

# SEK

## Interim Report 2 2015

### FIRST SIX MONTHS OF 2015

- New lending amounted to Skr 24.7 billion (1H14: Skr 29.4 billion)
- Net interest revenues amounted to Skr 818 million (1H14: Skr 720 million)
- Operating profit amounted to Skr 697 million (1H14: Skr 836 million)
- Net profit amounted to Skr 533 million (1H14: Skr 649 million)
- Return on equity amounted to 6.6 percent (1H14: 8.5 percent)
- Operating profit excluding net results of financial transactions amounted to Skr 643 million (1H14: Skr 454 million)
- The outstanding volume of offers for loans at the end of the period amounted to Skr 92.2 billion (Skr 78.4 billion at year-end 2014)
- The Common Equity Tier 1 capital ratio was 20.7 percent at the end of the period (16.9 percent at year-end 2014)
- Basic and diluted earnings per share amounted to Skr 134 (1H14: Skr 163)

### SECOND QUARTER 2015

- New lending amounted to Skr 13.9 billion (2Q14: Skr 10.8 billion)
- Net interest revenues amounted to Skr 399 million (2Q14: Skr 368 million)
- Operating profit amounted to Skr 354 million (2Q14: Skr 318 million)
- Net profit amounted to Skr 271 million (2Q14: Skr 247 million)
- Operating profit excluding net results of financial transactions amounted to Skr 346 million (2Q14: Skr 246 million)
- Basic and diluted earnings per share amounted to Skr 68 (2Q14: Skr 62)

## 2015

For the period

01/01/15 – 30/06/15

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**SEK**

## *Statement by the CEO – Catrin Fransson*

# Well prepared for new lending

This is a turbulent time, with uncertainty over the debt crisis in Greece affecting the financial markets. While SEK has no direct exposure to Greece, SEK may be affected by higher demand for its services resulting from the turmoil of the financial markets. In light of this, we have ensured that we are well prepared to assist our customers, Swedish export companies, with new lending services.

The Swedish exporting companies are well positioned to increase exports. This is based both on our own contact with businesses and our latest Export Credit Trends Survey, which was published in early June of 2015. The Swedish krona's exchange rate is benefitting Swedish exporters and these companies generally have strong balance sheets. In addition, our survey found that access to financing has further improved over the past six months of 2015.

Our lending volumes have decreased slightly, which is due in part to good access to financing through banks and the capital market for companies. However, during the first six months of the year SEK carried out numerous large and small transactions that are important to the Swedish export economy, demonstrating our vital complementary role in the market.

We have continued to make enhancements in a number of areas in 2015. This includes our funding operations, which saw the issuance of a Green Bond. For the past 50 years, we have borrowed on different capital markets around the world in a range of currencies and with a variety of structures. It was therefore a natural step for us to also enter the green bond market. We created a framework for this, that incorporates a measure of carbon dioxide reduction in the projects that are financed, providing investors with a tool to evaluate the emissions reductions in projects financed with Green Bonds. Developing this framework has been an extensive process and it was therefore particularly rewarding that our first green bond issuance, which was carried out in May 2015 and amounted to USD 500 million with a maturity of five years, was well received by investors.

We aim to improve our measurement of market risk over the next few years. This will require investments in both staff and IT. The appointments that began in the second quarter show that SEK is able to attract specialists with the kind of key skills that we are seeking.

In order to utilize capital more efficiently, we have reduced the volume of liquidity placements as part of our unchanged financing strategy. At June 30 2015, the volume of liquidity placements amounted to Skr 70.9 billion, compared with Skr 86.6 billion at the end of 2014. The Common Equity Tier 1 capital ratio was higher at 20.7 percent at June 30, 2015 (16.9 percent at year-end 2014). Our readiness to fulfill our mission to ensure access to financial solutions for the Swedish export industry on commercial and sustainable terms remains high.

# FINANCIAL HIGHLIGHTS

Skr mn (if not mentioned otherwise)	Apr-Jun 2015	Jan-Mar 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
<b>Results</b>						
Net interest revenues	399	419	368	818	720	1,578
Operating profit	354	343	318	697	836	1,629
Net profit	271	262	247	533	649	1,260
After-tax return on equity <sup>1</sup>	6.7%	6.4%	6.4%	6.6%	8.5%	8.1%
Operating profit excl. net results of financial transactions	346	297	246	643	454	1,123
After-tax return on equity excl. net results of financial transactions <sup>2</sup>	6.5%	5.5%	4.9%	6.1%	4.6%	5.6%
Basic and diluted earnings per share (Skr) <sup>3</sup>	68	66	62	134	163	316
<b>Customer financing</b>						
New financial transactions with customers <sup>4</sup>	13,873	10,843	10,835	24,716	29,400	57,118
of which corporate lending	3,225	2,606	5,053	5,831	11,924	23,231
of which end-customer financing	10,648	8,237	5,782	18,885	17,476	33,887
Loans, outstanding and undisbursed <sup>5</sup>	228,219	240,043	223,880	228,219	223,880	234,250
Volume of outstanding offers of lending <sup>6</sup>	92,196	95,597	61,675	92,196	61,675	78,372
of which binding offers	45,362	44,447	31,984	45,362	31,984	50,896
of which non-binding offers	46,834	51,150	29,691	46,834	29,691	27,476
<b>Borrowing</b>						
New long-term borrowings <sup>7</sup>	14,591	5,803	17,256	20,394	30,322	52,216
Outstanding senior debt	259,369	279,262	283,228	259,369	283,228	282,192
Outstanding subordinated debt	2,062	2,165	1,696	2,062	1,696	1,945
<b>Statement of financial position</b>						
Total assets	301,893	324,897	315,598	301,893	315,598	325,166
Total liabilities	285,657	308,533	299,981	285,657	299,981	309,009
Total equity	16,236	16,364	15,617	16,236	15,617	16,157
<b>Capital adequacy</b>						
Common Equity Tier 1 capital ratio <sup>8</sup>	20.7%	17.8%	17.1%	20.7%	17.1%	16.9%
Tier 1 capital ratio <sup>8</sup>	20.7%	17.8%	17.1%	20.7%	17.1%	16.9%
Total capital ratio <sup>8</sup>	23.5%	20.3%	19.1%	23.5%	19.1%	19.2%
Leverage ratio <sup>9</sup>	5.0%	4.6%		5.0%		4.4%
Internal capital requirement as a percentage of Common Equity Tier 1 capital <sup>10</sup>	64.3%	72.0%		64.3%		75.1%

<sup>1</sup> Net profit, expressed as a percentage per annum of current year's average equity.

<sup>2</sup> Net profit, excluding net results of financial transactions, expressed as a percentage per annum of current year's average equity.

<sup>3</sup> Net profit divided by average number of shares, which amounts to 3,990,000 for each period.

<sup>4</sup> New customer financing includes all new accepted loans, regardless of maturities.

<sup>5</sup> Loans include all loans, including 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 credit/lending

volumes. Comments on lending volumes in this report therefore relate to amounts based on this definition (see Note 4).

<sup>6</sup> SEK uses a method of providing offers where binding or non-binding offers are offered. Binding offers are included in commitments.

<sup>7</sup> New borrowing with maturities exceeding one year.

<sup>8</sup> Capital ratios are the quotients of the relevant capital measure and the total risk exposure amount.

<sup>9</sup> Common equity Tier 1 capital expressed as a percentage of an exposure measure calculated in accordance with CRR (see Note 10).

<sup>10</sup> Internal capital requirement is the result of the company's internal assessment of the capital required to cover its risks (see Note 10).

Unless otherwise indicated, amounts in this report are in millions (mn) of Swedish krona (Skr), abbreviated "Skr mn" and relate to the group consisting of SEK and its consolidated subsidiaries (the "Group" or 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, which has been used to denote Aktiebolaget Svensk Exportkredit since the company was founded in 1962.

Unless otherwise indicated, in matters concerning positions, amounts refer to those at June 30, 2015 and in matters concerning flows, the six-month period ended on June 30, 2015. Amounts within parentheses refer to December 31, 2014 (in matters concerning positions), or the same period (in matters concerning flows) of the preceding year.

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

## Business operations

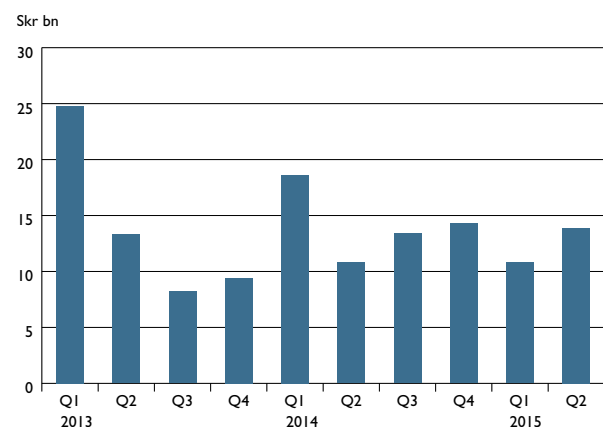
# More clients – but lower new lending levels

SEK's client base mainly consists of some of Sweden's largest exporters. We are aiming to expand this client base, including by reaching out to medium-sized companies. In fact, during the first half of the year, SEK has been lending to Swedish exporters that have not previously been clients of SEK. We are also cooperating with EKN, the Swedish Export Credits Guarantee Board, and Swedish banks in order to better reach these medium-sized businesses.

Total new lending in the first half of the year was slightly lower than the same period last year. SEK's new lending to Swedish exporters and their customers in the first six months of 2015 totaled Skr 24.7 billion (1H14: Skr 29.4 billion), of which end-customer finance accounted for Skr 18.9 billion (1H14: Skr 17.5 billion) and corporate lending Skr 5.8 billion (1H14: Skr 11.9 billion). The lower volumes of corporate lending depends on good access to financing for Swedish exporters during the first half of the year.

The total volume of outstanding and committed undisbursed loans amounted to Skr 228.2 billion at the end of the second quarter of 2015, compared with Skr 223.9 billion at the end of the period last year. The total volume of outstanding offers for export credits has increased, amounting to Skr 92.2 billion (year-end 2014: Skr 78.4 billion) at the end of the period.

### NEW CUSTOMER FINANCING

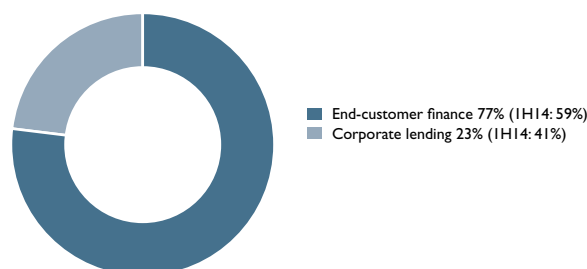


### New customer financing

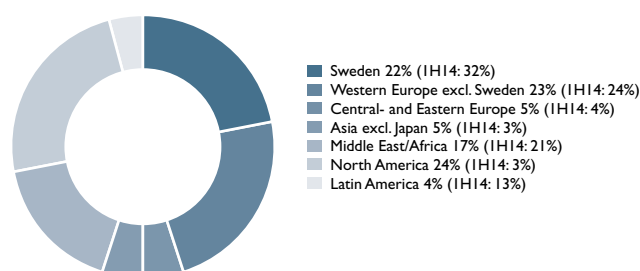
Skr bn	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Customer financing of which:			
– End-customer finance <sup>1</sup>	18.9	17.5	33.9
– Corporate lending <sup>1</sup>	5.8	11.9	23.2
<b>Total</b>	<b>24.7</b>	<b>29.4</b>	<b>57.1</b>

<sup>1</sup> Of which Skr 3.7 billion (1H14: Skr 9.1 billion, year-end 2014: Skr 7.3 billion) had not been disbursed at period end. Skr 2.1 billion (1H14: Skr 8.7 billion, year-end 2014: Skr 6.9 billion) was attributable to end-customer finance and Skr 1.6 billion (1H14: Skr 0.4 billion, year-end 2014: Skr 0.4 billion) to corporate lending.

