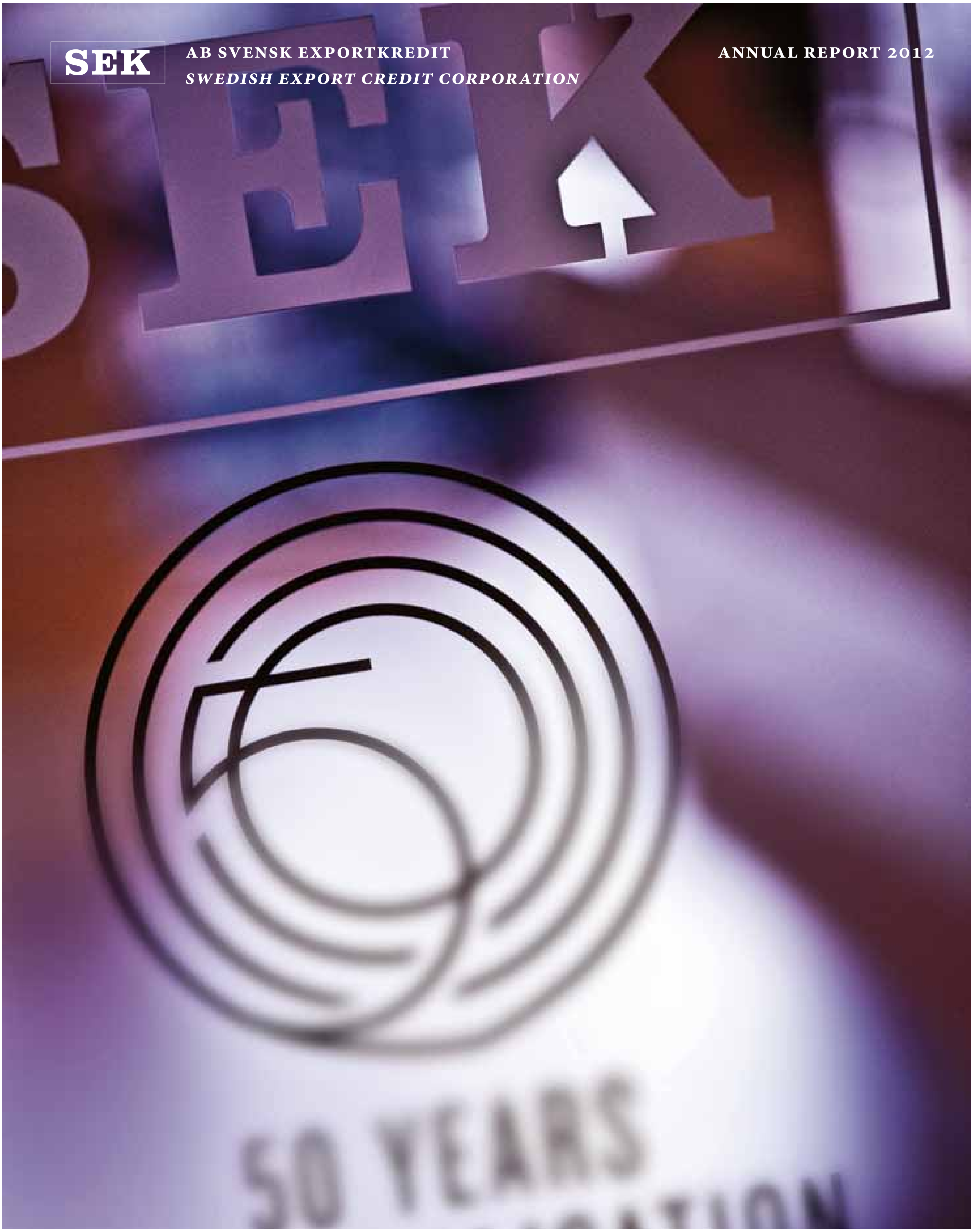
SEK

AB SVENSK EXPORTKREDIT

SWEDISH EXPORT CREDIT CORPORATION

ANNUAL REPORT 2012



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

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

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

FOR MORE INFORMATION about SEK's business operations, call our Communications Department on +46 8 613 83 00.

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SEK'S MISSION is to ensure access to financial solutions for the Swedish export industry on commercial terms.

WE PROVIDE AN ADVANTAGE and security for our clients through our independence, our specialization and our expertise in international financing.

SEK CELEBRATED its 50th anniversary in 2012. Export credits are as important now as they were in 1962 in helping Swedish exporters win orders. Our role over the past 50 years has been to strengthen the Swedish export industry. Our complementary role to banks provides reassurance for companies in both good times and bad.

50 YEARS OF GLOBALIZATION 1962–2012

Total new lending amounted to Skr

56.2

billion

(2011: Skr 51.2 billion)

Volvo CE supplies construction machinery to South Africa.

Find out more on page 33.

Ericsson's global expansion continues.

Find out more on page 28.

SEK's success is based on our partnerships with other financial institutions. A key factor in our ability to deliver competitive financial solutions to clients is our broad network of banking contacts.

Read Peter Yngwe's Statement on pages 6–10.

Successful funding despite turbulent market.

SEK had good access to capital markets funding from around the world, despite turbulent periods at times with major fluctuations on the financial markets.

Find out more about funding on pages 36–41.

Largest markets for SEK's LENDING (Skr billion)

W. Europe
23.3

Japan
New Zealand
Australia
10.3

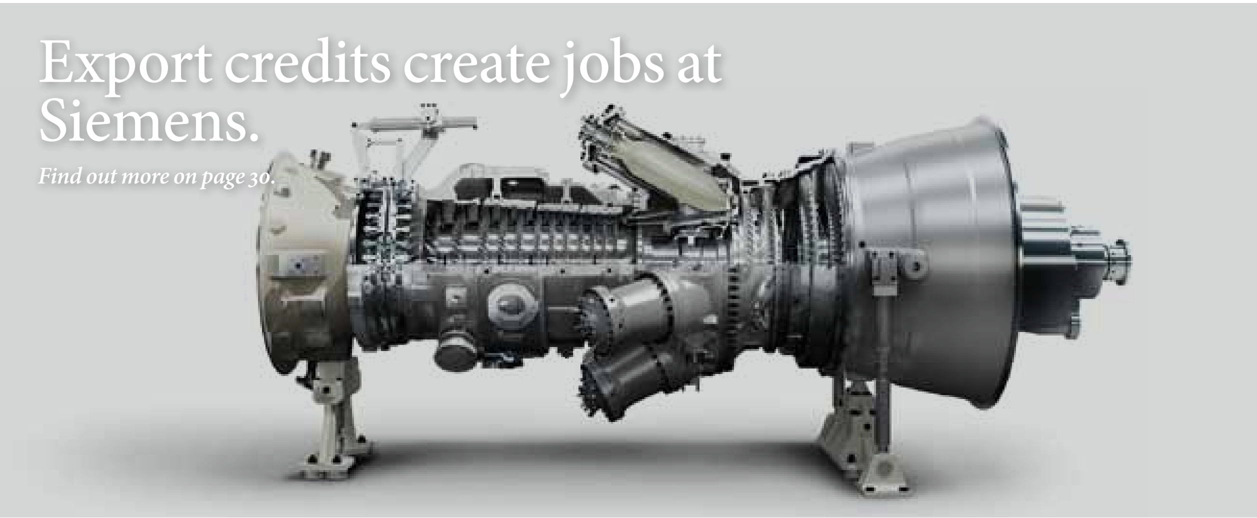
N. America
9.6

SEK's largest funding markets

Europe
37.2%

US
22.7%

Japan
22.0%



Export credits create jobs at Siemens.

Find out more on page 30.

Partnerships with Sparbanken Öresund and Northstar help SEK reach SMEs.

Find out more on page 32.

SEK and Danske Bank provide Getinge with USD 100 million in financing.

Find out more on page 34.

THE SECOND-HIGHEST EVER VOLUME OF LENDING FOR SWEDISH EXPORTS

2012 saw significant uncertainty surrounding economic development, both in Sweden and internationally. This resulted in increased austerity and restraint by companies and investors. Despite the caution in the markets, SEK was extremely active during the year, assisting Swedish exporters with total financing of Skr 56.2 billion, which is the second-highest volume ever.

THERE ARE A number of reasons for this high volume of lending. Many purchasers of Swedish exports are asking for financing, which is resulting in high volumes of end-customer finance. Another explanation is the reluctance of some banks to provide long-term lending. In 2012, numerous large and technically complex transactions were conducted in partnership with banks and this has been a key factor in achieving these high volumes. During the year SEK also celebrated its 50th anniversary, marking half a century during which SEK has assisted the Swedish export industry with financing, in good times and bad, contributing to the strong growth in Swedish exports.

THE GLOBAL ECONOMY faces significant challenges, with record-high government debt and major budget deficits. In recent years political leaders in Europe and the United States in particular have agreed on rescue packages to address the crisis in government finances. Most countries are seeing an even greater tightening of fiscal policy, while central banks are having to compensate through continued expansive monetary policies.

"Export credits and access to long-term financing are at least as important for Swedish exporters today as they were when SEK was founded."

SWEDEN HAS BOTH healthy government finances and an internationally competitive export sector. The combination of these factors means there are few Western countries in a better position to tackle these challenges. However, Sweden has a relatively small economy and is highly dependent on exports, which account for 50 percent of its GDP. Of those exports, the 100 largest export companies account for two-thirds and the 10 largest account for around one-third. This results in significant dependence on the largest exporters.

While exports have been negatively affected by the aftermath of the financial crisis, there is still a considerable global need for those products and services produced by Swedish companies. Sweden has a primary industry driven by the availability of raw materials in the form of forests and mines, we have companies with leading expertise in a number of fields such as IT/telecom and healthcare, and we have companies that deliver products and services used to develop societies that are sustainable in the long term. We also have highly successful businesses within other relatively new niches. Examples of such companies made up the three nominees for the Conqueror of the Year prize, awarded by SEK and Swedish business weekly Veckans Affärer: Payment solutions provider Klarna, computer games developer Mojang and the winner Acne, which designs and manufactures clothes.

"SEK's success is based on our partnerships with other financial institutions."

Sweden is dependent on a successful export industry and it is therefore vital that export companies continue to develop and succeed in business and, above all, that they continue to regard Sweden as a sufficiently attractive place to retain their operations. After all, major exporters are international companies and not dependent on any single country. That means they can move their business operations to another country whenever they like. To keep these businesses in Sweden we need to ensure that the business conditions here are sufficiently competitive. Sometimes a key requirement for the competitiveness of a company is access to financial solutions. That's where SEK plays a pivotal role.

AN ATTRACTIVE EXPORT credit system can be of crucial significance to where companies choose to base their production. For example, at SEK's seminar at the Almedalen forum Finspång-based Siemens Industrial Turbomachinery AB recounted that while the price and performance of their products are vital factors in the company winning business, the Swedish export credit system, including SEK, has been key to its production being located in Sweden. Thanks to this, between 700 and 1,000 jobs have been created in Finspång alone.

The system for funding Swedish exports comprises SEK, the Swedish Export Credits Guarantee Board known as EKN, Swedish banks, and also foreign banks. This system works very well from an international perspective. It is crucial for our export sector to have access to a system with secure financing and risk capacity. As part of the export credit system, SEK also manages, on behalf the Swedish state, the state-supported export credit system (the "CIRR system"), which is a consensus-based system within the OECD. Since 1990 SEK has generated a total surplus of approximately Skr 2.4 billion for the Swedish government. This surplus represents the total earnings under the CIRR system. All countries in the OECD and many countries outside it have export credit systems based on various types of institutions. Many countries have looked with interest at Sweden's export credit system and at SEK's specific role, particularly after the financial crisis. SEK's ability to ensure financing during tough times as well, when both the capital markets and the banks have experienced difficulty in offering financing, has been of particular interest. SEK's conservative business model and its access to all the world's capital markets differ from those of other institutions and are based on long-term and trusted operations on the global capital markets over many years. Countries that do not have an institution like SEK may have difficulty in developing a similar export credit system as it takes a long time to build the trust required to access the capital markets of the world, even during difficult times. There is significant demand for bonds issued by SEK. However, there is always a risk that turmoil on the capital markets will affect funding levels. SEK's high creditworthiness and Sweden's strong economy and low indebtedness mean that SEK is among those secure borrowers whose debt investors prefer to invest in during times of turmoil, which results in SEK's funding levels remaining relatively stable.

SEK DOES NOT assume any refinancing risk as we know that the most common cause of credit institutions, banks and other financial organizations encountering problems, and sometimes collapsing, is a sudden lack of funding for their own business. This means, for all of SEK's lending commitments, both outstanding and agreed but undisbursed credits, that access to financing is always put in place for the entire lending period. For example, if we provide a loan over 15 years, borrowing over 15 years or longer will have been put in place or access to such financing will have been secured. This ensures that our clients have access to financing via SEK and that SEK's investors are always paid when SEK's bonds mature.

SEK'S SUCCESS IN offering attractive financial solutions is based on our partnerships with other financial institutions. A key factor is our broad network of banking contacts. We therefore cooperate with a wide range of banks throughout the world and this cooperation has been very important in achieving high lending volumes.

We also have effective partnerships in place with the other organizations promoting Swedish exports, such as Business Sweden (formerly the Swedish Trade Council), EKN, Almi and Swedfund. Together we work to promote Swedish exports. An example of this cooperation is our offer of a special product, the Export Loan, in which we combine our various areas of expertise which also helps small Swedish companies that can't obtain a bank loan to win export orders.

SEK'S FINANCING SOLUTIONS AIM TO BE SUSTAINABLE IN THE LONG-TERM. An additional objective is for SEK to set an example on sustainability issues in its lending operations. For example, when we provide financing for international projects or business, we want to ensure that they meet international standards on business ethics, the environment and social responsibility. We want to make a difference in the transactions we are involved in and ensure that we contribute to further developing sustainable approaches to business. It is essential that we ask searching and detailed questions so that counterparties feel the pressure to change. Sustainability issues can sometimes involve very difficult judgments and we therefore cooperate with other stakeholders in those projects we help to finance. In 2012 we carried out a number of highly complex and rigorous sustainability reviews. Sustainability is an area that is constantly developing, and it is therefore especially important that we conduct an active dialogue with all our stakeholders, including exporters, purchasers, banks, authorities, NGOs and other organizations. We are constantly honing our expertise in this area. Setting a good example on sustainability issues is a strategic priority for SEK and SEK has established new sustainability targets for 2013. But it's not just about strategy, it's also about our own values. SEK aims to have high moral standards and a strong ethical compass to ensure that we and others act correctly.

In the autumn, it was discovered that a consultant, who was hired by SEK and who is married to SEK's then Head of Risk Control, had concealed that she had been convicted of financial crime. SEK engaged the services of PwC as an independent party to investigate the matter. As a result of this incident and the recommendations from the independent investigator, SEK has taken action to reduce the risk of similar incidents occuring in future. The Head of Risk Control resigned, having failed to follow SEK's code of conduct.

SINCE THE FINANCIAL crisis of 2008 many regulatory reforms have been introduced with good aims. The financial crisis highlighted new risks and an excessive level of lending in the financial system. Legislators therefore want to ensure that what happened in 2008 cannot happen again. For SEK it is vital that we retain our efficiency and profitability as we implement these reforms.

The reforms also introduce changes to the financial market. We have previously noted that the new regulations could lead to fewer banks and other financial institutions being willing to offer companies financing, especially over longer periods. This is due to increased costs and higher capital requirements for long-term lending. These reforms could also reduce competition in the financial sector as a result of higher establishment costs.

Our assessment is that some banks may not use their balance sheets for lending to the same extent as before and a credit crunch may gradually be felt as a result of this. Such a credit crunch could jeopardize access to financing and could lead to higher costs for companies or, worse still, to vital business not going ahead. It is primarily smaller companies that are at risk as they do not have has as much access to the capital markets as larger companies. Over the past year the capital markets have shown positive development, offering good opportunities for long-term financing on attractive terms for companies, especially larger ones. As an institution that acts as a complement to banks, SEK monitors the development of access to financing for companies as this can affect the role that SEK plays for companies. SEK also monitors changes in SMEs' access to financing in order to develop cooperation with banks so that we can reach these smaller companies.

THE NEW FINANCIAL REGULATIONS PRESENT CHALLENGES. But it is difficult to foresee the overall consequences of all the new regulations. Individual measures that are justified and have good intentions could, when their consequences are combined, end up creating new challenges. Although it's too early to draw overly far-reaching conclusions, it's important to monitor the uncertainty surrounding these reforms. The new regulations require SEK to adapt both its systems and, to some extent, its business model, which increases costs. In addition, earnings volatility is increasing as a result of unrealized changes in fair value, and transactions require much more risk capital. While the reforms will create challenges and require more risk capital, it is important to maintain a client focus and ensure that the export industry continues to have secure access to competitive finance solutions from SEK.

DURING 2012 SEK CELEBRATED ITS 50TH ANNIVERSARY. SEK was formed in 1962 to help provide financing for the export industry. Over the past 50 years SEK has assisted Swedish exports through financing, in good times and bad, contributing to the strong growth in companies that has generated prosperity for Sweden. Export credits and access to long-term financing are at least as important for Swedish exporters today as they were when SEK was founded. We commemorated our 50th anniversary by holding an international seminar for our clients and partners in order to discuss the challenges currently faced by the world based on the past 50 years of globalization, under the title "Beyond Globalisation". The celebrations were rounded off with an evening event and the opportunity for our contacts to meet.

In 2012, SEK played an important role by assisting Swedish companies with export finance, with the total volume of new lending in 2012 amounting to Skr 56.2 billion. The greatest interest among our clients was for our end-customer finance offering, whereby we provide financing to the customers of Swedish exporters, and for our offering of financing in local currencies. End-customer finance accounted for Skr 38.6 billion of new lending in 2012.

Operating profit for 2012 amounted to Skr 824.4 million. The Board of Directors has proposed that a dividend of Skr 212.6 million be paid to the owner, corresponding to 30 percent of net profit after tax. The return on equity was 5.0 percent and the excess return over the risk-free rate was 1.4 percent, compared with SEK's long-term profitability target of 5 percent over the risk-free rate.

In 2013 there will be an even greater focus on our clients. Satisfied clients are essential to our continued success and profitability. According to SEK's annual client survey, our current clients are very satisfied with SEK's work. We intend to continue to work on being a partner of choice for exporters and banks in co-arranging financing to and for the benefit of exporters. We want to further improve our range of services so we can support clients with innovative financial solutions. SEK is ready to take a more active role in transactions and also provide risk capacity in respect of both exporters and their end-customers. We also want to provide assistance through our expertise in financing, structuring and documenting transactions and through risk management. This will enable us to add further value for our clients.

SEK also wants to reach more clients. We have identified those Swedish exporters with annual revenues over EUR 50 million. There are currently around 350 such companies. It's important for SEK to develop a relationship with all of these companies so that they are aware of SEK's range of financing solutions and know how SEK can help alongside banks. In order to reach smaller companies that have not yet achieved this size we need to work more closely with banks and other financial institutions, with these partners primarily conducting the dialogue with and assuming the risk in respect of these businesses.

My view is that this period of uncertainty will continue for some time. If economic growth is to be safeguarded, it will take time to reduce certain banks' large balance sheets and certain countries' debt. During this period of fragile development there will be a continued strong need for a stable and well-functioning export credit system. In these uncertain times it is vital that exporters continue to have secure access to financing.

OUR MESSAGE IS clear – we continue to have significant lending capacity with good capabilities to finance Swedish export sales and we want to cooperate with other institutions to effectively assist all those exporters in need of long-term financing.

Stockholm, February 22, 2013
Peter Yngwe, President

FINANCIAL KEY RATIOS

Amounts (other than %) in Skr mn	2012	2011	2010	2009	2008
Results					
Net interest revenues	1,879.9	1,870.8	1,898.5	1,994.3	1,543.3
Operating profit	824.4	1,889.1	3,939.7	2,368.6	185.2
Net profit for the year (after taxes)	708.8	1,399.5	2,891.7	1,727.3	143.9
After-tax return on equity[1]	5.0%	10.5%	22.2%	14.5%	2.9%
Operating profit excl. unrealized changes in fair value[2]	1,652.6	1,847.6	4,114.7	1,599.3	833.9
After-tax return on equity excl. unrealized changes in fair value[3]	9.3%	10.3%	23.2%	9.7%	12.7%
Dividend[4]	212.6	420.0	2,191.0	518.0	–
Client financing					
New financial transactions with clients[5]	56,235	51,249	48,749	122,476	64,890
of which direct finance	17,577	20,549	24,388	67,744	32,705
of which end-customer finance	38,658	30,700	24,361	54,732	32,185
Loans, outstanding and undisbursed[6]	218,822	220,672	217,862	232,164	180,109
Volume of outstanding offers of lending[7]	59,525	64,294	86,623	84,506	27,394
of which binding offers	33,841	n.a.	n.a.	n.a.	n.a.
of which non-binding offers	25,684	n.a.	n.a.	n.a.	n.a.
Borrowing					
New long-term borrowings[8]	43,231	47,685	76,644	111,831	86,136
Outstanding senior debt	272,637	273,245	300,671	324,795	309,468
Outstanding subordinated debt	3,013	3,175	2,590	3,143	3,324
Statement of financial position					
Total assets	313,135	319,702	339,688	371,588	370,014
Total liabilities	298,723	305,734	327,118	358,133	359,620
Total equity	14,412	13,968	12,570	13,455	10,394
Capital					
Total capital adequacy ratio, incl. Basel I-based additional requirements[9]	23.1%	22.5%	22.4%	18.7%	15.5%
Total capital adequacy ratio, excl. Basel I-based additional requirements[10]	23.1%	22.5%	22.4%	19.8%	21.4%
Tier-1 capital adequacy ratio, incl. Basel I-based additional requirements[11]	23.0%	22.5%	22.4%	17.9%	14.8%
Common Equity Tier-1 capital adequacy ratio, incl. Basel I-based additional requirements[12]	19.8%	18.9%	18.7%	14.3%	11.7%

References to and definitions of the Financial Highlights are presented on page 55.

SEK AROUND THE WORLD

EXPORTTÅGET (EXPORT EXPRESS)

Taking the train to meet exporters in northern Sweden.

SEK'S 50TH ANNIVERSARY

In 2012 SEK marked half a century since it was founded 50 years ago. Its anniversary was celebrated on September 6 in Stockholm.

RECOGNITION FOR SEK TRANSACTIONS AND STAFF

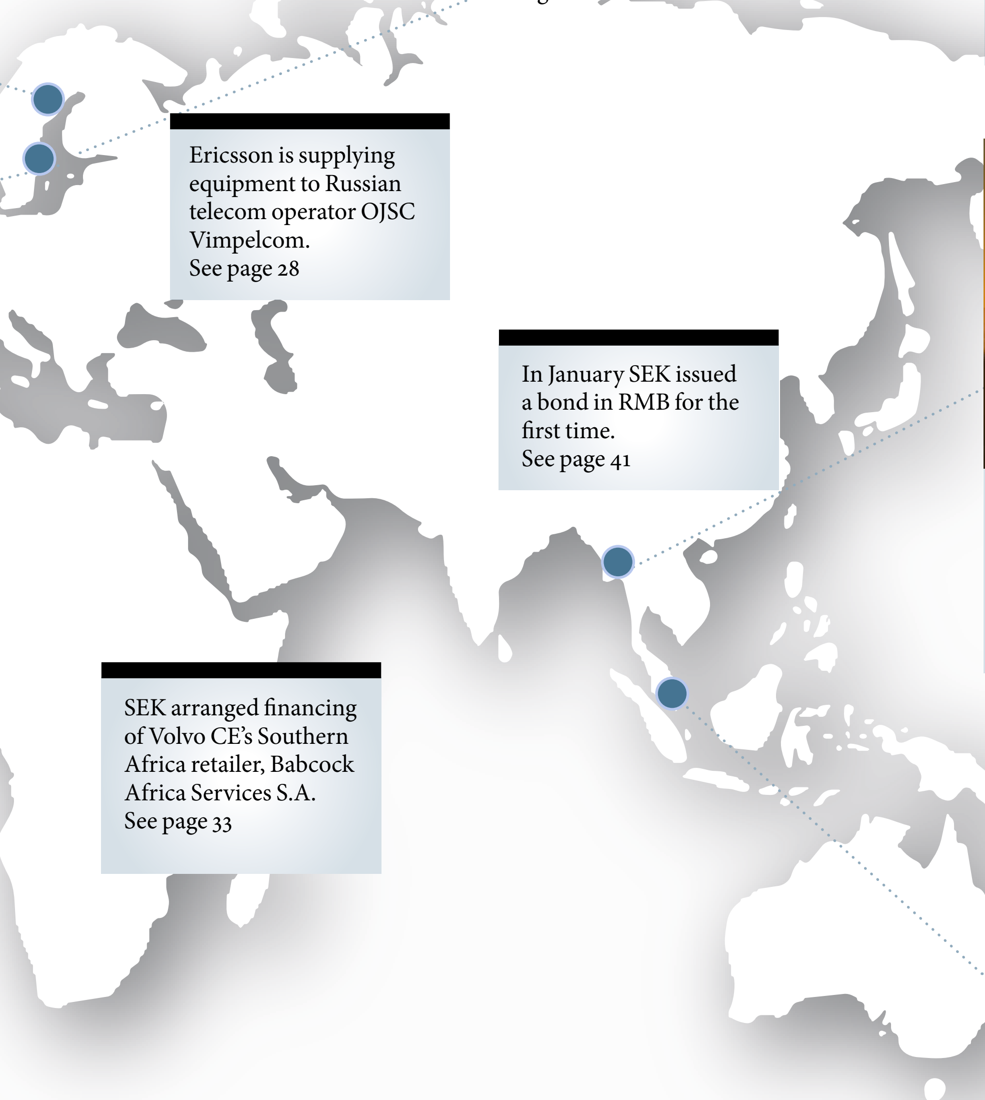
In 2012, SEK received numerous distinctions for its funding and its lending transactions gained a record number of awards.

In May, SEK issued a five-year global bond for USD 1 billion.
See page 41

During the year SEK financed Siemens' exports to Reficar in Colombia.
See page 30

New sustainability targets were set by SEK's Board of Directors within sustainable financing, business ethics, equality and diversity.

2012 was an eventful year for SEK. Lending to the Swedish export sector reached its second-highest level ever. SEK marked 50 years since it was formed with anniversary events on September 6. The Singapore office was expanded with an additional member of staff and SEK travelled through northern Sweden aboard Exporttåget (Export Express) to meet companies in the region. In November SEK took part in business delegations to Burma and Indonesia, represented by Peter Yngwe and others. For the third consecutive year we awarded the Conqueror of the Year export prize together with Swedish business weekly Veckans Affärer. The winner for 2012 was fashion company Acne, which received the award at Stockholm Concert Hall. SEK's transactions and staff also received recognition with a number of awards.



Ericsson is supplying equipment to Russian telecom operator OJSC Vimpelcom.
See page 28

In January SEK issued a bond in RMB for the first time.
See page 41

SEK arranged financing of Volvo CE's Southern Africa retailer, Babcock Africa Services S.A.
See page 33

CONQUEROR OF THE YEAR 2012

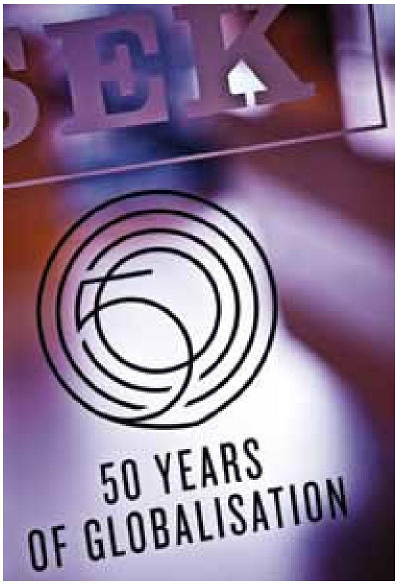
The "Conqueror of the Year" prize has been awarded by SEK and Swedish business weekly Veckans Affärer since 2010. The 2012 winner was Acne.

SEK IN BURMA

In November a Swedish business delegation travelled to Burma. The country is gradually opening up to companies, but it is a difficult country to operate in with regard to sustainability issues.

SINGAPORE

SEK's office in Singapore has generated new business opportunities and strengthened SEK's business and banking contacts in Asia. Carl Engelberth and Richard Anund are SEK's representatives there.



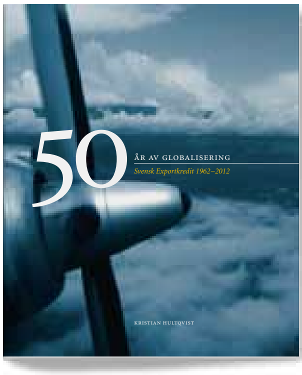
SEK CELEBRATES 50 YEARS

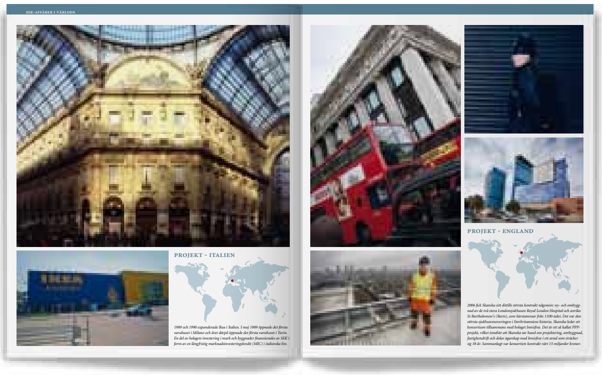
SEK celebrated its 50th anniversary in 2012. To highlight SEK's achievements and its continuing role in global exports, we entitled our anniversary "50 Years of Globalisation". The anniversary was celebrated on September 6 in Stockholm, with exports and globalization as the theme for the day. Our guests included clients, other representatives from Swedish industry and the export sector, partner banks from Sweden and around the world, export promotion organizations and representatives of the Swedish government.

It was both a memorable and informative day, with guests enjoying the opportunity to meet and listen to interesting people from around the world.

The day also included a seminar entitled Beyond Globalization at Stockholm Concert Hall, in which a number of internationally known guests participated. Proceedings were hosted throughout the day by Mark Jeffries, known for his work with the BBC and other media.

The day was rounded off with a buffet evening for our guests at the Nordic Museum, which offered a great opportunity for our network to meet. SEK took the opportunity of its 50th anniversary to highlight the importance of the Swedish export industry for Sweden's economy and the role that SEK has played.





50 YEARS OF GLOBALIZATION – THE BOOK

To mark SEK's anniversary in 2012 we also published a book entitled 50 Years of Globalization about SEK's history and its part in the story of Swedish industry.

SEK's role has always been to strengthen the Swedish export industry and this book is a slice of Sweden's industrial history. The book covers the Swedish shipyards, globalization and export successes, as well as the oil crisis, the Swedish banking crisis and the global financial crisis.

RECORD NUMBER OF AWARDS FOR SEK'S LENDING OPERATIONS

Transactions in which SEK was involved received a record number of awards last year. These distinctions related to transactions in 2011. Overall, five different financing transactions received a total of 10 Deal of the Year awards from various industry journals.

One deal, which involved financing for PT Axis in Indonesia for the purchase of equipment from Ericsson, received a total of four awards. This transaction involved what is known as Murabaha financing, which complies with Sharia principles.

The financing for Reficar in Colombia, for which SEK is financing turbines from Siemens in Finspång, received three awards (find out more on page 30).

In addition, there were also prizes for the financing of the Budarhals hydropower station in Iceland with equipment supplied by VG Power AB in Västerås, the financing of Stora Enso's and Arauco's jointly owned Montes del Plata pulp mill project in Uruguay, for which Andritz in Sweden is supplying a pulp-drying machine, and for Ericsson's supply of equipment to Aircel in India. All these deals were carried out in partnership with a large number of commercial banks, EKN – the Swedish export Credits Guarantee Board, and other institutions providing guarantees.

NTS/AXIS, INDONESIA

REFICAR, COLOMBIA

AIRCEL INDIA

BUDARHALS HYDROELECTRIC POWER PROJECT, ICELAND

MONTES DEL PLATA GREENFIELD PULP PROJECT, URUGUAY

INTERNATIONAL ACKNOWLEDGEMENT FOR SEK'S FUNDING OPERATIONS

In 2012 SEK also received a number of international awards for its professional funding operations at mtn-i's American Awards and Asia Pacific Awards. SEK gained five prestigious awards, including the Landmark Deal of the Year Award for SEK's first funding transaction in local Chinese currency, RMB.

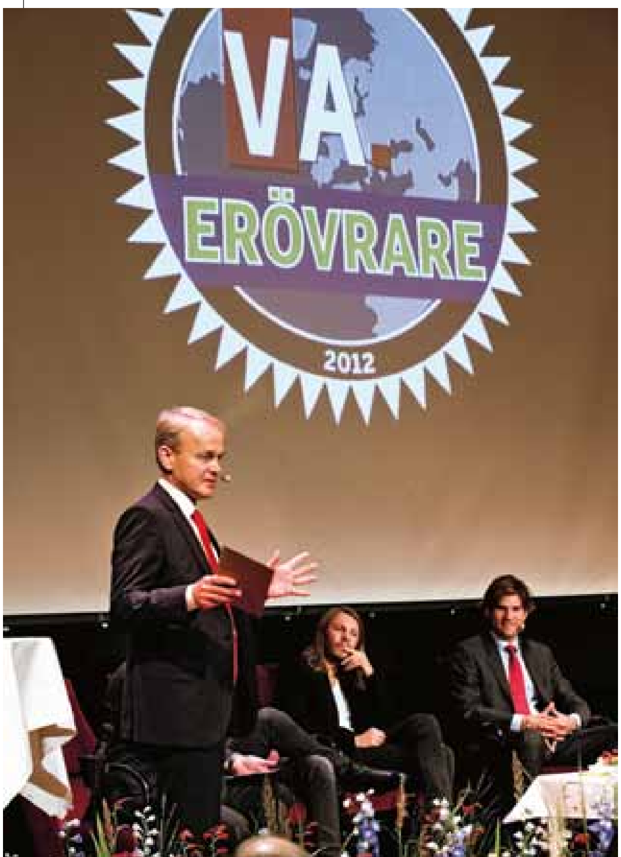
SEK'S DEPUTY COO RECEIVES RECOGNITION FROM VECKANS AFFÄRER

Jane Lundgren Ericsson, Executive Director & Deputy COO, was ranked 19th in Swedish business weekly Veckans Affärer's annual list of the 125 most powerful women in business. The magazine commented: "Veckans Affärer views her as something of a dark horse among power brokers in Sweden. She has been a member of the executive management of Sweden's third-largest state-owned company since 2005. She has direct responsibility for lending to Swedish exporters, overseeing a portfolio worth Skr 94 billion. And she is indirectly responsible for a lending portfolio worth just under Skr 200 billion."

CONQUEROR OF THE YEAR 2012

Conqueror of the Year is a prize awarded by SEK and Swedish business weekly Veckans Affärer since 2010. Conqueror of the Year is awarded to a company or person who has courageously, innovatively and successfully established a presence in a new market. The prize aims to encourage individual initiatives and a focus on innovation and modern sectors. This award enables SEK to be involved in finding the next generation of successful exports.

Three companies were nominated in 2012: Acne, Klarna and Mojang. Representatives of all three companies attended our Beyond Globalisation seminar at Stockholm Concert Hall on September 6 and they also participated in a panel discussion. Acne was named the winner for 2012, with the company's CEO Mattias Magnusson receiving the prize.



Klarna, Acne and Mojang were nominated for the Conqueror of the Year award. The prize was awarded to Mattias Magnusson, CEO of Acne, at SEK's 50 Years of Globalisation seminar on September 6.

EXPORTTÅGET (EXPORT EXPRESS)

On September 24-26 SEK took part in a trip on the Exporttåget (Export Express) train along the Inland Line in northern Sweden from Sveg up to Gällivare inside the Arctic Circle. Minister for Trade Ewa Björling was accompanied on the rail trip by export promotion companies and organizations. SEK representatives on the journey, President Peter Yngwe, Anders Nilsson and Edvard Unsgaard, held discussions with around 50 companies about challenges and opportunities for growth.

BURMA

In November a business delegation travelled from Sweden to Burma. The delegation included Swedish Prime Minister Fredrik Reinfeldt, numerous Swedish companies and export promotion organizations SEK, the Swedish Trade Council and EKN. Following a long period of military regime in the country, the EU's Minister for Foreign Affairs decided in 2012 to suspend sanctions against Burma, with the exception of a weapons embargo. This decision opens a new market for Swedish companies offering interesting business opportunities. For example, mobile phone penetration in Burma is only a few percent.

SEK travelled together with Swedish companies to examine conditions for business opportunities in this market, provided that developments continue to move in the right direction and it is possible for sanctions to cease permanently. However, Burma is a difficult country to do business in from a sustainability point of view, and it is essential for Swedish export promotion organizations to be able to account for long-term sustainable business. This applies to all export deals, irrespective of what country exports go to, but it is particularly important that such a delegation takes the opportunity to explain our approach on these issues.

DIFFERENT ROLES IN THE SWEDISH EXPORT CREDIT SYSTEM

EXPORTERS

Exporters, who want to generate an export transaction. Financing is often vital for an export deal to go ahead, as many purchasers of Swedish export products specify financing as a requirement.

BANK

A bank arranges financing for the deal. The bank acts as arranger, manages the documentation process, negotiates and handles administration. The bank identifies the best financing solution for its client on the market. The bank turns to SEK for export credits when SEK's offering is the most attractive, for example if the loan needs to be long-term or needs to be issued in a currency that is difficult to access. Exporters can also turn to SEK directly and SEK may then turn to a bank for help in structuring the deal.

EKN

EKN, the Swedish Export Credits Guarantee Board, issues guarantees and insures exporters and banks against the risk of not being paid or against other breaches of contract. A guarantee from EKN provides greater confidence in a transaction and gives the exporter or bank the ability to offer better financial terms due to lower transaction risk. EKN also provides advice and risk management. The decision to issue a guarantee is based on a professional assessment of the risk. EKN is funded by the premiums paid by the companies that receive the guarantees.

SEK

SEK provides financing and acts as a complement to banks. Its in-depth expertise, significant experience, an effective global network of contacts and high creditworthiness mean SEK has good access to long-term funding. It can also borrow in currencies that are hard to obtain and is able to access funding during difficult conditions on the financial markets. SEK can also co-arrange financing and provide financial advisory services. SEK acts a complement to banks and operates on commercial terms.

Comparison between different countries

All countries within the OECD and some outside it support their exports through an export credit system.

The Swedish system is based around a number of organizations: exporters, banks, SEK and EKN (the Swedish Export Credits Guarantee Board). An important factor in the success of the system is that each party plays a clear and mutually beneficial role. The banks contribute through their networks and by arranging deals. EKN can guarantee payments and SEK can supplement financing.

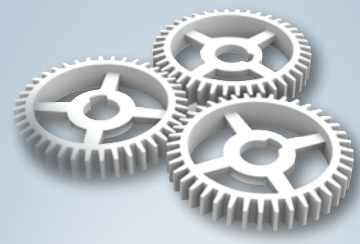
Different countries have different export credit systems. Norway and Sweden have similar arrangements, with various organizations including a guarantee institution, a finance institution and the banks, providing structuring and a certain degree of risk assumption. In certain countries, export credit institutions manage all aspects. They borrow funds, they structure lending and they assume all the risk in transactions. This is the system used, for example, by Ex-Im in the United States and by EDC in Canada. Denmark and Finland have created new lending programs following the 2008 financial crisis and lending is now managed via these countries' export credits guarantee institutions. Southern European countries only offer credit risk guarantees, rather than financing of export credits.

Many countries that are not currently able to offer financing are working on options so that they can offer export credit finance, and representatives from a number of countries have visited SEK to see how we work. But developing an export credit system from scratch is a significant challenge; one of SEK's major advantages is its long history which creates confidence, particularly when it comes to borrowing funds.

An advantage of the Swedish system is that SEK operates on commercial terms, complies with the same regulations as banks and acts as a complement rather than a competitor to commercial banks. This provides a necessary boost for export sales, banks retain a significant role and SEK generates a profit and a dividend. Those countries that, like Sweden, have a system that provides financing have an advantage in their export credit offering as long-term lending in banking systems has become more expensive as a result of regulatory reforms.

Export credits are covered by the OECD Consensus on Export Credits, under which countries have agreed guidelines to avoid individual countries providing their export industry with inappropriate subsidies. SEK offers financing of export credits both at variable market rates and within the state-supported CIRR system. CIRRs, commercial interest reference rates, allow companies to borrow at a fixed rate of interest. In Sweden, SEK's administration of the CIRR system since 1990 has generated a surplus.

SEK's business model



The business model is, in essence, simple and transparent. SEK arranges financing for exporters (direct finance) and exporters' customers (end-customer finance). The aim of all its business operations is to strengthen the Swedish export industry and Swedish competitiveness internationally. In order to arrange finance for exporters SEK borrows money in the form of bonds. These borrowings are swapped to a floating interest rate, regardless of conditions with regard to debt investors. Funds that are not used immediately for lending (at a floating rate of interest) are retained in the form of liquidity placements (at a floating interest rate). The volume of liquidity placements is made up partly of new lending capacity. In addition to this capacity, borrowed funds are available for payments relating to agreed but undisbursed credits, as well as a liquidity buffer for potential payments under collateral agreements. Beyond those market risks that occur from unrealized changes in fair value, markets risks are consequently limited, although unrealized changes in value resulting from various spread risks can have a significant impact on both overall market risk and earnings. SEK assumes no refinancing risk. The credit portfolio is characterized by high credit quality but relatively high concentration risk.

To ensure access to competitive finance in both good and bad times, SEK conducts diversified funding operations. The company's strategy is to be flexible and available on all markets and, using derivatives, to "create" borrowing in the currency and at the fixed interest required by SEK's lending operations (and ultimately the exporter or exporter's customer). This flexible strategy means the company is able to take advantage of the best borrowing opportunities, irrespective of market, which helps improve diversification and risk reduction. This strategy leads to lower funding costs over time. SEK's business model also includes numerous considerations regarding issues, or restrictions and conditions to take into account. These primarily relate to its cost base, funding, liquidity, risk appetite and limit capacity. A growing number of more complex regulations are also increasing the pressure on our profitability.

Before lending funds, SEK conducts a credit risk assessment and a sustainability review. Setting a good example on sustainability issues is a strategic priority for SEK. SEK shall ensure that the products and businesses that we finance meet international standards on business ethics, the environment and social responsibility.

LENDING IN BRIEF

SEK offers attractive financial solutions for the Swedish export industry. This provides exporters with access to competitive financing for their international sales, either through direct finance or end-customer finance.

During 2012 SEK experienced strong demand from the Swedish export industry. Total new lending amounted to Skr 56.2 billion, with Skr 38.6 billion consisting of end-customer finance and Skr 17.6 billion made up of direct finance. This was the second-highest volume ever in a single year.

SEK'S LENDING OPERATIONS consist of end-customer finance, in which SEK provides financing for the customers of Swedish exporters (i.e. buyers of Swedish goods and services), and direct finance of working capital for Swedish exporters. In end-customer finance SEK acts as a complement to banks both by providing long-term financing and, on a selective basis, by assuming some risk in respect of the end-customer. SEK aims to ensure that those projects and business activities that we finance meet international standards on business ethics, the environment and social responsibility. A credit risk assessment and sustainability review are performed before a loan is granted.

It was chiefly within end-customer finance that demand was high in 2012. Total lending in this area was Skr 38.6 billion across 262 deals. Demand has also been affected by some banks' being less willing than before to provide long-term lending and many purchasers of Swedish export goods requiring long-term financing.

In 2012 SEK further developed its cooperation with many banks, which increasingly regard SEK as a natural partner. This view is based on the fact that SEK's mission and its role as a complement to the banks are now clearer than they previously were. Banks can help their clients while sharing risk with SEK. This applies, for example, in Trade Finance, an area in which SEK has conducted transactions with a number of banks for its clients. An example of such a transaction is SEK's financing of Volvo Construction Equipment AB's Southern Africa retailer, Babcock (see page 33).

Many large and technically complex transactions have been conducted in partnership with banks and the banks have played a key role in achieving these high volumes. One of the ways SEK contributes is through its knowledge of the Swedish export credit system. (See the example of Ericsson's order from Sprint on page 28.)

SEK also believes that financing is becoming an increasingly important factor in where companies base their production. The competitiveness and accessibility of the Swedish export finance system helps encourage foreign companies to base their production in Sweden, creating jobs in the country. This was the case with one of SEK's major project finance deals, in which Siemens' supply of turbines for the Reficar project in Colombia led to the creation of jobs in Finspång in Sweden (find out more about Siemens on page 30).

2012 also saw the development of the Customer Finance product area, both with new clients and through negotiations on cooperation agreements with existing clients. Many exporters are keen to reduce their customer finance portfolios, or have reached their limit in terms of the amount of risk they are willing to take on, and SEK can help in this respect.

The volume of direct finance in 2012 amounted to Skr 17.6 billion across 192 deals. Direct finance during the year was affected by better-known companies having good access to the capital markets.

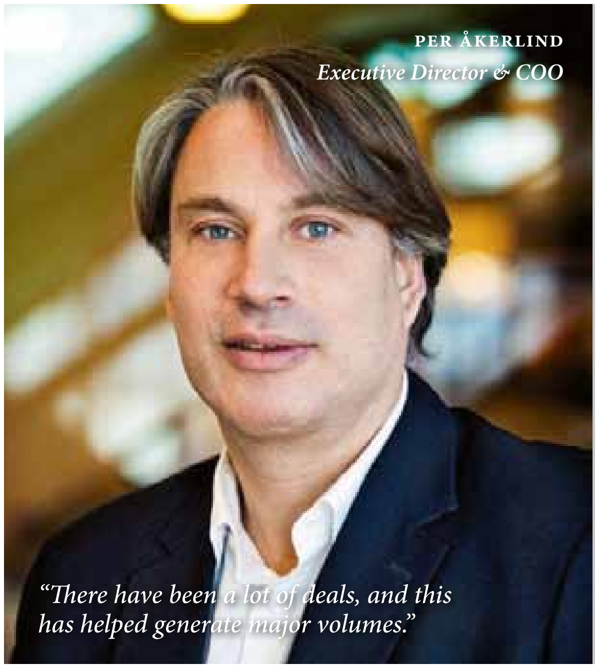
There has been significant demand within direct finance for lending in local currencies, and we conducted around 120 different deals in local currency, with a total lending volume of approximately Skr 3 billion. SEK's local-currency lending included a loan in the Chinese currency, RMB, to Volvo.

As part of its efforts to improve its understanding of client needs, SEK has chosen to structure lending according to 10 sectors. These 10 sectors are: IT and Telecom, Auto, Industrials, Materials, Construction, Consumer, Energy, Forest and Paper Products, Healthcare and Shipping and Port Logistics.

"Satisfied clients are essential to our continued success and profitability."

IT and Telecom, Forest and Paper Products, Industrials and Auto have long been important for Swedish exports, and this was also the case in 2012, with just over Skr 45 billion of SEK's total lending going to these sectors.

The regions that dominated were Western Europe (Skr 23.3 billion), Japan/Australia/New Zealand (Skr 10.3 billion) and North America (Skr 9.6 billion). However, we also saw significant interest in financing for Swedish exports to Latin America (Skr 5.7 billion).



SEK is also active through a number of different products to help small and medium-sized enterprises (SMEs). In 2012, together with other members of the "Export Family" of organizations (EKN, Almi, the Swedish Trade Council (now called Business Sweden) and Swedfund), SEK continued to develop the Export Loan for SMEs. Another specific example of financing for SMEs is SEK's partnership with Handelsbanken, whose clients include small and medium-sized companies for whom financing is a significant factor in winning orders. Handelsbanken arranges the transactions and then gets in touch with SEK to supplement the transaction with financing over longer maturities. This accounts for around 15-20 transactions each year. SEK has also partnered with Northstar, which creates greater opportunities for SEK to finance SMEs' export business. Northstar's owners include the Luxembourg state and Canadian banks and the company specializes in helping European SMEs with financing. The company arranges financing for deals and SEK lends to exporters in exchange for a guarantee from Northstar. This allows exporters to focus on their business instead of funding issues. We have conducted a handful of transactions under this partnership. A fourth example of how we reach out to SMEs is through our partnership with regional bank Spar-

SEK'S MISSION

THE OPERATING GUIDELINES for SEK's mission state that SEK may assist with financing for companies and their customers if there is a Swedish interest and a connection with exports, provided that the transaction takes place on commercial terms and is financially attractive. This means that SEK may provide credits if a Swedish company (including its subsidiaries abroad) makes export sales, but also that SEK may finance a foreign company's exports to other countries if the production takes place in Sweden.

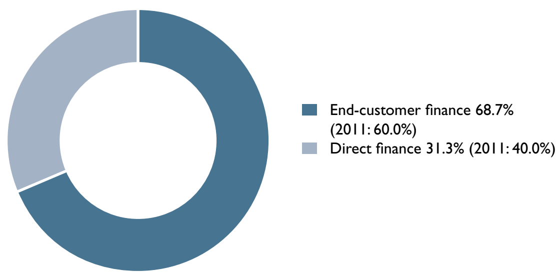
SEK MAY FINANCE exporters and their end-customers. According to SEK's instruction from the Swedish government, it shall provide support through CIRR loans and export credits of primarily long-term duration, corporate loans of primarily long-term duration and with a direct link to export activities, lending in local (unusual) currencies, long-term project finance, and advice in internationally procured and funded projects and sustainability requirements.

BOTH SEK'S FUNDING and lending take place on commercial terms. In addition, SEK must ensure that transactions meet the company's profitability objectives *(which must cover borrowing costs, operational costs, credit risk and profit margin)* and sustainability targets.

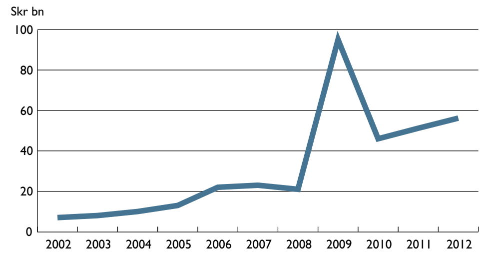
CAPACITY FOR NEW LENDING

SEK'S PURPOSE IS to assist Swedish export companies and their customers with financing. This is important, especially during more difficult times and when companies' sources of other financing are scarce. We maintain capacity so that we can continue to lend money to our clients even if funding becomes difficult or if it were to become impossible to borrow money on the markets. SEK's lending capacity currently corresponds to approximately nine months' new lending at the normal pace of lending.

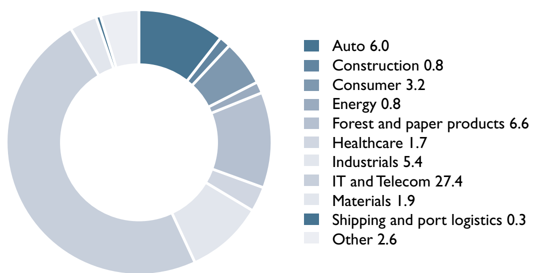
BREAKDOWN BETWEEN END-CUSTOMER FINANCE AND DIRECT FINANCE



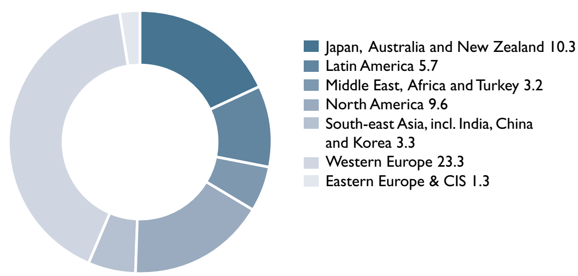
NEW LENDING TRANSACTIONS FOR CLIENTS BY YEAR (SKR BN) ACCORDING TO NEW DEFINITION (= TO AND FOR THE SWEDISH EXPORT SECTOR)



LENDING BY SECTOR (SKR BN)



LENDING BY REGION (SKR BN)



banken Öresund to assist exporters with long-term finance (see example on page 32).

SEK works closely with its clients. For example, in February 2012 SEK was present at the world-leading Mobile World Congress in Barcelona. SEK was invited along with EKN by Ericsson to participate in around 50 meetings with operators from around the world. In the face of tough competition for network equipment, Ericsson needs an even closer partnership with providers of finance and guarantees so that it has a long-term financing solution that it can present to customers when bidding for orders.

Satisfied clients are essential to our continued success and profitability. According to our client survey, existing clients are very satisfied with SEK's work. Client satisfaction of over 80 is considered very high, and SEK achieved a score of 86 in the latest survey.

SEK's clients currently consist mainly of approximately the 100 largest exporters in Sweden. SEK aims to help exporters even more in 2013. We intend to leverage the potential of SEK's entire range of services and those of its partners and to work even harder to develop relationships with Sweden's 350 largest companies. Based on our complementary role in the market, we will work together with other organizations to put together the best possible solutions for clients and for SEK.

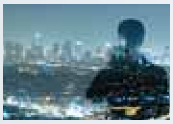
We want these companies to know about the benefit that SEK can create for Swedish exporters so that SEK can also assist these other companies with long-term finance where it is required. SEK also wants to reach out to more small and medium-sized companies through its partnerships with Handelsbanken, Northstar and other government agencies through the Export Loan product and with other Swedish banks.

