SEK

AB SVENSK EXPORTKREDIT
SWEDISH EXPORT CREDIT CORPORATION

ANNUAL REPORT 2014

Unless otherwise stated, amounts in this report are in millions (mn) of Swedish kronor (Skr), abbreviated "Skr mn" and relate to the Consolidated Group. The international code for the Swedish currency – SEK – is not used in this report in order to avoid confusion with the same three-letter abbreviation that has been used to denote AB Svensk Exportkredit since the company was founded in 1962.

Unless otherwise indicated, amounts stated relate to December 31, in the case of positions, and to the twelve-month period ended December 31, in the case of flows. Amounts within parentheses refer to the same date or period, respectively, for the preceding year.

AB Svensk Exportkredit (SEK), Swedish corporate identity number 556084-0315, with its registered office in Stockholm, Sweden is a public company as defined in the Swedish Companies Act. In some instances, a public company is obliged to add "(publ)" to its company name.

For more information about SEK's business operations, call our Communications Department on +46 8 613 83 00.

Design, production and print: Intellecta Corporate and TMG Sthlm, Stockholm 2015. Translation of editorial content: Hilltop Language Ltd. Image agency/supplier: iStockphoto, Ocean Modules, Shutterstock Jörgen Ulvsgärd.

OUR MISSION IS to ensure access to financial solutions for the Swedish export industry on commercial and sustainable terms. We have a complementary role in the market, which means we act as a complement to bank and capital market financing for exporters wanting a range of financing sources. Our strong international network, extensive experience and expertise in export finance help us create value for clients on commercial terms.

OUR VISION is to strengthen the competitiveness of Swedish exporters, which helps create employment and sustainable growth in Sweden.

SEK HAS HIGH creditworthiness and strong credit ratings owing to its extensive experience of controlled risk exposure, its solid balance sheet and a stable owner in the Swedish government. This enables us to borrow at competitive terms on the capital markets of the world. In 2014, SEK lent a total of Skr 57.1 billion to and for the benefit of Swedish companies through lending direct to exporters or to their customers. Since it was founded in 1962 ,SEK has consistently generated a profit and between 2010 and 2014 it has paid approximately Skr 1.8 billion in ordinary dividends to its owner, the Swedish government.

Total assets	Skr 325.2 bn (306.6)
Operating profit	Skr 1,629 mn (1,408)
Common Equity Tier 1 capital ratio	16.9%* (19.5**)
After-tax return on equity	8.1% (7.4)
Owner	Swedish government 100 %

*Under the CRR at year-end 2014. **Under Basel II at year-end 2013.

ABOUT SEK'S ANNUAL REPORT

SEK's Annual Report 2014 is an integrated report that adheres to the principles specified by the International Integrated Reporting Council (IIRC). The IIRC framework sets out guidelines and the context for those factors affecting a company's ability to create value over time. This report adheres to the main content specifications set out by the IIRC. Consequently, the beginning of this report contains a section on risk and a section on the company's governance in order to establish the context, and these sections are then expanded on in more detail in the Corporate Governance Report and the Risk and Capital Management section. The Report of the Directors can be found on pages 8–57.

The statutory Annual Report is on pages 8–127. The Corporate Governance Report is on pages 48–57. The GRI-based Sustainability Report with GRI Index definitions on pages 131–132 has been reviewed.

STATEMENT BY THE CHAIRMAN AND THE PRESIDENT

Satisfied clients and high lending volumes

SEK's mission from its owner, the Swedish government, is clear: to ensure access to financial solutions for the Swedish export industry on commercial and sustainable terms. Fulfilling our mission requires a long-term approach in our relationships with clients and stable profitability, which demands a strong focus on sustainability issues.

One way of highlighting our work on sustainability is this document – our first fully integrated annual report. It describes SEK's role and its mission, as well as how our business creates value through various types of capital. One form of capital is human capital – our employees. Another form is our relational capital with banks, businesses and organizations, which has been developed over more than 50 years.

"We expanded our client base and customer satisfaction reached a new high."

Finally, we have financial capital in the form of the money that SEK borrows on the capital market. Through our business model, we generate outflows of funds that have a direct effect in the form of lending to companies. But we also create value indirectly, as the export contracts that we finance generate jobs and economic growth in Sweden. Our lending also leads to development and positive social effects around the world. Some projects pose negative risks in the form of emissions and social impacts, which we endeavor to minimize by imposing sustainability requirements. Our sustainability measures comply with international standards and we endorse the UN's Global Compact.

The past year has been one of uncertainties in the global economy. Growth was weaker than expected in a number of countries, and this also led to relatively low Swedish exports in 2014. Increased geopolitical risks, a sharp drop in the price of oil and significant strengthening in the dollar were all factors last year. Uncertainties remain for 2015, hampering opportunities for Swedish exports. However, interest rate levels are low, the krona is weak and economic performance in the US is expected to help fuel the global economy. But the outlook in Europe is particularly unsettled, partly as a result of geopolitical challenges.

Despite an unsettled global economy, SEK continued to see stable development in 2014. New lending amounted to Skr 57.1 billion, we expanded our client base and customer satisfaction reached a new high. Clients particularly appreciate our staff's expertise and professionalism and our long-term approach to customer relationships. We also achieved the financial targets set by the Annual General Meeting on profitability and capital targets. The Board resolved to pay a dividend of Skr 378 million to our owner, which corresponds to 30 percent of profit for the year. The Board set a sustainable financing target for 80 percent of our clients over the year to be aware of the sustainability requirements we impose in our lending. We achieved a score of 81 percent.

Our vision is to strengthen the competitiveness of Swedish exporters, which helps create employment and sustainable growth in Sweden. By working closely and engaging with exporters, SEK can add significant value as we are able to offer our end-customers a complete financing solution early on in export negotiations.

The lending market still has high liquidity and low interest rates, which will likely mean continued good access to corporate finance. We interpret the fact that SEK's total lending volumes nevertheless increased during the year to mean that clients want our expertise and experience in export finance, as well as access to the extensive international network that we have developed over many years.

"Our vision is to strengthen the competitiveness of Swedish exporters, which helps create employment and sustainable growth in Sweden."

The funding market was also highly liquid in 2014, and lower borrowing costs made a positive contribution to net interest income. Our funding over the past year took place in a total of 17 different currencies across a variety of geographical markets.

In 2014, SEK gained a new President and over the autumn the company worked intensively on enhancing its client-centered approach and developed a new business plan.

Our goal over the next three years is to increase client value by expanding our customer base and our lending to existing clients. We aim to gain more clients, encourage more existing customers to use the full range of our services and to lend to more medium-sized companies. We are also targeting greater efficiency by increasing operating profitability, boosting cost effectiveness and improving capital efficiency. And we want our clients to be aware of the sustainability requirements in our lending and to ensure equality and diversity in the workplace.

Our organizational work in 2015 will also include the implementation of new regulations, such as higher capital requirements.

SEK's organizational structure has also been simplified with fewer levels of management and we have created even clearer decision-making procedures. Client-facing departments have been more closely coordinated and we have added a new unit working solely with medium-sized companies.

Developing our business and making all aspects of our company more efficient ensures that our organization is based on even stronger foundations. This will enable us to fulfil our mission to support Swedish exporters with sustainable financial solutions.

We begin 2015 in an atmosphere of global uncertainty, but also with significant opportunities for Sweden's exporting companies. Growth in key markets for Swedish exports is low, but this can be partly offset by exporting more services and greater international demand for products like Swedish environmental technology. We can assist with this through our expertise in 'green lending'. And our access to financing in local currencies can help Swedish companies in new markets. Small and medium-sized businesses are likely to account for a rising share of economic growth and employment, and we are developing our offering to meet the needs of these companies. Our cooperation with banks, EKN (the Swedish Export Credits Guarantee Board) and Business Sweden is particularly important in helping Sweden's exporters win sales contracts.

All in all, we begin 2015 with good access to financing but also challenging global economic conditions.

But we believe we can generate more benefits for our existing clients and reach more customers through greater efficiency.

Stockholm February 19, 2015

Lars Linder-Aronson, Chairman of the Board

Catrin Fransson, President

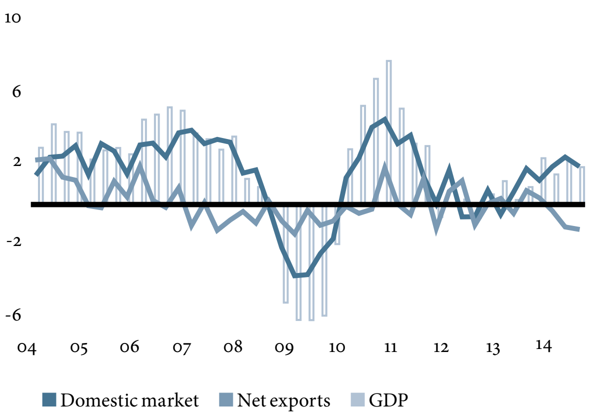
OUTLOOK FROM SEK'S CHIEF ECONOMIST

Challenges ahead for Swedish exports

GEOPOLITICAL UNREST CLOUDS OUTLOOK

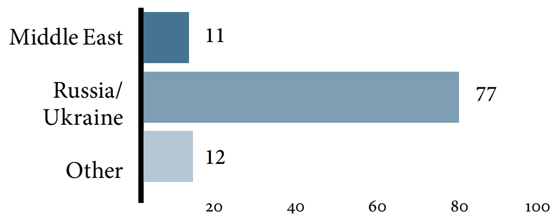
Compared with other economies, the Swedish economy has fared relatively well in recent years. GDP growth is slightly over 2 percent, employment is up 1.5 percent and household credit growth is just under 6 percent. The growth is primarily attributable to the Swedish household sector. However, weak demand in key markets has hampered Swedish exports. Although there has been some improvement in exports, progress has been slow and imports have risen along wth consumer spending. In the first three quarters of last year, exports increased by a modest 2.2 percent year-on-year. For the same period, import growth was 5 percent. This means that the contribution to GDP growth from foreign trade was negative in 2014.

SWEDEN: CONTRIBUTION TO GDP GROWTH (%) (ANNUALIZED)



Several factors continue to hinder Swedish export opportunities, particularly continued weak demand in many parts of Europe, which is Sweden's key export market. According to SEK's own Export Credit Trends Survey, two out of three companies say their business has been directly adversely impacted by increased geopolitical risk, including the conflict in Ukraine and its wider implications. Increased political uncertainty means that companies generally defer investment decisions and can also be impacted by direct or indirect sanctions.

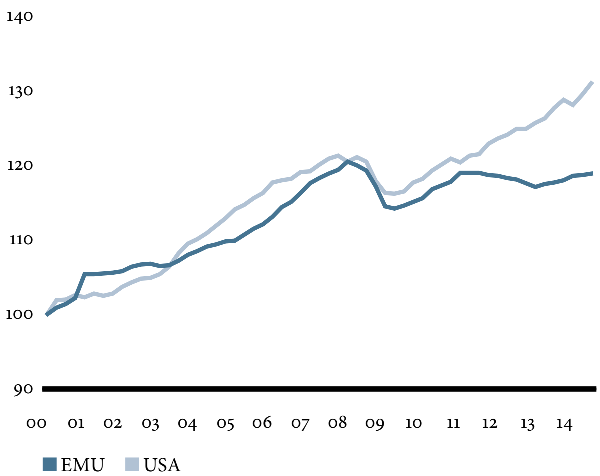
WHAT GEOPOLTICAL EVENTS HAVE IMPACTED YOUR BUSINESS MOST? (%)



SOME ENCOURAGING SIGNS

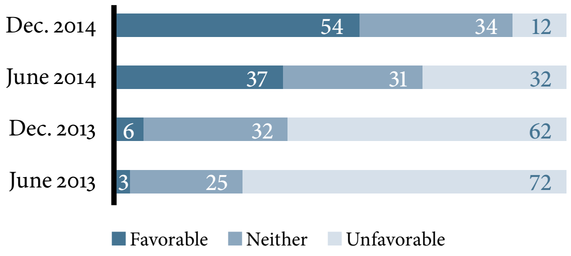
A positive factor for the global economy and Swedish exports is that US economic performance continues to be strong. The US economy is posting growth around 2.5 percent and unemployment has decreased to 5.7 percent from a peak of 10 percent at the end of 2009. This contrasts strongly with developments in the euro zone. As illustrated by the chart, GDP has not recovered to pre-crisis levels in the EMU, whereas US GDP exceeded its pre-crisis level some time ago. The share of Swedish exports to the US is modest, at slightly more than 6 percent, but growth is increasing and is expected to continue to do so. In addition, many other key markets are impacted by growth in the US economy, such as Asia and South America.

GDP (INDEX, Q 1, 2000 = 100)

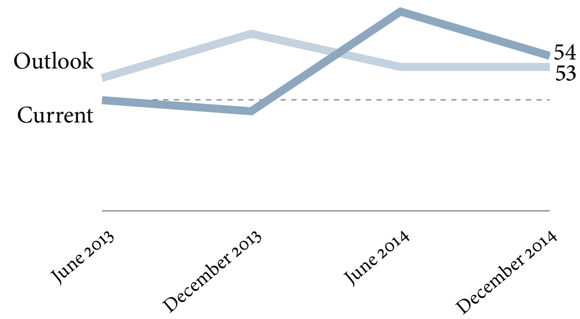


Another positive factor for Swedish export companies is the substantial weakening in the Swedish krona. In 2014, the krona declined by slightly more than 7 percent against a trade-weighted index. The krona lost almost 30 percent against the dollar. One dollar has gone from 6.50 to 8.30 kronor in one year and, against the euro, the krona has declined about 6 percent in value. Our survey confirms that current krona exchange rates are deemed advantageous for Swedish export companies. The majority of export companies in the survey responded that current exchange rates are advantageous, compared with a minority

THE KRONA'S SIGNIFICANCE FOR EXPORTS – VIEWS ON THE CURRENT EXCHANGE RATE (%)



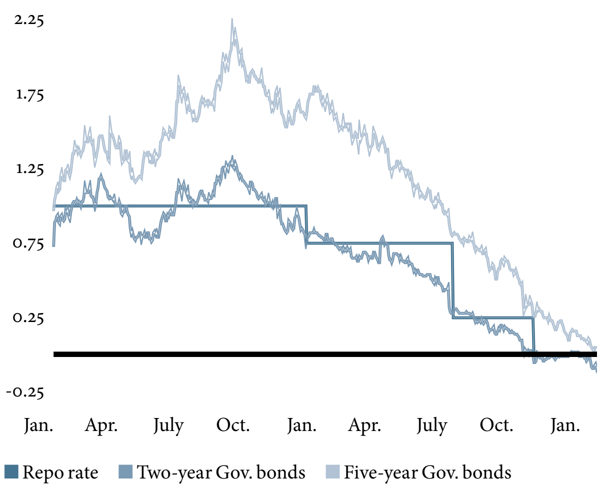
ACCESS TO FINANCING (INDEX VALUE)



one year earlier. This is a real turnaround and is positive for Swedish export companies' competitiveness.

An additional positive factor is that interest rates have continued to decline substantially over the year, with Sweden's central bank, the Riksbank, cutting the key rate from 0.75 percent to -0.10 percent. This has resulted in considerable falls in bonds, and some government bond yields are even negative. This means that interest terms are extremely favorable for exporters, which is also clearly illustrated in our Export Credit Trends Survey. According to the survey, companies had expected credit terms to deteriorate as a result of a likely rise in interest rates. But businesses are instead reporting that borrowing terms have improved, which coincides with a fall in interest rates. Firms are also reporting that access to financing improved in 2014, which is a key factor for export sales. This is illustrated in the chart above right, which shows an index score of over 50.

SWEDISH INTEREST RATES (%)



Overall, it could be said that Swedish exporters are well positioned. The krona and the interest rate are advantageous, combined with healthy access to financing. The US economy driving the global economy is another positive factor and should foster Swedish export opportunities. However, growth is weak in Sweden's key market of Europe. The companies themselves have a certain degree of optimism. Export orders are expected to increase over the year, in parallel with plans to increase the number of jobs. This bodes well and gives reason for cautious optimism.

MARIE GIERTZ IS SEK'S CHIEF ECONOMIST and is responsible for monitoring and analyzing Swedish exports and exporters. She writes a monthly macro outlook, published at www.sek.se, and conducts SEK's Export Credit Trends Survey twice a year. This surveys exporting companies with a minimum export volume of Skr 25 million and whose exports account for at least 50 percent of sales. The survey is statistically assured. The purpose of the Export Credit Trends Survey is to increase understanding about Swedish exporters' financing needs and the implications of these factors for exports. In addition, the Export Credit Trends Survey highlights other factors that may have an effect on companies' export sales, such as sustainable business. SEK's aim is to provide more detailed analysis of exports because of their significance to the Swedish economy and the country's well-being (a total of 216 companies responded to the latest survey in December, 121 of which were large companies and 95 of which were small to medium-sized businesses; the overall response rate was 49 percent.)

SEK and its mission

We are one of a number of organizations creating the conditions for Swedish exporters to win business and grow internationally. This involves cooperation between private and government entities.

Our mission is to ensure access to financial solutions for the Swedish export industry on commercial and sustainable terms. We are also tasked with administering the government-supported CIRR system (find out more about CIRRs on page 7).

Total new lending in 2014 amounted to

Skr 57.1 bn

The total lending portfolio is

Skr 234.3 bn

Borrowing in 2014 in

17 different currencies

241 *employees* – 2 *offices*

(We are based in Stockholm and have a representation office with one employee in Singapore.)

The largest markets for SEK's new lending

Sweden 35%

Western Europe 22%

The Middle East Turkey, Africa 16%

We cooperate closely with Swedish and international banks and export promotion agencies in Sweden such as EKN, Business Sweden, Almi and Swedfund

The largest markets for SEK's new funding

Japan 37%

North America 26%

Europe 21% (excl. the Nordic region)

We support THE GLOBAL COMPACT

Credit rating AA+

WE FINANCE SWEDISH exports by borrowing on the international capital markets and ensure that we are attractive to investors by maintaining a high credit rating. Being wholly owned by the Swedish government is key to SEK's credit rating and is also important in our stakeholders' view of our credibility.

WE OPERATE IN an area that is regulated by requirements regarding capital, liquidity, reporting and organizational structure. SEK also has to meet requirements and regulations in those countries in which we borrow or lend funds, including US legislation.

WE ARE A limited company that aims to generate a profit for our owner, the Swedish government.

Our offering

SEK finances Swedish exports. We do this through a range of financing solutions for our clients.

END-CUSTOMER FINANCE

This means lending to overseas buyers of Swedish exporters' services and products.

EXPORT CREDITS: This is currently SEK's most in-demand product. It involves financing an exporter's export order, which may consist of capital goods or services. The loan is made to the purchaser and the exporter is paid on delivery.

PROJECT FINANCE: An option for export sales that is often an important instrument in the sale of projects with a Swedish export element. SEK may participate in a financing structure that provides lending to a project company.

TRADE FINANCE: Purchase of receivables under export contracts. SEK takes on an exporter's receivables, enabling the capital that is tied up in the receivables to be freed up and used for new export sales.

CUSTOMER FINANCE: This involves SEK accepting goods as collateral and tailoring a financing arrangement for an individual exporter.

CORPORATE LENDING

SEK offers working capital finance direct to Swedish exporters and their subsidiaries.

CORPORATE LENDING: Lending working capital for Swedish exporters' operations in Sweden and abroad. This is one of SEK's largest products.

LOCAL CURRENCIES: We provide financing in local currencies to a greater extent than many banks. Exporters sign a framework agreement with SEK and are then able to order financing in local currencies. SEK may also finance international banks, provided that the funds are ear-marked to be lent on to Swedish exporters. This is a means of reaching export companies with which SEK otherwise does not have direct contact.

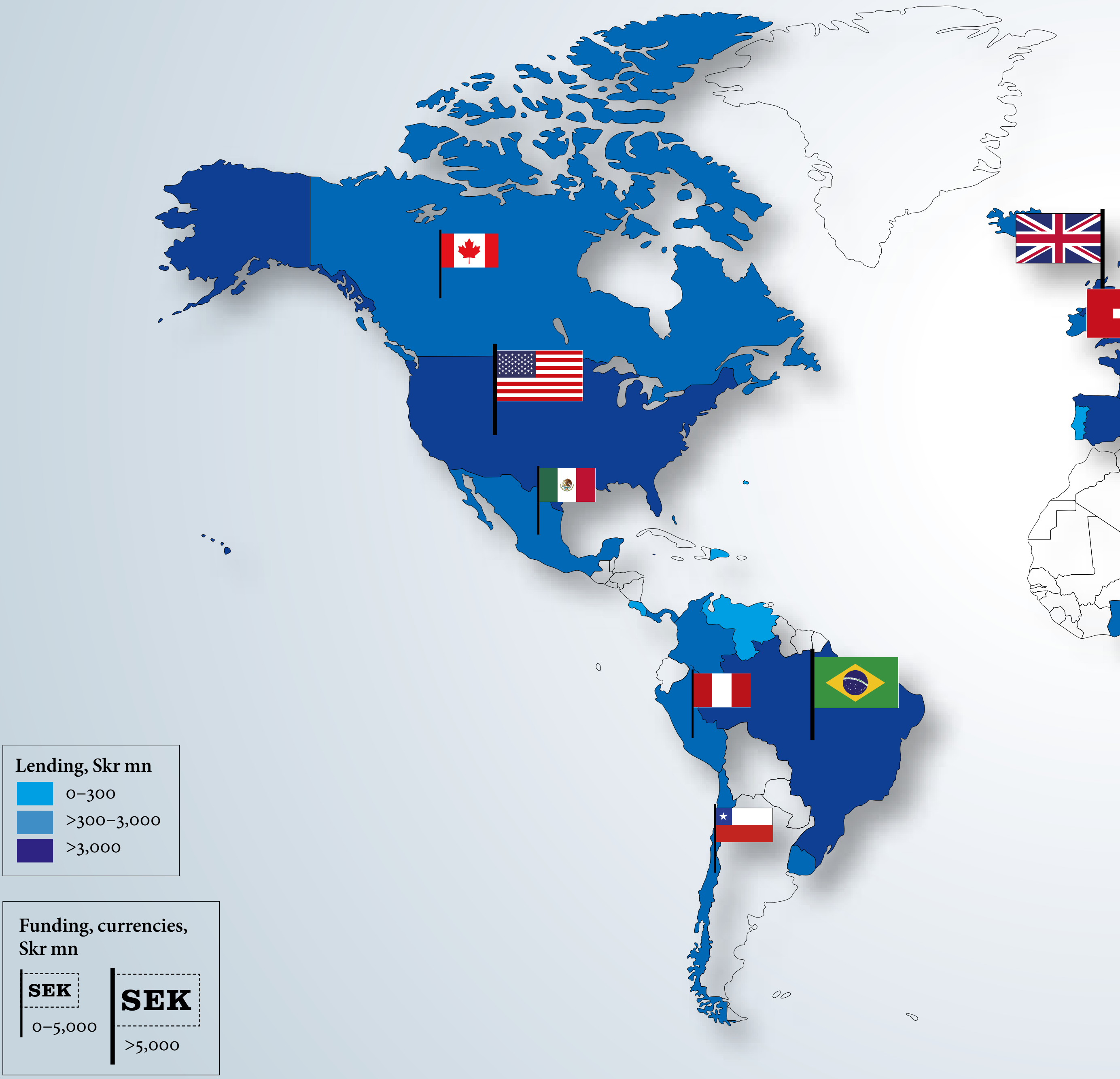
THE CIRR SYSTEM

SEK OFFERS financing of export credits at both the Commercial Interest Reference Rate (CIRR) and at floating market rates. CIRRs allow exporters' customers to be offered financing at fixed interest rates. Export credits and CIRRs are governed by the OECD (Consensus on Export Credits), which applies common guidelines to prevent individual countries providing inappropriate support for their export industry. Our administration of the CIRR system has generated a surplus of Skr 619 million over the past five years.

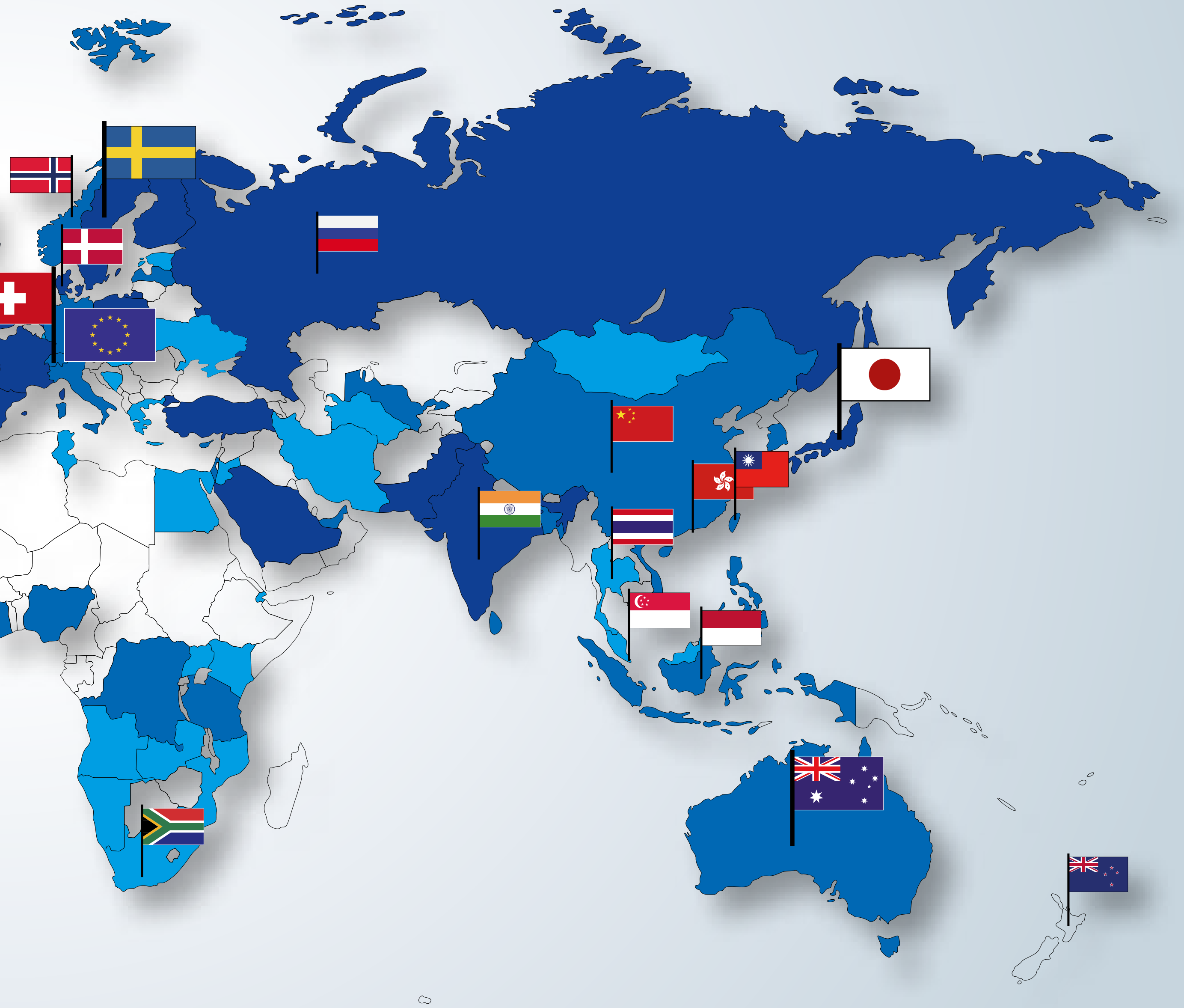
HOW CIRR FINANCING WORKS: An exporter can offer its customer a fixed CIRR rate, which is valid for four months, in order to sign a commercial contract. Once this is signed, the borrower (the exporter's customer) has a further six months within which to sign a loan agreement. It's an advantage for the exporter and the exporter's customer to know what the financing cost may be. If market rates rise during the negotiating period, the CIRR offering may become very attractive and provide exporters with additional help in winning an export order.

Worldwide lending and funding

The map shows the countries where SEK has lending activities and the currencies in which we borrowed. Lending includes those countries where loan recipients are based. Lending totals Skr 234.3 billion in outstanding and agreed but undisbursed loans. The funding information shows the currencies that make up SEK's borrowing, comprising outstanding, senior debt amounting to Skr 282.2 billion.



* The location of investors should not be confused with the source currency in which the transaction is conducted. It is also important to note that for a number of the source currencies mentioned, actual payments are made in another currency, but, at the point of payment, to the equivalent value of the payment in the source borrowing currency.



Our sustainability issues

The sustainability issues that SEK faces are the key economic, environmental and social matters that we have to manage. These issues are identified and prioritized in dialogue with our stakeholders. SEK exercises significant influence at customer level through its lending.

Sustainable financing
We encourage ethical and responsible conduct in the activities we finance by identifying sustainability risks and requiring projects and businesses to comply with international standards on anti-corruption, the environment, labor conditions and human rights. Our main risks are:

- Risk of corruption in connection with our lending.
- Risk of a negative impact on the environment, human rights and labor conditions in projects and businesses that we finance.

How can we encourage ethical and responsible conduct at customer level?

How can we contribute to the transition to a low-carbon economy?

Green financing
We work to promote collaboration with other government agencies and targeted initiatives to develop funding options for green projects. In 2014, we prepared a framework for issuing green bonds. We are focusing on measuring and expanding our green lending.

Diversity and equality
Diversity and equality in the workplace are essential for us to be an attractive employer and achieve our targets. No employee should face discrimination. Diversity and equality are sought when appointing managers and committee members, and recruitment is based on the skills required, as well as diversity and equality.

How can we benefit from diversity in our workplace?

Sustainable financing – what does it mean?

Sustainable financing is our key sustainability issue, as explained below. **See also page 46.**

OUR SUSTAINABLE FINANCING POLICY

Companies are responsible for managing environmental and social aspects of their business in line with local legislation and international principles. International standards should be applied where these are more stringent than those of the host country. We act to promote compliance with international standards on anti-corruption measures, the environment, labor conditions and human rights. SEK refrains from participating in transactions in which social conditions or the environmental impact are assessed as unacceptable.

Area	Policy
Environment, labor conditions, human rights	For financing of projects in Category A and Category B, the projects must meet the International Finance Corporation's (IFC) Performance Standards and IFC Environmental, Health and Safety Guidelines. All projects and businesses that receive financing must be operated in an environmentally sustainable manner. Companies must support freedom of association and the right to collective bargaining. SEK does not accept any form of forced labor, child labor or discrimination in respect of employment and occupation. SEK supports the UN's Guiding Principles on Business and Human Rights and highlights the responsibility of the private sector for respecting human rights. Particular consideration is required if there is any risk of violating the rights of children.
Anti-corruption	SEK does not accept the occurrence of any form of corruption in business financed by the company. If credible evidence comes to light of corruption, bribery or any other undue advantage occurring in connection with a transaction, SEK will not participate in the transaction.

Our anti-corruption measures are based on:
- A clear stand against all forms of corruption
- 'Know your customer' processes
- A code of conduct for our suppliers and employees
- Anti-corruption statements in our lending
- SEK's SpeakUp system
- Cooperation with the National Anti-corruption Unit

Cooperation with exporters and other parties
Together with the Swedish Export Credits Guarantee Board (EKN), we conduct sector-wide dialogue to discuss how we can best manage sustainability risks together with exporters. In 2014, dialogue was undertaken with the mining and dairy sectors.

Sustainability risks in lending
18 percent of our total lending is in countries classified as having a Corruption Perception Index of over 40 (Source: Transparency International). 25 percent of our total lending is in countries classified has having a high risk of human rights violations (Source: Maplecroft).

What are A and B Projects?
When we finance sales to large projects, we classify social and environmental risks in accordance with OECD guidelines.

A PROJECTS have a potentially significant social and environmental impact. An independent social and environmental impact assessment of these projects must be performed and IFC Performance Standards must be met.

B PROJECTS have a potentially limited social and environmental impact. These projects must meet IFC Performance Standards or our own sustainability requirements.

SEK financed sales to the following A and B projects in 2014.

A Projects
- A pulp mill in Brazil
- A tissue paper machine in Chile
- A power grid in Zambia
- A railway in Ethiopia
- A petrochemical facility in Saudi Arabia

B Projects
- A tissue paper machine in Russia
- A mineral processing plant in Ukraine
- A tissue paper machine in Mexico
- A dairy in China
- A highway in the US

What can we do better?
In dialogue with our owner, we have identified strengths and weaknesses in our management of sustainability risks in lending.

We have identified the following opportunities for improvement:
- SEK's assessment is based on expert reports and we conduct relatively few site visits ourselves.
- Our monitoring of sustainability aspects over the lifetime of projects could be improved. As an initial step, we have developed new procedures to improve monitoring.
- Anti-corruption measures are not part of IFC Performance Standards, which means coordination between financial entities is not as clear in large projects. We are taking measures to improve cooperation with other financial entities and to impose clearer requirements for all our counterparties in lending.
- Signing up to the Equator Principles (EP), which are voluntary guidelines on how the financial sector should assess social and environmental factors concerning large projects and to help customers manage these them. For SEK, this would provide a complement to the OECD Common Approaches.

Our stakeholders ...

This section highlights our relationships with key stakeholders and how we perceive their expectations of SEK.

STAKEHOLDER	EXPECTATIONS	OUR RESPONSE
Owner	Our owner expects us to fulfil our mission to ensure access to financial solutions for the Swedish export industry on commercial and sustainable terms. Our owner expects us to achieve our goals.	We are increasing our focus on capital efficiency and cost effectiveness. We are broadening our business with existing customers and implementing an intitiative to gain new clients among medium-sized enterprises (SMEs).
Exporters and their customers	Our clients demand internationally competitive export finance in the form of working capital and end-customer finance. Our expertise in international financing is important to them.	We maintain a close dialogue with exporters to develop financing solutions for service exports and green financing. We are focusing on gaining clients among SMEs by allocating personnel to work exclusively with this group.
Banks and cooperation partners	Banks and cooperation partners expect us to be a professional, clear and long-term partner in borrowing and lending transactions, offering expertise in the export credit system and an extensive international network.	We have clarified the complementary role we play in the market to increase coordination with Swedish and international banks.
EKN	EKN expects us to be a professional and reliable partner in the export credit system and for us to develop our offering to SMEs.	We are focusing on SMEs and establishing cooperation with private companies to expand our possibilities for mitigating risk.
Employees	SEK's employees value the ability to work with stimulating assignments. They expect to have interesting duties and clear roles.	We are streamlining the organization with fewer committees and simpler decision-making structures. We are making clearer prioritizations and focusing more on internal recruitment.
Investors	Investors in our bonds expect us to be predictable, transparent and have high creditworthiness. They also expect SEK to have a presence on the market by SEK issuing bonds.	We maintain an ongoing dialog with investors and are transparent. We strive to ensure the high quality of our information. Our credit rating is maintained through actions including conservative management of credit risks.
NGOs and civil society	Civil society expects us to be transparent, to be proactive in combatting corruption and to take account of the environment and social issues in our lending.	We are involved in preparing industry guidelines for sustainable business in dialogue with export companies and civil society. We actively participate in developing common international sustainability guidelines.

... and the business environment's impact on SEK

The following are the key trends that we have identified in our operating environment and that impact our capacity to create value for Swedish exporters and other stakeholders in the short, medium and long term.

Favorable access to capital
The lending market continues to be characterized by a high risk appetite and low interest rates, which probably entails continued pressure from banks on prices and volumes in lending transactions, which impacts our earnings capacity. High liquidity in the capital market could reduce demand for export credits.

Small and medium-sized enterprises
Small and medium-sized enterprises are likely to account for an increasing share of growth and employment, and SEK must develop its offering to meet these companies' financing needs.

Increased exports to emerging countries
The Swedish export sector still has heavy exposure to markets in Europe, where growth is low and buyers do not normally require financing from SEK. Potential exists for Swedish exports to increase in emerging countries where the need for SEK's products is greater. This means that the Swedish export industry has to capture market share in new markets and that SEK needs to continually develop its offering with the aim of solving client needs for financing solutions.

Changed exports
Swedish exports are changing toward increased exports of services and greater international demand for Swedish environmental expertise. We need to contribute to the transition to a low-carbon economy. This means developing our offering to meet clients' financing solution needs.

Risk factors
SEK's future development is based on a number of factors, some of which are difficult to predict and beyond the company's control. These factors include:

- Changes in economic conditions, including changes in the competitive situation on one or more financial markets.
- Changes and volatility in exchange rates, market rates and other market factors affecting the value of SEK's assets and liabilities.
- Changes in government policy and regulation and in political and social conditions.
- Environmental and social risks in SEK's lending. SEK assesses that none of these factors has changed materially since year-end, and that at the date of this report none of them will have a material negative impact on the future of the company. For a more detailed description of risk factors, see the 'Risk and capital management' section on page 31.

Sustainability trends
International sustainability guidelines are becoming increasingly comprehensive and set stricter requirements for SEK to manage and monitor sustainability risks, primarily in conjunction with lending in non-OECD countries. The market for green bonds is growing.

Increased regulation of the financial market
The trend is toward more detailed regulation, including various rules for implementation, at both national and international levels. SEK is also impacted by regulations pertaining to capital, liquidity and large exposures. For SEK this means working with implementation and application, which requires expertise in analysis, monitoring, IT and business resources.

The export credit process

SEK provides financing to exporters and exporters' customers. When we lend to an exporter's customer, we do this via an export credit together with several other parties. Here's how the Swedish export credit system works when providing end-customer finance.

1. CLIENT CONTACT AND INITIAL ANALYSIS OF SWEDISH INTERESTS AND EXPORTS

EITHER THE CLIENT actively contacts SEK or SEK contacts the client directly and explains how it works. If the client contacts SEK, SEK analyzes factors such as the company's operations in Sweden and the size of its exports. SEK's client contact takes place through meetings in Sweden and around the world where the exporter and the end-customer have operations. SEK's Singapore office provides support in this respect.

2. INDICATIVE OFFER

SEK MAKES AN offer of financing to the exporter or the bank arranging the finance. SEK can lend at the market rate or at the CIRR rate, which is set by the OECD. EKN also makes a risk mitigation offer.

3. EXPORTER WINS TENDER

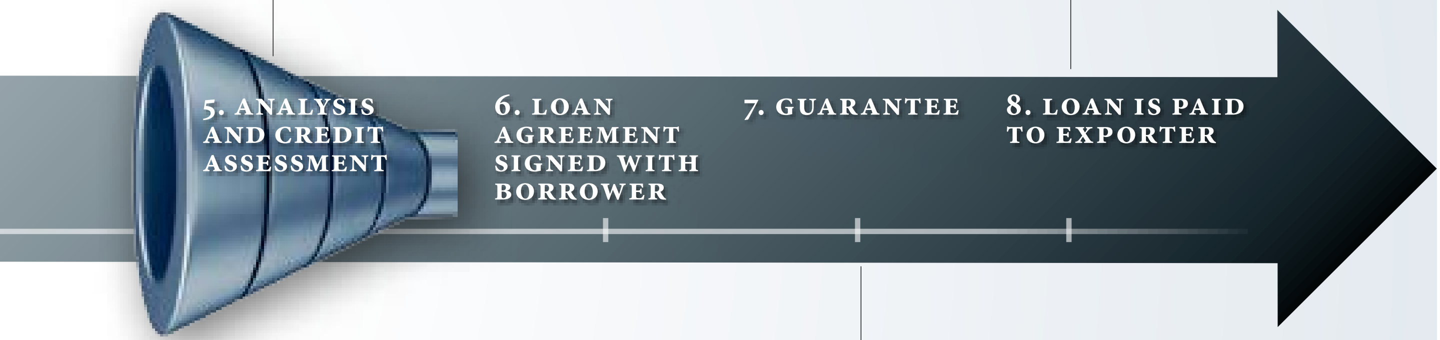
4. BANK ARRANGES FINANCING

THE ROLE OF banks in export contracts is to arrange financing and manage the documentation process.

SEK has a process for analyzing credit risk, Swedish interests, and ethical, social and environmental risks in all its lending. In the event of high sustainability risks, a detailed review is conducted and requirements are imposed in order to mitigate negative environmental or social impacts. The extent and form of the review depends on factors such as the level of identified risks and SEK's ability to influence the situation.

Payments are made to the exporter in conjunction with deliveries. The loan is then repaid under the agreement, often through half-yearly capital repayments over the credit period.

SEK's operating guidelines govern whether a transaction can be financed. A transaction must: have Swedish interests and commercial terms, be financially attractive, export-related and involve sustainable business.



EKN or another institution insures companies and banks against the risk of not being paid in an export sale. EKN is a government agency that is funded by the premiums paid by the companies that receive its guarantees.

New lending

Here are some examples of our lending and the companies that we financed in 2014.

HIGHWAY CONSTRUCTION IN ORLANDO, FLORIDA

During the year, we financed Skanska's major Interstate 4 highway project in Orlando in the US, known as the I-4 Ultimate. The total cost of the project is USD 2.3 billion. Florida Department of Transportation (FDOT) awarded the contract to a consortium, led by Skanska Infrastructure Development and John Laing Investments, to design, construct, finance, maintain and operate the project over a contract term of 40 years. It comprises the rebuilding of around 21 miles (approximately 34 kilometers) of the I-4. The construction work involves the development of Interstate 4, including 15 major interchanges, the reconstruction of over 140 bridges and four variable priced express lanes. This will improve the flow of traffic through Orlando in central Florida.

Lending for the project was structured by SG, MUFG, CIBC, KfW-IPEX, AB Svensk Exportkredit and Crédit Agricole. The project won the PFI (Project Finance International/Thomson Reuter) Americas Transportation Deal of the Year.

www.i4ultimate.com

"As Florida's largest transportation project ever, and the largest greenfield public-private partnership (P3s) in the US market to date, the I-4 Ultimate is a demonstration of how P3s can solve critical infrastructure needs and how Skanska can be part of the solution,"

– Johan Karlström,
CEO and President of Skanska.

MORE AWARDS FOR SEK IN 2014

So far, SEK has received six Deal of the Year prizes for its work in 2014, including awards for innovative structures in our lending. The distinctions were from the trade journals Trade Finance and Global Trade Review. Deals are nominated by arranging banks, and this year the Swedish export system has received an especially large number of prizes. There have been four awards for export credits to fund the supply of equipment from Ericsson AB to Saudi Arabia, Nigeria and Spain and two prizes for financing sales of equipment from Voiht Hydro AB for a hydroelectric power station in Angola. The judging panel particularly appreciated the innovative structures involved, such as Islamic Murabaha financing linked to CIRRs in the sale to Saudi Arabia and a lending facility with a guarantee from MIGA for the financing of the hydroelectric power station in Angola.

FUNDING ECO-FRIENDLY TANKERS

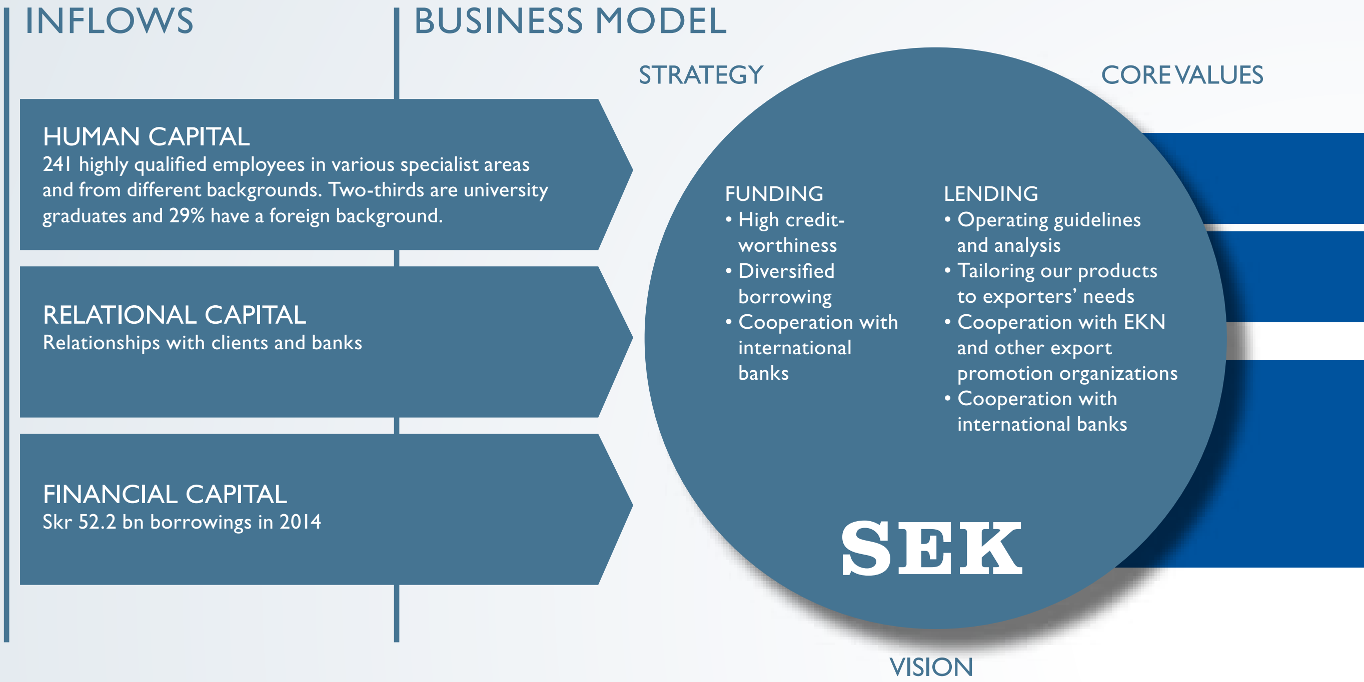
The first quarter saw SEK provide lending, together with Swedbank as agent, for the purchase of two LNG-powered 15,000 DWT tankers by shipping company Terntank. Terntank is the first shipping company to order vessels based on the new eco-friendly Zero Vision Tool (ZVT) platform, which will lead to a more than a 90 percent reduction in particle emissions, 80 percent less nitric oxide and a 35 percent reduction in CO_2. SEK is providing financing of USD 24.9 million over five years from delivery of the vessels.

FINANCING DUNI'S EXPORTS

We also provided financing for Duni AB (publ), which is one of SEK's new clients. The loan is part of Duni's strategy to diversify its sources of funding. Duni is a leading supplier of innovative table-covering products and food packaging solutions. The company's products are sold in more than 40 markets and it is a market leader in Central and Northern Europe. It employs around 2,100 people in 18 countries. Duni is headquartered in Malmö in southern Sweden and has manufacturing facilities in Sweden, Germany and Poland. The company is listed on NASDAQ Stockholm.

How SEK creates value

SEK's mission is to create value and advantages for Sweden's export sector. This chart shows how SEK uses different types of capital in its business model and how these are converted into direct and indirect effects. The central flow represents the funds we borrow on the international capital market, which is then lent to exporters and their customers.



INFLOWS

This identifies the capital, resources and relationships that we are dependent on in order to create value.

- Human capital, i.e. our employees and their combined skills and experience.
- Relational capital, i.e. our clients, banks, the capital market, other export promotion organizations and all other stakeholders with which we maintain effective and trusting cooperation.
- Financial capital, i.e. the financial strength of SEK through its borrowing of capital on both the Swedish and international capital markets.

BUSINESS MODEL

The business model illustrates the organization's process for converting inflows, via activities, into outflows and value creation. The business model also aims to show how the organization is to achieve its short-term and long-term strategic goals. Our business model also involves a number of judgments or limitations and preconditions that need to be taken into consideration. These apply, in particular, to the cost base, borrowing, liquidity, risk appetite and limit capacity.

FUNDING

- Borrowing with high creditworthiness on the global capital market.
- Diversified funding structure to ensure availability on different markets in partnership with a network of different parties such as international banks.
- This flexible strategy means we can utilize the best funding possibilities irrespective of market, . This contributes to diversification, risk reduction and, over time, lower funding costs.
- Funds that are not used directly for lending are retained as liquidity placements. The volume of liquidity placements creates new lending capacity. In addition to this capacity, funds are also borrowed for agreed but undisbursed credits and a liquidity buffer for potential payments under collateral agreements.

LENDING

- Operational guidelines for sustainable financing of exports with Swedish interests. Our analytical operations provide credit assessments, sustainability reviews and country analyses.
- We tailor our products to meet exporters' needs
- Cooperation with other export promotion organizations such as EKN, Almi and Business Sweden.
- Cooperation with Swedish and international banks on lending.

*The indirect impact of SEK's new lending on Sweden's GDP and employment is calculated using sector-based multipliers developed by Statistics Sweden according to the SNI 2007 standard. This model calculates the Swedish content in an export order or in an investment. SEK funds many different types of transactions and not all of them necessarily fit this model precisely. These calculations can therefore only be made at a general level and the results should be interpreted with caution. Find out more at www.sek.se. SEK's lending also has indirect social and environmental effects outside Sweden. SEK is developing methods to also measure these positive and negative effects.

OUTFLOWS

INDIRECT EFFECTS

END-CUSTOMER FINANCE: SKR 33.9 bn

CORPORATE LENDING: SKR 23.2 bn

OTHER OUTFLOWS INCLUDE
- Dividend of skr 378 mn
- Client satisfaction index score of 92/100
- Employee satisfaction index score of 77/100
- 460 tons of CO_2(e) emissions from business travel
- Approx. 4,400 training hours for staff

OUTFLOWS

Outflows consist of our products and/or services and other outflows that are important for us or our stakeholders.

- End-customer finance, i.e. lending to buyers of Swedish exporters' services and products.
- Corporate lending, i.e. lending of working capital for Swedish exporters' operations in Sweden and abroad.
- Green projects, i.e. lending t.o projects that are deemed to have a inimal or no negative social or environmental impact. A green project can be implemented using both end-customer and corporate finance.
- Other forms of lending to support exports, such as lending to Swedish exporters or their customers in local currencies that are hard to access.
- Other outflows include the payment of dividends to our owner (the Swedish government) and carbon dioxide emissions generated from business travel.

INDIRECT EFFECTS

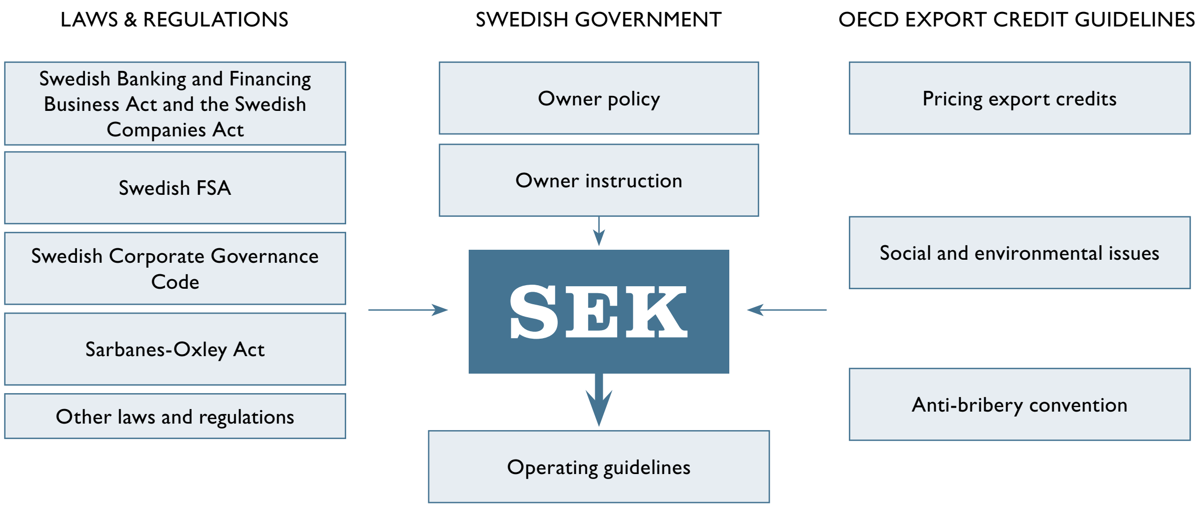
Our outflows create indirect effects in Sweden and the rest of the world. It is important to report these as they show whether we are fulfilling our mission and whether we are setting an example within sustainable business.