### NEW CUSTOMER FINANCING BY SECTOR



### SEK'S MARKETS FOR NEW LENDING, JAN-JUN 2015, SKR 24.7 BILLION (1H14: SKR 29.4 BILLION)



The second quarter saw our first green bond issuance; a USD 500 million bond with a maturity of five years. Our green bond framework incorporates a measure of the carbon dioxide reduction in the projects that are financed, providing investors with a tool to evaluate the emissions reductions resulting from their investments. Despite market concerns, the bond was well received by investors.

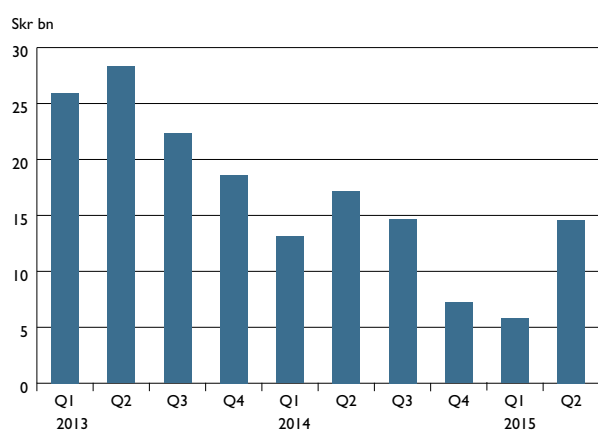
SEK's volumes of new long-term borrowing in the first half of 2015, at Skr 20.4 billion, was lower than the same period in the preceding year (1H14: Skr 30.3 billion). The repurchase of own debt amounted to Skr 2.6 billion (1H14: Skr 1.3 billion) and early redemption of borrowing totaled Skr 24.0 billion (1H14: Skr 3.6 billion) in the first half of 2015. In the second quarter of 2015 we implemented

capital rationalization measures by divesting the majority of our securitizations and by reducing liquidity placements. Following the reduction of liquidity placements, SEK still retained good capacity for new lending to Swedish exporters.

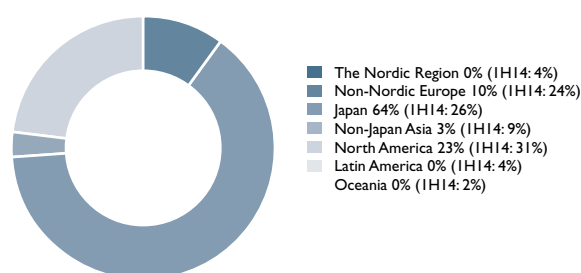
Much of our lending is denominated in Euro and USD and the Riksbank's cuts to the negative interest rate has not affected SEK's business significantly. In our Export Credit Trends Survey published in June, the majority of enterprises says that, the combined impact of the Riksbank's negative interest rate, neither do or off. Meanwhile, the companies state that the exchange rate of the krona is more important than the actual interest rate.

## NEW BORROWING

Long-term borrowing



## SEK'S MARKETS FOR NEW BORROWING, JAN-JUN 2015, SKR 20.4 BILLION (1H14: SKR 30.3 BILLION)



# COMMENTS ON THE CONSOLIDATED FINANCIAL ACCOUNTS

## January – June 2015

### *Operating profit*

Operating profit for the first half of 2015 amounted to Skr 697 million (1H14: Skr 836 million), a decrease of 17 percent compared to the same period in the previous year. The decrease was mainly attributable to lower net results of financial transactions.

Operating profit, excluding net results of financial transactions, amounted to Skr 643 million (1H14: Skr 454 million), an increase of 42 percent compared to the same period in the previous year. The increase was mainly attributable to higher net interest revenues and reversal of prior reserves for credit losses.

### *Net interest revenues*

Net interest revenues amounted to Skr 818 million (1H14: Skr 720 million), an increase of 14 percent, driven primarily by higher average lending volumes and lower funding costs. The decreased funding costs are a result of improved funding levels and lower financing needs. Lower market interest rates had a negative impact on net interest revenues.

Interest-bearing assets slightly increased compared with the same period in the previous year and amounted on average to Skr 294.1 billion (1H14: Skr 292.6 billion). The amount of total loans increased compared with the first six months of 2014 and amounted on average to Skr 215.3 billion (1H14: Skr 203.5 billion). Liquidity placements decreased as part of a more efficient use of capital and amounted on average to Skr 78.7 billion (1H14: Skr 89.1 billion).

Borrowing volume decreased to an average of Skr 270.8 billion (1H14: Skr 276.2 billion).

The average margin on assets, compared with the same period last year, has slightly increased due to the fact that the proportion of loans of the interest-bearing assets has increased and the margin of liquidity investments has improved. The margin on lending has been stable. At the same time, the funding levels improved.

### *Net results of financial transactions*

Net results of financial transactions amounted to Skr 54 million (1H14: Skr 382 million). This decrease, in comparison to the same period in the previous year, was attributable i.a. to a negative result from the sale of securitizations assets during the second quarter of 2015. Moreover, during the same period last year, the settlement of the litigation with Lehman Brothers had resulted in a positive result. The changes in the fair value of debt attributable to changes in SEK's credit risk contributed to a positive effect compared to the same period last year, which was offset by negative effects of currency basis spreads.

### *Operating expenses*

Operating expenses (which includes personnel expenses, other administrative expenses and depreciation) totaled Skr -239 million (1H14: Skr -260 million), a decrease of 8 percent. This decrease is primarily due to fees.

#### –Personnel expenses

Personnel expenses totaled Skr -148 million (1H14: Skr -149 million) a decrease of 1 percent compared to the same period in the previous year. During the first six months of 2015, a reserve of Skr -5 million (1H14: Skr - million) was made to the general personnel incentive system. This was offset by a reversal of prior provisions

for the general personnel incentive system related to 2014 of Skr 6 million (1H14: Skr - million). The outcome of the general personnel incentive system is based on net interest revenues and net commissions less costs, and may not exceed two months' salary. For 2015, the system covers all permanent employees with the exception of the President, other members of the executive management and employees working in risk- and compliance functions. The amount to be paid decreases if the risk exposure amount exceeds intended levels for the year.

#### –Other administrative expenses

Other administrative expenses amounted to Skr -70 million (1H14: Skr -89 million), a decrease of 21 percent compared to the same period in the previous year. The decrease in other administrative expenses is mainly attributable to continued cost control and lower costs for external fees. The latter is due to a higher share of investments in project expenses.

#### –Depreciation of non-financial assets

Depreciation totaled Skr -21 million (1H14: Skr -22 million), a decrease of 5 percent from the same period in the previous year.

### *Net credit losses*

Net credit losses for the first six months of 2015 amounted to Skr 68 million (1H14: Skr -2 million). The change is mainly attributable to a reversal of a previous provision to the portfolio-based reserve (i.e., the reserve not attributable to a specific counterparty) of Skr 70 million. The reversal of the reserve is due to the fact that securitization assets were sold during the second quarter and that the risk parameters for credit risk have been revised in calculating the reserve as of June 30, 2015.

### *Other comprehensive income*

Other comprehensive income before tax amounted to Skr -98 million during the first half of 2015 (1H14: Skr 391 million). Skr -131 million (1H14: Skr 391 million) of the total was attributable to items to be reclassified to operating profit and Skr 33 million (1H14: Skr 0 million) was attributable to items not to be reclassified to operating profit.

For items to be reclassified to operating profit, Skr -18 million (1H14: Skr 33 million) was related to available-for-sale securities and Skr -113 million (1H14: Skr 358 million) was due to other comprehensive income effects related to cash flow hedges. The negative changes in fair value related to available-for-sale securities were primarily due to the securitizations which were reclassified to available-for-sale securities during the second quarter, for more information see Note 5 Classification of financial assets and liabilities. During 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 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 remaining reserve to be reversed amounted to Skr 398 million before tax.

The effect on other comprehensive income during the period related to cash flow hedges was attributable to such reclassification from other comprehensive income to net interest revenues in operating profit. Items not be reclassified to operating profit were related to revaluation of defined benefit pensions. The positive change in fair value was caused by the higher discount rate.

*After-tax return on equity*

After-tax return on equity amounted to 6.6 percent (1H14: 8.5 percent). After-tax return on equity, excluding net results of financial transactions, amounted to 6.1 percent (1H14: 4.6 percent).

## Second quarter of 2015

*Operating profit*

Operating profit for the second quarter amounted to Skr 354 million (2Q14: Skr 318 million) an increase of 11 percent. The increase was mainly attributable to a reversal of prior reserves for credit losses and higher net interest revenues.

Operating profit, excluding net results of financial transactions, amounted to Skr 346 million (2Q14: Skr 246 million), an increase of 41 percent compared with the same period in the previous year. The increase was mainly attributable to a reversal of prior reserves for credit losses and higher net interest revenues.

*Net interest revenues*

Net interest revenues for the second quarter amounted to Skr 399 million (2Q14: Skr 368 million), an increase of 8 percent compared with the same period in the previous year, which is due to both higher average lending volumes and lower funding costs. The decreased funding costs are due to improved funding levels and lower financing needs. Lower market rates had a negative impact on net interest revenues.

Interest-bearing assets slightly decreased compared with the same period in the previous year and amounted on average to Skr 292.8 billion (2Q14: Skr 294.7 billion). The amount of total loans increased compared with the second quarter of 2014 and amounted on average to Skr 218.8 billion (2Q14: Skr 203.4 billion). Liquidity placements decreased as part of a more efficient use of capital and amounted on average to Skr 74.0 billion (2Q14: Skr 91.2 billion). Borrowing volume decreased to an average of Skr 269.3 billion (2Q14: Skr 280.3 billion).

The average margin on assets, compared to the same period last year, has slightly increased due to the fact that the proportion of loans which are part of the interest-bearing assets has increased and the margin of liquidity investments has improved. The margin on lending has been stable. At the same time, the funding levels improved.

*Net results of financial transactions*

Net results of financial transactions for the second quarter of 2015 amounted to Skr 8 million (2Q14: Skr 72 million). The decrease compared to the same period in the previous year was attributable i.a. to a negative result from the sale of securitizations assets during the second quarter 2015, which was offset by positive unrealized changes in fair value.

*Operating expenses*

Operating expenses (which includes personnel expenses, other administrative expenses and depreciation) totaled Skr -117 million for

the second quarter (2Q14: Skr -131 million), a decrease of 11 percent. This was mainly due to lower costs for external fees.

*–Personnel expenses*

Personnel expenses for the second quarter amounted to Skr -70 million (2Q14: Skr -75 million) a decrease of 7 percent compared to the same period in the previous year. The decrease is mainly attributable to a reversal of prior provisions for the general personnel incentive system related to 2014 of Skr 6 million (2Q14: Skr - million). No reserve was made during the second quarter of 2015.

*–Other administrative expenses*

Other administrative expenses amounted to Skr -36 million (2Q14: Skr -45 million), a decrease of 20 percent compared to the same period in the previous year. The decrease is mainly attributable to lower costs for external fees which is due to a higher share of investments in project expenses.

*–Depreciation of non-financial assets*

Depreciation for the second quarter of 2015 totaled Skr -11 million (2Q14: Skr -11 million).

*Net credit losses*

Net credit losses for the second quarter of 2015 amounted to Skr 66 million (2Q14: Skr 12 million). The positive result is due to reversals of previous provisions to the portfolio-based reserve (i.e., the reserve not attributable to a specific counterparty) of Skr 70 million. The reversal of the reserve is due to the fact that securitization assets were sold during the second quarter and that the risk parameters for credit risk have been revised in calculating the reserve as of June 30, 2015.

*Other comprehensive income*

Other comprehensive income before tax amounted to Skr -28 million (2Q14: Skr 258 million). Skr -90 million (2Q14: Skr 258 million) of the total was attributable to items to be reclassified to operating profit and Skr 62 million (2Q14: Skr 0 million) was attributable to items not to be reclassified to operating profit. For items to be reclassified to operating profit, Skr -37 million (2Q14: Skr 46 million) was related to available-for-sale securities and Skr -53 million (2Q14: Skr 212 million) was due to other comprehensive income effects related to cash flow hedges. The negative changes in fair value related to available-for-sale securities were primarily due to the securitizations which were reclassified to available-for-sale securities during the second quarter.

