Finanzgruppe
Deutscher Sparkassen- und Giroverband

INTERNATIONAL SAVINGS BANKS

20 August 2026

The Savings Banks Organisation in Sweden

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The 55 savings banks in Sweden (excluding Sparbanken Syd) have a market share of approximately 7.9% in deposits and 9.5% in loans. Their central institution, Swedbank, is one of Sweden's four largest banking groups. It is the market leader in retail banking in Sweden as well as in the three Baltic states Estonia, Lithuania and Latvia.

Most Swedish savings banks are still owned by foundations. 14 savings banks have been converted into public limited companies. Swedbank holds shares of between 22% and 50% in five of these savings banks. Conversely, the savings banks and the savings bank foundations together hold 17,1% of the shares in Swedbank. These mutual interdependencies, as well as a long-term cooperation agreement, result in a close tie between the savings banks and Swedbank.

Swedbank is a public bank listed on the Stockholm Stock Exchange. Nevertheless, due to its history, it often operates like a savings bank and sees itself as a bank for the people, with a commitment to the people and the economy of the region. With the exception of Sparbanken Syd, all Swedish savings banks are members of the national savings bank association Sparbankernas Riksförbund.

The Swedish banking market

In macroeconomic terms, the banking sector in Sweden is of similar significance to that in other European countries. In 2025, the total assets of all Swedish banks amounted to 2.5 times the total economic output, compared with a European average of 2.1 The bank branch network in Sweden is significantly smaller than average, with 8,416 inhabitants per branch. In comparison, the European average is 3,667 inhabitants per branch. (see charts 1 and 2).

In 2025, the volume of non-performing loans held by Swedish banks was 0.3%, significantly below the average of 1.6% in other European countries. The cost-income ratio of Swedish banks in 2025 was 43.1%, below the level of other European competitors. Profitability, measured by return on equity, was 12.7% in 2025. Despite a noticeable decline compared to the previous year, it remains above that of other banks in Europe (see charts 3 and 4).

The Swedish banking market has been extensively deregulated since the mid-1980s. As a result, there was an increase in the volume of credit, which fueled a real estate and stock boom. This culminated in a system-wide banking crisis at the beginning of the 1990s, which could only be overcome through massive government measures (establishment of bad banks and nationalisation of key banks). In the wake of cleaning up the banking crisis, there has been a profound reorganisation of the banking market.

The Swedish banking sector continues to demonstrate high resilience and solid capital and liquidity positions. Although systemic risks have declined, structural vulnerabilities remain, particularly due to high household debt, significant exposures in the commercial real estate sector, and reliance on market-based refinancing. The IMF therefore recommends maintaining the existing macroprudential measures and capital buffers.

Swedish savings banks are expected to operate in a generally stable market environment in 2026. Benefiting from normalised inflation, lower and stable interest rates and an improving macroeconomic outlook, steady business performance is expected despite continued subdued loan growth, particularly in the corporate banking segment, and only a gradual recovery in the mortgage market. The high quality of the loan portfolios supports this positive trend.[1]

[1] Nordic Credit Rating (2026) “Swedish savings banks face little drama in 2026”

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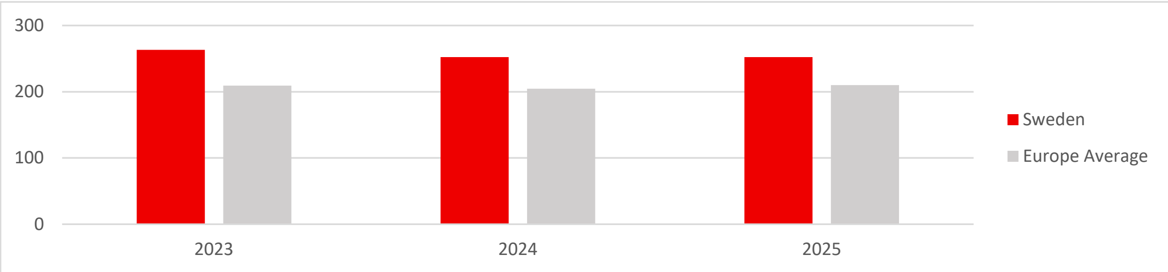
Table 1: The largest Swedish banks by balance sheet total

Group	2025	2024	2023	2022	2021
Nordea Bank	654	623	585	595	570
Skandinavskia Enskilda Banken (SEB)	339	328	315	316	321
Svenska Handelsbanken	313	309	309	309	325
Swedbank	283	263	255	249	267

