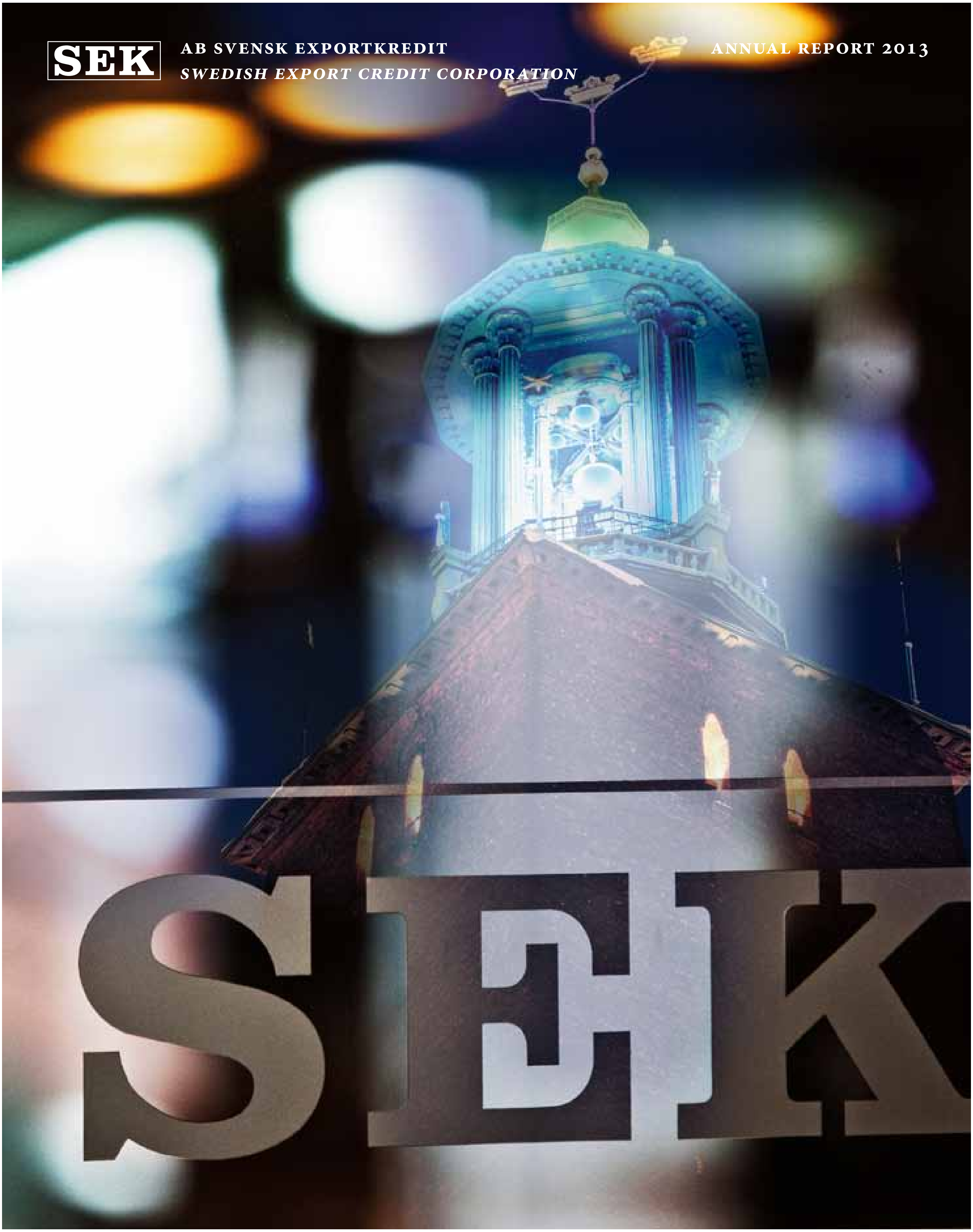
SEK

AB SVENSK EXPORTKREDIT

SWEDISH EXPORT CREDIT CORPORATION

ANNUAL REPORT 2013



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. SEK's aim is to provide an advantage and security for our clients through our complementary role to and in partnership with banks. SEK has high creditworthiness and strong ratings owing to its extensive experience of controlled risk exposure, its solid balance sheet and a stable owner in the Swedish government. This enables us to borrow capital on competitive terms on the capital markets of the world, which benefits Sweden's exporters.

SEK can assist companies and their customers with financing if there is a Swedish interest and a link to exports, provided that the transaction takes place on commercial terms and is financially attractive and sustainable in the long term. This means that SEK may provide lending if a Swedish company (including its subsidiaries abroad) makes export sales, but also that SEK may finance a foreign company if its exports are carried out from Sweden. SEK may finance both exporters and their end-customers. SEK's credit assessments accord the same weighting to social and environmental risks as they do to financial risks.

SEK has consistently generated a profit since it was founded in 1962 and since 2009 it has paid approximately Skr 1.8 billion in ordinary dividends to its owner, the Swedish government.

249

the number of employees at SEK at December 31, 2013

In 2013 SEK lent in Turkish lira directly to ABB.

Find out more on page 33.

Ocean Modules

An export loan to a small company helps its global expansion.

Find out more on page 34.

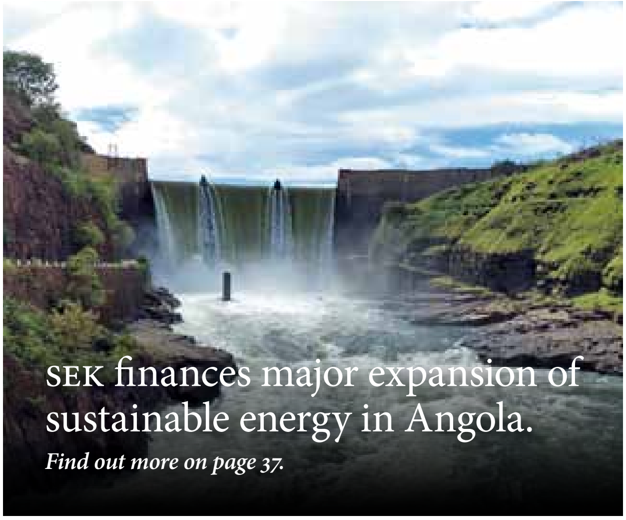
Financing one of the world's largest telecom operators.

Find out more on page 36.

SEK's operations.

Find out more about SEK's business operations, its cooperation with others and how we create value.

Find out more on pages 16–27.

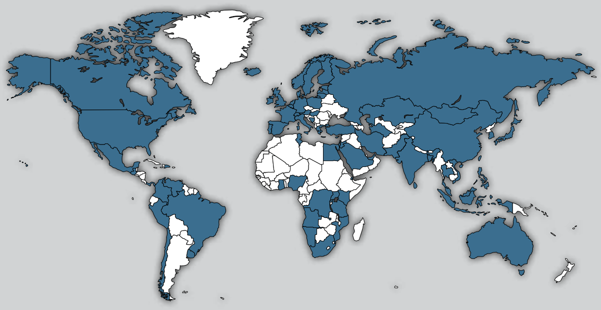


SEK finances major expansion of sustainable energy in Angola.

Find out more on page 37.

Lending around the world.

Find out more on page 26.



Total new lending amounted to Skr

55.7

billion

(2012: Skr 56.2 billion)

Largest markets for SEK'S LENDING

Europe
26.5%

Sweden
24.2%

Middle East, Turkey, Africa
22.9%

Largest markets for SEK'S FUNDING

Europe
(excluding the Nordic Region)
35.6%

N. America
28.9%

Japan
17.9%

The large number of Swedish components in the Airbus 380 means SEK can provide end-customer finance for the plane.

Find out more on page 35.

A FIRST-CLASS, CLIENT-FOCUSED ORGANIZATION

IN 2013, SEK achieved one of its highest ever lending volumes, with a total of Skr 55.7 billion. This demonstrates that SEK is an important element in a successful Swedish export economy and part of the Swedish infrastructure surrounding the country's exporters. Financing is often central to the success of an export transaction and can even be the factor that determines whether a major order goes to Sweden instead of another country. In view of this, the market is making ever increasing requirements, and SEK needs to grow along with its task in order to meet exporters' financing needs. SEK aims to work on an even broader basis and more closely with our existing clients, while developing relationships with new clients.

SEK needs to forge stronger partnerships with clients so we understand their needs in today's and tomorrow's markets. SEK aims to offer specific financing solutions and partner with local banks and other organizations so that it is prepared when it receive requests from exporters. But SEK also aims to work closely with clients to increase its understanding of the sustainability challenges that they face. SEK intends to remain at the forefront of developments in order to help clients as quickly as possible.

It is in its contact with exporters that SEK's role starts, and to succeed in its mission all aspects of SEK's organization need to work effectively. The saying that a chain is only as strong as its weakest link is an apt description of the complex organization that SEK operates. This includes everything from great client service and understanding client needs, credit and sustainability assessments, funding, payments and external reporting to HR, communications activities and compliance.

In 2013, SEK came close to achieving or fully achieved the targets set by the Annual General Meeting. The profitability target measured as the return on equity should correspond to the risk-free interest rate plus 5.0 percent over time. The target for 2013 was 8.3 percent. The result achieved was 7.4 percent. The capital target is for a Core Tier-1 capital ratio of 16 percent, and no less than 12 percent. This ratio was 19.5 percent at the end of 2013. The Board of Directors has proposed a dividend of Skr 327 million, corresponding to 30 percent of net profit after tax, which meets the target set.

SEK is strong but we are operating in a changing world. This is especially reflected in two areas that the SEK's Board spends a considerable amount of time on: sustainable business and regulatory reforms.

Sustainability issues are reflected throughout the company's activities and permeate all aspects of SEK's organization. Sustainable business is an important element in SEK's business and strategy and the company is also subject to the requirements of its owner to set an example in the field of sustainability. This is reflected in SEK's decision to give business ethics and social and environmental risks the same weighting in credit decisions as financial risks. This is an important milestone that shows sustainability is pivotal to our assessments before we approve a transaction. The fact that SEK does not have a separate Sustainability Report this year and instead has a combined Annual Report, which describes our operations from a financial, social and environmental perspective, is therefore a natural step towards this comprehensive approach.

Sustainability being an integral part of the business operation is just the start of a process that has developed a great deal over the past three to four years. SEK's Board has established a number of strategic sustainability targets: Over 80 percent of SEK's clients in 2014 and 2015 should have sustainability requirements stipulated in their lending from SEK. Within the area of business ethics, by the end of 2015, 100% of SEK's clients and suppliers should have undertaken to comply with SEK's anti-corruption guidelines. This level must then be maintained. The targets within equality and diversity mean an even gender distribution and a minimum of one in four employees with a foreign background. We need to understand that we are still at a relatively early stage of our sustainability work. Sweden is one of a number of countries working actively to ensure that sustainability issues are accepted as a natural element of day-to-day operations, but not all parts of the world view these issues in the same way. This means that SEK, together with its exporter clients and financial partners around the world, needs to find solutions in which sustainability requirements are integrated in a market-based, but specific, way. This often involves very difficult issues for which SEK as a financial institution requires expertise in sustainability issues across a raft of sectors and countries so that it can set requirements wherever Swedish companies are active; that is, in almost every country in the world. The requirements also need to be relevant and make a difference, and not just be empty words. Moreover, SEK is but one of many organizations in this area. But if we get things right and cooperate in the right way it can be an advantage when lots of organizations set the same requirements in complex projects. The answer to this issue lies in close partnerships with clients to demonstrate that we provide a complementary role to other financial institutions. In this role, we complement other organizations through our expertise in the field of sustainability.

Another development that has accelerated rapidly in recent years is the introduction of growing and increasingly complex regulation that is affecting financial institutions like SEK. There is a strong interest in and need for trying to use regulation to remove those problems that led to the 2008 financial crisis, especially in light of the financial markets' own inability to resolve these problems. For a relatively small organization like SEK, efforts to integrate these new regulations into the company's operations have come to account for a large proportion of costs and they place constant pressure on resources.

The EU's new CRD IV regulation, which affects various factors for SEK including the work of the Board, also presents new challenges. If CRD IV is translated word for word into Swedish law it will involve significant changes. For example, it will mean that a European legal tradition of other principles of accountability will be introduced into Swedish law. But above all it will mean that risk-related issues that were previously managed at an operational level will increasingly become the responsibility of the Board of Directors. If regulations force Boards to recruit primarily on the basis of the ability to micro-manage operational risk-related issues, there is a danger that this will take priority over strategic matters, which are the most important task of a Board.

I have now had the privilege of working with the same Board of Directors for almost three years. The Board is an effective team of people that has examined many, often highly complex, matters relating to both strategic and more operational issues in SEK's activities. Good teamwork is essential for the Board to be able to take on the challenges that SEK encounters.

Over the past year, an important task has been the recruitment of a new company President in preparation for Peter Yngwe's departure from the company after 17 successful years as President. We wanted to find someone whom we believe can ensure that SEK continues to develop as an extremely strong financial institution focusing on working closely with clients. The Board of Directors sees no need to adjust the course that SEK is taking. SEK is a company with significant expertise in borrowing and lending and other financial skills that a company like SEK requires. We have therefore sought someone with broad financial experience who is well versed in the financial markets and sustainability issues. The person also needs to be a good leader who can create the best conditions for all the elements of SEK to work well.

We are delighted to have found such a person in Catrin Fransson, who has accepted our offer to become President of SEK as of the Annual General Meeting in April 2014. She meets the criteria that we were looking for and also has a strong background at one of Sweden's largest banks, Swedbank, where she has had a variety of management roles with high praise from those who have worked together with her in various ways.

The past year has presented SEK with numerous professional challenges and I am extremely grateful to all our staff, who have done an excellent job. I would also like to thank Peter Yngwe in particular for his many years of work at the company.

We now enter a new year with new challenges and I look forward to SEK continuing to provide first-class, sustainable financing solutions to those companies that contribute to Sweden's prosperity through their successful exports. Without them Sweden would be a poorer country.

Stockholm, February 19, 2014

Lars Linder-Aronson, Chairman of the Board

HIGH NEW LENDING FOR SWEDISH EXPORTS

SEK SAW CONTINUED high demand for long-term financing in 2013. There are several factors at play in this strong demand. Swedish exporters' customers place great value on securing financing from SEK, particularly if it is possible to finance the buyer's purchase in the local currency of the country where the sale takes place.

The high level of demand has also been boosted by SEK's role as a complement to banks and the capital markets with regard to working capital finance. SEK's corporate lending to exporters has also been strong, despite the positive trend in the capital markets, which are offering attractive long-term financing options. Developments on these markets primarily favor the largest and most creditworthy companies, which is understandable as these companies are well-known. But smaller companies struggle to access the capital markets as they are lesser known and therefore more difficult to analyze. Depending on how the new financial sector regulations affect the willingness of banks to finance smaller companies, SEK could find itself taking on a more significant role in providing finance for these companies.

Despite relatively strong demand for our services, our general view of the Swedish economy is that exports in 2013 have struggled in the face of weak international demand, particularly from Sweden's key export markets in Europe. Western economies' government debt remains high and they are maintaining expansive monetary policies in the wake of the financial crisis. The West will continue to grapple with its large debt burden, which will hamper growth.

Growth is also being impacted by the new, expanded regulatory requirements for the financial sector, which are to be implemented from 2014 onwards. However, we are also seeing positive signs in the market. Markets have generally stabilized and the worst effects of the crisis in Europe and the US appear to be over. There are also signs of optimism among companies. This is indicated, for example, by SEK's own Export Credit Trends Survey, which was launched in 2013. We have developed our measurement tools for the survey to evaluate economic conditions, but we also want to use the survey to highlight the importance of exports. The survey is based on responses from more than 200 large and small exporters and it reveals that orders have increased and are expected to rise further. However, SEK's survey also indicates that many transactions, and therefore jobs, are at risk of failing to materialize if there is no opportunity for financing.

A vital element in assisting companies through finance has been, and continues to be, cooperation with other institutions. SEK was proactive in 2013 in improving its ability to reach out, together with other financial institutions, to Swedish exporters in both Sweden and the rest of the world. SEK also continued its work during the year to expand its client group. Our ambition is to have a relationship with all Sweden-based companies with significant exports. In addition to this, we have continued to identify effective financing solutions for exporters.

We are working in partnership with Sweden's exporters to develop sustainability measures. We are aware of their considerable ambitions in the field of sustainability and understand the importance of this area. SEK also complies with the 10 principles of the UN's Global Compact. During the year SEK developed a risk map for sustainability risks in lending that is used in our credit process. Actively combatting corruption in our transactions is an important challenge for us. An anti-corruption program was introduced during the year and at the end of 2013, SEK became a member of Transparency International Business Group. We have started work on ensuring that all our suppliers sign our code of conduct. These efforts will continue in 2014 and will also include our clients. We have purchased an external service to enable our employees and counterparties to report irregularities. In the longer term, we are keen to become involved in developing the market for environmental bonds. This is a natural role for SEK, as our funding operations have a history of innovation. Active cooperation with exporters to establish sector-specific sustainability requirements that work in the relevant business context is also high on our agenda for 2014.

We believe that international trade ultimately promotes economic development and, consequently, human rights. There is a strong correlation between human rights and poverty. No country has successfully fought poverty over a long period without being able to offer its citizens access to jobs with incomes that they can live on. Business creates work and trade, which contribute to the development of companies.

We were pleased to achieve our targets for equality and diversity during the year. These targets are ambitious and we will endeavor to continue meeting these objectives.

The export credit system for financing Swedish exports is not just made up of SEK and the Swedish banks; it also consists of the Swedish Export Credits Guarantee Board (EKN) and foreign banks. This system works extremely well from an international perspective. It is crucial for Sweden's entire export industry to have access to a system with both secure financing and risk capacity. Cooperation is key to achieving

this. As part of the export credit system, SEK also manages the state-supported export credit system, the CIRR system, on behalf the Swedish state. This is a consensus-based system within the OECD. In 2013, SEK generated a surplus within this system amounting to approximately Skr 254.4 million (128.4).

Swedish exports are changing and it is important to analyze what exports consist of to understand how SEK can develop its financing solutions. Traditional engineering and manufacturing companies still dominate those exporters requiring attractive financing solutions to win export sales, but new companies are emerging that require other financing solutions as well. There are numerous large and small companies which, through new and innovative ideas, are creating services and products that are enjoying success far beyond Sweden. One way of showcasing these companies is through the annual SEK Export Award. The three companies nominated for the prize in 2013 were Elekta, Swedco and Envac, with the award going to Swedish medical technology company Elekta.

SEK aims to continue supporting the Swedish export industry and remaining a partner of first choice for exporters and banks to ensure attractive export finance. We want our financing to be sustainable in the long term and we want the transactions that we are involved in to contribute to the progression of sustainable business. Social and environmental risks are now accorded the same weighting as financial risks in our assessments.

SEK needs to constantly review costs and streamline its operations. This is especially important as SEK is a small organization that needs to meet numerous new regulatory requirements. This requires significant investment in both systems and personnel. SEK put a considerable amount of effort into reducing the organization's costs in 2013.

There is strong demand for SEK's products and services. But regulatory reforms require the adaption of systems and more risk capital, which impacts profitability in the transactions that we manage. In addition, earnings volatility is increasing as a result of unrealized changes in fair value. Operating profit for 2013 was Skr 1,408.1 million (824.4). The increase on the previous year is mainly due to net earnings from financial transactions amounting to Skr 408.4 million (–507.7), which was partly offset by lower net interest revenues.

SEK's role, to ensure access to financial solutions for the Swedish export sector as an independent institution that complements the banking market, will remain of great importance. In a world of new, detailed regulations, SEK is a key long-term player that is driven by client needs, rather than by short-term financial operating results. Our products and services need to be available to the Swedish export industry in both good and bad times. SEK is now a strong financial institution that is capable of serving Swedish exporters extremely well. It feels like the right time for me to leave the company at the 2014 Annual General Meeting. I have had 30 wonderful years at SEK, the last 17 as President, during which I have witnessed the impressive development of Swedish exports. I would like to sincerely thank everyone who has worked towards the success of Swedish exports and SEK's ability to contribute.

Stockholm, February 19, 2014
Peter Yngwe, President

KEY FIGURES

Amounts (other than %) in Skr mn	2013	2012	2011	2010	2009
Financial highlights					
Results					
Net interest revenues	1,554.8	1,879.9	1,870.8	1,898.5	1,994.3
Operating profit	1,408.1	824.4	1,889.1	3,939.7	2,368.6
Net profit for the year (after taxes)	1,090.1	708.8	1,399.5	2,891.7	1,727.3
After-tax return on equity[1]	7.4%	5.0%	10.5%	22.2%	14.5%
Operating profit excl. unrealized changes in fair value[2]	1,668.6	1,652.6	1,847.6	4,114.7	1,599.3
After-tax return on equity excl. unrealized changes in fair value[3]	8.8%	9.3%	10.3%	23.2%	9.7%
Basic and diluted earnings per share (Skr)[4]	273.2	177.6	350.8	724.7	432.9
Dividend[5]	327.0	212.6	420.0	2,191.0	518.0
Customer financing					
New customer financial transactions[6]	55,701	56,235	51,249	48,749	122,476
of which corporate lending	16,685	17,577	20,549	24,388	67,744
of which end-customer finance	39,016	38,658	30,700	24,361	54,732
Loans, outstanding and undisbursed[7]	221,958	218,822	220,672	217,862	232,164
Amounts of outstanding offers of lending[8]	65,549	59,525	64,294	86,623	84,506
of which binding offers	35,083	33,841	n.a.	n.a.	n.a.
of which non-binding offers	30,466	25,684	n.a.	n.a.	n.a.
Borrowing					
New long-term borrowings[9]	95,169	43,231	47,685	76,644	111,831
Outstanding senior debt	269,216	272,637	273,245	300,671	324,795
Outstanding subordinated debt	1,607	3,013	3,175	2,590	3,143
Statement of financial position					
Total assets	306,554	313,136	319,702	339,688	371,588
Total liabilities	291,564	298,756	305,734	327,118	358,133
Total equity	14,990	14,380	13,968	12,570	13,455
Capital					
Core Tier-1 capital ratio, Basel II[10]	19,5%	19.8%	18.9%	18.7%	14.3%
Tier-1 capital ratio, Basel II[11]	19.5%	23.0%	22.5%	22.4%	17.9%
Total capital ratio, Basel II[12]	21.8%	23.0%	22.5%	22.4%	18.7%
Environmental highlights					
Total carbon dioxide emissions (tons)[13]	658	1,052	1,308	921	979
Carbon dioxide status after carbon offset	0	0	9	-15	0
Social highlights					
Allocation of women/men in management positions	44/56	39/61	38/62	39/61	36/64
Allocation of employees with foreign/swedish background[14]	29/71	28/72	30/70	n.a.	n.a.

References to and definitions of the Key Figures are presented on pages 57–58.

SEK's Chief Economist Marie Giertz, who designed the Export Credit Trends Survey.

NEW SURVEY SHOWS EXPORT TRENDS

SEK WANTS TO highlight and clarify the significance of exports for the Swedish economy and to increase understanding of the importance of financing in export transactions. Financing, in particular financing on good terms, is a factor that can ultimately determine in what country a company bases its production. For this reason we launched our Export Credit Trends Survey in 2013, which aims to reflect export and financing trends. The survey is based on interviews with a statistically significant sample of exporters.

THE EXPORT CREDIT Trends Survey provides us with a view of companies' experience of demand, which is a useful economic indicator. It also gives us an idea of companies' financing needs and their access to the credit, capital and banking markets, while highlighting other factors that can have an impact on companies' exports, such as sustainable business.

THE SURVEY HAS produced a number of interesting results. For example, we received an early indication that Swedish exporters expected orders to improve over the coming year, and we also received confirmation that financing is a key factor in whether or not an export transaction goes ahead. One in three companies in the survey say they have been forced to turn down an export transaction for financing reasons in the past year. Companies also report that financing is one of the most important factors in export transactions.

Other interesting results from the survey have included the differences between large companies and small and medium-sized enterprises (SMEs) both in terms of their financing opportunities and their recruitment plans. SMEs have experienced a deterioration in access to finance, while the opposite has been the case for large companies. All companies are planning to hire but it is SMEs that are accounting for job growth in Sweden. There is therefore a risk that certain orders and jobs will not materialize if this need for financing is not met.

WE ARE ALSO seeing differences in sustainability issues. Only 22 percent of SMEs say they set such requirements as a standard procedure for export transactions, compared with 51 percent of large companies. In other words it is clear that sustainability issues are still in their infancy.

TWO EDITIONS OF the Export Credit Trends Survey have been published so far, on June 24 and December 2. The survey will be published twice a year, with the next edition due in early June 2014.

PETER YNGWE ON HIS THIRTY YEARS AT SEK

Peter Yngwe is leaving SEK after 30 years. He joined the company in 1984 and became company President in 1997. Here he answers questions about his time at SEK.

How has SEK and its role developed over those 30 years?
Both SEK and Swedish business have seen phenomenal development during that time. SEK has always played an important role for Swedish exports. But we have seen quite a change over the past 20 years. We have gone from receiving orders on a regulated market where we were often the last to be involved in financing discussions, to being a commercial operator on an open market where we are often involved from the very beginning and regularly structure transactions ourselves.

So is SEK now a completely different organization?
Both yes and no. We've developed the way we work in a very far-reaching and proactive way but our mission to support Swedish exports through financial solutions remains.

Why did you initially want to work at SEK?
SEK had a reputation for being the best place to work for someone who wanted to be involved in international financing.

What was SEK like as a workplace when you arrived in 1984?
On my first day, I came into the corner room at the offices on Stockholm's Biblioteksgatan where I was to be based. Four other people were sitting there, and that was the entire long-term funding department. There were four desks and four chairs. They welcomed me and then realized there was nowhere for me to sit. Then one of them said: "Take my place," and sat down on the floor, where she carried on with her work. That says a lot about the atmosphere there. You did your job, but it didn't really matter much where you sat, how you sat or what hours you worked.

What was it like working at SEK?
It was a real learning experience. Even at that time we were making a significant contribution to the Swedish export industry, even though the lending market was heavily regulated. On the funding side, we opened up new markets and developed new products. We were the first foreign borrower on the Japanese market and one of the first to borrow on the US domestic capital market. We undertook one of the first swaps. We were the first into the Spanish market and the Baltic countries' capital markets.
When we carried out one of the world's first derivative transactions, there were no relevant accounting rules in place. SEK had to draw up the rules itself. SEK was a preparatory ground for staff for both Swedish and international banks. The smartest people came to us with their new ideas. We were renowned for being the most innovative operator.

Meeting companies on the "Export Express".

How has the company changed?
I'd say that in many areas SEK is still one of the most advanced financial institutions in the world in many aspects. I hope and believe that it has as much creativity and

Official visit to Indonesia, together with Sweden's Prime Minister Fredrik Reinfeldt and Minister for Trade Ewa Björling.

ingenuity as when I started 30 years ago. But we are now operating in a completely different environment with different regulations that have created new conditions and meant that creativity is more controlled.

What has changed since you became President of the company?
SEK is now an organization that works more closely with clients. We visit customers to explain how SEK can support Swedish exports through our complementary role to banks. In the past we received orders at the final stage of discussions. Today we are involved from start to finish in many transactions.

How did that come about?
It really all started with the Swedish banking crisis in the 1990s, when banks started reforming their operations, including the ownership of SEK. At that time there was also a government enquiry on export credit, which also reviewed SEK's business. The banks concluded that it was difficult for them to both own us and, as they saw it, compete with us. There was only one solution and my first task was therefore to demonstrate the rational reasons for the banks to sell their stakes, which they eventually did.

What impact did that have on SEK?
The impact was significant. It formed the basis for us to become more proactive. We established a long-term plan for how we could create more value for clients and the owners. At that time we had no business plan, so I developed the first one. We set out what needed to be done based more on clients' needs and less on what banks needed. At the time that the plan was due to be approved the banks still owned part of SEK, but the banks' representatives on the Board accepted the plan. However, we still faced challenges as the banks sometimes opposed us in practice. This issue was resolved when the banks sold their stakes.

Have you encountered setbacks during your time with the company?
Obviously I've also experienced a few negative things. There have been some people who have not done what we agreed and shook hands over. People who try to take advantage of others. It hasn't happened often, but when it does happen it's very disappointing. But the opposite can also happen, as it did during the Swedish banking crisis in the early 1990s. Nothing was working. The Swedish banking system was in meltdown. The market ground to a halt and no one knew how to handle all the outstanding reciprocal transactions. But institutions in the Swedish banking market settled up with one another and people were as good as their word. No one took advantage of the situation. The problem was solved in the best way for all parties involved. That's the gentlemanly way to do things.

What has been the significance of this type of positive behavior?
I'm proud to have been a part of that culture and, without wishing to over-exaggerate, I believe that these types of agreements have been very important for Sweden. These days the authorities are trying to get rid of bad behavior through regulation and obviously sometimes that is what's needed. But it's not necessarily a good thing when regulations and laws take precedence over honesty, common sense and integrity.

How has Swedish commerce changed since you started at SEK?
Global trade has grown and new countries and new products have emerged. The significance of exports to the Swedish economy has also increased and the importance of our largest companies has grown. The need for financial solutions has grown alongside these developments. But one thing that has stayed fairly constant and remains as important as ever is the state-supported export credit system, the CIRR system.

Have exporters' customers also changed?
Yes. In the past, buyers of Swedish products in emerging markets were often governments or government-controlled companies and authorities. These sorts of buyers have now largely been privatized and have become more commercial and professional and demand much more advanced financial solutions.


Together with EKN Director General Karin Apelman.

During your 30 years at SEK a number of crises have directly or indirectly affected Swedish exports and, consequently, SEK. The 1990s saw the Swedish banking crisis, the "Tequila" crisis, the Asia crisis and the Russia crisis. The 2000s saw the dot-com crash, the crisis following September 11 and the Lehman Brothers collapse and the subsequent euro zone crisis that has continued in the current decade. Are there are any similarities between all these crises that you see?
There have been a lot of different crises caused by a variety of events. But something that almost all of these crises share is that they are preceded by something that seems too good to be true. And that usually means it is too good to be true. For example, before the Swedish banking crisis in the early 1990s, when SEK invested its surplus liquidity there was almost no difference in the risk premium between government bonds and other borrowers, despite the significant difference in risk between the two. That's a sign that something's not right. In 2007 and 2008 before the collapse of Lehman Brothers we saw the same thing. Everyone was buying everything – there was no difference in the risk premium between different borrowers.

What happens then?
There's a herd behavior that becomes dangerous. This is based on most people expecting a similar return and buying roughly the same things, despite strong suggestions that the underlying value is exaggerated. Who takes the first step? And how do you encourage someone to take that first step and bring the underlying problems to the surface?

What has SEK's role been during these crises?
As crises have become more common, Swedish exporters appreciate a reliable supplier of financing. We have played an important role for them throughout all these crises, especially during the Swedish banking crisis and the collapse of Lehman Brothers. That's when a lot of Swedish exporters really became aware of SEK. Our volumes of new lending more than doubled and outstanding loan commitments almost quadrupled immediately after the crisis hit in 2008.

Why have you stayed with SEK for so long?
Because I've been constantly learning – so much has happened in the financial sector during my time here. I've been lucky enough to be involved in these developments and to work with a lot of interesting, highly educated and intelligent colleagues in companies and the financial sector. And the role of President for an organization like SEK is so diverse, bringing you into contact with both Swedish business and politics. You're in charge of an independent financial institution with a mission that is perhaps the most important any Swedish company can have – to help win business for major companies and create prosperity in Sweden.

What has been your greatest achievement during your time with the company?
Seeing that the business model that we believed in works in the worst scenario imaginable – the Lehman Brothers collapse. We had always said that our business model would work and that SEK would be able to play a vital role during crises. And that's exactly what happened. It was a great feeling. We got it right!

ELEKTA HONORED WITH EXPORT AWARD

IN DECEMBER, SEK'S Export Award was presented for the fourth consecutive year. The purpose of the SEK Export Award is to showcase exports and the prize goes to a company or person who, through their innovation or success, has contributed to boosting the growth of Swedish exports. The prize aims to encourage individual contributions and focuses on innovation.

The SEK Export Award was presented in Stockholm at a special seminar and was organized this year in association with Fokus magazine. Three companies were nominated: Elekta, Swedco and Envac. Medical technology company Elekta was crowned winner and the award was accepted by the company's CEO, Thomas Puusepp.

"Elekta is an exporter and to receive this distinction from SEK means a lot, but it's also an acknowledgement of the work we do and the pride we feel at Elekta. This award will inspire us to be even better," said Tomas Puusepp.

IN AWARDING THE prize, the judging panel commented: "This is a company that has developed out of an innovation that saves lives. It impressed the judging panel with its combination of high-tech, entrepreneurial spirit and long-term ambition to be a world-leader in its field. The business has grown quickly and has benefited Sweden through quantitative success that has generated many new job opportunities. Elekta is now an export success that more than meets the criteria for the SEK Export Award."

NEW PRESIDENT APPOINTED

CATRIN FRANSSON WAS appointed as the new President and CEO of SEK in 2013 and will take up her post at the Annual General Meeting on April 28, 2014.

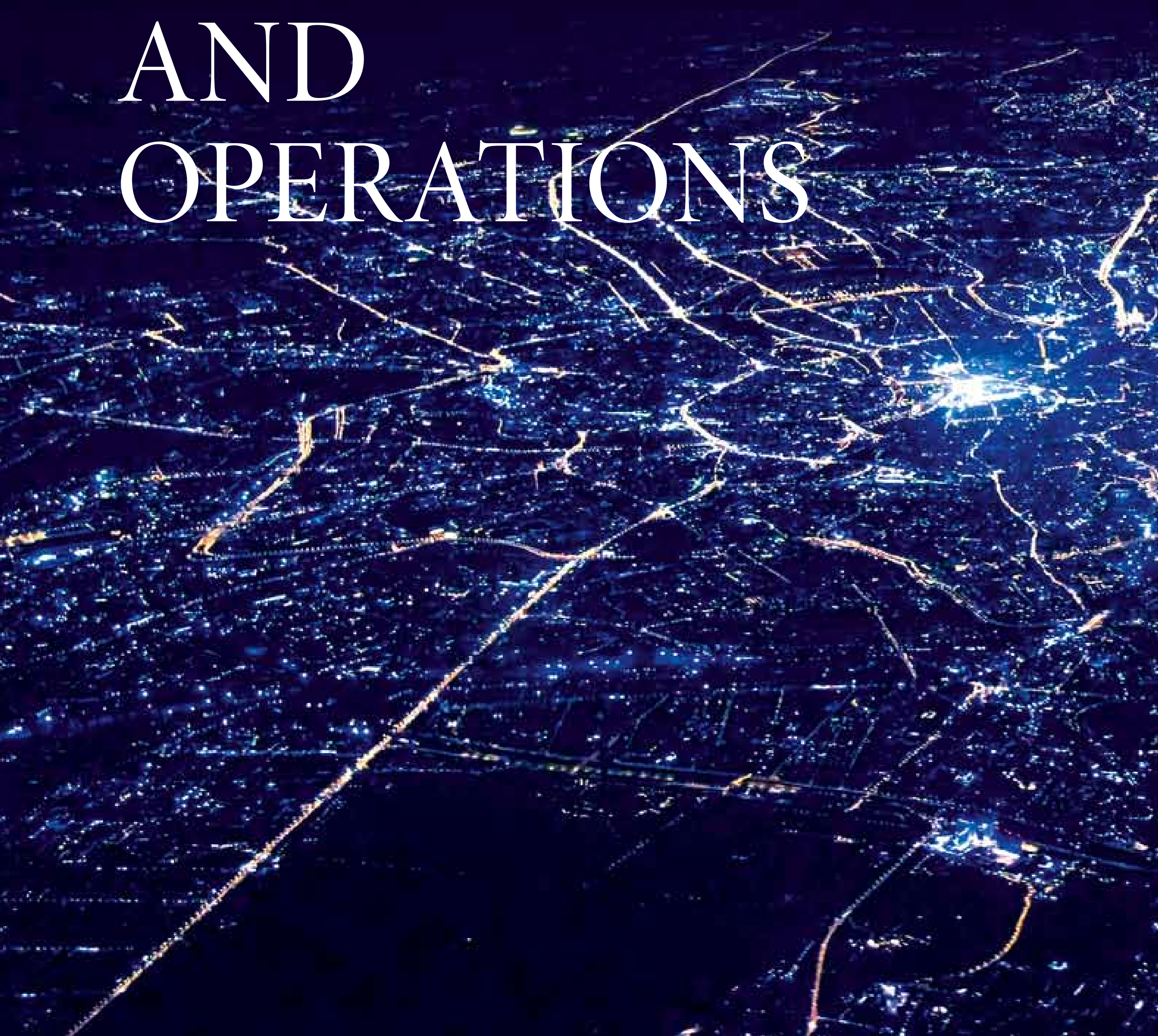
How do you feel about taking over at SEK?
It's really inspiring. SEK has an extremely important mission of ensuring access to financial solutions for the Swedish export industry on commercial terms through its complementary role to banks.. It's vital that our exporters have access to export credit, both for Swedish economic growth and employment, and I'm looking forward to working closely with our clients and partners.

Tell us about your background.
I have extensive and varied experience in banking, having worked for the past 26 years within Swedbank Group. During my career I've worked in different parts of the bank in various roles, but in most roles I've worked with commercial and customer-oriented operations. For the past year I've been in charge of Group Products, which included responsibility for Swedbank Mortgage, Swedbank Insurance, Asset Management and Cards and Payments. Before that I was responsible for Swedbank's largest business area, Swedish banking operations. As a member of the Group executive management I've also been Head of Business Development and Head of Region.

What is your impression of SEK?
My impression is that it's a highly professional and capable organization with a real passion for its mission and client service. The client surveys that have been published also show that clients value their partnerships with SEK.

SEK IS ONE OF a number of organizations that create the conditions for the Swedish export sector to make sales and grow internationally. This is a complex task involving coordination across numerous public and private institutions. This section describes SEK's mission, how the Swedish export credit system works, SEK's model for creating value and our stakeholders' expectations.

OUR MISSION AND OPERATIONS



SEK'S LENDING

A CLIENT CONTACTS SEK or SEK contacts a client directly and informs them about SEK's operations. If the client contacts SEK, SEK conducts analyses, including a review of the size of the company's export volumes and what business operations they have in Sweden. SEK's contact with the client takes place through meetings in Sweden and around the world where the client has operations, including contact from SEK's Singapore office.

"It's a major advantage having SEK here in Singapore and in the same time zone as our customers," says Kevin Tam, Senior Advisor with Ericsson Customer Finance who is based at Ericsson's regional office in Singapore.

SEK HOLDS DISCUSSIONS with the client to understand their financing requirements and to identify any sustainability risks using SEK's risk map.

A) If the client requests financing of its own balance sheet, SEK carries out a credit assessment and determines the size of the loan.

B) If the client instead requests financing for its customer, SEK invites the company to discussions together with the bank or banks that it works with, as well as EKN, the Swedish Export Credits Guarantee Board. Together, this group establishes a plan for how the exporter's customer can be financed.

1. CLIENT CONTACT AND ANALYSIS OF SWEDISH INTERESTS AND EXPORTS

2. IN-DEPTH CLIENT ANALYSIS

3. IN-DEPTH ANALYSIS OF SWEDISH INTERESTS AND EXPORTS

BELOW ARE THE guidelines that govern how SEK operates to fulfil its mission to ensure financial solutions for Swedish exports

SWEDISH INTERESTS

Significance testing of Swedish interests based on
- Swedish income statement (including subsidiaries), or
- Swedish jobs, or
- Swedish content, or
- In Sweden (for reference items)

COMMERCIAL TERMS, FINANCIALLY ATTRACTIVE

Ensure financial results
- Sufficiently financially attractive, and
- No negative impact on funding

LINK TO EXPORTS

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

SUSTAINABLE BUSINESS

Ensure compliance with international standards
- Anti-corruption measures
- The environment
- Work conditions
- Human rights

CREDIT DECISIONS ARE taken in accordance with policies and instructions in the Credit Committee, the Executive Management Credit Committee, the Board's Credit Committee and, if necessary, in the Board of Directors. The Rating Committee takes decisions on internal credit ratings. SEK's risk management is based on maintaining the principle of duality.

SEK's credit risk assessment is based on close cooperation between credit analysts, sustainability analysts, account managers and product managers. SEK's credit risks are monitored continually. The company aims to diversify its overall credit risks. However, such concentrations of credit exposures and credit risks resulting from the company's mission are permitted. When SEK carries out credit assessments, social and environmental risks are accorded the same weighting as credit risks. SEK has a process for identifying and categorizing social, environmental and business ethics risks in all its lending. In the event of high sustainability risks, a detailed review is conducted and requirements are set in order to mitigate negative environmental or social impacts. The extent and form of the review depends on factors such as the level of identified risks and SEK's ability to influence the situation.
SEK financed deliveries to the following A and B projects in 2013.

A PROJECTS

- Gold mine in Russia
- Dairy plant in China
- Hydroelectric power station in Angola

B PROJECTS

- Confectionery factory in Ukraine
- Tissue plant in Abu Dhabi
- Natural gas-fired power station in Australia

WHAT IS AN A, B AND C PROJECT?

Financial institutions have a common approach to classifying projects based on potential social and environmental impacts. Projects with potentially significant negative social and/or environmental impact that are irreversible are known as A Projects.

Projects with a limited negative social and/or environmental impact are known as B Projects.

C Projects are projects with minimal or no social or environmental impacts.

4. CREDIT ASSESSMENT

5. OFFER

SEK ISSUES AN OFFER directly to the exporter, its bank or to the bank of the exporter's customer. The offer is based on a number of factors such as creditworthiness, loan period and currency. An offer is based on market interest rates if that is most advantageous or the CIRR rate set by the OECD if that is most favorable and appropriate. The CIRR system applies a fixed rate over the period of credit. The CIRR system ensures that Swedish exporters have access to financing solutions that are at least as competitive as those of their competitors.

6. AGREEMENT

THE EXPORTER or its customer accepts the terms offered.

7. PAYMENTS

PAYMENT OF THE LOAN. Payment can either be made immediately or, as happens in many cases of end-customer finance, over a period of many years. The loan and any sustainability requirements are monitored over the period of credit.

...IN COOPERATION WITH OTHERS

EXPORTER

Financing can be vital for an export deal to go ahead. Some purchasers of Swedish export products specify financing as a requirement.

BANK

The role of banks in an export transaction is to arrange financing and to manage the documentation process, negotiate and handle administration. The bank turns to SEK and EKn for export credits when SEK's and EKN's offering is more attractive than the capital market or banks' own balance sheet; for example, when the transaction is large, in difficult market conditions or when the loan needs to be long-term.

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. 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. It can also co-arrange financing. SEK acts a complement to the banking market and operates on commercial terms.

THE CIRR SYSTEM

SEK offers financing of export credits at both the Commercial Interest Reference Rate (CIRR) and at floating market rates. CIRRs allow exporters' customers to be offered financing at a fixed rate of interest. CIRRs are set on the 15th of each month by those countries that offer CIRRs. The interest rates are published by the OECD and on SEK's website.

Export credits and CIRRs are governed by the OECD Consensus on Export Credits, which applies common guidelines to prevent individual countries providing inappropriate support for their export industry. The CIRR system is also supported by EU regulation and Swedish national rules.

In Sweden, SEK manages the state-supported CIRR system on behalf of the Swedish government. In simple terms, this means that an exporter can offer its customer a fixed interest rate (a CIRR), which is valid for four months, in order to sign a commercial contract. Once this is signed, the borrower (the exporter's customer) has a further six months within which to sign a loan agreement. It is an advantage for the exporter and the exporter's customer to know what the financing cost will be. If market rates rise during the negotiating period, the CIRR offering may become very attractive and provide exporters with additional help in winning an export order. If rates fall, however, the exporter's customer will instead opt for financing at the market rate, but it will have benefitted from an interest rate ceiling free of charge during the negotiating period, which can extend over a long time in these types of transactions. In addition to the CIRR itself, the financing cost includes EKN's premium and the banks' margin and fees.

SEK's administration of the CIRR system has generated a surplus of approximately Skr 2.7 billion for the Swedish government since 1990.

SEK'S STRATEGIES AND TARGETS

BUSINESS CONCEPT AND MISSION

SEK's mission is to ensure access to sustainable financial solutions for the Swedish export industry on commercial terms. SEK's aim is to provide an advantage and security for our clients through our complementary role to banks and in partnership with other institutions. SEK can assist companies and their customers with financing if there is a Swedish interest and a link to exports, provided that the transaction takes place on commercial terms and is financially attractive.

CLIENTS AND COMPETITORS

SEK's clients principally consist of Sweden's largest exporters, and the potential clients that SEK is building relationships with are those companies with exports over Skr 100 million. We also assist small and medium-sized companies, but this is done indirectly in cooperation with other financial organizations such as Almi and banks. SEK has a complementary role to the banks and we endeavor to work together with other institutions.

BUSINESS TARGETS

TARGETS	STRATEGIES	ACHIEVEMENT OF TARGETS
Increase overall benefit to clients	Develop our client offering in close dialogue with companies and Swedish, international, regional and local banks. We currently have a relationship with the majority of Sweden's largest exporters. Our ambition is to gain more clients and have a relationship with all Sweden-based companies with significant exports.	We generate considerable advantages for clients through high new lending, strong customer satisfaction, new clients and client relationships. However, we did not fully achieve our target for the number of new clients in 2013.
Ensure financial results	By increasing overall client benefit and organizational efficiency, SEK aims to generate financial results that ensure stable earnings and profitability over time.	In 2013, SEK came close to achieving or fully achieved the targets set by the Annual General Meeting. The profitability target measured as the return on equity should correspond to the risk-free interest rate plus 5.0 percent over time. The target for 2013 corresponded to 8.3 percent. The result achieved was 7.4 percent. The capital target is for a Core Tier-1 capital ratio of 16 percent, and no less than 12 percent. This ratio was 19.5 percent at the end of 2013. The Board of Directors has proposed a dividend of Skr 327 million, corresponding to 30 percent of net profit after tax, which meets the target set.
Ensure organizational efficiency	Continue to make the business more efficient through good cost control.	SEK successfully reduced costs in 2013. We continue to have satisfied and motivated staff.
Encourage sustainable business in our lending	A quality-assured method for assessing sustainability risks in lending.	In 2013 SEK developed its activities to ensure that our financing leads to sustainable business.