During the third quarter 2014, the derivatives designated as hedging instruments in cash flow hedges were terminated for strategic reasons and the hedging designations were 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. Items not to be reclassified to operating profit were related to revaluation of defined benefit pensions. The positive change in fair value was caused by a higher discount rate.

## Statement of Financial Position

### *Total assets and liquidity placement*

SEK's total assets amounted to Skr 301.9 billion on June 30, 2015 (year-end 2014: Skr 325.2 billion), a decrease of 7 percent. The decrease is due to decreased liquidity placements as part of a more efficient use of capital. The liquidity placements amounted to Skr 70.9 billion on June 30, 2015 (year-end 2014: Skr 86.6 billion).

The combined amount of loans outstanding and loans committed though not yet disbursed amounted to Skr 228.2 billion as of June 30, 2015 (year-end 2014: Skr 234.3 billion), a decrease of 3 percent from year-end 2014. Of the total amount at June 30, 2015, Skr 212.4 billion represented outstanding loans, a decrease of 3 percent from year-end 2014 (year-end 2014: Skr 218.2 billion). Of the total amount of outstanding loans, loans in the S-system amounted to Skr 47.8 billion (year-end 2014: Skr 48.3 billion), representing a decrease of 1 percent from year-end 2014.

As of June 30, 2015, the aggregate amount of outstanding offers amounted to Skr 92.2 billion, an increase of 18 percent since year-end 2014 (year-end 2014: Skr 78.4 billion). Skr 79.7 billion (year-end 2014: Skr 74.5 billion) of outstanding offers were derived from the S-system. Skr 45.4 billion (year-end 2014: Skr 50.9 billion) of outstanding offers are binding offers and Skr 46.8 billion (year-end 2014: Skr 27.5 billion) are non-binding offers. Binding offers are included in commitments.

There has been no significant change in the composition of SEK's counterparty exposure except that the primary part of SEK's securitizations positions were sold during the second quarter. Of the total counterparty exposure at June 30, 2015, 51 percent (year-end 2014: 51 percent) was to states; 24 percent (year-end 2014: 23 percent) was to companies; 19 percent (year-end 2014: 18 percent) was to multilateral development banks and financial institutions; 6 percent (year-end 2014: 6 percent) was to regional governments; and 0 percent (year-end 2014: 2 percent) was to asset-backed securities. SEK's exposure to derivative counterparties is significantly limited compared to the amount of derivatives reported among SEK's assets because the derivatives are subject to collateral agreements. See the table "Capital requirements in accordance with Pillar 1" in Note 10.

### *Liabilities and equity*

As of June 30, 2015, the aggregate volume of available funds and shareholders' 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 the 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 State's export credit support (CIRR). SEK has not yet utilized the credit facility.

### *Capital adequacy*

SEK's total capital ratio was 23.5 percent as of June 30, 2015 (year-end 2014: 19.2 percent) of which 20.7 percent was related to Tier 1 capital (year-end 2014: 16.9 percent). The Common Equity Tier 1 capital ratio was 20.7 percent (year-end 2014: 16.9 percent). The Common Equity Tier 1 capital ratio has been positively affected by 1.7 percentage points due to the fact that the risk parameters for credit risk have been revised during the period. See Note 10 for further information on capital adequacy.

### **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 general economic business conditions including changes in the competitive situation in one or more financial markets.
- Changes and volatility in currency 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.
- Environmental and social risks connected to SEK's lending.

SEK believes that as of the date of this report none of these factors has been significantly changed since year-end 2014 and they are not expected to have a material negative impact on the future of the company. For additional information, see also the Risk and Capital Management section in SEK's Annual Report 2014.

### **EVENTS AFTER THE REPORTING PERIOD**

No events with significant impact on the information in this report have occurred after the end of the reporting period.



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Skr mn	Note	Apr-Jun 2015	Jan-Mar 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Interest revenues		706	766	1,006	1,472	1,993	3,774
Interest expenses		-307	-347	-638	-654	-1,273	-2,196
<b>Net interest revenues</b>		<b>399</b>	<b>419</b>	<b>368</b>	<b>818</b>	<b>720</b>	<b>1,578</b>
Net fee and commission expense		-2	-2	-3	-4	-4	-6
Net results of financial transactions	2	8	46	72	54	382	506
<b>Total operating income</b>		<b>405</b>	<b>463</b>	<b>437</b>	<b>868</b>	<b>1,098</b>	<b>2,078</b>
Personnel expenses		-70	-78	-75	-148	-149	-313
Other administrative expenses		-36	-34	-45	-70	-89	-166
Depreciations and amortizations of non-financial assets		-11	-10	-11	-21	-22	-43
<b>Total operating expenses</b>		<b>-117</b>	<b>-122</b>	<b>-131</b>	<b>-239</b>	<b>-260</b>	<b>-522</b>
<b>Operating profit before net credit losses</b>		<b>288</b>	<b>341</b>	<b>306</b>	<b>629</b>	<b>838</b>	<b>1,556</b>
Net credit losses	3	66	2	12	68	-2	73
<b>Operating profit</b>		<b>354</b>	<b>343</b>	<b>318</b>	<b>697</b>	<b>836</b>	<b>1,629</b>
Tax expenses		-83	-81	-71	-164	-187	-369
<b>Net profit<sup>1</sup></b>		<b>271</b>	<b>262</b>	<b>247</b>	<b>533</b>	<b>649</b>	<b>1,260</b>
<b>Other comprehensive income related to:</b>							
Items to be reclassified to profit or loss							
<i>Available-for-sale securities</i>		-37	19	46	-18	33	26
<i>Derivatives in cash flow hedges</i>		-53	-60	212	-113	358	316
Tax on items to be reclassified to profit or loss		20	9	-57	29	-86	-75
<b>Net items to be reclassified to profit or loss</b>		<b>-70</b>	<b>-32</b>	<b>201</b>	<b>-102</b>	<b>305</b>	<b>267</b>
Items not to be reclassified to profit or loss							
<i>Revaluation of defined benefit plans</i>		62	-29	0	33	0	-43
Tax on items not to be reclassified to profit or loss		-13	6	0	-7	0	10
<b>Net items not to be reclassified to profit or loss</b>		<b>49</b>	<b>-23</b>	<b>0</b>	<b>26</b>	<b>0</b>	<b>-33</b>
<b>Total other comprehensive income</b>		<b>-21</b>	<b>-55</b>	<b>201</b>	<b>-76</b>	<b>305</b>	<b>234</b>
<b>Total comprehensive income<sup>1</sup></b>		<b>250</b>	<b>207</b>	<b>448</b>	<b>457</b>	<b>954</b>	<b>1,494</b>

<sup>1</sup> The entire profit is attributable to the shareholder of the Parent Company.

Skr							
Basic and diluted earnings per share <sup>2</sup>		68	66	62	134	163	316

<sup>2</sup> Net profit divided by average number of shares, which amounts to 3,990,000 for each period.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Skr mn	Note	June 30, 2015	December 31, 2014
<b>Assets</b>			
Cash and cash equivalents	4, 5, 6	5,947	7,099
Treasuries/government bonds	4, 5, 6	-	3,458
Other interest-bearing securities except loans	3, 4, 5, 6	51,787	66,398
Loans in the form of interest-bearing securities	4, 5, 6	50,283	53,140
Loans to credit institutions	3, 4, 5, 6	29,305	25,510
Loans to the public	3, 4, 5, 6	145,939	149,240
Derivatives	5, 6, 7	13,706	16,017
Property, plant, equipment and intangible assets		176	161
Other assets		2,727	2,053
Prepaid expenses and accrued revenues		2,023	2,090
<b>Total assets</b>		<b>301,893</b>	<b>325,166</b>
<b>Liabilities and equity</b>			
Borrowing from credit institutions	5, 6	6,166	8,290
Borrowing from the public	5, 6	61	63
Senior securities issued	5, 6	253,142	273,839
Derivatives	5, 6, 7	20,612	18,886
Other liabilities		835	3,054
Accrued expenses and prepaid revenues		1,977	2,014
Deferred tax liabilities		747	821
Provisions		55	97
Subordinated securities issued	5, 6	2,062	1,945
<b>Total liabilities</b>		<b>285,657</b>	<b>309,009</b>
Share capital		3,990	3,990
Reserves		301	403
Retained earnings		11,945	11,764
<b>Total equity</b>		<b>16,236</b>	<b>16,157</b>
<b>Total liabilities and equity</b>		<b>301,893</b>	<b>325,166</b>
<b>Collateral provided etc.</b>			
Cash collateral under the security agreements for derivative contracts		11,489	9,668
Interest-bearing securities			
Subject to lending		257	113
<b>Contingent assets and liabilities</b>			
Guarantee commitments, credits		6	8
Guarantee commitments, other		4,683	4,287
<b>Commitments</b>			
Committed undisbursed loans		15,829	16,028
Binding offers		45,362	50,896

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

Skr mn	Equity	Share capital	Reserves		Retained earnings
			Hedge reserve	Fair value reserve	
Opening balance of equity January 1, 2014	14,990	3,990	152	-17	10,865
Net profit Jan-Jun, 2014	649				649
Other comprehensive income Jan-Jun, 2014 related to:					
Items to be reclassified to profit or loss					
<i>Available-for-sale securities</i>	33			33	
<i>Derivatives in cash flow hedges</i>	358		358		
Tax on items to be reclassified to profit or loss	-86		-79	-7	
Items not to be reclassified to profit or loss					
<i>Revaluation of defined benefit plans</i>	0				0
Tax on items not to be reclassified to profit or loss	0				0
Total other comprehensive income Jan-Jun, 2014	305		279	26	0
Total comprehensive income Jan-Jun, 2014	954		279	26	649
Dividend	-327				-327
<b>Closing balance of equity June 30, 2014<sup>1</sup></b>	<b>15,617</b>	<b>3,990</b>	<b>431</b>	<b>9</b>	<b>11,187</b>
Opening balance of equity January 1, 2014	14,990	3,990	152	-16	10,864
Net profit Jan-Dec, 2014	1,260				1,260
Other comprehensive income Jan-Dec, 2014 related to:					
Items to be reclassified to profit or loss					
<i>Available-for-sale securities</i>	26			26	
<i>Derivatives in cash flow hedges</i>	316		316		
Tax on items to be reclassified to profit or loss	-75		-70	-5	
Items not to be reclassified to profit or loss					
<i>Revaluation of defined benefit plans</i>	-43				-43
Tax on items not to be reclassified to profit or loss	10				10
Total other comprehensive income Jan-Dec, 2014	234		246	21	-33
Total comprehensive income Jan-Dec, 2014	1,494		246	21	1,227
Dividend	-327				-327
<b>Closing balance of equity December 31, 2014<sup>1</sup></b>	<b>16,157</b>	<b>3,990</b>	<b>398</b>	<b>5</b>	<b>11,764</b>
Net profit Jan-Jun, 2015	533				533
Other comprehensive income Jan-Jun, 2015 related to:					
Items to be reclassified to profit or loss					
<i>Available-for-sale securities</i>	-18			-18	
<i>Derivatives in cash flow hedges</i>	-113		-113		
Tax on items to be reclassified to profit or loss	29		25	4	
Items not to be reclassified to profit or loss					
<i>Revaluation of defined benefit plans</i>	33				33
Tax on items not to be reclassified to profit or loss	-7				-7
Total other comprehensive income Jan-Jun 2015	-76		-88	-14	26
Total comprehensive income Jan-Jun, 2015	457		-88	-14	559
Dividend	-378				-378
<b>Closing balance of equity June 30, 2015<sup>1</sup></b>	<b>16,236</b>	<b>3,990</b>	<b>310</b>	<b>-9</b>	<b>11,945</b>

<sup>1</sup> The entire equity is attributable to the shareholder of the Parent Company.