END-CUSTOMER FINANCE

SEK offers end-customer finance, which involves providing finance to foreign purchasers of Swedish goods and services.

EXPORT FINANCE

Export Finance is currently SEK's most in-demand product. This involves financing an exporter's export order, which may be capital goods or services. The loan is made to the purchaser and the exporter is paid on delivery.



MORE ABOUT Sprint on page 28 as an example of Export Finance

PROJECT FINANCE

Project Finance involves making a loan for a specific purpose. Lending is made to a company that is newly formed for the purpose of the project and for a set period, often over the lifetime of the project. These loans do not normally impact the balance sheet of the owners' existing companies and usually imply limited risk for the owners.

MORE ABOUT Siemens on page 30 as an example of Project Finance

TRADE FINANCE

The discounting/purchase of accounts receivable, discounting of bills of exchange, financing of banks' discounting of accounts receivable, bills of exchange or receivables in individual transactions or portfolios and financing for a limited period until the export credit funds are paid out.

MORE ABOUT Babcock on page 33 as an example of Trade Finance

CUSTOMER FINANCE

The financing arrangement is tailored to an individual exporter. This type of end-customer finance is currently offered in Brazil, Chile, Mexico, Peru, Colombia, Vietnam, Indonesia, Thailand, Spain, Italy and Turkey.

MORE ABOUT Elekta on page 35 as an example of Customer Finance

DIRECT FINANCE

SEK offers working capital finance direct to, or for the benefit of, Swedish exporters and their subsidiaries.

LENDING TO COMPANIES

Bilateral loans from SEK to exporters. SEK also co-arranges financing together with Swedish and international banks and other partners in what are known as club deals.

MORE ABOUT Getinge on page 34 as an example of Lending to Companies

LOCAL CURRENCIES

SEK provides financing in local currencies to a greater extent than many banks. Exporters sign a framework agreement with SEK and are then able to order financing in a number of local currencies. This makes it easier for Swedish exporters to finance their operations in different markets. In 2012, for example, SEK was able to offer lending in the Chinese currency, RMB, direct to Swedish companies.

LENDING TO FINANCIAL INSTITUTIONS

SEK may finance banks provided that the funds are ear-marked to be lent on to Swedish exporters. This is primarily a means for reaching SMEs with which SEK otherwise does not have direct contact.

THE EXPORT LOAN

SEK, EKN, Almi, Business Sweden (formerly the Swedish Trade Council) and Swedfund cooperate on the Export Loan and other financing products for SMEs. When companies have insufficient credit capacity, the Export Loan can enable them to carry out export deals that require increased working capital.

ERICSSON'S GLOBAL EXPANSION CONTINUES

VIMPELCOM

RUSSIAN TELECOM OPERATOR OJSC VimpelCom is in the process of enhancing its 3G network to meet demand for mobile data communication. HSBC, acting as Global Arranger and SEK agent, arranged a USD 200 million equivalent RUB-denominated facility to refinance the equipment, software and services supplied by Ericsson AB. SEK is providing the lending. Nordea acted as Mandated Lead Arranger and risk participant alongside HSBC.

"With this debut SEK-funded ruble facility, HSBC has further developed its expertise as the lead arranger of ECA facilities in Russia. We have close relationships with SEK and EKN and are very pleased to have arranged this third RUB-denominated facility with them in support of our key clients, OJSC VimpelCom and Ericsson," says Andrew French, Director of Northern European Export Finance at HSBC.

HSBC and SEK successfully concluded a swap from USD to RUB whereby the borrower, OJSC VimpelCom, makes repayments under the financing in RUB.

"We are very proud to have supported Ericsson, VimpelCom and the banks through this first RUB-denominated, EKN-backed export credit with funding from SEK. This innovative structure will enable us to broaden our offering going forward and further support our clients," says Jan Brickner, Director with SEK Structured Finance.

The financing has a seven-year amortization structure.

SPRINT

ERICSSON AND US-BASED Sprint Nextel have agreed a major deal with financing from SEK as co-arranger. Sprint Nextel is the third-largest mobile operator in the US with a subscriber base of more than 55 million users. The deal with Ericsson is a part of Sprint's Network Vision expansion plan, which includes the roll-out of an LTE network. The closing of the Ericsson deal with Sprint was supported by CIRR financing of USD 1 billion, which has a final maturity in March 2017.

"The unique fixed-rate USD CIRR ability and telecom expertise were big factors in our decision-making for the first ever ECA-backed financing facility in Sprint's history. While the CIRR aspect of the funding brings stability to our borrowing costs, the USD funding eliminates any FX risk. Just as important, the SEK team's expertise in telecom made it easy for us to establish a relationship and explore various alternatives together in a short time. Not only were they very constructive and resourceful during origination, but they also provide close support for day-to-day operations of the facility," says Jay Cetin, Assistant Treasurer at Sprint.

The financing was arranged by a group of financial institutions led by Deutsche Bank and including Credit Suisse, Nordea, SEB and SEK. Deutsche Bank is also acting as the Facility Agent and ECA Agent. The transaction is funded by SEK and is guaranteed by EKN.

The deal is further evidence that Ericsson remains an industry leader and that North America is one of its key markets.

"We're pleased to be able to provide financing in support of the ongoing partnership between Ericsson and Sprint. The fact that the transaction was concluded in a very short period of time despite its large size and complexity is proof of the good cooperation between the finance parties, Ericsson and Sprint," says David Lindström, Director with Structured Finance at SEK.

"SEK has performed extremely well under a very tight time schedule and acted very professionally in supporting Ericsson during this important transaction. This demonstrates not only a high level of expertise at SEK, but also the importance of its relationship with other financial institutions," says Stefan Karlsson, Senior Advisor with Customer and Trade Finance at Ericsson.

EXPORT CREDITS CREATE JOBS

SIEMENS INDUSTRIAL TURBOMACHINERY AB in Finspång manufacturers gas and steam turbines for power generation and to drive pumps and compressors. In 2012, SEK provided total financing of Skr 2.1 billion for Siemens' projects in Colombia and Spain. Siemens says it chooses to base this production in Sweden rather than elsewhere because of access to the Swedish export credit system and SEK.

"Because of the access to the Swedish export credit system, including financing through SEK, between 700 and 1,000 jobs are being created in Finspång alone. We win business based on the price and performance of our products. But financing from SEK has helped bring about sales that would otherwise not have been possible," says Siemens Industrial Turbomachinery CEO Hans Holmström.

SEK is seeing numerous examples of companies choosing to base production in Sweden because of access to the Swedish export credit system.

"It's very pleasing that an increasing number of international companies are making use of the Swedish export credit system. It means that SEK is helping to create and secure Swedish jobs," says Arne Ljung, Director with CRM Corporate at SEK.

An example of the financing for Siemens is Reficar (Refineria de Cartagena), a refinery in Cartagena, Colombia. This currently has a capacity of 80,000 barrels a day. The expansion of Reficar is an important part of parent company Ecopetrol's future plans and will double its capacity to 165,000 barrels per day, creating a world-class refinery.

A project of this size, at just under USD 5 billion, involves many suppliers. Siemens' unit in Finspång supplied three gas turbines and related equipment to Reficar. SEK provided an export credit, guaranteed by EKN and arranged by HSBC, and also participated in the project finance arranged by Bank of Tokyo-Mitsubishi UFJ. The transaction was named among the Best Deals of 2011 and awarded Project Finance Deal of the Year 2011 by GTR Global Trade Review.

EXPORT CREDITS BUILD PULP PLANT IN BRAZIL

METSO IS SUPPLYING all main technology for the greenfield pulp mill of Suzano Papel e Celulose S.A., that is being built in the state of Maranhão in the northeastern part of Brazil. Suzano Papel e Celulose is a forestry-based company and one of the largest vertically integrated producers of pulp and paper in Latin America. At the end of 2013, the state of Maranhão will have one of the most modern pulp plants in the world, with production capacity of 1.5 million tons of pulp per year for export. It will be a completely self-sufficient plant in terms of energy, and will have generated over 15,000 direct and indirect jobs.

The Metso deliveries are financed through an export credit of USD 535 million with a tenor of 9.5 years provided by BNP Paribas/Fortis Bank SA/NV as structuring bank and ECA agent, Nordea Bank AB Publ, Nordea Bank Finland Plc, Société Générale and SEK, with guarantees provided by Finnvera and EKN.

PARTNERSHIPS HELP SEK REACH SMEs

SPARBANKEN ÖRESUND

OUR CLOSE PARTNERSHIP with Sparbanken Öresund enables SEK to assist small and medium-sized Swedish exporters with long-term financing. In addition, Sparbanken Öresund's wholly owned subsidiary FriSpar Företagskredit AB provides the bank's clients with access to long-term financing, which is guaranteed by the European Investment Fund, EIF.

"We're very proud and pleased that the constructive partnership with SEK and EIF provides us with additional opportunities to offer our corporate clients long-term lending on favorable terms. This partnership fits well with our role as a regional bank as it helps stimulate growth in the regional economy," says Göran Sjöberg, Head of Corporate Marketing at Sparbanken Öresund.

Sparbanken Öresund's know-how and close relationships with companies in the region, combined with SEK's ability to provide financing on favorable terms, create good conditions for helping small companies grow. It's also positive that EIF is providing a guarantee to create growth in Sweden.

"SEK's mission is to assist Swedish exporters with long-term financing solutions. The partnership with Sparbanken Öresund provides us with a further opportunity to reach small and medium-sized companies," says Håkan Lingnert, Senior Director at SEK.

NORTHSTAR

SEK FINANCED THE export by G. Larsson Starch Technology of a starch extraction machine to Codipsa in Paraguay. This transaction was carried out in partnership with financing institution Northstar with reinsurance from EKN, which together are guaranteeing the loan. The partnership with Northstar increases opportunities for SEK to finance smaller export transactions. Northstar arranges the financing of deals and draws up a loan agreement with the exporter's customer, to which SEK provides financing.

"Our cooperation with Northstar is successful. It allows exporters to focus on their business rather than issues of financing and we've carried out a few transactions under this partnership," says Henrik Josefsson, Associate Director with SEK Export Finance and Trade Finance.

SEK FINANCES VOLVO CE'S RETAILER

VOLVO CONSTRUCTION EQUIPMENT

TOGETHER WITH CREDIT Agricole CIB Sweden's Stockholm branch, SEK arranged financing of Volvo Construction Equipment AB's Southern Africa retailer, Babcock Africa Services S.A. Volvo Construction Equipment AB receives the funds from SEK upon delivery of goods and consequently does not need to use its own working capital to finance and support its retailer.

"This transaction demonstrates that SEK isn't just a financing partner, it's also a partner for sharing risk," says Patrik Achtman, Director at Volvo Construction Equipment AB Region EMEA, Project & Structured Customer Finance.

GETINGE'S INTERNATIONAL EXPANSION CONTINUES

IN THE FOURTH quarter of 2012 SEK, together with Danske Bank, financed Getinge with two loans amounting to USD 50 million each. One of the loans is for a period of four years and the other is for five years.

"We're working to expand our sources of financing and the arrangement with SEK is an excellent example of this," says Peter Hjalmarson, Group Treasurer at Getinge.

This finance provides a basis for Getinge's continued international expansion.

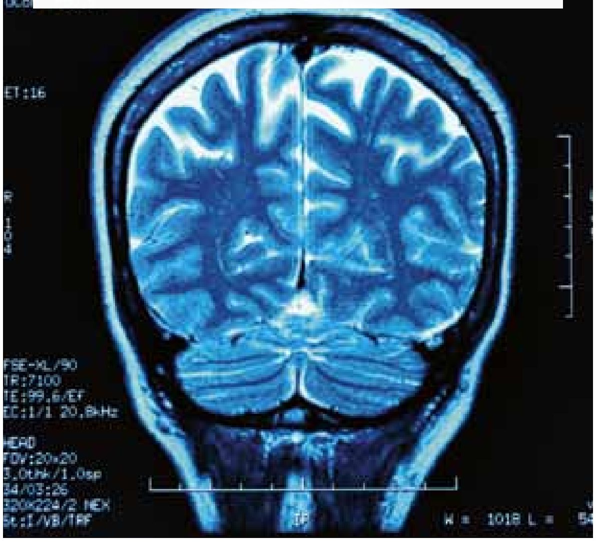
"This loan is a good example of how SEK is successfully cooperating with a local bank to ensure loan financing for a company with high aims for international expansion," says Patrik Lindgren, Director with SEK CRM Corporate.

ELEKTA'S EQUIPMENT CREATES WORLD-CLASS CANCER TREATMENT

IN 2012, SEK provided financing for Swedish medical technology company Elekta's sale of products to Hospital do Coração in Sao Paolo, Brazil. Elekta has sold both an Elekta Gamma Knife and two Elekta Axesse linear accelerators. The Gamma Knife is used for radiation treatment of targets in the brain, especially cancerous tumors, while the Elekta Axesse linear accelerator is used for radiation therapy of cancer in the rest of the body, from the head downwards.

"Hospital do Coração in Sao Paulo is one of Latin America's most respected hospitals. The fact that our Customer Finance partnership with Elekta is both promoting Swedish exports and also contributing to world-class cancer treatment in Brazil is very gratifying," says Andreas Karlegård, Associate Director with Corporate and Customer Finance at SEK.

"Our collaboration with SEK is a highly appreciated enabler for bringing better cancer care to emerging markets," says Håkan Bergström, Elekta CFO.



SCANIA BUSES TO CHILE

SEK FINANCED SCANIA'S supply of 231 buses to the Chilean capital Santiago. This order means that Scania's buses are now part of the Transantiago integrated public transport system, which links the city's bus and metro lines.

FUNDING IN BRIEF

SEK is one of the Nordic region's largest borrowers on the international capital markets. Funding primarily consists of global benchmark bonds and other retail bonds. Its successful funding operations are the reason why SEK is able to offer exporters competitive financing.

SUCCESSFUL FUNDING DESPITE TURBULENT MARKET

SEK had good access to capital markets funding from around the world in 2012. Funding was successful during the year, despite turbulent periods at times, with major fluctuations on the financial markets in the wake of the European debt crisis. Many investors regarded SEK as a secure investment option during the recent unsettled period.

SEK's CONSERVATIVE BUSINESS model, which requires matching of lending and borrowing to ensure new lending capacity, means that we are less exposed to difficult market conditions. Consequently, unlike other institutions, we are not forced to take action under pressure. During the turbulent market conditions of early 2012, SEK was able to remain calm and was not required to go to markets to borrow on the inferior terms offered at that time. When required, and when investors so wish, SEK can also repurchase its own bonds, which increases investor confidence.

Market conditions stabilized in the spring and summer, partly as a result of clear political signals from the European Central Bank that the euro would be protected at all costs. SEK subsequently increased its market activity and carried out several major issues. For example, in May SEK issued a five-year global bond for USD 1 billion. Despite turbulent market conditions, the bond was very well received and was subscribed by investors around the world. Several large transactions were also undertaken in the summer.

The trend in funding is moving towards less complex bonds and fewer types of structuring. Overall, structured borrowing declined in 2012 and the volume of standard bonds increased. Since the start of the financial crisis investors have become more cautious towards structured bonds due to the growing importance of transparency in and understanding of investment instruments. In addition, costs for interest rate, structure and currency hedging have increased as a result of regulatory reforms, which is leading to structured bonds costing more to issue than previously.

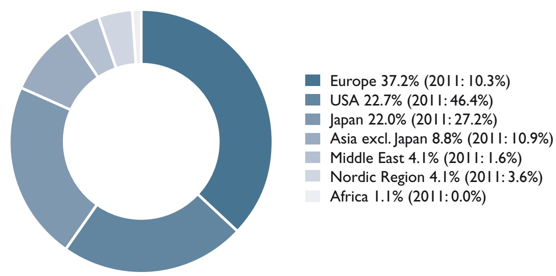
Overall, Europe was the most important capital market for SEK in 2012, contributing just over one third of SEK's total new borrowing. SEK has historically had a strong position on the Uridashi market in Japan, which involves borrowing from Japanese small investors and this was important once again in 2012, as was the US market for structured bonds. Both these markets have provided SEK with access to a large network of investors, creating stable demand for SEK bonds. These were also the markets that account for the largest share of structured borrowing. Traditional and benchmark bonds are still most commonly denominated in USD and in 2012 SEK's bonds were primarily purchased by European investors. SEK was active on the UK sterling market in 2012. In February SEK issued a GBP 200 million retail bond with a maturity of just under three years. SEK subsequently increased this bond offering by GBP 50 million in March following significant demand. In July, SEK issued a GBP 325 million bond with a maturity of just over four years.

The initiative to borrow in Chinese renminbi (RMB) continued in 2012. In January 2012 SEK issued its first RMB transaction which was equivalent to just over Skr 200 million, following several years' work with Chinese authorities. This borrowing was matched by a loan to Volvo, which required financing in RMB. In May, SEK also issued a three-year bond totaling RMB 500 million. These issues are another step for SEK in establishing itself on the Chinese market so that it has the capacity to meet the financing needs of a number of Swedish exporters in local Chinese currency. Previously, Swedish companies operating in China were only able to access local-currency financing from banks in China, but this was expensive and, in particular, was over much shorter maturities than SEK was able to offer.

SEK may issue bonds in Switzerland and Canada in 2013 if these markets offer sufficiently good terms. We will also examine the possibility of issuing a euro-denominated benchmark bond.

At this early point in 2013 there is a risk that uncertainty resulting from the aftermath of the debt crisis will impact funding levels. However, SEK's high creditworthiness and Sweden's relatively strong economy and low indebtedness mean that SEK is among those secure borrowers whose debt investors prefer to buy during times of turmoil.

BREAKDOWN OF FUNDING BY MARKET



SEK'S FUNDING STRATEGY

SEK BORROWS FUNDS on the international capital markets by issuing bonds and certificates of deposit. To ensure access to competitive finance in both good and bad times, SEK conducts diversified funding operations. This provides SEK with significant flexibility and capacity to operate on all markets around the world. SEK adopts an opportunistic approach which means we try to utilize the best funding opportunities, irrespective of market.

SEK ISSUES BONDS to both institutional investors and private individuals. These bonds may be retail notes, listed or private placements. Retail bond issues are sold to investors all over the world. Private placements are issues tailored to an individual investor or a small group of investors. It is important for SEK to reach both institutional investors and private individuals with its funding operations.

THE BONDS THAT SEK ISSUES are either standard interest-bearing bonds or structured bonds. With structured bonds, the yield is linked to an underlying asset, such as a share or currency index.

WHATEVER STRUCTURE, currency and maturity it applies, SEK regularly uses derivatives to minimize interest rate and foreign exchange movements in the underlying asset. Funds that are not used immediately for lending are retained.

THE LONG-TERM AIM is to borrow even more in those local currencies that are in demand from our Swedish exporters and their customers.

NO REFINANCING RISK

AN IMPORTANT ASPECT of SEK's business model involves not taking on refinancing risk. This means that SEK's lending commitments – outstanding lending as well as agreed but undisbursed lending – are secured by financing over at least the same period of time. For example, if we provide a loan over 15 years, we will have already borrowed over 15 years or longer or will have ensured access to such financing. This distinguishes SEK from other institutions that may earn money on long-term lending while funding this with short-term borrowing.

PETRA MELLOR
Director, Treasury

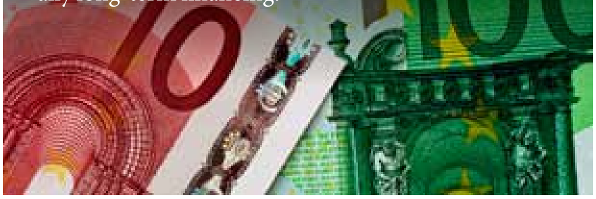
"During the autumn there wasn't as great a need to issue bonds, so SEK conducted fewer borrowing transactions but on much better terms. We also planned to be active on the US commercial paper market in the latter part of the year, which we were, so we chose to hold back a little on other markets during that period."

ERIK HÅDÉN
Head of Treasury

"Overall, it's been a very successful year. We borrowed quite a lot of money in late spring and during the summer. Demand for SEK's bonds has been consistently high."

THE GERMAN MARKET

GERMANY IS AN example of an attractive capital market. SEK has issued euro-denominated debt in Germany with very long maturities and has also issued a bond with a final maturity of 40 years, due in 2052, totaling EUR 153 million. SEK has also issued a "Namensschuldverschreibung," a domestic bond under German legislation, for EUR 90 million with a 12-year maturity. The German capital market is of great importance for SEK as access to very long-term borrowing ensures that we are able to offer finance over long maturities in projects involving Swedish exporters that require really long-term financing.



RMB

IN JANUARY 2012 SEK issued its first RMB transaction for an equivalent of just over Skr 200 million with the help of arranger Citic Securities. In May SEK issued an additional three-year bond for RMB 500 million, which is equivalent to just over Skr 500 million. Owing to strong investor demand, the bond was extended by the equivalent of just over Skr 150 million in June.

"This is an important event as Swedish companies plan to stay in China", said Miriam Bratt, Director, Treasury.

USD GLOBAL

IN MAY 2012, SEK issued a five-year global bond for USD 1 billion. Despite turbulent market conditions, the bond was very well received and was subscribed by investors around the world. Over 60 investors participated in the transaction, which was oversubscribed. The majority of investors were from the US and Europe. This funding transaction was carried out together with Bank of America Merrill Lynch, HSBC, JP Morgan and Nomura.

STERLING

SEK ISSUED A GBP 200 million retail bond in February with a maturity of just under three years. The bond was sold mainly to investors on the European market. SEK subsequently increased this bond offering by GBP 50 million in March following significant demand. In July, SEK issued another bond for GBP 325 million with a maturity of just over four years. SEK intends to return to this market in 2013 owing to the significant investor interest.

SWEDISH EXPORTS AND INTERNATIONAL TRANSACTIONS

In 2012, SEK implemented various improvements and organizational changes to ensure efficient processes and develop the skills of SEK employees. The work environment is an important part of SEK and we have therefore continued to focus on the health and fitness of staff. The year also saw SEK work with the Young Professionals association, involving numerous meetings with representatives of the company.

SEK IS A company with an important purpose for the Swedish export sector and many of its staff work with Swedish exporters in different parts of the world. What makes SEK different from many other financial institutions is that we are a relatively small company, with offices currently in Stockholm and Singapore. Our employees value the opportunity to work with Sweden's export industry and international transactions.

SEK is constantly working to develop efficient and effective processes and to develop the skills of coworkers to ensure that we remain at the forefront and are the best at what we do. SEK works on complex transactions every day with companies around the world. It is therefore essential that we constantly improve our organization. In order to reach more companies at a local level, in 2012 SEK strengthened its Singapore operations with the addition of Richard Anund. We also merged the Funding and Treasury units as part of continued efforts to make the commercial side of the organization more efficient. And further improvements were made through the implementation of leadership programs.

"Part of our focus in 2012 has been to implement a program to clarify leadership roles and provide training," says Sirpa Rusanen, Executive Director, Head of Human Resources. "The results of the annual employee survey show a positive trend and the score for the leadership index is high, at 73 percent. Improving leadership further from an already high level is a challenge."

To support the professional development of both managers and other employees, in 2012 SEK focused on clarifying the link between SEK's business plan and individuals' goals and development. This increases employees' understanding of how each individual contributes towards SEK's business plan targets and towards customer value, making it easier for staff to take responsibility for their work.

In 2011, SEK began implementing its operating efficiency program using the Lean concept, which aims to make it easier for the company to undertake ongoing and forthcoming projects, as well as a growing number of more complex transactions.

"For the Lean approach to work you need the commitment of everyone in your organization," says Sirpa Rusanen. "We're continuing to focus on those activities that add value and create a culture based on continual improvement."

In 2012, SEK's Lean work focused on training everyone at the company in the key elements of Lean.

"As new regulations require more resources, we intend to mainly use freed-up capacity to cover the resources necessary for new projects and to reduce our use of consultants," says Miriam Hardt, Head of Lean at SEK. "Going forward, we intend to focus on process optimization. This means we want to create simpler, more stable processes that constantly deliver the necessary quality for clients."

During the year SEK had an average of 231 employees and staff turnover is low. As changes and improvements have been introduced at SEK, more staff have had the opportunity to move to new positions internally. SEK recruited for 20 positions internally in 2012, with an even distribution between men and women. During the year we updated our existing equality plan to also support professional development in line with SEK's business plan.

A good work environment becomes even more important in more difficult economic times.

"SEK has a challenging task, a fast pace of work and committed staff," says Ann-Sofi Reichhuber, HR Specialist with responsibility for employee health. "So we're proud that, in order to create good conditions for staff to recover where necessary, we've been able to do even more in terms of health and fitness for our colleagues."

In 2012, SEK continued to work with the Young Professionals association, primarily together with Stockholm School of Economics and top talent network Nova. SEK attended a number of events to meet students, as well as young people who have already embarked on a career.

"We're continuing the long-term development of the SEK brand in respect of universities and other channels where we can find the employees of tomorrow," says Kim Rydeheim, PR Manager at SEK. "SEK needs to be proactive in further strengthening its profile towards these target groups so we can compete for the best employees."

In summer 2010 SEK teamed up with Business Sweden (formerly the Swedish Trade Council), EKN, Swedfund and Almi in a joint project with Jönköping International Business School to strengthen contact between the academic world and the business sector and help prepare university students for the reality of professional life. This project has gradually become more in-depth since it began.

Sirpa Rusanen
Executive Director,
Head of Human Resources

NEW BEGINNINGS IN 2012 RICHARD ANUND

What opportunities are there for professional development at SEK?

The opportunities to develop professionally at SEK are great. SEK needs to have most of the functions that a bank has, but as we're a relatively small company it's easy to apply for new positions that require professional skills.

What were your main challenges in 2012?

I started at SEK's Singapore office in September. So the challenge for me has been finding a new home and getting my children used to a completely new environment, as well as taking on a new job.

NEW BEGINNINGS IN 2012 LINA BOMAN

What opportunities are there for professional development at SEK?

I'd been working in SEK's middle office since spring 2009 and I was ready for a new challenge. At the end of 2011 I was offered an internal work placement with the Risk Control department. This led to a permanent job with the department.

What were your main challenges in 2012?

During my placement I was responsible for coordinating the Risk section of the Annual Report. In Risk Control I've focused on the Basel II regulations that apply to SEK and have also been responsible for Risk Control's validation of our internal risk classification system.

SEK EMPLOYEE OF THE YEAR WAS ANNA FINNSKOG

Judges' comments: "An incredibly professional and talented coworker with an ability to sort out difficult problems. She is always enthusiastic and helps out whenever necessary. She often has to resolve situations in which she has not originally been involved and does a great job."

What's your job at SEK?

I work with SEK's long-term funding.

What does this award mean to you?

It's great that my enthusiasm for my work at SEK is appreciated by my colleagues.

What was 2012 like for you at SEK?

A big part of my job was adapting our funding operations to the new rules on derivatives.

NEW CHIEF ECONOMIST MARIE GIERTZ

What's your role at SEK?

I joined as Chief Economist in November 2012 in a newly established position. The role of Chief Economist involves being a spokesperson on macroeconomic issues for the benefit of our stakeholders. I'm really excited about it.

What do you think will be the main challenges?

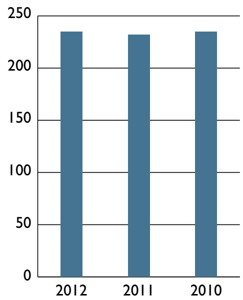
I'm looking forward to sharing knowledge about global conditions and the challenges and opportunities facing the Swedish export industry. I find participating in economic discussions and meeting clients and colleagues really interesting, and my challenge will be managing to get the information out there successfully.

HR TARGETS*

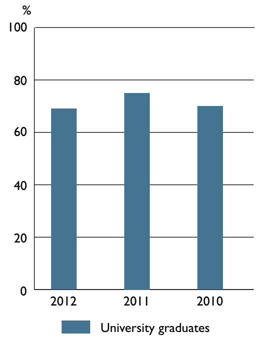
	Result 2011	Result 2012	Target 2013
Motivation	75	75	>80
Cooperation	75	75	>80
Leadership	71	73	78

* HR targets are measured by an annual employee survey. Continual leadership development, combined with a clear organizational structure and constant improvements in our processes – based on the Lean approach – lead to good cooperation, which in turn helps strengthen motivation within the organization.

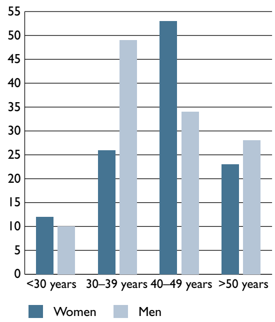
NUMBER OF EMPLOYEES



LEVEL OF EDUCATION



BREAKDOWN BY AGE AND GENDER (NUMBER OF EMPLOYEES)



	2012	2011	2010
Total number of employees (employees who have not yet started are not included)	235	232	235
Of which managers	43	42	39
Of which non-management	192	190	196
Of which permanent employees	228	219	226
Of which temporary employees	7	13	9
Of which full-time employees (full-time employees refers to the level of employment to which the employee is entitled to work)	227	225	229
Of which part-time employees (refers to contracts drawn up for a level of employment of less than 100 percent)	8	7	6
Of which in Sweden	233	231	234
Number of employees who left employment	16	22	18
Of which women	8	5	5
Of which men	8	17	13
Of which under the age of 30	1	3	1
Of which aged 30–50	9	16	14
Of which over the age of 50	6	3	3

SUSTAINABILITY

Sustainability issues are a strategic priority for SEK and our aim is to set a good example on sustainable business. We want to make a difference in the transactions that we are involved in and contribute to the progression of sustainable business.

OUR MANAGEMENT OF social and environmental risks in connection with our lending operations is the most important sustainability issue for us and our stakeholders. Our greatest challenge is therefore to understand, set requirements and monitor projects and businesses that we finance so that they comply with international standards in the areas of anti-corruption, the environment, labor conditions and human rights. This is long-term and at times complex work in which we need to be both pragmatic and clear in the requirements that we set. It is by setting requirements that SEK can influence the behavior of companies and the actions taken in major international projects. This is part of the credit process and our objective is for our clients to acknowledge that SEK sets clear requirements for sustainable international business.

Another important aspect of our sustainability work relates to business ethics, our own ethical values and our ability to ensure that we and others act correctly. It is important that SEK supports and contributes to implementing international initiatives and guidelines that have been developed to combat corruption in international transactions. Our aim is to ensure that our suppliers and clients have undertaken to follow international anti-corruption guidelines and the Swedish Code on Corporate Governance.

SEK aims to create an attractive workplace in which equality and diversity are natural elements. This enables us to encourage the best possible development of skills, leadership and well-being among staff. We have worked for a long time to achieve equal gender distribution in management positions and our aim is for this to be in the 40/60 range. In addition, staff with a foreign background provide us with a strong ability to operate internationally.

OBJECTIVE	STRATEGY	TARGET
SEK shall ensure that the projects and businesses that we finance meet international standards on business ethics, the environment and social responsibility.	Training in sustainable financing. A quality-assured method for assessing social and environmental risks in lending.	Over 80 percent of SEK's clients should consider that SEK sets sustainability requirements[1] for its lending.
SEK shall be a driving force for ethical business and for combatting corruption and other financial crime.	Training on anti-corruption measures and SEK's code of conduct. Anti-corruption program.	100 percent of SEK's clients and suppliers should have undertaken to comply with SEK's anti-corruption guidelines[2].
SEK shall be an attractive employer, where equality and diversity are natural elements.	Recruitment is based on skills requirements and diversity. Diversity is also sought when appointing managers and committee members. Diversity should reflect Swedish society based on the needs of SEK's business model.	Gender distribution for management positions should be between 40 and 60 percent. Over 25% of staff should have a foreign background.

SEK financed

6

A Projects in 2012

All A Projects – projects with a potentially significant negative environmental and/or social impact – are subject to an in-depth social and environmental review.

76%

The percentage of clients that consider SEK sets sustainable business requirements for its lending.

The percentage of female and male managers at SEK in 2012.

28%

The percentage of employees who state they have a foreign background.

SEK reports its sustainability work at GRI Application Level B+ in a separate sustainability report.
The sustainability report can be downloaded from SEK's website.

[1] Relates to international standards on business ethics, anti-corruption, the environment, labor conditions and human rights.
[2] Relates to guidelines based on documents such as the OECD's convention and guidelines on anti-corruption measures, Swedish anti-bribery legislation and the Swedish Code of Corporate Governance. SEK also accepts companies' own guidelines with corresponding requirements.

REPORT OF THE DIRECTORS[1]

BUSINESS ACTIVITIES

SEK's new lending to Swedish exporters and their customers amounted to Skr 56.2 billion in 2012, the second-highest volume ever in a single year for the Swedish export industry. This was an increase of Skr 5.0 billion as compared to 2011. Of total new lending, Skr 38.6 billion consisted of end-customer finance for Swedish exporters' customers and Skr 17.6 billion was direct finance for Swedish exporters.

It was chiefly within end-customer financing that demand was high, due in part to some banks' being less willing to provide long-term lending and the fact that many buyers of Swedish exports now require long-term financing. Numerous large, technically difficult and complex transactions were carried out in cooperation with banks. SEK is taking an increasingly active role in transactions and is contributing through its knowledge of the Swedish export credit system.

SEK's direct financing to exporters during the year was affected as larger companies had good access to the capital markets. However demand for loans in local currencies has been high, and this included SEK providing lending in the Chinese currency RMB.

SEK's aim during 2013 is to continue to support exporters even more. We aim to leverage the potential of SEK's entire range of services and those of our partners, and actively work to develop relationships with the approximately 350 largest Swedish companies.

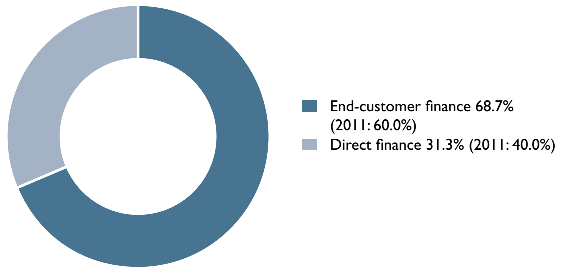
The total volume of outstanding and agreed but undisbursed loans amounted to Skr 218.8 billion at the end of 2012, compared with Skr 220.7 billion at the end of 2011. The total volume of outstanding offers at the end of the year amounted to Skr 59.5 billion, which is a decline of Skr 4.8 billion compared with the end of 2011. The decrease was due to outstanding offers maturing during the year.

NEW CUSTOMER FINANCING

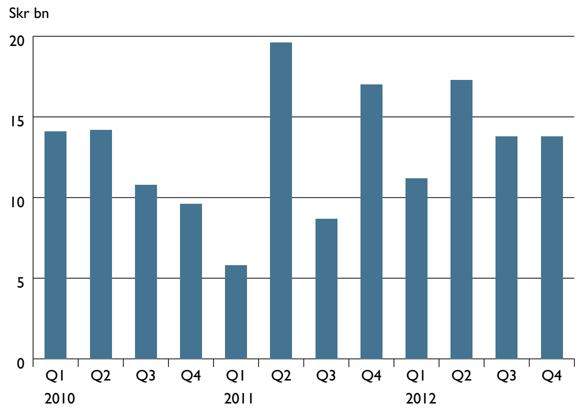
Skr bn	January–December 2012	January–December 2011
Customer financing of which:		
End-customer finance[1]	38.6	30.7
Direct finance	17.6	20.5
Total[1]	**56.2**	**51.2**

[1] Of which Skr 7.5 billion (2011: Skr 7.3 billion) had not been disbursed at respective period end.

NEW CUSTOMER FINANCING BY CATEGORY



NEW CUSTOMER FINANCING



FUNDING

SEK has good access to funding from capital markets around the world. Funding has been successful during the year, despite turbulent periods at times, with major fluctuations in the financial markets related to the European debt crisis. Many investors have regarded SEK as a secure investment option during the recent unsettled period. SEK's new long-term borrowing during 2012 amounted to Skr 43.2 billion, a decrease of Skr 4.5 billion compared to 2011.

Market conditions stabilized in the spring and summer, partly as a result of clear political signals from the European Central Bank that the euro would be protected at all costs. SEK subsequently increased its activity in the funding markets and carried out several major issues.

[1] All amounts in this Report of the Directors relate to the Consolidated Group, unless otherwise stated (see Note 1). The Consolidated Group encompasses as of December 31, 2012, SEK and its wholly owned subsidiaries AB SEK Securities, SEK Financial Advisors AB, SEK Financial Services AB, SEK Customer Finance AB, SEK Exportlånet AB and Venantius AB, including the latter's wholly owned subsidiary VF Finans AB ("the Subsidiaries"). For differences between the Consolidated Group and the Parent Company see Note 1 (o). The "Risk" section of the Annual Report is an integral part of the Report of the Directors (see pages 57–75).

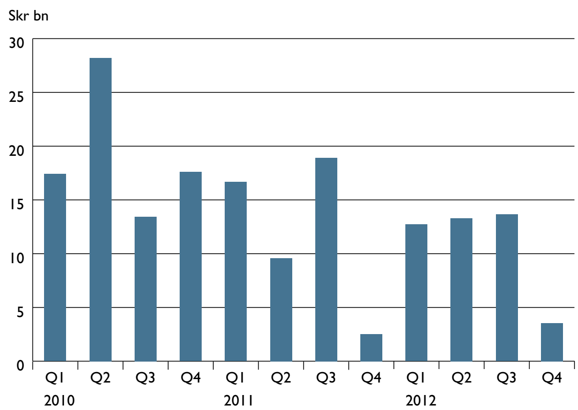
SEK's transactions included the issuing of a five-year global bond amounting to USD 1 billion. The bond was very well received and was subscribed by investors around the world. In November SEK issued a USD 250 million floating-rate note with a five-year maturity. The bond was sold mainly to European investors. After several years of focused work, in 2012 SEK also issued its first RMB-denominated bond which was equivalent to more than Skr 200 million.

The trend in new borrowing is moving towards less complex bonds and fewer types of structure. Overall our structured borrowing decreased in 2012 while the volume of borrowing via standard bonds increased. Since the financial crisis investors have become more cautious towards structured bonds due to the growing importance of transparency in and the understanding of investment. In addition, costs for interest rate, structure and currency hedging have increased as a result of regulatory reforms, which is leading to structured bonds costing more to issue than previously.

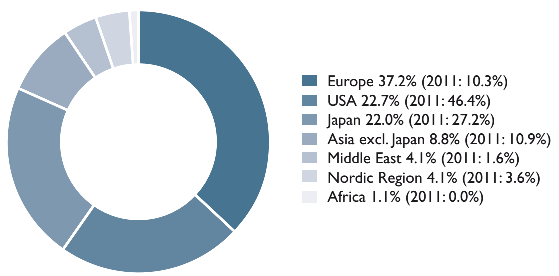
Overall, Europe was the most important capital market for SEK in 2012, contributing 37.2 percent of SEK's total new borrowing. The US and Japan also remained important financial markets. SEK believes it is important to offer occasional opportunities to repurchase SEK's bonds at the request of investors. Repurchasing and early redemption of own debt amounted to Skr 22.7 billion, a decrease of Skr 13.8 billion compared with 2011.

NEW BORROWING

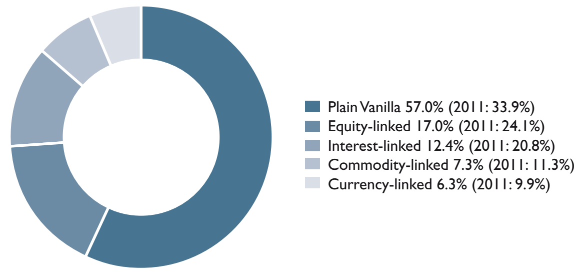
Long-term borrowing



GEOGRAPHIC MARKETS IN 2012



PRODUCTS IN 2012



KEY FACTORS FOR FINANCIAL PERFORMANCE

Substantially all of SEK's revenues and net income derive from the net interest revenues earned mainly on loans but also on liquidity placements. Funding for these assets comes from equity and from debt securities issued on international capital markets. Accordingly, key determinants of SEK's profits from year to year are (i) the spread, or difference, between the rate of interest earned on its debt-financed assets and the cost of that debt; (ii) the outstanding volumes of loans and liquidity placements; as well as (iii) the relative proportions of its assets funded by debt and equity.

SEK issues debt instruments with terms that may be fixed, floating, or linked to various indexes. SEK's strategy is to economically hedge these terms to floating rates with the goal of matching its debt-financed assets. The quality of SEK's financial results, its relatively stable credit ratings and SEK's public role has enabled SEK to achieve funding at levels that are competitive within the market. Another key influence on SEK's operating earnings has been changes in the fair value of certain assets, liabilities and derivatives reported at fair value. The factors that mainly impacted unrealized changes in fair value are credit spreads on own debt and basis spreads. The credit spread on own debt is related to the creditworthiness SEK's investors believe that SEK has. Basis spread is the deviation of the nominal interest rate between two currencies in an interest and currency swap that depends on the difference in the base interest rate of the currencies.

In addition, during the years following the financial crisis of 2008, profits realized from certain disposals as a result of the crisis, as well as higher amounts of net credit losses have considerably affected SEK's operating profits.

JANUARY-DECEMBER 2012

OPERATING PROFIT

Operating profit amounted to Skr 824.4 million (2011: Skr 1,889.1 million), a decrease of 56.4 percent compared to the previous year. The decrease was mainly attributable to the significant change in net results of financial transactions from a gain in 2011 to a loss in 2012 amounting to Skr –507.7 million (2011: Skr 523.4 million) which was mainly due to unrealized changes in credit spreads on SEK's own debt.

The change in credit spread is due to the fact that as of December 31, 2012, borrowing conditions are better for SEK compared to the conditions that prevailed at the beginning of the year. This results in an accounting valuation loss on outstanding debt. Compared to the previous year operating profit was also negatively impacted by lower other operating income and increased costs related to new regulations, especially to Basel III. Operating profit was positively affected by lower costs of provisions for credit losses compared to previous year.

NET INTEREST REVENUES

Net interest revenues amounted to Skr 1,879.9 million (2011: Skr 1,870.8 million), an increase of 0.5 percent compared to the previous year. The increase in net interest revenues was due to higher margins which were partially offset by a decrease in average volumes of interest-bearing assets, due to decrease in liquidity placements.

The average margin on debt-financed interest-bearing assets amounted to 57 basis points per annum (2011: 55 basis points), an increase in absolute terms of 2 basis points, or in relative terms of 3.6 percent compared with the previous year. The increase in margin was mainly due to the increase in the portion of interest-bearing assets consisting of lending (implying that the portion consisting of liquidity placements decreased) and the lending has higher margins than liquidity placements. The increase in margins was also due to lower borrowing costs due to advantageous borrowing margins, mainly in US dollars, and to higher margins on new credits.

The average amount of debt-financed interest-bearing assets amounted to Skr 257.0 billion (2011: Skr 268.0 billion), a decrease of 4.1 percent compared to the previous year. The decrease was mainly related to lower liquidity placements, while there was an increase in the average volume of lending. The majority of the decrease in liquidity placements are due to a strategic decision to match borrowing and new lending more closely, thus enabling a reduction in the volume of outstanding liquidity placements.

COMMISSION EARNED AND COMMISSION INCURRED

Commission earned amounted to Skr 11.1 million (2011: Skr 12.3 million). Commission incurred amounted to Skr –10.9 million (2011: Skr –14.9 million). The decrease in commission earned was due to lower revenues from capital market transactions. The decreased commission incurred were mainly due to lower bank charges.

NET RESULTS OF FINANCIAL TRANSACTIONS

The net result of financial transactions for 2012 amounted to Skr –507.7 million (2011: Skr 523.4 million). The decrease was mainly attributable to unrealized changes in fair value related to changes in credit spreads on SEK's own debt. The change in credit spread is due to the fact that as of December 31, 2012, borrowing conditions are better for SEK compared to the conditions that prevailed at the beginning of the year. This results in an accounting valuation loss on outstanding debt.

Realized net results of financial transactions

Realized net results of financial transactions amounted to Skr 644.0 million (2011: Skr 481.9 million), an increase of 33.6 percent compared to the previous year. The positive change in the net result was attributable to the fact that a previously unrealized gain was realized when a number of large interest rate and currency derivatives were closed out in order to prepare for the new regulatory framework for large exposures (Basel III) that came into force January 1, 2013. The net loss in operating profit attributable to these transactions amounted to Skr –30.1 million. Realized profit amounted to Skr 323.5 million, which was offset by the reversal of previously recognized unrealized gains amounting to Skr –353.6 million (see paragraph below). The derivatives were replaced with new derivative instruments on market terms. Furthermore, revenues increased due to gains from the repurchase of own debt, but this was offset by the fact that in 2011 the sale of a claim against a subsidiary in the Lehman Brothers Group resulted in a realized gain of Skr 279.3 million.

Unrealized net results of financial transactions

Unrealized net results of financial transactions amounted to Skr –1,151.7 million (2011: Skr 41.5 million). Unrealized changes in fair value in 2012 were mainly attributable to changes in credit spreads on SEK's own debt, partly due to changes in the market's assessments of SEK's credit (and thus spreads) and partly due to improved calculation methods. The change in credit spread means that SEK can borrow at better rates than those that prevailed at the beginning of the year. This results in an accounting valuation loss on outstanding debt. The change was also attributable to a reversal of a previously recognized unrealized gain of Skr -353.6 million due to the close-out of a few large interest rate and currency derivatives (described in the preceding paragraph). Offsetting effects were caused by positive changes in fair value related to the basis spread (the deviation in the rate basis between two currencies in a currency interest swap due to the changes in interest rate basis for the currencies). The positive result in 2011 mainly related to the change in credit spreads on own debt.

During the second quarter of 2012, SEK implemented improved methods of calculating the basis spread on derivatives whereby the interest flows in one currency are exchanged for interest flows in another currency and of calculating credit spreads on own debt. The implementation of these improved methods resulted in an initial effect on operating profit amounting to approximately Skr -100 million. SEK believes that the improvements do not have any material impact on its results for previous periods. The methodological improvements are expected to result in greater volatility in operating income related to basis spreads and credit spreads on own debt attributable to structured borrowings.

OTHER OPERATING INCOME

Other operating income amounted to Skr 19.9 million (2011: Skr 108.8 million) and consisted mainly of recovered expenses for the arbitration proceedings from a dispute with Sparbanksstiftelsernas Förvaltnings AB (SFAB). In March 2012, the arbitration proceedings, which cannot be appealed, were concluded in SEK's favor with regard to the dispute between SEK and SFAB. The decrease in other operating income compared with the previous year was attributable to the capital gain in 2011, amounting to Skr 105.1 million, from the disposal of the building that served as SEK's headquarters, when SEK moved its headquarters to new, rented, premises.

PERSONNEL EXPENSES

Personnel expenses totaled Skr –292.2 million (2011: Skr –282.8 million) an increase of 3.3 percent compared to previous year. The increase in personnel expenses was due to increased payroll costs and changes in the provision for pension costs. Personnel expenses include an estimated cost for the general personnel incentive system of Skr –27.5 million (2011: Skr –25.5 million). The outcome of the general personnel incentive system is based on operating profit excluding unrealized changes in fair value, and may not exceed two months' salary. The amount to be paid will decrease if the risk-weighted assets exceeded intended levels for the year. SEK's general incentive system includes all permanent personnel except executive officers, Head of Risk Control and Head of Financial control. The total number of employees included in the general incentive system on December 31, 2012 was 218 compared to 211 on December 31, 2011. For more information on the rules for SEK:s remuneration system, see Corporate Governance Report and Note 5.

OTHER EXPENSES

Other expenses amounted to Skr –232.8 million (2011: Skr –203.1 million) an increase of 14.6 percent compared to the previous year. The increase in other expenses is mainly due to an increase in expenses for IT development related to mandatory regulations especially those related to Basel III.

DEPRECIATIONS AND AMORTIZATIONS OF NON-FINANCIAL ASSETS

Depreciations and amortizations of non-financial assets amounted to Skr –19.5 million (2011: Skr –14.5 million and is mainly attributed to the amortization of intangible assets related to SEK's business system.

NET CREDIT LOSSES

Net credit losses for 2012 amounted to Skr –23.4 million (2011: Skr –110.9 million). During the year an additional provision of Skr –40.0 million was made for the portfolio-based reserve (i.e. the reserve not attributable to a specific counterparty), which compares with an additional provision of Skr –110.0 million for the previous year. The increase in the reserve results from a deterioration in the credit quality of SEK's counterparties due to uncertainties in the European economy. Offsetting effects are mainly related to currency exchange effects on previous accruals. After the provision the total portfolio-based reserve amounts to Skr 200.0 million (2011: Skr 160.0 million).

TAXES

Taxes amounted to Skr –115.6 million (2011: Skr –489.6 million). The effective tax rate is 14.0 percent (2011: 25.9 percent), while the nominal tax rate for 2012 was 26.3 percent (2011: 26.3 percent). The effective tax rate is lower than the nominal tax rate because in 2012 the Swedish parliament decided to lower corporate income tax from 26.3 percent to 22.0 percent, effective from January 1, 2013. The lower tax rate impacted deferred tax mainly related to untaxed reserves.

NET PROFIT AFTER TAX

Net profit for the year amounted to Skr 708.8 million (2011: Skr 1,399.5 million). Tax on net profit amounted to Skr –115.6 million (2011: Skr –489.6 million), of which Skr –216.0 million (2011: Skr –403.6 million) consisted of current tax and Skr 102.1 million (2011: Skr –70.1 million) consisted of deferred tax (see Note 10). The remaining tax effects consisted of adjustments relating to the previous year.

OTHER COMPREHENSIVE INCOME

Other comprehensive income before tax amounted to Skr 175.7 million (2011: Skr 406.8 million). Skr 7.5 million (2011: Skr 12.1 million) was due to changes in the value in available-for-sale securities and Skr 168.2 million (2011: Skr 394.7 million) was due to other comprehensive income related to cash flow hedges.

The positive changes in fair value related to available-for-sale securities during both 2011 and 2012 was due to lower credit spreads. The positive impact related to derivatives in cash flow hedges reflected changes in interest rates that were offset in part by the reclassification of realized changes in fair value from other comprehensive income to net interest revenues in operating profit.

After tax effects of Skr –20.4 million (2011: Skr –107.0 million), other comprehensive income amounted to Skr 155.3 million (2011: Skr 299.8 million).

RETURN ON EQUITY

Return on equity was 5.0 percent (2011: 10.5 percent) after taxes and return on equity excluding unrealized changes in fair-value amounted to 9.3 percent (2011: 10.3 percent) as a percentage of the current year's average equity.

STATEMENT OF FINANCIAL POSITION

TOTAL ASSETS AND LIQUIDITY PLACEMENT

SEK's total assets amounted to Skr 313.1 billion at December 31, 2012, a decrease of 2.1 percent from year-end 2011 (year-end 2011: Skr 319.7 billion). The decrease in total assets is attributable to derivatives, whereas the loans and liquidity are basically unchanged compared to previous year.

The combined amount of loans outstanding and loans agreed though not yet disbursed amounted to Skr 218.8 billion as of December 31, 2012 (year-end 2011: Skr 220.7 billion), a decrease of 0.9 percent from year-end 2011. Of the total amount at December 31, 2012, Skr 192.9 billion consisted of outstanding loans, a decrease of 1.4 percent from year-end 2011 (year-end 2011: Skr 195.6 billion). Of the total amount of outstanding loans, loans in the S-system amounted to Skr 39.5 billion (year-end 2011: Skr 34.2 billion), representing an increase of 15.5 percent from year-end 2011. The increase of credits in the S-system is mainly due to a higher volume of new transactions.

As of December 31, 2012 the aggregate amount of outstanding offers amounted to Skr 59.5 billion, a decrease of 7.5 percent since year-end 2011 (year-end 2011: Skr 64.3 billion). Skr 47.9 billion (year-end 2011: Skr 57.6 billion) of outstanding offers derived from the S-system. During 2012, SEK changed its approach to providing offers. The revised method means that binding or non-binding offers are provided. Binding offers are included in commitments. Skr 33.8 billion of outstanding offers consists of binding offers and Skr 25.7 billion consists of non-binding offers.

CREDIT RISKS

There was no major change in the composition of SEK's counterparty exposure during 2012, although the exposure to states has increased somewhat in proportion to the expense of the exposure to companies and financial institutions. From 2012 binding offers are included in the counterparty's exposures and the change in the allocation of exposures among different classes of counterparties is partly related to this.

Of the total counterparty exposure at December 31, 2012 49.6 percent (year-end 2011: 43.4 percent) was to states and government export credit agencies; 22.3 percent (year-end 2011: 27.6 percent) was to financial institutions; 18.3 percent (year-end 2011: 17.7 percent) was to corporates; and 6.8 percent (year-end 2011: 6.1 percent) was to regional governments; 2.9 percent (year-end 2011: 5.1 percent) was to securitization positions. SEK's exposure to derivative counterparties is significantly limited compared to the amount of derivatives reported among SEK's assets since most derivatives are subject to collateral agreements. See the table "Total net exposures" in Note 28. SEK's net exposure to countries in Europe amounted to Skr 62.8 billion (year-end 2011: Skr 74.7 billion). Of the exposure to countries in Europe at December 31, 2012 Skr 7.2 billion (year-end 2011: Skr 9.3 billion) was to the so called GIIPS-countries (Greece, Ireland, Italy, Portugal and Spain). SEK has no net exposure to Greece. For exposures to GIIPS-countries only a small portion represents exposure to states.

