I 2012 are not audited.

Riho Unt
Chairman of the Management Board

I. Introduction - general information

1. Credit institution

Company name	AS SEB Pank
Address	Tornimäe Str. 2, Tallinn 15010, Estonia
Registered in	Republic of Estonia
Registry date	08.12.1995
Registry code	10004252 (Estonian Commercial Register)
Phone	+372 6 655 100
Fax	+372 6 655 102
SWIFT	EEUHEE2X
e-mail	info@seb.ee
Internet homepage	http://www.seb.ee

2. Auditor

Audit company	AS PricewaterhouseCoopers
Registry code	10142876 (Estonian Commercial Register)
Address	Pärnu Str. 15, 10141 Tallinn, Estonia
Reporting date	31.03.2012
Reporting period	01.01.2012 - 31.03.2012
Reporting currency	Euro (EUR), millions

II. Management Report**1. Credit institution's group as defined in Credit Institutions Law****1.1. Consolidated group****31.03.12**

Company name	Registry code	Reg. date	Address	Activity	Holding*** (%)	At an acquisition cost (EURmio)
AS SEB Liising	10281767	03.10.97	Tallinn, Tornimäe 2	Leasing	100.0%	1.5
AS SEB Kindlustusmaakler*	10723587	16.01.01	Tallinn, Tornimäe 2	Insurance brokerage	100.0%	0.0
AS Rentacar*	10303546	20.10.97	Haapsalu, Karja 27	Leasing	100.0%	0.0
AS SEB Varahaldus	10035169	22.05.96	Tallinn, Tornimäe 2	Asset management	100.0%	2.7
AS Bangalo	10088272	18.10.96	Tallinn, Tornimäe 2	Rental of computers	100.0%	0.3
AS Sertifitseerimiskeskus**	10747013	27.03.01	Tallinn, Pärnu mnt 141	Data communication services	25.0%	1.0
Tieto Estonia Services OÜ **	11065244	30.08.04	Tallinn, Tammsaare tee 47	Information processing and network management	20.0%	0.0
						5.5

All enterprises are registered in Estonian Commercial Register.

Parent company of the Group is AS SEB Pank, its activity is banking (information on page 3).

* Consolidated subsidiaries of AS SEB Liising

** Associates

*** For all investments the percentage of holding equals to both, the holding from the number of shares as well as from the number of votes.

The “consolidated group” in the meaning of Credit Institutions Law in Estonia and the “Group” for IFRS consolidation purposes are identical.

Non-profit association SEB Heategevusfond is an association, not belonging to the consolidation group, registered on 06.01.2006. The founders of the association are AS SEB Pank and AS SEB Elu- ja Pensionikindlustus. The association is aimed at raising and distributing funds for charitable cause to organisations, dealing with children, who have been deprived of parental care. Upon dissolution of the association, the assets remaining after satisfaction of the claims of creditors shall be transferred to a non-profit association or foundation with similar objectives, entered to the list of associations subject to income tax incentive of the Government of the Estonian Republic, or a legal person in public law, state or local government.

Non-profit association Spordiklubi United is an association, not belonging to the consolidation group, which started from September 2008. The association is founded by AS SEB Pank. The association is aimed at organising on hobby and competition level sport events and organising promotions for advertising of own and supporter’s activities. Upon dissolution of the association, the assets shall be transferred to a non-profit association, foundation or other persons filling the objectives by articles in public interests.

1.2. Changes in the consolidated group during the accounting period and plans for year 2012

No such events or trends have occurred by the time of publishing the report, which would affect the strategy of the group in 2012.

2. Highlights

SEB started three new activities geared towards business clients in the first quarter of 2012:

- Followed by the success of SEB Private Client Plans, SEB Business Client Plans where launched. As with private client plans, businesses can also acquire most of their everyday banking services in exchange for a fixed monthly fee.
- SEB Estonia introduced the Business Clients Financial Advisory Model (FAM), which presents an extensive financial analysis of a company in a simple and summarised form. Companies can simulate various scenarios together with their account manager, with a view to identifying risks and new business opportunities. The account manager helps interpret key indicators and forecast the future of the company. During Q1 more than 120 sessions were held with business clients, in order to help them in evaluating the impact of different risk scenarios on their finances.
- SEB introduced the Employer Pension scheme for businesses – the tax system, as amended at the beginning of the year, now allows employers – in addition to paying wages – to contribute into the employees' third pension pillar as well, while not treating these payments as a fringe benefit.