SUSTAINABILITY

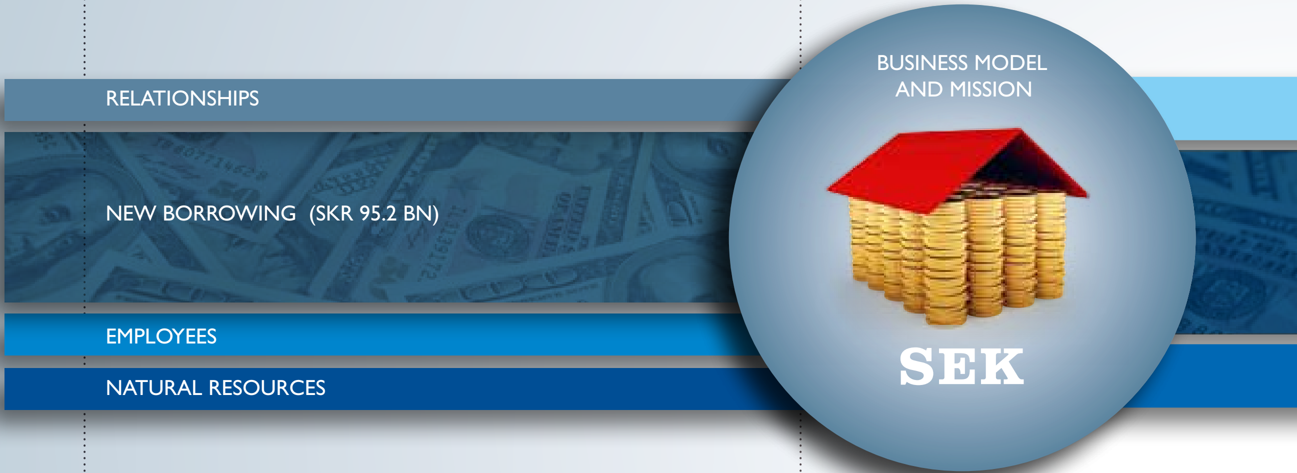
FOCUS AREA	IMPLICATIONS	STRATEGY
Sustainable financing	We have a duty to conduct a review when lending to exporters and their customers.	Training in sustainable financing. A quality-assured method for assessing social and environmental risks in lending.
Business ethics	We have a responsibility to operate in an ethical way and to stipulate the same requirements for our suppliers and counterparties.	Training in anti-corruption measures and SEK's code of conduct. Anti-corruption program.
Equality and diversity	We have a responsibility to create a workplace where equality and diversity are natural elements.	We recruit based on skills requirements and diversity. Diversity is also sought when appointing managers and committee members. Diversity should reflect Swedish society based on the requirements for SEK's business model.

HOW SEK CREATES VALUE

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

CAPITAL AND RESOURCES

SEK



RELATIONSHIPS
A close and open relationship with exporters is vital for us to understand their needs. Our close partnerships with Swedish and international banks help us arrange both our funding and lending.

NEW BORROWING
We borrow capital in different parts of the world. We structure our funding so it meets investors' needs.

EMPLOYEES
We are dependent on staff with expertise in financing and sustainable business. Many of our employees have a foreign background, which is an advantage in working with international transactions. SEK staff are located in Stockholm and Singapore and they travel around the world. The office in Singapore was established five years ago and is an integral part of lending and funding operations.

NATURAL RESOURCES
CO_2 emissions are generated by travel and from our offices. Commercial operations have a relatively small impact.

SEK'S BUSINESS
SEK arranges financing for exporters (corporate lending) and exporters' customers (end-customer finance). SEK does not assume any refinancing risk. Funds that are not used immediately for lending are retained in the form of liquidity investments. Our operational guidelines govern whether SEK can undertake a transaction (see page 21).

DIRECT EFFECTS

INDIRECT EFFECTS

DIVIDEND

SEK's dividend policy stipulates that its ordinary dividend should amount to 30 percent of net profit for the year after tax.

NEW LENDING

We lend money to exporters' customers in different parts of the world, directly to exporters in Sweden and to Swedish subsidiaries around the world.

CO_2

The climate impact of the CO_2 generated from SEK's own operations is offset.

INDIRECT EFFECTS IN SWEDEN

Swedish exports create thousands of job opportunities and account for about half of the country's GDP. SEK contributes indirectly to numerous export sales through its lending.

INDIRECT EFFECTS INTERNATIONALLY

Together with exporters, SEK can have an influence on opportunities for sustainable development in the world. We set requirements for social and environmental risks to be managed in conjunction with our lending and we aim to be instrumental in promoting Swedish environmental technology (or "cleantech") around the world.

OUR CALCULATIONS

The indirect impact of our new lending on GDP and employment is calculated using multipliers developed by Statistics Sweden at sector level in accordance with Swedish SNI industrial classification 2007. This model calculates the Swedish content of an export order or an investment. SEK funds many different types of transactions in numerous kinds of arrangements and not all of these transactions necessarily fit this model precisely. These calculations can therefore only be made at a general level and the results should be interpreted with caution. Find out more at www.sek.se.

OUR STAKEHOLDERS

SEK's operations and the businesses we finance have an impact on people, companies, societies and the environment. This section sets out the expectations that our stakeholders have of SEK and the most significant challenges and risks that we face.

DIALOGUE WITH STAKEHOLDERS

Dialogue and cooperation are important tools in gaining the support of our stakeholders. SEK defines its stakeholders as those groups that have an impact on or may be impacted by SEK's activities, products or services. Dialogue with stakeholders helps us understand the expectations placed on us and identify the right priorities in our work.

Dialogue takes place in the form of formal meetings, ongoing client relationships, questionnaires, client and employee surveys, roundtable discussions, feedback via reports and contact with the media and media coverage. The table on the next page lists those issues that we feel are important for each stakeholder group.

MATERIALITY ANALYSIS HELPS US PRIORITIZE ISSUES

Materiality analysis is a tool for identifying those issues that are central to SEK's business operations and to our stakeholders. This analysis enables us to identify issues within the areas of the economy, environment and social responsibility that require management and governance.

Materiality analysis is a dynamic process that develops each year and comprises a weighted assessment of aspects highlighted by our stakeholders and the company's own management.

The following factors are important in identifying key areas:

- SEK's mission
- International guidelines and agreements
- Overall issues raised by SEK's stakeholders
- Regulations
- SEK's ability to bring its influence to bear
- Common practice by similar organizations

Stakeholders in SEK are welcome to submit their views on our sustainability work (see contact information on the back of the Annual Report).

AREAS OF PRIORITY

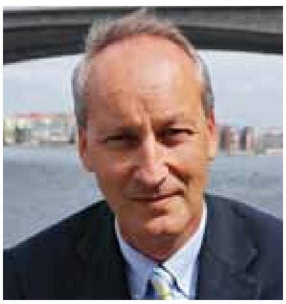
To fulfil our mission and meet the expectations of our stakeholders, the following areas are prioritized:

- High creditworthiness
- New lending capacity
- Sustainable business requirements

EXPECTATIONS OF SEK

“SEK and EKN are important elements in our operating environment for us to achieve sales. We expect SEK to continue developing innovative structures that help Ericsson win orders in competition with other suppliers.

Jan Frykhammar, CFO, Ericsson



“We read every day about the environmental challenges faced by China. Swedish environmental technology is generating a lot of interest. A Swedish-Chinese project finance framework would create opportunities for sales to Chinese municipalities and companies.

Jonas Törnblom, Chairman
Sweden China Greentech Alliance

SEK'S DIALOGUE WITH STAKEHOLDERS

STAKEHOLDER	EXPECTATIONS	DIALOGUE
Owner/state	• Benefit to Swedish exporters • Financial return • Sustainable business • Contribution to government environmental strategy	• Owner's directive • Individual meetings • Roundtable discussions • Annual general meeting • Network meetings
Exporters and bank counterparties	• Long-term financing • Financing in local currencies • Clear and realistic sustainability requirements • Coordination with EKN, the Swedish Export Credits Guarantee Board	• Individual meetings • Roundtable discussions • Client survey
Civil society	• Proactive anti-corruption measures • Consideration of work conditions, human rights and the environment in lending • Transparency	• Individual meetings • Roundtable discussions • Questionnaires • Reports
Investors	• Creditworthiness • Transparency and business ethics	• Individual meetings • Reports • Questionnaires
Employees	• Environmentally conscious workplace • An efficient organization	• Employee survey
Media	• Openness	• Individual meetings • Media coverage

"As a state-owned company SEK has a particular responsibility. We expect an evaluation of environmental and human rights risks before every investment and transparent reporting of how those risks have been managed.

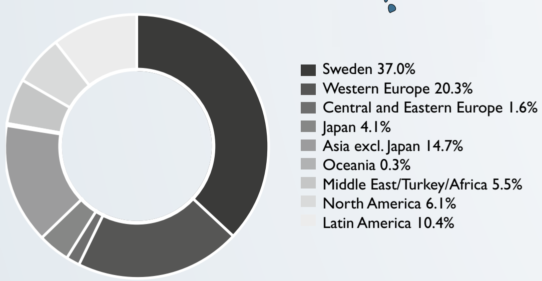
Viveka Risberg, Swedwatch

"The stable outlook on SEK reflects [...] an "extremely high" likelihood the Swedish government would provide [...] sufficient extraordinary support to SEK, if necessary. It also factors in our expectation that SEK's asset quality will remain strong and its capitalization robust."

LENDING AROUND THE WORLD

SEK lends money to exporters and their customers in many countries around the world. The countries in blue indicate where SEK provides lending. Lending consists of commitments for which money has been paid out.

SEK'S MARKETS FOR TOTAL LENDING DEC. 31, 2013



Lending

LENDING IN BRIEF

SEK offers attractive, sustainable financial solutions for the Swedish export industry. This provides Swedish exporters with competitive financing for their international transactions, either through corporate lending or end-customer finance.

HIGH NEW LENDING TO SWEDISH EXPORTERS' CUSTOMERS

In 2013, SEK experienced continued strong demand from the Swedish export sector. Total new lending amounted to Skr 55.7 billion, of which Skr 39.0 billion consisted of end-customer finance and Skr 16.7 billion was made up of corporate lending.

TRADITIONALLY, SEK IS an institution that experiences greatest demand and its largest volumes at times of financial crises when other institutions withdraw. The financial markets were volatile during the year, but economic conditions have stabilized and large companies with good credit quality had good access to other sources of finance, including the capital market. It was therefore not certain that SEK would be able to achieve high volumes, but in 2013 SEK still experienced significant demand for its services and lending volumes were high.

This high demand is due to a number of factors. First, numerous export sales are taking place that require long-term financing. SEK is involved in providing financing for many of these transactions through our complementary role to banks and our ability to offer lending in different currencies. Second, we now have many more clients. Awareness of SEK grew following the 2008 financial crisis and our number of clients has doubled since then. Third, this strong demand has also been boosted by companies' need for working capital finance, especially for companies that do not have the same access to the capital market as larger companies.

SEK will also continue to take a proactive approach and develop its products and services in order to provide the best financing solutions for Swedish companies. Increased risk capacity is one of the key factors that enables SEK to create greater opportunities to assist the Swedish export industry. SEK has therefore started using insurance companies to mitigate risk, providing more opportunities to help exporters. SEK already cooperates with local banks in Sweden, which can lend to small and medium enterprises (SMEs) that SEK does not reach. In 2013 we signed equivalent agreements with local and regional banks around the world, enabling SEK to finance Swedish export transactions via these banks. In 2013, SEK also provided working capital finance to end-customers purchasing Swedish goods and services.

SEK undertakes active sustainability measures relating to our lending to ensure that our financing goes to projects that meet international social and environmental standards.

SEK follows the precautionary principle by managing risks regarding social and environmental issues in line with the OECD's recommendations and common approaches on environmental and social considerations in officially supported credits. The risks identified by SEK are primarily in projects in countries with a particularly high risk of human rights breaches and corruption, projects in sensitive areas and projects in countries where it is difficult for exporters to access information. In 2013 we continued training SEK's transaction managers in sustainable financing methods and, where necessary, we use sustainability analysts to carry out in-depth reviews and site visits. We also set requirements in loan agreements to address any deviations from international standards.

During the year SEK launched a financing solution that benefits Swedish companies' exports to the major aircraft manufacturers Airbus and Boeing. A couple of percent of each of their planes is made up of Swedish components and services. SEK's financing of a number of entire planes so that these aircraft manufacturers purchase more components from Sweden increases the likelihood of a large number of Swedish subcontractors being able to sell their products and services to Boeing and Airbus. SEK's financing therefore indirectly benefits many SMEs that produce components for these planes.

We want to do even more for more companies and we need to constantly ensure that our products are suited to our clients' needs. SEK has already developed the ability to customize financial solutions for clients and we will be working on reaching more clients and improving our ability to manage more complex transactions and risks. This may take place, for example, through greater collaboration with banks to arrange traditional export credits and consequently share end-customer risk.

In 2013, SEK continued its focus on Customer Finance, in which each arrangement is more or less customized for each exporter. Trade Finance is also a business area that is seeing greater demand.

SEK's own Export Credit Trends Survey clearly shows that SMEs have experienced worse access to financing in the second half of 2013, especially in the banking market. However, these companies do expect access to improve. It is unclear, however, whether this is what they hope to happen or whether it is based on financing pledges they have received. SEK will continue to monitor these developments.

SEK currently has a relationship with most of Sweden's largest exporters. Our ambition is to gain more clients and have a relationship with all Sweden-based companies with significant exports.

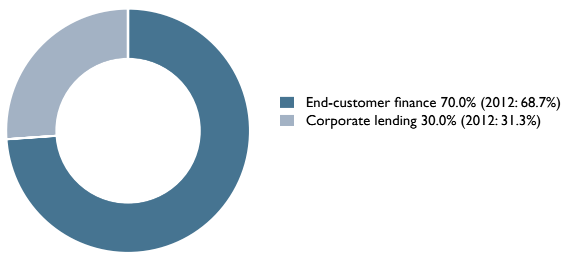
JANE LUNDGREN ERICSSON
Deputy Chief Operating Officer

"We want a close relationship with Swedish exporters so that we can offer them financial solutions. We need to be both innovative and accessible so we can customize the optimum solutions to enable Swedish companies to win orders against international competitors," says Jane Lundgren Ericsson, Deputy COO at SEK.

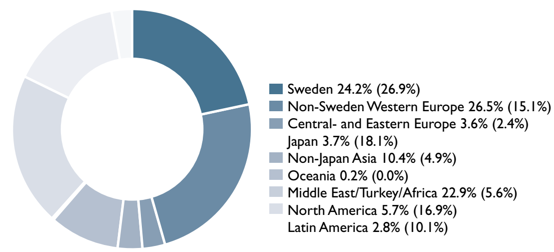
CAPACITY FOR NEW LENDING

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.

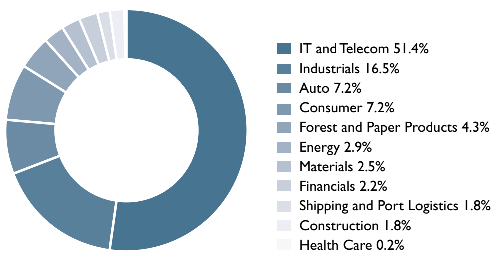
RATIO BETWEEN END-CUSTOMER FINANCE AND CORPORATE LENDING



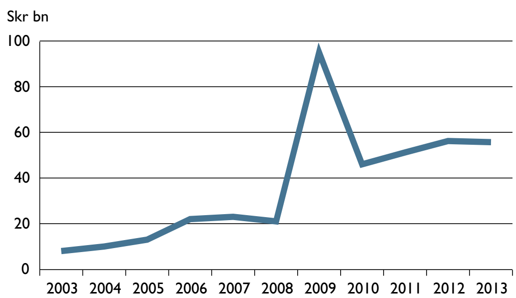
LENDING BY REGION



LENDING BY SECTOR (SKR BN)



NEW LENDING TRANSACTIONS WITH CLIENTS TO AND FOR THE SWEDISH EXPORT SECTOR



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.

PROJECT FINANCE

Project Finance is an alternative to other forms of financing for export transactions and is often an important instrument in the sale of projects with a Swedish export element. SEK may participate in a financing structure where lending takes place to a project company. The financing package often consists of financing with a guarantee from an export credit institution and commercial financing without such guarantees.

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.

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, Turkey and Malaysia.

FIND OUT MORE about Bharti on page 36

CORPORATE LENDING

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.

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.

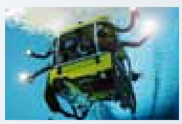
LENDING TO FINANCIAL INSTITUTIONS

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.

FIND OUT MORE about ABB Turkey on page 33.



FIND OUT MORE about Ocean Modules on page 34.

AWARDS FOR LENDING

Surgil
Oil & Gas

Eldorado
Pulp & Paper

Suzano Papel e Celulose
Pulp & Paper

IN 2013, SEK RECEIVED three awards for transactions carried out in 2012. All three deals were arranged in partnership with EKN (the Swedish Export Credits Guarantee Board) and other export credit institutions, together with a large number of commercial banks.

- The Swedish component of the financing package relates to deliveries by Metso to the Suzano Papel e Celulosa pulp mill under construction in the state of Maranhâo.
- The second financing transaction is in regard to the Eldorade Brasil Celulose pulp mill, which is being built in the state of Matto Grosso do Sul. SEK's financing relates to deliveries from the Swedish parts of Andritz, Metso Paper and Komatsu Forest Indústria e Comércio de Máquinas Florestais.
- The third distinction was awarded for the financing of the Surgil project in Uzbekistan. SEK's finance relates to deliveries from Siemens in Finspång, Sweden to this major petrochemical project. The Swedish financing amounted to USD 140 million, while the total financing package for the entire project was USD 2.5 billion. 16 financial institutions participated in what is one of the largest transactions of its kind in the world.

LOAN TO ABB IN TURKISH LIRA

IN 2013, SEK completed its first corporate loan to ABB. SEK has often funded ABB's customers in the past, but in 2013 SEK provided financing to ABB directly in Turkish lira. SEK offers lending in a broad range of local currencies, including Turkish lira.

Turkey has experienced healthy growth since 2000. With the exception of the turbulence associated with the global financial crisis, the Turkish economy has grown by 6 to 8 per cent a year during that period. The country has a great need for infrastructure investment and ABB has had a presence in Turkey for many years.

In 2013, ABB acquired the Turkish company Elbi Elektrik, which strengthened ABB's position in the Turkish low-voltage segment and broadened the company's activities.

"The corporate loan to ABB shows that our offering in local currencies is very attractive. Leading global companies such as ABB have excellent access to the capital market, but the attractiveness of SEK's offer means it is seen as an alternative for specific financing needs. This is especially true of lending in local currencies such as Turkish lira," says Angelo Morano, Director at SEK.

EXPORT LOAN TO SMALL BUSINESS BOOSTS GLOBAL EXPANSION

OCEAN MODULES SWEDEN AB is a company based in Åtvidaberg in Southern Sweden that manufactures unmanned remotely operated underwater vehicle systems. In 2006, the Australian customs authorities needed help searching for narcotics in harbors and the hulls of vessels. The assignment was given to Ocean Modules because the company's underwater vehicles specialize in inspection and precision work under water. After the vehicles had been delivered to Australia, word about Ocean Modules spread and today the vehicles are used in the oil and gas industry, defense and marine research, diving companies, the police and coastguard in 14 countries..

A few years ago, the company was granted an export loan totaling Skr 10 million. The loan has helped fund the company's international expansion, which continued in 2013.

"It would have been difficult to cope with our international expansion without the excellent support we received from ALMI and SEK via the export loan," says the company's CEO Claes Drougge.

The company's products have been used on expeditions at both the North and South Poles and have also been sold and used in Australia, Europe, Asia, Africa, Russia, the US and in the North Sea.

Customers include the US Navy, the UK Royal Navy, the South Korean Navy, the Chinese Navy, the German Marine Police, the Finnish Maritime Administration, Norwegian diving companies, Australian offshore companies, offshore companies in Nigeria, offshore companies in Russian Sakhalin, the Swedish Coastguard, the Swedish Maritime Administration and the University of Gothenburg.

The company saw a 44 per cent rise in sales between 2011 and 2012, and 2013 turned out to be a new record year.

One explanation for the recent successes is the launch of the unique and entirely new V8 M500 and V8 L3000 underwater vehicle range in 2013.

AIRLINE EMIRATES BUYS AIRBUS 380 AIRCRAFT WITH FINANCING FROM SEK

IN 2013, SEK part-financed the purchase of Airbus 380 aircraft by airline Emirates. The financing corresponded to the Swedish content of components and services provided for the planes, and was originated by Citibank. This type of financing creates job opportunities in Sweden. A Swedish Aerospace Industries' report from 2011 found that 12,000 people were employed in the aviation industry and that the major companies involved in this sector had combined annual revenues of Skr 20 billion, Skr 10 billion of which was in civil aviation. These figures are an estimate from three years ago and the aviation industry has produced a large number of new aircraft in recent years. The numbers are therefore likely to be increasing and the sector in Sweden probably now has even higher revenues and creates even more job opportunities. This underlines the importance of this industry for Sweden.

FINANCING OF BHARTI'S PURCHASE OF EQUIPMENT FROM ERICSSON

During the year SEK provided financing for Ericsson's supply of equipment to Bharti Airtel Group. Bharti Airtel Limited is a leading telecom operator with activities in 20 countries in Asia and Africa representing 26 percent of the world's population. The company is one of the world's four largest operators in terms of the number of users and is the market leader in India. It offers 2G/3G/4G networks, mobile banking solutions, high-speed DSL broadband, IPTV, DTH, corporate services including national and international long-distance services, and infrastructure services. Bharti Airtel had around 287 million customers across its business operations at year-end 2013. Bharti Airtel Limited has a market value of about Rs 1,321 billion (USD 21.3 billion) and annual revenues of around Rs 769 billion (USD 14 billion).

"We're pleased to be associated with Ericsson, SCB, EKN and SEK in the financing arrangements across multiple geographies of our operations in South Asia and Africa. This furthers our already strong relationship with these partners. We are also pleased that the unique structure of the deal reflects the strength of our credit and its appreciation and understanding by our partners," says Harjeet Kohli, Group Treasurer at Bharti Group.

India, Africa and Bangladesh are large and important markets for Ericsson. Ericsson and Bharti have a long and well-established business relationship and Ericsson has been a leading strategic partner for Bharti over nearly 20 years, supporting its outsourcing in many areas such as network equipment.

"We consider Bharti one of the most important leading companies among global players in terms of mobile broadband growth in emerging markets. Ericsson is committed to supporting Bharti in its ambition to be a leader in mobile broadband," says Head of India Region, Chris Houghton.

The transactions that SEK has been involved in regarding Ericsson's sales to Bharti in 2013 relate to loans to Bharti Airtel Ltd, India for USD 463 million, to Airtel Bangladesh Ltd, Bangladesh for USD 99 million and six export credits to Bharti Airtel Africa's subsidiaries in countries including Nigeria, Kenya and Uganda totaling USD 265 million. EKN (the Swedish Export Credits Guarantee Board) is guaranteeing 85–95 percent of these export credits, while Standard Chartered Bank (SCB) is acting as agent and lender for the majority of the transactions. SEK is financing all transactions at floating market rate and is acting as co-arranger for Bharti Airtel India.

"SEK has partnered with Standard Chartered on a number of transactions and this relationship is critical to supporting Swedish exports across markets in Asia, Africa and the Middle East. The Bharti Airtel transaction demonstrates how the relationship has evolved over the years, with SEK acting as the co-arranger for financing. We welcome this as a great step forward and look forward to undertaking many more transactions together," says Faruq Muhammad, Head of Export Finance for the Middle East and Africa at Standard Chartered Bank.

EKN's guarantees for these transactions were critical to getting the financing in place. The security structure for the African subsidiaries was innovatively crafted to ensure strong parent company support for the various subsidiaries.

"It has been a pleasure working together with Bharti, SCB, Ericsson, SEK and law firms to create this innovative structure that finally managed to satisfy all parties' demanding requirements," says Ingrid Furukvist, Senior Underwriter at EKN.

"We're really pleased about the partnership with Bharti, Ericsson, EKN and SCB and that our involvement has meant we've been able to support Ericsson's exports to a number of companies within the Bharti Group," says Maria Hultén, Transaction Manager with SEK's Export Finance unit.

SEK FINANCES MAJOR EXPANSION OF SUSTAINABLE ENERGY IN ANGOLA

In November 2012, Voith Hydro Group secured an order relating to the expansion of the Cambambe dam in Angola. Voith Hydro's contract to supply generators and turbines for a new power station is worth over EUR 100 million in total.

Voith Hydro AB in Västerås provides generators as well as the related project management and automation systems. It is one of the Nordic region's leading suppliers of hydroelectric generators and has been a jointly-owned company in the Voith Hydro Group since 2006. The company became a wholly-owned subsidiary at the start of 2013.

Financing for the project was finalized in summer 2013. SEK has financed a large proportion of the Group's deliveries for the project via an export credit guaranteed by Euler Hermes and structured by Voith Financial Services GmbH. The arranging banks were HSBC and Société Générale. The extent of the Swedish deliveries justifies financing at commercial interest reference rates.

"This is an excellent way of promoting the export of sustainable Swedish technology to Angola, which like many African countries greatly needs to expand its domestic electricity production and distribution. Just 30% of the population in Angola today have access to electricity in their homes," explained Per Edlundh, Transaction Manager with SEK's Export Finance department.

The project in Angola means that Voith Hydro will supply and install four generators and turbines, along with control systems and other related systems. The new hydroelectric power station will be built right next to the existing plant, to make use of the infrastructure that is already available. The expansion of the hydropower station will double Angola's hydroelectric capacity, helping to fulfill the country's ambition to increase the proportion of electricity produced from renewable energy sources.

"Our equipment will contribute to sustainable economic development in Angola," says Voith Hydro's President and CEO, Roland Münch.

The project is being implemented by renovating a 70 meter high hydroelectric dam on the Kwanza River, 180 km south-east of Angola's capital, Luanda. The dam was built in 1964 and is 300 metres long. Its existing power station has four turbines, which were renovated by Voith as part of phase one of the expansion project. During phase two, an additional generator hall will be built, including four turbines. In phase three, the height of the dam will be raised by 30 meters to a total of 102 meters. At this point the reservoir will cover an area of 5.5 square kilometers as opposed to the previous 1.3 square kilometers. Capacity for the four generators and turbines will total more than 700 MW.

SEK has classified the expansion as an A Project, meaning it is a project with a potentially significant environmental and/or social impact. It has therefore undergone an extensive social and environmental review. SEK has concluded that the project has a relatively small impact on the environment, as the area that will be laid under water is mostly used for fishing, water supplies, recreation, etc.

SEK's sustainability impact assessment has been supplemented with updated assessments by South African consultancy firm SRK Consulting. A group of representatives from HSBC bank, MIGA and Euler Hermes and others has examined the project on site. An Environmental and Social Action Plan (ESAP) has been drawn up containing mandatory and proposed measures to mitigate the sustainability risks associated with the project. An independent consultant will conduct annual checks to ensure that the ESAP measures are implemented and reported to the relevant financiers.

FUNDING IN BRIEF

SEK more than doubled its funding volumes in 2013. Despite turbulent conditions, SEK has good access to funding from capital markets around the world. Many investors view SEK as a safe investment option during the international financial and debt crisis that is still continuing in different parts of the world. The greater the uncertainty on the financial markets, the greater the need for reliable financing.

FUNDING VOLUMES DOUBLE IN A TURBULENT WORLD

The year 2013 has been a turbulent period on the financial markets. The spring saw dramatic developments in the US with a risk of default and signals that the Federal Reserve would stop buying bonds, which had a clear impact on the market.

"IT'S INCREASINGLY CLEAR that the US needs to be the main driver behind the global economy," says Per Åkerlind, Chief Operating Officer at SEK. "Recovery and stability are important factors now that the Federal Reserve has gradually started tapering its bond buying. At the same time, it's interesting to follow the Japanese market and the measures being taken to encourage growth."

SEK's conservative business model, which requires matching of lending and borrowing to ensure new lending capacity, means the company is less exposed to difficult market conditions than many other borrowers. Consequently, unlike other institutions, SEK is not forced to take action under pressure.

In 2013, SEK increased its funding volumes significantly to approximately USD 15 billion, compared with new funding of just over USD 6 billion in 2012. This was due in part to SEK having around double the volume of early redemptions of bonds in 2013 compared with a normal year and healthy new lending, which created a greater need for borrowing. The trend is for less complex bonds and fewer types of structuring. The volume ofstandard, or 'plain vanilla' bonds has increased in both absolute and relative terms and was larger than structured borrowing. This trend is likely to continue in 2014. This is partly due to SEK having been able to issue plain vanilla bonds on the retail market at competitive levels compared with structured borrowing over an equivalent maturity.

Structured funding increased in terms of actual numbers in 2013, but it decreased as a percentage of total borrowing during the year, owing mainly to large volumes of early redemptions.

The largest proportion of structured bonds purchased by institutional investors in 2013 consisted of interest-rate linked bonds.

In 2014 we will be focusing on increasing structured borrowing in order to ensure diversified funding and to reduce borrowing costs.

In the autumn we carried out an early redemption of a subordinated debt, which is gradually being phased out as Tier-1 capital, and in connection with this we issued new subordinated debt. This was a new 10-year (Tier-2 dollar) bond for USD 250 million on better terms, with an early redemption option after five years. This capital qualifies as Tier-2 capital (supplementary capital).

Our funding in 2013 was well diversified across different geographic markets. Overall the European capital market accounted for approximately 36 percent of total funding, while North America accounted for around 29 percent.

"The situation in Europe has stabilized over the past year and conditions in the US are looking slightly more encouraging," says Petra Mellor, Trader with SEK's Treasury department. "Investors in Europe were the largest purchasers of our bonds during the year, followed by US investors. It was more cost-effective in 2013 to borrow in euros again compared with recent years. This resulted in SEK issuing a euro-denominated benchmark bond in November for EUR 1 billion for the first time since spring 2009."

There is demand from the Swedish export industry for currencies other than traditional euros and dollars. For instance, SEK's staff in Singapore gave a talk at Euromoney's first forum in Taipei, Taiwan. The forum was on borrowing in Chinese renminbi (RM) outside mainland China. There is great interest in the RMB in Taiwan and over 900 people attended the event. SEK has issued bonds in US dollars for a long time mainly to life insurance companies in Taiwan, but interest is now growing in RMB investments. The interest in other currencies than US dollars and euros is of course reflected in our funding. In 2013 we issued bonds in 14 different currencies. We issue bonds both under local legislation, which are sold to local investors, and we also sell these bonds to an international investor base that is interested in investing in local currencies around the world. SEK's strategy is to borrow on the most favorable terms, irrespective of where in the world this might be and to also be active in many different markets.

"It's a sign of SEK's strength that we more than doubled our funding volume in 2013 compared with the previous year without paying higher margins and while facing increased requirements from the regulations that are gradually being introduced," says Erik Hådén, Head of Treasury at SEK.

SEK's funding operations are based on partnerships with banks, which often support SEK by arranging funding transactions. SEK has clear rules for its employees to ensure they do not accept improper benefits from counterparties in, for example, funding transactions. SEK's executive management has made a clear statement against all forms of corruption and bribery by establishing a code of conduct for employees and suppliers. In 2013, 94 percent of SEK's employees (including executive management) underwent training in the code of conduct. Sanctions apply to employees and suppliers that fail to comply with the code.

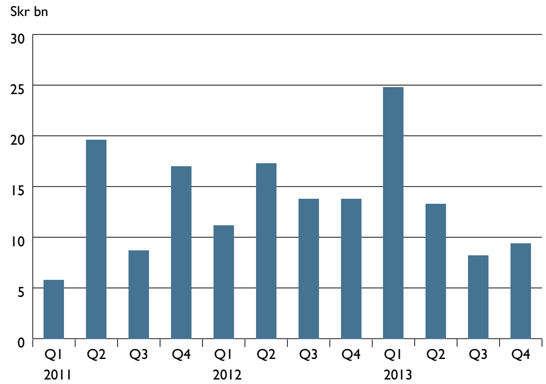
"It's increasingly clear that the US needs to be the main driver behind the global economy."

PER ÅKERLIND
Chief Operating Officer

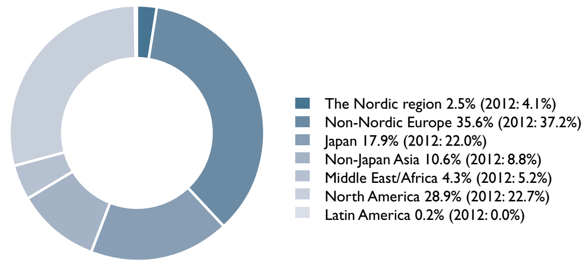
"The situation in Europe has stabilized over the past year and conditions in the US are looking slightly more encouraging."

PETRA MELLOR
Trader

NEW BORROWING PER QUARTER



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 diversifies its 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 bonds or private placements. Retail bond issues are sold to investors all over the world. Private placements are issues tailored to an individual investor or small groups 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 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 is not an institution that earns money by borrowing short-term and then lending long-term. 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 distinguishes SEK from other institutions that may earn money on long-term lending while funding this with short-term borrowing.

WINNER

SSA Issuer of the Decade

EUROWEEK BOND AWARDS

Most impressive sovereign, supranational or agency borrower 2013

Most impressive MTN borrower 2013

2013 AWARDS FOR FUNDING

SEK is known for being a flexible borrower and won a number of international distinctions for its funding activities in 2013.

EXAMPLES OF FUNDING TRANSACTIONS

SEK carried out four benchmark transactions in 2013: a five-year dollar-denominated bond totaling USD 1.3 billion, a three-year dollar bond for USD 1.25 billion, a two-year dollar bond for USD 1.25 billion and a five-year euro bond for EUR 1 billion. We have also been active in the British sterling market again, issuing GBP 250 million maturing in December 2015, and extended our bond maturing in December 2016 by GBP 175 million, bringing the total outstanding volume of this bond to GBP 500 million.

THE ENVIRONMENT

Our own environmental impact comprises the emissions generated from our business travel, energy consumption at our office premises where we work and the requirements we set for our purchasing.

ENVIRONMENTAL CHOICES FOR BUSINESS TRAVEL

SEK endeavors to minimize the environmental impact when selecting the mode of transport. If possible, meetings and travel should be coordinated with colleagues. For travel within Sweden, travel by train should take priority over flights where possible. When booking flights, carbon dioxide offset should be chosen where possible. Airlines with new fleets should be chosen in preference to companies with older aircraft as these have lower emissions. The location of our offices close to Stockholm Central Station provides for efficient travel to and from work.

In 2013 our business travel accounted for 85 percent (91) of SEK's total CO_2 emissions. Greenhouse emissions per employee in 2013 were 2.86 tons of CO_2, a decrease of approximately 41 percent on the previous year. We offset the carbon dioxide emissions that we have not yet been able to eliminate by investing in clean development mechanism (CDM) projects.

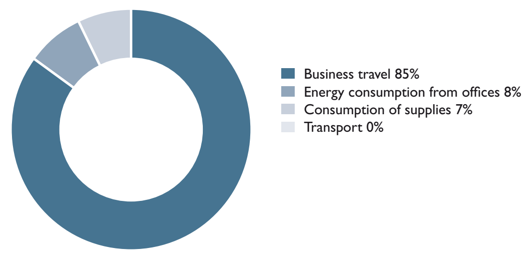
OPERATING IN ENERGY-EFFICIENT OFFICES

SEK's offices are located in Waterfront Building, a property known internationally for its environmental credentials. It is one of the most energy-efficient buildings in Sweden and is both LEED-certified and BREEAM-certified. In 2012, the Waterfront project received the LEED Gold distinction. In 2013, SEK undertook an initiative to improve sorting at source of recyclables in the building.

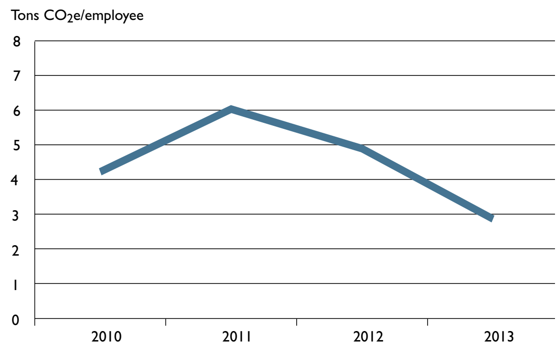
ENVIRONMENTAL PROCUREMENT

When procuring goods and services from various suppliers, SEK takes into account factors that affect the environment and health and safety. Insofar as possible, environmentally labeled goods should be purchased.

EMISSIONS IN 2013 BY AREA (TONS OF CO_2E)



EMISSIONS PER EMPLOYEE



Carbon offset
In 2013, to offset carbon emissions we invested in the Amayo wind farm in Nicaragua.

THE ENVIRONMENT	2013	2012	2011
Total carbon dioxide emissions (tons)	658	1,052	1,308
… of which business travel	558	953	1,097
… of which business travel < 500 km	19	37	37
… of which energy	54	55	167
Carbon dioxide emissions per full-time position (tons of CO_2e)	2.86	4.89	6.03
Total direct and indirect greenhouse gas emissions (tons of CO_2e)	71	84	179
Other relevant indirect greenhouse gas emissions (tons of CO_2e)	587	998	1,129

EMPLOYEES

THE OPPORTUNITY TO work with Sweden's export industry and international transactions is highly valued and SEK offers employees stimulating work duties throughout the entire business process.

For us to achieve our vision and goals it is essential that we have a workplace in which a variety of skills come together in an effective partnership. We endeavor to achieve diversity and equality within SEK as we believe it benefits clients if our employees enjoy their work and have opportunities to develop professionally. A more dynamic and diverse work environment creates added value and job satisfaction for staff. Employees with a foreign background are an advantage when working with international transactions. Of SEK's current employees, 29 percent state that they have a foreign background. SEK's goal is to maintain a minimum level of 25 percent.

There is a broad age range in the company and even gender distribution in both management positions and the company as a whole. See also key data on page 46. Recruitment, both internally and externally, is based around a set of skill requirements for the area of responsibility in question, while equality and diversity are also taken into consideration.

"Many aspects need to be considered during the recruitment process," explains SEK's Chief Human Resources Officer, Sirpa Rusanen. "We have several areas of responsibility at SEK where there is a lack of female applicants, but despite that it's good to see that we've been able to recruit both women and men with the skills we need."

It is important that staff enjoy their jobs and that the company develops as a whole, along with its staff and managers. 2013 saw a recruitment freeze in the latter part of the year and a greater focus on cost effectiveness, both of which have contributed to a greater emphasis on development within the company itself and on the transfer of skills. A total of 16 people were recruited internally during the year. Many regulations within the financial sector are placing stringent requirements on the organization and staff, but are also creating opportunities for professional development. Furthermore, we occasionally have the opportunity to arrange temporary development programs at our partners. For example in the autumn, Martina Åstrand, Sustainability Analyst at SEK, had the chance to take on different duties with the Asian Development Bank (ADB) in Manila.

"My assignment at ADB involved working on the development of ADB's cooperation with the private sector, as a complement to the bank's traditional operations, to meet development targets," says Martina Åstrand. "Having the opportunity to develop through an exchange such as this has been important for my work at SEK."

Our 2013 employee survey reveals that management performance has once again improved from an already high level. Organizational efficiency has also shown a marked gain. Greater cooperation between the various units and skills development programs to meet future financial market requirements are areas that we intend to focus on in particular in 2014. See also key data on page 46.

Levels of absence at SEK due to sickness remain low. Our strategy is to identify as soon as possible those staff that require support. SEK offers its employees various forms of fitness activities, with our own gym being a particularly popular option.

"SEK's gym enables me to achieve a balance between family life, work and exercise. A morning session at the gym boosts my energy levels for the rest of the day," says Ingrid Holkedal of SEK's Market Risk Control unit.

In summer 2010 SEK teamed up with EKN, Business Sweden, Swedfund and Almi in a joint project with Jönköping International Business School (JIBS). The purpose of the project is to strengthen contact between the academic world and the business sector. In spring 2013, four Master's students at JIBS were presented with the Expanding Markets Award for developing the best export and marketing plan for a Swedish company.

EQUALITY AND DIVERSITY

SEK CELEBRATES DIFFERENCE and endeavors to achieve diversity within the company. We wish to highlight this fact and SEK believes the company benefits from staff that can contribute a variety of skills, experience, approaches and knowledge. It is important that we are an attractive workplace that can recruit, retain and develop skills that are vital to our business and in order to achieve our objectives. Our core values form the basis for this – Respect, Dialogue, Drive and Professionalism. Our Equality Plan and our Action Plan for Diversity are tools that help ensure we treat staff, clients and cooperation partners in a way that leads to long-term success.

WORK ENVIRONMENT

The objective for SEK's work environment is to create a secure, modern and stimulating workplace that is well adapted to our business and that promotes efficiency and cooperation, as well as respect for the individual, constructive dialogue, professionalism and drive. Our instruction regarding SEK's work environment sets out SEK's definition of a good work environment and details of who is responsible for certain work environment aspects within the organization.

CODE OF CONDUCT

SEK's code of conduct was established in 2013 and sets out guiding principles and rules for ethical behavior both within the company and in relation to our external suppliers and the public. SEK's code of conduct forms the basis for all internal rules within the company.

SEK has high standards within the company with regard to social and environmental issues and business ethics, helping us create added value and manage risks. This has a positive impact on business operations, which in turn benefits Swedish society.

"It's a big deal and a little overwhelming to be voted for by my colleagues. I really appreciate the award and feel very proud. I'm hoping to use the grant for some sort of cookery course."

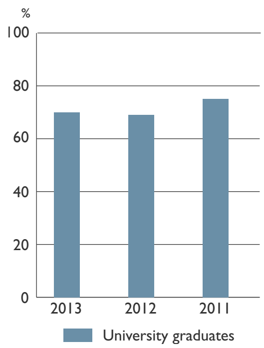
Owen Taylor, SEK Employee of the Year

HR TARGETS*

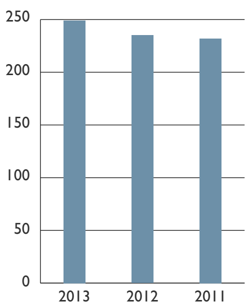
	2012 Results	2013 Results	2014 Targets
Motivation	75	74	>80
Cooperation	75	77	>80
Leadership	73	77	80

* HR targets are measured by an annual employee survey. Continual development of managers combined with a clear organizational structure and constant improvement in our processes, based on the Lean approach, leads to effective cooperation, which strengthens motivation within the company.

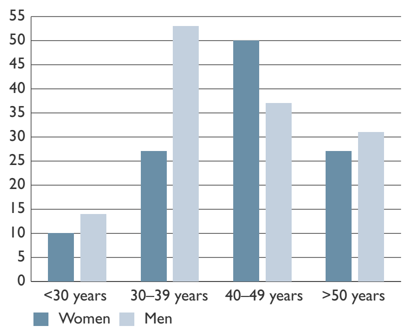
LEVEL OF EDUCATION

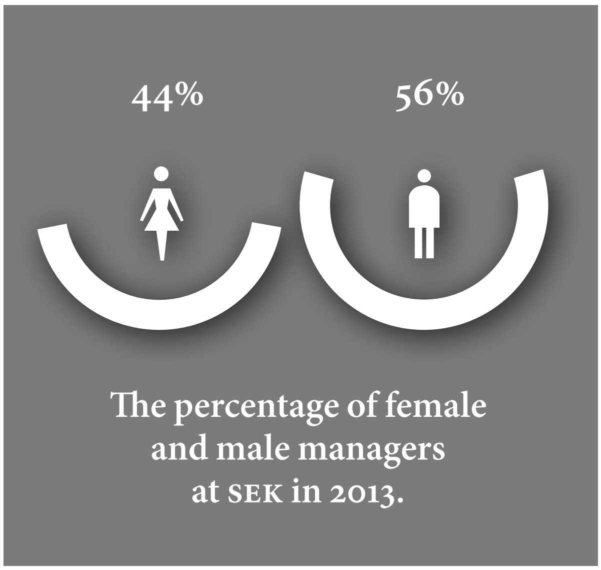


NUMBER OF EMPLOYEES



BREAKDOWN BY AGE AND GENDER (NUMBER OF EMPLOYEES)





	2013	2012	2011
Total number of employees (employees who have not yet started are not included)	249	235	232
Of which managers	43	43	42
Of which non-management	206	192	190
Of which permanent employees	240	228	219
Of which temporary employees	9	7	13
Of which full-time employees (full-time employees refers to the level of employment to which the employee is entitled to work)	244	227	225
Of which part-time employees (refers to contracts drawn up for a level of employment of less than 100 percent)	5	8	7
Of which in Sweden	247	233	231
Of which in Singapore	2		
Number of employees who left employment, Note 5	16	16	22
Of which women	5	8	5
Of which men	11	8	17
Of which under the age of 30	1	1	3
Of which aged 30–50	13	9	16
Of which over the age of 50	2	6	3
Of which in Sweden	16		
Percentage of employees who had a performance review (percent)	93	87	92
Average number of training days per employee (all employees are office workers)	2.0	4.5	5.5

REPORT OF THE DIRECTORS[1]

BUSINESS ACTIVITIES

SEK's new lending to Swedish exporters and their customers in 2013 amounted to Skr 55.7 billion (2012: Skr 56.2 billion). End-customer finance amounted to Skr 39.0 billion (2012: Skr 38.6 billion) and the total volume of corporate lending was Skr 16.7 billion (2012: Skr 17.6 billion).

There are a number of factors for these relatively high volumes. First, many buyers of Swedish exporters' products have a significant need to secure financing. Second, there is growing demand for end-customer finance, with buyers being offered the opportunity to have their purchase financed in one of the local currencies offered by SEK. Third, we believe that companies' need to finance working capital has increased. Capital market performance remains positive, but it primarily benefits the largest companies with the highest credit ratings that have access to this market.

Numerous relatively complex transactions continued throughout the year in partnership with banks. SEK is taking a role in the structuring and documentation of transactions and is contributing its in-depth knowledge of the Swedish export credit system. Cooperation agreements were concluded in 2013 with a number of banks with a presence in markets where SEK is not represented. These agreements are aimed at on-lending to Swedish exporters.

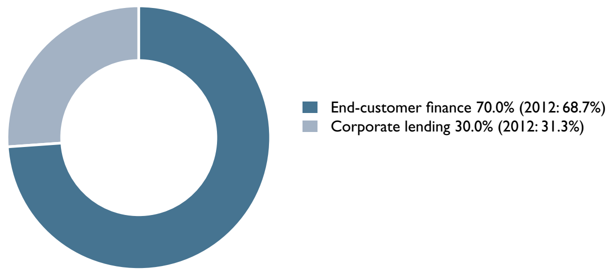
The total volume of outstanding and agreed but undisbursed credits amounted to Skr 222.0 billion at the end of 2013,

NEW CUSTOMER FINANCING

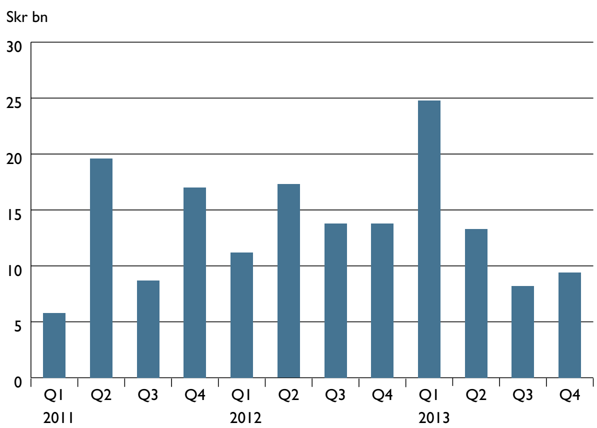
Skr bn	January–December 2013	January–December 2012
Customer financing of which:		
End-customer finance	39.0	38.6
Corporate lending	16.7	17.6
Total [1]	55.7	56.2

[1] Of which Skr 12.1 billion (2012: Skr 7.5 billion) had not been disbursed at the end of the period.