OTHER EXPOSURES AND RISKS

SEK's hedging transactions are expected to be effective in the sense that changes in fair value in a derivative instrument is offsetting the changes in fair value attributable to hedged risks. The gross value of certain items in the statements of financial position, particularly derivatives and issued (non-subordinated) securities, which hedge each other, requires complex judgments regarding the most appropriate valuation technique, assumptions and estimates. If different valuation models or assumptions were used, or if assumptions changed, this could produce different valuation results. Excluding the impact on the valuation of spreads on SEK's own debt and basis spreads (which can be significant), such changes in fair value would generally offset each other, with little impact on the value of net assets (see Notes 12 and 13).

SEK maintains a conservative policy with regard to market exposures, such as interest rate risks, currency risks and operational risks. See the "Risk and Capital Management section".

For quantitative and qualitative information about risks and exposures, see the "Risk section" of this Annual Report as well as Note 28 Risk information.

LIABILITIES AND EQUITY

As of December 31, 2012, the aggregate volume of available funds and shareholders' equity exceeded the aggregate volume of loans outstanding and loans committed at all maturities. SEK has a loan facility of Skr 100 billion with the Swedish National Debt Office. The Swedish parliament also reauthorized the government to allow SEK to purchase state guarantees on commercial terms for new borrowing of up to Skr 250 billion. In December 2012 both the loan facility and the ability to purchase state guarantees were extended for 2013. Thus, SEK consider that all outstanding commitments are covered through maturity.

CAPITAL ADEQUACY

SEK's capital adequacy ratio calculated according to Basel II, Pillar 1, was 23.1 percent as of December 31, 2012 (year-end 2011: 22.5 percent), of which 23.0 percent related to Tier-1 capital (year-end 2011:22.5). The common equity Tier-1 capital adequacy ratio was 19.8 percent (year-end 2011: 18.9 percent). See note 27 for further information regarding capital adequacy, risks and exposures.

Some changes in the capital adequacy regulations may come into force during 2013. These changes will result in increased capital requirements related to (i) exposures to financial institutions, and (ii) potential changes in the way to calculate the creditworthiness of derivative counterparties'. The final version of the future regulations has not yet been determined, and, especially for the regulations regarding credit valuation risk, uncertainty is still high. All other things being equal, the estimated effects will result in a decrease of the different capital adequacy ratios by approximately 3 percentage points

RESULTS UNDER THE S-SYSTEM

SEK administers, in return for compensation, the Swedish State's export credit support system, and the State's related aid credit program (together referred to as the "S-system"). CIRR loans represent one of two varieties of loan in the S-system. The result in the S-system for 2012 amounted to Skr 83.0 million (2011: Skr 81.8 million), of which Skr 128.4 million (2011: Skr 123.7 million) related to CIRR loans. The result related to concessionary loans, the other type of loan in the S-system, amounted to Skr –45.4 million (2011: Skr –41.9 million). The S-system paid net compensation to SEK of Skr 89.4 million (2011: Skr 72.4 million). This is compensation paid to SEK for carrying the S-system loans and their related credit risks on SEK's statement of financial position. The compensation is included in SEK's net interest revenue. A net deficit of both types of loans in the S-system is fully reimbursed by the State, while a net surplus is repaid to the State. The result for the S-system includes a interest compensation of Skr 0.7 million (2011: Skr 92.4 million), which represents compensation for early redemption of loans.

The aggregate surplus for CIRR-based export credits under the S-system for the period from 1990 to 2012 amounted to approximately Skr 2.4 billion, with the average year-end volume of outstanding loans at Skr 11.2 billion.

FINANCIAL TARGETS AND OUTCOME 2012

Financial and other targets should not be seen as projections of future outcomes.

Profitability target: After-tax return on equity should in the long term correspond to risk-free interest rate plus 5 percentage points. The risk-free interest rate shall be calculated as the average of the 10-year government bond interest rate during the last 10 years. The target for 2012 corresponded to 8.6 percent after tax. The outcome was 5.0 percent. The deviation against the target was mainly due to a negative effect on the result caused by unrealized changes in fair values on financial instruments.

Capital structure: The target is that the Common Equity Tier-1 ratio should be 16 percent, however no less than 12 percent. The Common Equity Tier-1 ratio at year-end 2012 was 19.8 percent.

Dividend policy: The ordinary dividend should amount to 30 percent of the net profit after tax. Within the framework of the policy –when the actual dividend is proposed – the targets for capital structure, the company's future capital requirements and possible investment plans and acquisition plans should be considered. The dividend proposed to the Annual General Meeting amounts to Skr 212.6 million, which correspond to 30 percent of the net profit after tax.

OTHER TARGETS AND OUTCOME 2012

In addition to the financial targets, SEK has a number of general business targets, which include targets for increased customer benefit and targets for securing organizational efficiency and financial results. For 2012 index for Customer Benefit, as well as the total number of customers and customer relations were the metrics for showing customer benefit. A cost limit was the metric for organizational efficiency. In addition to the financial targets, the volume of new lending was the metric for financial result.

The index for Customer Benefit was exceeded, while the outcome with regard to the number of customers and customer relations was slightly below the respective target. The cost limit was exceeded, mainly due to increased costs for regulations. The target for new lending was exceeded, mainly related to strong demand on end-customer finance. In addition to the general business targets, SEK has targets for sustainability and for among other things targets related to risk appetite, brand awareness, employee's motivation and internal control. Targets for sustainability exist for all the focus areas of sustainable funding, business ethics as well as for equality and diversity.

FINANCIAL AND OTHER TARGETS FOR 2013

No significant amendments have been made, compared to 2012, when establishing financial and other targets for 2013.

CORPORATE GOVERNANCE

SEK adheres to the Swedish Corporate Governance Code, the Swedish government's guidelines and owner policy for companies with state ownership, its owners instruction, the Swedish Annual Accounts Act for Credit Institutions and Securities Companies as well as the Companies Act. The Board has issued a Corporate Governance Report which is an integral part of the Report of the Directors, in which the Board comments, among other things, on internal control over financial reporting. SEK is a Foreign Private Issuer (FPI) as defined by regulation in the United States and is therefore affected by the Sarbanes-Oxley Act (SOX). This means that each year the executive management must assess and issue an opinion on the efficiency of internal control within the framework of SOX.

See also the Corporate Governance Report.

REMUNERATION POLICY

SEK is governed by the Swedish Financial Supervisory Authority's regulations regarding remuneration structures in credit institutions, investment firms and fund management companies licensed to conduct discretionary portfolio management (FFFS 2011:1). Reporting according to the regulations is disclosed on the company's web-site (www.sek.se). SEK's remuneration policy promotes effective risk management and does not encourage excessive risk-taking. The company also follows the state's guidelines on the terms and conditions of remuneration for leading officials in companies with state ownership. See Note 5.

PERSONNEL AND ORGANIZATION

During the year, the average number of employees was 231 (2011: 234 employees), of which 109 were women and 122 men (2011: 108 women and 126 men). The total number of employees at year-end was 235 (year-end 2011: 232 employees). The average employee age at year-end was 42 (year-end 2011: 42 years).

At the end of the year, the company's executive management consisted of 7 members (year-end 2011: 8 members), 3 of which were women and 4 were men (year-end 2011: 3 women and 5 men). The number of employees in other management positions at year-end was 43 (year-end 2011: 42 employees), of which 17 were women and 26 men (year-end 2011: 16 women and 26 men). SEK's work is also supported by a range of policies and guidelines such as an instruction for SEK's working environment and an equal opportunities plan, as well as other guidelines that give the employees at SEK a healthy and stimulating working environment.

ENVIRONMENT AND SOCIAL RESPONSIBILITY

SEK complies with the OECD's agreement on common approaches to considering environmental impact when providing officially supported export credits. SEK ensures that an environmental review is conducted for export projects where there is a risk of an adverse environmental impact. SEK takes into account the environmental and social aspects in both project-related credits and credits to companies offered on commercial terms. In addition to SEK's review of the creditworthiness of counterparties, environmental and social aspects are an integral part of the analysis. The targets for SEK's internal environmental activities is to attain well-functioning operations in environmentally appropriate offices.

SUSTAINABILITY REPORT

SEK's sustainability reporting is published separately on SEK's website www.sek.se.

RISK FACTORS

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

- Changes in general economic business conditions
- Changes and volatility in currency exchange rates, interest rates and other market factors affecting the value of SEK's assets and liabilities
- Changes in the competitive situation in one or more financial markets
- Changes in government policy and regulations, as well as in political and social conditions

SEK considers that none of these factors as of the date of this report will have a negative impact on the future of the company. See the "Risk and Capital Management section" for closer description of risk factors.

PERFORMANCE MEASUREMENT IN THE CONSOLIDATED GROUP

SEK discloses both operating profit (calculated in accordance with IFRS), which is operating profit including changes in the fair value of certain financial instruments and operating profit excluding unrealized changes in fair value. Operating profit excluding unrealized changes in fair value excludes changes in the fair value of certain financial instruments.

Operating profit excluding changes in fair value of certain financial instruments is a supplementary metric to operating profit. Operating profit in accordance with IFRS values certain financial instruments at fair value even when SEK has the intention and the ability to hold them to maturity. Operating profit excluding unrealized changes in fair value does not reflect these mark-to-market valuation effects. Operating profit excluding unrealized changes in fair value in 2012 excludes a gain amounting of Skr 323.5 million that was realized when a few large interest rate and currency derivatives in hedge relations were closed out in order to prepare for the new regulatory framework for large exposures which came into force on January 1, 2013. The derivatives were replaced with new derivative instruments at market terms, with the result that the gain/loss will be close to zero over the maturity of the hedged item.

PERFORMANCE MEASUREMENT

Skr mn	January–December 2012	January–December 2011
Operating profit	824.4	1,889.1
Closed interest rate and currency derivatives in hedge	–323.5	–
Unrealized changes in fair value (Note 4)	1,151.7	–41.5
Operating profit excluding unrealized changes in fair value	**1,652.6**	**1,847.6**

For definitions of performance measurement and return on equity, see page 55.

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.

FINANCIAL HIGHLIGHTS

Amounts (other than %) in Skr mn	2012	2011	2010	2009	2008
Results					
Net interest revenues	1,879.9	1,870.8	1,898.5	1,994.3	1,543.3
Operating profit	824.4	1,889.1	3,939.7	2,368.6	185.2
Net profit for the year (after taxes)	708.8	1,399.5	2,891.7	1,727.3	143.9
After-tax return on equity[1]	5.0%	10.5%	22.2%	14.5%	2.9%
Operating profit excl. unrealized changes in fair value[2]	1,652.6	1,847.6	4,114.7	1,599.3	833.9
After-tax return on equity excl. Unrealized changes in fair value[3]	9.3%	10.3%	23.2%	9.7%	12.7%
Dividend[4]	212.6	420.0	2,191.0	518.0	–
Customer financing					
New customer financial transactions[5]	56,235	51,249	48,749	122,476	64,890
of which direct customer financing	17,577	20,549	24,388	67,744	32,705
of which end customer financing	38,658	30,700	24,361	54,732	32,185
Loans, outstanding and undisbursed[6]	218,822	220,672	217,862	232,164	180,109
Amounts of outstanding offers of lending[7]	59,525	64,294	86,623	84,506	27,394
of which binding offers	33,841	n.a.	n.a.	n.a.	n.a.
of which non-binding offers	25,684	n.a.	n.a.	n.a.	n.a.
Borrowing					
New long-term borrowings[8]	43,231	47,685	76,644	111,831	86,136
Outstanding senior debt	272,637	273,245	300,671	324,795	309,468
Outstanding subordinated debt	3,013	3,175	2,590	3,143	3,324
Statement of financial position					
Total assets	313,135	319,702	339,688	371,588	370,014
Total liabilities	298,723	305,734	327,118	358,133	359,620
Total equity	14,412	13,968	12,570	13,455	10,394
Capital					
Total capital adequacy ratio, incl. Basel I-based additional requirements[9]	23.1%	22.5%	22.4%	18.7%	15.5%
Total capital adequacy ratio, excl. Basel I-based additional requirements[10]	23.1%	22.5%	22.4%	19.8%	21.4%
Tier-1 capital adequacy ratio, incl. Basel I-based additional requirements[11]	23.0%	22.5%	22.4%	17.9%	14.8%
Common Equity Tier-1 capital adequacy ratio, incl. Basel I-based additional requirements[12]	19.8%	18.9%	18.7%	14.3%	11.7%

[1] *Net profit (after taxes), expressed as a percentage per annum of the current year´s average equity. Since the first quarter 2012, the definition has been amended to conform to the owner's definition of return on equity. All periods have been recalculated according to the new definition.*

[2] *Operating profit excluding unrealized changes in fair value of certain financial instruments (page 54, Performance measurement). The result of 2012 excludes a gain amounting to Skr 323.5 million that was realized when a few large interest rate and currency derivatives were closed out in order to prepare for the new regulatory framework for large exposures which comes into force at the turn of 2012/2013. The derivatives were replaced with new derivative instruments at market terms (see Note 4).*

[3] *Net profit (after taxes) excluding unrealzed changes in fair value, expressed as a percentage per annum of current year´s average equity. when Since the first quarter 2012, the definition has been amended to conform to the owner's definition of return on equity. All periods have been recalculated according to the new definition.*

[4] *Dividend proposed to annual general meeting. In the 2010 dividend amount included an extra dividend of Skr 1,890.0 million that was disbursed in December, 2010.*

[5] *New customer financing includes new loans accepted and syndicated customer transactions. It refers to all loans accepted, regardless of maturities.*

Continued on the next page

The information in this note relates to the Consolidated Group. For differences between the Consolidated Group and Parent Company, see Note 1 (o), the Parent Company income statement, the Parent Company balance sheet and the related notes.

[6] *Amounts of loans include all loans, including loans granted in the form of interest-bearing securities, as well as loans granted by traditional documentation. These amounts are SEK's real lending. SEK considers that these amounts are 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 11).*

[7] *During 2012, SEK has changed its approach to provide offers. The revised method involves providing binding or non-binding offers. Binding offers are included in commitments.*

[8] *New borrowing with maturities exceeding one year.*

[9] *Total capital adequacy ratio expressed as a percentage of risk-weighted assets in accordance with Basel II, Pillar 1, calculated in accordance with §5 of the law (Law 2006:1372) that details the implementation of the law (Law 2006:1371) regarding capital adequacy and large exposures. See Note 27. As of December 31, 2012 the method for calculating the exchange rate positions has been improved, which has an impact on the capital adequacy. The revised method has been used also on previous periods thus their capital adequacy has been recalculated. The change has no material impact on the capital adequacy ratio.*

[10] *Total capital adequacy ratio expressed as a percentage of risk-weighted assets in accordance with Basel II, Pillar 1, excluding adjustments for valid transitional rules regarding required minimum capital. See Note 27 "Capital Adequacy", in this Report for a complete description of the calculation of required minimum capital during the transitional period. As of December 31, 2012 the method for calculating the exchange rate positions has been improved, which has an impact on the capital adequacy. The revised method has been used also on previous periods thus their capital adequacy has been recalculated. The change has no material impact on the capital adequacy ratio.*

[11] *Tier-1 capital adequacy ratio expressed as a percentage of risk-weighted assets in accordance with Basel II, Pillar 1, calculated in accordance with §5 of the law (Law 2006:1372) that details the implementation of the law (Law 2006:1371) regarding capital adequacy and large exposures. See Note 27. As of December 31, 2012 the method for calculating the exchange rate positions has been improved, which has an impact on the capital adequacy. The revised method has been used also on previous periods thus their capital adequacy has been recalculated. The change has no material impact on the capital adequacy ratio.*

[12] *According to SEK's definition, common equity Tier-1 capital consists of Tier-1 capital excluding additional Tier-1 capital (in the form of perpetual subordinated debt).*

RISK AND CAPITAL MANAGEMENT

During 2012, there were no significant changes to SEK's objectives, principles, risk management methods or methods of measuring risk. Furthermore, neither the types of risk exposures nor the origins of these exposures have changed materially. However, during 2012, the reported exposure to different types of spread risks, such as credits spread risk, credits spread risk on own debt and currency basis spread risk, increased, primarily as a result of refined methods for calculating market values in SEK's accounting. As a result, SEK has implemented additional market risk measures for spread risks. See the section "Market Risk" below.

At December 31, 2012, SEK's risk-weighted amount (RWA), as calculated in accordance with Basel II (without taking into consideration the transitional rules applicable during the current period of transition from Basel I to Basel II), were equal to Skr 71.5 billion (year-end 2011: Skr 68.4 billion), which implies a Common Equity Tier-1 ratio of 19.8 percent (year-end 2011: 18.9 percent), a Tier-1 ratio of 23.0 percent (year-end 2011: 22.5 percent) and a total capital adequacy ratio of 23.1 percent (year-end 2011: 22.5 percent). For further information on capital adequacy, see Note 27.

SEK's capital adequacy assessment process is deemed to be well in line with the Basel II framework's underlying principles and concepts. In summary, SEK's assessment is that SEK's expected available capital amply covers the expected risks in the different scenarios that SEK envisages, in a way that supports SEK's high creditworthiness.

RISK, LIQUIDITY AND CAPITAL MANAGEMENT

Risk management is a key factor in SEK's ability to offer its customers competitive financing solutions and develop SEK's business activities, and thus contribute to the company's long-term development.

Providing its customers with financial solutions and products causes SEK to expose itself to various risks that have to be managed. The company's profitability is directly dependent on its ability to assess, manage and price these risks, while at the same time retaining sufficient capital strength to be able to cope with unforeseen developments. For this reason, risk management is a constant priority for SEK and is continually being developed. Support from SEK's Board of Directors (the Board), a clear line of decision-making, awareness of risk among our employees, uniform definitions and principles, control of risks incurred within an approved framework and transparency in external accounts form the cornerstones of SEK's risk and capital management.

It is not only in transactions with customers that risk management skills are vital for success. Based on SEK's strategy, which has been used for many years, SEK's borrowing activities benefit from the market's different types of risk preferences. SEK has a conservative policy on liquidity and funding risk, which means, for example, that for all credit commitments – outstanding credits as well as agreed, but undisbursed credits – there must be funding available through maturity. For CIRR credits, which SEK manages on behalf of the Swedish state, when evaluating whether it has positive availability the company counts its credit facility with the Swedish National Debt Office, which entitles it to draw on funding with a tenor of up to 10 years, as available funding, despite the fact that no funds have been drawn under this facility.

SEK annually assesses the development of its future capital requirements and available capital, primarily in connection with its yearly three-year business plan. One of the aims of this internal capital adequacy assessment (ICAAP) is to ensure that the size of SEK's capital is sufficiently in line with risks and supports a high level of creditworthiness. In summary, the conclusion of this assessment is that the expected available capital amply covers the company's expected risks in the various scenarios envisaged by the company.

RISK MANAGEMENT AND RISK CONTROL

SEK defines risk in terms of the probability of a negative deviation from an expected financial outcome. Risk is a balancing of the probability of and consequence of any given event. The term "risk" is generally only used when there is at least one negative consequence of an event. This balancing means that the overall risk may be high, even if the probability is low, if the consequences are serious. Risk management includes all activities that affect the assumption of risk, i.e., SEK's processes and systems that identify, measure, analyze, monitor and report risks at an early stage. Adequate internal control, consisting of a set of rules, systems and procedures, as well as monitoring adherence to these, is designed to ensure that the company is run in a reliable, efficient and controlled manner. We understand risk control to comprise all activities for measuring, reporting and addressing risks, independent of the (risk-taking) commercial units. SEK exercises risk control from two different perspectives: (i) through risk-related management and control that primarily includes risk management and limits, and (ii) through management and control that is carried out at the company level and that includes organization, corporate governance and internal control.

The chart "General Principles for Governance" on page 77, in the Corporate Governance Report section, shows SEK's organization for management and control.

Ultimate responsibility for SEK's business and for ensuring that it is carried out with adequate internal control lies with the Board. The Board has an annual process of establishing instructions for all of its committees. Minutes from all the committee meetings are provided and reported to the Board at its meetings. The Board has a Finance Committee, which assists the Board with overall issues regarding the company's financial operations. These financial operations include long- and short-term funding, liquidity management, risk measurement and risk limits, as well as matters regarding policy and quality control. The Finance Committee can make decisions on market risk limits. The Board's Credit Committee is the Board's working body for matters relating to loans and credit decisions and matters that are of fundamental significance or generally of great importance to SEK. The Board's Audit Committee is the Board's preparatory body for matters relating to the company's financial reporting and corporate governance report (including the Board's internal control report). The Board's Remuneration Committee is the Board's preparatory committee for matters relating to salaries, pensions and other benefits for the Senior Executives and overall issues relating to salaries, pensions and other benefits. The Remuneration Committee also prepares proposals on the terms for and outcome of the general incentive system.

The Board draws up central policy documents and, at every meeting, receives a summary report of the risk position. For further information regarding the Board's work see the Corporate Governance Report section. The President is responsible for day-to-day management. Under the level of the Board and the President, there are committees with various powers to make decisions depending on the type of risks. The Executive Committee's Credit Committee is responsible for matters relating to credits and credit risk management within SEK. The Executive Committee's Credit Committee has the right to make credit decisions within the scope of its mandate and on the basis of the order of delegation decided by the Board. The Asset and Liability Committee manages issues such as those regarding SEK's overall risk level and proposes market risk limits and methods for risk measurement and the allocation of internal capital. Within the framework of the Board's overall capital policy, the Asset and Liability Committee draws up guidelines for the distribution of responsibility, the handling of SEK's risk types and for the relationship between risk and capital. The Internal Control Committee is responsible for managing and addressing operational risk and following up on incident reports, and also constitutes the drafting and decision-making body for new products. The Business Committee assesses, among other things, whether individual transactions fulfill the criteria set out in the instruction from the state. The President chairs all of the above-mentioned committees, with the exception of the Business Committee, which is chaired by the COO.

SEK's risk-related management and control is directed at credit, market, liquidity, and operational risks. Management and control at the corporate level includes all risks, but they are directed especially at risk appetite, capital targets and business environment risk. Within SEK, responsibility for risk management is based on the principle of three "lines of defense," the aim of which is to clarify roles and responsibility for risk management. The first line of defense consists of business units (including support functions) that "own" and manage risks. The Risk Control and Compliance function constitutes the second line of defense and it is responsible for the monitoring and control of risk and ensuring compliance. The third line of defense consists of Internal Audit, whose task is to undertake independent inspection and supervision of both the first and second lines of defense.

Independent risk control is carried out by SEK's Risk Control function, which is the second line of defense. This function reports to SEK's Head of Risk but is also obliged to report to the President. The Head of Risk reports to the Board. Based on a portfolio perspective, Risk Control is responsible for the control, analysis and reporting of financial risks and monitoring, analyzing and reporting of operational risk. Risk Control is also responsible for ensuring that the company complies with the framework for operational risk. The financial risks primarily consist of credit and counterparty risks, market risks, as well as liquidity and funding risk. This function oversees the company's scope and alignment regarding risk strategy, risk management and rating methodology for credit risk classification, as well as calculating, analyzing and forecasting regulatory capital adequacy and the need for economic capital. This function is also responsible for the choice of methods and models and acts as a center of excellence with the aim of contributing to increasing SEK's risk management capacity in order to analyze the effects of diversification and risk mitigation. An important part of Risk Control's work consists in ensuring that the function is keeping pace with the business functions in terms of its knowledge of the risks that occur in the company, enabling it to manage new issues that arise within this area.

The second line of defense also consists of an independent Compliance function. This function supports the organization in ensuring that operations are run according to applicable regulations, and also monitors compliance with regulations within the company. The Compliance function reports to the President but is also obliged to report to the Board. Internal Audit, which is the third line of defense, investigates and assesses the efficiency and integrity of the risk management described above. Internal Audit reports to the Board. Internal Audit performs auditing activities in accordance with by the Board approved audit plan. Internal Audit reports regularly to the Board, the Board's Audit Committee and to the President and also informs the Internal Control Committee on a regular basis. In 2011 the Board took the decision to outsource the Internal Audit function to an external party. This is in order to ensure access to specialist expertise and global networks, which are considered to be of particular importance at a time of extensive regulatory changes.

Core Principles for Risk Management

- SEK shall carry out its business in such a manner that SEK is perceived by its business counterparties as a first-class counterparty.
- SEK shall be selective in its choice of counterparties in order to ensure high creditworthiness.
- In order to avoid refinancing risk, it is SEK's policy that for all credit commitments – outstanding credits as well as agreed, but undisbursed credits – there must be funding available through maturity. For CIRR credits, which SEK manages on behalf of the Swedish state, when evaluating whether it has positive availability the company counts its credit facility with the Swedish National Debt Office, which entitles it to draw on funding with a tenor of up to 10 years, as available funding, despite the fact that no funds have been drawn under this facility.
- SEK shall at all times have risk capital well above regulatory requirements.

It is a fundamental principle for all control functions to be independent in relation to commercial activities.

AIM, FOCUS AND OBJECTIVES OF RISK MANAGEMENT

As stated above, risk management is a central part of SEK's business model and activities. Meeting customers' financing needs does not rely only on efficient and innovative risk management in respect of the credit transactions themselves. It is equally important to be able to take advantage of market opportunities in order to obtain funding and manage liquidity on attractive terms. This in turn provides the basis for favorable conditions for granting credits. The focus of risk management is mainly to reduce and limit risks to a set extent. The objective of risk management is to create conditions under which SEK is able to meet the needs of its customers for financial solutions. SEK also wishes to take advantage of business opportunities in such a way that net risks are at levels that are sustainable in the long term in relation to SEK's risk capital. Risk management comprises two important components. One is to manage risks so that net risks are kept at the right level. The other is to assess the capital requirement and ensure a level for and composition of risk capital that is aligned with business activities.

SEK's business model is, in essence, simple and transparent. The company borrows money in the form of bonds. Regardless of the conditions with regard to debt investors, borrowings are swapped to a floating interest rate. Funds that are not used immediately for lending (at a floating rate of interest) are retained to provide lending capacity in the form of liquidity placements (at a floating rate of interest). Market risks are therefore limited and primarily occur in the form of unrealized changes in value as a result of various spread risks that can have a significant impact on both overall market risk and earnings. The company does not assume any refinancing risk. To ensure access to competitive funding in both good and difficult times, the company's funding is diversified. The company's strategy is to be flexible and available on all markets, and, using derivatives, to "create" borrowing in the currency that the customer (and ultimately the exporter) requires. This enables the company to take advantage of the best funding opportunities irrespective of market, which contributes to diversification and risk reduction.

SEK's risk management primarily involves using various techniques to transform and reduce gross risks into net risks that are at levels that are sustainable in the long term in relation to SEK's risk capital. The matrix below describes management's view on risk management for SEK's most significant risk categories.

GROSS EXPOSURE

CREDIT RISK
Some of SEK's credits are granted to parties that have lower credit quality and therefore higher risk than SEK wishes to be exposed to. This applies to a large extent to export credits, for which the ability to provide financing is a key competitive tool for suppliers. Even in cases where customers have good credit quality, the gross risks can be higher than is desirable if the financing requirements are substantial. Gross exposures do not take into account any risk mitigation/risk diversification. To meet SEK's policy for liquidity and funding risk, borrowed funds not yet used to finance credits need to be invested in securities, known as liquidity placements.

COUNTERPARTY RISK IN DERIVATIVE TRANSACTIONS
Various derivative transactions such as swaps, forward contracts and options are used to limit and reduce risks. The value of these transactions can be considerable in the event of market changes, particularly for transactions with long maturities. This gives rise to a counterparty risk in derivative transactions for which realization of the value of such transactions depends on the counterparty's ability to meet its obligations throughout the entire contract period. Counterparty risk in derivative transactions is a form of credit risk.

MARKET RISKS – INTEREST RATES
In order to be able to offer credits – often with complex disbursement and repayment structures – with fixed interest at attractive terms, it is cost-efficient for SEK to take on some interest rate risk. SEK's borrowing is also often made at fixed interest. SEK primarily sets interest rate terms based on the various needs and preferences of customers and counterparties. Consequently, assets and liabilities can to some extent have different fixed interest periods, which leads to interest rate risk.

MARKET RISKS – CURRENCY
SEK's lending and a large proportion of its borrowing can take place in the currencies chosen by the borrower and investor, respectively. It seldom happens that borrowing and lending are made in the same currency and therefore directly balance each other. Liquidity placements and some borrowing may, insofar as market conditions allow, be made in the currencies SEK chooses in order to match assets and liabilities.

MARKET RISKS – OTHER
A large portion of SEK's funding is carried out on terms that are adapted to investor requirements regarding exposure to different risks. Such adjustments provide exposure not only to credit risk but also to changes in different market prices and other market-related variables, such as indices. These adjustments result in funding transactions that contain embedded derivatives. The risk in these derivatives must be managed to avoid undesirable exposures for SEK. SEK's business model gives rise to spread risks, such as credit spread risk, currency basis spread risk and credit spread risk on own debt.

LIQUIDITY AND FUNDING RISK
SEK's customers require credits in different currencies with different maturities. Maturities are often long.

OPERATIONAL RISK
SEK's transactions often have long maturities and a high degree of complexity, which creates operational risk. The extensive risk management carried out by SEK for different types of risk is often complex and therefore leads to additional operational risk.

RISK MANAGEMENT	NET RISK
■ SEK applies the Foundation internal ratings-based approach (IRB approach) to calculate the capital requirement for credit risks, see page 64. By using the internal ratings-based approach SEK establishes credit ratings for its individual counterparties. Most of the counterparties against whom SEK accepts net exposures are also rated by one or more of the internationally recognized rating agencies. In order to be able to keep the credit risk at the desired level, SEK usually uses various types of guarantees and other risk-mitigating solutions. For export credits, where the ultimate borrower may have low creditworthiness, guarantees from Export Credit Agencies (ECAs) and banks are normally used. To avoid larger than desired risks, SEK may also require risk mitigation in those cases where counterparties have high creditworthiness but where the financing requirements are large. In such cases, credit derivatives are normally used. SEK's liquidity placements shall be made in assets with good credit quality and in accordance with defined guidelines.	■ The net risk is limited mainly to counterparties with high creditworthiness. In many cases there are several guarantors liable for payment in respect of the same exposure. The net risk for an exposure with several guarantors that are liable for payment is considerably lower than the risk would have been against an individual counterparty. Net risk takes into account any risk mitigation/risk distribution.
■ In order to keep counterparty risks at a controlled and acceptable level, SEK methodically chooses counterparties with good credit quality for derivative transactions. To further reduce these risks, SEK strives to obtain collateral agreements from counterparties before entering into a derivative transaction. This means that the highest permitted risk level is decided in advance, regardless of market value changes that may occur.	■ The combination of a choice of counterparties and collateral agreements leads to limited net risk. All exposures related to counterparty risk in derivative transactions must be contained within set limits.
■ SEK uses various techniques for measuring and managing interest rate risks which are designed to provide a clear picture and good control of these risks. Using different derivatives, the original interest rate risks in assets and liabilities are normally transformed from long-term to short-term interest terms in currencies with well-functioning markets.	■ The net risk is limited. Market-related counterparty risk remains in respect of counterparties in derivative transactions to the extent that derivatives are used to manage interest rate risk.
■ Differences in exposures to individual currencies that exist between different transactions are matched with the aid of various derivatives, primarily currency swaps. Currency exposure also arises in the net interest income that is continuously generated in foreign currency. This is hedged regularly in order to minimize risks. In accordance with SEK's policies for risk management, foreign currency positions related to unrealized fair value changes are not hedged.	■ The net risk comprises an accrued net interest income in foreign currency, that is hedged regularly, and foreign currency positions related to unrealized fair value changes. Market-related counterparty risk remains in respect of counterparties in derivative transactions to the extent that derivatives are used to manage interest rate risk.
■ Unwanted market risks, e.g. in embedded derivatives, are hedged by SEK on a contractual basis using free-standing derivative transactions with offsetting risk profiles. The risk of unrealized changes in value as a result of changes in credit spreads, currency basis spreads and changes in SEK's own credit spreads are not hedged.	■ SEK generally does not have any net exposure to any types of risk other than interest rate, currency and certain spread risks. The derivatives used for hedging undesired market risks result in a market-related counterparty risk in respect of counterparties in derivative transactions.
■ In order to avoid refinancing risk, it is SEK's policy that for all credit commitments – outstanding credits as well as agreed, but undisbursed credits – there must be funding available through maturity. For CIRR credits, which SEK manages on behalf of the Swedish state, when evaluating whether it has positive availability the company counts its credit facility with the Swedish National Debt Office, which entitles it to draw on funding with a tenor of up to 10 years, as available funding, despite the fact that no funds have been drawn under this facility. Surplus borrowing is invested in assets with good credit quality and with a maturity profile that matches expected needs. SEK also has a strict policy for liquidity risk in its short-term liquidity management. This policy includes requirements for back-up facilities.	■ Overall, SEK has a limited and well controlled liquidity and funding risk.
■ SEK places great importance on developing structural capital by having clear and reliable routines, a clear division of responsibility, competent and knowledgeable employees and good systems support. SEK also works continually on ethical issues. Long-term, consistent efforts result in the development of risk awareness and attitudes among employees.	■ Operational risk exists in all operations and can never be totally avoided. Operational risk is, however, kept to a controlled, acceptable level through consistent quality assurance work.

NEW REGULATIONS

Authorities are requiring financial institutions to improve both capital and liquidity levels to ensure that institutions are strong and able to also cope with stressed situations. The overall aim of the regulatory reforms is to contribute to a stable and well-functioning financial system. The new regulatory requirements are being phased in. The table below provides a brief summary of new and proposed regulations and how these affect SEK.

PURPOSE	METHOD
CAPITAL BASE The purpose is to improve the quality and size of banks' capital base. The new regulations also aim to increase transparency regarding the different components that make up the capital base.	Most of Tier-1 Capital is to consist of shareholders' funds. Additional capital requirements, buffers, are being introduced in addition to minimum requirements.
ADJUSTED RISK WEIGHTS FOR FINANCIAL INSTITUTIONS The aim is for the Basel Formula to reflect the fact that the correlation between financial institutions is higher than expressed in current calculations according to the IRB approach under Basel II.	The correlation in the Basel formula, for all exposures to financial institutions, is to increase by 25 percent.
CREDIT VALUATION ADJUSTMENT (CVA) Basel III will also include capital requirements for potential changes in the creditwothiness of derivative counterparties (credit valuation adjustment risk).	Credit valuation adjustment risk is to be calculated for all OTC derivative contracts, except for credit derivatives used as credit protection.
LEVERAGE RATIO In addition to the risk-based capital adequacy requirements, a leverage ratio measure is to be introduced. Unlike traditional capital requirements, the leverage ratio does not take account of the differences in risk weights between assets. The purpose is to limit the size of assets in relation to capital.	The leverage ratio measure means that banks must have Tier-1 Capital of more than 3 percent of their total assets and their off-balance-sheet commitments.
LIQUIDITY COVERAGE RATIO The purpose of this measure is to ensure that banks have sufficient liquid assets to cope with real and standardized simulated cash flows under a stressed period of 30 days.	Banks are being required to maintain sufficiently high-quality assets, which can be converted into cash in order to be sufficient for a 30-day stress scenario. This scenario has been defined by the supervisory authority.
LONG-TERM LIQUIDITY MEASURE The purpose of this measure is to ensure that a financial institution funds its illiquid assets with long-term and stable financing in order to reduce liquidity risk.	Requirements for long-term assets to be funded by certain minimum levels of stable financing.
OTC DERIVATIVES As a result of the financial crisis, it was noted that there was a need for a regulation to manage OTC derivatives, as the lack of regulation was considered to be a contributory factor to the crisis.	All standardized OTC derivative contracts are to be cleared by a central counterparty, CCP. Derivative contracts will also be reported to central trade repositories. Derivative contracts that are not cleared will be subject to higher capital requirements. Robust risk mitigation techniques must be applied for non-centrally cleared transactions. An EU proposed framework has been developed in the form of the European Market Infrastructure Regulation (EMIR), for a which a regulation has been adopted. Work is ongoing to strengthen this act with a large number of technical standards.

DATE	SEK STATUS
The intention was to introduce the new regulations on January 1, 2013. However, the finalization of CRD IV has been delayed and no new establishment date had been announced at the time of publication.	In conjunction with its annual internal capital adequacy assessment, SEK is conducting a number of analyses that indicate SEK will amply meet the capital requirements as currently defined in CRD IV.
The intention was to introduce the new regulations on January 1, 2013. However, the finalization of CRD IV has been delayed and no new establishment date had been announced at the time of publication.	In conjunction with its annual internal capital adequacy assessment, SEK is conducting a number of analyses that indicate SEK will amply meet the capital requirements as currently defined in CRD IV.
The intention was to introduce the new regulations on January 1, 2013. However, the finalization of CRD IV has been delayed and no new establishment date had been announced at the time of publication.	In conjunction with its annual internal capital adequacy assessment, SEK is conducting a number of analyses that indicate SEK will amply meet the capital requirements as currently defined in CRD IV.
The aim is to introduce a mandatory leverage ratio measure from January 1, 2018. This measure is to be reported to the supervisory authority from 2013 to 2017 and disclosed from 2015.	In conjunction with its annual internal capital adequacy assessment, SEK is conducting a number of analyses that indicate SEK will amply meet the requirements.
In November 2012 the Swedish Financial Supervisory Authority released the final regulation of the new binding metric representing the Swedish version of LCR. In this regulation, which is binding as of January 1, 2013, a ratio of 100 percent is needed for all currencies combined, as well as for EUR and USD, respectively.	At January 1, 2013 SEK amply meets the capital requirements as defined by the Swedish Financial Supervisory Authority.
The long-term liquidity measure should be at least 100 percent, but unlike the liquidity coverage ratio it is not yet a binding measure in Sweden. The proposed EU implementation date for this measure is January 1, 2018.	The ratio for December 2012 was 100 percent. As a result of its conservative policy on liquidity and financing risk, SEK has no need to change the current financing structure in order to meet this structural quantitative liquidity measure. It is, however, worth noting that there is considerable uncertainty regarding the final format of this measure.
Some of the EMIR obligations could begin to apply in the first quarter of 2013 but in some cases obligations are deferred. It is unlikely that the first clearing obligation will come into force before 2014.	SEK has a relatively large derivative portfolio and the new regulations will therefore have an impact on SEK's operations. Preparations for the OTC derivative reform have been undertaken in project form since November 2011.

CREDIT RISK

Credit risk represents the risk of the loss that would occur if a borrower or other party in another contract involving counterparty risk and any guarantors were unable to fulfill their obligations in accordance with contractual terms and conditions. Exposure to credit risk can be related to lending, liquidity placement and other assets, as well as guarantees, other risk-mitigating instruments, and positive market values in other contracts. Credit risk exposure to a counterparty is always preceded by a decision on a credit or counterparty limit, which the exposure must not exceed. Credit risks are SEK's largest risk. Credit risks are inherent in all assets and other contracts in which a counterparty is obliged to fulfill obligations. Credit risks are limited through the methodical and risk-based selection of counterparties, and they are managed, for example, through the use of guarantees and credit derivatives.

EVENTS IN 2012

In 2012, the level of risk in SEK's total net exposures, defined as the average risk weight, increased marginally and the total volume of risk-weighted amount (RWA) increased slightly. During 2012, SEK has changed its approach to providing offers. The revised method involves providing binding or non-binding offers. Binding offers are included in commitments and in SEK's total net exposures. Furthermore there have been minor changes in the composition of SEK's total net exposures. During 2012 the exposures to corporates have increased, while exposures to financial institutions have declined.The main reason of the reduction in exposures to financial institutions is that CDS-covered exposures to corporates have matured during the year. The increase in net exposures to government export credit agencies is mainly due to the revised method for providing offers.

The migration matrix below overall shows a negative migration for risk classes AAA to BBB and a neutral trend for other risk classes. The number of counterparties that received a modified risk class is less than in 2011.

RISK MANAGEMENT

SEK applies the Foundation internal ratings-based approach (IRB approach) to calculate the capital requirement for credit risks. The Swedish Financial Supervisory Authority has, however, exempted SEK until December 31, 2015 for the exposures mentioned below.

- Exemption from the IRB approach for export credits guaranteed by the Swedish Export Credits Guarantee Board (EKN) or equivalent foreign entities within the OECD.
- Exemption from the IRB approach for the central governments exposure class.

MIGRATION MATRIX, DECEMBER 31, 2012

The migration matrix displays the rating breakdown as of December 31, 2012 for counterparties relative to ratings as of December 31, 2011. The table should be read row by row. The first row displays the percentage breakdown by rating as of December 31, 2012 for the counterparties that as of December 31, 2011 were rated 'AAA'. The second row displays the percentage breakdown by rating as of December 31, 2012 for the counterparties that as of December 31, 2011 were rated 'AA+', and so on. The shaded diagonal thus displays the percentage of counterparties whose rating was unchanged as of December 31, 2012, compared with December 31, 2011.

	2012																		
	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	CCC/C	D	Total
AAA	85%	15%																	100%
AA+		97%	3%																100%
AA	3%	12%	65%	20%															100%
AA-		2%	2%	76%	8%			10%		2%									100%
A+					67%	28%		5%											100%
A					3%	81%	9%	7%											100%
A-							97%	3%											100%
BBB+								88%	12%										100%
BBB								5%	86%	9%									100%
BBB-									12%	82%	3%	3%							100%
BB+										10%	69%	21%							100%
BB											17%	77%	6%						100%
BB-													100%						100%
B+														100%					100%
B															80%	20%			100%
B-																100%			100%
CCC																	100%		100%
D																		100%	100%

- Exemption from the IRB approach for exposures in the Customer Finance[1] area.

The standardized approach is used to calculate the capital requirement for credit risks for exposures that are exempted from the IRB approach. It is possible to request an extension of the approved exemptions. If, in the event of a request, the Swedish Financial Supervisory Authority does not grant an extension, SEK will have a three-year period in which to implement the IRB approach.

All of SEK's counterparties must be assigned a risk classification or rating internally. For exposures that are included in the exemptions from the IRB approach, granted to SEK by the Swedish Financial Supervisory Authority, external ratings are used. External ratings are also used for securitization positions. The decision concerning an internal rating for a counterparty is taken by SEK's Rating Committee. The members of the Rating Committee are appointed by the President based on the members' previous experience of risk assessment and experience of credit ratings. The Rating Committee members come from various functions within SEK, with a majority of the members representing non-commercial functions within the company. SEK aims to maintain continuity within the Rating Committee. The design of the company's IRB system includes a number of both operational and analytical aspects. The operational design concerns the organizational process for and control of how counterparties are assigned risk classifications. Important operational aspects include where in the company the risk classification is made and established, and how the responsibility for monitoring, validation and control is distributed throughout the organization. The analytical design concerns how risk is measured and assessed. This includes how loss concepts are defined and measured, and which methods and models are used for risk classification and the calculation of risk. The analytical design of risk classification systems often differentiates significantly between different financial institutions. A common factor among the systems, however, is that every credit exposure within a specific risk class is associated with a number of quantifiable risk expressions. The two terms that together primarily express the credit risk of an exposure are the probability of default or cessation of payments by a borrower (Probability of Default, PD) and the portion of the loan that will be lost in the event of a default (Loss Given Default, LGD). Using these two parameters and the size of the outstanding exposure at default (Exposure at Default, EAD), it is possible to calculate the statistically expected loss (Expected Loss, EL) for a given counterparty exposure. By using what is known as the Basel formula, the unexpected loss (UL) can also be estimated. In the Foundation IRB approach, only the PD is estimated internally. The values of the other parameters[2] are set by the supervisory authority.

[1] Customer Finance is an area where SEK under cooperation agreements with export companies provides cross-border financing, primarily in the form of leasing and installment credits to the exporting companies customers.

[2] Under normal circumstances the maturity will be 2.5 years and the LGD will be 45 percent.

An internal risk classification system is a tool for improving the precision of credit assessments and making them consistent. By storing historical data of counterparties' defaults and credit rating history, SEK is able to monitor its credit assessments and create a clearer "institutional memory" within the organization. This historical data helps SEK in revealing and correcting systematic erroneous assessments. In order to identify the differences between SEK's risk classification and the ratings of external rating agencies, SEK conducts outcome analyses showing the correlation between the company's internal risk classification and the ratings of rating agencies. These differences can be due to both differences in the analytical assessment and the date of the analyses.

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

In January 2012 the Financial Supervisory Authority granted SEK permission to use the Foundation internal rating-based approach to calculate risk weighted exposures to insurance companies. During the year two insurance companies have been given an internal rating and limit.

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

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

Credit decision process

In order to clarify the credit process, SEK has during 2012 developed and introduced a standard credit policy, which is referred to within the company as "the Standard". Since September 2012, the standard credit policy has been a central part of the company's lending in line with SEK's mandate based on the owner's directive. The Standard specifies a number of requirements, all of which must be met in order for a limit or credit proposal to be deemed to come within the Standard. If these requirements are not met and consequently fall outside the Standard, the decision is escalated to a higher decision-making authority. The aim of introducing the standard credit policy is to achieve a more efficient, effective and clearer credit process.

Limits and monitoring

SEK uses different types of limits to manage lending and to limit risks to a set extent. The limit expresses the highest acceptable exposure to a risk counterparty and type of credit risk for each future date. For example, SEK has sublimits that restrict exposures resulting from derivative contracts in respect of a risk counterparty. A limit granted by the appropriate committee permits SEK's business functions to conclude, within such limit, business transactions in SEK's name that imply credit risk in respect of the relevant counterparty. All limits and risk classifications are reviewed at least once a year. Exposures deemed to be problem credits[3] are subject to more frequent reviews, and the limit is blocked[4] for identified problem credits. The purpose of this is to be able to identify, at an early stage, commitments with elevated loss risk and ensure that the risk classification reflects the actual risk of the risk counterparty.

Counterparty risk in derivative transactions

Counterparty risk in derivative transactions – which is a type of credit risk – arises when derivative transactions are used to manage risks. In order to limit this risk, SEK enters into such transactions solely with counterparties with good creditworthiness. Risk is further reduced by SEK's entering into ISDA Master Agreements, with associated collateral agreements, known as Credit Support Annex, with its counterparties before entering into derivative transactions. Any exemptions to this require a special decision, which is taken as a part of the credit process for the relevant counterparty. These bilateral agreements mean that the highest permitted risk levels, in relation to each individual counterparty, are agreed in advance. The formulation of these agreements is designed to ensure that agreed risk levels (known as threshold amounts) will not be exceeded, regardless of market value changes that may occur.

For counterparty exposures that exceed the threshold amounts under the relevant Credit Support Annex as a result of market value changes, credit support is demanded so that the counterparty exposure is reduced to the pre-agreed level. The positive gross value of all derivative transactions in the balance sheet as of December 31, 2012 was Skr 25.7 billion (year-end 2011: Skr 31.5 billion). After netting on the basis of the current Credit Support Annex (by counterparty), the exposure was Skr 12.8 billion (year-end 2011: Skr 16.7 billion), i.e., Skr 12.9 billion less than the gross exposure (year-end 2011: Skr 14.8 billion less than gross exposure). As of December 31, 2012 counterparties had paid Skr 14.3 billion (year-end 2011: Skr 15.6 billon). At the end of 2012, SEK had provided credit support under a Credit Support Annex with different counterparties amounting to Skr 2.5 billion (year-end 2011: Skr 4.3 billion), reducing total counterparty risk exposure for SEK by the corresponding amount. At the end of 2012, SEK had counterparty risk in derivative contracts in respect of 46 counterparties (year-end 2011: 50).

The majority of SEK's derivative contracts are what are known as OTC (over the counter) derivatives, i.e. derivative contracts that are not settled on a stock exchange. At the end of 2012, SEK's OTC derivative contracts were not subject to central clearing, for further information on OTC derivatives see "New regulations".

Credit risk protection

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

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

Guarantees

SEK relies to a large extent on guarantees in its lending. The guarantors are principally made up of government export credit agencies, such as the Swedish Exports Credit Guarantee Board (EKN), the Export Import Bank of the United States (USEXIM), the Exports Credits Guarantee Department of the United Kingdom (ECGD), Compagnie Financière pour la Commerce Exterieure (Coface) of France and Euler Hermes Kreditversicherungs AG of Germany, as well as financial institutions and, to a lesser extent, non-financial corporations. Credit risk is allocated to a guarantor in accordance with SEK's policy and therefore, when disclosing net credit risk exposures, the majority of SEK's guaranteed credit exposure is shown as exposure to sovereign counterparties. As of December 31, 2012, government export credit agencies guaranteed a total of Skr 159.4 billion, or 46.0 percent, of SEK's total credit exposures (year-end 2011: Skr 123.1 billion, or 39.3 percent). Skr 116.3 billion covered corporate exposures, Skr 4.7 billion covered exposures to financial in-

[3] An exposure (receivable) to a risk counterparty that is judged by SEK to have a high probability of not fulfilling all of its commitments in accordance with the original contractual terms at the due date.

[4] A blocked limit means that no new deals may be concluded with the counterparty.

stitutions, Skr 0.5 billion covered regional government exposures and Skr 37.9 billion covered government exposures (year-end 2011: Skr 110.0 billion, Skr 5.3 billion, Skr – and Skr 7.8 billion, respectively). The increase in government export credit agencies covering exposures to sovereign counterparties is due to SEK switching in 2012 to a revised method for providing offers, which is described in the Events in 2012 section above. The guaranteed corporate exposures are included in the class of financial instruments referred to as "Loans to the public", the guaranteed exposures to financial institutions are in the class "Loans to credit institutions" and the guaranteed exposures to governments are in the class "Loans to the public".

Credit derivatives
At year-end 2012, Skr 11.6 billion of SEK's assets were secured through CDS coverage obtained from 18 different financial institutions (year-end 2011: Skr 19.4 billion, obtained from 19 different financial institutions). Skr 11.6 billion covered corporate exposures (year-end 2011: Skr 19.4 billion). All exposures covered by CDSs are included in the class of financial instruments known as "Other interest-bearing securities, except loans", "Loans in the form of interest-bearing securities" or "Loans to the public". SEK has ISDA Master Agreements with associated collateral agreements in place with issuers of credit derivatives.

Collateral
SEK uses various types of collateral or risk mitigation to reduce or transfer credit risks. Approved risk mitigation methods under ISDA Master Agreements with Credit Support Annex generally consist of cash and, to a limited extent, government bonds. Any collateral that SEK demands must be managed and documented in a manner such that the collateral fulfills its function and can be used in the intended manner when needed.

When a credit decision is made, the creditor's assessed creditworthiness and ability to repay are taken into account, together – where applicable – with the value of any collateral. The credit decision may be made on condition that certain collateral is provided.

CONCENTRATION RISKS
SEK's exposures are regularly analyzed and reported in respect of risk concentration dependent on (i) the size of individual commitments, (ii) domicile and (iii) sector. The analysis refers to both direct and indirect exposures from, for example, credit derivatives. The concentration risks mentioned above are reflected in SEK's calculation of economic capital for credit risks where they contribute to a higher capital need than the capital requirement calculated under Pillar 1. Pillar 1 does not take concentration risks into account when calculating capital requirements. For further information about concentration risks, see the Internal Capital Adequacy Assessment section on page 75.

Large exposures
According to Swedish Financial Supervisory Authority regulations FFFS 2007:1, a large exposure refers to an exposure that accounts for at least 10 percent of an institution's capital base. The aggregate amount of SEK's large exposures as of December 31, 2012, was 282.2 percent of SEK's total capital base, and consisted of risk-weighted exposures to 21 different counterparties, or counterparty groups, of which the majority relate to combined exposures for which more than one counterparty is responsible for the same payments (year-end 2011: 307.9 percent and 22 different counterparties or counterparty groups). The changes in large exposure rules came into force on December 31, 2010, with transitional rules applicable through to the end of 2012. According to these rules, financial institution exposures are treated in the same way as corporate exposures. A 100 percent weighting is applied for these exposures, instead of the previous 20 percent weighting. SEK applies the transitional rules, which enable the previous method of treatment to be applied to those financial institution exposures incurred no later than 2009. Exposures to financial institutions incurred since December 31, 2009, however, have 100 percent weighting. SEK complies with these rules and reports its large exposures to the Swedish Financial Supervisory Authority on a quarterly basis. In order to ensure that the company can meet the new rules at the point that the transitionary rules are no longer applicable, which is January 1, 2013, SEK has successfully adapted the size of its exposures to different counterparties in the financial institutions category.

In order to monitor large exposures, SEK has defined internal limits, which are monitored daily together with other limits. The internal limits are approved by the Executive Committee's Credit Committee or the Board's Credit Committee.

MARKET RISK
Market risk occurs when the terms of a contract are such that the size of the payments linked to the contract or the value of the contract vary due to a market variable, such as an interest rate or exchange rate. The resulting market risks are known as interest rate risk and currency risk, which are also the market risks to which SEK is primarily exposed. SEK's business model leads to exposure to interest rate risk, currency risk and different types of spread risk.