SEK's operations have a number of indirect effects:

- Our financing contributes indirectly to exporters creating jobs and exports contribute to GDP growth in Sweden.
- The projects and businesses that we finance have an impact on employment, the environment and social conditions in those countries in which the investment takes place.
- Swedish exporters win more contracts.

SEK's governance

This section provides a general description of SEK's governance. For further information, please see the Corporate Governance Report on page 48.



OWNER INSTRUCTION AND OWNER POLICY

SEK is wholly owned by the Swedish government. The owner instruction is used by the Swedish government to regulate how SEK fulfils its mission. It was last updated at SEK's annual general meeting of 2012 and regulates matters such as:

- SEK's operational focus
- Regulations regarding the CIRR system
- Our complementary role in the market
- Consideration of circumstances such as the environment, corruption, human rights and labor conditions

Find out more about the owner instruction at www.sek.se

The government's owner policy sets out its missions and objectives, applicable frameworks and its view on important matters of principle regarding corporate governance of government-owned companies. The government's owner policy includes government guidelines on external reporting and guidelines regarding employment terms and conditions for senior executives. It also stipulates that government-owned companies must set an example in the area of sustainable business.

Find out more at the Swedish government's website: www.regeringen.se

LAWS AND REGULATIONS

SEK adheres to the Swedish Corporate Governance Code, the Companies Act and the Banking and Financing Business Act. As a credit market company, SEK follows the Swedish Financial Supervisory Authority's (FSA) regulations regarding such matters as capital adequacy and money laundering. SEK is a Foreign Private Issuer (FPI) as defined by regulation in the United States and is therefore affected by the Sarbanes-Oxley Act (SOX).

OECD

SEK is also part of the Swedish export credit system and adheres to the OECD's regulations on the pricing of export credits and its Common Approaches on environmental and social due diligence in officially supported export credits, the OECD convention on combating bribery of foreign public officials in international business relations and the OECD anti-corruption action plan for officially supported credits.

OPERATING GUIDELINES

The operating guidelines govern how the company acts to fulfil its mission of ensuring access to financial solutions for the Swedish export industry on commercial and sustainable terms.

SIGNIFICANCE TESTING OF SWEDISH INTERESTS BASED ON:

- Income statement (including subsidiaries), or
- Jobs, or
- content, or
- Interests in Sweden (for reference items)

COMMERCIAL TERMS, FINANCIALLY ATTRACTIV ENSURE FINANCIAL RESULTS:

- Sufficiently financially attractive, and
- No material negative impact on the company's reputation

LINK TO THE EXPORT INDUSTRY BY:

- Enabling exports, or
- Assisting exports, or
- Supporting the internationalization and competitiveness of the Swedish export sector, and
- A direct link to export activities in the case of corporate lending

SUSTAINABLE BUSINESS ENSURES COMPLIANCE WITH INTERNATIONAL STANDARDS REGARDING:

- Anti-corruption measures
- The environment
- Labor conditions
- Human rights

CREDIT DECISIONS

The operating guidelines determine what requirements we impose on borrowers and transactions. Credit decisions are made within the decision-making structure below.

Board of Directors	• Decision in principle • Particularly large exposure • Particularly high sustainability risk
Credit Committee	• Decision on credit limits • High sustainability risk
Business functions in parallel with Credit function	• Credit decisions in accordance with authorization • KYC and sustainability risk

ETHICS AND VALUES

SEK's core values are based on 'drive, professionalism, respect and dialogue'. SEK's Code of Conduct is signed by employees (including the Board of Directors) and our suppliers. The code demands integrity and ethical conduct. Suspected conduct that could involve or lead to a breach of the law, unethical behavior, infringement or suspected breach of SEK's Code of Conduct should be reported. These types of breaches can be reported anonymously via SEK's SpeakUp system, which is managed by a third party. Compliance with the company's core values is an important aspect of performance reviews with SEK employees.

Read SEK's Code of Conduct at www.sek.se

THE AVERAGE NUMBER of employees during the year was 243 (243), of which 111 (112) were women and 132 (131) men. The total number of employees at year-end was 241 (249). At year-end, the company's executive management consisted of 7 (7) members, 4 (3) of which were women and 3 (4) were men. The number of people in other management positions at year-end was 39 (43), of which 16 (19) were women and 23 (24) men. Catrin Fransson took up her post as President of SEK on April 28, 2014. SEK's operations adhere to collective bargaining agreements and are supported by regulations and guidelines on employment law and health and safety, ensuring a healthy and stimulating work environment for SEK's employees. Find out more in Note 5.

UN GUIDELINES ON SUSTAINABLE BUSINESS

SEK signed up to the principles of the UN Global Compact in 2012. SEK endeavors to implement the UN Guiding Principles on Business and Human Rights.

THE GLOBAL COMPACT

Targets and achievements

TARGET	STRATEGIES	ACHIEVEMENT OF TARGETS
Increase overall benefit to clients We generate considerable advantages for clients through significant new lending, strong customer satisfaction, new clients and customer relationships. The target for new lending in 2014 was Skr 63 billion. The customer satisfaction target is for the customer satisfaction index to exceed 80. The target in 2014 was also to increase the number of clients and customer relationships.	Develop our client offering in close dialogue with companies and Swedish, international, regional and local banks. We currently have a relationship with the majority of Sweden's largest exporters. Our ambition is to gain more clients and have a relationship with all Sweden-based companies with significant exports.	New lending amounted to Skr 57 billion. The customer satisfaction index score was 92. The target for the number of new clients was exceeded, while the number of new client relationships fell short of the target.
Ensure organizational efficiency A cost ceiling of Skr 517 million was set for 2014. SEK has ambitious targets for satisfied and motivated employees, with a target index score of 80.	Continue to make the business more efficient through effective cost control.	Costs, excluding provisioning for the general incentive system, were below the cost ceiling. The employee satisfaction index score was slightly short of the target, amounting to 77.
Ensure financial results The annual general meeting set financial targets for SEK. The profitability target measured as the return on equity should correspond to the risk-free interest rate plus 5.0 percent over time. The capital target is for a Common Equity Tier 1 ratio of 16 percent, and no less than 12 percent. The target dividend is 30 percent of net profit.	By increasing overall benefit to clients and improving organizational efficiency, SEK aims to generate financial results that ensure stable earnings and profitability over time.	The return on equity was 8.1 percent, which exceeded the target of 8.0 percent. At year-end 2014, the Common Equity Tier 1 ratio was 16.9 percent. The Board has proposed a dividend of Skr 378 million, which corresponds to 30 percent of net profit.
Sustainable financing The aim for 2014 was for 80% of our clients to be aware that we impose sustainability requirements in our lending. The target for 2015 and 2016 is 100%.	Training in sustainable financing. A method for assessing social and environmental risks in lending. Requirements to comply with international guidelines.	In the customer survey, 81% (76%) of SEK's clients stated that they are aware that SEK considers sustainability issues when making credit decisions.
Business ethics 100% of our clients and suppliers should undertake to comply with SEK's anti-corruption guidelines.	Training on anti-corruption measures and SEK's Code of Conduct. Anti-corruption program.	23% (5%) have undertaken to comply with SEK's anti-corruption guidelines.
Equality and diversity The distribution between women/men in management positions should be between 40 percent and 60 percent. The distribution of employees with a foreign background should be >25%.	We recruit based on skills requirements and diversity. Diversity is also sought when appointing managers and committee members. Diversity should reflect Swedish society based on the requirements for SEK's business model.	41% (44%) distribution between women/men in management positions. In 2013, 29% of SEK's employees stated that they have a foreign background. The next survey is due to be carried out in 2015.

Key figures

Amounts (other than %) in Skr mn	2014	2013	2012	2011	2010
Financial highlights					
Results					
Net interest revenue	1,578	1,555	1,880	1,871	1,899
Operating profit	1,629	1,408	824	1,889	3,940
Net profit	1,260	1,090	709	1,400	2,892
After-tax return on equity[1]	8.1%	7.4%	5.0%	10.5%	22.2%
Operating profit excl. net results of financial transactions	1,123	1,000	1,332	1,366	1,442
After-tax return on equity excl. net results of financial transactions [2]	5.6%	5.3%	7.7%	7.7%	8.1%
After-tax return on assets[3]	0.4%	0.4%	0.2%	0.4%	0.8%
Basic and diluted earnings per share (Skr)[4]	316	273	178	351	725
Dividend[5]	378	327	213	420	2,191
Customer financing					
New financial transactions with customers [6]	57,118	55,701	56,235	51,249	48,749
of which corporate lending	23,231	16,685	17,577	20,549	24,388
of which end-customer financing	33,887	39,016	38,658	30,700	24,361
Loans, outstanding and undisbursed [7]	234,250	221,958	218,822	220,672	217,862
Volume of outstanding offers of lending [8]	78,372	65,549	59,525	64,294	86,623
of which binding offers	50,896	35,083	33,841	n.a.	n.a.
of which non-binding offers	27,476	30,466	25,684	n.a.	n.a.
Borrowing					
New long-term borrowings[9]	52,216	95,169	43,231	47,685	76,644
Outstanding senior debt	282,192	269,216	272,637	273,245	300,671
Outstanding subordinated debt	1,945	1,607	3,013	3,175	2,590
Statement of financial position					
Total assets	325,166	306,554	313,136	319,702	339,688
Total liabilities	309,009	291,564	298,756	305,734	327,118
Total equity	16,157	14,990	14,380	13,968	12,570
Capital adequacy[10]					
Common Equity Tier 1 capital ratio	16.9%	19.5%	19.8%	18.9%	18.7%
Tier 1 capital ratio	16.9%	19.5%	23.0%	22.5%	22.4%
Total capital ratio	19.2%	21.8%	23.0%	22.5%	22.4%
Environmental highlights					
Total carbon dioxide emissions (tons)[11]	599	658	1,052	1,308	921
Carbon dioxide status after carbon offset	0	0	0	9	–15
Social highlights					
Distribution of women/men in management positions	41/59	44/56	39/61	38/62	39/61
Distribution of employees with foreign/Swedish background [12]	29/71	29/71	28/72	30/70	n.a.

1 Net profit, expressed as a percentage per annum of the current year's average equity.
2 Net profit, excluding net results of financial transactions, expressed as a percentage per annum of current year's average equity
3 Net profit, expressed as a percentage per annum of the current year's average balance sheet total.
4 Net profit divided by average number of shares, which amounts to 3,990,000 for each period.
5 Dividend proposed to annual general meeting. The 2010 dividend amount included an extra dividend of Skr 1,890 million that was disbursed in December, 2010.
6 New customer financing includes all accepted loans, regardless of maturities.
7 Loans include loans granted in the form of interest-bearing securities, as well as loans granted by traditional documentation. These measures reflect what management believes to be SEK's real lending. SEK considers these amounts to be useful measurements of SEK's lending volumes. Comments on lending volumes in this report therefore relate to amounts based on this definition (see Note11)
8 In 2012 SEK changed its approach to providing offers. The revised method involves providing binding or non-binding offers. Binding offers are included in commitments.
9 New borrowing with maturities exceeding one year.
10 Capital ratios are the quotients of the relevant capital measure and the total risk exposure amount. The figures for 2014 are calculated according to Capital Requirements Regulation (CRR) and the figures for 2013 are calculated according to Basel II, Pillar 1.
11 Tons of carbon dioxide is distributed as follows: 109 tons (Scope 1+2) and 490 tons (Scope 3), of which 460 tons is attributable to business travel. To offset carbon emissions we invested in the CS CER wind farm project in Nicaragua.
12 Percentage of employees that state they are raised in another country or have at least one parent born or raised in another country (the survey is conducted every two years and the values for 2014 are from 2013).

The information in the above table relates to the Consolidated Group. For differences between the Consolidated Group and Parent Company, see Note 1, the Parent Company income statement, the Parent Company balance sheet and the related notes.

Review of 2014[1]

BUSINESS REPORTING

SEK's new lending to Swedish exporters and their customers in 2014 amounted to Skr 57.1 billion (2013: Skr 55.7 billion), reflecting a slight increase in demand for financing from SEK year-on-year. This was despite generally good access to capital in 2014, setbacks to economic growth and weaker economic performance in the EU, which accounts for 60 percent of Swedish exports. The slight increase in lending was due partly to a need for long-term export finance. It was also due to a large amount of customer loan maturities being refinanced and SEK gaining a number of new clients over the year.

The volume of new end-customer finance in 2014 was Skr 33.9 billion (2013: Skr 39.0 billion). Skr 5.7 billion of total end-customer finance for the year related to S-system credits (2013: Skr 13.4 billion). The volume of new corporate lending was Skr 23.2 billion (2013: Skr 16.7 billion).

The total volume of outstanding and agreed but undisbursed loans amounted to Skr 234.3 billion (Skr 222.0 billion at year-end 2013). The total volume of outstanding offers for export credits at year-end increased to Skr 78.4 billion (Skr 65.5 billion at year-end 2013).

SEK's volume of new borrowing in 2014 amounted to the equivalent of approximately Skr 52.2 billion (2013: Skr 95.2 billion). The considerably lower volumes for the year are partly due to significant early redemption of borrowings in 2013 and their replacement with new borrowing, and the fact that SEK received a higher proportion of loan repayments in 2014. SEK has strong capacity to finance exporters through its access to a wide range of funding markets around the world.

Our repurchase of own debt in 2014 amounted to Skr 8.1 billion (2013: Skr 8.1 billion) and early redemption of borrowing totaled Skr 17.8 billion (2013: Skr 36.7 billion). The funding market was generally highly liquid over the year. SEK's funding over the course of the year took place in a total of 17 different currencies across a number of different geographic markets. Japan was the largest funding market in 2014, but we also undertook significant new borrowing in North America and European countries outside the Nordic region.

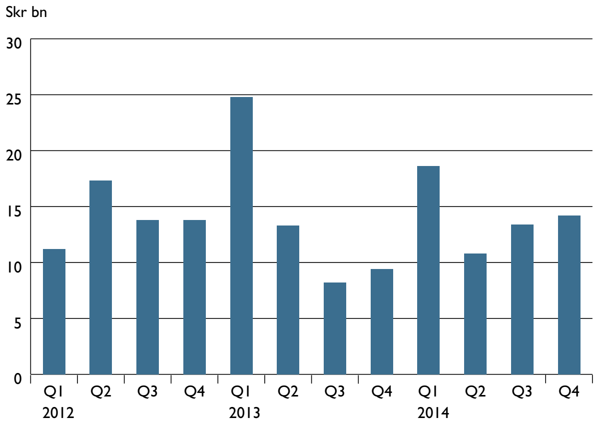
NEW CUSTOMER FINANCING

Skr bn	January–December 2014	January–December 2013
Customer financing of which:		
End-customer finance	33.9	39.0
Corporate lending	23.2	16.7
Total[1]	57.1	55.7

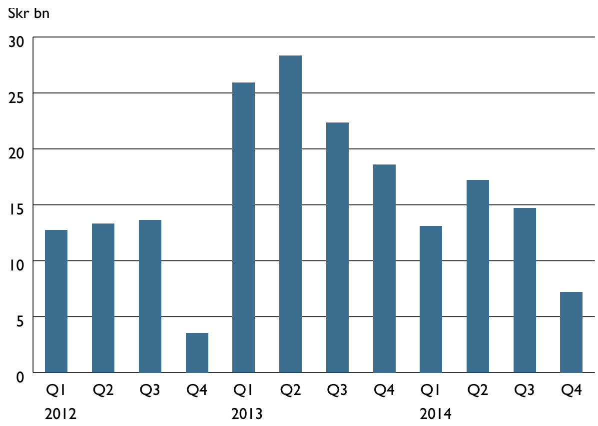
[1] Of which Skr 7.3 billion (year-end 2013: Skr 12.1 billion) had not been disbursed at period end. Skr 6.9 billion (year-end 2013: Skr 11.2 billion) was attributable to End-customer Finance and Skr 0.4 billion (year-end 2013: Skr 0.9 billion) to Corporate Lending.

NEW CUSTOMER FINANCING BY SECTOR

NEW CUSTOMER FINANCING



NEW BORROWING, long-term borrowing



[1] All amounts in this Report of the Directors relate to the Consolidated Group, unless otherwise stated (see Note 1). As of December 31, 2014 the Consolidated Group comprised SEK and its wholly owned subsidiary Venantius AB, including its wholly owned subsidiary VF Finans AB 'the Subsidiaries'. For differences between the Consolidated Group and the Parent Company see Note 1 (o). The 'Risk and capital management' section of the Annual Report is an integral part of the Report of the Directors (see pages 31– 47).

FACTORS AFFECTING SEK'S TOTAL COMPREHENSIVE INCOME

A major part of SEK's operating profit derives from the net interest revenues earned mainly on loans to customers, but also to a lesser extent on liquidity placements. Funding for these assets comes from equity and from securities issued on international capital markets. Accordingly, the key determinants of SEK's operating profit are: the spread, or percentage difference, between the interest revenues earned on its debt-financed assets and the cost of such debt; and the outstanding volume of loans and liquidity placements.The relative proportions of assets funded by debt and equity are also crucial.

SEK issues debt instruments with terms that may be fixed, floating or linked to various indices. SEK's strategy is to economically hedge these terms at floating rates with the aim of matching the terms of its debt-financed assets. The quality of SEK's operating profit, its relatively stable credit ratings and SEK's public role have enabled SEK to achieve funding at levels that are competitive within the market.

In addition to net interest revenues, another key influence on SEK's operating earnings has been changes in the fair value of certain assets, liabilities and derivatives reported at fair value. The factors that mainly impact unrealized changes in fair value are credit spreads on own debt and basis spreads. The credit spread on own debt is related to the creditworthiness SEK's investors believe that SEK has. Basis spread is the deviation in the nominal interest rate between two currencies in a currency interest rate swap that depends on the difference in the base interest rate of the currencies.

Total other comprehensive income is mainly affected by effects attributable to cash flow hedges.

OPERATING PROFIT

Operating profit amounted to Skr 1,629 million (12M13: Skr 1,408 million), an increase of 16 percent compared with the previous year. The increase was mainly attributable to reversals of previous reserves for credit losses and an increase in net results of financial transactions. Net results from financial transactions include a gain of Skr 317 million (12M13: Skr 0 million) due to a settlement of the litigation with Lehman Brothers (see below).

Operating profit, excluding net results of financial transactions, amounted to Skr 1,123 million (12M13: Skr 1,000 million), an increase of 12 percent compared with the previous year. The increase was mainly attributable to reversals of previous reserves for credit losses.

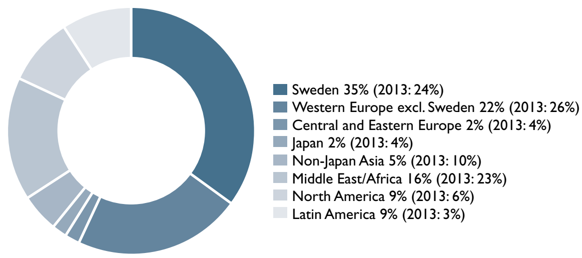
NET INTEREST REVENUES

Net interest revenues amounted to Skr 1,578 million (12M13: Skr 1,555 million), an increase of 1 percent. The average volume in the lending portfolio increased and the margins also increased somewhat compared to the previous year.

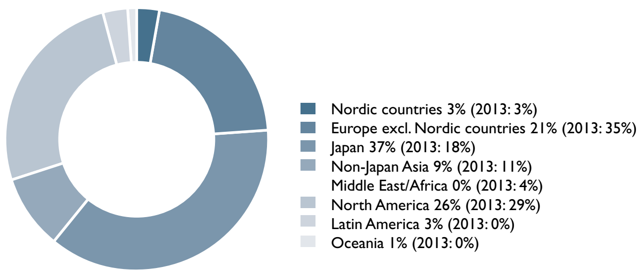
The average amount of debt-financed interest-bearing assets increased and amounted to Skr 268.8 billion (12M13: Skr 256.2 billion), an increase of 5 percent. The increase in the lending portfolio was primarily due to exchange rate effects related to the strengthening of the US dollar relative to the Swedish krona, since a large amount of the lending portfolio is denominated in US dollars.

The average margin on debt-financed interest-bearing assets amounted to 46 basis points for 2014 (12M13: 45 basis points), an increase in absolute terms of 1 basis point, or in relative terms of 2 percent compared with the previous year. This was mainly due to the margin on lending increasing somewhat compared with 2013 and an increase in the proportion of lending in the total portfolio.

SEK'S MARKETS FOR NEW LENDING IN 2014, SKR 57.1 BILLION (2013: SKR 55.7 BILLION)



SEK'S MARKETS FOR NEW FUNDING IN 2014, SKR 52.2 BILLION (2013: SKR 95.2 BILLION)



The margin on liquidity placements decreased as a consequence of adapting the liquidity strategy to the new CRR regulation, which requires a larger proportion of liquidity to be invested in highly liquid securities with short maturities. The average margin has been affected positively by lower funding costs, despite the fact that structured borrowing in 2013 was replaced with plain vanilla borrowings, leading to higher funding costs. This is due to a generally improved funding market and SEK's favorable terms due to lower funding needs.

COMMISSION EARNED AND COMMISSION INCURRED

Commission earned amounted to Skr 4 million (2013: Skr 9 million). Commission incurred amounted to Skr –10 million (2013: Skr –14 million). The decrease in commission earned was due to decreased capital market commissions from the securities business in SEK Securities. On December 5, 2014, the wholly owned subsidiary SEK Securities was merged into SEK. The merger resulted in AB SEK Securities' assets and liabilities being taken over by SEK. AB SEK Securities had a licence from the Swedish FSA to conduct securities trading. The Parent Company was licensed to conduct securities trading from June 12, 2014, and this activity has been transferred to SEK through the merger.

The decrease in commission incurred was mainly due to lower banking fees.

NET RESULT OF FINANCIAL TRANSACTIONS

Net result of financial transactions amounted to Skr 506 million (12M13: Skr 408 million). The increase was mainly due to income from the settlement of the litigation with Lehman Brothers amounting to Skr 317 million (see the paragraph directly below) and increased income from the early redemption of loans and own debt. This was offset by changes in fair value of debt attributable to changes in SEK's credit risk and, profit from SEK's repurchase of its subordinated debt and the closing of related hedging instruments amounted to Skr 375 million in the previous year.

In April 2012, the Swiss company Lehman Brothers Finance AG (LBF; in liquidation, with PricewaterhouseCoopers as appointed liquidators) filed a lawsuit against SEK with the Stockholm District Court. In June 2014, the dispute was finally settled and in September 2014, SEK received certain distributions from other entities in the former Lehman Brothers group, which, in total, had a positive effect of Skr 317 million on net results of financial transactions (see Note 4 and Note 24).

SEK's general business model is to hold financial instruments measured at fair value to maturity. The unrealized fair value changes that arise, mainly attributable to changes in credit spreads on SEK's own debt and basis spread, are recognized in net results of financial transactions and will, over time, not affect income as the changes in market value will return to zero if the instruments are held to maturity. Realized gains and losses will occur if SEK repurchases own debt or if lending is redeemed early and related hedging instruments are closed out.

OPERATING EXPENSES

Operating expenses (which include personnel expenses, other administrative expenses and depreciation) totaled Skr -522 million (12M13: Skr -511 million), an increase of 2 percent. The increase was mainly due to a provision for the general incentive system.

–Personnel expenses

Personnel expenses totaled Skr -313 million (12M13: Skr –290 million), an increase of 8 percent on the previous year. The increase in personnel expenses in 2014 was due to a provision for the general incentive system, which was not the case in 2013.

A provision was made for the general incentive system amounting to Skr -26 million (12M13: Skr – million) charged to profit and loss. Payments under the general personnel incentive system is based on net interest revenues and net commissions less costs, and may not exceed two months' salary. In 2014, the system applied to all permanent employees, with the exception of Senior Executives, Head of Financial Control, Head of Internal Control and Head of Risk Control as well as any other employees that the Board of Directors have decided to exclude. The amount paid decreases if the risk exposure amount exceeds intended levels for the year.

Peter Yngwe left his position as President in April 2014 in accordance with the Board of Directors' decision. Catrin Fransson assumed her position as President at SEK's Annual General Meeting in April 2014. Catrin Fransson's terms of employment comply with government guidelines for senior executives.

–Other administrative expenses

Other administrative expenses amounted to Skr -166 million (12M13: Skr -185 million), a decrease of 10 percent on the previous year. The decrease in other administrative expenses was mainly due to cost reduction measures taken through the reduction of the number of consultants and their replacement with employed staff.

–Depreciation of non-financial assets

Depreciation totaled Skr -43 million (12M13: Skr -36 million), an increase of 19 percent. This was due to an increased depreciation base for IT development-projects.

NET CREDIT LOSSES

Net credit losses for 2014 amounted to Skr 73 million (12M13: Skr -39 million). The positive result effect was due to reversed reserves applicable to both a previously impaired debt that had been sold during the period and the two collateralized debt obligations (CDOs) that were impaired previously due to a dramatically downgraded credit rating. One of these CDOs has been liquidated, with SEK having received final settlement, while for the other CDO a reserve has partly been reversed in connection with an amortization that was received in the fourth quarter (see Note 9 and 28). In 2014, an additional provision of Skr -30 million was made to the portfolio-based reserve (i.e. the reserve not attributable to a specific counterparty) (12M13: Skr -10 million). After this provision, the reserve amounts to Skr 240 million (year-end 2013: Skr 210 million). The increase of the reserve is mainly attributable to corporate exposures with lower ratings.

TAXES

Taxes cost amounted to Skr –369 million (2013: Skr –318 million), of which Skr –291 million (2013: Skr –278 million) consisted of current tax and Skr –79 million (2013: Skr -40 million) consisted of deferred tax (see Note 10). The effective tax rate is 22.7 percent (2013: 22.6 percent), while the nominal tax rate for 2014 was 22.0 percent (2013: 22.0 percent).

NET PROFIT

Net profit for the year amounted to Skr 1,260 million (2013: Skr 1,090 million).

OTHER COMPREHENSIVE INCOME

Other comprehensive income before tax amounted to Skr 299 million (12M13: Skr -343 million). Skr 342 million (12M13: Skr -403 million) of the total was attributable to items to be reclassified to operating profit and Skr -43 million (12M13: Skr 60 million) was attributable to items not to be reclassified to operating profit.

Of items to be reclassified to operating profit, Skr 26 million (12M13: Skr 4 million) was related to available-for-sale securities and Skr 316 million (12M13: Skr -407 million) was due to other comprehensive income effects related to cash flow hedges. The positive changes in fair value related to available-for-sale securities were primarily due to decreased credit spreads on liquidity placements. In the third quarter of 2014, the derivatives designated as hedging instruments in cash flow hedges were terminated for strategic reasons and the hedging designations were consequently discontinued. The previous fair value of the derivatives reported in the hedge reserve will be reclassified to operating profit as the previous hedged interest income is recognized in net interest revenues. The majority of the reserve will be reversed in 2017 at the latest. The net effect on other comprehensive income during the period related to cash flow hedges attributable to positive changes in fair value to some extent being offset by reclassification from other comprehensive income to net interest revenues in operating profit. The positive changes in fair value were related to changes in interest rates. Items that will not be reclassified to operating profit were related to revaluation of defined benefit pensions. The negative change in value was caused by the low discount rate due to low market interest rates.

RETURN ON EQUITY

The after-tax return on equity amounted to 8.1 percent (12M13: 7.4 percent). After-tax return on equity excluding net results from financial transactions amounted to 5.6 percent (12M13: 5.3 percent).

STATEMENT OF FINANCIAL POSITION

TOTAL ASSETS AND LIQUIDITY

SEK's total assets amounted to Skr 325.2 billion as of December 31, 2014, an increase of 6 percent from year-end 2013 (year-end 2013: Skr 306.6 billion). The increase was primarily attributable to the lending portfolio.

The combined amount of loans outstanding and loans agreed but not yet disbursed amounted to Skr 234.3 billion as of

December 31, 2014 (year-end 2013: Skr 222.0 billion), an increase of 6 percent from year-end 2013. Of the total amount at December 31, 2014, Skr 218.2 billion represented outstanding loans, an increase of 8 percent from year-end 2013 (year-end 2013: Skr 201.5 billion). Of the total amount of outstanding loans, loans in the S-system accounted for Skr 48.3 billion (year-end 2013: Skr 43.2 billion), an increase of 12 percent from year-end 2013.

As of December 31, 2014, the aggregate amount of outstanding offers of credit amounted to Skr 78.4 billion, an increase of 20 percent since year-end 2013 (year-end 2013: Skr 65.5 billion). Skr 74.5 billion (year-end 2013: Skr 56.5 billion) of outstanding offers related to the S-system. Skr 50.9 billion (year-end 2013: Skr 35.1 billion) of outstanding offers were binding offers and Skr 27.5 billion (year-end 2013: Skr 30.5 billion) were non-binding offers. Binding offers are included in commitments.

CREDIT RISKS

There was no major change in the composition of SEK's counterparty exposures. Of the total counterparty exposure at December 31, 2014, 51 percent (year-end 2013: 51 percent) was to central governments and government export credit agencies; 23 percent (year-end 2013: 21 percent) was to companies; 18 percent (year-end 2013: 20 percent) was to multilateral development banks and financial institutions; 6 percent (year-end 2013: 6 percent) was to local governments; and 2 percent (year-end 2013: 2 percent) was to securitization positions. SEK's exposure to derivative counterparties is significantly limited in comparison to the amount of derivatives reported as assets since most derivatives are regulated by collateral agreements. See the table 'Capital requirements in accordance with Pillar 1 in Note 27.

OTHER EXPOSURES AND RISKS

SEK's hedging transactions are expected to be effective in offsetting changes in fair value attributable to hedged risks. The determination of the gross value of certain items in the statements of financial position, particularly derivatives and issued unsubordinated securities, which effectively hedge each other, requires complex judgments regarding the most appropriate valuation technique, assumptions and estimates. If different valuation models or assumptions were used, or if assumptions changed, this could produce different valuation results. Excluding the impact on valuation of spreads on SEK's own debt and basis spreads (which can be significant), such changes in fair value would generally offset each other, with little impact on the value of net assets.

SEK maintains a conservative policy with regard to market exposures, interest rate risks, currency risks and operational risks. For quantitative and qualitative information about risks and exposures, see the 'Risk and capital management' section of this Annual Report as well as Note 28 Risk Information.

LIABILITIES AND EQUITY

As of December 31, 2014, the aggregate volume of available funds and equity exceeded the aggregate volume of loans outstanding and loans committed at all maturities. As a result, SEK considers all of its outstanding commitments to be covered through maturity.

In December 2014, the Swedish parliament decided that SEK's credit facility with the Swedish National Debt Office for 2015 should amount to Skr 80 billion and only be available for loans covered by the system for officially supported export credits (CIRR). In 2014, SEK had a credit facility of Skr 80 billion and in 2013 SEK had a credit facility of Skr 100 billion. The Swedish parliament has also decided not to extend the government's previous authorization to enable SEK to purchase state guarantees on commercial terms for new borrowing of up to Skr 250 billion. SEK has not yet utilized the credit facility or its previous ability to purchase state guarantees.

CAPITAL ADEQUACY

SEK's total capital ratio, calculated in accordance with the CRR, which came into force on January 1, 2014, was 19.2 percent as of December 31, 2014 (year-end 2013 under Basel II: 21.8 percent), of which 16.9 percent was related to Tier 1 capital (year-end 2013 under Basel II: 19.5 percent). The Common Equity Tier 1 capital ratio was 16.9 percent (year-end 2013 under Basel II: 19.5 percent). The comparative figures as of December 31, 2013 are presented according to Basel II, Pillar 1, which was the relevant standard at that date. The decrease in capital ratios following the change was mainly due to the CRR imposing more stringent capital requirements regarding exposures to financial institutions and the new capital requirement for credit valuation adjustment risk. Furthermore, as of December 31, 2014, SEK has changed the method for calculating the own funds adjustments in accordance with the CRR rules regarding prudent valuation, with a decrease in Common Equity Tier 1 capital and own funds as a result. See Note 27 for further information on capital adequacy.

RESULTS UNDER THE S-SYSTEM

In return for compensation, SEK administers the Swedish government's system for subsidized export credits and development aid credits (together referred to as the 'S-system'). The S-system paid net compensation to SEK of Skr 117 million (2013: Skr 105 million). This is compensation paid to SEK for carrying the S-system loans and their related credit risks on SEK's balance sheet. The compensation is included in SEK's net interest revenues. Results from the S-system for 2014 amounted to Skr 53 million (2013: Skr 209 million), of which Skr 100 million (2013: Skr 254 million) related to CIRR loans, one of the types of loan in the S-system. The result related to concessionary loans, the other type of loan in the S-system, amounted to Skr -47 million (2013: Skr –45 million). A net deficit for both types of loans in the S-system is fully reimbursed by the government, while a net surplus is repaid to the government. Results from the S-system included interest differential compensation of Skr 32 million (2013: Skr 95 million), consisting of compensation for early redemption of loans.

The CIRR credits are provided under agreements within the OECD aimed at preventing individual countries from subsidizing their export industries. Exporters are offered the opportunity to fix interest rates for the period of the offer. CIRR credits are provided in collaboration between SEK, EKN and commercial banks.

The aggregate surplus for CIRR-based export credits under the S-system for the period from 1990 to 2014 amounted to approximately Skr 2.8 billion, with the average year-end volume of outstanding loans at Skr 13.9 billion. The surplus for the past five years amounts to Skr 619 million and the average volume of outstanding loans amounts to Skr 37.0 billion.

DIVIDEND

The Board of Directors has resolved to propose at the Annual General Meeting that a dividend of Skr 378 million (year-end 2013: Skr 327 million) is to be paid in accordance with the company's dividend policy.

INVESTMENTS

SEK continually invests in the development of new IT systems in order to meet regulatory requirements, to develop the business and ensure appropriate and effective IT support for the company's business and support processes. Projects in 2014 included work to meet requirements for reporting in accordance with the CRR and work was initiated to upgrade SEK's business systems for securities and derivatives and its limit system. Market risk measurement processes were also further developed. Capitalization of investments in IT systems in 2014 amounted to Skr 46 million (2013: Skr 28 million).

RISK FACTORS

SEK's future development is based on a number of factors, some of which are difficult to predict and are beyond the company's control. These factors include the following:

- Changes in economic conditions, including changes in the competitive situation in one or more financial markets;
- Changes and volatility in exchange rates, interest rates and other market factors affecting the value of SEK's assets and liabilities;
- Changes in government policy and regulations, as well as in political and social conditions; and
- Environmental and social risks in SEK's lending.

SEK assesses that none of these factors has changed materially since year-end, and that at the date of this report none of them will have a material negative impact on the future of the company.

PERFORMANCE MEASUREMENT IN THE CONSOLIDATED GROUP

SEK discloses as key figures both operating profit and operating profit exluding net results of financial transactions. The key figure operating result excluding net results of financial transactions replaces the previously reported operating profit excluding unrealized changes in fair value.

Operating profit excluding net results of financial transactions is a supplementary metric to operating profit. In accordance with IFRS, operating profit values certain financial instruments at fair value even when SEK has the intention and the ability to hold them to maturity. SEK's general business model is to maintain financial instruments measured at fair value until maturity. The changes in fair value that arise – mainly attributable to changes in credit spreads on own debt and basis spread – and that are recognized in net results of financial transactions – which can be significant in an individual reporting period – will over time not affect income as the instrument's market value change over time returns to zero if held to maturity. Realized gains or losses may arise if SEK repurchases own debt or if loans are prematurely dissolved and the related hedging instruments are closed. Operating income excluding net financial income does not reflect such income effects.

The table below provides comparison of the measurements operating profit and operating profit excluding net results of financial transactions.

PERFORMANCE MEASUREMENT

Skr mn	**January-December 2014**	**January-December 2013**
Operating profit	1,629	1,408
Net results of financial transactions	506	408
Operating profit excl. net results of financial transactions	**1,123**	**1,000**

For definitions of performance measurements and return on equity, see page 25.

EVENTS AFTER THE REPORTING PERIOD

At the Extraordinary General Meeting on January 20, 2015, Susanne Lithander was elected as a member of SEK's Board of Directors, increasing its number of members by one. Susanne Lithander works as CFO of BillerudKorsnäs AB.

Risk and capital management

INTRODUCTION

This section of the Annual Report describes significant aspects of SEK's Risk and capital management. It complements the information provided in the other notes to the consolidated financial statements. For detailed descriptions, including quantitative information on SEK's capital adequacy and credit risk exposure, as well as certain aspects of liquidity and market risks, please refer to Note 27 Capital Adequacy and Note 28 Risk Information. For full information on risk-related matters, which SEK is required to publish under the applicable, regulation, including the CRR, please refer to the separate document, 'SEK – Capital Adequacy and Risk Management Report – Pillar 3 2014', published on SEK's website.

EVENTS IN 2014

In 2014, the level of risk in SEK's total net exposures, defined as the average risk weight, increased slightly and the total risk exposure amount (REA) increased. Minor changes occurred with regard to the composition of SEK's total net exposures. The percentage of exposures to corporates increased slightly, while the percentage of exposures to financial institutions declined in 2014. In 2014, SEK closed fixed-rate positions in Swedish kronor. The purpose of these positions was to give a smoother return on equity over time, but because of todays low interest rate environment the fixed interest rate positions in Swedish kronor partly lost its purpose. The closure of these interest rate positions resulted in significant reduction in the interest rate risk in Swedish kronor, while SEK's net interest income risk in Swedish kronor increased. For further risk information, see note 28. Over the year, the level of operational risk decreased as a result of long-term work focusing on continuous improvement, well-documented procedures and high awareness of the importance of managing operational risk. In 2014, SEK adjusted the company's risk framework so that it is a cohesive framework covering all risk classes. This included the establishment of an overarching risk policy, as well as the updating of the company's risk appetite and risk strategy for all risk classes. SEK has also included sustainability risk as a separate risk class in the risk framework.

The Basel III rules were introduced in the EU via the Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD IV), which came into force on January 1, 2014. This has affected SEK in a number of respects. Of particular significance are the increased requirements on the size of own funds as a result of increased risk weighting for exposures to financial institutions, the new capital requirement for credit valuation adjustment (CVA) risk and the capital conservation buffer that was introduced. The stipulation that a larger proportion of own funds requirements must be satisfied with Common Equity Tier 1 capital has, in itself, not had any significant impact on SEK as its own funds already mainly consists of Common Equity Tier 1 capital. For further information, see ´New Regulations`.

SEK carried out a reorganization in December 2014 that applies from January 1, 2015. As part of this reorganization, two of the company's internal committees – the Asset and Liability Committee and the Internal Control Committee – were removed. The ongoing matters that were previously dealt with by these committees have been delegated to certain managers within the organization. From January 1, 2005 company-wide issues and strategic matters are handled by the executive management or the newly established Risk and Compliance Committee. For further information on the roles of internal committees ‚see ´Risk Governance`. This report, however, reflects the organization as of December 31, 2014.

CORE RISK MANAGEMENT PRINCIPLES

- SEK must conduct its business in such a manner that SEK is perceived by its clients and suppliers as a high-quality counterparty.
- SEK must be selective in its choice of counterparties in order to ensure strong creditworthiness.
- In order to avoid refinancing risk, it is SEK's policy that for all credit commitments – outstanding credits as well as agreed but undisbursed credits – funding must be available through maturity. For CIRR credits, which SEK manages on behalf of the Swedish state, when evaluating whether it has positive availability, the company counts its credit facility with the Swedish National Debt Office as available funding, even though no funds have been drawn under this facility.
- Risk must be well-balanced, and this must be achieved by maintaining the level of risk at a level that is within SEK's risk appetite. The level of risk must also be consistent with long-term financial targets regarding return on equity, size of capital and desired creditworthiness.

RISK GOVERNANCE

The Board of Directors has ultimate responsibility for the company's organizational structure and administration of the company's affairs, including overseeing and monitoring risk exposure, risk management and compliance and to ensure satisfactory internal control of the company's compliance with legislation and other rules that apply to the company's business. The Board determines overall risk management by establishing risk capacity, risk appetite and risk strategy. These are established annually in connection with the business plan to ensure that risk management, use of capital and business strategies correspond with each other. The Board also determines the risk policy. The Board has established the Finance and Risk Committee (FRC), which assists the Board in overall issues regarding governance and monitoring of risk-taking, risk management and use of capital. The FRC also determines certain limits, chiefly within market risk. The Credit Committee (CC) the Board's working body for matters relating to loans and credit decisions within SEK and for matters of fundamental significance or generally of great importance to the company. The Board's Audit Committee, (AC), assists the Board with financial reporting, internal control matters and the corporate governance report. It also monitors operational risk. For a detailed description of the work of the Board of Directors, please refer to the Corporate Governance Report in this Annual Report.

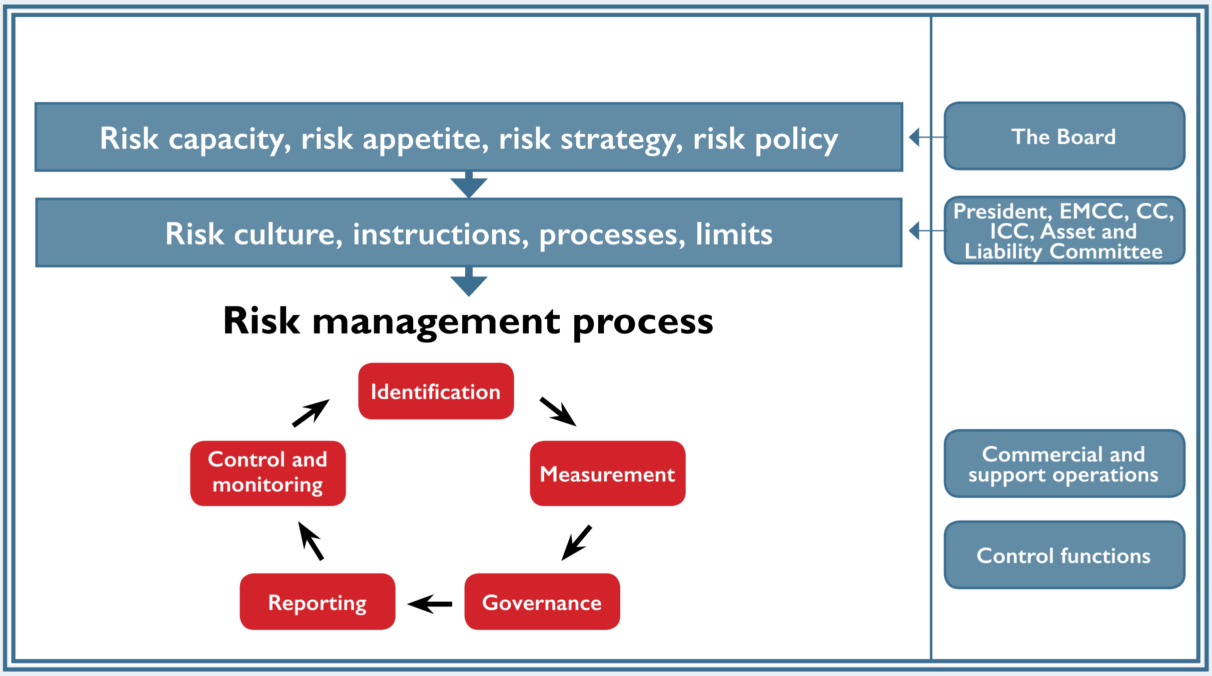
SEK's President is responsible for day-to-day management of business operations. Under the management of the President, executive management committees assign various authorizations to make decisions regarding different risk classes. The Executive Management Credit Committee (EMCC) is responsible for issues regarding lending and credit risk management within SEK. As part of its mandate, and based on the delegation of authority determined by the Board, the EMCC and the Credit Committee

(CC) are authorized to make credit decisions. The Asset and Liability Committee (ALCO) manages issues including matters relating to SEK's overall level of risk, proposes market risk limits and establishes methods for measuring risk and allocating internal capital. With regard to risk capacity, the Asset and Liability Committee develops policy documents regarding the division of responsibility and management of SEK's risk classes and regarding the link between risk and capital. The Internal Control Committee (ICC) is responsible for matters such as the management and monitoring of operational risks, the follow-up of incident reports and assists with preparing and determining new products. The newly established Risk and Compliance Committee that from January 1, 2015 replaced the Asset and Liability Committee and the Internal Control Committee manages issues that earlier was managed by the Asset and Liability Committee and the Internal Control Committee. Day-to-day risk management is conducted by commercial and support operations that are responsible for risk and capital management. The company's commercial operations also carry out day-to-day control and monitoring of risks and limits. Independent risk control is carried out by the Risk function, under the management of the Head of Risk. The Risk function is responsible for monitoring, control and analysis of risks and risk management, and for reporting risks to the President and the Board. The function validates models and methods for calculating risk. The function also monitors compliance with the risk framework, assesses the effectiveness of risk management and oversees internal control in the company. In cooperation with the Compliance function, this function monitors compliance with regulation for the risk area. The independent Compliance function is directly accountable to the President, but also reports to

SEK'S RISK FRAMEWORK

Effective management and control of risk in SEK is based on a sound risk culture, a common approach and a strong control environment. The company emphasizes the importance of high risk awareness among staff and understanding the importance of preventive risk management in order to keep risk exposure within the determined level. In addition, SEK has a risk framework (see figure below) that encompasses all of SEK's operations, all its risks and all relevant personnel.

The structure of the risk framework is ultimately governed by SEK's mission from its owner, the Swedish government, and SEK's business model. The risk capacity constitutes the maximum limit for SEK's strategy and is expressed in the form of capital targets and additional limited factors. Within risk capacity, risk appetite is the risk to which the Board is prepared to expose the company in order to achieve its strategic objectives. Risk governance is specified in the form of a risk policy, the risk culture of the company, instructions, processes and limits. These policy documents describe the risk management process and define what activities and operations are included in the process and how they should be performed. These policy documents also indicate how responsibility is structured for the execution and monitoring of and compliance with risk management.



the Board. This function helps ensure that operations within SEK conform to applicable rules and also monitors compliance within the company Internal Audit, which is independent and reports directly to the Board, reviews and evaluates the effectiveness and integrity of risk management. Internal Audit conducts auditing activities in accordance with the prevailing audit plan approved by the Board.

RISK MANAGEMENT PROCESS

SEK must identify, measure, manage, report and control those risks with which the business is associated and, to this end, must ensure it has satisfactory internal control. SEK's risk management process consists of the following key elements:

- **Risk identification**. At any given time, SEK must be aware of the risks to which the company is exposed. Risks are identified in new transactions, in external changes in SEK's operating environment or internally in, for example, products, processers, systems and through annual risk analyses that include all aspects of the company. Both forward-looking and historical analyses and testing are performed.
- **Measurement**. The size of the risks are measured on a daily basis for significant measurable risks or are assessed qualitatively as frequently as necessary. For those risks that are not directly measurable, SEK evaluates the risk according to models that are based on the company's risk appetite for the respective risk class which is specified according to appropriate scales for probability and consequence.
- **Governance**. SEK aims to oversee the development of business and make active use of risk-reduction capabilities and have control of the development of risks over time to ensure that the business activities are within established limits, risk appetite and risk capacity. In addition, the company carries out planning and draws up documentation to ensure the continuity of business-critical processes and systems and to ensure planning is carried out for crisis management, in case a crisis occurs. Exercises and training regarding the management of situations that require crisis and/or continuity planning are performed continuously.
- Reporting. Reporting must take place regarding significant risks and deficiencies in risk management that exist, or can be expected to arise, in the business and its development over time. SEK reports on the current risk situation and on previously reported risks and deficiencies to the Board, the Board's Finance and Risk Committee and to the company itself , including the President.
- Control and monitoring. **SEK** must review, control and monitor compliance with limits, risk appetite, risk capacity, risk strategy, risk management and internal and external regulations to ensure that risk exposures are kept at an acceptable level for the company and that risk management is effective and appropriate.

Risk profile

SEK's mission is to ensure access to financial solutions for the Swedish export industry on commercial and sustainable terms. The company is consequently exposed to credit risk. The company has low tolerance of market risk resulting from unmatched cash flows. SEK may, however, accept a significant impact on earnings as a result of unrealized changes in market value. See the table below for a more detailed risk statement.

RISK CLASS	RISK PROFILE
Credit risk Credit risk is the risk of the loss that could occur if a borrower or party in another agreement cannot meet its obligations under the agreement's terms and conditions. Credit risk also includes Counterparty Risk, Concentration Risk and Settlement Risk.	SEK's credit risk portfolio maintains high credit quality. The portfolio has significant concentration risk as a result of the company's mission. The net risk is principally limited to highly creditworthy counterparties, such as export credit agencies (ECAs), major Swedish exporters and banks and insurers. SEK invests its liquidity in high-credit-quality securities, primarily with short maturities. At Dec. 31, 2014, the expected risk of loss over a 1-year horizon was 1 percent of Common Equity Tier 1 capital, and over the maturity of the entire portfolio it was 6 percent of Common Equity Tier 1 capital. The capital requirement under Pillar 2 for credit risk and other risks is 75 percent of Common Equity Tier 1 capital.
Market risk Market risk is the risk of losses due to changes in price and/ or volatility on financial markets. Market risk occurs when the terms of an agreement result in the size of payments linked to the agreement or the value of the agreement varying according to some market variable, such as an interest rate or exchange rate.	SEK's business model leads to exposure mainly to spread risks, interest rate risk and foreign exchange risk. The company's largest net exposures are to changes in spread risks, mainly to credit spreads in assets and liabilities and cross currency basis swap spreads. The capital requirement under Pillar 2 for market risk is 11.5 percent of Common Equity Tier 1.
Liquidity and funding risk Liquidity and funding risk is the risk, within a defined period of time, of the company not being able to refinance its existing assets or being unable to meet increased demands for liquid funds. Liquidity risk also includes the risk of the company having to borrow at an unfavorable interest rate or needing to sell assets at unfavorable prices in order to be able to meet its payment commitments.	SEK has secured funding for all its credit commitments, including those agreed but not yet disbursed. In addition, the size of SEK's liquidity placements allow new lending to continue at the normal pace, even during times of stress. As a consequence of SEK having secured funding for all its credit commitments the remaining term to maturity for borrowing is longer than the remaining term to maturity for lending. At Dec. 31, 2014, the the remaining term to maturity for borrowing was 4.9 years, while for lending it was 3.8 years. At Dec. 31, 2014, the company's liquidity capacity for new lending was 16 months.

RISK APPETITE	RISK MANAGEMENT
SEK's mission means that its appetite for credit risk is significantly greater than its appetite for other risks. The company limits credit risk relating to assets in lower rating segments where the risk has not been reduced or reallocated. SEK can accept an expected loss on the entire portfolio of up to 2 percent of Common Equity Tier 1 over a one-year horizon and up to 8 percent of Common Equity Tier 1 over the full maturity period of the entire portfolio. The capital requirement for credit risks, together with the capital requirement for other risks, may not exceed available Common Equity Tier 1 capital.	Lending must be responsible and based on in-depth knowledge of SEK's counterparties. Lending must also take place in accordance with SEK's mission based on its owner instruction, which includes: (i) Swedish interests, (ii) a link to exports, (iii) commercial terms financial attractiveness (iv) a complementary role in the market and (v) sustainable business. Lending must be based on a counterparty's repayment capacity. SEK's credit risks are limited through a risk-based selection of counterparties and managed through, for example, the use of guarantees and credit derivatives (CDSs), which also include collateral agreements. Furthermore, transaction risk must be limited through SEK's use of a standard lending policy, specifying guiding principles for lending terms. All things being equal, SEK must endeavor to have a diversified lending portfolio. Concentrations that occur naturally as a result of the company's mission are accepted, but concentration risk is reduced using risk mitigation solutions.
The risk appetite for market risk resulting from unmatched cash flows is low. SEK may, however, accept a significant impact on income related to unrealized changes in market value, since this effect mainly evens out over time as SEK generally holds assets and liabilities to maturity. SEK should not actively take currency positions. SEK may accept a capital requirement under Pillar 2 attributable to market risk amounting to a maximum of 20 percent of Common Equity Tier 1 capital.	The core of SEK's market risk strategy is to borrow funds in the form of bonds which, regardless of the market risk exposures in the bonds, are hedged by being swapped to a floating interest rate. Borrowed funds are used either immediately for lending, mainly at a floating rate of interest, or swapped to a floating rate, or to ensure that SEK has sufficient liquidity. The aim is to hold assets and liabilities to maturity. Derivatives used to hedge market risks result in market risk-related counterparty risk in respect of counterparties in derivative transactions.
The company does not accept refinancing risk. For all credit commitments – both outstanding credits and credits agreed but not yet disbursed – financing must be available to maturity (known as positive availability). In addition, SEK maintains a liquidity buffer for potential payments under collateral agreements, which is made possible by SEK's funding. SEK's funding must also cover agreed but undisbursed credits. SEK must also maintain capacity for maturing funding and for new lending, the size of which must also ensure the company's new lending capacity during a period of difficulty to raise new financing.	SEK must have diversified funding to ensure that funding must be available through maturity for all credit commitments – outstanding credits as well as agreed but undisbursed credits. The size of SEK's liquidity placements must ensure that new lending can take place even during times of financial stress.

