

Press release, April 23, 2024

# SEK's interim report January-March 2024: Strong net interest income and high levels of activity

SEK starts the year with continued strong net interest income. However, elevated credit losses negatively impacted net profit for the quarter. New lending for the period amounted to Skr 14.1 billion, which is more than in the year-earlier period (3M23: Skr 13.8 billion).

The first quarter continued to be dominated by considerable geopolitical uncertainty that is affecting companies' willingness to invest. However, there are several bright points in the economy with a continued decline in inflation and high likelihood for interest rate cuts before the summer.

Like in 2023, SEK has noticed some remaining caution among customers who are affected by the current geopolitical situation and therefore delaying investment decisions.

"Many customers have taken advantage of an active capital market, and this is affecting pricing as well as demand for credits. However, we have experienced high levels of activity during the past quarter, meaning that future business flows look positive," says Magnus Montan, CEO of SEK.

Net interest income increased 21.6 percent to Skr 770 million (3M23: Skr 633 million) for the first quarter. Net profit amounted to Skr 171 million, which is lower than the year-earlier period (3M23: Skr 334 million). This is a direct consequence of net credit losses of Skr -327 million (3M23: Skr 17 million), primarily referring to two individual exposures. Profitability amounted to 3.0 percent (3M23: 6.1 percent). SEK achieved new lending of Skr 14.1 billion (3M23: 13.8 billion) for the period, higher than the first quarter of the previous year.

In the first quarter of 2024, SEK successfully issued a USD 1 billion five-year bond. Additionally, SEK issued green bonds in Swedish krona totaling Skr 2 billion, which is in line with SEK's ambition to be a contributing force to a fossil-free society. SEK raised total borrowings of Skr 17 billion with maturities of more than one year compared with Skr 34 billion in the year-earlier period.

"Uncertainty in the operating environment continues to impact Sweden's export industry and the weak economy is starting to have palpable consequences for more companies. In this situation, SEK's role as a stable financial partner is increasingly important. I look forward to us continuing to fulfill our mission and enabling increased Swedish exports," says Magnus Montan.

## Results January–March 2024 (compared with January–March 2023)

- New lending Skr 14.1 billion (3M23: Skr 13.8 billion)
- Net interest income Skr 770 million (3M23: Skr 633 million)
- Operating profit Skr 216 million (3M23: Skr 420 million)
- Net profit Skr 171 million (3M23: Skr 334 million)
- Lending portfolio growth 0.1 percent (3M23: 3.4 percent)
- After-tax return on equity 3.0 percent (3M23: 6.1 percent)
- Total capital ratio 20.8 percent (year-end 2023: 21.3 percent)
- Basic and diluted earnings per share Skr 43 (3M23: Skr 84)

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