EVENTS IN 2012
During 2012 SEK has consequently worked on developing and expanding the company's market risk measures. The development work is expected to continue throughout 2013. This development work has, for example, resulted in SEK implementing a number of spread risk measures. The market risk measures basis risk, which is related to FRAs, and interest rate risk in positions related to shareholders' funds have also been restricted though defined limits.

RISK MANAGEMENT

SEK's management of market risks is regulated by steering documents established by the Board's Finance Committee. These clearly defines and circumscribe the net market risks to which SEK is permitted to be exposed. In addition to these steering documents, SEK has instructions defining methodology for the calculation of market risk and an instruction whereby areas of responsibility, work duties and information flows are detailed in the event of limit breaches. The instructions are re-established annually by the Asset and Liability Committee. The calculated market risks are reported to the Asset and Liability Committee and the Board's Finance Committee.

MEASUREMENT AND REPORTING

The following describes how SEK internally measures and reports market risk. For the impact on results and other comprehensive income due to interest rate risk, see Note 28.

Risk neutrality for interest rate risk in debt-financed assets and debt excluding perpetual subordinated debt can only be achieved if the currency, interest rate terms and the overall maturity period for the liabilities all matches the corresponding assets. Conditions are different with regard to shareholders' funds as interest rate terms cannot be matched. According to SEK's approach, risk neutrality is based around the aim of minimizing the impact on earnings in the long term and forming a link with the owner's return-on-equity target. According to prevalent capital market theory, the required return on equity consists of two separate parts; the risk-free rate and a risk premium. If the return-on-equity target is to follow this theory, it means that the nominal rate of return will vary over time, depending on the current market conditions. In addition to this theory, SEK has taken as its starting point an assessment of the average maturity of its credits and has also taken reinvestment risk into consideration. On this basis, SEK has defined zero risk (known as zero-risk definition) in positions related to shareholder's funds as a maturity structure where 1/10 of the total portfolio matures every year from year 1 to year 10.

In accordance with SEK's policies for risk management, foreign currency positions related to unrealized fair value changes are not hedged. The remaining currency risk, according to SEK's definition, mainly arises on an ongoing basis due to differences between revenues and costs (net interest margins) related to assets and liabilities in the respective currency.This currency risk is kept at a low level since SEK matches assets and liabilities in terms of currencies or by matching taking place through the use of derivatives.

Interest rate risk

Interest rate risk in debt-financed assets and senior debt

Interest rate risk in debt-financed assets and senior debt is measured by a stress test as the highest of the risks calculated from a positive one-percentage-point parallel shift in the yield curve and the risk from a half-percentage-point rotation of the yield curve. Perpetual subordinated debt with related hedging transactions, as well as positions related to shareholders' equity, are excluded from these calculations. The limit for interest rate risk in debt-financed assets and debt excluding perpetual subordinated debt was Skr 70 million at the end of 2012 (year-end 2011: Skr 70 million). The risk amounted to Skr 42 million at the end of 2012 (year-end 2011: Skr 37 million).

Interest rate risk in perpetual subordinated debt

The volume of perpetual subordinated debt at December 31, 2012 amounted to USD 350 million (year-end 2011: USD 350 million), corresponding to Skr 2,280 million (year-end 2011: Skr 2,423 million). The interest rate risk relating to this volume was hedged with interest rate swaps, with maturities between 2019 and 2034. The interest rate risk in perpetual subordinated debt is measured as the highest of the risks calculated from a positive one-percentage-point parallel shift in the yield curve and the risk from a half-percentage-point rotation of the yield curve. The maturity for perpetual subordinated debt has been approximated at 30 years. SEK thus measures an approximated interest rate risk related to perpetual subordinated debt. The interest rate risk was Skr 262 million at the end of 2012 (year-end 2011: Skr 280 million). There is no specific limit for this risk.

Interest rate risk in positions related to shareholders' funds

SEK manages shareholders' funds in a such a way that fixed interest rates contribute to creating stable net interest revenues over time. The desired fixed interest rate be achieved by means of investments in securities or in the form of derivative transactions. At year-end 2012, the volume of transactions for this purpose amounted to Skr 14.7 billion, with an average outstanding maturity of 4.1 years (year-end 2011: Skr 14.7 billion, with an average outstanding maturity of 3.0 years). The interest rate risk in positions related to shareholders' funds is calculated as a change in present value at a one-percentage-point parallel upward shift in the yield curve compared with a benchmark portfolio according to the zero-risk definition. According to this definition, the interest rate risk was Skr 136 million at December 31, 2012 (year-end 2011: Skr 45 million).

SEK's return-on-equity target changed in 2012, which impacted risk management for positions related to shareholders' funds. The investment horizon for the benchmark portfolio has been changed from seven to ten years, which is the main reason for the significantly higher interest rate risk compared with December 31, 2011. Adjustment of the maturity structure in line with the new benchmark portfolio has begun and will take place gradually. In 2012 the Board's Finance Committee also decided to limit the interest rate risk for positions related to shareholders' funds. The limit amounts to Skr 300 million (–).

Basis risk

Basis risk measures a potential impact on SEK's net interest income due to a change in currency basis spreads. Where borrowing or lending are not currency matched, the future cost of converting borrowing to the desired currency depends on the currency basis spread. Changes in the currency basis spread will consequently impact SEK's future net interest income. The basis risk is calculated (with the exception of surpluses in Skr, USD and EUR) as the change in present value due to changes in the currency basis spread by a certain number of basis points (according to a standardized method). Surpluses in Skr, USD and EUR are excluded from the calculation of basis risk since the majority of SEK's lending is made in these currencies. Surpluses in these currencies may fairly swiftly be used to finance lending, if desired. The limit for basis risk was Skr 190 million at the end of 2012 (year-end 2011: Skr 190 million). Total basis risk amounted to Skr 85 million at the end of 2012 (year-end 2011: Skr 102 million).

Spread risks

SEK's business model implies that assets and liabilities usually are held to maturity. Unrealized fair value changes due to changes in credit spreads, currency basis spreads and changes in SEK's own credit spread, are therefore, for SEK, accrual effects that may impact SEK's shareholders' funds and, for some of the fair value changes, also the capital base. During 2012 the reported sensitivity of SEK's shareholders's funds to different types of spread risks has increase, primarily as a result of refined methods for calculating market values in SEK's accounting. SEK has therefore, during 2012, developed and refined additional market risk measures for spread risks. The development will continue during 2013.

Credit spread risk

Credit spread risk indicates a potential impact on SEK's shareholders' funds, in the form of unrealized gains or losses, as a result of changes in credit spreads. Credit spread risk is measured and has been limited for assets classified as financial assets measured at fair value through profit or loss and for assets classified as financial assets available-for-sale. Credit spread risk is measured as the difference between a calculated market value in a scenario where the credit spread has increased by 100 basis points and the current market value. At the end of 2012 the credit spread risk was Skr 196 million (–) and the limit was Skr 500 million (–). This credit spread measure was introduced in 2012 and there are consequently no comparative figures for 2011.

Credit spread risk on own debt

Credit spread risk on own debt indicates a potential impact on SEK's shareholders' funds, in the form of unrealized gains or losses, as a result of changes in SEK's own credit spread. Credit spread risk on own debt is measured on the bonds issued by SEK that are classified as financial liabilities at fair value through profit or loss. Credit spread risk on own debt is measured as the difference between a calculated market value in a scenario where the credit spread on own debt has increased by 10 basis points and the current market value. At the end of 2012 the credit spread risk on own debt was Skr 497 million (–). No special limit applies. This credit spread risk measure was introduced in 2012 and there are consequently no comparative figures for 2011.

Currency basis spread risk

Unlike the basis risk, the currency basis spread risk measures, a potential impact on SEK's shareholders' funds, in the form of unrealized gains or losses, as a result of changes in currency basis spreads. Currency basis spread risk includes financial transactions whose market value is impacted by changes in currency basis spread curves. Currency basis spread risk is measured as the difference between a calculated market value in a scenario where the currency basis spread has increased by 10 basis points and the current market value. The risk for each currency basis spread curve is totaled as an absolute figures. At the end of 2012 the currency spread risk was Skr 293 million (–). No special limit applies. The currency basis spread risk measure was introduced in 2012 and there are consequently no comparative figures for 2011.

Currency risk

This risk is calculated as the change in value of all foreign currency positions at an assumed 10 percentage-point change in the exchange rate between the respective currency and the Swedish krona. When calculating the risk foreign currency positions related to unrealized fair value changes are excluded. The limit for currency risk was Skr 15 million at the end of 2012 (year-end 2011: Skr 15 million). Currency risk amounted to Skr 3 million at the end of 2012 (year-end 2011: Skr 4 million).

Other price risk

Where SEK is responsible for the secondary market of bonds (distributed by SEK itself), the individual repurchases may be too small to be hedged due to practical reasons. SEK's policy is for market risk due to such repurchases to be hedged as soon as market conditions allows. This risk is undesirable, but it is a consequence of maintaining a liquid secondary market. SEK has adopted a conservative approach regarding the risk of these products and defines the market risk as the aggregate nominal value of the given repurchases. The limit for these products at the end of 2012 was Skr 2 million (year-end 2011: Skr 2 million) and the actual risk was Skr 0.6 million (year-end 2011: Skr 0.5 million).

LIQUIDITY AND FUNDING RISK

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

EVENTS IN 2012

In 2012 the Swedish Financial Supervisory Authority published a proposal regarding quantitative requirements for the liquidity coverage ratio (LCR). The final regulation, FFFS 2012:6, was published later in autumn 2012. This establishes that a quantitative requirement for the LCR will be introduced in Sweden as of January 1, 2013. The requirement covers all currencies, both combined and separately, in EUR and USD.

SEK has also further developed the company's liquidity risk management in 2012 and the focus has primarily been on the introduction of new quantitative requirements for liquidity risk.

RISK MANAGEMENT

The management of SEK's liquidity and funding risk is regulated by steering documents established by the Board's Finance Committee. SEK has a conservative policy for liquidity and funding risk. The policy requires that for all credit commitments – outstanding credits as well as agreed, but undisbursed credits – there must be funding available through maturity. For CIRR credits, which SEK manages on behalf of the Swedish state, when evaluating whether it has positive availability the company counts its credit facility with the Swedish National Debt Office, which entitles it to draw on funding with a tenor of up to 10 years, as available funding, despite the fact that no funds have been drawn under this facility. This policy means that no refinancing risk is allowed. This strategy also means that borrowed funds not yet used to finance credits need to be invested in securities, known as liquidity placements. Liquidity and refunding risk are measured and reported regularly to the Asset and Liability Committee and the Board's Finance Committee.

SEK's conservative policy for liquidity and funding risk is measured and reported on the basis of various forecasts regarding the development of available funds in comparison with all credit commitments – outstanding credits as well as agreed but undisbursed credits. Available funds are defined as shareholder's funds, borrowing and loan facilities with the Swedish National Debt Office. Excess funds, i.e. the portion of available funds not already used to finance loans, must be invested in assets with good credit quality. See the Liquidity placements section for further details. The loan facility with the Swedish National Debt Office[5], which amounted to 100 billion, (year-end 2011: Skr 100 billion) is valid through to December 31, 2013 and distributed as follows: 80 percent may be used for funding in the purpose of financing lending within the S-system and 20 percent may be used for funding in the purpose of financing lending in SEK. See the chart "Development over time of SEK's available funds." Part of SEK's structured long-term borrowing includes early redemption clauses that will be triggered if certain market conditions are met. Thus, the actual maturity for such contracts is associated with uncertainty. In the chart "Development over time of SEK's available funds," such borrowing has been assumed to be due at the first possible redemption opportunity. This assumption is an expression of the precautionary principle that the company applies concerning liquidity and funding management. In addition, SEK also carries out various sensitivity analyses with regard to such instruments, in which different market scenarios are simulated.

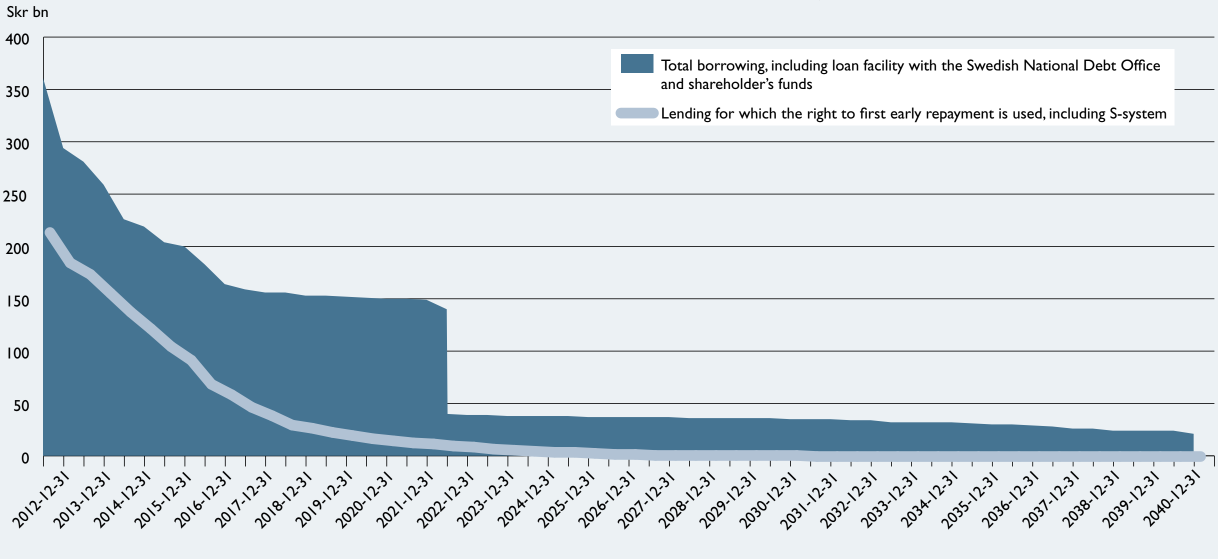
MEASUREMENT AND REPORTING

SEK measures liquidity risk based on a number of estimates of the development of available funds compared with outstanding credit commitments. For both measurement and reporting, liquidity risks are divided into short-term and long-term risks. Deficits should be avoided in the short term. This is regulated by means of limits and liquidity estimates, per currency, for the coming eight days. Longer liquidity estimates for periods of up to one year are produced on a regular basis. During more turbulent periods, a greater share of available liquid funds are invested in overnight placements to ensure short-term access to liquid funds.

Long-term, structural liquidity risk is measured and reported regularly as described in section "Risk Management".

[5] The loan facility with the Swedish National Debt Office allows SEK to receive funding with maturities of up to 10 years, which are assumed to be used in this scenario.

DEVELOPMENT OVER TIME OF SEK'S AVAILABLE FUNDS AS OF DECEMBER 31, 2012



FUNDING

SEK's funding strategy is defined in the steering document Financing Strategy, which is established by the Board's Finance Committee. The Financing Strategy, among other things, aims to ensure that SEK's funding is well-diversified with regard to markets, investors, counterparties and currencies. As previously mentioned, SEK has a conservative policy on maturities which means for all credit commitments – outstanding credits as well as agreed, but undisbursed credits – there must be funding available through maturity. For CIRR credits, which SEK manages on behalf of the Swedish state, when evaluating whether it has positive availability the company counts its credit facility with the Swedish National Debt Office, which entitles it to draw on funding with a tenor of up to 10 years, as available funding, despite the fact that no funds have been drawn under this facility.

Short-term funding

For the purpose of ensuring access to funding, SEK has several revolving funding programs for maturities of less than one year. These include a US Commercial Paper program (UCP) and a European Commercial Paper program (ECP), with the latter allowing borrowing in multiple currencies. Since the fourth quarter of 2012 SEK has once again issued debt under the US Commercial Paper program after remaining outside this market for a long time. The reason for SEK once again issuing debt under this program is because the company believes it is important to have access to the Commercial Paper market in the US. The table "Short-term funding programs" illustrates these funding sources. The total volume of short-term programs was USD 7.0 billion, of which USD 1.6 billion had been utilized as of December 31, 2012 (year-end 2011: total volume of USD 7.0 billion, USD 0.0 billion utilized). SEK also has swing lines that function as back-up facilities for SEK's revolving funding program for maturities of less than one year.

SHORT-TERM FUNDING PROGRAMS

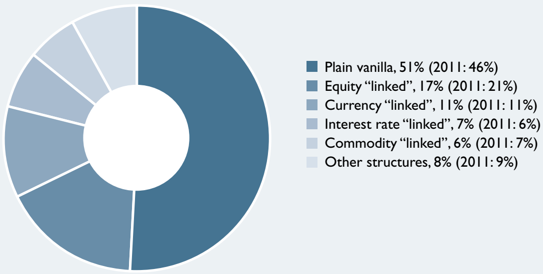
Program type	UCP	ECP
Currency	USD	Multi currencies
Number of dealers	4	4
Dealer of the day facility*	No	Yes
Program size	USD 3,000 mil.	USD 4,000 mil.
Usage as of Dec. 31, 2012	USD 1,616 mil.	USD 0 mil.
Usage as of Dec. 31, 2011	USD 0 mil.	USD 0 mil.
Maturity	Maximum 270 days	Maximum 364 days

* Dealer of the Day offers an opportunity for a market actor, which is not an issuing agent, to arrange individual issues under the Commercial Paper program.

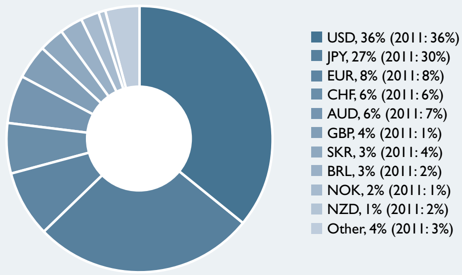
Long-term funding

To secure access to large volumes of funding, and to ensure that insufficient liquidity among individual funding sources does not constitute an obstacle to operations, SEK issues bonds with different structures, currencies and maturities. In addition, SEK carries out issues in many different geographic markets. The following charts illustrate some of the aspects of the diversification of SEK's funding. Figures in the first chart are not comparable to amounts shown in tables "Debt as per categories" under Note 18 since (i) the definition of structure types, that are in accordance with internal reporting, are different from the definition applied in Note 18 and (ii) the chart displays nominal amounts and not book values. The third chart gives a breakdown of long-term borrowing by market in 2012. The chart shows that Europe increased as a funding market during the year, which was due in part to increased investor interest in the UK. The chart also shows that the US accounted for a more normal share of funding in 2012 but that this market has decreased in relative terms since 2011, when SEK issued an usually large amount of debt to the US retail market. SEK's long-term funding issued during 2012 amounted to Skr 43.2 billion (2011: Skr 47.7 billion).

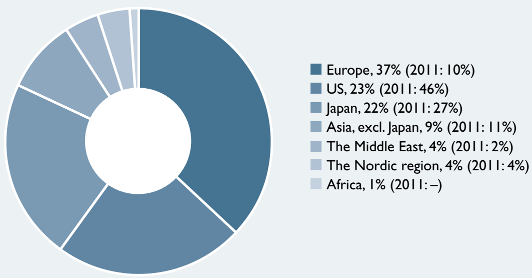
TOTAL LONG-TERM FUNDING BY STRUCTURE TYPE AS OF DECEMBER 31, 2012



TOTAL LONG-TERM FUNDING BY CURRENCY AS OF DECEMBER 31, 2012



LONG-TERM FUNDING IN 2012 BY MARKET

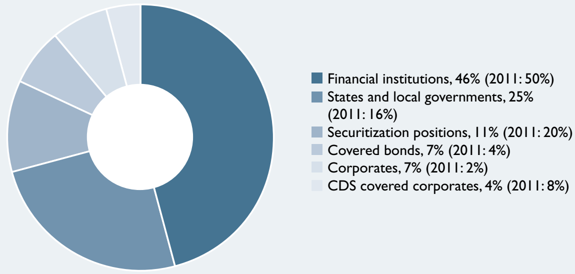


LIQUIDITY PLACEMENTS

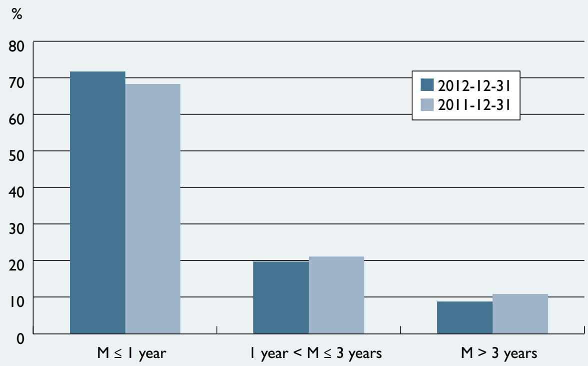
To meet SEK's policy for liquidity and funding risk, borrowed funds, which have not yet been disbursed, must be invested in securities, known as liquidity placements. These placements are subject to regulations specified in the Liquidity Strategy established by the Board's Finance Committee. The size of SEK's liquidity placements depends on a number of factors. SEK's Finance Policy, established by the Board, stipulates that for all credit commitments – outstanding credits as well as agreed, but undisbursed credits – there must be funding available through maturity. For CIRR credits, which SEK manages on behalf of the Swedish state, when evaluating whether it has positive availability the company counts its credit facility with the Swedish National Debt Office, which entitles it to draw on funding with a tenor of up to 10 years, as available funding, despite the fact that no funds have been drawn under this facility. One of the largest contributing factors to the size of liquidity placements is the amount of agreed but undisbursed credits. At the end of 2012, agreed but undisbursed credits amounted to Skr 25.9 billion (year-end 2011: Skr 25.1 billion), corresponding to 29.6 percent of total liquidity placements (year-end 2011: 29.5 percent). As part of its liquidity placements, SEK also requires a liquidity buffer[6] to ensure that SEK can fulfill payments related to collateral agreements that the company has with its derivative counterparties in order to reciprocally manage counterparty risk in derivative transactions. The company allocates Skr 15 billion (year-end 2011: Skr 15 billion) for this purpose. In addition, the liquidity placements also ensure that SEK maintains readiness to meet its assessed new lending requirements, enabling SEK to continue for for at least 6 months to grant new credits to the normal extent, even if funding markets were entirely or party closed. At December 31, 2012 this capacity amounted to Skr 44.3 billion (year-end 2011: Skr 40.5 billion), which corresponded to 9 months' new lending capacity. The maturity profile of the liquidity placements must reflect the net maturity of funding and lending. Investments must be made in assets of good credit quality. When making such investments, the liquidity of the investment under normal market conditions should be taken into account. The currency should also be in accordance with established guidelines. Furthermore, the duration of the assets must be in accordance with defined guidelines. SEK assesses that the assets will be held to maturity, according to plan. The volume of the liquidity placements slightly increased during the year and amounted to Skr 87.7 billion at the end of 2012 (year-end 2011: Skr 84.9 billion). The following charts provide a breakdown of the liquidity placements by exposure type, maturity and rating as of December 31, 2012. The remaining maturity in the liquidity investments decreased further in 2012. Moreover, the credit quality of holdings has been stable and, on average, actually improved slightly in 2012. This was mainly due to the company having increased its holdings in high-quality liquid assets. This was a result of the new quantitative liquidity coverage ratio (LCR) requirement, which is being introduced in Sweden and is binding from January 1, 2013.

[6] The liquidity buffer is an internal assessment of how large potential payments under collateral agreements may be, which means it is not made up of specific contracts unlike the liquidity reserve.

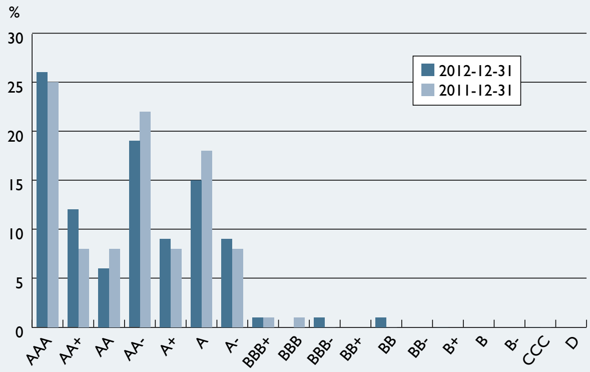
LIQUIDITY BY TYPE OF EXPOSURE AS OF DECEMBER 31, 2012



LIQUIDITY PLACEMENTS BY REMAINING MATURITY ("M")



LIQUIDITY PLACEMENTS BY RATING



CONTINGENCY PLAN

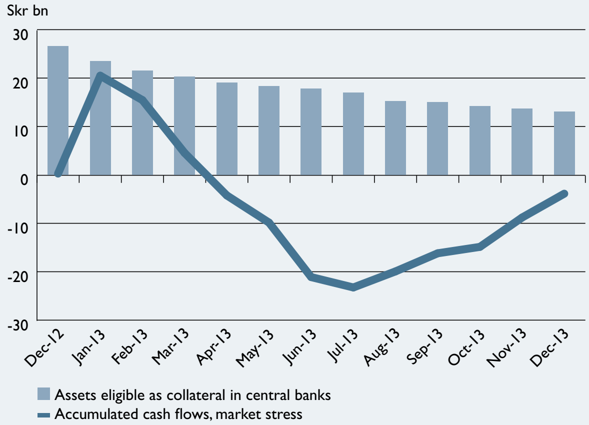
SEK has a contingency funding plan for the management of liquidity crises. The plan describes what constitutes a liquidity crisis according to SEK and what measures SEK intends to take if such a crisis is deemed to have occurred. The plan also describes the decision-making organization during a liquidity crisis. An internal and external communication plan is also included. The contingency funding plan design and procedures are closely integrated with the results of the scenario analyses that are performed, as described below.

SCENARIO ANALYSES

SEK regularly performs scenario analyses with the aim of increasing its preparedness and of ensuring that the company can cope with situations such as the partial or complete cessation of various funding sources. The scenarios cover company-specific and market-related problems, both individually and in combination. The outcome of the scenarios are in line with SEK's conservative Finance Policy, for liquidity and funding risk. In addition, SEK should have a liquidity reserve[7] of satisfactory size for the situation in order to ensure its ability to make payments in the form of large acceptances or payments under collateral agreements and for the repurchase of its own bonds in order to manage its own debt.

The "Market Stress Scenario" chart below shows the development of accumulated cash flows for a stressed market scenario. Assumptions for this scenario include, but are not limited to, the following: not all funding that matures can be refinanced; cash needs to be paid out under collateral agreements; and SEK meets all credit commitments – outstanding credits as well as agreed but undisbursed credits. In addition to the above, SEK also continues to grant new credits in accordance with the business plan. Account is also taken of the fact that a part of SEK's liquidity placements can be quickly converted into liquid funds. In addition to this, SEK holds a significant amount of assets that are eligible to be held as collateral at central banks. These have not been utilized in the stressed scenario below. Instead, they serve as an additional reserve in case market conditions should become even more disadvantageous than anticipated. This extra reserve would be used to offset the potential deficit in accumulated cash flows under the stressed scenario. Due to new regulatory principles from the Swedish National Bank, concerning which assets that are eligible and which haircuts to use, this extra reserve has decreased considerably compared to 2011. Analysis shows that the deficit emerging in the stress scenario in April 2013 is primarily a consequence of the assumption regarding payments under collateral agreements. The extra reserve combined with the loan facility that SEK holds with the Swedish National Debt Office ensures that the outcome of the scenario is in line with SEK's Finance Policy.

MARKET STRESS SCENARIO



OPERATIONAL RISK

Operational risk is defined as the risk of loss resulting from inadequate internal processes, human error, faulty systems or from external events. This definition also includes legal risk. SEK's appetite for operational risk is low.[8] For compliance risk, SEK has zero tolerance. Risks that are assessed to be at medium or high level must be mitigated.

EVENTS IN 2012

The intensified work to manage operational risks and increase awareness of operational risk among SEK's employees, which began in 2011, continued in 2012. Procedures have been improved and there is greater reporting of operational risks, including to the Board. In addition, the results of the annual risk analysis of operational risks have been incorporated into the business planning for respective functions.

SEK works proactively and continuously to prevent incidents and to plan for the handling of potential major incidents and crises. As part of this work, a detailed continuity plan was developed and documented during the year. This continuity plan aims to ensure that at any given point in time the company is able to manage its most critical processes, irrespective of what resources are unavailable. SEK also conducted an exercise as part of the continuity plan based on a scenario including the simulation of the loss of business-critical IT resources. The exercise resulted in providing the company with greater insight and in the updating and expansion of its continuity plan.

At SEK, regardless of the size of their impact on earnings, events related to deficiencies in management, processes, systems, compliance or similar are reported in accordance with the company's incident reporting procedure. During the year, there were a total of 111 incidents (150). The absolute sum of the direct impact on earnings amounted to Skr 3.8 million (6.2).

[7] The liquidity reserve is a portion of liquidity placements. The liquidity reserve consists of high-quality liquid assets, see Note 28.

[8] SEK uses a 3-point scale for assessing operational risk; low, medium and high.

RISK MANAGEMENT

Responsibility and Internal Governance

Operational risk exists in potentially all business and support activities within SEK. This means that all functions within the company serve as part of the first line of defense in terms of operational risks. Each function is therefore responsible for operational risks that occur within their own function. Responsibility for monitoring, analyzing and reporting operational risk lies with Risk Control. In addition, Risk Control is responsible for ensuring that the company complies with the operational risk framework. The Internal Control Committee, which is chaired by the President, is the company committee that is responsible for managing and monitoring operational risk.

In order to support risk management, the company works in accordance with the framework for the management of operational risk. This framework is based on the company's risk appetite and risk management objective. The risk appetite specifies the direction and framework for the management of risk, which is set out in the management of the business by the policy for operational risk, instructions, manuals and the corporate culture of the company. These steering documents describe the risk management process and define which activities and operations are included in the process and how they should be performed. The steering documents also indicate how responsibility is structured for the execution and monitoring of and compliance with risk management. The policy is issued by the Board and the instructions are issued by the President.

Risk management process

SEK identifies, assesses, manages and reports operational risks in accordance with a risk management process consisting of 6 main stages.

1. Risk identification: Events that could jeopardize the company's objectives at the overall or individual level should constantly be identified at a specified regular interval. Identification should be performed
   (i) constantly in the operational work,
   (ii) upon the introduction of new or amended products, services or IT systems,
   (iii) in connection with incidents that occur, and
   (iv) by means of an annual risk analysis of all functions and processes within the company.
2. Risk assessment: The identified risks are then assessed. Assessment is performed based on seriousness of the consequences of such risks' for the company if they were to occur and the probability of such risk occurring. Assessment is based on SEK's appetite for operational risk.
3. Decision: Once risks have been identified and assessed, a decision is taken as to how the risks should be handled "on the basis of" the risk assessment. The company has observed three main options;
   (i) to eliminate,
   (ii) to reduce or,
   (iii) to accept the risk. Based on the overall risk appetite and taking account of the assessment of a particular risk, the company has clarified those risks that are within the risk appetite and acceptable and those risks that are not within the risk appetite and must be eliminated or reduced.
4. Implementation: The decision regarding the management of risk exposures should be implemented which means that
   (i) the measures adopted to reduce risk exposures are developed and implemented,
   (ii) incidents are analyzed, reported and rectified, and that
   (iii) continuity for mission-critical processes and systems is planned, documented, practiced and taught.
5. Monitoring: Analysis and monitoring should be performed to
   (i) capture changes in the risk profile/risk exposure over time,
   (ii) ensure that existing measures and preventive controls are effective,
   (iii) ensure that the level of risk is within the risk appetite and
   (iv) ensure that the size of capital is adequate. The effectiveness of the Risk Framework should be reviewed annually.
6. Reporting and feedback: Reporting is based on the reports sent from the first line of defense, risk owners, to Risk Control. Risk Control analyzes, compiles and reports to certain decision-makers in the company, including the Internal Control Committee, and to the Board. There is also an order established for providing feedback from the decision-making bodies to those people who perform the risk management.

MEASUREMENT

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

(i) whether there are risks that have been assessed as primarily "high risk", but also whether there are risks that are assessed as "medium risk". Risks assessed as "high risk" fall well outside the risk appetite. It is interesting, for example, to note how many risks there are in these two categories, how well the risks are managed and the consequences if the risk were to occur,
(ii) whether severe incidents have been reported that are not acceptable,
(iii) the conclusion reached by management in its annual assessment of internal control in accordance with SOX Section 404. This requires that the company's management must, on an annual basis, assess, and express its opinion on, the effectiveness of the company's internal controls relating to financial reporting and report its assessment to the SEC. Its statement of opinion must be based on testing of the internal controls carried out within SEK. As a result of this, extensive work is car-

ried out each year to identify and manage risks that would result in the company not fulfilling its objective of providing reliable financial reporting. These well-established and extensive procedures, which are part of internal controls within SEK, provide basis for meeting the company's objectives to prevent operational risk,

(iv) executive management's qualitative assessment of the level of risk.

Continual measures are taken to ensure that the level of risk falls within the appetite for operational risk. Work is undertaken relating directly to operational risk, including activities that are part of the risk management process for operational risk, described in section above, along with methodical and extensive work to maintain a high level of quality in internal control. In addition, SEK's system environment and processes are being developed and will include such improvements as the introduction of a higher degree of automation and more effective processes, which are expected to have a positive effect on the level of operational risk.

INTERNAL CAPITAL ADEQUACY ASSESSMENT

Under Basel II Pillar 2, companies are responsible for designing their own internal capital adequacy assessment processes (ICAAP). This requires institutions to identify their risks and assess their risk management in an extensive and comprehensive manner and, based on this, to assess their capital needs. They must also communicate their analyses and conclusions to the Swedish Financial Supervisory Authority. The ICAAP must be documented and disclosed throughout the company. As part of its strategic planning process, SEK's Board and executive management establish the company's risk appetite and clear objectives with regard to the capital structure. An important part of the company's capital planning is the performance of a scenario analysis. A scenario analysis provides a summary of how capital needs would be affected by unfavorable developments in the business environment. Among other things, the effects of the ongoing European sovereign debt crisis and the prevailing uncertainty in the financial markets are observed and analyzed. SEK's sovereign exposures to European countries are shown in Note 28, see tables under "Credit exposures to European countries, by exposure class and risk mitigation method". SEK's capital adequacy assessment process also includes an evaluation of the impact on SEK due to future regulatory reforms. The evaluation shows that SEK will be able to meet both requirements under CRR/CRD IV and EMIR regulation at the time they come into force.

SEK's ICAAP is assessed as being well in line with the underlying principles, intentions and values of the regulations.

To calculate capital requirements in accordance with Pillar 2, SEK uses other methods than those used to calculate the capital requirements under Pillar 1. Under Pillar 2, a number of other risks are analyzed in addition to those risks covered by capital under Pillar 1. These risks are analyzed based on a perspective of proportionality, with the greatest focus being placed on those risks that are of most significance for SEK. For example, for internal evaluation and assessment of capital requirements regarding credit risks under Pillar 2, SEK works with what is referred to as economic capital. This is a more exact and risk-sensitive measure than the regulatory capital requirement under Pillar 1. The need for economic capital is based on a calculation of Value at Risk (VaR) and forms a central part of the company's internal assessment. SEK's assessment of whether, in addition to the capital requirement calculated under Pillar 1, the company needs to allocate capital for credit risk under Pillar 2 is mainly based on a quantitative approach. This quantitative estimate is performed using a simulation-based tool that produces a probability distribution of the value of the credit portfolio over a determined time horizon (usually one year). VaR is estimated based on this probability distribution (at a confidence level of 99.9 percent), which forms the company's economic capital need. This quantitative approach is also complemented by a comparative analysis of the capital requirement under the Basel formula and the necessary economic capital, as well as by qualitative assessments. The primary aim of the analysis is to assess whether the total capital requirements under Pillar 2 should be set higher than the capital requirement calculated under Pillar 1. The total capital requirement under Pillar 2 was Skr 7,243 million at December 31, 2012 (year-end 2011: Skr 7,077 million), which can be compared to the capital requirements under Pillar 1 that amounted to Skr 5,258 million (year-end 2011: Skr 4,892 million).

In addition, it is considered important to be able to break down the difference by the various individual factors. Although the (net) difference may be small, the analysis shows that the difference between the approaches under Pillar 1 and Pillar 2, respectively, for individual factors may have a large impact on the quantification of risk. Factors that increase the capital requirement in the overall internal assessment include the company's view on the loss proportion in the event of default (LGD), which is more conservative than the Basel formula. Another factor that increases the need for capital consists in the company, under Pillar 2, taking into account concentration risks caused by (i) name concentration and (ii) high correlations between counterparties in the portfolio due to domicile and sector. The regulations also permit certain types of exposure to be exempted from capital requirements under Pillar 1. However, it is SEK's assessment that there is also a capital requirement for such exposures. The regulations do not – under Pillar 1 – take into account the risk reduction resulting from a very short maturity. The company's model for the calculation of economic capital does, however, take this effect into consideration. A positive factor, from which the company is not permitted to benefit under Pillar 1, is the full effect of risk reduction through the use of guarantees and credit derivatives (i.e., combined risks, or "double default"), as well as collateral agreements with issuers of credit derivatives. Overall, with regard to credit risk, concentration risk, caused by high correlations between counterparties, comprises the single largest contribution to risk in the company's comparative analysis.

CORPORATE GOVERNANCE REPORT 2012

GOVERNANCE OF THE ORGANIZATION AND DECISION-MAKING

The information below relates to corporate governance in accordance with the Swedish Corporate Governance Code (the Code) (www.bolagsstyrning.se) in respect of the 2012 financial year. The articles of association, disclosures from the latest general meetings etc., are available on SEK's website (www.sek.se) under the section "About SEK". The corporate governance report of 2012 has been reviewed by the auditors of the company.

The ability to maintain confidence among customers, our owner, investors and other parties is of utmost importance to SEK. To achieve this, great emphasis is placed on creating a clear and efficient division of duties and governance as well as securing a sufficient level of internal control. During 2012 an incident occurred related to an conflict of interest which has led to actions to strengthen the internal control with clearer rules on the identification and handling of conflicts of interest.

IMPORTANT REGULATIONS

AB Svensk Exportkredit is a Swedish public limited company headquartered in Stockholm. The company is consequently governed by the Swedish Companies Act, which for instance means that a Board of Directors is appointed by a general meeting. The Board of Directors appoints the President, who oversees the day-to-day management of the company in accordance with the Board's guidelines and instructions. The annual general meeting decides on SEK's articles of association, which, for example, state what business the company should conduct. SEK's corporate governance is based on Swedish and foreign regulations and on the articles of association, the procedural rules of the Board of Directors and other internal policies and instructions. SEK also complies with the applicable sections of regulations that apply to companies registered on those stock exchanges on which SEK has listed securities.

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

SEK is also a credit company and thereby adheres to the Banking and Financing Business Act, as well as regulation by the Swedish Financial Supervisory Authority.

NON-COMPLIANCE WITH THE CODE

Corporate governance of SEK deviates from the requirements of the Code on the following issues in respect of the SEK's financial year 2012.

APPOINTMENT OF THE BOARD

Owing to its ownership structure, SEK has no nominating committee. The nomination process instead adheres to the Government Owner Policy.

CHAIRMAN AT THE ANNUAL GENERAL MEETING

Owing to its ownership structure, SEK has no nominating committee that can propose a chairman to the annual general meeting. Instead, the chairman is proposed at the annual general meeting in accordance with the Swedish Companies Act. This procedure also adheres to the Government Owner Policy.

APPOINTMENT OF AUDITORS

The nomination process for auditors adheres to the principles described in the Government Owner Policy.

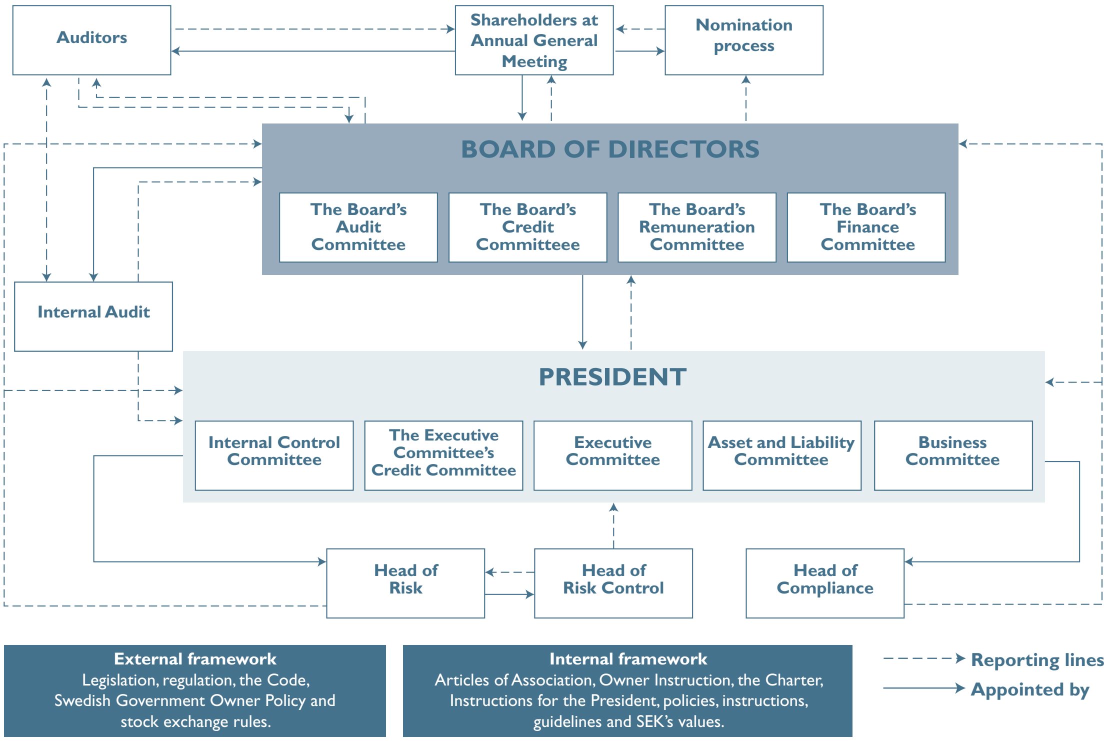
THE BOARD OF DIRECTORS' INDEPENDENCE FROM THE OWNER

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

GOVERNMENT OWNER POLICY

SEK adheres to the Government Owner Policy without deviation.

GENERAL PRINCIPLES FOR GOVERNANCE



GENERAL MEETINGS AND OWNER

The owner exercises its influence at general meetings of the company. The Ministry of Finance is responsible for the management of the state's ownership for SEK. At the proposal of the owner, the annual general meeting appoints the Board members and auditors, adopts the income statement and balance sheet of the Parent Company and the statement of comprehensive income and statement of financial position of the Consolidated Group, and addresses matters that arise at the meeting in accordance with the Swedish Companies Act and the articles of association. Furthermore, the annual general meeting decide on financial targets, the dividend policy and owner's instruction.

ANNUAL GENERAL MEETING

SEK's annual general meeting was held on April 26, 2012. External parties were entitled to attend the meeting. Minutes from the meeting were available on SEK's website.

The annual general meeting adopted the annual accounts submitted by the Board of Directors and the President for 2011 and discharged the Board of Directors and the President from liability. The annual general meeting decided in accordance with the proposal of the Board of Directors on the distribution of profits in the form of a dividend of Skr 420.0 million to be disbursed to the shareholder. The decision was in line with the owner's dividend policy.

The annual general meeting re-elected the entire board. Lars Linder-Aronson was re-elected Chairman of the Board of Directors by the annual general meeting.

The general meeting decided on following financial objects for the company.

Profitable target: After tax return on equity should on long term correspond to interest rate free from risk plus 5 percentage points. The risk free interest rate should be calculated as an average of the 10-year government bond interest rate during the last 10 years.

Capital structure: The objective is that the Common Equity Tier-1 ratio should reach 16 percent, with a minimum 12 percent.

Dividend policy: The normal dividend should be 30 percent of the net profit after tax. Within the range of the policy – on each proposal of dividend – the objectives for capital structure, the company's future capital requirements and possible investment plans and acquisition plans should be respected.

Furthermore, it was also decided by the annual general meeting about guidelines for remuneration to Senior Executives and that the company will be governed in accordance with the owner's instruction regarding SEK issued by the government. This owner's instruction includes the rules relating to the CIRR system that were previously contained in a separate agreement.

On the day of the annual general meeting a special presentation was arranged, to which customers and other stakeholders in the company with a general interest were invited to attend as representatives of the general public. The Chairman of the Board, Lars Linder-Aronson, spoke about the principal events at the annual general meeting and, together with the President, about the company's role and operations. Financial Markets Minister Peter Norman gave a speech and participated on a panel together with the President of Bombardier Klas Wåhlberg and SEK's President and the Chairman of the Board , hosted by journalist Susanna Popova. The audience was invited to put questions to the executive management.

OWNER'S INSTRUCTION

This owner's instruction was adopted at SEK's annual general meeting on April 26, 2012. It is valid until the state, in its capacity as sole owner of the company, communicates otherwise. The description below is an extract from the owner's instruction.

Under the purpose clause presented in the Articles of Association, SEK's business focus, as an institution that plays a complementary role on the market, be to offer Swedish export companies, or exporting companies with Swedish interests, or the end-customers of exporting companies: (i) CIRR loans, (ii) export credits of primarily long-term duration, (iii) corporate loans of primarily long-term duration and with a direct link to export activity, (iv) financing in local (unusual) currencies, (v) long-term project financing, and (vi) advice in internationally procured and funded projects. The owner's instruction also includes the rules relating to the CIRR system that were previously contained in a separate agreement.

SEK shall also offer financial solutions for exports and guidance to small and medium-sized companies in cooperation with other organizations such as Swedish Export Credits Guarantee Board (EKN), Almi Företagspartner (ALMI) and Business Sweden (formerly the Swedish Trade Council), as well as banks and other financial operators.

In its complementary role in the market, SEK shall cooperate with banks and other financial operators to obtain the best possible financing solutions for the abovementioned customer categories.

SEK shall be able to increase its activities and volumes in adverse conditions (and in times of crisis) to segments which are not adequately supported during such periods.

SEK's volume of liquidity placements and investment policy shall be tested separately with regard to how they contribute to SEK's ability to perform its core business.

SEK is to act in such a way as to maintain its credit ratings.

THE COMPOSITION OF THE BOARD OF DIRECTORS

PROCEDURE FOR NOMINATION OF MEMBERS OF THE BOARD OF DIRECTORS

For companies wholly owned by the State a nominating procedure is applied that replaces the rules for appointing members of the Board of Directors and auditors as per the Code. The nominating procedure for members of the Board of Directors is run and coordinated by the unit for company analysis and corporate governance for state ownership within the Swedish Ministry of Finance.

A work group analyzes the skills requirements based on the composition of the Board of Directors as well as the operation and future challenges for the company. Thereafter a decision to recruit is made, requirement profiles are provided and the recruitment process starts. The choice of directors is derived from a broad recruitment base. When the procedure is complete, the nominations will be disclosed publicly as per the stipulations of the Code. The Board should, according to the articles of association, consist of no less than six members and no more than nine members.

MEMBERS OF THE BOARD

The company's Board of Directors consists of eight members. None of SEK's executive management is a member of the Board. Four of the members of the Board are women and four are men. The average age of the members of the Board is 58 years. Information about the members of the Board can be found on pages 84–85.

THE WORK OF THE BOARD OF DIRECTORS

TASKS AND DIVISION OF RESPONSIBILITY

The Board of Directors establishes rules of procedure every year. The rules of procedure govern such matters as reporting to the Board of Directors, the frequency and form of Board meetings and delegation and assessment of the work of the Board of Directors and the President. Besides the appointment of the President, tasks of the Board of Directors are to make decisions on objectives and guide lines for the business, draw up business plans and budgets, make certain lending- and funding-related decisions, approve major investments and significant changes to the company organization, and to establish central policies and instructions. Furthermore, the Board monitors financial development and has ultimate responsibility for internal control, compliance and risk management. In addition to this, the Board is responsible for a well thought-out and firmly established policy and strategy for dealing with respect for the environment, social responsibility, human rights, corruption and equal opportunities and diversity and strategic sustainable targets. In an instruction to the President, the Board establishes the allocation of procedures between the Board and the President. The Board decides on salaries, pension and other remuneration for the President and other senior executives.

The Chairman of the Board leads the work of the Board of Directors and is responsible for ensuring that the other members of the Board are provided with the necessary information. When required, the Chairman of the Board participates in important meetings and represents the company in ownership matters. The tasks of the Chairman of the Board of Directors conform to applicable legislation and the rules of procedure of the Board of Directors. The Board performs an annual assessment of the performance by the Board itself and by the management. Auditors are invited to participate at meetings of the Board at least once a year. The auditors appointed by the annual general meeting have attended several of the Board's meetings.

The Head of Strategic Analysis acted as secretary to the Board of Directors in 2012.

The Board has established a Credit Committee (the body that handles credit-related matters), a Finance Committee (the body that handles other financial matters besides those relating to credits), an Audit Committee (the body that handles the company's financial reporting, internal control etc) and a Remuneration Committee (the body that handles certain remuneration matters).

Besides the Board committees and the work for which the Chairman is responsible, work is not divided within the Board of Directors.

DESCRIPTION OF THE WORK OF THE BOARD OF DIRECTORS

The Board of Directors met on 12 occasions in 2012. In addition to this, the Board of Directors held a special strategy seminar.

The work of the Board was carried out in accordance with the established rules of procedure. Meetings of the Board discussed such matters as annual and interim reports, operating targets, business activities, the 2013-2015 business plan, internal capital adequacy assessment (ICAAP), the 2013 budget, organizational and staffing issues and the employee survey. The Board has also dealt with contacts with supervisory authorities, mainly the Swedish Financial Supervisory Authority, in relation to various kinds of regulation matters. Furthermore, the Board has taken certain significant decisions regarding loans and funding. One of the Board meetings was held in Luleå in connection with a study visit to SSAB in Luleå.

Specific matters handled by the Board during the year are among others the Liquidity Strategy, accounting classification of liquidity placements, future IT strategy, lawsuits against the company, regulation projects, state submission for comment regarding state ownership and administration, media monitoring and conflicts of interest. Furthermore, a special education seminar was held for the Board.

While examining the annual and interim accounts the company auditors participated in 7 meetings of the Board of Directors and reported to and conducted a dialogue with the Board about their observations arising from the scrutiny and assessment of SEK's operations as well as correspondence with supervisory authorities on accounting matters. The Board of Directors shall hold a meeting with the company auditors at least once a year without the attendance of the President or any other member of the executive management. An auditor elected by the National Audit Office attended two Board meetings.

QUALITY ASSURANCE OF FINANCIAL REPORTING

In its special report on internal control (see page 81), the Board has reported on the structure of internal control in financial reporting procedures. The Board of Directors is responsible for ensuring that the company's financial reports are prepared in accordance with statutory requirements, applicable accounting standards and other requirements. The quality of the financial reporting is ensured, among other things, first by the Audit Committee and then the Board of Directors reading and submitting points of view for proposals on interim reports and annual reports prior to the Board's decision. During meetings of the Board of Directors, matters of material importance to financial reporting are discussed, and prior to each meeting reports are submitted to the Board regarding financial and economic developments in accordance with predetermined templates.

The Board of Directors and the company auditors communicate in a number of ways. At the Board meetings where the company's financial reporting was discussed, the auditors participated at the presentation of the financial reports. The Board also receives summary audit reports. Each year, the Audit Committee reviews the auditors' plan for their review of the company. The auditors receive written material that is submitted to the Board and also read all the minutes of Board and Committee meetings.

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

Continual assessments are made throughout the financial year, through the Chairman's conversation with other members of the Board. In addition, a separate assessment is made under the leadership of the Chairman. In 2012, this assessment was also performed with external assistance.

THE BOARD COMMITTEES

During the financial year the Board's Credit Committee, Finance Committee, Remuneration Committee and Audit Committee met on 12, 5, 6 and 7 occasions respectively. The Board has an annual process of establishing instructions for all of its committees. Minutes from all the committee meetings are continuously furnished and reported to the Board of Directors at its meetings. At the Board meetings, the minutes from all committees are reported by the chair man of each board.

CREDIT COMMITTEE

The Credit Committee handles matters relating to credits and credit decisions. The Board of Directors has drawn up a credit policy for the Credit Committee. Upon the request of the Board, the committee has issued a credit instruction that has been reported to the Board. Decision-making rights regarding credits follow an order of delegation established by the Board of Directors. The Board has appointed the following four members to the Credit Committee: Jan Belfrage (chairman), Lars Linder-Aronson, Eva Walder and Ulla Nilsson. From executive management, the President and the Executive Directors, Chief Operating Officer, Chief Risk Officer and Head of Strategic Analysis attended the committee's meetings. The Head of Strategic Analysis has also acted as secretary to the committee.