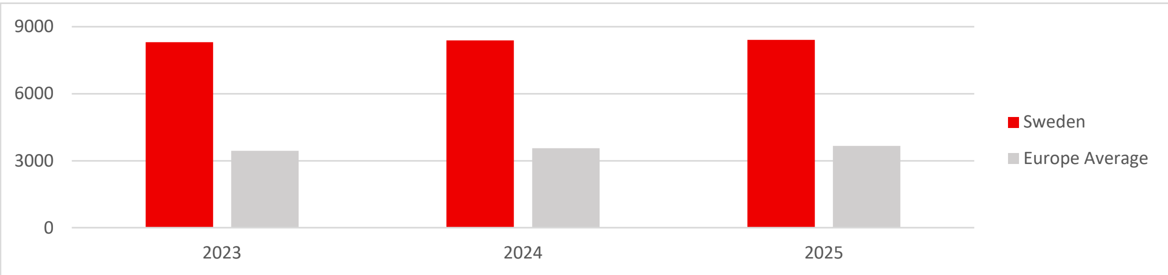
Source: Financial report of the respective group[2] 2025, in EUR billion

Chart 1: Banks' balance sheet total to GDP in %



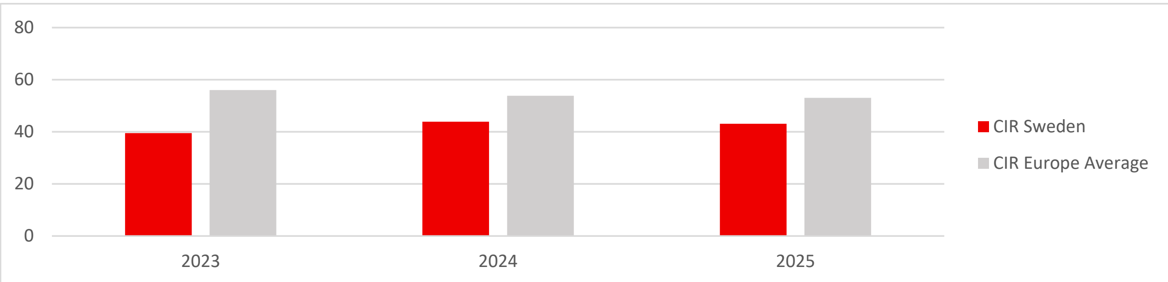
Source: European Central Bank 2025, own calculations

Chart 2: Population per branch



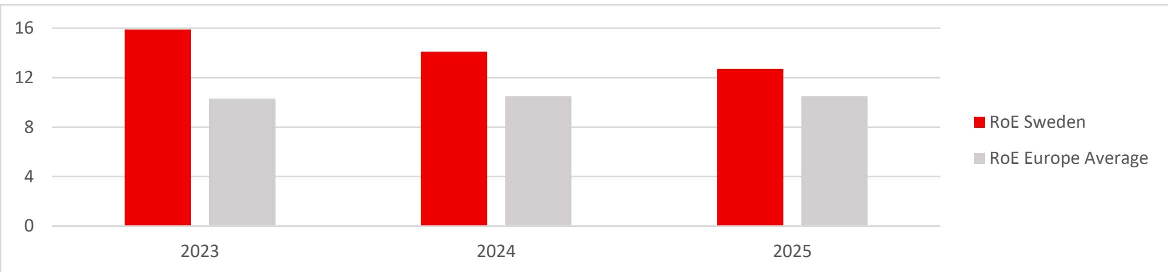
Source: European Central Bank, Eurostat 2025, own calculations

Chart 3: Cost-income ratio (CIR) in %



Source: EBA Dashboard, 2026

Chart 4: Return on equity (RoE), in %.



Source: EBA Dashboard, 2026

[2] Nordea has been a Finnish bank since October 2018, with high business volumes in Sweden, partly through its Swedish bank branches.

The Swedish savings banks

The first Swedish savings bank was founded in Gothenburg in 1820. The Swedish savings banks of the early 19th century were intended to offer financial services to broad sections of the population, especially poorer people. To ensure they remained focused on these target groups, a maximum deposit limit was in place for a long time, which hampered the growth of the institutions. It was not until 1969 that the savings banks and their activities were put on an equal footing with commercial banks.

Respected citizens from the local community managed the savings banks, which were run in the form of foundations. The Swedish savings banks had a local focus from the outset. Although restricting their activities to the local area (regional principle) was not mandatory, it was observed voluntarily.