# STATEMENT OF CASH FLOWS IN THE CONSOLIDATED GROUP

Skr mn	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
<b>Operating activities</b>			
Operating profit <sup>1</sup>	697	836	1,629
<b>Adjustments to convert operating profit to cash flow:</b>			
Provision for credit losses - net	-68	4	-89
Depreciation	21	22	43
Exchange rate differences	24	-5	-5
Unrealized changes in fair value	154	13	-57
Other	-17	31	284
Income tax paid	-170	-151	-308
<b>Total adjustments to convert operating profit to cash flow</b>	<b>-56</b>	<b>-86</b>	<b>-132</b>
Disbursements of loans	-25,580	-27,444	-57,495
Repayments of loans	33,307	28,286	65,171
Net change in bonds and securities held	20,119	-6,452	10,576
Derivatives relating to loans	318	49	946
Other changes – net	-226	-307	29
<b>Cash flow from operating activities</b>	<b>28,579</b>	<b>-5,118</b>	<b>20,724</b>
<b>Investing activities</b>			
Capital expenditures	-35	-22	-52
<b>Cash flow from investing activities</b>	<b>-35</b>	<b>-22</b>	<b>-52</b>
<b>Financing activities</b>			
Proceeds from issuance of short-term senior debt	6,499	1,746	12,929
Proceeds from issuance of long-term senior debt	19,308	31,163	52,387
Repayments of debt	-29,394	-27,995	-67,688
Repurchase and early redemption of own long-term debt	-26,570	-4,959	-25,833
Derivatives relating to debts	834	5,418	6,274
Dividend paid	-378	-327	-327
<b>Cash flow from financing activities</b>	<b>-29,701</b>	<b>5,046</b>	<b>-22,258</b>
<b>Net cash flow for the year</b>	<b>-1,157</b>	<b>-94</b>	<b>-1,586</b>
Exchange rate differences on cash and cash equivalents	5	26	348
Cash and cash equivalents at beginning of the period	7,099	8,338	8,337
<b>Cash and cash equivalents at end of the period<sup>2</sup></b>	<b>5,947</b>	<b>8,270</b>	<b>7,099</b>
<i>of which cash at banks</i>	<i>1,868</i>	<i>107</i>	<i>373</i>
<i>of which cash equivalents</i>	<i>4,079</i>	<i>8,163</i>	<i>6,726</i>
<sup>1</sup> Interest payments received and expenses paid			
Interest payments received	1,546	2,374	4,410
Interest expenses paid	550	1,680	2,609

<sup>2</sup> 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 4.

# NOTES

1. Applied accounting principles and impacts from changes in accounting principles
2. Net results of financial transactions
3. Impairment and past-due receivables
4. Loans and liquidity placements
5. Classification of financial assets and liabilities
6. Financial assets and liabilities at fair value
7. Derivatives
8. S-system
9. Segment reporting
10. Capital adequacy
11. Exposures
12. Transactions with related parties
13. Events after the reporting period

All amounts are in Skr million, unless otherwise indicated. All figures concern the Consolidated Group, unless otherwise indicated.

## Note 1. Applied accounting principles and impacts from changes in accounting principles

This condensed Interim report is presented in accordance with IAS 34, Interim Financial Reporting. The Group's consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) together with the interpretations from IFRS Interpretations Committee (IFRS IC), and endorsed by the European Union (EU). The accounting also follows the additional standards imposed by the Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) and the regulation and general guidelines issued by the Swedish Financial Supervisory Authority, "Annual Reports in Credit Institutions and Securities Companies" (FFFS 2008:25). In addition to this, the supplementary accounting rules for groups (RFR 1) issued by the Swedish Financial Reporting Board have been applied. SEK also follows the state's general guidelines regarding external reporting in accordance with its corporate governance policy and guidelines for state-owned companies.

The Parent Company's accounts have been prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) (ÅRKL), and the recommendation RFR 2, "Accounting for Legal Entities," issued by the Swedish Financial Reporting Board, as well as the accounting regulations of the Swedish Financial Supervisory Authority (FFFS 2008:25), which means that IFRS has been applied to the extent possible within the framework of ÅRKL. The Parent Company's results and total assets represent more than 95 percent of the operating profit and total assets of the Consolidated Group, so the information about the Consolidated Group in these notes largely reflects the condition of the Parent Company.

The Consolidated Group's and the Parent Company's accounting policies, methods of computation and presentation are, in all material aspects, the same as those used for the 2014 annual financial statements. Certain amounts reported in prior periods have been reclassified to conform to the current presentation. Changes in accounting standards have not had any impact on accounting during the first six months of 2015. The Interim Report does not include all the disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as of December 31, 2014.

### **FUTURE CHANGES TO IFRS**

IFRS 9 Financial instruments covering classification and measurement, impairment and general hedge accounting was adopted by IASB in 2014. The adoption of IFRS 9 is mandatorily effective from January 1, 2018, with early adoption permitted. The standard has not yet been approved by the EU. SEK has started the process of evaluating the potential effect of this standard, but has not yet determined any conclusions regarding the effects on SEK's financial statements, capital adequacy or large exposures.

The IASB has also adopted IFRS 15 Revenue from Contracts with Customers applicable from January 1, 2017. The standard has not yet been approved by the EU. IFRS 15 is not expected to have any material effects on SEK's financial statements, capital adequacy or large exposures.

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

## Note 2. Net results of financial transactions

Skr mn	Apr-Jun 2015	Jan-Mar 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
<i>Net results of financial transactions related to:</i>						
Derecognition of financial instruments not measured at fair value through profit or loss	-130 <sup>1</sup>	2	5	-128 <sup>1</sup>	94	147
Financial assets or liabilities at fair value through profit or loss	47	93	146 <sup>2</sup>	140	220 <sup>2,3</sup>	185 <sup>2,3</sup>
Financial instruments under fair-value hedge accounting	81	-33	-77	48	65 <sup>3</sup>	203 <sup>3</sup>
Ineffectiveness of cash flow hedges that have been reported in the profit or loss <sup>4</sup>	-	-	-2	-	5	7
Currency exchange effects on all assets and liabilities excl. currency exchange effects related to revaluation at fair value	10	-16	0	-6	-2	-36
<b>Total net result of financial transactions</b>	<b>8</b>	<b>46</b>	<b>72</b>	<b>54</b>	<b>382</b>	<b>506</b>

<sup>1</sup> During the second quarter 2015, SEK's holdings of asset-backed securities were terminated, which affected the net result of financial transactions negatively by Skr 130 million.

<sup>2</sup> 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, of which Skr 290 million was in the second quarter.

<sup>3</sup> During the first quarter 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.

<sup>4</sup> 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, which could be significant in a single reporting period, 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 the related hedging instruments are closed prematurely.

## Note 3. Impairment and past-due receivables

Skr mn	Apr-Jun 2015	Jan-Mar 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Credit losses <sup>5</sup>	-	-	-	-	-20	-30
Reversal of previous write-downs <sup>1,5</sup>	276 <sup>5</sup>	2	270 <sup>2</sup>	278 <sup>3</sup>	275 <sup>2</sup>	378 <sup>2,4</sup>
<b>Net impairments and reversals</b>	<b>276</b>	<b>2</b>	<b>270</b>	<b>278</b>	<b>255</b>	<b>348</b>
Established losses <sup>1</sup>	-211 <sup>3</sup>	-	-259 <sup>3</sup>	-211 <sup>3</sup>	-259 <sup>2</sup>	-277 <sup>2,4</sup>
Recovered credit losses	1	0	1	1	2	2
<b>Net credit losses</b>	<b>66</b>	<b>2</b>	<b>12</b>	<b>68</b>	<b>-2</b>	<b>73</b>
<i>of which related to loans<sup>6</sup></i>	<i>66</i>	<i>1</i>	<i>3</i>	<i>67</i>	<i>-10</i>	<i>11</i>
<i>of which related to liquidity placements<sup>6</sup></i>	<i>0</i>	<i>1</i>	<i>9</i>	<i>1</i>	<i>8</i>	<i>62</i>
<b>Reserve of impairment of financial assets</b>						
Opening balance	-482	-464	-772	-464	-757	-757
Reserves used to cover write-downs	-8	-	-5	-8	-5	-5
Net impairments and reversals	276	2	270	278	255	348
Currency effects <sup>7</sup>	11	-20	-16	-9	-16	-50
<b>Closing balance</b>	<b>-203</b>	<b>-482</b>	<b>-523</b>	<b>-203</b>	<b>-523</b>	<b>-464</b>
<i>of which related to loans<sup>6</sup></i>	<i>-189</i>	<i>-254</i>	<i>-276</i>	<i>-189</i>	<i>-276</i>	<i>-236</i>
<i>of which related to liquidity placements<sup>6</sup></i>	<i>-14</i>	<i>-228</i>	<i>-247</i>	<i>-14</i>	<i>-247</i>	<i>-228</i>

<sup>1</sup> SEK has previously had two assets in the form of CDOs, which are first-priority-tranches with end-exposure to the U.S. sub-prime market, see footnotes 2 and 3 below.

<sup>2</sup> Underlying assets, concerning one of these CDOs, were liquidated during the period April-June 2014 and the final payment for the CDO has been obtained. The provision Skr 268 million related to the CDO was dissolved, the established loss amounted to Skr 259 million.

<sup>3</sup> For the other CDO, part of the provision was reversed in connection with an amortization during the fourth quarter 2014. A reversal of Skr 206 million (1H14: Skr 2 million) was recorded in the six-month period in relation to the remaining CDO and the established loss amounted to Skr 211 million (1H14: Skr - million). Consequently the provision for this CDO was dissolved (year-end 2014: Skr 189 million). Gross book value before impairment was Skr 222 million at year-end 2014.

<sup>4</sup> SEK has had a restructured receivable where final settlement occurred during the fourth quarter, 2014. The result of the final settlement came to a reversal of Skr 46 million, and an established loss of Skr 18 million during the period January–December 2014. This reversal is included in reversal of previous write-downs.

<sup>5</sup> The amount for the six month period includes a reversal of Skr 70 million related to bad debts not linked to a specific counterparty (1H14: A provision of Skr 20 million). As a result, the provision for bad debts not linked to a specific counterparty now amounts to Skr 170 million (year-end 2014: Skr 240 million). The reversal of the reserve was due to the sale of positions in the securitization transactions that occurred during the second quarter and adjustment in the calculation of the risk parameters for credit risk in the calculation of the reserve. The provision for bad debts not linked to a specific counterparty relates to the deterioration in credit quality of not individually reserved for assets. SEK establishes the reserve according to a methodology based on both quantitative and qualitative analysis of all exposures accounted for at amortized cost.

<sup>6</sup> See Note 4 for definitions.

<sup>7</sup> Currency effects are reported within Net results of financial transactions (see further Note 2).

**PAST-DUE RECEIVABLES**

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

Skr mn	June 30, 2015	December 31, 2014
<b>Past-due receivables:</b>		
Aggregate amount of principal and interest less than, or equal to, 90 days past-due	1	5
Aggregate amount of principal and interest more than 90 days past-due <sup>1,2</sup>	272	11
Principal amount not past-due on such receivables <sup>2</sup>	2,145	144

<sup>1</sup> Of the aggregate amount of principal and interest past due, Skr 268 million (year-end 2014: Skr 10 million) was due for payment more than three but less than, or equal to, six months before the end of the reporting period, Skr 0 million (year-end 2014: Skr 1 million) was due for payment more than six but less than nine months before the end of the reporting period, and Skr 4 million (year-end 2014: Skr 0 million) was due for payment more than nine months before the end of the reporting period.

<sup>2</sup> As of June 30, 2015, SEK has a large unsettled amount, which represents the main part of total loans outstanding. The loan in question is fully covered by adequate guarantees and therefore no loan loss reserve has been made.

**Note 4. Loans and liquidity placements**

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

Skr mn	June 30, 2015	December 31, 2014
<b>Loans:</b>		
Loans in the form of interest-bearing securities	50,283	53,140
Loans to credit institutions	29,305	25,510
Loans to the public	145,939	149,240
Less:		
Cash collateral under the security agreements for derivative contracts	-11,489	-9,668
Deposits with time to maturity exceeding three months	-1,648	0
<b>Total loans</b>	<b>212,390</b>	<b>218,222</b>
<b>Liquidity placements:</b>		
Cash and cash equivalents <sup>1</sup>	5,947	7,099
Cash collateral under the security agreements for derivative contracts	11,489	9,668
Deposits with time to maturity exceeding three months	1,648	0
Treasuries/government bonds	0	3,458
Other interest-bearing securities except loans	51,787	66,398
<b>Total liquidity placements</b>	<b>70,871</b>	<b>86,623</b>
<b>Total interest-bearing assets</b>	<b>283,261</b>	<b>304,845</b>

<sup>1</sup> 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.