FINANCE COMMITTEE

The Finance Committee handles overall questions relating to the company's long-term and short-term borrowing, liquidity management, risk measurement and risk limits, and matters relating to policy or quality assurance. The Finance Committee is empowered to decide on interest rate limits and currency risk limits. The Board of Directors has established a Finance Policy. The committee has issued a Finance Instruction. Following the annual general meeting in April 2012 the Board appointed the following four members to the Finance Committee: Lars Linder-Aronson (Chairman), Cecilia Ardström, Jan Roxendal and Ulla Nilsson. From the executive management, the President and the Chief Operating Officer attended the committee's meetings. The Head of Strategic Analysis has acted as secretary to the committee. Significant issues that have been handled by the Committee during 2012 are continuous follow-ups of projects for improved methods of calculation of certain market risks, follow-ups of dialog with the Swedish Financial Supervisory Authority's, the effects and the management of different types of market risks, especially those that generate unrealized changes in market values of assets and liabilities. The Finance Committee has furthermore handled issues that deal with establishment of new types of limits, for example credit spread risk on SEK's own debt, currency spread risk, and an overall measurement of risk. They have also handled the company's rating, appetite for risk, implications followed by the new rules affecting capital demands, capital needs, counterpart exposures, the company's strategy of liquidity placements, reviews of approaching demands for central clearing of OTC contracts, the company's briefing of valuation models, the company's process for validation of market data, and the risks of the GIIPS-countries.

REMUNERATION COMMITTEE

The Remuneration Committee handled matters relating to salaries, terms of employment and other benefits for the President and the executive management and overall issues relating to salaries, pension and other benefits The Board of Directors has established a Remuneration policy and a Remuneration instruction. During 2012 the committee prepared proposals on salaries, pension and other benefits for the President, Senior Executives and other persons in control positions, which the Board is to determine the terms of remuneration for. The committee also prepared proposals for the terms and outcomes of the company's general incentive program. Furthermore, the committee evaluates the compliance with the annual general meetings decisions regarding remuneration. The committee also has processed the Boards evaluation of its own work and of the President. The Board has appointed the following three members to the Remuneration Committee: Lars Linder-Aronson (chairman), Lotta Mellström and Åke Svensson. The President participated in meetings of the committee in matters that did not relate to the President's terms and conditions of employment. SEK's Human Resources Director participated in the committee's meetings. The Head of Strategic Analysis has acted as secretary to the committee.

AUDIT COMMITTEE

The Audit Committee (established in accordance with the Swedish Companies Act) acts as a working committee for matters relating to the company's financial reporting and corporate governance report (including the Board's internal audit report) in accordance with the Code. The Audit Committee establishes overall instructions for the company's auditing work. In connection with the annual general meeting, the Board appointed the following four members to the committee: Jan Roxendal (chairman), Cecilia Ardström, Lotta Mellström and Åke Svensson. From the executive management, the President and the Administrative Director attended the committee's meetings. SEK's Head of Financial Control, the person responsible for SEK's internal control support function and for monitoring of operational risks and a representative from SEK's internal audit reported to the committee. The Head of Strategic Analysis acted as secretary to the committee. All meetings of the committee were attended by the auditors appointed by the annual general meeting. The following matters were discussed at the Audit

Committee's meetings with the auditors: the focus and extent of the audit, coordination of internal and external auditing, internal control, critical accounting issues and financial reports submitted by the company, as correspondence with supervisory authorities in accounting matters.

Specific matters discussed by the Audit Committee in 2012 included a proposal for a new hedging strategy, the accounting classification of liquidity placements, new disclosure requirements from 2013 in accordance with IRFS13 and IFRS9, that are the future regulatory framework for the classification and valuation of financial instruments.

ATTENDANCE FREQUENCY AT MEETINGS OF THE BOARD OF DIRECTORS AND THE COMMITTEES IN 2012

	Total	The Board of Directors	Remuneration Committee	Finance Committee	Credit Committee	Audit Committee
Number of meetings	**42**	**12**	**6**	**5**	**12**	**7**
Lars Linder-Aronson	35	12	6	5	12	
Cecilia Ardström	22	12		4		6
Jan Belfrage	24	12			12	
Lotta Mellström	22	11	5			6
Ulla Nilsson[1]	25	12		5	8	
Jan Roxendal	23	11		5		7
Åke Svensson[2]	21	12	3			6
Eva Walder[3]	20	10	2		8	

1 Member of Credit Committee since April 26, 2012
2 Member of Remuneration Committee since April 26, 2012
3 Member of Remuneration Committee until April 26, 2012

AUDITORS

The Swedish Government Owner Policy and guidelines for state owned companies states that responsibility for the selection of auditors appointed by the annual general meeting in state-owned companies always lies with the owner. The annual general meeting of 2012 appointed Ernst & Young AB as auditor of the company with Authorized Public Accountant Jan Birgerson as the principally responsible auditor. In accordance with the Swedish Act on the Auditing of State-Owned Companies etc., the Swedish National Audit Office may appoint one or more auditors to participate in the annual audit. However, this has not occurred for 2012.

PRESIDENT

Peter Yngwe has been President of SEK since 1997. Mr. Yngwe was born in 1957 and has been an employee with SEK since 1984. In 1991 Mr. Yngwe joined SEK's executive management as Chief Financial Officer (CFO). Mr. Yngwe has a Doctorate of Humane Letters and MBA from Old Dominion University, Virginia in the United States. Mr. Yngwe has no other professional assignments outside SEK.

TERMS AND CONDITIONS OF REMUNERATION

SEK is governed by the Swedish Financial Supervisory Authority's regulations regarding remuneration structures in credit institutions, investment firms and fund management companies licensed to conduct discretionary portfolio management (FFFS 2011:1). SEK follows the government's guidelines on the terms and conditions for senior executives in companies with state ownership. See Note 5 for further information. In accordance with these guidelines and with the decision made at the annual general meeting, the company applies the general principle that pay and remuneration for SEK's, and its subsidiaries', senior executives should be reasonable and well balanced. They should also be competitive, capped and suitable for the work undertaken, as well as contributing to good ethical principles and corporate culture. Compensation should not be higher than at comparable companies, and should instead be marked by moderation.

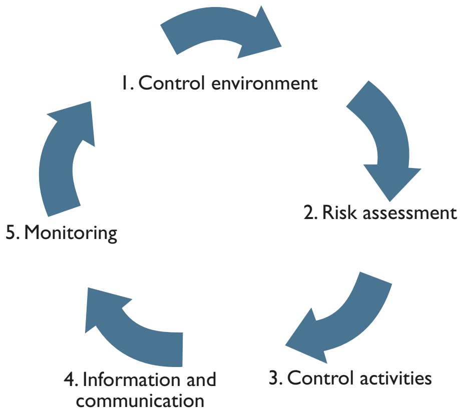
SEK's remuneration policy promotes effective risk management and does not encourage excessive risk-taking.

Guidelines for remuneration to senior executives are determined by annual general meeting. Remuneration to senior executives consists of fixed salary, pension and other benefits.

Pension benefits for senior executives shall be defined contribution and covered by insurance. The general incentive system, GIS, is the only type of variable remuneration at SEK. GIS constitute a unilateral offer by the Company, the Company from time to time discretionary may alter or withdraw. Content and scope and validity of GIS, as well as any amendments or supplements thereof, can only be decided by the Board. With the exception of the President, other members of the executive committee, the Head of Financial Control and the Head of Risk Control, the company offers all permanent employees a general incentive program. Information on SEK's remuneration policy in accordance with regulations of the Swedish Financial Supervisory Authority is disclosed on the company's website (www.sek.se). The company has no outstanding share related or share price related incentive programs. Outcome corresponds to maximum two months' salary. For information on the remuneration of the Board of Directors, the executive management and auditors, see Note 5.

THE BOARD OF DIRECTORS' REPORT FOR THE 2012 FINANCIAL YEAR ON INTERNAL CONTROL AND RISK MANAGEMENT WITH REGARD TO FINANCIAL REPORTING

In order to ensure correct and reliable financial reporting SEK has developed a management system with respect to financial reporting based on the Committee and Sponsoring Organization of the Treadway Commission (COSO) framework for internal control. This internal control framework covers five main areas: control environment, risk assessment, control activities, information and communication, and monitoring.



The control environment

Internal control measures are based on the control environment formed by internal rules together with legislation and external regulations, as well as management philosophy and approaches adopted within the organization. The Board of Directors is responsible for internal control. Effective and efficient Board work therefore forms the basis for good internal control. The Board of Directors of SEK has established rules of procedure for its work and the work of the committees. Part of the work of the Board of Directors is to establish, update and approve a number of fundamental policies, which govern the work of the company. A policy has been established for internal governance and control that is specific to internal control. In addition, it is the responsibility of the executive management to establish guidelines so that all employees understand the need for maintaining good internal control and the role of each individual in such work, which is regulated in part by the Code of Conduct to which all employees must adhere.

The Board prepares guidelines that provide the prerequisites for an organizational structure with clear roles and responsibilities that favor the effective management of company risks and promote good internal control.

Within SEK there is an independent internal audit function that reviews and evaluates whether the company's risk management and control, and management processes are effective and appropriate. Internal audit reports directly to the Board and carries out auditing activities in accordance with an audit plan approved by the Board. Internal audit has reported its observations to the Board and the President on an ongoing basis and regularly provided information to the executive management. As of 2012 the Board commissioned an external party, KPMG, to be responsible for this independent internal audit. The purpose of appointing an external party in order to perform the internal audit is to have a large and broad competence for auditing the company's compliance with the regulations, especially the capital adequacy, including auditing of internal capital adequacy assesment and the company's IRK-model. The assignment of the internal auditors includes cooperation with external auditors so that the latter is able to rely on the work that has been carried out by the internal auditors, thereby confirming that all significant areas of risk have been revised.

SEK's internal control committee, which is chaired by the President, has overall responsibility for establishing internal rules on internal control within financial reporting and monitors compliance with internal control regulations.

Risk assessment

SEK performs an annual risk assessment at function and process level in order to identify, document and quantify operational risks. Risk assessment for financial reporting comprises identifying and evaluating material risks that prevent the objective of reliable financial reporting from being achieved in terms of completeness, accuracy, valuation, reporting and risk of fraud.

Control activities

Controls have been designed around identified risks in order to prevent, reveal and correct deficiencies and discrepancies.

The controls are carried out in part at an overarching level. Examples of overarching controls are instructions regarding authorities and powers and responsibilities relating to lending.

Controls also include general IT controls, relating to such matters as change management, back-up procedures and permissions.

Specific controls, whether manual or automated, are carried out in order to manage the risk of errors occurring in financial reporting. Such controls include reconciliation and analyses.

Processes and controls are documented in the form of flow charts and descriptions of individual control activities, which specify who implements a particular control, how it is implemented and how implementation of the control is documented.

Information and communications

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

Monitoring

The Board of Directors and the Audit Committee are continuously informed of management reports on financial developments through analyses of and commentaries on results, budgets and forecasts. The Board of Directors and the Audit Committee meet the auditors regularly and read the audit reports. The work of the company's management includes assessing material accounting principles and other matters pertaining to financial reporting and dealing with interim reports, year end reports and annual reports prior to comments by the Audit Committee and approval by the Board of Directors. Monitoring and testing of control activities are carried out on an ongoing basis to ensure that risks are taken account of and managed satisfactorily. Testing is carried out by staff who are independent of both those implementing the controls and of the results of the testing. Measures to address any deficiencies are followed up by the Internal Control Committee and the Audit Committee. The company management has also established controls to ensure that appropriate measures are taken in response to the recommendations for action made by the internal audit function and by the auditors elected by the annual general meeting.

SEK is a Foreign Private Issuer as defined by US regulations and is, in addition to the Annual Accounts Act and the Code, therefore also affected by the Sarbanes-Oxley Act (SOX). SOX requires the executive management to assess and comment on the effectiveness and efficiency of internal control of financial reporting based on the testing of internal controls. However, no corresponding expression of opinion is required of the company's auditors for the category of companies to which SEK belongs within the US regulations.

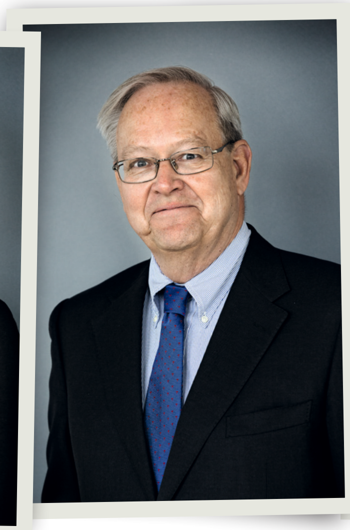
Reporting according to section 404 of the Sarbanes-Oxley Act

The executive management has assessed the internal control of financial reporting in accordance with the rules on foreign private issuers. The conclusion as at December 31, 2012 was that effective and efficient controls were in place relating to internal control of financial reporting.

In 2012, the process of preparing financial reporting was improved through an enhancement of system support in terms of methods for valuing and analyzing financial instruments and through a higher degree of automation. A review, in accordance with the internal control framework, was carried out in conjunction with changes to processes and procedures, which resulted in revised risk assessments and changes to control activities during the year. In connection with the interim report for the third quarter, corrections were made for the effects of these implemented measures and the interim report for the period January 1 to June 30, 2012 was restated. The internal control has been reinforced thereafter. New controls for reconciliation of systems have been adopted. Additional analysis controls related to specific valuation components such as currency basis effects have been enhanced. These changes of control activities have been implemented and tested as of December 31, 2012.

THE BOARD OF DIRECTORS






LARS LINDER-ARONSON

Chairman of the Board

Born: 1953.

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

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

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

Other appointments: Chairman of the Board of Facility Labs AB with subsidiaries. Chairman of the Board of Centeni Holding AB and subsidiary, Member of the Board of Betsson AB, e-Capital AB, Ventshare AB, MG Blandningsteknik AB and Morco Förvaltning AB.

CECILIA ARDSTRÖM

Born: 1965.

Education: Economics, Gothenburg School of Economics.

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

Previous positions: CIO and Head of Asset Management at Folksam group. Head of Treasury Tele2 Group. Member of the Board of Tryggstiftelsen, AP7 and various companies within Folksam and Tele2 companies. Deputy Director of SEB Trygg Liv AB and KP Pensionsstiftelse & Pensionskassa.

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

Current positions: Chief Financial Officer and Head of Kapitalförvaltning Länsförsäkringar AB.

JAN BELFRAGE

Born: 1944.

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

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

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

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

LOTTA MELLSTRÖM

Born: 1970.

Education: MSc Economics and Business, Lund University.

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

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

Other appointments: Member of the Board of Vectura Consulting AB.

Current positions: Deputy Director at the Ministry of Finance.

AUDITORS

Ernst & Young AB

Principally responsible auditor

JAN BIRGERSON

Authorized Public Accountant
Ernst & Young

Born: 1954.
Auditor at SEK since 2008.




ULLA NILSSON

Born: 1947.

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

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

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

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

JAN ROXENDAL

Born: 1953.

Education: General College Degree in Banking.

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

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

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

ÅKE SVENSSON

Born: 1952.

Education: Master of Engineering from Linköping Institute of Technology, Honorary Doctor.

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

Previous positions: CEO of Saab AB 2003–2010. From 1976 different leading positions within Saab, such as General Manager of the Saab Aerospace business area, General Manager of the Future Products and Technology business unit, Project Manager at RBS15 Saab Dynamics AB.

Other appointments: Member of the Board of Saab AB, Parker Hannifin Corp., Royal Swedish Academy of Engineering Sciences, IVA, member of the Swedish Higher Education Authority (UKÄ)'s advisory council.

Current positions: CEO of Teknikföretagen.

EVA WALDER

Born: 1951.

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

Elected: 2009. Member of SEK's Credit Committee.

Previous positions: Served as Ambassador in Finland and Singapore. Head of Human Resources, Swedish Ministry of Foreign Affairs and Head of the Ministry of Foreign Affairs' Asia Department. Head of the Ministry of Foreign Affairs' Department for the EU Internal Market and the Promotion of Sweden and Swedish Trade.

Current positions: Director-general for Trade, Swedish Ministry for Foreign Affairs.

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

MANAGEMENT

PETER YNGWE

President & CEO

Born: 1957.

Education: Degree of Doctor of Humane Letters and MBA from Old Dominion University, Norfolk, Virginia, United States.

Employed: 1984.

Assignments: Chairman of the Board of SEK Customer Finance AB, SEK Exportlånet AB, AB SEK Securities and Venantius.

JANE LUNDGREN ERICSSON

Executive Director – Deputy COO, President – AB SEK Securities

Born: 1965.

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

Employed: 1993.

Assignments: Member of the Board of SEK Customer Finance AB.

SUSANNA RYSTEDT

Executive Director – Chief Administrative Officer

Born: 1964.

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

Employed: 2009.

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

PER ÅKERLIND

Executive Director – COO

Born: 1962.

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

Employed: 1990.

Assignments: Member of the Board of AB SEK Securities.

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

PER JEDEFORS

Executive Director – Chief Risk Officer

Born: 1949.

Education: MSc Economics and Business, Lund University.

Employed: 2011.

Assignments: Member of the Board of Fred Wachtmeister & Partners.

SIRPA RUSANEN

Executive Director – Human Resources

Born: 1964.

Education: Behavioral Science Degree, Lund University.

Employed: 2005.

SVEN-OLOF SÖDERLUND

Executive Director – Strategic Analysis

Born: 1952.

Education: Economics Degree, Stockholm University.

Employed: 1988.

Assignments: Member of the Board of SEK Customer Finance AB, SEK Exportlånet AB, AB SEK Securities and Venantius AB.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Skr mn	Note	2012	2011
Interest revenues		10,352.3	10,223.0
Interest expenses		–8,472.4	–8,352.2
Net interest revenues	2	**1,879.9**	**1,870.8**
Commissions earned	3	11.1	12.3
Commissions incurred	3	–10.9	–14.9
Net results of financial transactions	4	–507.7	523.4
Other operating income	7	19.9	108.8
Operating income		**1,392.3**	**2,500.4**
Personnel expenses	5	–292.2	–282.8
Other expenses	6	–232.8	–203.1
Depreciations and amortizations of non-financial assets	7	–19.5	–14.5
Net credit losses	9	–23.4	–110.9
Operating profit		**824.4**	**1,889.1**
Taxes	10	–115.6	–489.6
Net profit for the year (after taxes)[1]		**708.8**	**1,399.5**
Other comprehensive income related to:			
Available-for-sale securities[2]		*7.5*	*12.1*
Derivatives in cash flow hedges[2]		*168.2*	*394.7*
Tax on other comprehensive income	10	–20.4	–107.0
Total other comprehensive income		**155.3**	**299.8**
Total comprehensive income[1]		**864.1**	**1,699.3**

Skr			
Basic and diluted earnings per share[3]		**177.6**	**350.8**

1 The entire profit is attributable to the shareholder of the Parent Company.
2 See the Consolidated Statement of Changes in Equity.
3 The average number of shares in 2012 amounts to 3,990,000 (year-end 2011: 3,990,000)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Skr mn	Note	December 31, 2012	December 31, 2011
ASSETS			
Cash and cash equivalents	11, 12	2,338.2	3,749.6
Treasuries/government bonds	11, 12	5,111.5	2,033.4
Other interest-bearing securities except loans	11, 12	77,693.3	74,738.5
Loans in the form of interest-bearing securities	11, 12	57,889.8	66,204.5
Loans to credit institutions	9, 11, 12	22,083.6	25,791.6
Loans to the public	8, 9, 11, 12	115,478.2	107,938.1
Derivatives	14	25,711.2	31,467.0
Property, plant, equipment and intangible assets	7	150.3	128.4
Other assets	16	4,024.5	3,909.8
Prepaid expenses and accrued revenues	17	2,655.0	3,741.0
Total assets		**313,135.6**	**319,701.9**
LIABILITIES AND EQUITY			
Borrowing from credit institutions	12, 18	14,490.3	15,833.9
Borrowing from the public	12, 18	56.9	59.1
Senior securities issued	12, 18	258,090.1	257,352.4
Derivatives	14	16,421.0	22,604.8
Other liabilities	19	3,462.3	2,497.0
Accrued expenses and prepaid revenues	20	2,407.6	3,351.0
Deferred tax liabilities	10	728.1	811.6
Provisions	5, 21	54.4	49.6
Subordinated securities issued	12, 22	3,012.7	3,174.4
Total liabilities		**298,723.4**	**305,733.8**
Share capital		3,990.0	3,990.0
Reserves		449.9	294.6
Retained earnings		9,972.3	9,683.5
Total equity	23	**14,412.2**	**13,968.1**
Total liabilities and equity		**313,135.6**	**319,701.9**
COLLATERAL PROVIDED ETC.			
Collateral provided		None	None
Interest-bearing securities:			
Subject to lending		*39.8*	*123.0*
CONTINGENT ASSETS AND LIABILITIES	24	1.1	1.1
COMMITMENTS			
Committed undisbursed loans	24	25,915.1	25,071.8
Binding offers[1]	24	33,841.2	n.a.

[1] During 2012, SEK has changed its approach to providing offers. The revised method involves providing binding or non-binding offers. Binding offers are included in commitments.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity	Share capital	Reserves		Retained earnings
Skr mn			*Hedge reserve*	*Fair value reserve*	
Opening balance of equity 2011	12,569.8	3,990.0	28.5	–33.7	8,585.0
Net profit for the year	1,399.5				1,399.5
Other comprehensive income:					
Changes in fair value					
Available-for-sale securities	*–0.8*			*–0.8*	
Derivatives in cash flow hedges	*546.9*		*546.9*		
Reclassified to profit or loss	–139.3		–152.2	12.9	
Tax on other comprehensive income	–107.0		–103.8	–3.2	
Total other comprehensive income	299.8		290.9	8.9	
Total comprehensive income	1,699.3		290.9	8.9	1,399.5
Dividend	–301.0				–301.0
Closing balance of equity 2011[1,2]	**13,968.1**	**3,990.0**	**319.4**	**–24.8**	**9,683.5**
Opening balance of equity 2012	13,968.1	3,990.0	319.4	–24.8	9,683.5
Net profit for the year	708.8				708.8
Other comprehensive income:					
Changes in fair-value					
Available-for-sale securities	*6.6*			*6.6*	
Derivatives in cash flow hedges	*358.2*		*358.2*		
Reclassified to profit or loss	–189.1		–190.0	0.9	
Tax on other comprehensive income	–20.4		–18.4	–2.0	
Total other comprehensive income	155.3		149.8	5.5	
Total comprehensive income	864.1		149.8	5.5	708.8
Dividend	–420.0				–420.0
Closing balance of equity 2012[1,2]	**14,412.2**	**3,990.0**	**469.2**	**–19.3**	**9,972.3**

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

STATEMENT OF CASH FLOWS IN THE CONSOLIDATED GROUP

	Consolidated Group	
Skr mn	**2012**	**2011[3]**
Operating activities		
Operating profit[1]	824.4	1,889.1
Adjustments to convert operating profit to cash flow:		
Write-down of impaired financial instruments	23.4	110.9
Depreciation	19.5	14.5
Derivatives	833.0	567.6
Gain on sale of subsidiary	–	–105.1
Exchange rate differences	–3.8	–4.6
Unrealized changes in Fair Value	1,151.7	–41.5
Other	127.7	36.4
Income tax paid	–285.7	–1,187.5
Total adjustments to convert operating profit to cash flow	**1,865.8**	**–609.3**
Disbursements of loans	–50,370.8	–57,673.4
Repayments of loans	48,843.3	41,113.1
Net change in bonds and securities held	–9,469.4	30,975.3
Other changes – net	–453.6	–66.0
Cash flow from operating activities	**–8,760.3**	**15,628.8**
Investing activities		
Capital expenditures	–41.7	139.1
Cash flow from investing activities	**–41.7**	**139.1**
Financing activities		
Proceeds from issuance of short-term senior debt	11,842.7	3,403.6
Proceeds from issuance of long-term senior debt	45,801.1	50,167.8
Repayments of debt	–27,141.6	–37,565.7
Repurchase and early redemption of own long-term debt	–22,694.4	–36,522.6
Dividend paid	–420.0	–301.0
Cash flow from financing activities	**7,387.8**	**–20,817.9**
Net cash flow for the year	**–1,414.2**	**–5,050.0**
Exchange rate differences on cash and cash equivalents	2.8	1.6
Cash and cash equivalents at beginning of year	3,749.6	8,798.0
Cash and cash equivalents at end of year[2]	**2,338.2**	**3,749.6**

COMMENTS ON THE CASH FLOW STATEMENT:

[1] **Interest payments received and expenses paid**	**Consolidated Group**	
Skr mn	**2012**	**2011**
Interest payments received	11,437.6	10,446.9
Interest expenses paid	9,422.7	8,534.9

[2] **Cash and cash equivalents**	**Consolidated Group**	
Skr mn	**2012**	**2011**
Cash at banks	148.2	231.8
Cash equivalents	2,190.0	3,517.8
Total cash and cash equivalents	**2,338.2**	**3,749.6**

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

[3] Some comparative figures have been restated to ensure comparability between years.

PARENT COMPANY INCOME STATEMENT

Skr mn	Note	2012	2011
Interest revenues		10,340.6	10,210.6
Interest expenses		–8,473.2	–8,352.5
Net interest revenues	2	**1,867.4**	**1,858.1**
Dividend from subsidiary	15	9.7	42.9
Commissions earned	3	5.6	3.7
Commissions incurred	3	–10.6	–13.6
Net results of financial transactions	4	–507.7	523.4
Other operating income		19.9	58.5
Operating income		**1,384.2**	**2,473.0**
Personnel expenses	5	–294.5	–287.2
Other expenses	6	–230.6	–201.1
Depreciations and amortizations of non-financial assets	7	–19.5	–13.9
Net credit losses	9	–28.7	–114.9
Impairment of shares in subsidiaries	15	–	–39.7
Operating profit		**810.9**	**1,816.2**
Changes in untaxed reserves	10	–53.1	–287.0
Taxes	10	–209.9	–416.8
Net profit for the year (after taxes)		**548.0**	**1,112.4**

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

Skr mn	2012	2011
Net profit for the year (after taxes)	**548.0**	**1,112.4**
Other comprehensive income related to:		
Available-for-sale securities[1]	*7.5*	*12.1*
Derivatives in cash flow hedges[1]	*168.2*	*394.7*
Tax on other comprehensive income	–20.4	–107.0
Total other comprehensive income	**155.3**	**299.8**
Total comprehensive income	**703.3**	**1,412.2**

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

PARENT COMPANY BALANCE SHEET

Skr mn	Note	December 31, 2012	December 31, 2011
ASSETS			
Cash and cash equivalents	11, 12	2,313.1	3,666.2
Treasuries/government bonds	11, 12	5,111.5	2,033.4
Other interest-bearing securities except loans	11, 12	77,693.3	74,738.5
Loans in the form of interest-bearing securities	11, 12	57,900.6	66,226.2
Loans to credit institutions	9, 11, 12	22,083.6	25,815.2
Loans to the public	8, 9, 11, 12	115,478.2	107,938.1
Derivatives	14	25,711.2	31,467.0
Shares in subsidiaries	15	82.3	82.3
Property, plant, equipment and intangible assets	7	150.3	128.4
Other assets	16	4,022.2	3,890.5
Prepaid expenses and accrued revenues	17	2,655.0	3,740.2
Total assets		**313,201.3**	**319,726.0**
LIABILITIES AND EQUITY			
Borrowing from credit institutions	12, 18	14,500.3	15,843.9
Borrowing from the public	12, 18	121.9	59.1
Senior securities issued	12, 18	258,090.1	257,352.4
Derivatives	14	16,421.0	22,604.8
Other liabilities	19	3,480.5	2,527.5
Accrued expenses and prepaid revenues	20	2,407.5	3,350.8
Deferred tax liabilities	10	132.3	114.0
Provisions	5, 21	12.9	13.3
Subordinated securities issued	12, 22	3,012.7	3,174.4
Total liabilities		**298,179.2**	**305,040.2**
Untaxed reserves	10	**2,737.9**	**2,684.9**
Share capital		3,990.0	3,990.0
Legal reserve		198.0	198.0
Fair value reserve		449.9	294.6
Retained earnings		7,098.3	6,405.9
Net profit for the year		548.0	1,112.4
Total equity	**23**	**12,284.2**	**12,000.9**
Total liabilities and equity		**313,201.3**	**319,726.0**
COLLATERAL PROVIDED ETC.			
Collateral provided		None	None
Interest-bearing securities			
Subject to lending		*39.8*	*123.0*
CONTINGENT ASSETS AND LIABILITIES	24	–	–
COMMITMENTS			
Committed undisbursed loans	24	25,915.1	25,071.8
Binding offers[1]	24	33,841.2	n.a.

[1] During 2012, SEK has changed its approach to providing offers. The revised method involves providing binding or non-binding offers. Binding offers are included in commitments.

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	Equity	Share capital	Legal reserve	Fair value reserve		Retained earnings
Skr mn				*Hedge reserve*	*Fair value reserve*	
Opening balance of equity 2011	10,889.7	3,990.0	198.0	28.5	–33.7	6,706.9
Net profit for the year	1,112.4					1,112.4
Other comprehensive income:						
Changes in fair-value						
Available-for-sale securities	*–0.8*				*–0.8*	
Derivatives in cash flow hedges	*546.9*			*546.9*		
Reclassified to profit or loss	–139.3			–152.2	12.9	
Tax on other comprehensive income	–107.0			–103.8	–3.2	
Total other comprehensive income	299.8			290.9	8.9	
Total comprehensive income	1,412.2			290.9	8.9	1,112.4
Dividend	–301.0					–301.0
Closing balance of equity 2011[1]	**12,000.9**	**3,990.0**	**198.0**	**319.4**	**–24.8**	**7,518.3**
Opening balance of equity 2012	12,000.9	3,990.0	198.0	319.4	–24.8	7,518.3
Net profit for the year	548.0					548.0
Other comprehensive income:						
Changes in fair-value						
Available-for-sale securities	*6.6*				*6.6*	
Derivatives in cash flow hedges	*358.2*			*358.2*		
Reclassified to profit or loss	–189.1			–190.0	0.9	
Tax on other comprehensive income	–20.4			–18.4	–2.0	
Total other comprehensive income	155.3			149.8	5.5	
Total comprehensive income	703.3			149.8	5.5	548.0
Dividend	–420.0					–420.0
Closing balance of equity 2012[1]	**12,284.2**	**3,990.0**	**198.0**	**469.2**	**–19.3**	**7,646.3**

[1] See note 23.

STATEMENT OF CASH FLOWS IN THE PARENT COMPANY

	Parent Company	
Skr mn	2012	2011[3]
Operating activities		
Operating profit[1]	757.9	1,816.2
Adjustments to convert operating profit to cash flow:		
Write-down of impaired shares in subsidiary	–	39.7
Write-down of impaired financial instruments	28.7	114.9
Depreciation	19.5	13.9
Derivatives	833.0	567.6
Gain on sale of subsidiary	–	–54.7
Exchange rate differences	–3.8	–4.6
Unrealized changes in Fair Value	1,151.7	–41.5
Other	175.0	45.5
Income tax paid	–299.9	–1,168.8
Total adjustments to convert operating profit to cash flow	**1,904.2**	**–488.0**
Disbursements of loans	–50,370.8	–57,673.4
Repayments of loans	48,878.0	40,994.0
Net change in bonds and securities held	–9,474.7	30,979.5
Other changes – net	–461.6	50.2
Cash flow from operating activities	**–8,767.0**	**15,678.5**
Investing activities		
Capital expenditures	–41.7	95.8
Cash flow from investing activities	**–41.7**	**95.8**
Financing activities		
Proceeds from issuance of short-term senior debt	11,842.7	3,403.6
Proceeds from issuance of long-term senior debt	45,801.1	50,167.7
Repayments of debt	–27,076.6	–37,568.5
Repurchase and early redemption of own long-term debt	–22,694.4	–36,522.6
Dividend paid	–420.0	–301.0
Cash flow from financing activities	**7,452.8**	**–20,820.8**
Net cash flow for the year	**–1,355.9**	**–5,046.5**
Exchange rate differences on cash and cash equivalents	2.8	1.7
Cash and cash equivalents at beginning of year	3,666.2	8,711.0
Cash and cash equivalents at end of year[2]	**2,313.1**	**3,666.2**

COMMENTS ON THE CASH FLOW STATEMENT:

[1] **Interest payments received and expenses paid**	**Parent Company**	
Skr mn	**2012**	**2011**
Interest payments received	11,425.9	10,164.1
Interest expenses paid	9,423.5	8,246.2

[2] **Cash and cash equivalents**	**Parent Company**	
Skr mn	**2012**	**2011**
Cash at banks	123.1	148.4
Cash equivalents	2,190.0	3,517.8
Total cash and cash equivalents	**2,313.1**	**3,666.2**

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

[3] Some comparative figures have been restated to ensure comparability between years.

NOTES

Note table

Introductory Note

REPORTING ENTITY

AB Svensk Exportkredit ("SEK" or "the Parent Company") is a company domiciled in Sweden. The address of the company's registered office is Klarabergsviadukten 61–63, P.O. Box 194, SE-101 23 Stockholm, Sweden. The Consolidated Group as of December 31, 2012 encompass SEK and its wholly owned subsidiaries AB SEK Securities, SEK Financial Advisors AB, SEK Financial Services AB, SEK Customer Finance AB, SEK Exportlånet AB and Venantius AB, including the latter's wholly owned subsidiary VF Finans AB ("the Subsidiaries"). These are together referred to as the "Consolidated Group" or "the Group".

AB SEK Securities is a securities company under the supervision of the Swedish Financial Supervisory Authority. SEK Financial Advisors AB, SEK Customer Finance AB and Venantius AB are no longer engaged in any active business. SEK Financial Services AB and SEK Exportlånet AB are inactive companies.

BASIS OF PRESENTATION

(i) Statement of compliance

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

The consolidated financial statements and the Parent Company's annual report were approved for issuance by SEK's Board of Directors (the Board of Directors) on February 22, 2013. The Group's statements of comprehensive income and financial position and the Parent Company's income statement and balance sheet are subject to approval by SEK's shareholder, at the annual general meeting to be held on April 23, 2013.

Introductory note, continued

(ii) Basis of measurement
The consolidated financial statements have been prepared on a historical cost basis, except for the following;

- derivative financial instruments are measured at fair value,
- financial instruments at fair value through profit or loss are measured at fair value,
- available-for-sale financial assets are measured at fair value, and
- hedged items in fair-value hedges are recorded at amortized cost, adjusted for changes in fair value with regard to the hedged risks.

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

(iv) Going concern
SEK's Board of Directors and management have made an assessment of SEK's ability to continue as a going concern and are satisfied that SEK has the resources to continue in business for the foreseeable future. Furthermore, the Board of Directors and management are not aware of any material uncertainties that may cast significant doubt upon SEK's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going-concern basis.

Note 1. Significant accounting policies

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

TABLE OF CONTENTS

(a) Changes to accounting policies and disclosure requirements and standards not yet adopted
The accounting policies, in all material aspects, are unchanged in comparison with the financial statements included in SEK's 2011 Annual Report, with the exceptions stated below. Certain amounts reported in prior periods have been reclassified to conform to the current presentation.

The Group has adopted the following amendments to standards and interpretations from IASB as from January 1, 2012, but they have had little impact on SEK's financial reporting:

IFRS 7 Financial Instruments: Disclosures. This amendment requires additional disclosures relating to the transfer of financial assets when financial assets are not derecognized in their entirety and when financial asset are derecognized in their entirety from the statement of financial position but the entity has a continuing involvement in them. The amendment is applicable for repurchase agreements.

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

IFRS 7 Financial Instruments: Disclosures. The amendments contain new disclosure requirements for financial assets and liabilities that are offset in the statement of financial position or subject to master netting arrangements or similar agreements. The amendment will increase the disclosure requirements for SEK. The amendment must be applied for example for annual periods beginning on or after January 1, 2013.

IFRS 9 Financial Instruments. This standard is part of a complete overhaul of the existing IAS 39 standard and reduces the number of valuation categories for financial assets, leaving the number of categories of financial liabilities unamended and implements new rules for how changes in own credit spread should be recorded when own debt is measured at fair value. The standard will be supplemented by rules on impairment of financial instruments and hedge accounting. IFRS 9 must be applied for annual periods beginning January 1, 2015. Early application is permitted, although not for publicly listed companies within the EU. Since not all parts of the standard are yet complete, SEK has not yet evaluated their effects.

IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of Involvement with Other Entities, IAS 27 Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures. IASB has issued three new standards for consolidation (IFRS 10, IFRS 11 and IFRS 12) as well as amended

Note 1, continued

IAS 27 and IAS 28. SEK's conclusion is that the new standards and the amendments will not have a material impact on SEK's financial statements. The new standards and the amendments become effective for annual periods beginning on or after 1 January 2013.

IFRS 13 Fair-value measurement. This standard aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across standarads within IFRS. The requirements do not extend the use of fair-value accounting, but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. SEK's conclusion is that the amendment will not have a material impact on SEK's financial statements except for additional disclosure requirements. The standard must be applied for annual periods beginning January 1, 2013.

IAS 1 Presentation of Financial Statements: amendments to presentation of items of other comprehensive income. The amendment change the grouping of items presented in other comprehensive income. Items that could be reclassified to profit or loss would be presented separately from items that will never be reclassified to profit or loss. The amendment affects presentation only and has no impact on SEK's financial position or performance. The amendment becomes effective for SEK for the annual period beginning January 1, 2013.

IAS 19 Employee Benefits. The IASB has amended IAS 19. These changes are mainly related to defined benefit plans. The amendments to IAS 19 remove the option to defer the recognition of actuarial gains and losses, i.e. the corridor mechanism. The impact on SEK will be as follows: SEK will no longer apply the corridor approach (see section (i) below) and will instead recognize all actuarial gains and losses under other comprehensive income as they occur; all past service costs will be recognized immediately; and interest cost on pension obligations and expected return on plan assets will be replaced by a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). SEK's conclusion is that the amendment will not have a material impact on SEK's financial statements. The unrecognized actuarial losses amounted to Skr 36.7 million before taxes as of December 31, 2012, which will have a negative impact on equity. The amendment must be applied for annual periods beginning January 1, 2013

IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities. The amendments clarify that an entity currently has a legally enforceable right to set-off if that right is not contingent on a future event, and enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties. SEK's conclusion is that the amendment will not have a material impact on SEK's financial statements. The amendment must be applied for annual periods beginning on or after January 1, 2014.

There are no other IFRS or IFRIC interpretations that are not yet applicable that would be expected to have a material impact on the group.

(b) Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The consolidated financial statements have been prepared using the purchase method. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries are consistent with Group policies. Intra-group transactions and balances, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unless otherwise stated or it is clear from the context, the information in these notes relates to both the Consolidated Group and the Parent Company.

At the date of the acquisition of a company, the assets and liabilities in the acquired company are recognized at fair value. The difference between the acquisition value of the shares in the company and the net assets in the company is recorded as goodwill. The fair value of assets and liabilities in the acquired company is determined by management, in part by taking account of independent valuation. In cases where the shares have been acquired without any exchange of cash remuneration, the fair value of the shares in the acquired company is also determined by management, in part by taking account of independent valuation.

Goodwill is not depreciated, but is subject to impairment testing.

(c) Segment reporting

Segment information is presented from a management perspective and segments are identified based on internal reporting to the Executive Officers who serves as the chief operating decision maker. SEK has the following two segments: direct customer financing and end customer financing. Direct financing concerns financing that SEK arranges directly to, or for the benefit of, Swedish export companies. End customer financing refers to financing that SEK arranges for buyers of Swedish goods and services. Evaluation of the segments' profitability, accounting policies and allocations between segments follows the information reported to the executive management. Profit or loss and interest-bearing assets that are not directly assigned to the segments are allocated under an allocation formula according to internal policies which management believes provide an equitable allocation to the segments.

Note 1, continued

(d) Recognition of operating income and expenses

(i) Net interest income

Interest revenues and interest expenses related to all financial assets and liabilities, regardless of classification, are recognized in net interest income. The reporting of all interest income and interest expenses is made on a gross basis, with the exception of interest income and interest expenses related to derivative instruments, which are reported on a net basis. Interest income and interest expenses are calculated and recognized based on the effective interest rate method or based on a method that results in interest income or interest expenses that are a reasonable approximation of the result that would be obtained using the effective interest method as the basis for the calculation.

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

(ii) Net fee and commission income

Net fee and commission income is presented as commissions earned or commissions incurred. The recognition of commission income depends on the purpose for which the fee is received. Fees are either recognized as revenue when services are provided or amortized over the period of a specific business transaction. Commissions incurred are transaction-based, and are recognized in the period in which the services are received.

(iii) Net result of financial transactions

Net results of financial transactions include realized gains and losses related to all financial instruments and unrealized gains and losses related to all financial instruments carried at fair value in the statement of financial position, except when fair-value changes are recorded in other comprehensive income. Gains and losses comprise gains and losses related to currency exchange effects, interest rate changes, changes in credit spreads on SEK's own debt, changes in basis-spreads and changes in the creditworthiness of the counterparty to the financial contract. The item also includes market value changes attributable to hedged risks in fair-value hedges and inefficiency in cash flow hedges. Interest differential compensation on early repayment of fixed interest rate loans is recognized directly under "Net results of financial transactions". The compensation is equal to the fair-value adjustment arising from change in applicable interest rates.

(e) Foreign currency transactions

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

(f) Financial instruments

(i) Recognition and derecognition in the statement of financial position

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

(ii) Measurement on initial recognition

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

(iii) Offsetting

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

Note 1, continued

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

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

Financial assets at fair value through profit or loss. There are two main subcategories in the category of financial assets at fair value through profit or loss: financial assets designated upon initial recognition at fair value through profit or loss; and assets held-for-trading. Where two or more derivatives hedge both interest rate and credit exposures in a financial asset, such transactions may be classified irrevocably as a financial asset at fair value through profit or loss. Making such designations eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognizing the gains or losses on them on different bases. Derivatives are always classified as financial assets or liabilities at fair value through profit or loss, except when they are subject to hedge accounting.

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

Financial liabilities at fair value through profit or loss. There are two main subcategories in the category of financial liabilities at fair value through profit or loss: financial liabilities designated upon initial recognition at fair value through profit or loss; and liabilities held-for-trading. Senior securities issued by SEK are irrevocably classified as financial liabilities at fair value through profit or loss if they contain embedded derivatives that otherwise would be bifurcated and accounted for separately. Derivatives are always classified as financial assets or liabilities at fair value through profit or loss, except when they are subject to hedge accounting.

Other financial liabilities. All senior securities issued by SEK other than those classified as financial liabilities at fair value through profit or loss are classified as other financial liabilities and measured at amortized cost, using the effective interest rate method. Where one or more derivative is hedging currency, interest rate, and/or other exposures, fair-value hedge accounting is applied. Subordinated debt is classified within other financial liabilities and is mainly subject to fair-value hedge accounting. When applying fair-value hedge accounting on perpetual subordinated debt, hedging of the subordinated debt is made for the time period corresponding to the derivative's time to maturity.

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

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

Guarantees. SEK is holder of financial guarantee contracts in connection with certain loans. Such guarantees are ordinarily accounted for as guarantees in accordance with SEK's established accounting policy and therefore are not recorded in the statement of financial position (except for the deferred costs of related guar-

Note 1, continued

antee fees paid in advance for future periods). In limited situations, the relevant risk-mitigating instruments do not fulfill the requirements to be considered guarantees and are therefore recorded as derivatives and valued at fair value through profit or loss. When SEK classifies a risk-mitigating instrument as a financial guarantee, SEK always owns the specific asset whose risk the financial guarantee mitigates and the potential amount that SEK can receive from the counterparty under the guarantee represents only the actual loss incurred by SEK related to its holding.

Embedded derivatives. In the ordinary course of its business, SEK issues or acquires financial assets or liabilities that contain embedded derivatives. Where financial assets or financial liabilities contain embedded derivatives, it is the company's policy to select the option to recognize and measure the embedded derivatives together with the underlying instruments, rather than bifurcating and separately measuring the embedded derivatives at fair value.

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

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

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

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

(vii) Hedge accounting

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

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

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

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

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

Note 1, continued

(viii) Principles for determination of fair value of financial instruments

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

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

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

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

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

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.

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

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

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

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

- historically observed market data. One example is 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 Reuters and Bloomberg). This type of information can be divided into two groups, with the first group consisting of directly observable prices and the second of market data calculated from the observed prices.

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

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

For transactions that cannot be valued based on observable market data, the use of non-observable market data is necessary. One example of non-observable market data that SEK uses consists of discounts curves created using observable market data, which is then extrapolated to calculate the non-observable data.

(ix) Determination of fair value of certain types of financial instruments

Derivative instruments. Derivative instruments are carried at fair value, and fair value is calculated based upon internally established valuations, external valuation models, quotations furnished by external parties or market quotations. When calculating fair value for derivative instruments, the impact on the fair value of the instrument related to 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

Note 1, continued

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 derivates. 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 liabilities measured at fair value through profit or loss. As there are no quoted market prices for these instruments, valuation models are used to calculate fair value. The gross value of these instruments and derivatives which effectively hedge each other requires complex judgments regarding the most appropriate valuation technique, assumptions and estimates. If different valuation models or assumption were used, or if assumptions changed, this could produce different valuation results. Excluding the impact on valuation of credit spreads on SEK's own debt and basis spreads, such changes in fair value would generally offset each other.

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

Provisions for incurred impairment losses. Provisions for incurred impairment losses are recorded if and when SEK determines it is probable that the counterparty to a loan or another financial asset held by SEK, along with existing guarantees and collateral, will fail to cover SEK's full claim. Such determinations are made for each individual loan or other financial asset. Objective evidence consists of the issuer or debtor suffering significant financial difficulties, outstanding or delayed payments or other observable facts which suggest a measurable decrease in expected future cash flow. If there is objective evidence that an impairment loss on a loan or other financial asset has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted to the relevant period end date at the financial asset's original effective interest rate. The amount of the loss is recognized in profit or loss. After an individual determination has been made, and if there is no objective evidence for impairment of an individually assessed financial asset, regardless of whether the asset is individually material or not, the company includes the asset in a group of financial assets with similar credit risk characteristics and determines, collectively, the need for the impairment of such assets based on quantitative and qualitative analyses. The need for impairment is related to loan losses that have occurred as of a period-end date but which have not yet been identified as individual loan losses.

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

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

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

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

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

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

(h) Intangible assets
Intangible assets comprise mainly the capitalized portion of investments in IT systems, which include expenses related to the intangible assets, such as consulting fees and expenses for Group personnel contributing to producing such intangible assets. Each intangible asset is depreciated using the straight-line method over an estimated useful life from the date the asset is available for use. Average useful lives are evaluated and reconsidered on a yearly ba-

Note 1, continued

sis. An annual impairment test is performed on intangible assets not yet used.

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

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

Defined benefit plans
Defined benefit plans are post-employment benefit plans other than defined contribution plans.

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

The cost for defined benefit plans is calculated using the "projected unit credit method", which distributes the cost of a plan over a covered employee's service period. The calculation is performed annually by independent actuaries. The obligations are valued at the present value of the expected future disbursements, taking into consideration assumptions such as expected future pay increases, rate of inflation, and changes in mortality rates. The discount rate used is the equivalent of the interest rate for government bonds, with a remaining term approximating that of the actual commitments.

Changes in actuarial assumptions may result in actuarial gains or losses affecting the fair value of plan obligations. Such gains or losses, within a 10 percent "corridor," are not immediately recognized. Gains or losses exceeding the 10 percent corridor are amortized over the remaining estimated service period of the employees.

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

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

(k) Income tax
Income tax on the profit or loss for the year comprises current and deferred taxes. Current tax is tax expected to be payable on taxable income for the financial year. Deferred tax includes deferred tax in the untaxed reserves of the individual Group companies and deferred taxes on other taxable temporary differences. Deferred taxes on taxable temporary differences are calculated with an expected tax rate of 22.0 percent (2011: 26.3 percent). Deferred taxes are calculated on all taxable temporary differences, regardless of whether a given temporary difference is recognized in the income statement or through other comprehensive income.

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

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

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

- The functional currency of the Parent Company,
- Classifications of securities as quoted on an active market,

Note 1, continued

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

Furthermore, SEK has identified the following key sources of estimation uncertainty when applying IFRS:

- Provisions for probable credit losses,
- Estimates of fair values when quoted market prices are not available,
- Valuation of derivatives without observable market prices

The functional currency of the Parent Company
SEK has determined that the Swedish krona (Skr) is its functional currency under IFRS. Large portions of its assets, liabilities and related derivatives are denominated in foreign currency. Under IFRS, both assets and liabilities are translated at closing exchange rates and the differences between historical book values and current values are recognized as foreign exchange effects in the statement of comprehensive income. These differences largely offset each other, causing the net result not to be of material amount in relation to total assets and liabilities in foreign currency. This reflects the economic substance of SEK's policy of holding assets financed by liabilities denominated in, or hedged into, the same currency. See Note 28 for information on SEK's positions in foreign currency.

Classifications of securities as quoted on an active market
When classifying securities as loans and receivables, SEK makes judgments as to whether these securities are quoted on active markets, based on a number of pre-established factors. SEK has, based on the regulation and guidance in the existing IFRS standards established an operational definition of when a transaction should be regarded as quoted on an active market. An instrument is regarded as quoted on an active market if there are sufficient numbers of parties offering bid and/or ask prices. All other transactions are regarded as not quoted on an active market. In the case of uncertainty, additional qualitative criteria are taken into consideration in accordance with a predefined process. The definition is based on the markets in which SEK invests. If a larger number of securities were deemed to be quoted on an active market, these securities would be classified as assets available-for-sale and carried at fair value, with changes in value after tax reported under other comprehensive income. From December 1, 2012 all new interest bearing securities acquired as SEK's liquidity placements are classified as assets available-for-sale. See Note 12 for information on SEK's classification of financial assets and liabilities.

The selection of the appropriate valuation techniques when prices from active markets are not available for derivatives and other financial instruments carried at fair value
When reporting the amounts of its assets, liabilities and derivatives, as well as its revenues and expenses, assumptions and estimates must be made in assessing the fair value of financial instruments and derivatives, especially where unquoted or illiquid securities or other debt instruments are involved. SEK makes judgments regarding what the most appropriate valuation techniques are for the different financial instruments held by the Group. If the conditions underlying these assumptions and estimates were to change, the amounts reported could be different. When financial instruments are carried at fair value, fair value is calculated through the use of market quotations, pricing models, valuations established by external parties and discounted cash flows. The majority of SEK's financial instruments are not publicly traded, and quoted market prices are not readily available. Different pricing models or assumptions could produce different valuation results. Furthermore, the estimated fair value of a financial instrument may, under certain market conditions, differ significantly from the amount that could be realized if the security were sold immediately. See Note 28 for disclosure of change in value of assets and liabilities if the market interest rate rises or falls by one percentage point.

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

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

Note 1, continued

Impairment is recognized as the difference between the carrying value of a loan and the discounted value of SEK's best estimate of future cash repayments. This estimate takes into account a number of factors related to the obligor. The actual amounts of future cash flows and the dates they are received may differ from these estimates and consequently actual losses incurred may differ from those recognized in the financial statements. If, for example, the actual amount of total future cash flow were 10 percent higher or lower than the estimate, this would affect operating profit for the financial year ended December 31, 2012 by Skr 70–80 million (2011: Skr 60–70 million) and equity by Skr 50–60 million (2011: Skr 40–50 million) at that date. A higher total future cash flow would affect operating profit and equity positively, and a lower total future cash flow would affect operating profit and equity negatively.

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

If the assumption related to the valuation of assets classified at fair value through profit or loss were changed such that the average credit spread applied to such assets were 0.10 percent higher or lower than the average spread actually used in the calculations, this would affect operating profit for the fiscal year ended December 31, 2012 by approximately Skr 10-20 million (2011: Skr 20–30 million) and equity, at such date, by approximately Skr 40-50 million (2011: Skr 30–40 million). A higher credit spread would affect operating profit and equity negatively, and a lower credit spread would affect operating profit and equity positively.

If the assumption related to the valuation of liabilities classified at fair value through profit or loss were changed such that the average credit spread applied to such liabilities were 0.10 percent higher or lower than the average spread actually used in the calculations, this would affect operating profit for the fiscal year ended December 31, 2012 by approximately Skr 250-350 million (2011: Skr 300–400 million) and equity, at such date, by approximately Skr 200-300 million (2011: Skr 200-300 million). A higher credit spread would affect operating profit and equity positively, and a lower credit spread would affect operating profit and equity negatively.

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

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

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

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

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

Note 1, continued

of ÅRKL and the accounting regulations of the Swedish Financial Supervisory Authority.