NEW CUSTOMER FINANCING BY SECTOR

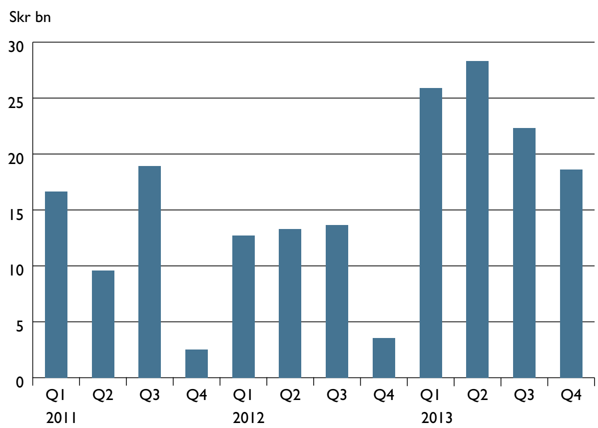


NEW CUSTOMER FINANCING



NEW BORROWING

Long-term borrowing



[1] All amounts in this Report of the Directors relate to the Consolidated Group, unless otherwise stated (see Note 1). As of December 31, 2013 the Consolidated Group comprises SEK and its wholly owned subsidiaries AB SEK Securities 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 and Capital Management section of the Annual Report is an integral part of the Report of the Directors (see pages 59–85).

compared with Skr 218.8 billion at the end of 2012. The total volume of outstanding offers for export credits amounted to Skr 65.5 billion at year-end, an increase of Skr 6.0 billion at the end of 2012.

SEK increased its funding volumes significantly in 2013 compared with the previous year, to an equivalent of Skr 95.2 billion (2012: Skr 43.2 billion). This was due in part to SEK having around double the volume of early redemptions of bonds in 2013 compared with a normal year and new lending being healthy. In the autumn SEK's previous subordinated debt amounting to USD 350 million was redeemed early and in connection with this a new 10-year Tier-2 US dollar-denominated bond was issued for USD 250 million with an early redemption option after five years.

In November SEK issued a large transaction (benchmark) amounting to EUR 1 billion for the first time since spring 2009. The structured market has remained strategically important for SEK. In 2013 SEK took on more structured debt than in 2012.

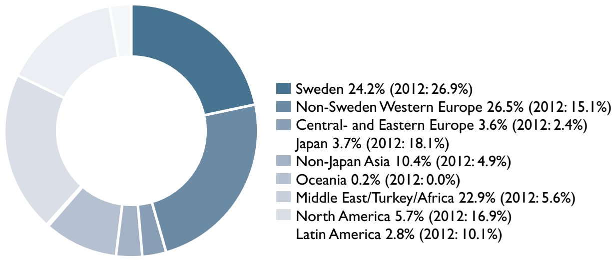
FACTORS THAT AFFECT SEK'S TOTAL COMPREHENSIVE INCOME

Substantially all of SEK's operating profit derives from the net interest revenues earned mainly on loans to customers as well as on liquidity placements. Funding for these assets comes from equity and from securities issued on international capital markets. Accordingly, key determinants of SEK's operating profit are: the spread, or percentage difference, between the interest income earned on its debt-financed assets and the cost of such debt; the outstanding volume of loans and liquidity placements; and the relative proportions of its assets funded by debt and equity.

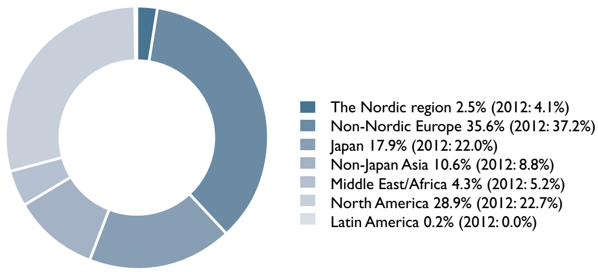
SEK issues debt instruments with terms that may be fixed, floating, or linked to various indexes. SEK's strategy is to economically hedge these terms at floating rates with the aim of matching the terms of its debt-financed assets. The quality of SEK's operating profit, its relatively stable credit ratings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

In addition to net interest revenues, another key influence on SEK's operating earnings has been changes in the fair value of certain assets, liabilities and derivatives reported at fair value. The factors that mainly 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 in the nominal interest rate between two currencies in a currency interest rate swap that depends on the difference in the base interest rate of the currencies.

SEK'S MARKETS FOR NEW LENDING IN 2013



SEK'S NEW FUNDING MARKETS 2013



In addition, during individual years following the financial crisis of 2008, gains 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 profit.

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

JANUARY–DECEMBER 2013

OPERATING PROFIT

Operating profit amounted to Skr 1,408.1 million (2012: Skr 824.4 million), an increase of 70.8 percent compared to the previous year. The increase was mainly attributable to net results of financial transactions, which amounted to Skr 408.4 million (2012: Skr –507.7 million), which has partly been offset by a decrease in net interest revenues. Net results of financial transactions for 2013 includes a gain amounting to Skr 374.8 million due to the repurchase of our subordinated debt.

NET INTEREST REVENUES

Net interest revenues amounted to Skr 1,554.8 million (2012: Skr 1,879.9 million), a decrease of 17.3 percent compared to the previous year. The decrease was mainly attributable to higher funding costs related to a large proportion of structured borrowing that was redeemed early. This structured borrowing has mainly been replaced with plain vanilla borrowings, which lead to higher funding costs. During the year, the margins in the liquidity portfolio decreased due to the new regulations requiring a higher proportion to be invested in securities with short maturities and high marketability, compared with SEK's previous strategy of matching its liquidity investments with liquidity needs. The resulting decrease in net interest revenues was partly offset by the positive impact of higher volumes of lending.

The average margin on debt-financed interest-bearing assets amounted to 45 basis points per annum (2012: 57 basis points), a decrease in absolute terms of 12 basis points, or in relative terms of 21.1 percent compared to the previous year.

Debt-financed interest-bearing assets decreased marginally and amounted on average to Skr 256.2 billion (2012: Skr 257.0 billion). The distribution of lending and liquidity placements has changed compared to the previous year. The volume of liquidity placements have decreased compared to 2012 while the lending volumes have increased.

COMMISSION EARNED AND COMMISSION INCURRED

Commission earned amounted to Skr 8.7 million (2012: Skr 11.1 million). Commission incurred amounted to Skr –13.8 million (2012: Skr –10.9 million). The decrease in commission earned was due to advisory services being phased out in 2013. The increase in commission incurred was mainly due to higher bank charges.

NET RESULTS OF FINANCIAL TRANSACTIONS

The net result of financial transactions for 2013 amounted to Skr 408.4 million (2012: Skr –507.7 million).

–Realized net results of financial transactions

Realized net results of financial transactions amounted to Skr 668.9 million (2012: Skr 644.0 million), an increase of 3.9 percent compared to the previous year. The increase was mainly attributable to gains from SEK's repurchase of its subordinated debt and the closing of related hedging instruments. The net result in operating profit due to this transaction amounted to Skr 374.8 million, of which Skr 571.7 million was realized and Skr –196.9 million was unrealized. In the previous year recognized realized gains amounted to Skr 644.0 million, of which Skr 323.5 million was realized when a few large interest rate and currency derivatives were closed out. Realized result attributable to debt redemption, excluding the repurchase of subordinated debt, decreased to Skr 94.3 million from Skr 303.2 million in the previous year due to less favorable margins at redemption.

–Unrealized net results of financial transactions

Unrealized net results of financial transactions amounted to Skr –260.5 million (2012: Skr –1,151.7 million).The negative unrealized change in fair value for the year was mainly attributable to the reversal of an unrealized gain as a result of the early redemption of subordinated debt (as described in the preceding paragraph), which amounted to Skr –196.9 million. The negative change in fair value for the previous year was mainly attributable to changes in credit spreads on SEK's own debt. The change last year was also attributable to a reversal of an unrealized gain of Skr –353.6 million due to the closing out of a few large interest rate and currency derivatives.

OTHER OPERATING INCOME

Other operating income amounted to Skr 0.0 million (2012: Skr 19.9 million). The result in the previous year mainly consisted of recovered costs for the arbitration proceedings from a dispute with Sparbanksstiftelsernas Förvaltnings AB (SFAB), which was concluded in SEK's favor and cannot be appealed.

ADMINISTRATIVE EXPENSES

Administrative expenses (which includes personnel expenses, other expenses and depreciations) totaled Skr –511.3 million (2012: Skr –544.5 million), a decrease of 6.1 percent. This was mainly due to a decrease in other expenses.

–Personnel expenses

Personnel expenses totaled Skr –290.1 million (2012: Skr –292.2 million), a decrease of 0.7 percent compared to the previous year. The decrease in personnel expenses was due to no outcome in the general personnel incentive system (2012: Skr –27.5 million). The outcome of the general personnel incentive system is based on net interest revenues and net commissions less costs, and may not exceed two months' salary. The amount to be paid decreases if risk-weighted assets exceed intended levels for the year. Executive Directors are not covered by the incentive system. Personnel expenses excluding the effects of incentive system increased by 9.6 percent, mainly due to severance to the President, salary adjustments and personnel reinforcements to replace external consultants.

Peter Yngwe will leave his position as President as of April 28, 2014 at the time of SEK's Annual General Meeting in accordance with the Board of Director's decision. Peter Yngwe will receive a severance in accordance with the state's guidelines for senior executives, corresponding to 18 months' salary that has been expensed in 2013 and amounted to Skr 8.4 million, including employer contributions. Severance pay is paid monthly and a deduction is made in the event of other income. Catrin Fransson will start her employment with SEK on April 1, 2014 for SEK introduction. She will assume her position as President in conjunction with SEK's Annual General Meeting on April 28, 2014. Catrin Fransson's terms of employment follow state guidelines for senior executives.

–Other expenses

Other expenses amounted to Skr –185.4 million (2012: Skr –232.8 million), a decrease of 20.4 percent compared to the previous year. The decrease in other expenses is mainly due to cost-reducing actions that have been made through the reduction of the number of consultants and their replacement with employed staff.

–Depreciation of non-financial assets

Depreciation totaled Skr –35.8 million (2012: Skr –19.5 million), an increase of 83.6 percent. The increase was mainly due to increased depreciation related to IT development-projects.

NET CREDIT LOSSES

Net credit losses for 2013 amounted to Skr –38.7 million (2012: Skr –23.4 million) an increase of 65.4 percent. During 2013 an additional provision of Skr –10.0 million was made to the portfolio based reserve (i.e. the reserve not attributable to a specific counterparty) (2012: Skr –40.0 million). After the provision the reserve amounts to Skr 210.0 million (2012: Skr 200.0 million). Provisions for credit losses are attributable to anticipated losses.

TAXES

Taxes amounted to Skr –318.0 million (2012: Skr –115.6 million), of which Skr –278.1 million (2012: Skr –216.0 million) consisted of current tax and Skr –39.9 million (2012: Skr 102.1 million) consisted of deferred tax (see Note 10). The effective tax rate is 22.6 percent (2012: 14.0 percent), while the nominal tax rate for 2013 was 22.0 percent (2012: 26.3 percent). The low effective tax rate in 2012 was due to a positive effect amounting to Skr 116.4 million caused by lower corporate tax as of January 1, 2013.

NET PROFIT AFTER TAX

Net profit after tax for the year amounted to Skr 1,090.1 million (2012: Skr 708.8 million).

OTHER COMPREHENSIVE INCOME

Other comprehensive income before tax amounted to Skr –342.0 million (2012: Skr 180.5 million). Skr –402.8 million (2012: Skr 175.7 million) of the total was attributable to items to be reclassified to operating profit and Skr 60.8 million (2012: Skr 4.8 million) was attributable to items not to be reclassified to operating profit.

Of items to be reclassified to operating profit, Skr 3.9 million (2012: Skr 7.5 million) was related to available-for-sale securities and Skr –406.7 million (2012: Skr 168.2 million) was due to other comprehensive income related to cash flow hedges. The changes related to cash flow hedges were mainly due to changes in interest rates and to reclassifications from other comprehensive income to net interest revenues in operating profit.

Items that will not be reclassified as operating profit were related to the revaluation of defined benefit pension plans. The positive change in value was due to the change in the discount rate used to calculate pension obligations. The discount rate is now based on market rates for Swedish mortgage bonds, as that market is regarded as sufficiently deep and well-functioning to be used for this purpose. Before this change, the discount rate was based on Swedish government bonds.

AFTER-TAX RETURN ON EQUITY

The after-tax return on equity amounted to 7.4 percent (2012: 5.0 percent). The after-tax return excluding unrealized fair-value change, amounted to 8.8 percent (2012: 9.3 percent).

STATEMENT OF FINANCIAL POSITION

TOTAL ASSETS AND LIQUIDITY PLACEMENT

SEK's total assets amounted to Skr 306.6 billion at December 31, 2013, a decrease of 2.1 percent from year-end 2012 (year-end 2012: Skr 313.1 billion). The decrease is a result of a strategic decision to match borrowing against new loans, thereby allowing a reduction in the volume of outstanding liquidity instruments.

The combined amount of loans outstanding and loans committed though not yet disbursed amounted to Skr 222.0 billion as of December 31, 2013 (year-end 2012: Skr 218.8 billion), an increase of 1.5 percent from year-end 2012. Of the total amount, Skr 201.5 billion represented outstanding loans, an increase of 4.5 percent (year-end 2012: Skr 192.9 billion). Of the total amount of outstanding loans, loans under the S-system amounted to Skr 43.2 billion (year-end 2012: Skr 39.5 billion), representing an increase of 9.4 percent.

As of December 31, 2013, the aggregate amount of outstanding offers of credit amounted to Skr 65.5 billion, an increase of 10.1 percent since year-end 2012 (year-end 2012: Skr 59.5 billion). Skr 56.5 billion (year-end 2012: Skr 47.9 billion) of outstanding offers derived from the S-system. Skr 35.1 billion of outstanding offers are binding offers and Skr 30.5 billion are non-binding offers. Binding offers are recognised as commitments.

CREDIT RISKS

There has been no major change in the composition of SEK's counterparty exposures in 2013, although the percentage of exposures to states and companies has increased and percentage of exposures to financial institutions and municipalities has decreased. Of the total counterparty exposure at December 31, 2013, 50.8 percent (year-end 2012: 49.6 percent) was to states and government export credit agencies; 19.6 percent (year-end 2012: 22.3 percent) was to financial institutions; 21.3 percent (year-end 2012: 18.3 percent) was to companies; 5.8 percent (year-end 2012: 6.8 percent) was to municipalities; and 2.3 percent (year-end 2012: 2.9 percent) was to securization positions. SEK's exposure to derivative counterparties is significantly limited compared to the amount of derivatives reported among SEK's assets because most derivatives are subject to collateral agreements. See the table "Total net exposures" in Note 28.

OTHER EXPOSURES AND RISKS

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

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

LIABILITIES AND EQUITY

As of December 31, 2013, the aggregate volume of available funds and shareholders' equity exceeded the aggregate volume of loans outstanding and loans committed at all maturities. During 2013 SEK had a Skr 100 billion credit facility with the Swedish National Debt Office. The remuneration for this credit facility in 2013 amounted to Skr 22.0 million (2012: Skr 17.0 million). SEK has not yet utilized the loan facility. In December 2013, the Swedish Parliament decided that the credit facility for 2014 should amount to Skr 80 billion and only for loans covered by the State's export credit support (CIRR) (see Note 25). The Swedish Parliament also reauthorized the government to enable SEK to purchase state guarantees on commercial terms for new borrowing of up to Skr 250 billion. SEK has not yet utilized this option of purchasing state guarantees. Thus, SEK consider that all outstanding commitments are covered through maturity.

In 2013 SEK exercised its right to redeem outstanding perpetual subordinated debt totaling USD 350 million. The reason for the early redemption of this debt is that, due to regulatory changes, in future they will not qualify as Tier-1 capital and will therefore no longer fulfill an effective function in the company's capital structure when the new regulations come into force. In November 2013 a bond that meets the requirements to be included in supplementary capital was issued amounting to USD 250 million with a maturity of 10 years and an early redemption option after 5 years. See the paragraph directly below for how this has affected capital adequacy and the Operating Profit section for how it has affected operating profit.

CAPITAL ADEQUACY

SEK's total capital ratio calculated according to Basel II, Pillar 1, was 21.8 percent as of December 31, 2013 (year-end 2012: 23.0 percent), of which 19.5 percent was related to Tier-1 capital (year-end 2012: 23.0 percent). The decrease in total capital ratio was mainly attributable to the early redemption of perpetual subordinated debt and the subsequent issuance of a Tier-2 bond as described above. The Core Tier-1 capital ratio was 19.5 percent (year-end 2012: 19.8 percent).

Certain changes in the capital adequacy regulations came into force as of January 1, 2014. For SEK these changes result in increased capital requirements related to exposures to financial institutions and potential changes in the way the creditworthiness of derivative counterparties' is calculated. In addition, the rules for calculating the capital base are being changed, implying more restrictive regulations regarding the inclusion of subordinated debt in the capital base. Furthermore, more specific requirements for certain deductions to be made from the capital base are to be established, particularly regarding the uncertainties related to the valuation of certain assets and liabilities in the balance sheet. The changes are estimated to result in a decrease of the Core Tier-1 capital ratio by approximately three percentage points. See Note 27 for further information regarding capital adequacy.

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"). The S-system paid net compensation to SEK of Skr 105.3 million (2012: Skr 89.4 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. The result in the S-system for 2013 amounted to Skr 208.9 million (2012: Skr 83.0 million), of which Skr 254.4 million (2012: Skr 128.4 million) related to CIRR loans, one of the varieties of loan in the S-system. The result related to concessionary loans, the other type of loan in the S-system, amounted to Skr −45.5 million (2012: Skr −45.4 million). 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. Income for the S-system includes interest differential compensation of Skr 95.4 million (2012: Skr 0.7 million), which represents compensation for early redemption of loans.

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

The aggregate surplus for CIRR-based export credits under the S-system for the period from 1990 to 2013 amounted to approximately Skr 2.7 billion, with the average year-end volume of outstanding loans at Skr 12.5 billion.

The surplus for the past five years amounts to Skr 514.0 million and the average volume of outstanding loans amounts to Skr 30.3 billion.

INVESTMENTS

SEK continually invests in the development of the new IT systems in order to meet regulatory requirements and to develop the business and ensuring appropriate and effective IT support to the company's business and support processes. Projects in 2013 included work to meet future requirements for central clearing of OTC contracts and mandatory reporting of all derivative contracts. The introduction of a new lending system was completed. Capitalization of investments in IT systems in 2013 amounted to Skr 27.5 million (2012: Skr 34.7 million).

FINANCIAL TARGETS AND OUTCOME 2013

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

Profitability target: After-tax return on equity should correspond in the long term to the risk-free interest rate plus 5 percentage points. The risk-free interest rate should be calculated as an average interest rate on the 10-year government bonds over the past 10 years. The target for 2013 corresponded to 8.3 percent. The outcome was 7.4 percent.

Capital structure: The target for the Core Tier-1 capital ratio to reach 16 percent and no less than 12 percent. The Core Tier-1 capital ratio at year-end 2013 was 19.5 percent.

Dividend policy: The ordinary dividend should be 30 percent of annual net profit after tax. For each dividend proposal this policy should take account of targets on capital structure, the company's future capital requirements and possible investment and acquisition plans. The dividend proposed to the Annual General Meeting amounts to Skr 327.0 million, which corresponds to 30 percent of annual net profit after tax.

OTHER TARGETS AND RESULTS FOR 2013

In addition to the financial targets, SEK has a number of general business targets, which include targets for increased customer benefit and targets for ensuring organizational efficiency and financial results. For 2013 the metrics for indicating customer benefit were the number of new customers, the number of customer relationships, new lending and Customer Satisfaction Index. The metrics for organizational efficiency were a cost limit and the Employee Satisfaction Index. In addition to the financial targets determined by the annual general meeting, the metrics for financial results consists of risk-adjusted return and operating profit excluding unrealized changes in fair value.

The target for the number of customer relationships was exceeded, while the number of new customers was below target. New lending was slightly below target. A client survey is conducted every other year and the latest survey was conducted in 2012. The Customer Satisfaction Index target was exceeded at that time. Expenses came in under the cost limit, since cost-reducing actions have been made by reducing the use of consultants and replace them with employed staff. The Employee Satisfaction Index was slightly below target. The 2013 targets for risk adjusted return and operating profit excluding unrealized changes in fair value were not met. In addition to these general business targets, SEK has targets for sustainability and for among other things targets related to risk appetite, brand awareness, employee motivation and internal control. SEK also have targets and strategies for it's sustainability work. See pages 55–56.

FINANCIAL AND OTHER TARGETS FOR 2014

No significant amendments have been made from 2013 when establishing financial and other targets for 2014.

CORPORATE GOVERNANCE

SEK adheres to the Swedish Corporate Governance Code, the Swedish government's guidelines and owner policy for companies with state ownership, its owner's instruction, the Swedish Annual Accounts Act for Credit Institutions and Securities Companies, the Companies Act and the Banking and Financing Business 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.

The parent company has during the year applied to the Swedish Financial Supervisory Authority for permission to conduct securities business. The purpose of the application is that the activities carried out today in the wholly owned subsidiary SEK Securities instead should be conducted by the parent company.

New and pending regulations affecting SEK include capital requirement rules (see page 52), accounting principles (see Note 1) and rules on managing and reporting derivatives. Extensive work was undertaken during the year within these three areas to meet requirements.

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 in accordance with these 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 senior executives in companies with state ownership. See Note 5.

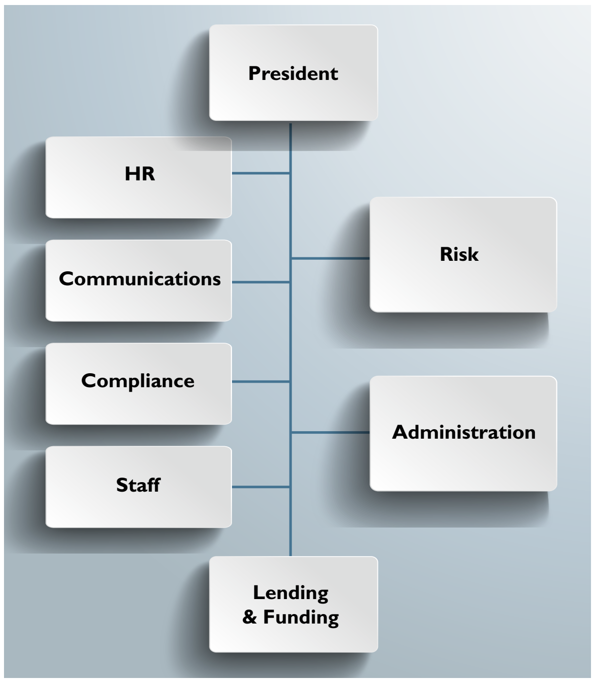
PERSONNEL AND ORGANIZATION

The average number of employees in 2013 was 243 (2012: 231 employees), of which 112 were women and 131 men (2012: 109 women and 122 men). The total number of employees at year-end was 249 (year-end 2012: 235 employees). The average employee age at year-end was 43 (year-end 2012: 42).

At year-end, the company's executive management consisted of 7 members (year-end 2012: 7 members), 3 of which were women and 4 were men (year-end 2012: 3 women and 4 men). The number of employees in other management positions at year-end was 44 (year-end 2012: 43 employees), of which 20 were women and 24 men (year-end 2012: 17 women and 26 men). During the year SEK's Board of Directors appointed Catrin Fransson as the new President. She is currently Head of Group Products and is a part of Swedbank's Group Executive Committee. Catrin Fransson will take up her post as President at SEK's Annual General Meeting on April 28, 2014 but will start her employment on April 1st, for SEK introduction. Peter Yngwe will, as previously announced, remain as President until the Annual General Meeting in April 2014.

SEK's work is 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 provide SEK's employees with a healthy and stimulating working environment.

ORGANIZATIONAL CHART



RISK FACTORS

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

- Changes in general economic business conditions.
- 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 a more detailed 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 at year-end 2012/2013. The derivatives were replaced with new derivative instruments at market terms.

The table below provides a reconciliation of this performance measure to operating profit under IFRS and operating profit excluding changes in fair value.

PERFORMANCE MEASUREMENT

Skr mn	January-December 2013	January-December 2012
Operating profit	1,408.1	824.4
Closed interest rate and currency derivatives in hedge relations due to changes in regulations	–	–323.5
Unrealized changes in fair value (Note 4)	260.5	1,151.7
Operating profit excluding unrealized changes in fair value	**1,668.6**	**1,652.6**

For definitions of performance measurements and return on equity, see page 57-58.

SUSTAINABILITY

During the year SEK worked on integrating and clarifying sustainability risks in our credit process. The table below describes the priorities and achievements in this area for 2013.

Priorities for 2013	Our achievements in 2013
Internal training on anti-corruption measures, other financial crime and business ethics.	Training of SEK personnel was carried out.
Implementation of SEK's anti-corruption program.	SEK's anti-corruption program was implemented and assessed by Transparency International.
Update SEK´s policy on business ethics and social and environmental accountability.	A new Sustainable Business Policy was approved by the Board.
Quality assurance of SEK's method for assessing social and environmental risks in lending.	Not achieved. This work will continue in 2014.
Assessment of financial solutions for Swedish cleantech.	A finance solution for cleantech exports to China and for investments in Swedish/Chinese cleantech projects was developed.
Environmental certification of SEK's operations.	An environmental certification program was chosen and will be implemented in 2014.
Diversity action plan.	A diversity action plan was established.

The Board also approved a new Code of Conduct and an external whistleblower system was purchased. The system will be implemented in 2104. A new sustainability risk map to fascilitate the identification of sustainability risks was developed and implemented in credit operations.

OUR PRIORITIES FOR 2014

The following priorities have been made for 2014 within the area of sustainability:

- SEK Green Bond
- Development of sector-specific guidelines for sustainable business
- Environmental certification of SEK's operations
- Sustainability criteria for SEK's liquidity placements

SUSTAINABILITY TARGETS AND OUTCOMES 2013

SEK's Board has determined sustainability targets for the 2013-2015 period within respective focus areas. SEK also has targets for reducing our own environmental impact (see environmental targets).

Focus area	Target indicator	Target	Result for 2013
Sustainable financing	Percentage of our clients that believe SEK sets sustainability requirements[1] for lending.	100%	76%
Business ethics	Percentage of clients and suppliers that have undertaken to comply with SEK's anti-corruption guidelines[2].	100%	5%
Equality and diversity	Allocation of women/men in management positions.	40–60%	44/56
	Allocation of employees with foreign/swedish background.	>25%	29/71

[1] Relates to international standards within 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 Business Conduct. SEK also accepts companies' own guidelines with corresponding requirements.

ACHIEVEMENT OF TARGETS

The target for sustainable finance was upgraded from 80 percent to 100 percent during the year and was set for 2016. Previous targets to exceed 80 percent should be achieved by 2015 at the latest. All other targets are set for 2015. Target for sustainable finance was followed up in the 2012 client survey. The next survey will be conducted 2014. The 2012 survey showed that 76 percent of SEK's clients "consider that SEK includes sustainability issues in its credit decisions".

SEK's Code of Conduct started to be sent out to suppliers in late 2013.

SEK's targets within equality and diversity were reached

ENVIRONMENTAL TARGETS

We have set a target of reducing our CO2 emissions for journeys of less than 500 kilometers by 10 percent by 2015. In 2013, the reduction was 49 percent mainly due to a general decrease in traveling. We also aim to receive environmental certification for our business operations in 2014 and, as part of the work to achieve this, we intend to identify new areas where we can reduce our environmental impact.

EVENTS AFTER THE REPORTING PERIOD

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

KEY FIGURES

Amounts (other than %) in Skr mn	2013	2012	2011	2010	2009
Financial highlights					
Results					
Net interest revenues	1,554.8	1,879.9	1,870.8	1,898.5	1,994.3
Operating profit	1,408.1	824.4	1,889.1	3,939.7	2,368.6
Net profit for the year (after taxes)	1,090.1	708.8	1,399.5	2,891.7	1,727.3
After-tax return on equity[1]	7.4%	5.0%	10.5%	22.2%	14.5%
Operating profit excl. unrealized changes in fair value[2]	1,668.6	1,652.6	1,847.6	4,114.7	1,599.3
After-tax return on equity excl. unrealized changes in fair value[3]	8.8%	9.3%	10.3%	23.2%	9.7%
Basic and diluted earnings per share (Skr)[4]	273.2	177.6	350.8	724.7	432.9
Dividend[5]	327.0	212.6	420.0	2,191.0	518.0
Customer financing					
New customer financial transactions[6]	55,701	56,235	51,249	48,749	122,476
of which corporate lending	16,685	17,577	20,549	24,388	67,744
of which end-customer finance	39,016	38,658	30,700	24,361	54,732
Loans, outstanding and undisbursed[7]	221,958	218,822	220,672	217,862	232,164
Amounts of outstanding offers of lending[8]	65,549	59,525	64,294	86,623	84,506
of which binding offers	35,083	33,841	n.a.	n.a.	n.a.
of which non-binding offers	30,466	25,684	n.a.	n.a.	n.a.
Borrowing					
New long-term borrowings[9]	95,169	43,231	47,685	76,644	111,831
Outstanding senior debt	269,216	272,637	273,245	300,671	324,795
Outstanding subordinated debt	1,607	3,013	3,175	2,590	3,143
Statement of financial position					
Total assets	306,554	313,136	319,702	339,688	371,588
Total liabilities	291,564	298,756	305,734	327,118	358,133
Total equity	14,990	14,380	13,968	12,570	13,455
Capital					
Core Tier-1 capital ratio, Basel II[10]	19,5%	19.8%	18.9%	18.7%	14.3%
Tier-1 capital ratio, Basel II[11]	19.5%	23.0%	22.5%	22.4%	17.9%
Total capital ratio, Basel II[12]	21.8%	23.0%	22.5%	22.4%	18.7%
Environmental highlights					
Total carbon dioxide emissions (tons)[13]	658	1,052	1,308	921	979
Carbon dioxide status after carbon offset	0	0	9	-15	0
Social highlights					
Allocation of women/men in management positions	44/56	39/61	38/62	39/61	36/64
Allocation of employees with foreign/swedish background[14]	29/71	28/72	30/70	n.a.	n.a.

1 Net profit (after taxes), expressed as a percentage per annum of the current year's average equity.

2 Operating profit excluding unrealized changes in fair value of certain financial instruments (page 55, 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 came into force at the turn of 2012/2013. These derivatives were replaced with new derivative instruments at market terms (see Note 4).

3 Net profit (after taxes), expressed as a percentage per annum of current year's average equity, when calculating After-tax return on equity excl. Unrealized changes in fair value is excluded.

4 The average number of shares, for each period, amounts to 3,990,000.

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

[5] *Dividend proposed to annual general meeting. The 2010 dividend amount included an extra dividend of Skr 1,890.0 million that was disbursed in December, 2010.*
[6] *New customer financing includes new accepted loans, regardless of maturities.*
[7] *Amounts of loans include all loans granted in the form of interest-bearing securities, as well as loans granted through traditional documentation. These measures reflects what management believes to be SEK's real lending. SEK considers that these amounts are useful measurements of SEK's lending volumes. Comments on lending volumes in this report therefore relate to amounts based on this definition (see Note 11).*
[8] *In 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.*
[9] *New borrowing with maturities exceeding one year.*
[10] *According to SEK's definition, Core Tier-1 capital consists of Tier-1 capital excluding additional Tier-1 capital. The calculation excludes applicable transitional rules regarding required minimum capital requirements. See Note 27 "Capital Adequacy", in this Annual Report for a complete description of the calculation of minimum capital requirements during the transitional period.*
[11] *Tier-1 capital ratio expressed as a percentage of risk-weighted assets in accordance with Basel II, Pillar 1. The calculation excludes applicable transitional rules on minimum capital requirements. See Note 27 "Capital Adequacy", in this Annual Report for a complete description of the calculation of minimum capital requirements during the transitional period.*
[12] *Total capital adequacy ratio expressed as a percentage of risk-weigted assets in accordance with Basel II, Pillar 1. The calculation excludes applicable transitional rules on minimum capital requirements. See Note 27 "Capital Adequacy", in this Annual Report for a complete description of the calculation of minimum capital requirements during the transitional period.*
[13] *Tons carbon dioxide from business travel, energy consumption in offices, consumption of supplies and transportation. For 2010, SEK offset for more than its total carbon dioxide emissions.*
[14] *Percentage of employees that state they are raised in another country or have at least one parent born in another country.*

RISK AND CAPITAL MANAGEMENT

During 2013, there were no significant changes to SEK's objectives, principles or, risk management methods. Methods of measuring market risk have been significantly improved. Furthermore, an aggregated risk measure, that includes the most relevant market risks, has been introduced and limited. The main changes in risk exposure are an increase of credit spread risk, attributed to classification of new liquidity placements, and less exposure to the USD/EUR basis swap risk. SEK has during 2013 further developed the risk framework for operational risk and has defined risk appetite for losses from incidents as well as for which types of incidents that typically fall outside the risk appetite. SEK has also decided on criteria that should form the basis, for assessing the risk level for operational risk.

In 2013 SEK carried out two transactions for the first time in a long period in which it used risk mitigation via a private insurance company.

At December 31, 2013, SEK's risk-weighted amount (RWA), as calculated in accordance with Basel II were equal to Skr 75.0 billion (year-end 2012: Skr 71.5 billion), which implies a Core Tier-1 capital ratio of 19.5 percent (year-end 2012: 19.8 percent), a Tier-1 capital ratio of 19.5 percent (year-end 2012: 23.0 percent) and a total capital adequacy ratio of 21.8 percent (year-end 2012: 23.0 percent). For further information on capital adequacy, see Note 27.

During 2013 SEK continued to put much effort into preparing for the regulatory reforms. SEK is well-prepared for the regulatory changes (that are currently known) and will be able to meet the CRR and the CRD IV capital and liquidity requirements as well as EMIR requirements for OTC-derivatives in due time. It is believed that the overall effect of the new regulations, once fully implemented, will be to reduce the Core Tier-1 capital ratio by around three percentage points. 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 strong creditworthiness.

For 2013, this section also includes sustainability risks, which in previous years were set out in a separate Sustainability Report.

RISK, LIQUIDITY AND CAPITAL MANAGEMENT

Risk management is a key factor in SEK's ability to offer its customers competitive sustainable 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. As a state owned company, SEK has a responsibility to act with integrity and with due diligence in order to mitigate environmental and social risks in ledning transactions. For these reasons, 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. SEK's risk capacity form the outer constraints for SEK's strategy and is expressed in the form of capital targets. Within these constraints the Board determines the risk appetite, which defines the level and type of risk that the company is prepared to assume in order to achieve its strategic goals.

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 as available funding, even though 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 strong 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 as 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 and monitoring the adherence to such rules, 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, monitoring, reporting and following up with respect to 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 88, 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 makes 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 Management's Credit Committee is responsible for matters relating to credits and credit risk management within SEK. The Executive Management's Credit Committee and the Credit Committee have the right to make credit decisions respectively 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. 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 functions constitute 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 the Risk Control function, which is the second line of defense. 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 assessing, analyzing and forecasting regulatory capital adequacy and economic capital. This function is also responsible for recommending 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 risks and issues that arise.

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 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 was done 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.

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 within the approved 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). Apart from the market risk that originates from unrealized changes in value, the market risks are limited. However, unrealized changes in value as a result of changes in credit spreads, interest rates, currency basis spread and currency exchange rates may result in significant impact on both capital base and earnings. The company does not assume any refinancing risk. To ensure access to competitive funding in both strong and difficult economic 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.

Core Principles for Risk Management

- SEK shall carry out its business in such a manner that SEK is perceived by its customers and suppliers as a first-class counterparty.
- SEK shall be selective in its choice of counterparties in order to ensure strong creditworthiness.
- In order to avoid refinancing risk, it is SEK's policy that for all credit commitments – outstanding credits as well as agreed, but undisbursed credits – 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 as available funding, even though no funds have been drawn under this facility.
- SEK shall at all times have risk capital well above regulatory requirements.

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 operational and financial risks. For information on sustainability risks, see page 82.

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 lead 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-related variables, such as interest rates and commodity and equity indices.

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 69. 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 weak 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 strong creditworthiness but where the financing requirements are large. In such cases, credit derivatives are normally used. SEK also uses insurance companies as a risk mitigation solution. 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 strong 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 choose 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 adequate 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 has limited 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 as available funding, even though 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 procedures, a clear division of responsibility, competent and knowledgeable employees and strong 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. Consistent quality assurance measures emphasize the importance of making continual improvments and preventing operational risks in day-to-day operations before they arise.

NEW REGULATIONS

In December 2010, the Basel Committee on Banking Supervision (BCBS) issued a new framework of regulations for banks known as the Basel III regulatory standard. The overall aim of Basel III is to strengthen banks' ability to absorb losses and to reduce the likelihood of new financial crises. Basel III requires banks to have more capital of better quality and it will result in the introduction of entirely new requirements regarding banks' liquidity. The Basel III regulations will be implemented in the EU via the Capital Requirements Directive IV package (CRD IV package), which consists of the Credit Institution Directive (CRD IV) and the Capital Requirements Regulation (CRR). The CRD IV package supersedes the current Credit Institution and Capital Requirement Directive 2006/48/EG and 2006/49/EG. The CRD IV package was adopted by the European Parliament and the European Council on June 26, 2013. The EU's CRR contains "supervisory requirements" that credit institutions and securities firms must fulfill. In particular, it refers to those requirements that credit institutions and securities firms must fulfill with regard to capital, liquidity, large exposures, leverage ratio and reporting. The CRR is directly applicable legislation in Sweden and all other Member States. It will be applied in principle from January 1, 2014 and will be reported to the Swedish FSA (within the framework of COREP[1], and for large exposures and the leverage ratio and the Long-term liquidity measure) for the first time on May 30, 2014, calculated based on information at March 31, 2014[2]. Monthly liquidity coverage must, however, be reported by April 30, 2014. The European Banking Authority (EBA) submitted its proposed implementing technical standards on supervisory reporting under Regulation (EU) No 575/2013 to the EU Commission on July 26, 2013. The EU Commission is expected to adopt these standards in the form of a regulation.

CRD IV covers requirements regarding the start of operations and the provision of services and requirements for regulatory supervision (pillar 2), sanctions and internal governance within companies. It contains new regulations regarding "capital buffers" (the capital conservation buffer, the countercyclical buffer, capital buffers for systemically important institutions and the system risk buffer) which enables Member States to require institutions to have a higher capital requirement than directly stipulated by the CRR. Since the CRD IV requires transposition into national legislation, these regulations will start to be implemented once national laws have entered into force. It will be necessary to amend Swedish legislation, both by transposing the new directive into Swedish law and by adapting existing Swedish legislation to the new EU regulation. In April 2012, the government commissioned a review to analyze and propose changes to Swedish law as a result of the new regulations. The review's findings on strengthened capital adequacy rules (Swedish Government Official Report 2013:65) were pre-

[1] COREP stands for Common Reporting and is a harmonized reporting format within the EU for capital adequacy reporting.

[2] This relates to reporting at solo level. Corresponding reporting at group level will take place on June 30, 2014.

Purpose	Method
INCREASED REQUIREMENTS FOR 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.
VALUATION ADJUSTMENT	
The CRR also contains requirements to calculate valuation adjustment for uncertainties in the valuation of contracts measured at fair value.	Deductions should be made from Core Tier-1 capital for uncertainties in valuation, including; uncertainties in market data, models, close-out costs and administrative expenses.
CAPITAL BUFFERS	
Additional capital requirements in the form of "capital buffers", in addition to minimum requirements, will be introduced. The purpose of these buffers is to strengthen the financial system's ability to withstand financial crises and to mitigate procyclicality in the financial system.	The capital buffers, which will consist of Core Tier-1 capital, will apply in addition to the regulation's capital base requirements. The "capital conservation buffer" is a permanent increase and sets requirements for an additional 2.5 percent of Core Tier-1 capital. This means that financial institutions will hold at least 7 percent of Core Tier-1 capital. A raft of restrictions apply, if the buffer requirement is not met. For example, the ability to distribute profits to owners is restricted. In addition, individual countries can determine requirements regarding a contracyclical capital buffer in the event of signs of strong credit growth in the financial system. This buffer normally varies between 0 and 2.5 percent of risk-weighted assets. A buffer requirement for systemically important institutions is also being introduced. The size of this capital requirement varies depending on whether the case relates to a globally systemically important institution or some other systemically important institution. This also enables Member States to apply a system risk buffer to counteract a structural systemic risk that could result in serious consequences for the stability of the financial system and the real economy.

sented on September 16, 2013. The changes to legislation are proposed to come into force on July 1, 2014.

In September 2009, the leaders of the G20 group of countries reached agreement that by the end of 2012 all standardized OTC derivative contracts would be traded on an exchange or electronic trading platform, where appropriate, and cleared by a central counterparty. Derivative contracts would also be reported to central trade repositories. Derivative contracts that are not cleared centrally would be subject to higher capital requirements. The implementation of the agreement in the EU takes place in the form of the European Market Infrastructure Regulation (EMIR). EMIR, the regulation regarding OTC derivatives, central counterparties and trade repositories, came into effect on August 16, 2012. As an EU regulation it takes direct effect, i.e. it has not required any transposition into Swedish law to become applicable. EMIR has been strengthened with detailed rules in the form of technical standards, which have been drawn up by the European Securities and Markets Authority (ESMA). These standards have also been adopted in the form of a regulation, which means that they also take direct effect and will be directly applicable in Sweden. Implementation of the EMIR requirements has been postponed several times. Some of these requirements came into effect in 2013 and some are expected to come into effect in 2014 (see table below).

In June 2012, the EU Commission presented a draft of its Bank Recovery and Resolution Directive. This directive is intended to provide national supervisory authorities with the tools to prevent and manage banking crises. In mid-December 2013 the European Parliament, the Council of Ministers and the EU Commission agreed on a political agreement regarding the Bank Recovery and Resolution Directive. The directive shall apply to all 28 EU countries and provide the basis for those countries going ahead with a banking union. According to this political agreement the directive will come into effect in January 2015. The wording of the legislation now needs to be established at a technical level before formal approval by the entire European Parliament and the Council of Ministers. The Swedish Financial Crisis Committee has been tasked with reviewing how the new rules should be introduced into Swedish law.

The new regulations will have an impact on SEK's capital adequacy. Capital adequacy is primarily affected by new or increased capital requirements and by changes to rules on calculating the capital base. A significant impact is expected from the price adjustments to be deducted from the capital base, although the rules for calculating these have not yet been fully established. The overall effect of these new regulations once they are fully implemented, based on current proposals where finalized rules are not yet in place, is a decrease of approximately three percentage points in the Core Tier-1 capital ratio.

The table below provides a brief summary of the key changes to rules and how they affect SEK.

Regulation	Implementation	Impact on SEK
CRR	Institutions must have a Core Tier-1 capital ratio of at least 4.5 percent and a Tier-1 capital ratio of at least 6 percent from January 1, 2014. The Basel III agreement on capital ratios is consequently implemented in Sweden without transitional rules.	In conjunction with its annual internal capital adequacy assessment, SEK conducts a number of analyses, which indicate SEK will amply meet the CRR requirements.
CRR	The CRR will start to apply from January 1, 2014. However, the technical standards that describe the calculation of valuation adjustment have not been established. The EBA is expected to present a final draft in June 2014.	The current draft technical proposals from the EBA will have a significant impact on Core Tier-1 capital. However, SEK will still meet the applicable and forthcoming capital requirements, even after a valuation adjustment, calculated in accordance with the draft technical standard.
CRD IV	These capital buffers are regulated via CRD IV. CRD IV has still not been introduced into Swedish law. These changes to legislation are proposed to come into effect on July 1, 2014.	At the end of 2013 SEK had sufficient Core Tier-1 capital to fulfill a capital conservation buffer of 2.5 percent as well as a maximum contracyclical capital buffer of 2.5 percent. As these capital buffer requirements have not yet been introduced into Swedish law, it is unclear whether SEK needs to meet the requirements for systemically important institutions and/or a system risk buffer. However, at the end of 2013 SEK had sufficient Core Tier-1 capital to also fulfill these buffers.

Purpose	Method
ADJUSTED RISK WEIGHTING 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 large financial sector entities and non-regulated financial institutions, is to increase by 25 percent. This will result in risk weighting increasing for these exposures.
CREDIT VALUATION ADJUSTMENT (CVA)	
The CRR also includes requirements to calculate capital requirements for potential changes in the credit valuation of derivative counterparties (credit valuation adjustment risk).	Credit valuation adjustment risk is to be limited for all OTC derivative contracts, except for credit derivatives used as credit protection and transactions with a qualifying central counterparty.
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 weighting 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 the sum of their 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 illiquid 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 require the central clearing, reporting and risk mitigation in relation to certain 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 centrally will be subject to higher capital requirements. Robust risk management techniques must be applied to non-centrally cleared derivative transactions.
CRISIS MANAGEMENT AND BAIL-IN	
The Bank Recovery and Resolution Directive aims to reduce the risk of financial instability and minimize the cost to society of managing banks in crisis.	The regulations place significant requirements on financial institutions to be well prepared for crisis situations. This includes the establishment of recovery plans. A key aim of this regulation is to reduce the risk that taxpayers will have to assume the cost, if a banking crisis were to occur, in part through the possibility of a bail-in being introduced. A bail-in involves shareholders and lenders bearing the costs as far as possible, if a bank were to get into difficulties. This bail-in tool also involves the responsible resolution authority first writing down the value of the shareholders capital corresponding to the losses and then writing down lenders' claims (or converting their claims into share capital).

Regulation	Implementation	Impact on SEK
CRR	These new regulations come into effect on January 1, 2014.	In conjunction with its annual internal capital adequacy assessment, SEK conducts a number of analyses, which indicate SEK will amply meet the CRR requirements.
CRR	These new regulations come into effect on January 1, 2014.	In conjunction with its annual internal capital adequacy assessment, SEK conducts a number of analyses, which indicate SEK will amply meet the CRR requirements.
CRR	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 2014 to 2017. The leverage ratio level must be published from 2015.	In conjunction with its annual internal capital adequacy assessment, SEK conducts a number of analyses, which indicate SEK will amply meet the CRR requirements.
CRR	At EU level this measure will be phased in over a four-year period from January 1, 2015, with an initial minimum requirement of 60 percent. Thereafter, the minimum requirement increases by 10 percentage points per year, to be fully implemented by 2019 (100 percent). This regulation has already been binding in Sweden since January 1, 2013. The liquidity coverage ratio shall then amount to no less than 100 percent for all currencies combined and separately for euro and US dollars.	SEK has fulfilled these requirements amply, since January 1, 2013.
CRR	This long-term liquidity measure shall amount to at least 100 percent, but unlike the short-term liquidity measure it is not yet binding in Sweden. The proposed date for implementation in the EU is January 1, 2018.	SEK is well positioned to be able to fulfill this long-term liquidity measure, when eventually introduced. As a result of its conservative policy on liquidity and financing risk, SEK has no significant need to change the current financing structure. It is, however, worth noting that there is some uncertainty regarding the final format of this measure.
EMIR	Requirements that robust risk management techniques must be applied to non-centrally cleared derivative transactions came into effect in 2013. The requirement for reporting trades involving all asset classes, including exchange-traded derivatives applies from February 12, 2014 and the requirement for certain counterparties to report market value and collateral will begin to apply on August 12, 2014. Risk management techniques for the exchange of variation margins are expected to come into effect in 2015. Risk management techniques for the exchange of initial margin calls are expected to be phased in between 2015 and 2019. It is considered unlikely that the first clearing requirements will start to apply before the end of 2014.	Since SEK uses derivatives for hedging purposes, the EMIR regulations will have an impact on SEK's operations. SEK has introduced procedures for central clearing and procedures for risk management techniques for non-centrally cleared derivative transactions. These risk management techniques include the prompt establishment of transaction terms, portfolio compression, portfolio reconciliation and dispute resolution. Procedures for transaction reporting are currently being drawn up. In addition to there being some uncertainty over the reporting of trades relating to the entire market, it is assessed that SEK is well equipped to meet the requirements of the new rules on OTC derivatives.
Bank Recovery and Resolution Directive	In accordance with the political agreement between the European Parliament, the Council of Ministers and the EU Commission in mid-December 2013, the Bank Recovery and Resolution Directive will come into effect in January 2015. The debt write-down tool will come into effect in January 2016. In Sweden, the Financial Crisis Committee will review how the new rules should be introduced into Swedish law. The Financial Crisis Committee's period of review has been extended until June 30, 2014.	The introduction of the debt write-down tool may lead to debt instruments that could be written down or converted into share capital possibly being priced differently and the risk of a write-down being priced in. The effect of the introduction of this debt write-down tool on total capital and financing costs, however, is still difficult to assess.