**Note 5. Classification of financial assets and liabilities****Financial assets by accounting category**

Skr mn	Total	June 30, 2015			
		Financial assets at fair value through profit or loss	Derivatives used for hedge accounting	Available- for-sale	Loans and receivables <sup>1</sup>
		<i>Held-for- trading<sup>2</sup></i>	<i>Designated upon initial recognition (FVO)</i>		
Cash and cash equivalents	5,947	-	-	-	5,947
Treasuries/government bonds	-	-	-	-	-
Other interest-bearing securities except loans <sup>3</sup>	51,787	-	1,603	49,297	887
Loans in the form of interest-bearing securities	50,283	-	1,012	-	49,271
Loans to credit institutions	29,305	-	-	-	29,305
Loans to the public	145,939	-	-	-	145,939
Derivatives <sup>4</sup>	13,706	4,696	-	9,010	-
<b>Total financial assets</b>	<b>296,967</b>	<b>4,696</b>	<b>2,615</b>	<b>9,010</b>	<b>231,349</b>

## Financial liabilities by accounting category

Skr mn	June 30, 2015				
	Total	Financial liabilities at fair value through profit or loss		Derivatives used for hedge accounting	Other financial liabilities <sup>5</sup>
		Held-for-trading <sup>2</sup>	Designated upon initial recognition (FVO) <sup>6</sup>		
Borrowing from credit institutions	6,166	-	-	-	6,166
Borrowing from the public	61	-	-	-	61
Senior securities issued <sup>7</sup>	253,142	-	70,900	-	182,242
Derivatives <sup>4</sup>	20,612	15,306	-	5,306	-
Subordinated securities issued	2,062	-	-	-	2,062
<b>Total financial liabilities</b>	<b>282,043</b>	<b>15,306</b>	<b>70,900</b>	<b>5,306</b>	<b>190,531</b>

## Financial assets by accounting category

Skr mn	December 31, 2014					
	Total	Financial assets at fair value through profit or loss		Derivatives used for hedge accounting	Available-for-sale	Loans and receivables <sup>1</sup>
		Held-for-trading <sup>2</sup>	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 <sup>4</sup>	16,017	9,042	-	6,975	-	-
<b>Total financial assets</b>	<b>320,862</b>	<b>9,042</b>	<b>3,028</b>	<b>6,975</b>	<b>60,778</b>	<b>241,039</b>

## Financial liabilities by accounting category

Skr mn	December 31, 2014				
	Total	Financial liabilities at fair value through profit or loss		Derivatives used for hedge accounting	Other financial liabilities <sup>5</sup>
		Held-for-trading <sup>2</sup>	Designated upon initial recognition (FVO) <sup>6</sup>		
Borrowing from credit institutions	8,290	-	-	-	8,290
Borrowing from the public	63	-	-	-	63
Senior securities issued <sup>7</sup>	273,839	-	82,262	-	191,577
Derivatives <sup>4</sup>	18,886	13,319	-	5,567	-
Subordinated securities issued	1,945	-	-	-	1,945
<b>Total financial liabilities</b>	<b>303,023</b>	<b>13,319</b>	<b>82,262</b>	<b>5,567</b>	<b>201,875</b>

<sup>1</sup> Of loans and receivables, 9 percent (year-end 2014: 9 percent) are subject to fair-value hedge accounting. The remaining 91 percent (year-end 2014: 91 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 the hedging designations were discontinued.

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

<sup>3</sup> During the second quarter of 2015 most of the Asset Backed Securities were sold. The remaining assets have been reclassified from loans and receivables to available-for-sale.

<sup>4</sup> The derivatives' fair value originating from credit risk amounted to Skr -30 million as of June 30, 2015. The change for the period January 1 to June 30, 2015, amounted to Skr -12 million, which had a negative effect on operating profit. The valuation is made on the counterparty level.

<sup>5</sup> Of other financial liabilities, 79 percent (year-end 2014: 71 percent) are subject to fair-value hedge accounting, the remaining 21 percent (year-end 2014: 29 percent) are not subject to hedge accounting and are therefore valued at amortized cost.

<sup>6</sup> Accumulated changes in the fair value of financial liabilities attributable to changes in SEK's credit risk amounted to Skr -459 million (year-end 2014: Skr -471 million), which represents a cumulative increase in the book value of liabilities. For the period January 1 to June 30, 2015, the credit risk component has decreased by Skr -12 million, which decreased the value of financial liabilities and affected operating profit positively. For the period January 1 to June 30, 2014, the credit risk component increased by Skr 83 million, which increased the value of financial liabilities and affected operating profit negatively.

<sup>7</sup> Repayments of long-term debt amounting to approximately Skr -29.4 billion (1H14: Skr -28.0 billion) have been effectuated during the six-month period and SEK's own debt repurchase and early redemption amounted to approximately Skr -26.6 billion (1H14: Skr -5.0 billion).



## Note 6. Financial assets and liabilities at fair value

Skr mn	June 30, 2015		Surplus value (+)/ Deficit value (-)
	Book value	Fair value	
Cash and cash equivalents	5,947	5,947	0
Treasuries/governments bonds	-	-	-
Other interest-bearing securities except loans	51,787	51,825	38
Loans in the form of interest-bearing securities	50,283	51,484	1,201
Loans to credit institutions	29,305	29,381	76
Loans to the public	145,939	148,419	2,480 <sup>1</sup>
Derivatives	13,706	13,706	0
<b>Total financial assets</b>	<b>296,967</b>	<b>300,762</b>	<b>3,795</b>
Borrowing from credit institutions	6,166	6,166	0
Borrowing from the public	61	61	0
Senior securities issued	253,142	254,762	1,621
Derivatives	20,612	20,612	0
Subordinated securities issued	2,062	2,073	10
<b>Total financial liabilities</b>	<b>282,043</b>	<b>283,674</b>	<b>1,631</b>

<sup>1</sup> The surplus value is mainly related to CIRR loans within the S-system. See note 8 for more information regarding the S-system.

Skr mn	December 31, 2014		Surplus value (+)/ Deficit value (-)
	Book value	Fair 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 <sup>1</sup>
Derivatives	16,017	16,017	0
<b>Total financial assets</b>	<b>320,862</b>	<b>324,606</b>	<b>3,744</b>
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
<b>Total financial liabilities</b>	<b>303,023</b>	<b>304,485</b>	<b>1,462</b>

<sup>1</sup> The surplus value is mainly related to CIRR loans within the S-system. See note 8 for more information regarding the S-system.

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 carried at fair value 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.

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 professional, 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), where possible, 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 a valuation depending on the correlation between two exchange rates, where the correlation is determined by time series analysis.
- similar observable market data. One example is SEK's valuation of the volatility of a stock option whose maturity is longer than the longest option for which observable market quotes are available. In such a case, SEK extrapolates a value based on the observable market quotes for shorter maturities.

For observable market data, SEK uses third-party information based on purchased contracts (such as that available from 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 by “Black-Scholes model”. 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 in connection with the financial reporting a thorough validation of market data is performed quarterly.

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. Non-observable market data as SEK's own creditworthiness are assessed by recent transactions of SEK's issues, or if no continuous flow of new transactions exist, spreads against other similar issuers, in those cases when observable prices in the secondary market are not available. Fair value adjustments applied by SEK reflect additional factors that market participants take into account and that are not captured by the valuation model. Management assesses level of fair value adjust-

ments to reflect counterparty risk, SEK's own creditworthiness and unobservable parameters, where relevant.

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 Board's Finance- and Risk Committee makes decisions regarding the approval of (or changes to) the valuation model. In addition, the Finance and Risk Committee approves all models for the valuation of financial instruments at least annually. 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 the filing of SEK's interim reports.

#### 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 dealers in such instruments or market quotations. When calculating fair value for derivative instruments, the impact on the fair value of the instrument related to counterparty credit risk is based on publicly quoted prices on credit default swaps of the counterparty, 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. These hybrid debt instruments are classified as financial assets and financial liabilities measured at fair value through profit or loss and therefore the embedded derivatives are not separated. 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 (which can be considerable); such changes in fair value would generally offset each other.

#### Financial assets in fair value hierarchy

Skr mn	June 30, 2015							
	Financial assets at fair value through profit or loss				Available-for-sale			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	-	-	-	-	-	-	-	-
Treasuries/governments bonds	-	-	-	-	-	-	-	-
Other interest-bearing securities except loans	1,227	116	261	1,604	1,271	48,026	-	49,297
Loans in the form of interest-bearing securities	538	474	-	1,012	-	-	-	-
Loans to credit institutions	-	-	-	-	-	-	-	-
Loans to the public	-	-	-	-	-	-	-	-
Derivatives	12	11,712	1,982	13,706	-	-	-	-
<b>Total financial assets in fair value hierarchy</b>	<b>1,777</b>	<b>12,302</b>	<b>2,243</b>	<b>16,322</b>	<b>1,271</b>	<b>48,026</b>	<b>-</b>	<b>49,297</b>

**Financial liabilities in fair value hierarchy**

Skr mn	June 30, 2015			
	Financial liabilities at fair value through profit or loss			
	Level 1	Level 2	Level 3	Total
Borrowing from credit institutions	-	-	-	-
Borrowing from the public	-	-	-	-
Senior securities issued	-	27,215	43,685	70,900
Derivatives	33	16,562	4,017	20,612
Subordinated securities issued	-	-	-	-
<b>Total financial liabilities in fair value hierarchy</b>	<b>33</b>	<b>43,777</b>	<b>47,702</b>	<b>91,512</b>

During the period January to June 2015 no assets or liabilities were transferred from Level 1 to Level 2. Transfers to Level 3 of both assets and liabilities totaled Skr 236 million due to review of underlying valuation parameters.

**Financial assets in fair value hierarchy**

Skr mn	December 31, 2014							
	Financial assets at fair value through profit or loss				Available-for-sale			
	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	-	-	-	-
<b>Total financial assets in fair value hierarchy</b>	<b>2,158</b>	<b>13,055</b>	<b>3,832</b>	<b>19,045</b>	<b>4,779</b>	<b>55,999</b>	<b>-</b>	<b>60,778</b>

**Financial liabilities in fair value hierarchy**

Skr mn	December 31, 2014			
	Financial liabilities at fair value through profit or loss			
	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	-	-	-	-
<b>Total financial liabilities in fair value hierarchy</b>	<b>44</b>	<b>43,128</b>	<b>57,974</b>	<b>101,146</b>

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 at fair value in Level 3**

Skr mn	June 30, 2015								
	January 1, 2015	Purchases	Settlements & sales	Transfers to Level 3	Transfers from Level 3	Gains (+) and losses (-) through profit or loss <sup>1</sup>	Gains and losses in comprehensive income June 30, 2015	Unrealized gains (+) and losses (-) through profit or loss <sup>1</sup>	
Other interest-bearing securities except loans	266	-	-	-	-	-5	-	261	-6
Loans in the form of interest-bearing securities	-	-	-	-	-	-	-	-	-
Derivatives	3,566	-	-918	22	-	-687	-	1,982	-1,015
<b>Total financial assets at fair value in Level 3</b>	<b>3,832</b>	<b>-</b>	<b>-918</b>	<b>22</b>	<b>-</b>	<b>-692</b>	<b>-</b>	<b>2,243</b>	<b>-1,021</b>

**Financial liabilities at fair value in Level 3**

June 30, 2015

Skr mn	January 1, 2015	Issues	Settlements & buy-backs	Transfers to Level 3	Transfers from Level 3	Gains (+) and losses (-) through profit or loss <sup>1</sup>	Gains and losses in comprehensive income	March 31, 2015	Unrealized gains (+) and losses (-) through profit or loss <sup>1</sup>
Senior securities issued	54,756	10,391	-23,951	214	-	2,275	-	43,685	-1,513
Derivatives	3,218	901	-389	-	-	286	-	4,017	705
<b>Total financial liabilities at fair value in Level 3</b>	<b>57,974</b>	<b>11,292</b>	<b>-24,340</b>	<b>214</b>	<b>-</b>	<b>2,561</b>	<b>-</b>	<b>47,702</b>	<b>-808</b>

