

September 4, 2009

Research Update:

**Swedish Export Credit Corp.
'AA+/A-1+' Ratings Affirmed In Line
With New Criteria; Off Watch
Negative; Outlook Stable**

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Swedish Export Credit Corp. 'AA+/A-1+' Ratings Affirmed In Line With New Criteria; Off Watch Negative; Outlook Stable

Overview

- We have applied our enhanced government-related entity criteria to Swedish Export Credit Corp. and we assess the likelihood of extraordinary support from the Swedish government as 'extremely high'.
- We have reassessed the stand-alone credit profile of Swedish Export Credit Corp. as 'A' (previously 'A+').
- We are affirming our 'AA+' long-term counterparty credit ratings and 'A-1+' short-term counterparty credit ratings on Swedish Export Credit Corp. and removing the long-term rating from CreditWatch, where it was previously placed with negative implications.
- The stable outlook reflects our opinion of the 'extremely high' likelihood of extraordinary support from the Swedish government.

Rating Action

On Sept. 4, 2009, Standard & Poor's Ratings Services affirmed its 'AA+' long-term counterparty credit ratings and 'A-1+' short-term counterparty credit ratings on Swedish Export Credit Corp. and removed the long-term rating from CreditWatch, where it was placed with negative implications on July 6, 2009. The outlook is stable.

Rationale

The rating action reflects the application of our enhanced government-related entity (GRE) criteria, following conversations with Swedish Export Credit Corp.'s owner, the Kingdom of Sweden (AAA/Stable/A-1+). In accordance with our enhanced GRE methodology, the 'AA+' long-term rating is based on a one-notch differential with the rating on the Swedish government, reflecting an 'extremely high' likelihood of timely and sufficient extraordinary government support in an event of financial distress. This is based on our view that Swedish Export Credit Corp. plays a 'very important' role for the government and that the link between the company and the government is 'integral'.

The Swedish government holds a 100% stake in Swedish Export Credit Corp. It has demonstrated its support for Swedish Export Credit Corp. in a number of tangible ways in the recent past. At year-end 2008, the government injected Swedish krona (SEK) 5.4 billion in capital, more than doubling Swedish Export Credit Corp.'s equity to SEK10.4 billion (compared with SEK4.5 billion at year-end 2007). Swedish Export Credit Corp. has been granted a liquidity facility of up to SEK100 billion with the Swedish National Debt Office (which

for formal reasons has to be renewed yearly, but the company expects the facility to remain in place for the duration of the ongoing liquidity squeeze). In addition, Swedish Export Credit Corp. has been given the possibility to purchase state guarantees for its new funding, covering maturities up to 2018.

At the same time, we have revised the stand-alone credit profile (SACP) of Swedish Export Credit Corp. to 'A' (from 'A+'). The revision of the SACP reflects our opinion regarding credit risk exposures undertaken by Swedish Export Credit Corp., including its liquidity portfolio, as well as its entire dependence of funding on capital markets. Swedish Export Credit Corp. has had to make substantial loan loss provisions (related to an Icelandic bank and a collateralized debt obligation) and take over the collateral for a loan to Sparbanksstiftelsernas Förvaltnings AB. Even though Swedish Export Credit Corp.'s capital was significantly strengthened at year-end 2008, we expect the company's capital ratios to gradually decline as it expands lending to meet the specific purpose of the capital injection and given its relatively low earnings resilience.

Swedish Export Credit Corp.'s SACP is underpinned by the company's generally strong loan asset quality, despite its very large individual exposures and very robust capitalization after the SEK5.4 billion capital injection. At the end of June 2009, the company's Tier 1 capital stood at 17.4%, while at year-end 2008 its risk-adjusted capital ratio was 11.1%. We expect Swedish Export Credit Corp.'s capital to gradually decline over time as the company expands its export lending book. The profitability of Swedish Export Credit Corp.'s core operations remains low.

Outlook

The stable outlook reflects the 'extremely high' likelihood of extraordinary support from the Swedish government. It also reflects the company's strong loan asset quality and very robust capitalization.

A negative rating action could follow if there are indications that government support will be less forthcoming than we currently expect, even though we consider this scenario unlikely. A negative rating action could also follow if the company's SACP were to deteriorate significantly from its current levels. A positive rating action is unlikely at this stage.

Related Research

Enhanced Methodology And Assumptions For Rating Government-Related Entities, June 29, 2009.

Ratings List

Ratings Affirmed; CreditWatch/Outlook Action

	To	From
Swedish Export Credit Corp.		

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Counterparty Credit Rating	AA+/Stable/A-1+	AA+/Watch Neg/A-1+
Senior Unsecured	AA+	AA+/Watch Neg
Senior Unsecured	BB-	BB-/Watch Neg
Subordinated	AA	AA/Watch Neg
Junior Subordinated	A	A/Watch Neg

NB: This list does not include all ratings affected.

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