RISK CLASS	RISK PROFILE
Operational risk Operational risk is the risk of losses resulting from inadequate or faulty internal processes, systems, human error or from external events. Operational risk also includes legal and compliance risk. SEK divides operational risk into four subgroups: Process, Personnel, Information Technology and External Risk.	Operational risks, of course, arise in all parts of the business. Improvements are in progress regarding processes and methods for market risk. The vast majority of incidents are minor events that are rectified promptly within respective functions. Overall risk is low as a result of effective internal control measures and a focus on continuous improvement. Total losses resulting from incidents amounted to Skr 0.4 million for the full year in 2014.
Business risk Business risk is the risk of an unexpected decline in revenues as a result of a decrease in volumes and/or falling margins.	SEK›s earnings tend to increase in stressed situations when the financial sector›s overall lending capacity declines. It is also in these situations that it is considered most likely that SEK could potentially encounter substantial loan losses. The negative earnings effect of increased loan losses tends to be compensated by increased earnings over time. The level of risk is assessed to be low.
Strategic risk (business environment risk) Strategic risk is the risk of lower revenues as a result of adverse business decisions, improper implementation of decisions or lack of adequate responsiveness to changes in the regulatory and business environment. Strategic risk focuses on large-scale and structural risk factors.	SEK›s strategic risks mainly arise through changes in the external operating environment, such as market conditions, which could result in limited lending opportunities for SEK, and regulatory reforms from two perspectives; (1) the impact of these reforms on SEK's business model and (2) the requirements on the organization resulting from the increased regulatory complexity. The level of risk is assessed to be low.
Reputational risk Reputational risk is the risk of a negative reputation and/or reduced revenues as a result of external reports about the company or about the sector in general.	Factors considered to affect the reputation of the SEK brand are mainly loan losses, transactions that could be perceived to lack Swedish interests or the perception that the company has breached applicable regulations, for example with regard to sustainability. The level of risk is assessed to be low.
Sustainability risk Sustainability risk is the risk of SEK directly or indirectly contributing to violations of human rights, insufficient business ethics, bribery or other corrupt behavior, money laundering or financing of terrorism, environmental negligence or crimes or unacceptable labor conditions.	SEK is indirectly exposed to sustainability risks primarily in connection with financing of Swedish sales to countries and projects with high social and environmental risk.
Pension risk The risk that the company needs to make further contributions to defined benefit pension plans to cover pension obligations for current and previous employees.	The company's obligations may increase if the actuarial outcome or the actual return on investment is worse than expected. SEK's pension risk is low.

RISK APPETITE	RISK MANAGEMENT
SEK's appetite for operational risk is low (on a three-tier scale). Operational risks that are assessed to be at medium level and if risks assessed at high level exist, they should be mitigated. The risk appetite for losses resulting from incidents is Skr 10 mn for individual erroneous transactions regarding business transactions for which specific limits are assigned and provided that such limits are not exceeded, and a total of Skr 3 mn each quarter for other activities. Total losses resulting from incidents may not exceed Skr 25 mn per calendar year.	Operational risk is actively prevented and mitigated to an acceptable level so that the implementation of the company's strategy and business plan is not jeopardized. Costs to reduce risk exposures must be in proportion to the effect that such measures have.
SEK's appetite for business risk is low (on a three-tier scale)	Business risk is identified through risk analyses and is monitored and prevented as deemed necessary. Costs to reduce risk exposures must be in proportion to the effect that such measures have.
SEK accepts conscious strategic risks that correspond with the company's strategy. Tolerance is low for other strategic risks.	Strategic risk is identified through risk analyses and is monitored and prevented as deemed necessary. Costs to reduce risk exposures must be in proportion to the effect that such measures have.
SEK's appetite for reputational risk is low (on a three-tier scale).	Reputational risk is actively prevented and mitigated to an acceptable level so that the implementation of the company's strategy and business plan is not jeopardized. Costs to reduce risk exposures must be in proportion to the effect that such measures have. The company's communication plan describes the principles for both long-term and short-term management of reputational risk.
The risk appetite for sustainability risk is low; SEK must not enter into agreements or participate in transactions deemed to result in an unacceptable impact on compliance.	SEK complies with international guidelines for management of sustainability risks in connection with lending. Risk management comprises procedures, controls and requirements to close channels used by money launderers and to protect the company from being used for money laundering and terrorist financing, to comply with the OECD convention on combating bribery, Swedish laws and the Swedish Corporate Governance Code, as well as the UN's guiding principles for companies and human rights and OECD recommendations and Common Approaches on social and environmental due diligence in government supported export credits.
SEK's appetite for pension risk is low. (on a three-tier scale).	Employees at SEK have a collectively bargained pension through the BTP plan, which is the most significant pension plan for salaried bank employees in Sweden. The BTP plan is funded by means of insurance with the insurance company SPP.

CREDIT RISK

EVENTS IN 2014

In 2014, the level of risk in SEK's total net exposures, defined as the average risk weight, increased slightly and the total risk exposure amount (REA) increased. Minor changes occurred with regard to the composition of SEK's total net exposures. The percentage of exposures to corporates increased slightly, while the percentage of exposures to financial institutions declined in 2014. The main reason for the reduction in exposures to financial institutions was the decrease in the volume of exposures protected via purchased credit derivatives during the year. For further risk information, see Note 28. Overall, the migration of credit ratings was neutral in the majority of risk classes. It may be noted, however, that a number of risk classes have a slightly higher migration than in other risk classes. Migration within risk classes AA and A are mainly due to reassessment of financial institutions' strengths and weaknesses as a result of the financial crisis of 2008, including the impact of new regulation, which resulted in rating changes. There was also some migration in risk classes BB and B, which primarily consist of companies in sectors with high volatility in demand and high frequency of structural changes.

RISK MANAGEMENT

Lending must be responsible and based on in-depth knowledge of SEK's counterparties. Lending must also take place in accordance with SEK's mission, as instructed by SEK´s sole shareholder, the Swedish state, which includes: (i) Swedish interests, (ii) a link to exports, (iii) commercial terms and financial attractiveness, (iv) a complementary role in the market, and (v) sustainable business. Lending must be based on a counterparty's repayment capacity. Counterparty risk in derivative contracts must be limited through a risk-based selection of derivative counterparties, and the structure of agreements between parties and collateral agreements should also be taken into account. Furthermore, transaction risk must be limited through SEK's use of a standard lending policy, which specifies guiding principles for lending terms.

All things being equal, SEK must endeavor to have a diversified lending portfolio. Concentrations that occur naturally as a result of the company's mission are accepted, but concentration risk is reduced using risk mitigation solutions. SEK uses the foundation internal ratings-based (IRB) approach to calculate the capital requirement for credit risks. The Swedish Financial Supervisory Authority (FSA) has, however, exempted SEK for the following exposures.

- export credits guaranteed by the Swedish Export Credits Guarantee Board (EKN) or foreign equivalent entities within the OECD (applies through 2015)
- central government exposures (applies through 2015)
- exposures within the Customer Finance area (applies as long as exposures are of minor significance in terms of their size and risk profile)
- guarantees to small and medium-sized companies (applies as long as these exposures are of minor significance in terms of their size and risk profile)

The standardized approach is used to calculate the capital requirement for credit risks for exposures that are exempted from the IRB approach. All of SEK's counterparties must be assigned a risk classification or rating internally. For exposures that are included in the exemptions from the IRB approach, granted to SEK by the Swedish FSA, external ratings are used. External ratings are also used for securitization positions. Decision concerning internal ratings for counterparties are made by SEK's Rating Committee. The members of the Rating Committee are appointed by the Board's Credit Committee based on the each member´s previous experience in risk assessment and experience of credit ratings. The Rating Committee members come from various functions within SEK, with a majority of the members representing non-commercial functions within the company. The design of the company's IRB system includes a number of both operational and analytical aspects. The operational design concerns the organizational process for and control of how counterparties are assigned risk classifications. The analytical design concerns how risk is measured and assessed. This includes how loss concepts are defined and measured, and which methods and models are used for classifying and calculating risk. The analytical design of risk classification systems often differentiates significantly between different financial institutions. A common factor among the systems, however, is that every credit exposure within a specific risk class is associated with a number of quantifiable risk concepts. The two terms that together primarily express the credit risk of an exposure are the probability of default or cessation of payments by a borrower (Probability of Default, PD) and the portion of the loan that will be lost in the event of a default (Loss Given Default, LGD). Using these two parameters and the size of the outstanding exposure at default (Exposure at Default, EAD), it is possible to calculate the statistically expected loss (Expected Loss, EL) for a given counterparty exposure. By using what is known as the Basel formula, the unexpected loss (UL) can also be estimated. In the foundation IRB approach, only the PD is estimated internally. The values of the other parameters, LGD and EAD, are set by regulations.

In order to identify the differences between SEK's risk classification and the ratings of external rating agencies, SEK conducts outcome analyses showing the correlation between the company's internal risk classification and the ratings of rating agencies. These differences can be due to both differences in the analytical assessment and the date of the analyses.

SEK's methodology for internal risk classification is based on both qualitative and quantitative factors. Within SEK, risk classification is based, to a great extent, on analyst assessments. Individual counterparties are rated through the use of different methods for corporate and financial institutions. The aim of using a common rating scale for all counterparties is essentially to be able to correctly price and quantify risk over time for SEK's counterparties and thereby maintain the desired level of risk in the company. The tool used for this is the credit rating, which is an ordinal ranking system. Risk classification within SEK is therefore largely an issue of relative assessment. This risk classification does not aim to estimate the precise probability of default, but rather to place counterparties in a category of comparable counterparties, based on a risk perspective.

SEK's IRB system comprises all of the various methods, working and decision-making processes, control mechanisms, guideline documents, IT systems and processes and procedures that support risk classification and the quantification of credit risk.

SEK's IRB system is evaluated on an annual basis by means of periodic quantitative and qualitative validations.

LIMITS AND MONITORING

SEK uses different types of limits to manage lending and to limit risks. The limit expresses the highest acceptable exposure to a risk counterparty and type of credit risk for each future date. For example, SEK has sublimits that restrict counterparty risk in derivative contracts in respect of a risk counterparty.

Decisions on limits and credits are taken at five decision-making levels; the Board of Directors, the Board's Credit Committee, the Executive Management Credit Committee, the Credit Committee and by authorization set out in the Credit instruction determined by the Board's Credit Committee. Authority at the different decision-making levels is governed by the capital requirement according to the Basel formula in Pillar 1 of the capital adequacy regulations and the standard credit policy. A limit determined by the appropriate committee permits SEK's commercial functions, along with the Credit function (in accordance with authorization rules) and within such limit, to conclude transaction agreements in SEK's name that imply credit risk in respect of the relevant counterparty. All limits and risk classifications are reviewed at least once a year.

The standard credit policy is a central part of the company's lending, in line with SEK's mission, as instructed by SEK´s sole shareholder, the Swedish state. The policy specifies a number of requirements, all of which must be met in order for a limit or credit proposal to be deemed to come within the standard. If these requirements are not met and consequently fall outside the standard, the decision is escalated to a higher decision-making authority.

Exposures that are assessed to be problem loans are subject to more frequent analysis, and no further credits are extended. The aim is to be able, at an early stage, to identify exposures with an elevated risk of loss and to ensure that the risk classification reflects the real risk in respect of the counterparty.

CONCENTRATION RISKS AND LARGE EXPOSURES

SEK's exposures are regularly analyzed and reported in respect of risk concentration based on (i) the size of individual commitments, (ii) domicile and (iii) sector. The analysis refers to both direct and indirect exposures from, for example, credit derivatives. The concentration risks mentioned above are reflected in SEK's calculation of economic capital for credit risks which leads to a higher need for capital than the capital requirement calculated under Pillar 1. Pillar 1 does not take concentration risks into account when calculating capital requirements. For further information about concentration risks, see the 'Internal capital adequacy assessment' section.

Under the CRR, a large exposure refers to an exposure that accounts for at least 10 percent of an institution's own funds. The aggregate amount of SEK's large exposures as of December 31, 2014, was 341.6 percent (2013: 350.6 percent) of SEK's total own funds, and consisted of risk-weighted exposures to 25 (2013: 27) different counterparties, or counterparty groups. In order to monitor large exposures, SEK has defined internal limits, which are monitored daily together with other limits. The internal limits for monitoring large exposures are approved by the Credit Committee.

COUNTERPARTY RISK IN DERIVATIVE CONTRACTS

Counterparty risk in derivative contracts – which is a type of credit risk – arises when derivatives are used to manage risks. In order to limit this risk, SEK enters into such transactions solely with counterparties with strong creditworthiness. Risk is further reduced by SEK's entering into ISDA Master Agreements (ISDA), with associated collateral agreements, known as Credit Support Annexes (CSA), with its counterparties before entering into derivative transactions. Any exemptions to this require a special decision, which is taken as a part of the credit process for the relevant counterparty. These bilateral agreements mean that the highest permitted risk levels, in relation to each individual counterparty, are agreed in advance. The formulation of these agreements is designed to ensure that agreed risk levels (known as threshold amounts) will not be exceeded, regardless of market value changes that may occur. ISDA and CSA agreements are reviewed continually in order to renegotiate the terms as necessary. For counterparty exposures that exceed the threshold amounts under the relevant Credit Support Annex as a result of market value changes, settlement is demanded so that the counterparty exposure is reduced to the pre-agreed level. The positive gross value of all derivative transactions in the balance sheet as of December 31, 2014 was Skr 16.0 billion (2013: Skr 14.2 billion). After netting on the basis of the current Credit Support Annex (by counterparty), but excluding cash collateral, the exposure was Skr 7.2 billion (2013; Skr 6.3 billion), i.e., Skr 8.8 billion (2013: Skr 7.9 billion) less than the gross exposure. With regard to cash collateral and taking into account regulatory add-ons in accordance with the CRR mark-to-market method, the exposure amount for counterparty risk for capital adequacy purposes was Skr 5.7 billion (2013: Skr 5.7 billion). The majority of SEK's derivative contracts are what are known as OTC (over the counter) derivatives, i.e. derivative contracts that are not settled on a stock exchange. At the end of 2014, SEK's OTC derivative contracts were not subject to mandatory central clearing; for further information on OTC derivatives see 'New regulations'.

CREDIT RISK PROTECTION

SEK's credit risks are limited by the methodical and risk-based selection of counterparties and are managed, among other things, by the use of guarantees and credit derivatives ('CDSs'). A purchased CDS entitles the holder under certain circumstances – including the default of the underlying risk-covered counterparty – to sell an asset, with implied risk for the underlying counterparty, at its nominal value to the issuer of the CDS. SEK uses CDSs to convert exposures to individual counter parties into combined exposures, in which one counterparty (the issuer of the CDS) is a financial institution.

Overall risk is further reduced through the use of ISDA Master Agreements with associated Credit Support Annexes that require individual issuers of CDSs to provide collateral in the event that the market value of the issued credit derivative transactions exceeds a certain level. The market value of a CDS is, among other things, derived from the change in creditworthiness of the underlying risk-covered counterparty. As a result, if there is successive deterioration in the creditworthiness of the underlying counterparties whose credit risk is covered by the CDS, SEK successively receives collateral for the risks covered. This risk mitigation technique is, therefore, effective from a risk management perspective.

SEK relies to a large extent on guarantees in its lending. The guarantors are principally made up of government export credit agencies, such as the Swedish Exports Credit Guarantee Board (EKN), the Export Import Bank of the United States (USEXIM), the Exports Credits Guarantee Department of the United Kingdom (ECGD), Compagnie Financière pour la Commerce Exterieure (Coface) of France and Euler Hermes Kreditversicherungs AG of Germany, as well as financial institutions and, to a lesser extent, non-financial corporations. Credit risk is allocated to a guarantor in accordance with SEK's policy and therefore, when disclosing net credit risk exposures, the majority of SEK's guaranteed credit exposure is shown as exposure to central government counterparties. At year-end 2014, government export credit agencies guaranteed a total of Skr 173.4 billion (2013: Skr 160.0 billion), or 46.8 percent (2013: 46.5 percent) of SEK's total credit exposures. Skr 118.8 billion (2013: Skr 120.0 billion) covered corporate exposures, Skr 2.6 billion (2013: Skr 1.5 billion) covered exposures to financial institutions, Skr 0.6 billion (2013: Skr 0.6 billion) covered exposures to regional governments and Skr 51.5 billion (2013: Skr 37.9 billion) covered central government exposures.

At year-end 2014, Skr 5.8 billion (2013: Skr 9.4 billion) of SEK's assets were hedged through CDS coverage obtained from 13 (2013: 17) different financial institutions. Skr 5.8 billion (2013: Skr 9.4 billion) covered corporate exposures. All exposures covered by CDSs are included in the class of financial instruments known as 'Other interest-bearing securities, except loans', 'Loans in the form of interest-bearing securities' or 'Loans to the public'. SEK has ISDA Master Agreements with associated Credit Support Annexes in place with issuers of credit derivatives. In January 2012, the Swedish FSA granted SEK permission to begin using the foundation IRB approach to calculate capital requirements for exposures to insurance companies. Nine insurance companies were assigned an internal risk classification and limit. At year-end 2014, Skr 0.9 billion (2013: Skr 0.3 billion) of SEK's assets were hedged through risk mitigation via insurance companies.

SEK uses various types of collateral or risk mitigation to reduce or transfer credit risks. Approved risk mitigation methods under ISDA Master Agreements with Credit Support Annexes generally consist of cash and, to a limited extent, government bonds. Any collateral that SEK demands must be managed and documented in a manner such that the collateral fulfills its function and can be used in the intended manner when needed. When a credit decision is made, the creditor's assessed creditworthiness and ability to repay are taken into account, together – where applicable – with the value of any collateral. Credit decisions may be made on condition that certain collateral is provided.

MARKET RISK

Market risk arises from changes in prices and volatility in financial markets. SEK's business model includes exposure to interest rate risk, currency risk, different types of spread risks and highly limited exposure to commodity and equity risk.

EVENTS IN 2014

In 2014, SEK closed fixed interest rate positions in Swedish kronor. The purpose of the positions was to give a smoother return on equity over time, but because of todays low interest rate environment the fixed interest rate positions in Swedish kronor partly lost its purpose. Through the closing of these positions the interest rate risk in Swedish krona has decreased considerably, while SEK's risk to net interest income in Swedish krona has increased.

RISK MANAGEMENT

The Board of Directors establishes SEK's market risk appetite and strategy. In addition to this, SEK's management of market risks is regulated by instructions established by the Board's Finance and Risk Committee. These documents clearly define and circumscribe the permitted market risk exposures. In addition, SEK has instructions clarifying the management of market risks and the methodology for calculating market risks. These instructions are re-established annually. Market risk exposures are measured, controlled and reported on an ongoing basis to the Head of Lending and Funding, the Head of Risk, the Head of Risk Control, the Asset and Liabilty Committee and the Board's Finance and Risk Committee.

The core of SEK's market risk strategy is to borrow funds in the form of bonds which, regardless of the market risk exposures in the bonds, are hedged by being swapped to a floating interest rate. Borrowed funds are used either immediately for lending, mainly at floating rate or swapped to a floating rate of interest, or to ensure that SEK has sufficient liquidity (taking account of SEK's risk appetite and commitments). Investments of liquidity must be made at a floating or fixed rate of interest up to one year. The aim is to hold assets and liabilities to maturity. SEK should not actively take currency positions.

The company's largest net exposures are to changes in spread risks, mainly to credit spreads in assets and liabilities and cross currency basis swap spreads. Spread risks are kept at an acceptable level for the company through governance and control. This includes set limits for exposures and daily monitoring of limits.

MEASUREMENT AND REPORTING

The following describes how SEK internally calculates and limits market risk. For the impact on earnings and other comprehensive income due to interest rate risk, see Note 28. Additional factors, such as different sensitivity calculations regarding the effect on economic value, earnings, equity and own funds, as well as more stress tests, are measured and reported but are not subject to limits. The government-supported CIRR system has been excluded as the government compensates SEK for all interest rate differentials, borrowing costs and net foreign exchange losses within the S-system (see Note 1).

AGGREGATED RISK MEASURE

The aggregated risk measure is based on the analysis of 56 scenarios that each have a three-month time horizon. The scenarios consist of historical market movements from all quarters since 2008 through 2014 and also consist of opposite market movements to these historical scenarios, referred to as antithetical market movements. This method calculates the impact on equity using market movements from scenarios together with SEK's current market sensitivities. The risk is limited based on the worst scenario, which for SEK at the end of 2014 was the scenario based on antithetical market movements from the first quarter of 2012. The risk at year-end 2014 amounted to Skr 633 million (2013: Skr 1,252 million). The limit is set at Skr 1,300 million (2013: Skr 2,300 million). The reduction in risk is mainly due to SEK having closed fixed-rate positions in Swedish kronor and to a decrease in the credit spread risk in its own debt.

INTEREST RATE RISK

The measurement and limiting of interest rate risk in SEK is divided into two categories: Interest rate risk regarding changes in fair value (interest rate price risk) and interest rate risk for net interest income (net interest income risk).

INTEREST RATE PRICE RISK

The interest rate price risk is calculated by means of stress tests such as the change in present value from a one-percentage-point upward parallel shift in the yield curve and a 50 basis point twist. For each stress test, the total risk comprises the sum total of the risk for all individual currencies. The limit for interest price risk at year-end 2014 amounted to Skr 250 million (no comparable limit at year-end 2013). The risk amounted to Skr 108 million (2013: Skr 531 million) at the end of 2014.

NET INTEREST INCOME RISK WITHIN ONE YEAR

Net interest income risk within one year is calculated as the impact on net interest income for the coming year if new financing and investment must take place following an interest rate shift of one percentage point. The limit for net interest income risk amounted to Skr 275 million (2013: Skr 75 million). The risk amounted to Skr 194 million at year-end 2014 (2013: Skr 38 million). The increase in 2014 is due to SEKs closing of fixed-rate positions in Swedish kronor.

SPREAD RISKS

SEK is exposed to spread risks, which may result in a significant impact on both earnings and own funds. For SEK these impacts consist mainly of accrual effects that mainly even out over time, due to the fact that SEK generally holds both assets and liabilities to maturity. SEK's spread risks are primarily credit spread risk in assets, credit spread risk in own debt and spread risk in cross currency basis swaps.

CREDIT SPREAD RISK IN ASSETS

Credit spread risk in assets can have a potential impact on SEK's equity, in the form of unrealized gains or losses, as a result of changes in assets' credit spreads for those assets measured at fair value. Credit spread risk in assets is calculated as the change in present value after a one percentage point increase in the credit spreads. At year-end 2014, the credit spread risk in assets amounted to Skr 479 million (2013: Skr 412 million) and the limit was Skr 700 million (2013: Skr 700 million).

CREDIT SPREAD RISK IN OWN DEBT

Credit spread risk in own debt can have a potential impact on SEK's equity, in the form of an unrealized gains or losses, as a result of changes in SEK's own credit spread for those liabilities measured at fair value. This risk is not hedged but is limited. Credit spread risk in own debt is calculated, using sensitivities, as the impact on equity as a result of the change in present value after a 20 basis point shift in all of SEK's credit spreads. At year-end 2014, the credit spread risk in own debt amounted to Skr 645 million (2013: Skr 835 million) and the limit was Skr 1,200 million (2013: Skr 1,300 million). The decrease in this risk is mainly due to a reduction in the expected maturity of structured borrowing.

SPREAD RISK IN CROSS CURRENCY BASIS SWAPS

A change in the cross currency basis swap spreads impacts both the present value of SEK's positions (cross currency basis swap price risk) and future net interest income (risk to net interest income from cross currency basis swaps).

CROSS CURRENCY BASIS SWAP PRICE RISK

The cross currency basis swap price risk measures a potential impact on SEK's equity, in the form of unrealized gains or losses, as a result of changes in cross currency basis spreads. The cross currency basis swap price risk is calculated, using sensitivities, as the change in present value after an increase in cross currency basis spreads by a varying number of points (varying by currency in accordance with a standardized method based on volatility). The risk for each cross currency basis spread curve is totaled as absolute figures. At year-end 2014, the cross currency basis swap price risk amounted to Skr 372 million (2013: Skr 371 million). The limit is Skr 550 million (2013: Skr 750 million).

RISK TO NET INTEREST INCOME (NII) FROM CROSS CURRENCY BASIS SWAPS

In cases where borrowing and lending are not matched in terms of currency, the future cost of converting borrowing to the desired currency is dependent on cross currency basis spreads. Changes in cross currency basis spreads consequently may have an effect on SEK's future NII and this risk is calculated by the measure for calculating risk to NII from cross currency basis swaps. The risk to NII from cross currency basis swaps is measured as the impact on SEK's future earnings resulting from an assumed cost increase (varying by currency in accordance with a standardized method based on volatility) for transfer between currencies using cross currency basis swaps. Borrowing surpluses in the currencies Skr, USD and EUR are considered not to result in any risk to NII from cross currency basis swaps as that SEK endeavors to hold these currencies as lending capacity. At year-end 2014, the risk amounted to Skr 72 million (2013: Skr 113 million). The limit for risk to NII from cross currency basis swaps was Skr 200 million (2013: Skr 250 million).

FOREIGN EXCHANGE RISK

SEK does not hedge currency positions related to unrealized changes in fair value. This is because, based on SEK's business model, unrealized fair value changes mainly consist of accrual effects that even out over time.

The remaining foreign exchange risk mainly arises on an ongoing basis due to differences between revenues and costs (net interest margins) in foreign currency. This risk is kept at a low level by matching assets and liabilities in terms of currencies or through the use of derivatives. In addition, accrued gains/losses in foreign currency are regularly converted to Swedish kronor.

The risk is calculated as the change in value of all foreign currency positions at an assumed 10 percentage point change in the exchange rate between the respective currency and the Swedish krona. When calculating the risk, foreign currency positions related to unrealized fair value changes are excluded. Foreign exchange risk amounted to Skr 2.3 million (2013: Skr 1.4 million) at the end of 2014. The limit for foreign exchange risk was Skr 15 million (2013: Skr 15 million).

OTHER RISKS

SEK's equities and commodities risks, as well as FX volatility risks only arise from structured borrowing. The structured borrowing is hedged by being swapped to floating interest rates. Even though all structured cash flows are matched through a hedging swap there could be an impact on the result. This is because the valuation of the bond takes account of SEK's own credit spread, whereas the swap is not affected by this credit spread, and also because of changes in expected maturity for the structured borrowing. Interest rate volatility risk also arises from other transactions with early redemption options. These risks are calculated and limited.

Commodity and equity risk, and volatility risks are calculated using a variety of stress tests. These risks were low at the end of 2014.

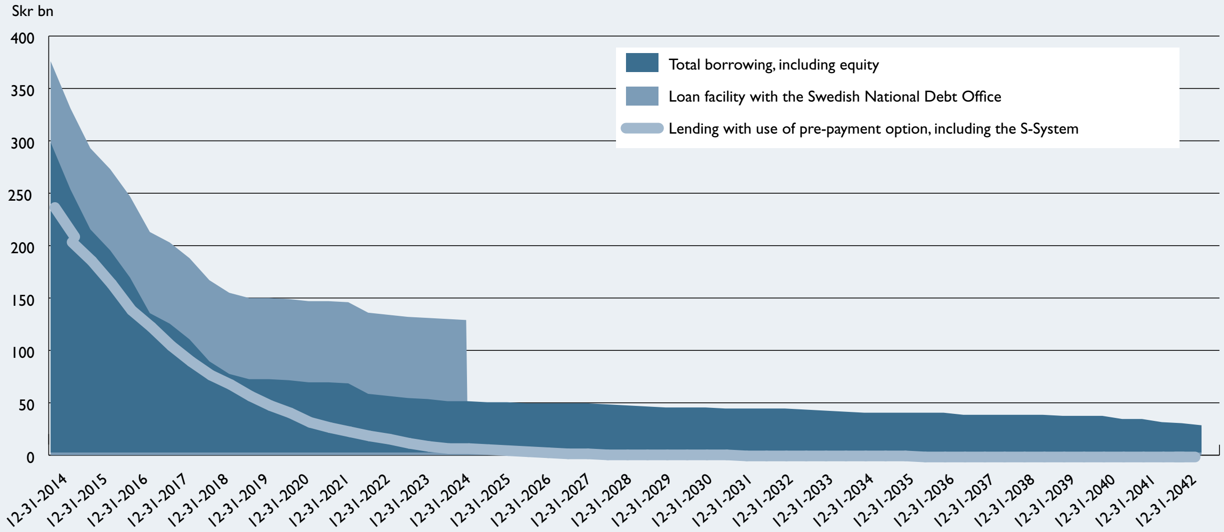
LIQUIDITY AND FUNDING RISK

Liquidity and funding risk is defined as the risk, within a defined period of time, of the company not being able to refinance its existing assets or being unable to meet increased demands for liquid funds. Liquidity risk also includes the risk of the company having to borrow at an unfavorable interest rate or needing to sell assets at unfavorable prices in order to be able to meet its payment commitments.

EVENTS IN 2014

In 2014, SEK started reporting liquidity coverage and stable funding in accordance with the CRR.

DEVELOPMENT OVER TIME OF SEK'S AVAILABLE FUNDS AS OF DECEMBER 31, 2014



RISK MANAGEMENT

The management of SEK's liquidity and funding risk is regulated by policy documents established by the Board's Finance and Risk Committee. SEK's liquidity and funding policy requires that for all credit commitments – outstanding credits as well as agreed but undisbursed credits – there must be funding available through maturity. Available funding is defined as equity and borrowing. For CIRR credits, which SEK manages on behalf of the Swedish government, the company also counts its loan facility with the Swedish National Debt Office as available funding. The Loan facility, granted by the government via the National Swedish Debt Office, amounts to Skr 80 billion (2013: Skr 80 billion) and may only be used to finance CIRR credits. The credit facility is valid through Dec. 31, 2015 and entitles SEK to receive financing over the maturities that the underlying CIRR credits have. No funds have been drawn under this credit facility. This means that no refinancing risk is allowed, as shown in the chart 'Development over time of SEK's available funds'. Borrowed funds not yet used to finance credits need to be invested in interest bearing assets; see also the 'Liquidity placements' section. Liquidity and funding risk are measured and reported regularly to the Board's Finance and Risk Committee, the Head of Lending & Funding and the Head of Treasury.

MEASUREMENT AND REPORTING

SEK measures liquidity risk based on a number of estimates of the development of available funds compared with outstanding credit commitments. In the short term deficits in each single currency must be avoided. This is ensured by means of limits and liquidity estimates, per currency, for the coming eight days. Longer liquidity estimates for periods of up to one year are produced on a regular basis. Long-term, structural liquidity risk is measured and reported regularly as described in the previous section, 'Risk management'.

FUNDING

SEK's funding strategy is defined in the Financing Strategy policy document, which is established by the Board's Finance and Risk Committee. The Financing Strategy aims, among other things, to ensure that SEK's funding is well-diversified with regard to markets, investors, counterparties and currencies. With regard to maturity, no refinancing risk is allowed; see the previous 'Risk management' section.

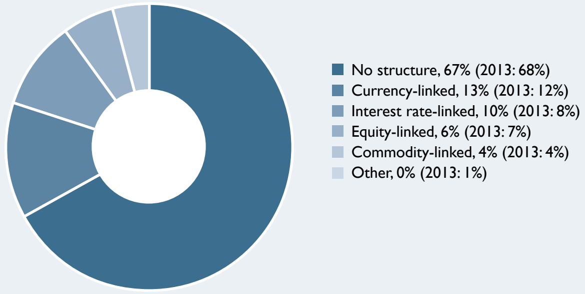
SHORT-TERM FUNDING

For the purpose of ensuring access to funding, SEK has revolving funding programs for maturities of less than one year. These include a US Commercial Paper program (UCP) amouting to USD 3.0 billion (2013: USD 3.0 billion) and a European Commercial Paper program (ECP) with a total corresponding to USD 4.0 billion (2013: USD 4.0 billion). At year-end 2014, the company had utilized USD 610 million (2013: USD 0 million) under the UCP program and EUR 320 million (2013: EUR 0 million) and USD 300 million (2013: USD 0 million) under the ECP program. SEK also has a swing line that functions as a back-up facility for SEK's revolving funding program for maturities of less than one year.

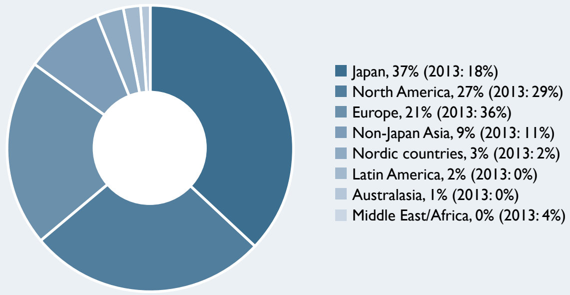
LONG-TERM FUNDING

To secure access to large volumes of funding, and to ensure that insufficient liquidity or investment appetite among individual funding sources does not constitute an obstacle to operations, SEK issues bonds with different structures, currencies and maturities. In addition, SEK issue bonds in many different geographic markets. The following charts illustrate some aspects of the diversification in SEK's funding. The first chart shows the breakdown of long-term funding by structure type, while the second chart shows long-term funding raised in 2014 by market.

TOTAL LONG-TERM FUNDING BY STRUCTURE TYPE AS OF DECEMBER 31, 2014



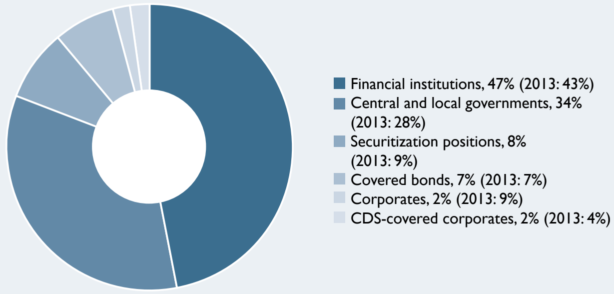
LONG-TERM FUNDING RAISED IN 2014, BY MARKET



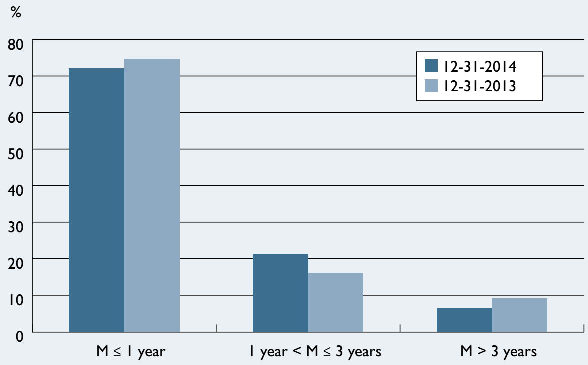
LIQUIDITY PLACEMENTS

To meet SEK's policy for liquidity and funding risk, borrowed funds, which have not yet been disbursed, must be invested in interest-bearing securities, known as liquidity placements. Management of SEK's liquidity placements is regulated by the Liquidity Strategy established by the Board's Finance and Risk Committee. SEK's liquidity placements can be divided into four sub-components in terms of their size. One of these subcomponents consists of agreed but undisbursed credits. At year-end 2014, the volume of agreed but undispersed credits amounted to Skr 16.0 billion (2013: Skr 20.5 billion). In addition, SEK's liquidity placements include a liquidity buffer of Skr 15.0 billion (2013: Skr 15.0 billion), which is intended to cover any outflows under the company's collateral agreements with its derivative counterparties in order to mutually control counterparty risks. Liquidity placements should also include a pre-financing buffer. This pre-financing buffer takes account of funding transactions amounting at least to an equivalent of USD 500 million and maturing within six months. At year-end 2014, the pre-financing buffer amounted to Skr 3.9 billion (2013: Skr 7.8 billion). Finally, liquidity placements include capacity for SEK's estimated new lending requirements. The aim is for this capacity to provide at least four months' (2013: six months) normal new lending. The method for measuring new lending capacity was amended in 2014 and the comparative figures below are based on the new method. At year-end 2014, new lending capacity amounted to Skr 40.6 billion (2013: Skr 35.9 billion), which corresponds to 16 months' (2013: 9 months) normal new lending. The maturity profile of the liquidity placements must reflect the net maturity of funding and lending. Investments must be made in assets of good credit quality. When making such investments, the liquidity of the investment under normal market conditions should be taken into account and the investment's currency must be in accordance with established guidelines. SEK has the intention to hold these assets to maturity. The volume of the liquidity placements decreased slightly over the year and amounted to Skr 86.6 billion (2013: Skr 86.9 billion) at year-end 2014. The following charts provide a breakdown of the liquidity placements by exposure type, maturity and credit rating as of December 31, 2014.

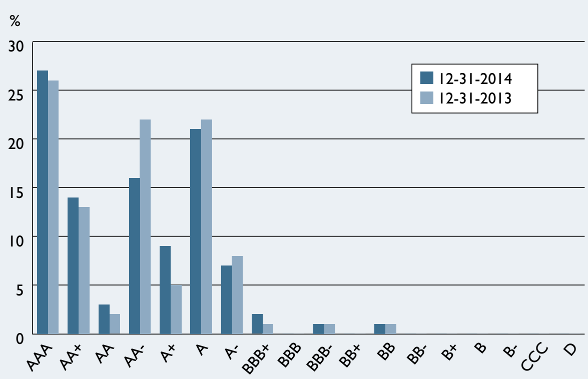
LIQUIDITY PLACEMENTS BY TYPE OF EXPOSURE AS OF DECEMBER 31, 2014



LIQUIDITY PLACEMENTS BY REMAINING MATURITY ('M')



LIQUIDITY PLACEMENTS BY RATING BASED ON NET EXPOSURE



CONTINGENCY PLAN

SEK has a contingency funding plan for the management of liquidity crises. The plan describes what constitutes a liquidity crisis according to SEK and what measures SEK intends to take if such a crisis is deemed to have occurred. The plan also describes the decision-making structure during a liquidity crisis. An internal and external communication plan is also included. The contingency funding plan is also closely linked with the results of the scenario analyses that are performed regularly. These scenarios aim to increase SEK´s preparedness and ensure that the company can cope with situations such as the partial or complete cessation of various funding sources. The scenarios cover company-specific and market-related problems, both individually and in combination.

OPERATIONAL RISK

EVENTS IN 2014

Over the year, the level of operational risk decreased as a result of long-term work focusing on continuous improvement, well-documented procedures and high awareness of the importance of managing operational risk. The number of incidents increased slightly in the year, while total losses decreased to a low level, well within the risk appetite. During the year, a total of 177 incidents (2013: 153 incidents) were reported. The vast majority of these incidents are minor events that are rectified promptly within respective functions. No major incident occurred during the year. Total losses resulting from incidents amounted to Skr 0.4 million (2013: Skr 4.4 million). Only a small percentage of incidents result in a loss. Continued development of the framework in respect of operational risk has been undertaken, including with regard to security. During the year, the company also appointed a Chief Security Officer, with responsibility for matters such as data security and physical security.

RESPONSIBILITY AND INTERNAL GOVERNANCE

Operational risk exists in potentially all functions within SEK, which means that all the managers of the various functions in the company have a responsibility for effective management of operational risk within their own function. In order to support operational risk management, the company works based on policy documents in accordance with SEK's framework for operational risk. Responsibility for monitoring, analysis and reporting of operational risk lies with the Risk Control function as does responsibility for monitoring the appropriateness and effectiveness of operational risk management. The Internal Control Committee is the company committee that is responsible for managing and monitoring operational risk.

RISK MANAGEMENT

SEK has a strong focus on preventive measures relating to operational risk. Of particular importance in this are risk analyses, both on an ongoing basis in the event of changes, annually or using appropriate scenarios. Ongoing analysis of changes may relate to the introduction of a new product or a new IT system, changes to a process or a major change such as a reorganization. The company performs annual risk analyses, coordinated with business planning and the internal capital adequacy assessment, as part of strategic planning. Action plans have been developed to manage identified risks, which are then managed as part of the responsibility of the respective heads of functions. The Risk Control function carries out an aggregated monitoring and analysis of the risks and action plans; the most significant risks are then monitored and analyzed individually. When an operational risk event, or incident, occurs, an analysis is carried out to determine the cause. Action is then taken and managed in order to prevent a repeat of the event.

MEASUREMENT

The company measures the level of operational risk on a quarterly basis. SEK´s conclusion regarding the level of risk is based on an assessment of primarily four components. In brief, these are:

(i) the number of risks assessed as 'high risk' (red),
(ii) the amount of losses resulting from incidents over the past four quarters,
(iii) whether incidents have occurred, and if so how many fall outside SEK's risk appetite for incidents over the last four quarters,
(iv) whether the company assesses that it has efficient internal controls on financial reporting in accordance with SOX Section 404.

SUSTAINABILITY RISK

EVENTS IN 2014

SEK´s policies on sustainable business and on money laundering and terrorist financing have been updated. In 2014, the company also improved internal procedures for monitoring sustainability requirements regarding financing of large projects. There will also be activities to improve monitoring procedures in 2015. Over the year, 96 percent of the company's employees attended training in combatting money laundering and terrorist financing and 99 percent of employees attended code of conduct training. Sales units underwent ongoing training in sustainable financing methods. A sustainability group was formed during the year, with specialist capabilities in matters such sustainability risks.

RISK PROFILE

Money laundering and terrorist financing – SEK assesses the risk of contributing to money laundering and terrorist financing as generally low as the company has a relatively small client base and large internationally recognized counterparties. SEK has no retail business. There is a heightened risk in end-customer finance in countries with a high risk of corruption and in the case of complex ownership structures.

Corruption risk – The company's principal risk of exposure to corruption arises indirectly in connection with lending in countries and sectors with high risk of corruption. Agents in international transactions result in heightened risk.

Human rights – The company's risk is mainly of indirectly contributing to violations of human rights by lending to end-customers in countries with a high risk of human rights breaches and to projects that could impact local communities.

The environment and labor conditions – The company's risk profile mainly comprises lending to category A projects and B projects, particularly in countries with high social and environmental risks, or that has an impact on sensitive areas or in which there is insufficient access to information.

RISK IDENTIFICATION

Potential sustainability risks are identified and classified at project, country and counterparty level in conjunction with lending transactions.

Project risk – Category A projects have a potentially material impact; category B projects potentially have some impact; and category C projects have no or little potential impact.
Country risk – Countries are classified according to risk of violation of human rights, corruption, and money laundering and terrorist financing.
Counterparty risk – Searches are performed in external databases on counterparties regarding significant incidents within the environment, health and safety, human rights, corruption, money laundering, etc.

New clients undergo the company's know-your-customer procedure and are classified according to requirements for basic, core and further measures. This process includes checks on the client's identity, any beneficial owner and politically exposed persons with links to the company.

RISK MANAGEMENT

SEK complies with international guidelines for the management of sustainability risks in connection with lending. Risk management consists of procedures, controls and requirements in order to:

- close channels used by money launderers and to protect the company from being used for money laundering and terrorist financing;
- comply with the OECD convention on combating bribery, Swedish laws and the Swedish Corporate Governance Code;
- comply with the UN's guiding principles for companies and human rights; and
- meet OECD recommendations on Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence.

Sustainability risks are managed according to a risk-based approach. In cases of heightened sustainability risk, a detailed sustainability review is performed. Social and environmental terms under the loan agreement are followed up over the term of the loan. The extent and form of the review depends on the size of financing, the level of the identified risks and SEK's ability to influence the situation. Site visits are carried out where necessary. Detailed sustainability reviews are performed in the following cases:

a) Category A or category B projects
b) Projects and businesses in countries with a particularly high risk of corruption
c) Exporters or, where applicable, applicants that are:
  - included among blacklisted companies,
  - subject to criminal investigation or convicted of bribery or other corrupt behavior in the past five years,
  - SEK has reason to believe that corruption has occurred in the contract in question.
d) Projects or businesses in countries affected by conflict or countries with particularly high risk of human rights violations.
e) The counterparty has been involved in significant incidents in the past five years regarding money laundering, corruption, the environment, human rights violations, health and safety or labor relations.
f) Transactions with a link to non-transparent jurisdictions in which tax transparency could not be established.

For transactions with a high risk of corruption, the following procedures are carried out:

- Quality assurance of the exporter's control systems in relation to international standards,
- Incident search on end-borrower,
- More stringent know-your-customer measures,
- Scrutiny of any agents, and
- An anti-corruption statement and clause.

In the case of deviations from international standards or other deficient management of sustainability risks, the counterparty is required to take measures to rectify this.

Transactions with high sustainability risk are followed up annually. Follow-up may include:

- Searches on incidents; and
- Compliance with sustainability clauses in loan agreements.

GOVERNANCE

SEK's sustainability work is subject to national and international regulations and guidelines, along with the Swedish government´s policy, instructions of our sole shareholder, the Swedish state and internal policy documents. SEK endeavors to impose adequate requirements in the businesses that SEK finances in order to mitigate negative environmental and social impacts. These requirements are based on international principles within anti-corruption measures, the environment, labor conditions and human rights. The international guidelines that SEK applies are:

- IFC performance standards and guidelines on health and safety;
- UN Guiding Principles on Business and Human Rights; and
- the OECD convention and guidelines on anti-corruption measures.

CONTROL AND MONITORING

SEK conducts internal and external controls to ensure compliance with policy documents within sustainability, anti-corruption measures and money laundering. These internal controls include:

- Analyzing sustainability risk in accordance with policy documents;
- Analyzing the organization's corruption risks on annual basis,
- Gaining sufficient knowledge of a customer (KYC) before a credit decision;
- Monitoring sustainability clauses in loan agreements; and
- Ensuring a counterparty has the correct risk KYC classification.

Engagement with civil society organizations regarding the company's methods for managing sustainability risks is undertaken annually.

NEW REGULATIONS

This sections describe new regulations of major significance to risk and capital management and that have either come into force but will not apply until a few years' time or that are subject to an active legislation process within the EU.

CAPITAL BUFFERS

In addition to minimum capital requirements under the CRR, CRD IV requirements are introducing a number of capital buffers to be phased in between 2016 and 2018, with full effect in 2019. There is also an option to bring national implementation forward. The own funds requirement for each buffer is expressed as a percentage of the total risk exposure amount (the buffer rate) and must be covered by Common Equity Tier 1 capital. If Common Equity Tier 1 capital is insufficient to meet the buffer requirements, a number of restrictions will not apply, including the limitation of the ability to pay dividends. The capital buffers for global systemically important institutions and a capital buffer for other systemically important institutions is not expected to apply to SEK when they are introduced. The countercyclical buffer requirements are backed by legislation that has been introduced in Sweden. At present, no buffer rate has been activated in any country in which SEK has relevant credit exposures. The Swedish FSA has determined that a buffer rate of 1.0 percent will be applied for credit exposures within Sweden from September 13, 2015. Had the defined Swedish buffer already been introduced, at December 31, 2014 it would have resulted in a buffer requirement of 0.6 percent of the total risk exposure amount. The buffer rate determined by other countries may affect SEK, but since the majority of SEK's capital requirements for relevant credit exposures are attributable to Sweden, the potential impact on SEK from other countries' countercyclical capital buffer rates is limited.

The capital buffer for systemic risk is being introduced in Sweden on January 1, 2015. The systemic risk buffer may apply for some or all exposures and apply to all or only some financial institutions within a country. According to the current position of the Swedish Financial Supervisory Authority, the Swedish systemic risk buffer will not apply for SEK. SEK may be affected by systemic risk buffer rates determined in other countries in which SEK has exposures, but as with the countercyclical buffer the impact will be limited.

LEVERAGE RATIO

A leverage ratio measure has been introduced in the CRR. This measure must now be reported to the supervisory authorities and also published starting 2015. The intention is for a minimum requirement of 3.0 percent to be introduced in 2018, although the precise level may be changed. The purpose of introducing a minimum requirement for the leverage ratio is to complement the risk-based capital adequacy requirements with a measure that is not as sensitive to measurement and modelling errors.

The leverage ratio will be calculated differently as a result of an amendment to the CRR which comes into force in January 2015. This will affect SEK primarily in that off-balance-sheet commitments in the form of agreed but undisbursed credits and offers of credit are treated differently, which will result in an improvement in the leverage ratio. At December 31, 2014, SEK's leverage ratio was 4.4 percent, calculated according to the applicable rules at that date.

LIQUIDITY COVERAGE RATIO

Liquidity coverage under the CRR is already being reported to regulatory authorities, but there are currently no requirements regarding the lowest permitted liquidity coverage ratio. Requirements for a liquidity coverage ratio amounting to at least 60 percent are to be introduced in the EU on October 1, 2015, after which the requirement will increase gradually to 100 percent by January 1, 2018. In Sweden, however, there are already national requirements for the liquidity coverage ratio to be at least 100 percent both for euro and US dollar as well as for all currencies combined. Accordingly, SEK is already subject to the forthcoming requirements under the CRR. At December 31, 2014, SEK met all of these requirements through having a liquidity coverage ratio of 250 percent for all currencies combined, 771 percent for euro and 197 percent for US dollars.

LONG-TERM LIQUIDITY MEASURE

Reporting of stable funding (NSFR) is already taking place to regulatory authorities under the CRR. Minimum requirements regarding stable financing, however, will not be introduced until the beginning of 2018.

OTC DERIVATIVES

SEK will be further affected by EMIR rules that have yet to be phased in. EMIR is also being continually supplemented with detailed rules in the form of technical standards. As a result of the first central counterparty under EMIR being approved in 2014, the countdown has begun for the introduction of mandatory clearing of OTC derivatives. Mandatory clearing of some standardized instruments is expected to be introduced in 2015, and the number of entities affected will gradually increase over the next few years. SEK is well prepared to meet the forthcoming rules on mandatory clearing and is currently monitoring developments in those parts of the regulations that have yet to be implemented. The OTC derivatives that SEK becomes party to as a result of structured borrowing will generally not be covered by the requirement based on any currently known proposals. Furthermore, in their current form the requirements for special security arrangements do not apply to SEK as the company's volumes are not that significant.

EXEMPTIONS FROM THE IRB APPROACH

The introduction of the CRR has resulted in changes to requirements for exemption from the IRB approach. If adopted by the EU Commission, the specific conditions set out in a proposed technical standard will make it possible that SEK's exemptions from the IRB approach for central government exposures will not be renewed when it expires on December 31, 2015. If this is the case, SEK's capital requirement relating to central government exposures is expected to increase.

INTERNAL CAPITAL ADEQUACY ASSESSMENT

The internal capital adequacy assessment process requires SEK to comprehensively identify the company's risks and assess the suitability of the risk management, and in light of this assess its capital requirement. Assessing the capital requirement is done using assumptions about its ability to cover the requirement both in a normal economic downturn and under severe financial strain. To assess the requirement in the event of severe financial strain, a stress test is performed of the capital requirement, including an analysis of how much the total capital requirement is affected in stressed global financial markets and other global and local factors affecting SEK's business model. Finally, the assessed capital requirement is compared with SEK's own funds and a conclusion is made about capitalization for the planning period. This conclusion also takes account of external factors that are deemed to have an effect during the planning period, such as the impact of forthcoming regulations.

