

Caution and uncertainty create continuous need for SEK's financing

During the year SEK has played an important role in assisting Swedish companies through export finance. New lending volumes for the first nine months amounted to approximately Skr 42.3 billion, an increase of Skr 8.1 billion on the corresponding period in 2011. The total volume of outstanding offers amounted to Skr 60.6 billion at the end of the period, a decrease of 3.7 billion since the start of the year.

- We believe that this period of uncertainty will remain for a long time to come. There will continue to be a strong need for a stable and well-functioning export credit system. During this unsettled situation it is especially important that the export companies has a secured financing, says SEK's CEO Peter Yngwe.

SEK has during the third quarter completed several successful funding transactions, including a transaction for 250 million dollars with the maturity of three years with interest from the Middle East and Africa

- Our message is clear – we have significant lending capacity to assist companies, and we want to collaborate with other institutions in order to help as many companies as possible, says SEK's CEO Peter Yngwe.

SEK's operations are performing well. Net interest revenues for the first nine months amounted to Skr 1,466.1 million, an increase of 9.4 percent on the previous year.

- Operating profit for the first nine months decreased to Skr 590.3 million, compared with Skr 1,210.2 million for the same period in 2011. Operating profit was decreased mainly due to unrealized changes in value. These unrealized changes in value was partly due to the fact that SEK's cost of new borrowing has fallen over the period, which means that the debt increase in value, which has a negative impact on earnings.
- The return on equity was 3.9 percent, compared with 9.4 percent in the year-earlier period.
- Operating profit, excluding changes in fair value, was Skr 1,393.3million, compared with Skr 1,107.7 million for the same period in 2011
- The common equity Tier-1 capital adequacy ratio was 20.5 percent at the end of the period (19.6 percent at year-end 2011)

SEK has restated its consolidated financial statements for Interim Report for the period January 1, 2012 –June 30, 2012, in order to correct certain consequences related to the implementation of new refined methods of valuation of financial instruments that was conducted during second quarter 2012. The changes have the overall effect of reducing previously reported net income for the second quarter 2012. The net effects of the restatement has resulted in a reduction of previously reported net profit after tax for the second quarter 2012 by approximately Skr 315 million and increase of previously reported total other comprehensive income by approximately Skr 40 million.