Regarding private clients, SEB introduced the following service upgrades in Q1 2012:

- SEB introduced a borrowing assessment service for private clients. The quick analysis of borrowing capacity provides an assessment of a client's capacity to apply for any loan product – from a credit card to a home loan – if necessary. A private client executive helps the clients to assess their borrowing capacity and, when needed, gives advice regarding loans and other bank services. After receiving an initial assessment, there is time to think and to decide whether and how to use the loan options available to realise the various plans.
- SEB revised its price list for benefit disbursements under pension contracts for second pension pillar products, making it more attractive for the client. The purpose of the change is to provide the customer with a good and competitive solution for the time when accumulated assets are disbursed in pension benefits.
- SEB began to offer its customers two new, additional pension insurance or third pillar disbursement products that provide the customer with supplementary income during a period desired by her or him.
- SEB lowered the price of its life insurance for both women and men until the end of this year, so that all those interested can insure their lives on easier terms before the unisex rates take effect from 2013.

SEB received several awards and acknowledgment in the first quarter of 2012:

- According to the **brand rankings survey**, conducted by TNS Emor at the beginning of 2012, **SEB is the best liked brand in Estonia's financial sector**. The survey mapped the 149 best liked brands by the people of Estonia, which included five banks, with SEB ranking the highest at 11th.
 - Based on its 2012 survey, the international finance magazine **Euromoney** named **SEB the best private banking provider in Estonia**
 - **Global Finance** named SEB **the Best Trade Finance Bank in Estonia for 2012**.
 - **A SEB fund managed from Estonia was voted best on the Swiss market by Thomson Reuters**. Awarding it the prestigious Lipper Fund Award, Thomson Reuters has voted the SEB Russia Fund as the best Russian equity fund with a five-years-plus operating history on the Swiss equity market.

SEB was the **main sponsor of the Tartu Marathon** – the biggest cross-country skiing event in Estonia, with more than 6750 participants. SEB first began working with Club Tartu Maraton more than 15 years ago, in 1997. SEB has been the main sponsor of the club since 2003, and according to the cooperation agreement signed last year the bank is sponsoring the organisation of the Tartu Complex Event in the years 2011-2015.

SEB Pank, Gold Sponsor of the **Estonian National Opera**, awarded their second **People's Choice Award** to a male and a female soloist chosen by opera-goers this year. A total of 5000 people took part in the vote.

SEB Estonia participated in the **Earth Hour** initiative.

SEB supports Estonia's leading **business plan competition "Ajujaht"**, which is designed to contribute to the creation of new knowledge-based companies and to boost the business skills of students and young scientists. Eight finalists of the 2012 competition were selected in March.

SEB Charity Fund carried out several events to support children staying in shelter homes

- In advance of the **large skiing event** – the Tartu Marathon – the Tähtvere Park in Tartu played host to the children's skiing event on the mini-marathon trail. The skiing trail was used by more than 1600 participants, including children from children's shelters, who had chosen a distance of 540 metres to 5 kilometres.
- In January, specialists from the **Rescue Board shared their knowledge and skills on fire safety in all 43 substitute homes in Estonia**. The project was initiated by SEB Charity Fund and it was carried out in co-operation with the Rescue Board and the Ministry of Internal Affairs. Rescue specialists explained to almost 1200 children and employees of shelters and substitute homes, how a fire gets started and develops and what to do when a fire has already flared up.
- As a result of the charity campaign, high-quality winter clothes – overalls, jackets, ski pants, mittens and hats-scarves – were bought for the children staying in shelters.

The more than 839 100 customers of SEB Pank Group are served by 1188 employees. The customers are served through many different channels such as 36 branch offices, 242 on-line post offices, 352 ATMs, 6616 POS-terminals. There are more than 508 000 debit and credit cards in use. In addition, over 75% of our customers use our SEB Internet Bank and SEB Internet Bank for Business services.