Besides the risks subject to capital coverage under Pillar 1, SEK also analyzes concentration risk, additional market risks and pension risk in the internal capital adequacy assessment. To calculate its internal capital requirement, SEK uses other methods than those used for calculating the capital requirement under Pillar 1. SEK's assessment is based on the company's internal calculation of economic capital. In comparison with the legal capital requirement under Pillar 1, economic capital is a more precise and risk-sensitive measure. The total capital requirement under Pillar 2 was Skr 11,107 million (2013: Skr 9,988 million) at December 31, 2014, of which Skr 9,099 million (2013: 7,980 million) was attributable to credit risk, Skr 315 million (2013: Skr 345 million) was attributable to operational risk and 1,693 million (2013: Skr 1,663 million) was attributable to market risk. This compares with the capital requirement under Pillar 1, which was Skr 6,985 million (2013: Skr 6,002 million) at December 31, 2014, of which Skr 6,316 million (2013: Skr 5,592 million) was attributable to credit risk, Skr 267 million (2013: Skr 0 million) was attributable to credit valuation adjustment risk Skr 278 million (2013: Skr 293 million) was attributable to operational risk, Skr 122 million (2013: Skr 112 million) was attributable to foreign exchange risk and Skr 2 million (2013: Skr 5 million) was attributable to commodity risk.

For credit risk, economic capital is based on a quantitative approach whereby Value at Risk (VaR) is calculated at a confidence level of 99.9 percent. This quantitative estimate is performed using a simulation-based tool that produces a probability distribution of the value of the credit portfolio over a defined time horizon (usually one year). The methodology used in the VaR quantification is based on the CreditMetrics model. This quantitative approach is also complemented by a comparative analysis of the capital requirement under Pillar 1 and economic capital, as well as by qualitative assessments. The primary aim of the analysis is to assess whether the total capital requirements under Pillar 2 should be set higher than the capital requirement calculated under Pillar 1. Factors that result in the capital requirement in the overall internal assessment being higher than the capital requirement under Pillar 1 are name concentration and SEK's use of a more conservative correlation model than that used under Pillar 1.

Corporate governance report 2014

GOVERNANCE OF THE ORGANIZATION AND DECISION-MAKING

The information below relates to corporate governance in accordance with the Swedish Corporate Governance Code (the Code) (www.bolagsstyrning.se) in respect of the 2014 financial year. Articles of Association, SEK's owner instruction, material from the latest general meetings of the company and similar are available on the company's website (www.sek.se) under the 'About us' section. The corporate governance report for 2014 has been reviewed by the company's auditors.

IMPORTANT REGULATIONS

The Swedish Export Credit Corporation (AB Svensk Exportkredit) is a Swedish public limited company headquartered in Stockholm. The company is consequently governed by the Swedish Companies Act, which, among other things, means that a Board of Directors is appointed by a general meeting of the company. The Board of Directors appoints the President, who oversees the day-to-day management of the company in accordance with the Board's guidelines and instructions. The Annual General Meeting approves SEK's Articles of Association, which, among other things, state what business the company should conduct. SEK's corporate governance is based on Swedish and foreign regulations, SEK's owner instruction, the Articles of Association, the procedural rules of the Board of Directors and other internal policies and instructions. SEK also complies with the applicable sections of regulations that apply to companies registered on those marketplaces on which SEK has listed securities.

SEK is wholly owned by the Swedish government. SEK adheres to the Swedish government owner policy and guidelines for state-owned companies ('the government owner policy') (www.regeringen.se) and the government's owner instruction. SEK applies the Code and views it as one of a number of important governing regulations for external reporting and communication. SEK chooses to deviate from the Code in regard to certain aspects, in accordance with the Code's regulations regarding 'complying or explaining'. The main reason for such deviations is SEK's relationship with its owner, whereby SEK is a wholly government-owned company and thus not a publicly listed company with distributed ownership.

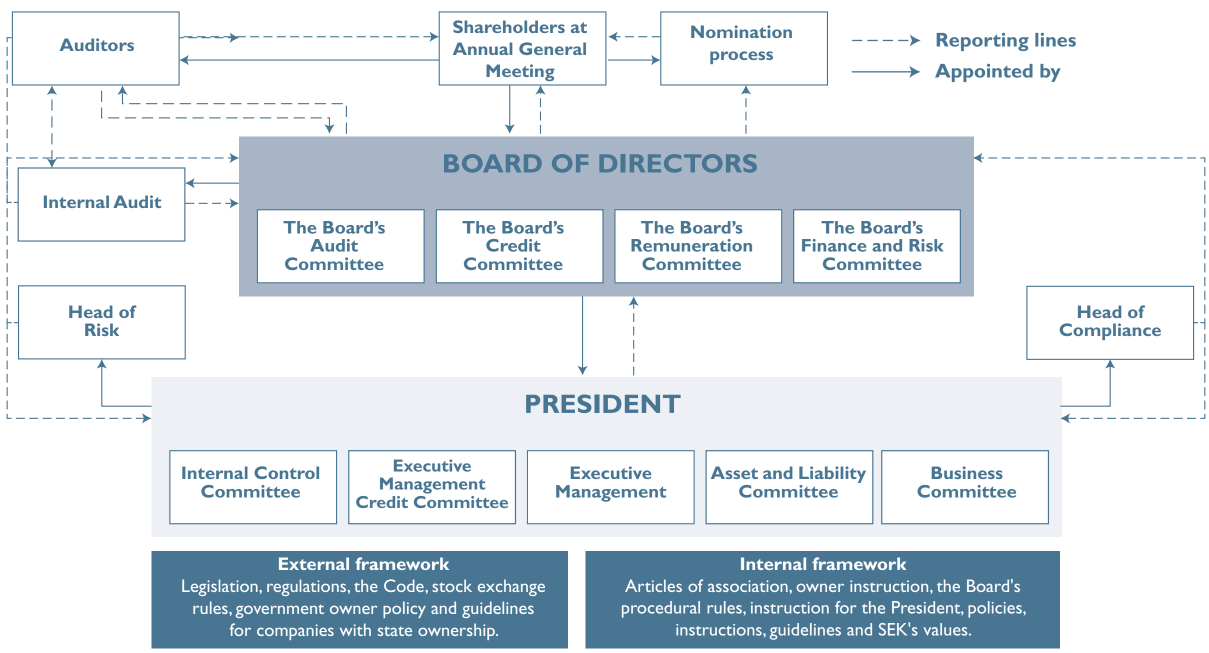
SEK is also a credit market company and thereby adheres to the Banking and Financing Business Act, as well as regulation by the Swedish Financial Supervisory Authority (FSA). Since SEK issues certain securities in the United States, the company is also governed by relevant aspects of US legislation.

CORPORATE GOVERNANCE STRUCTURE

The figure below describes SEK's corporate governance structure as of December 31, 2014. The company carried out a reorganization in December 2014 that applies from January 1, 2015. As part of this reorganization, two of the company's internal committees – the Asset and Liability Committee and the Internal Control Committee – were removed.

Following the reorganization, ongoing matters that were previously dealt with by these committees are instead determined by the President. More significant issues will be examined by the newly established Risk and Compliance Committee prior to a decision by the President. Company-wide and strategic issues are examined by the executive management prior to the President's decision.

In certain cases, the President has delegated decision-making powers to managers who report directly to the President.



DEVIATION FROM THE CODE

Corporate governance of SEK deviates from the requirements of the Code on the following issues in respect of the 2014 financial year.

NOMINATION COMMITTEE

Owing to its ownership structure, SEK has no nomination committee. The nomination process instead adheres to the government owner policy.

CHAIRMAN AT THE ANNUAL GENERAL MEETING

Owing to its ownership structure, SEK has no nomination committee that can propose a chairman to the Annual General Meeting. Instead, the chairman is elected at the Annual General Meeting in accordance with the Swedish Companies Act. This procedure adheres to the Swedish government owner policy

APPOINTMENT OF AUDITORS

The nomination process for auditors adheres to the principles described in the government owner policy.

THE BOARD OF DIRECTORS' INDEPENDENCE FROM THE OWNER

SEK does not disclose whether members of the Board of Directors are independent in relation to the owner. This is in accordance with the government owner policy, which states that nominations to the Board must made public in accordance with the Code's guidelines, except in regard to the reporting of independence in relation to major owners. The policy reasons for reporting independence are not present in the case of wholly government-owned companies since there are no minority shareholders to take into consideration.

GOVERNMENT OWNER POLICY

SEK adheres to the government owner policy without deviation.

GENERAL MEETINGS AND THE OWNER

The owner exercises its influence at general meetings of the company. The Ministry of Enterprise and Innovation is responsible for the management of the government's ownership of SEK. At the proposal of the owner, the general meeting appoints the Board members and auditors. The Annual General Meeting also adopts the income statement and balance sheet of the Parent Company, the statement of comprehensive income and statement of financial position of the Consolidated Group, and addresses matters incumbent on the general meeting in accordance with the Swedish Companies Act and the Articles of Association. The general meeting also determines the distribution of profits and dividend to the shareholder. The general meeting also decides on financial targets, the dividend policy and the owner instruction.

ANNUAL GENERAL MEETING

SEK's Annual General Meeting was held on April 28, 2014. External parties were entitled to attend the meeting. The minutes of the Annual General Meeting are available on SEK's website.

The Annual General Meeting re-elected Board members Lars Linder Aronson, Cecilia Ardström, Jan Belfrage, Lotta Mellström, Ulla Nilsson, Jan Roxendal and Eva Walder. Åke Svensson declined to stand for re-election and stepped down from the Board. Lars Linder-Aronson was re-elected Chairman of the Board by the Annual General Meeting.

The Annual General Meeting adopted the annual accounts for 2013 submitted by the Board and the President and discharged the Board and the President from liability for the 2013 financial year. The Annual General Meeting also approved the proposal of the Board on the distribution of profits in the form of a dividend of Skr 327 million to be disbursed to the shareholder. The decision was in accordance with SEK's dividend policy.

The Annual General Meeting also adopted slightly revised Articles of Association and guidelines on remuneration to senior executives (see also 'Terms and conditions of remuneration' below).

EXTRAORDINARY GENERAL MEETING

The company held an Extraordinary General Meeting on October 7, 2014, at which Teppo Tauriainen was elected as a member of the Board. At the same meeting, Eva Walder stepped down as a Board member. The other members elected at the Annual General Meeting remained on the Board.

COMPOSITION OF THE BOARD OF DIRECTORS

PROCEDURE FOR NOMINATION OF BOARD MEMBERS

For companies wholly owned by the government, a nomination procedure is applied that adheres to the Swedish government owner policy, which replaces the Code's rules for nominating members of the Board and auditors. The nomination procedure for members of the Board is run and coordinated by the unit for company analysis and corporate governance for state ownership within the Swedish Ministry of Enterprise and Innovation. A working group analyzes the skills requirements based on the composition of the Board as well as the operations, status and future challenges of the company. Any recruitment needs are then established and the recruitment process starts. The selection of Board members is derived from a broad recruitment base.

The company has established procedures for suitability assessment of the members of the Board and senior executives pursuant to the new regulatory framework issued by the European Banking Authority (the EBA). The company's assessment of potential new Board members is based on the owner having identified the candidate in question according to a job specification. The owner is informed of the outcome following the company's assessment.

When the procedure is complete, the nominations are disclosed publicly in accordance with the provisions of the Code. The Articles of Association stipulate that the Board should consist of no less than six members and no more than eight members.

MEMBERS OF THE BOARD

In 2014, two Board members, Åke Svensson and Eva Walder, stepped down and a new member, Teppo Tauriainen, joined the Board. At December 31, 2014, the Board of Directors consisted of seven members. None of SEK's executive management is a member of the Board. At December 31, 2014, three of the members of the Board were women and four were men. The average age of Board members is 57. Details of the the Board members are disclosed on pages 54–55. Susanne Lithander was appointed as a Board member at an Extraordinary General Meeting on January 20, 2015.

THE WORK OF THE BOARD OF DIRECTORS

THE TASKS AND DIVISION OF RESPONSIBILITY OF THE BOARD

The Board must ensure that, in performing its mission, the company operates in a manner that is efficient, profitable and sustainable to ensure the best possible long-term value development within the company. Moreover, the Board must ensure that the business is run in a way that promotes sustainable economic, social and environmental development. The Board is responsible for ensuring that the company sets an example within sustainable business and, in general, operates in a manner that engenders public confidence.

The Board is responsible for the organization of the company and management of the company's affairs.

The Board must continually assess the financial position of the company and the consolidated Group and ensure that the company is structured in such a way that its accounting, management of funds and other financial circumstances are governed by satisfactory controls.

The Board must ensure that the company has effective systems to monitor and control the business and must continually stay informed of and evaluate how effectively the company's internal control framework is working. The Board must also provide information on an annual basis in the corporate governance report about the most important elements of the company's internal control and risk management systems relating to its financial reporting.

The Board must ensure that the company complies with applicable laws and other regulations, as well as the Owner Policy. The Board is also responsible for ensuring that the company complies with applicable parts of the Code and must disclose annually in the corporate governance report and on the company website how corporate governance of the company works and how the company applies the Code.

The Board is responsible for setting strategic targets for the company's sustainability work and for ensuring that these strategic targets are integrated into the company's business strategy, and that sustainability work is reported in accordance with the Global Reporting Initiative (GRI) international reporting standard and, in general, in accordance with the Owner Policy. The Board is also responsible for ensuring that the company complies with international guidelines on environmental issues, human rights, labor conditions, anti-corruption measures and business ethics.

The Board is responsible for the company's risk management and compliance. This means the Board must ensure that risks associated with the company's operations are continually identified, analyzed and appropriately managed and that there is satisfactory internal control of the company's compliance with laws and other regulations that govern the company's operations, including internal rules such as policies and instructions. The Board is also responsible for establishing, implementing and monitoring essential operating policy documents such as a code of conduct and other forms of policy documents.

The Board must ensure that the company's disclosure of information is transparent, accurate, relevant and reliable.

The Board's responsibility and duty of oversight cannot be transferred to another party. This applies irrespective of any delegation.

The Chief Corporate Governance Officer acted as secretary to the Board in 2014.

Within the Board, the Board of Directors has established a credit committee, a finance and risk committee, an audit committee and a remuneration committee.

Besides the Board committees and the work for which the Chairman is responsible, work is not divided within the Board of Directors. When required, the Chairman of the Board participates in important meetings and represents the company in ownership matters.

DESCRIPTION OF THE WORK OF THE BOARD OF DIRECTORS

The work of the Board was carried out in accordance with the established rules of procedure. The Board of Directors met on 15 occasions in 2014. The meetings addressed matters such as business operations, including sustainability issues, annual and interim accounts and related reports, strategic issues, operating targets, the company's business plan, the internal capital adequacy assessment process (ICAAP), budgeting, organizational structure and staffing, employee surveys and assessment of the Board's work.

The Board also managed contact with supervisory authorities, mainly the Swedish FSA, regarding various types of regulatory issues. In addition, the Board took some credit and financing decisions that are of fundamental significance or in some other way of major importance to the company. In the autumn, the Board made a study visit to clients and cooperation partners in Istanbul, Turkey.

Particular matters that were addressed by the Board over the year included:

- The approval of revised internal policy documents that were adapted to meet new external regulations, including the Swedish FSA's regulations and general guidance on governance, risk management and control (2014:1), and to adapt these to the corporate governance document standards required of government-owned companies by the owner.
- The settlement of the dispute with Lehman Brothers Finance, S.A., (in liquidation), Switzerland.
- Development of methods and measures for measuring, limiting and reporting, as well as strategies for managing different types of market risk.

Furthermore, the Chairman of the Board maintained contact with representatives of the company's owner on ownership matters, partly in order to coordinate with the owner regarding its views on a few issues concerning certain key decisions for the company.

IN 2014 THE BOARD OF DIRECTORS DETERMINED OR DEALT WITH MATTERS AS FOLLOWS:

	Number
Appointment of the President and election of members to the committees	3
Policies and instructions	32
Business plan and matters relating to capital	2
Financial reports, including audit reports	6
Remuneration and other HR issues	13
Projects and investments	9
Notifications from the Board's committees	26
Reports from the President, Chief Risk Officer or Chief Compliance Officer as well as internal audit cases	25
Other matters	36

The table 'SEK's policy documents' lists the policies and instructions determined by the Board of Directors and the committees. While examining the annual and interim accounts, the company auditors participated in six meetings of the Board of Directors and reported to and conducted a dialogue with the Board about their observations arising from the scrutiny and assessment of SEK's operations, as well as correspondence with supervisory authorities on reporting matters. The Board of Directors holds a meeting with the company auditors at least once a year without the attendance of the President or any other member of the executive management.

SEK'S POLICY DOCUMENTS	ISSUED BY
Procedural Rules of the Board	Board
Authorization and Delegation Rules	Board
Financial Reporting Instruction	Board
Instruction for the CEO	Board
Code of Conduct	Board
Sustainable Business Policy	Board
Policy on Combating Money Laundering and Terrorist Financing	Board
Internal Governance and Control Policy	Board
Risk Policy	Board
Finance Policy	Board
Remuneration Policy	Board
Financing Strategy	Finance and Risk Committee
Liquidity Strategy	Finance and Risk Committee
Finance Instruction	Finance and Risk Committee
Instruction on Market Risk Limits (excl. the S-system)	Finance and Risk Committee
Instruction on Market Risk Limits in the S-system	Finance and Risk Committee
Internal Capital Adequacy Assessment Process (ICAAP) Instruction	Finance and Risk Committee
Credit Instruction	Credit Committee
Internal Risk Classification Methodology	Credit Committee
Instruction on the Procurement of Services from the Company's Auditor	Audit Committee

CONFLICTS OF INTEREST

Under the company's policy on internal governance and control, each manager of a function within the company is responsible for identifying, analyzing, documenting and taking measures in respect of any conflicts of interest within his/her area of responsibility.

QUALITY ASSURANCE OF FINANCIAL REPORTING

The Board's special report on internal control (see pages 52–53) gives an account of the structure of internal control in financial reporting procedures. The Board of Directors is responsible for ensuring that the company's financial reports are prepared in accordance with legislation, applicable accounting standards and other requirements. The quality of the financial reporting is ensured, among other things, initially by the Audit Committee and then by the Board of Directors reading and submitting points of view for proposals on interim reports and annual reports prior to decisions by the Board. During Board meetings, matters of material importance to financial reporting are discussed, and prior to each meeting reports are submitted to the Board regarding financial and economic developments in accordance with a standardized format. The Board and the company auditors communicate in a number of ways. At the Board meetings where the company's financial reporting was discussed, the auditors participated at the presentation of financial reports. The Board also receives summary audit reports. Each year, the Audit Committee reviews the auditors' plan and the result of the audit. The auditors receive written material that is submitted to the Board and also read all the minutes of Board and Committee meetings. The auditors also attend all of the meetings of the Audit Committee.

EVALUATION OF THE WORK OF THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT

Constant assessments are made during the financial year through the Chairman's conversations with the other members of the Board. In addition, a separate assessment of the Board and executive management's work is made once a year under the leadership of the Chairman. In 2014, this assessment was also carried out with external assistance. An evaluation is also performed by the owner in connection with the nomination of Board members (see page 49).

THE BOARD COMMITTEES

During the financial year, the Board's Credit Committee, Finance and Risk Committee, Remuneration Committee and Audit Committee met on 15, 7, 6 and 6 occasions respectively. The Board's procedural rules include an annual process of establishing instructions for all of its committees.

The minutes from each committee are reported at Board meetings by the respective committee's chairperson. The members of each committee and their attendance at committee meetings are set out below (see page 52). The Chief Corporate Governance Officer acted as secretary to the Finance and Risk Committee and the Remuneration Committee. The company's general counsel acted as the secretary to the Credit Committee and the Audit Committee.

CREDIT COMMITTEE

The Board established a Credit Committee to ensure the Board's involvement in decision-making regarding credit risks. The Credit Committee handles matters relating to credits and credit decisions that are of fundamental or significant importance to the company, and also takes decisions regarding credits in accordance with the delegation rules determined by the Board. At the request of the Board, the committee has issued a credit instruction, in accordance with which decision-making powers regarding certain credits have been delegated to the company's Credit Committee.

FINANCE AND RISK COMMITTEE

The Board has established a separate Finance and Risk Committee to ensure that the company can identify, measure, manage, report internally and have control over the risks to which it is or can be expected to be exposed. The Finance and Risk Committee's mandate was expanded in 2014 to cover more risk-related issues than before and its name was consequently changed from the Board's Finance Committee to the Board's Finance and Risk Committee. The committee's duties include handling matters on behalf of the Board regarding overall policies, strategies and risk appetite in all risk- and capital-related issues, as well as regarding overall questions concerning the company's financial operations. The committee has the power to set limits for such risk- and capital-related matters that the Board delegates to the committee to determine and to establish measurement methods and limits concerning market and liquidity risk, in addition to models for valuing financial instruments.

REMUNERATION COMMITTEE

The Remuneration Committee handles matters relating to salaries, pensions and other benefits for the President and the executive management and overall issues relating to salaries, pensions and other benefits. The Board of Directors has established a remuneration policy.

The Remuneration Committee also formulates proposals on salaries for the persons in control-related positions for whom the Board determines the terms of remuneration. Furthermore, the committee evaluates compliance with the Annual General Meeting's decisions on remuneration.

AUDIT COMMITTEE

The Board has established an Audit Committee to handle the Board's quality assurance of the company's financial reporting. The committee's duties include handling the Board's work to ensure quality assurance of the company's financial reporting, staying informed of compliance with internal control and regularly meeting the company's auditor to stay informed about the focus and scope of the audit, as well as to discuss coordination between the external and the internal audit and the view of the company's risks. The Audit Committee formulates comprehensive instructions for the company's auditing work.

ATTENDANCE FREQUENCY AT MEETINGS OF THE BOARD OF DIRECTORS AND ITS COMMITTEES IN 2014

	Total	Board of Directors	Remuneration Committee	Finance- and Risk Committee	Credit Committee	Audit Committee
Number of meetings	49	15	6	7	15	6
Lars Linder-Aronson	43	15	6	7	15	
Cecilia Ardström	27	14		7		6
Jan Belfrage	28	15			13	
Lotta Mellström	26	14	6			6
Ulla Nilsson	37	15		7	15	
Jan Roxendal	28	15		7		6
Teppo Tauriainen[1]	7	4			3	
Åke Svensson[2]	11	5	3			3
Eva Walder[3]	19	10			9	

1) Teppo Tauriainen was elected as a Board member at the Extraordinary General Meeting of October 7, 2014.
2) Åke Svensson stepped down as a Board member at the Annual General Meeting of April 28, 2014.
3) Eva Walder stepped down as a Board member at the Extraordinary General Meeting of October 7, 2014.

AUDITORS

The Swedish government owner policy states that responsibility for the selection of auditors appointed by the Annual General Meeting in government-owned companies always lies with the owner. The Annual General Meeting of 2014 appointed Ernst & Young AB as auditor of the company, with Erik Åström as the principal auditor. In accordance with the Swedish Act on the Auditing of State-Owned Companies and other regulations, the Swedish National Audit Office may appoint one or more auditors to participate in the annual audit. However, this did not occur in 2014.

PRESIDENT

Peter Yngwe, who had been President of SEK since 1997, left the company at the Annual General Meeting in 2014. He was succeeded as President by Catrin Fransson. Catrin Fransson was born in 1962 and has an MSc in Economics and Business from Luleå University College. Catrin Fransson has many years' experience in various positions within the Swedbank Group, most recently as Head of Group Products, and in recent years was a member of Swedbank's Group Executive Committee. Catrin Fransson has no appointments outside SEK.

TERMS AND CONDITIONS OF REMUNERATION

SEK is governed by the Swedish FSA's regulations and recommendations on remuneration policies in credit institutions, securities companies and fund management companies (FFFS 2011:1). The company also follows the government's guidelines on terms of employment for senior executives at state-owned companies. In accordance with these guidelines and with the resolutions taken at the Annual General Meeting, the company applies the general principle that salary and remuneration for senior executives of SEK and its subsidiaries should be reasonable and well balanced. They should also be competitive, capped and as appropriate and contribute to good ethical principles and corporate culture. Remuneration should not be higher than at comparable companies, and should be reasonable. SEK's remuneration policy promotes effective risk management and does not encourage excessive risk-taking. Guidelines for remuneration to senior executives are determined by the Annual General Meeting. Remuneration to senior executives consists of fixed salary, pension and other benefits. Pension terms for senior executives should be in the form of defined contribution plans. The general incentive system, GIS, is the only type of variable remuneration at SEK. The GIS constitutes a unilateral offer by the company, which the company may, at its own discretion, alter or withdraw at any time. The content of the GIS, both in terms of its scope and validity, as well as any amendments or supplements, are determined annually by the Board. The GIS applies to all permanent employees, with the exception of Senior Executives, Head of Financial Control, Head of Internal Control and Head of Risk Control as well as any other executives that the Board of Directors has decided to exclude. Payment under the GIS is limited to no more than two months' salary. Information on SEK's remuneration policy in accordance with regulations of the Swedish FSA is disclosed on the company's website. There is no outstanding share or share price-related incentive program. For information on the remuneration of the Board of Directors and the executive management, see Note 5.

THE BOARD OF DIRECTORS' REPORT FOR THE 2014 FINANCIAL YEAR ON INTERNAL CONTROL AND RISK MANAGEMENT WITH REGARD TO FINANCIAL REPORTING

In order to ensure correct and reliable financial reporting, SEK has developed a management system for financial reporting based on the Committee and Sponsoring Organization of the Treadway Commission (COSO) framework for internal control (2013 version). Over the year, amendments were made to adapt to an updated standard, which required the revision of the scope of the internal control framework and the introduction of new procedures and controls. This internal control framework is divided into five components: Governance and Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities. These five components comprise 17 principles that must be applied and work in order to conclude that the company has good internal governance and control.

GOVERNANCE AND CONTROL ENVIRONMENT

Internal governance and control measures are based on the governance and control environment formed by internal rules, processes and structures that form the basis for internal governance and control throughout the organization. The Board is responsible for internal governance and control. Effective and efficient work by the Board with capable Board members provides the basis for good internal governance and control. SEK's Board has established rules of procedure for its work and the work of its committees. Part of the work of the Board is to establish, update and approve a number of fundamental policies that govern the company's operations. It is the responsibility of the President to establish guidelines so that all employees understand the need for maintaining ethical values and the role of each individual in such work, which is regulated in part by the Code of Conduct to which all employees must adhere. The Board issues guidelines that provide the prerequisites for an organizational structure with clear roles and responsibilities, procedures for attracting, developing and retaining employees and a remuneration system that favors the effective management of company risks and promotes good internal governance and control. SEK has an independent internal audit function that reviews the company's internal governance and control. The Board establishes the auditing assignment each year by means of an auditing plan, which takes account of the mandatory audit required by legislation. The assignment involves checking and assessing whether the company's risk management, governance, control, reporting and management processes and compliance are effective. The internal audit has continually reported its observations to the Board, the Audit Committee and the President, and has regularly informed the executive management. As of 2012 the Board commissioned an external party, KPMG, to be responsible for this independent internal audit. The purpose of appointing an external party to perform the internal audit is to provide SEK with access to significant and extensive capabilities for auditing the company's compliance with regulations, especially those on capital adequacy, including auditing of internal capital adequacy assessment and the company's IRB model. The internal audit assignment includes liaising with the external auditors so that they are able to rely on the work carried out by the internal auditors, thereby ensuring that all material areas of risk have been audited.

RISK ASSESSMENT

SEK performs an annual risk assessment at management, function and process level in order to identify, document and quantify the consequences and probability of events that could occur that impede the achievement of targets. Risk assessment for financial reporting comprises identifying and evaluating material risks that may result in the objective of reliable financial reporting not being achieved in terms of comprehensiveness, accuracy, valuation, reporting and risk of fraud. The company carries out regular risk assessments during the year in the event of material changes for the company.

CONTROL ACTIVITIES

Controls have been designed based on identified risks in order to prevent, detect and correct deficiencies and discrepancies. The controls are carried out at a company-wide level, and also include general IT controls. These include instructions and procedures regarding authorizations, powers and responsibilities relating to lending, monitoring of compliance and controls for change management, back-up procedures and authorization.

Transaction-based controls, whether manual or automated, are carried out in order to manage the risk of errors occurring in financial reporting. Such controls include reconciliation and analyses. Processes and controls are documented in the form of flow charts and descriptions of individual control activities, which specify who executes a particular control, how it is implemented and how implementation of the control is to be documented.

INFORMATION AND COMMUNICATION

Policies, instructions, guidelines and operating procedures are continually updated and communicated to staff via relevant channels, especially via the intranet, through internal training and personnel meetings. Formal and informal communication between staff and management is promoted due to the small number of employees and the fact that they are concentrated mainly at one geographical location.

The Board of Directors and the Audit Committee are continually provided with management reports on financial performance through analyses of and commentaries on results, budgets and forecasts.

The Board and the Audit Committee meet the auditors regularly and receives the audit reports. The duties of the executive management includes assessing material accounting principles and other matters pertaining to financial reporting and dealing with interim reports, year-end reports and annual reports prior to review by the Audit Committee and approval by the Board.

MONITORING ACTIVITIES

Monitoring and testing of control activities are carried out on an ongoing basis throughout the year to ensure that risks are taken into account and managed satisfactorily. Testing is carried out by staff who are independent of the implementation of controls and who are capable of evaluating the implementation of controls. Measures to address any deficiencies are followed up by the Internal Control Committee and the Audit Committee. The executive management has also established controls to ensure that appropriate measures are taken in response to the recommendations made by the internal audit function and by the auditors elected by the general meeting.

SEK is a foreign private issuer as defined by US regulations and is, in addition to the Annual Accounts Act and the Code, therefore also affected by the Sarbanes-Oxley Act (SOX). SOX requires the executive management to assess and comment on the effectiveness and efficiency of internal control of financial reporting based on the testing of internal controls. However, no corresponding expression of opinion is required of the company's auditors for the category of companies to which SEK belongs within the US regulations. The executive management has assessed the internal control of financial reporting in accordance with the rules applicable to foreign private issuers. The conclusion as at December 31, 2014 was that effective and efficient controls were in place relating to internal control of financial reporting.

The Board of Directors




LARS LINDER-ARONSON

Chairman of the Board

Born: 1953.

Education: MSc Economics and Business, Stockholm School of Economics.

Elected: 2011. Chairman of SEK's Finance and Risk Committee and Remuneration Committee, Member of SEK's Credit Committee.

Previous positions: President of Enskilda Securities, Senior Vice President of Skandinaviska Enskilda Banken.

Other appointments: Chairman of the Board of Centeni Holding AB and subsidiaries. Member of the Board of Facility Labs AB and subsidiaries. Member of the Board of Betsson AB, e-Capital AB, Designed Chemicals AB and Morco Förvaltning AB.

CECILIA ARDSTRÖM

Born: 1965.

Education: Economics degree, Gothenburg School of Economics.

Elected: 2011. Member of SEK's Finance and Risk Committee and Audit Committee.

Previous positions: CIO and Head of Asset Management at Folksam group. Head of Treasury at Tele2 Group. Member of the Board of Tryggstiftelsen, AP7 and various companies within Folksam and Tele2 companies.

Other appointments: Member of the Board of Humlegården Holding AB (I-III), Länsförsäkringar Fondförvaltning AB, Stiftelsen Länsbörsen and Länsförsäkringar P.E Holding AB.

Current positions: Chief Financial Officer and Head of Asset Management at Länsförsäkringar AB.

JAN BELFRAGE

Born: 1944.

Education: MSc Economics and Business, Stockholm School of Economics.

Elected: 2010. Chairman of SEK's Credit Committee.

Previous positions: Nordic Manager at Credit Agricole, Nordic Manager and former CEO of Sweden Citigroup, CFO at AGA AB, Group Treasurer at AB SKF.

Other appointments: Member of the Board of Litorina Kapital Partners III Ltd and Litorina Partners IV Ltd.

LOTTA MELLSTRÖM

Born: 1970.

Education: MSc Economics and Business, Lund University.

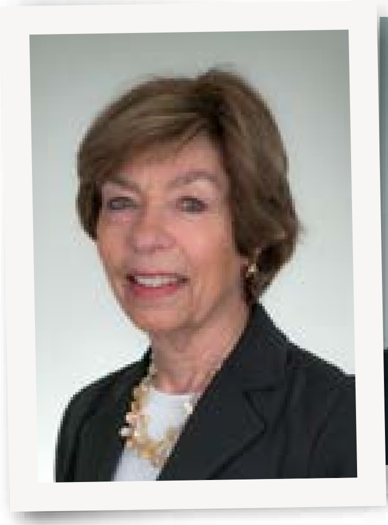
Elected: 2011. Member of SEK's Remuneration Committee and Audit Committee.

Previous positions: Management Consultant at Resco AB, Controller within the Sydkraft Group and ABB Group.

Other appointments: Member of the Board of Specialfastigheter Sverige AB and Swedfund International AB.

Current position: Deputy Director, until Dec. 31, 2014 at the Swedish Ministry of Finance and from Jan. 1, 2015 at the Ministry of Enterprise and Innovation.

No Members of the Board hold shares or other financial instruments in the company.



ULLA NILSSON

Born: 1947.

Education: M.Pol.Sc., Economics and Business Administration, Uppsala University.

Elected: 2011. Member of SEK's Finance and Risk Committee and Credit Committee.

Previous positions: Skandinaviska Enskilda Banken AB 1978–2010; Global Head of SEB Futures in London, Chairman of Enskilda Futures Limited in London, Head of Trading & Capital Markets Singapore, Head of Treasury in Luxembourg and Skånska Banken 1974–1978.

Other appointments: Member of the Board of Swedish Chamber International.

Current positions: President at the Swedish Chamber of Commerce in London since 2012.

JAN ROXENDAL

Born: 1953.

Education: General College Degree in Banking.

Elected: 2007. Chairman of SEK's Audit Committee and Member of SEK's Finance and Risk Committee.

Previous positions: President at Gambro AB. President and CEO of Intrum Justitia AB. Vice President of the ABB Group. President and CEO of ABB Financial Services.

Other appointments: Chairman of the Board of Directors of-mySafety Group AB, the Swedish Export Credits Guarantee Board (EKN), Flexenclosure AB and Roxtra AB, Member of the Board of Catella AB.

TEPPO TAURIAINEN

Born: 1961

Education: MSc International Economics, University of Gothenburg School of Business, Economics and Law. Studies at City University Business School, London.

Elected: 2014

Previous positions: Sweden's Ambassador to Canada, Sweden's Ambassador to Singapore and Brunei, Head of Ministry of Foreign Affairs' International Trade Policy Unit.

Other appointments: -

Current positions: Assistant Undersecretary at the Swedish Ministry of Foreign Affairs, Head of America Unit.

AUDITORS

Ernst & Young AB

Principal auditor
ERIK ÅSTRÖM
Authorized Public Accountant

Born: 1957.
Auditor at SEK since 2013.

CHANGES AFTER DECEMBER 31, 2014

Susanne Lithander was elected to the Board of Directors at an extraordinary general meeting on January 20, 2015. Susanne Lithander is currently CFO of BillerudKorsnäs.

Management




CATRIN FRANSSON

President and CEO

Born: 1962.

Education: MSc Economics and Business, Luleå University of Technology.

Employed: 2014

Other appointments: Chairwoman of the Board of Venantius AB.

JANE LUNDGREN ERICSSON

Deputy Chief Operating Officer

Born: 1965.

Education: Bachelor of Laws (Stockholm), LLM (London).

Employed: 1993.

Other appointments: Member of the Board of SBAB.

SUSANNA RYSTEDT

Chief Administrative Officer (CAO)

Born: 1964.

Education: MSc Economics and Business, Stockholm School of Economics.

Employed: 2009.

Other appointments: Member of the Board of AB Trav och Galopp.

PER ÅKERLIND

Chief Operating Officer

Born: 1962.

Education: MSc in Engineering, the Royal Institute of Technology, Stockholm (KTH).

Employed: 1990.

Other appointments: Chairman of the Credit Markets Group, Swedish Society of Financial Analysts (SFF).

CHANGES AFTER DECEMBER 31, 2014

From January 1, 2015, Karl Johan Bernerfalk (General Counsel); Johan Henningsson (Chief Sustainability Officer); and Edvard Unsgaard (Chief Communications Officer) joined SEK's management together with Catrin Fransson (President); Per Åkerlind (Head of Finance); Susanna Rystedt (CAO); Jane Lundgren-Ericsson (Head of Lending); Sirpa Rusanen (CHRO); and Per Jedefors (CRO). From January 1, 2015, Marie Lindstedt (Head of Compliance function); Dan Kohlberg (IT Manager); and Sven-Olof Söderlund Head of Owner-related Issues have been acting as additional members of the company's management.



PER JEDEFORS

Chief Risk Officer (CRO)

Born: 1949.

Education: MSc Economics and Business, Lund University.

Employed: 2011.

Other appointments: Member of the Board of Fred Wachtmeister & Partners.

SIRPA RUSANEN

Chief Human Resources Officer (CHRO)

Born: 1964.

Education: Behavioral Science Degree, Lund University.

Employed: 2005.

Other appointments: –

SVEN-OLOF SÖDERLUND

Chief Corporate Governance Officer (CCGO)

Born: 1952.

Education: Economics Degree, Stockholm University.

Employed: 1988.

Assignments: Member of the Board of Venantius AB.

Consolidated statement of comprehensive income

Skr mn	Note	2014	2013
Interest revenues		3,774	4,158
Interest expenses		-2,196	-2,603
Net interest revenues	**2**	**1,578**	**1,555**
Net fee and commission expense	3	-6	-5
Net results of financial transactions	4	506	408
Total operating income		**2,078**	**1,958**
Personnel expenses	5	-313	-290
Other administrative expenses	6	-166	-185
Depreciations and amortizations of non-financial assets	7	-43	-36
Total operating expenses		**-522**	**-511**
Operating profit before net credit losses		**1,556**	**1,447**
Net credit losses	9	73	-39
Operating profit		**1,629**	**1,408**
Tax expenses	10	-369	-318
Net profit[1]		**1,260**	**1,090**
Other comprehensive income related to:			
Items to be reclassified to profit or loss			
Available-for-sale securities[2]		*26*	*4*
Derivatives in cash flow hedges[2]		*316*	*-407*
Tax on items to be reclassified to profit or loss	10	-75	89
Net items to be reclassified to profit or loss		**267**	**-314**
Items not to be reclassified to profit or loss			
Revaluation of defined benefit plans		*-43*	*60*
Tax on items not to be reclassified to profit or loss	10	10	-13
Net items, not to be reclassified to profit or loss		**-33**	**47**
Total other comprehensive income		**234**	**-267**
Total comprehensive income[1]		**1,494**	**823**

Skr		
Basic and diluted earnings per share[3]	316	273

[1] The entire profit is attributable to the shareholder of the Parent Company.
[2] See the Consolidated Statement of Changes in Equity.
[3] The average number of shares in 2014 amounts to 3,990,000 (year-end 2013: 3,990,000)

Consolidated statement of financial position

Skr mn	Note	December 31, 2014	December 31, 2013
Assets			
Cash and cash equivalents	11,12	7,099	8,337
Treasuries/government bonds	11,12	3,458	4,595
Other interest-bearing securities except loans	11,12	66,398	64,151
Loans in the form of interest-bearing securities	11,12	53,140	60,958
Loans to credit institutions	9,11,12	25,510	24,819
Loans to the public	8,9,11,12	149,240	125,553
Derivatives	14	16,017	14,228
Property, plant, equipment and intangible assets	7	161	150
Other assets	16	2,053	1,039
Prepaid expenses and accrued revenues	17	2,090	2,724
Total assets		**325,166**	**306,554**
Liabilities and equity			
Borrowing from credit institutions	12,18	8,290	8,256
Borrowing from the public	12,18	63	59
Senior securities issued	12,18	273,839	260,900
Derivatives	14	18,886	16,788
Other liabilities	19	3,054	786
Accrued expenses and prepaid revenues	20	2,014	2,433
Deferred tax liabilities	10	821	683
Provisions	5,21	97	52
Subordinated securities issued	12,22	1,945	1,607
Total liabilities		**309,009**	**291,564**
Share capital		3,990	3,990
Reserves		403	136
Retained earnings		11,764	10,864
Total equity	**23**	**16,157**	**14,990**
Total liabilities and equity		325,166	**306,554**
Collateral provided etc.			
Cash collateral under the security agreements for derivative contracts			
Interest-bearing securities:		9,668	6,946
Subject to lending		*113*	*160*
Contingent assets and liabilities		**4,295**	**2,389**
Guarantee commitments, credits		8	102
Guarantee commitments, other		4,287	2,287
Commitments			
Committed undisbursed loans		16,028	20,480
Binding offers		50,896	35,083

Consolidated statement of changes in equity

	Equity	Share capital	Reserves		Retained earnings
Skr mn			*Hedge reserve*	*Fair value reserve*	
Opening balance of equity January 1, 2013	14,380	3,990	469	-19	9,940
Net profit for the year	1,090				1,090
Other comprehensive income related to:					
Items to be reclassified to profit or loss					
Available-for-sale securities	*4*			*4*	
Derivatives in cash flow hedges	*-127*		*-127*		
Reclassified to profit or loss	-279		-279		
Tax on items to be reclassified to profit or loss	88		89	-1	
Items not to be reclassified to profit or loss					
Revaluation of defined benefit plans	*60*				*60*
Tax on items not to be reclassified to profit or loss	-13				-13
Total other comprehensive income	**-267**		**-317**	**3**	**47**
Total comprehensive income	**823**		**-317**	**3**	**1,137**
Dividend	-213				-213
Closing balance of equity 2013[1,2]	**14,990**	**3,990**	**152**	**-16**	**10,864**
Net profit for the year	1,260				1,260
Other comprehensive income related to:					
Items to be reclassified to profit or loss					
Available-for-sale securities	*26*			*26*	
Derivatives in cash flow hedges	*611*		*611*		
Reclassified to profit or loss	-295		-295		
Tax on items to be reclassified to profit or loss	-75		-70	-5	
Items not to be reclassified to profit or loss					
Revaluation of defined benefit plans	*-43*				*-43*
Tax on items not to be reclassified to profit or loss	10				10
Total other comprehensive income	**234**		**246**	**21**	**-33**
Total comprehensive income	**1,494**		**246**	**21**	**1,227**
Dividend	-327				-327
Closing balance of equity 2014[1,2]	**16,157**	**3,990**	**398**	**5**	**11,764**

[1] The entire equity is attributable to the shareholder of the Parent Company.
[2] See Note 23.

Statement of cash flows in the consolidated group

Skr mn	2014	2013
Operating activities		
Operating profit[1]	1,629	1,408
Adjustments to convert operating profit to cash flow:		
Provision for credit losses - net	-89	47
Depreciation	43	36
Exchange rate differences	-5	-12
Unrealized changes in fair value	-57	261
Other	284	-58
Income tax paid	-308	-271
Total adjustments to convert operating profit to cash flow	**-132**	**3**
Disbursements of loans	-57,495	-60,238
Repayments of loans	65,171	41,693
Net decrease in bonds and securities held	10,576	12,447
Derivatives relating to loans	946	148
Other changes – net	29	632
Cash flow from operating activities	**20,724**	**-3,907**
Investing activities		
Capital expenditures	-52	-35
Cash flow from investing activities	**-52**	**-35**
Financing activities		
Proceeds from issuance of short-term senior debt	12,929	12,838
Proceeds from issuance of long-term senior debt	52,387	96,583
Proceeds from issuance of long-term subordinated debt	-	1,655
Repayments of debt	-67,688	-59,830
Repurchase and early redemption of own long-term debt	-25,833	-44,842
Derivatives relating to debts	6,274	3,768
Dividend paid	-327	-213
Cash flow from financing activities	**-22,258**	**9,959**
Net cash flow for the year	**-1,586**	**6,017**
Exchange rate differences on cash and cash equivalents	348	-18
Cash and cash equivalents at beginning of year	8,337	2,338
Cash and cash equivalents at end of year [2]	**7,099**	**8,337**
of which cash at banks	**373**	*418*
of which cash equivalents	**6,726**	*7,919*

[1] **Interest payments received and expenses paid**		
Interest payments received	4,410	4,089
Interest expenses paid	2,609	2,527

[2] Cash and cash equivalents include, in this context, cash at banks that can be immediately converted into cash and short-term deposits for which the time to maturity does not exceed three months from trade date. See Note 11.

Parent company income statement

Skr mn	Note	2014	2013
Interest revenues		3,773	4,148
Interest expenses		-2,197	-2,604
Net interest revenues	**2**	**1,576**	**1,544**
Dividend from subsidiary	15	11	4
Net fee and commission income	3	-6	-8
Net results of financial transactions	4	507	408
Total operating income		**2,088**	**1,948**
Personnel expenses	5	-316	-290
Other administrative expenses	6	-166	-183
Depreciations and amortizations of non-financial assets	7	-43	-36
Total operating expenses		-525	-509
Operating profit before net credit losses		**1,563**	**1,439**
Net credit losses	9	71	-49
Reversal of earlier impairment of shares in subsidiaries	15	-	3
Operating profit		**1,634**	**1,393**
Changes in untaxed reserves	10	-355	-173
Taxes expenses	10	-290	-275
Net profit		**989**	**945**

Parent company statement of comprehensive income

Skr mn	2014	2013
Net profit for the year (after taxes)	**989**	**945**
Other comprehensive income related to:		
Items to be reclassified to profit or loss		
Available-for-sale securities[1]	26	4
Derivatives in cash flow hedges[1]	316	-407
Tax on items to be reclassified to profit or loss	-75	89
Net items, to be reclassified to profit or loss	**267**	**-314**
Total other comprehensive income	**267**	**-314**
Total comprehensive income	**1,256**	**631**

[1] See the Parent Company Statement of Changes in Equity.

Parent company balance sheet

Skr mn	Note	December 31, 2014	December 31, 2013
ASSETS			
Cash and cash equivalents	11,12	7,096	8,318
Treasuries/government bonds	11,12	3,458	4,595
Other interest-bearing securities except loans	11,12	66,398	64,151
Loans in the form of interest-bearing securities	11,12	53,140	60,959
Loans to credit institutions	9,11,12	25,510	24,819
Loans to the public	8,9,11,12	149,240	125,553
Derivatives	14	16,017	14,228
Shares in subsidiaries	15	17	65
Property, plant, equipment and intangible assets	7	161	150
Other assets	16	2,053	1,039
Prepaid expenses and accrued revenues	17	2,090	2,724
Total assets		**325,180**	**306,601**
LIABILITIES AND EQUITY			
Borrowing from credit institutions	12,18	8,320	8,266
Borrowing from the public	12,18	63	137
Senior securities issued	12,18	273,839	260,900
Derivatives	14	18,886	16,788
Other liabilities	19	3,054	785
Accrued expenses and prepaid revenues	20	2,014	2,432
Deferred tax liabilities	10	112	43
Provisions	5,21	32	29
Subordinated securities issued	12,22	1,945	1,607
Total liabilities		**308,265**	**290,987**
Untaxed reserves	10	3,280	2,911
Share capital		3,990	3,990
Legal reserve		198	198
Fair value reserve		403	136
Retained earnings		8,055	7,434
Net profit for the year		989	945
Total equity	**23**	**13,635**	**12,703**
Total liabilities and equity		**325,180**	**306,601**
Collateral provided etc.			
Cash collateral under the security agreements for derivative contracts		9,668	6,946
Interest-bearing securities			
Subject to lending		113	160
Contingent assets and liabilities		**4,294**	**2,388**
Guarantee commitments, credits		7	101
Guarantee commitments, other		4,287	2,287
Commitments			
Committed undisbursed loans		16,028	20,480
Binding offers		50,896	35,083

Parent company statement of changes in equity

	Equity	Share capital	Legal reserve	Fair value reserve		Retained earnings
Skr mn				*Hedge reserve*	*Fair value reserve*	
Opening balance of equity 2013	12,285	3,990	198	469	-19	7,647
Net profit for the year	945					945
Other comprehensive income related to:						
Items to be reclassified to profit or loss						
Available-for-sale securities	*4*				*4*	
Derivatives in cash flow hedges	*-127*			*-127*		
Reclassified to profit or loss	-279			-279		
Tax on items to be reclassified to profit or loss	89			90	-1	
Total other comprehensive income	**-314**			**-317**	**3**	
Total comprehensive income	**631**			**-317**	**3**	**945**
Dividend	-213					-213
Closing balance of equity 2013[1]	**12,703**	**3,990**	**198**	**152**	**-16**	**8,379**
Merger difference SEK Securities	3					3[2]
Net profit for the year	989					989
Other comprehensive income related to:						
Items to be reclassified to profit or loss						
Available-for-sale securities	*26*				*26*	
Derivatives in cash flow hedges	*611*			*611*		
Reclassified to profit or loss	-295			-295		
Tax on items to be reclassified to profit or loss	-75			-70	-5	
Total other comprehensive income	**267**			**246**	**21**	
Total comprehensive income	**1,256**			**246**	**21**	**989**
Dividend	-327					-327
Closing balance of equity 2014[1]	**13,635**	**3,990**	**198**	**398**	**5**	**9,044**

1 See note 23
2 See note 15

Statement of cash flows in the parent company

Skr mn	2014	2013
Operating activities		
Operating profit[1]	1,634	1,393
Adjustments to convert operating profit to cash flow:		
Reversed write-down of impaired shares in subsidiary	-	-3
Provision for credit losses - net	-89	47
Depreciation	43	36
Gain on sale of subsidiary	-	0
Exchange rate differences	-5	-12
Unrealized changes in fair value	-57	261
Other	274	-16
Income tax paid	-307	-273
Total adjustments to convert operating profit to cash flow	-141	**40**
Disbursements of loans	**-57,495**	-60,238
Repayments of loans	65,171	41,693
Net change in bonds and securities held	10,576	12,447
Derivatives relating to loans	946	148
Other changes – net	97	617
Cash flow from operating activities	20,788	**-3,900**
Investing activities		
Capital expenditures	-52	-35
Cash flow from investing activities	**-52**	**-35**
Financing activities		
Proceeds from issuance of short-term senior debt	12,929	12,837
Proceeds from issuance of long-term senior debt	52,387	96,583
Proceeds from issuance of long-term subordinated debt	-	1,655
Repayments of debt	-67,736	-59,830
Repurchase and early redemption of own long-term debt	-25,833	-44,842
Derivatives relating to debts	6,274	3,768
Dividend paid	-327	-213
Cash flow from financing activities	**-22,306**	**9,958**
Net cash flow for the year	**-1,570**	**6,023**
Exchange rate differences on cash and cash equivalents	348	-18
Cash and cash equivalents at beginning of year	8,318	2,313
Cash and cash equivalents at end of year [2]	**7,096**	**8,318**
of which cash at banks	*370*	*400*
of which cash equivalents	*6,726*	*7,919*

[1] **Interest payments received and expenses paid**		
Interest payments received	4,409	4,079
Interest expenses paid	2,609	2,528

[2] Cash and cash equivalents include, in this context, cash at banks that can be immediately converted into cash and short-term deposits for which the time to maturity does not exceed three months from trade date. See Note 11.

Notes

Note table

Introductory Note

REPORTING ENTITY

AB Svensk Exportkredit ("SEK" or "the Parent Company") is a company domiciled in Sweden. The address of the company's registered office is Klarabergsviadukten 61–63, P.O. Box 194, SE-101 23 Stockholm, Sweden. The Consolidated Group as of December 31, 2014 encompasses SEK and its wholly owned subsidiary Venantius AB, including the latter's wholly owned subsidiary VF Finans AB ("the Subsidiaries"). These are together referred to as the "Consolidated Group" or "the Group". The wholly owned subsidiary AB SEK Securities was merged into SEK on December 5, 2014. The merger resulted in SEK acquiring the assets and assuming the liabilities of AB SEK Securities. AB SEK Securities was licensed by the Swedish Financial Supervisory Authority to conduct securities trading. Its operations are being transferred to the Parent Company and SEK, has been licensed to conduct this type of business since June 12, 2014. During 2013, the wholly owned subsidiaries SEK Financial Advisors AB, SEK Financial Services AB, SEK Customer Finance AB and SEK Exportlånet AB were sold. Venantius AB is no longer engaged in any active business.