The number of Swedish savings banks has fallen sharply over the years. In the peak year of 1928, there were 498 savings banks, by 1960 this number had fallen to 434. By 1980 there were just 164 savings banks following the merger of many small institutions into regional banks. As a result of an increasingly competitive environment, combined with the deregulation of the Swedish banking market, further mergers took place in the following period. An additional driver of consolidation was the centralisation of many Swedish companies and the associated relocation of the registered office from the province to the capital Stockholm, which caused the locally operating savings banks to lose their competitive advantages. There are currently 56[3] Swedish savings banks.

[3] including Sparbanken Syd.

Table 2: Structural information on the Swedish Savings Banks

Number	56 Savings Banks - of which 55 are members of the Association[4] Of the 55 Savings Banks that are members of the Association: - 14 are stock corporations - 41 are foundation savings banks Of the 14 corporations - 11 are wholly owned by local savings bank foundations - 3 are joint stock corporations with Swedbank participation (partly-owned banks) There are therefore a total of 50 savings banks without Swedbank participation (independent savings banks).
Legal form	Originally private foundations. Since 1991, it has been possible to transfer banking operations into joint-stock companies.

In 2025, around 2,100 employees provided services across 125 branches. The balance sheet total amounted to 28.2 billion euros. However, the Swedish savings banks are not equally present in all parts of the country. They are predominantly located in the southern third, mainly in smaller and medium-sized towns outside of the major urban areas.

Consolidation within the Swedish savings bank sector has continued in recent years. In January 2025, Åtvidabergs Sparbank and Tjust-bygdens Sparbank merged to form Sparbanken Spira. The merger of Sparbanken Västra Mälardalen and Sparbanken Rekarne, originally scheduled for early 2025, was completed in September 2025; the merged institution has since operated under the name Sparbanken Mälardalen. No further consolidations have been announced so far in 2026.

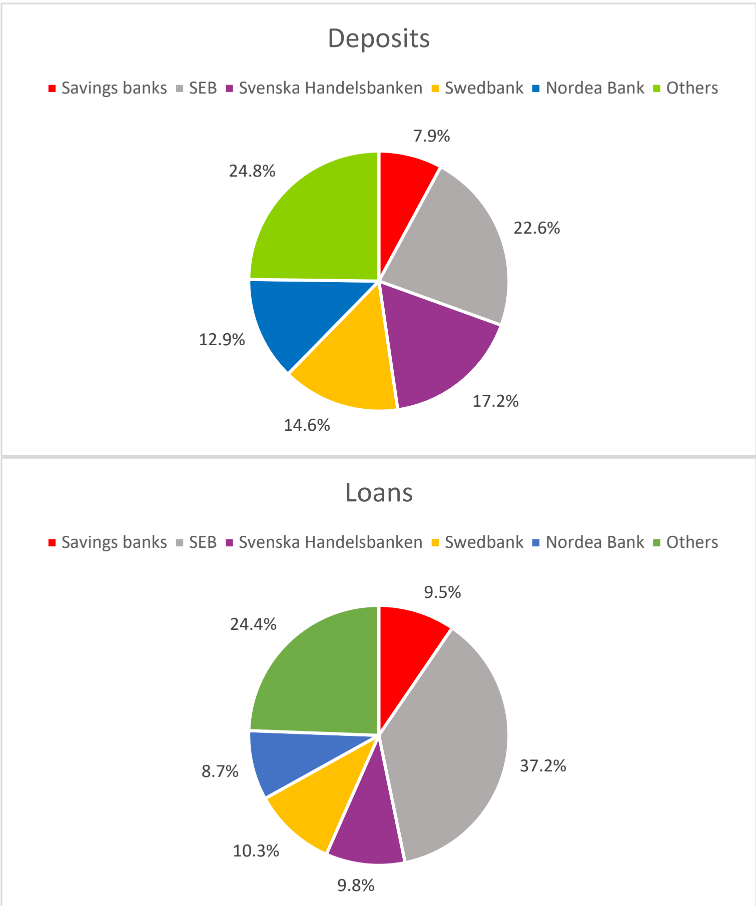
[4] Excluding Sparbanken Syd, which is not a member of the Swedish Savings Banks Association.