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

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

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

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

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

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

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

Note 2. Net interest revenues

	Consolidated Group		Parent Company	
Skr mn	2012	2011	2012	2011
Interest revenues were related to:				
Loans to credit institutions	993.8	1,197.3	993.8	1,197.3
Loans to the public	3,736.6	3,679.2	3,724.8	3,666.0
Interest-bearing securities	1,259.7	1,950.0	1,259.8	1,950.8
Impaired financial assets	3.2	3.1	3.2	3.1
Derivatives	4,359.0	3,393.4	4,359.0	3,393.4
Total interest revenues	**10,352.3**	**10,223.0**	**10,340.6**	**10,210.6**
Total interest expenses	**–8,472.4**	**–8,352.2**	**–8,473.2**	**–8,352.5**
Net interest revenues	**1,879.9**	**1,870.8**	**1,867.4**	**1,858.1**

Note 2, continued

Skr mn	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Interest revenues were related to:				
Financial assets available-for-sale	143.2	211.9	143.2	211.9
Financial assets at fair value through profit or loss	4,633.8	3,801.8	4,622.1	3,789.4
Loans and receivables	5,575.3	6,209.3	5,575.3	6,209.3
Total interest revenues	**10,352.3**	**10,223.0**	**10,340.6**	**10,210.6**
Interest expenses were related to:				
Financial liabilities at fair value through profit or loss	–4,088.8	–3,945.4	–4,088.7	–3,945.5
Financial guarantees	–147.1	–216.9	–147.1	–216.9
Other financial liabilities	–4,236.5	–4,189.9	–4,237.4	–4,190.1
Total interest expenses	**–8,472.4**	**–8,352.2**	**–8,473.2**	**–8,352.5**
Net interest revenues	**1,879.9**	**1,870.8**	**1,867.4**	**1,858.1**

In interest revenues Skr 89.4 million (2011: Skr 72.4 million) represent remuneration from the S-system (see Note 25).

Interest revenues in the Consolidated Group by geographic market are 33.9 percent (2011: 36.2 percent) from Sweden, 18.1 percent (2011: 24.7 percent) from other European countries and 48.0 percent (2011: 39.1 percent) from other countries outside of Europe.

Note 3. Net commissions

Skr mn	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Commissions earned were related to:				
Capital market commissions	5.5	8.6	–	–
Financial consultants' commissions	4.1	2.3	4.1	2.3
Other commissions earned	1.5	1.4	1.5	1.4
Total commissions earned	**11.1**	**12.3**	**5.6**	**3.7**
Commissions incurred were related to:				
Depot and bank fees	–7.4	–8.2	–7.4	–8.2
Brokerage	–2.8	–2.8	–2.8	–2.8
Risk capital guarantee from shareholder[1]	–	–1.8	–	–1.8
Financial consultants' commissions	–0.3	–0.8	–0.3	–0.8
Other commissions incurred	–0.4	–1.3	–0.1	0.0
Total commissions incurred	**–10.9**	**–14.9**	**–10.6**	**–13.6**
Net commissions	**0.2**	**–2.6**	**–5.0**	**–9.9**

1 SEK has had access to a guarantee of Skr 600 million, issued by the owner, the Swedish state, from which SEK has had the right to draw on the guarantee if deemed necessary to be able to fulfill its obligations. Given that SEK's owner, the Swedish state, in 2008 contributed substantial amounts of new equity to SEK, the above-mentioned guarantee has been deemed by SEK no longer to be required and expired at June 30, 2011.

Commissions earned in the Consolidated Group by geographic market are divided as follows: 73.8 percent (2011: 43.6 percent) are from Sweden, 17.2 percent (2011: 56.5 percent) are from Europe except Sweden, and 9.0 percent (2011: 0.0 percent) are from countries outside of Europe.

Commissions incurred in the Consolidated Group by geographic market are divided as follows: 20.6 percent (2011: 34.7 percent) are from Sweden, 78.2 percent (2011: 65.0 percent) are from Europe except Sweden, and 1.2 percent are (2011: 0.3 percent) from countries outside of Europe.

Commissions earned from financial assets and liabilities not measured at fair value through profit or loss amount, for the Consolidated Group, to Skr 0.0 million (2011: Skr 0.2 million), and for the Parent Company, to Skr 0.0 million (2011: Skr 0.2 million).

Commissions incurred from financial assets and liabilities not measured at fair value through profit or loss amount, for the Consolidated Group, to Skr 0.1 million (2011: Skr 0.2 million), and for the Parent Company to Skr 0.1 million (2011: Skr 0.2 million).

Note 4. Net results of financial transactions

Skr mn	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Net results of financial transactions were related to:				
Currency exchange effects on all assets and liabilities excl. Currency exchange effects related to revaluation at fair value	3.0	4.8	3.0	4.8
Interest compensation	1.1	42.2	1.1	42.2
Realized results on settled assets and repurchased debt	639.9[1]	434.9[2]	639.9[1]	434.9[2]
Total net results of financial transactions, before certain fair value changes	**644.0**	**481.9**	**644.0**	**481.9**
Unrealized changes in fair value related to financial assets, financial liabilities and related derivatives	–1,151.7[1]	41.5	–1,151.7[1]	41.5
Total net results of financial transactions	**–507.7**	**523.4**	**–507.7**	**523.4**

Realized results on settled assets and repurchased debt

Skr mn	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Financial assets or liabilities at fair value through profit or loss	247.0[1]	403.3[2]	247.0[1]	403.3[2]
Financial assets available-for-sale	–	–	–	–
Loans and receivables	1.4	–	1.4	–
Other financial liabilities	391.5	31.6	391.5	31.6
Total	**639.9**	**434.9**	**639.9**	**434.9**

Unrealized changes in fair value related to financial assets, financial liabilities and related derivatives, for categories of financial instruments

Skr mn	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Financial assets or liabilities at fair value through profit or loss				
of which designated upon initial recognition (FVO)	*–13,443.6*	*14,019.7*	*–13,443.6*	*14,019.7*
of which held-for-trading	*12,967.9*	*–13,971.6*	*12,967.9*	*–13,971.6*
Derivatives used for hedge accounting	–1,308.2[1]	2,253.2	–1,308.2[1]	2,253.2
Financial assets available-for-sale [3]	–8.1	–43.9	–8.1	–43.9
Loans and receivables [3]	260.6	415.0	260.6	415.0
Other financial liabilities [3]	409.8	–2 630.9	409.8	–2 630.9
Ineffectiveness of cash flow hedges that have been reported in the profit or loss	–30.1	0.0	–30.1	0.0
Total	**–1,151.7**	**41.5**	**–1,151.7**	**41.5**

1 A previously recognized unrealized gain was realized during third quarter of 2012 when a few large interest rate and currency derivatives were closed out in order to prepare for the new regulatory framework for large exposures which comes into force January 1, 2013. The net loss in operating profit amounted to Skr –30,1 million. Realized profit amounted to Skr 323,5 million, which was offset by the reversal of previously recongnized unrealized gains amounting to Skr –353.6 million. The derivatives were replaced with new derivative instruments at market terms.

2 2011 included a realized gain of Skr 279.3 from a sale of a receivable related to Lehman Brothers. The receivable had been previously reported as a contingent asset.

3 Changes in fair value of financial assets available-for-sale, loans and receivables and other financial liabilities have been accounted for through profit and loss when such asset or liability is subject to fair value hedging in terms of changes in fair value related to the hedged risk. See Note 13 for information on the portion of those assets or liabilities that are subject to fair value hedging and gains and losses on hedging instrument and the hedged risk.

Note 5. Personnel expenses

Skr mn	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Personnel expenses:				
Salaries and remuneration to the Board of Directors and the Presidents	–7.5[1]	–7.4[1]	–5.6	–5.3
Salaries and remuneration to Senior Executives	–11.8	–17.1	–13.7[1]	–19.2[1]
Salaries and remuneration to other employees	–145.8	–140.0	–146.4	–140.9
Pensions	–55.8	–49.1	–57.6	–52.6
Social insurance	–57.3	–54.6	–57.3	–54.6
Other personnel expenses	–14.0	–14.6	–13.9	–14.6
Total personnel expenses	**–292.2**	**–282.8**	**–294.5**	**–287.2**

1 The remuneration to Jane Lundgren Ericsson is recognized, for the position as President of AB SEK Securities, in the item ”Salaries and remuneration to the Board of Directors and the Presidents” for the Consolidated Group, and for her position in the Executive Management of the Parent Company, in the item ”Salaries and remuneration to Senior Executives” for the Parent Company.

Personnel expenses include an estimated cost, including social fees, for the general personnel incentive system, GIS, of Skr 27.5 million (2011: Skr 25.5 million). GIS, is the only type of variable remuneration at SEK and constitutes a unilateral offer by the Company, which the Company may alter or withdraw from time to time at its discretion. The content, scope and validity of GIS, as well as any amendments or supplements thereof, can only be decided by the Board. The amount paid to participants generally corresponds to a maximum of two months' salary (including relevant social costs, which are paid by the company and reduce the remuneration paid to the employee). GIS covers all permanent employees, except the CEO, other members of the Executive Committee, Head of Financial Control and Head of Risk Control.

The combined total of the remuneration to senior executives, excluding the President of the Parent Company, amounted to Skr 13.7 million (2011: Skr 19.2 million). Of the remuneration to senior executives, Skr 13.2 million (2011: Skr 14.8 million) is pensionable. Of the remuneration to the President of the Parent Company, Skr 4.3 million (2011: Skr 4.3 million) is pensionable.

Average number of employees	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Women	109	108	109	108
Men	122	126	122	126
Total	**231**	**234**	**231**	**234**

Average number of employees, geographically located	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Sweden	230	233	230	233
Singapore	1	1	1	1
Total	**231**	**234**	**231**	**234**

Number of employees at year-end	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Women	114	111	114	111
Men	121	121	121	121
Total	**235**	**232**	**235**	**232**

WOMEN IN THE BOARD OF DIRECTORS AND AMONG THE SENIOR EXECUTIVES, %

Parent Company	2012	2011
Board of Directors	50	50
Senior Executives	43	38

Note 5, continued

2012 Remuneration and other benefits to the Board of Directors and Senior Executives in the Consolidated Group, Skr thousand	Fee, includes committee fee	Fixed remuneration[1]	Variable remuneration	Other benefits[2]	Pension fee[3]	Total
Chairman of the Board of Directors:						
Lars Linder-Aronson	–398	–	–	–	–	–398
Other members of the Board of Directors:						
Cecilia Ardström	–166	–	–	–	–	–166
Jan Belfrage	–165	–	–	–	–	–165
Ulla Nilsson	–168	–	–	–	–	–168
Jan Roxendal	–176	–	–	–	–	–176
Åke Svensson	–163	–	–	–	–	–163
Lotta Mellström[4]	–	–	–	–	–	–
Eva Walder[4]	–	–	–	–	–	–
Senior Executives						
Peter Yngwe, President and CEO	–	–4,203	–	–131	–2,506[5]	–6,840
Jane Lundgren Ericsson, President for AB SEK Securities and deputy COO	–	–1,911	–	–57	–637	–2,605
Sirpa Rusanen, Executive Director – Human Resources	–	–1,192	–	–113	–423	–1,728
Per Jedefors, Executive Director – Chief Risk Controller	–	–2,923	–	–53	–905	–3,881
Per Åkerlind, Executive Director – Chief Operating Officer	–	–2,940	–	–112	–2,079[6]	–5,131
Sven-Olof Söderlund, Executive Director – Strategic Analysis	–	–2,212	–	–97	–720	–3,029
Susanna Rystedt, Executive Director – Chief Administrative Officer	–	–1,850	–	–91	–599	–2,540
Johan Winlund, Executive Director – Communications quit February 29, 2012	–	–167	–	–16	–38	–221
Total	**–1,236**	**–17,398**	**–**	**–670**	**–7,907**	**–27,211**

Note 5, continued

2011 Remuneration and other benefits to the Board of Directors and Senior Executives in the Consolidated Group, Skr thousand	Fee, includes committee fee	Fixed remuneration[1]	Variable remuneration related to 2008	Other benefits[2]	Pension fee[3]	Total
Chairman of the Board of Directors:						
Lars Linder-Aronson	–268	–	–	–	–	–268
Other members of the Board of Directors:						
Cecilia Ardström	–112	–	–	–	–	–112
Jan Belfrage	–148	–	–	–	–	–148
Ulla Nilsson	–70	–	–	–	–	–70
Jan Roxendal	–164	–	–	–	–	–164
Åke Svensson	–58	–	–	–	–	–58
Lotta Mellström[4]	–	–	–	–	–	–
Eva Walder[4]	–	–	–	–	–	–
Board members who resigned at the AGM 2011:						
Ulf Berg, Chairman of the Board of Directors	–64	–	–	–	–	–64
Karin Apelman	–50	–	–	–	–	–50
Christina Liffner	–45	–	–	–	–	–45
Helena Levander	–37	–	–	–	–	–37
Risto Silander	–39	–	–	–	–	–39
Senior Executives:						
Peter Yngwe, President and CEO	–	–4,125	–	–137	–2,377[5]	–6,639
Jane Lundgren-Ericsson, President – AB SEK Securities and deputy COO	–	–1,788	–293	–49	–508	–2,638
Sirpa Rusanen, Executive Director – Human Resources	–	–1,128	–205	–93	–398	–1,824
Johan Winlund, Executive Director – Communications	–	–805	–	–36	–222	–1,063
Måns Höglund, retired with pension May 31, 2011	–	–1,276	–2,399	–52	–716	–4,443
Per Jedefors, employed September 2, 2011, Executive Director – Chief Risk Officer	–	–959	–	–3	–304	–1,266
Per Åkerlind, Executive Director – COO	–	–2,890	–2,497	–103	–2,024[6]	–7,514
Sven-Olof Söderlund, Executive Director – Strategic Analysis	–	–2,258	–420	–97	–898	–3,673
Susanna Rystedt, Executive Director – Chief Administrative Officer	–	–1,789	–	–70	–550	–2,409
Total	**–1,055**	**–17,018**	**–5,814**	**–640**	**–7,997**	**–32,524**

1 Predetermined salary or other compensation such as holiday pay and allowances.

2. Other benefits consists of for example car allowances, subsistence benefits for the use of a cottage in the mountains.

3 Includes the effect of reallocation of salary to pension contribution premiums for insurance covering sickness benefit for prolonged illness, other public risk insurance as a result of collective agreements.

4 Since April 29, 2010 remuneration is not paid to the representatives on the Board who are employed by the owner, the Swedish Government.

5 The retirement age of the President, Peter Yngwe is 65 years and the pension fee is 30 percent of his fixed salary. Pension fees, for the full year 2012, exceeding 30 percent pertain to additional pension contributions negotiated in 2010 regarding the prior benefit plan. These contributions amount to Skr 3.0 million of which Skr 1.0 million was disbursed in 2010, Skr 1.0 million was disbursed in 2011 and Skr 1.0 million was disbursed in 2012. The additional pension contributions where conditioned on Peter Yngwe remaining employed by SEK, and would not have been disbursed in case of resignation prior to the dates of each payment. Payments for the additional pension contributions are now completed.

6 Pension fees for Per Åkerlind, for the full year 2012, exceeding 30 percent pertain to additional pension contributions negotiated in 2010 regarding the prior benefit plan. These contributions amount to Skr 3.0 million of which Skr 1.0 million was disbursed in 2010, Skr 1.0 million was disbursed in 2011 and Skr 1.0 million was disbursed in 2012. The additional pension contributions where conditioned on Per Åkerlind remaining employed by SEK, and would not have been disbursed in case of resignation prior to the dates of each payment. Payments for the additional pension contributions are now completed.

Note 5, continued

Comprehensive information on the company's remuneration policy in accordance with the Swedish Financial Supervisory Authority's regulations and General Guidelines governing remuneration in credit institutions, investment firms and fund management companies licensed to conduct discretionary portfolio management (FFFS 2011:1), is disclosed in connection with the publication of annual accounts on February 22, 2013 in the Pillar 3 report. SEK's disclosure provides information about the principles applied for remuneration earned in 2012. The disclosure also describes the design of the remuneration policy, as adopted by the company.

Retirement age is 65 for all senior executives. Retirement benefits, termination conditions and other terms of employment for the CEO and other senior executives follow current guidelines for senior executives in state-owned enterprises (Guidelines for the employment of senior executives 2009-04-20) where the BTP plan is included as an approved public agreed defined benefit pension plan. Pension provisions for senior executives in SEK shall be limited to 30 percent of pensionable salary for retirement and survivor benefits. The contribution for retirement and survivor's pension can exceed 30 percent on account of SEK's implementation of a defined benefit pension plan resulting from an agreement between the Banking Institutions Employers' Organization (BAO) and the Finance Association, covering employees in the banking and finance industries.

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

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

THE CONSOLIDATED GROUP

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

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

Skr mn	2012	2011
Service cost	–7.4	–6.5
Interest cost	–4.9	–6.6
Expected return on plan assets	4.0	3.3
Amortization of actuarial gains and losses	0.5	5.1
Net defined benefit pension cost	**–7.8**	**–4.7**
Special payroll tax for defined benefit pension commitments	**–1.9**	**–1.1**
Net defined contribution pension cost, including special payroll tax	**–46.1**	**–43.3**
Net pension cost	**–55.8**	**–49.1**

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

Skr mn	2012	2011
Defined benefit obligations	259.5	251.8
Plan assets	–178.3	–164.3
Net value	**81.2**	**87.5**
Unrecognised actuarial losses, net	–36.7	–40.5
Provision for pensions, net obligation (see Note 21)	**44.5**	**47.0**

The following table shows the development of defined benefit obligations

Skr mn	2012	2011
Defined benefit obligation, opening balance	251.8	211.7
Service cost	7.4	6.5
Interest cost	4.9	6.6
Benefits paid	–7.5	–7.4
Settlement	0.0	–12.4
Actuarial gains and losses, experience effects	3.0	–6.4
Actuarial gains and losses, due to changed assumptions	–0.1	53.2
Defined benefit obligation, closing balance	**259.5**	**251.8**

Note 5, continued

The following table shows the development of plan assets

Skr mn	2012	2011
Fair value of plan assets, opening balance	164.3	171.3
Expected return on plan assets	4.0	3.3
Contributions by the employer	9.0	7.5
Benefits paid	–6.2	–6.0
Settlement	0.0	–13.4
Actuarial gains	7.2	1.6
Fair value of plan assets, closing balance	**178.3**	**164.3**

The following table shows principal actuarial assumptions used end of year

%	2012	2011
Discount rate	2.1	2.0
Expected return on plan assets	n.a.[1]	2.4
Expected salary increase	3.5	3.5
Expected inflation	1.6	1.5
Expected turnover	4.0	4.0

[1] Not applicable due to changes in regulations.

Reconciliation of pension liabilities

Skr mn	2012	2011
Pension liabilities, opening balance	47.0	50.2
Net periodic pension cost	7.8	4.7
Net contribution, plan assets	–9.0	–7.5
Net pension payments	–1.3	–1.4
Reductions and adjustments	0.0	1.0
Pension liabilities, closing balance	**44.5**	**47.0**

Pension expense in 2012 for defined benefit pensions amounts to Skr –7.8 million (2011: Skr –4.7 million). In 2012, there is also an actuarial gain of Skr 0.5 million (2011: Skr 5.1 million). The actuarial gain arises because there are no longer any active employees in the defined benefit pension plan.

Discount rate
The discount rate is based on the market expectations at the end of the accounting period for government bonds with the same duration as the pension liability. The valuation has been based on an interest curve estimated after Swedish government bonds.

Expected return on plan assets
Expected return on plan assets is based on SEK's assessment of expected return on plan assets.

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

Expected inflation
The assumption of expected inflation levels with Swedish bonds at the inflated adjusted rate.

Expected employee turnover
The assumption reflects the expected level of employees leaving service each year.

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

Pension cost

Skr mn	2012	2011
Pension commitments provided for in the statement of financial position		
Revenue + / cost – accounted for in the statement of comprehensive income	–1.0	–0.4
Pension commitments provided for through insurance contracts		
Pension costs for the year, excluding taxes	–45.1	–42.0
Net cost accounted for pensions, excluding taxes	**–46.1**	**–42.4**

Reconciliation of provisions for pensions

Skr mn	2012	2011
Opening balance, January 1	13.3	14.3
Provisions made / provision used	–0.4	–1.0
Closing balance, December 31	**12.9**	**13.3**

Note 6. Other expenses

Skr mn	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Travel expenses and marketing	–20.9	–20.5	–20.6	–20.4
IT and information system	–91.9[1]	–65.3	–91.8[1]	–65.2
Fees	–76.9	–75.5	–75.7	–74.6
Real estate and premises expenses[2]	–31.3	–30.3	–31.1	–31.3
Other	–11.8	–11.5	–11.4	–9.6
Total other expenses	**–232.8**	**–203.1**	**–230.6**	**–201.1**

1 The increase is mainly due to an increase in expenses for IT development related to mandatory regulations.
2 SEK is a partner in rental agreements of office space in Stockholm and Singapore.

COST OF OPERATING LEASES

Skr mn	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Leases	–29.9	–27.9	–29.9	–28.9

The major part relates to office premises.

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

Skr mn	Consolidated Group December 31, 2012	Consolidated Group December 31, 2011	Parent Company December 31, 2012	Parent Company December 31, 2011
Within 1 year	–25.8	–30.0	–25.8	–30.0
Between 1 and 5 years	–72.9	–105.7	–72.9	–105.7
More than 5 years	–	–	–	–
Total future minimum rentals payable under non-cancellable operating leases	**–98.7**	**–135.7**	**–98.7**	**–135.7**

REMUNERATION TO AUDITORS

Skr mn	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Ernst & Young:				
Audit fee	–14.0	–13.4[1]	–13.8	–13.3[1]
Audit related fee	–0.9	–0.7	–0.9	–0.7
Tax related fee	–0.2	–0.2	–0.2	–0.2
Other fees	–	–0.1	–	–0.1
The Swedish National Audit Office:				
Audit fee	–	–0.8	–	–0.8
Total	**–15.1**	**–15.2**	**–14.9**	**–15.1**

1 of which 1.5 million refer to year 2010.

Audit fee also includes auditing of reporting to authorities and issued prospectuses. Remuneration to auditors may for accounting reasons be included in other items than “Other expenses”.

Note 7. Tangible and intangible assets

Skr mn	Consolidated Group December 31, 2012	Consolidated Group December 31, 2011	Parent Company December 31, 2012	Parent Company December 31, 2011
Buildings				
Acquisition cost at the befinning of the year	0.7	142.8	0.7	0.7
Sales or disposals of the year	0.0	–142.1[1]	0.0	0.0
Accumulated depreciations at the beginning of the year	–0.4	–41.4	–0.4	–0.4
Depreciations of the year	0.0	–0.5	0.0	0.0
Reversed depreciations due to sale or disposal	0.0	41.5	0.0	0.0
Book value	**0.3**	**0.3**	**0.3**	**0.3**
Land				
Acquisition cost	0.1	0.1	0.1	0.1
Book value	**0.1**	**0.1**	**0.1**	**0.1**
Office and building equipment				
Acquisition cost at the beginning of the year	64.4	90.2	64.0	80.0
Acquisitions of the year	7.2	16.2	7.2	16.2
Sales or disposals of the year	–2.4	–42.0	–2.4	–32.2
Accumulated depreciations at the beginning of the year	–24.0	–49.7	–23.7	–44.9
Reversed depreciations due to sale or disposals	1.9	35.1	1.9	30.5
Depreciations during the year	–11.5	–9.4	–11.5	–9.3
Currency differences	–0.1	–0.1	0.0	–0.1
Book value	**35.5**	**40.3**	**35.5**	**40.2**
Intangible assets				
Acquisition cost at beginning of the year	205.3	130.2	201.5	126.4
Acquisitions of the year	34.7	75.1	34.7	75.1
Accumulated depreciations at the beginning of the year	–117.6	–113.1	–113.8	–109.3
Depreciations of the year	–8.0	–4.5	–8.0	–4.5
Book value	**114.4**	**87.7**	**114.4**	**87.7**
Net book value				
Property, land and equipment	35.9	40.7	35.9	40.7
Intangible assets	114.4	87.7	114.4	87.7
Total net book value	**150.3**	**128.4**	**150.3**	**128.4**
Depreciations during the year according to the Consolidated Statement of Comprehensive Income	**–19.5**	**–14.5**	**–19.5**	**–13.9**

[1] The subsidiary AB SEKTIONEN, owner of SEK's former office building was sold during the second quarter 2011 and generated a positive result of Skr 105.1 million which is reported as other operating income in the consolidated statement of comprehensive income.

Intangible assets consist mainly of the capitalized portion of investments in IT systems.
The average useful life for the building is 70 years, and for other property and equipment 5 years.
The average useful life for intangible assets is 5 years.

Note 8. Leasing

FINANCIAL LEASES – LESSORS

All SEK's leasing transactions are classified as financial leases. When making such classification all aspects regarding the leasing contract, including third party guarantees, are taken into account.

A reconciliation between the gross investment in the leases, and the present value of minimum lease payments receivable at the end of the reporting period can be found below. Future lease payments receivable will mature in the following periods.

	Consolidated Group				Parent Company			
	December 31, 2012		December 31, 2011		December 31, 2012		December 31, 2011	
Skr mn	Gross investment	Present value of minimum lease payments	Gross investment	Present value of minimum lease payments	Gross investment	Present value of minimum lease payments	Gross investment	Present value of minimum lease payments
No later than one year	672.9	652.2	692.2	666.8	672.9	652.2	692.2	666.8
Later than one year and no later than five years	246.4	207.4	300.5	245.0	246.4	207.4	300.5	245.0
Later than five years	71.5	67.0	102.5	93.4	71.5	67.0	102.5	93.4
Total	**990.8**	**926.6**	**1,095.2**	**1,005.2**	**990.8**	**926.6**	**1,095.2**	**1,005.2**
Unearned finance income	–	64.2	–	90.0	–	64.2	–	90.0
Unguaranteed residual value	–	–	–	–	–	–	–	–
Total	**990.8**	**990.8**	**1,095.2**	**1,095.2**	**990.8**	**990.8**	**1,095.2**	**1,095.2**

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

Note 9. Impairment and past-due receivables

	Consolidated Group		Parent Company	
Skr mn	2012	2011	2012	2011
Credit losses [1, 2]	–71.7	–125.1	–63.7	–125.1
Reversal of previous write-downs [1, 2, 3]	34.6	10.0	34.6	10.0
Net impairment and reversals	**–37.1**	**–115.1**	**–29.1**	**–115.1**
Recovered credit losses	13.7	4.2	0.4	0.2
Net credit losses	**–23.4**	**–110.9**	**–28.7**	**–114.9**
of which related to loans[4]	*–48.7*	*–78.4*	*–54.0*	*8.9*
of which related to liquidity placements[4]	*25.3*	*–32.5*	*25.3*	*–123.8*
Changes in reserves of financial assets				
Balance brought forward	–683.7	–568.6	–683.7	–568.6
Impaired financial assets sold	–	–	–	–
Net impairments and reversals	–37.1	–115.1	–29.1	–115.1
Balance carried forward	**–720.8**	**–683.7**	**–712.8**	**–683.7**
of which related to loans[4]	*–235.1*	*–172.7*	*–227.1*	*–172.7*
of which related to liquidity placements[4]	*–485.7*	*–511.0*	*–485.7*	*–511.0*

1 SEK has two assets in the form of CDOs. These two CDOs are first-priority-tranches with end-exposure to the U.S. sub-prime market. A reversal of Skr 31.5 million was recorded in 2012 in relation to these two CDOs (2011: impairment Skr 16.0 million), bringing the total of such impairment to Skr 462.6 million (year-end 2011: Skr 491.4 million). The assets have a gross book value before impairment of Skr 594.4 million (year-end 2011: Skr 641.4 million).

2 The amount for 2012 includes a provision of Skr 40.0 million (year-end 2011: 110.0 million) related to bad debts not linked to a specific counterparty. This means that the provision for bad debt not linked to a specific counterparty amounted to Skr 200.0 million (year-end 2011: Skr 160.0 million). The provision for bad debts not linked to a specific counterparty relates to deterioration in credit quality related to assets not individually reserved for. The increase in the reserve resulted from the higher inherent credit risk in SEK's portfolio as a whole due to uncertainties in the European financial markets and related adverse economic conditions. The reserve was increased due to the risk of losses that are currently unknown to SEK. SEK has made an assessment of the reserve according to a methodology based on both quantitative and qualitative analysis of all exposures accounted for at amortized cost.

3 Of which Skr 28.0 million (2011: Skr – million) refers to unrealized currency effects during the period January-December 2012.

4 See Note 11 for definitions.

Note 9, continued

PAST-DUE RECEIVABLES

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

	Consolidated Group		Parent Company	
Skr mn	2012	2011	2012	2011
Past-due receivables:				
Aggregate amount less than 90 days past-due	155.4[1]	154.2[1]	155.4[1]	154.2[1]
Aggregate amount of principal and interest more than 90 days past-due	1,418.7[1,2]	891.8[1,2]	1,418.7[1,2]	891.8[1,2]
Principle amount not past-due on such receivables	1,552.4[1]	2,079.4[1]	1,552.4[1]	2,079.4[1]

1 Past-due receivables consist primarily of amortization related to one loan in respect of which discussion of restructuring has been initiated but not concluded. For this loan interest has been paid in full and is therefore not past-due. The credit is fully covered by adequate guarantees and therefore no loan loss reservation has been made. SEK has no other restructured receivables.

2 Of the aggregate amount of principal and interest past due Skr 144.5 million (year-end 2011: Skr 153.5 million) was due for payment more than three but less than six months before the balance-sheet date, and Skr 144.5 million (year-end 2011: Skr153.5 million) was due for payment more than six but less than nine months before the balance-sheet date.

Note 10. Taxes

	Consolidated Group		Parent Company	
Skr mn	2012	2011	2012	2011
Income tax				
Adjustment previous year	–1.7	–15.9	–1.7	–15.9
Current tax	–216.0	–403.6	–208.2	–400.9
Deferred tax	102.1	–70.1	–	–
Total income tax	**–115.6**	**–489.6**	**–209.9**	**–416.8**
Income tax related to other comprehensive income				
Current tax	–2.0	–3.2	–2.0	–3.2
Deferred tax	–44.3	–103.8	–18.4	–103.8
Adjustment of deferred taxes due to reduced tax rate [1]	25.9	–	–	–
Income tax related to other comprehensive income	**–20.4**	**–107.0**	**–20.4**	**–107.0**
Reconciliation of effective tax rate				
The Swedish corporate tax rate, %	26.3	26.3	26.3	26.3
Profit before taxes	824.3	1,889.1	757.9	1,529.2
National tax based on profit before taxes 26.3 %	–216.8	–496.8	–199.3	–402.2
Tax effects of:				
Non-taxable income	0.2	27.6	0.2	14.4
Non-deductible expenses	–5.3	–1.4	–3.2	–1.4
Write-down of impaired shares in subsidiaries	–	–	–	–10.4
Imputed interest on tax allocation reserve	–8.4	–12.9	–8.4	–12.9
Dividend received	–	–	2.5	11.3
Adjustment previous year	–1.7	–15.9	–1.7	–15.9
Adjustment of deferred taxes due to reduced tax rate[1]	116.4	–	–	–
Other	0.0	9.8	0.0	0.3
Total tax	**–115.6**	**–489.6**	**–209.9**	**–416.8**
Effective tax expense in %	14.0	25.9	27.7	27.3

1 The effective tax rate is lower than the nominal tax rate because in 2012 the Swedish parliament decided to lower the corporate income tax from 26.3 percent to 22.0 percent, taking effect on January 1, 2013.

Note 10, continued

Skr mn	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Deferred tax assets concerning:				
Other temporary differences	9.7	14.5	–	–
Total deferred tax assets	**9.7**	**14.5**	**–**	**–**
Deferred tax liabilities concerning:				
Untaxed reserves	605.5	709.7	–	–
Temporary differences, financial instruments				
– Cash flow hedges	132.3	114.0	132.3	114.0
– Other temporary differences	0.0	2.4	0.0	0.0
Total deferred tax liabilities	**737.8**	**826.1**	**132.3**	**114.0**
Net deferred tax liabilities (+) / tax assets (–)	**728.1**	**811.6**	**132.3**	**114.0**

No deductable loss carry forwards existed as of December 31, 2012 or December 31, 2011.

CHANGE IN DEFERRED TAXES

Skr mn	Consolidated Group 2012	Consolidated Group 2011	Parent Company 2012	Parent Company 2011
Opening balance	–811.6	–631.1	–114.0	6.1
Change through profit or loss	102.1	–70.1	0.0	–16.3
Change in other comprehensive income	–18.4	–103.8	–18.4	–103.8
Other	–0.2	–6.6	0.1	0.0
Total	**–728.1**	**–811.6**	**–132.3**	**–114.0**

UNTAXED RESERVES

Skr mn	Parent Company December 31, 2012	Parent Company December 31, 2011
Tax allocation reserve:		
Opening balance	2,684.9	2,397.9
Dissolution during the year	–202.9	–184.4
Allocation during the year	256.0	471.4
Closing balance	**2,738.0**	**2,684.9**
Of which		
2006 Tax allocation reserve	*0.0*	*202.9*
2007 Tax allocation reserve	*244.1*	*244.1*
2008 Tax allocation reserve	*91.5*	*91.5*
2009 Tax allocation reserve	*444.2*	*444.2*
2010 Tax allocation reserve	*1,230.8*	*1,230.8*
2011 Tax allocation reserve	*471.4*	*471.4*
2012 Tax allocation reserve	*256.0*	–

In the financial statements of the Consolidated Group, the untaxed reserves of the Group companies are allocated 78,0 percent to equity and 22,0 percent to deferred taxes included as deferred tax liabilities in the statement of financial position. Changes in the amounts reported as deferred taxes are included in taxes in the statement of comprehensive income.

Note 11. Loans and liquidity placements

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

	Consolidated Group		Parent Company	
Skr mn	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Loans:				
Loans in the form of interest-bearing securities	57,889.8	66,204.5	57,900.6	66,226.2
Loans to credit institutions	22,083.6	25,791.6	22,083.6	25,815.2
Loans to the public	115,478.2	107,938.1	115,478.2	107,938.1
Less:				
Deposits with time to maturity exceeding three months	–2,544.4	–4,334.3	–2,544.4	–4,334.3
Total loans	**192,907.2**	**195,599.9**	**192,918.0**	**195,645.2**
Liquidity placements:				
Cash and cash equivalents [1]	2,338.2	3,749.6	2,313.1	3,666.2
Deposits with time to maturity exceeding three months	2,544.4	4,334.3	2,544.4	4,334.3
Treasuries/government bonds	5,111.5	2,033.4	5,111.5	2,033.4
Other interest-bearing securities except loans	77,693.3	74,738.5	77,693.3	74,738.5
Total liquidity placements	**87,687.4**	**84,855.8**	**87,662.3**	**84,772.4**
of which				
– issued by public authorities	62,432.3	29,004.1	62,432.3	29,004.1
– quoted on an exchange	123,688.5	139,901.7	123,688.5	139,901.7

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

Regarding reserves, impairments and recovery see Note 9.

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

	Consolidated Group		Parent Company	
Skr mn	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Sum of amounts exceeding nominal	246.4	136.4	246.4	136.4
Sum of amounts falling below nominal	–13.7	–29.9	–13.7	–29.9

VOLUME DEVELOPMENT, LENDING

	Consolidated Group		of which S system			
	Total		Total		of which	
Skr mn	2012	2011	2012	2011	CIRR-loans 2012	Concession-ary loans 2012
Offers of long-term loans accepted	56,235	51,249	19,919	7,965	19,919	0
Syndicated customer transactions	–	39	–	–	–	–
Total customer financial transactions	**56,235**	**51,288**	**19,919**	**7,965**	**19,919**	**0**
Undisbursed loans at year-end	25,915	25,072	12,675	9,036	12,586	89
Loans outstanding at year-end	192,907	195,600	39,499	34,227	38,647	852

Note 11, continued

OUTSTANDING LOANS AS PER LOAN TYPE

	Consolidated Group		Parent Company		of which S-system	
Skr mn	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Total lending for export of capital products	105,145	102,566	105,145	102,566	39,499	34,227
Other lending related to export	72,601	71,729	72,612	71,774	–	–
Lending related to infrastructure	15,161	21,305	15,161	21,305	–	–
Total lending	**192,907**	**195,600**	**192,918**	**195,645**	**39,499**	**34,227**

OUTSTANDING LOANS AS PER BUSINESS AREA

	Consolidated Group		Parent Company		of which S-system	
Skr mn	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
End customer financing	103,957	101,122	103,957	101,122	39,499	34,227
Direct customer financing	88,913	94,430	88,913	94,430	–	–
Other	37	48	48	93	–	–
Total lending	**192,907**	**195,600**	**192,918**	**195,645**	**39,499**	**34,227**

Note 12. Classification of financial assets and liabilities

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

FINANCIAL ASSETS BY ACCOUNTING CATEGORY:

	December 31, 2012					
Consolidated Group	**Total**	**Financial assets at fair value through profit or loss**		**Derivatives used for hedge accounting**	**Available-for-sale**	**Loans and receivables[1]**
Skr mn		**Held-for-trading[2]**	**Designated upon initial recognition (FVO)**			
Cash and cash equivalents	2,338.2	–	–	–	–	2,338.2
Treasuries/government bonds	5,111.5	–	–	–	4,261.1	850.4
Other interest-bearing securities except loans	77,693.3	–	2,996.8	–	13,118.2	61,578.3
Loans in the form of interest-bearing securities	57,889.8	–	2,136.4	–	–	55,753.4
Loans to credit institutions	22,083.6	–	–	–	–	22,083.6
Loans to the public	115,478.2	–	–	–	–	115,478.2
Derivatives	25,711.2	11,319.7	–	14,391.5	–	–
Total financial assets	**306,305.8**	**11,319.7**	**5,133.2**	**14,391.5**	**17,379.3**	**258,082.1**

Note 12, continued

FINANCIAL LIABILITIES BY ACCOUNTING CATEGORY:

Consolidated Group	December 31, 2012				
	Total	Financial liabilities at fair value through profit or loss		Derivatives used for hedge accounting	Other financial liabilities[3]
Skr mn		Held-for-trading[2]	Designated upon initial recognition (FVO)		
Borrowing from credit institutions	14,490.3	–	–	–	14,490.3
Borrowing from the public	56.9	–	–	–	56.9
Senior securities issued	258,090.1	–	116,478.7	–	141,611.4
Derivatives	16,421.0	13,567.3	–	2,853.7	–
Subordinated securities issued	3,012.7	–	–	–	3,012.7
Total financial liabilities	**292,071.0**	**13,567.3**	**116,478.7**	**2,853.7**	**159,171.3**

FINANCIAL ASSETS BY ACCOUNTING CATEGORY:

Consolidated Group	December 31, 2011					
	Total	Financial assets at fair value through profit or loss		Derivatives used for hedge accounting	Available-for-sale	Loans and receivables[1]
Skr mn		Held-for-trading[2]	Designated upon initial recognition (FVO)			
Cash and cash equivalents	3,749.6	–	–	–	–	3,749.6
Treasuries/government bonds	2,033.4	–	–	–	–	2,033.4
Other interest-bearing securities except loans	74,738.5	–	4,477.4	–	9,197.6	61,063.5
Loans in the form of interest-bearing securities	66,204.5	–	2,288.8	–	–	63,915.7
Loans to credit institutions	25,791.6	–	–	–	–	25,791.6
Loans to the public	107,938.1	–	–	–	–	107,938.1
Derivatives	31,467.0	12,696.7	–	18,770.3	–	–
Total financial assets	**311,922.7**	**12,696.7**	**6,766.2**	**18,770.3**	**9,197.6**	**264,491.9**

FINANCIAL LIABILITIES BY ACCOUNTING CATEGORY:

Consolidated Group	December 31, 2011				
	Total	Financial liabilities at fair value through profit or loss		Derivatives used for hedge accounting	Other financial liabilities[3]
Skr mn		Held-for-trading[2]	Designated upon initial recognition (FVO)		
Borrowing from credit institutions	15,833.9	–	–	–	15,833.9
Borrowing from the public	59.1	–	–	–	59.1
Senior securities issued	257,352.4	–	130,317.6	–	127,034.8
Derivatives	22,604.8	19,954.8	–	2,650.0	–
Subordinated securities issued	3,174.4	–	–	–	3,174.4
Total financial liabilities	**299,024.6**	**19,954.8**	**130,317.6**	**2,650.0**	**146,102.2**

1 Of loans and receivables, 8.1 percent (year-end 2011: 9.5 percent) are subject to fair-value hedge accounting and 6.6 percent (year-end 2011: 5.7 percent) are subject to cash-flow hedge accounting, the remaining 85.3 percent (year-end 2011: 84.8 percent) are not subject to hedge accounting.

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

3 Of other financial liabilities, 73.4 percent (year-end 2011: 86.2 percent) are subject to fair-value hedge accounting, the remaining 26.6 percent (year-end 2011: 13.8 percent) are not subject to hedge accounting.

Note 12, continued

See Note 13 for a more detailed breakdown on assets and liabilities carried at fair value.

During 2012, in fair value hedges losses on hedging instruments amounted to Skr –1,308.2 million (2011 gain: Skr 2,253.2 million) and gains on hedged items attributable to the hedged risk amounted to Skr 665.9 million (2011 loss: Skr –2,249.2 million).

Accumulated changes in the fair value of financial liabilities attributable to changes in credit risk amounted to Skr –753.9 million (Year-end 2011: Skr 209.4 million), which represents a cumulative increase in the book value of liabilities. For the period January 1 to December 31, 2012 the credit risk component has decreased by Skr –963.3 million, which increased the value of financial liabilities and affected operating profit negatively. For the period January 1 to December 31, 2011 the credit risk component increased by Skr 101.5 million, which decreased the value of financial liabilities and affected operating profit positively.

The amount of cumulative change in the fair value of financial assets attributable to changes in the credit risk was Skr –17.6 million (2011: Skr –125.7 million) which decrease the value of financial assets and affects operating profit negatively. The amount of change during the period was Skr 108.1 million (2011: Skr 224.9 million) which increased the value of financial assets and affected operating profit positively.

The amount of total assets as of December 31, 2012, Skr 313.1 billion (year-end 2011: Skr 319.7 billion), has decreased by approximately Skr –11.9 billion (2011: Skr 0.7 billion) relating to exchange rates changes since December 31, 2011, had been unchanged.

Repayments of long-term debt amounting to approximately Skr 27.1 billion (2011: Skr 37.6 billion) has been effectuated, and SEK's own debt repurchase and early redemption amounted to approximately Skr 22.7 billion (2011: Skr 36.5 billion).

RECLASSIFICATION

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

The aforementioned reclassification of the fair value of assets, previously accounted for as held-for-trading securities, to the category "loans and receivables" occurred on October 1, 2008 with retroactive effect from July 1, 2008. During the first quarter 2012 the remaining asset was sold. With respect to the period January 1 to December, 2012, total interest revenues of Skr 5,2 million were derived from these reclassified assets, for the same period 2011 the amount was Skr 32.1 million.

	December 31, 2012			December 31, 2011		
Skr mn **Reclassified financial assets**	**Nominal value**	**Book value**	**Fair value**	**Nominal value**	**Book value**	**Fair value**
Other interest-bearing securities except loans	–	–	–	241.5	245.4	245.5

The aforementioned reclassification of assets earlier accounted for as "available-for-sale" to the category "loans and receivables" occurred as of October 1, 2008. If SEK had not chosen the reclassification option the effect reported in other comprehensive income would have been a positive effect of Skr 2.5 million for the period January 1 to December 31, 2012. For the period January 1 to December 31, 2011 the reclassification affected other comprehensive income by a positive effect of Skr 29.0 million. With respect to the period January 1 to December 31, 2012, total interest revenues of Skr 22.0 million were derived from these reclassified assets and during the period January 1 to December 31, 2011, total interest revenues of Skr 90.9 million were derived from the reclassified assets. The weighted average effective interest rate for these assets amounted to 0.7 percent.

	December 31, 2012			December 31, 2011		
Skr mn **Reclassified financial assets**	**Nominal value**	**Book value**	**Fair value**	**Nominal value**	**Book value**	**Fair value**
Other interest-bearing securities except loans	–	–	–	1,122.6	1,130.7	1,128.2
Loans in the form of interest-bearing securities	766.9	850.7	850.7	930.2	1,019.8	1,019.8
Total	**766.9**	**850.7**	**850.7**	**2,052.8**	**2,150.5**	**2,148.0**

Note 13. Financial assets and liabilities at fair value

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

Consolidated Group	December 31, 2012		
Skr mn	Book value	Fair value	Surplus value (+)/ Deficit value (–)
Cash and cash equivalents	2,338.2	2,338.2	0.0
Treasuries/governments bonds	5,111.5	5,114.0	2.5
Other interest-bearing securities except loans	77,693.3	76,399.2	–1,294.1
Loans in the form of interest-bearing securities	57,889.8	59,109.2	1,219.4
Loans to credit institutions	22,083.6	22,274.4	190.8
Loans to the public	115,478.2	119,054.6	3,576.4
Derivatives	25,711.2	25,711.2	0.0
Total financial assets	**306,305.8**	**310,000.8**	**3,695.0**
Borrowing from credit institutions	14,490.3	14,490.3	0.0
Borrowing from the public	56.9	56.9	0.0
Senior securities issued	258,090.1	258,189.6	99.5
Derivatives	16,421.0	16,421.0	0.0
Subordinated securities issued	3,012.7	2,282.9	–729.8
Total financial liabilities	**292,071.0**	**291,440.7**	**–630.3**

Consolidated Group	December 31, 2011		
Skr mn	Book value	Fair value	Surplus value (+)/ Deficit value (–)
Cash and cash equivalents	3,749.6	3,749.6	0.0
Treasuries/governments bonds	2,033.4	2,026.1	–7.3
Other interest-bearing securities except loans	74,738.5	72,919.8	–1,818.7
Loans in the form of interest-bearing securities	66,204.5	66,706.5	502.0
Loans to credit institutions	25,791.6	26,008.6	217.0
Loans to the public	107,938.1	111,201.6	3,263.5
Derivatives	31,467.0	31,467.0	0.0
Total financial assets	**311,922.7**	**314,079.2**	**2,156.5**
Borrowing from credit institutions	15,833.9	15,816.7	–17.2
Borrowing from the public	59.1	59.1	0.0
Senior securities issued	257,352.4	257,380.5	28.1
Derivatives	22,604.8	22,604.8	0.0
Subordinated securities issued	3,174.4	3,174.4	0.0
Total financial liabilities	**299,024.6**	**299,035.5**	**10.9**

The majority of financial liabilities and some of the financial assets in the statement of financial position are measured at full fair value or at a value that represents fair value for the components hedged in a hedging relationship. However, loans and receivables and other financial liabilities which are neither subject to hedge accounting nor carried at fair value using fair value option, are measured at amortized cost. For principles for impairment of financial assets, see Note 1.

Note 13, continued

In the process of estimating or deriving fair values for items measured at fair value in the statement of financial position, certain simplifying assumptions have been made. In those cases where quoted market values for the relevant items are available such market values have been used. However, for a large portion of the items there are no such quoted market values. In such cases the fair value has been estimated or derived. The process of deriving such values naturally involves uncertainty. Accordingly, the fair values reported do to a large extent represent values that have been estimated by the company.

The book value of derivative instruments, which here represents maximum exposure to credit risk in accordance with certain regulations, does not reflect real exposures. In the case where a collateral agreement has been negotiated with the counterparty, the threshold amount under the collateral agreement represents real exposures. Where no collateral agreement has been negotiated with the counterparty, the positive fair value represents the real exposure. In almost all cases SEK has negotiated collateral agreements.

DETERMINING FAIR VALUE OF FINANCIAL INSTRUMENTS

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 input that is significant to the fair value measurement in its entirety.

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

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

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

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

For more information on fair value of financial instruments, see Note 1.

FINANCIAL ASSETS IN FAIR VALUE HIERARCHY

Consolidated Group	**December 31, 2012**							
	Financial assets at fair value through profit or loss or through other comprehensive income				**Available-for-sale**			
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	–	–	–	–	–	–	–	–
Treasuries/governments bonds	–	–	–	–	–	4,261.1	–	4,261.1
Other interest-bearing securities except loans	–	2,476.2	520.6	2,996.8	–	13,118.2	–	13,118.2
Loans in the form of interest-bearing securities	–	1,630.1	506.3	2,136.4	–	–	–	–
Loans to credit institutions	–	–	–	–	–	–	–	–
Loans to the public	–	–	–	–	–	–	–	–
Derivatives	–	16,706.4	9,004.8	25,711.2	–	–	–	–
Total financial assets in fair value hierarchy	–	**20,812.7**	**10,031.7**	**30,844.4**	–	**17,379.3**	–	**17,379.3**

Note 13, continued

FINANCIAL LIABILITIES IN FAIR VALUE HIERARCHY

Consolidated Group	December 31, 2012			
	Financial liabilities at fair value through profit or loss or through other comprehensive income			
Skr mn	Level 1	Level 2	Level 3	Total
Borrowing from credit institutions	–	–	–	–
Borrowing from the public	–	–	–	–
Senior securities issued	–	27,271.2	89,207.5	116,478.7
Derivatives	–	11,308.5	5,112.5	16,421.0
Subordinated securities issued	–	–	–	–
Total financial liabilities in fair value hiearchy	**–**	**38,579.7**	**94,320.0**	**132,899.7**

During 2012 no financial assets or liabilities at fair value have been moved from level 1 to level 2.

FINANCIAL ASSETS IN FAIR VALUE HIERARCHY

Consolidated Group	December 31, 2011							
	Financial assets at fair value through profit or loss or through other comprehensive income				Available-for-Sale			
Skr mn	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	–	–	–	–	–	–	–	–
Treasuries/governments bonds	–	–	–	–	–	–	–	–
Other interest-bearing securities except loans	–	3,905.8	571.6	4,477.4	–	9,197.6	–	9,197.6
Loans in the form of interest-bearing securities	–	1,779.4	509.5	2,288.9	–	–	–	–
Loans to credit institutions	–	–	–	–	–	–	–	–
Loans to the public	–	–	–	–	–	–	–	–
Derivatives	–	21,022.1	10,444.9	31,467.0	–	–	–	–
Total financial assets in fair value hierarchy	**–**	**26,707.3**	**11,526.0**	**38,233.3**	**–**	**9,197.6**	**–**	**9,197.6**

FINANCIAL LIABILITIES IN FAIR VALUE HIERARCHY

Consolidated Group	December 31, 2011			
	Financial liabilities at fair value through profit or loss or through other comprehensive income			
Skr mn	Level 1	Level 2	Level 3	Total
Borrowing from credit institutions	–	–	–	–
Borrowing from the public	–	–	–	–
Senior securities issued	–	8,641.3	121,676.3	130,317.6
Derivatives	–	9,134.8	13,470.0	22,604.8
Subordinated securities issued	–	–	–	–
Total financial liabilities in fair value hiearchy	**–**	**17,776.1**	**135,146.3**	**152,922.4**

During 2011 no financial assets or liabilities at fair value have been moved from level 1 to level 2.

Note 13, continued

FINANCIAL ASSETS AT FAIR VALUE IN LEVEL 3

Consolidated Group	2012							
Skr mn	January 1, 2012	Purchases	Settle-ments & sales	Transfers from level 1 and level 2	Transfers from level 3[2]	Gains and losses through profit or loss[1]	Gains and losses in com-prehensive income	December 31, 2012
Other interest-bearing securities except loans	571.6	–	0.0	–	–	–51.0	–	520.6
Loans in the form of interest-bearing securities	509.5	–	–	–	–	–3.2	–	506.3
Derivatives	10,444.9	492.8	–1,945.4	–	–394.8	407.3	–	9,004.8
Total financial assets at fair value in level 3	**11,526.0**	**492.8**	**–1,945.4**	**–**	**–394.8**	**353.1**	**–**	**10,031.7**

FINANCIAL LIABILITIES AT FAIR VALUE IN LEVEL 3

Consolidated Group	2012							
Skr mn	January 1, 2012	Issues	Settlements & buy-backs	Trans-fers from level 1 and level 2	Transfers from level 3[2]	Gains and losses through profit or loss[1]	Gains and losses in com-prehensive income	December 31, 2012
Senior securities issued	121,676.3	8,668.5	–29,081.4	–	–12,716.6	660.7	–	89,207.5
Derivatives	13,470.0	133.0	–2,832.7	–	–1,184.9	–4,472.9	–	5,112.5
Total financial liabilities at fair value in level 3	**135,146.3**	**8,801.5**	**–31,914.1**	**–**	**–13,901.5**	**–3,812.2**	**–**	**94,320.0**

FINANCIAL ASSETS AT FAIR VALUE IN LEVEL 3[3]

Consolidated Group	2011							
Skr mn	January 1, 2011	Purchases	Settlements & sales	Trans-fers from level 1 and level 2	Transfers from level 3	Gains and losses through profit or loss[1]	Gains and losses in com-prehensive income	December 31, 2011
Other interest-bearing securities except loans	0.2	6.1	0.0	504.4	–	60.9	–	571.6
Loans in the form of interest-bearing securities	–	–	–	509.5	–	–	–	509.5
Derivatives	20,787.8	1,508.8	–10,419.9	32.2	–42.6	–1,421.4	–	10,444.9
Total financial assets at fair value in level 3	**20,788.0**	**1,514.9**	**–10,419.9**	**1,046.1**	**–42.6**	**–1,360.5**	**–**	**11,526.0**

Note 13, continued

FINANCIAL LIABILITIES AT FAIR VALUE IN LEVEL 3[3]

Consolidated Group	2011							
Skr mn	January 1, 2011	Issues	Settlements & buy-backs	Transfers from level 1 and level 2	Transfers from level 3	Gains and losses through profit or loss[1]	Gains and losses in comprehensive income	December 31, 2011
Senior securities issued	153,308.7	24,899.8	–59,198.1	–	–	2,665.9	–	121,676.3
Derivatives	10,036.0	3,133.6	–930.3	144.0	–90.3	1,177.0	–	13,470.0
Total financial liabilities at fair value in level 3	**163,344.7**	**28,033.4**	**–60,128.4**	**144.0**	**–90.3**	**3,842.9**	**–**	**135,146.3**

1 The unrealized fair value changes for assets and liabilities held as of December 31, 2012 amount to Skr –0.5 billion (2011: profit Skr 0.02 billion) reported as Net results of financial transactions.