BASIS OF PRESENTATION

(i) Statement of compliance

Since January 1, 2007, SEK has applied International Financial Reporting Standards (IFRS) as issued by the International Accounting StandardsBoard (IASB). The IFRS standards applied by SEK are all endorsed by the European Union (EU). Additional standards, consistent with IFRS, are imposed by the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) (ÅRKL), Recommendation RFR 1, Supplementary Accounting Principles for Groups, issued by the Swedish Financial Reporting Board (RFR) and the accounting regulations of the Financial Supervisory Authority (FFFS 2008:25), all of which have been complied with in preparing the consolidated financial statements, of which these notes form part. SEK also follows the Swedish Government's general guidelines regarding external reporting in accordance with its corporate governance policy and guidelines for state-owned companies. The accounting policies of the Parent Company are the same as those used in the preparation of the consolidated financial statements, except as stated in Note 1, section (o) below.

Certain disclosures required by applicable standards, regulation or legislation and not included in the notes, have been included in the "Risk and Capital Management" section (pages 31-47). In such cases, the information shall be deemed to be incorporated herein by reference.

The consolidated financial statements and the Parent Company's annual report were approved for issuance by SEK's Board of Directors (the Board of Directors) on February 19, 2015. The Group's statements of comprehensive income and financial position and the Parent Company's income statement and balance sheet are subject to approval by SEK's shareholder, at the annual general meeting to be held on April 28, 2015.

(ii) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the following; derivative financial instruments are measured at fair value, financial instruments at fair value through profit or loss are measured at fair value, available-for-sale financial assets are measured at fair value, and hedged items in fair-value hedges are recorded at amortized cost, adjusted for changes in fair value with regard to the hedged risks.

(iii) Functional and presentation currency

SEK has determined that the Swedish krona (Skr) is its functional and presentation currency under IFRS. This determination is based on several factors, the significant factors being that SEK's equity is denominated in Swedish kronor, its performance is evaluated based on a result expressed in Swedish kronor, and that a large portion of expenses, especially personnel expenses, other expenses and its taxes, are denominated in Swedish kronor. SEK manages its foreign currency risk by hedging certain of the exposures between the Swedish kronor and other currencies.

(iv) Going concern

SEK's Board of Directors and management have made an assessment of SEK's ability to continue as a going concern and are satisfied that SEK has the resources to continue in business for the foreseeable future.

Furthermore, the Board of Directors and management are not aware of any material uncertainties that may cast significant doubt upon SEK's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going-concern basis.

Note 1. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise stated.

TABLE OF CONTENTS

(a) Changes to accounting policies and disclosure requirements and standards not yet adopted

The accounting policies, in all material aspects, are unchanged in comparison with the financial statements included in SEK's 2013 Annual Report, except for the adoption of new and amended standards and interpretations effective as of January 1, 2014, and that the financial metrics, Operating profit excluding unrealized changes in fair value and After-tax return on equity excluding unrealized changes in fair value were replaced with Operating profit excluding net results of financial transactions and After-tax return on equity excluding net results of financial transactions, respectively, and Commissions earned and commissions incurred is presented in a net amount, as Net fee and commission expense. The nature of the changes to the accounting policies, methods of computation and presentation of the Consolidated Group and the Parent Company
are described below. In addition to the above changes, certain amounts reported in prior periods have been reclassified to conform to the current presentation.

The Group has adopted the following amendments to standards and interpretations from IASB as from January 1, 2014:
IAS 32 Financial Instruments: Presentation. Offsetting Financial Assets and Financial Liabilities. The amendments clarify that an entity currently has a legally enforceable right to set-off if that right is not contingent on a future event, and enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. The amendment has not had any impact on SEK's financial statements.

IAS 39 Financial Instruments: Recognition and Measurement. Novation of Derivatives and Continuation of Hedge Accounting. The objective of the amendments is to provide relief in situations where a derivative which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. Such a relief means that the hedged accounting can continue irrespective of the novation which, without the amendment, would not be permitted. The amendment will facilitate the administration of hedge accounting when OTC derivatives are novated from the original counterparty to the central counterparty in order to effect clearing. No novation took place during 2014.

IFRIC 21 Levies. A levy is defined as an outflow of resources charged to the Company by the State or equivalent bodies through laws and regulations, such as the stability fee. Income taxes and other charges covered by other standards are exempt, as well as fines and other penalties. The interpretation states that the debt should be recognized when the company has an obligation to pay the levy as a result of a past event. The amendment has not had any impact on SEK's financial statements.

Operating profit excluding net results of financial transactions. The financial metrics, Operating profit excluding net results of financial transactions and After-tax return on equity excluding net results of financial transactions replaced Operating profit excluding unrealized changes in fair value and After-tax return on equity excluding unrealized changes in fair value. Additionally, the presentation of Net results of financial transactions has been changed and the item is now presented with reference to relevant financial categories. The presentation on segment reporting has also been changed as management now evaluates business mainly on the basis of Operating profit excluding net results of financial transactions. Comparative figures for prior periods have been adjusted accordingly.

Other regulatory changes have not had a material impact on SEK's financial statements.

The following new standards and changes in standards and interpretations not yet adopted are considered to be relevant to SEK:

IFRS 9 Financial Instruments. In July 2014, IASB issued IFRS 9 which is replacing IAS 39 Financial Instruments: Recognition and Measurement. The standard includes requirements for recognition, classification and measurement, impairment, derecognition and general hedge accounting. The standard has been issued in phases, with the 2014 version replacing all previous versions. New rules on the classification and measurement of financial assets reduce the number of valuation categories and instead focus on the company's business model with respect to how its financial assets are used and whether contractual cash flows represent only nominal amounts and interest. The rules for financial liabilities are essentially unchanged compared with IAS 39. The largest change is that fair value movements due to the company´s own credit risk in financial liabilities that have been irrevocably designated at fair value should be recognized in other comprehensive income rather than in profit or loss. IFRS 9 also introduces a credit loss model where expected losses are taken into account, which eliminates the requirement to identify events of default. The new model takes a three-stage approach based on whether significant changes in credit risk have occurred. The new general rules on hedge accounting allow entities to better reflect risk management activities in financial reports. SEK has begun the process of evaluating the potential effect of this standard, but has not yet determined any conclusions regarding its effects on SEK's financial statements, capital adequacy or large exposures. The adoption of IFRS 9 is mandatorily effective from January 1, 2018, with early adoption permitted. The standard has not been approved by the EU and there is no current timetable on when endorsement is expected.

IFRS 15 Revenue from Contracts with Customers. In May 2014, IASB issued IFRS 15 which establishes the principles for reporting useful information on the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard introduces a five-step model with recognition and measurement requirements and new disclosure requirements. The standard is not expected to have any material impact on SEK's financial statements, capital adequacy or large exposures. The standard is applicable from January 1, 2017 and has not yet been approved by the EU.

There are no other IFRS or IFRS IC interpretations, or amendments, that are not yet applicable that would be expected to have a material impact on SEK's financial statements, capital adequacy or large exposures.

(b) Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The consolidated financial statements have been prepared using the purchase method. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries are consistent with Group policies. Intra-group transactions and balances, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unless otherwise stated or when it is clear from the context, the information in these notes relates to the Consolidated Group and the Parent Company.
The basis for consolidation under prudential regulations, such as the capital requirements under the CRR, does not differ from the basis for consolidation for accounting purposes. No subsidiary is an Institute under the definitions in the CRR; thus the prudential regulations do not apply to subsidiaries on an individual basis. No current or future material restrictions to prompt transfer of own funds or repayment of liabilities among the parent or its subsidiaries has been identified.

(c) Segment reporting

Segment information is presented from a management perspective and segments are identified based on internal reporting to the Executive Of-

Note 1, continued

ficer who serves as the chief operating decision maker. SEK has the following two segments: corporate lending and end-customer finance. Corporate lending concerns financing that SEK arranges directly to, or for the benefit of, Swedish export companies. End-customer finance refers to financing that SEK arranges for buyers of Swedish goods and services. Evaluation of the segments' profitability, accounting policies and allocations between segments follows the information reported to the executive management. Profit or loss and interest-bearing assets that are not directly assigned to the segments are allocated under an allocation formula according to internal policies which management believes provide an equitable allocation to the segments.

(d) Recognition of operating income and expenses
(i) Net interest income
Interest revenues and interest expenses related to all financial assets and liabilities, regardless of classification, are recognized in net interest income. The reporting of all interest income and interest expenses is made on a gross basis, with the exception of interest income and interest expenses related to derivative instruments, which are reported on a net basis. Interest for derivatives used to hedge funding, in hedge accounting or economic hedges, is presented as interest expense, regardless of whether the contracts' net interest is positive or negative. Interest for derivatives used to hedge assets, in hedge accounting or economic hedges, is presented as interest income, regardless of whether the contracts' net interest is positive or negative. Interest income and interest expenses are calculated and recognized based on the effective interest rate method or based on a method that results in interest income or interest expenses that are a reasonable approximation of the result that would be obtained using the effective interest method as the basis for the calculation. Charges considered as an integrated part of the effective interest rate for a financial instrument are included in the effective interest rate (usually fees received as compensation for risk). The effective interest rate is equivalent to the rate used to discount contractual future cash flows to the carrying amount of the financial asset or liability.

The state-supported system ("S-system"). SEK's net compensation for administrating the S-system is recognized as part of interest revenues in the statement of comprehensive income. SEK administers, in return for compensation, the Swedish State's export credit support system, and the State's related aid credit program (together referred to as the "S-system"). Pursuant to the instruction from the State, the State reimburses SEK for all interest differentials, financing costs and net foreign exchange losses under the S-system. SEK has determined that the S-system should be considered an assignment whereby SEK acts as an agent on behalf of the Swedish State, rather than being the principal in the individual transactions. This assessment has been made based on a number of factors, such as the following: (i) although it does in form, SEK does not in substance bear the risks and benefits associated with ownership; (ii) SEK does not have discretion in establishing prices; and (iii) SEK receives compensation in the form of a fixed commission. Accordingly, interest income, interest expense and other costs settled with the State are not accounted for in SEK's statement of comprehensive income. The State's settlements are made on a quarterly basis. Unrealized fair value changes on derivatives related to the S-system are presented net as a claim from the State under other assets. Assets and liabilities related to the S-system are included in the statement of financial position for the Consolidated Group and the balance sheet of the Parent Company as SEK bears the credit risk for the lending and acts as contractor for lending and funding.

(ii) Net fee and commission expense
Commissions earned and commissions incurred are presented as Net fee and commission expense in the consolidated statement of comprehensive income and the parent company income statement. The gross amounts of commissions earned and commissions incurred are disclosed in the notes to the financial statements. The recognition of commission income depends on the purpose for which the fee is received. Fees are either recognized as revenue when services are provided or amortized over the period of a specific business transaction. Commissions incurred are transaction-based, and are recognized in the period in which the services are received.
(iii) Net result of financial transactions
Net results of financial transactions include realized gains and losses related to all financial instruments and unrealized gains and losses related to all financial instruments carried at fair value in the statement of financial position, except when fair-value changes are recorded in other comprehensive income. Gains and losses comprise gains and losses related to currency exchange effects, interest rate changes, changes in credit spreads on SEK's own debt, changes in basis-spreads and changes in the creditworthiness of the counterparty to the financial contract. The item also includes market value changes attributable to hedged risks in fair-value hedges and inefficiency in cash flow hedges. Realized gains and losses from financial instruments measured at amortized cost, such as interest rate compensation received and realized gains/losses from buy-back of issued own debt, is recognized directly under "Net results of financial transactions".

(e) Foreign currency transactions
Monetary assets and liabilities in foreign currencies have been translated into the functional currency (Swedish krona) at the exchange rates applicable on the last day of each relevant reporting period. Revenues and costs in foreign currencies are translated into Swedish kronor at the current exchange rate as of the respective date of accrual. Any changes in the exchange rates between the relevant currencies and the Swedish krona relating to the period between the date of accrual and the date of settlement are reported as currency exchange effects. Currency exchange effects are included as one component of "Net results of financial transactions".

(f) Financial instruments
(i) Recognition and derecognition in the statement of financial position
The recognition of financial instruments in, and their derecognition from, the statement of financial position is based on the trade dates for securities bought, as well as for securities issued and for derivatives. All other financial instruments are recognized and derecognized in the statement of financial position on their respective settlement date. The difference between the carrying amount of a financial liability or an asset (or part of a financial liability or an asset) that is extinguished or transferred to another party and the consideration paid is recognized in the statement of total income as one component of "Net results of financial transactions".

(ii) Measurement on initial recognition
When financial instruments are initially recognized, they are measured at fair value plus, in the case of a financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issuance of the financial asset or financial liability.

(iii) Offsetting
Financial assets and liabilities are offset and the net amount presented in the statement of financial position when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. This offsetting generally occurs in only a limited number of cases.

(iv) Classification of financial assets and liabilities
Financial assets are categorized into three categories for valuation purposes: loans and receivables, financial assets at fair value through profit or loss and financial assets available-for-sale. Financial liabilities are categorized into two categories for valuation purposes: financial liabilities at fair value through profit or loss and other financial liabilities.

Loans and receivables. With regard to financial assets, the category of loans and receivables constitutes the main category for SEK. This cate-

Note 1, continued

gory is used not only for loans originated by SEK but also for acquired securities that are not quoted on an active market. From December 1, 2012 the category is prospectively used only for loans and loans in the form of interest bearing securities. Transactions in the category of loans and receivables are measured at amortized cost, using the effective interest rate method. When one, or multiple, derivatives are used to hedge a currency and/or interest rate exposure relating to a loan or receivable, fair-value hedge accounting is applied. Furthermore, cash flow hedge accounting can be applied for certain transactions classified as loans and receivables, such as when SEK wishes to hedge against variability in the cash flow from these assets.

Financial assets at fair value through profit or loss. There are two main subcategories in the category of financial assets at fair value through profit or loss: financial assets designated upon initial recognition at fair value through profit or loss; and assets held-for-trading. Where two or more derivatives hedge both interest rate and credit exposures in a financial asset, such transactions may be classified irrevocably as a financial asset at fair value through profit or loss. Making such designations eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognizing the gains or losses on them on different bases. Derivatives are always classified as financial assets or liabilities at fair value through profit or loss, except when they are subject to hedge accounting. No assets were classified as held-for-trading other than derivatives held for economic hedging in accordance with IAS39.

Financial assets available-for-sale. Assets that are classified as available-for-sale securities are carried at fair value, with changes in fair value recognized in other comprehensive income. If assets are sold, changes in fair value are transferred from other comprehensive income to profit or loss. From December 1, 2012 the category is used for all new interest bearing securities acquired as SEK's liquidity placements. Earlier this category was used for securities quoted on an active market that would otherwise be classified in the category of loans and receivables.

Financial liabilities at fair value through profit or loss. There are two main subcategories in the category of financial liabilities at fair value through profit or loss: financial liabilities designated upon initial recognition at fair value through profit or loss; and liabilities held-for-trading. Senior securities issued by SEK containing embedded derivatives are in their entirety irrevocably classified as financial liabilities at fair value through profit or loss. Derivatives are always classified as financial assets or liabilities at fair value through profit or loss, except when they are subject to hedge accounting. No liabilities were classified as held-for-trading other than derivatives held for economic hedging in accordance with IAS39.

Other financial liabilities. All senior securities issued by SEK other than those classified as financial liabilities at fair value through profit or loss are classified as other financial liabilities and measured at amortized cost, using the effective interest rate method. Where one or more derivative is hedging currency, interest rate, and/or other exposures, fair-value hedge accounting is applied. Subordinated debt is classified within other financial liabilities and is subject to fair-value hedge accounting. When applying fair-value hedge accounting on subordinated debt, hedging of the subordinated debt is made for the time period corresponding to the derivative's time to maturity when the maturities do not coincide.

(v) Presentation of certain financial instruments in the statement of financial position

The presentation of financial instruments in the statement of financial position differs in certain respects from the categorization of financial instruments made for valuation purposes. Loans in the form of interest-bearing securities comprise loans granted to customers that are contractually documented in the form of interest-bearing securities, as opposed to bilateral loan agreements, which are classified in the statement of financial position either as loans to credit institutions or loans to the public. All other financial assets, which are not classified in the statement of financial position as loans in the form of interest-bearing securities, are classified as either cash and cash equivalents, treasuries/government bonds or other interest-bearing securities except loans.

(vi) Measurement of certain financial instruments

Derivatives. In the ordinary course of its business, SEK uses, and is a party to, different types of derivatives for the purpose of hedging or eliminating SEK's interest-rate, currency-exchange-rate and other exposures. Derivatives are always classified as financial assets or liabilities at fair value through profit or loss, except in connection with hedge accounting. Where SEK decides to categorize a financial asset or liability at fair value through profit or loss, the purpose is always to avoid the mismatch that would otherwise arise from the fact that the changes in the value of the derivative, measured at fair value, would not match the changes in value of the underlying asset or liability, measured at amortized cost.

Guarantees. SEK is holder of financial guarantee contracts in connection with certain loans. Such guarantees are ordinarily accounted for as guarantees in accordance with SEK's established accounting policy and therefore are not recorded in the statement of financial position (except for the deferred costs of related guarantee fees paid in advance for future periods). In limited situations, the relevant risk-mitigating instruments do not fulfill the requirements to be considered guarantees and are therefore recorded as derivatives and valued at fair value through profit or loss. When SEK classifies a risk-mitigating instrument as a financial guarantee, SEK always owns the specific asset whose risk the financial guarantee mitigates and the potential amount that SEK can receive from the counterparty under the guarantee represents only the actual loss incurred by SEK related to its holding.

Embedded derivatives. In the ordinary course of its business, SEK issues or acquires financial assets or financial liabilities that contain embedded derivatives. When financial assets or financial liabilities contain embedded derivatives, the entire instrument is irrevocably classified as financial assets or financial liabilities measured at fair value through profit or loss, and thus does not separate the embedded derivatives.

Leasing assets. SEK, in the ordinary course of its business, acquires leases which are classified as finance leases (as opposed to operating leases). When making such a classification, all aspects of the leasing contract, including third-party guarantees, are taken into account. Financial leases are reported as receivables from the lessees in the category of loans and receivables. Any lease payment that is received from a lessee is divided into two components for the purposes of measurement; one component constituting an amortization of the loan and the other component recorded as interest revenues.

Committed undisbursed loans and binding offers. Committed undisbursed loans and binding offers, disclosed under the heading "Commitments" below the statement of financial position, are measured as the undiscounted future cash flow concerning loan payments related to loans committed but not yet disbursed at the period end date, as well as binding offers.

Repurchase agreements and securities lending. Repurchase agreements are reported as financial transactions in the statement of financial position. Securities or other assets sold subject to repurchase agreements and securities or other assets lent to other parties are reported under the heading "Collateral provided" below the statement of financial position. Cash received from the relevant counterparties is recognized in the statement of financial position as borrowing. Cash advanced to the counterparties is recognized in the statement of financial position under "loans to credit institutions" or "loans to the public".

Note 1, continued

Reacquired debt. SEK reacquires its own debt instruments from time to time. Gains or losses that SEK realizes when reacquiring own debt instruments are accounted for in the statement of comprehensive income as one component of "Net results of financial transactions."

(vii) Hedge accounting
SEK applies hedge accounting in cases where derivatives are used to create economic hedging and the hedge relationship is eligible for hedge accounting. The method used for hedge accounting is either fair-value hedge accounting or cash flow hedge accounting. In order to be able to apply hedge accounting, the hedging relationships must be highly effective in offsetting changes in fair values attributable to the hedged risks, both at inception of the hedge and on an ongoing basis. If the hedge efficiency does not fall within established boundaries, the hedge relationship is ended.

Fair-value hedge accounting. Fair-value hedge accounting is used for transactions in which one or several derivatives hedge interest rate risk that has arisen from a fixed-rate financial asset or liability. When applying fair-value hedging, the hedged item is revalued at fair value with regard to the risk being hedged. SEK defines the risk being hedged in fair-value hedge accounting as the risk of a change in fair value with regard to a chosen reference rate (referred to as interest rate risk). The hedging instrument may consist of one or several derivatives exchanging fixed interest for floating interest in the same currency (interest rate derivatives) or one or several instruments exchanging fixed interest in one currency for floating interest in another currency (interest and currency derivatives) in which case the currency risk is a part of the fair value hedge.

If a fair-value hedge relationship no longer fulfills the requirements for hedge accounting, the hedged item ceases to be measured at fair value and is measured at amortized cost, and the previously recorded fair-value changes for the hedged item are amortized over the remaining maturity of the previously hedged item.

Cash flow hedge accounting. Cash flow hedge accounting is used for transactions in which one or several derivatives hedge risk for variability in the cash flows from a floating-rate financial asset or liability. When hedging cash flows, the hedged asset or liability is measured at amortized cost and changes in fair value in the hedging instrument are reported in other comprehensive income. When the hedged cash flow is reported in operating profit, the fair-value changes in the hedging instrument are reclassified from other comprehensive income to operating profit. SEK defines the risk hedged in a cash flow hedge as the risk of variability of cash flows with regard to a chosen reference rate (referred to as cash flow risk). The hedging instrument may consist of one or several derivatives exchanging floating interest for fixed interest in the same currency (interest rate derivatives) or one or several instruments exchanging floating interest in one currency for fixed interest in another currency (interest and currency derivatives).

If a cash flow hedge relationship no longer fulfills the requirements for hedge accounting, or if the designation is revoked and accumulated gains or losses related to the hedge have been recorded in equity, such gains or losses remain in equity and are amortized through other comprehensive to profit over the remaining maturity of the previously hedged item.

(viii) Principles for determination of fair value of financial instruments
The best evidence of fair value is quoted prices in an active market.
Fair-value measurements are categorized using a fair-value hierarchy. The financial instruments carried at fair value in the statement of financial position have been categorized under the three levels of the fair-value hierarchy according to IFRS that reflect the significance of inputs. The categorization of these instruments is based on the lowest level input that is significant to the fair-value measurement in its entirety.

SEK uses the following hierarchy for determining and disclosing the fair value of financial instruments, based on valuation techniques:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: valuation models for which all inputs with a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques that use inputs with a significant effect on the recorded fair value that are not based on observable market data.

SEK recognizes transfers between levels of the fair value hierarchy in the beginning of the reporting period in which the change has occurred.

For all classes of financial instruments (assets and liabilities), fair value is established by using internally established valuation models, externally established valuation models and quotations furnished by external parties. If the market for a financial instrument is not active, fair value is established by using a valuation technique. The objective of using a valuation technique is to establish what the transaction price would have been at the measurement date in an arm's length exchange based on normal business terms and conditions. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. Periodically, the valuation techniques are calibrated and tested for validity using prices from observable current market transactions in the same instruments or based on any available observable market data.

In calculating fair value, SEK seeks to use observable market quotes (market data) to best reflect the market's view on prices. These market quotes are used, directly or indirectly, in quantitative models for the calculation of fair value. Examples of the indirect use of market data are:

- the derivation of discount curves from observable market data, which is interpolated to calculate the non-observable data points, and
- quantitative models, which are used to calculate the fair value of a financial instrument, where the model is calibrated so that available market data can be used to recreate observable market prices on similar instruments.

In some cases, due to low liquidity in the market, there is no access to observable market data. In these cases, SEK follows market practice by basing its valuations on:

- historically observed market data. One example is when there are no observable market data as of that day's date, the previous day's market data is used in the valuation,
- similar observable market data. One example is if there are no observable market prices for a bond it can be valued through a credit curve based on observable prices on instruments with the same credit risk.

For observable market data, SEK uses third-party information based on purchased contracts (such as Reuters and Bloomberg). This type of information can be divided into two groups, with the first group consisting of directly observable prices and the second of market data calculated from the observed prices.

Examples from the first group are – for various currencies and maturities – currency rates, stock prices, share index levels, swap prices, future prices, basis spreads and bond prices. The discount curves that SEK uses, which are a cornerstone of valuation at fair value, are constructed from observable market data.

Examples from the second group are the standard forms of quotes, such as call options in the foreign exchange market quoted through volatility which is calculated so that the "Black-Scholes model" recreates observable prices. Further examples from this group are – for various currencies and maturities – currency volatility, swap volatility, cap/floor volatilities, stock volatility, dividend schedules for equity and credit default swap spreads. SEK continuously ensures the high quality of market data, and a thorough validation of market data is exercised quarterly in connection with the financial reporting.

Note 1, continued

For transactions that cannot be valued based on observable market data, the use of non-observable market data is necessary. Examples of non-observable market data are discount curves created using observable market data that are extrapolated to calculate non-observable interest rates, correlations between different underlying market parameters and volatilities at long maturities. Correlations that are non-observable market data are calculated from time-series of observable market data. When extrapolated market data such as interest rates are used they are calculated by setting the last observable node as a constant for longer maturities. Non-observable market data such as SEK's own creditworthiness are assessed by recent SEK's issuances of securities, or if no continuous flow of new transactions exist, spreads against other issuers, in those cases in which observable prices in the secondary market are unavailable.

Fair value adjustments are applied by SEK when there are additional factors that market participants take into account and that are not captured by the valuation model. Management assesses the level of fair value adjustments to reflect counterparty risk, SEK's own creditworthiness and non-observable parameters, where relevant.

The Board's Finance and Risk Committee has delegated to SEK's Executive Committee's Asset and Liability Committee, to act as SEK's decision-making body regarding methodology and policies regarding fair values, including approval of valuation models. The use of a valuation model demands a validation and thereafter an approval. The validation is conducted by Risk Control to ensure an independent control. The Asset and Liability Committee makes decisions regarding the approval of (or changes to) the valuation model. Analysis of significant unobservable inputs, fair value adjustments and significant changes to the fair value of level-3-instruments are conducted quarterly in an assessment of the reasonableness of the valuation model. The valuation result is analyzed and approved by persons responsible for valuation and accounting, and discussed with the Audit Committee quarterly in connection with SEK's interim reports. In January 2015, delegation of the valuation methodology to the Asset and Liability Committee was dicontinued; moving forward that new models involving significant change from the previously approved models shall be authorized by the Board's Finance and Risk Committee. In addition, the Board's Finance and Risk Committee annually approves all models for the valuation of financial instruments.

(ix) Determination of fair value of certain types of financial instruments
Derivative instruments. Derivative instruments are carried at fair value, and fair value is calculated based upon internally established valuations, external valuation models, quotations furnished by external parties or market quotations. When calculating fair value for derivative instruments, the impact on the fair value of the instrument related to credit risk (own or counterparty) is based on publicly quoted prices on credit default swaps of the counterparty or SEK, if such prices are available.

Issued debt instruments. When calculating the fair value of issued debt instruments, the effect on the fair value of SEK's own credit risk is assessed based on internally established models founded on observations from different markets. The models used include both observable and non-observable parameters for valuation.

Issued debt instruments that are hybrid instruments with embedded derivatives. SEK issues debt instruments in many financial markets. A large portion of these are hybrid instruments with embedded derivatives. SEK's policy is to hedge the risks in these instruments using derivatives in order to obtain effective economic hedges. The entire hybrid debt instruments are irrevocably classified as financial liabilities measured at fair value through profit or loss, and thus do not separate the embedded derivatives. As there are no quoted market prices for these instruments, valuation models are used to calculate fair value. The gross value of these instruments and derivatives which effectively hedge each other requires complex judgments regarding the most appropriate valuation technique, assumptions and estimates. If different valuation models or assumption were used, or if assumptions changed, this could produce different valuation results. Excluding the impact on valuation of credit spreads on SEK's own debt and basis spreads, such changes in fair value would generally offset each other.

(x) Impairment of financial assets
SEK monitors loans and receivables and other assets for impairment as described below. Loans and other financial assets are identified as impaired if there is objective evidence of impairment and an impairment test indicates a loss.

Provisions for incurred impairment losses. Provisions for incurred impairment losses, mainly in the category loans and receivables, are recorded if and when SEK determines it is probable that the counterparty to a loan or another financial asset held by SEK, along with existing guarantees and collateral, will fail to cover SEK's full claim. Such determinations are made for each individual loan or other financial asset. Objective evidence consists of the issuer or debtor suffering significant financial difficulties, outstanding or delayed payments or other observable facts which suggest a measurable decrease in expected future cash flow. If there is objective evidence that an impairment loss on a loan or other financial asset has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted to the relevant period end date at the financial asset's original effective interest rate. The amount of the loss is recognized in profit or loss.

After an individual determination has been made, and if there is no objective evidence for impairment of an individually assessed financial asset, regardless of whether the asset is individually material or not, the company includes the asset in a group of financial assets with similar credit risk characteristics and determines, collectively, the need for the impairment of such assets based on quantitative and qualitative analyses. The need for impairment is related to loan losses that have occurred as of a period-end date but which have not yet been identified as individual loan losses.

Impairment of an asset is made to a reserve account which, in the consolidated statement of financial position, reduces the line item to which it relates.

Charge-offs are recorded when it is evident that it is highly unlikely that any remaining part of SEK's claim on a counterparty will be reimbursed within the foreseeable future and when there exists no guarantee or collateral covering the claim. Charge-offs may also be made once bankruptcy proceedings have been concluded and a final loss can be established, taking into account the value of any assets held by the bankruptcy estate and SEK's share of these assets.

Recoveries are recorded only if there is virtual certainty of collection, such as in the aftermath of a bankruptcy proceeding when the payment due to be paid to SEK has been finally determined by a court of jurisdiction.

When a loan is classified as impaired, is past due or is otherwise non-performing, the interest is accounted for in the same manner as the principal amount. Thus, the interest related to any portion of a loan that is expected to be repaid in the future is recorded in earnings, discounted at the original effective interest rate, while the interest related to any portion of a loan that is not expected to be collected in accordance with the relevant loan agreement will not be recorded in earnings.

If and when a decline in the fair value of an available-for-sale financial asset has been recognized in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss that has been recognized is removed from other comprehensive income and recognized in profit or loss, even though the financial asset has not been derecognized in the statement of financial position.

(g) Tangible assets
Items of property and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses. Costs include

Note 1, continued

expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment. Office equipment, buildings and equipment relating to the building are depreciated using the straight-line method over their estimated useful lives. Land is not depreciated. Average useful lives, depreciation methods and residual values are evaluated and reconsidered on a yearly basis. No depreciation is carried out from the time that an asset is classified as an asset held-for-sale.

(h) Intangible assets
Intangible assets comprise mainly the capitalized portion of investments in IT systems, which include expenses related to the intangible assets, such as consulting fees and expenses for Group personnel contributing to producing such intangible assets. Each intangible asset is depreciated using the straight-line method over an estimated useful life from the date the asset is available for use. Average useful lives are evaluated and reconsidered on a yearly basis. An annual impairment test is performed on intangible assets not yet used.

(i) Employee benefits
SEK sponsors both defined benefit and defined contribution pension plans.

Defined contribution plans
A defined contribution plan is a post-employment benefit plan under which an entity (SEK, in this case) pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss at the rate at which they are accrued by employees providing services to the entity during a period. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans
Defined benefit plans are post-employment benefit plans other than defined contribution plans.
The net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods. This benefit is discounted to determine its present value and the fair value of any plan assets is deducted.

The cost for defined benefit plans is calculated using the "projected unit credit method", which distributes the cost of a plan over a covered employee's service period. The calculation is performed annually by independent actuaries. The obligations are valued at the present value of the expected future disbursements, taking into consideration assumptions such as expected future pay increases, rate of inflation, and mortality rates. The discount rate used is the equivalent of the interest rate for Swedish mortgage bonds, with a remaining term approximating that of the actual commitments. Changes in actuarial assumptions may result in actuarial gains or losses affecting the fair value of plan obligations. These actuarial gains and losses are reported together with the difference between actual and expected return on pension assets in other comprehensive income as incurred. Service cost, gains / losses from changes in plans, and the interest net of pension assets and liabilities are recognized in profit or loss.

The companies of the Group participate in various public pension plans covering all employees. Defined benefit accounting should also be applied for public pension plans, provided that sufficient information is available to enable the company to calculate its proportional share of the defined benefit liabilities, assets and costs associated with the plan. The future costs of the plans may change accordingly if the underlying assumptions of the plans change. In addition to this, there are individual pension solutions for two former employees that are being disbursed. These have been accounted for in the same way as the company's other pension obligations.

(j) Equity
Equity in the Consolidated Group consists of the following items: share capital; reserves; retained earnings; and net profit. Reserves consist of the following items: reserve for fair-value changes in respect of available-for-sale securities (fair value reserve) and reserve for fair-value changes in respect of derivatives in cash flow hedges (hedge reserve).

(k) Income tax
Income tax on the profit or loss for the year comprises current and deferred taxes. Current tax is tax expected to be payable on taxable income for the financial year. Deferred tax includes deferred tax in the untaxed reserves of the individual Group companies and deferred taxes on other taxable temporary differences. Deferred taxes on taxable temporary differences are calculated with an expected tax rate of 22.0 percent (2012: 22.0 percent). Deferred taxes are calculated on all taxable temporary differences, regardless of whether a given temporary difference is recognized in the income statement or through other comprehensive income.

(l) Earnings per share
Earnings per share are calculated as Net profit divided by the average number of shares. There is no dilution of shares.

(m) Statement of Cash Flows
The Statement of Cash Flows shows inflows and outflows of cash and cash equivalents during the year. SEK's Statement of Cash Flows has been prepared in accordance with the indirect method, whereby operating profit is adjusted for effects of non-cash transactions such as depreciation and loan losses. The cash flows are classified by operating, investing and financing activities. Cash and cash equivalents include, in this context, cash at banks where amounts can be immediately converted into cash and short-term deposits where the time to maturity does not exceed three months from trade date. See Note 11.

(n) Critical accounting policies, judgments and estimates
When applying the Group's accounting policies, management makes judgments and estimates that have a significant effect on the amounts recognized in the financial statements. These estimates are based on past experience and assumptions that the company believes are fair and reasonable. These estimates and the judgments behind them affect the reported amounts of assets, liabilities and off-balance sheet items, as well as income and expenses in the financial statements presented. Actual outcomes can later differ from the estimates and the assumptions made. Please see below for items for which critical estimates have been made. SEK assesses that the judgments made related to the following critical accounting policies are the most significant:

- The functional currency of the Parent Company,
- The selection of the appropriate valuation techniques when prices from active markets are not available for derivatives and other financial instruments carried at fair value,
- The judgment that SEK should be regarded as an agent with respect to the S-system

Furthermore, SEK has identified the following key sources of estimation uncertainty when applying IFRS:
- Provisions for probable credit losses,
- Estimates of fair values when quoted market prices are not available,
- Valuation of derivatives without observable market prices

The functional currency of the Parent Company
SEK has determined that the Swedish krona (Skr) is its functional currency under IFRS. Large portions of its assets, liabilities and related

Note 1, continued

derivatives are denominated in foreign currencies. Under IFRS, both assets and liabilities are translated at closing exchange rates and the differences between historical book values and current values are recognized as currency exchange effects in the statement of comprehensive income. These differences largely offset each other, causing the net result not to be of a material amount in relation to total assets and liabilities in foreign currency. This reflects the economic substance of SEK's policy of holding assets financed by liabilities denominated in, or hedged into, the same currency. See Note 28 for information on SEK's positions in foreign currency.

The selection of the appropriate valuation techniques when prices from active markets are not available for derivatives and other financial instruments carried at fair value
When reporting the amounts of its assets, liabilities and derivatives, as well as its revenues and expenses, assumptions and estimates must be made in assessing the fair value of financial instruments and derivatives, especially where unquoted or illiquid securities or other debt instruments are involved. SEK makes judgments regarding what the most appropriate valuation techniques are for the different financial instruments held by the Group. If the conditions underlying these assumptions and estimates were to change, the amounts reported could be different. When financial instruments are carried at fair value, fair value is calculated through the use of market quotations, pricing models, valuations established by external parties and discounted cash flows. The majority of SEK's financial instruments are not publicly traded, and quoted market prices are not readily available. Other pricing models or assumptions could produce different valuation results. Furthermore, the estimated fair value of a financial instrument may, under certain market conditions, differ significantly from the amount that could be realized if the security were sold immediately. See Note 13 for disclosure of change in value of assets and liabilities if non-observable parameters are changed.

The judgment that SEK should be regarded as an agent with respect to the S-system
SEK has determined that the S-system should be considered to be an assignment where SEK acts as an agent on behalf of the Swedish State rather than being the principal in the individual transactions. This assessment has been made based on a number of factors, such as the following: (i) although it does in form, SEK does not in substance bear risks and make decisions associated with ownership; (ii) SEK does not have discretion in establishing prices; and (iii) SEK receives compensation in the form of a fixed commission. SEK has consequently presented the economic activities of the S-system on a net basis in the statement of comprehensive income, recording the net commission received, rather than the gross amounts collected, in accordance with the instruction from the State. If SEK were regarded as a principal with respect to the S-system, all revenues and expenses in the S-system would be revenues and expenses of SEK. However, the net effect on SEK's operating profit would be unchanged. See more information regarding the S-system in Note 25 and Note 1 (d)(i).

Provisions for probable credit losses
Provisions for probable credit losses are made if and when SEK determines that it is probable that the obligor under a loan or another asset held by SEK, in each case together with existing guarantees and collateral, will fail to cover SEK's full claim. If the judgment underlying this determination were to change, this could result in a material change in provisions for probable credit losses.

Impairment is recognized as the difference between the carrying value of a loan and the discounted value of SEK's best estimate of future cash repayments. This estimate takes into account a number of factors related to the obligor. The actual amounts of future cash flows and the dates they are received may differ from these estimates and consequently actual losses incurred may differ from those recognized in the financial statements. If, for example, the actual amount of total future cash flow were 10 percent higher or lower than the estimate, this would affect operating profit for the financial year ended December 31, 2014 by Skr 40-50 million (2013: Skr 70–80 million) and equity by Skr 31-39 million (2013: Skr 55-65 million) at that date. A higher total future cash flow would affect operating profit and equity positively, and a lower total future cash flow would affect operating profit and equity negatively.

Estimates of fair value when quoted market prices are not available
If a transaction is classified as an asset or liability at fair value through profit or loss, fair value must include any impact of credit spreads. When quoted market prices are not available for such instruments, certain assumptions must be made about the credit spread of either the counterparty or one's own credit spread, depending on whether the instrument is an asset or a liability.

Developments on the financial markets have to some extent affected the prices at which SEK's debt is issued. These changes, which are different in different markets, have been included in the calculation of fair value for these liabilities. The models used include both directly observable and implied market parameters.

If the assumption related to the valuation of assets classified at fair value through profit or loss were changed such that the average credit spread applied to such assets were 0.10 percent higher or lower than the average spread actually used in the calculations, this would affect operating profit for the fiscal year ended December 31, 2014 by approximately Skr 5-15 million (2013: Skr 5-15 million) and equity, at such date, by approximately Skr 150-160 million (2013: Skr 110-120 million). A higher credit spread would affect operating profit and equity negatively, and a lower credit spread would affect operating profit and equity positively.

If the assumption related to the valuation of liabilities classified at fair value through profit or loss were changed such that the average credit spread applied to such liabilities were 0.10 percent higher or lower than the average spread actually used in the calculations, this would affect operating profit for the fiscal year ended December 31, 2014 by approximately Skr 200-300 million (2013: Skr 200-300 million) and equity, at such date, by approximately Skr 150-250 million (2013: Skr 150-250 million). A higher credit spread would affect operating profit and equity positively, and a lower credit spread would affect operating profit and equity negatively.

SEK issues debt instruments in many financial markets. A large portion of these are hybrid instruments with embedded derivatives. SEK's policy is to hedge the risks in these instruments using derivatives with corresponding structures in order to obtain effective economic hedges. The entire hybrid debt instruments are classified as financial liabilities measured at fair value. As there mostly are no market quotes for this group of transactions, valuation models are used to calculate fair value. The gross value of these instruments and derivatives which effectively hedge each other requires complex judgments regarding the most appropriate valuation technique, assumptions and estimates. If other valuation models or assumption were used, or if assumptions changed, this could produce other valuation results. Excluding the impact on valuation of credit spreads on SEK's own debt and basis spreads, such changes in fair value would generally offset each other.

If these assumptions were to be changed, this could result in a material change in the fair value of these instruments. For further information see Note 13 table Sensitivity analysis - level 3 assets and liabilities.

Valuation of derivatives without observable market prices
A large part of SEK's portfolio of senior securities issued and related derivatives is in the form of structured products, in which the fair value of certain embedded derivatives (though not bifurcated) sometimes requires sophisticated models in order to value these instruments. If the assumptions used in these models were to change, this could result in a material change in the fair value of these instruments. Since SEK only enters into market-matched hedge relationships (economic or accounting hedges), a potential material effect on profit or

Note 1, continued

loss or equity would result only if there were changes in the credit spreads or basis spread.

SEK uses derivative instruments to mitigate and reduce risks attributable to financial assets and liabilities. In order to mitigate counterparty risk, i.e. the form of credit risk generated from derivative transactions, SEK enters into such transactions only with counterparties with good creditworthiness. Moreover, SEK endeavors to enter into ISDA Master Agreements with Credit Support Annexes with its counterparties. This means that the highest allowed risk level is established in advance, regardless of what changes in market value may occur. Derivatives are valued at fair value with reference to listed market prices where available. If market prices are not available, valuation models are used instead. SEK uses a model to adjust the fair value of the net exposure for changes in SEK's or the counterparty's creditworthiness. The models use directly observable market parameters if such are available.

(o) Parent Company

The financial statements for the Parent Company, AB Svensk Exportkredit (publ), have been prepared in accordance with Swedish legislation, the requirements of the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) (ÅRKL), and Recommendation RFR 2, Accounting for Legal Entities, issued by the Swedish Financial Reporting Board (RFR), as well as the accounting regulations of the Swedish Financial Supervisory Authority (FFFS 2008:25). This means that IFRS standards have been applied to the extent permitted within the framework of ÅRKL and the accounting regulations of the Swedish Financial Supervisory Authority.

The differences in the accounting policies applied to the Parent Company and those applied to the Consolidated Group are as follows:

(i) Income statement

In accordance with ÅRKL requirements, the Parent Company presents an income statement and a separate statement of comprehensive income.

(ii) Shares in subsidiaries

The Parent Company's investments in subsidiaries are measured at cost and dividends from investments in subsidiaries are recognized in the income statement.

(iii) Income taxes

In accordance with Swedish tax law, the Parent Company and some of its subsidiaries maintain certain untaxed reserves. Untaxed reserves are disclosed in the balance sheet of the Parent Company and changes in untaxed reserves are disclosed in the income statement of the Parent Company.

(iv) Group contributions

Parent Company contributions to subsidiaries are recognized, taking into account their tax effect, as investments in shares in subsidiaries, unless impaired.

(v) Equity

Equity in the Parent Company consists of the following items: share capital; legal reserve; fair value reserve; retained earnings; and net profit for the year. Fair value reserve consists of the following items: fair value reserve (value changes on available-for-sale assets) and hedge reserve (value changes on derivatives in cash flow hedges).

(vi) Pension liability

In the Parent Company, the BTP plan is accounted for as a defined contribution plan. Defined benefit plans are not accounted for in accordance with IAS 19 but are instead accounted for according to Swedish standards, including the Swedish law on pensions, "Tryggandelagen", and regulations prescribed by the Swedish Financial Supervisory Authority. Except for the BTP plan accounted for as a defined contribution plan, the primary differences as compared to IAS 19 include the discount rate, the calculation of defined benefit obligations based on current salary levels without consideration of future salary increases and the fact that all actuarial gains and losses are included in earnings as they occur.

Note 2. Net interest revenues

Skr mn	Consolidated Group 2014	Consolidated Group 2013	Parent Company 2014	Parent Company 2013
Interest revenues were related to:				
Loans to credit institutions	595	742	595	742
Loans to the public	3,086	3,253	3,085	3,243
Interest-bearing securities	577	643	577	643
Impaired financial assets	5	1	5	1
Derivatives	-489	-481	-489	-481
Total interest revenues	**3,774**	**4,158**	**3,773**	**4,148**
Total interest expenses	**-2,196**	**-2,603**	**-2,197**	**-2,604**
Net interest revenues	**1,578**	**1,555**	**1,576**	**1,544**

Skr mn	Consolidated Group 2014	Consolidated Group 2013	Parent Company 2014	Parent Company 2013
Interest revenues were related to:				
Financial assets available-for-sale	387	184	387	184
Financial assets at fair value through profit or loss	204	27	203	17
Derivatives used for hedge accounting	-412	-205	-412	-205
Loans and receivables	3,595	4,152	3,595	4,152
Total interest revenues	**3,774**	**4,158**	**3,773**	**4,148**
Interest expenses were related to:				
Financial liabilities at fair value through profit or loss	-818	-1,110	-818	-1,110
Derivatives used for hedge accounting	2,416	2,461	2,416	2,461
Other financial liabilities	-3,794	-3,954	-3,795	-3,955
Total interest expenses	**-2,196**	**-2,603**	**-2,197**	**-2,604**
Net interest revenues	**1,578**	**1,555**	**1,576**	**1,544**

In interest revenues Skr 118 million (2013: Skr 105 million) represent remuneration from the S-system (see Note 25). Interest revenues in the Consolidated Group by geographic market are 54 percent (2013: 59 percent) from Sweden, 22 percent (2013: 19 percent) from Europe except Sweden and 24 percent (2013: 22 percent) from countries outside of Europe.

Note 3. Net fee and commissions expense

Skr mn	Consolidated Group 2014	Consolidated Group 2013	Parent Company 2014	Parent Company 2013
Commissions earned were related to:				
Capital market commissions	-	6	-	-
Financial consultants' commissions	-	2	-	2
Other commissions earned	4	1	4	1
Total commissions earned	**4**	**9**	**4**	**3**
Commissions incurred were related to:				
Depot and bank fees	-7	-11	-7	-8
Brokerage	-3	-3	-3	-3
Financial consultants' commissions	-	0	-	0
Other commissions incurred	-	-	-	-
Total commissions incurred	**-10**	**-14**	**-10**	**-11**
Net commissions	**-6**	**-5**	**-6**	**-8**

Commissions earned in the Consolidated Group by geographic market are divided as follows: 97 percent (2013: 91 percent) are from Sweden, 0 percent (2013: 9 percent) are from Europe except Sweden, and 3 percent (2013: 0 percent) are from countries outside of Europe. Commissions incurred in the Consolidated Group by geographic market are divided as follows: 8 percent (2013: 34 percent) are from Sweden, 87 percent (2013: 66 percent) are from Europe except Sweden, and 5 percent are (2013: 0 percent) from countries outside of Europe.

Note 4. Net results of financial transactions

	Consolidated Group		Parent Company	
Skr mn	2014	2013	2014	2013
Net results of financial transactions were related to:				
Derecognition of financial instruments not measured at fair value through profit or loss				
Financial assets available-for-sale	-	-	-	-
Loans and receivables	*147*	*2*	*147*	*2*
Other financial liabilities	-	*487*[1]	-	*487*[1]
Financial assets or liabilities at fair value through profit or loss:				
Designated upon initial recognition (FVO)	*-2,846*	*-5,435*	*-2,846*	*-5,435*
Held-for-trading[2]	3,031[3,4]	*5,339*[4]	*3,031*[3,4]	*5,339*[4]
Finansiella instrument under verkligt värde-säkringsredovisning				
Net results of the hedging instrument	*844*	*-3,292*	*844*	*-3,292*
Net results of the hedged item	*-641*	*3,294*	*-641*	*3,294*
Ineffectiveness of cash flow hedges that have been reported in the profit or loss	7	12	7	12
Currency exchange effects on all assets and liabilities excl. currency exchange effects related to revaluation at fair value	*-36*	*1*	*-36*	*1*
Total net result of financial transactions	**506**	**408**	**506**	**408**

1 A gain amounting to Skr 375 million was recorded in 2013 from the repurchase of SEK's subordinated debt.

2 No assets or liabilities are classified as held-for-trading other than derivatives held for economic hedging in accordance with IAS 39.

3 In April 2012, the Swiss company Lehman Brothers Finance AG (in liquidation, with PricewaterhouseCoopers as appointed liquidators) ("LBF") filed a lawsuit against SEK with the Stockholm District Court. In June 2014, the dispute was finally settled and in September 2014, SEK received certain distributions from other entities in the former Lehman Brothers group, that, in total, affected the net result of financial transactions positively by Skr 317 million.

4 During 2014 SEK adopted new interest rate curves in order to better account for market differences in the pricing of three- and six month flows. The improved methodology resulted in a positive impact on operating income. During 2013 an improved method was implemented, which had a negative impact on operating income.

5 During 2014, derivatives designated as hedging instruments in cash flow hedges were terminated and the hedging designations were discontinued. The close out of the hedging instruments did not affect Net results of financial transactions.

SEK's general business model is to hold financial instruments measured at fair value to maturity. The net fair value changes that occur, mainly related to changes in credit spreads on SEK's own debt and basis-spreads and recognized in net results of financial transactions, could be significant in a single reporting period. However, it will not affect earnings over time, since the changes in the instrument's market value will be zero if it is held to maturity. Realized gains or losses could occur if SEK repurchases own debt or if lending is repaid early and related hedging instruments are closed prematurely.

Note 5. Personnel expenses

Skr mn	Consolidated Group 2014	Consolidated Group 2013	Parent Company 2014	Parent Company 2013
Salaries and remuneration to the Board of Directors and the Presidents	-7	-8[1]	-7	-6
Severance salary related to President	0	-8[2]	0	-8[2]
Salaries and remuneration to Senior Executives	-14	-12	-14[1]	-14[1]
Salaries and remuneration to other employees	-161	-139	-161	-139
Pensions	-59	-58	-62	-58
Social insurance	-59	-51	-59	-51
Other personnel expenses	-13	-14	-13	-14
Total personnel expenses	**-313**	**-290**	**-316**	**-290**

[1] The remuneration to Jane Lundgren Ericsson is recognized in the item "Salaries and remuneration to the Board of Directors and the Presidents" for the Consolidated Group, and in the item "Salaries and remuneration to Senior Executives" for the Parent Company.

[2] Peter Yngwe left his position as CEO on April 28th, 2014. The full cost of his severance including payroll taxes was Skr 8 million, which corresponded to 18 months' salary and was expensed in 2013. Severance pay is paid monthly and deduction is made in the event of other income

Personnel expenses include a cost of Skr 26 million including payroll taxes (2013: Skr 0 million), corresponding to 1.7 monthly salaries, to employees entitled to the general personnel incentive system, GIS. Read more about GIS in the corporate governance report on page 52. For all employees, excluding the President, SEK follows collective agreements between BAO and trade unions.

The combined total of the remuneration to senior executives, excluding the President of the Parent Company, amounted to Skr 14 million (2013: Skr 14 million). Of the remuneration to senior executives, Skr 14 million (2013: Skr 13 million) is pensionable. Of the remuneration to the Presidents of the Parent Company, Skr 5 million (2013: Skr 4 million) is pensionable.