3. Capital adequacy

(millions of EUR)

CAPITAL BASE	31.03.12	31.12.11
Paid-in share capital	42.5	42.5
Premium	86.1	86.1
General banking reserves	19.5	19.5
Retained earnings / loss	481.9	383.8
Unrealised profit for previous periods on shares of subsidiaries and associated companies (negative)	-0.1	-0.1
Intangibles	-0.3	-0.4
Audited profit for the period	0.0	98.1
Total primary own funds	629.6	629.5
Subordinated debt	50.0	50.0
Available for sale financial instruments	0.3	0.1
Unrealised part of profit on shares of subsidiaries and associated companies	0.0	0.1
Allowances and adjustments exceeding expected loss	10.5	10.6
Total supplementary own funds	60.8	60.8
Total deductions	0.0	0.0
Primary own funds after deductions	629.6	629.5
Supplementary own funds after deductions	60.8	60.8
Own funds included in calculation of capital adequacy	690.4	690.3

CAPITAL REQUIREMENTS	31.03.12	31.12.11
Municipalities and regions with standardised approach	5.4	5.4
State agencies, non-profit institutions and associations with standardised	0.1	0.1
Retail claims with standardised approach	13.6	13.9
Overdue claims with standardised approach	1.2	1.2
Shares of investment funds with standardised approach	0.5	0.4
Other assets with standardised approach	2.4	2.1
Credit institutions, investment firms and municipalities with IRB	8.9	7.0
Other companies with IRB	124.9	128.2
Retail claims with IRB	41.3	41.8
Total capital requirements for covering the credit risk and counterparty credit risk	198.3	200.1
Capital requirement for covering interest position risk	1.1	1.0
Capital requirement for covering AMA of operational risk	10.7	11.2
Capital requirements total	210.1	212.3
Transition period floor of own funds if using IRB	303.0	301.5
Capital requirements for calculating capital adequacy	303.0	301.5

CAPITAL RATIOS

	31.03.12	31.12.11
Capital adequacy, %	22.79	22.90
Tier 1 Capital Ratio, %	20.78	20.88
Tier 2 Capital Ratio, %	2.01	2.02

**MEMBERS OF CONSOLIDATION GROUP,
INCLUDED TO CAPITAL ADEQUACY
CALCULATION**

AS SEB Pank
AS SEB Liising Group
AS SEB Varahaldus
AS Bangalo

4. Risk concentration

(millions of EUR)

	31.03.12	31.12.11	31.03.11
Total claims against persons associated with the credit institution's consolidation group	1.2	1.3	1.1
The share of claims of the persons associated with the credit institution's consolidation group in net own funds, %	0.18	0.18	0.16
Total of large exposure claims	351.2	269.0	175.0
The share of large exposure claims in net own funds, %	50.86	38.98	26.55
Number of large exposure customers	5	4	3

5. Key figures

(millions of EUR)

	31.03.12	31.12.11	31.03.11
Net profit	21.8	98.1	17.9
Average equity	641.5	581.1	540.8
Return on equity (ROE), %	13.59	16.88	13.24
Average assets	4,131.7	4,214.9	4,183.5
Return on assets (ROA), %	2.11	2.33	1.71
Net interest income	21.9	88.7	20.6
Average interest earning assets	4,027.5	4,101.7	4,045.7
Net interest margin (NIM), %	2.18	2.16	2.04
Spread, %	2.00	2.00	1.90
Cost / Income ratio, %	44.3	45.1	49.1
Ratio of individually impaired loans, %	1.97	2.25	3.51

Explanations

Return on equity (ROE) = Net profit/Average equity * 100

Average equity = (Equity of current year end + Equity of previous year end)/2

Return on assets (ROA) = Net profit/Average assets * 100

Average assets = (Assets of current year end + Assets of previous year end)/2

Net interest margin (NIM) = Net interest income/Average interest earning assets * 100

Yield on interest earning assets = Interest income/Average interest earning assets *100

Cost of interest bearing liabilities = Interest expenses/Average interest bearing liabilities *100

Spread = Yield on interest earning assets - Cost of interest bearing liabilities

Cost/Income Ratio = Total Operating Expenses/Total Income * 100

Ratio of individually impaired loans = Individually impaired loans/Loans to customers * 100

Interest earning assets:

Balances with central bank
Loans and advances to credit institutions
Loans and advances to customers
(all without accrued interests)

Interest bearing liabilities:

Due to credit institutions
Due to customers
Loan funds
Subordinated loans
(all without accrued interests)

Total Operating Expenses:

Personnel expenses
Other expenses
Depreciation, amortisation and impairment of tangible and intangible assets

Total Income:

Net interest income
Net fee and commission income
Net income from foreign exchange
Gains less losses from financial assets at fair value through profit or loss
Income from dividends
Gains less losses from investment securities
Share of profit of associates
Other income

III. Consolidated financial statements

1. Consolidated income statement

(millions of EUR)

		2012	2011
	Note	3 months	3 months
<i>Interest and similar income</i>	2	31.6	29.9
<i>Interest expenses and similar charges</i>	3	-9.7	-9.3
Net Interest Income		21.9	20.6
<i>Fee and commission income</i>	4	12.0	12.5
<i>Fee and commission expense</i>	5	-3.4	-3.4
Net fee and commission income		8.6	9.1
Net income from foreign exchange		1.0	1.0
Gains less losses from financial assets at fair value through profit or loss		0.9	0.3
Other income		0.2	0.2
Personnel expenses		-8.4	-8.6
Other expenses		-5.3	-5.8
Depreciation, amortisation and impairment of tangible and intangible assets		-0.7	-0.8
Profit before impairment losses on loans and advances		18.2	16.0
Impairment losses on loans and advances	6	3.6	1.9
Profit before income tax		21.8	17.9
Income tax		0.0	0.0
Net profit		21.8	17.9
Profit attributable to the sole equity holder		21.8	17.9

2. Consolidated statement of comprehensive income

		2012	2011
		3 months	3 months
Net profit		21.8	17.9
Other comprehensive income/expense			
Revaluation of available-for-sale financial assets		0.3	0.0
Total other comprehensive income/expense		0.3	0.0
Total comprehensive income		22.1	17.9
Sole equity holder of the parent entity (total)		22.1	17.9
-Total comprehensive income from continued operations		22.1	17.9

3. Consolidated statement of financial position

(millions of EUR)

	31.03.12	31.12.11
ASSETS		
Cash	44.2	38.7
Balances with central bank	24.6	49.5
Loans and advances to credit institutions	533.8	423.0
Loans and advances to customers	3,496.4	3,540.5
Financial assets held for trading	22.2	21.0
Available-for-sale financial assets	5.3	4.9
Other assets	24.8	18.0
Investments in associates	0.5	0.5
Intangible assets	0.3	0.4
Property, plant and equipment	7.3	7.5
Investment properties	0.0	0.0
TOTAL ASSETS	4,159.4	4,104.0
LIABILITIES AND SHAREHOLDERS' EQUITY		
Due to credit institutions	933.2	948.5
Due to customers	2,413.4	2,378.8
Loan funds	17.4	18.1
Other liabilities	69.8	54.8
Financial liabilities at fair value through profit or loss	21.3	20.5
Provisions	1.4	2.9
Subordinated loans	50.4	50.1
Total Liabilities	3,506.9	3,473.7
Share capital	42.5	42.5
Share premium	86.1	86.1
Other reserves	20.1	19.8
Retained earnings	503.8	481.9
Total shareholders' equity	652.5	630.3
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,159.4	4,104.0

4. Consolidated cash flow statement

(millions of EUR)