2 The transfer from level 3 to level 2 during 2012 is due to the fact that the valuation system support has been refined and the fair value is now provided by valuation models for which the market data that have a significant effect on the recorded fair value are observable.

3 Comparative figures for 2011 have been restated to ensure comparability between years.

UNCERTAINTY OF VALUATION OF LEVEL 3 INSTRUMENTS

As the estimation of the parameters used in the valuation of level 3 transactions is an uncertain and subjective process SEK has, in accordance with IFRS 7, conducted an analysis on the difference in fair value of level 3 instruments using other reasonable parameter values. The fair value of level 3 instruments significantly affected by different types of correlations, which are not based on observable market data. The base for this sensitivity analysis is therefore revaluation of the portfolio, where the correlations have been adjusted +/– 10 percentage. After the revaluation is performed, the max/min value for each transaction is singled out. All transactions in level 3 are part of a structured product.

The result is in accordance with SEK's business model where the structured products are hedged with derivatives where one leg matches the cash flows of the structured product and the other leg is floating with a spread against a reference rate. This means that an increase or decrease in the value of the structured product is offset by an equally large increase or decrease of the derivative's matching leg. In the scenario with maximum market value below, the value of both the structured product and the derivative's matched leg are maximized regardless if it is an asset or a liability. In the scenario with minimum market value, the value of both the structured product and the derivative's matched leg are minimized. After accounting for the effect of collateral provided under ISDA agreements, only the exposure remaining after collateral payments is affected by the credit value adjustment. Any positive/negative figure in the uncertainty analysis will have a positive/negative effect on profit or loss.

UNCERTAINTY ANALYSIS – LEVEL 3 ASSETS AND LIABILITIES

Consolidated Group	December 31, 2012	
	Scenario with maximum market value	Scenario with minimum market value
Skr mn	Change	
Assets		
Other interest-bearing securities except loans	–	–
Derivatives	204.5	–156.3
Total change in fair value of level 3 assets	**204.5**	**–156.3**
Liabilities		
Senior securities issued	–300.2	456.9
Derivatives	220.3	–206.9
Total change in fair value of level 3 liabilities	**–79.9**	**250.0**
Total effect on profit or loss	**124.6**	**93.7**

Note 13, continued

UNCERTAINTY ANALYSIS – LEVEL 3 ASSETS AND LIABILITIES

Consolidated Group	December 31, 2011	
	Scenario with maximum market value	Scenario with minimum market value
Skr mn	Change	
Assets		
Other interest-bearing securities except loans	–	–
Derivatives	36.7	–36.8
Total change in fair value of level 3 assets	**36.7**	**–36.8**
Liabilities		
Senior securities issued	–135.7	197.2
Derivatives	99.0	–160.4
Total change in fair value of level 3 liabilities	**–36.7**	**36.8**
Credit value adjustment	–0.3	0.2
Total effect on profit or loss	**–0.3**	**0.2**

Note 14. Derivatives

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

Consolidated Group	December 31, 2012			December 31, 2011		
Derivatives by categories						
Skr mn	Assets Fair value	Liabilities Fair value	Nominal amounts	Assets Fair value	Liabilities Fair value	Nominal amounts
Interest rate-related contracts	6,528.0	6,868.6	150,547.6	6,169.6	7,226.2	143,469.3
Currency-related contracts	16,823.1	4,974.7	207,056.2	23,182.5	5,089.8	231,600.0
Equity-related contracts	2,228.0	3,234.5	40,363.3	1,952.9	8,747.5	58,498.7
Contracts related to commodities, credit risk, etc.	132.1	1,343.2	16,094.7	162.0	1,541.3	20,377.5
Total derivatives	**25,711.2**	**16,421.0**	**414,061.8**	**31,467.0**	**22,604.8**	**453,945.5**

Consolidated Group	December 31, 2012			December 31, 2011		
of which derivatives used for economic hedges, accounted for as held-for-trading under IAS39 Skr mn	Assets Fair value	Liabilities Fair value	Nominal amounts	Assets Fair value	Liabilities Fair value	Nominal amounts
Interest rate-related contracts	2,153.3	4,974.1	67,613.6	1,663.1	5,559.8	70,695.7
Currency-related contracts	6,806.3	4,015.5	141,337.0	8,918.7	4,106.1	141,522.1
Equity-related contracts	2,228.0	3,234.5	40,363.3	1,952.9	8,747.5	58,498.7
Contracts related to commodities, credit risk, etc.	132.1	1,343.2	16,094.7	162.0	1,541.3	20,377.5
Total derivatives	**11,319.7**	**13,567.3**	**265,408.6**	**12,696.7**	**19,954.7**	**291,094.0**

Note 14, continued

Consolidated Group	December 31, 2012			December 31, 2011		
of which derivatives used for hedge accounting Skr mn	**Assets Fair value**	**Liabilities Fair value**	**Nominal amounts**	**Assets Fair value**	**Liabilities Fair value**	**Nominal amounts**
Interest rate-related contracts	4,374.7	1,894.5	82,934.0	4,506.5	1,666.4	72,773.6
Currency-related contracts	10,016.8	959.2	65,719.2	14,263.8	983.7	90,077.9
Equity-related contracts	–	–	–	–	–	–
Contracts related to commodities, credit risk, etc.	–	–	–	–	–	–
Total derivatives	**14,391.5**	**2,853.7**	**148,653.2**	**18,770.3**	**2,650.1**	**162,851.5**

Consolidated Group	December 31, 2012				
Derivatives used as cash flow hedges Skr mn	**≤ 1 month**	**1 month ≤ 3 months**	**3 months ≤ 1 year**	**1 year ≤ 5 years**	**> 5 years**
Cash inflows (assets)	79.2	38.3	179.1	894.8	–2.9
Cash outflows (liabilities)	0.0	0.0	0.0	0.0	0.0
Net cash inflow	**79.2**	**38.3**	**179.1**	**894.8**	**–2.9**

Consolidated Group	December 31, 2011				
Derivatives used as cash flow hedges Skr mn	**≤ 1 month**	**1 month ≤ 3 months**	**3 months ≤ 1 year**	**1 year ≤ 5 years**	**> 5 years**
Cash inflows (assets)	69.0	8.8	79.0	687.4	64.6
Cash outflows (liabilities)	0.0	–4.8	13.3	0.0	0.0
Net cash inflow	**69.0**	**4.0**	**92.3**	**687.4**	**64.6**

Consolidated Group	December 31, 2012				
Derivatives used as fair-value hedge Skr mn	**≤ 1 month**	**1 month ≤ 3 months**	**3 months ≤ 1 year**	**1 year ≤ 5 years**	**> 5 years**
Cash inflows (assets)	241.1	663.0	3,137.2	8,438.5	2,840.0
Cash outflows (liabilities)	–48.9	–100.5	–420.5	–1,553.3	–347.5
Net cash inflow	**192.2**	**562.5**	**2,716.7**	**6,885.2**	**2,492.5**

Consolidated Group	December 31, 2011				
Derivatives used as fair-value hedge Skr mn	**≤ 1 month**	**1 month ≤ 3 months**	**3 months ≤ 1 year**	**1 year ≤ 5 years**	**> 5 years**
Cash inflows (assets)	120.0	489.9	3,131.4	10,900.0	4,662.8
Cash outflows (liabilities)	–70.6	–147.2	–379.4	–1,588.7	–345.7
Net cash inflow	**49.4**	**342.7**	**2,752.0**	**9,311.3**	**4,317.1**

NET LOSSES ON CASH FLOW HEDGES RECLASSIFIED TO THE STATEMENT OF COMPREHENSIVE INCOME DURING THE YEAR

Skr mn	2012	2011
Interest income	405.2	353.6
Interest expense	-215.2	–201.4
Total	**190.0**	**152.2**

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

SEK uses swap agreements (primarily) to hedge risk exposure inherent in financial assets and liabilities. SEK enters into swap agreements only under ISDA master agreements and all swap

Note 14, continued

contracts are with financial institutions as counterparties. Counterparty risks are managed by using an ISDA Credit Support Annex. Swaps are measured at fair value by using market quoted rates where available. If market quotes are not available, valuation models are used. SEK uses models to adjust the net exposure fair value for changes in counterparties' credit quality. The models used include both directly observable and non-observable market parameters.

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 swaps with corresponding structures in order to obtain effective economic hedges. These hybrid debt instruments are classified as financial liabilities measured at fair value. As there are no market quotes for this group of instruments, valuation models are used to calculate fair value. The models used include both directly observable and non-observable market parameters.

The nominal amounts of derivative instruments do not reflect real exposures. In the case in which a collateral agreement has been negotiated with the counterparty, the threshold amount under the collateral agreement represents real exposure. In the case in which no collateral agreement has been negotiated with the counterparty, the positive fair value represents the real exposure. In almost all cases SEK has negotiated collateral agreements. See the table "Total net exposures" in Note 28, for information regarding amounts of risk exposures related to derivatives.

Due to their terms and conditions, some credit protection instruments are considered derivatives and accordingly classified as financial assets or liabilities at fair value through profit or loss, whereas others are classified as financial guarantees and therefore carried at amortized cost. As of December 31, 2012 the nominal amount of credit protection instruments based on terms and conditions classified as financial guarantees were Skr 9,233.1 million (year-end 2011: Skr 15,371.7 million).

Note 15. Shares

All subsidiaries are domiciled in Stockholm, Sweden, and are wholly owned by AB Svensk Exportkredit. The net profit for the year after taxes, related to the subsidiaries, amounted to Skr 14.0 million (2011: Skr 10.1 million).

Shares in subsidiaries	**December 31, 2012**		**December 31, 2011**	
Skr mn	**Book value**	**Number of shares**	**Book value**	**Number of shares**
AB SEK Securities (reg no 556608-8885)	10.0	100,000	10.0	100,000
SEK Financial Advisors AB (reg no 556660-2420)	0.8	5,000	0.8	5,000
SEK Financial Services AB (reg no 556683-3462)	0.1	1,000	0.1	1,000
SEK Customer Finance AB (reg no 556726-7587)	16.6	1,000	16.6	1,000
SEK Exportlånet AB (reg no 556761-7617)	0.1	1,000	0.1	1,000
Venantius AB (reg no 556449-5116)	54.7	5,000,500	54.7	5,000,500
Total	**82.3**		**82.3**	

	Consolidated Group		**Parent Company**	
Skr mn	**2012**	**2011**	**2012**	**2011**
Impairments of shares in subsidiaries[1]	–	–	0.0	–39.7
Total impairments of shares in subsidiaries	–	–	**0.0**	**–39.7**

1 This year, the dividend didn't lead to any impairment. Last year impairment of shares in Venantius amounted to Skr 35.5 million. The impairment of shares in Venantius was caused by dividends paid from Venantius recorded in the same amount. Impairment of shares in SEK Financial Advisors amounted to Skr 4.2million. The impairment was caused by dividends paid from SEK Financial Advisors with the same amount.

Note 16. Other assets

	Consolidated Group		Parent Company	
Skr mn	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Realized claim from the State	13.4	10.7	11.1	10.7
Unrealized claims from the State regarding revaluation effects on derivatives in the S-system	2,147.6	2,103.1	2,147.6	2,103.1
Current tax claim	13.6	–	21.8	–
Claims on subsidiaries	n.a.	n.a.	0.0	–7.9
Receivables for trade that has not settled	1,632.2	1,711.0	1,632.2	1,711.0
Other	217.7	85.0	209.5	73.6
Total	**4,024.5**	**3,909.8**	**4,022.2**	**3,890.5**

Note 17. Prepaid expenses and accrued revenues

	Consolidated Group		Parent Company	
Skr mn	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Interest revenues accrued	2,623.4	3,708.8	2,623.4	3,708.7
Prepaid expenses and other accrued revenues	31.6	32.2	31.6	31.5
Total	**2,655.0**	**3,741.0**	**2,655.0**	**3,740.2**

Note 18. Debt

DEBT AS PER CATEGORIES

	Consolidated Group			Parent Company		
December 31, 2012 Skr mn	Total	Total debt excluding senior securities issued	Total senior securities issued	Total	Total debt excluding senior securities issued	Total senior securities issued
Exchange rate related contracts	100,256.5	–	100,256.5	100,256.5	–	100,256.5
Interest rate related contracts	109,893.1	14,547.2	95,345.9	109,968.1	14,622.2	95,345.9
Equity related contracts	38,389.2	–	38,389.2	38,389.2	–	38,389.2
Contracts related to raw materials, credit risk etc	24,098.5	–	24,098.5	24,098.5	–	24,098.5
Total debt outstanding	**272,637.3**	**14,547.2**	**258,090.1**	**272,712.3**	**14,622.2**	**258,090.1**
Of which denominated in:						
Swedish Kronor	8,641.4			8,716.4		
Other currencies	263,995.9			263,995.9		
Total	**272,637.3**			**272,712.3**		

Note 18, continued

December 31, 2011	Consolidated Group			Parent Company		
Skr mn	Total	Total debt excluding senior securities issued	Total senior securities issued	Total	Total debt excluding senior securities issued	Total senior securities issued
Exchange rate related contracts	127,790.3	–	127,790.3	127,790.3	–	127,790.3
Interest rate related contracts	83,730.5	15,893.0	67,837.5	83,740.5	15,903.0	67,837.5
Equity related contracts	45,256.2	–	45,256.2	45,256.2	–	45,256.2
Contracts related to raw materials, credit risk etc	16,468.4	–	16,468.4	16,468.4	–	16,468.4
Total debt outstanding	**273,245.4**	**15,893.0**	**257,352.4**	**273,255.4**	**15,903.0**	**257,352.4**
Of which denominated in:						
Swedish Kronor	9,550.2			9,560.2		
Other currencies	263,695.2			263,695.2		
Total	**273,245.4**			**273,255.4**		

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

SEK HAS THE FOLLOWING MAJOR FUNDING PROGRAMS IN PLACE:

Skr mn	Value outstanding [1]	
Funding programs	**December 31, 2012**	**December 31, 2011**
Medium-term note programs:		
Unlimited Euro Medium-Term Note Programme	171,981.7	195,197.7
Unlimited SEC-registered U.S. Medium-Term Note Programme	60,733.6	61,981.4
Unlimited Swedish Medium-Term Note Programme	452.2	830.1
Skr 8,000,000,000 Swedish Medium-Term Note Programme	3,449.0	4,262.5
Unlimited MTN/STN AUD Debt Issuance Programme	40.6	49.9
Commercial paper program:		
USD 3,000,000,000 U.S. Commercial Paper Programme	10,520.3	–
USD 4,000,000,000 Euro-Commercial Paper Programme	–	–

[1] Amortized cost excluding fair value adjustments.

Note 19. Other liabilities

	Consolidated Group		Parent Company	
Skr mn	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Liabilities to subsidiaries	n.a.	n.a.	26.4	32.6
Current tax liability	–	67.8	–	65.7
Liabilities related to assets acquired though not yet delivered and paid for	2,836.7	1,848.3	2,836.8	1,848.3
Other	625.6	580.9	617.3	580.9
Total	**3,462.3**	**2,497.0**	**3,480.5**	**2,527.5**

Note 20. Accrued expenses and prepaid revenues

Skr mn	Consolidated Group December 31, 2012	Consolidated Group December 31, 2011	Parent Company December 31, 2012	Parent Company December 31, 2011
Interest expenses accrued	2,204.7	3,154.9	2,204.8	3,155.0
Other accrued expenses	202.9	196.1	202.7	195.8
Total	**2,407.6**	**3,351.0**	**2,407.5**	**3,350.8**

Note 21. Provisions

Skr mn	Consolidated Group December 31, 2012	Consolidated Group December 31, 2011	Parent Company December 31, 2012	Parent Company December 31, 2011
Pension liabilities (see Note 5)	44.5	47.0	12.9	13.3
Termination reserve	9.9	2.6		–
Total	**54.4**	**49.6**	**12.9**	**13.3**

Note 22. Subordinated debt securities

Skr mn	Consolidated Group December 31, 2012	Consolidated Group December 31, 2011	Parent Company December 31, 2012	Parent Company December 31, 2011
Perpetual, non-cumulative subordinated loan, foreign currency [1,2]	3,012.7	3,174.4	3,012.7	3,174.4
Total subordinated debt outstanding	**3,012.7**	**3,174.4**	**3,012.7**	**3,174.4**
Of which denominated in:				
Swedish kronor	–	–	–	–
Foreign currencies	3,012.7	3,174.4	3,012.7	3,174.4

[1] Nominal value USD 200 million. Interest payments quarterly in arrears at a rate of 5.40 percent per annum. Redeemable, at SEK's option only, on or after December 27, 2008, and quarterly thereafter at 100 percent of the nominal value. Redemption requires the prior approval of the Swedish Financial Supervisory Authority. Interest payment will not be made if SEK does not have available distributable capital for making such a payment. The investor's right to receive accrued but unpaid interest will thereafter be lost (noncumulative). In order to avoid the issuer being obliged to enter into liquidation the general meeting together with the approval of the Swedish Financial Supervisory Authority may decide that the principal amount and any unpaid interest will be utilized in the meeting of losses. However, SEK cannot thereafter pay any dividend to its shareholders before the principal amount has been reinstated as debt in full in the statement of financial position or been redeemed with approval by the Swedish Financial Supervisory Authority and such accrued but unpaid interest has been paid.

[2] Nominal value USD 150 million. Interest payments quarterly in arrears at a rate of 6.375 percent per annum. Redeemable, at SEK's option only, on or after December 27, 2008, and quarterly thereafter at 100 percent of the nominal value. Redemption requires the prior approval of the Swedish Financial Supervisory Authority. Interest payment will not be made if SEK does not have available distributable capital for making such a payment. The investor's right to receive accrued but unpaid interest will thereafter be lost (noncumulative). In order to avoid the issuer being obliged to enter into liquidation the general meeting together with the approval of the Swedish Financial Supervisory Authority may decide that the principal amount and any unpaid interest will be utilized in the meeting of losses. However, SEK cannot thereafter pay any dividend to its shareholders before the principal amount has been reinstated as debt in full in the statement of financial position or been redeemed with approval by the Swedish Financial Supervisory Authority and such accrued but unpaid interest has been paid.

The accrued interest related to the subordinated debt, at year-end Skr 1.5 million (year-end 2011: Skr 1.6 million), has been included in the item"Accrued expenses and prepaid revenues".

The subordinated loans are subordinated to the company's other debts, which means that payment will not be performed until other creditors have received repayment.

Note 23. Equity

	Consolidated Group		Parent Company	
Skr mn	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Share capital	3,990.0	3,990.0	3,990.0	3,990.0
Legal reserve	–	–	198.0	198.0
Reserves/Fair value reserve				
Hedge reserve	469.2	319.4	469.2	319.4
Fair value reserve	–19.3	–24.8	–19.3	–24.8
Retained earnings	9,972.3	9,683.5	7,646.3	7,518.3
Total Equity	**14,412.2**	**13,968.1**	**12,284.2**	**12,000.9**

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

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

The fair value reserve is displayed as after-tax difference between fair value and amortized cost recognized through other comprehensive income related to available-for-sale securities. After reclassification as of July 1, 2008, the fair value reserves are amortized over the remaining life of these reclassified assets. From 2009 new assets in the category available-for-sale have been acquired. Of the reserve represented, interest-bearing securities with positive changes in fair value amounted to Skr 4.4 million (year-end 2011: Skr 2.2 million), Skr –12.1 million, (year-end 2011: Skr –10.1 million) represented interest-bearing securities with negative changes in fair value and Skr –11.6 million (year-end 2011: Skr –16.9 million) remained from the reclassification in 2008.

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

According to the Swedish Annual Accounts Act for Credit Institutions and Securities Companies, the non-distributable capital for the Consolidated Group at year-end amounted to Skr 6,334.7 million (year-end 2011: Skr 6,176.9 million) and distributable capital amounted to Skr 8,077.5 million (year-end 2011: Skr 7,791.2 million). For the parent company non-distributable capital at year-end amounted to Skr 4,188.0 million (year-end 2011: 4,188.0 million) and distributable reserves amounted to Skr 8,096.2 million (year-end 2011: 7,812.9 million).

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

Note 24. Contingent liabilities, contingent assets and commitments

Contingent liabilities and commitments are disclosed in connection with the consolidated statements of financial position as of December 31, 2012. Contingent liabilities consist of liabilities related to previous loans made by Venantius AB amounting to Skr 1.1 million (year-end 2011: Skr 1.1 million). Commitments consist of committed undisbursed loans. Such committed undisbursed loans represent loan offers that have been accepted by the customer but not yet disbursed. Of the Skr 25,915.1 million of committed undisbursed loans at December 31, 2012 (year-end 2011: Skr 25,071.8 million), committed undisbursed loans under the S-system represented Skr 12,675.4 million (year-end 2011: Skr 9,036.0 million). Such commitments under the S-system sometimes include a fixed-rate option, the cost of which is reimbursed by the Swedish state in accordance with an agreement with the state (see Note 25).

As of December 31, 2012 the aggregate amount of outstanding offers amounted to Skr 59.5 billion, a decrease of 7.5 percent since year end 2011 (year-end 2011: Skr 64.3 billion). Skr 47.9 billion (year-end 2011: Skr 57.6 billion) of outstanding offers derived from the S-system. During 2012, SEK has changed its approach to providing offers. The revised method means that either binding or non-binding offers are provided. Binding offers are included in commitments. Skr 33.8 billion of outstanding offers represents binding offers and Skr 25.7 billion represents non-binding offers.

As of December 31, 2012, SEK had, under the security agreements for derivative contracts, made deposits amounting to Skr 2.5 billion (year-end 2011: Skr 4.3 billion).

Lehman Brothers Finance AG

On April 11, 2012, the Swiss company Lehman Brothers Finance AG. (in liquidation, with PricewaterhouseCoopers as appointed liquidators) ('LBF') filed a lawsuit against SEK in the Stockholm District Court. LBF claims that SEK miscalculated the termination payment that was due to LBF when certain derivative transactions were terminated following the September 2008 bankruptcy of LBF's parent company, Lehman Brothers Holding Inc. LBF also claims that SEK was late in paying the amount that SEK calculated

Note 24, continued

as being due. In its lawsuit, LBF is seeking a payment of approximately USD 37 million, plus default interest of approximately USD 45 million through March 30, 2012, for a total of USD 82 million. SEK filed a response with the Stockholm District Court on August 31, 2012, stating that it has already paid all amounts that were properly due to LBF. A first hearing at the Stockholm District Court for the litigation is scheduled for April 2013. SEK believes that LBF's claims are without merit and intends to vigorously defend its position.

SEK does not believe it will suffer any significant losses related to the bankruptcy of Lehman Brothers, including the current lawsuit filing. No guarantees on the outcome of SEK's dispute with LBF can be given.

Note 25. S-system

SEK administers, for compensation, the Swedish State's export credit support system, and the State's related aid credit program (together the "S-system"). In accordance with its assignment in an owner's instruction to the company issued by the Swedish State, SEK manages the granting of loans in the S-system. See Note 1(d). The remuneration from the S-system to SEK in accordance with the owner's instruction, which amounted to Skr 89.4 million (2011: Skr 72.4 million), is shown as a part of interest revenues in the statement of comprehensive income for SEK. The assets and liabilities of the S-system are included in SEK's statement of financial position.

CIRR loans (Commercial Interest Reference Rate) represent one of the two loan types in the S-system, the other being concessionary loans. The net result in the S-system for 2012 amounted to Skr 83.0 million (2011: Skr 81.8 million), of which the net result for the CIRR loans represented Skr 128,4 million (2011: Skr 123.7 million).

STATEMENT OF COMPREHENSIVE INCOME FOR THE S-SYSTEM

Skr mn	2012	2011
Interest revenues	1,083.3	862.9
Interest expenses	–913.6	–802.5
Net interest revenues	169.7	60.4
Interest compensation	0.7	92.4
Remuneration to SEK	–89.4	–72.4
Foreign exchange effects	2.0	1.4
Reimbursement to (–) / from (+) the State	–83.0	–81.8
Net result	0.0	0.0

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

Skr mn	December 31, 2012	December 31, 2011
Cash and cash equivalents	6.6	20.1
Loans	39,499.1	34,226.9
Derivatives	11.6	4.6
Other assets	2,470.5	2,459.0
Total assets	**41,987.8**	**36,710.6**
Liabilities	39,821.3	34,591.8
Derivatives	2,166.5	2,118.8
Equity		–
Total liabilities and equity	**41,987.8**	**36,710.6**
Commitments		
Committed undisbursed loans (Note 24)	12,675.4	9,036.0
Binding offers (see Note 24)[1]	30,497.7	n.a.

[1] During 2012, SEK has changed its approach to providing offers. The revised method involves providing binding or non-binding offers. Binding offers are included in commitments.

Results under the S-System by type of loan

	CIRR loans		Concessionary loans	
Skr mn	2012	2011	2012	2011
Net interest revenues	212.9	100.3	–43.2	–39.9
Interest compensation	0.7	92.4	–	–
Remuneration to SEK	–87.2	–70.4	–2.2	–2.0
Foreign exchange effects	2.0	1.4	–	–
Total	**128.4**	**123.7**	**–45.4**	**–41.9**

Note 26. Segment reporting

In accordance with IFRS 8, SEK has the following two segments: direct finance and end customer finance. Direct finance concerns financing that SEK arranges directly to, or for the benefit of, Swedish exports 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 some fair valuation effects. Evaluation of the segments profitability, accounting policies and allocations between segments follows, in accordance with IFRS 8, the information reported to the executive management.

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

Consolidated Statement of Comprehensive Income	2012			
Skr mn	Direct finance	End customer finance	Reconciliation with the Consolidated Statement of Comprehensive Income	Total
Net interest revenues and net commissions	1,098.7	781.4	–	**1,880.1**
Net results of financial transactions	169.6	150.9	–	**320.5**
Other operating income	–	–	19.9	**19.9**
Operating expenses	–220.0	–324.5	–	**–544.5**
Net credit losses	–13.1	–10.3	–	**–23.4**
Operating profit excl. unrealized changes in fair value	**1,035.2**	**597.5**	**19.9**	**1,652.6**
Unrealized changes in value	–	–	–828.2[1]	**–828.2**
Operating profit	**1,035.2**	**597.5**	**–808.3**	**824.4**

[1] The value consists of unrealized changes in fair value amouting to Skr –1,151.7 million and a gain amounting to Skr 323.5 million that was realized when a few large interest rate and currency derivatives were closed out in order to prepare for the new regulatory framework for large exposures.

Consolidated Statement of Comprehensive Income	2011			
Skr mn	Direct finance	End customer finance	Reconciliation with the Consolidated Statement of Comprehensive Income	Total
Net interest revenues and net commissions	1,098.1	770.1	–	**1,868.2**
Net results of financial transactions	227.3	254.6	–	**481.9**
Other operating income	–	–	108.8	**108.8**
Operating expenses	–211.5	–288.9	–	**–500.4**
Net credit losses	–71.9	–39.0	–	**–110.9**
Operating profit excl. unrealized changes in fair value	**1,042.0**	**696.8**	**108.8**	**1,847.6**
Unrealized changes in value	–	–	41.5	**41.5**
Operating profit	**1,042.0**	**696.8**	**150.3**	**1,889.1**

Interest-bearing assets and Committed undisbursed loans

	December 31, 2012			December 31, 2011		
Skr bn	Direct finance	End customer finance	Sum of segments	Direct finance	End customer finance	Sum of segments
Interest-bearing assets	115.5	160.6	**276.1**	127.5	147.5	**275.0**
Committed undisbursed loans	–	25.9	**25.9**	2.5	22.6	**25.1**

Note 26, continued

RECONCILIATION BETWEEN SUM OF SEGMENTS AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Skr bn	December 31, 2012	December 31, 2011
Sum of segments	**276.1**	**275.0**
Cash and cash equivalents	2.3	3.7
Derivatives	25.7	31.5
Property, plant, equipment and intangible assets	0.2	0.1
Other assets	4.0	3.9
Prepaid expenses and accrued revenues	2.7	3.7
Other[1]	2.1	1.8
Total	**313.1**	**319.7**
Consolidated statement of financial position	313.1	319.7

[1] The line item consists mainly of unrealized changes in value.

Income geographical areas		2012			2011	
Skr mn	Interest-revenues	Com-missions earned	Total	Interest-revenues	Com-missions earned	Total
Sweden	3,510.5	2.3	3,512.8	3,697.0	5.4	3,702.4
Europe except Sweden	1,868.3	8.7	1,877.0	2,527.0	6.9	2,533.9
Countries outside of Europe	4,973.5	0.1	4,973.6	3,999.0	0.0	3,999.0
Total	**10,352.3**	**11.1**	**10,363.4**	**10,223.0**	**12.3**	**10,235.3**

Note 27. Capital adequacy

The capital adequacy ratio of SEK as a consolidated financial entity, calculated according to Basel II, Pillar 1, as of December 31, 2012 was 23.1 percent (year-end 2011: 22.5 percent) without taking into account the effects of currently applicable transitional rules (see below).

CAPITAL BASE

	Consolidated Group		Parent Company	
Skr mn	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Common Equity Tier-1 [1]	14,171	12,952	14,179	12,963
Additional Tier-1	2,281	2,423	2,281	2,423
Total Tier-1 capital	**16,452**	**15,375**	**16,460**	**15,386**
Tier-2 capital	49	n.a.	49	n.a.
Total capital base[2]	**16,501**	**15,375**	**16,509**	**15,386**

[1] According to SEK's definition, Common Equity Tier-1 is equal to Tier-1 capital excluding additional Tier-1 capital in the form of perpetual subordinated debt. The definition of what to be included in Common Equity Tier-1 capital in future capital adequacy regulations has not yet been determined.

[2] Total capital base, including expected loss surplus in accordance with the IRB approach.

Note 27, continued

CAPITAL BASE – ADJUSTING ITEMS

Skr mn	Consolidated Group December 31, 2012	Consolidated Group December 31, 2011	Parent Company December 31, 2012	Parent Company December 31, 2011
Equity	3,990	3,990	3,990	3,990
Retained earnings	9,972	9,684	7,646	7,518
Other reserves	450	294	648	493
Total shareholders' equity per accounting balance sheet	*14,412*	*13,968*	*12,284*	*12,001*
Equity-portions of untaxed reserves	–	–	2,136	1,979
Expected dividend	–213	–420	–213	–420
Other deductions	–21	–33	–21	–33
Intangible assets	–113	–88	–113	–88
100% of deficits in accordance with IRB-calculation	–	–	–	–
Total regulatory adjustments to accounting basis	*–347*	*–541*	*1,789*	*1,438*
Adjustments Available-for-sale securities	19	–2	19	–2
Adjustment own credit spread	556	–154	556	–155
Adjustments cash flow hedges	–469	–319	–469	–319
Total prudential filters	*106*	*–475*	*106*	*–476*
Total Common Equity Tier 1 capital	**14,171**	**12,952**	**14,179**	**12,963**
Tier-1 eligible subordinated debt	2,281	2,423	2,281	2,423
Total Tier-1 capital	**16,452**	**15,375**	**16,460**	**15,386**
Tier-2-eligible subordinated debt	n.a.	n.a.	n.a.	n.a.
Deduction from Tier-2 capital	n.a.	n.a.	n.a.	n.a.
100 % of surplus in accordance with IRB-calculation	49	n.a.	49	n.a.
Total Tier-2 capital	**49**	**–**	**49**	**–**

IMPACT ON THE CAPITAL BASE FROM EXPECTED LOSS

Expected loss is calculated according to law and regulations, based on information from SEK's internal ratings-based approach (IRB-approach). Such an expected loss does not represent real, individually anticipated losses, but reflects a theoretically calculated amount. Expected loss is a gross deduction from the capital base. This deduction is decreased by impairments of financial assets for which expected loss is calculated. The difference between recorded impairment and expected loss will adjust the capital base, by a reduction or an addition, as the case might be. As of December 31, 2012 the addition to the capital base amounted to Skr 49 million. The amount increased Tier-2 capital. As of December 31, 2011, the deduction from the capital base amounted to Skr 0 million.

Note 27, continued

CAPITAL BASE – CHANGE 2012

Skr mn	Consolidated Group	Parent Company
Opening Common Equity-Tier 1	**12,952**	**12,963**
Untaxed reserves (capital-portions)	n.a.	158
Expected dividend	–213	–213
Profit for the year	709	548
Intangible assets	–25	–25
Other, of which	748	748
– Adjustment own credit spread	*710*	*710*
– Price adjustment	*12*	*12*
– IRB-calculation, deficits	*0*	*0*
– Other	*26*	*26*
Closing Common Equity-Tier 1	**14,171**	**14,179**
Opening Tier-1 eligible sub-ordinated debt 2012	2,423	2,423
Currency exchange effects	–142	–142
Closing Tier-1 capital	**16,452**	**16,460**
Opening Tier-2-eligible sub-ordinated debt 2012	–	–
IRB-calculation, surplus/deficits	49	49
Closing Tier-2-eligible sub-ordinated debt	**49**	**49**
Total capital base	**16,501**	**16,509**

CAPITAL BASE – CHANGE 2011

Skr mn	Consolidated Group	Parent Company
Opening Common Equity-Tier 1	**12,051**	**12,138**
Untaxed reserves (capital-portions)	n.a.	212
Expected dividend	–420	–420
Profit for the year	1,400	1,112
Intangible assets	–71	–71
Other, of which	–8	–8
– Adjustment own credit spread	*–75*	*–75*
– Price adjustment	*–32*	*–32*
– IRB-calculation, deficits	*85*	*85*
– Other	*14*	*14*
Closing Common Equity-Tier 1	**12,952**	**12,963**
Opening Tier-1 eligible sub-ordinated debt 2011	2,381	2,381
Currency exchange effects	42	42
Closing Tier-1 capital	**15,375**	**15,386**
Opening Tier-2-eligible sub-ordinated debt 2011	–	–
IRB-calculation, surplus/deficits	–	–
Closing Tier-2-eligible sub-ordinated debt	**–**	**–**
Total capital base	**15,375**	**15,386**

Note 27, continued

CAPITAL REQUIREMENT IN ACCORDANCE WITH PILLAR 1

	Consolidated Group						Parent Company					
	December 31, 2012			December 31, 2011			December 31, 2012			December 31, 2011		
Skr mn	EAD[3]	Risk weighted amount	Re-quired capital	EAD	Risk weighted amount	Re-quired capital	EAD	Risk weighted amount	Re-quired capital	EAD	Risk weighted amount	Re-quired capital
Credit risk standardized method												
Central governments	9,607	820	66	12,246	1,341	107	9,607	820	66	12,246	1,341	107
Government export credit agencies	138,987	315	25	112,361	178	14	138,987	315	25	112,361	178	14
Regional governments	23,510	–	–	19,002	–	–	23,510	–	–	19,002	–	–
Multilateral development banks	422	–	–	423	–	–	422	–	–	423	–	–
Householdexposures	1	1	0	1	1	0	–	–	–	–	–	–
Corporates	373	373	30	247	247	20	373	373	30	247	247	20
Total credit risk standardized method	*172,900*	*1,509*	*121*	*144,280*	*1,767*	*141*	*172,899*	*1,508*	*121*	*144,279*	*1,766*	*141*
Credit risk IRB method												
Financial institutions[1]	76,789	19,612	1,569	86,188	22,335	1,787	76,775	19,609	1,569	86,138	22,325	1,786
Corporates	61,977	36,202	2,896	53,898	31,119	2,489	61,977	36,202	2,896	53,898	31,119	2,489
Securitization positions	10,021	8,254	660	16,115	5,807	465	10,021	8,254	660	16,115	5,807	465
Without counterparty	149	149	12	128	128	10	231	231	18	211	211	17
Total credit risk IRB method	*148,936*	*64,217*	*5,137*	*156,329*	*59,389*	*4,751*	*149,004*	*64,296*	*5,143*	*156,362*	*59,462*	*4,757*
Currency exchange risks	*n.a.*	*2,221*	*178*	*n.a.*	*2,486*	*199*	*n.a.*	*2,221*	*178*	*n.a.*	*2,486*	*199*
Operational risk	n.a.	3,549	284	n.a.	4,799	384	n.a.	3,547	284	n.a.	4,767	381
Total Basel II	**321,836**	**71,496**	**5,720**	**300,609**	**68,441**	**5,475**	**321,903**	**71,572**	**5,726**	**300,641**	**68,481**	**5,478**
Basel I-based additional requirement[2]	n.a.	–	–	n.a.	–	–	n.a.	–	–	n.a.	–	–
Total Basel II incl. additional requirements	**321,836**	**71,496**	**5,720**	**300,609**	**68,441**	**5,475**	**321,903**	**71,572**	**5,726**	**300,641**	**68,481**	**5,478**
Summa Basel I	**n.a.**	**84,754**	**6,780**	**n.a.**	**81,146**	**6,492**	**n.a.**	**84,832**	**6,787**	**n.a.**	**81,217**	**6,497**

1 Of which counterparty risk in derivatives: Exposure at default ("EAD") Skr 9,269 million (2011: Skr 11,279 million), Weighted claims Skr 3,442 million (2011: Skr 4,082 million) and Required capital Skr 275 million (2011: Skr 327 million).

2 The item "Basel I based additional requirements" is calculated in accordance with § 5 of the law (2006:1372) on implementation of the capital adequacy requirements (2006:1371).

3 EAD shows the size of the outstanding exposure at default.

Note 27, continued

CREDIT RISK BY PD GRADE

The tables illustrate the exposure at default (EAD), the portion of the exposure that will be lost in the event of a default (LGD) and the probability of default or cessation of payments by a counterparty (PD) for the exposure classes where PD is estimated internally.

Consolidated Group	**December 31, 2012**					**December 31, 2011**				
Skr mn	**AAA 0.02%**	**AA+ till A- 0.02–0.15%**	**BBB+ till BBB- 0.21–0.44%**	**BB+ till B- 0.79–10.05%**	**CCC till D 28.98–100%**	**AAA 0.02%**	**AA+ till A- 0.02–0.15%**	**BBB+ till BBB- 0.21–0.44%**	**BB+ till B- 0.79–10.05%**	**CCC till D 28.98–100%**
Financial institutions										
EAD	899	70,969	4,678	243	–	–	80,089	5,836	263	–
Average PD in %	0.02	0.08	0.27	0.79	–	–	0.08	0.28	1.09	–
Average LGD in %	45.0	42.2	45.0	45.0	–	–	43.5	45.0	45.0	–
Average riskweight in %	15.3	23.8	50.7	89.4	–	–	23.6	54.1	99.8	–
Corporates										
EAD	898	19,062	29,482	12,344	191	70	15,871	27,243	10,497	217
Average PD in %	0.02	0.11	0.30	1.09	33.79	0.02	0.11	0.29	1.02	33.37
Average LGD in %	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0
Average riskweight in %	15.3	33.9	57.8	98.2	235.8	19.0	33.1	55.9	96.2	237.3

Parent Company	**December 31, 2012**					**December 31, 2011**				
Skr mn	**AAA 0.02%**	**AA+ till A- 0.02–0.15%**	**BBB+ till BBB- 0.21–0.44%**	**BB+ till B- 0.79–10.05%**	**CCC till D 28.98–100%**	**AAA 0.02%**	**AA+ till A- 0.02–0.15%**	**BBB+ till BBB- 0.21–0.44%**	**BB+ till B- 0.79–10.05%**	**CCC till D 28.98–100%**
Financial institutions										
EAD	899	70,955	4,678	243	–	–	80,039	5,836	263	–
Average PD in %	0.02	0.08	0.27	0.79	–	–	0.08	0.28	1.09	–
Average LGD in %	45.0	42.2	45.0	45.0	–	–	43.5	45.0	45.0	–
Average riskweight in %	15.3	23.1	50.7	89.4	–	–	23.6	54.1	99.8	–
Corporates										
EAD	898	19,062	29,482	12,344	191	70	15,871	27,243	10,497	217
Average PD in %	0.02	0.11	0.30	1.09	33.79	0.02	0.11	0.29	1.02	33.37
Average LGD in %	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0
Average riskweight in %	15.3	33.9	57.8	98.2	235.8	19.0	33.1	55.9	96.2	237.3

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 Swedish Financial Supervisory Authority establishes the remaining parameters. The Swedish Financial Supervisory Authority has, however exempted the company, until December 31, 2015, for some exposures. For exposure exempted from the IRB approach, SEK applies the standardized approach when calculating the capital requirement for credit risk.

EXCHANGE RATE RISKS

The exchange rate risks are calculated on reported values according to the so called two-step method. As of December 31, 2012 the method for calculating the exchange rate positions have been improved as to assets and liabilities related to unrealized change in fair-values. For principle of comparability also previous periods of Financial Highlights have been re-calculated. The change has no material impact on the capital adequacy.

Note 27, continued

OPERATIONAL RISKS

The regulations provide opportunities for companies to use different methods for the calculation of capital requirements for operational risks. SEK is applying the Standardized Approach. Under the standardized approach the capital requirement for operational risk is based on the company's operations being divided into business areas in accordance with capital adequacy regulations. The capital requirement for respective areas 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. Operational income is calculated as the sum of the following items: interest and leasing income, interest and leasing costs, dividends received, commission income, commission expense, net profit from financial transactions and other operating income.

TRANSITIONAL RULES

Since 2007, the capital requirement has been determined, primarily, based on Basel II rules. The Swedish legislature has, however, chosen not to immediately allow the full effect of the Basel II regulations if these rules result in a lower capital requirement than that calculated on the basis of the earlier, less risk-sensitive, Basel I rules. During the transition period of 2007 to 2009, the capital requirement was therefore calculated in parallel on the basis of the Basel I rules. To the extent that the Basel I-based capital requirement – reduced to 95 percent in 2007, 90 percent in 2008, and 80 percent in 2009 – has exceeded the capital requirement based on the Basel II rules, the capital requirement under the abovementioned Basel I-based rules has constituted the minimum capital requirement. In 2009 the Swedish legislature decided to extend the transitional rules to apply until the end of 2011. In 2012 the legislature has determined to further extend the transitional rules until the end of 2013. For 2013, therefore, the capital requirement will continue to correspond to the highest capital requirement under the Basel II rules and 80 percent of the capital requirements under Basel I rules.

CAPITAL ADEQUACY ANALYSIS (PILLAR 1)

	Consolidated Group				Parent Company			
	December 31, 2012		December 31, 2011		December 31, 2012		December 31, 2011	
	Excl. Basel I based add. requirement	Incl. Basel I based add. requirement	Excl. Basel I based add. requirement	Incl. Basel I based add. requirement	Excl. Basel I based add. requirement	Incl. Basel I based add. requirement	Excl. Basel I based add. requirement	Incl. Basel I based add. requirement
Total capital adequacy	23.1%	23.1%	22.5%	22.5%	23.1%	23.1%	22.5%	22.5%
of which related to Common Equity Tier-1 capital	*19.8%*	*19.8%*	*18.9%*	*18.9%*	*19.8%*	*19.8%*	*18.9%*	*18.9%*
of which related to Tier-1 capital	*23.0%*	*23.0%*	*22.5%*	*22.5%*	*23.0%*	*23.0%*	*22.5%*	*22.5%*
of which related to Tier-2 capital	*0.1%*	*0.1%*	*n.a.*	*n.a.*	*0.1%*	*0.1%*	*n.a.*	*n.a.*
Capital adequacy quota (total capital base/total required capital)	2.89	2.89	2.81	2.81	2.88	2.88	2.81	2.81

Note 28. Risk information

For further risk information, see the section "Risk" on pages 57–75.

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

The table of credit quality as per category in the statement of financial position and the table illustrating the link between statement of financial position categories and exposures according to Basel II contain book values. Other tables contain nominal values.

Note 28, continued

CREDIT RISK

The table below shows the maximum exposure to credit risk. The amounts are nominal values except for derivatives which are reported at book value.

Consolidated Group	December 31, 2012 Maximum exposure to Credit Risk		
Skr mn	Financial assets at fair value through profit or loss	Assets available for sale	Loans and receivables
Cash and cash equivalents	–	–	2,338.2
Treasuries/government bonds	–	4,245.0	848.9
Other interest-bearing securities except loans	2,764.0	13,095.3	61,880.9
Loans in the form of interest-bearing securities	1,951.2	–	55,147.3
Loans to credit institutions	–	–	24,157.3
Loans to the public	–	–	130,142.6
Derivatives	25,711.2	–	–
Total financial assets	**30,426.4**	**17,340.3**	**274,515.2**

Consolidated Group	December 31, 2011 Maximum exposure to Credit Risk		
Skr mn	Financial assets at fair value through profit or loss	Assets available for sale	Loans and receivables
Cash and cash equivalents	–	–	3,749.6
Treasuries/government bonds	–	–	2,035.8
Other interest-bearing securities except loans	4,268.7	9,198.5	61,653.2
Loans in the form of interest-bearing securities	2,114.5	–	63,427.5
Loans to credit institutions	–	–	27,267.1
Loans to the public	–	–	126,946.9
Derivatives	31,467.0	–	–
Total financial assets	**37,850.2**	**9,198.5**	**285,080.1**

Maximum exposure to credit risk for "Loans to credit institutions" and "Loans to the public" includes undisbursed loans at year-end, entered at nominal value.

The table below displays the credit quality after risk mitigation (net) as per category in the statement of financial position. The amounts are book values.

Consolidated Group	December 31, 2012					
Skr mn	Book value	AAA	AA+ to A-	BBB+ to BBB-	BB+ to B-	CCC to D
Cash and cash equivalents	2,338.2	–	2,338.2	–	–	–
Treasuries/government bonds	5,111.5	4,261.0	814.4	36.0	–	–
Other interest-bearing securities except loans	77,693.3	10,896.8	65,089.2	439.1	1,170.7	97.6
Loans in the form of interest-bearing securities	57,889.8	15,498.5	19,358.4	13,094.3	9,938.6	–
Loans to credit institutions	22,083.6	2,127.6	19,271.8	657.4	26.7	–
Loans to the public	115,478.2	20,428.9	57,765.2	25,961.6	11,195.7	126.7
Derivatives	25,711.2	–	21,560.6	4,150.6	–	–
Total financial assets	**306,305.8**	**53,212.9**	**186,197.8**	**44,339.2**	**22,331.8**	**224.3**
Committed undisbursed loans	**25,915.1**	**7,848.0**	**7,641.7**	**3,926.1**	**6,486.4**	**12.9**

Note 28, continued

Consolidated Group			**December 31, 2011**			
Skr mn	**Book value**	**AAA**	**AA+ to A-**	**BBB+ to BBB-**	**BB+ to B-**	**CCC to D**
Cash and cash equivalents	3,749.6	–	3,749.6	–	–	–
Treasuries/government bonds	2,033.4	1,995.3	–	38.1	–	–
Other interest-bearing securities except loans	74,738.5	16,294.0	57,437.7	860.1	77.0	69.7
Loans in the form of interest-bearing securities	66,204.5	19,730.4	26,818.4	15,690.4	3,965.3	–
Loans to credit institutions	25,791.6	8,362.5	13,682.1	3,732.6	14.4	–
Loans to the public	107,938.1	49,903.1	35,368.1	14,916.9	7,611.9	138.1
Derivatives	31,467.0	–	24,602.7	6,864.3	–	–
Total financial assets	**311,922.7**	**96,285.3**	**161,658.6**	**42,102.4**	**11,668.6**	**207.8**
Committed undisbursed loans	**25,071.8**	**14,274.9**	**8,211.1**	**1,318.0**	**1,256.3**	**11.5**

The credit quality of financial assets is evaluated by use of internal or external rating.

The table below illustrates the link between the statement of financial position categories and net exposures according to Basel II.

Consolidated Group			**December 31, 2012**			
Skr bn	**Book value**	**Adjustment from Book value to Exposure**	**Adjustment to exposure class**	**Amendment for undisbursed loans and counterparty exposure**	**Exposure**	**Exposure class**
Treasuries/government bonds	5.1	–	3.9	0.8	9.8	Central governments
Other interest-bearing securities except loans	77.7	–	29.3	55.0	162.0	Government export credit agencies
Loans in the form of interest-bearing securities	57.9	–0.8	–33.7	0.2	23.6	Regional governments
Loans to credit institutions including cash and cash equivalents[1]	24.4	–2.8	–21.2	–	0.4	Multilateral development banks
Loans to the public	115.5	–0.8	–48.4	10.9	77.2	Financial institutions
	–	–	60.1	3.5	63.6	Corporates
Derivatives	25.7	–12.9	–12.8	–	–	
	–	–	10.0	–	10.0	Securitization positions
Total financial assets	**306.3**	**–17.3**	**–12.8**	**70.4**	**346.6**	

Note 28, continued

Consolidated Group	December 31, 2011					
Skr bn	Book value	Adjustment from Book value to Exposure	Adjustment to exposure class	Amendment for undisbursed loans and counterparty exposure	Exposure	Exposure class
Treasuries/government bonds	2.0	–	9.5	1.5	13.0	Central governments
Other interest-bearing securities except loans	74.7	–	27.0	21.4	123.1	Government export credit agencies
Loans in the form of interest-bearing securities	66.2	–0.3	–47.1	0.3	19.1	Regional governments
Loans to credit institutions including cash and cash equivalents[1]	29.5	–4.7	–24.4	–	0.4	Multilateral development banks
Loans to the public	107.9	–0.7	–33.2	12.5	86.5	Financial institutions
	–	–	52.1	3.3	55.4	Corporates
Derivatives	31.5	–14.8	–16.7	–	–	
	–	–	16.1	–	16.1	Securitization positions
Total financial assets	**311.8**	**–20.5**	**–16.7**	**39.0**	**313.6**	

[1] Skr 2.5 billion (2011: Skr 4.3 billion) of the book value for Loans to credit institutions are cash collateral provided by SEK.

Reduction in derivative exposures from applying netting under current ISDA Master Agreements according to Basel II regulations regarding counterparty risk in derivative transactions amounts to Skr 12,9 billion (2011: Skr 14.8 billion). For further information regarding counterparty risk in derivative transactions under Basel II, see section "Risk" on pages 57–75.

TOTAL CREDIT EXPOSURES CONSOLIDATED GROUP

Amounts expressing gross exposures are shown before guarantees and credit derivatives (CDSs) while net exposures, according to Basel II, are reported after taking guarantees and credit derivatives into consideration. The amounts are nominal values.