2014
Remuneration and other benefits to the Board of Directors and Senior Executives in the Consolidated Group

Skr thousand	Fee, includes committee fee	Fixed remuneration[1]	Other benefits[2]	Pension fee[3]	Total
Chairman of the Board of Directors:					
Lars Linder-Aronson[4]	-593	-	-	-	-593
Other members of the Board of Directors:					
Cecilia Ardström	-210	-	-	-	-210
Jan Belfrage	-189	-	-	-	-189
Lotta Mellström[5]	-	-	-	-	-
Ulla Nilsson	-208	-	-	-	-208
Jan Roxendal[4]	-289	-	-	-	-289
Åke Svensson, resigned February 19, 2014	-59	-	-	-	-59
Teppo Tauriainen[5], from October 07, 2014					
Eva Walder[5], resigned October 7, 2014	-	-	-	-	-
Senior Executives:					
Catrin Fransson, President and Chief Executive Officer (CEO), employed April 28, 2014	-	-3,145	-75	-932	-4,152[6]
Peter Yngwe, President and Chief Executive Officer (CEO), resigned April 28, 2014	-	-1,704[7]	-39	-481	-2,224[8]
Per Jedefors, Chief Risk Officer (CRO)	-	-2,983	-108	-897	-3,988
Jane Lundgren Ericsson, Deputy Chief Operating Officer (dCOO)	-	-2,128	-61	-644	-2,833
Sirpa Rusanen, Chief Human Resources Officer (CHRO)	-	-1,203	-113	-429	-1,745
Susanna Rystedt, Chief Administrative Officer (CAO)	-	-1,948	-112	-606	-2,666
Sven-Olof Söderlund, Chief Corporate Governance Officer (CCGO)	-	-2,577[7]	-100	-827	-3,504
Per Åkerlind, Chief Operating Officer (COO)	-	-3,037	-110	-1,090	-4,237
Total	**-1,548**	**-18,725**	**-718**	**-5,906**	**-26,897**

Note 5, continued

2013 **Remuneration and other benefits to the Board of Directors and Senior Executives in the Consolidated Group** Skr thousand	**Fee, includes committee fee**	**Fixed remuneration[1]**	**Other benefits[2]**	**Pension fee[3]**	**Total[3]**
Chairman of the Board of Directors:					
Lars Linder-Aronson[4]	-482	-	-	-	-482
Other members of the Board of Directors:					
Cecilia Ardström	-180	-	-	-	-180
Jan Belfrage	-165	-	-	-	-165
Lotta Mellström[5]	-	-	-	-	-
Ulla Nilsson	-182	-	-	-	-182
Jan Roxendal[4]	-232	-	-	-	-232
Åke Svensson	-174	-	-	-	-174
Eva Walder[5]	-	-	-	-	-
Senior Executives:					
Peter Yngwe, President and Chief Executive Officer (CEO)	-	-4,197[9]	-117	-1,464	-5,778[8]
Per Jedefors, Chief Risk Officer (CRO)	-	-2,914	-104	-894	-3,913
Jane Lundgren Ericsson, Deputy Chief Operating Officer (dCOO) and Chief Executive Officer (CEO) for AB SEK Securities	-	-1,904	-52	-641	-2,597
Sirpa Rusanen, Chief Human Resources Officer (CHRO)	-	-1,183	-120	-420	-1,723
Susanna Rystedt, Chief Administrative Officer (CAO)	-	-1,843	-102	-602	-2,547
Sven-Olof Söderlund, Chief Corporate Governance Officer (CCGO)	-	-2,210	-106	-824	-3,140
Per Åkerlind, Chief Operating Officer (COO)	-	-2,937	-109	-1,069	-4,115
Total	**-1,415**	**-17,188**	**-710**	**-5,914**	**-25,227**

1 Predetermined salary or other compensation such as holiday pay and allowances.
2 Other benefits consist of for example car allowances and subsistence benefit.
3 Includes the effect of reallocation of salary to pension contribution premiums for insurance covering sickness benefit for prolonged illness and other public risk insurance as a result of collective pension agreements.
4 Since May 1, 2013 remuneration is invoiced from their private companies in accordance with the state guidelines.
5 Since April 29, 2010, remuneration is not paid from the company to the representatives on the Board, who are employed by the owner, the Swedish Government.
6 The retirement age of the President, Catrin Fransson is 65 years and the pension fee is 30 percent of her fixed salary.
7 Includes payments of saved vacation leave.
8 The previous President, Peter Yngwe had the retirement age of 65 years and the pension fee was 30 percent of his fixed salary
9 In addition, severance pay of Skr 6 million excluding payroll taxes has been reserved as of December 31, 2013.

Comprehensive information on the company's remuneration policy in accordance with the Swedish Financial Supervisory Authority's regulations and General Guidelines governing renumeration in credit institutions, investment firms and fund management companies licensed to conduct discretionary portfolio management (FFFS 2011:1), is disclosed in connection with the publication of annual accounts on February 19, 2015 in the Pillar 3 report. SEK's disclosure provides information about the principles applied for remuneration earned in 2014. The disclosure also describes the design of the remuneration policy, as adopted by the company.

Retirement age is 65 for all senior executives. Retirement benefits, termination conditions and other terms of employment for the CEO and other senior executives follow current guidelines for senior executives in state-owned enterprises (Guidelines for the employment of senior executives 20/4/2009) where the BTP plan is included as an approved public agreed defined benefit pension plan. Pension provisions for senior executives in SEK shall be limited to 30 percent of pensionable income for retirement and survivor benefits. The contribution for retirement and survivor's pension can exceed 30 percent on account of SEK's implementation of a defined benefit pension plan resulting from an agreement between the Banking Institutions Employers' Organization (BAO) and the Finance Association, covering employees in the banking and finance industries.

For all the senior executives at SEK, including the President, Catrin Fransson, the company pays premiums for insurance for sickness benefits for prolonged illness, other public risk insurance arising out of collective agreements, travel insurance and health insurance. Other benefits consist of, for example, car allowances, subsistence benefit and benefits for the use of a cottage in the mountains.

Catrin Fransson, Per Åkerlind and Sven-Olof Söderlund have the right to 6 months' notice prior to termination initiated by SEK and are, in addition, entitled to severance pay corresponding to 18 months' salary. Deduction is made for income obtained from new employment. For all other senior executives the notice period upon termination initiated by SEK follows collective agreements. Upon resignation initiated by the employee, the notice period is 3 or 6 months.

CHIEF EXECUTIVE OFFICER

Catrin Fransson assumed her position as President on April 28, 2014 at the time of SEK's Annual General Meeting. Her employment started on April 1, 2014 when she began her SEK employment. Catrin Fransson's employment agreement follows current guidelines for senior executives in state-owned enterprises and her fixed monthly remuneration amounts to Skr 345,000.

Peter Yngwe left his position as President April 28, 2014 at the time of SEK's Annual General Meeting in accordance with the Board of Director's decision. Peter Yngwe received severance pay in accordance with state guidelines for senior executives, corresponding to 18 months' salary. Severance pay is paid monthly and a deduction is made in the event of other income earned. The full cost, including payroll taxes, was expensed during 2013 and the provision amounted to Skr 8 million.

Note 5, continued

PENSIONS

The employees at SEK have a collectively bargained pension plan through the BTP plan, which is the most significant pension plan for salaried bank employees in Sweden. The BTP plan is funded by means of insurance with the insurance company SPP.

The total pension cost for defined benefit and defined contribution obligations are shown below

Skr mn	2014	2013
Service cost	-5	-8
Interest cost, net	-1	-1
Pension cost for defined benefit pensions, incl. payroll tax	**-6**	**-9**
Pension cost for defined contribution pension cost incl. payroll tax	-53	-49
Pension cost recognized in personnel costs	**-59**	**-58**
Actuarial gains and (losses) on defined benefit obligation during period	-57	65
Return above expected return, gains and (losses) on plan assets	14	-4
Revaluation of defined benefit plans	**-43**	**61**

The following table specifies the net value of defined benefit pension obligations

Skr mn	2014	2013
Defined benefit obligations	267	207
Plan assets	-201	-181
Provision for pensions, net obligation (see Note 21)	**66**	**26**

The following table shows the development of defined benefit obligations

Skr mn	2014	2013
Defined benefit obligation, opening balance	207	264
Restatement due to changed accounting rules	-	-
Service cost	5	8
Interest cost	7	7
Pension Payments incl. special payroll tax	-7	-7
Other	-2	-
Actuarial (gains) and losses, effect due to changed demographic assumptions	6	0
Actuarial (gains) and losses, effect due to changed financial assumptions	54	-65
Actuarial (gains) and losses, effect due to experience based outcome	-3	0
Defined benefit obligation, closing balance	**267**	**207**

The following table shows the development of plan assets related to defined benefit obligations

Skr mn	2014	2013
Fair value of plan assets, opening balance	181	178
Expected return on plan assets	6	6
Contributions by the employer	8[1]	8
Benefits paid	-6[2]	-6
Other	-2	-
Actuarial result, recognized in other comprehensive income	14	-5
Fair value of plan assets, closing balance	**201**	**181**

1 Expected contribution from the employer in the following year is Skr 8 million (2013: Skr 8 million) excluding payroll tax.
2 Expected compensation paid in the following year is Skr 7 million (2013: Skr 6 million)

The following table shows the distribution of plan assets related to defined benefit obligations

Skr mn	2014	2013
Domestic equity investments	12	22
Foreign equity investments	12	-
Domestic government bonds	65	54
Domestic corporate bonds	56	54
Mortgage bonds	46	42
Properties	10	9
	201	**181**

Note 5, continued

The following table displays principal actuarial assumptions used end of year

%	2014	2013
Discount rate[1]	2.5	3.6
Assumption of early pension withdrawal	20.0	20.0
Expected salary increase	3.5	3.5
Expected inflation	1.6	1.6
Expected lifetime[2]	DUS14	FFFS2007:31
Expected turnover	5.0	4.0

Sensitivity analysis of essential assumptions

	Negative outcome		Positive outcome	
[1] Discount rate	–1%	1.5%	+1%	4.5%
Defined benefit obligation		334		218
Service cost		10		5
Interest cost		6		7

[2] Expected lifetime	+1 year		–1 year	
Defined benefit obligation		278		257
Service cost		7		7
Interest cost		7		6

Net reconciliation of pension liabilities

Skr mn	2014	2013
Pension liabilities, opening balance	26	86
Net periodic pension cost	6	9
Contributions by the employer	-7	-7
Net pension payments	-2	-2
Revaluations recognized in other comprehensive income	43	-60
Pension liabilities, closing balance	**66**	**26**

Pension cost

	Parent Company	
Skr mn	2014	2013
Pension commitments provided for in the statement of financial position		
Pension costs for the year, excluding taxes	-1	-1
Pension commitments provided for through insurance contracts		
Pension costs for the year, excluding taxes	-61	-57
Net cost accounted for pensions, excluding taxes	-62	-58

Reconciliation of provisions for pensions

	Parent Company	
Skr mn	2014	2013
Opening balance, January 1	13	13
Provisions made / provision used	-1	0
Closing balance, December 31	**12**	**13**

Net interest is calculated using the discount rate of pension obligations, based on the net surplus or net deficit in the defined benefit plan.

Since January 1, 2013 Swedish mortgage bonds are the base for calculation of the obligations discount rate, as that market is to be regarded as deep enough to be used for this purpose. Previously, Swedish government bonds was used. This change had an affected in other comprehensive income during the first quarter of 2013.

Pension expense in 2014 for defined benefit pensions amounts to Skr 6 million (2013: Skr 9 million).

As of December 31, 2014, the expected weighted average remaining service time for active employees was 20.8 years, (2013: 21.9 years) the expected weighted average duration for the present value was 21.6 years (2013: 18.3 years) and the average salary for active employees was Skr 0.7 million (2013: Skr 0.7 million)

Discount rate

Swedish government bonds were previously used as the basis for calculculating pension liabilities. Since January 1, 2013 the calculation has instead been based on the estimated interest curve of Swedish mortgage bonds, as this market is regarded as liquid enough to be used for this purpose. The discount rate is based on market expectations at the end of the accounting period, using bonds with the same duration as the pension liability.

Note 5, continued

Expected early retirement
According to the transitional rule for § 8 in the BTP-plan, the calculation includes the assumption that 20 percent of the employees use the possibility for early retirement. The earliest retirement age is 61 for employees born 1956 or earlier. Employees born 1967 or later have no right to retire before age 65

Expected return on plan assets
Expected return on plan assets is equal to the discount rate as regulated in IAS 19.

Expected salary increase
The assumption of salary increase is based on SEK's assessment.

Expected inflation
The assumption of salary increase is based on SEK's assessment.

Expected employee turnover
Expected employee turnover is based on SEK's assessment of the long-term expected company staff attrition during one year.

PARENT COMPANY
In the Parent Company, the BTP plan is accounted for as a defined contribution plan. Defined benefit plans are not accounted for in accordance with IAS 19 but are accounted for in accordance with Swedish standards, including the Swedish law on pensions, "Tryggandelagen" and regulations prescribed by the Swedish Financial Supervisory Authority. The primary differences as compared to IAS 19 include the discount rate and the calculation of defined benefit obligations based on current salary levels without consideration of future salary increases.

Since 2011 all personnel are employed in the Parent Company

Average number of employees	2014	2013	2012	2011
Women	111	112	109	108
Men	132	131	122	126
Total average number of employees	**243**	**243**	**231**	**234**
…of which geographically located in Sweden	242	241	230	233
…of which geographically located in Singapore	1	2	1	1

Number of employees at year-end	2014	2013	2012	2011
Women	110	114	114	111
Men	131	135	121	121
Total number of employees	**241**	**249**	**235**	**232**
…of which geographically located in Sweden	240	247	233	231
…of which geographically located in Singapore	1	2	2	1
…of which full-time employees	236	244	227	225
…of which part-time employees	5	5	8	7
…of which permanent employees	237	240	228	219
…of which temporary employees	4	9	7	13
…of which managers	39	43	43	42
…of which non-management	202	206	192	190

Employee turnover	2014	2013	2012	2011
Number of employees who left employment	22	16	16	22
…of which women	10	5	8	5
…of which men	12	11	8	17
…of which under the age of 30 years	2	1	1	3
…of which between 30 and 50 years	14	13	9	16
…of which over 50 years	6	2	6	3
…of which geographically located in Sweden	21	16	16	22
…of which geographically located in Singapore	1	-	-	-

Health	2014	2013	2012	2011
Absence due to sickness	2.5%	2.5%	2.6%	2.4%
Percentage of employees that use SEK's fitness allowance	93.0%	93.0%	84.0%	67.0%

Equality and diversity	2014	2013	2012	2011
Allocation of women/men on the Board of Directors	43/57	50/50	50/50	50/50
Allocation of women/men in SEK's executive management	57/43	43/57	43/57	38/62
Allocation of women/men in management positions	41/59	44/56	39/61	38/62
Allocation of women/men at SEK in total	46/54	46/54	48/52	47/53
Allocation of employees with foreign/swedish background[1]	29/71	29/71	28/72	30/70

[1] Percentage of employees that state they are raised in another country or have at least one parent born in another country (the survey is conducted every two years and these values are from 2013).

Percentage of employees who had a performance review (percent)	92	93	87	92
Average number of training days per employee (all employees are white-collar workers)	2	2	5	6

Note 6. Other administrative expenses

	Consolidated Group		Parent Company	
Skr mn	**2014**	**2013**	**2014**	**2013**
Travel expenses and marketing	-11	-12	-11	-11
IT and information system (fees incl.)	-80	-74	-80	-74
Other fees	-41	-65	-41	-65
Real estate and premises expenses[1]	-27	-27	-27	-27
Other	-7	-7	-7	-6
Total other expenses	**-166**	**-185**	**-166**	**-183**

[1] SEK is a partner in rental agreements of office space in Stockholm and Singapore.

COST OF OPERATING LEASES

	Consolidated Group		Parent Company	
Skr mn	**2014**	**2013**	**2014**	**2013**
Leases	-26	-26	-26	-26

The primary cost relates to SEK's office premises.

FUTURE MINIMUM RENTALS PAYABLE UNDER NON-CANCELLABLE OPERATING LEASES ARE AS FOLLOWS

	Consolidated Group		Parent Company	
Skr mn	**December 31, 2014**	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
Within 1 year	-26	-26	-26	-26
Between 1 and 5 years	-23	-49	-23	-49
More than 5 years	-	-	-	-
Total future minimum rentals payable under non-cancellable operating leases	**-49**	**-75**	**-49**	**-75**

REMUNERATION TO AUDITORS

	Consolidated Group		Parent Company	
Skr mn	**2014**	**2013**	**2014**	**2013**
Ernst & Young:				
Audit fee[1]	-12	-12	-12	-12
Audit related fee[2]	0	0	0	0
Tax related fee[3]	0	0	0	0
Total	**-12**	**-12**	**-12**	**-12**

[1] Fees related to audit of annual financial statements, reviews of interim financial statements, attestation services that are provided in connection with statutory, regulatory and stock exchange filings or engagements and services provided in connection with issuances of debt.
[2] Fees charged for assurance and related services that are related to the performance of audit or review of the financial statements.
[3] Fees for professional services rendered by the principal independent auditors for tax compliance and tax advice.

In the financial statements audit fees are mainly included in Other administrative expenses.

Note 7. Tangible and intangible assets

Skr mn	Consolidated Group December 31, 2014	Consolidated Group December 31, 2013	Parent Company December 31, 2014	Parent Company December 31, 2013
Buildings[1]				
Acquisition cost at the beginning of the year/accumulated acquisitions	1	1	1	1
Sales or disposals of the year	-1	-	-1	-
Accumulated depreciations at the beginning of the year	-1	-1	-1	-1
Depreciations of the year	0	0	0	0
Reversed depreciations due to sale or disposals	1	-	1	-
Accumulated depreciations	0	0	0	0
Book value	-	**0**	-	**0**
Land[1]				
Acquisition cost at the beginning of the year/accumulated acquisitions	0	0	0	0
Book value	-	**0**	-	**0**
Office and building equipment				
Acquisition cost at the beginning of the year	77	69	77	69
Sales or disposals of the year	-3	0	-3	0
Acquisitions of the year	9	8	9	8
Accumulated acquisitions	83	77	83	77
Accumulated depreciations at the beginning of the year	-46	-33	-46	-33
Reversed depreciations due to sale or disposals	2	0	2	0
Depreciations during the year	-13	-13	-13	-13
Currency differences	0	0	0	0
Accumulated depreciations	-57	-46	-57	-46
Book value	**26**	**31**	**26**	**31**
Intangible assets[2]				
Acquisition cost at beginning of the year	268	240	264	236
Sales or disposals of the year	0	0	0	0
Acquisitions of the year	46	28	46	28
Accumulated acquisitions	314	268	310	264
Accumulated depreciations at the beginning of the year	-149	-126	-145	-122
Sales or disposals of the year	0	0	0	0
Depreciations of the year	-30	-23	-30	-23
Accumulated depreciations	-179	-149	-175	-145
Book value	**135**	**119**	**135**	**119**
Net book value				
Property, land and equipment	26	32	26	32
Intangible assets	135	118	135	118
Total net book value	**161**	**150**	**161**	**150**
Depreciations during the year according to the Consolidated Statement of Comprehensive Income	**-43**	**-36**	**-43**	**-36**

1 Holiday Homes in Sälen was sold in December, 2014, generating a capital gain of Skr 1.6 million.
2 Intangible assets consist of the capitalized portion of investments in IT systems. The average useful life for intangible assets is 5 years.

Note 8. Leasing

FINANCIAL LEASES – LESSORS

All SEK's leasing transactions are classified as financial leases. When making such classification all aspects regarding the leasing contract, including third party guarantees, are taken into account. A reconciliation between the gross investment in the leases and the present value of minimum lease payments receivable at the end of the reporting period can be found below. Future lease payments receivable will mature in the following periods.

	Consolidated Group				Parent Company			
	December 31, 2014		December 31, 2013		December 31, 2014		December 31, 2013	
Skr mn	Gross investment	Present value of minimum lease payments	Gross investment	Present value of minimum lease payments	Gross investment	Present value of minimum lease payments	Gross investment	Present value of minimum lease payments
No later than one year	746	719	711	686	746	719	711	686
Later than one year and no later than five years	278	232	228	193	278	232	228	193
Later than five years	77	71	62	58	77	71	62	58
Total	**1,101**	**1,022**	**1,001**	**937**	**1,101**	**1,022**	**1,001**	**937**
Unearned finance income	-	79	-	64	-	79	-	64
Unguaranteed residual value	-	-	-	-	-	-	-	-
Total	**1,101**	**1,101**	**1,001**	**1,001**	**1,101**	**1,101**	**1,001**	**1,001**

All lease agreements are classified as Loans and receivables. The leases are included in the line item "Loans to the public" in the statement of financial position.

Note 9. Impairment and past-due receivables

	Consolidated Group		Parent Company	
Skr mn	**2014**	**2013**	**2014**	**2013**
Credit losses[1, 2,3]	-30	-68	-30	-68
Reversal of previous write-downs[1, 2,3]	119	22	119	22
Net impairment and reversals	**89**	**-46**	**89**	**-46**
Established losses	-18	-3	-18	-3
Recovered credit losses	2	10	0	0
Net credit losses	**73**	**-39**	**71**	**-49**
of which related to loans[4]	*11*	*-32*	*9*	*-42*
of which related to liquidity placements[4]	*62*	*-7*	*62*	*-7*
Reserve of impairment of financial assets				
Opening balance	-757	-711	-749	-702
Reserves used to cover write-downs[1]	254	-	254	-1
Net impairments and reversals	89	-46	89	-46
Currency effects[5]	-50	0	-50	0
Closing balance	**-464**	**-757**	**-456**	**-749**
of which related to loans[4]	*-236*	*-260*	*-228*	*-252*
of which related to liquidity placements[4]	*-228*	*-497*	*-228*	*-497*

1 SEK had two assets in the form of CDOs, which were first-priority-tranches with end-exposure to the U.S. sub-prime market. The underlying assets concerning one of these CDOs, were liquidated during 2014 and the final payment for the CDO has been obtained. The provision related to the CDO was dissolved. For the other CDO, part of the provision was reversed in connection with an amortization during 2014. A reversal of Skr 65 million was recorded in 2014 in relation to these two CDOs (2013: impairment of Skr 5 million for both CDOs). The total provision on the remaining CDO amounted to Skr 189 million (year-end 2013: Skr 469 million for both CDOs). The asset has a gross book value before impairment of Skr 222 million (year-end 2013: Skr 583 million for both CDOs).

2 SEK has had a restructured receivable where final settlement occured during 2014. The final settlement resulted in a reversal of Skr 46 million, and an established loss of Skr 18 million as of December 2014. This reversal is included in the reversal of previous write-downs.

3 The amount includes a provision of Skr 30 million related to bad debts not linked to a specific counterparty (2013: Skr 10 million). The result is that the provision for bad debts not linked to a specific counterparty amounts to a total of Skr 240 million (year-end 2013: Skr 210 million). The provision for bad debts not linked to a specific counterparty relates to deterioration in credit quality related to assets not individually reserved for. SEK established the reserve according to a methodology based on both quantitative and qualitative analysis of all exposures accounted for at amortized cost.

4 See Note 11 for definitions.

5 Currency effects are reported within Net results of financial transactions (see further Note 4).

Note 9, continued

PAST-DUE RECEIVABLES

Receivables past due have been recorded to reflect the amounts expected to actually be received at settlement.

Past-due and doubtful receivables at year-end	**Consolidated Group**		**Parent Company**	
Skr mn	**2014**	**2013**	**2014**	**2013**
Past-due receivables:				
Aggregate amount of principal and interest less than, or equal to, 90 days past-due	5	13	5	13
Aggregate amount of principal and interest more than 90 days past-due [1]	11	2	11	2
Principle amount not past-due on such receivables	144	601	144	601

[1] Of the aggregate amount of principal and interest past due, Skr 10 million (year-end 2013: Skr 1 million) was due for payment more than three but less than, or equal to, six months before the end of the reporting period, Skr 1 million (year-end 2013: Skr 1 million) was due for payment more than six but less than, or equal to, nine months before the end of the reporting period.

Note 10. Taxes

	Consolidated Group		**Parent Company**	
Skr mn	**2014**	**2013**	**2014**	**2013**
Income tax				
Adjustment previous year	1	0	1	0
Current tax	-291	-278	-290	-275
Deferred tax	-79	-40	-	-
Total income tax	**-369**	**-318**	**-289**	**-275**
Income tax related to other comprehensive income				
Tax on items to be reclassified to profit or loss				
Current tax	-6	-1	-6	-1
Deferred tax	-69	90	-69	90
Tax on items not to be reclassified to profit or loss				
Deferred tax	10	-14	-	-
Income tax related to other comprehensive income	**-65**	**75**	**-75**	**89**
Reconciliation of effective tax rate				
The Swedish corporate tax rate, %	22.0	22.0	22.0	22.0
Profit before taxes	1,629	1,408	1,279	1,220
National tax based on profit before taxes 22 % (22%)	-358	-310	-281	-268
Tax effects of:				
Non-deductible expenses	-1	-2	-1	-2
Write-down of impaired shares in subsidiaries	-	-	-	1
Imputed interest on tax allocation reserve	-10	-6	-10	-6
Dividend received	-	-	3	1
Other	0	0	0	-1
Total tax	**-369**	**-318**	**-289**	**-275**
Effective tax expense in %	22.7	22.6	22.6	22.5

Note 10, continued

Skr mn	Consolidated Group 2014	Consolidated Group 2013	Parent Company 2014	Parent Company 2013
Deferred tax assets concerning:				
Temporary differences, related to pensions	12	3	-	-
Other temporary differences	0	0	-	-
Total deferred tax assets	**12**	**3**	-	-
Deferred tax liabilities concerning:				
Untaxed reserves	721	643	-	–
Temporary differences, financial instruments				
– Cash flow hedges	112	43	112	43
Total deferred tax liabilities	**833**	**686**	**112**	**43**
Net deferred tax liabilities (+) / tax assets (–)	**821**	**683**	**112**	**43**

No deductible loss carry forwards existed per December 31, 2014 or December 31, 2013.

CHANGE IN DEFERRED TAXES

Skr mn	Consolidated Group **2014**	Consolidated Group **2013**	Parent Company **2014**	Parent Company **2013**
Opening balance	683	719	43	132
Change through profit or loss	79	40	-	-
Change in other comprehensive income	59	-76	69	-89
Total	**821**	**683**	**112**	**43**

UNTAXED RESERVES

Skr mn	Parent Company December 31, 2014	Parent Company December 31, 2013
Tax allocation reserve:		
Opening balance	2,911	2,738
Untaxed reserves from the merger of the subsidiary SEK Securities AB	13	-
Dissolution during the year	-92	-244
Allocation during the year	448	417
Closing balance	**3,280**	**2,911**
Of which		
2008 Tax allocation reserve	-	*92*
2009 Tax allocation reserve	*454*	*444*
2010 Tax allocation reserve	*1,232*	*1,231*
2011 Tax allocation reserve	*471*	*471*
2012 Tax allocation reserve	*257*	*256*
2013 Tax allocation reserve	*418*	*417*
2014 Tax allocation reserve	*448*	-

In the financial statements of the Consolidated Group, the untaxed reserves of the Group companies are allocated 78 percent to equity and 22 percent to deferred taxes included as deferred tax liabilities in the statement of financial position. Changes in the amounts reported as deferred taxes are included in taxes in the statement of comprehensive income.

Note 11. Loans and liquidity placements

SEK treats loans in the form of interest-bearing securities as a part of SEK's total loans. SEK's total loans and liquidity placements are calculated as follows:

	Consolidated Group		Parent Company	
Skr mn	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Loans:				
Loans in the form of interest-bearing securities	53,140	60,958	53,140	60,959
Loans to credit institutions	25,510	24,819	25,510	24,819
Loans to the public	149,240	125,553	149,240	125,553
Less:				
Cash collateral under the security agreements for derivative contracts	-9,668	-6,946	-9,668	-6,946
Deposits with time to maturity exceeding three months	0	-2,907	0	-2,906
Total loans	**218,222**	**201,477**	**218,222**	**201,479**
Liquidity placements:				
Cash and cash equivalents[1]	7,099	8,337	7,096	8,318
Cash collateral under the security agreements for derivative contracts	9,668	6,946	9,668	6,946
Deposits with time to maturity exceeding three months	0	2,907	0	2,906
Treasuries/government bonds	3,458	4,595	3,458	4,595
Other interest-bearing securities except loans	66,398	64,151	66,398	64,151
Total liquidity placements	**86,623**	**86,936**	**86,620**	**86,916**
of which				
issued by public authorities	41,502	60,209	41,502	60,209
quoted on an exchange	87,289	105,246	87,289	105,246

[1] Cash and cash equivalents include, in this context, cash at banks where amounts can be immediately converted into cash and short-term deposits where the time to maturity does not exceed three months from trade date.

Regarding reserves, impairments and recovery see Note 9.

Interest-bearing securities not carried at fair value and that exceed or fall short of the amount contractually required to be at maturity are reported below with the amount that exceeds or falls short of the nominal amount.

	Consolidated Group		Parent Company	
Skr mn	2014	2013	2014	2013
Sum of amounts exceeding nominal	8	17	8	17
Sum of amounts falling below nominal	-28	-20	-28	-20

VOLUME DEVELOPMENT, LENDING

	Consolidated Group					
	Sum		Total	of which		Total
				CIRR–loans	Concession-ary loans	
Skr mn	2014	2013	2014	2014	2014	2013
Offers of long-term loans accepted	57,118	55,701	**5,668**	5,668	-	**13,424**
Undisbursed loans at year-end	16,028	20,480	**7,529**	7,482	47	**8,537**
Loans outstanding at year-end	**218,222**	201,477	**48,298**	**47,377**	921	**43,248**

OUTSTANDING LOANS AS PER LOAN TYPE

	Consolidated Group		Parent Company		of which S-system	
Skr mn	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Total lending for export of capital products	144,285	122,971	144,285	122,973	48,298	43,248
Other lending related to export	66,504	70,767	66,504	70,767	-	-
Lending related to infrastructure	7,433	7,739	7,433	7,739	-	-
Total lending	**218,222**	**201,477**	**218,222**	**201,479**	**48,298**	**43,248**

Note 11, continued

OUTSTANDING LOANS AS PER BUSINESS AREA

	Consolidated Group		Parent Company		of which S-system	
Skr mn	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
End-customer finance	128,165	155,137	128,165	155,139	48,298	43,248
Corporate lending	90,057	46,340	90,057	46,340	-	-
Total lending	**218,222**	**201,477**	**218,222**	**201,479**	**48,298**	**43,248**

Note 12. Classification of financial assets and liabilities

FINANCIAL ASSETS BY ACCOUNTING CATEGORY:

	December 31, 2014					
Consolidated Group	**Total**	**Financial assets at fair value through profit or loss**		**Derivatives used for hedge accounting**	**Available-for-sale**	**Loans and receivables**[1]
Skr mn		**Held-for-trading**[2]	**Designated upon initial recognition (FVO)**			
Cash and cash equivalents	7,099	-	-	-	-	7,099
Treasuries/government bonds	3,458	-	-	-	3,458	-
Other interest-bearing securities except loans	66,398	-	1,670	-	57,320	7,408
Loans in the form of interest-bearing securities	53,140	-	1,358	-	-	51,782
Loans to credit institutions	25,510	-	-	-	-	25,510
Loans to the public	149,240	-	-	-	-	149,240
Derivatives	16,017	9,042	-	6,975	-	-
Total financial assets	**320,862**	**9,042**	**3,028**	**6,975**	**60,778**	**241,039**

FINANCIAL LIABILITIES BY ACCOUNTING CATEGORY:

	December 31, 2014				
Consolidated Group	**Total**	**Financial liabilities at fair value through profit or loss**		**Derivatives used for hedge accounting**	**Other financial liabilities**[4]
Skr mn		**Held-for-trading**[2]	**Designated upon initial recognition (FVO)**[5]		
Borrowing from credit institutions	8,290	-	-	-	8,290
Borrowing from the public	63	-	-	-	63
Senior securities issued[6]	273,839	-	82,262	-	191,577
Derivatives[3]	18,886	13,319	-	5,567	-
Subordinated securities issued	1,945	-	-	-	1,945
Total financial liabilities	**303,023**	**13,319**	**82,262**	**5,567**	**201,875**

Note 12, continued

FINANCIAL ASSETS BY ACCOUNTING CATEGORY:

	December 31, 2013					
Consolidated Group	Total	Financial assets at fair value through profit or loss		Derivatives used for hedge accounting	Available-for-sale	Loans and receivables[1]
Skr mn		Held-for-trading[2]	Designated upon initial recognition (FVO)			
Cash and cash equivalents	8,337	-	-	-	-	8,337
Treasuries/government bonds	4,595	-	-	-	4,560	35
Other interest-bearing securities except loans	64,151	-	2,342	-	42,800	19,009
Loans in the form of interest-bearing securities	60,958	-	1,325	-	-	59,633
Loans to credit institutions	24,819	-	-	-	-	24,819
Loans to the public	125,553	-	-	-	-	125,553
Derivatives[3]	14,228	5,973	-	8,255	-	-
Total financial assets	**302,641**	**5,973**	**3,667**	**8,255**	**47,360**	**237,386**

FINANCIAL LIABILITIES BY ACCOUNTING CATEGORY:

	December 31, 2013				
Consolidated Group	Total	Financial liabilities at fair value through profit or loss		Derivatives used for hedge accounting	Other financial liabilities[4]
Skr mn		Held-for-trading[2]	Designated upon initial recognition (FVO)[5]		
Borrowing from credit institutions	8,256	-	-	-	8,256
Borrowing from the public	59	-	-	-	59
Senior securities issued[6]	260,900	-	81,327	-	179,573
Derivatives[3]	16,788	12,318	-	4,470	-
Subordinated securities issued	1,607	-	-	-	1,607
Total financial liabilities	**287,610**	**12,318**	**81,327**	**4,470**	**189,495**

1 Of loans and receivables, 9 percent (year-end 2013: 8 percent) are subject to fair-value hedge accounting and 0 percent (year-end 2013: 8 percent) are subject to cash-flow hedge accounting; the remaining 91 percent (year-end 2013: 84 percent) are not subject to hedge accounting and are therefore valued at amortized cost. During the third quarter 2014, the derivatives designated as hedging instruments in cash flow hedges were closed and t High lending and satisfied customers – in 2015 we aim to do even more for the customers he hedging designations were discontinued.

2 No assets were classified as held-for-trading other than derivatives held for economic hedging in accordance with IAS39.

3 The derivatives fair value originating from credit risk amounted to Skr -19 million as of December 31, 2014. The change for the period January 1 to December 31, 2014, amounted to Skr -12 million, which had a negative effect on operating profit. The valuation is made on the counterparty level.

4 Of other financial liabilities, 71 percent (year-end 2013: 74 percent) are subject to fair-value hedge accounting, the remaining 29 percent (year-end 2013: 26 percent) are not subject to hedge accounting and are therefore valued at amortized cost.

5 Accumulated changes in the fair value of financial liabilities attributable to changes in SEK's credit risk amounted to Skr -471 million (year-end 2013: Skr –321 million), which represents a cumulative increase in the book value of liabilities. For the period January 1 to December 31, 2014, the credit risk component has increased by Skr 150 million, which increased the value of financial liabilities and affected operating profit negatively. For the period January 1 to December 31, 2013, the credit risk component had decreased by Skr 433 million, which decreased the value of financial liabilities and affected operating profit positively.

6 Repayments of long-term debt amounting to approximately Skr -67.7 billion (12M13: Skr -59.8 billion) have been effectuated during the twelve-month period, and SEK's own debt repurchase and early redemption amounted to approximately Skr -25.8 billion (12M13: Skr -44.8 billion).

The amount of cumulative change in the fair value of financial assets attributable to changes in the credit risk was Skr 3 million (2013: Skr –22 million), which increased the value of financial assets and affected operating profit positively. The amount of change during the period was Skr 25 million (2013: Skr -5 million) which increased the value of financial assets and affected operating profit positively.

Note 12, continued

RECLASSIFICATION

As of July 1, 2008, and October 1, 2008, SEK reclassified certain assets, moving those assets to the category "loans and receivables" from the categories "held-for-trading" and "assets available-for-sale". The reason for the reclassification was that those assets had been illiquid due to the extraordinary market conditions which existed during late 2008 owing to the global financial crisis, and SEK assessed itself to be able to hold the assets to maturity. Therefore there was no need for impairment of such securities held for trading or securities available for sale. The reclassified assets consist of interest-bearing fixed rate bonds. At the time of the reclassification, the expected cash flows of the reclassified assets were equal to the contractual amounts, including principal and interest. The last remaining reclassified assets from the category "held-for-trading" were sold during the first quarter of 2012.

The aforementioned reclassification of assets earlier accounted for as "available-for-sale" to the category "loans and receivables" occurred as of October 1, 2008. If SEK had not chosen the reclassification option other comprehensive income would have decreased by Skr -4 million for the period January 1 to December 31, 2014. For the same period in 2013, the reclassification would have decreased other comprehensive income by Skr –18 million.

Skr mn	December 31, 2014			December 31, 2013		
Reclassified financial assets	**Nominal value**	**Book value**	**Fair value**	**Nominal value**	**Book value**	**Fair value**
Loans in the form of interest-bearing securities	533	569	576	572	620	631
Total	**533**	**569**	**576**	**572**	**620**	**631**

Note 13. Financial assets and liabilities at fair value

The amounts reported concerns the Consolidated Group unless otherwise stated. The amounts reported for the Consolidated Group and the Parent Company are essentially the same.

Consolidated Group	**December 31, 2014**		
Skr mn	**Book value**	**Fair value**	**Surplus value (+) / Deficit value (–)**
Cash and cash equivalents	7,099	7,099	0
Treasuries/governments bonds	3,458	3,458	0
Other interest-bearing securities except loans	66,398	66,292	-106
Loans in the form of interest-bearing securities	53,140	54,664	1,524
Loans to credit institutions	25,510	25,533	23
Loans to the public	149,240	151,543	2,303
Derivatives	16,017	16,017	0
Total financial assets	**320,862**	**324,606**	**3,744**
Borrowing from credit institutions	8,290	8,350	60
Borrowing from the public	63	63	0
Senior securities issued	273,839	275,249	1,410
Derivatives	18,886	18,886	0
Subordinated securities issued	1,945	1,937	-8
Total financial liabilities	**303,023**	**304,485**	**1,462**

Consolidated Group	**December 31, 2013**		
Skr mn	**Book value**	**Fair value**	**Surplus value (+) / Deficit value (–)**
Cash and cash equivalents	8,337	8,337	0
Treasuries/governments bonds	4,595	4,595	0
Other interest-bearing securities except loans	64,151	63,940	-211
Loans in the form of interest-bearing securities	60,958	63,164	2,206
Loans to credit institutions	24,819	24,892	73
Loans to the public	125,553	127,331	1,778
Derivatives	14,228	14,228	0
Total financial assets	**302,641**	**306,487**	**3,846**
Borrowing from credit institutions	8,256	8,277	21
Borrowing from the public	59	59	0
Senior securities issued	260,900	262,299	1,399
Derivatives	16,788	16,788	0
Subordinated securities issued	1,607	1,590	-17
Total financial liabilities	**287,610**	**289,013**	**1,403**

Note 13, continued

The majority of financial liabilities and some of the financial assets in the statement of financial position are accounted for at full fair value or at a value that represents fair value for the components hedged in a hedging relationship. However, loans and receivables and other financial liabilities which are neither subject to hedge accounting nor carried at fair value using fair value option, are accounted for at amortized cost.

DETERMINING FAIR VALUE OF FINANCIAL INSTRUMENTS

The best evidence of fair value is quoted prices in an active market. The majority of SEK's financial instruments are not publicly traded, and quoted market values are not readily available.

Fair value measurements are categorized using a fair value hierarchy. The financial instruments have been categorized under the three levels of the IFRS fair value hierarchy that reflects the significance of inputs. The categorization of these instruments is based on the lowest level of input that is significant to the fair value measurement in its entirety.

SEK uses the following hierarchy for determining and disclosing the fair value of financial instruments based on valuation techniques:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

For more information on determining the fair value of financial transactions, see Note 1.

In the process of estimating or deriving fair values for items accounted for at amortized cost, certain assumptions have been made. In those cases where quoted market values for the relevant items are available, such market values have been used.

The table below shows the fair values of the items carried at amortized cost or fair value is distributed according to the fair value hierarchy.

FINANCIAL ASSETS REPORTED AT AMORTIZED COST IN FAIR VALUE HIERARCHY

Consolidated Group	**December 31, 2014**				
Loans and accounts receivable		**Fair value**			**Book value**
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total**
Cash and cash equivalents	7,099	-	-	7,099	7,099
Treasuries/governments bonds	-	-	-	0	0
Other interest-bearing securities except loans	489	6,813	-	7,302	7,408
Loans in the form of interest-bearing securities	2,303	51,003	-	53,306	51,782
Loans to credit institutions	-	25,533	-	25,533	25,510
Loans to the public	-	151,543	-	151,543	149,240
Total financial assets in fair value hierarchy	**9,891**	**234,892**	-	**244,783**	**241,039**

FINANCIAL LIABILITIES REPORTED AT AMORTIZED COST IN FAIR VALUE HIERARCHY

Consolidated Group	**December 31, 2014**				
Other financial liabilities		**Fair value**			**Book value**
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total**
Borrowing from credit institutions	-	8,350	-	8,350	8,290
Borrowing from the public	-	63	-	63	63
Senior securities issued	-	192,987	-	192,987	191,577
Subordinated securities issued	-	1,937	-	1,937	1,945
Total financial liabilities in fair value hiearchy	-	**203,337**	-	**203,337**	**201,875**

FINANCIAL ASSETS REPORTED AT AMORTIZED COST IN FAIR VALUE HIERARCHY

Consolidated Group	**December 31, 2014**				
Loans and accounts receivable		**Fair value**			**Book value**
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total**
Cash and cash equivalents	8 337	-	-	8 337	8 337
Treasuries/governments bonds	35	-	-	35	35
Other interest-bearing securities except loans	5 155	13 642	-	18 797	19 009
Loans in the form of interest-bearing securities	3 077	58 763	-	61 840	59 633
Loans to credit institutions	-	24 892	-	24 892	24 819
Loans to the public	-	127 331	-	127 331	125 553
Total financial assets in fair value hierarchy	**16 604**	**224 628**	-	**241 232**	**237 386**

Note 13, continued

FINANCIAL LIABILITIES REPORTED AT AMORTIZED COST IN FAIR VALUE HIERARCHY

Consolidated Group	December 31, 2013				
Other financial liabilities		**Fair value**			**Book value**
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total**
Borrowing from credit institutions	-	8,277	-	8,277	8,256
Borrowing from the public	-	59	-	59	59
Senior securities issued	-	180,972	-	180,972	179,573
Subordinated securities issued	-	1,590	-	1,590	1,607
Total financial liabilities in fair value hiearchy	-	**190,898**	-	**190,898**	**189,495**

FINANCIAL ASSETS REPORTED AT FAIR VALUE IN FAIR VALUE HIERARCHY

Consolidated Group	**December 31, 2014**							
	Financial assets at fair value through profit or loss					**Available-for-sale**		
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	-	–	–	–	–	-	–	–
Treasuries/governments bonds	-	–	–	–	3,458	-	–	3,458
Other interest-bearing securities except loans	1,291	113	266	1,670	1,321	55,999	–	57,320
Loans in the form of interest-bearing securities	855	503	-	1,358	-	-	–	-
Loans to credit institutions	-	-	-	-	-	-	–	-
Loans to the public	-	-	-	-	-	-		-
Derivatives	12	12,439	3,566	16,017	-	-		-
Total financial assets in fair value hierarchy	**2,158**	**13,055**	**3,832**	**19,045**	**4,779**	**55,999**		**60,778**

FINANCIAL LIABILITIES REPORTED AT FAIR VALUE IN FAIR VALUE HIERARCHY

Consolidated Group	**December 31, 2014**			
	Financial liabilities at fair value through profit or loss			
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**
Borrowing from credit institutions	-	-	-	-
Borrowing from the public	-	-	-	-
Senior securities issued	-	27,504	54,756	82,260
Derivatives	44	15,624	3,218	18,886
Subordinated securities issued	-	-	-	-
Total financial liabilities in fair value hiearchy	**44**	**43,128**	**57,974**	**101,146**

During the period January to December 2014 no assets or liabilities were transferred from level 1 to level 2. Transfers to Level 3 of both assets and liabilities totaled Skr 8 million due to review of underlying valuation parameters.

FINANCIAL ASSETS REPORTED AT FAIR VALUE IN FAIR VALUE HIERARCHY

Consolidated Group	**December 31, 2013**							
	Financial assets at fair value through profit or loss or through other comprehensive income					**Available-for-Sale**		
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	–	–	–	–	–	–	–	–
Treasuries/governments bonds	–	–	–	–	4 560	–	–	4 560
Other interest-bearing securities except loans	1 924	156	262	2 342	5 318	37 482	–	42 800
Loans in the form of interest-bearing securities	833	492	–	1 325	–	–	–	–
Loans to credit institutions	–	–	–	–	–	–	–	–
Loans to the public	–	–	–	–	–	–	–	–
Derivatives	–	10 597	3 631	14 228	–	–	–	–
Total financial assets in fair value hierarchy	**2 757**	**11 245**	**3 893**	**17 895**	**9 878**	**37 482**	–	**47 360**

Note 13, continued

FINANCIAL LIABILITIES REPORTED AT FAIR VALUE IN FAIR VALUE HIERARCHY

Consolidated Group	December 31, 2013			
	Financial liabilities at fair value through profit or loss or through other comprehensive income			
Skr mn	Level 1	Level 2	Level 3	Total
Borrowing from credit institutions	–	–	–	–
Borrowing from the public	–	–	–	–
Senior securities issued	–	25,934	55,393	81,327
Derivatives	53	13,227	3,508	16,788
Subordinated securities issued	-	–	–	–
Total financial liabilities in fair value hiearchy	**53**	**39,161**	**58,901**	**98,115**

During the period January to December 2013, no financial assets or liabilities at fair value have been moved from level 1 to level 2. Certain interest-bearing securities have been moved from level 2 to level 1 with the amount of Skr 1,749 million due to a review of the classification in connection to the implementation of IFRS 13.

FINANCIAL ASSETS AT FAIR VALUE IN LEVEL 3

Consolidated Group	2014								
Skr mn	January 1, 2014	Purchases	Settle-ments & sales	Transfers to level 3[2]	Trans-fers from level 3	Gains (+) and losses (–) through profit or loss[1]	Gains and losses in com-prehensive income	December 31, 2014	Unrealized gains (+) and losses (–) through profit or loss
Other interest-bearing securities except loans	262	–	-	-	-	4	–	266	5
Derivatives	3,631	-20	-1,453	-	-	1,408	–	3,566	3,114
Total financial assets at fair value in level 3	**3,893**	**-20**	**-1,453**	**-**	**-**	**1,412**	**–**	**3,832**	**3,119**

FINANCIAL LIABILITIES AT FAIR VALUE IN LEVEL 3

Consolidated Group	2014								
Skr mn	January 1, 2014	Issues	Settle-ments & buy-backs	Transfers to level 3[2]	Trans-fers from level 3	Gains (+) and losses (–) through profit or loss[1]	Gains and losses in com-prehensive income	December 31, 2014	Unrealized gains (+) and losses (–) through profit or loss
Senior securities issued	55,393	11,419	-24,316	8	–	12,252	–	54,756	3,803
Derivatives	3,508	920	-460	–	–	-750	–	3,218	-23
Total financial liabilities at fair value in level 3	**58,901**	**12,339**	**-24,776**	**8**	**–**	**11,502**	**–**	**57,974**	**3 780**

FINANCIAL ASSETS AT FAIR VALUE IN LEVEL 3

Consolidated Group	2013								
Skr mn	January 1, 2013	Purchases	Settle-ments & sales	Transfers to level 3	Trans-fers from level 3	Gains (+) and losses (–) through profit or loss[1]	Gains and losses in com-prehensive income	December 31, 2013	Unrealized gains (+) and losses (–) through profit or loss
Other interest-bearing securities except loans	521	-	-41	-	-191	-27	-	262	4
Loans in the form of interest-bearing securities	506	-	-505	-	-	-2	-	0	-
Derivatives	9,005	-	-2,870	300	-809	-1,995	-	3 631	3 067
Total financial assets at fair value in level 3	**10,032**	**-**	**-3,416**	**300**	**-1,000**	**-2,024**	**-**	**3 893**	**3 071**

Note 13, continued

FINANCIAL LIABILITIES AT FAIR VALUE IN LEVEL 3

Consolidated Group	2013								
Skr mn	January 1, 2013	Issues	Settle-ments & buy-backs	Transfers to level 3	Transfers from level 3	Gains (+) and losses (–) through profit or loss[1]	Gains and losses in com-prehensive income	December 31, 2013	Unrealized gains (+) and losses (–) through profit or loss
Senior securities issued	89,208	6,724	-46,426	11,753	-7,913	2,047	–	55,393	4,502
Derivatives	5,113	655	-1,115	990	-76	-2,059	–	3,508	-2,027
Total financial liabilities at fair value in level 3	**94,321**	**7,379**	**-47,541**	**12,743**	**-7,989**	**-12**	**–**	**58,901**	**2,475**

[1] Gains and losses through profit or loss is reported as net results of financial transactions. The unrealized fair value changes for assets and liabilities held as of December 31, 2014 amount to Skr 0.7 billion loss (year-end 2013: Skr 0.6 billion profit) and are reported as net results of financial transactions.
[2] The transfers both to level 3 from level 2 and from level 3 to level 2 during the period January to December 2013 are due to a review of the classification in connection with the implementation of IFRS 13.

UNCERTAINTY OF VALUATION OF LEVEL 3 INSTRUMENTS

As the estimation of the parameters included in the models to calculate the market value of level-3-instruments is associated with subjectivity and uncertainty, SEK has, in accordance with IFRS 13, conducted an analysis of the difference in fair value of level-3-instruments using other reasonably possible parameter values. Option models and discounted cash flows are used to value the instruments in level 3. For level-3-instruments with a longer duration where extrapolated discount curves are used, a sensitivity analysis has been conducted with regards to the interest. The revaluation of the portfolio is made by an interest rate shift of +/– 10 basis points. For the level-3-instruments that are significantly affected by different types of correlations, which are not based on observable market data, a revaluation has been made by shifting the correlations. The base for this sensitivity analysis is therefore revaluation of the relevant part of the portfolio, where the correlations have been adjusted by +/– 10 percentage points. After the revaluation is performed, the max/min value for each transaction is singled out. For level-3- instruments that are significantly affected by non-observable market data such as SEK's own creditworthiness, a revaluation has been made by shifting the credit curve. The revaluation is made by shifting the funding spreads by +/- 10 basis points, which has been assessed as a reasonable change of SEK's funding spread. The analysis shows the impact of the non-observable market data on the market value. In addition to this, the market value will be affected by observable market data. The result is consistent with SEK's business model in which debt securities connected with derivatives are hedged by using the derivative. This means that an increase or decrease in the value of the hybrid instrument excluding SEK's own credit spread is offset by an equally large increase or decrease of the embedded derivative, as the underlying reference in the bond is also a part of the derivative.

Note 13, continued

SENSITIVITY ANALYSIS – LEVEL 3

Assets		December 31, 2014				
Skr mn	Fair value	Unobservable input	Range of estimates for unobservable input[1]	Valuation method	Sensitivity max	Sensitivity min
Sum other interest-bearing securities except loans	**266**				**-1**	**1**
Interest rate	266	Credit spreads	10BP - (10BP)	Discounted cash flow	-1	1
Sum derivatives	**3,566**				**-165**	**150**
Equity	372	Correlation	0.76 - (0.46)	Option Model	0	0
Interest rate	2,064	Correlation	0.11 - (0.20)	Option Model	-186	169
FX	1,120	Correlation	0.77 - (0.59)	Option Model	21	-20
Other	10	Correlation	0.87 - (0.59)	Option Model	0	1
Sum Assets	**3,832**				**-166**	**151**

Liabilities		December 31, 2014				
Skr mn	Fair value	Unobservable input	Range of estimates for unobservable input[1]	Range of estimates for unobservable input1	Sensitivity max	Sensitivity min
Sum senior securities issued	**-54,755**				**357**	**-339**
Equity	-9,919	Correlation	0.76 - (0.46)	Option Model	3	-2
		Credit spreads	10BP - (10BP)	Discounted cash flow	9	-9
Interest rate	-28,214	Correlation	0.11 - (0.20)	Option Model	188	-170
		Credit spreads	10BP - (10BP)	Discounted cash flow	124	-124
FX	-16,245	Correlation	0.77 - (0.59)	Option Model	-63	63
		Credit spreads	10BP - (10BP)	Discounted cash flow	84	-84
Other	-377	Correlation	0.87 - (0.59)	Option Model	0	-1
		Credit spreads	10BP - (10BP)	Discounted cash flow	12	-12
Summa Derivat	**-3,219**				**31**	**-35**
Equity	-1,201	Correlation	0.76 - (0.46)	Option Model	-2	1
Interest rate	-3	Correlation	0.11 - (0.20)	Option Model	-6	5
FX	-1,892	Correlation	0.77 - (0.59)	Option Model	39	-41
Other	-123	Correlation	0.87 - (0.59)	Option Model	0	0
		Credit				
Sum Liabilities	**-57,974**				**388**	**-374**
Total effect on profit or loss[2]					**222**	**-223**

[1] Represents the range of correlations that SEK has determined market participants would use when pricing the instruments. The structures are represented both in the bond and the derivative hedging the bond. The sensitivity analysis is based on a consistent shift in interval for correlation between 0.1 and –0.1. The correlation is expressed as a value between 1 and –1, where 0 indicates no relationship, 1 indicates maximum positive relationship and –1 indicates maximum negative relationship, the maximum correlation in the range of unobservable inputs can thus be from 1 to –1.