**Financial assets at fair value in Level 3**

December 31, 2014

Skr mn	January 1, 2014	Purchases	Settlements & sales	Transfers to Level 3	Transfers from Level 3	Gains (+) and losses (-) through profit or loss <sup>1</sup>	Gains and losses in comprehensive income	December 31, 2014	Unrealized gains (+) and losses (-) through profit or loss <sup>1</sup>
Other interest-bearing securities except loans	262	-	-	-	-	4	-	266	5
Loans in the form of interest-bearing securities	-	-	-	-	-	-	-	-	-
Derivatives	3,631	-20	-1,453	-	-	1,408	-	3,566	3,114
<b>Total financial assets at fair value in Level 3</b>	<b>3,893</b>	<b>-20</b>	<b>-1,453</b>	<b>-</b>	<b>-</b>	<b>1,412</b>	<b>-</b>	<b>3,832</b>	<b>3,119</b>

**Financial liabilities at fair value in Level 3**

December 31, 2014

Skr mn	January 1, 2014	Issues	Settlements & buy-backs	Transfers to level 3	Transfers from Level 3	Gains (+) and losses (-) through profit or loss <sup>1</sup>	Gains and losses in comprehensive income	December 31, 2014	Unrealized gains (+) and losses (-) through profit or loss <sup>1</sup>
Senior securities issued	55,393	11,419	-24,316	8	-	12,252	-	54,756	3,803
Derivatives	3,508	920	-460	0	-	-750	-	3,218	-23
<b>Total financial liabilities at fair value in Level 3</b>	<b>58,901</b>	<b>12,339</b>	<b>-24,776</b>	<b>8</b>	<b>-</b>	<b>11,502</b>	<b>-</b>	<b>57,974</b>	<b>3,780</b>

<sup>1</sup> 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 June 30, 2015 amount to Skr 0.2 billion loss (year-end 2014: Skr 0.7 billion loss) and are reported as net results of financial transactions.

**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 established 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 where 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.

## SENSITIVITY ANALYSIS – LEVEL 3 ASSETS AND LIABILITIES

Assets						
June 30, 2015						
Skr mn	Fair Value	Unobservable input	Range of estimates for unobservable input <sup>1</sup>	Valuation method	Sensitivity max	Sensitivity min
Interest rate	261	Credit spreads	10BP - (10BP)	Discounted cash flow	0	0
<b>Sum other interest-bearing securities except loans</b>	<b>261</b>				<b>0</b>	<b>0</b>
Equity	315	Correlation	0.64 - (0.10)	Option Model	0	0
Interest rate	958	Correlation	0.19 - (0.16)	Option Model	-213	200
FX	700	Correlation	0.57 - (0.71)	Option Model	7	-7
Other	9	Correlation	0.85 - (0.10)	Option Model	-1	1
<b>Sum derivatives</b>	<b>1,982</b>				<b>-207</b>	<b>194</b>
<b>Sum assets</b>	<b>2,243</b>				<b>-207</b>	<b>194</b>
Liabilities						
June 30, 2015						
Skr mn	Fair Value	Unobservable input	Range of estimates for unobservable input <sup>1</sup>	Valuation method	Sensitivity max	Sensitivity min
Equity	-11,903	Correlation	0.64 - (0.10)	Option Model	8	-7
		Credit spreads	10BP - (10BP)	Discounted cash flow	15	-15
Interest rate	-27,129	Correlation	0.19 - (0.16)	Option Model	214	-201
		Credit spreads	10BP - (10BP)	Discounted cash flow	126	-126
FX	-4,410	Correlation	0.57 - (0.71)	Option Model	-52	54
		Credit spreads	10BP - (10BP)	Discounted cash flow	85	-85
Other	-243	Correlation	0.85 - (0.10)	Option Model	1	-1
		Credit spreads	10BP - (10BP)	Discounted cash flow	7	-7
<b>Sum senior securities issued</b>	<b>-43,685</b>				<b>404</b>	<b>-388</b>
Equity	-1,183	Correlation	0.64 - (0.10)	Option Model	-9	8
Interest rate	-2	Correlation	0.19 - (0.16)	Option Model	-3	3
FX	-2,688	Correlation	0.57 - (0.71)	Option Model	43	-45
Other	-144	Correlation	0.85 - (0.10)	Option Model	0	0
<b>Sum derivatives</b>	<b>-4,017</b>				<b>31</b>	<b>-34</b>
<b>Sum liabilities</b>	<b>-47,702</b>				<b>435</b>	<b>-422</b>
<b>Total effect on profit or loss<sup>2</sup></b>					<b>228</b>	<b>-228</b>

<sup>1</sup> Represents the range of correlations that SEK has determined market participants would use when pricing the instruments. The structures are represented both in the security and the derivative hedging the bond. The sensitivity analysis is based on a shift in the 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. The table presents the scenario analysis of the effect on Level 3 instruments, with maximum positive and negative changes.

<sup>2</sup> Of the total impact on profit or loss, the sensitivity effect of SEK's own credit spread was Skr 233 million under a maximum scenario and Skr -233 million under a minimal scenario.

## SENSITIVITY ANALYSIS – LEVEL 3 ASSETS AND LIABILITIES

Assets						
December 31, 2014						
Skr mn	Fair Value	Unobservable input	Range of estimates for unobservable input <sup>1</sup>	Valuation method	Sensitivity max	Sensitivity min
Interest rate	266	Credit spreads	10BP - (10BP)	Discounted cash flow	-1	1
<b>Sum other interest-bearing securities except loans</b>	<b>266</b>				<b>-1</b>	<b>1</b>
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
<b>Sum derivatives</b>	<b>3,566</b>				<b>-165</b>	<b>150</b>
<b>Sum assets</b>	<b>3,832</b>				<b>-166</b>	<b>151</b>
Liabilities						
December 31, 2014						
Skr mn	Fair Value	Unobservable input	Range of estimates for unobservable input <sup>1</sup>	Valuation method	Sensitivity max	Sensitivity min
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
<b>Sum senior securities issued</b>	<b>-54,755</b>				<b>357</b>	<b>-339</b>
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
<b>Sum derivatives</b>	<b>-3,219</b>				<b>31</b>	<b>-35</b>
<b>Sum liabilities</b>	<b>-57,974</b>				<b>388</b>	<b>-374</b>
<b>Total effect on profit or loss<sup>2</sup></b>					<b>222</b>	<b>-223</b>

<sup>1</sup> Represents the range of correlations that SEK has determined market participants would use when pricing the instruments. The structures are represented both in the security and the derivative hedging the bond. The sensitivity analysis is based on a shift in the 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. The table presents the scenario analysis of the effect on Level 3 instruments, with maximum positive and negative changes.

<sup>2</sup> Of the total impact on profit or loss, the sensitivity effect of SEK's own credit spread was Skr 228 million under a maximum scenario and Skr -228 million under a minimal scenario.

## Note 7. Derivatives

### Derivatives by categories

Skr mn	June 30, 2015			December 31, 2014		
	Assets Fair value	Liabilities Fair value	Nominal amounts	Assets Fair value	Liabilities Fair value	Nominal amounts
Interest rate-related contracts	4,024	7,150	196,176	6,421	7,730	204,820
Currency-related contracts	8,796	11,989	137,422	8,759	9,349	151,933
Equity-related contracts	877	1,319	17,486	819	1,416	15,453
Contracts related to commodities, credit risk, etc.	9	154	2,354	18	391	3,674
<b>Total derivatives</b>	<b>13,706</b>	<b>20,612</b>	<b>353,438</b>	<b>16,017</b>	<b>18,886</b>	<b>375,880</b>

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. 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 fair value of the net exposure 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 June 30, 2015, the total nominal amount of financial guarantees documented as derivatives and classified as financial guarantees was Skr 4,240 million (year-end 2014: Skr 4,854 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 a regulated market, for example through a clearinghouse (CCP) or a stock exchange. SEK's derivative transactions that are not transacted on a regulated market are entered into under

ISDA Master Netting Agreements. In general, under such agreements the amounts owed by each counterparty that are due on a single day 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, 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 above ISDA arrangements do not meet the criteria for off-setting in the statement of financial position. This is because such agreements create a right of set-off of recognized amounts that is enforceable only following an event of default, insolvency or bankruptcy of SEK or the counterparties. In addition, SEK and its counterparties do not intend to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

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 the ISDA Credit Support Annex.

## Note 8. S-system

SEK administers, for compensation, the Swedish State's export credit support system, and the State's related concessionary credit program (together referred to as the "S-system"). In accordance with its assignment in the 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) in the Annual Report for 2014.

The remuneration from the S-system to SEK in accordance with the owner's instruction 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.

### Statement of Comprehensive Income for the S-system

Skr mn	Apr-Jun 2015	Jan-Mar 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Interest revenues	308	309	249	617	537	1,112
Interest expenses	-246	-249	-215	-495	-449	-972
<b>Net interest revenues</b>	<b>62</b>	<b>60</b>	<b>34</b>	<b>122</b>	<b>88</b>	<b>140</b>
Interest compensation	11	0	1	11	10	32
Remuneration to SEK <sup>1</sup>	-31	-32	-29	-63	-57	-117
Foreign exchange effects	0	0	0	0	0	-2
Reimbursement to (-) / from (+) the State	-42	-28	-6	-70	-41	-53
<b>Operating profit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup> The remuneration from the S-system to SEK is shown as a part of interest revenues in the statement of comprehensive income for SEK.

### Statement of Financial Position for the S-system (included in SEK's statement of financial position)

Skr mn	June 30, 2015	December 31, 2014
Cash and cash equivalents	2	25
Loans	47,821	48,298
Derivatives	37	75
Other assets	1,173	1,211
Prepaid expenses and accrued revenues	320	302
<b>Total assets</b>	<b>49,353</b>	<b>49,911</b>
Liabilities	47,913	48,271
Derivatives	1,161	1,230
Accrued expenses and prepaid revenues	279	410
Equity	-	-
<b>Total liabilities and equity</b>	<b>49,353</b>	<b>49,911</b>
<i>Commitments</i>		
Committed undisbursed loans	5,390	7,528
Binding offers	43,361	49,833

### Results under the S-system by type of CIRR loans (Commercial Interest Reference Rate)

Skr mn	Apr-Jun 2015	Jan-Mar 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Net interest revenues	74	73	44	147	109	185
Interest compensation	11	0	1	11	10	32
Remuneration to SEK	-30	-32	-28	-62	-55	-115
Foreign exchange effects	0	0	0	0	0	-2
<b>Results under the S-system by CIRR loans</b>	<b>55</b>	<b>41</b>	<b>17</b>	<b>96</b>	<b>64</b>	<b>100</b>

### Results under the S-system by type of loan Concessionary loans

Skr mn	Apr-Jun 2015	Jan-Mar 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Net interest revenues	-12	-13	-10	-25	-22	-45
Interest compensation	-	-	-	-	-	-
Remuneration to SEK	-1	0	-1	-1	-1	-2
Foreign exchange effects	-	-	-	-	-	-
<b>Results under the S-system by Concessionary loans</b>	<b>-13</b>	<b>-13</b>	<b>-11</b>	<b>-26</b>	<b>-23</b>	<b>-47</b>
<b>Total comprehensive income in the S-system which represents net remuneration to the State (+) net remuneration to SEK (-)</b>	<b>42</b>	<b>28</b>	<b>6</b>	<b>70</b>	<b>41</b>	<b>53</b>



## Note 9. 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. Eval-

uation 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

Skr mn	Apr-Jun, 2015			
	Corporate lending	End-customer finance	Reconciliation with the Consolidated Statement of Comprehensive Income	Total
Net interest revenues and net commissions	242	155	-	397
Other operating income	-	-	-	-
Operating expenses	-48	-69	-	-117
Net credit losses	48	18	-	66
<b>Operating profit excluding net results of financial transactions</b>	<b>242</b>	<b>104</b>	<b>-</b>	<b>346</b>
Net results of financial transactions	-	-	8	8
<b>Operating profit</b>	<b>242</b>	<b>104</b>	<b>8</b>	<b>354</b>