	2012	2011
	3 months	3 months
I. Cash flows from operating activities		
Interest received	31.4	29.3
Interest paid	-8.8	-10.1
Fee and commission received	12.0	12.5
Fee and commission paid	-3.4	-3.4
Net trading income and other operating income	1.5	0.6
Personnel expenses and other operating expenses	-12.7	-13.3
Cash flows from operating activities before changes in the operating assets and liabilities	20.0	15.6
Changes in operating assets:		
Loans and advances to credit institutions and mandatory reserve in central bank	203.8	-123.2
Loans and advances to customers	47.4	42.4
Other assets	-2.2	7.0
Changes of operating liabilities:		
Due to credit institutions	-0.4	-290.1
Due to customers	34.8	-1.2
Loan funds	-0.8	-0.3
Other liabilities	-1.4	-10.2
Cash flow from (used in) operating activities	301.2	-360.0
II. Cash flows from investing activities		
Net increase-/decrease+ of investment portfolio securities	-0.1	-0.4
Proceeds from sale and liquidation of associates and subsidiaries	0.0	0.4
Purchase of investment properties, tangible and intangible assets	-0.5	-1.2
Proceeds from sale of investment properties, tangible and intangible assets	0.0	0.2
Cash flow from (used in) investing activities	-0.6	-1.0
III. Cash flows from financing activities	0.0	0.0
Net decrease/increase in cash and cash equivalents	300.6	-361.0
Cash and cash equivalents at the beginning of period	87.3	562.0
Effect of exchange rate changes on cash and cash equivalents	0.1	0.0
Cash and cash equivalents at the end of period	388.0	201.0
Cash and cash equivalents includes:	31.03.12	31.03.11
Cash on hand	44.2	37.2
Balances with the central bank without mandatory reserve	0.0	0.6
Liquid deposits in other credit institutions	342.1	163.1
Trading portfolio	1.7	0.1
	388.0	201.0

5. Changes in consolidated shareholders' equity

(millions of EUR)

	Share capital	Share premium	Reserves	Retained profit	Total shareholders' equity
Year beginning 01.01.2011	42.5	86.1	20.0	383.2	531.8
Statutory reserve	0.0	0.0	-0.1	0.1	0.0
Other	0.0	0.0	0.0	0.1	0.1
Net profit	0.0	0.0	0.0	17.9	17.9
Other comprehensive expense:					
Net change in available-for-sale financial assets	0.0	0.0	0.0	0.0	0.0
Total other comprehensive expense	0.0	0.0	0.0	0.0	0.0
Total comprehensive income	0.0	0.0	0.0	17.9	17.9
Final balance 31.03.2011	42.5	86.1	19.9	401.3	549.8
Year beginning 01.01.2012	42.5	86.1	19.8	481.9	630.3
Other	0.0	0.0	0.0	0.2	0.2
Net profit	0.0	0.0	0.0	21.8	21.8
Other comprehensive expense:					
Net change in available-for-sale financial assets	0.0	0.0	0.3	0.0	0.3
Total other comprehensive expense	0.0	0.0	0.3	0.0	0.3
Total comprehensive income	0.0	0.0	0.3	21.8	22.1
Final balance 31.03.2012	42.5	86.1	20.1	503.9	652.6

6. Contingent assets and liabilities and commitments

(millions of EUR)

	Contract amount		Balance value	
	Assets	Liabilities	Assets	Liabilities
31.03.12				
1. Irrevocable and revocable transactions	7.6	681.5	0.0	0.0
1.1. Guarantees and other similar off-balance sheet irrevocable liabilities and claims	1.1	245.1	0.0	0.0
<i>incl. financial guarantees</i>	0.0	84.0	0.0	0.0
1.2. Loan commitments	6.5	361.4	0.0	0.0
1.3. Other revocable transactions	0.0	75.0	0.0	0.0
2. Derivatives	651.6	650.8	20.4	21.3
2.1. Currency related derivatives	268.9	268.9	0.7	0.7
2.2. Interest related derivatives	347.2	347.0	18.1	18.1
2.3. Equity related derivatives*	35.5	34.9	1.6	2.5
	659.2	1,332.3	20.4	21.3
31.12.11				
1. Irrevocable and revocable transactions	7.2	707.6	0.0	0.0
1.1. Guarantees and other similar off-balance sheet irrevocable liabilities and claims	0.7	244.7	0.0	0.0
<i>incl. financial guarantees</i>	0.0	76.5	0.0	0.0
1.2. Loan commitments	6.5	362.9	0.0	0.0
1.3. Other revocable transactions	0.0	100.0	0.0	0.0
2. Derivatives	506.9	505.9	19.8	20.5
2.1. Currency related derivatives	119.8	119.5	1.3	1.1
2.2. Interest related derivatives	346.5	346.4	17.3	17.2
2.3. Equity related derivatives*	40.6	40.0	1.2	2.2
	514.1	1,213.5	19.8	20.5

* Derivative transactions are executed to cover the client's position and the derivative risks are not taken to own portfolio. All risks arising from these transactions are fully mitigated with parent company. The equity option prices are calculated using for all input data (e.g. underlying prices or volumes) either independently sourced input (e.g. the underlying prices) or an independent price verification is performed on the next day to compare the values to independently sourced market data (e.g. for volumes).