[2] Of the total impact on profit or loss the sensitivity effect from SEK's own credit spread was Skr 228 million at maximum scenario and Skr -228 million at minimal scenario.

Note 13, continued

SENSITIVITY ANALYSIS – LEVEL 3

Assets			December 31, 2013			
Skr mn	**Fair value**	**Unobservable input**	**Range of estimates for unobservable input**[1]	**Valuation method**	**Sensitivity max**	**Sensitivity min**
Sum other interest-bearing securities except loans	**262**				**-1**	**1**
Interest rate	262	Credit spreads	10BP - (10BP)	Discounted cash flow	-1	1
Sum derivatives	**3,630**				**-10**	**10**
Equity	1,276	Correlation	0.95 - (0.48)	Option Model	-3	3
Interest rate	855	Correlation	0.26 - (0.09)	Option Model	-55	51
FX	1,486	Correlation	0.95 - (0.80)	Option Model	45	-41
Other	13	Correlation	0.95 - (0.34)	Option Model	3	-3
Sum Assets	**3,892**				**-11**	**11**

Liabilities			December 31, 2013			
Skr mn	**Fair value**	**Unobservable input**	**Range of estimates for unobservable input**[1]	**Valuation method**	**Sensitivity max**	**Sensitivity min**
Sum senior securities issued	**-55,393**				**264**	**-277**
Equity	-16,924	Correlation	0.95 - (0.48)	Option Model	4	-4
		Credit spreads	10BP - (10BP)	Discounted cash flow	12	-12
Interest rate	-15,700	Correlation	0.26 - (0.09)	Option Model	262	-263
		Credit spreads	10BP - (10BP)	Discounted cash flow	18	-18
FX	-21,105	Correlation	0.95 - (0.80)	Option Model	-157	145
		Credit spreads	10BP - (10BP)	Discounted cash flow	114	-114
Other	-1,664	Correlation	0.95 - (0.34)	Option Model	-4	4
		Credit spreads	10BP - (10BP)	Discounted cash flow	15	-15
Sum derivatives	**-3,509**				**-103**	**108**
Equity	-797	Correlation	0.95 - (0.48)	Option Model	-2	1
Interest rate	-1,050	Correlation	0.26 - (0.09)	Option Model	-207	209
FX	-1,591	Correlation	0.95 - (0.80)	Option Model	106	-101
Other	-71	Correlation	0.95 - (0.34)	Option Model	0	-1
Sum Liabilities	**-58,902**				**162**	**-170**
Total effect on profit or loss[2]					**151**	**–159**

[1] Represents the range of correlations that SEK has determined market participants would use when pricing the instruments. The structures are represented both in the bond and in the derivative hedging the bond. The sensitivity analysis is based on a consistent shift in interval for correlation between 0.1 and –0.1. The correlation is expressed as a value between 1 and –1, where 0 indicates no relationship, 1 indicates maximum positive relationship and –1 indicates maximum negative relationship, the maximum correlation in the range of unobservable inputs can thus be from 1 to –1.

[2] Of the total impact on profit or loss the sensitivity effect from SEK's own credit spread was Skr 159 million at maximum scenario and Skr -159 million at minimal scenario.

Note 14. Derivatives

The amounts reported concern the Consolidated Group unless otherwise stated. The amounts reported for the Consolidated Group and the Parent Company are essentially the same.

Consolidated Group	December 31, 2014			December 31, 2013		
Derivatives by categories Skr mn	**Assets Fair value**	**Liabilities Fair value**	**Nominal amounts**	**Assets Fair value**	**Liabilities Fair value**	**Nominal amounts**
Interest rate-related contracts	6,421	7,730	204,820	3,030	8,289	209,376
Currency-related contracts	8,759	9,349	151,933	8,972	7,425	172,712
Equity-related contracts	819	1,416	15,453	2,160	899	21,195
Contracts related to commodities, credit risk, etc.	18	391	3,674	66	175	4,573
Total derivatives	**16,017**	**18,886**	**375,880**	**14,228**	**16,788**	**407,856**

Consolidated Group	December 31, 2014			December 31, 2013		
of which derivatives used for economic hedges, accounted for as held-for-trading under IAS39 Skr mn	**Assets Fair value**	**Liabilities Fair value**	**Nominal amounts**	**Assets Fair value**	**Liabilities Fair value**	**Nominal amounts**
Interest rate-related contracts	3,834	5,295	88,546	1,034	6,117	86,579
Currency-related contracts	4,371	6,218	98,075	2,713	5,127	111,597
Equity-related contracts	819	1,416	15,453	2,160	899	21,195
Contracts related to commodities, credit risk, etc.	18	390	3,674	66	175	4,573
Total derivatives	**9,042**	**13,319**	**205,748**	**5,973**	**12,318**	**223,944**

Consolidated Group	December 31, 2014			December 31, 2013		
of which derivatives used for hedge accounting [1] Skr mn	**Assets Fair value**	**Liabilities Fair value**	**Nominal amounts**	**Assets Fair value**	**Liabilities Fair value**	**Nominal amounts**
Interest rate-related contracts	2,587	2,436	116,274	1,996	2,172	122,797
Currency-related contracts	4,388	3,131	53,858	6,259	2,298	61,115
Equity-related contracts	-	-	-	-	-	-
Contracts related to commodities, credit risk, etc.	-	-	-	-	-	-
Total derivatives	**6,975**	**5,567**	**170,132**	**8,255**	**4,470**	**183,912**
[1] Of which cash flow hedges	-	-	-	**441**	**154**	**13,700**
[1] Of which fair-value hedges	**6,975**	**5,567**	**170,132**	**7,814**	**4,316**	**170,212**

Consolidated Group	December 31, 2013				
Derivatives used as cash flow hedges Skr mn	**≤ 1 month**	**1 month ≤ 3 months**	**3 months ≤ 1 year**	**1 year ≤ 5 years**	**> 5 years**
Cash inflows (assets)	46	44	200	404	0
Cash outflows (liabilities)	0	-9	47	-53	-164
Net cash inflow	**46**	**35**	**247**	**351**	**-164**

Consolidated Group	December 31, 2014				
Derivatives used as fair-value hedge Skr mn	**≤ 1 month**	**1 month ≤ 3 months**	**3 months ≤ 1 year**	**1 year ≤ 5 years**	**> 5 years**
Cash inflows (assets)	81	510	2,231	4,183	1,003
Cash outflows (liabilities)	-85	-203	-574	-1,806	-1,146
Net cash inflow	**-4**	**307**	**1,657**	**2,377**	**-143**

Consolidated Group	December 31, 2013				
Derivatives used as fair-value hedge Skr mn	**≤ 1 month**	**1 month ≤ 3 months**	**3 months ≤ 1 year**	**1 year ≤ 5 years**	**> 5 years**
Cash inflows (assets)	64	495	3,053	4,662	1,731
Cash outflows (liabilities)	-65	-153	-388	-2,088	-954
Net cash inflow	**-1**	**342**	**2,665**	**2,574**	**777**

Note 14, continued

CASH FLOW HEDGES RECLASSIFIED TO PROFIT OR LOSS DURING THE YEAR

Skr mn	2014	2013
Interest income	294	279
Interest expense	-	-
Total	**294**	**279**

In accordance with SEK's policies with regard to counterparty, interest rate, currency exchange, and other exposures, SEK uses, and is a party to, different kinds of derivative instruments, mostly various interest rate-related and currency exchange-related contracts (swaps, et cetera.). These contracts are carried at fair value in the statements of financial position on a contract-by-contract basis.

SEK uses derivatives (primarily) to hedge risk exposure inherent in financial assets and liabilities. Derivatives are measured at fair value by using market quoted rates where available. If market quotes are not available, valuation models are used. SEK uses models to adjust the net exposure fair value for changes in counterparties' credit quality. The models used include both directly observable and non-observable market parameters.

Some credit default swap contracts are derivatives and are accordingly classified as financial assets or liabilities at fair value through profit or loss, whereas others are classified as financial guarantees and therefore carried at amortized cost. As of December 31, 2014, the total nominal amount of financial guarantees documented as derivatives and classified as financial guarantees was Skr 4,854 million (year-end 2013: Skr 7,873 million).

The majority of SEK's derivative contracts are what are known as OTC (over the counter) derivatives, i.e. derivative contracts that are not transacted on an exchange. SEK's derivative transactions that are not transacted on an exchange are entered into under ISDA Master Netting Agreements. In general, under such agreements the amounts owed by each counterparty in respect of all transactions outstanding in the same currency under the agreement are aggregated into a single net amount payable by one party to the other. In certain circumstances, for example when a credit event such as a default occurs and all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is due or payable in settlement of all transactions. SEK endeavors to only enter into derivatives transactions with counterparties in jurisdictions where such netting is enforceable when such events occur.

The ISDA Master Netting Agreements are complemented by supplementary agreements providing for the collateralization of counterparty exposure. SEK receives and accepts collateral in the form of cash and, to a limited extent, government bonds. Such collateral is subject to the standard industry terms of ISDA Credit Support Annex.

The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting arrangement or similar agreement that cover similar financial instruments. SEK only enters into derivative transactions that are subject to enforceable master netting agreements or similar agreements. SEK has no financial assets or liabilities that are offset in the statement of financial position.

FINANCIAL ASSETS SUBJECT TO OFFSETTING, ENFORCEABLE MASTER NETTING ARRANGEMENTS AND SIMILAR AGREEMENTS

	December 31, 2014	December 31, 2013
Skr mn	**Derivatives**	**Derivatives**
Gross amounts of recognized financial assets	16,017	14,228
Amounts offset in the statement of financial position	-	-
Net amounts of financial assets presented in the statement of financial position	**16,017**	**14,228**
Amounts subject to an enforceable master netting arrangement or similar agreement not offset in the statement of financial position related to:		
Financial instruments	-8,585	-8,404
Cash collateral received	-6,762	-5,191
Net amount	**670**	**633**

FINANCIAL LIABILITIES SUBJECT TO OFFSETTING, ENFORCEABLE MASTER NETTING ARRANGEMENTS AND SIMILAR AGREEMENTS

	December 31, 2014	December 31, 2013
Skr mn	**Derivatives**	**Derivatives**
Gross amounts of recognized financial liabilities	18,886	16,788
Amounts offset in the statement of financial position	-	-
Net amounts of financial liabilities presented in the statement of financial position	**18,886**	**16,788**
Amounts subject to an enforceable master netting arrangement or similar agreement not offset in the statement of financial position related to:		
Financial instruments	-8,585	-8,404
Cash collateral paid	-7,125	-5,372
Net amount	**3,176**	**3,012**

Note 15. Shares

Venantius AB is domiciled in Stockholm, Sweden, and is wholly owned by AB Svensk Exportkredit. The net profit for the year after taxes amounted to Skr 2 million (2013: Skr 8 million).

On December 5th, 2014 the wholly owned subsidiary, SEK Securities (org nr 556608-8885), merged with the parent company, AB Svensk Exportkredit. Operating income of Skr 4 million and operating profit of Skr 3 million, related to the period prior to the merger, are included in the Income Statement of AB Svensk Exportkredit. The difference in value as a result of the merger amounts to Skr 3 million.

Summary of balances in SEK Securities at the time for the fusion Skr mn	**December 05, 2014**
Cash and cash equivalents	30
Other liabilities	0
Untaxed reserves	-14
Operating profit	-3
Equity	-13
Total	**0**

Shares in subsidiaries	**December 31, 2014**		**December 31, 2013**	
Skr mn	**Book value**	**Number of shares**	**Book value**	**Number of shares**
Venantius AB (reg no 556449-5116)	17	5,000,500	55	5,000,500
AB SEK Securities (reg no 556608-8885)	-	-	10	100,000
Total	**17**		**65**	

	Consolidated Group		**Parent Company**	
Skr mn	**2014**	**2013**	**2014**	**2013**
Reversed impairment of shares in subsidiaries	-	-	-	3
Total impairment of shares in subsidiaries	-	-	-	3

Note 16. Other assets

	Consolidated Group		**Parent Company**	
Skr mn	**December 31, 2014**	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
Realized claim against the State	12	11	12	11
Unrealized claim against the State for revaluation of derivatives of the S-system	1,153	942	1,153	942
Current tax claim	2	20	2	20
Receivables for trade that has not settled	658	-	658	-
Other	228	66	228	66
Total	**2,053**	**1,039**	**2,053**	**1,039**

Note 17. Prepaid expenses and accrued revenues

	Consolidated Group		**Parent Company**	
Skr mn	**December 31, 2014**	**December 31, 2013**	**December 31, 2014**	**December 31, 2013**
Interest revenues accrued	2,057	2,693	2,057	2,693
Prepaid expenses and other accrued revenues	33	31	33	31
Total	**2,090**	**2,724**	**2,090**	**2,724**

Note 18. Debt

DEBT AS PER CATEGORIES

	Consolidated Group December 31, 2014			Parent Company December 31, 2014		
Skr mn	Total	Total debt excluding senior securities issued	Total senior securities issued	Total	Total debt excluding senior securities issued	Total senior securities issued
Exchange rate related contracts	80,675	-	80,675	80,675	-	80,675
Interest rate related contracts	169,081	8,353	160,728	169,110	8,382	160,728
Equity related contracts	15,326	-	15,326	15,326	-	15,326
Contracts related to raw materials, credit risk etc	17,110	-	17,110	17,110	-	17,110
Total debt outstanding	**282,192**	**8,353**	**273,839**	**282,221**	**8,382**	**273,839**
Of which denominated in:						
Swedish Kronor	5,358			5,388		
Other currencies	276,834			276,833		

	Consolidated Group December 31, 2013			Parent Company December 31, 2013		
Skr mn	Total	Total debt excluding senior securities issued	Total senior securities issued	Total	Total debt excluding senior securities issued	Total senior securities issued
Exchange rate related contracts	78,185	–	78,185	78,185	–	78,185
Interest rate related contracts	160,455	8,315	152,140	160,543	8,403	152,140
Equity related contracts	20,306	-	20,306	20,306	-	20,306
Contracts related to raw materials, credit risk etc	10,269	-	10,269	10,269	-	10,269
Total debt outstanding	**269,215**	**8,315**	**260,900**	**269,303**	**8,403**	**260,900**
Of which denominated in:						
Swedish Kronor	7,400			7,487		
Other currencies	261,816			261,816		

Contracts have been categorized based on the contracts' main properties. If all properties were taken into account, a transaction could be contained in several categories.

SEK HAS THE FOLLOWING MAJOR FUNDING PROGRAMS IN PLACE:

Funding programs	**Value outstanding[1]**	
Skr mn	December 31, 2014	December 31, 2013
Medium-term note programs:		
Unlimited Euro Medium-Term Note Programme	150,558	150,177
Unlimited SEC-registered U.S. Medium-Term Note Programme	98,252	93,230
Unlimited Swedish Medium-Term Note Programme	319	390
Skr 8,000,000,000 Swedish Medium-Term Note Programme	1,340	2,793
Unlimited MTN/STN AUD Debt Issuance Programme	1,425	35
Commercial paper program:		
USD 3,000,000,000 U.S. Commercial Paper Programme	4,761	-
USD 4,000,000,000 Euro-Commercial Paper Programme	5,388	-

[1] Amortized cost excluding fair value adjustments.

Note 19. Other liabilities

Skr mn	Consolidated Group December 31, 2014	Consolidated Group December 31, 2013	Parent Company December 31, 2014	Parent Company December 31, 2013
Liabilities to subsidiaries	0	n.a.	0	1
Current tax liability	-	-	-	-
Liabilities related to assets acquired though not yet delivered and paid for and repurchased securities issued	2,672	16	2,673	16
Other	382	770	381	768
Total	**3,054**	**786**	**3,054**	**785**

Note 20. Accrued expenses and prepaid revenues

Skr mn	Consolidated Group December 31, 2014	Consolidated Group December 31, 2013	Parent Company December 31, 2014	Parent Company December 31, 2013
Interest expenses accrued	1,867	2,280	1,867	2,280
Other accrued expenses and prepaid revenues	147	153	147	152
Total	**2,014**	**2,433**	**2,014**	**2,432**

Note 21. Provisions

Skr mn	Consolidated Group December 31, 2014	Consolidated Group December 31, 2013	Parent Company December 31, 2014	Parent Company December 31, 2013
Pension liabilities (see Note 5)	66	26	12	13
Long term employee benefit	21	16	21	16
Termination reserve	10	10	-	-
Total	**97**	**52**	**33**	**29**

Note 22. Subordinated debt securities

Skr mn	Consolidated Group December 31, 2014	Consolidated Group December 31, 2013	Parent Company December 31, 2014	Parent Company December 31, 2013
Fixed Rate Resettable Dated Subordinated Instruments [1]	1,945	1,607	1,945	1,607
Total subordinated debt outstanding	**1,945**	**1,607**	**1,945**	**1,607**
Of which denominated in:				
Swedish kronor	-	-	-	-
Foreign currencies	1,945	1,607	1,945	1,607

[1] Nominal value USD 250 million fixed rate resettable dated subordinated instruments due November 14, 2023 (the dated subordinated instruments) were issued by SEK, 556084-0315, under the regulatory framework in effect on November 14th, 2013 (the issue date) at a price of 99.456 percent of the aggregate nominal amount. English law applies to the dated subordinated instruments.

SEK's dated subordinated instruments will bear interest (i) from (and including) the issue date, to (but excluding) November 14, 2018 (the optional redemption date (call)) at the rate of 2.875 per cent per annum payable semi annually in arrears on May 14 and November 14 in each year commencing on May 14, 2014 and ending on November 14, 2018 and (ii) from (and including) the optional redemption date (call) to (but excluding) November 14, 2023 (the maturity date) at a rate of 1.45 per cent per annum above the applicable swap rate for USD swap transactions with a maturity of five years determined in accordance with market convention and payable semi-annually in arrears on May 14 and November 14 in each year commencing on May 14, 2019 and ending on the maturity date.

Unless previously redeemed or purchased and cancelled, SEK's dated subordinated instruments will be redeemed at their principal amount on the maturity date. Subject to certain conditions as provided in the applicable terms and conditions, the dated subordinated instruments may be redeemed at the option of SEK in whole, but not in part, (i) on the optional redemption date (call), (ii) at any time for certain withholding tax reasons or (iii) at any time upon the occurrence of a capital event (as defined in the applicable terms and conditions), in each case at their principal amount together with interest accrued to (but excluding) the date of redemption. Redemption is subject to the prior consent of the Swdish Financial Supervisory Authority.

The accrued interest related to the subordinated debt, at year-end Skr 7 million (year-end 2013: Skr 6 million), has been included in the item ”Accrued expenses and prepaid revenues”.

Subordinated debt means debt for which, in the event of the obligor being declared bankrupt, the holder would be repaid after other creditors, but before shareholders.

Note 23. Equity

	Consolidated Group		Parent Company	
Skr mn	December 31, 2014	December 31, 2013	December 31, 2014	December, 31 2013
Share capital	3,990	3,990	3,990	3,990
Legal reserve	-	-	198	198
Reserves/Fair value reserve				
Hedge reserve	398	152	398	152
Fair value reserve	5	-16	5	-16
Retained earnings	11,764	10,864	9,044	8,379
Total Equity	**16,157**	**14,990**	**13,635**	**12,703**

The total number of shares is 3,990,000 with a quoted value of Skr 1,000.

The hedge reserve comprises the cumulative effective portion of hedging derivatives in connection with cash flow hedges and is reported in other comprehensive income. The hedge reserve is reported net after-tax.

In the case in which an asset held for trading is included in a hedge relationship, the reserve includes the difference between the fair value and the fair value attributable to the hedged risk. The difference normally consists of the cumulative change in the credit spread. The fair value reserve is displayed as after-tax difference between the fair value and the amortized cost value revalued at fair value with regard to the risk being hedged. After reclassification as of July 1, 2008, the fair value reserves are amortized over the remaining life of these reclassified assets. The fair value reserve is displayed after-tax. From 2009 new assets in the category available-for-sale have been acquired. Of the reserve represented interest-bearing securities with positive changes in fair value amounted to Skr 16 million (2013: Skr 17 million), Skr -13 million, (2013: Skr –26 million) represented interest-bearing securities with negative changes in fair value and Skr 0 million (2013: Skr –7 million) remained from the reclassification in 2008.

The entire equity is attributable to the shareholder of the Parent Company.

According to the Swedish Annual Accounts Act for Credit Institutions and Securities Companies, the non-distributable capital for the Consolidated Group at year-end amounted to Skr 6,746 million (2013: Skr 6,469 million) and distributable capital amounted to Skr 9,411 million (2013: Skr 8,521 million). For the parent company non-distributable capital at year-end amounted to Skr 4,188 million (2013: Skr 4,188 million) and distributable reserves amounted to Skr 9,447 million (2013: Skr 8,515 million).

The Legal reserve reported in the Parent Company represents previous demands for statutory provision to non-distributable capital. The requirement was abolished January 1, 2006, and prior provisions remain.

For information on the objectives, policies and processes for managing capital, see Report of the directors and the section on Risk and Capital Management.

Note 24. Contingent liabilities, contingent assets and commitments

Lehman Brothers Finance AG

In April 2012, the Swiss company Lehman Brothers Finance AG (in liquidation, with PricewaterhouseCoopers as appointed liquidators) ("LBF") filed a lawsuit against SEK with the Stockholm District Court. In June 2014, the dispute was finally settled and in September 2014, SEK received certain distributions from other entities in the formerLehman Brothers group, that, in total, affected the net result positively by Skr 317 million.

As a result of the settlement, some additional, non-material distributions from other entities within the former Lehman Brothers group may be received in the future.

Note 25. S-system

SEK administers, for a compensation of 0.25 percent on outstanding loans, the Swedish State's export credit support system, and the State's related aid credit program (together the "S-system"). In accordance with its assignment in an owner's instruction to the company issued by the Swedish State, SEK manages the granting of loans in the S-system. See Note 1(d). The remuneration from the S-system to SEK in accordance with the owner's instruction, which amounted to Skr 117 million for the period (2013: Skr 105 million), is shown as a part of interest revenues in the statement of comprehensive income for SEK. The assets and liabilities of the S-system are included in SEK's statement of financial position. SEK receives a risk commission from the S-system. When SEK acts as agent, SEK receives an agent commission from the S-system. Contracted but not yet disbursed loans and binding offers in the S-system can include options with respect to a fixed rate. Any costs incurred as a result of such options are reimbursed by the State. CIRR loans (Commercial Interest Reference Rate) represent one of the two loan types in the S-system, the other being concessionary loans. The net result in the S-system for 2014 amounted to Skr 53 million (2013: Skr 209 million), of which the net result for the CIRR loans represented Skr 100 million (2013: Skr 254 million).

STATEMENT OF COMPREHENSIVE INCOME FOR THE S-SYSTEM

Skr mn	2014	2013
Interest revenues	1,112	1,119
Interest expenses	-972	-903
Net interest revenues	**140**	**216**
Interest compensation	32	95
Remuneration to SEK	-117	-105
Foreign exchange effects	-2	3
Reimbursement to (–) / from (+) the State	-53	-209
Net result	**0**	**0**

STATEMENT OF FINANCIAL POSITION FOR THE S-SYSTEM (INCLUDED IN SEK'S STATEMENT OF FINANCIAL POSITION)

Skr mn	December 31, 2014	December 31, 2013
Cash and cash equivalents	25	231
Loans	48,298	43,248
Derivatives	75	119
Other assets	1,211	1,004
Prepaid expenses and accrued revenues	302	247
Total assets	**49,911**	**44,849**
Liabilities	48,271	43,455
Derivatives	1,230	1,065
Accrued expenses and prepaid revenues	410	329
Equity	-	-
Total liabilities and equity	**49,911**	**44,849**
Commitments		
Committed undisbursed loans	7,528	8,537
Binding offers	49,833	31,002

RESULTS UNDER THE S-SYSTEM BY TYPE OF LOAN

	CIRR loans		Concessionary loans	
Skr mn	2014	2013	2014	2013
Net interest revenues	185	259	-45	-43
Interest compensation	32	95	-	-
Remuneration to SEK	-115	-103	-2	-2
Foreign exchange effects	-2	3	-	-
Total	**100**	**254**	**-47**	**-45**

Note 26. Segment reporting

In accordance with IFRS 8, SEK has the following two segments: corporate lending and end-customer finance. Corporate lending concerns financing that SEK arranges directly to, or for the benefit of, Swedish export companies. End-customer finance refers to financing that SEK arranges for buyers of Swedish goods and services.

SEK's management evaluates its business mainly on the basis of operating profit excluding net results of financial transactions. The performance measure has changed as of January 1, 2014, and comparative figures for 2013 are now presented on the basis of the new measurement. Evaluation of the segments' profitability, accounting policies and allocations between segments follows, in accordance with IFRS 8, the information reported to the executive management.

Profit or loss and interest-bearing assets that are not directly assigned to the segments are allocated with an allocation formula, according to internal policies that management believes provide an equitable allocation to the segments.

Consolidated Statement of Comprehensive Income — **2014**

Skr mn	Corporate lending	End-customer finance	Reconciliation with the Consolidated Statement of Comprehensive Income	Total
Net interest revenues and net commissions	1,023	549	-	**1,572**
Other operating income	-	-	-	-
Operating expenses	-203	-319	-	**-522**
Net credit losses	9	64	-	**73**
Operating profit excl. net results of financial transactions	**829**	294	-	**1,123**
Net results of financial transactions	-	-	506	**506**
Operating profit	**829**	**294**	**506**	**1,629**

Consolidated Statement of Comprehensive Income — **2013**

Skr mn	Corporate lending	End-customer finance	Reconciliation with the Consolidated Statement of Comprehensive Income	Total
Net interest revenues and net commissions	965	585	-	**1 550**
Other operating income	-	-	-	-
Operating expenses	-197	-314	-	**-511**
Net credit losses	-3	-36	-	**-39**
Operating profit excl. net results of financial transactions	**765**	**235**	-	**1 000**
Net results of financial transactions	-	-	408	**408**
Operating profit	**765**	**235**	**408**	**1 408**

Note 26, continued

Interest-bearing assets and Committed undisbursed loans

	December 31, 2014			December 31, 2013		
Skr bn	Corporate lending	End-customer finance	Sum of segments	Corporate lending	End-customer finance	Sum of segments
Interest-bearing assets	117.1	180.6	**297.7**	121.6	158.6	**280.2**
Committed undisbursed loans	0.4	15.6	**16.0**	2.0	18.5	**20.5**

RECONCILIATION BETWEEN SUM OF SEGMENTS AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Skr bn	December 31, 2014	December 31, 2013
Sum of segments	**297.7**	**280.2**
Cash and cash equivalents	7.1	8.3
Derivatives	16.0	14.2
Property, plant, equipment and intangible assets	0.2	0.2
Other assets	2.1	1.0
Prepaid expenses and accrued revenues	2.1	2.7
Total	**325.2**	**306.6**
Consolidated statement of financial position	325.2	306.6

Income geographical areas	2014			2013		
Skr mn	Interest-revenues	Fee and Commission earned	Total	Interest-revenues	Fee and Commission earned	Total
Sweden	2,039	4	**2,043**	2,428	8	**2,436**
Europe except Sweden	824	0	**824**	802	1	**803**
Countries outside of Europe	911	0	**911**	928	0	**928**
Total	**3,774**	**4**	**3,778**	**4,158**	**9**	**4,167**

Note 27. Capital adequacy

The total capital ratio of SEK as a consolidated group[1], calculated according to the capital requirements regulation (CRR)[2] which came into effect on January 1, 2014, was 19.2 percent (year-end 2013: 21.8 percent). As of December 31, 2014, the transitional rules related to Basel I (see below) do not require an increase in the capital requirement (year-end 2013: no increase). As a result of regulatory changes introduced by CRR, the risk exposure amount for financial institutions has increased. In addition, credit valuation adjustment risk needs to be calculated for all OTC derivative contracts in accordance with CRR. The comparative figures as of December 31, 2013 set forth below are presented in accordance with Basel II, Pillar 1, which was the relevant standard at the time. For further information on capital adequacy, risks, Basel II, and CRR see the section "Risk and capital management", pages 31-47 in SEK's Annual Report for 2014.

1 In this note the term "Consolidated group" corresponds to "the consolidated situation", as defined by CRR. See Note 1(b) for details.

2 Regulation (EU) No 575/2013 of the European Parliament and of the Council of June 26, 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.

OWN FUNDS – ADJUSTING ITEMS

	Consolidated Group		Parent Company	
Skr mn	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Share capital	3,990	3,990	3,990	3,990
Retained earnings	10,522	9,759	8,055	7,434
Accumulated other comperehensive income and other reserves	385	151	601	334
Independently reviewed interim profits net of any forseeable charge or dividend	*882*	763	611	618
Common Equity Tier 1 (CET1) capital before regulatory adjustments[1]	**15,779**	**14,663**	**13,257**	**12,376**
Equity-portions of untaxed reserves	–	–	2,558	2,270
Additional value adjustments due to prudent valuation[2]	-560	-19	-560	-19
Intangible assets	-135	-119	-137	-117
Fair value reserves related to gains or losses on cash flow hedges	-386	-152	-386	-152
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	366	251	366	251
Exposure amount of securitisation positions, which qualify for a risk-weight of 1,250% [3]	-216	–	-216	–
Regulatory adjustments relating to unrealized gains pursuant to Article 468 CRR	–62	16	–62	16
Total regulatory adjustments	**-993**	**-23**	**1,563**	**2,249**
Total Common Equity Tier 1 capital	**14,786**	**14,640**	**14,820**	**14,625**
Additional Tier 1 capital	–	–	–	–
Total Tier 1 capital	**14,786**	**14,640**	**14,820**	**14,625**
Tier 2-eligible subordinated debt	1,953	1,627	1,953	1,627
Credit risk adjustments [4]	51	65	51	65
Total Tier 2 capital [5]	**2,004**	**1,692**	**2,004**	**1,692**
Total own funds	**16,790**	**16,332**	**16,824**	**16,317**

1 For a detailed description of the instruments constituting equity, see Note 23.

2 The method for calculating the adjustments due to prudent valuation has changed as of December 31, 2014, and the calculation henceforth is in accordance with the CRR and by means of the core approach of the EBA proposed Regulatory Technical Standards on prudent valuation (EBA/RTS/2014/06/rev1).

3 In accordance with CRR, securitized assets with a risk weight of 1250 percent are deducted from own funds, as an alternative to calculating risk exposure amounts for those assets. This alternative has been applied since March 31, 2014, and the deducted amount is the net booked value for such assets.

4 Expected loss amount calculated according to the IRB-approach is a gross deduction from own funds. The gross deduction is decreased by impairments related to exposures for which expected loss is calculated. Excess amounts of such impairments will increase own funds. This increase is limited to 0.6 percent of SEK's risk exposure amount according to the IRB-approach related to exposures to corporates and financial institutions. As of December 31, 2014, the limitation rule had no effect (year-end 2013: no effect).

5 For a detailed description of the instruments constituting Tier 2-eligible subordinated debt, see Note 22.

Note 27, continued

CAPITAL REQUIREMENT IN ACCORDANCE WITH PILLAR 1

	Consolidated group						Parent Company					
	December 31, 2014			December 31, 2013			December 31, 2014			December 31, 2013		
Skr mn	EAD[1]	Risk exposure amount	Required capital	EAD	Risk exposure amountt	Required capital	EAD	Risk exposure amount	Required capital	EAD	Risk exposure amount	Required capital
Credit risk standardized method												
Central governments [2]	158,666	736	59	150,373	1,016	82	158,666	736	59	150,373	1,016	82
Regional governments	20,891	–	–	19,816	–	–	20,891	–	–	19,816	–	–
Multilateral development banks	319	–	–	723	–	–	319	–	–	723	–	–
Corporates	1,207	1,207	96	628	628	50	1,206	1,206	96	628	628	50
Householdexposures	–	–	–	1	1	0	–	–	–	–	–	–
Total credit risk standardized method	181,083	1,943	155	171,541	1,645	132	181,082	1,942	155	171,540	1,644	132
Credit risk IRB method												
Financial institutions [3,4]	67,293	24,186	1,935	67,352	17,305	1,384	67,290	24,185	1,935	67,334	17,302	1,384
Corporates [5]	79,344	49,042	3,923	71,227	42,054	3,364	79,344	49,042	3,923	71,227	42,054	3,364
Securitization positions	6,308	3,643	291	7,804	8,744	700	6,308	3,643	291	7,804	8,744	700
Without counterparty	134	134	11	150	150	12	151	151	13	215	215	17
Total credit risk IRB method	153,079	77,005	6,160	146,533	68,253	5,460	153,093	77,021	6,162	146,580	68,315	5,465
Credit valuation adjustment risk	n.a.	3,339	267	n.a.	n.a.	n.a.	n.a.	3,339	267	n.a.	n.a.	n.a.
Currency exchange risks	n.a.	1,530	123	n.a.	1,404	112	n.a.	1,530	123	n.a.	1,404	112
Commodities risk	n.a.	27	2	n.a.	67	5	n.a.	27	2	n.a.	67	5
Operational risk	n.a.	3,473	278	n.a.	3,660	293	n.a.	3,449	276	n.a.	3,664	294
Total	**334,162**	**87,317**	**6,985**	**318,074**	**75,029**	**6,002**	**334,175**	**87,308**	**6,985**	**318,120**	**75,094**	**6,008**
Adjustment according to transitional rules [6]	**n.a.**	–	–	**n.a.**	–	–	**n.a.**	–	–	**n.a.**	–	–
Total incl. transitional rules	**334,162**	**87,317**	**6,985**	**318,074**	**75,029**	**6,002**	**334,175**	**87,308**	**6,985**	**318,120**	**75,094**	**6,008**
Total Basel I	**n.a.**	**99,973**	**7,998**	**n.a.**	**90,629**	**7,250**	**n.a.**	**99,999**	**7,999**	**n.a.**	**90,961**	**7,255**

1 Exposure at default (EAD) shows the size of the outstanding exposure at default.

2 In accordance with CRR, SEK treats exposures to Government export credit agencies as exposures to central government.

3 Of which counterparty risk in derivatives: Exposure at default ("EAD") Skr 5,699 million (year-end 2013: Skr 5,656 million), Risk exposure amount Skr 2,844 million (year-end 2013: Skr 2,098 million) and Required capital Skr 228 million (year-end 2013: Skr 168 million).

4 The risk exposure amount for financial institutions has increased due to an increase by 25 percent of the correlation in the formula for calculating the risk exposure amount, for all exposures to large financial sector entities and non-regulated financial institutions, all in accordance with CRR.

5 Of which related to specialized lending: EAD Skr 2,834 million (year-end 2013: 2,701 million), risk exposure amount Skr 1,984 million (year-end 2013: 2,335 million) and required capital Skr 159 million (year-end 2013: 187 million).

6 Relates to the so-called Basel I-floor. The item "Adjustment according to transitional rules" are those additional requirements that results in a "Total incl. transitional rules" that is at least 80 percent of "Total Basel I".

Note 27, continued

CREDIT RISK BY PD GRADE

The tables illustrate the exposure at default (EAD), the portion of the exposure that will be lost in the event of a default (LGD) and the probability of default or cancellation of payments by a counterparty (PD) for the exposure classes where PD is estimated internally. Average PD is calculated without consideration of PD floor. As a result of regulatory changes introduced by CRR, the average risk weight for financial institutions has increased.

Consolidated Group	December 31, 2014					December 31, 2013				
Skr mn	AAA 0.02%	AA+ to A– 0.02–0.15%	BBB+ to BBB– 0.21–0.44%	BB+ to B– 0.79–10.05%	CCC to D 28.98–100%	AAA 0.02%	AA+ to A– 0.02–0.15%	BBB+ to BBB– 0.21–0.44%	BB+ to B– 0.79–10.05%	CCC to D 28.98–100%
Financial institutions										
EAD	–	62,101	4,964	228	–	–	64,017	3,334	1	–
Average PD in %	–	0.09	0.33	0.79	–	–	0.09	0.28	0.79	–
Average LGD in %	–	42.3	45.0	45.0	–	–	41.9	45.0	45.0	–
Average riskweight in %	–	32.5	75.3	115.2	–	–	24.3	52.9	89.4	–
Corporates										
EAD	862	20,810	35,200	19,588	50	888	22,408	32,789	14,921	222
Average PD in %	0.02	0.12	0.31	1.06	28.98	0.02	0.11	0.31	1.08	33.28
Average LGD in %	45,0	45.0	45.0	45.0	45.0	45,0	45.0	45.0	45.0	45.0
Average risk weight in %	15.3	34.5	58.1	97.9	263.7	15.3	33.6	58.3	98.9	238.8

Parent Company	December 31, 2014					December 31, 2013				
Skr mn	AAA 0.02%	AA+ to A– 0.02–0.15%	BBB+ to BBB– 0.21–0.44%	BB+ to B– 0.79–10.05%	CCC to D 28.98–100%	AAA 0.02%	AA+ to A– 0.02–0.15%	BBB+ to BBB– 0.21–0.44%	BB+ to B– 0.79–10.05%	CCC to D 28.98–100%
Financial institutions										
EAD	–	62,098	4,964	228	–	–	63,998	3,334	1	–
Average PD in %	–	0.09	0.33	0.79	–	–	0.09	0.28	0.79	–
Average LGD in %	–	42.3	45.0	45.0	–	–	41.9	45.0	45.0	–
Average risk weight in %	–	32.5	75.3	115.2	–	–	24.3	52.9	89.4	–
Corporates										
EAD	862	20,810	35,200	19,588	50	888	22,408	32,789	14,921	222
Average PD in %	0.02	0.12	0.31	1.06	28.98	0.02	0.11	0.31	1.08	33.28
Average LGD in %	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0
Average risk weight in %	15.3	34.5	58.1	97.9	263.7	15.3	33.6	58.3	98.9	238.8

CREDIT RISKS

For risk classification and quantification of credit risk SEK uses an internal ratings-based (IRB) approach. The Swedish Financial Supervisory Authority has approved SEK's IRB approach. Specifically, SEK applies the Foundation Approach. Under the Foundation Approach, the company determines the probability of default within one year (PD) of each of its counterparties, while the remaining parameters are astablished in accordance with CRR. The Swedish Financial Supervisory Authority has, however exempted SEK, until December 31, 2015 from having to use this approach for some exposures. For exposures exempted from the IRB approach, SEK applies the standardized approach when calculating the capital requirement for credit risk. Counterparty risk exposure amounts in derivatives are calculated in accordance with the mark-to-market method.

CREDIT VALUATION ADJUSTMENT RISK

When the CRR entered into effect, a capital requirement for credit valuation adjustment risk was introduced, which is calculated for all OTC derivative contracts, except for credit derivatives used as credit protection and transactions with a qualifying central counterparty. SEK calculates this capital requirement in accordance with the standardized method.

FOREIGN EXCHANGE RISKS

Foreign exchange risk is calculated according to the standardised approach, whereas the scenario approach is used for calculating the gamma and volatility risks.

COMMODITIES RISK

Capital requirements for commodity risk are calculated in accordance with the simplified approach under the standardised approach. The scenario approach is used for calculating the gamma and volatility risks.

OPERATIONAL RISKS

Capital requirement for operational risk is calculated according to the standardized approach. The company's operations are divided into business areas as defined in the CRR. The capital requirement for each area is calculated by multiplying a factor of 12 percent, 15 percent or 18 percent (depending on the business area) by an income indicator. This income indicator consists of the average operating income for the past three financial years.

Note 27, continued

TRANSITIONAL RULES

CRR states that the previously applicable transition rules, i.e. the Basel I floor, will continue to apply until 2017. According to the transitional rules the capital requirement should be calculated in parallel on the basis of the Basel I rules. To the extent that the Basel-I-based capital requirement, reduced to 80 percent, exceeds the capital requirement based on CRR, the capital requirement under the above mentioned Basel I-based rules should constitute the minimum capital requirement. These transitional rules do not require an increase in the capital requirement as of December 31, 2014. Other transitional arrangements concerning CRR have no significant effect on SEK.

CAPITAL ADEQUACY ANALYSIS (PILLAR 1)

	Consolidated Group		Parent Company	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Capital ratios excl. of buffer requirements[1]				
Common Equity Tier 1 capital ratio	*16.9%*	*19.5%*	*17.0%*	*19.5%*
Tier 1 capital ratio	*16.9%*	*19.5%*	*17.0%*	*19.5%*
Total capital ratio	*19.2%*	*21.8%*	*19.3%*	*21.7%*
Institution specific Common Equity Tier 1 capital requirement incl. buffers[2]	7.0%	n.a.	7.0%	n.a.
of which Capital conservation buffer	*2.5%*	*n.a.*	*2.5%*	*n.a.*
of which Countercyclical Buffer	-	*n.a.*	-	*n.a.*
of which Systemic Risk Buffer	-	*n.a.*	-	*n.a.*
Common Equity Tier 1 capital available to meet institution specific requirement[3]	15.4%	n.a.	15.5%	n.a.
Total capital ratio according to transitional rules[4]	19.2%	21.8%	19.3%	21.7%

[1] Capital ratios excl. of buffer requirements are the quotients of the relevant capital measure and the total risk exposure amount. The minimum requirements according to CRR, which without regard to transitional period already have come into force in Sweden, are 4.5 percent, 6.0 percent and 8.0 percent for Common Equity Tier 1 capital, Tier 1 capital and total Own Funds, respectively.

[2] Inclusive of the minimum requirement of 4.5 percent, expressed as a percentage of total risk exposure amount.

[3] Common Equity Tier 1 capital, as a percentage of the total risk exposure amount, available to meet the institution specific Common Equity Tier 1 capital requirement. SEK does not have any additional Tier 1 capital, hence Common Equity Tier 1 capital is required to meet the difference between the minimum requirements on Tier 1 capital and Common Equity Tier 1 capital with the result that this indicator is 1.5 percentage points less than the Common Equity Tier 1 capital ratio

[4] Refers to the so called Basel I floor. The minimum requirement is 8.0 percent.

According to the Swedish law (SFS 2014:966) on capital buffers of August 2, 2014, SEK shall meet capital buffer requirements with Common Equity Tier 1 capital. The regulations on systemically important institutions will however not come into force until January 1, 2016, and SEK is not expected to be subject to those requirements. There are neither any countercyclical buffer nor any systemic risk buffer applicable for SEK that are active at the moment. According to a decision from the Swedish Financial Supervisory Authority, a countercyclical buffer rate of 1.0 percent shall apply to exposures located in Sweden as of September 13, 2015. As of December 31, 2014 the capital requirement related to relevant exposures in Sweden is 61 percent of the total relevant capital requirement, regardless of location. Hence, if the Swedish countercyclical buffer rate would have been applied, the additional buffer requirement would be 0.6 percentage points. Buffer rates activated in other countries may have an effect on SEK, but as most capital requirements from relevant credit exposures are related to Sweden, the potential effect is limited.

Note 28. Risk information

For further risk information, see the section “Risk and Capital Management” on pages 31-47.

The amounts reported concern the Consolidated Group unless otherwise stated. The amounts reported for the Consolidated Group and the Parent Company are essentially the same. The table of credit quality as per category in the statement of financial position and the table illustrating the link between statement of financial position categories and exposures according to CRR (12/2013 according to Basel II) contain book values. Other tables show nominal values, in accordance with internal risk monitoring.

CREDIT RISK

The table below shows the maximum exposure to credit risk. The amounts are nominal values except for derivatives which are reported at booked values.

Consolidated Group	December 31, 2014 Maximum exposure to Credit Risk		
Skr mn	Financial assets at fair value through profit or loss	Assets available for sale	Loans and receivables
Cash and cash equivalents	-	-	7,099
Treasuries/government bonds	-	3,454	-
Other interest-bearing securities except loans	1,521	57,093	7,632
Loans in the form of interest-bearing securities	1,289	-	51,085
Loans to credit institutions	-	-	26,895
Loans to the public	-	-	162,892
Derivatives	16,017	-	-
Total financial assets	**18,827**	**60,547**	**255,603**

Consolidated Group	December 31, 2013 Maximum exposure to Credit Risk		
Skr mn	Financial assets at fair value through profit or loss	Assets available for sale	Loans and receivables
Cash and cash equivalents	–	–	8,337
Treasuries/government bonds	–	4,534	36
Other interest-bearing securities except loans	2,190	42,598	19,482
Loans in the form of interest-bearing securities	1,212	–	59,249
Loans to credit institutions	–	–	25,627
Loans to the public	–	–	144,657
Derivatives	14,228	–	–
Total financial assets	**17,630**	**47,132**	**257,388**

Maximum exposure to credit risk for “Loans to credit institutions” and “Loans to the public” includes undisbursed loans at year-end, entered at nominal value.

The table below displays the credit quality after risk mitigation (net) as per category in the statement of financial position. The amounts are book values. SEK uses guarantees, credit default swaps and insurance as credit risk protection, see also section Risk and capital management, page 31-47.

Consolidated Group	December 31, 2014					
Skr mn	Book value	AAA	AA+ to A-	BBB+ to BBB-	BB+ to B-	CCC to D
Cash and cash equivalents	7,099	6,250	849	-	-	-
Treasuries/government bonds	3,458	2,267	1,191	-	-	-
Other interest-bearing securities except loans	66,398	17,328	46,711	1,453	873	33
Loans in the form of interest-bearing securities	53,140	9,572	15,086	22,744	5,738	-
Loans to credit institutions	25,510	9,981	8,276	7,025	228	-
Loans to the public	149,240	84,924	34,494	16,442	13,355	25
Derivatives	16,017	-	13,135	2,883	-	-
Total financial assets	**320,862**	**130,322**	**119,742**	**50,547**	**20,194**	**58**
Committed undisbursed loans	**16,028**	**12,863**	**1,783**	**588**	**794**	

Note 28, continued

Consolidated Group	December 31,2013					
Skr mn	Book value	AAA	AA+ to A-	BBB+ to BBB-	BB+ to B-	CCC to D
Cash and cash equivalents	8,337	4,670	3,667	–	–	–
Treasuries/government bonds	4,595	3,838	721	36	–	–
Other interest-bearing securities except loans	64,151	5,954	55,369	1,905	829	94
Loans in the form of interest-bearing securities	60,958	16,301	19,016	19,361	6,279	–
Loans to credit institutions	24,819	2,936	18,403	3,479	1	–
Loans to the public	125,553	78,202	24,338	14,088	8,787	139
Derivatives	14,228	–	12,660	1,568	–	–
Total financial assets	**302,641**	**111,901**	**134,174**	**40,437**	**15,896**	**233**
Committed undisbursed loans	**20,480**	**6,386**	**7,702**	**906**	**5,483**	**3**

The credit quality of financial assets is evaluated by use of internal or external rating.

The table below illustrates the link between the statement of financial position categories and net exposures according to CRR (December, 2013 in accordance with Basel II)

Consolidated Group	December 31, 2014					
Skr bn	Book value	Adjustment from Book value to Exposure[1]	Adjustment to exposure class	Amendment for undisbursed loans and counterparty exposure	Exposure	Exposure class
Treasuries/government bonds	3.5	-	123.0	64.4	190.9	Central governments
Other interest-bearing securities except loans	66.4	-0.2	-45.3	-	20.9	Regional governments
Loans in the form of interest-bearing securities	53.1	-0.7	-52.1	-	0.3	Multilateral development banks
Loans to credit institutions including cash and cash equivalents[1]	32.6	-9.0	37.4	6.5	67.5	Financial institutions
Loans to the public	149.2	-1.6	-147.6	-	-	
	-	-	82.8	1.6	84.4	Corporates
Derivatives	16.0	-7.2	-8.8	-	-	
	-	-	6.3	-	6.3	Securitization positions
Total financial assets	**320.8**	**-18.7**	**-4.3**	**72.5**	**370.3**	

Consolidated Group	December 31, 2013					
Skr bn	Book value	Adjustment from Book value to Exposure[1]	Adjustment to exposure class	Amendment for undisbursed loans and counterparty exposure	Exposure	Exposure class
Treasuries/government bonds	4.6	-	117.2	53.1	174.9	Central governments
Other interest-bearing securities except loans	64.2	0.1	-44.5	-	19.8	Regional governments
Loans in the form of interest-bearing securities	61.0	-0.5	-59.9	0.2	0.8	Multilateral development banks
Loans to credit institutions including cash and cash equivalents[1]	33.1	-14.4	42.4	6.4	67.5	Financial institutions
Loans to the public	125.6	-0.4	-125.2	-	-	
	-	-	71.8	1.5	73.3	Corporates
Derivatives	14.2	-7.9	-6.3	-	-	
	-	-	7.8	-	7.8	Securitization positions
Total financial assets	**302.7**	**-23.1**	**3.3**	**61.2**	**344.1**	

[1] Skr 9.7 billion (2013: Skr 6.9 billion) of the book value for Loans to credit institutions is cash collateral provided by SEK.

Reduction in derivative exposures from applying netting under current ISDA Master Agreements according to CRR (12/2013 according to Basel II) regarding counterparty risk in derivative transactions amounts to Skr 7.2 billion (2013: Skr 7.9 billion). For further information regarding counterparty risk in derivative transactions under CRR, see section “Risk and Capital Management” on pages 31-47.

Note 28, continued

TOTAL CREDIT EXPOSURES CONSOLIDATED GROUP

Amounts expressing gross exposures are shown without considering guarantees and credit derivatives (CDSs) while net exposures, according to CRR (12/2013 according to Basel II) are reported efter taking guarantees and credit derivatives into consideration. The amounts are nominal values. The credit exposures by region have changed according to the internal region and the comparative figures have been updated accordingly. In tables showing the geographic distribution of exposures, North America excludes Central America.