TOTAL NET EXPOSURES

Skr bn	Total				Loans and interest-bearing securities				Undisbursed loans, derivatives, etc.			
	December 31, 2012		December 31, 2011		December 31, 2012		December 31, 2011		December 31, 2012		December 31, 2011	
Classified type of exposure class	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Central governments	9.8	3	13.0	4	9.0	3	11.5	4	0.8	1	1.5	4
Government export credit agencies	162.0	47	123.1	39	107.0	39	101.7	37	55.0	78	21.4	55
Regional governments	23.6	7	19.1	6	23.4	8	18.8	7	0.2	0	0.3	1
Multilateral development banks	0.4	0	0.4	0	0.4	0	0.4	0	–	–	–	–
Financial institutions	77.2	22	86.5	28	66.3	24	74.0	27	10.9	16	12.5	32
Corporates	63.6	18	55.4	18	60.1	22	52.1	19	3.5	5	3.3	8
Securitization positions	10.0	3	16.1	5	10.0	4	16.1	6	–	–	–	–
Total	**346.6**	**100**	**313.6**	**100**	**276.2**	**100**	**274.6**	**100**	**70.4**	**100**	**39.0**	**100**

Note 28, continued

CREDIT EXPOSURES ALLOCATION BETWEEN IRB-APPROACH AND THE STANDARDIZED APPROACH

	December 31, 2012		December 31, 2011	
Skr bn	Net exposures	Share	Net exposures	Share
Standardized approach				
Central governments	9.8	3	13.0	4
Government export credit agencies	162.0	47	123.1	39
Regional governments	23.6	7	19.1	6
Multilateral development banks	0.4	0	0.4	0
Corporates	0.4	0	0.4	0
Sum Standardized approach	**196.2**	**57**	**156.0**	**49**
IRB method				
Financial institutions	77.2	22	86.5	28
Corporates	63.2	18	55.0	18
Securitization positions	10.0	3	16.1	5
Sum IRB method	**150.4**	**43**	**157.6**	**51**
Total	**346.6**	**100**	**313.6**	**100**

CREDIT EXPOSURES BY REGION AND EXPOSURE CLASS

Gross exposure by region and exposure class, as of December 31, 2012

Skr bn	Africa	Asia	North America	Oceania	South America	Sweden	Other Nordic countries	Other European countries	Total
Central governments	0.9	6.9	–	–	30.2	3.9	0.8	0.0	42.7
Government export credit agencies	–	–	–	–	–	–	0.0	2.9	2.9
Regional governments	–	–	–	–	–	9.9	1.5	4.9	16.3
Multilateral development banks	–	–	–	–	–	–	–	0.0	0.0
Financial institutions	0.5	0.9	9.1	8.8	–	18.6	10.1	22.6	70.6
Corporates	1.5	42.4	24.1	0.6	7.6	71.1	13.4	43.4	204.1
Securitization positions	–	–	2.6	2.5	–	–	–	4.9	10.0
Total	**2.9**	**50.2**	**35.8**	**11.9**	**37.8**	**103.5**	**25.8**	**78.7**	**346.6**

Gross exposure by region and exposure class, as of December 31, 2011

Skr bn	Africa	Asia	North America	Oceania	South America	Sweden	Other Nordic countries	Other European countries	Total
Central governments	0.0	7.6	–	–	0.2	3.3	2.5	1.8	15.4
Government export credit agencies	0.7	–	–	–	–	–	0.0	–	0.7
Regional governments	–	–	–	–	–	9.7	1.3	–	11.0
Multilateral development banks	–	–	–	–	–	–	–	0.0	0.0
Financial institutions	0.6	1.2	6.7	4.4	–	22.0	10.6	30.3	75.8
Corporates	2.0	34.8	18.6	0.8	3.9	71.1	17.1	46.3	194.6
Securitization positions	–	–	3.4	3.6	–	–	–	9.1	16.1
Total	**3.3**	**43.6**	**28.7**	**8.8**	**4.1**	**106.1**	**31.5**	**87.5**	**313.6**

Note 28, continued

Net exposure by region and exposure class, as of December 31, 2012

Skr bn	Africa	Asia	North America	Oceania	South America	Sweden	Other Nordic countries	Other European countries	Total
Central governments	–	–	–	–	–	4.2	2.0	3.6	9.8
Government export credit agencies	–	0.6	5.3	–	–	140.3	1.9	13.9	162.0
Regional governments	–	–	–	–	–	17.5	1.7	4.4	23.6
Multilateral development banks	–	–	–	–	–	–	–	0.4	0.4
Financial institutions	–	1.0	11.9	8.8	–	13.6	13.6	28.3	77.2
Corporates	0.3	3.7	3.1	0.1	2.3	40.6	6.2	7.3	63.6
Securitization positions	–	0.0	2.6	2.5	–	–	–	4.9	10.0
Total	**0.3**	**5.3**	**22.9**	**11.4**	**2.3**	**216.2**	**25.4**	**62.8**	**346.6**

Net exposure by region and exposure class, as of December 31, 2011

Skr bn	Africa	Asia	North America	Oceania	South America	Sweden	Other Nordic countries	Other European countries	Total
Central governments	–	0.7	–	–	–	3.9	2.5	5.9	13.0
Government export credit agencies	–	–	6.4	–	–	99.2	2.4	15.1	123.1
Regional governments	–	–	–	–	–	17.5	1.6	–	19.1
Multilateral development banks	–	–	–	–	–	–	–	0.4	0.4
Financial institutions	–	0.8	9.7	4.4	–	19.1	13.3	39.2	86.5
Corporates	–	1.6	0.5	–	0.2	39.1	9.0	5.0	55.4
Securitization positions	–	–	3.4	3.6	–	–	–	9.1	16.1
Total	**–**	**3.1**	**20.0**	**8.0**	**0.2**	**178.8**	**28.8**	**74.7**	**313.6**

CREDIT EXPOSURES TO EUROPEAN COUNTRIES BY EXPOSURE CLASS AND RISK MITIGATION METHOD

In light of the ongoing European sovereign debt crisis, the tables below aim to describe SEK's exposures to European countries. The effects of the crisis are observed and analyzed using scenario analyses as part of the internal capital adequacy assessment (ICAAP), described in the section "Risk" on pages 57–75. In order to avoid refinancing risk, it is SEK's policy that for all credit commitments – outstanding credits as well as agreed, but undisbursed credits – there must be funding available through maturity. For CIRR credits, which SEK manages on behalf of the Swedish state, when evaluating whether it has positive availability the company counts its credit facility with the Swedish National Debt Office, which entitles it to draw on funding with a tenor of up to 10 years, as available funding, despite the fact that no funds have been drawn under this facility. SEK ensures that it does not purchase credit derivatives (CDSs) with shorter maturities than the assets whose risk the credit derivatives are intended to mitigate.

The first column of the risk mitigation tables shows gross exposures, i.e. exposures excluding guarantees and credit risk derivatives, for respective countries. The next two columns show outgoing risk mitigation, in the form of guarantees and credit risk derivatives. Outgoing risk mitigation results in a decrease in the exposure in the respective country as the original gross exposure is transferred to another country by means of risk mitigation. Additional risk mitigation means that an exposure, in the form of guarantees and credit risk derivatives, increases in the respective country as a result of including credit protection that is not reflected in the gross exposure. Additional risk mitigation results in increased exposure to the respective country. Figures in the column for net exposures, i.e. exposures after including guarantees and credit risk derivatives, are the sum of gross exposure, outgoing risk mitigation and additional risk mitigation, for the respective country.

Note 28, continued

GROSS AND NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY RISK MITIGATION METHOD, AS OF DECEMBER 31, 2012

	Gross exposures	Outgoing risk mitigation		Additional risk mitigation		Net exposure
Skr bn		Guarantee	CDS	Guarantee	CDS	
United Kingdom						
Sovereign	–	–	–	3.1	–	3.1
Non-sovereign	12.3	–3.5	–1.1	1.0	3.8	12.5
France						
Sovereign	–	–	–	2.9	0.0	2.9
Non-sovereign	5.4	–3.8	–	0.3	2.2	4.1
Germany						
Sovereign	5.4	–	–	4.5	0.0	9.9
Non-sovereign	1.7	–	–	1.1	1.1	3.9
The Netherlands						
Sovereign	–	–	–	–	–	–
Non-sovereign	11.2	–1.6	–0.3	0.2	–	9.5
Belgium						
Sovereign	–	–	–	–	–	–
Non-sovereign	0.3	–	–	0.0	–	0.3
Ireland						
Sovereign	–	–	–	–	–	–
Non-sovereign	4.9	–1.4	–0.6	–	–	2.9
Spain						
Sovereign	–	–	–	–	–	0.0
Non-sovereign	9.5	–6.6	–	0.1	0.1	3.1
Poland						
Sovereign	–	–	–	3.0	–	3.0
Non-sovereign	3.0	–3.0	–	–	–	–
Switzerland						
Sovereign	–	–	–	0.0	–	0.0
Non-sovereign	–	–	–	0.4	–	0.4
Italy						
Sovereign	–	–	–	0.6	–	0.6
Non-sovereign	2.9	–2.9	–	0.1	–	0.1
Portugal						
Sovereign	–	–	–	0.4	–	0.4
Non-sovereign	0.5	–0.4	–	–	–	0.1
Turkey						
Sovereign	0.6	–0.6	–	–	–	–
Non-sovereign	4.4	–3.8	–	–	–	0.6
Russia						
Sovereign	–	–	–	–	–	–
Non-sovereign	10.7	–10.7	–	–	–	0.0
Greece						
Sovereign	–	–	–	–	–	–
Non-sovereign	0.1	–0.1	–	–	–	–
Austria						
Sovereign	0.2	–	–	–	–	0.2
Non-sovereign	1.3	–	–	0.0	–	1.3
Luxembourg						
Sovereign	1.7	–	–	0.5	–	2.2
Non-sovereign	0.6	–0.1	–	–	–	0.5
Other countries						
Sovereign	0.0	0.0	–	–	–	0.0
Non-sovereign	2.0	–0.6	–0.2	0.0	–	1.2
Total	**78.7**	**–39.1**	**–2.2**	**18.2**	**7.2**	**62.8**

Note 28, continued

GROSS AND NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY RISK MITIGATION METHOD, AS OF DECEMBER 31, 2011

Skr bn	Gross exposures	Outgoing risk mitigation		Additional risk mitigation		Net exposure
		Guarantee	CDS	Guarantee	CDS	
United Kingdom						
Sovereign	–	–	–	4.9	–	4.9
Non-sovereign	18.4	–4.5	–1.9	0.4	4.7	17.1
France						
Sovereign	–	–	–	3.5	–	3.5
Non-sovereign	8.0	–4.2	–	0.4	3.7	7.9
Germany						
Sovereign	1.3	–	–	6.7	–	8.0
Non-sovereign	5.3	–1.5	–0.3	0.5	1.7	5.7
The Netherlands						
Sovereign	–	–	–	–	–	–
Non-sovereign	7.3	–0.3	–	1.1	–	8.1
Belgium						
Sovereign	–	–	–	–	–	–
Non-sovereign	2.0	–0.2	–	0.0	–	1.8
Ireland						
Sovereign	–	–	–	–	–	–
Non-sovereign	5.9	–1.6	–	–	–	4.3
Spain						
Sovereign	–	–	–	–	–	–
Non-sovereign	10.7	–7.6	–	–	0.2	3.3
Poland						
Sovereign	–	–	–	3.1	–	3.1
Non-sovereign	3.1	–3.1	–	–	–	–
Switzerland						
Sovereign	–	–	–	0.1	–	0.1
Non-sovereign	2.0	–	–0.2	0.0	1.4	3.2
Italy						
Sovereign	–	–	–	0.9	–	0.9
Non-sovereign	3.2	–3.2	–	–	–	–
Portugal						
Sovereign	0.5	–0.5	–	0.5	–	0.5
Non-sovereign	0.3	–	–	0.0	–	0.3
Turkey						
Sovereign	0.0	–	–	–	–	–
Non-sovereign	5.6	–5.6	–	–	–	–
Russia						
Sovereign	–	–	–	–	–	–
Non-sovereign	11.4	–11.4	–	–	–	0.0
Greece						
Sovereign	–	–	–	–	–	–
Non-sovereign	–	–	–	–	–	–
Austria						
Sovereign	–	–	–	–	–	–
Non-sovereign	0.5	–	–	0.0	–	0.5
Luxembourg						
Sovereign	–	–	–	0.4	–	0.4
Non-sovereign	0.3	–0.2	–	–	–	0.1
Other countries						
Sovereign	0.0	–	–	–	–	0.0
Non-sovereign	1.7	–0.7	–	0.0	–	1.0
Total	**87.5**	**–44.6**	**–2.4**	**22.5**	**11.7**	**74.7**

Note 28, continued

GROSS AND NET EXPOSURES NORDIC COUNTRIES BY RISK MITIGATION, AS OF DECEMBER 31, 2012

Skr bn	Gross exposures	Outgoing risk mitigation Guarantee	Outgoing risk mitigation CDS	Additional risk mitigation Guarantee	Additional risk mitigation CDS	Net exposure
Sweden						
Sovereign	13.8	–	–	148.2	–	162.0
Non-sovereign	89.7	–31.4	–5.9	1.8	0.0	54.2
Norway						
Sovereign	–	–	–	0.6	–	0.6
Non-sovereign	4.5	0.0	–0.9	1.3	–	4.9
Finland						
Sovereign	0.9	–	–	2.0	–	2.9
Non-sovereign	11.1	–3.6	–1.5	0.3	0.6	6.9
Iceland						
Sovereign	–	–	–	0.5	–	0.5
Non-sovereign	1.0	–0.8	–	–	–	0.2
Denmark						
Sovereign	1.4	–	–	0.2	–	1.6
Non-sovereign	6.9	–	–0.3	1.0	0.2	7.8
Total	**129.3**	**–35.8**	**–8.6**	**155.9**	**0.8**	**241.6**

GROSS AND NET EXPOSURES NORDIC COUNTRIES BY RISK MITIGATION, AS OF DECEMBER 31, 2011

Skr bn	Gross exposures	Outgoing risk mitigation Guarantee	Outgoing risk mitigation CDS	Additional risk mitigation Guarantee	Additional risk mitigation CDS	Net exposure
Sweden						
Sovereign	13.0	–	–	107.6	–	120.6
Non-sovereign	93.1	–34.1	–12.2	7.5	3.9	58.2
Norway						
Sovereign	–	–	–	0.7	–	0.7
Non-sovereign	5.0	0.0	–0.9	1.3	–	5.4
Finland						
Sovereign	2.3	–1.1	–	2.8	–	4.0
Non-sovereign	15.5	–3.0	–3.3	0.4	–	9.6
Iceland						
Sovereign	0.5	–	–	–	–	0.5
Non-sovereign	0.5	–0.3	–	–	–	0.2
Denmark						
Sovereign	1.0	–	–	0.3	–	1.3
Non-sovereign	6.7	–0.3	–0.3	0.7	0.3	7.1
Total	**137.6**	**–38.8**	**–16.7**	**121.3**	**4.2**	**207.6**

Sovereign consists of central governments, government export credit agencies, regional governments and multilateral development banks. Non-sovereign consists of financial institutions, corporates and securitization positions.

Note 28, continued

GROSS EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2012

Skr bn	Central govern-ments	Government export credit agencies	Regional govern-ments	Multilat-eral develop-ment banks	Financial institutions	Corporates	Securi-tization positions	Total
United Kingdom	–	–	–	–	6.0	5.7	0.6	12.3
The Netherlands	–	–	–	–	8.7	1.8	0.7	11.2
Russia	–	–	–	–		10.7	–	10.7
Spain	–	–	–	–	0.1	8.4	1.0	9.5
Germany	–	1.0	4.3	–	1.6	0.2	–	7.1
France	–	–	–	–	3.7	1.7	–	5.4
Turkey	–	–	0.6	–	–	4.4	–	5.0
Ireland	–	–	–	–	0.6	1.8	2.5	4.9
Poland	–	–	–	–	–	3.0	–	3.0
Italy	–	–	–	–	–	2.9	–	2.9
Luxembourg	–	1.7	–	0.0	0.1	0.5	–	2.3
Austria	–	0.2	–	–	1.3	0.0	–	1.5
Portugal	–	–	–	–	–	0.4	0.1	0.5
Belgium	–	–	–	–	–	0.3	–	0.3
Greece	–	–	–	–	–	0.1	–	0.1
Switzerland	–	–	–	–	–	–	–	–
Other countries	0.0	–	–	–	0.5	1.5	–	2.0
Total	**0.0**	**2.9**	**4.9**	**0.0**	**22.6**	**43.4**	**4.9**	**78.7**

GROSS EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2011

Skr bn	Central govern-ments	Government export credit agencies	Regional govern-ments	Multilat-eral develop-ment banks	Financial institutions	Corporates	Securi-tization positions	Total
United Kingdom	–	–	–	–	8.9	6.3	3.2	18.4
Russia	–	–	–	–	0.0	11.4	–	11.4
Spain	–	–	–	–	0.5	8.9	1.3	10.7
France	–	–	–	–	6.1	1.9	0.0	8.0
The Netherlands	–	–	–	–	5.1	1.3	0.9	7.3
Germany	1.3	–	–	–	4.7	0.6	–	6.6
Ireland	–	–	–	–	1.3	2.0	2.6	5.9
Turkey	–	–	–	–	0.1	5.5	–	5.6
Italy	–	–	–	–	–	3.2	–	3.2
Poland	–	–	–	–	–	3.1	–	3.1
Switzerland	–	–	–	–	1.7	0.3	–	2.0
Belgium	–	–	–	–	0.9	0.3	0.8	2.0
Portugal	0.5	–	–	–	–	–	0.3	0.8
Luxembourg	–	–	–	0.0	–	0.3	–	0.3
Austria	–	–	–	–	0.5	–	–	0.5
Greece	–	–	–	–	–	–	–	–
Other countries	–	–	–	–	0.5	1.2	–	1.7
Total	**1.8**	**–**	**–**	**0.0**	**30.3**	**46.3**	**9.1**	**87.5**

Note 28, continued

NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2012

Skr bn	Central governments	Government export credit agencies	Regional governments	Multilateral development banks	Financial institutions	Corporates	Securitization positions	Total
United Kingdom	–	3.1	–	–	10.8	1.1	0.6	15.6
Germany	–	5.5	4.4	–	2.9	1.0	–	13.8
The Netherlands	–	–	–	–	8.0	0.8	0.7	9.5
France	–	2.9	–	–	4.1	–	–	7.0
Spain	–	–	–	–	0.3	1.8	1.0	3.1
Poland	3.0	–	–	–	–	–	–	3.0
Ireland	–	–	–	–	–	0.4	2.5	2.9
Luxembourg	–	1.8	–	0.4	0.0	0.5	–	2.7
Austria	0.2	–	–	–	1.3	–	–	1.5
Italy	0.0	0.6	–	–	–	0.1	–	0.7
Portugal	0.4	–	–	–	–	–	0.1	0.5
Switzerland	–	0.0	–	–	0.4	–	–	0.4
Belgium	–	–	–	–	0.0	0.3	–	0.3
Greece	–	–	–	–	–	–	–	–
Other countries	0.0	–	–	–	0.5	1.3	–	1.8
Total	**3.6**	**13.9**	**4.4**	**0.4**	**28.3**	**7.3**	**4.9**	**62.8**

NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2011

Skr bn	Central governments	Government export credit agencies	Regional governments	Multilateral development banks	Financial institutions	Corporates	Securitization positions	Total
United Kingdom	–	4.9	–	–	13.2	0.7	3.2	22.0
Germany	2.3	5.7	–	–	5.3	0.4	–	13.7
France	–	3.5	–	–	7.9	–	0.0	11.4
The Netherlands	–	–	–	–	5.9	1.3	0.9	8.1
Ireland	–	–	–	–	1.2	0.5	2.6	4.3
Switzerland	–	0.1	–	–	3.1	0.1	–	3.3
Spain	–	–	–	–	0.7	1.3	1.3	3.3
Poland	3.1	–	–	–	–	–	–	3.1
Belgium	–	–	–	–	0.9	0.1	0.8	1.8
Italy	–	0.9	–	–	–	0.0	–	0.9
Portugal	0.5	–	–	–	–	–	0.3	0.8
Luxembourg	–	–	–	0.4	–	0.1	–	0.5
Austria	–	–	–	–	0.5	–	–	0.5
Greece	–	–	–	–	–	–	–	–
Other countries	0.0	–	–	–	0.5	0.5	–	1.0
Total	**5.9**	**15.1**	**–**	**0.4**	**39.2**	**5.0**	**9.1**	**74.7**

Note 28, continued

CORPORATE EXPOSURES BY INDUSTRY (GICS)

	December 31, 2012		December 31, 2011	
Skr bn	Gross exposure	Net exposure	Gross exposure	Net exposure
IT and telecom	75.3	6.8	66.4	6.2
Financials	31.7	13.4	20.9	2.5
Industrials	28.8	15.0	39.2	22.3
Materials	28.4	10.3	26.3	8.2
Consumer goods	14.8	10.3	14.6	6.9
Utilities	12.4	3.6	15.8	5.7
Healthcare	7.3	2.8	6.8	2.1
Energy	4.9	1.4	3.3	1.3
Other	0.5	0.0	1.3	0.2
Total	**204.1**	**63.6**	**194.6**	**55.4**

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 their current rating. Ratings in the table as of December 31, 2012 are stated as the second lowest of the ratings from Standard & Poor's, Moody's and Fitch. When only two ratings are available the lowest is stated. All of these assets represent senior tranches, and they have all been rated 'AAA'/'Aaa' by Standard & Poor's or Moody's at acquisition.

Net exposures — **December 31, 2012**

Skr mn

Exposure[1]	RMBS[2]	Auto Loans	CMBS[2]	Consumer loans	CDO[2]	CLO[2]	Total	... of which rated 'AAA'	... of which rated 'AA+'	... of which rated 'AA'	... of which rated 'AA-'	... of which rated 'A+'	... of which rated 'A'	... of which rated 'A–'	... of which rated 'BBB+'	... of which rated 'BBB-'	... of which rated 'BB'	... of which rated 'B+'	... of which CDO rated 'CCC'
Australia	2,555	–	–	–	–	–	2,555	2,555	–	–	–	–	–	–	–	–	–	–	–
Germany	–	26	66	–	–	–	92	26	66[3]	–	–	–	–	–	–	–	–	–	–
Ireland	815	–	–	–	–	1,408	2,223	1,408	–	–	–	–	–	–	–	379[3]	258[3]	178[3]	–
Netherlands	652	–	–	–	–	–	652	652	–	–	–	–	–	–	–	–	–	–	–
Portugal	315	–	–	–	–	–	315	–	–	–	–	–	–	156[3]	–	159[3]	–	–	–
Spain	819	28	–	23	–	131	1,001	–	–	–	28[3]	57[3]	225[3]	97[3]	393[3]	–	201[3]	–	–
United Kingdom	598	–	–	–	–	17	615	437	–	161[3]	17[3]	–	–	–	–	–	–	–	–
United States	–	–	–	–	133	1,978	2,111	1,978	–	–	–	–	–	–	–	–	–	-	133[4]
Total	**5,754**	**54**	**66**	**23**	**133**	**3,534**	**9,564**	**7,056**	**66**	**161**	**45**	**57**	**225**	**253**	**393**	**538**	**459**	**178**	**133**

1 Exposures are assessed on the domicile of the issuance which is consistent with the underlying assets' domicile except for Ireland where the majority of the underlying assets are in France, United Kingdom and Germany.

2 RMBS = Residential Mortgage-Backed Securities
CMBS =Commercial Mortgage-Backed Securities
CDO = Collateralized Debt Obligations
CLO = Collateralized Loan Obligations

3 Of these assets amounting to Skr 2,375 million, Skr 244 million have the highest-possible rating from at least one of the rating institutions.

4 These assets consist of two CDOs (senior tranches) with end-exposure to the U.S market. There have been no delays with payments under the tranches. However, the ratings of the assets have been downgraded significantly during 2008 to 2012, by Standard & Poor's from 'AAA' to 'NR' (after being downgraded to 'D'), by Moody's from 'Aaa' to 'Ca' and by Fitch from 'AAA' to 'C'. Due to the significant rating downgrades, SEK has analyzed the expected cash flows of the assets and has recorded related impairments. The impairments amounted to Skr 462 million in total as of December 31, 2012.

Note 28, continued

Net exposures **December 31, 2011**

Skr mn Exposure[1]	RMBS[2]	Auto Loans	CMBS[2]	Con-sumer loans	CDO[2]	CLO[2]	Total	... of which rated 'AAA'	... of which rated 'AA+'	... of which rated 'AA'	... of which rated 'AA-'	... of which rated 'A+'	... of which rated 'A'	... of which rated 'BBB+'	... of which rated 'BBB'	... of which rated 'BBB-'	... of which rated 'BB'	... of which CDO rated 'CCC'
Australia	3,550	–	–	–	–	–	3,550	3,550	–	–	–	–	–	–	–	–	–	–
Belgium	760	–	–	–	–	–	760	760	–	–	–	–	–	–	–	–	–	–
France	–	24	–	–	–	–	24	24	–	–	–	–	–	–	–	–	–	–
Germany	–	102	70	–	–	–	172	102	70[4]	–	–	–	–	–	–	–	–	–
Ireland	920	–	–	–		1,465[3]	2,385	1,465	–	–	45[4]	–	–	592[4]	283[4]	–	–	–
The Nether-lands	834	–	–	–	–	–	834	834	–	–	–	–	–	–	–	–	–	–
Portugal	351	–	–	–	–	–	351	–	–	–	–		171[4]	–	–	180[4]	–	–
Spain	962	65	–	66	–	209	1,302	452	50[4]	16[4]	496[4]	44[4]	24[4]	–	–	–	220[4]	–
United Kingdom	3,246	–	–	–	–	57	3,303	3,044	–	259[4]	–	–	–	–	–	–	–	–
United States	–	–	–	–	151	2,790	2,941	2,132	658[4]	–	–	–	–	–	–	–	–	151[5]
Total	**10,623**	**191**	**70**	**66**	**151**	**4,521**	**15,622**	**12,363**	**778**	**275**	**541**	**44**	**195**	**592**	**283**	**180**	**220**	**151**

1 Exposures are assessed on the domicile of the issuance which is consistent with the underlying assets' domicile except for Ireland where the majority of the underlying assets are in France, United Kingdom and Germany.

2 RMBS = Residential Mortgage-Backed Securities
CMBS =Commercial Mortgage-Backed Securities
CDO = Collateralized Debt Obligations
CLO = Collateralized Loan Obligations

3 In the fourth quarter of 2011 SEK decided not to take account of a credit derivative to cover the risk of an Irish CLO amounting to Skr 1,465 million as of 31 December 2011. The issuer of this credit derivative has a lower rating than the underlying CLO, which is rated 'AAA'.

4 Of these assets amounting to Skr 3,108 million, Skr 1,535 million have the highest-possible rating from at least one of the rating institutions.

5 These assets consist of two CDOs (first-priority tranches) with end-exposure to the U.S market. There have been no delays with payments under the tranches. However, the ratings of the assets have been downgraded dramatically during 2008 to 2011, by Standard & Poor's from 'AAA' to 'NR' (after being downgraded to 'D'), by Moody's from 'Aaa' to 'Ca' and by Fitch from 'AAA' to 'C'. Due to the dramatic rating downgrades, SEK has analyzed the expected cash flows of the assets and has recorded related impairments. The impairments amounted to Skr 491 million in total as of December 31, 2011.

MARKET RISK

The positions that SEK secure, relating to market risk, can be positions that are not valued at fair value in the statement of financial position due to accounting reasons. Thus, the financial risk estimated by SEK may differ from the changes in value recognized in operating profit or in other comprehensive income.

SEK assumes a one-percentage-point change in the market rate, as a parallel shift, for the sensitivity analyses relating to interest rate risk. SEK assesses a reasonable assumption to be that the average change in market rates will not exceed one percentage point over the next year.

CHANGE IN VALUE IF THE MARKET INTEREST RATE RISES BY ONE PERCENTAGE POINT AS OF DECEMBER 31, 2012

The impact on the value of assets and liabilities, including derivatives, when market interest rates rise by one percentage point (+1%).

Consolidated Group

Skr mn	M ≤ 1 years	1 years < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	–8.8	–1.0	–1.5	281.5	270.2
Swedish Skr	–3.9	–77.6	–198.3	–288.8	–568.7
	–12.7	–78.6	–199.9	–7.3	–298.5

Note 28, continued

of which financial instruments measured at fair value through profit or loss

Skr mn	M ≤ 1 years	1 years < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	257.0	10.0	17.3	301.0	585.2
Swedish Skr	83.9	0.2	0.0	–8.2	75.8
	340.9	10.1	17.3	292.8	661.1

of which financial instruments measured at fair value through comprehensive income

Skr mn	M ≤ 1 years	1 years < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	–26.6	0.0	0.0	0.0	–26.6
Swedish Skr	–15.4	–73.7	–195.4	–280.6	–565.1
	–41.9	–73.7	–195.4	–280.6	–591.6

CHANGE IN VALUE IF THE MARKET INTEREST RATE RISES BY ONE PERCENTAGE POINT AS OF DECEMBER 31, 2011
The impact on the value of assets and liabilities, including derivatives, when market interest rates rise by one percentage point (+1%).

Consolidated Group

Skr mn	M ≤ 1 years	1 years < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	–2.2	–4.7	–7.8	277.7	263.0
Swedish Skr	–6.0	–87.4	–151.1	–264.9	–509.4
	–8.2	–92.1	–158.9	12.8	–246.4

of which financial instruments measured at fair value through profit or loss

Skr mn	M ≤ 1 years	1 years < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	316.1	4.5	8.7	294.9	624.2
Swedish Skr	89.1	0.2	0.1	–9.3	80.1
	405.2	4.7	8.8	285.6	704.3

of which financial instruments measured at fair value through comprehensive income

Skr mn	M ≤ 1 years	1 years < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	–5.3	–	–	–	–5.3
Swedish Skr	–9.6	–83.0	–145.4	–254.8	–492.8
	–14.9	–83.0	–145.4	–254.8	–498.1

CHANGE IN VALUE IF THE MARKET INTEREST RATE DECLINES BY ONE PERCENTAGE POINT AS OF DECEMBER 31, 2012
The impact on the value of assets and liabilities, including derivatives, when market interest rates declines by one percentage point (-1%).

Consolidated Group

Skr mn	M ≤ 1 years	1 years < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	15.4	0.6	–0.5	–388.4	–372.8
Swedish Skr	3.9	79.9	208.9	315.9	608.5
	19.4	80.4	208.4	–72.5	235.7

Note 28, continued

of which financial instruments measured at fair value through profit or

Skr mn	M ≤ 1 years	1 years < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	–56.7	–5.3	–10.8	–408.9	–481.7
Swedish Skr	–84.9	–0.2	0.0	8.9	–76.2
	–141.7	–5.5	–10.8	–400.0	–557.9

of which financial instruments measured at fair value through comprehensive income

Skr mn	M ≤ 1 years	1 years < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	11.9	0.0	0.0	0.0	11.9
Swedish Skr	15.6	75.8	205.8	307.0	604.1
	27.5	75.8	205.8	307.0	616.0

CHANGE IN VALUE IF THE MARKET INTEREST RATE DECLINES BY ONE PERCENTAGE POINT AS OF DECEMBER 31, 2011
Inverkan på värdet av tillgångar och skulder, inklusive derivat, om marknadsräntorna minskar med en procentenhet (–1%).

Consolidated Group

Skr mn	M ≤ 1 years	1 years < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	15.0	4.1	6.1	–391.8	–366.6
Swedish Skr	6.0	90.2	158.7	284.4	539.3
	21.0	94.3	164.8	–107.4	172.7

of which financial instruments measured at fair value through profit or loss

Skr mn	M ≤ 1 years	1 years < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	–218.9	–4.5	–9.1	–409.5	–642.0
Swedish Skr	–90.3	–0.2	–0.1	10.2	–80.4
	–309.2	–4.7	–9.2	–399.3	–722.4

of which financial instruments measured at fair value through comprehensive income

Skr mn	M ≤ 1 years	1 years < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	4.7	–	–	–	4.7
Swedish Skr	9.8	85.7	152.7	273.4	521.6
	14.5	85.7	152.7	273.4	526.3

ASSETS, LIABILITIES AND DERIVATIVES DENOMINATED IN FOREIGN CURRENCIES [1]

Assets, liabilities and derivatives denominated in foreign currencies (i.e. currencies other than Swedish kronor) have been converted to Swedish kronor at the year-end exchange rates between such currencies and Swedish kronor. The relevant exchange rates for the currencies representing the largest portions of the Consolidated Group in the statement of financial position reported assets and liabilities are presented in table below (expressed in Swedish kronor per unit of each foreign currency). The portion at year-end represents portion of aggregated volumes of assets and liabilities denominated in foreign currency. Foreign currency positions at year-end represent the net of all assets and liabilities in the statement of financial position in each currency. The amounts are book values.

[1] Some comparative figures have been restated to ensure comparability between years.

Note 28, continued

	December 31, 2012			December 31, 2011		
Currency	Exchange rate	Portion at year-end, %	Foreign currency position	Exchange rate	Portion at year-end, %	Foreign currency position
SKR	1	76.9	n.a.	1	77.1	n.a.
EUR	8.6166	6.1	–842.9	8.9447	2.3	–455.7
USD	6.5156	5.7	797.1	6.9234	10.4	2,045.5
JPY	0.07563	7.3	–1,025.0	0.08918	7.9	–1,545.7
CHF	7.1306	2.8	387.4	7.3556	1.3	263.8
MXN	0.5020	0.3	–38.8	0.4942	1	–193.6
Other	–	0.9	–132.8	–	0	3.4
Total foreign currency position		**100.0**	**–855.0**		**100.0**	**117.7**

The FX risk is limited to the accrued net income in foreign currency and is hedged regularly. In accordance with SEK's policies for risk management, foreign currency positions related to unrealized fair value changes are not hedged. At year-end, foreign currency positions excluding unrealized changes in fair value amounted to Skr –4.4 million (year-end 2011: Skr 80.0 million). Assets and liabilities that are denominated in foreign currency are included in the total volume of assets and liabilities with the following amounts (in million Swedish kronor).

	December 31, 2012		December 31, 2011	
Skr mn	Consolidated Group	Parent Company	Consolidated Group	Parent Company
Total assets	313,135.6	313,201.3	319,701.9	319,726.0
of which denominated in foreign currencies	*242,135.8*	*242,133.7*	*296,324.8*	*296,324.0*
Total liabilities	298,723.4	298,179.2	305,733.8	305,040.2
of which denominated in foreign currencies	*242,990.8*	*242,991.5*	*296,207.1*	*296,206.7*

LIQUIDITY RISK

Contractual flows

	December 31, 2012							
Consolidated Group Skr mn	Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	Discount effect	Book value
Financial Assets								
Cash and cash equivalents	**2,338.2**	2,338.2	–	–	–	–	–	2,338.2
Treasuries/government bonds	**5,132.6**	1.1	2,058.6	2,062.2	1,010.6	0.0	–21.1	5,111.5
Other interest-bearing securities except loans	**84,893.7**	10,936.2	17,350.1	30,676.7	20,995.1	4,935.6	–7,200.4	77,693.3
Loans in the form of interest-bearing securities	**63,797.9**	–18.8	1,296.3	5,337.3	45,350.7	11,832.4	–5,908.1	57,889.8
Loans to credit institutions	**23,732.9**	5,303.8	787.2	2,082.9	7,882.1	7,677.0	–1,649.3	22,083.6
Loans to the public	**115,126.8**	2,855.3	5,728.0	17,544.5	63,251.4	25,747.6	351.4	115,478.2
Derivatives	**40,843.7**	607.7	6,756.7	14,662.7	12,010.4	6,806.2	–15,132.5	25,711.2
Total	**335,865.8**	**22,023.6**	**33,976.9**	**72,366.3**	**150,500.2**	**56,998.8**	**–29,560.0**	**306,305.8**

Note 28, continued

Consolidated Group Skr mn	December 31, 2012 Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	Discount effect	Book value
Financial Liabilities								
Borrowing from credit institutions	**–14,287.3**	–14,276.4	–0.7	–10.1	–	–	–203.0	14,490.3
Borrowing from the public	**–82.8**	–	–65.2	–17.6	–	–	25.9	56.9
Senior securities issued	**–290,244.5**	–5,100.6	–34,879.6	–75,187.0	–142,981.2	–32,096.0	32,154.4	258,090.1
Derivatives	**–9,492.1**	–711.9	–589.6	–1,165.7	–5,455.7	–1,569.2	–6,928.9	16,421.0
Subordinated securities issued	**–2,313.6**	0.0	–10.0	–45.1	–240.7	–2,017.8	–699.1	3,012.7
Total	**–316,420.4**	**–20,089.0**	**–35,545.2**	**–76,425.5**	**–148,677.6**	**–35,683.0**	**24,349.4**	**292,071.0**
Commitments								
Committed undisbursed loans	**5,893.3**	–6,651.2	–4,752.4	–3,584.0	11,924.2	8,956.7	20,021.8	25,915.1
Cash flow surplus (+) / deficit (–)	**25,338.7**	**–4,716.6**	**–6,320.8**	**–7,643.3**	**13,746.8**	**30,272.5**		
Accumulated cash flow surplus (+) / deficit (–)	**25,338.7**	**–4,716.6**	**–11,037.4**	**–18,680.7**	**–4,933.9**	**25,338.7**		

In addition to the instruments in the statement of financial position and committed undisbursed loans, SEK has outstanding binding offers of Skr 33.8 billion as well as additional available funds consisting of a credit facility with the Swedish National Debt Office of Skr 100 billion. With regard to deficit with maturity less than one month and up to five years, SEK has the intention to refinance these through borrowing on the financial markets.

Consolidated Group Skr mn	December 31, 2011 Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	Discount effect	Book value
Financial Assets								
Cash and cash equivalents	**3,749.6**	3,749.6	–	–	–	–	–	3,749.6
Treasuries/government bonds	**2,040.3**	–	2,000.0	1.5	38.8	–	–6.9	2,033.4
Other interest-bearing securities except loans	**80,376.2**	8,754.9	16,437.3	26,249.5	21,515.0	7,419.5	–5,637.7	74,738.5
Loans in the form of interest-bearing securities	**75,818.2**	512.1	1,692.5	11,581.6	45,554.6	16,477.4	–9,613.7	66,204.5
Loans to credit institutions	**26,348.0**	8,182.3	1,003.0	2,187.4	10,309.1	4,666.2	–556.4	25,791.6
Loans to the public	**125,039.8**	1,756.9	5,306.9	17,738.1	64,710.1	35,527.8	–17,101.7	107,938.1
Derivatives	**50,044.3**	763.2	7,646.3	15,554.1	17,374.8	8,705.9	–18,577.3	31,467.0
Total	**363,416.4**	**23,719.0**	**34,086.0**	**73,312.2**	**159,502.4**	**72,796.8**	**–51,493.7**	**311,922.7**

Note 28, continued

Consolidated Group Skr mn	Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	Discount effect	Book value
				December 31, 2011				
Financial Liabilities								
Borrowing from credit institutions	**–15,655.1**	–1,033.7	–6,181.3	–2,582.2	–5,857.9	0.0	–178.8	–15,833.9
Borrowing from the public	**–59.1**	–59.1	–	–	–	–	–	–59.1
Senior securities issued	**–290,300.2**	–1,707.5	–43,201.5	–63,691.0	–132,965.5	–48,734.7	32,947.8	–257,352.4
Derivatives	**2,525.2**	–507.6	3,256.3	6,268.0	–3,817.9	–2,673.6	–25,130.0	–22,604.8
Subordinated securities issued	**–2,737.6**	0.0	–10.7	–48.0	–255.7	–2,423.2	–436.8	–3,174.4
Total	**–306,226.8**	**–3,307.9**	**–46,137.2**	**–60,053.2**	**–142,897.0**	**–53,831.5**	**7,202.2**	**–299,024.6**
Commitments								
Committed undisbursed loans	**3,743.4**	–2,955.5	–3,216.4	–11,029.7	6,676.2	14,268.8	21,328.4	25,071.8
Cash flow surplus (+) / deficit (–)	**60,933.0**	**17,455.6**	**–15,267.6**	**2,229.3**	**23,281.6**	**33,234.1**		
Accumulated cash flow surplus	**60,933.0**	**17,455.6**	**2,188.0**	**4,417.3**	**27,698.9**	**60,933.0**		

Repayments subject to notice are treated as if notice were to be given immediately, except for “Loans to credit institutions”, “Loans to the public”, “Borrowing from credit institutions”, ” and “Borrowing from the public” where repayments are assumed to occur on maturity date. “Subordinated securities issued” which consists of subordinated debt without maturity date are assumed not to be repaid at the time of the first redemption date. Regarding the subordinated debt, SEK determines whether the loans will be redeemed in advance, something SEK does not intend to do.

Differences between book values and future cash flows for financial assets and financial liabilities are reported in the column “Discount effect”.

Items other than financial instruments with an approximate expected recovery time within less than 12 months: other assets; prepaid expenses and accrued revenues, other liabilities; and accrued expenses and prepaid revenues. All other balance sheet items, other than financial instruments, have an approximate expected recovery time of 12 months or more. For information regarding liquidity risk, see section “Risk”. The amounts above contain interest.

LIQUIDITY RESERVE[1] AS OF DECEMBER 31, 2012

Market value

Skr mn	Total	SKR	EUR	USD	Other
Cash and holdings in banks available overnight	2,190.2	2,190.2	–	–	–
Securities issued or guaranteed by sovereigns, central banks or multilateral development banks	6,156.1	1,247.5	1,965.0	2,135.1	808.4
Securities issued or guaranteed by municipalities or other public entities	9,840.6	4,799.0	2,776.0	2,157.3	108.4
Covered bonds issued by other institutions	5,026.2	4,688.5	337.6	–	–
Securities issued by non-financial corporates	848.9	848.9	–	–	–
Total	**24,062.0**	**13,774.1**	**5,078.6**	**4,292.4**	**916.8**

Note 28, continued

LIQUIDITY[1] RESERVE AS OF DECEMBER 31, 2011

Market value

Skr mn	Total	SKR	EUR	USD	Other
Cash and holdings in banks available overnight	3,517.9	1,550.1	1,967.8	–	–
Securities issued or guaranteed by sovereigns, central banks or multilateral development banks	1,989.9	1,989.9	–	–	–
Securities issued or guaranteed by municipalities or other public entities	5,624.3	4,799.9	824.4	–	–
Covered bonds issued by other institutions	3,155.5	3,155.5	–	–	–
Securities issued by non-financial corporates	64.9	64.9	–	–	–
Total	**14,352.5**	**11,560.2**	**2,792.2**	–	–

[1] The Liquidity reserve is a part of SEK's liquidity placements.

For information regarding liquidity risk, see section "Risk". The amounts above contain interest.

Note 29. Transactions with related parties

SEK defines related parties to the Parent Company as:

- the shareholder, i.e. the Swedish State
- companies and organizations that are controlled through a common owner, the Swedish State
- subsidiaries
- key management personnel

SEK defines related parties to the Consolidated Group as:

- the shareholder, i.e. the Swedish State
- companies and organizations that are controlled through a common owner, the Swedish State
- key management personnel

The Swedish State owns 100 percent of the company's share capital. By means of direct guarantees extended by the National Debt Office and EKN – The Swedish Export Credits Guarantee Board, supported by the full faith and credit of Sweden, 29.9 percent (year-end 2011: 31.6 percent) of the company's outstanding loans on December 31, 2012, were guaranteed by the State. The remuneration for these guarantees during 2012 amounted to Skr 212.3 million (2011: Skr 238.7 million). SEK administers, in return for compensation, the State's export credit support system, and the State's tied aid credit program (the "S-system"). Pursuant to an agreement between SEK and the State, SEK is reimbursed for certain costs under the S-system (see Note 1(d) and Note 25).

SEK has a Skr 100 billion credit facility with the Swedish National Debt Office. The remuneration for this credit facility during 2012 amounted to Skr 17.0 million (2011: Skr 17.0 million). The Swedish parliament has also authorized the government to enable SEK to purchase state guarantees on commercial terms for new borrowing of up to Skr 250 billion. In December 2012, both the loan facility and the ability to purchase state guarantees were extended for 2013.

SEK enters into transactions in the ordinary course of business with entities that are partially or wholly owned or controlled by the State. The company also extends export credits (in the form of direct or pass-through loans) to entities related to the State. Transactions with such parties are conducted on the same terms (including interest rates and repayment schedules) as transactions with unrelated parties. The Consolidated Group's and the Parent Company's transactions do not differ significantly. The Parent Company furthermore charges subsidiary companies for collective office and administration costs. Internal transactions between the Parent Company and the subsidiaries amount to Skr 19.8 million (year-end 2011: Skr 27.9 million) for other assets, Skr 16.4 million (year-end 2011: Skr 22.5 million) for other liabilities, Skr 0.0 million (2011: Skr 0.8 million) for interest incomes and Skr 0.2 million (2011: Skr 0.5 million) for interest expenses from the Parent Company's point of view. For further information see Note 1 (b), "Basis of consolidation" and Note 15, "Shares".

Key management personnel include the following positions:

- The Board of Directors
- The President and CEO
- Other members in the Executive Committee

For information about remuneration and other benefits to key management personnel see Note 5, "Personnel costs".

The following table summarizes the Consolidated Group's transactions with its related parties:

Note 29, continued

	2012					
	The shareholder, i.e. the Swedish State		Companies and organizations controlled through a common owner, the Swedish State		Total	
Skr mn	Assets/ liabilities	Interest income/ Interest expense	Assets/ liabilities	Interest income/ Interest expense	Assets/ liabilities	Interest income/ Interest expense
Treasuries/government bonds	3,452.6	28.5	–	–	3,452.6	28.5
Other interest-bearing securities except loans	–	–	2,571.5	68.4	2,571.5	68.4
Loans in the form of interest-bearing securities	–	–	1,100.0	36.8	1,100.0	36.8
Loans to credit institutions	–	–	1,708.8	13.8	1,708.8	13.8
Loans to the public	–	–	451.8	12.3	451.8	12.3
Due from the State	2,161.0	–	–	–	2,161.0	0.0
Total	**5,613.6**	**28.5**	**5,832.1**	**131.3**	**11,445.7**	**159.8**
Borrowing from credit institutions	–	–	–	–	–	–
Borrowing from the public	–	–	–	–	–	–
Senior securities issued	–	–	–	–	–	–
Other liabilities	128.4	–	–	–	128.4	–
Total	**128.4**	–	–	–	**128.4**	–

	2011					
	The shareholder, i.e. the Swedish State		Companies and organizations controlled through a common owner, the Swedish State		Total	
Skr mn	Assets/ liabilities	Interest income/ Interest expense	Assets/ liabilities	Interest income/ Interest expense	Assets/ liabilities	Interest income/ Interest expense
Treasuries/government bonds	1,995.3	13.2	–	–	1,995.3	13.2
Other interest-bearing securities except loans	–	–	3,369.7	79.4	3,369.7	79.4
Loans in the form of interest-bearing securities	–	–	1,200.4	30.1	1,200.4	30.1
Loans to credit institutions	–	–	1,959.9	24.0	1,959.9	24.0
Loans to the public	–	–	538.1	8.0	538.1	8.0
Due from the State	2,113.8	–	–	–	2,113.8	–
Total	**4,109.1**	**13.2**	**7,068.1**	**141.5**	**11,177.2**	**154.7**
Borrowing from credit institutions	–	–	–	–	–	–
Borrowing from the public	–	–	–	–	–	–
Senior securities issued	–	–	–	–	–	–
Other liabilities	115.7	–	–	–	115.7	–
Total	**115.7**	–	–	–	**115.7**	–

Note 30. 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.

PROPOSAL FOR THE DISTRIBUTION OF PROFITS

All amounts are in Skr million, unless otherwise indicated.

The results of the Consolidated Group's and the parent company's operations during the year and its financial position at December 31, 2012, can be seen in the statement of comprehensive income, statement of financial position and statement of cash flows for the Consolidated Group as well as the income statement, balance sheet and statement of cash flows for the parent company and related Notes. The following proposal regarding distribution of profits relates to the parent company.

At the disposal of the Annual General Meeting	8,096.2
The Board of Directors and the President propose that the Annual General Meeting dispose of these funds as follows:	
– Dividend to the shareholder of Skr 53.29 per share, amounting to	212.6
– Remaining disposable funds to be carried forward	7,883.6
	8,096.2

The financial position of the company and the Group is good as evidenced by the annual report for 2012. From equity of the Parent Company and the Group, as of December 31, 2012, contains 2.0 and 1.7 percent, respectively, constituting unrealized changes in value, been deducted due to valuation of financial instruments at fair value, as of December 31, 2012.

The capital base for the Group amounted to, as of December 31, 2012, Skr 16,452 million resulting in a total capital adequacy ratio of 23.1 percent. It is the assessment of the Board of Directors that the proposed dividend has coverage in equity. The capital base and the volume of liquidity placements will, even after the proposed dividend continue to be satisfactory in relation to the line of business the company operates in, and the company is assumed to fulfill its obligations in the short and long term. Thus, it is the assessment of the Board of Directors that the proposed dividend is justifiable considering the demands with respect to the size of the company's and the Group's equity, which are imposed by the nature, scope and risks associated with the business, and the company's and the Group's need for consolidation, volume of liquidity placements and financial position in general.

The Board of the Directors and the President confirm that the consolidated financial statements and the parent company financial statements have been prepared in accordance with International Financial Reporting Standards, IFRS, as issued by the International Accounting Standard Board (IASB) and endorsed by the European Parliament and Council Regulation (EC) No 1606/2002 dated July 19, 2002 and generally accepted accounting principles in Sweden, respectively, and give a true and fair view of the consolidated group's and parent company's financial position and results of operations. The Report of the Directors for the Consolidated Group and parent company provides a true and fair overview of the Consolidated Group's and parent company's business activities, financial position and results of operations as well as the significant risks and uncertainties which the parent company and its subsidiaries are exposed to.

Stockholm February 22, 2013

Lars Linder-Aronson
Chairman of the Board

Cecilia Ardström
Director of the Board

Jan Belfrage
Director of the Board

Lotta Mellström
Director of the Board

Ulla Nilsson
Director of the Board

Jan Roxendal
Director of the Board

Åke Svensson
Director of the Board

Eva Walder
Director of the Board

Peter Yngwe
President

Our audit report on these annual accounts was submitted on February 22, 2013
Ernst & Young AB

Jan Birgerson
Authorized Public Accountant

AUDIT REPORT

To the annual meeting of the shareholders of AB Svensk Exportkredit, corporate identity number 556084-0315

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

We have audited the annual accounts and consolidated accounts of AB Svensk Exportkredit for the financial year 2012. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 48–165.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR FOR THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and consolidated accounts in accordance with International Financial Reporting Standards as issued by International Accounting Standard Board (IASB) and also adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINIONS

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the parent company as of 31 December 2012 and its financial performance and its cash flows for the year then ended in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies, and the consolidated accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the group as of 31 December 2012 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by International Accounting Standard Board (IASB) and also adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies. A corporate governance statement has been prepared. The statutory administration report and the corporate governance statement are consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the Parent Company and the statement of comprehensive income and the statement of financial position of the Consolidated Group.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In addition to our audit of the annual accounts and consolidated accounts, we have examined the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of AB Svensk Exportkredit for the financial year 2012.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act, and the Banking and Financing Business Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Swedish Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Banking and Financing Business Act, the Annual Accounts Act for Credit Institutions and Securities Companies or the Articles of Association.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

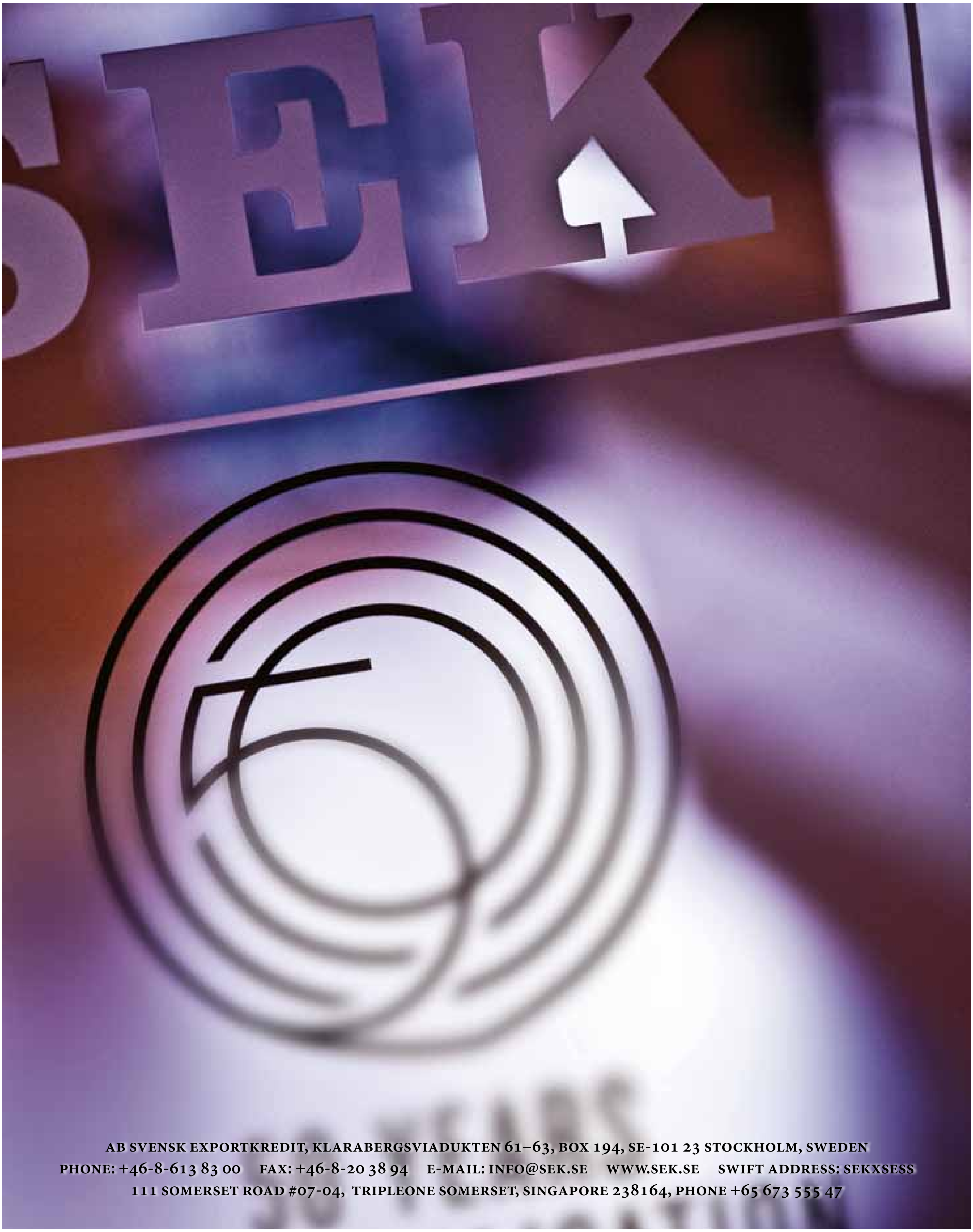
OPINIONS

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Stockholm February 22, 2013
Ernst & Young AB

Jan Birgerson
Authorized Public Accountant

This is a translation of the Swedish original Auditor's report
Dated February 22, 2013



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