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 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 2013

In 2013, 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. There have been minor changes in the composition of SEK's total net exposures. As in previous year, in 2013 the percentage of exposures to corporates increased, while exposures to financial institutions declined in 2013. The main reason for the reduction in exposures to financial institutions was the fall in exposures to derivatives during the year.

The migration matrix below shows an overall neutral development in the majority of risk classes. It may also be noted, however, that a number of risk classes has a slightly higher migration than other risk classes. The migration within the risk classes AA and A+ are mainly due to clarification of financial institutions' strengths and weaknesses as a result of the financial crisis of 2008, which has resulted in rating changes. There has also been some migration in the risk classes BB and B+, which primarily consist of companies in sectors with high volatility in demand and high frequency of structural changes.

In 2013 SEK undertook work to interpret the CRD IV package and adapt its operations to ensure that SEK fulfils the requirements under the EU's new Capital Requirements Regulation (CRR), which in principle will be applied as of January 1, 2014. For further information about new regulations, please see "New Regulations" on page 64.

Risk Migration matrix, December 31, 2013

The migration matrix displays the rating breakdown as of December 31, 2013 for counterparties relative to ratings as of December 31, 2012. The table should be read row by row. The first row displays the percentage breakdown by rating as of December 31, 2013 for the counterparties that as of December 31, 2012 were rated 'AAA'. The second row displays the percentage breakdown by rating as of December 31, 2013 for the counterparties that as of December 31, 2012 were rated 'AA+', and so on. The shaded diagonal thus displays the percentage of counterparties whose rating was unchanged as of December 31, 2013, compared with December 31, 2012.

	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	CCC	D	Sum
AAA	93%	5%	2%																100%
AA+	6%	84%	8%	2%															100%
AA		20%	64%	16%															100%
AA-			2%	96%	2%														100%
A+				23%	46%	28%	3%												100%
A					5%	92%	1%	2%											100%
A-							98%	2%											100%
BBB+						1%	5%	76%	18%										100%
BBB								3%	87%	4%	4%	2%							100%
BBB-								2%	9%	82%	7%								100%
BB+									4%	11%	81%	4%							100%
BB											13%	58%	25%	4%					100%
BB-													88%	12%					100%
B+													50%	50%					100%
B															86%		14%		100%
B-																100%			100%
CCC/C																	100%		100%
D																		100%	100%

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.
- Exemption from the IRB approach for exposures in the Customer Finance[3] area.

The standardized approach is used to calculate the capital requirement for credit risks for exposures that are exempted from the IRB approach. Under the CRR it is possible to request permanent extension of the approved exemptions.

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 the counterparty is taken by SEK's Rating Committee. The members of the Rating Committee are appointed by the Board's Finance Committee 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

[3] Customer Finance is an area in which SEK under cooperation agreements with exporters provides cross-border financing, primarily in the form of leasing and installment credits to the exporters' customers

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[4] are set by the supervisory authority.

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. 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.

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

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

Credit decision process

Since September 2012, the standard credit policy, referred to within the company as "the Standard", 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. In 2013, SEK undertook work to further improve and streamline the Credit Decision 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[5] are subject to more frequent reviews, and the limit is blocked[6] 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 strong creditworthiness. Risk is further reduced by SEK's entering into ISDA Master Agreements, with associated collateral

[5] 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.

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

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, 2013 was Skr 14.2 billion (year-end 2012: Skr 25.7 billion). After netting on the basis of the current Credit Support Annex (by counterparty), the exposure was Skr 6.3 billion (year-end 2012: Skr 12.8 billion), i.e., Skr 7.9 billion less than the gross exposure (year-end 2012: Skr 12.9 billion less than gross exposure). As of December 31, 2013 counterparties had paid Skr 8.2 billion (year-end 2012: Skr 14.3 billon). At the end of 2013, SEK had provided credit support under a Credit Support Annex with different counterparties amounting to Skr 6.9 billion (year-end 2012: Skr 2.5 billion), reducing total counterparty risk exposure for SEK by the corresponding amount. At the end of 2013, SEK had counterparty risk in derivative contracts in respect of 46 counterparties (year-end 2012: 46).

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 2013, SEK's OTC derivative contracts were not subject to central clearing, for further information on OTC derivatives see "New regulations" on page 64.

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, 2013, government export credit agencies guaranteed a total of Skr 160.0 billion, or 46.5 percent, of SEK's total credit exposures (year-end 2012: Skr 162.0 billion, or 46.8 percent). Skr 120.0 billion covered corporate exposures, Skr 1.5 billion covered exposures to financial institutions, Skr 0.6 billion covered regional government exposures and Skr 37.9 billion covered government exposures (year-end 2012: Skr 116.3 billion, Skr 4.7 billion, Skr 0.5 billion and Skr 37.9 billion, respectively).

Credit derivatives

At year-end 2013, Skr 9.4 billion of SEK's assets were secured through CDS coverage obtained from 17 different financial institutions (year-end 2012: Skr 11.6 billion, obtained from 18 different financial institutions). Skr 9.4 billion covered corporate exposures (year-end 2012: Skr 11.6 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.

Risk mitigation through insurance companies
In January 2012 the Swedish Financial Supervisory Authority granted SEK permission to begin using the foundation internal ratings-based approach to calculate capital requirements for risk-weighted exposures to insurance companies. In 2013, three insurance companies were assigned an internal rating and limit. During the year, SEK carried out two transactions in which risk mitigation via a private insurance company was used. At the end of 2013 Skr 0.3 billion (year-end 2012: -) of SEK's assets were hedged through risk mitigation via insurance companies. Risk mitigation via insurance companies enables SEK to handle larger volumes of credit.

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 85.

Comparison of expected losses and actual losses (IRB)

SEK's estimated expected loss amount (EL), for non-defaulted exposures, as of December 31, 2013 totaled Skr 190.7 million (year-end 2012: Skr 159.7 million), of which Skr 167.3 million (year-end 2012: Skr 133.3 million), was attributable to exposures to corporates and Skr 23.4 million (year-end 2012: Skr 26.4 million) was attributable to exposures to financial institutions. The time horizon of the expected loss amount is one year. However, the company basically has a low-default portfolio, which is why this amount does not constitute a reliable indicator of the company's actual credit losses for 2014.

The table below provides a comparison for the years 2008–2013, between the expected loss amount for non-defaulted exposures at the start of each year and the actual losses attributable to internally risk-classified exposures[7] that defaulted during that year. In this context, actual loss is defined as either the write-down or the realized loan loss, at the end of the year the exposure defaulted.

Four defaults occurred in the classes exposures to corporates and exposures to financial institutions during the years 2008–2013. Only two of these defaults resulted in actual losses and the sum of these losses totaled Skr 420 million (2008-2012: Skr 420 million), which can be compared with the sum of the expected loss amounts for these six years which totaled Skr 762 million (Skr 602 million). As the number of defaults for the period is small, it is not possible to draw any significant conclusions based on this in regard to the accuracy of the PD estimates.

Skr mn	Corporates	Financial institutions	Total
2008			
Expected loss amount	37	25	62
Actual loss	-	389	389
2009			
Expected loss amount	64	46	110
Actual loss	31	-	31
2010			
Expected loss amount	89	51	140
Actual loss	-	-	-
2011			
Expected loss amount	97	46	143
Actual loss	-	-	-
2012			
Expected loss amount	111	36	147
Actual loss	-	-	-
2013			
Expected loss amount	133	27	160
Actual loss	-	-	-

[4] This does not cover position in securitization since an expected loss amount is not calculated for this exposure class.

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, 2013, was 350.6 percent of SEK's total capital base, and consisted of risk-weighted exposures to 27 different counterparties, or counterparty groups (year-end 2012: 282.2 percent and 21 different counterparties or counterparty groups). SEK complies with these rules and reports its large exposures to the Swedish Financial Supervisory Authority on a quarterly basis.

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 Credit Committee, the Executive Management's Credit Committee or the Board's Credit Committee.

MARKET RISK

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

EVENTS IN 2013

During 2013 SEK introduced a new risk framework to improve the company's ability to calculate and report market risk. This work has resulted in an improved calculation methodology and the introduction of new risk measures. An aggregated risk measure has been introduced and limited. This measure is calculated on a daily basis and takes account of the most relevant market risks. In addition, equity and commodities risk measures, as well as a volatility risk measure, have been added.

RISK MANAGEMENT

SEK's management of market risks is regulated by instructions established by the Board's Finance Committee. These clearly define and circumscribe the permitted net market risk exposures. In addition, SEK has instructions defining the methodology for calculation of market risk and an instruction whereby work duties and information flows are detailed in the event of limit breaches. All instructions are re-established annually. The calculated market risks are reported to the Head of Lending and Funding, the Head of Risk, the Asset and Liability Committee and the Board's Finance Committee.

MEASUREMENT AND REPORTING

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

Aggregated risk measure

The aggregated risk measure is based on the analyses of 48 scenarios that each has a three-month time horizon. The scenarios consist of historical movements from all quarters since 2008 through 2013 and also opposite market movements to these historical scenarios, referred to as antithetical market movements. This method calculates the impact on equity using market movements from scenarios together with SEK's current market sensitivities. The risk limit is based on the worst scenario, which for SEK at the end of 2013 was the scenario based on antithetical market movements from the fourth quarter in 2008. The risk then amounted to Skr 1,252 million (year-end 2012: Skr 1,994 million). The limit is set at Skr 2,300 million (no limit at year-end 2012).

Interest rate risk

The measurement and limiting of interest rate risk in SEK is divided into two categories:

- Business operations (ex. the S-system)
- Positions related to equity

Interest rate risk in business operations

The interest rate risk in business operations is calculated, by means of stress tests, as the change in present value from a one-percentage-point upward parallel shift in the yield curve. Positions related to equity are excluded from these calculations. The limit for interest rate risk in business operations amounted to Skr 500 million (year-end 2012: Skr 70 million) at the end of 2013. The risk amounted to Skr 105 million at the end of 2013. The limit was raised in connection with a change of methodology when introducing the new risk framework. The comparative risk figure from the previous method is Skr 20 million (year-end 2012: Skr 42 million).

Interest rate risk from positions related to equity

The objective for positions related to equity is to generate the risk-free interest component within SEK's targeted return on equity. Interest rate risk is therefore measured against a benchmark portfolio consisting of fixed-rate Swedish government bonds with maturities of between one and ten years. The desired fixed interest can be achieved by means of investments in securities or in the form of derivative transactions. At year-end 2013, the volume of transactions for this purpose amounted to Skr 13.7 billion (year-end 2012: 14.7 billion) with an average outstanding maturity of 3.8 years (year-end 2012: 4.1 years). The interest rate risk in positions related to equity is calculated as the change in present value from a one-percentage-point upward shift in the yield curve compared with SEK's benchmark portfolio. The interest rate risk relative to the benchmark portfolio was Skr 218 million (year-end 2012: 136 million) at December 31, 2013. The limit amounts to Skr 250 million (year-end 2012: Skr 300 million). The interest rate risk in positions related to equity amounted to Skr 481 million (year-end 2012: Skr 553 million).

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

Credit spread risk in assets
Credit spread risk in assets indicates a potential impact on SEK's equity, in the form of unrealized gains or losses, as a result of changes in assets' credit spreads for those assets measured at fair value through profit and loss. Credit spread risk in assets is calculated as the change in present value after a one percentage point increase in the credit spreads. At the end of 2013 the credit spread risk in assets amounted to Skr 412 million (year-end 2012: Skr 196 million) and the limit was Skr 700 million (year-end 2012: Skr 500 million). The increase in credit spread risk in assets is due to new liquidity placements being measured at fair value and consequently having an effect on the credit spread risk. Liquidity placements purchased before December 2012 were mostly measured at amortized cost.

Credit spread risk in own debt
Credit spread risk in own debt indicates a potential impact on SEK's equity, in the form of an unrealized gains or losses, as a result of changes in SEK's own credit spread. This risk is not hedged but is limited. Credit spread risk in own debt is calculated as the change in present value after a 20 basis point shift in SEK's own credit spread. At the end of 2013 the credit spread risk in own debt amounted to Skr 835 million (year-end 2012: Skr 994 million) and the limit was Skr 1,300 million (no limit at year-end 2012). The method was changed during the year and the reference figure from the previous year has been updated. The decrease in credit spread risk in own debt is due to a decrease in volume of structured funding.

Cross currency basis swap risk
A change in the cross currency basis swap spreads impacts both the market value of SEK's positions (cross currency basis swap price risk) and future earnings (risk to NII from cross currency basis swaps).

Cross currency basis swap price risk
The cross currency basis swap price risk measures a potential impact on SEK's equity, in the form of unrealized gains or losses, as a result of changes in cross currency basis spreads. The risk is calculated as the change in present value after an increase in cross currency basis spreads by a varying number of points (varying by currency in accordance with a standardized method based on volatility). The risk for each cross currency basis spread curve is totaled as absolute figures. At the end of 2013 the cross currency basis swap price risk amounted to Skr 371 million (year-end 2012: Skr 616 million). The limit is Skr 750 million (no limit at year-end 2012). The method was changed during the year and the reference figure from the previous year has been updated. The risk has decreased due to less risk to the USD/EUR basis spread.

Risk to Net interest income (NII) from cross currency basis swaps
In cases where borrowing and lending are not matched in terms of currency, the future cost of converting borrowing to the desired currency is dependent on cross currency basis spreads. Changes in cross currency basis spreads consequently may have an effect on SEK's future NII and this risk is calculated by the measure for calculating risk to NII from cross currency basis swaps. The risk to NII from cross currency basis swaps is measured as the impact on SEK's future earnings resulting from an assumed cost increase (varying by currency in accordance with a standardized method based on volatility) for transfer between currencies using cross currency basis swaps. Borrowing surpluses in the currencies Skr, USD and EUR are considered not to result in any risk to NII from cross currency basis swaps as it is these currencies that SEK endeavors to hold as lending capacity. At the end of 2013 the risk amounted to Skr 113 million (year-end 2012: Skr 85 million). The limit for risk to NII from cross currency basis swaps was Skr 250 million (year-end 2012: Skr 190 million).

Foreign exchange risk
In accordance with SEK's policies for risk management, currency positions related to unrealized fair value changes are not hedged. This is because, based on SEK's business model, unrealized fair value changes mainly consist of accrual effects that even out over time.

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

The risk is calculated as the change in value of all foreign currency positions at an assumed 10 percentage point change in the exchange rate between the respective currency and the Swedish krona. When calculating the risk, foreign currency positions related to unrealized fair value changes are excluded. Foreign exchange risk amounted to Skr 1.4 million (year-end 2012: Skr 2.6 million) at the end of 2013. The limit for foreign exchange risk was Skr 15 million (year-end 2012: Skr 15 million).

Commodities and equity risk and volatility risks

SEK's equity and commodities risks and volatility risk from equity, commodity and FX only arise from structured borrowing. Even though all structured cash flows are matched through a hedging swap an impact on the result arises. This is because the valuation of the bond takes account of SEK's own credit spread, whereas the swap is not affected by this credit spread.

Interest rate volatility risk arises from SEK having transactions with early redemption options. This risk is calculated and limited.

Commodities and equity risk, and volatility risks are calculated using a variety of stress tests. These risks were small at the end of 2013.

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 unfavorable prices in order to be able to meet its payment commitments.

EVENTS IN 2013

On January 1, 2013 a quantitative requirement for the liquidity coverage ratio (LCR) was introduced in Sweden. The requirement covers all currencies, both combined and separately in EUR and USD. SEK monitors this measure on a daily basis and amply fulfills statutory requirements.

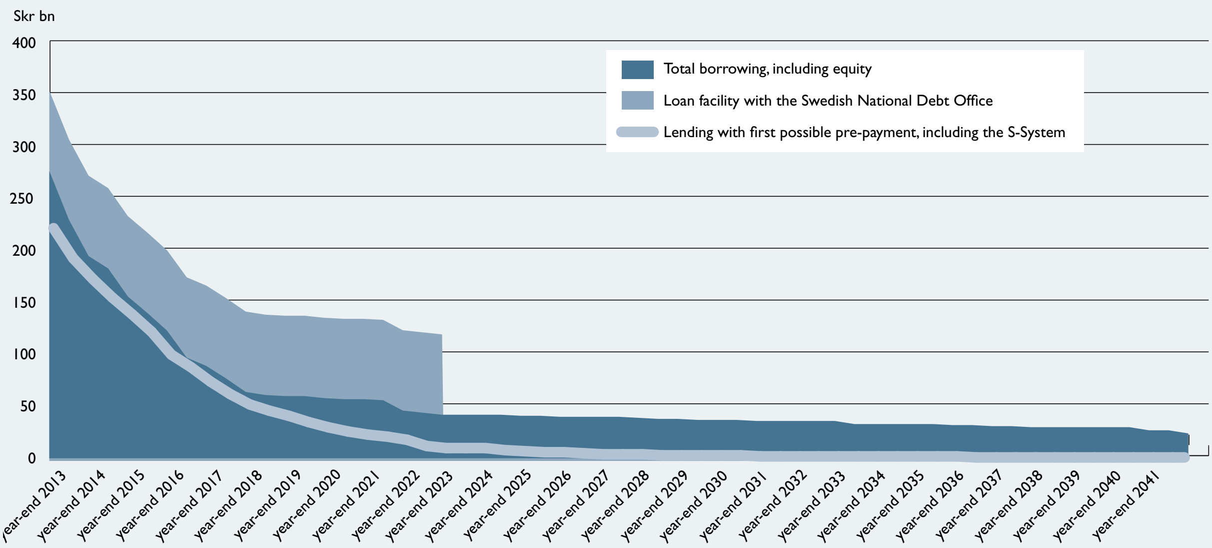
RISK MANAGEMENT

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 loan facility with the Swedish National Debt Office as available funding, even though 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 interest bearing assets, known as liquidity placements. Liquidity and refunding risk are measured and reported regularly to the Board's Finance Committee, the Asset and Liability Committee, the head of Lending & Funding and the head of Treasury.

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 equity, borrowing and loan facility 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, granted to SEK by the government through the Swedish National Debt Office[8], which amounted to 80 billion, (year-end 2012: Skr 100 billion) is valid through December 31, 2014. A change for 2014 is that the total amount of the facility has been reduced from Skr 100 billion to Skr 80 billion and is now only available for CIRR credits. The share of the facility previously intended for commercial loans (year-end 2012: Skr 20 billion) has now been ended at SEK's request. 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.

[8] The loan facility with the Swedish National Debt Office allows SEK to receive funding with maturities matching the CIRR credits it is intended to fund.

DEVELOPMENT OVER TIME OF SEK'S AVAILABLE FUNDS AS OF DECEMBER 31, 2013



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 the section "Risk Management" on page 75.

FUNDING

SEK's funding strategy is defined in the Financing Strategy steering document, which is established by the Board's Finance Committee. The Financing Strategy aims, among other things, to ensure that SEK's funding is well-diversified with regard to markets, structures, 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 loan facility with the Swedish National Debt Office as available funding, even though 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 October 2013, SEK has had no outstanding volumes under any of these programs. However, the company successfully issued debt under both the UCP and ECP in 2013. 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 0.0 billion had been utilized as of December 31, 2013 (year-end 2012: total volume of USD 7.0 billion, USD 1.6 billion utilized). SEK also has a swing line that functions as a back-up facility for SEK's revolving funding program for maturities of less than one year.

SHORT-TERM FUNDING PROGRAMS

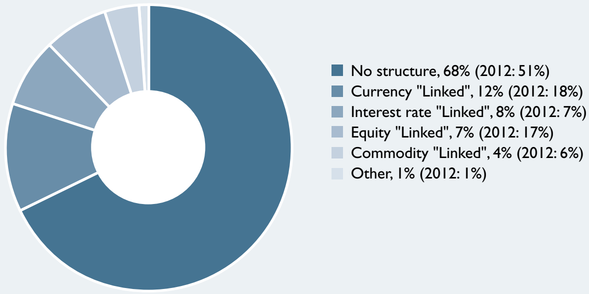
Program type	UCP	ECP
Currency	USD	Multi currencies
Number of dealers	4	4
”Dealer of the day facility” *	No	Yes
Program size	3 000 MUSD	4 000 MUSD
Usage as of Dec. 31, 2013	0 MUSD	0 MUSD
Usage as of Dec. 31, 2012	1 616 MUSD	0 MUSD
Maturity	270 days	364 days

* 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.

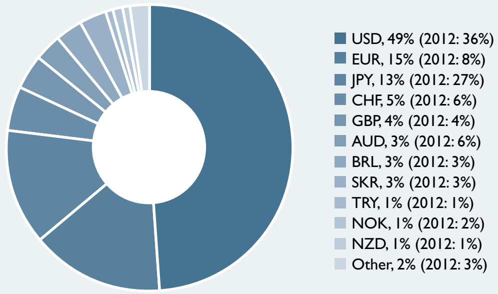
Long-term funding

To secure access to large volumes of funding, and to ensure that insufficient liquidity or investment appetite among individual funding sources does not constitute an obstacle to operations, SEK issues bonds with different structures, currencies and maturities. In addition, SEK 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, which 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 2013. As shown by the chart below, Europe remained the most important funding market in 2013. North America accounted for a greater share of funding in 2013 than in 2012, which was due in part to SEK issuing a number of benchmark bonds with global documentation, which many US investors require in order to be able to invest. SEK's long-term funding issued during 2013 amounted to Skr 95.2 billion (2012: Skr 43.2 billion).

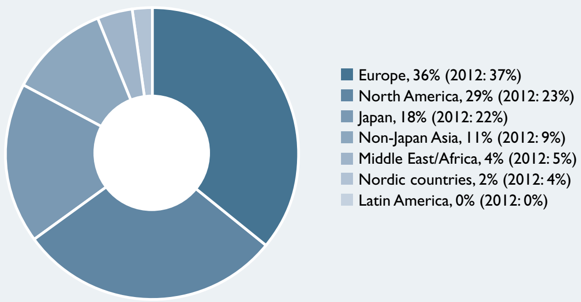
TOTAL LONG-TERM FUNDING BY STRUCTURE TYPE AS OF DECEMBER 31, 2013



TOTAL LONG-TERM FUNDING BY CURRENCY AS OF DECEMBER 31, 2013



LONG-TERM FUNDING IN 2013 BY MARKET

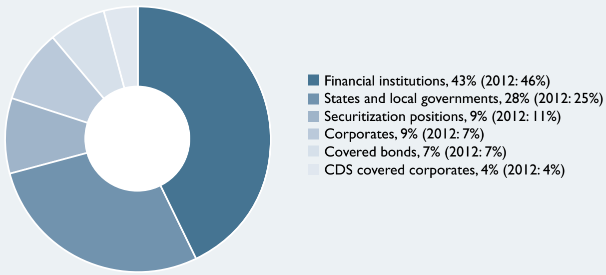


LIQUIDITY PLACEMENTS

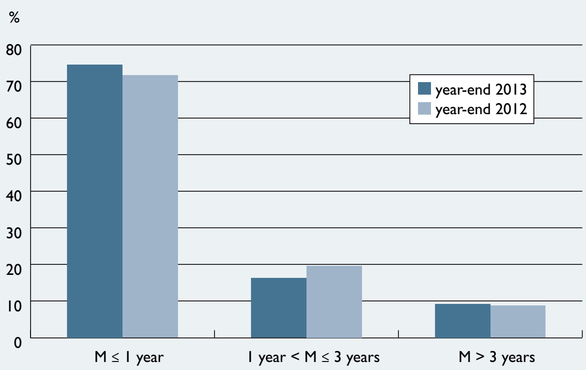
To meet SEK's policy for liquidity and funding risk, borrowed funds, which have not yet been disbursed, must be invested in interest bearing assets, known as liquidity placements. These placements are subject to regulations specified in the Liquidity Strategy established by the Board's Finance Committee. The size of SEK's liquidity placements depends on a number of factors. As part of its liquidity placements, SEK requires a liquidity buffer[9] 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 2012: Skr 15 billion) for this purpose. In addition, 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 loan facility with the Swedish National Debt Office as available funding, even though 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 2013, agreed but undisbursed credits amounted to Skr 20.5 billion (year-end 2012: Skr 25.9 billion), corresponding to 23.6 percent of total liquidity placements (year-end 2012: 29.6 percent). Furthermore, the liquidity placements also ensure that SEK maintains readiness to meet its assessed new lending requirements, enabling SEK to continue for at least 6 months to grant new credits to the normal extent, even if funding markets were entirely or partly closed. At December 31, 2013 this capacity amounted to Skr 44.5 billion (year-end 2012: Skr 44.3 billion), which corresponded to 11 months' new lending capacity (year-end 2012: 9 months). A change in calculation methodology was introduced in 2013, which increased lending capacity compared with 2012. The high lending capacity is also partly due to large amounts of maturing debt already being refinanced via measures such as a new benchmark bond.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. According to plan, SEK has the intention to hold these assets to maturity. The volume of the liquidity placements decreased slightly during the year and amounted to Skr 86.9 billion at the end of 2013 (year-end 2012: Skr 87.7 billion). The following charts provide a breakdown of the liquidity placements by exposure type, maturity and rating as of December 31, 2013. The remaining maturity in the liquidity placements decreased further in 2013. However, a few longer-term investments with maturities of up to 5 years have been made in Swedish covered bonds of the highest credit quality. All of these are eligible in the quantitative liquidity measure, LCR. Moreover, the credit quality of holdings has been stable in 2013.

[9] 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.

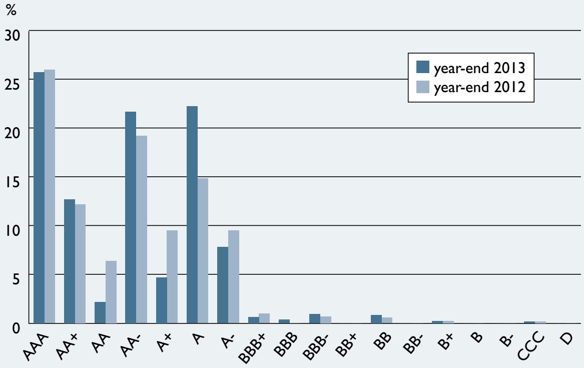
LIQUIDITY BY TYPE OF EXPOSURE AS OF DECEMBER31, 2013



LIQUIDITY PLACEMENTS BY REMAINING MATURITY (“M”)



LIQUIDITY PLACEMENTS BY RATING BASED ON NET EXPOSURE



CONTINGENCY PLAN

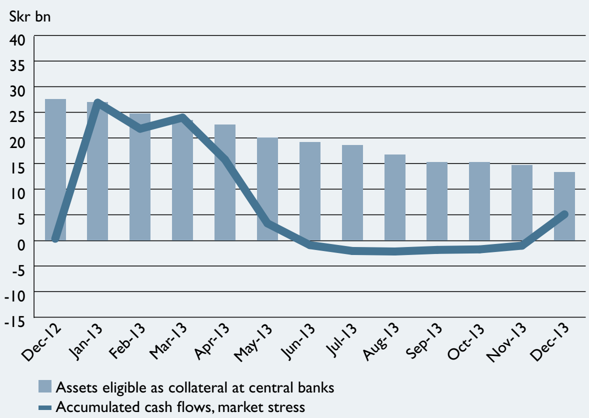
SEK has a contingency funding plan for the management of liquidity crises. The plan describes what constitutes a liquidity crisis according to SEK and what measures SEK intends to take if such a crisis is deemed to have occurred. The plan also describes the decision-making organization during a liquidity 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.

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. Also taken into account is 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. Analysis shows that the deficit emerging in the stress scenario in June 2014 is primarily a consequence of the assumption regarding payments under collateral agreements in combination with maturing debt. SEK's eligible assets ensures that the outcome of the scenario is in line with SEK's Finance Policy. The loan facility with the Swedish National Debt Office has not been included in these stress tests.

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[10]. Risks that are assessed to be at medium or high level should be mitigated. The risk appetite for losses[11] resulting from incidents is Skr 10 million per rolling 12-month period, or Skr 3 million each quarter.

EVENTS IN 2013

The company has during 2013 further developed the risk framework and has defined risk appetite for losses from incidents as well as for the types of incidents that typically fall outside SEK's risk appetite. The Company has also decided on criteria that should form the basis, for assessing the risk level for operational risk.

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 153 incidents (year-end 2012: 111 incidents). The absolute sum of the direct impact on earnings amounted to Skr 4.4 million (year-end 2012: Skr 3.8 million).

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 against 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 Operational Risk Control, which constitutes the second line of defense. Operational Risk Control is also responsible for ensuring that the company complies with the framework for operational risk. The Internal Control Committee 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 operational risk. The framework is based on the company's risk appetite for operational risk and risk management objectives. The risk appetite specifies the direction and boundaries for the management of risk, which is detailed in the form of 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 allocated for the execution of risk management and for the monitoring and analysis of risk and the level of risk. The policy is issued by the Board and the instructions are issued by the President.

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

[11] Losses refer to actual and calculated direct external costs.

Risk management process

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

RISK IDENTIFICATION

Events that could jeopardize the company's objectives at the overall or individual level should be identified both continually and at a specified regular interval. Identification should be performed:

(i) Continually in operational work by all staff.
(ii) Upon the introduction of new or amended products or IT systems. Analysis of project deliveries are also covered here.
(iii) In connection with incidents that occur.
(iv) With an annual risk analysis of all functions and processes within the company.

RISK ASSESSMENT

The identified risks are then assessed. Assessment is performed based on the 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 clearly on SEK's appetite for operational risk.

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 sees three main options

(i) to eliminate,
(ii) to reduce, or
(iii) to accept risk.

Based on the overall risk appetite, and taking account of the assessment of a particular risk, the company has clarified which risks are within the risk appetite and acceptable and which are not within the risk appetite and must be eliminated or reduced.

IMPLEMENTATION

The actions adopted to mitigate the risk exposures should be implemented, which means that

(i) the measures adopted to reduce risk exposures are developed and implemented, for example controls
(ii) incidents are analyzed, reported and rectified, and that
(iii) continuity for mission-critical processes and systems is planned, documented, practiced and taught.

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 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.

REPORTING AND FEEDBACK

Reporting is based on the reports sent from the first line of defense, the risk owners, to Risk Control. Risk Control analyzes, compiles and forwards the reports to certain decision-makers within the company, including the Internal Control Committee, and to the Board of Directors. There is also an order established for providing feedback from the decision-making bodies to those people who perform the risk management.

MEASUREMENT OF RISK LEVEL

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

i. The number of existing identified risks assessed as "high risk",
ii. The amount of losses from reported incidents during the last four quarters,
iii. Whether incidents has occurred, and in that case how many, that fall outside the risk appetite for type of incident, during the last four quarters,
iv. Whether management has assessed that efficient internal controls relating to financial reporting, in accordance with SOX Section 404, exists or not.

SUSTAINABILITY RISKS

Sustainability risks include the risks that SEK directly or indirectly contributes to violations of human rights, insufficient business ethics, bribery or other corrupt behavior, money laundering or financing of terrorism, environmental negligence or crimes or unacceptable labor conditions. SEK's mission implies financing of exports to projects and businesses in countries with high social and environmental risks. SEK has a duty to investigate export companies and their clients in this respect. SEK endeavors to set adequate requirements in the businesses that SEK finance in order to mitigate negative environmental and social impacts. For SEK governance of sustainability risks, see the governance reports on page 86. The main sustainability risks that SEK manages are illustrated in the table below. Work is underway to also incorporate sustainability risks in SEK's funding operations.

RISK AREA AND RESPONSIBILITY	RISK ASSESSMENT	RISK MANAGEMENT
Money laundering and financing of terrorism		
The risk that SEK contributes to or can be connected to money laundering or financing of terrorism. SEK has an obligation to close channels used by money launderers and to protect the company from being used for money laundering and the funding of terrorism	SEK assesses risks for contributing to money laundering and financing of terrorism in general as low as the company has a relatively small client base and large internationally recognized counterparties. SEK has no retail business. Enhanced risks are identified when: • Financing to clients to exporters in high risk countries with respect to money laundering and corruption. • In case of larger amortizations or early prepayments from borrowers that diverge from scheduled payment plans. • Investments in SEK's bonds • Third party agent bank manages SEK transactions in high risk countries.	Training – In 2013 , 97 percent of SEK employees were trained in methods, trends and patterns within money laundering and financing of terrorism. Risk adjusted routines for "Know your Customer" supported by controls in the system Worldcheck (www.worldcheck.com) Dialogue with exporters and agent banks Routines to check on purpose of prepayments and amortizations outside scheduled payment plans.. Banks and dealers, handling SEK transactions are under proper anti money laundering legislation. Agent banks have to sign Wolfberg Anti-Money Laundering Questionnaire
Corruption		
The risk that SEK contributes to or can be connected to any form of corruption or bribes. SEK's responsibility is to have routines and controls in order to comply with OECD convention on combating bribery, Swedish law and reasonable expectations from our stakeholders to be proactive in preventing corruption.	SEK has analyzed all business entities and identified the following main risks: • Suppliers offers bribery or any other improper advantage to SEK employees • Counterparty in financing transaction offers bribery or any other improper advantage to SEK employees • An agent/consultant/legal advisor use parts of SEK funds or payments for bribery • Borrowers or exporters use bribery in SEK financed transactions • Banks acting on behalf of SEK use bribes in SEK financed transactions	Anti-corruption program and policy Statement from CEO against all forms of corruption or bribes Code of Conduct encompassing SEK employees and suppliers Gift policy Training – In 2013 94 percent of SEK employees (including all executive managment) were trained in the Code of Conduct. Sanctions for employees and suppliers if not in compliance with the Code of Conduct Contact is established with Chief District Prosecutor at National Anti-Corruption Unit Enhanced due diligence in countries with very high risk of corruption. Anti-corruption declarations for exporters and anti-corruption clauses in loan agreements External whistle-blower system

RISK AREA AND RESPONSIBILITY	RISK ASSESSMENT	RISK MANAGEMENT
Human rights		
The risk that SEK directly or indirectly contributes to violations of human rights. SEK has a responsibility to influence and demand due diligence in projects and businesses that SEK finances with the purpose to comply with UN guiding principles on businesses and human rights. Demands should be in relation to a company's influence on a potential human rights violation and in relation to the severity of the potential violation.	SEK risks indirectly being connected to human rights violation via our lending activities in mainly three ways: • SEK finances Swedish deliveries to projects in countries with a high risk of violation of human rights and where the size of the project potentially could affect local communities or indigenous people in a negative way. • SEK finances deliveries in countries or sectors with specifically high risks of human rights violations • SEK finances deliveries to counterparties involved in recent incidents of human rights violations.	Training of SEK:s business team in methodology for sustainable business. The use of Maplecroft screening tool to identify high-risk countries with respect to human rights (www.maplecroft.com) Screening of businesses involved in recent human rights violations by the system RepRisk (www.reprisk.com) Larger projects are evaluated against "IFC Performance Standards" (www.IFC.org) All lending activities are screened with respect to the risk assessment. Control questions in high risk countries Enhanced due diligence in case of conflict areas, larger projects, incidents, and countries with specifically high risks for human rights violations.
Social and environmental due diligence in large projects		
The risk that SEK finances Swedish exports to projects that do not fulfill international standards in social and environmental due diligence. SEK has a responsibility to identify and manage social and environmental risks in accordance with OECD Recommendation on Common Approaches for officially supported export credits and environmental and social due diligence (OECD Common Approaches)	SEK identifies the following main risks: • Projects in countries with specifically high risks of human rights violations or corruption • Projects in sensitive areas • Projects in countries where exporters have difficulties getting information about the project.	Training of SEK:s business team in methodology for sustainable business. Enhanced due diligence by sustainability analysts Site visits if needed Required fulfilment of international standards are included in loan documentation Monitoring if needed

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 a European sovereign debt crisis and the resulting 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 most significant for SEK. For evaluation of the capital requirement under Pillar 2, SEK's internal quantification of economic capital forms a basis for the analysis. Economic capital is a central part of SEK's internal capital adequacy assessment and is more exact and risk-sensitive measure compared with the regulatory capital requirement under Pillar 1. The total capital requirement under Pillar 2 was Skr 9,988 million at December 31, 2013 (year-end 2012: Skr 8,862 million), of which Skr 7,980 million (year-end 2012: Skr 7,243 million) was due to credit risk, Skr 345 million (year-end 2012: Skr 321 million) was due to operational risk and Skr 1,663 million (year-end 2012: Skr 1,298 million) was due to market risk. This can be compared to the capital requirements under Pillar 1 that amounted to Skr 6,002 million at December 31, 2013 (year-end 2012: Skr 5,720 million), of which Skr 5,592 million (Skr 5,258 million) was due to credit risk, Skr 293 million (year-end 2012: Skr 284 million) was due to operational risk, Skr 112 million (year-end 2012: Skr 178 million) was due to foreign exchange risk and Skr 5 million (year-end 2012: -) was due to commodities risk, for further information, see Note 27.

The need for economic capital on account of credit risk is based on a quantitative approach where Value at Risk (VaR) is calculated at a confidence level of 99.9 percent. This quantitative estimate is performed using a simulation-based tool that produces a probability distribution of the value of the credit portfolio over a determined time horizon (usually one year). 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.

In the comparative analysis, 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 under Pillar 1. Two other factors that increase the need for capital consists in the company taking name concentration into account and that SEK employs a more conservative correlation model, where concentration risk in the portfolio due to domicile and sector is captured. 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 SEK's correlation model comprises the single largest contribution to risk in the company's comparative analysis.

CORPORATE GOVERNANCE REPORT 2013

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 2013 financial year. The articles of associationSEK's owner instruction, 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 for 2013 has been reviewed by the company´s auditors.

The ability to maintain a high 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. In 2012 an incident occurred relating to a conflict of interest that led to action being taken in both 2012 and 2013 to strengthen internal control with clearer rules on the identification and handling of such conflicts.

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, SEK's owner instruction, the articles of association, the procedural rules of the Board of Directors and other internal policies and instructions. SEK also complies with the applicable sections of regulations that apply to companies registered on those 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.

Since SEK issues certain securities in the United States, the company also follow applicable U.S. law.

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 2013.

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 follows the principles described in the Government Owner Policy.

THE BOARD OF DIRECTORS' INDEPENDENCE FROM THE OWNER

SEK does not disclose whether members of the Board of Directors are independent in relation to the owner. This is in accordance with the Government Owner Policy, which states that nominations to the Board 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.

PRINCIPLES AND CONTROL MECHANISMS FOR SUSTAINABILITY WORK

SEK's sustainable business activities form an integral part of its operations, business plan and strategy. Its sustainability work is governed by international and national regulations and guidelines, along with the government's owner policy, our owner instruction as well as internal guidelines. Sustainability targets and strategies to achieve the targets are described in the Report of the Directors on page 55-56.

THE STATE'S OWNER POLICY AND GUIDELINES FOR STATE-OWNED COMPANIES

The Swedish state owner policy stipulates that state-owned companies must set an example within Sustainable Business. Sustainable Business includes human rights, labor conditions, the environment, anti-corruption measures and business ethics, with as well as equality and diversity. An important aspects of this work is compliance with international guidelines. State-owned companies should have a well thought out policy that has staff support, as well as a strategy and targets for Sustainable Business.

According to state guidelines on external reporting, SEK must publish a sustainability report in accordance with Global Reporting Initiative (GRI) guidelines.

OECD GUIDELINES

As a state-owned company operating within the Swedish export credit system, SEK complies with national and international guidelines within the OECD. Lending is regulated by the OECD's Common Approaches for officially supported export credits and environmental and social due diligence. SEK's anti-corruption work complies with the OECD convention on combating bribery of foreign public officials in international business relations and the OECD anti-corruption action plan for officially supported credits. OECD guidelines for multinational corporations form an important basis for the review of multinational business activities.

GLOBAL COMPACT

In 2011, SEK became a signatory to the UN Global Compact and committed to actively contribute to advancing the 10 principles on the environment, labor conditions, human rights and anti-corruption measures. SEK reports its work in an annual report to the UN in the form of Communications on Progress (CoP), which can be downloaded from unglobalcompact.org.

INTERNAL GUIDELINES

Overarching sustainability work is regulated by a "policy for sustainable business". The code of conduct covers all SEK's employees and Board members, consultants and all others wiyh an assignment for or representing SEK in some form. Most of the code of conduct also covers SEK's suppliers and their subcontractors. The code of conduct regulates ethical conduct. A credit instruction and policy regulate how sustainability risks should be managed and determined. SEK's measures against money laundering and the funding of terrorism are regulated by the company's policy on money-laundering and the funding of terrorism.

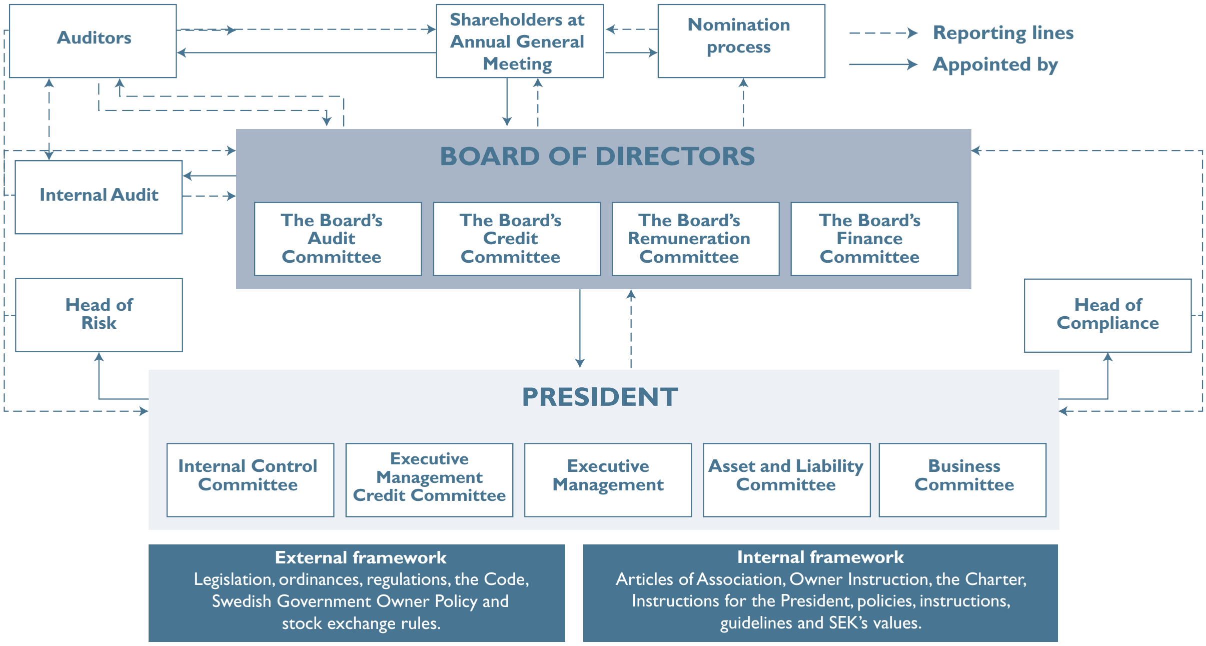
INTERNAL CONTROL PROCESSES

The Board of directors determines sustainability targets and strategies. The Board is represented on various committees that handle sustainability issues within their respective areas. Ultimate responsibility for implementing sustainability strategies within the organization lies with the President. The Head of Sustainability is responsible for managing the work of incorporating sustainability issues within SEK's business operations. Management of sustainability risks is an integral part of the credit process.

SEK'S SUSTAINABLE BUSINESS NETWORK:

- Transparency International Business Group
- OECD working groups on environmental issues in officially supported credits
- The Swedish Partnership for Global Responsibility
- Networks relating to sustainability issues in state-owned companies
- Swedish Cleantech Export Group
- Swedish ICC reference group on CSR

GENERAL PRINCIPLES FOR GOVERNANCE



GOVERNMENT OWNER POLICY

SEK adheres to the Government Owner Policy without deviation.

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 of SEK. At the proposal of the owner, the general meeting appoints the Board members and auditors. The annual general meeting adopts the income statement and balance sheet of the Parent Company, the statement of comprehensive income and statement of financial position of the Consolidated Group, and it addresses matters that arise at the meeting in accordance with the Swedish Companies Act and the articles of association. The general meeting also decides upon the distribution of profits and dividend to the shareholder. The general meeting also decides on economic targets, the dividend policy and owner's instruction.

ANNUAL GENERAL MEETING

SEK's annual general meeting was held on April 23, 2013. 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 2012 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 212.6 million to be disbursed to the shareholder. The decision was in accordance with SEK's dividend policy.

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

The annual general meeting also decided on guidelines for remuneration to senior executives.

In conjunction with the 2013 annual general meeting a seminar was arranged, to which customers and other stakeholders were invited to attend. 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. Emma Ihre of the Ministry of Finance with responsibility for sustainable business, then discussed the topic of sustainability in state-owned companies with the moderator, journalist Staffan Dopping. Johan Söderström, President of ABB Sweden, gave a speech about the role of export finance. Emma Ihre and Johan Söderström then participated, together with SEK's President, in a panel discussion. The audience was invited to put questions to the company's executive management.

FINANCIAL TARGETS

The 2012 general meeting determined the following financial targets for the company;

Profitability target: After-tax return on equity should in the long term correspond to the risk-free interest rate plus 5 percentage points. The risk-free interest rate should be calculated as the average interest rate on 10-year government bonds over the past ten years.

Capital structure: The target is that for Core Tier-1 capital ratio to reach 16 percent, with a minimum of 12 percent.

Dividend policy: The ordinary dividend should be 30 percent of net profit after tax. Within the scope of the policy, each dividend proposal should take account of the targets for capital structure, the company's future capital requirements and possible investment plans and acquisition should be respected.

SUSTAINABILITY TARGETS AND STRATEGIES

The Board of Directors has determined the following sustainability targets and strategies for the company:

Target within Sustainable Financing: 100 percent of our customers should find that SEK sets sustainability requirements for all lending.

Strategies for achieving this target: Training in sustainable financing and a quality-assured method for evaluating social and environmental risks in lending.

Target within business ethics: 100 percent of our customers and suppliers should have undertaken to comply with SEK's guidelines on anti-corruption measures.