Note 1

Accounting principles

The interim report of AS SEB Pank Group for Quarter I 2012 has been prepared in conformity with International Accounting Standard IAS 34 "Interim Financial Reporting" and the disclosure requirements, established by Eesti Pank.

The accounting principles, used in the interim report of AS SEB Pank Group for Quarter I 2012 are in conformity with the accounting principles used in the annual report for the year ended on 31 December 2011.

Note 2**Interest and similar income**

(millions of EUR)

	2012	2011
	3 months	3 months
Loans	26.6	25.3
Leasing	4.0	4.1
Deposits with other banks	1.0	0.5
	31.6	29.9

Note 3**Interest expenses and similar charges**

(millions of EUR)

	2012	2011
	3 months	3 months
Credit institutions	-5.0	-5.8
Time and other saving deposits	-3.2	-2.0
Demand deposits	-1.1	-0.8
Subordinated debts	-0.3	-0.6
Loan funds	-0.1	-0.1
	-9.7	-9.3

Note 4**Fee and commission income**

(millions of EUR)

	2012	2011
	3 months	3 months
Payment cards related commissions	4.7	4.7
Securities market services *	2.9	3.4
Transaction fees	1.3	1.2
Credit contracts**	0.9	0.9
Non-life insurance brokerage fees	0.3	0.6
Other settlement fees	0.7	0.5
Income from leasing agreements (full service)	0.4	0.4
Income from electronic channels	0.3	0.3
Cash handling fees	0.2	0.2
Commodity futures fees	0.0	0.1
Other	0.3	0.2
	12.0	12.5

* Securities market services includes asset management fees of investment funds and securities portfolios, custody services, advisory fees and other with securities transactions related fees.

** Credit contracts include loan, leasing, letter of credit and guarantee contracts, which are short-term and do not constitute interest income, but are of administrative nature for arrangement or reorganisation of credits.

Note 5**Fee and commission expense**

(millions of EUR)

	2012	2011
	3 months	3 months
Payment cards related commissions	-2.0	-1.8
Cash collecting fees	-0.4	-0.5
Expenses to leasing agreements (full service)	-0.4	-0.4
Securities market services	-0.3	-0.4
Transaction fees	-0.2	-0.2
Expenses of electronic channels	-0.1	-0.1
	-3.4	-3.4

Note 6**Impairment losses on loans and advances**

(millions of EUR)

	2012	2011
	3 months	3 months
Impairment losses	2.1	1.9
impairment losses of reporting period	-1.6	-4.0
recoveries from write-offs	0.1	0.1
decreasing of impairment losses of previous period	3.6	5.8
Impairment losses for contingent liabilities	1.5	0.0
	3.6	1.9

Note 7**Allowances on loans and advances**

(millions of EUR)

	31.03.12	31.12.11
At the beginning of period (January, 1)	131.0	179.5
Allowances of reporting period	1.6	14.7
Decreasing of allowances of previous period	-3.6	-42.0
Loans and advances written off	-3.4	-21.2
At the end of period (March, 31)	125.6	131.0
Recoveries from write-offs	0.1	0.2

Note 8**Loans and advances to customers by remaining maturity**

(millions of EUR)

	Less than 3 months	3-12 months	1-5 years	5-10 years	Over 10 years	Total
31.03.12	214.1	494.0	1,347.7	512.4	928.2	3,496.4
31.12.11	174.2	509.0	1,390.1	517.9	949.3	3,540.5

Note 9**Geographic concentration of financial assets and liabilities**

(millions of EUR)