TOTAL NET EXPOSURES

Skr bn	Total				Loans and interest-bearing securities				Undisbursed loans, derivatives, etc			
	December 31, 2014		December 31, 2013		December 31, 2014		December 31, 2013		December 31, 2014		December 31, 2013	
Classified by type of exposure class	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Central governments	190.9	51.6	174.9	50.8	126.5	42.5	121.8	43.1	64.4	88.8	53.1	86.7
Regional governments	20.9	5.6	19.8	5.8	20.9	7.0	19.8	7.0	–	–	–	–
Multilateral development banks	0.3	0.1	0.8	0.2	0.3	0.1	0.6	0.2	–	–	0.2	0.3
Financial institutions	67.5	18.2	67.5	19.6	61.0	20.5	61.1	21.6	6.5	9.0	6.4	10.5
Corporates	84.4	22.8	73.3	21.3	82.8	27.8	71.8	25.4	1.6	2.2	1.5	2.5
Securitization positions	6.3	1.7	7.8	2.3	6.3	2.1	7.8	2.7	–	–	–	–
Total	**370.3**	**100.0**	**344.1**	**100.0**	**297.8**	**100.0**	**282.9**	**100.0**	**72.5**	**100.0**	**61.2**	**100.0**

CREDIT EXPOSURES ALLOCATION BETWEEN IRB-APPROACH AND THE STANDARDIZED APPROACH

	December 31, 2014		December 31, 2013	
Skr bn	Net exposures	Share	Net exposures	Share
Standardized approach				
Central governments	190.9	51.6	174.9	50.8
Regional governments	20.9	5.6	19.8	5.8
Multilateral development banks	0.3	0.1	0.8	0.2
Corporates	1.2	0.3	0.7	0.2
Sum Standardized approach	**213.3**	**57.6**	**196.2**	**57.0**
IRB method				
Financial institutions	67.5	18.2	67.5	19.6
Corporates	83.2	22.5	72.6	21.1
Securitization positions	6.3	1.7	7.8	2.3
Sum IRB method	**157.0**	**42.4**	**147.9**	**43.0**
Total	**370.3**	**100.0**	**344.1**	**100.0**

CREDIT EXPOSURES BY REGION AND EXPOSURE CLASS

Gross exposure by region and exposure class, as of December 31, 2014

Skr bn	Middle East/ Africa	Asia excl. Japan	Japan	North America	Oceania	Latin America	Sweden	West European countries excl. Sweden	Central-East European countries	Total
Central governments	2.2	8.4	-	0.4	-	43.0	7.9	4.8	0.0	66.7
Regional governments	0.7	-	-	-	-	-	11.8	0.5	-	13.0
Multilateral development banks	-	-	-	-	-	-	-	0.3	-	0.3
Financial institutions	1.5	3.6	0.2	12.5	4.0	2.0	14.2	23.5	0.4	61.9
Corporates	17.6	22.5	14.0	27.0	0.5	12.1	70.2	45.2	12.9	222.0
Securitization positions	-	-	-	1.1	1.2	-	-	4.1	-	6.4
Total	**22.0**	**34.5**	**14.2**	**41.0**	**5.7**	**57.1**	**104.1**	**78.4**	**13.3**	**370.3**

Note 28, continued

Gross exposure by region and exposure class, as of December 31, 2013

Skr bn	Middle East/ Africa	Asia excl. Japan	Japan	North America	Oceania	Latin America	Sweden	West European countries excl. Sweden	Central-East European countries	Total
Central governments	1.5	6.4	–	–	–	30.1	8.5	2.5	0.0	49.0
Regional governments	0.6	–	–	–	–	–	10.1	2.5	–	13.2
Multilateral development banks	–	–	–	–	–	–	–	0.1	–	0.1
Financial institutions	0.9	0.8	2.7	5.2	3.8	0.2	19.2	25.6	0.4	58.8
Corporates	13.4	24.4	7.7	23.0	0.6	12.9	75.6	44.4	13.2	215.2
Securitization positions	–	–	–	1.8	1.7	–	–	4.3	–	7.8
Total	**16.4**	**31.6**	**10.4**	**30.0**	**6.1**	**43.2**	**113.4**	**79.4**	**13.6**	**344.1**

Net exposure by region and exposure class, as of December 31, 2014

Skr bn	Middle East/ Africa	Asia excl. Japan	Japan	North America	Oceania	Latin America	Sweden	West European countries excl. Sweden	Central-East European countries	Total
Central governments	–	3.5	–	4.4	–	0.8	155.7	23.9	2.6	190.9
Regional governments	–	–	–	–	–	–	18.5	2.4	–	20.9
Multilateral development banks	–	–	–	–	–	–	–	0.3	–	0.3
Financial institutions	1.4	3.3	0.3	11.5	4.0	1.9	9.1	35.6	0.4	67.5
Corporates	0.7	0.9	2.3	5.6	0.1	1.0	58.9	14.4	0.5	84.4
Securitization positions	–	–	–	1.0	1.2	–	–	4.1	–	6.3
Total	**2.1**	**7.7**	**2.6**	**22.5**	**5.3**	**3.7**	**242.2**	**80.7**	**3.5**	**370.3**

Net exposure by region and exposure class, as of December 31, 2013

Skr bn	Middle East/ Africa	Asia excl. Japan	Japan	North America	Oceania	Latin America	Sweden	West European countries excl. Swe-den	Central-East European countries	Total
Central governments	–	0.8	–	4.5	–	–	145.2	21.9	2.5	174.9
Regional governments	–	–	–	–	–	–	17.0	2.8	–	19.8
Multilateral development banks	–	–	–	–	–	–	–	0.8	–	0.8
Financial institutions	1.3	0.9	3.0	5.5	3.8	0.2	14.5	37.9	0.4	67.5
Corporates	1.3	1.5	1.8	3.7	0.1	3.9	47.0	13.6	0.4	73.3
Securitization positions	–	–	–	1.8	1.7	–	–	4.3	–	7.8
Total	**2.6**	**3.2**	**4.8**	**15.5**	**5.6**	**4.1**	**223.7**	**81.3**	**3.3**	**344.1**

CREDIT EXPOSURES TO EUROPEAN COUNTRIES BY EXPOSURE CLASS AND RISK MITIGATION METHOD

In light of the ongoing European sovereign debt crisis, the tables below aim to describe SEK's exposures to European countries. The first column of the risk mitigation tables shows gross exposures, i.e. exposures excluding guarantees and credit risk derivatives, for respective countries. The next two columns show outgoing risk mitigation, in the form of guarantees and credit risk derivatives. Outgoing risk mitigation results in a decrease in the exposure in the respective country as the original gross exposure is transferred to another country by means of risk mitigation. Additional risk mitigation means that an exposure, in the form of guarantees and credit risk derivatives, increases in the respective country as a result of including credit protection that is not reflected in the gross exposure. Additional risk mitigation results in increased exposure to the respective country. Figures in the column for net exposures, i.e. exposures after including guarantees and credit risk derivatives, are the sum of gross exposure, outgoing risk mitigation and additional risk mitigation, for the respective country.

Note 28, continued

GROSS AND NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY RISK MITIGATION METHOD, AS OF DECEMBER 31, 2014

	Gross exposure	**Outgoing risk mitigation**		**Additional risk mitigation**		**Net exposure**
Skr bn		Guarantee	CDS	Guarantee	CDS	
United Kingdom						
Sovereign	-	-	-	1.8	-	1.8
Non-sovereign	11.8	-2.9	-0.3	1.6	1.5	11.7
France						
Sovereign	1.2	-	-	11.5	-	12.7
Non-sovereign	6.0	-4.4	-	2.2	2.2	6.0
Germany						
Sovereign	2.4	-	-	4.0	-	6.4
Non-sovereign	1.0	-	-	1.3	1.0	3.3
The Netherlands						
Sovereign	-	-	-	-	-	-
Non-sovereign	9.7	-2.5	-0.3	0.2	-	7.1
Ireland						
Sovereign	-	-	-	-	-	-
Non-sovereign	4.3	-1.3	-	-	-	3.0
Spain						
Sovereign	-	-	-	-	-	-
Non-sovereign	14.4	-12.5	-	0.2	-	2.1
Poland						
Sovereign	-	-	-	2.7	-	2.7
Non-sovereign	2.7	-2.7	-	-	-	0.0
Switzerland						
Sovereign	-	-	-	-	-	-
Non-sovereign	2.1	-0.3	-	0.6	-	2.4
Italy						
Sovereign	-	-	-	0.4	-	0.4
Non-sovereign	1.4	-1.4	-	-	-	0.0
Portugal						
Sovereign	-	-	-	0.2	-	0.2
Non-sovereign	0.4	-0.2	-	-	-	0.2
Russia						
Sovereign	-	-	-	-	-	-
Non-sovereign	9.6	-9.5	-	-	0.0	0.1
Greece						
Sovereign	-	-	-	-	-	-
Non-sovereign	0.1	-0.1	-	-	-	-
Austria						
Sovereign	-	-	-	-	-	0.0
Non-sovereign	1.3	0.0	-	0.1	-	1.4
Luxembourg						
Sovereign	1.3	-	-	0.0	-	1.3
Non-sovereign	1.9	-1.9	-	-	-	0.0
Latvia						
Sovereign	-	-	-	-	-	-
Non-sovereign	0.6	-	-	-	-	0.6
Cyprus						
Sovereign	-	-	-	-	-	-
Non-sovereign	0.4	-0.4	-	-	-	0.0
Ukraine						
Stater	-	-	-	-	-	-
Icke-stater	0.1	-0.1	-	-	-	0.0
Other countries						
Sovereign	0.0	0.0	-	-	-	0.0
Non-sovereign	0.5	-0.1	-	0.0	-	0.4
Total	**73.2**	**-40.3**	**-0.6**	**26.8**	**4.7**	**63.8**

Note 28, continued

GROSS AND NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY RISK MITIGATION METHOD, AS OF DECEMBER 31, 2013

	Gross exposure	Outgoing risk mitigation		Additional risk mitigation		Net exposure
Skr bn		Guarantee	CDS	Guarantee	CDS	
United Kingdom						
Sovereign	–	–	–	2.2	–	2.2
Non-sovereign	10.9	–2.9	–0.6	1.2	2.4	11.0
France						
Sovereign	0.7	–	–	9.3	–	10.0
Non-sovereign	4.2	–1.8	–	0.9	2.9	6.2
Germany						
Sovereign	1.2	–	–	4.4	–	5.6
Non-sovereign	0.6	-0.0	–	1.5	0.9	3.0
The Netherlands						
Sovereign	–	–	–	–	–	–
Non-sovereign	12.2	–3.2	–0.3	0.2	–	8.9
Ireland						
Sovereign	–	–	–	–	–	–
Non-sovereign	4.5	–1.6	–	–	–	2.9
Spain						
Sovereign	–	–	–	–	–	–
Non-sovereign	14.6	–12.4	–	0.0	–	2.2
Poland						
Sovereign	–	–	–	2.5	–	2.5
Non-sovereign	2.5	–2.5	–	–	–	–
Switzerland						
Sovereign	–	–	–	–	–	–
Non-sovereign	1.4	–0.3	–	0.6	–	1.7
Italy						
Sovereign	–	–	–	0.5	–	0.5
Non-sovereign	2.2	–2.2	–	–	–	0.0
Portugal						
Sovereign	–	–	–	0.3	–	0.3
Non-sovereign	0.4	–0.3	–	–	–	0.1
Russia						
Sovereign	–	–	–	–	–	–
Non-sovereign	10.0	–9.9	–	–	–	0.1
Greece						
Sovereign	–	–	–	–	–	–
Non-sovereign	0.1	–0.1	–	–	–	–
Austria						
Sovereign	0.2	–	–	–	–	0.2
Non-sovereign	0.6	–	–	0.1	–	0.7
Luxembourg						
Sovereign	1.6	–	–	0.7	–	2.3
Non-sovereign	0.2	–	–	–	–	0.2
Latvia						
Sovereign	0.0	–	–	–	–	0.0
Non-sovereign	0.6	–	–	–	–	0.6
Cyprus						
Sovereign	–	–	–	–	–	–
Non-sovereign	0.4	–0.4	–	–	–	–
Other countries						
Sovereign	0.0	–0.0	–	–	–	–
Non-sovereign	0.8	–0.5	–	0.1	–	0.4
Total	**69.9**	**–38.1**	**–0.9**	**24.5**	**6.2**	**61.6**

Note 28, continued

GROSS AND NET EXPOSURES NORDIC COUNTRIES BY RISK MITIGATION, AS OF DECEMBER 31, 2014

Skr bn	Gross exposure	Outgoing risk mitigation		Additional risk mitigation		Net exposure
		Guarantee	CDS	Guarantee	CDS	
Sweden						
Sovereign	19.7	-	-	154.5	-	174.2
Non-sovereign	84.4	-19.4	-3.6	6.7	-	68.1
Norway						
Sovereign	-	-	-	0.6	-	0.6
Non-sovereign	3.2	-	-0.6	1.3	-	3.9
Finland						
Sovereign	0.5	-	-	1.6	-	2.1
Non-sovereign	9.0	-2.1	-0.6	0.4	0.3	7.0
Iceland						
Sovereign	-	-	-	0.6	-	0.6
Non-sovereign	1.1	-0.9	-	-	-	0.2
Denmark						
Sovereign	0.2	-	-	0.2	-	0.4
Non-sovereign	4.4	-	-	0.9	0.2	5.5
Total	**122.5**	**-22.4**	**-4.8**	**166.8**	**0.5**	**262.6**

GROSS AND NET EXPOSURES NORDIC COUNTRIES BY RISK MITIGATION, AS OF DECEMBER 31, 2013

Skr bn	Gross exposure	Outgoing risk mitigation		Additional risk mitigation		Net exposure
		Guarantee	CDS	Guarantee	CDS	
Sweden						
Sovereign	18.6	–	–	143.6	–	162.2
Non-sovereign	94.8	–33.3	–5.0	5.0	0.0	61.5
Norway						
Sovereign	–	–	–	0.6	–	0.6
Non-sovereign	4.9	–0.0	–0.9	1.3	–	5.3
Finland						
Sovereign	0.7	–	–	1.8	–	2.5
Non-sovereign	10.6	–3.5	–1.6	0.4	0.5	6.4
Iceland						
Sovereign	–	–	–	0.5	–	0.5
Non-sovereign	1.0	–0.8	–	–	–	0.2
Denmark						
Sovereign	0.7	–	–	0.1	–	0.8
Non-sovereign	5.2	–	–	1.3	0.2	6.7
Total	**136.5**	**–37.6**	**–7.5**	**154.6**	**0.7**	**246.7**

Note 28, continued

GROSS EXPOSURES EUROPEAN COUNTRIES, EXCLUDING SWEDEN BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2014

Skr bn	Central governments	Regional governments	Multilateral development banks	Financial institutions	Corporates	Securi-tization positions	Total
Spain	-	-	-	0.2	13.4	0.8	14.4
United Kingdom	-	-	-	5.4	6.0	0.4	11.8
The Netherlands	-	-	-	5.8	3.7	0.2	9.7
Russia	-	-	-	-	9.6	-	9.6
Finland	-	0.5	-	1.6	7.4	-	9.5
France	1.2	-	-	1.9	4.1	-	7.2
Denmark	0.2	-	-	1.8	2.7	-	4.7
Ireland	-	-	-	0.3	1.5	2.5	4.3
Germany	2.4	-	-	0.9	0.2	-	3.5
Norway	-	-	-	2.2	1.0	-	3.2
Luxembourg	1.0	-	0.3	0.0	1.9	-	3.2
Poland	-	-	-	-	2.7	-	2.7
Switzerland	-	-	-	1.7	0.4	-	2.1
Italy	-	-	-	-	1.4	-	1.4
Austria	-	-	-	1.3	0.0	-	1.3
Iceland	-	-	-	-	1.1	-	1.1
Latvia	-	-	-	0.3	0.3	-	0.6
Portugal	-	-	-	-	0.2	0.2	0.4
Cyprus	-	-	-	-	0.4	-	0.4
Greece	-	-	-	-	0.1	-	0.1
Ukraine	-	-	-	-	0.1	-	0.1
Other countries	0.0	-	-	0.2	0.2	-	0.4
Total	**4.8**	**0.5**	**0.3**	**23.6**	**58.4**	**4.1**	**91.7**

GROSS EXPOSURES EUROPEAN COUNTRIES, EXCLUDING SWEDEN BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2013

Skr bn	Central governments	Regional governments	Multilateral development banks	Financial institutions	Corporates	Securi-tization positions	Total
Spain	-	-	-	0.3	13.4	0.9	14.6
The Netherlands	-	-	-	7.7	4.2	0.3	12.2
Finland	-	0.7	-	0.5	10.1	-	11.3
United Kingdom	-	-	-	4.8	5.6	0.5	10.9
Russia	-	-	-	-	10.0	-	10.0
Denmark	-	0.7	-	3.1	2.1	-	5.9
Norway	-	-	-	3.9	1.0	-	4.9
France	0.7	-	-	2.7	1.5	-	4.9
Ireland	-	-	-	0.4	1.6	2.5	4.5
Poland	-	-	-	-	2.5	-	2.5
Italy	-	-	-	-	2.2	-	2.2
Germany	0.1	1.1	-	0.3	0.3	-	1.8
Luxembourg	1.5	-	0.1	0.0	0.2	-	1.8
Switzerland	-	-	-	1.1	0.3	-	1.4
Iceland	-	-	-	-	1.0	-	1.0
Austria	0.2	-	-	0.6	0.0	-	0.8
Latvia	0.0	-	-	0.2	0.4	-	0.6
Portugal	-	-	-	-	0.3	0.1	0.4
Cyprus	-	-	-	-	0.4	-	0.4
Greece	-	-	-	-	0.1	-	0.1
Other countries	0.0	-	-	0.4	0.4	-	0.8
Total	**2.5**	**2.5**	**0.1**	**26.0**	**57.6**	**4.3**	**93.0**

Note 28, continued

NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING SWEDEN BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2014

Skr bn	Central governments	Regional governments	Multilateral development banks	Financial institutions	Corporates	Securitization positions	Total
France	12.6	-	-	6.1	-	-	18.7
United Kingdom	1.8	-	-	8.6	2.7	0.4	13.5
Germany	4.7	1.7	-	2.2	1.1	-	9.7
Finland	1.4	0.7	-	2.1	4.9	-	9.1
The Netherlands	-	-	-	5.8	1.1	0.2	7.1
Denmark	0.4	-	-	3.3	2.2	-	5.9
Norway	0.7	-	-	3.5	0.3	-	4.5
Ireland	-	-	-	-	0.5	2.5	3.0
Poland	2.7	-	-	-	-	-	2.7
Switzerland	-	-	-	2.0	0.4	-	2.4
Spain	-	-	-	0.3	1.0	0.8	2.1
Austria	-	-	-	1.4	-	-	1.4
Luxembourg	1.0	-	0.3	0.0	0.0	-	1.3
Iceland	0.6	-	-	-	0.2	-	0.8
Latvia	-	-	-	0.3	0.3	-	0.6
Italy	0.4	-	-	-	0.0	-	0.4
Portugal	0.2	-	-	-	-	0.2	0.4
Belgium	-	-	-	0.3	-	-	0.3
Greece	-	-	-	-	-	-	-
Other countries	**-**	**-**	**-**	**0.1**	**0.2**	**-**	**0.3**
Total	**26.5**	**2.4**	**0.3**	**36.0**	**14.9**	**4.1**	**84.2**

NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING SWEDEN BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2013

Skr bn	Central governments	Regional governments	Multilateral development banks	Financial institutions	Corporates	Securitization positions	Total
France	10.0	-	-	6.2	-	-	16.2
United Kingdom	2.2	-	-	8.6	1.9	0.5	13.2
The Netherlands	-	-	-	7.7	0.9	0.3	8.9
Finland	1.6	0.9	-	1.2	5.2	-	8.9
Germany	4.3	1.3	-	1.6	1.4	-	8.6
Denmark	0.2	0.6	-	4.9	1.8	-	7.5
Norway	0.6	-	-	5.2	0.1	-	5.9
Ireland	-	-	-	-	0.4	2.5	2.9
Poland	2.5	-	-	-	-	-	2.5
Luxembourg	1.5	-	0.8	0.0	0.2	-	2.5
Spanien	-	-	-	0.2	1.1	0.9	2.2
Switzerland	-	-	-	1.5	0.2	-	1.7
Austria	0.2	-	-	0.7	-	-	0.9
Iceland	0.5	-	-	-	0.2	-	0.7
Italy	0.5	-	-	-	0.0	-	0.5
Portugal	0.3	-	-	-	-	0.1	0.4
Belgium	-	-	-	0.1	0.2	-	0.3
Greece	-	-	-	-	-	-	-
Other countries	0.0	-	-	0.4	0.4	-	0.8
Total	**24.4**	**2.8**	**0.8**	**38.3**	**14.0**	**4.3**	**84.6**

Net exposures to counterparties in Ireland, Italy, Portugal and Spain amounted to Skr 5.9 billion at December 31, 2014 (year-end 2013: Skr 6.0 billion). SEK does not have any net exposures to counterparties in Greece.

Gross exposures to counterparties in Greece amounted to Skr 0.1 billion as of December 31, 2014 (year-end 2013: Skr 0.1 billion). Gross exposures to counterparties in Ukraine amounted to Skr 0.1 billion as of December 31, 2014 (year-end 2013: Skr 0.1 billion). These gross exposures are guaranteed in full by counterparties in other countries. Gross exposures to counterparties in the Russian Federation amounted to Skr 9.6 billion as of December 31, 2014 (year-end 2013: Skr 10.0 billion. Net exposure to counterparties in the Russian Federation amounted to Skr 0.1 billion as of December 31, 2014 (year-end 2013: Skr 0.1 billion).

Note 28, continued

CORPORATE EXPOSURES BY INDUSTRY (GICS)

	December 31, 2014		December 31, 2013	
Skr bn	**Gross exposure**	**Net exposure**	**Gross exposure**	**Net exposure**
IT and telecom	83.1	9.4	78.3	7.6
Industrials	46.1	32.9	37.4	18.3
Financials	23.7	5.7	29.0	13.5
Materials	27.0	12.8	28.9	11.1
Consumer goods	16.4	12.5	15.3	12.6
Utilities	13.7	5.0	14.2	6.1
Health Care	5.9	5.1	7.4	2.8
Energy	5.7	1.0	4.3	1.2
Other	0.4	0.0	0.4	0.1
Total	**222.0**	**84.4**	**215.2**	**73.3**

ASSET-BACKED SECURITIES HELD

The tables below include current aggregated information regarding SEK's total net exposures (after effects related to risk-coverage) related to asset-backed securities held and to current creditworthiness. Ratings in the table as of December 31, 2014 are stated as the second lowest of the credit ratings from Standard & Poor's, Moody's and w Fitch. When only two credit ratings are available the lowest is stated. All of these assets represent first-priority tranches, and they have all been credit rated 'AAA'/'Aaa' by Standard & Poor's or Moody's at acquisition.

Net exposures

Skr mn	**December 31, 2014**	**December 31,2014**
'AAA'	3,744	4,978
'AA+'	4	–
'AA'	206	200
'AA-'	152	13
'A+'	111	69
'A'	419	4
'A-'	143	77
'BBB+'	163	186
'BBB'	–	145
'BBB-'	425	725
'BB+'	150	–
'BB'	387	655
'B+'	174	173
CDO rated 'CCC'[1]	33	114
Total	**6,111**	**7,339**

[1] This asset consists of one CDO (Collateralized Debt Obligations) with end-exposure to the U.S market. There have been no delays with payments under the tranche. However, the rating of the asset has been downgraded dramatically during 2008 to 2012, by Standard & Poor's from 'AAA' to 'NR' (after being downgraded to 'D'), by Moody's from 'Aaa' to 'Ca' and by Fitch from 'AAA' to 'C'. Due to the dramatic rating downgrades, SEK has analyzed the expected cash flows of the asset and has recorded related impairment. The impairment amounted to Skr 189 million in total as of December 31, 2014, which means that the total net exposure before impairment related to asset-backed securities held amounted to Skr 222 million. The other CDO, previously reported on this line, has been liquidated and SEK has received the final payment, which resulted in a small, positive effect after the reversal of the provision.

Note 28, continued

MARKET RISK

The positions that SEK secure, relating to market risk, can be positions that are not valued at fair value in the statement of financial position in accordance with IFRS. Thus, the financial risk estimated by SEK may differ from the changes in value recognized in operating profit or in other comprehensive income.

SEK assumes a one-percentage-point change in the market rate, as a parallel shift, for the sensitivity analyses relating to interest rate risk. SEK assesses a reasonable assumption that the average change in market rates will not exceed one percentage point over the next year. Negative interest rates are not allowed in the sensitivity calculations. During 2014 SEK closed its fixed interest rate positions related to equity in Swedish krona and through the closing of these positions the interest rate risk in Swedish krona has decreased considerably.

CHANGE IN VALUE IF THE MARKET INTEREST RATE RISES BY ONE PERCENTAGE POINT

The impact on the value of assets and liabilities, including derivatives, when market interest rates rise by one percentage point (+1%).

Consolidated Group	2014			2013		
Skr mn	Total	of which financial instruments measured at fair value through profit or loss	of which financial instruments measured at fair value through comprehensive income	Total	of which financial instruments measured at fair value through profit or loss	of which financial instruments measured at fair value through comprehensive income
Foreign currency	-3	347	-65	39	351	–34
Swedish Skr	12	107	-23	–453	95	–484
	9	**454**	**-88**	**–414**	**446**	**–518**

CHANGE IN VALUE IF THE MARKET INTEREST RATE RISES BY ONE PERCENTAGE POINT

The impact on the value of assets and liabilities, including derivatives, when market interest rates decline by one percentage point (–1%).

Consolidated Group	2014			2013		
Skr mn	Total	of which financial instruments measured at fair value through profit or loss	of which financial instruments measured at fair value through comprehensive income	Total	of which financial instruments measured at fair value through profit or loss	of which financial instruments measured at fair value through comprehensive income
Foreign currency	48	-74	17	–211	–324	20
Swedish Skr	-12	-29	5	493	–76	511
	36	**-103**	**22**	**282**	**–400**	**531**

ASSETS, LIABILITIES AND DERIVATIVES DENOMINATED IN FOREIGN CURRENCIES

Assets, liabilities and derivatives denominated in foreign currencies (i.e. currencies other than Swedish kronor) have been converted to Swedish kronor at the year-end exchange rates between such currencies and Swedish kronor. The relevant exchange rates for the currencies representing the largest portions of the Consolidated Group in the statement of financial position reported assets and liabilities are presented in table below (expressed in Swedish kronor per unit of each foreign currency). The portion at year-end represents portion of aggregated volumes of assets and liabilities denominated in foreign currency. Foreign currency positions at year-end represent the net of all assets and liabilities in the statement of financial position in each currency. The amounts are book values.

	December 31, 2014			December 31, 2013		
Currency	Exchange rate	Portion at year-end, %	Foreign currency position	Exchange rate	Portion at year-end, %	Foreign currency position
SKR	1	92	n.a.	1	92	n.a.
EUR	9.5155	3	-522	8.9430	2	–427
USD	7.8117	0	-48	6.5084	1	-154
JPY	0.06536	2	-270	0.06179	2	–327
CHF	7.9123	1	227	7.2931	1	174
MXN	0.5291	0	-79	0.4981	1	–127
Other	-	2	-340	–	1	–262
Total foreign currency position		**100**	**-1,032**		**100**	**–1,123**

The FX risk is limited to the accrued net income in foreign currency and is hedged regularly. In accordance with SEK's policies for risk management, foreign currency positions related to unrealized fair value changes are not hedged. At year-end, foreign currency positions excluding unrealized changes in fair value amounted to Skr 14 million (year-end 2013: Skr –15 million).

	December 31, 2014		December 31, 2013	
Skr mn	Consolidated Group	Parent Company	Consolidated Group	Parent Company
Total assets	325,166	325,180	306,554	306,601
of which denominated in foreign currencies	*291,899*	*291,899*	*243,919*	*243,915*
Total liabilities	309,009	308,265	291,564	290,988
of which denominated in foreign currencies	*292,931*	*292,931*	*245,042*	*245,042*

Note 28, continued

LIQUIDITY RISK
Contractual flows

Consolidated Group				December 31, 2014				
Skr mn	Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	Discount effect	Book value
Financial Assets								
Cash and cash equivalents	**7,099**	7,099	-	-	-	-	-	7,009
Treasuries/government bonds	**3,490**	2,381	874	235	-	-	-32	3,458
Other interest-bearing securities except loans	**67,170**	2,797	9,460	32,773	20,923	1,217	-772	66,398
Loans in the form of interest-bearing securities	**57,185**	553	280	5,352	34,064	16,936	-4,045	53,140
Loans to credit institutions	**26,976**	418	748	11,035	7,955	6,820	-1,466	25,510
Loans to the public	**170,996**	5,568	7,740	24,978	90,556	42,154	-21,756	149,240
Derivatives	**22,084**	1,508	3,144	2,258	6,174	9,000	-6,067	16,017
Total	**355,000**	**20,324**	**22,246**	**76,631**	**159,672**	**76,127**	**-34,138**	**320,772**

Consolidated Group				December 31, 2014				
Skr mn	Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	Discount effect	Book value
Financial Liabilities								
Borrowing from credit institutions	**-8,286**	430	-	-8,716	-	-	-4	8,290
Borrowing from the public	**-63**	0	-	0	-63	-	0	63
Senior securities issued	**-305,263**	-9,890	-26,672	-59,656	-153,685	-55,360	31,424	273,839
Derivatives	**-8,096**	-143	-673	-675	-3,463	-3,142	-10,790	18,886
Subordinated securities issued	**-2,177**	-	-	-63	-2,114	-	232	1,945
Total	**-323,885**	**-9,603**	**-27,345**	**-69,110**	**-159,325**	**-58,502**	**20,862**	**303,023**
Commitments								
Committed undisbursed loans	**0**	-375	-1,205	-10,013	-4,268	15,861		16,028
Cash flow surplus (+) / deficit (–)	**31,115**	**10,346**	**-6,304**	**-2,492**	**-3,921**	**33,486**		
Accumulated cash flow surplus (+) / deficit (–)	**31,115**	**10,346**	**4,042**	**1,550**	**-2,371**	**31,115**		

In addition to the instruments in the statement of financial position and committed undisbursed loans, SEK has outstanding binding offers of Skr 50.9 billion as well as additional available funds consisting of a credit facility with the Swedish National Debt Office of Skr 80 billion, which can be used within the the Swedish State's export credit support system. With regard to liabilities with maturity between one and five years, SEK has the intention to refinance these through borrowing on the financial markets. Repayments subject to notice for liabilities and hedging derivatives are treated as if notice were to be given immediately, whether it is SEK or the counterparty that has the right to demand early redemption. Assets with repayments subject to notice are assumed to occur on the maturity date. "Subordinated securities issued" which consists of a Dated Subordinated Instrument, were assumed be repaid at the time of the first redemption date. The scenario för liabilities and hedging derivatives is not likely to be the real outcome.

Differences between book values and future cash flows for financial assets and financial liabilities are reported in the column "Discount effect". Cash flows for cash collaterals are assumed to have the same maturity profile as related derivatives.

Items other than financial instruments with an approximate expected recovery time within less than 12 months: other assets; prepaid expenses and accrued revenues, other liabilities; and accrued expenses and prepaid revenues. All other balance sheet items, other than financial instruments, have an approximate expected recovery time of 12 months or more. For information regarding liquidity risk, see section "Risk and Capital Management". The amounts above include interest.

Note 28, continued

Consolidated Group	December 31, 2013							
Skr mn	Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	Discount effect	Book value
Financial Assets								
Cash and cash equivalents	**8,337**	8,337	–	–	–	–	–	8,337
Treasuries/government bonds	**4,650**	270	3	2,956	1,421	–	–54	4,595
Other interest-bearing securities except loans	**71,291**	8,751	12,911	27,354	17,211	5,064	–7,140	64,151
Loans in the form of interest-bearing securities	**69,171**	164	2,851	8,956	43,932	13,268	–8,213	60,958
Loans to credit institutions	**25,315**	189	2,240	9,877	6,289	6,721	–496	24,819
Loans to the public	**128,774**	2,940	6,319	20,511	72,437	26,567	-3,221	125,553
Derivatives	**17,588**	438	3,033	4,265	5,783	4,069	–3,360	14,228
Total	**325,126**	**21,089**	**27,357**	**73,919**	**147,073**	**55,689**	**–22,484**	**302,641**

Consolidated Group	December 31, 2013							
Skr mn	Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	Discount effect	Book value
Financial Liabilities								
Borrowing from credit institutions	**-8,267**	–98	0	-10	-8,159	0	11	8,256
Borrowing from the public	**–60**	0	0	0	–60	0	1	59
Senior securities issued	**–288,550**	–4,086	–19,553	–71,005	–148,189	–45,717	27,650	260,900
Derivatives	**–6,232**	–289	–2,719	–503	–2,924	203	–10,556	16,788
Subordinated securities issued	**–1,979**	0	0	–47	–187	–1,745	372	1,607
Total	**–305,088**	**–4,473**	**–22,272**	**–71,565**	**–159,519**	**–47,259**	**17,478**	**287,610**
Commitments								
Committed undisbursed loans	**3,539**	–621	–7,174	–8,143	–11,614	31,091		20,480
Cash flow surplus (+) / deficit (–)	23,577	**15,995**	**–2,089**	**–5,789**	**–24,060**	**39,521**		
Accumulated cash flow surplus (+) / deficit (–)	23,577	**15,995**	**13,906**	**8,117**	**–15,943**	**23,578**		

Note 29. Transactions with related parties

SEK defines related parties to the Parent Company as:

- the shareholder, i.e. the Swedish State
- companies and organizations that are controlled through a common owner, the Swedish State
- subsidiaries
- key management personnel

SEK defines related parties to the Consolidated Group as:

- the shareholder, i.e. the Swedish State
- companies and organizations that are controlled through a common owner, the Swedish State
- key management personnel

The Swedish State owns 100 percent of the company's share capital. By means of direct guarantees extended by the National Debt Office and EKN – The Swedish Export Credits Guarantee Board, supported by the full faith and credit of Sweden, 39 percent (2013: 44 percent) of the company's outstanding loans on December 31, 2014 were guaranteed by the State.

The remuneration for these guarantees during 2014 amounted to Skr 150 million (2013: Skr 203 million). SEK administers, in return for compensation, the State's export credit support system, and the State's tied aid credit program (the "S-system"). Pursuant to an agreement between SEK and the State, SEK is reimbursed for certain costs under the S-system (see Note 1(d) and Note 25).

During 2014 SEK had a Skr 80 billion credit facility with the Swedish National Debt Office which was entirely related to the State's export credit support (CIRR). During 2013 SEK had a loan facility of Skr 100 billion, of which Skr 80 billion were related to CIRR. No remuneration for this credit facility was paid to the National Debt Office during 2014 as the loan facility was related to CIRR. For 2013 a remuneration of Skr 22 million was paid for the part of the loan facility that was not related to CIRR. In December 2014, the credit facility was extended for 2015 (for further information and conditions regarding the credit facility, see the Report of the Directors).The Swedish parliament has also decided not to extend the authorization to enable SEK to purchase state guarantees on commercial terms for new lending up to Skr 250 billion. SEK has never utilized the credit facility or exercized its' authority to purchase state guarantees.

SEK enters into transactions in the ordinary course of business with entities that are partially or wholly owned or controlled by the State. The company also extends export credits (in the form of direct or pass-through loans) to entities related to the State. Transactions with such parties are conducted on the same terms (including interest rates and repayment schedules) as transactions with unrelated parties. The Consolidated Group's and the Parent Company's transactions do not differ significantly. The Parent Company furthermore charges subsidiary companies for collective office and administration costs. Internal transactions between the Parent Company and the subsidiaries amount to Skr 0 million (year-end 2013: Skr 0 million) for other assets, Skr 0 million (year-end 2013: Skr 1 million) for other liabilities, Skr 0 million (2013: Skr 0 million) for interest incomes and Skr 1 million (2013: Skr 1 million) for interest expenses from the Parent Company's point of view. For further information see Note 1 (b), "Basis of consolidation" and Note 15, "Shares".

Key management personnel include the following positions:

- The Board of Directors
- The President and CEO
- Other members of the Executive Committee

For information about remuneration and other benefits to key management personnel see Note 5, "Personnel expenses".

The following table further summarizes the Consolidated Group's transactions with its related parties:

Note 29, continued

	2014					
	The shareholder, i.e. the Swedish State		Companies and organizations controlled through a common owner, the Swedish State		Total	
Skr mn	Assets/ liabilities	Interest income/ interest expense	Assets/ liabilities	Interest income/ Interest expense	Assets/ liabilities	Interest income/ Interest expense
Treasuries/government bonds	1,640	4	-	-	1,640	4
Other interest-bearing securities except loans	-	-	523	5	523	5
Loans in the form of interest-bearing securities	-	-	1,700	35	1,700	35
Loans to credit institutions	-	-	1,949	18	1,949	18
Loans to the public	-	-	753	7	753	7
Due from the State	1,165	-	-	-	1,165	-
Total	**2,805**	**4**	**4,925**	**65**	**7,730**	**69**
Borrowing from credit institutions	-	-	-	-	-	-
Borrowing from the public	-	-	-	-	-	-
Senior securities issued	-	-	-	-	-	-
Other liabilities	100	-	-	-	100	-
Total	**100**	**-**	**-**	**-**	**100**	**-**

	2013					
	The shareholder, i.e. the Swedish State		Companies and organizations controlled through a common owner, the Swedish State		Total	
Skr mn	Assets/ liabilities	Interest income/ interest expense	Assets/ liabilities	Interest income/ Interest expense	Assets/ liabilities	Interest income/ Interest expense
Treasuries/government bonds	3,840	3	-	-	3,840	3
Other interest-bearing securities except loans	-	-	2,177	15	2,177	15
Loans in the form of interest-bearing securities	-	-	1,700	44	1,700	44
Loans to credit institutions	-	-	1,889	19	1,889	19
Loans to the public	-	-	456	13	456	13
Due from the State	953	-	-	-	953	0
Total	**4,793**	**3**	**6,222**	**91**	**11,015**	**94**
Borrowing from credit institutions	-	-	-	-	-	-
Borrowing from the public	-	-	-	-	-	-
Senior securities issued	-	-	-	-	-	-
Other liabilities	254	-	-	-	254	-
Total	**254**	**-**	**-**	**-**	**254**	**-**

Note 30. Events after the reporting period

In connection with the Extraordinary General Meeting on January 20 , 2015, Susanne Lithander was elected as a Director of the Board of SEK, thereby expanding the size of the Board by one director. Susanne Lithander works as CFO of BillerudKorsnäs AB.

Proposal for the distribution of profits

All amounts are in Skr million, unless otherwise indicated.

The results of the Consolidated Group's and the parent company's operations during the year and its financial position at December 31, 2014, can be seen in the statement of comprehensive income, statement of financial position and statement of cash flows for the Consolidated Group as well as the income statement, balance sheet and statement of cash flows for the parent company and related Notes. The following proposal regarding distribution of profits relates to the parent company.

At the disposal of the Annual General Meeting	9,447
The Board of Directors and the President propose that the Annual General Meeting dispose of these funds as follows:	
• Dividend to the shareholder of Skr 94.74 per share, amounting to	378
• Remaining disposable funds to be carried forward	9,069
	9,447

The financial position of the company and the Group is good as evidenced by the annual report for 2014. From the equity of the Parent Company and the Group has 1 percent, constituting unrealized changes in value, been deducted due to valuation of financial instruments at fair value, as of December 31, 2014.

The own funds for the Group amounted to, as of December 31, 2014, Skr 16,790 million resulting in a total capital adequacy ratio of 19.2 percent. It is the assessment of the Board of Directors that the proposed dividend has coverage in equity. The own funds and the volume of liquidity placements will, even after the proposed dividend continue to be satisfactory in relation to the line of business the company operates in, and the company is assumed to fulfill its obligations in the short and long term. Thus, it is the assessment of the Board of Directors that the proposed dividend is justifiable considering the demands with respect to the size of the company's and the Group's equity, which are imposed by the nature, scope and risks associated with the business, and the company's and the Group's need for consolidation, volume of liquidity placements and financial position in general.

The Board of the Directors and the President confirm that the consolidated financial statements and the parent company financial statements have been prepared in accordance with International Financial Reporting Standards, IFRS, as issued by the International Accounting Standard Board (IASB) and endorsed by the European Parliament and Council Regulation (EC) No 1606/2002 dated July 19, 2002 and generally accepted accounting principles in Sweden, respectively, and give a true and fair view of the consolidated group's and parent company's financial position and results of operations. The Report of the Directors for the Consolidated Group and parent company provides a true and fair overview of the Consolidated Group's and parent company's business activities, financial position and results of operations as well as the significant risks and uncertainties which the parent company and its subsidiaries are exposed to.

Stockholm, February 19, 2015

Lars Linder-Aronson
Chairman of the Board

Cecilia Ardström
Director of the Board

Jan Belfrage
Director of the Board

Susanne Lithander
Director of the Board

Lotta Mellström
Director of the Board

Ulla Nilsson
Director of the Board

Jan Roxendal
Director of the Board

Teppo Tauriainen
Director of the Board

Catrin Fransson
President

Our audit report on these annual accounts was submitted on February 19, 2015.
Ernst & Young AB

Erik Åström
Authorized Public Accountant

Audit report

To the annual meeting of the shareholders of Aktiebolaget Svensk Exportkredit, corporate identity number 556084-0315

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

We have audited the annual accounts and consolidated accounts of Aktiebolaget Svensk Exportkredit for the financial year 2014. The annual accounts and consolidated accounts of the company are included on pages 8–125.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and consolidated accounts in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board and also adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINIONS

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the parent company as of 31 December 2014 and its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies, and the consolidated accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the group as of 31 December 2014 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board and also adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies. A corporate governance statement has been prepared. The statutory administration report and the corporate governance statement are consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the Parent Company and the statement of comprehensive income and the statement of financial position of the Consolidated Group.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In addition to our audit of the annual accounts and consolidated accounts, we have examined the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Aktiebolaget Svensk Exportkredit for the financial year 2014.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act, and the Banking and Financing Business Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Swedish Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Banking and Financing Business Act, the Annual Accounts Act for Credit Institutions and Securities Companies or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINIONS

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Stockholm February 19, 2015
Ernst & Young AB

Erik Åström
Authorized Public Accountant

About SEK's sustainability report

SEK reports its sustainability work in accordance with the international Global Reporting Initiative (GRI G4-Core) standard. SEK's Sustainability Report for 2013 was published in March 2014. We comply with the GRI framework and guidelines in our reporting of results for the relevant period. Reporting corresponds to GRI In Accordance core level and selected indicators are reported in the GRI Index on pages 131–132. The Sustainability Report for 2014 has been reviewed by Ernst & Young.

SCOPE AND BOUNDARIES OF THE SUSTAINABILITY REPORT

The aim of the Sustainability Report is to measure, present and take responsibility for our performance on sustainable development in respect of our stakeholders, both within and outside the organization. Under the GRI boundary decision structure, SEK's sustainability work and reporting are limited to entities over which SEK has control or significant influence through 'upstream' (suppliers) or 'downstream' (distribution and customers) relations. Control refers to the ability to control the company's financial and operational policies in order to benefit from these activities. Significant influence refers to the ability to participate in an entity's financial and operational policy decisions, but not to control these policies. The principle for boundaries consists of various relationships that imply different levels of access to information and, thereby, different opportunities to influence. Determining the significance of a particular entity depends on the extent to which such entity influences sustainable development. SEK's Sustainability Report for the 2014 financial year covers the parent company and all subsidiaries, i.e. companies whose financial and operational policies and procedures are controlled by the parent company. SEK has influence, to varying degrees, over large defined projects that SEK finances. SEK reports on its governance and management of social and environmental risks in its lending. SEK equates credits with investment decisions. Accounting policies regarding individual indicators are stated in connection with the reporting of the respective indicator. For more information, please contact SEK's Head of Sustainability.

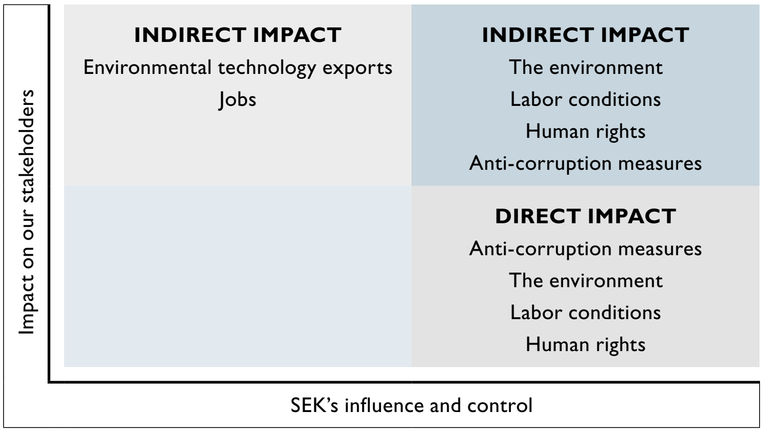
SIGNIFICANT SUSTAINABILITY ASPECTS

Significant sustainability aspects reflect SEK's significant economic, environmental and social impact, and the areas that can materially affect our stakeholders' assessments and decisions. A combination of internal and external factors have been used to establish what information the sustainability report should contain. These include SEK's mission and sustainability-related circumstances, issues highlighted by our stakeholders, the expectations of society and our influence on suppliers and clients. Export credits are regulated by international standards and agreements that SEK is expected to apply. This is illustrated in the table below.

SIGNIFICANT SUSTAINABILITY ASPECTS	
Risk Anti-corruption measures	Risk of corruption in connection with lending (indirect impact). Governance of SEK's anti-corruption measures is reported, along with relevant indicators, under the 'Anti-corruption measures' aspect.
Risk The environment, human rights and labor conditions	Risk of negative environmental and social impact in connection with lending (indirect impact). Governance of sustainability risks in connection with lending is reported, in addition to large projects financed by SEK.

The main impact that SEK has is downstream in the production chain, i.e. in connection with our lending.

MATERIAL SUSTAINABILITY ISSUES IN SEK'S OPERATIONS



The top-right box of the diagram contains those sustainability aspects that are both important to stakeholders and that SEK is able to influence. (Find out more on page 128 under 'Significant sustainability aspects'.)

WHAT DO DIRECT AND INDIRECT IMPACT MEAN?

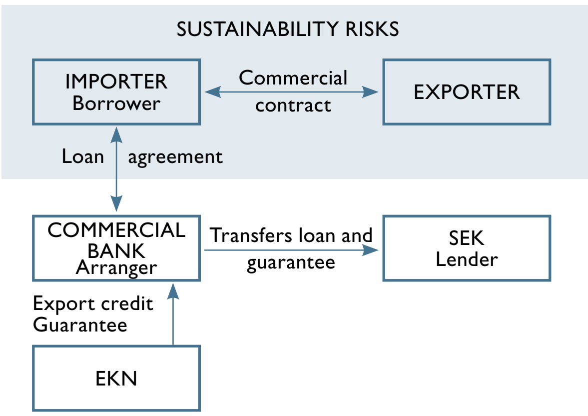
- Social and environmental risks
- Corruption risks

Direct impacts comprise social and environmental effects arising within SEK's organization. Indirect impacts arise outside SEK's organization.

SCOPE OF SUSTAINABILITY REPORT'S CONTENT

SEK's material impact on economic, social and environmental issues takes place among the activities of its clients, outside SEK's operations and control. This means that, through its role as lender, SEK has clear limits in its reporting of information about projects and businesses financed by the company. In many cases, Swedish business confidentiality legislation limits SEK's ability to report information about individual transactions. Not disclosing business confidentiality is an important part of SEK's business ethics measures.

Requirements for greater transparency about the social and environmental impacts of large projects take place through the development of international standards with which SEK complies, particularly within the OECD. SEK is actively involved in work to improve transparency at international level. SEK has a responsibility to the Swedish export industry to ensure that disclosure requirements are reasonable, based on requirements in competitor countries in accordance with agreed standards and practice.



The figure illustrates SEK's export credit value chain and how significant sustainability aspects arise in lending.

SEK's supply chain mainly consists of IT suppliers, consultants and consulting services, office equipment suppliers and banks acting as arrangers of borrowing and lending.

STAKEHOLDER ENGAGEMENT PRINCIPLES

Stakeholders consist of groups and individuals that can reasonably be expected to be affected by our business operations or whose actions can be expected to materially impact our ability to create value over time. Stakeholders may consist of financial capital providers, employees, clients, suppliers, business partners, local communities, non-governmental organizations (NGOs), environmental groups, legislators and decision-makers. Our key stakeholders are identified by the company's management. The following table lists forms of engagement with our various key stakeholders. For more information, see page 14.

Stakeholder	Engagement
Owner	Owner instruction General meeting of the company Individual meetings Network meetings
Exporters and their customers	Client survey Ongoing engagement Sector-based engagement
Banks and cooperation partners	Client survey, ongoing engagement
EKN	Ongoing cooperation and engagement
Employees	Employee survey
Investors	Investor meetings
NGOs and civil society	Annual stakeholder seminars and reports

GRI report

Listed below are those indicators that SEK reports in its Annual Report and Sustainability Report for 2014 in accordance with the Global Reporting Initiative (GRI G4 – Core). Some indicators have no comparative year as this is the first year that SEK has reported in accorance with G4.

Indicator	Indicator's content	Comment	Reference	External assurance
G4-1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and its strategy.		Page 4-5	✓
G4-3	Name of the organization.		Page 66	✓
Organizational profile				
G4-4	Primary brands, products, and/or services.		Page 9	✓
G4-5	Location of organization's headquarters.		Page 66	✓
G4-6	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.		Page 66	✓
G4-7	Nature of ownership and legal form.		Page 66	✓
G4-8	Markets served.		Page 10-11	✓
G4-9	Scale of the reporting organization.		Page 8	✓
G4-10	Total number of employees by employment contract and gender.		Page 81	✓
G4-11	Percentage of total employees covered by collective bargaining agreements.		Page 77	✓
G4-12	Description of the organization's supply chain.		Page 130	✓
G4-13	Report any specific changes during the report period regarding the organization's size, structure, ownership or its supply chain.	No significant changes		✓
G4-14	Explain whether and how the precautionary principle is addressed by the organization.	SEK follows the precautionary principle by managing risks of negative social and environmental impact in accordance with international guidelilnes.		✓
G4-15	List external charters, principles or other initiatives to which the organization subscribes or which it endorses.		Page 22, 48	✓
G4-16	List memberships of associations (such as industry associations) and/or advocacy organizations.		Page 22, 48	✓
Identified material Aspects and Boundaries				
G4-17	List all entities included in the organization's consolidated financial statements.		Page 68	✓
G4-18	The process to define the report content and the Aspect Boundaries.		Page 128-130	✓
G4-19	List all the material Aspects identified in the process.		Page 128-130	✓
G4-20	The Aspect Boundary within the organization for each material Aspect.		Page 128-130	✓
G4-21	The Aspect Boundary outside the organization for each material Aspect.		Page 128-130	✓

G4-22	The effect of any restatements of information provided in previous reports, and the reasons for such restatements.	No material restatement	Page 128-130	✓
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.		Page 128-130	✓
Stakeholder engagement				
G4-24	List stakeholder groups engaged by the organization.		Page 14	✓
G4-25	Basis for identification and selection of stakeholders.		Page 128-130	✓
G4-26	Stakeholder engagement principles.		Page 128-130	✓
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to these; stakeholder groups that raised each of the key topics and concerns.		Page 14	✓
Report profile				
G4-28	Reporting period		Page 128	✓
G4-29	Date of most recent previous report.		Page 128	✓
G4-30	Reporting cycle		Page 128	✓
G4-31	Contact point for questions regarding the report or its content.		Page 128	✓
G4-32	Report the G4 – Core option.		Page 128	✓
G4-33	Policy and current practice with regard to seeking external assurance for the report.	External assurance is provided by the company's auditors, in accordance with the owner policy and the Board's decision.		✓
G4-34	The governance structure of the organization, including committees of the highest governance body		Page 22-23 48-57	✓
Ethics and integrity				
G4-56	Description of the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.		Page 22-23 45-56	✓
Anti-corruption				
G4-SO3	Total number and percentage of operations assessed for risks related to corruption.	100%	Page 45	✓
G4-SO4	Percentage of employees trained in the organization's anti-corruption policies and procedures.		Page 24, 45	✓
G4-SO5	Confirmed incidents of corruption and actions taken.		None	✓
	Percentage of our clients and suppliers that have undertaken to comply with SEK's anti-corruption guidelines.		Page 24	✓
Sustainable financing				
Governance			Page 13, 24 and 44-46	✓
	Percentage of our clients that are aware that SEK imposes sustainability requirements in its lending.		Page 24	✓

Auditor's Limited Assurance Report on AB Svensk Exportkredit's Sustainability Report

This is a translation of the auditor's report in Swedish.

TO AB SVENSK EXPORTKREDIT

INTRODUCTION

We have been engaged by the Board of Directors of AB Svensk Exportkredit to undertake a limited assurance engagement of AB Svensk Exportkredit's Sustainability Report for the year 2014. The Company has defined the scope of the Sustainability Report to the pages referred to in the GRI index on the pages 131-132.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT FOR THE SUSTAINABILITY REPORT

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report in accordance with the applicable criteria, as explained on page 128, and are the parts of the Sustainability Reporting Guidelines (published by The Global Reporting Initiative (GRI)) which are applicable to the Sustainability Report, as well as the accounting and calculation principles developed by the Company. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

RESPONSIBILITIES OF THE AUDITOR

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed.

We conducted our limited assurance engagement in accordance with RevR 6 Assurance of Sustainability Reports issued by FAR. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement conducted in accordance with IAASB's Standards on Auditing and Quality Control and other generally accepted auditing standards. The procedures performed consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance conclusion.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

CONCLUSION

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

Stockholm February 19, 2015
Ernst & Young AB

Erik Åström
Authorized Public Accountant