Strategies for achieving this target: Training in anti-corruption measures and SEk's Code of Conduct and introduction of an anti-corruption program.

Target withgin equality and diversity: Gender distribution in managerial positions should be within the range of 40/60 percent. More than 25 percent of SEK's employees should have a foreign background.

Strategies for achieving these target: Recruitment is based on required skills and diversity. Diversity is sought when appointing managers and committee members. Diversity should reflect Swedish society based on SEK's business model.

OWNER'S INSTRUCTION

This owner's instruction was adopted at SEK's 2012 annual general meeting. It is valid until the general meeting 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, is 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.

SEK's credit assessments shall take account of circumstances such as the environment, corruption, human rights, labor conditions and other relevant factors.

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 nominating 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 operations, situation and future challenges of the company. Thereafter any recruitment needs are established and the recruitment process starts. The choice of directors is derived from a broad recruitment base.

The company has established a process for suitability assessment of the members of the Board and senior executives in line with the new regulatory framework from EBA. The prospects of the company's assessment of potential new members of the Board is that the owner has identified the candidate in question on the basis of a requirement profile and have submitted it to the company. After the company's assessment , the owner shall be informed of the outcome.

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 59. Information about the members of the Board can be found on pages 96–97.

THE WORK OF THE BOARD OF DIRECTORS

TASKS AND DIVISION OF RESPONSIBILITY

The Board of Directors is responsible for the organization of the company anda management of the company's affairs. The Board of Directors shall also:

- be responsible for the company complying with laws, regulations and other rules applicable to the company, the articles of association and the owner's instruction determined by the owner at the general meeting. Special attention should be given to the organizational structure of the company to ensure that the bookkeeping, fund management and the company's other financial circumstances are controlled satisfactorily.
- be responsible for the company's compliance with the guidelines adopted by the government that apply to the company and should also work to ensure achievement of the financial targets established by the company.
- be responsible for the company's application of the Swedish code for corporate governance.
- ensure that the company has effective systems to monitor and control the business.
- be responsible for establishing relevant committees for the work of the Board and appointing committee members among Board members. The Board should also ensure that instructions for the Board committees are established.
- appoint the President, who is responsible for day-to-day operating activities, decide on salaries and other remunerations for the President and determine the instruction for the President. The Board shall verify that the President is fulfilling his or her responsibility for the day-to-day management of the company's affairs.
- take decisions on issues that are part of the day-to-day management.
- establish procedural rules for work each year. These procedural rules shall, among other things, govern reporting to the Board, the frequency and the forms of Board meetings, the delegation of tasks and the evaluation of the work of the Board and the President.
- take decisions on sustainability targets and strategies to achieve such targets.
- determine and continually assess targets and guidelines for the organization, policies and overarching instructions, strategies, the business plan and the internal capital assessment, capital structure issues, budgeting and other important financial issues such as major investments, certain credit and funding matters and certain limits concerning interest, exchange rates and other market risks. In addition to this, the Board decides on salaries and other remuneration employees responsible for control functions, significant changes to the company's organization and matters of fundamental importance or other significance for the company.

The Chief Corporate Governance Officer acted as secretary to the Board of Directors in 2013.

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. When required the Chairman of the Board participates in important contacts and represents the company in ownership issues.

DESCRIPTION OF THE WORK OF THE BOARD OF DIRECTORS

The work of the Board was carried out in accordance with the established rules of procedure. The Board of Directors met on 11 occasions in 2013. In addition to this, the Board of Directors held both a special strategy seminar and a training seminar, which was mainly focused on new regulations. During 2013 the Board of Directors recruited a new President that will take up the position as the General Annual Meeting on April 28, 2014 but will start the employment on April 1st for SEK introduction. The meetings of the Board have discussed such matters as business activities including sustainability issues, annual and interim reports and related reports, operational targets, the business plan, the internal capital adequacy assessment process (ICAAP), the budget, organizational and staffing issues, the employee survey and evaluation of the work of the Board. The Board has also handled contact with supervisory authorities, mainly the Swedish Financial Supervisory Authority, in relation to various kinds of regulatory matters. Following an invitation by the Board, one of the board meetings was attended by a representative from the Financial Supervisory Authority who informed the Board how the authoriy conducts its supervision. Furthermore the Board of Directors has taken certain specific decisions on loans and fundings which are of principal importance or in any other way essential for the company. During the fall the Board visited the Atlas Copco plant in Nacka.

Specific matters handled by the Board during the year are among others instructions for handling conflicts of interest, code of conduct, and policies for sustainable business, present filed suit at Stockholm District Court from Lehman Brothers Finance, S.A., (in liquidation), Schweiz, projects related to new regulations, development of methods and measures of market risk , follow-ups of dialogue with the Swedish Financial Supervisory Authority's, a new way to promote smaller exporters' involvement through staggered deliveries to larger projects, the introduction of SEK's Export Credit Trends Survey and media coverage.

Furthermore, the Chairman of the Board maintained the contact with representatives of the company's owner in order to coordinate with the owner on their views regarding certain key decisions. On one occasion the entire Board participated in this dialogue with the owner's representatives. The main issue discussed on this occasion was the potential impact on the company's corporate governance from new regulations.

IN 2013 THE BOARD OF DIRECTORS DECIDED ON, OR DEALT WITH MATTERS AS FOLLOWS:

	Number
Appointment of the President and election of members to the committees	2
Policies and instructions	19
Business plan and capital related matters	4
Financial reports, including audit reports	6
Remuneration- and other HR issues	5
Projects and investments	8
Notifications from the Board's committees	27
Other matters	51

The table SEK's Governing Documents lists the policies and instructions determined by the Board of Directors and the Committees.

While examining the annual and interim accounts the company auditors participated in six meetings of the Board of Directors and reported to and conducted a dialogue with the Board about their observations arising from the scrutiny and assessment of SEK's operations as well as correspondence with supervisory authorities on accounting matters. The Board of Directors 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.

SEK'S GOVERNING DOCUMENTS	ISSUED BY
Code of Conduct	Board of Directors
Finance Policy	Board of Directors
Capital Policy	Board of Directors
Credit Policy	Board of Directors
Compliance Policy	Board of Directors
Policy regarding anti-money laundering and financinging of terrorism and other crime	Board of Directors
Remuneration Policy	Board of Directors
Policy for sustainable business	Board of Directors
Policy for internal control	Board of Directors
Operative Risk Policy	Board of Directors
Procedural rules of Board of Directors	Board of Directors
Instruction for managing conflicts of interest	Board of Directors
Instruction for the Remuneration Committee	Board of Directors
Instruction for the Finance Committee	Board of Directors
Instruction for Internal Audit	Board of Directors
Instruction for the Credit Committee	Board of Directors
Instruction for the Audit Committee	Board of Directors
Instruction for the President	Board of Directors
Instruction regarding services that the company purchase from the company's auditor	Audit Committee
Credit Instruction	Credit Committee
Methodology for Internal Classification	Credit Committee
Finance Strategy	Finance Committee
Finance Instruction	Finance Committee
Instruction concerning limits for market risks (excl. S-systemet)	Finance Committee
Instruction concerning limits for market risks in the S-systemet	Finance Committee
Instruction for handling Equity	Finance Committee
Instruction for Internal Capital Assessment Process (ICAAP)	Finance Committee
Liquidity Strategy	Finance Committee

QUALITY ASSURANCE OF FINANCIAL REPORTING

In its special report on internal control (see page 94-95), 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 and the result of the audit 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 2013, this assessment was also performed with external assistance. An evaluation is also done by the owner in connection with the board nomination (see page 89).

THE BOARD COMMITTEES

During the financial year the Board's Credit Committee, Finance Committee, Remuneration Committee and Audit Committee met on 15, 6, 8 and 6 occasions respectively. The Board has an annual process of establishing instructions for all of its committees. Minutes from all the committee meetings are provided on an ongoing basis to the Board of Directors. At the Board meetings, the minutes from each committee are reported by the respective committee's chair person.

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. At 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, Ulla Nilsson and Eva Walder. From executive management, the President and Chief Operating Officer, Chief Risk Officer and the Chief Corporate Governance Officer attended the committee's meetings. The Head of Customer Relations Manaement has attended since May. Account managers and credit analysts reported to Board meetings on certain issues. The Chief Corporate Governance Officer has acted as secretary to the committee. During the year, extra emphasis was placed on ensuring that sustainability issues are treated as an integral part of credit assessment. Furthermore, a new way to promote smaller exporters' involvement in staggered deliveries to major projects was examined by the committee.

FINANCE COMMITTEE

The Finance Committee handles overall questions regarding 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 and limits for other kinds of market risks as well as approval of models for valuation of financial instruments. The Board of Directors has established a Capital Policy and a Finance Policy. The committee has, among other things issued a Financing Strategy and a Finance Instruction. The Board has appointed the following four members to the Finance Committee: Lars Linder-Aronson (Chairman), Cecilia Ardström, Ulla Nilsson and Jan Roxendal. From the executive management, the President and the Chief Operating Officer attended the committee's meetings. The Head of Risk Control, Head of Treasury, Head of Quantitative Analytics and specialists from various functions within the company have reported to the committee. The Chief Corporate Governance Officer has acted as secretary to the committee. Significant issues handled by the Committee during 2013 include the continual follow-up of projects to improve methods for calculating certain market risks and the effects and management of different types of market risks, especially those that generate unrealized changes in the market value of assets and liabilities. The Finance Committee has also handled issues that deal with the establishment of new types of limits, such as credit spread risk on SEK's own debt, currency spread risk, and an aggregated risk measure. The committee has also addressed matters such as the company's credit rating, risk appetite, the implications of new regulations on capital requirements, capital needs, counterparty exposures, the company's liquidity placement strategy, for the impact of forthcoming requirements for central clearing of OTC contracts, a review of valuation models, processes for validating market data and in GIIPS-countries.

REMUNERATION COMMITTEE

The Remuneration Committee handles 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. 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 Chief Corporate Governance Officer has acted as secretary to the committee.

The Remuneration Committee has prepared proposals on salaries for the other persons in control-related positions for which the Board determines the terms of remuneration. The committee also prepared proposals for the terms and outcomes of the company's general incentive program. Furthermore, the committee evaluates compliance with the annual general meeting's decisions on remuneration. The committee also handled the Board's evaluation of its own work and that of the President. During the autumn the Remuneration Committee was actively involved in the process of recruiting a new President.

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. The Board has 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 operational risks, representatives from SEK's internal audit and Head of Compliance reported to the committee. The Chief Corporate Governance Officer acted as secretary to the committee.

All meetings of the committee were attended by the auditor 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, financial reports submitted by the company and correspondence with supervisory authorities on accounting matters. The internal audit function has reported the results of its work to the Committee on a regular basis.

In 2013 the Audit Committee dealt with questions about plans for an internal and external audit, an evaluation of internal and external auditing, the management's evaluation of the internal control of financial reporting, the development of operational risks and compliance issues. The Audit Committee also issued instructions regarding services that the company purchases from its auditor. Specific matters dealt with by the Audit Committee during 2013 included new accounting rules, new regulations regarding regulatory reporting and accounting issues concerning matters such as improving the quality of valuations.

ATTENDANCE FREQUENCY AT MEETINGS OF THE BOARD OF DIRECTORS AND THE COMMITTEES IN 2013

	Total	The Board of Directors	Remuneration Committee	Finance Committee	Credit Committee	Audit Committee
Number of meetings	**46**	**11**	**8**	**6**	**15**	**6**
Lars Linder-Aronson	39	11	8	6	14	
Cecilia Ardström	23	11		6		6
Jan Belfrage	24	10			14	
Lotta Mellström	25	11	8			6
Ulla Nilsson	32	11		6	15	
Jan Roxendal	22	11		5		6
Åke Svensson	24	10	8			6
Eva Walder	22	11			11	

AUDITORS

The Swedish Government Owner Policy 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 2013 appointed Ernst & Young AB as auditor of the company, with Authorized Public Accountant Erik Åström 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 did not occur in 2013.

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. Peter Yngwe will leave the company at SEK's 2014 annual general meeting.

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 the 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. The GIS constitutes a unilateral offer by the Company, which the Company may, at its own discretion, alter or withdraw at any time. The content of the GIS, both in terms of its scope and validity, as well as any amendments or supplements, are determined annually by the Board. The GIS covers all permanent emplyees with the exception of the President, other members of the executive management, the Head of Financial Control and the Head of Risk Control. Payment under the GIS may be no more than two months' salary. 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). For information on the remuneration of the Board of Directors and the executive management, see Note 5.

THE BOARD OF DIRECTORS' REPORT FOR THE 2013 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 (1992 version). 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. There is a policy 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 issues 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 significant and extensive competence for auditing the company's compliance with the regulations, especially those on capital adequacy, including auditing of internal capital adequacy assessment and the company's IRB model. The internal auditors' assignment includes cooperating with external auditors so that they are able to rely on work carried out by the internal auditors, thereby ensuring that all material areas of risk have been audited.

SEK's Internal Control Committee, which is chaired by the Chief Administrative Officer, has the 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 may result in the objective of reliable financial reporting not being achieved in terms of completeness, accuracy, valuation, reporting and risk of fraud.

CONTROL ACTIVITIES
Controls have been designed based on identified risks in order to prevent, reveal and correct deficiencies and discrepancies.

The controls are carried out in part at a company wide level. Examples of company wide controls are instructions regarding permissions 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 via 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 continually provided with management reports on financial performance 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.

SEK is also governed by the Swedish Financial Supervisory Authority's regulations on internal controls including among others reliable financial reporting.

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, 2013 was that effective and efficient controls were in place relating to internal control of financial reporting.

THE BOARD OF DIRECTORS




LARS LINDER-ARONSON

Chairman of the Board

Born: 1953.

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

Elected: 2011. Chairman of SEK's Finance 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, 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.

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

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 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 Specialfastigheter Sverige AB.

Current positions: Deputy Director at the Ministry of Finance.

AUDITORS

Ernst & Young AB

Principally responsible auditor

ERIK ÅSTRÖM

Authorized Public Accountant

Born: 1957.
Auditor at SEK since 2013.




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.

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

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

JAN ROXENDAL

Born: 1953.

Education: General College Degree in Banking.

Elected: 2007. Chairman of SEK's Audit Committee and Member of SEK's Finance 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, the Swedish Export Credits Guarantee Board (EKN), Flexenclosure AB and Roxtra AB, Member of the Board of Catella 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 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 & Chief Executive Officer (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 AB SEK Securities and Venantius AB.

JANE LUNDGREN ERICSSON

Deputy Chief Operating Officer (dCOO), Chief Executive Officer (CEO) of AB SEK Securities

Born: 1965.

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

Employed: 1993.

Other appointments: Member of the Board of SBAB.

SUSANNA RYSTEDT

Chief Administrative Officer (CAO)

Born: 1964.

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

Employed: 2009.

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

PER ÅKERLIND

Chief Operating Officer (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

Chief Risk Officer (CRO)

Born: 1949.

Education: MSc Economics and Business, Lund University.

Employed: 2011.

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

SIRPA RUSANEN

Chief Human Resources Officer (CHRO)

Born: 1964.

Education: Behavioral Science Degree, Lund University.

Employed: 2005.

SVEN-OLOF SÖDERLUND

Chief Corporate Governance Officer (CCGO)

Born: 1952.

Education: Economics Degree, Stockholm University.

Employed: 1988.

Assignments: Member of the Board of AB SEK Securities and Venantius AB.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Skr mn	Note	2013	2012
Interest revenues		4,157.6	5,406.9
Interest expenses		–2,602.8	–3,527.0
Net interest revenues	**2**	**1,554.8**	**1,879.9**
Commissions earned	3	8.7	11.1
Commissions incurred	3	–13.8	–10.9
Net results of financial transactions	4	408.4	–507.7
Other operating income	7	0.0	19.9
Operating income		**1,958.1**	**1,392.3**
Personnel expenses	5	–290.1	–292.2
Other expenses	6	–185.4	–232.8
Depreciations and amortizations of non-financial assets	7	–35.8	–19.5
Net credit losses	9	–38.7	–23.4
Operating profit		**1,408.1**	**824.4**
Taxes	10	–318.0	–115.6
Net profit for the year (after taxes)[1]		**1,090.1**	**708.8**
Other comprehensive income related to:			
Items to be reclassified to profit or loss			
Available-for-sale securities[2]		*3.9*	*7.5*
Derivatives in cash flow hedges[2]		*–406.7*	*168.2*
Tax on items to be reclassified to profit or loss	10	88.6	–20.4
Net items to be reclassified to profit or loss		**–314.2**	**155.3**
Items not to be reclassified to profit or loss			
Revaluation of defined benefit plans		*60.8*	*4.8*
Tax on items not to be reclassified to profit or loss	10	–13.4	–1.1
Net items not to be reclassified to profit or loss		**47.4**	**3.7**
Total other comprehensive income		**–266.8**	**159.0**
Total comprehensive income[1]		**823.3**	**867.8**

Skr		
Basic and diluted earnings per share[3]	273.2	177.6

[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 2013 amounts to 3,990,000 (year-end 2012: 3,990,000)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Skr mn	Note	December 31, 2013	December 31, 2012
Assets			
Cash and cash equivalents	11,12	8,337,3	2,338.2
Treasuries/government bonds	11,12	4,594.8	5,111.5
Other interest-bearing securities except loans	11,12	64,151.1	77,693.3
Loans in the form of interest-bearing securities	11,12	60,957,7	57,889.8
Loans to credit institutions	9,11,12	24,819.1	22,083.6
Loans to the public	8,9,11,12	125,552.9	115,478.2
Derivatives	14	14,227.9	25,711.2
Property, plant, equipment and intangible assets	7	150.2	150.3
Other assets	16	1,039,3	4,024.5
Prepaid expenses and accrued revenues	17	2,723.6	2,655.0
Total assets		**306,553.9**	**313,135.6**
Liabilities and equity			
Borrowing from credit institutions	12,18	8,256.1	14,490.3
Borrowing from the public	12,18	59.3	56.9
Senior securities issued	12,18	260,900.4	258,090.1
Derivatives	14	16,788.0	16,421.0
Other liabilities	19	785.5	3,462.3
Accrued expenses and prepaid revenues	20	2,432.8	2,407.6
Deferred tax liabilities	10	682.8	718.9
Provisions	5,21	51.8	96.2
Subordinated securities issued	12,22	1,606.9	3,012.7
Total liabilities		**291,563.6**	**298,756.0**
Share capital		3,990.0	3,990.0
Reserves		135.7	449.9
Retained earnings		10,864.6	9,939.7
Total equity	**23**	**14,990.3**	**14,379.6**
Total liabilities and equity		**306,553.9**	**313,135.6**
Collateral provided etc.			
Cash collateral under the security agreements for derivative contracts		6,945.8	2,544.4
Interest-bearing securities:			
Subject to lending		*160.0*	*39.8*
Contingent assets and liabilities	24	1.0	1.1
Commitments			
Committed undisbursed loans	24	20,480.2	25,915.1
Binding offers	24	35,083.0	33,841.2

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity	Share capital	Reserves		Retained earnings
Skr mn			*Hedge reserve*	*Fair value reserve*	
Opening balance of equity January 1, 2012	13,968.1	3,990.0	319.4	–24.8	9,683.5
Effects of the implementation of IAS 19R	–36.3				–36.3
Adjusted opening balance of equity 2012 after effects of the implementation of IAS 19R	13,931.8	3,990.0	319.4	–24.8	9,647.2
Net profit for the year	708.8				708.8
Other comprehensive income related to:					
Items to be reclassified to profit or loss					
Available-for-sale securities	*7.5*			*7.5*	
Derivatives in cash flow hedges	*358.2*		*358.2*		
Reclassified to profit or loss	–190.0		–190.0		
Tax on items to be reclassified to profit or loss	–20.4		–18.4	–2.0	
Items not to be reclassified to profit or loss					
Revaluation of defined benefit plans	*4.8*				*4.8*
Tax on items not to be reclassified to profit or loss	–1.1				–1.1
Total other comprehensive income	159.0		149.8	5.5	3.7
Total comprehensive income	867.8		149.8	5.5	712.5
Dividend	–420.0				–420.0
Closing balance of equity 2012[1,2]	**14,379.6**	**3,990.0**	**469.2**	**–19.3**	**9,939.7**
Opening balance of equity 2013	14,379.6	3,990.0	469.2	–19.3	9,939.7
Net profit for the year	1,090.1				1,090.1
Other comprehensive income related to:					
Items to be reclassified to profit or loss					
Available-for-sale securities	*3.9*			*3.9*	
Derivatives in cash flow hedges	*–127.4*		*–127.4*		
Reclassified to profit or loss	–279.3		–279.3		
Tax on items to be reclassified to profit or loss	88.6		89.5	–0.9	
Items not to be reclassified to profit or loss					
Revaluation of defined benefit plans	*60.8*				*60.8*
Tax on items not to be reclassified to profit or loss	–13.4				–13.4
Total other comprehensive income	–266.8		–317.2	3.0	47.4
Total comprehensive income	823.3		–317.2	3.0	1,137.5
Dividend	–212.6				–212.6
Closing balance of equity 2013[1,2]	**14,990.3**	**3,990.0**	**152.0**	**–16.3**	**10,864.6**

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

STATEMENT OF CASH FLOWS IN THE CONSOLIDATED GROUP

Skr mn	2013	2012
Operating activities		
Operating profit[1]	1,408.1	824.4
Adjustments to convert operating profit to cash flow:		
Provision for credit losses - net	46.5	34.2
Depreciation	35.8	19.5
Exchange rate differences	–12.0	–3.8
Unrealized changes in fair value	260.5	1,151.7
Other	–57.7	116.9
Income tax paid	–270.6	–285.7
Total adjustments to convert operating profit to cash flow	**2.5**	**1,032.8**
Disbursements of loans	–60,237.4	–50,370.8
Repayments of loans	41,693.2	48,843.3
Net decrease in bonds and securities held	12,446.9	–9,469.4
Derivatives relating to loans	148.1	36.7
Other changes – net	631.7	–453.6
Cash flow from operating activities	**–3,906.9**	**–9,556.6**
Investing activities		
Capital expenditures	–35.3	–41.7
Cash flow from investing activities	**–35.3**	**–41.7**
Financing activities		
Proceeds from issuance of short-term senior debt	12,837.5	11,842.7
Proceeds from issuance of long-term debt	98,238.1	43,156.5
Repayments of debt	–59,829.6	–27,141.6
Repurchase and early redemption of own long-term debt	–44,841.8	–22,694.4
Derivatives relating to debts	3,768.0	3,440.9
Dividend paid	–212.6	–420.0
Cash flow from financing activities	**9,959.6**	**8,184.1**
Net cash flow for the year	**6,017.4**	**–1,414.2**
Exchange rate differences on cash and cash equivalents	–18.3	2.8
Cash and cash equivalents at beginning of year	2,338.2	3,749.6
Cash and cash equivalents at end of year[2]	**8,337.3**	**2,338.2**

COMMENTS ON THE CASH FLOW STATEMENT:

[1] Interest payments received and expenses paid

Skr mn	**2013**	**2012**
Interest payments received	4,088.6	6,492.2
Interest expenses paid	2,527.4	4,477.3

[2] Cash and cash equivalents

Skr mn	**2013**	**2012**
Cash at banks	418.2	148.2
Cash equivalents	7,919.1	2,190.0
Total cash and cash equivalents	**8,337.3**	**2,338.2**

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.

PARENT COMPANY INCOME STATEMENT

Skr mn	Note	2013	2012
Interest revenues		4,147.8	5,395.2
Interest expenses		–2,603.7	–3,527.8
Net interest revenues	**2**	**1,544.1**	**1,867.4**
Dividend from subsidiary	15	3.9	9.7
Commissions earned	3	2.6	5.6
Commissions incurred	3	–11.2	–10.7
Net results of financial transactions	4	408.3	–507.7
Other operating income		0.0	19.9
Operating income		**1,947.7**	**1,384.2**
Personnel expenses	5	–289.5	–294.5
Other expenses	6	–183.7	–230.6
Depreciations and amortizations of non-financial assets	7	–35.8	–19.5
Provision for credit losses	9	–48.7	–28.7
Reversed impairment of shares in subsidiaries	15	3.5	–
Operating profit		**1,393.5**	**810.9**
Changes in untaxed reserves	10	–173.0	–53.0
Taxes	10	–275.2	–209.9
Net profit (after taxes)		**945.3**	**548.0**

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

Skr mn	2013	2012
Net profit for the year (after taxes)	**945.3**	**548.0**
Other comprehensive income related to:		
Items to be reclassified to profit or loss		
Available-for-sale securities[1]	3.9	7.5
Derivatives in cash flow hedges[1]	–406.7	168.2
Tax on items to be reclassified to profit or loss	88.6	–20.4
Net items to be reclassified to profit or loss	**–314.2**	**155.3**
Total other comprehensive income	**–314.2**	**155.3**
Total comprehensive income	**631.1**	**703.3**

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

PARENT COMPANY BALANCE SHEET

Skr mn	Note	December 31, 2013	December 31, 2012
ASSETS			
Cash and cash equivalents	11,12	8,318.5	2,313.1
Treasuries/government bonds	11,12	4,594.8	5,111.5
Other interest-bearing securities except loans	11,12	64,151.1	77,693.3
Loans in the form of interest-bearing securities	11,12	60,959.0	57,900.6
Loans to credit institutions	9,11,12	24,819.1	22,083.6
Loans to the public	8,9,11,12	125,552.9	115,478.2
Derivatives	14	14,227.9	25,711.2
Shares in subsidiaries	15	64.7	82.3
Property, plant, equipment and intangible assets	7	150.2	150.3
Other assets	16	1,039.3	4,022.2
Prepaid expenses and accrued revenues	17	2,723.6	2,655.0
Total assets		**306,601.1**	**313,201.3**
LIABILITIES AND EQUITY			
Borrowing from credit institutions	12,18	8,266.1	14,500.3
Borrowing from the public	12,18	136.8	121.9
Senior securities issued	12,18	260,900.4	258,090.1
Derivatives	14	16,788.0	16,421.0
Other liabilities	19	784.8	3,480.5
Accrued expenses and prepaid revenues	20	2,432.7	2,407.5
Deferred tax liabilities	10	43.0	132.3
Provisions	5,21	28.8	12.9
Subordinated securities issued	12,22	1,606.9	3,012.7
Total liabilities		**290,987.5**	**298,179.2**
Untaxed reserves	10	2,910.9	2,737.9
Share capital		3,990.0	3,990.0
Legal reserve		198.0	198.0
Fair value reserve		135.7	449.9
Retained earnings		7,433.7	7,098.3
Net profit for the year		945.3	548.0
Total equity	**23**	**12,702.7**	**12,284.2**
Total liabilities and equity		**306,601.1**	**313,201.3**
Collateral provided etc.			
Cash collateral under the security agreements for derivative contracts		6,945.8	2,544.4
Interest-bearing securities			
Subject to lending		160.0	39.8
Contingent assets and liabilities	24	–	–
Commitments			
Committed undisbursed loans	24	20,480.2	25,915.1
Binding offers	24	35,083.0	33,841.2

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 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 related to:						
Items to be reclassified to profit or loss						
Available-for-sale securities	*7.5*				*7.5*	
Derivatives in cash flow hedges	*358.2*			*358.2*		
Reclassified to profit or loss	–190.0			–190.0		
Tax on items to be reclassified to profit or loss	–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**
Opening balance of equity 2013	12,284.2	3,990.0	198.0	469.2	–19.3	7,646.3
Net profit for the year	945.3					945.3
Other comprehensive income related to:						
Items to be reclassified to profit or loss						
Available-for-sale securities	*3.9*				*3.9*	
Derivatives in cash flow hedges	*–127.4*			*–127.4*		
Reclassified to profit or loss	–279.3			–279.3		
Tax on items to be reclassified to profit or loss	88.6			89.5	–0.9	
Total other comprehensive income	–314.2			–317.2	3.0	
Total comprehensive income	631.1			–317.2	3.0	945.3
Dividend	–212.6					–212.6
Closing balance of equity 2013[1]	**12,702.7**	**3,990.0**	**198.0**	**152.0**	**–16.3**	**8,379.0**

[1] See note 23.

STATEMENT OF CASH FLOWS IN THE PARENT COMPANY

Skr mn	2013	2012
Operating activities		
Operating profit[1]	1,220.5	757.9
Adjustments to convert operating profit to cash flow:		
Reversed write-down of impaired shares in subsidiary	–3.5	–
Write-down of impaired financial instruments	46.5	26.7
Depreciation	35.8	19.5
Gain on sale of subsidiary	–0.4	–
Exchange rate differences	–11.9	–3.8
Unrealized changes in fair value	260.5	1,151.7
Other	157.4	177.0
Income tax paid	–272.8	–299.9
Total adjustments to convert operating profit to cash flow	**211.6**	**1,071.2**
Disbursements of loans	–60,237.4	–50,370.8
Repayments of loans	41,693.2	48,878.0
Net decrease in bonds and securities held	12,446.9	–9,474.7
Derivatives relating to loans	148.1	36.7
Other changes – net	616.6	–461.6
Cash flow from operating activities	**–3,900.5**	**–9,563.3**
Investing activities		
Capital expenditures	–35.3	–41.7
Cash flow from investing activities	**–35.3**	**–41.7**
Financing activities		
Proceeds from issuance of short-term senior debt	12,837.5	11,842.7
Proceeds from issuance of long-term debt	98,238.1	43,156.5
Repayments of debt	–59,829.6	–27,076.6
Repurchase and early redemption of own long-term debt	–44,841.8	–22,694.4
Derivatives relating to debts	3,768.0	3,440.9
Dividend paid	–212.6	–420.0
Cash flow from financing activities	**9,959.6**	**8,249.1**
Net cash flow for the year	**6,023.8**	**–1,355.9**
Exchange rate differences on cash and cash equivalents	–18.4	2.8
Cash and cash equivalents at beginning of year	2,313.1	3,666.2
Cash and cash equivalents at end of year[2]	**8,318.5**	**2,313.1**

COMMENTS ON THE CASH FLOW STATEMENT:

[1] **Interest payments received and expenses paid**

Skr mn	**2013**	**2012**
Interest payments received	4,078.8	6,480.5
Interest expenses paid	2,528.4	4,478.1

[2] **Cash and cash equivalents**

Skr mn	**2013**	**2012**
Cash at banks	399.4	123.1
Cash equivalents	7,919.1	2,190.0
Total cash and cash equivalents	**8,318.5**	**2,313.1**

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. See Note 11.

NOTES

Note table

Introductory Note

REPORTING ENTITY

AB Svensk Exportkredit ("SEK" or "the Parent Company") is a company domiciled in Sweden. The address of the company's registered office is Klarabergsviadukten 61–63, P.O. Box 194, SE-101 23 Stockholm, Sweden. The Consolidated Group as of December 31, 2013 encompass SEK and its wholly owned subsidiaries AB SEK Securities 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". During the year, the wholly owned subsidiaries SEK Financial Advisors AB, SEK Financial Services AB, SEK Customer Finance AB and SEK Exportlånet AB have been sold.

AB SEK Securities is a securities company under the supervision of the Swedish Financial Supervisory Authority. Venantius AB are no longer engaged in any active business.

BASIS OF PRESENTATION

(i) Statement of compliance

Since January 1, 2007, SEK has applied International Financial Reporting Standards (IFRS) as issued by the International Accounting 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.

Certain disclosures required by applicable standards, regulation or legislation and not included in the notes, have been included in the "Risk and Capital Management" section (pages 59-85). In such cases, the information shall be deemed to be incorporated herein by reference.

The consolidated financial statements and the Parent Company's annual report were approved for issuance by SEK's Board of Directors (the Board of Directors) on February 19, 2014. The Group's statements of comprehensive income and financial position and the Parent Company's income statement and balance sheet are subject to approval by SEK's shareholder, at the annual general meeting to be held on April 28, 2014.

(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

Introductory note, continued

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.

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(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 2012 Annual Report, except for the adoption of new and amended standards and interpretations effective as of January 1, 2013, the presentation of interests relating to derivative contracts as interest income and interest expense, and the presentation of currency effects on the reserve for impairment of financial assets. The nature of the changes to the accounting policies, methods of computation and presentation of the Consolidated Group and the Parent Company and the consequential restatement of earlier periods are described below. In addition to the above changes, certain amounts reported in prior periods have been reclassified to conform to the current presentation.

The Group has adopted the following amendments to standards and interpretations from IASB as from January 1, 2013:

IAS 1 Presentation of Financial Statements: amendments to presentation of items of other comprehensive income. The amendment changes the grouping of items presented in other comprehensive income. Items to be reclassified to profit or loss are presented separately from items not to be reclassified to profit or loss. The amendment affects presentation only and has no impact on SEK's financial position or performance.

IAS 19R Employee Benefits. The IASB has amended IAS 19. This amendment is 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 is as follows: SEK is no longer applying the corridor approach and is instead recognizing all actuarial gains and losses under other comprehensive income as they occur, all past service costs are recognized immediately, and interest cost on pension obligations and expected return on plan assets are replaced by a net interest amount that is calculated by applying the discount rate for the pension obligations to the net defined benefit liability (asset). The initial effect was reported against retained earnings as of January 1, 2012 and subsequent changes are reported in personnel expenses and other comprehensive income. As the amendment has not had any material impact on the statement of financial position, no full statement of financial position is presented as of January 1, 2012. The amendment has not had any material impact on personnel expenses for 2012, and the comparative figures are therefore not adjusted for personnel expenses. Additionally, in 2013 the amendment has not had any material impact on personnel expenses. For adjusted comparative figures regarding other comprehensive income and consolidated statement of financial position, see the tables below.

Consolidated Statement of Comprehensive Income

	Jan-Dec 2012	
Skr mn	**As previously reported**	**As adjusted**
Items not to be reclassified to profit or loss		
Revaluation of defined benefit plans		*4.8*
Tax on items not to be reclassified to profit or loss		–1.1
Net items not to be reclassified to profit or loss		3.7
Total other comprehensive income	**155.3**	**159.0**
Total comprehensive income	**864.1**	**867.8**

Note 1, continued

Consolidated Statement of Financial Position

	December 31, 2012		January 1, 2012	
Skr mn	As previously reported	As adjusted	As previously reported	As adjusted
Liabilities and equity				
Deferred tax liabilities	728.1	718.9	811.6	801.4
Provisions	54.4	96.2	49.6	96.1
Total liabilities	**298,723.4**	**298,756.0**	**305,733.8**	**305,770.1**
Retained earnings	9,972.3	9,939.7	9,683.5	9,647.2
Total equity	**14,412.2**	**14,379.6**	**13,968.1**	**13,931.8**
Total liabilities and equity	**313,135.6**	**313,135.6**	**319,701.9**	**319,701.9**

IFRS 7 Financial Instruments: Disclosures. This amendment requires additional disclosures of financial assets and liabilities that are reported net in Consolidated Statement of Financial Position or is subject to legal set-off rights or similar agreements. The amendment means increased disclosure requirements for SEK, see Note 14 Derivatives.

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 standards 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. The new standard has not had a material impact on SEK's financial statements except for additional disclosure requirements; see Note 13 Financial assets and liabilities at fair value.

Interest income and interest expense. Interest related to derivative contracts was previously presented as interest income or interest expense depending on whether the contracts' net interest was positive or negative. As of the first quarter 2013, interest for derivatives used to hedge funding, in hedge accounting or economic hedges is presented as interest expense, regardless of whether the contracts' net interest is positive or negative. Interest for derivatives used to hedge assets, in hedge accounting or economic hedges, is presented as interest income, regardless of whether the contracts' net interest is positive or negative. The aim is to better illustrate the actual interest expense for funding after taking hedges into account. Comparative figures have been adjusted; see the following table. The change has a negative impact on Interest revenues and Interest expenses but no impact on Net interest revenues.

Consolidated statement of comprehensive income

	Jan-Dec 2012	
Skr mn	As previously reported	As adjusted
Interest revenues	10,352.3	5,406.9
Interest expenses	–8,472.4	–3,527.0
Net interest revenues	**1,879.9**	**1,879.9**

Reserve for impairment of financial assets. Currency effects on reserve for impairment of financial assets from the first quarter 2013 are presented as Net result of financial transactions. Previously the currency effects were presented together with the impairment as Net credit losses. Earlier periods have not been adjusted, as the impact is not material.

Other regulatory changes, including IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Involvement with Other Entities and the revised IAS 27 Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures, have not had a material impact on SEK's financial statements.

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

IFRS 9 Financial Instruments. In 2009, IASB issued a new standard for financial instruments introducing new requirements for the classification and measurement of financial asset IFRS 9 (2009). IFRS 9 (2010) introduces additions relating to financial liabilities. IFRS 9 (2013) introduces new requirements for hedge accounting. This standard is part of a complete overhaul of the existing IAS 39 standard: it reduces the number of valuation categories for financial assets, leaving the number of categories of financial liabilities unamended, implements new rules for how changes in own credit spread should be recorded when own debt is measured at fair value and changes requirements regarding hedge accounting. The standard will be supplemented by rules on impairment of

Note 1, continued

financial instruments and limited amendments to the classification and measurement of financial assets. The mandatory effective date of IFRS 9 is not specified but will be determined when the outstanding phases are finalized. Early application is permitted, although not yet for publicly listed companies within the EU. SEK has started the process of evaluating the potential effect of this standard but is awaiting the final standard before the evaluation can be completed.

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.

IAS 39 Financial Instruments: Recognition and Measurement. Novation of Derivatives and Continuation of Hedge Accounting. The objective of the amendments is to provide relief in situations where a derivative which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. Such a relief means that the hedged accounting can continue irrespective of the novation which, without the amendment, would not be permitted. The amendment will facilitate the administration of hedge accounting when OTC derivatives are novated from the original counterparty to the central counterparty in order to effect clearing. The amendment must be applied for annual periods beginning on or after January 1, 2014.

IFRIC 21 Levies. A levy is defined as an outflow of resources charged to the Company by the State or equivalent bodies through laws and regulations, such as the stability fee. Income taxes and other charges covered by other standards are exempt, as well as fines and other penelties. The interpretation states that the debt should be recognized when the company has an obligation to pay the levy as a result of a past event. SEK's assessment is that the interpretation will not affect the financial statements to any significant degree. The interpretation must be applied for annual periods beginning 1 January 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 power over the company and is exposed to variable returns. The consolidated financial statements have been prepared using the purchase method. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries are consistent with Group policies. Intra-group transactions and balances, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unless otherwise stated or when it is clear from the context, the information in these notes relates to both the Consolidated Group and the Parent Company.

At the time of 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 identifiable 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.

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

(d) Recognition of operating income and expenses

(i) Net interest income

Interest revenues and interest expenses related to all financial assets and liabilities, regardless of classification, are recognized in net interest income. The reporting of all interest income and interest expenses is made on a gross basis, with the exception of interest income and interest expenses related to derivative instruments, which are reported on a net basis. Interest for derivatives used to hedge funding, in hedge accounting or economic hedges, is presented as interest expense, regardless of whether the contracts' net interest is positive or negative. Interest for derivatives used to hedge assets, in hedge accounting or economic hedges, is presented as interest income, regardless of whether the contracts' net interest is positive or negative. Interest income and interest expenses are calculated and recognized based on the effective interest rate method or based on a method that results in interest income or interest expenses that are a reasonable approximation of the result

Note 1, continued

that would be obtained using the effective interest method as the basis for the calculation. Charges considered as an integrated part of the effective interest rate for a financial instrument are included in the effective interest rate (usually fees received as compensation for risk). The effective interest rate is equivalent to the rate used to discount contractual future cash flows to the carrying amount of the financial asset or liability.

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

(ii) Net fee and commission 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 changes 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 date of accrual and the date of settlement are reported as currency exchange effects. Currency exchange effects are included as one component of "Net results of financial transactions".

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

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

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

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 used only for loans and loans in the form of interest bearing securities. Transactions in the category of loans and receivables are measured at amortized cost, using the effective interest rate method. When one, or multiple, derivatives are used to hedge a currency and/or interest rate exposure relating to a loan or receivable, fair-value hedge accounting is applied. Furthermore, cash flow hedge accounting is applied for certain transactions classified as loans and receivables, such as when SEK wishes to hedge against variability in the cash flow from these assets.

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

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

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

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

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

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

Guarantees. SEK is holder of financial guarantee contracts in connection with certain loans. Such guarantees are ordinarily accounted for as guarantees in accordance with SEK's established accounting policy and therefore are not recorded in the statement of financial position (except for the deferred costs of related guarantee fees paid in advance for future periods). In limited situations, the relevant risk-mitigating instruments do not fulfill the requirements to be considered guarantees and are therefore recorded as

Note 1, continued

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. When financial assets or financial liabilities contain embedded derivatives the entire instrument is irrevocably classified as financial assets or financial liabilities measured at fair value through profit or loss, and thus does not separate the embedded derivatives.

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

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

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

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

(vii) Hedge accounting

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

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

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

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

If a cash flow hedge relationship no longer fulfills the requirements for hedge accounting 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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

For transactions that cannot be valued based on observable market data, the use of non-observable market data is necessary. Examples of non-observable market data are discount curves created using observable market data that are extrapolated to calculate non-observable interest rates, correlations between different underlying market parameters and volatilities at long maturities. Correlations that are non-observable market data are calculated from time-series of observable market data. When extrapolated market data as interest rates are used they are calculated by setting the last observable node as a constant for longer maturities.

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

The Board's Finance Committee has delegated the relevant responsibilities to SEK's Executive Committee's Asset and Liability Committee, which therefore acts as SEK's decision-making body regarding methodology and policies regarding fair values, including approval of valuation models. The use of a valuation model demands a validation and thereafter an approval. The validation is

Note 1, continued

conducted by Risk Control to ensure an independent control. The Asset and Liability Committee makes decisions regarding the approval (or change to) of the valuation model. Analysis of significant unobservable inputs, fair value adjustments and significant changes to the fair value of level-3-instruments are conducted quarterly in reasonableness assessments.

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

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

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

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

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

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

Recoveries are recorded only if there is virtual certainty of collection, such as in the aftermath of a bankruptcy proceeding when the payment due to be paid to SEK has been finally determined.
When a loan is classified as impaired, is past due or is otherwise non-performing, the interest is accounted for in the same manner as the principal amount. Thus, the interest related to any portion of a loan that is expected to be repaid in the future is recorded in earnings, discounted at the original effective interest rate, while the interest related to any portion of a loan that is not expected to be collected in accordance with the relevant loan agreement will not be recorded in earnings.

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

Note 1, continued

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

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

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

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

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

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

(j) Equity
Equity in the Consolidated Group consists of the following items: share capital; reserves; retained earnings; and net profit 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 (2012: 22.0 percent). Deferred taxes are calculated on all taxable temporary differences, regardless of whether a given temporary difference is recognized in the income statement or through other comprehensive income.

(l) Earnings per share
Earnings per share are calculated as Net profit 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

Note 1, continued

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,
- 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 currency exchange effects in the statement of comprehensive income. These differences largely offset each other, causing the net result not to be of a material amount in relation to total assets and liabilities in foreign currency. This reflects the economic substance of SEK's policy of holding assets financed by liabilities denominated in, or hedged into, the same currency. See Note 28 for information on SEK's positions in foreign currency.

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. Other pricing models or assumptions could produce different valuation results. Furthermore, the estimated fair value of a financial instrument may, under certain market conditions, differ significantly from the amount that could be realized if the security were sold immediately. See Note 28 for disclosure of change in value of assets and liabilities if the market interest rate rises or falls by one percentage point and Note 13 for disclosure of change in value of assets and liabilities if non-observable parameters are changed.

The judgment that SEK should be regarded as an agent with respect to the S-system
SEK has determined that the S-system should be considered to be an assignment where SEK acts as an agent on behalf of the Swedish State rather than being the principal in the individual transactions. This assessment has been made based on a number of factors, such as the following: (i) although it does in form, SEK does not in substance bear risks and make decisions associated with ownership; (ii) SEK does not have discretion in establishing prices; and (iii) SEK receives compensation in the form of a fixed com-

Note 1, continued

mission. SEK has consequently presented the economic activities of the S-system on a net basis in the statement of comprehensive income, recording the net commission received, rather than the gross amounts collected, in accordance with the instruction from the State. If SEK were regarded as a principal with respect to the S-system, all revenues and expenses in the S-system would be revenues and expenses of SEK. However, the net effect on SEK's operating profit would be unchanged. See more information regarding the S-system in Note 25 and Note 1 (d) (i).

Provisions for probable credit losses
Provisions for probable credit losses are made if and when SEK determines that it is probable that the obligor under a loan or another asset held by SEK, in each case together with existing guarantees and collateral, will fail to cover SEK's full claim. If the judgment underlying this determination were to change, this could result in a material change in provisions for probable credit losses. Impairment is recognized as the difference between the carrying value of a loan and the discounted value of SEK's best estimate of future cash repayments. This estimate takes into account a number of factors related to the obligor. The actual amounts of future cash flows and the dates they are received may differ from these estimates and consequently actual losses incurred may differ from those recognized in the financial statements. If, for example, the actual amount of total future cash flow were 10 percent higher or lower than the estimate, this would affect operating profit for the financial year ended December 31, 2013 by Skr 70–80 million (2012: Skr 70–80 million) and equity by Skr 55–65 million (2012: Skr 50–60 million) at that date. A higher total future cash flow would affect operating profit and equity positively, and a lower total future cash flow would affect operating profit and equity negatively.

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

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

If the assumption related to the valuation of assets classified at fair value through profit or loss were changed such that the average credit spread applied to such assets were 0.10 percent higher or lower than the average spread actually used in the calculations, this would affect operating profit for the fiscal year ended December 31, 2013 by approximately Skr 5-15 million (2012: Skr 10–20 million) and equity, at such date, by approximately Skr 110-120 million (2012: Skr 40–50 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, 2013 by approximately Skr 200-300 million (2012: Skr 250–350 million) and equity, at such date, by approximately Skr 150-250 million (2012: 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 derivatives with corresponding structures in order to obtain effective economic hedges. The entire hybrid debt instruments are classified as financial liabilities measured at fair value. As there mostly are no market quotes for this group of transactions, valuation models are used to calculate fair value. The gross value of these instruments and derivatives which effectively hedge each other requires complex judgments regarding the most appropriate valuation technique, assumptions and estimates. If other valuation models or assumption were used, or if assumptions changed, this could produce other valuation results. Excluding the impact on valuation of credit spreads on SEK's own debt and basis spreads, such changes in fair value would generally offset each other.

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

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

SEK uses derivative instruments to mitigate and reduce risks attributable to financial assets and liabilities. In order to mitigate counterparty risk, i.e. the form of credit risk generated from derivative transactions, SEK enters into such transactions only with counterparties with good creditworthiness. Moreover, SEK endeavors to enter into ISDA Master Agreements with Credit Support Annexes with its counterparties. This means that the highest allowed risk level is established in advance, regardless of what changes in market value may occur. Derivatives are valued at fair

Note 1, continued

value with reference to listed market prices where available. If market prices are not available, valuation models are used instead. SEK uses a model to adjust the fair value of the net exposure for changes in SEK's or the counterparty's creditworthiness. The models use directly observable market parameters if such are available.