31.03.12	Cash, balances with central bank, loans and advances to credit institutions				Loans and advances to customers	Securities	Other assets	Total assets	Due to credit institutions			Total liabilities	Contingent liabilities
	Due to credit institutions	Due to customers	Other liabilities										
Sweden	502.1	1.4	2.9	0.3	506.7	858.6	8.7	67.9	935.2	1.5			
Estonia	68.9	3,454.3	24.0	28.9	3,576.1	20.2	2,102.9	86.0	2,209.1	668.2			
United Kingdom	0.4	2.3	0.0	0.0	2.7	1.4	21.1	0.1	22.6	0.2			
Russia	2.8	0.4	0.0	0.1	3.3	0.5	21.3	0.0	21.8	0.1			
Germany	0.6	0.3	0.0	0.1	1.0	29.3	2.9	0.1	32.3	7.2			
United States	4.8	0.6	0.6	0.0	6.0	0.4	63.1	0.0	63.5	0.1			
Canada	0.0	0.0	0.0	0.0	0.0	0.0	2.3	0.0	2.3	0.0			
Japan	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.0	0.3	0.0			
Finland	0.0	18.4	0.0	0.6	19.0	0.0	9.3	0.6	9.9	2.9			
Latvia	9.2	0.1	0.0	0.0	9.3	19.2	2.7	0.0	21.9	0.0			
Lithuania	2.7	0.0	0.0	0.0	2.7	0.3	3.3	0.0	3.6	0.0			
Luxembourg	5.6	0.0	0.0	0.5	6.1	0.8	0.0	0.1	0.9	0.0			
Netherlands	0.0	0.5	0.0	0.0	0.5	0.0	0.9	0.0	0.9	0.0			
Other Western Europe	4.3	17.5	0.2	0.0	22.0	2.4	17.4	0.1	19.9	1.3			
Other Eastern Europe	1.0	0.0	0.2	0.1	1.3	0.0	1.8	0.0	1.8	0.0			
Other countries	0.2	0.6	0.1	1.8	2.7	0.1	155.4	5.4	160.9	0.0			
	602.6	3,496.4	28.0	32.4	4,159.4	933.2	2,413.4	160.3	3,506.9	681.5			

31.12.11	Cash, balances with central bank, loans and advances to credit institutions				Loans and advances to customers	Securities	Other assets	Total assets	Due to credit institutions			Total liabilities	Contingent liabilities
	Due to credit institutions	Due to customers	Other liabilities										
Sweden	403.3	1.6	3.1	0.3	408.3	862.8	9.8	66.8	939.4	1.3			
Estonia	88.3	3,496.8	22.1	19.8	3,627.0	24.6	2,088.8	73.0	2,186.4	695.4			
United Kingdom	0.4	2.2	0.3	0.0	2.9	6.9	17.8	0.1	24.8	0.2			
Russia	2.5	0.4	0.0	0.0	2.9	0.4	17.2	0.0	17.6	0.1			
Germany	0.2	0.2	0.0	0.0	0.4	33.2	2.3	0.0	35.5	7.4			
United States	2.8	0.8	0.5	0.0	4.1	0.2	51.9	0.0	52.1	0.1			
Canada	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.0	0.8	0.0			
Japan	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0	0.4	0.0			
Finland	0.0	19.2	0.0	0.5	19.7	0.0	8.1	0.4	8.5	2.0			
Latvia	5.2	0.1	0.0	0.0	5.3	17.7	1.8	0.0	19.5	0.0			
Lithuania	1.5	0.0	0.0	0.1	1.6	0.3	2.1	0.0	2.4	0.0			
Luxembourg	1.1	0.0	0.0	0.4	1.5	0.1	0.0	0.0	0.1	0.0			
Netherlands	0.0	0.5	0.0	0.0	0.5	0.0	1.3	0.0	1.3	0.0			
Other Western Europe	5.1	18.1	0.0	0.1	23.3	2.2	14.8	0.0	17.0	1.1			
Other Eastern Europe	0.7	0.0	0.2	0.0	0.9	0.0	1.9	0.0	1.9	0.0			
Other countries	0.1	0.6	0.2	4.7	5.6	0.1	159.8	6.1	166.0	0.0			
	511.2	3,540.5	26.4	25.9	4,104.0	948.5	2,378.8	146.4	3,473.7	707.6			

Contingent liabilities include here guarantees and pledges, loan commitments, revocable transactions, stand-by loans, other revocable transactions and are presented in contract amount of contingent liabilities. Securities include here financial assets held for trading, financial assets designated at fair value through profit or loss, available-for-sale financial assets, investments in associates.