### Consolidated Statement of Comprehensive Income

Skr mn	Jan-Mar, 2015			
	Corporate lending	End-customer finance	Reconciliation with the Consolidated Statement of Comprehensive Income	Total
Net interest revenues and net commissions	253	164	-	417
Other operating income	-	-	-	-
Operating expenses	-51	-71	-	-122
Net credit losses	1	1	-	2
<b>Operating profit excluding net results of financial transactions</b>	<b>203</b>	<b>94</b>	<b>-</b>	<b>297</b>
Net results of financial transactions	-	-	46	46
<b>Operating profit</b>	<b>203</b>	<b>94</b>	<b>46</b>	<b>343</b>

### Consolidated Statement of Comprehensive Income

Skr mn	Apr-Jun, 2014			
	Corporate lending	End-customer finance	Reconciliation with the Consolidated Statement of Comprehensive Income	Total
Net interest revenues and net commissions	250	115	-	365
Other operating income	-	-	-	-
Operating expenses	-52	-79	-	-131
Net credit losses	4	8	-	12
<b>Operating profit excluding net results of financial transactions</b>	<b>202</b>	<b>44</b>	<b>-</b>	<b>246</b>
Net results of financial transactions	-	-	72	72
<b>Operating profit</b>	<b>202</b>	<b>44</b>	<b>72</b>	<b>318</b>

### Consolidated Statement of Comprehensive Income

Skr mn	Jan-Jun, 2015			
	Corporate lending	End-customer finance	Reconciliation with the Consolidated Statement of Comprehensive Income	Total
Net interest revenues and net commissions	495	319	-	814
Other operating income	-	-	-	-
Operating expenses	-99	-140	-	-239
Net credit losses	49	19	-	68
<b>Operating profit excluding net results of financial transactions</b>	<b>445</b>	<b>198</b>	<b>-</b>	<b>643</b>
Net results of financial transactions	-	-	54	54
<b>Operating profit</b>	<b>445</b>	<b>198</b>	<b>54</b>	<b>697</b>



**Consolidated Statement of Comprehensive Income**

Jan-Jun, 2014

Skr mn	Corporate lending	End-customer finance	Reconciliation with the Consolidated Statement of Comprehensive Income	Total
Net interest revenues and net commissions	496	220	-	716
Other operating income	-	-	-	-
Operating expenses	-102	-158	-	-260
Net credit losses	-4	2	-	-2
<b>Operating profit excluding net results of financial transactions</b>	<b>390</b>	<b>64</b>	-	<b>454</b>
Net results of financial transactions	-	-	382	382
<b>Operating profit</b>	<b>390</b>	<b>64</b>	<b>382</b>	<b>836</b>

**Consolidated Statement of Comprehensive Income**

Jan-Dec, 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
<b>Operating profit excluding net results of financial transactions</b>	<b>829</b>	<b>294</b>	-	<b>1,123</b>
Net results of financial transactions	-	-	506	506
<b>Operating profit</b>	<b>829</b>	<b>294</b>	<b>506</b>	<b>1,629</b>

**Interest-bearing assets and Committed undisbursed loans**

Skr bn	June 30, 2015			December 31, 2014		
	Corporate lending	End-customer finance	Sum of segments	Corporate lending	End-customer finance	Sum of segments
Interest-bearing assets	110.2	167.2	277.4	117.1	180.6	297.7
Committed undisbursed loans	2.0	13.8	15.8	0.4	15.6	16.0

**Reconciliation between sum of segments and Total assets in the Consolidated Statement of Financial Position**

Skr bn	June 30, 2015	December 31, 2014
<b>Sum of segments</b>	<b>277.4</b>	<b>297.7</b>
Cash and cash equivalents	5.9	7.1
Derivatives	13.7	16.0
Property, plant, equipment and intangible assets	0.2	0.2
Other assets	2.7	2.1
Prepaid expenses and accrued revenues	2.0	2.1
<b>Total assets</b>	<b>301.9</b>	<b>325.2</b>

## Note 10. Capital adequacy

The total capital ratio of SEK as a consolidated financial entity, calculated according to the Capital Requirements Regulation (CRR<sup>1</sup>) which came into force on January 1, 2014, was 23.5 percent as of June 30, 2015 (year-end 2014: 19.2 percent). The Tier 1 capital ratio was 20.7 percent (year-end 2014: 16.9 percent) and the Common Equity Tier 1 capital ratio was 20.7 percent (year-end 2014: 16.9 percent). As of June 30, 2015, the Basel I floor increased the total capital requirement resulting in a total capital ratio of 23.2 percent (year-end 2014: 19.2 percent). The capital requirement according to the internal ratings based approach (IRB) for exposures to corporate and financial institutions has decreased due to an adjustment of the risk parameters during the second quarter of 2015. The Common Equity Tier 1 capital ratio is 1.7 percentage points higher due to the adjustment. For further information on capital adequacy, risks, and CRR, see the section "Risk and capital management" in SEK's Annual Report for 2014.

<sup>1</sup> 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

Skr mn	June 30, 2015	December 31, 2014
Share capital	3,990	3,990
Retained earnings	11,404	10,522
Accumulated other comprehensive income and other reserves	309	385
Independently reviewed profit net of any foreseeable charge or dividend	373	882
<b>Common Equity Tier 1 (CET1) capital before regulatory adjustments</b>	<b>16,076</b>	<b>15,779</b>
Additional value adjustments due to prudent valuation <sup>2</sup>	-423	-560
Intangible assets	-152	-135
Fair value reserves related to gains or losses on cash flow hedges	-304	-386
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	355	366
Exposure amount of securitization positions which qualify for a risk-weight of 1,250% <sup>1</sup>	-	-216
Regulatory adjustments relating to unrealized gains pursuant to CRR Article 468 <sup>2</sup>	-	-62
<b>Total regulatory adjustments to Common Equity Tier 1 capital</b>	<b>-524</b>	<b>-993</b>
<b>Total Common Equity Tier 1 capital</b>	<b>15,552</b>	<b>14,786</b>
Additional Tier 1 capital	-	-
<b>Total Tier 1 capital</b>	<b>15,552</b>	<b>14,786</b>
Tier 2-eligible subordinated debt	2,060	1,953
Credit risk adjustments <sup>3</sup>	24	51
<b>Total Tier 2 capital</b>	<b>2,084</b>	<b>2,004</b>
<b>Total Own funds</b>	<b>17,636</b>	<b>16,790</b>
<b>Total Own funds according to Basel I floor</b>	<b>17,612</b>	<b>16,739</b>

<sup>1</sup> In accordance with CRR, securitized assets with a risk weight of 1,250 percent are deducted from own funds, as an alternative to calculating risk exposure amounts for those assets. The deducted amount is the net booked value for such assets.

<sup>2</sup> In accordance with FFFS 2014:12, unrealized gains on assets classified as available for sale are not deducted from own funds from January 1, 2015.

<sup>3</sup> 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 June 30, 2015, the limitation rule has not had any effect (year-end 2014: no effect).

**CAPITAL REQUIREMENTS IN ACCORDANCE WITH PILLAR 1**

Skr mn	June 30, 2015			December 31, 2014		
	EAD <sup>1</sup>	Risk exposure amount	Required capital	EAD	Risk exposure amount	Required capital
<b>Credit risk standardized method</b>						
Central governments	144,061	762	61	158,666	736	59
Regional governments	19,962	-	-	20,891	-	-
Multilateral development banks	318	-	-	319	-	-
Corporates	1,558	1,557	125	1,207	1,207	96
<b>Total credit risk standardized method</b>	<b>165,899</b>	<b>2,319</b>	<b>186</b>	<b>181,083</b>	<b>1,943</b>	<b>155</b>
<b>Credit risk IRB method</b>						
Financial institutions <sup>2</sup>	64,949	20,126	1,610	67,293	24,186	1,935
Corporates <sup>3</sup>	76,917	44,310	3,545	79,344	49,042	3,923
Securitization positions	1,239	394	31	6,308	3,643	291
Assets without counterparty	176	176	14	134	134	11
<b>Total credit risk IRB method</b>	<b>143,281</b>	<b>65,006</b>	<b>5,200</b>	<b>153,079</b>	<b>77,005</b>	<b>6,160</b>
<b>Credit valuation adjustment risk</b>	n.a.	2,713	217	n.a.	3,340	267
<b>Foreign exchange risk</b>	n.a.	1,422	113	n.a.	1,529	123
<b>Commodities risk</b>	n.a.	21	2	n.a.	27	2
<b>Operational risk</b>	n.a.	3,473	278	n.a.	3,473	278
<b>Total</b>	<b>309,180</b>	<b>74,954</b>	<b>5,996</b>	<b>334,162</b>	<b>87,317</b>	<b>6,985</b>
Adjustment according to Basel I floor	n.a.	848	68	n.a.	-	-
<b>Total incl. Basel I floor</b>	<b>n.a.</b>	<b>75,802</b>	<b>6,064</b>	<b>n.a.</b>	<b>87,317</b>	<b>6,985</b>

<sup>1</sup> Exposure at default (EAD) shows the size of the outstanding exposure at default.

<sup>2</sup> Of which counterparty risk in derivatives: EAD 5,336 million (year-end 2014: Skr 5,699 million), Risk exposure amount of Skr 2,077 million (year-end 2014: Skr 2,844 million) and Required capital of Skr 166 million (year-end 2014: Skr 228 million).

<sup>3</sup> Of which related to specialized lending: EAD Skr 2,873 million (year-end 2014: Skr 2,834 million), Risk exposure amount of Skr 2,009 million (year-end 2014: Skr 1,984 million) and Required capital of Skr 161 million (year-end 2014: 159 million).

**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 established in accordance with CRR. The Swedish Financial Supervisory Authority has, however, exempted the company, until December 31, 2015 from having to use this approach for some exposures. For exposure exempted from the IRB approach, SEK applies the standardized approach when calculating the capital requirement for credit risk. It is likely that some of SEK's exemptions from the IRB approach for central government exposures will not be renewed when they expires on December 31, 2015. If this is the case, SEK's Pillar 1 capital requirement is expected to increase. Counterparty risk exposure amounts in derivatives are calculated in accordance with the *mark-to-market method*.

**CREDIT VALUATION ADJUSTMENT RISK**

Credit valuation adjustment risk shall be 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 according to the *standardized method*.

**FOREIGN EXCHANGE RISK**

Foreign exchange risk is calculated according to the *standardized approach*, where 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 *standardized 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.

**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. Other transitional arrangements concerning CRR have no significant effect on SEK.

**CAPITAL ADEQUACY ANALYSIS (PILLAR 1)**

	June 30, 2015	December 31, 2014
<b>Capital ratios excl. of buffer requirements<sup>1</sup></b>		
Common Equity Tier 1 capital ratio	20.7%	16.9%
Tier 1 capital ratio	20.7%	16.9%
Total capital ratio	23.5%	19.2%
<b>Institution specific Common Equity Tier 1 capital requirement incl. buffers<sup>2</sup></b>	<b>7.0%</b>	<b>7.0%</b>
<i>of which Capital conservation buffer</i>	2.5%	2.5%
<i>of which Countercyclical Buffer</i>	-	-
<i>of which Systemic Risk Buffer</i>	-	-
<b>Common Equity Tier 1 capital available to meet institution specific requirement<sup>3</sup></b>	<b>19.2%</b>	<b>15.4%</b>
<b>Total capital ratio according to Basel I floor<sup>4</sup></b>	<b>23.2%</b>	<b>19.2%</b>

<sup>1</sup> 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 related to Core Equity Common Equity, Tier 1 capital and total Own Funds respectively.

<sup>2</sup> Inclusive of the minimum requirement of 4.5 percent, expressed as a percentage of total risk exposure amount.

<sup>3</sup> 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.

<sup>4</sup> 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, but SEK will for the time being not 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 Services Authority a countercyclical buffer rate of 1.0 percent shall be ap-

plied on exposures located in Sweden as of September 13, 2015. As of June 30, 2015 the capital requirement related to relevant exposures in Sweden is 68 percent (year-end 2014: 61 percent) of the total relevant capital requirement regardless of location. Hence, if the Swedish countercyclical buffer rate were to already apply, the additional buffer requirement would be 0.7 percentage points (year-end 2014: 0.6 percentage points). Buffer rates activated in other countries may have effects on SEK, but as most capital requirements from relevant credit exposures are related to Sweden the potential effect is limited.