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

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

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

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

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

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

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

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

Note 2. Net interest revenues

	Consolidated Group		**Parent Company**	
Skr mn	**2013**	**2012**	**2013**	**2012**
Interest revenues were related to:				
Loans to credit institutions	741.6	993.8	741.7	993.8
Loans to the public	3,253.0	3,736.6	3,243.2	3,724.8
Interest-bearing securities	643.0	1,259.7	643.0	1,259.8
Impaired financial assets	1.0	3.2	1.0	3.2
Derivatives	–481.0	–586.4	–481.1	–586.4
Total interest revenues	**4,157.6**	**5,406.9**	**4,147.8**	**5,395.2**
Total interest expenses	**–2,602.8**	**–3,527.0**	**–2,603.7**	**–3,527.8**
Net interest revenues	**1,554.8**	**1,879.9**	**1,544.1**	**1,867.4**

Note 2, continued

Skr mn	Consolidated Group 2013	Consolidated Group 2012	Parent Company 2013	Parent Company 2012
Interest revenues were related to:				
Financial assets available-for-sale	184.3	143.2	184.3	143.2
Financial assets at fair value through profit or loss	26.5	60.9	16.8	49.2
Derivatives used for hedge accounting	–205.0	–372.5	–205.1	–372.5
Loans and receivables	4,151.8	5,575.3	4,151.8	5,575.3
Total interest revenues	**4,157.6**	**5,406.9**	**4,147.8**	**5,395.2**
Interest expenses were related to:				
Financial liabilities at fair value through profit or loss	–1,110.2	–1,806.5	–1,110.1	–1,806.4
Derivatives used for hedge accounting	2,461.0	2,516.0	2,461.0	2,516.0
Other financial liabilities	–3,953.6	–4,236.5	–3,954.6	–4,237.4
Total interest expenses	**–2,602.8**	**–3,527.0**	**–2,603.7**	**–3,527.8**
Net interest revenues	**1,554.8**	**1,879.9**	**1,544.1**	**1,867.4**

In interest revenues Skr 105.3 million (2012: Skr 89.4 million) represent remuneration from the S-system (see Note 25). Interest revenues in the Consolidated Group by geographic market are 58.4 percent (2012: 64.0 percent) from Sweden, 19.3 percent (2012: 16.4 percent) from Europe except Sweden and 22.3 percent (2012: 19.6 percent) from countries outside of Europe.

Note 3. Net commissions

Skr mn	Consolidated Group 2013	Consolidated Group 2012	Parent Company 2013	Parent Company 2012
Commissions earned were related to:				
Capital market commissions	6.1	5.5	–	–
Financial consultants’ commissions	2.1	4.1	2.1	4.1
Other commissions earned	0.5	1.5	0.5	1.5
Total commissions earned	**8.7**	**11.1**	**2.6**	**5.6**
Commissions incurred were related to:				
Depot and bank fees	–10.6	–7.4	–8.0	–7.4
Brokerage	–3.1	–2.8	–3.1	–2.8
Financial consultants’ commissions	–0.1	–0.3	–0.1	–0.3
Other commissions incurred	–	–0.4	–	–0.1
Total commissions incurred	**–13.8**	**–10.9**	**–11.2**	**–10.6**
Net commissions	**–5.1**	**0.2**	**–8.6**	**–5.0**

Commissions earned in the Consolidated Group by geographic market are divided as follows: 91.4 percent (2012: 73.8 percent) are from Sweden, 8.6 percent (2012: 17.2 percent) are from Europe except Sweden, and 0.0 percent (2012: 9.0 percent) are from countries outside of Europe. Commissions incurred in the Consolidated Group by geographic market are divided as follows: 34.3 percent (2012: 20.6 percent) are from Sweden, 65.7 percent (2012: 78.2 percent) are from Europe except Sweden, and 0.1 percent are (2012: 1.2 percent) from countries outside of Europe.

Note 4. Net results of financial transactions

Skr mn	Consolidated Group 2013	Consolidated Group 2012	Parent Company 2013	Parent Company 2012
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	0.9	3.0	0.8	3.0
Interest compensation	2.0	14.3	2.0	14.3
Realized results on settled assets and repurchased debt	666.0[1]	626.7[2]	666.0[1]	626.7[2]
Total net results of financial transactions, before certain fair value changes	**668.9**	**644.0**	**668.8**	**644.0**
Unrealized changes in fair value related to financial assets, financial liabilities and related derivatives	–260.5[1]	–1,151.7[2]	–260.5[1]	–1,151.7[2]
Total net results of financial transactions	**408.4**	**–507.7**	**408.3**	**–507.7**

Realized results on settled assets and repurchased debt

Skr mn	Consolidated Group 2013	Consolidated Group 2012	Parent Company 2013	Parent Company 2012
Financial assets or liabilities at fair value through profit or loss	179.4[1]	233.8[2]	179.4[1]	233.8[2]
Financial assets available-for-sale	–	–	–	–
Loans and receivables	–	1.4	–	1.4
Other financial liabilities	486.6[1]	391.5	486.6[1]	391.5
Total	**666.0**	**626.7**	**666.0**	**626.7**

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

Skr mn	Consolidated Group 2013	Consolidated Group 2012	Parent Company 2013	Parent Company 2012
Financial assets or liabilities at fair value through profit or loss				
Designated upon initial recognition (FVO)	*–7,447.7*	*–13,443.6*	*–7,447.7*	*–13,443.6*
Held-for-trading	*7,172.9*	*12,967.9*	*7,172.9*	*12,967.9*
Derivatives used for hedge accounting	–3,292.0	–1,308.2[2]	–3,292.0	–1,308.2[2]
Financial assets available-for-sale[3]	33.5	–8.1	33.5	–8.1
Loans and receivables[3]	–613.8	260.6	–613.8	260.6
Other financial liabilities[3]	3,874.5	409.8	3,874.5	409.8
Ineffectiveness of cash flow hedges that have been reported in the profit or loss	12.1	–30.1	12.1	–30.1
Total	**–260.5**	**–1,151.7**	**–260.5**	**–1,151.7**

[1] A gain amounting to Skr 374.8 million was recorded from in 2013 from the repurchase of SEK's subordinated debt. Realized profit amounted to Skr 571.7 million, which was offset by the reversal of previously recognized unrealized gains amounting to Skr –196.9 million.

[2] 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 came 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 recognized unrealized gains amounting to Skr –353.6 million. The derivatives were replaced with new derivative instruments at market terms.

[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

	Consolidated Group		Parent Company	
Skr mn	**2013**	**2012**	**2013**	**2012**
Salaries and remuneration to the Board of Directors and the Presidents	–7.7[1]	–7.5[1]	–5.7	–5.6
Severance salary related to President	–8.4[2]	–	–8.4[2]	–
Salaries and remuneration to Senior Executives	–11.6	–11.8	–13.6[1]	–13.7[1]
Salaries and remuneration to other employees	–138.9	–145.8	–138.9	–146.4
Pensions	–58.2	–55.8	–57.6	–57.6
Social insurance	–51.3	–57.3	–51.3	–57.3
Other personnel expenses	–14.0	–14.0	–14.0	–13.9
Total personnel expenses	**–290.1**	**–292.2**	**–289.5**	**–294.5**

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

2 Peter Yngwe is leaving his position as CEO on April 28th, 2014. The full cost of his severance including payroll taxes is Skr 8.4 million, which corresponds to 18 months' salary, was expensed in 2013. Severance pay is paid monthly and deduction is made in the event of other income. See page 128 for more information.

Personnel expenses does not include any cost relating to the general personnel incentive system, GIS, since the performance conditions required for there to be a payout under the general incentive system were not met. Last year the estimated cost was Skr 27.5 million. Read more about GIS in the corporate governance report on page 94.

The combined total of the remuneration to senior executives, excluding the President of the Parent Company, amounted to Skr 13.6 million (2012: Skr 13.7 million). Of the remuneration to senior executives, Skr 13.1 million (2012: Skr 13.2 million) is pensionable. Of the remuneration to the President of the Parent Company, Skr 4.3 million (2012: Skr 4.3 million) is pensionable.

Note 5, continued

2013

Remuneration and other benefits to the Board of Directors and Senior Executives in the Consolidated Group Skr thousand	**Fee, includes committee fee**	**Fixed remuneration**[1]	**Other benefits**[2]	**Pension fee**[3]	**Total**
Chairman of the Board of Directors:					
Lars Linder-Aronson[4]	–482	–	–	–	–482
Other members of the Board of Directors:					
Cecilia Ardström	–180	–	–	–	–180
Jan Belfrage	–165	–	–	–	–165
Lotta Mellström[5]	–	–	–	–	–
Ulla Nilsson	–182	–	–	–	–182
Jan Roxendal[4]	–232	–	–	–	–232
Åke Svensson	–174	–	–	–	–174
Eva Walder[5]	–	–	–	–	–
Senior Executives:					
Peter Yngwe, President and Chief Executive Officer (CEO)	–	–4,197[6]	–117	–1,464	–5,778
Per Jedefors, Chief Risk Officer (CRO)	–	–2,914	–104	–894	–3,913
Jane Lundgren Ericsson, Deputy Chief Operating Officer (dCOO) and Chief Executive Officer (CEO) for AB SEK Securities	–	–1,904	–52	–641	–2,597
Sirpa Rusanen, Chief Human Resources Officer (CHRO)	–	–1,183	–120	–420	–1,723
Susanna Rystedt, Chief Administrative Officer (CAO)	–	–1,843	–102	–602	–2,547
Sven-Olof Söderlund, Chief Corporate Governance Officer (CCGO)	–	–2,210	–106	–824	–3,140
Per Åkerlind, Chief Operating Officer (COO)	–	–2,937	–109	–1,069	–4,115
Total	**–1,415**	**–17,188**	**–710**	**–5,914**	**–25,227**

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]	Other benefits[2]	Pension fee[3]	Total[3]
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
Lotta Mellström[5]	–	–	–	–	–
Ulla Nilsson	–168	–	–	–	–168
Jan Roxendal	–176	–	–	–	–176
Åke Svensson	–163	–	–	–	–163
Eva Walder[5]	–	–	–	–	–
Senior Executives:					
Peter Yngwe, President and Chief Executive Officer (CEO)	–	–4,203	–131	–2,506[7]	–6,840[7]
Per Jedefors, Chief Risk Officer (CRO)	–	–2,923	–53	–905	–3,881
Jane Lundgren Ericsson, Deputy Chief Operating Officer (dCOO) and Chief Executive Officer (CEO) for AB SEK Securities	–	–1,911	–57	–637	–2,605
Sirpa Rusanen, Chief Human Resources Officer (CHRO)	–	–1,192	–113	–423	–1,728
Susanna Rystedt, Chief Administrative Officer (CAO)	–	–1,850	–91	–599	–2,540
Sven-Olof Söderlund, Chief Corporate Governance Officer (CCGO)	–	–2,212	–97	–720	–3,029
Per Åkerlind, Chief Operating Officer (COO)	–	–2,940	–112	–2,079[8]	–5,131[8]
Johan Winlund, Head of Communications (quit February 29, 2012)	–	–167	–16	–38	–221
Total	**–1,236**	**–17,398**	**–670**	**–7,907**	**–27,211**

1 Predetermined salary or other compensation such as holiday pay and allowances.
2 Other benefits consist of for example car allowances, subsistence benefit and benefits for the use of a cottage in the mountains that are available for all staff.
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 pension agreements.
4 Since May 1, 2013 remuneration is invoiced from their private companies in accordance with the state guidelines.
5 Since April 29, 2010, remuneration is not paid from the company to the representatives on the Board who are employed by the owner, the Swedish Government.
6 In addition, severance pay of Skr 6.4 million excluding payroll taxes have been reserved as of December 31, 2013.
7 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 were 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.
8 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 were 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 19, 2014 in the Pillar 3 report. SEK's disclosure provides information about the principles applied for remuneration earned in 2013. The disclosure also describes the design of the remuneration policy, as adopted by the company.

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

For all the senior executives at SEK, including the President, 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 to 6 months' notice prior to termination initiated by SEK and are, in addition, entitled to severance pay corresponding to 18 months' salary. Deduction is made for income obtained from new employment. For all other senior executives the notice period upon termination initiated by SEK follows collective agreements. Upon resignation initiated by the employee, the notice period is 3 or 6 months.

CHIEF EXECUTIVE OFFICER

Peter Yngwe will leave his position as President as of April 28, 2014 at the time of SEK's Annual General Meeting in accordance with the Board of Director's decision. Peter Yngwe will receive a severance pay in accordance with state guidelines for senior executives, corresponding to 18 months' salary. Severance pay will be paid monthly and a deduction is made in the event of other income earned. The full cost, including payroll taxes, was expensed during 2013 and the provision amounted to Skr 8.4 million.

Catrin Fransson will assume her position as President on April 28, 2014 at the time of SEK's Annual General Meeting but her employment starts April 1st when she will start her SEK introduction. Catrin Fransson's employment agreement follows current guidelines for senior executives in state-owned enterprises.

PENSIONS

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	2013	2012
Service cost	–8.4	–9.6
Interest cost	–1.0	–1.7
Pension cost for defined benefit pensions, incl. payroll tax	**–9.4**	**–11.3**
Pension cost for defined contribution pension cost incl. payroll tax	–48.8	–44.5
Pension cost recognized in personnel costs	**–58.2**	**–55.8**
Actuarial gains and (losses) on defined benefit obligation during period	65.3	–3.1
Return above expected return, gains and (losses) on plan assets	–4.5	7.9
Revaluation of defined benefit plans	**60.8**	**4.8**

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

Skr mn	2013	2012
Defined benefit obligations	207.0	264.5
Plan assets	–181.1	–178.2
Provision for pensions, net obligation (see Note 21)	**25.9**	**86.3**

The following table shows the development of defined benefit obligations

Skr mn	2013	2012
Defined benefit obligation, opening balance	264.5	251.8
Restatement due to changed accounting rules	–	4.7
Service cost	8.4	9.6
Interest cost	6.6	5.0
Pension Payments incl. special payroll tax	–7.3	–9.7
Actuarial (gains) and losses, effect due to changed demographic assumptions	0.0	0.0
Actuarial (gains) and losses, effect due to changed financial assumptions	–65.1	0.5
Actuarial (gains) and losses, effect due to experience based outcome	–0.1	2.6
Defined benefit obligation, closing balance	**207.0**	**264.5**

Note 5, continued

The following table shows the development of plan assets

Skr mn	2013	2012
Fair value of plan assets, opening balance	178.3	164.3
Expected return on plan assets	5.6	3.3
Contributions by the employer	7.6[1]	9.0
Benefits paid	–5.9[2]	–6.2
Actuarial result, recognized in other comprehensive income	–4.5	7.9
Fair value of plan assets, closing balance	**181.1**	**178.3**

[1] Expected contribution from the employer in the following year is Skr 7.7 million excluding payroll tax
[2] Expected compensation paid in the following year is Skr 5.9 million.

The following table shows the distribution of plan assets

Skr mn	2013	2012
Domestic equity investments	21.7	17.8
Domestic government bonds	54.3	53.5
Domestic corporate bonds	54.3	53.5
Mortgage bonds	41.7	39.2
Properties	9.1	14.3
	181.1	**178.3**

The following table displays principal actuarial assumptions used end of year

%	2013	2012
Discount rate[1]	3.6	2.1
Assumption of early pension withdrawal	20.0	20.0
Expected salary increase	3.5	3.5
Expected inflation	1.6	1.5
Expected lifetime[2]	FFFS2007:31	FFFS2007:31
Expected turnover	4.0	4.0

Sensitivity analysis of essential assumptions

	Negative outcome		Positive outcome	
[1] Discount rate	–1%	2.6%	+1%	4.6%
Defined benefit obligation		243.0		174.1
Service cost		6.5		3.6
Interest cost		6.9		7.5
[2] Expected lifetime	+1 year		–1 year	
Defined benefit obligation		210.7		197.3
Service cost		4.9		4.7
Interest cost		7.5		7.1

Note 5, continued

Net reconciliation of pension liabilities

Skr mn	2013	2012
Pension liabilities, opening balance	86.2	47.0
Revaluation due to the implementation of IAS 19R	–	45.2
Net periodic pension cost	9.4	11.3
Contributions by the employer	–7.2	–9.0
Net pension payments	–1.7	–3.5
Revaluations recognized in other comprehensive income	–60.8	–4.8
Pension liabilities, closing balance	**25.9**	**86.2**

Pension cost

	Parent Company	
Skr mn	2013	2012
Pension commitments provided for in the statement of financial position		
Pension costs for the year, excluding taxes	–1.2	–1.0
Pension commitments provided for through insurance contracts		
Pension costs for the year, excluding taxes	–56.4	–45.1
Net cost accounted for pensions, excluding taxes	**–57.6**	**–46.1**

Reconciliation of provisions for pensions

	Parent Company	
Skr mn	2013	2012
Opening balance, January 1	12.9	13.3
Provisions made / provision used	–0.1	–0.4
Closing balance, December 31	**12.8**	**12.9**

Net interest is calculated using the discount rate of pension obligations, based on the net surplus or net deficit in the defined benefit plan. The initial effect due to new regulations in IAS 19 was recognized in retained earnings, January 1, 2012 and subsequent changes are recognized in personnel costs and other comprehensive income.

The discount rate used for calculation of the obligations has been changed: beginning from January 1, 2013, the discount rate is based on Swedish mortgage bonds, as that market now is to be regarded as deep enough to be used for this purpose. Previously, Swedish government bonds was used. This change has affected other comprehensive income during the first quarter of 2013.

Pension expense in 2013 for defined benefit pensions amounts to Skr 9.4 million (2012: Skr –11.3 million).

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

Discount rate

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

Expected early retirement

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

Expected return on plan assets

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

Expected salary increase

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

Expected inflation

Expected inflation is in line with Swedish inflation-linked bonds.

Note 5, continued

Expected employee turnover

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

PARENT COMPANY

In the Parent Company, the BTP plan is accounted for as a defined contribution plan. Defined benefit plans are not accounted for in accordance with IAS 19 but are accounted for 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.

Since 2011 all personnel are employed in the Parent Company

Average number of employees	**2013**	**2012**	**2011**
Women	112	109	108
Men	131	122	126
Total	**243**	**231**	**234**

Average number of employees, geographically located	**2013**	**2012**	**2011**
Sweden	241	230	233
Singapore	2	1	1
Total	**243**	**231**	**234**

Number of employees at year-end	**2013**	**2012**	**2011**
Women	114	114	111
Men	135	121	121
Total number of employees	**249**	**235**	**232**
of which permanent employees	244	227	225
of which temporary employees	9	7	13
of which part-time employees	5	8	7
of which employees in Sweden	247	233	231
of which employees in Singapore	2	2	1

Employee turnover	2013	2012	2011
Number of employees who left employment	16	16	22
of which women	5	8	5
of which men	11	8	17
of which under the age of 30 years	1	1	3
of which between 30 and 50 years	13	9	16
of which over 50 years	2	6	3

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

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

[1] Percentage of employees that state they are raised in another country or have at least one parent born in another country.

Note 6. Other expenses

Skr mn	Consolidated Group 2013	Consolidated Group 2012	Parent Company 2013	Parent Company 2012
Travel expenses and marketing	–11.6	–20.9	–11.4	–20.6
IT and information system (fees incl.)	–74.5	–91.9	–74.5	–91.8
Other fees	–65.2	–76.9	–64.6	–75.7
Real estate and premises expenses[1]	–27.1	–31.3	–27.0	–31.1
Other	–7.0	–11.8	–6.2	–11.4
Total other expenses	**–185.4**	**–232.8**	**–183.7**	**–230.6**

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

COST OF OPERATING LEASES

Skr mn	Consolidated Group 2013	Consolidated Group 2012	Parent Company 2013	Parent Company 2012
Leases	–25.9	–29.9	–25.9	–29.9

The primary cost relates to SEK's office premises.

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

Skr mn	Consolidated Group December 31, 2013	Consolidated Group December 31, 2012	Parent Company December 31, 2013	Parent Company December 31, 2012
Within 1 year	–25.8	–25.8	–25.8	–25.8
Between 1 and 5 years	–48.9	–72.9	–48.9	–72.9
More than 5 years	–	–	–	–
Total future minimum rentals payable under non-cancellable operating leases	**–74.7**	**–98.7**	**–74.7**	**–98.7**

REMUNERATION TO AUDITORS

Skr mn	Consolidated Group 2013	Consolidated Group 2012	Parent Company 2013	Parent Company 2012
Ernst & Young:				
Audit fee	–11.7	–14.0	–11.5	–13.8
Audit related fee	–0.6	–0.9	–0.6	–0.9
Tax related fee	–0.2	–0.2	–0.2	–0.2
Total	**–12.5**	**–15.1**	**–12.3**	**–14.9**

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, 2013	Consolidated Group December 31, 2012	Parent Company December 31, 2013	Parent Company December 31, 2012
Buildings				
Acquisition cost at the beginning of the year/accumulated acquisitions	0.7	0.7	0.7	0.7
Accumulated depreciations at the beginning of the year	–0.4	–0.4	–0.4	–0.4
Depreciations of the year	0.0	0.0	0.0	0.0
Accumulated depreciations	–0.4	–0.4	–0.4	–0.4
Book value	**0.3**	**0.3**	**0.3**	**0.3**
Land				
Acquisition cost at the beginning of the year/accumulated acquisitions	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	69.2	64.4	68.8	64.0
Sales or disposals of the year	–0.3	–2.4	–0.3	–2.4
Acquisitions of the year	8.2	7.2	8.2	7.2
Accumulated acquisitions	77.1	69.2	76.7	68.8
Accumulated depreciations at the beginning of the year	–33.7	–24.0	–33.3	–23.7
Reversed depreciations due to sale or disposals	0.3	1.9	0.3	1.9
Depreciations during the year	–12.5	–11.5	–12.5	–11.5
Currency differences	0.0	–0.1	0.0	0.0
Accumulated depreciations	–45.9	–33.7	–45.5	–33.3
Book value	**31.2**	**35.5**	**31.2**	**35.5**
Intangible assets				
Acquisition cost at beginning of the year	240.0	205.3	236.2	201.5
Sales or disposals of the year	0.0	0.0	0.0	0.0
Acquisitions of the year	27.5	34.7	27.5	34.7
Accumulated acquisitions	267.5	240.0	263.7	236.2
Accumulated depreciations at the beginning of the year	–125.6	–117.6	–121.8	–113.8
Sales or disposals of the year	0.0	0.0	0.0	0.0
Depreciations of the year	–23.3	–8.0	–23.3	–8.0
Accumulated depreciations	–148.9	–125.6	–145.1	–121.8
Book value	**118.6**	**114.4**	**118.6**	**114.4**
Net book value				
Property, land and equipment	31.6	35.9	31.6	35.9
Intangible assets	118.6	114.4	118.6	114.4
Total net book value	**150.2**	**150.3**	**150.2**	**150.3**
Depreciations during the year according to the Consolidated Statement of Comprehensive Income	**–35.8**	**–19.5**	**–35.8**	**–19.5**

Intangible assets consist of the capitalized portion of investments in IT systems.
The average useful life for 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, 2013		December 31, 2012		December 31, 2013		December 31, 2012	
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	710.3	686.7	672.9	652.2	710.3	686.7	672.9	652.2
Later than one year and no later than five years	227.9	192.6	246.4	207.4	227.9	192.6	246.4	207.4
Later than five years	62.4	57.8	71.5	67.0	62.4	57.8	71.5	67.0
Total	**1,000.6**	**937.1**	**990.8**	**926.6**	**1,000.6**	**937.1**	**990.8**	**926.6**
Unearned finance income	–	63.5	–	64.2	–	63.5	–	64.2
Unguaranteed residual value	–	–	–	–	–	–	–	–
Total	**1,000.6**	**1,000.6**	**990.8**	**990.8**	**1,000.6**	**1,000.6**	**990.8**	**990.8**

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

Skr mn	Consolidated Group 2013	Consolidated Group 2012	Parent Company 2013	Parent Company 2012
Credit losses[1, 2]	–68.2	–71.7	–68.2	–63.7
Established losses	–2.5	–2.4	–2.5	–2.4
Reversal of previous write-downs[1, 2]	21.7	37.0[3]	21.7	37.0[3]
Net impairment and reversals	**–49.0**	**–37.1**	**–49.0**	**–29.1**
Recovered credit losses	10.3	13.7	0.3	0.4
Net credit losses	**–38.7**	**–23.4**	**–48.7**	**–28.7**
of which related to loans[4]	*–32.2*	*–48.7*	*–42.2*	*–54.0*
of which related to liquidity placements[4]	*–6.5*	*25.3*	*–6.5*	*25.3*
Changes in reserves of financial assets				
Balance brought forward	–720.8	–683.7	–712.8	–683.7
Impaired financial assets sold	–	–	–	–
Net impairments and reversals	–49.0	–37.1	–49.0	–29.1
Currency effects[3]	0.1	–	0.1	–
Balance carried forward	**–769.7**	**–720.8**	**–761.7**	**–712.8**
of which related to loans[4]	*–278.1*	*–235.1*	*–270.1*	*–227.1*
of which related to liquidity placements[4]	*–491.6*	*–485.7*	*–491.6*	*–485.7*

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 3.0 million was recorded in 2013 in relation to these two CDOs (2012: reversal Skr 31.5 million), bringing the total of such impairment to Skr 469.3 million (year-end 2012: Skr 462.6 million). The assets have a gross book value before impairment of Skr 582.7 million (year-end 2012: Skr 594.4 million).

2 The amount for 2013 includes a provision of Skr 10.0 million (year-end 2012: 40.0 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 210.0 million (year-end 2012: Skr 200.0 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 refers to unrealized currency effects during 2012. Beginning with 2013, currency effects on impairments are presented in net results of financial transactions.

4 See Note 11 for definitions.

PAST-DUE RECEIVABLES

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

Past-due and doubtful receivables at year-end Skr mn	Consolidated Group 2013	Consolidated Group 2012	Parent Company 2013	Parent Company 2012
Past-due receivables:				
Aggregate amount less than 90 days past-due[1]	13.2	155.4[2]	13.2	155.4[2]
Aggregate amount of principal and interest more than 90 days past-due[1, 3]	2.1	1,418.7[2]	2.1	1,418.7[2]
Principle amount not past-due on such receivables[1]	601.1	1,552.4[2]	601.1	1,552.4[2]

1 SEK has a restructured receivable amounting to Skr 142.4 million where an impairment of Skr 43.1 million was recorded during the fourth quarter of 2013. This impairment is included in credit losses and balance carried forward at year-end 2013.

2 Past-due receivables as of December 31, 2012 consisted primarily of amortization related to one loan in respect of which a restructuring has been completed during the first quarter of 2013. SEK considers the previous loan dissolved and replaced with a new loan since the terms for the new loan are substantially different from those of the old loan. The loan is fully covered by adequate guarantees and therefore no related loan loss reserve has been made.

3 Of the aggregate amount of principal and interest past due Skr 0.8 million (year-end 2012: Skr 144.5 million) was due for payment more than three but less than six months before the balance-sheet date, and Skr 0.7 million (year-end 2012: Skr 144.5 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	**2013**	**2012**	**2013**	**2012**
Income tax				
Adjustment previous year	0.0	–1.7	–0.1	–1.7
Current tax	–278.1	–216.0	–275.1	–208.2
Deferred tax	–39.9	102.1	–	–
Total income tax	**–318.0**	**–115.6**	**–275.2**	**–209.9**
Income tax related to other comprehensive income				
Tax on items to be reclassified to profit or loss				
Current tax	–0.9	–2.0	–0.9	–2.0
Deferred tax	89.5	–44.3	89.5	–18.4
Adjustment of deferred taxes due to reduced tax rate[1]	–	25.9	–	–
Tax on items not to be reclassified to profit or loss				
Deferred tax	–13.4	–1.1	–	–
Income tax related to other comprehensive income	**75.2**	**–21.5**	**88.6**	**–20.4**
Reconciliation of effective tax rate				
The Swedish corporate tax rate, %	22.0	26.3	22.0	26.3
Profit before taxes	1,408.1	824.4	1,220.5	757.9
National tax based on profit before taxes	–309.8	–216.8	–268.5	–199.3
Tax effects of:				
Non-taxable income	0.1	0.2	0.1	0.2
Non-deductible expenses	–1.6	–5.3	–1.6	–3.2
Write-down of impaired shares in subsidiaries	–	–	0.8	–
Imputed interest on tax allocation reserve	–6.5	–8.4	–6.4	–8.4
Dividend received	–	–	0.9	2.5
Other adjustments	–0.2	–1.7	–0.5	–1.7
Adjustment of deferred taxes due to reduced tax rate[1]	–	116.4	–	–
Total tax	**–318.0**	**–115.6**	**–275.2**	**–209.9**
Effective tax expense in %	22.6	14.0	22.5	27.7

[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

	Consolidated Group		Parent Company	
Skr mn	**2013**	**2012**	**2013**	**2012**
Deferred tax assets concerning:				
Temporary differences, related to pensions	2.9	16.1	–	–
Other temporary differences	0.6	2.8	–	–
Total deferred tax assets	**3.5**	**18.9**	–	–
Deferred tax liabilities concerning:				
Untaxed reserves	643.3	605.5	–	–
Temporary differences, financial instruments				
– Cash flow hedges	43.0	132.3	43.0	132.3
Total deferred tax liabilities	**686.3**	**737.8**	**43.0**	**132.3**
Net deferred tax liabilities (+) / tax assets (–)	**682.8**	**718.9**	**43.0**	**132.3**

No deductible loss carry forwards existed per December 31, 2013 or December 31, 2012.

CHANGE IN DEFERRED TAXES

	Consolidated Group		Parent Company	
Skr mn	**2013**	**2012**	**2013**	**2012**
Opening balance	718.9	801.4	132.3	114.0
Change through profit or loss	39.9	–102.1	0.0	0.0
Change in other comprehensive income	–76.1	19.5	–89.5	18.4
Other	0.1	0.1	0.2	–0.1
Total	**682.8**	**718.9**	**43.0**	**132.3**

UNTAXED RESERVES

	Parent Company	
Skr mn	**December 31, 2013**	**December 31, 2012**
Tax allocation reserve:		
Opening balance	2,738.0	2,684.9
Dissolution during the year	–244.1	–202.9
Allocation during the year	417.0	256.0
Closing balance	**2,910.9**	**2,738.0**
Of which		
2007 Tax allocation reserve	–	*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*	*256.0*
2013 Tax allocation reserve	*417.0*	–

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, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Loans:				
Loans in the form of interest-bearing securities	60,957.7	57,889.8	60,959.0	57,900.6
Loans to credit institutions	24,819.1	22,083.6	24,819.1	22,083.6
Loans to the public	125,552.9	115,478.2	125,552.9	115,478.2
Less:				
Cash collateral under the security agreements for derivative contracts	–6,945.8	–2,544.4	–6,945.8	–2,544.4
Deposits with time to maturity exceeding three months	–2,906.5	–	–2,906.5	–
Total loans	**201,477.4**	**192,907.2**	**201,478.7**	**192,918.0**
Liquidity placements:				
Cash and cash equivalents[1]	8,337.3	2,338.2	8,318.5	2,313.1
Cash collateral under the security agreements for derivative contracts	6,945.8	2,544.4	6,945.8	2,544.4
Deposits with time to maturity exceeding three months	2,906.5	–	2,906.5	–
Treasuries/government bonds	4,594.8	5,111.5	4,594.8	5,111.5
Other interest-bearing securities except loans	64,151.1	77,693.3	64,151.1	77,693.3
Total liquidity placements	**86,935.5**	**87,687.4**	**86,916.7**	**87,662.3**
of which				
issued by public authorities	60,208.6	62,432.2	60,208.6	62,432.3
quoted on an exchange	105,245.5	123,688.5	105,245.5	123,688.5

[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	2013	2012	2013	2012
Sum of amounts exceeding nominal	17.2	246.4	17.2	246.4
Sum of amounts falling below nominal	–19.9	–13.7	–19.9	–13.7

VOLUME DEVELOPMENT, LENDING

	Consolidated Group Total		of which S-system Total		of which	
					CIRR–loans	Concessionary loans
Skr mn	2013	2012	2013	2012	2013	2013
Offers of long-term loans accepted	55,701.2	56,235.0	13,423.6	19,919.0	13,423.6	–
Undisbursed loans at year-end	20,480.2	25,915.0	8,536.6	12,675.0	8,444.5	92.1
Loans outstanding at year-end	201,477.4	192,907.0	43,247.9	39,499.0	42,419.1	828.8

Note 11, continued

OUTSTANDING LOANS AS PER LOAN TYPE

	Consolidated Group		Parent Company		of which S-system	
Skr mn	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Total lending for export of capital products	122,971.5	105,145.0	122,972.8	105,145.0	43,247.9	39,499.0
Other lending related to export	70,767.2	72,601.0	70,767.2	72,612.0	–	–
Lending related to infrastructure	7,738.7	15,161.0	7,738.7	15,161.0	–	–
Total lending	**201,477.4**	**192,907.0**	**201,478.7**	**192,918.0**	**43,247.9**	**39,499.0**

OUTSTANDING LOANS AS PER BUSINESS AREA

	Consolidated Group		Parent Company		of which S-system	
Skr mn	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
End-customer finance	155,137.6	103,957.0	155,138.6	103,957.0	43,247.9	39,499.0
Corporate lending	46,339.8	88,913.0	46,340.1	88,913.0	–	–
Other	–	37.0	–	48.0	–	–
Total lending	**201,477.4**	**192,907.0**	**201,478.7**	**192,918.0**	**43,247.9**	**39,499.0**

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, 2013					
Consolidated Group	**Total**	**Financial assets at fair value through profit or loss**		**Derivatives used for hedge accounting**	**Available-for-sale**	**Loans and receivables**[1]
Skr mn		**Held-for-trading**[2]	**Designated upon initial recognition (FVO)**			
Cash and cash equivalents	8,337.3	–	–	–	–	8,337.3
Treasuries/government bonds	4,594.8	–	–	–	4,560.2	34.6
Other interest-bearing securities except loans	64,151.1	–	2,341.7	–	42,800.7	19,008.7
Loans in the form of interest-bearing securities	60,957.7	–	1,324.5	–	–	59,633.2
Loans to credit institutions	24,819.1	–	–	–	–	24,819.1
Loans to the public	125,552.9	–	–	–	–	125,552.9
Derivatives	14,227.9	5,972.9	–	8,255.0	–	–
Total financial assets	**302,640.8**	**5,972.9**	**3,666.2**	**8,255.0**	**47,360.9**	**237,385.8**

Note 12, continued

FINANCIAL LIABILITIES BY ACCOUNTING CATEGORY:

Consolidated Group	Total	December 31, 2013 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	8,256.1	–	–	–	8,256.1
Borrowing from the public	59.3	–	–	–	59.3
Senior securities issued	260,900.4	–	81,326.9	–	179,573.5
Derivatives	16,788.0	12,318.1	–	4,469.9	–
Subordinated securities issued	1,606.9	–	–	–	1,606.9
Total financial liabilities	**287,610.7**	**12,318.1**	**81,326.9**	**4,469.9**	**189,495.8**

FINANCIAL ASSETS BY ACCOUNTING CATEGORY:

Consolidated Group	Total	December 31, 2012 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**

[1] O f loans and receivables, 8.3 percent (year-end 2012: 8.1 percent) are subject to fair-value hedge accounting and 8.4 percent (year-end 2012: 6.6 percent) are subject to cash-flow hedge accounting, the remaining 83.3 percent (year-end 2012: 85.3 percent) are not subject to hedge accounting and are therefore valued at amortized cost.

[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, 73.5 percent (year-end 2012: 73.4 percent) are subject to fair-value hedge accounting, the remaining 26.5 percent (year-end 2012: 26.6 percent) are not subject to hedge accounting and are therefore valued at amortized cost.

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

During 2013, fair value hedge losses on hedging instruments amounted to a loss of Skr −3,292.0 million (2012, a loss of: Skr −1,308.2 million) and gains on hedged items attributable to the hedged risk amounted to Skr 3,345.5 million (2012, a gain of: Skr 665.9 million).

Accumulated changes in the fair value of financial liabilities attributable to changes in credit risk amounted to Skr −320.7 million (2012: Skr −753.9 million), which represents a cumulative increase in the book value of liabilities. For the period January 1 to December 31, 2013 the credit risk component has decreased by Skr 433.2 million, which decreased the value of financial liabilities and affected operating profit positively. For the period January 1 to December 31, 2012 the credit risk component increased by Skr −963.3 million, which increased the value of financial liabilities and affected operating profit negatively.

The accumulated changes for derivatives originating from credit risk amounted to Skr −6.8 million for the period January 1 to December 31 2013, which had a negative effect on operating profit. The valuation is made on the counterparty level.

The amount of cumulative change in the fair value of financial assets attributable to changes in the credit risk was Skr −22.2 million (2012: Skr −17.6 million) which decrease the value of financial assets and affects operating profit negatively. The amount of change during the period was Skr −4.6 million (2012: Skr 108.1 million) which decreased the value of financial assets and affected operating profit negatively.

The amount of total assets as of December 31, 2013, Skr 306.6 billion (year-end 2012: Skr 313.1 billion), has increased by approximately Skr 0.3 billion (2012: Skr −11.9 billion) relating to exchange rates changes since December 31, 2012, had been unchanged.

Repayments of long-term debt amounting to approximately Skr −59.8 billion (2012: Skr −27.1 billion) have been effectuated, and SEK's own debt repurchase and early redemption amounted to approximately Skr −44.8 billion (2012: Skr −22.7 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 last remaining reclassified assets from the category "held-for-trading" were sold during the first quarter of 2012.

The aforementioned reclassification of assets earlier accounted for as "available-for-sale" to the category "loans and receivables" occurred as of October 1, 2008. If SEK had not chosen the reclassification option the effect reported in other comprehensive income would have been a negative effect of Skr −18.0 million for the period January 1 to December 31, 2013. For the same period in 2012, the reclassification would have decreased other comprehensive with Skr −3.3 million.

Note 12, continued

Skr mn **Reclassified financial assets**	**December 31, 2013** **Nominal value**	**Book value**	**Fair value**	**December 31, 2012** **Nominal value**	**Book value**	**Fair value**
Other interest-bearing securities except loans	–	–	–	–	–	–
Loans in the form of interest-bearing securities	572.4	619.8	630.6	766.9	821.9	850.7
Total	**572.4**	**619.8**	**630.6**	**766.9**	**821.9**	**850.7**

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 Skr mn	**December 31, 2013** **Book value**	**Fair value**	**Surplus value (+) / Deficit value (–)**
Cash and cash equivalents	8,337.3	8,337.3	0.0
Treasuries/governments bonds	4,594.8	4,594.8	0.0
Other interest-bearing securities except loans	64,151.1	63,939.6	–211.5
Loans in the form of interest-bearing securities	60,957.7	63,163.8	2,206.1
Loans to credit institutions	24,819.1	24,891.6	72.5
Loans to the public	125,552.9	127,331.2	1,778.3
Derivatives	14,227.9	14,227.9	0.0
Total financial assets	**302,640.8**	**306,486.2**	**3,845.4**
Borrowing from credit institutions	8,256.1	8,277.3	21.2
Borrowing from the public	59.3	59.3	0.0
Senior securities issued	260,900.4	262,298.8	1,398.4
Derivatives	16,788.0	16,788.0	0.0
Subordinated securities issued	1,606.9	1,589.9	–17.0
Total financial liabilities	**287,610.7**	**289,013.3**	**1,402.6**

Note 13, continued

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**

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

DETERMINING FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

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

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

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

Note 13, continued

FINANCIAL ASSETS VALUATED AT AMORTIZED COST IN FAIR VALUE HIERARCHY

Consolidated Group	**December 31, 2013**				
Loans and accounts receivable	**Fair value**				**Book value**
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total**
Cash and cash equivalents	8,337.3	–	–	8,337.3	8,377.3
Treasuries/governments bonds	34.6	–	–	34.6	34.6
Other interest-bearing securities except loans	5,155.3	13,641.9	–	18,797.2	19,008.7
Loans in the form of interest-bearing securities	3,076.8	58,762.5	–	61,839.3	59,633.2
Loans to credit institutions	–	24,891.6	–	24,891.6	24,819.1
Loans to the public	–	127,331.2	–	127,331.2	125,552.9
Total financial assets in fair value hierarchy	**16,604.0**	**224,627.2**	–	**241,231.2**	**237,385.8**

FINANCIAL LIABILITIES VALUATED AT AMORTIZED COST IN FAIR VALUE HIERARCHY

Consolidated Group	**December 31, 2013**				
Other financial liabilities	**Fair value**				**Book value**
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**	**Total**
Borrowing from credit institutions	–	8,277.3	–	8,277.3	8,256.1
Borrowing from the public	–	59.3	–	59.3	59.3
Senior securities issued	–	180,971.9	–	180,971.9	179,573.5
Subordinated securities issued	–	1,589.9	–	1,589.9	1,606.9
Total financial liabilities in fair value hiearchy	–	**190,898.4**	–	**190,898.4**	**189,495.8**

FINANCIAL ASSETS VALUATED AT FAIR VALUE IN FAIR VALUE HIERARCHY

Consolidated Group	**December 31, 2013**							
	Financial assets at fair value through profit or loss or through other comprehensive income				**Available-for-sale**			
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash and cash equivalents	–	–	–	–	–	–	–	–
Treasuries/governments bonds	–	–	–	–	4,560.2	–	–	4,560.2
Other interest-bearing securities except loans	1,923.7	156.2	261.8	2,341.7	5,318.3	37,482.4	–	42,800.7
Loans in the form of interest-bearing securities	832.9	491.6	–	1,324.5	–	–	–	–
Loans to credit institutions	–	–	–	–	–	–	–	–
Loans to the public	–	–	–	–	–	–	–	–
Derivatives	–	10,597.2	3,630.7	14,227.9	–	–	–	–
Total financial assets in fair value hierarchy	**2,756.6**	**11,245.0**	**3,892.5**	**17,894.1**	**9,878.5**	**37,482.4**	–	**47,360.9**

Note 13, continued

FINANCIAL LIABILITIES VALUATED AT FAIR VALUE IN FAIR VALUE HIERARCHY

Consolidated Group	**December 31, 2013**			
	Financial liabilities at fair value through profit or loss or through other comprehensive income			
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**
Borrowing from credit institutions	–	–	–	–
Borrowing from the public	–	–	–	–
Senior securities issued	–	25,934.2	55,392.7	81,326.9
Derivatives	52.9	13,227.3	3,507.8	16,788.0
Subordinated securities issued	–	–	–	–
Total financial liabilities in fair value hiearchy	**52.9**	**39,161.5**	**58,900.5**	**98,114.9**

During 2013 no financial assets or liabilities at fair value were moved from level 1 to level 2. Certain interest -bearing securities have been moved from level 2 to level 1 with a total value of Skr 1,748.9 million due to a review of the classification in connection to the implementation of IFRS 13.

FINANCIAL ASSETS VALUATED AT FAIR VALUE 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**

FINANCIAL LIABILITIES VALUATED AT FAIR VALUE IN FAIR VALUE HIERARCHY

Consolidated Group	**December 31, 2013**			
	Financial liabilities at fair value through profit or loss or through other comprehensive income			
Skr mn	**Level 1**	**Level 2**	**Level 3**	**Total**
Borrowing from credit institutions	–	–	–	–
Borrowing from the public	–	–	–	–
Senior securities issued	–	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.

Note 13, continued

FINANCIAL ASSETS AT FAIR VALUE IN LEVEL 3

Consolidated Group	2013								
Skr mn	January 1, 2013	Purchases	Settle-ments & sales	Transfers to level 3[2]	Trans-fers from level 3	Gains (+) and losses (-) through profit or loss[1]	Gains and losses in comprehen-sive income	December 31, 2013	Unrealized gains (+) and losses (-) through profit or loss
Other interest-bearing securities except loans	520.6	–	–41.2	–	–191.1	–26.5	–	261.8	3.5
Loans in the form of interest-bearing securities	506.3	–	–504.6	–	–	–1.7	–	0.0	–
Derivatives	9,004.8	–	–2,870.4	300.5	–808.7	–1,995.5	–	3,630.7	3,067.0
Total financial assets at fair value in level 3	**10,031.7**	–	**–3,416.2**	**300.5**	**–999.8**	**–2,023.7**	–	**3,892.5**	**3,070.5**

FINANCIAL LIABILITIES AT FAIR VALUE IN LEVEL 3

Consolidated Group	2013								
Skr mn	January 1, 2013	Issues	Settle-ments & buy-backs	Transfers to level 3[2]	Trans-fers from level 3	Gains (+) and losses (-) through profit or loss[1]	Gains and losses in comprehen-sive income	December 31, 2013	Unrealized gains (+) and losses (-) through profit or loss
Senior securities issued	89,207.5	6,724.1	–46,426.1	11,753.3	–7,913.4	2,047.3	–	55,392.7	4,502.3
Derivatives	5,112.5	654.9	–1,114.8	989.8	–75.5	–2,059.1	–	3,507.8	–2,027.3
Total financial liabilities at fair value in level 3	**94,320.0**	**7,379.0**	**–47,540.9**	**12,743.1**	**–7,988.9**	**–11.8**	–	**58,900.5**	**2,475.0**

FINANCIAL ASSETS AT FAIR VALUE IN LEVEL 3

Consolidated Group	2012								
Skr mn	January 1, 2012	Purchases	Settle-ments & sales	Transfers to level 3	Trans-fers from level 3[2]	Gains (+) and losses (-) through profit or loss[1]	Gains and losses in comprehen-sive income	December 31, 2013	Unrealized gains (+) and losses (-) through profit or loss
Other interest-bearing securities except loans	571.6	–	–	–	–	–51.0	–	520.6	36.6
Loans in the form of interest-bearing securities	509.5	–	–	–	–	–3.2	–	506.3	0.5
Derivatives	10,444.9	492.8	–1,945.4	–	–394.8	407.3	–	9,004.8	5,758.8
Total financial assets at fair value in level 3	**11,526.0**	**492.8**	**–1,945.4**	–	**–394.8**	**353.1**	–	**10,031.7**	**5,795.9**

Note 13, continued

FINANCIAL LIABILITIES AT FAIR VALUE IN LEVEL 3

Consolidated Group					2012				
Skr mn	January 1, 2012	Issues	Settle-ments & buy-backs	Transfers to level 3	Trans-fers from level 3[2]	Gains (+) and losses (-) through profit or loss[1]	Gains and losses in comprehen-sive income	December 31, 2012	Unrealized gains (+) and losses (-) through profit or loss
Senior securities issued	121,676.3	8,668.5	–29,081.4	–	–12,716.6	660.7	–	89,207.5	7,882.0
Derivatives	13,470.0	133.0	–2,832.7	–	–1,184.9	–4,472.9	–	5,112.5	–1,545.4
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**	**6,336.6**

[1] Gains and losses through profit or loss is reported as Net results of financial transactions. The unrealized fair value changes for assets and liabilities held as of December 31, 2013 amount to Skr 0.6 billion (2012: Skr –0.5 billion) reported as Net results of financial transactions.
[2] The transfers both to level 3 from level 2 and from level 3 to level 2 during 2013 are due to a review of the classification in connection with the implementation of IFRS 13.
[3] 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 is observable.