Table 3:
The 10 largest Swedish savings banks by balance sheet total

Savings banks	2025
Sparbanken Nord	3,334
Sörmlands Sparbank	1,709
Sparbanken i Karlshamn	1,708
Orusts Sparbank	1,534
Westra Wermlands Sparbank	1,346
Falkenbergs Sparbank	1,261
Sparbanken Syd	1,250
Roslagens Sparbank	1,109
Sparbanken i Enköping	885
Sparbanken Västra Mälardalen	870

Source: Svenska Bankföreningen,Bank and Finance Statistics, 2025, in EUR million

Chart 5:
Swedish savings banks' deposit and loan market shares in 2025



Source: Svenska Bankföreningen, Bank and Finance Statistics, 2025, own calcula-
tions

Central institution: Swedbank AG

In 1992, the Association of Swedish Savings Banks, the Central Savings Bank and the banking business of eleven large regional and county savings banks merged to form *Sparbanken Sverige AB*. The 11 savings bank foundations that contributed their banking operations to Sparbanken Sverige AB became its shareholders. The merger was necessitated by the banking crisis of the early 1990s, which had hit the expanding savings bank sector particularly hard. Also, in 1992, more than 350 local cooperative banks in Sweden merged to form *Föreningsbanken AB*. At the end of 1997, Sparbanken Sverige AB merged with Föreningsbanken AB to form *FöreningsSparbanken*, whose name was changed to *Swedbank* in 2006. Although Swedbank originated from the savings banks, it is no longer a savings bank today.

Swedbank and the savings banks are mutually connected. For example, Swedbank holds stakes of between 22% and 50% in the following five savings banks: Sparbanken Skåne AB (22%), Sparbanken Sjuhärad AB (47.5%), Sparbanken Mälardalen AB [5](30%), Ölands Bank (49%) und Vimmerby Sparbank AB (40%). This is possible because the savings banks, which were originally private foundations, have had the option of outsourcing their banking business to a joint-stock company since 1991.

Furthermore, the savings banks together with the savings bank foundations hold a total of 17.1% of the shares in Swedbank and thus have a long-term and strategic stake in Swedbank. In order to coordinate the exercising of their voting rights and to act with one voice to Swedbank's management, the savings banks have joined forces as shareholders in the savings banks group.

Swedbank also works with the vast majority of independent savings banks. This collaborative relationship is governed by a cooperation agreement that Swedbank has concluded with 55 savings banks. It covers many areas such as IT, marketing, sales, international payments etc. Approximately 30% of Swedbank's product sales are conducted through savings banks.

The savings banks, on the other hand, benefit primarily from Swedbank's standing in the Swedish banking market. The savings banks that have signed a cooperation agreement operate under the same logo as Swedbank. Despite its close cooperation with the savings banks in some areas, Swedbank is one of the biggest competitors for various parts of the savings bank sector due to its nationwide presence. In Sweden, Swedbank has approximately 3.8 million private customers and approximately 248,000 corporate customers.

[5] On 1 September 2025, Sparbanken Rekarne merged with Sparbanken Västra Mälardalen

In addition to its presence in Sweden, Swedbank has a strong market position in the Baltic states and subsidiaries or participations in other countries. Swedbank is the largest universal bank in the Baltic States, with 69 branches, 3.5 million retail customers and more than 302,000 corporate customers. In 2016, Swedbank acquired Danske Bank's retail business in Lithuania and Latvia. The purchase included the acquisition of approximately 127,000 private customers and a loan portfolio of approximately EUR 0.5 billion. In 2025, the Baltic Banking division increased its total loan volume by 2.9% and its total deposits by 4.8%. With 69 branches, 3.5 million retail customers, and more than 302,000 corporate customers, Swedbank is the largest universal bank in the Baltic states.

Table 4: Structural information on Swedbank AB Group

	2025
Shareholders	
Savings banks	13.2%
Savings banks foundations	3.9%
Offices	209
Employees	19,629
Balance sheet total in bn€	283
Equity in bn€	20.9
ROE	15.2%
CIR	36%
Market Shares in Sweden	
Deposits (private)	18%
Deposits (corporate)	13%
Lending (private)	19%
Lending (coporate)	15%

Source: Swedbank Annual Report 2025

The Association: Sparbankernas Riksförbund

Sparbankernas Riksförbund

The Swedish Savings Banks Association comprises all the Swedish saving banks, with the exception of Sparbanken Syd.

Members 55 Savings banks

Purpose To represent the interests of the savings banks and savings bank foundations

Tasks

- Protecting and promoting the common interests of the members with authorities and organisations
- Acting as a representative in legal matters and as a negotiator on important issues
- Acting as a negotiating partner with Swedbank on behalf of members who have opted for cooperation
- Organisating conferences, seminars, etc. to maintain contacts and promote the exchange of views between the savings banks

The Swedish Savings Banks Association is a member of the World Savings and Retail Banking Institute (WSBI) and the European Savings and Retail Banking Group (ESBG).

Imprint

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