**LEVERAGE RATIO**

	June 30, 2015	December 31, 2014
<b>Exposure measure for the leverage ratio</b>		
On-balance sheet exposures	277,167	299,374
Off-balance sheet exposures	36,398	37,187
<b>Total exposure measure</b>	<b>313,565</b>	<b>336,561</b>
<b>Leverage ratio</b>	<b>5.0%</b>	<b>4.4%</b>

A leverage ratio measure has been introduced by the CRR and must be disclosed at least annually starting in 2015. Currently, there is no minimum requirement on the leverage ratio. The leverage ratio is defined as the quotient of the Tier 1 capital and an exposure measure. The definition of the leverage ratio was changed as of January 19, 2015. The exposure measure consists of assets and off-balance sheet credit risk exposures, the latter of which are weighted with a factor depending on the type of exposure. Special treatment is given to for, inter alia, derivatives. The changes to the definition have also been reflected in the leverage ratio as of December 31, 2014.

**INTERNALLY ASSESSED CAPITAL REQUIREMENT**

	June 30, 2015	December 31, 2014
Credit risk	7,905	9,099
Operational risk	316	315
Market risk	1,783	1,693
<b>Total internal capital requirement</b>	<b>10,004</b>	<b>11,107</b>
<b>Internal capital requirement as percentage of Common Equity</b>		
<b>Tier 1 capital</b>	<b>64,3%</b>	<b>75.1%</b>

SEK regularly conducts the internal capital adequacy assessment process, during which the company determines how much capital is needed in order to cover its risks. The result of SEK's assessment of capital adequacy is presented above. For more information regarding the internal capital adequacy assessment process and its methods, please see the Risk and Capital management section of SEK's Annual Report for 2014.

## Note 11. Exposures

Amounts expressing net exposures are reported after taking guarantees and credit derivatives into consideration. The amounts are nominal values, in accordance with the internal risk monitoring.

### TOTAL NET EXPOSURES

Skr bn	Total				Credits & interest-bearing securities				Undisbursed credits, derivatives, etc			
	June 30, 2015		December 31, 2014		June 30, 2015		December 31, 2014		June 30, 2015		December 31, 2014	
Classified by type of counterparty	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Central governments	172.9	50.5	190.9	51.6	115.2	42.5	126.5	42.5	57.7	81.2	64.4	88.8
Regional governments	20.0	5.8	20.9	5.6	20.0	7.4	20.9	7.0	-	-	-	-
Multilateral development banks	0.3	0.1	0.3	0.1	0.3	0.1	0.3	0.1	-	-	-	-
Financial institutions	65.0	19.0	67.5	18.2	59.3	21.8	61.0	20.5	5.7	8.0	6.5	9.0
Corporates	83.0	24.2	84.4	22.8	75.3	27.8	82.8	27.8	7.7	10.8	1.6	2.2
Securitization positions	1.2	0.4	6.3	1.7	1.2	0.4	6.3	2.1	-	-	-	-
<b>Total</b>	<b>342.4</b>	<b>100.0</b>	<b>370.3</b>	<b>100.0</b>	<b>271.3</b>	<b>100.0</b>	<b>297.8</b>	<b>100.0</b>	<b>71.1</b>	<b>100.0</b>	<b>72.5</b>	<b>100.0</b>

### NET EXPOSURE BY REGION AND EXPOSURE CLASS, AS OF JUNE 30, 2015

Skr bn	Middle East/ Africa	Asia excl. Japan	Japan	North America	Oceania	Latin America	Sweden	West European countries	Central- and East European countries	Total
								Sweden excl.		
Central governments	-	3.6	-	4.9	-	0.8	139.9	21.1	2.6	172.9
Regional governments	-	-	-	-	-	-	17.5	2.5	-	20.0
Multilateral development banks	-	-	-	-	-	-	-	0.3	-	0.3
Financial institutions	2.0	4.1	1.4	12.4	3.0	2.1	11.8	27.9	0.3	65.0
Corporates	0.9	1.0	1.0	4.7	0.1	1.3	58.6	15.0	0.4	83.0
Securitization positions	-	-	-	-	-	-	-	1.2	-	1.2
<b>Total</b>	<b>2.9</b>	<b>8.7</b>	<b>2.4</b>	<b>22.0</b>	<b>3.1</b>	<b>4.2</b>	<b>227.8</b>	<b>68.0</b>	<b>3.3</b>	<b>342.4</b>

### 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	Central- and East European countries	Total
								Sweden excl.		
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
<b>Total</b>	<b>2.1</b>	<b>7.7</b>	<b>2.6</b>	<b>22.5</b>	<b>5.3</b>	<b>3.7</b>	<b>242.2</b>	<b>80.7</b>	<b>3.5</b>	<b>370.3</b>

**NET EXPOSURE EUROPEAN COUNTRIES,  
EXCLUDING SWEDEN**

Skr bn	June 30, 2015	December 31, 2014
France	15.4	18.7
United Kingdom	11.1	13.5
Germany	10.3	9.7
Finland	9.3	9.1
Denmark	5.6	5.9
The Netherlands	4.9	7.1
Norway	3.3	4.5
Poland	2.6	2.7
Switzerland	2.0	2.4
Luxembourg	1.7	1.3
Ireland	1.6	3.0
Spain	0.8	2.1
Iceland	0.8	0.8
Latvia	0.4	0.6
Italy	0.4	0.4
Belgium	0.4	0.3
Portugal	0.2	0.4
Austria	0.2	1.4
Estonia	0.1	-
Greece	-	-
Other countries	0.3	0.3
<b>Total</b>	<b>71.4</b>	<b>84.2</b>

Net exposures to counterparties in Ireland, Italy, Portugal and Spain amounted to Skr 3.0 billion at June 30, 2015 (year-end 2014: Skr 5.9 billion). SEK does not have any net exposures to counterparties in Greece and Ukraine.

Gross exposures to counterparties in Greece amounted to Skr 0.1 billion as of June 30, 2015 (year-end 2014: Skr 0.1 billion). Gross exposures to counterparties in Ukraine amounted to Skr 0.1 billion as of June 30, 2015 (year-end 2014: Skr 0.1 billion). The gross exposures are guaranteed in full by counterparties in countries other than Greece and Ukraine.

**Note 12. Transactions with related parties**

Transactions with related parties are described in Note 29 in SEK's Annual Report for 2014. No material changes have taken place in relation to transactions with related parties compared to the descriptions in the Annual Report for 2014.

**Note 13. Events after the reporting period**

No events with significant impact on the information in this report have occurred after the end of the reporting period.

**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 March 31, 2015 are stated as the second lowest of the credit ratings from Standard & Poor's, Moody's and 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	June 30, 2015	December 31, 2014
'AAA'	1,239	3,744
'AA+'	-	4
'AA'	-	206
'AA-'	-	152
'A+'	-	111
'A'	-	419
'A-'	-	143
'BBB+'	-	163
'BBB'	-	-
'BBB-'	-	425
'BB+'	-	150
'BB'	-	387
'B+'	-	174
CDO rated 'CCC'	-	33
<b>Total</b>	<b>1,239</b>	<b>6,111</b>

# PARENT COMPANY INCOME STATEMENT

Skr mn	Apr-Jun 2015	Jan-Mar 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Interest revenues	706	766	1,006	1,472	1,992	3,773
Interest expenses	-307	-347	-638	-654	-1,274	-2,197
Net interest revenues	399	419	368	818	718	1,576
Dividend from subsidiaries	-	8	11	8	11	11
Net fee and commission expense	-2	-2	-3	-4	-5	-6
Net results of financial transactions	8	46	72	54	382	507
<b>Total operating income</b>	<b>405</b>	<b>471</b>	<b>448</b>	<b>876</b>	<b>1,106</b>	<b>2,088</b>
Personnel expenses	-70	-78	-76	-148	-151	-316
Other administrative expenses	-36	-34	-45	-70	-88	-166
Depreciations and amortizations of non-financial assets	-11	-10	-11	-21	-22	-43
<b>Total operating expenses</b>	<b>-117</b>	<b>-122</b>	<b>-132</b>	<b>-239</b>	<b>-261</b>	<b>-525</b>
<b>Operating profit before net credit losses</b>	<b>288</b>	<b>349</b>	<b>316</b>	<b>637</b>	<b>845</b>	<b>1,563</b>
Net credit losses	65	2	11	67	-4	71
<b>Operating profit</b>	<b>353</b>	<b>351</b>	<b>327</b>	<b>704</b>	<b>841</b>	<b>1,634</b>
Changes in untaxed reserves	-	-	-	-	-	-355
Tax expenses	-83	-81	-71	-164	-185	-290
<b>Net profit</b>	<b>270</b>	<b>270</b>	<b>256</b>	<b>540</b>	<b>656</b>	<b>989</b>



# PARENT COMPANY BALANCE SHEET

Skr mn	June 30, 2015	December 31, 2014
<b>Assets</b>		
Cash and cash equivalents	5,923	7,096
Treasuries/government bonds	-	3,458
Other interest-bearing securities except loans	51,787	66,398
Loans in the form of interest-bearing securities	50,283	53,140
Loans to credit institutions	29,305	25,510
Loans to the public	145,939	149,240
Derivatives	13,706	16,017
Shares in subsidiaries	17	17
Property, plant, equipment and intangible assets	176	161
Other assets	2,726	2,053
Prepaid expenses and accrued revenues	2,023	2,090
<b>Total assets</b>	<b>301,885</b>	<b>325,180</b>
<b>Liabilities and equity</b>		
Borrowing from credit institutions	6,166	8,320
Borrowing from the public	61	63
Senior securities issued	253,142	273,839
Derivatives	20,612	18,886
Other liabilities	835	3,054
Accrued expenses and prepaid revenues	1,977	2,014
Deferred tax liabilities	30	112
Provisions	25	32
Subordinated securities issued	2,062	1,945
<b>Total liabilities</b>	<b>284,910</b>	<b>308,265</b>
<b>Untaxed reserves</b>		
	<b>3,280</b>	<b>3,280</b>
Share capital	3,990	3,990
Legal reserve	198	198
Fair value reserve	301	403
Retained earnings	8,666	8,055
Net profit for the year	540	989
<b>Total equity</b>	<b>13,695</b>	<b>13,635</b>
<b>Total liabilities and equity</b>	<b>301,885</b>	<b>325,180</b>
Collateral provided etc.		
Cash collateral under the security agreements for derivative contracts	11,489	9,668
Interest-bearing securities:		
<i>Subject to lending</i>	257	113
<b>Contingent assets and liabilities</b>		
Guarantee commitments, credits	5	7
Guarantee commitments, other	4,683	4,287
<b>Commitments</b>		
Committed undisbursed loans	15,829	16,028
Binding offers	45,362	50,896

The Board of Directors and the President confirm that this Interim report provides a fair overview of the Parent Company's and the Consolidated Group's operations and their respective financial position and results, and describes material risks and uncertainties facing the Parent Company and other companies in the Consolidated Group.

Stockholm, July 17, 2015

AKTIEBOLAGET SVENSK EXPORTKREDIT

SWEDISH EXPORT CREDIT CORPORATION

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*

SEK has established the following expected dates for publishing of financial information and other related matters:

October 22, 2015      Interim Report for the period January 1, 2015 – September 30, 2015

The report contains information that SEK will disclose pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication on July 17, 2015 13:00 (CET).

Additional information about SEK, including investor presentations and the Annual Report for the financial year 2014, is available at [www.sek.se](http://www.sek.se). Information available on or accessible through SEK's website is not incorporated herein by reference.

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

# AUDITOR REVIEW REPORT

To the Board of Directors of AB Swedish Export Credit Corporation (publ.)  
Corp Id No 556084-0315

## INTRODUCTION

We have reviewed the condensed interim report for AB Svensk Exportkredit as at June 30, 2015 and for the six months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies. Our responsibility is to express a conclusion on this interim report based on our review.

## SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and apply-

ing analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material aspects, in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies regarding the Group, and in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies regarding the Parent Company.

Stockholm, July 17, 2015

Ernst & Young AB

Erik Åström  
*Authorized Public Accountant*