UNCERTAINTY OF VALUATION OF LEVEL 3 INSTRUMENTS

As the estimation of the parameters included in the models to calculate the market value of level-3-intstrument is associated with subjectivity and uncertainty, SEK has, in accordance with IFRS 13, conducted an analysis of the difference in fair value of level- 3-instruments using other reasonable parameter values. Option models are used to value the instruments in level 3. For level-3-instruments with a longer duration where extrapolated discount curves are used, a sensitivity analysis has been conducted with regards to the interest. The revaluation of the portfolio is made by an interest rate shift of +/- 10 basis points. For the level-3-instruments that are significantly affected by different types of correlations which are not based on observable market data, a revaluation has been made by shifting the correlations. The base for this sensitivity analysis is therefore revaluation of the relevant part of the portfolio, where the correlations have been adjusted by +/– 10 percentage points. After the revaluation is performed, the max/min value for each transaction is singled out. The analysis show the impact of the non-observable market data on the market value. Addition to this, the market value also affects by observable market data.

The result is consistent with SEK's business model in which debt securities connected with embedded derivatives are hedged by using the derivative. This means that an increase or decrease in the value of the hybrid instrument is offset by an equally large increase or decrease of the embedded derivative, as the underlying reference in the bond is also a part of the derivative. The table below presents the scenario analysis of the effect on level-3-instrument, with maximum positive and negative changes. The analysis shows the effect when both the issued securities and derivative have their maximum or minimum market value, regardless if it is an asset or a liability. A positive/negative value in the sensitivity analysis has a positive/negative impact on the overall result.

SIGNIFICANT UNOBSERVABLE INPUTS

Skr mn	Fair values at December 31, 2013	Range of estimates for unobservable input[1]	
Type of financial instrument			
Assets			
Other interest-bearing securities except loans	261.8		
Derivatives	3,630.7	FX	0.95 – (0.80)
Liabilities		Equity	0.95 – (0.48)
Senior securities issued	55,392.7	Other	0.95 – (0.09)
Derivatives	3,507.8		

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

Note 13, continued

SENSITIVITY ANALYSIS – LEVEL 3 ASSETS AND LIABILITIES

Consolidated Group	December 31, 2013		December 31, 2012	
Skr mn	Scenario with maximum market value	Scenario with minimum market value	Scenario with maximum market value	Scenario with minimum market value
Assets				
Other interest-bearing securities except loans	–	–	–	–
Derivatives	–10.0	9.1	204.5	–156.3
Total change in fair value of level 3 assets	**–10.0**	**9.1**	**204.5**	**–156.3**
Liabilities				
Senior securities issued	105.6	–118.7	–300.2	456.9
Derivatives	–103.0	108.0	220.3	–206.9
Total change in fair value of level 3 liabilities	**2.6**	**–10.7**	**–79.9**	**250.0**
Total effect on profit or loss	**–7.4**	**–1.6**	**124.6**	**93.7**

SENSITIVITY ANALYSIS – LEVEL 3 ASSETS AND LIABILITIES

Consolidated Group	December 31, 2013									
Scenario with	maximum market value	minimum market value	maximum market value	minimum market value	maximum market value	minimum market value	maximum market value	minimum market value	maximum market value	minimum market value
Skr mn	Total		FX		Equity		Interest rate		Other	
Assets										
Other interest-bearing securities except loans	–	–	–	–	–	–	–	–	–	–
Derivatives	–10.0	9.1	44.8	–41.1	–2.9	2.7	–54.6	50.8	2.7	–3.2
Total change in fair value of level 3 assets	**–10.0**	**9.1**	**44.8**	**–41.1**	**–2.9**	**2.7**	**–54.6**	**50.8**	**2.7**	**–3.2**
Liabilities										
Senior securities issued	105.6	–118.7	–156.8	144.7	4.1	–4.0	262.2	–263.2	–3.9	3.8
Derivatives	–103.0	108.0	105.5	–101.4	–1.6	1.2	–207.3	208.7	0.4	–0.5
Total change in fair value of level 3 liabilities	**2.6**	**–10.7**	**–51.3**	**43.3**	**2.5**	**–2.8**	**54.9**	**–54.5**	**–3.5**	**3.3**
Total effect on profit or loss	**–7.4**	**–1.6**	**–6.5**	**2.2**	**–0.4**	**–0.1**	**0.3**	**–3.7**	**–0.8**	**0.1**

Note 14. Derivatives

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

Consolidated Group	December 31, 2013			December 31, 2012		
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	3,030.0	8,289.0	209,375.7	6,528.0	6,868.6	150,547.6
Currency-related contracts	8,971.8	7,424.7	172,711.6	16,823.1	4,974.7	207,056.2
Equity-related contracts	2,159.9	898.8	21,195.6	2,228.0	3,234.5	40,363.3
Contracts related to commodities, credit risk, etc.	66.2	175.5	4,572.6	132.1	1,343.2	16,094.7
Total derivatives	**14,227.9**	**16,788.0**	**407,855.5**	**25,711.2**	**16,421.0**	**414,061.8**

Consolidated Group	December 31, 2013			December 31, 2012		
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	1,034.1	6,116.7	86,578.7	2,153.3	4,974.1	67,613.6
Currency-related contracts	2,712.7	5,127.1	111,597.0	6,806.3	4,015.5	141,337.0
Equity-related contracts	2,159.9	898.8	21,195.6	2,228.0	3,234.5	40,363.3
Contracts related to commodities, credit risk, etc.	66.2	175.5	4,572.6	132.1	1,343.2	16,094.7
Total derivatives	**5,972.9**	**12,318.1**	**223,943.9**	**11,319.7**	**13,567.3**	**265,408.6**

Consolidated Group	December 31, 2013			December 31, 2012		
of which derivatives used for hedge accounting [1] Skr mn	**Assets Fair value**	**Liabilities Fair value**	**Nominal amounts**	**Assets Fair value**	**Liabilities Fair value**	**Nominal amounts**
Interest rate-related contracts	1,995.9	2,172.3	122,797.0	4,374.7	1,894.5	82,934.0
Currency-related contracts	6,259.1	2,297.6	61,114.6	10,016.8	959.2	65,719.2
Equity-related contracts	–	–	–	–	–	–
Contracts related to commodities, credit risk, etc.	–	–	–	–	–	–
Total derivatives	**8,255.0**	**4,469.9**	**183,911.6**	**14,391.5**	**2,853.7**	**148,653.2**
[1] Of which cash flow hedges	441.3	154.1	13,700.0	841.1	0.0	12,550.0
[1] Of which fair-value hedges	7,813.7	4,315.8	170,211.6	13,550.4	2,853.7	136,103.2

Consolidated Group	December 31, 2013				
Derivatives used as cash flow hedges Skr mn	**≤ 1 month**	**1 month ≤ 3 months**	**3 months ≤ 1 year**	**1 year ≤ 5 years**	**> 5 years**
Cash inflows (assets)	46.2	44.5	200.0	404.4	0.0
Cash outflows (liabilities)	0.0	–9.4	47.2	–53.4	–164.3
Net cash inflow	**46.2**	**35.1**	**247.2**	**351.0**	**–164.3**

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**

Note 14, continued

Consolidated Group	**December 31, 2013**				
Derivatives used as fair-value hedge Skr mn	**≤ 1 month**	**1 month** **≤ 3 months**	**3 months** **≤ 1 year**	**1 year** **≤ 5 years**	**> 5 years**
Cash inflows (assets)	64.1	494.7	3,052.9	4,661.8	1,731.1
Cash outflows (liabilities)	–65.4	–152.8	–387.8	–2,087.5	–954.1
Net cash inflow	**–1.3**	**341.9**	**2,665.1**	**2,574.3**	**777.0**

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**

CASH FLOW HEDGES RECLASSIFIED TO PROFIT OR LOSS DURING THE YEAR

Skr mn	**2013**	**2012**
Interest income	279.3	190.0
Interest expense	–	–
Total	**279.3**	**190.0**

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

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

The nominal amounts and fair value of derivative instruments do not reflect real exposures. Where a collateral agreement has been negotiated with the counterparty, the threshold amount under the collateral agreement represents real exposure. 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. See the table in Note 28, which illustrates the link between the statement of financial position categories and net exposures according to Basel II.

Some credit default swap contracts are derivatives and are accordingly classified as financial assets or liabilities at fair value through profit or loss, whereas others are classified as financial guarantees and therefore carried at amortized cost. As of December 31, 2013, the total nominal amount of financial guarantees documented as derivatives and classified as financial guarantees was Skr 7,873.0 million (year-end 2012: Skr 9,233.1 million).

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

The above ISDA arrangements do not meet the criteria for offsetting in the statement of financial position. This is because such agreements create a right of set-off of recognized amounts that is enforceable only following an event of default, insolvency or bankruptcy of SEK or the counterparties. In addition, SEK and its counterparties do not intend to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

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

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

Note 14, continued

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

	December 31, 2013	December 31, 2012
Skr mn	**Derivatives**	**Derivatives**
Gross amounts of recognized financial assets	14,227.9	25,711.2
Amounts offset in the statement of financial position	–	–
Net amounts of financial assets presented in the statement of financial position	**14,227.9**	**25,711.2**
Amounts subject to an enforceable master netting arrangement or similar agreement not offset in the statement of financial position related to:		
Financial instruments	–8,403.8	–12,410.2
Cash collateral received	–5,191.0	–10,573.2
Net amount	**633.1**	**2,727.8**

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

	December 31, 2013	December 31, 2012
Skr mn	**Derivatives**	**Derivatives**
Gross amounts of recognized financial liabilities	16,788.0	16,421.0
Amounts offset in the statement of financial position	–	–
Net amounts of financial liabilities presented in the statement of financial position	**16,788.0**	**16,421.0**
Amounts subject to an enforceable master netting arrangement or similar agreement not offset in the statement of financial position related to:		
Financial instruments	–8,403.8	–12,410.2
Cash collateral paid	–5,372.4	–1,519.1
Net amount	**3,011.8**	**2,491.7**

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 10.8 million (2012: Skr 14.0 million). During the year, the wholly owned subsidiaries SEK Financial Advisors AB, SEK Financial Services AB, SEK Customer Finance AB and SEK Exportlånet AB were all sold. The sales generated a loss in the Consolidated Group amounting to Skr -0.1 million and a gain in the Parent Company amounting to Skr 0.4 million.

Shares in subsidiaries	**December 31, 2013**		**December 31, 2012**	
Skr mn	**Book value**	**Number of shares**	**Book value**	**Number of shares**
AB SEK Securities (org nr 556608-8885)	10.0	100,000	10.0	100,000
SEK Financial Advisors AB (org nr 556660-2420)	–	–	0.8	5,000
SEK Financial Services AB (org nr 556683-3462)	–	–	0.1	1,000
SEK Customer Finance AB (org nr 556726-7587)	–	–	16.6	1,000
SEK Exportlånet AB (org nr 556761-7617)	–	–	0.1	1,000
Venantius AB (org nr 556449-5116)	54.7	5,000,500	54.7	5,000,500
Total	**64.7**		**82.3**	

	Consolidated Group		**Parent Company**	
Skr mn	**2013**	**2012**	**2013**	**2012**
Reversed impairment of shares in subsidiaries	–	–	3.5	–
Total impairment of shares in subsidiaries	**–**	**–**	**3.5**	**–**

Note 16. Other assets

Skr mn	Consolidated Group December 31, 2013	Consolidated Group December 31, 2012	Parent Company December 31, 2013	Parent Company December 31, 2012
Realized claim against the State	11.0	13.4	11.0	11.1
Unrealized claim against the State for revaluation of derivatives of the S-system	942.2	2,147.6	942.2	2,147.6
Current tax claim	19.5	13.6	19.5	21.8
Receivables for trade that has not settled	–	1,632.2	–	1,632.2
Other	66.6	217.7	66.6	209.5
Total	**1,039.3**	**4,024.5**	**1,039.3**	**4,022.2**

Note 17. Prepaid expenses and accrued revenues

Skr mn	Consolidated Group December 31, 2013	Consolidated Group December 31, 2012	Parent Company December 31, 2013	Parent Company December 31, 2012
Interest revenues accrued	2,692.3	2,623.4	2,692.3	2,623.4
Prepaid expenses and other accrued revenues	31.3	31.6	31.3	31.6
Total	**2,723.6**	**2,655.0**	**2,723.6**	**2,655.0**

Note 18. Debt

DEBT AS PER CATEGORIES

	Consolidated Group December 31, 2013			Parent Company December 31, 2013		
Skr mn	Total	Total debt excluding senior securities issued	Total senior securities issued	Total	Total debt excluding senior securities issued	Total senior securities issued
Exchange rate related contracts	78,185.4	–	78,185.4	78,185.4	–	78,185.4
Interest rate related contracts	160,455.2	8,315.4	152,139.8	160,542.7	8,402.9	152,139.8
Equity related contracts	20,305.9	–	20,305.9	20,305.9	–	20,305.9
Contracts related to raw materials, credit risk etc	10,269.3	–	10,269.3	10,269.3	–	10,269.3
Total debt outstanding	**269,215.8**	**8,315.4**	**260,900.4**	**269,303.3**	**8,402.9**	**260,900.4**
Of which denominated in:						
Swedish Kronor	7,399.7			7,487.2		
Other currencies	261,816.1			261,816.1		

Note 18, continued

Skr mn	Consolidated Group December 31, 2012 Total	Total debt excluding senior securities issued	Total senior securities issued	Parent Company December 31, 2012 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		

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

SEK HAS THE FOLLOWING MAJOR FUNDING PROGRAMS IN PLACE:

Funding programs Skr mn	**Value outstanding[1]** December 31, 2013	December 31, 2012
Medium-term note programs:		
Unlimited Euro Medium-Term Note Programme	150,176.6	171,981.7
Unlimited SEC-registered U.S. Medium-Term Note Programme	93,229.8	60,733.6
Unlimited Swedish Medium-Term Note Programme	389.6	452.2
Skr 8,000,000,000 Swedish Medium-Term Note Programme	2,792.6	3,449.0
Unlimited MTN/STN AUD Debt Issuance Programme	34.6	40.6
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

Skr mn	Consolidated Group December 31, 2013	December 31, 2012	Parent Company December 31, 2013	December 31, 2012
Liabilities to subsidiaries	n.a.	n.a.	0.5	26.4
Current tax liability	–	–	–	–
Liabilities related to assets acquired though not yet delivered and paid for	15.8	2,836.7	15.8	2,836.8
Other	769.7	625.6	768.5	617.3
Total	**785.5**	**3,462.3**	**784.8**	**3,480.5**

Note 20. Accrued expenses and prepaid revenues

	Consolidated Group		Parent Company	
Skr mn	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Interest expenses accrued	2,280.0	2,204.7	2,280.0	2,204.8
Other accrued expenses	152.8	202.9	152.7	202.7
Total	**2,432.8**	**2,407.6**	**2,432.7**	**2,407.5**

Note 21. Provisions

	Consolidated Group		Parent Company	
Skr mn	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Pension liabilities (see Note 5)	26.0	86.3	12.8	12.9
Long term employee benefit	16.0	–[1]	16.0	–[1]
Termination reserve	9.8	9.9	–	–
Total	**51.8**	**96.2**	**28.8**	**12.9**

[1] In 2012, this was reported as other liabilities (Note 19) in the Consolidated group with the value of Skr 11.4 million and in the Parent Company with Skr 11.3 million.

Note 22. Subordinated debt securities

	Consolidated Group		Parent Company	
Skr mn	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Perpetual, non-cumulative subordinated loan, foreign currency[1]	0.0	3,012.7	0.0	3,012.7
Fixed Rate Resettable Dated Subordinated Instruments [2]	1,609.9	–	1,609.9	–
Total subordinated debt outstanding	**1,609.9**	**3,012.7**	**1,609.9**	**3,012.7**
Of which denominated in:				
Swedish kronor	–	–	–	–
Foreign currencies	1,609.9	3,012.7	1,609.9	3,012.7

[1] SEK's perpetual subordinated debt totaling USD 350 million was redeemed as of September 27, 2013 at nominal amount in accordance with the loan terms and under specific consent to do so from the Swedish Financial Supervisory Authority.

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.

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.

[2] Nominal value USD 250 million Fixed Rate Resettable Dated Subordinated Instruments due November 14, 2023 (the Dated Subordinated Instruments) were issued under the regulatory framework in effect on November 14th, 2013 (the issue date).

SEK's Dated Subordinated Instruments will bear interest (i) from (and including) the issue date, to (but excluding) November 14, 2018 (the optional redemption date (call) at the rate of 2.875 per cent per annum payable semi annually in arrears on May 14 and November 14 in each year commencing on May 14, 2014 and ending on November 14, 2018 and (ii) from (and including) the optional redemption date (call)

Note 22, continued

to (but excluding) November 14, 2023 (the maturity date) at a rate of 1.45 per cent per annum above the applicable swap rate for USD swap transactions with a maturity of five years determined in accordance with market convention and payable semi-annually in arrears on May 14 and November 14 in each year commencing on May 14, 2019 and ending on the Maturity Date.

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

The accrued interest related to the subordinated debt, at year-end Skr 6.1 million (year-end 2012: Skr 1.5 million), has been included in the item "Accrued expenses and prepaid revenues".

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

Note 23. Equity

	Consolidated Group		Parent Company	
Skr mn	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
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	152.0	469.2	152.0	469.2
Fair value reserve	–16.3	–19.3	–16.3	–19.3
Retained earnings	10,864.6	9,939.7	8,379.0	7,646.3
Total Equity	**14,990.3**	**14,379.6**	**12,702.7**	**12,284.2**

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.

In the case in which an asset held for trading is included in a hedge relationship, the reserve includes the difference between the fair value and the fair value attributable to the hedged risk. The difference normally consists of the cumulative change in the credit spread. The fair value reserve is displayed as after-tax difference between 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 17.1 million (2012: Skr 4.4 million), Skr –26.3 million, (2012: Skr –12.1 million) represented interest-bearing securities with negative changes in fair value and Skr –7.1 million (2012: Skr –11.6 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 6,469.4 million (2012: Skr 6,334.7 million) and distributable capital amounted to Skr 8,520.9 million (2012: Skr 8,077.5 million). For the parent company non-distributable capital at year-end amounted to Skr 4,188.0 million (2012: 4,188.0 million) and distributable reserves amounted to Skr 8,514.7 million (2012: 8,096.2 million).

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

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

Note 24. Contingent liabilities, contingent assets and commitments

Contingent liabilities and commitments are disclosed in connection with the consolidated statements of financial position as of December 31, 2013. Contingent liabilities consist of liabilities related to previous loans made by Venantius AB amounting to Skr 1.0 million (year-end 2012: Skr 1.1 million).

Commitments consist of committed undisbursed loans and binding offers. Such committed undisbursed loans represent loan offers that have been accepted by the customer but not yet disbursed as of December 31, 2013. Of the Skr 20,480.2 million of committed undisbursed loans at December 31, 2013 (year-end

Note 24, continued

2012: Skr 25,915.1 million), committed undisbursed loans under the S-system represented Skr 8,536.6 million (year-end 2012: Skr 12,675.4 million). Such commitments under the S-system sometimes include a fixed-rate option, the cost of which is reimbursed by the Swedish state (see Note 25).

As of December 31, 2013 the aggregate amount of outstanding offers amounted to Skr 65,549.1 million (year-end 2012: Skr 59,524.8 million). Skr 56,508.0 million (year-end 2012: Skr 47,926.2 million) of outstanding offers derived from the S-system. As of December 31, 2013 Skr 35,083.0 million of outstanding offers represented binding offers and Skr 30,466.1 million represents non-binding offers.

As of December 31, 2013, SEK had, under the security agreements for derivative contracts, posted cash collateral in the total amount of Skr 6,945.8 million (year-end 2012: Skr 2,544.4 million) (see Note 11).

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 as being due. In its lawsuit, LBF is seeking a payment of approximately USD 87 million including purported default interest. SEK has filed responses denying that any amounts are due. A hearing at the Stockholm District Court for the litigation is scheduled to be held in March 2014. 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 as a result of the current lawsuit. However, no guarantees on the outcome of SEK's dispute with LBF can be given.

Note 25. S-system

SEK administers, for a compensation of 0.25 percent on outstanding loans in 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 105.3 million for the period (2012: Skr 89.4 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. SEK receives a risk comission from the S-system. When SEK acts as agent, SEK receives an agent comission from the S-system.

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 2013 amounted to Skr 208.9 million (2012: Skr 83.0 million), of which the net result for the CIRR loans represented Skr 254.4 million (2012: Skr 128.4 million).

STATEMENT OF COMPREHENSIVE INCOME FOR THE S-SYSTEM

Skr mn	2013	2012
Interest revenues	1,118.7	1,083.3
Interest expenses	–902.9	–913.6
Net interest revenues	**215.8**	**169.7**
Interest compensation	95.4	0.7
Remuneration to SEK	–105.3	–89.4
Foreign exchange effects	3.0	2.0
Reimbursement to (–) / from (+) the State	–208.9	–83.0
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, 2013	December 31, 2012
Cash and cash equivalents	230.7	6.6
Loans	43,247.9	39,499.1
Derivatives	119.3	11.6
Other assets	1,003.3	2,223.6
Prepaid expenses and accrued revenues	247.3	246.9
Total assets	**44,848.5**	**41,987.8**
Liabilities	43,454.6	39,493.3
Derivatives	1,065.1	2,166.5
Accrued expenses and prepaid revenues	328.8	328.0
Equity	–	–
Total liabilities and equity	**44,848.5**	**41,987.8**
Commitments		
Committed undisbursed loans	8,536.6	12,675.4
Binding offers	31,002.5	30,497.7

Note 25, continued

RESULTS UNDER THE S-SYSTEM BY TYPE OF LOAN

	CIRR loans		Concessionary loans	
Skr mn	**2013**	**2012**	**2013**	**2012**
Net interest revenues	259.2	212.9	–43.4	–43.2
Interest compensation	95.4	0.7	–	–
Remuneration to SEK	–103.2	–87.2	–2.1	–2.2
Foreign exchange effects	3.0	2.0	–	–
Total	**254.4**	**128.4**	**–45.5**	**–45.4**

Note 26. Segment reporting

In accordance with IFRS 8, SEK has the following two segments: corporate lending and end-customer finance. Corporate lending concerns financing that SEK arranges directly to, or for the benefit of, Swedish 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			**2013**		
Skr mn	**Corporate lending**	**End-customer finance**	**Reconciliation with the Consolidated Statement of Comprehensive Income**	**Unrealized changes in fair value**	**Total**
Net interest revenues and net commissions	964.9	584.8		–	**1,549.7**
Net results of financial transactions	271.3	397.6	–	–	**668.9**
Other operating income	–	–	–	–	–
Operating expenses	–197.4	–313.9	–	–	**–511.3**
Net credit losses	–2.6	–36.1	–	–	**–38.7**
Operating profit excl. unrealized changes in fair value	**1,036.2**	**632.4**	–	–	**1,668.6**
Unrealized changes in value	–	–	–	–260.5	**–260.5**
Operating profit	**1,036.2**	**634.4**	–	**–260.5**	**1,408.1**

Note 26, continued

Consolidated Statement of Comprehensive Income — 2012

Skr mn	Corporate lending	End-customer finance	Reconciliation with the Consolidated Statement of Comprehensive Income	Unrealized changes in fair value	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	**–828.2**
Operating profit	**1,035.2**	**597.5**	**19.9**	**–828.2**	**824.4**

Interest-bearing assets and Committed undisbursed loans

	December 31, 2013			December 31, 2012		
Skr bn	Corporate lending	End-customer finance	Sum of segments	Corporate lending	End-customer finance	Sum of segments
Interest-bearing assets	121.6	158.5	**280.1**	115.5	160.6	**276.1**
Committed undisbursed loans	2.0	18.5	**20.5**	–	25.9	**25.9**

RECONCILIATION BETWEEN SUM OF SEGMENTS AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Skr bn	December 31, 2013	December 31, 2012
Sum of segments	**280.1**	**276.1**
Cash and cash equivalents	8.3	2.3
Derivatives	14.2	25.7
Property, plant, equipment and intangible assets	0.2	0.2
Other assets	1.0	4.0
Prepaid expenses and accrued revenues	2.7	2.7
Other[1]	0.1	2.1
Total	**306.6**	**313.1**
Consolidated statement of financial position	306.6	313.1

[1] The line item consists mainly of unrealized changes in value.

Income geographical areas

	2013			2012		
Skr mn	Interest-revenues	Commissions earned	Total	Interest-revenues	Commissions earned	Total
Sweden	2,427.5	8.0	**2,435.5**	3,462.3	2.3	**3,464.6**
Europe except Sweden	802.4	0.7	**803.1**	887.7	8.7	**896.4**
Countries outside of Europe	927.7	0.0	**927.7**	1,056.9	0.1	**1,057.0**
Total	**4,157.6**	**8.7**	**4,166.3**	**5,406.9**	**11.1**	**5,418.0**

Note 27. Capital adequacy

The total capital ratio of SEK as a consolidated financial entity, calculated according to Basel II, Pillar 1, as of December 31, 2013 was 21.8 percent (year-end 2012: 23.0 percent) without taking into account the effects of currently applicable transitional rules (see below). Taking into account the effects of the transitional rules does not require an increase in the capital requirement as of December, 31, 2013. The reduction of the total capital ratio was mainly due to the early redemption of the perpetual subordinated debt.

CAPITAL BASE

	Consolidated Group		Parent Company	
Skr mn	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Core Tier-1 capital[1]	14,640	14,139	14,625	14,179
Additional Tier-1	–	2,281	–	2,281
Total Tier-1 capital	**14,640**	**16,420**	**14,625**	**16,460**
Tier-2 capital	1,692	49	1,692	49
Total capital base[2]	**16,332**	**16,469**	**16,317**	**16,509**

[1] According to SEK's definition, CoreTier-1 capital is equal to Tier-1 capital excluding Additional Tier-1 capital.
[2] Total capital base, including expected loss surplus/deficits in accordance with the IRB approach.

CAPITAL BASE – ADJUSTING ITEMS

	Consolidated Group		Parent Company	
Skr mn	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Equity	3,990	3,990	3,990	3,990
Retained earnings	10,864	9,940	8,379	7,646
Other reserves	136	450	334	648
Total shareholders' equity per accounting balance sheet	***14,990***	***14,380***	***12,703***	***12,284***
Equity-portions of untaxed reserves	–	–	2,270	2,136
Expected dividend	–327	–213	–327	–213
Other deductions	–18	–21	–16	–21
Intangible assets	–119	–113	–119	–113
100% of deficits in accordance with IRB-calculation	–	–	–	–
Adjustments Available-for-sale securities	16	19	16	19
Adjustment own credit spread	250	556	250	556
Adjustments cash flow hedges	–152	–469	–152	–469
Total Core Tier-1 capital	**14,640**	**14,139**	**14,625**	**14,179**
Tier-1 eligible subordinated debt[1]	–	2,281	–	2,281
Total Tier-1 capital	**14,640**	**16,420**	**14,625**	**16,460**
Tier-2-eligible subordinated debt[2]	1,627	–	1,627	–
100 % of surplus in accordance with IRB-calculation	65	49	65	49
Total Tier-2 capital	**1,692**	**49**	**1,692**	**49**
Total capital base	**16,332**	**16,469**	**16,317**	**16,509**

[1] In August 2013, SEK exercised its right to redeem outstanding perpetual subordinated debt totaling USD 350 million.
[2] In November, 2013 a new subordinated debt was issued, amounting to USD 250 million with a maturity of 10 years and a right to redeem after 5 years, which qualifies as Tier-2 capital.

Note 27, continued

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 addition, as the case might be. As of December 31, 2013 the addition to the capital base amounted to Skr 65 million. The amount increased Tier-2 capital. As of December 31, 2012, the addition to the capital base amounted to Skr 49 million.

CAPITAL BASE – CHANGE 2013

Skr mn	Consolidated Group	Parent Company
Opening Core-Tier 1 capital	14,139	14,179
Untaxed reserves (capital-portions)	n.a.	135
Expected dividend	–327	–327
Profit for the year	1,090	945
Revaluation of defined benefit plans	47	n.a
Intangible assets	–6	–6
Other, of which	–303	–301
Adjustment own credit spread	*–306*	*–306*
Price adjustment	*2*	*2*
IRB-calculation, deficits	*–*	*–*
Other	*1*	*3*
Closing Core-Tier 1 capital	**14,640**	**14,625**
Opening Tier-1 eligible subordinated debt 2013	2,281	2,281
Currency exchange effects	–	–
Repurchased Tier-1 eligible subordinated debt during the year	–2,281	–2,281
Tier-1 eligible subordinated debt, closing amount	–	–
Closing Tier-1 capital	**14,640**	**14,625**
Opening Tier-2-eligible subordinated debt 2013	49	49
Subordinated debt	1,627	1,627
IRB-calculation, surplus/deficits	16	16
Closing Tier-2-eligible subordinated debt	**1,692**	**1,692**
Total capital base	**16,332**	**16,317**

CAPITAL BASE – CHANGE 2012

Skr mn	Consolidated Group	Parent Company
Opening Core-Tier 1 capital	12,952	12,963
Untaxed reserves (capital-portions)	n.a.	158
Expected dividend	–213	–213
Profit for the year	709	548
Revaluation of defined benefit plans	–32	n.a.
Intangible assets	–25	–25
Other, of which	748	748
Adjustment own credit spread	*710*	*710*
Price adjustment	*12*	*12*
IRB-calculation, deficits	*–*	*–*
Other	*26*	*26*
Closing Core-Tier 1 capital	**14,139**	**14,179**
Opening Tier-1 eligible subordinated debt 2012	2,423	2,423
Currency exchange effects	–142	–142
Closing Tier-1 capital	**16,420**	**16,460**
Opening Tier-2-eligible subordinated debt 2012	–	–
IRB-calculation, surplus/deficits	49	49
Closing Tier-2-eligible subordinated debt	**49**	**49**
Total capital base	**16,469**	**16,509**

Note 27, continued

CAPITAL REQUIREMENT IN ACCORDANCE WITH PILLAR 1

	Consolidated Group						Parent Company					
	December 31, 2013			December 31, 2012			December 31, 2013			December 31, 2012		
Skr mn	EAD[1]	Risk weighted amount	Required capital	EAD	Risk weighted amount	Required capital	EAD	Risk weighted amount	Required capital	EAD	Risk weighted amount	Required capital
Credit risk standardized method												
Central governments	14,842	759	61	9,607	820	66	14,842	759	61	9,607	820	66
Government export credit agencies	135,531	257	21	138,987	315	25	135,531	257	21	138,987	315	25
Regional governments	19,816	–	–	23,510	–	–	19,816	–	–	23,510	–	–
Multilateral development banks	723	–	–	422	–	–	723	–	–	422	–	–
Householdexposures	1	1	0	1	1	0	–	–	–	–	–	–
Corporates	628	628	50	373	373	30	628	628	50	373	373	30
Total credit risk standardized method	*171,541*	*1,645*	*132*	*172,900*	*1,509*	*121*	*171,540*	*1,644*	*132*	*172,899*	*1,508*	*121*
Credit risk IRB method												
Financial institutions[2]	67,352	17,305	1,384	76,789	19,612	1,569	67,334	17,302	1,384	76,775	19,609	1,569
Corporates	71,227	42,054	3,364	61,977	36,202	2,896	71,227	42,054	3,364	61,977	36,202	2,896
Securitization positions	7,804	8,744	700	10,021	8,254	660	7,804	8,744	700	10,021	8,254	660
Without counterparty	150	150	12	149	149	12	215	215	17	231	231	18
Total credit risk IRB method	*146,533*	*68,253*	*5,460*	*148,936*	*64,217*	*5,137*	*146,580*	*68,315*	*5,465*	*149,004*	*64,296*	*5,143*
Currency exchange risks	n.a.	1,404	112	n.a.	2,221	178	n.a.	1,404	112	n.a.	2,221	178
Commodities risk	n.a.	67	5	n.a.	–	–	n.a.	67	5	n.a.	–	–
Operational risk	n.a.	3,660	293	n.a.	3,549	284	n.a.	3,664	294	n.a.	3,547	284
Total Basel II	**318,074**	**75,029**	**6,002**	**321,836**	**71,496**	**5,720**	**318,120**	**75,094**	**6,008**	**321,903**	**71,572**	**5,726**
Basel I-based additional requirement[3]	n.a.	–	–	n.a.	–	–	n.a.	–	–	n.a.	–	–
Total Basel II incl. additional requirement	**318,074**	**75,029**	**6,002**	**321,836**	**71,496**	**5,720**	**318,120**	**75,094**	**6,008**	**321,903**	**71,572**	**5,726**
Total Basel I	**n.a.**	**90,629**	**7,250**	n.a.	**84,754**	**6,780**	**n.a.**	**90,961**	**7,255**	n.a.	**84,832**	**6,787**

[1] EAD shows the size of the outstanding exposure at default.

[2] Of which counterparty risk in derivatives: Exposure at default ("EAD") Skr 5,656 million (year-end 2012: Skr 9,269 million), Risk weighted claims Skr 2,098 million (year-end 2012: Skr 3,442 million) and Required capital Skr 168 million (year-end 2012: 275 million).

[3] The item "Adjustment according to transitional rules" is calculated in accordance with § 5 of the law (2006:1372) on implementation of the capital adequacy requirements (2006:1371).

Note 27, continued

CREDIT RISK BY PD GRADE

The tables illustrate the exposure at default (EAD), the portion of the exposure that will be lost in the event of a default (LGD) and the probability of default or cancellation of payments by a counterparty (PD) for the exposure classes where PD is estimated internally.

Consolidated Group	December 31, 2013					December 31, 2012				
Skr mn	AAA 0.02%	AA+ to A– 0.02–0.15%	BBB+ to BBB– 0.21–0.44%	BB+ to B– 0.79–10.05%	CCC to D 28.98–100%	AAA 0.02%	AA+ to A– 0.02–0.15%	BBB+ to BBB– 0.21–0.44%	BB+ to B– 0.79–10.05%	CCC to D 28.98–100%
Financial institutions										
EAD	–	64,017	3,334	1	–	899	70,969	4,678	243	–
Average PD in %	–	0.09	0.28	0.79	–	0.02	0.08	0.27	0.79	–
Average LGD in %	–	41.9	45.0	45.0	–	45.0	42.2	45.0	45.0	–
Average riskweight in %	–	24.3	52.9	89.4	–	15.3	23.8	50.7	89.4	–
Corporates										
EAD	888	22,408	32,789	14,921	222	898	19,062	29,482	12,344	191
Average PD in %	0.02	0.11	0.31	1.08	33.28	0.02	0.11	0.30	1.09	33.79
Average LGD in %	45,0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0
Average risk weight in %	15.3	33.6	58.3	98.9	238.8	15.3	33.9	57.8	98.2	235.8

Parent Company	December 31, 2013					December 31, 2012				
Skr mn	AAA 0.02%	AA+ to A– 0.02–0.15%	BBB+ to BBB– 0.21–0.44%	BB+ to B– 0.79–10.05%	CCC to D 28.98–100%	AAA 0.02%	AA+ to A– 0.02–0.15%	BBB+ to BBB– 0.21–0.44%	BB+ to B– 0.79–10.05%	CCC to D 28.98–100%
Financial institutions										
EAD	–	63,998	3,334	1	–	899	70,955	4,678	243	–
Average PD in %	–	0.09	0.28	0.79	–	0.02	0.08	0.27	0.79	–
Average LGD in %	–	41.9	45.0	45.0	–	45.0	42.2	45.0	45.0	–
Average risk weight in %	–	24.3	52.9	89.4	–	15.3	23.8	50.7	89.4	–
Corporates										
EAD	888	22,408	32,789	14,921	222	898	19,062	29,482	12,344	191
Average PD in %	0.02	0.11	0.31	1.08	33.28	0.02	0.11	0.30	1.09	33.79
Average LGD in %	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0
Average risk weight in %	15.3	33.6	58.3	98.9	238.8	15.3	33.9	57.8	98.2	235.8

CREDIT RISKS

For risk classification and quantification of credit risk SEK uses an internal ratings-based (IRB) approach. The Swedish Financial Supervisory Authority has approved SEK's IRB approach. Specifically, SEK applies the Foundation Approach. Under the Foundation Approach, the company determines the probability of default within one year (PD) of each of its counterparties, while the Swedish Financial Supervisory Authority establishes the remaining parameters. The Swedish Financial Supervisory Authority has, however exempted the company from the using the IRB approach, 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.

FOREIGN EXCHANGE RISKS

The exchange rate risks are calculated on reported values according to the so-called two-step method.

COMMODITIES RISK

Capital requirements for commodity risk have been calculated in accordance with the Simple method. SEK has not previously set aside capital for commodity risk under pillar 1, but some lim-

Note 27, continued

ited commodity risk was identified in connection with measures to improve risk measurement methods. The capital requirement for commodity risk of Skr 5 million corresponds to 0.1 percent of SEK's total capital requirements at December 31, 2013.

OPERATIONAL RISKS

The regulations provide opportunities for companies to use different methods for the calculation of capital requirements for operational risks. SEK now applies 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 primarily been calculated based on Basel II rules. The Swedish legislature has 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 under the earlier, less risk-sensitive, Basel I rules. During the transition period of 2007-2009, 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 until the end of 2011. In 2012, the legislature determined to further extend the transitional rules until the end of 2013. According to the new European Capital Requirements Regulation (CRR), that willgo into effect on January 2014, the Swedish legislature may grant banks waivers from the Basel 1 floor. However the Swedish Financial Supervisory Authority does not intend to grant waivers from the Basel 1 floor, which means that the Basel 1 floor will continue to be applicable in 2014. Taking into account the effects of the transitional rules does not require an increase in the capital requirement as of December 31, 2013.

CAPITAL ADEQUACY ANALYSIS (PILLAR 1)

	Consolidated Group				Parent Company			
	December 31, 2013		December 31, 2012		December 31, 2013		December 31, 2012	
	Basel II	Basel II, incl transition rules	Basel II	Basel II, incl transition rules	Basel II	Basel II, incl transition rules	Basel II	Basel II, incl transition rules
Total capital adequacy	21.8%	21.8%	23.0%	23.0%	21.7%	21.7%	23.1%	23.1%
of which related to Core Tier-1 capital	*19.5%*	*19.5%*	*19.8%*	*19.8%*	*19.5%*	*19.5%*	*19.8%*	*19.8%*
of which related to Tier-1 capital	*19.5%*	*19.5%*	*23.0%*	*23.0%*	*19.5%*	*19.5%*	*23.0%*	*23.0%*
of which related to Tier-2 capital	*2.3%*	*2.3%*	*0.0%*	*0.0%*	*2.3%*	*2.3%*	*0.1%*	*0.1%*
Capital adequacy quota (total capital base/total required capital)	2.72	2.72	2.88	2.88	2.72	2.72	2.88	2.88

Note 28. Risk information

For further risk information, see the section "Risk and Capital Management" on pages 59-85.

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 show nominal values, in accordance with internal risk monitoring.

CREDIT RISK

The table below shows the maximum exposure to credit risk. The amounts are nominal values except for derivatives which are reported at booked values.

Consolidated Group	**December 31, 2013 Maximum exposure to Credit Risk**		
Skr mn	**Financial assets at fair value through profit or loss**	**Assets available for sale**	**Loans and receivables**
Cash and cash equivalents	–	–	8,337.3
Treasuries/government bonds	–	4,533.9	35.8
Other interest-bearing securities except loans	2,189.7	42,598.2	19,482.0
Loans in the form of interest-bearing securities	1,211.8	–	59,248.9
Loans to credit institutions	–	–	25,626.5
Loans to the public	–	–	144,657.5
Derivatives	14,227.9	–	–
Total financial assets	**17,629.4**	**47,132.1**	**257,388.0**

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**

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.

Note 28, continued

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, 2013**			
Skr mn	**Book value**	**AAA**	**AA+ to A-**	**BBB+ to BBB-**	**BB+ to B-**	**CCC to D**
Cash and cash equivalents	8,337.3	4,669.9	3,667.4	–	–	–
Treasuries/government bonds	4,594.8	3,837.7	721.0	36.1	–	–
Other interest-bearing securities except loans	64,151.1	5,954.4	55,368.6	1,905.2	828.9	94.0
Loans in the form of interest-bearing securities	60,957.7	16,301.7	19,015.6	19,361.2	6,279.2	–
Loans to credit institutions	24,819.1	2,935.8	18,403.1	3,479.1	1.1	–
Loans to the public	125,552.9	78,201.9	24,337.7	14,087.8	8,787.0	138.5
Derivatives	14,227.9	–	12,660.2	1,567.7	–	–
Total financial assets	**302,640.8**	**111,901.4**	**134,173.6**	**40,437.1**	**15,896.2**	**232.5**
Committed undisbursed loans	**20,480.2**	**6,386.1**	**7,702.6**	**905.8**	**5,483.0**	**2.7**

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**	**53,212.8**	**186,197.8**	**44,339.0**	**22,331.7**	**224.3**
Committed undisbursed loans	**25,915.1**	**7,848.0**	**7,641.7**	**3,926.1**	**6,486.4**	**12.9**

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, 2013**			
Skr bn	**Book value**	**Adjustment from Book value to Exposure[1]**	**Adjustment to exposure class**	**Amendment for undisbursed loans and counterparty exposure**	**Exposure**	**Exposure class**
Treasuries/government bonds	4.6	–	10.1	0.2	14.9	Central governments
Other interest-bearing securities except loans	64.2	0.1	42.8	52.9	160.0	Government export credit agencies
Loans in the form of interest-bearing securities	61.0	–0.5	–40.7	–	19.8	Regional governments
Loans to credit institutions including cash and cash equivalents[1]	33.1	–14.4	–18.1	0.2	0.8	Multilateral development banks
Loans to the public	125.6	–0.4	–64.1	6.4	67.5	Financial institutions
	–	–	71.8	1.5	73.3	Corporates
Derivatives	14.2	–7.9	–6.3	–	–	
	–	–	7.8	–	7.8	Securitization positions
Total financial assets	**302.7**	**–23.1**	**3.3**	**61.2**	**344.1**	

Note 28, continued

Consolidated Group	December 31, 2012					
Skr bn	Book value	Adjustment from Book value to Exposure[1]	Adjustment to exposure class	Amendment for undisbursed loans and counterparty exposure	Exposure	Exposure class
Treasuries/government bonds	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**	

[1] Skr 6.9 billion (2012: Skr 2.5 billion) of the book value for Loans to credit institutions is cash collateral provided by SEK.

Reduction in derivative exposures from applying netting under current ISDA Master Agreements according to Basel II regulations regarding counterparty risk in derivative transactions amounts to Skr 7.9 billion (2012: Skr 12.9 billion). For further information regarding counterparty risk in derivative transactions under Basel II, see section "Risk and Capital Management" on pages 59-85.

TOTAL CREDIT EXPOSURES CONSOLIDATED GROUP

Amounts expressing gross exposures are shown without considering 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. The credit exposures by region have changed according to the internal region and the comparative figures have been updated accordingly. In tables showing the geographic distribution of exposures, North America excludes Central America.

