

Cash Management Services in Sweden

June 2009



Danske Bank's Stockholm Branch was set up in 1995 in replacement of the previous representative office. In March 1997, Danske Bank acquired Östgöta Enskilda Bank.

Danske Bank Sweden has 59 branches and four finance centres throughout Sweden, through which we offer a full range of products to small, medium-sized and large businesses.

Danske Bank provides pan-Nordic cash management services based on a central IT platform in Copenhagen.

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|----------------------|----------------|
| Currency: | SEK |
| Time zone: | GMT + 1 |
| Central bank: | Riksbanken |
| SWIFT BIC | DABASESX |
| Danske Bank ratings: | Moody's S&P |
| Short-term: | P-1 A-1 |
| Long-term: | Aa3 A+ |

Clearing and local market conditions

Foreign exchange regulations

None in force; distinction between residents and non-residents for central bank reporting purposes.

Clearings systems

RIX System (RTGS)

Bankgirot (operated by the Bankgirocentralen BGC) a decentralised ACH system. The system also encompasses two separate direct debit clearing schemes (B2B and B2C)

Plusgirot (owned by Nordea)

Paper-based clearing, e.g. cheques

Clearing formats

Local BGC formats; for further information, visit www.bankgirot.se.

Payment instruments

- Payment orders: almost all commercial payments are made by giro credit transfer through one of the two giro networks
- Cheques: Almost no cheque-based payments due to high charges; the issuing bank guarantees payment of amounts under SEK 2,000.
For larger amounts, the drawee bank must be contacted before the cheque is accepted.
- Direct debits: No widespread acceptance; different methods apply to B2B and B2C transactions. Registration of creditor and debtor data at Bankgirocentralen.

Cards

Credit cards are widely accepted.

Debit cards linked to the holder's bank account are frequently used.

Local foreign currency payments

No restrictions, settlement abroad.

Foreign payments

No restrictions. Transactions exceeding SEK 150,000 must be reported to "Riksskatteverket" (public tax-authorities) for residents and non-residents.

Taxation

Value added tax (VAT) and excise tax on commodities play an important role. The standard VAT rate is 25%. A special VAT rate of 12% applies to e.g. foods. Corporate income tax (standard rate 28%) is levied on global profits generated by resident companies and Swedish non-residents.

There is no withholding tax on interest.

Dividends paid to non-residents are subject to 30% taxation (can be reduced to 0-15% under various double taxation treaties). For further details, please consult a local tax advisor or auditor.

Cash Management Products and services of Danske Bank

Accounts

Resident and non-resident accounts in local and foreign currency. Account opening forms in Swedish and English.

Domestic payments

Danske Bank has direct access to RIX, Bankgirot, Nordea's Plusgirot system and paper-based clearing.

Foreign payments

No restrictions.

Liquidity management

- Real-time zero balancing services domestically, in the Nordic countries, Germany and the United Kingdom. International cash sweeping is subject to restrictions concerning the status of the beneficial owner.
- Domestic zero balancing (per transaction) cash pools in all major currencies. Resident and non-resident accounts may be included, but this entails local central bank reporting.
- International multi-currency interest netting system (interest enhancement) in all major currencies across Danske Bank's Nordic branch network and in Germany and the United Kingdom.

Electronic banking

- Business Online is Danske Bank's online business system, which provides rapid access to setting up payments, viewing account information and authorising several payments at the same time. All information in Business Online is updated constantly. So you always have an up-to-date picture of your company's cash position.
- Business PC is PC/Windows-based and enables you to initiate domestic and foreign payment orders and retrieve real-time account information for accounts with Danske Bank.

By installing Business Online or Business PC you can make local payments in Denmark, Norway, Sweden, Finland, the United Kingdom and Germany and view real-time account information.

Links to other banks

Reporting via MT940 and MT942 statements, if required. Danske Bank can also report via EDIFACT (DEBMUL, CREMUL or FINSTA).

Further information

If you require more information about Cash Management in Sweden, please visit our website www.danskebank.com/corporate.