Note 10**Concentration of financial assets and liabilities by industry sector**

(millions of EUR)

	In the statement of financial position		
	Cash and loans to central bank, credit institutions and customers	Securities	Contingent liabilities
	31.03.12		
Real estate	624.5	0.1	18.7
Finance	607.2	4.1	15.3
Industry	262.8	1.6	146.7
Trading	170.7	0.0	77.9
Energy, gas and steam plants	122.3	0.0	117.4
Transport	116.8	0.0	100.1
Agriculture, fishing, forestry	104.8	0.0	17.1
Government and state defence	102.0	0.0	20.4
Health services, social work	47.7	0.0	7.8
Information and telecommunication	46.7	0.8	5.5
Administration and assistance	45.4	0.0	7.9
Construction	44.0	0.0	59.5
Hotels, restaurants	40.8	0.0	1.0
Education	24.1	0.0	4.5
Art, show business, leisure	13.5	0.0	0.9
Water supply, canalisation, waste management	11.9	0.0	4.6
Professional, science and technical work	8.8	0.0	4.4
Mining	2.4	0.0	0.2
Other government and social services	24.4	1.0	5.3
Individuals	1,803.8	0.0	66.3
Derivatives	0.0	20.4	0.0
Allowances	-125.6	-	-
	4,099.0	28.0	681.5

31.12.11	In the statement of financial position		Contingent liabilities
	Cash and loans to central bank, credit institutions and customers	Securities	
Real estate	629.1	0.1	20.5
Finance	515.6	3.9	15.4
Industry	259.6	1.0	154.4
Trading	198.7	0.0	88.4
Energy, gas and steam plants	116.6	0.0	140.4
Agriculture, fishing, forestry	109.3	0.0	12.7
Transport	108.5	0.0	80.0
Government and state defence	106.9	0.0	21.1
Information and telecommunication	53.2	0.7	7.7
Hotels, restaurants	46.8	0.0	0.7
Health services, social work	46.4	0.0	7.1
Administration and assistance	44.5	0.0	7.6
Construction	43.2	0.0	63.2
Education	23.0	0.0	6.3
Art, show business, leisure	15.5	0.0	0.6
Water supply, canalisation, waste management	12.9	0.0	4.4
Professional, science and technical work	9.1	0.0	3.6
Mining	2.6	0.0	0.2
Other government and social services	22.0	1.0	7.1
Individuals	1,819.2	0.0	66.2
Derivatives	0.0	19.7	0.0
Allowances	-131.0	-	-
	4,051.7	26.4	707.6

Note 11**Related parties**

(millions of EUR)

	<u>31.03.12</u>	<u>31.12.11</u>
Loans and advances to members of Management Board of credit institution and internal audit manager, also their confidants and commercial undertakings, controlled jointly or severally by the mentioned persons	1.2	1.2
Contingent liabilities to members of Management Board of credit institution and internal audit manager, also their confidants and commercial undertakings, controlled jointly or severally by the mentioned persons (credit lines and commitments to extend credit)	0.0	0.0
Deposits of members of management board of credit institution and internal audit manager, also their confidants and commercial undertakings, controlled jointly or severally by the mentioned persons	4.7	4.8
Loans and advances to parent company	504.7	406.3
Due to parent company	927.6	930.6
incl. subordinated liabilities	50.0	50.0
interests of subordinated liabilities	0.4	0.1
Contingent assets and commitments to parent company	55.0	55.0
Contingent liabilities and commitments to parent company	472.0	0.3
Loans and advances to enterprises of parent company's consolidation group	16.8	12.2
Due to enterprises of parent company's consolidation group	26.6	23.5
Contingent assets and commitments to enterprises of parent company's consolidation group	0.2	0.2
Contingent liabilities and commitments to enterprises of parent company's consolidation group	3.0	3.0

Interest rates of the loans given to related parties do not differ materially from interest rates of the loans to customers. Transactions with related parties have been based on market terms.

Related parties are:

- parent company, sole equity holder Skandinaviska Enskilda Banken AB (publ),
- subsidiaries of parent company,
- associates of parent company,
- associates of the Group,
- members of Management Board of credit institution and internal audit manager, also their confidants and commercial undertakings, controlled jointly or severally by the mentioned persons.