TOTAL NET EXPOSURES

Skr bn	Total				Loans and interest-bearing securities				Undisbursed loans, derivatives, etc			
	December 31, 2013		December 31, 2012		December 31, 2013		December 31, 2012		December 31, 2013		December 31, 2012	
Classified by type of exposure class	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Central governments	14.9	4.3	9.8	2.8	14.7	5.2	9.0	3.3	0.2	0.3	0.8	1.1
Government export credit agencies	160.0	46.5	162.0	46.8	107.1	37.9	107.0	38.7	52.9	86.4	55.0	78.1
Regional governments	19.8	5.8	23.6	6.8	19.8	7.0	23.4	8.5	–	–	0.2	0.3
Multilateral development banks	0.8	0.2	0.4	0.1	0.6	0.2	0.4	0.1	0.2	0.3	–	–
Financial institutions	67.5	19.6	77.2	22.3	61.1	21.6	66.3	24.0	6.4	10.5	10.9	15.5
Corporates	73.3	21.3	63.6	18.3	71.8	25.4	60.1	21.8	1.5	2.5	3.5	5.0
Securitization positions	7.8	2.3	10.0	2.9	7.8	2.7	10.0	3.6	–	–	–	–
Total	**344.1**	**100.0**	**346.6**	**100.0**	**282.9**	**100.0**	**276.2**	**100.0**	**61.2**	**100.0**	**70.4**	**100.0**

Note 28, continued

CREDIT EXPOSURES ALLOCATION BETWEEN IRB-APPROACH AND THE STANDARDIZED APPROACH

	December 31, 2013		December 31, 2012	
Skr bn	Net exposures	Share	Net exposures	Share
Standardized approach				
Central governments	14.9	4.3	9.8	2.8
Government export credit agencies	160.0	46.5	162.0	46.8
Regional governments	19.8	5.8	23.6	6.8
Multilateral development banks	0.8	0.2	0.4	0.1
Corporates	0.7	0.2	0.4	0.1
Sum Standardized approach	**196.2**	**57.0**	**196.2**	**56.6**
IRB method				
Financial institutions	67.5	19.6	77.2	22.3
Corporates	72.6	21.1	63.2	18.2
Securitization positions	7.8	2.3	10.0	2.9
Sum IRB method	**147.9**	**43.0**	**150.4**	**43.4**
Total	**344.1**	**100.0**	**346.6**	**100.0**

CREDIT EXPOSURES BY REGION AND EXPOSURE CLASS

Gross exposure by region and exposure class, as of December 31, 2013

Skr bn	Middle East/ Africa	Asia excl. Japan	Japan	North America	Oceania	Latin America	Sweden	West European countries excl. Sweden	Central-East European countries	Total
Central governments	1.5	6.4	–	–	–	30.1	8.5	2.3	0.0	48.8
Government export credit agencies	–	–	–	–	–	–	–	0.2	–	0.2
Regional governments	0.6	–	–	–	–	–	10.1	2.5	–	13.2
Multilateral development banks	–	–	–	–	–	–	–	0.1	–	0.1
Financial institutions	0.9	0.8	2.7	5.2	3.8	0.2	19.2	25.6	0.4	58.8
Corporates	13.4	24.4	7.7	23.0	0.6	12.9	75.6	44.4	13.2	215.2
Securitization positions	–	–	–	1.8	1.7	–	–	4.3	–	7.8
Total	**16.4**	**31.6**	**10.4**	**30.0**	**6.1**	**43.2**	**113.4**	**79.4**	**13.6**	**344.1**

Gross exposure by region and exposure class, as of December 31, 2012

Skr bn	Middle East/ Africa	Asia excl. Japan	Japan	North America	Oceania	Latin America	Sweden	West European countries excl. Sweden	Central-East European countries	Total
Central governments	0.9	6.9	–	–	–	30.2	3.9	0.8	0.0	42.7
Government export credit agencies	–	–	–	–	–	–	–	2.9	–	2.9
Regional governments	0.6	–	–	–	–	–	9.9	5.8	–	16.3
Multilateral development banks	–	–	–	–	–	–	–	0.0	–	0.0
Financial institutions	0.5	0.6	0.3	9.1	8.8	–	18.6	32.2	0.5	70.6
Corporates	8.2	28.6	11.2	18.4	0.6	13.4	71.1	37.9	14.7	204.1
Securitization positions	–	–	–	2.6	2.5	–	–	4.9	–	10.0
Total	**10.2**	**36.1**	**11.5**	**30.1**	**11.9**	**43.6**	**103.5**	**84.5**	**15.2**	**346.6**

Note 28, continued

Net exposure by region and exposure class, as of December 31, 2013

Skr bn	Middle East/ Africa	Asia excl. Japan	Japan	North America	Oceania	Latin America	Sweden	West European countries excl. Sweden	Central-East European countries	Total
Central governments	–	–	–	–	–	–	8.6	3.8	2.5	14.9
Government export credit agencies	–	0.8	–	4.5	–	–	136.6	18.1	–	160.0
Regional governments	–	–	–	–	–	–	17.0	2.8	–	19.8
Multilateral development banks	–	–	–	–	–	–	–	0.8	–	0.8
Financial institutions	1.3	0.9	3.0	5.5	3.8	0.2	14.5	37.9	0.4	67.5
Corporates	1.3	1.5	1.8	3.7	0.1	3.9	47.0	13.6	0.4	73.3
Securitization positions	–	–	–	1.8	1.7	–	–	4.3	–	7.8
Total	**2.6**	**3.2**	**4.8**	**15.5**	**5.6**	**4.1**	**223.7**	**81.3**	**3.3**	**344.1**

Net exposure by region and exposure class, as of December 31, 2012

Skr bn	Middle East/ Africa	Asia excl. Japan	Japan	North America	Oceania	Latin America	Sweden	West European countries excl. Sweden	Central-East European countries	Total
Central governments	–	–	–	–	–	–	4.2	2.6	3.0	9.8
Government export credit agencies	–	0.6	–	5.3	–	–	140.3	15.8	–	162.0
Regional governments	–	–	–	–	–	–	17.5	6.1	–	23.6
Multilateral development banks	–	–	–	–	–	–	–	0.4	–	0.4
Financial institutions	–	0.7	0.3	11.9	8.8	–	13.6	41.4	0.5	77.2
Corporates	1.0	1.6	2.0	1.9	0.1	3.5	40.6	12.5	0.4	63.6
Securitization positions	–	–	–	2.6	2.5	–	–	4.9	–	10.0
Total	**1.0**	**2.9**	**2.3**	**21.7**	**11.4**	**3.5**	**216.2**	**83.7**	**3.9**	**346.6**

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 and Capital Management" on page 59-85. 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, the company views its loan facility with the Swedish National Debt Office as available funds, 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, 2013

	Gross exposure	**Outgoing risk mitigation**		**Additional risk mitigation**		**Net exposure**
Skr bn		Guarantee	CDS	Guarantee	CDS	
United Kingdom						
Sovereign	–	–	–	2.2	–	2.2
Non-sovereign	10.9	–2.9	–0.6	1.2	2.4	11.0
France						
Sovereign	0.7	–	–	9.3	–	10.0
Non-sovereign	4.2	–1.8	–	0.9	2.9	6.2
Germany						
Sovereign	1.2	–	–	4.4	–	5.6
Non-sovereign	0.6	0.0	–	1.5	0.9	3.0
The Netherlands						
Sovereign	–	–	–	–	–	–
Non-sovereign	12.2	–3.2	–0.3	0.2	–	8.9
Ireland						
Sovereign	–	–	–	–	–	–
Non-sovereign	4.5	–1.6	–	–	–	2.9
Spain						
Sovereign	–	–	–	–	–	–
Non-sovereign	14.6	–12.4	–	0.0	–	2.2
Poland						
Sovereign	–	–	–	2.5	–	2.5
Non-sovereign	2.5	–2.5	–	–	–	–
Switzerland						
Sovereign	–	–	–	–	–	–
Non-sovereign	1.4	–0.3	–	0.6	–	1.7
Italy						
Sovereign	–	–	–	0.5	–	0.5
Non-sovereign	2.2	–2.2	–	–	–	0.0
Portugal						
Sovereign	–	–	–	0.3	–	0.3
Non-sovereign	0.4	–0.3	–	–	–	0.1
Russia						
Sovereign	–	–	–	–	–	–
Non-sovereign	10.0	–9.9	–	–	–	0.1
Greece						
Sovereign	–	–	–	–	–	–
Non-sovereign	0.1	–0.1	–	–	–	–
Austria						
Sovereign	0.2	–	–	–	–	0.2
Non-sovereign	0.6	–	–	0.1	–	0.7
Luxembourg						
Sovereign	1.6	–	–	0.7	–	2.3
Non-sovereign	0.2	–	–	–	–	0.2
Latvia						
Sovereign	0.0	–	–	–	–	0.0
Non-sovereign	0.6	–	–	–	–	0.6
Cyprus						
Sovereign	–	–	–	–	–	–
Non-sovereign	0.4	–0.4	–	–	–	–
Other countries						
Sovereign	0.0	–0.0	–	–	–	–
Non-sovereign	0.8	–0.5	–	0.1	–	0.4
Total	**69.9**	**–38.1**	**–0.9**	**24.5**	**6.2**	**61.6**

Note 28, continued

GROSS AND NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY RISK MITIGATION METHOD, AS OF DECEMBER 31, 2012

	Gross exposure	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
Ireland						
Sovereign	–	–	–	–	–	–
Non-sovereign	4.9	–1.4	–0.6	–	–	2.9
Spain						
Sovereign	–	–	–	–	–	–
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
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
Latvia						
Sovereign	0.0	–	–	–	–	0.0
Non-sovereign	0.6	–	–	–	–	0.6
Cyprus						
Sovereign	–	–	–	–	–	–
Non-sovereign	0.4	–0.4	–	–	–	–
Other countries						
Sovereign	0.0	0.0	–	–	–	0.0
Non-sovereign	1.5	–0.4	–0.2	0.0	–	0.9
Total	**73.9**	**–34.9**	**–2.2**	**18.2**	**7.2**	**62.2**

Note 28, continued

GROSS AND NET EXPOSURES NORDIC COUNTRIES BY RISK MITIGATION, AS OF DECEMBER 31, 2013

	Gross exposure	Outgoing risk mitigation		Additional risk mitigation		Net exposure
Skr bn		Guarantee	CDS	Guarantee	CDS	
Sweden						
Sovereign	18.6	–	–	143.6	–	162.2
Non-sovereign	94.8	–33.3	–5.0	5.0	0.0	61.5
Norway						
Sovereign	–	–	–	0.6	–	0.6
Non-sovereign	4.9	–0.0	–0.9	1.3	–	5.3
Finland						
Sovereign	0.7	–	–	1.8	–	2.5
Non-sovereign	10.6	–3.5	–1.6	0.4	0.5	6.4
Iceland						
Sovereign	–	–	–	0.5	–	0.5
Non-sovereign	1.0	–0.8	–	–	–	0.2
Denmark						
Sovereign	0.7	–	–	0.1	–	0.8
Non-sovereign	5.2	–	–	1.3	0.2	6.7
Total	**136.5**	**–37.6**	**–7.5**	**154.6**	**0.7**	**246.7**

GROSS AND NET EXPOSURES NORDIC COUNTRIES BY RISK MITIGATION, AS OF DECEMBER 31, 2012

	Gross exposure	Outgoing risk mitigation		Additional risk mitigation		Net exposure
Skr bn		Guarantee	CDS	Guarantee	CDS	
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**

"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 SWEDEN BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2013

Skr bn	**Central governments**	**Government export credit agencies**	**Regional governments**	**Multilateral development banks**	**Financial institutions**	**Corporates**	**Securi-tization positions**	**Total**
Spain	–	–	–	–	0.3	13.4	0.9	14.6
The Netherlands	–	–	–	–	7.7	4.2	0.3	12.2
Finland	–	–	0.7	–	0.5	10.1	–	11.3
United Kingdom	–	–	–	–	4.8	5.6	0.5	10.9
Russia	–	–	–	–	–	10.0	–	10.0
Denmark	–	–	0.7	–	3.1	2.1	–	5.9
Norway	–	–	–	–	3.9	1.0	–	4.9
France	0.7	–	–	–	2.7	1.5	–	4.9
Ireland	–	–	–	–	0.4	1.6	2.5	4.5
Poland	–	–	–	–	–	2.5	–	2.5
Italy	–	–	–	–	–	2.2	–	2.2
Germany	0.1	–	1.1	–	0.3	0.3	–	1.8
Luxembourg	1.5	–	–	0.1	0.0	0.2	–	1.8
Switzerland	–	–	–	–	1.1	0.3	–	1.4
Iceland	–	–	–	–	–	1.0	–	1.0
Austria	–	0.2	–	–	0.6	0.0	–	0.8
Latvia	0.0	–	–	–	0.2	0.4	–	0.6
Portugal	–	–	–	–	–	0.3	0.1	0.4
Cyprus	–	–	–	–	–	0.4	–	0.4
Greece	–	–	–	–	–	0.1	–	0.1
Other countries	0.0	–	–	–	0.4	0.4	–	0.8
Total	**2.3**	**0.2**	**2.5**	**0.1**	**26.0**	**57.6**	**4.3**	**93.0**

Note 28, continued

GROSS EXPOSURES EUROPEAN COUNTRIES, EXCLUDING SWEDEN BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2012

Skr bn	Central governments	Government export credit agencies	Regional governments	Multilateral development banks	Financial institutions	Corporates	Securi-tization positions	Total
United Kingdom	–	–	–	–	6.0	5.7	0.6	12.3
Finland	–	0.0	0.9	–	1.9	9.2	–	12.0
The Netherlands	–	–	–	–	8.7	1.8	0.7	11.2
Russia	–	–	–	–	–	10.7	–	10.7
Spain	–	–	–	–	0.1	8.4	1.0	9.5
Denmark	0.8	–	0.6	–	4.7	2.2	–	8.3
Germany	–	1.0	4.3	–	1.6	0.2	–	7.1
France	–	–	–	–	3.7	1.7	–	5.4
Ireland	–	–	–	–	0.6	1.8	2.5	4.9
Norway	–	–	–	–	3.5	1.0	–	4.5
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
Iceland	–	–	–	–	–	1.0	–	1.0
Latvia	0.0	–	–	–	0.2	0.4	–	0.6
Portugal	–	–	–	–	–	0.4	0.1	0.5
Cyprus	–	–	–	–	–	0.4	–	0.4
Greece	–	–	–	–	–	0.1	–	0.1
Other countries	0.0	–	–	–	0.3	1.2	–	1.5
Total	**0.8**	**2.9**	**5.8**	**0.0**	**32.7**	**52.6**	**4.9**	**99.7**

Note 28, continued

NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING SWEDEN BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2013

Skr bn	Central governments	Government export credit agencies	Regional governments	Multilateral development banks	Financial institutions	Corporates	Securi-tization positions	Total
France	0.7	9.3	–	–	6.2	–	–	16.2
United Kingdom	–	2.2	–	–	8.6	1.9	0.5	13.2
The Netherlands	–	–	–	–	7.7	0.9	0.3	8.9
Finland	0.6	1.0	0.9	–	1.2	5.2	–	8.9
Germany	–	4.3	1.3	–	1.6	1.4	–	8.6
Denmark	–	0.2	0.6	–	4.9	1.8	–	7.5
Norway	–	0.6	–	–	5.2	0.1	–	5.9
Ireland	–	–	–	–	–	0.4	2.5	2.9
Poland	2.5	–	–	–	–	–	–	2.5
Luxembourg	1.5	0.0	–	0.8	0.0	0.2	–	2.5
Spain	–	–	–	–	0.2	1.1	0.9	2.2
Switzerland	–	–	–	–	1.5	0.2	–	1.7
Austria	0.2	–	–	–	0.7	–	–	0.9
Iceland	0.5	–	–	–	–	0.2	–	0.7
Italy	–	0.5	–	–	–	0.0	–	0.5
Portugal	0.3	–	–	–	–	–	0.1	0.4
Belgium	–	–	–	–	0.1	0.2	–	0.3
Greece	–	–	–	–	–	–	–	–
Other countries	0.0	–	–	–	0.4	0.4	–	0.8
Total	**6.3**	**18.1**	**2.8**	**0.8**	**38.3**	**14.0**	**4.3**	**84.6**

Note 28, continued

NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING SWEDEN BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2012

Skr bn	Central governments	Government export credit agencies	Regional governments	Multilateral development banks	Financial institutions	Corporates	Securi-tization 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
Finland	0.7	1.1	1.1	–	2.6	4.3	–	9.8
The Netherlands	–	–	–	–	8.0	0.8	0.7	9.5
Denmark	0.8	0.2	0.6	–	6.2	1.6	–	9.4
France	–	2.9	–	–	4.1	–	–	7.0
Norway	–	0.6	–	–	4.8	0.1	–	5.5
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
Iceland	0.5	–	–	–	–	0.2	–	0.7
Italy	–	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	0.7	–	1.2
Total	**5.6**	**15.8**	**6.1**	**0.4**	**41.9**	**12.9**	**4.9**	**87.6**

Net exposures to counterparties in Ireland, Italy, Portugal and Spain amounted to Skr 6.0 billion at December 31, 2013 (year-end 2012: Skr 7.2 billion). SEK does not have any net exposures to counterparties in Greece.

Gross exposures to counterparties in Greece amounted to Skr 0.1 billion as of December 31, 2013 (year-end 2012: Skr 0.1 billion). The gross exposure is guaranteed in full by counterparties in other countries.

CORPORATE EXPOSURES BY INDUSTRY (GICS)

	December 31, 2013		December 31, 2012	
Skr bn	Gross exposure	Net exposure	Gross exposure	Net exposure
IT and telecom	78.3	7.6	75.3	6.8
Industrials	37.4	18.3	28.8	15.0
Financials	29.0	13.5	31.7	13.4
Materials	28.9	11.1	28.4	10.3
Consumer goods	15.3	12.6	14.8	10.3
Utilities	14.2	6.1	12.4	3.6
Health Care	7.4	2.8	7.3	2.8
Energy	4.3	1.2	4.9	1.4
Other	0.4	0.1	0.5	0.0
Total	**215.2**	**73.3**	**204.1**	**63.6**

Note 28, continued

ASSET-BACKED SECURITIES HELD

The tables below include current aggregated information regarding SEK's total net exposures (after effects related to risk-coverage) related to asset-backed securities held and to current creditworthiness. Ratings in the table as of December 31, 2013 are stated as the second lowest of the credit ratings from Standard & Poor's, Moody's and Fitch. When only two credit ratings are available the lowest is stated. All of these assets represent first-priority tranches, and they have all been credit rated 'AAA'/'Aaa' by Standard & Poor's or Moody's at acquisition.

Net exposures Skr mn — **December 31, 2013**

Exposure[1]	Australia	Germany	Ireland	Netherlands	Portugal	Spain	United Kingdom	United States	Total
RMBS[2]	1,713	–	818	329	305	756	487	–	**4,408**
Auto loans	–	–	–	–	–	5	–	–	**5**
CMBS[2]	–	66	–	–	–	–	–	–	**66**
Consumer loans	–	–	–	–	–	8	–	–	**8**
CDO[2]	–	–	–	–	–	–	–	114	**114**
CLO[2]	–	–	1,461	–	–	93	4	1,180	**2,738**
Total	**1,713**	**66**	**2,279**	**329**	**305**	**862**	**491**	**1,294**	7,339
... of which rated 'AAA'	1,655	–	1,461	329	–	–	353	1,180	**4,978**
... of which rated 'AA+'	–	–	–	–	–	–	–	–	**–**
... of which rated 'AA'	–	66[3]	–	–	–	–	134[3]	–	**200**
... of which rated 'AA-'	–	–	–	–	–	13[3]	–	–	**13**
... of which rated 'A+'	47[3]	–	–	–	–	22[3]	–	–	**69**
... of which rated 'A'	–	–	–	–	–	–	4[3]	–	**4**
... of which rated 'A-'	–	–	–	–	6[3]	71[3]	–	–	**77**
... of which rated 'BBB+'	11[3]	–	–	–	–	175[3]	–	–	**186**
... of which rated 'BBB'	–	–	–	–	–	145 [3]	–	–	**145**
... of which rated 'BBB-'	–	–	393[3]	–	299[3]	33[3]	–	–	**725**
... of which rated 'BB'	–	–	252[3]	–	–	403[3]	–	–	**655**
... of which rated 'B+'	–	–	173[3]	–	–	–	–	–	**173**
... of which CDO rated 'CCC'	–	–	–	–	–	–	–	114[4]	**114**

[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 2,247 million, Skr 258 million still have the highest-possible rating from at least one of the rating institutions.

[4] 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 2012, by Standard & Poor's from 'AAA' to 'NR' (after being downgraded to 'D'), by Moody's from 'Aaa' to 'Ca' and by Fitch from 'AAA' to 'C'. Due to the dramatic rating downgrades, SEK has analyzed the expected cash flows of the assets and has recorded related impairments. The impairments amounted to Skr 469 million in total as of December 31, 2013, which means that the total net exposure before impairments related to asset-backed securities held amounted to Skr 583 million.

Note 28, continued

Net exposure Skr mn **31 december 2012**

Exposure[1]	Australia	Germany	Ireland	Netherlands	Portugal	Spain	United Kingdom	United States	Total
RMBS[2]	2,555	–	815	652	315	819	598	–	5,754
Auto loans	–	26	–	–	–	28	–	–	54
CMBS[2]	–	66	–	–	–	–	–	–	66
Consumer loans	–	–	–	–	–	23	–	–	23
CDO[2]	–	–	–	–	–	–	–	133	133
CLO[2]	–	–	1,408	–	–	131	17	1,978	3,534
Total	2,555	92	2,223	652	315	1,001	615	2,111	9,564
...of which rated 'AAA'	2,555	26	1,408	652	–	–	437	1,978	7,056
...of which rated 'AA+'	–	66[3]	–	–	–	–	–	–	66
...of which rated 'AA'	–	–	–	–	–	–	161[3]	–	161
...of which rated 'AA–'	–	–	–	–	–	28[3]	17[3]	–	45
...of which rated 'A+'	–	–	–	–	–	57[3]	–	–	57
...of which rated 'A'	–	–	–	–	–	225[3]	–	–	225
...of which rated 'A–'	–	–	–	–	156[3]	97[3]	–	–	253
...of which rated 'BBB+'	–	–	–	–	–	393[3]	–	–	393
...of which rated 'BBB'	–	–	–	–	–	–	–	–	–
...of which rated 'BBB–'	–	–	379[3]	–	159[3]	–	–	–	538
...of which rated 'BB'	–	–	258[3]	–	–	201[3]	–	–	459
...of which rated 'B+'	–	–	178[3]	–	–	–	–	–	178
...of which CDO rated 'CCC'	–	–	–	–	–	–	–	133[4]	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, still Skr 244 million have the highest-possible rating from at least one of the rating institutions.

4 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 signifcantly 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 amount to Skr 462 million in total as of December 31, 2012, which means that the total net exposure before impairments related to asset-backet securities held amounted to Skr 595 million.

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 according to IFRS. Thus, the financial risk estimated by SEK may differ from the changes in value recognized in operating profit or in other comprehensive income.

SEK assumes a one-percentage-point change in the market rate, as a parallel shift, for the sensitivity analyses relating to interest rate risk. SEK assesses a reasonable assumption that the average change in market rates will not exceed one percentage point over the next year. The calculation method has been improved during 2013. In the calculation the difference between positive and negative shifts is associated with the fact that no negative interest rates are allowed.

Note 28, continued

CHANGE IN VALUE IF THE MARKET INTEREST RATE RISES BY ONE PERCENTAGE POINT

The impact on the value of asets and liabilities, including derivatives, when market interest rates rise by one percentage point (+1%).

Consolidated Group	2013			2012		
Skr mn	Total	of which financial instruments measured at fair value through profit or loss	of which financial instruments measured at fair value through comprehensive income	Total	of which financial instruments measured at fair value through profit or loss	of which financial instruments measured at fair value through comprehensive income
Foreign currency	38.7	351.0	–34.2	270.2	582.2	–26.5
Swedish Skr	–453.0	94.6	–483.7	–568.7	75.9	–565.1
	–414.3	**445.6**	**–517.9**	**–298.5**	**661.1**	**–591.6**

CHANGE IN VALUE IF THE MARKET INTEREST RATE RISES BY ONE PERCENTAGE POINT

The impact on the value of assets and liabilities, including derivatives, when market interest rates declines by one percentage point (–1%).

Consolidated Group	2013			2012		
Skr mn	Total	of which financial instruments measured at fair value through profit or loss	of which financial instruments measured at fair value through comprehensive income	Total	of which financial instruments measured at fair value through profit or loss	of which financial instruments measured at fair value through comprehensive income
Foreign currency	–210.7	–323.9	19.5	–372.8	–481.7	11.9
Swedish Skr	492.7	–75.6	511.2	608.5	–76.2	604.1
	282.0	**–399.5**	**530.7**	**235.7**	**–557.9**	**616.0**

ASSETS, LIABILITIES AND DERIVATIVES DENOMINATED IN FOREIGN CURRENCIES

Assets, liabilities and derivatives denominated in foreign currencies (i.e. currencies other than Swedish kronor) have been converted to Swedish kronor at the year-end exchange rates between such currencies and Swedish kronor. The relevant exchange rates for the currencies representing the largest portions of the Consolidated Group in the statement of financial position reported assets and liabilities are presented in table below (expressed in Swedish kronor per unit of each foreign currency). The portion at year-end represents portion of aggregated volumes of assets and liabilities denominated in foreign currency. Foreign currency positions at year-end represent the net of all assets and liabilities in the statement of financial position in each currency. The amounts are book values.

	December 31, 2013			December 31, 2012		
Currency	Exchange rate	Portion at year-end, %	Foreign currency position	Exchange rate	Portion at year-end, %	Foreign currency position
SKR	1	91.6	n.a.	1	76.9	n.a.
EUR	8.9430	2.4	–427.0	8.6166	6.1	–842.9
USD	6.5084	0.9	–154.0	6.5156	5.7	797.1
JPY	0.06179	1.9	–326.9	0.07563	7.3	–1,025.0
CHF	7.2931	1.0	174.0	7.1306	2.8	387.4
MXN	0.4981	0.7	–126.6	0.5020	0.3	–38.8
Other	–	1.5	–262.1	–	0.9	–132.8
Total foreign currency position		**100.0**	**–1,122.6**		**100.0**	**–855.0**

Note 28, continued

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 –15.4 million (year-end 2012: Skr –4.4 million).

	December 31, 2013		December 31, 2012	
Skr mn	Consolidated Group	Parent Company	Consolidated Group	Parent Company
Total assets	306,553.9	306,601.1	313,135.6	313,201.3
of which denominated in foreign currencies	*243,919.2*	*243,915.3*	*242,135.8*	*242,133.7*
Total liabilities	291,563.7	290,987.5	298,723.4	298,179.2
of which denominated in foreign currencies	*245,041.6*	*245,041.6*	*242,990.8*	*242,991.5*

LIQUIDITY RISK

Contractual flows

Consolidated Group	December 31, 2013							
Skr mn	Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	Discount effect	Book value
Financial Assets								
Cash and cash equivalents	**8,337.3**	8,337.3	–	–	–	–	–	8,337.3
Treasuries/government bonds	**4,649.0**	269.6	2.8	2,955.7	1,420.9	–	–54.2	4,594.8
Other interest-bearing securities except loans	**71,290.6**	8,751.5	12,910.4	27,354.2	17,210.8	5,063.7	–7,139.5	64,151.1
Loans in the form of interest-bearing securities	**69,170.5**	163.8	2,850.5	8,956.2	43,932.0	13,268.0	–8,212.8	60,957.7
Loans to credit institutions	**25,315.5**	188.5	2,240.4	9,877.0	6,289.1	6,720.5	–496.4	24,819.1
Loans to the public	**128,774.1**	2,940.2	6,319.2	20,510.9	72,436.4	26,567.4	–3,221.2	125,552.9
Derivatives	**17,588.4**	437.6	3,033.4	4,265.1	5,783.0	4,069.3	–3,360.4	14,227.9
Total	**325,125.4**	**21,088.5**	**27,356.7**	**73,919.1**	**147,072.2**	**55,688.9**	**–22,484.5**	**302,640.8**

Note 28, continued

Consolidated Group				December 31, 2013				
Skr mn	Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	Discount effect	Book value
Financial Liabilities								
Borrowing from credit institutions	**–8,266.8**	–98.3	0.0	-9.8	-8,158.7	0.0	10.7	8,256.1
Borrowing from the public	**–60.3**	–0.1	0.0	–0.4	–59.8	0.0	1.0	59.3
Senior securities issued	**–288,549.9**	–4,085.6	–19,553.3	–71,005.5	–148,188.8	–45,716.7	27,649.6	260,900.4
Derivatives	**–6,231.7**	–288.5	–2,718.9	–503.4	–2,923.7	202.8	–10,556.3	16,788.0
Subordinated securities issued	**–1,979.0**	0.0	0.0	–46.8	–187.1	–1,745.1	372.1	1,606.9
Total	**–305,087,7**	**-4,472.5**	**–22,272.2**	**–71,565.9**	**–159,518.1**	**–47,259.0**	**17,477.1**	**287,610.7**
Commitments								
Committed undisbursed loans	**3,539.0**	–621.0	–7,173.7	–8,142.5	–11,614.1	31,090.3		20,480.2
Cash flow surplus (+) / deficit (–)	**23,576.7**	**15,995.0**	**–2,089.2**	**–5,789.3**	**–24,060.0**	**39,520.2**		
Accumulated cash flow surplus (+) / deficit (–)	**23,576.7**	**15,995.0**	**13,905.8**	**8,116.5**	**–15,943.5**	**23,576.7**		

In addition to the instruments in the statement of financial position and committed undisbursed loans, SEK has outstanding binding offers of Skr 35.1 billion as well as additional available funds consisting of a credit facility with the Swedish National Debt Office of Skr 80 billion which can be used within the the Swedish State's export credit support system. With regard to liabilities with maturity between one and five years, SEK has the intention to refinance these through borrowing on the financial markets or decide not to call the debt where SEK has the option.

Repayments subject to notice for liabilities and hedging derivatives are treated as if notice were to be given immediately, whether it is SEK or the counterparty that has the right to demand early redemption. Assets with repayments subject to notice are assumed to occur on maturity date. In 2012 assets with repayments subject to notice were assumed to occur on first call date. "Subordinated securities issued" which consists of a Dated Subordinated Instrument in 2013 and two Subordinated Instruments without maturity date in 2012, was assumed not to be repaid at the time of the first redemption date.

Differences between book values and future cash flows for financial assets and financial liabilities are reported in the column "Discount effect". Cash flows for cash collaterals are assumed to have the same maturity profile as related derivatives.

Items other than financial instruments with an approximate expected recovery time within less than 12 months: other assets; prepaid expenses and accrued revenues, other liabilities; and accrued expenses and prepaid revenues. All other balance sheet items, other than financial instruments, have an approximate expected recovery time of 12 months or more. For information regarding liquidity risk, see section "Risk and Capital Management". The amounts above include interest.

Note 28, continued

Consolidated Group	December 31, 2012							
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**

Consolidated Group	December 31, 2012							
Skr mn	Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	Discount effect	Book value
Financial Liabilities								
Borrowing from credit institutions	**–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		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**		

Note 28, continued

LIQUIDITY[1] RESERVE AS OF DECEMBER 31, 2013
Market value

Skr mn	Total	SKR	EUR	USD	Other
Cash and holdings in banks available overnight	8,337.3	6,501.8	208.8	1,327.8	298.9
Securities issued or guaranteed by sovereigns, central banks or multilateral development banks	6,131.3	52.1	4,205.5	1,873.7	–
Securities issued or guaranteed by municipalities or other public entities	5,106.0	3,132.5	670.6	1,302.9	–
Covered bonds issued by other institutions	6,174.5	3,899.7	1,992.9	281.9	–
Securities issued by non-financial corporates	1,147.0	1,147.0	–	–	–
Total	**26,896.1**	**14,733.1**	**7,077.8**	**4,786.3**	298.9

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	6,156.0	1,247.5	1,965.0	2,135.1	808.4
Securities issued or guaranteed by municipalities or other public entities	9,840.7	4,799.0	2,776.0	2,157.3	108.4
Covered bonds issued by other institutions	5,026.1	4,688.5	337.6	–	–
Securities issued by non-financial corporates	848.9	848.9	–	–	–
Total	**24,061.9**	**13,774.1**	**5,078.6**	**4,292.4**	**916.8**

[1] The Liquidity reserve is a part of SEK's liquidity placements, see Note 11.

For information regarding liquidity risk, see section "Risk and Capital Management" on pages 59–85.
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, 43.5 percent (2012: 44.8 percent) of the company's outstanding loans on December 31, 2013 were guaranteed by the State.
The remuneration for these guarantees during 2013 amounted to Skr 203.2 million (2012: Skr 212.3 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 had during 2013 a Skr 100 billion (2012: Skr 100 billion) credit facility with the Swedish National Debt Office. The remuneration for this credit facility during 2013 amounted to Skr 22 million (2012: 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 2013, both the credit facility and the ability to purchase state guarantees were extended for 2014, though the credit facility amount has changed to Skr 80 billion (for further information and conditions regarding the credit facility, see the Report of the Directors).

SEK enters into transactions in the ordinary course of business with entities that are partially or wholly owned or controlled by the State. The company also extends export credits (in the form of direct or pass-through loans) to entities related to the State. Transactions with such parties are conducted on the same terms (including interest rates and repayment schedules) as transactions with unrelated parties. The Consolidated Group's and the Parent Company's transactions do not differ significantly. The Parent Company furthermore charges subsidiary companies for collective office and administration costs. Internal transactions between the Parent Company and the subsidiaries amount to Skr 0.3 million (year-end 2012: Skr 19.8 million) for other assets, Skr 0.5 million (year-end 2012: Skr 16.4 million) for other liabilities, Skr 0.0 million (2012: Skr 0.0 million) for interest incomes and Skr 1.0 million (2012: Skr 0.2 million) for interest expenses from the Parent Company's point of view. For further information see Note 1 (b), "Basis of consolidation" and Note 15, "Shares".

Key management personnel include the following positions:

- The Board of Directors
- The President and CEO
- Other members of the Executive Committee

For information about remuneration and other benefits to key management personnel see Note 5, "Personnel expenses".

The following table further summarizes the Consolidated Group's transactions with its related parties:

Note 29, continued

	2013					
	The shareholder, i.e. the Swedish State		Companies and organizations controlled through a common owner, the Swedish State		Total	
Skr mn	Assets/ liabilities	Interest income/ interest expense	Assets/ liabilities	Interest income/ Interest expense	Assets/ liabilities	Interest income/ Interest expense
Treasuries/government bonds	3,839.2	3.4	–	–	3,839.2	3.4
Other interest-bearing securities except loans	–	–	2,177.4	15.2	2,177.4	15.2
Loans in the form of interest-bearing securities	–	–	1,700.4	42.8	1,700.4	42.8
Loans to credit institutions	–	–	1,888.6	19.1	1,888.6	19.1
Loans to the public	–	–	456.0	13.1	456.0	13.1
Due from the State	953.2	–	–	–	953.2	–
Total	**4,792.4**	**3.4**	**6,222.4**	**90.2**	**11,014.8**	**93.6**
Borrowing from credit institutions	–	–	–	–	–	–
Borrowing from the public	–	–	–	–	–	–
Senior securities issued	–	–	–	–	–	–
Other liabilities	254.4	–	–	–	254.4	–
Total	**254.4**	**–**	**–**	**–**	**254.4**	**–**

	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	–
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**	**–**

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, 2013, 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	8,514.7
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 81.96 per share, amounting to	327.0
– Remaining disposable funds to be carried forward	8,187.7
	8,514.7

The financial position of the company and the Group is good as evidenced by the annual report for 2013. From the equity of the Parent Company and the Group has 5.4 and 4.6 percent, respectively, constituting unrealized changes in value, been deducted due to valuation of financial instruments at fair value, as of December 31, 2013.

The capital base for the Group amounted to, as of December 31, 2013, Skr 16,332 million resulting in a total capital adequacy ratio of 21.8 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 19, 2014

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 19, 2014
Ernst & Young AB

Erik Åström
Authorized Public Accountant

AUDIT REPORT

To the annual meeting of the shareholders of Aktiebolaget Svensk Exportkredit, corporate identity number 556084-0315

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

We have audited the annual accounts and consolidated accounts of Aktiebolaget Svensk Exportkredit for the financial year 2013. The annual accounts and consolidated accounts of the company are included on pages 48–185.

Responsibilities of the Board of Directors and the Managing Director for the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and consolidated accounts in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board and also adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINIONS

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the parent company as of 31 December 2013 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 2013 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by International Accounting Standards Board and also adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies. A corporate governance statement has been prepared. The statutory administration report and the corporate governance statement are consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the Parent Company and the statement of comprehensive income and the statement of financial position of the Consolidated Group.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In addition to our audit of the annual accounts and consolidated accounts, we have examined the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of Aktiebolaget Svensk Exportkredit for the financial year 2013.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss, and the Board of Directors and the Managing Director are responsible for administration under the Companies Act, and the Banking and Financing Business Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion with reasonable assurance on the proposed appropriations of the company's profit or loss and on the administration based on our audit. We conducted the audit in accordance with generally accepted auditing standards in Sweden.

As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Swedish Companies Act.

As a basis for our opinion concerning discharge from liability, in addition to our audit of the annual accounts and consolidated accounts, we examined significant decisions, actions taken and circumstances of the company in order to determine whether any member of the Board of Directors or the Managing Director is liable to the company. We also examined whether any member of the Board of Directors or the Managing Director has, in any other way, acted in contravention of the Companies Act, the Banking and Financing Business Act, the Annual Accounts Act for Credit Institutions and Securities Companies or the Articles of Association.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OPINIONS

We recommend to the annual meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Stockholm, February 19, 2014
Ernst & Young AB

Erik Åström
Authorized Public Accountant

This is a translation of the Swedish original Auditor's report
Dated February 19, 2014

ABOUT SEK'S SUSTAINABILITY REPORT 2013

SEK is reporting its sustainability work for the sixth year in accordance with the international Global Reporting Initiative (GRI G3) standard. SEK's sustainability report for 2012 was published in March 2013. We comply with the GRI framework and guidelines in our reporting of results for the relevant period. Reporting corresponds to level B+ under GRI and selected indicators are reported in the GRI Index on pages 188–190. The Sustainability Report for 2013 has been reviewed by Ernst & Young.

SCOPE AND LIMITATIONS OF THE SUSTAINABILITY REPORT

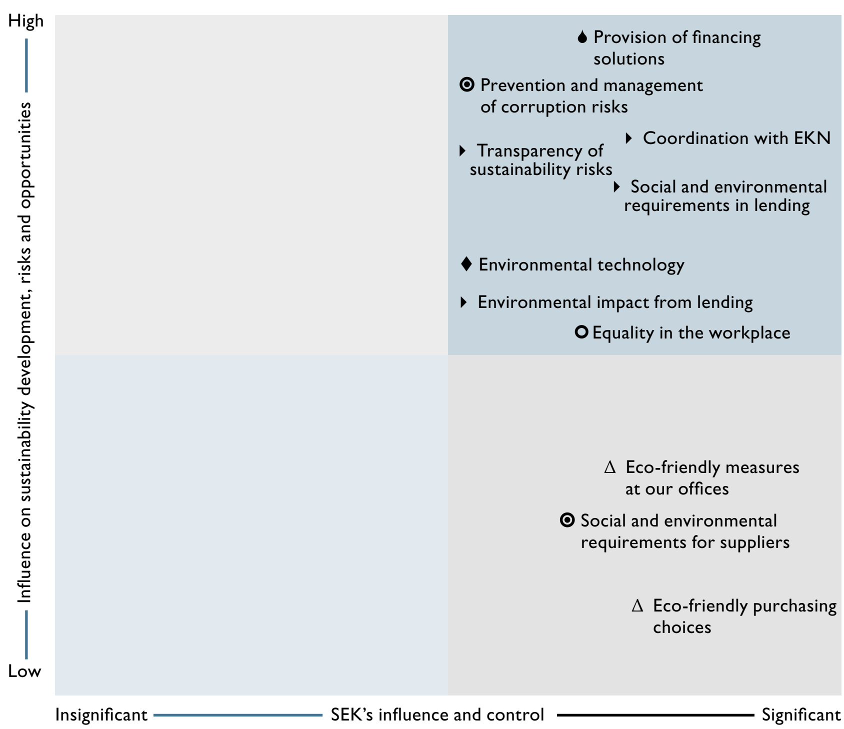
The aim of the Sustainability Report is to measure, present and take responsibility in respect of our stakeholders, both within and outside the organization, for what we have achieved in our work on sustainable development. Under the GRI decision-making delimitation structure, SEK's sustainability work and reporting are limited to entities over which SEK has control or significant influence through "upstream" (suppliers) or "downstream" (distribution and customers) relations. Control refers to the ability to control the company's financial and operational policies in order to benefit from these activities. Significant influence refers to the ability to participate in an entity's financial and operational policy decisions, but not to control these policies. The principle for delimitation consists of various relationships that imply different levels of accessibility to information and, thereby, different opportunities to influence. Determining the significance of a particular entity depends on the extent to which such entity influences sustainable development.

SEK's Sustainability Report for the 2013 financial year covers the parent company and its' subsidiaries, i.e. companies of which the parent company has the power to control financial and operational policies and procedures. SEK also has influence, to varying degrees, over large defined projects that SEK finances. In some of these cases its influence may be significant. SEK reports governance and important issues regarding lending to large projects and lending to "highrisk" countries/industries.

SEK equates credits with investment decisions. Accounting principles concerning specific indicators are disclosed in connection to each indicator.

For further information, please contact SEK's Head of Sustainability.

MATERIAL SUSTAINABILITY ISSUES IN SEK'S OPERATIONS



Areas

- SEK's mission
- Sustainable financing
- Environmental technology
- Equality and diversity
- Business ethics
- Our own environmental impact

The top-right box of the diagram contains those sustainability aspects that are both important to stakeholders and for sustainable development, and that SEK is also able to influence. The bottom-right box contains aspects that SEK is able to influence but that are not deemed to be as important by our stakeholders.

SEK's governance, reporting and focus areas are established based on the aspects contained in both boxes on the right-hand side of the chart.

GRI REPORT

Listed below are those indicators that SEK reports in its annual report and sustainability report for 2013 in accordance with the Global Reporting Initiative (GRI G3).

Indicator	Indicator's content	Reference
Strategy and analysis		
1.1	Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and its strategy.	Page 6–9
1.2	Description of key impacts, risks and opportunities.	Page 22, 23, 56, 82-84
Organizational profile		
2.1	Name of the organization.	Page 2
2.2	Primary brands, products, and/or services.	Page 32
2.3	Operational structure of the organization, units, business areas, subsidiaries and joint ventures.	Page 150
2.4	Location of organization's headquarters.	Page 2
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Page 86
2.6	Nature of ownership and legal form.	Page 86
2.7	Markets served.	Page 26, 27
2.8	Scale of the reporting organization.	Page 10, 130
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	No significant changes
2.10	Awards received in the reporting period.	Page 33
Reporting information		
3.1	Reporting period.	Page 187
3.2	Date of most recent previous report.	Page 187
3.3	Reporting cycle.	Page 187
3.4	Contact point for questions regarding the report.	Page 187
3.5	Processes for defining report content.	Page 24, 187
3.6	Boundary of the report.	Page 187
3.7	State any specific limitations on the scope or boundary of the report.	Page 187
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Page 187
3.9	Description of measurement methods.	Page 187
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement.	No significant changes
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	No significant changes
3.12	Table identifying the location of the Standard Disclosures in the report.	Page 188-190
3.13	Policy on external authentication.	Page 191
Governance, commitments and engagement		
4.1	Governance structure of the organization.	Page 86
4.2	Chairperson's position in the organization.	Page 96
4.3	Number of members of the highest governance body that are independent and/or non-executive members.	Page 89, 96, 97
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	Page 89
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including severance agreements) and the organization's performance.	Page 125, 126
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Page 88, 91

Indicator	Indicator's content	Reference
4.7	The qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	Page 96, 97
4.8	Core values, codes of conduct, and principles relevant to economic, environmental, and social performance.	Page 86, 87
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social issues.	Page 90
4.10	Processes for evaluating the highest governance body's own performance.	Page 92
4.11	Explanation of whether and how the precautionary principle is addressed by the organization.	Page 29, 30
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Page 87
4.13	Membership in associations.	Page 87
4.14	List of stakeholder groups engaged by the organization.	Page 25
4.15	Basis for identification and selection of stakeholders with whom to engage.	Page 24
4.16	Approaches to stakeholder engagement.	Page 24, 25
4.17	Key topics and concerns that have been raised through stakeholder engagement.	Page 24, 25
Financial sector supplement		
Disclosure on management approach		Page 83-84
FS1	Policies with specific environmental and social components applied to business lines.	Page 91
FS2	Procedures for assessing and screening social and environmental risks in business lines.	Page 18,19
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements.	Page 19, 83-84
FS5	Interactions with clients and business partners regarding social and environmental risks and opportunities.	Page 29, 30
FS6	Percentage of the portfolio by sector, specific region and size.	Page 31
FS11	Percentage of assets subject to social or environmental screening.	100%*, page 84
Economic impact		
Disclosure on management approach		Page 22-23
EC4	Significant financial assistance received from the public sector.	Page 155
Environmental impact		
Disclosure on management approach		Page 43
EN4	Indirect energy consumption by primary source.	Page 43
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Page 43
EN16	Total direct and indirect greenhouse gas emissions by weight.	Page 43
EN17	Other relevant indirect greenhouse gas emissions by weight.	Page 43
EN28	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	None*
Social impact		
Disclosure on management approach		Page 44,45
LA1	Total workforce by employment type, employment contract and region.	Page 130
LA2	Total number and rate of employee turnover by age group, gender and region.	Page 130
LA10	Average hours of training per year per employee by employee category.	Page 47
LA12	Percentage of employees receiving regular performance and career development reviews.	Page 47
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity.	Page 46, 130

Indicator	Indicator's content	Reference
Human rights		
Disclosure on management approach		Page 18, 19
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	Page 84
HR4	Total number of incidents of discrimination and actions taken.	None*
Organization's role in society		
Disclosure on management approach		Page 18, 19
SO2	Percentage and total number of business units analyzed for risks related to corruption.	100%*, page 83
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Page 83
SO4	Actions taken in response to incidents of corruption.	None*
SO7	Total number of legal actions taken against the organization for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	None*
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	None*

*** Applies also to 2011 and 2012**

Auditor's Review Report on AB Svensk Exportkredit's Sustainability Report

To the readers of AB Svensk Exportkredit's Sustainability Report

INTRODUCTION

We have been engaged by the Board of Directors of AB Svensk Exportkredit to undertake a limited assurance engagement of AB Svensk Exportkredit's Sustainability Report for the year 2013. The Company has defined the scope of the Sustainability Report to the pages referred to in the GRI indes on the pages 188-190.

Responsibilities of the Board of Directors and the Executive Management for the Sustainability Report

The Board of Directors and the Executive Management are responsible for ongoing activities regarding the environment, health & safety, quality, social responsibility and sustainable development, and for the preparation and presentation of the Sustainability Report in accordance with the applicable criteria, as explained on page 187, and are the parts of the Sustainability Reporting Guidelines G3, published by The Global Reporting Initiative (GRI), which are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed and disclosed.

RESPONSIBILITIES OF THE AUDITOR

Our responsibility is to express a limited assurance conclusion on the Sustainability Report based on the procedures we have performed.

We conducted our limited assurance engagement in accordance with RevR 6 Assurance of Sustainability Reports issued by FAR. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. The procedures performed in a limited assurance engagement vary in nature from, and are less in extent than for, a reasonable assurance engagement conducted in accordance with IAASB's Standards on Auditing and Quality Control and other generally accepted auditing standards in Sweden. The procedures performed consequently do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express a reasonable assurance opinion.

The criteria on which our procedures are based are the parts of the Sustainability Reporting Guidelines G3, published by The Global Reporting Initiative (GRI), which are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed and disclosed. These criteria are presented on page 187. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions below.

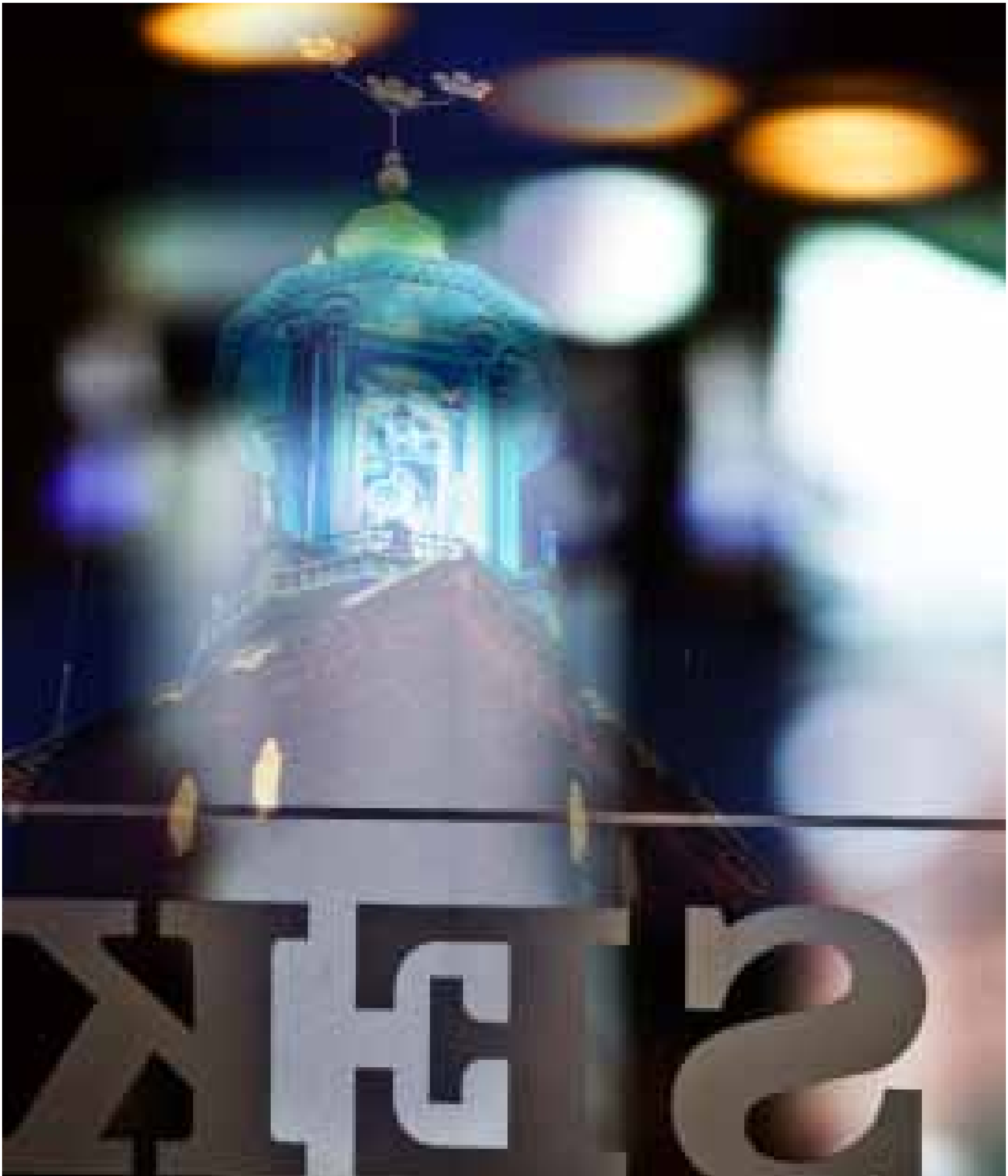
LIMITED ASSURANCE CONCLUSION

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report, is not prepared, in all material respects, in accordance with the above stated criteria.

Stockholm, February 19, 2014

Ernst & Young AB

Erik Åström
Authorized Public Accountant



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