SEK

AB SVENSK EXPORTKREDIT
SWEDISH EXPORT CREDIT CORPORATION

ANNUAL REPORT 2011

SEK

AB SVENSK EXPORTKREDIT

ANNUAL REPORT 2011

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.

DESIGN: Intellecta Corporate.
PRODUCTION AND PRINT: Ineko, Stockholm 2012.
TRANSLATION OF EDITORIAL CONTENT: Hilltop Language Ltd.
PHOTOGRAPHY: Janne Danielsson, Silver Dollar Pictures.
IMAGE AGENCIES: Elekta, Getty Images, Ilim Group, Hans Hammarskiöld, MultiDocker, iStockphoto, Science Photo Library, Shutterstock, Volvo Buses, Volvo Trucks.
PAPER: The cover of this annual report is printed on Munken Lynx 250 g and the inside pages are printed on Munken Lynx 130 g.

MILJÖMÄRKT Licensnr. 341077 TRYCKSAK

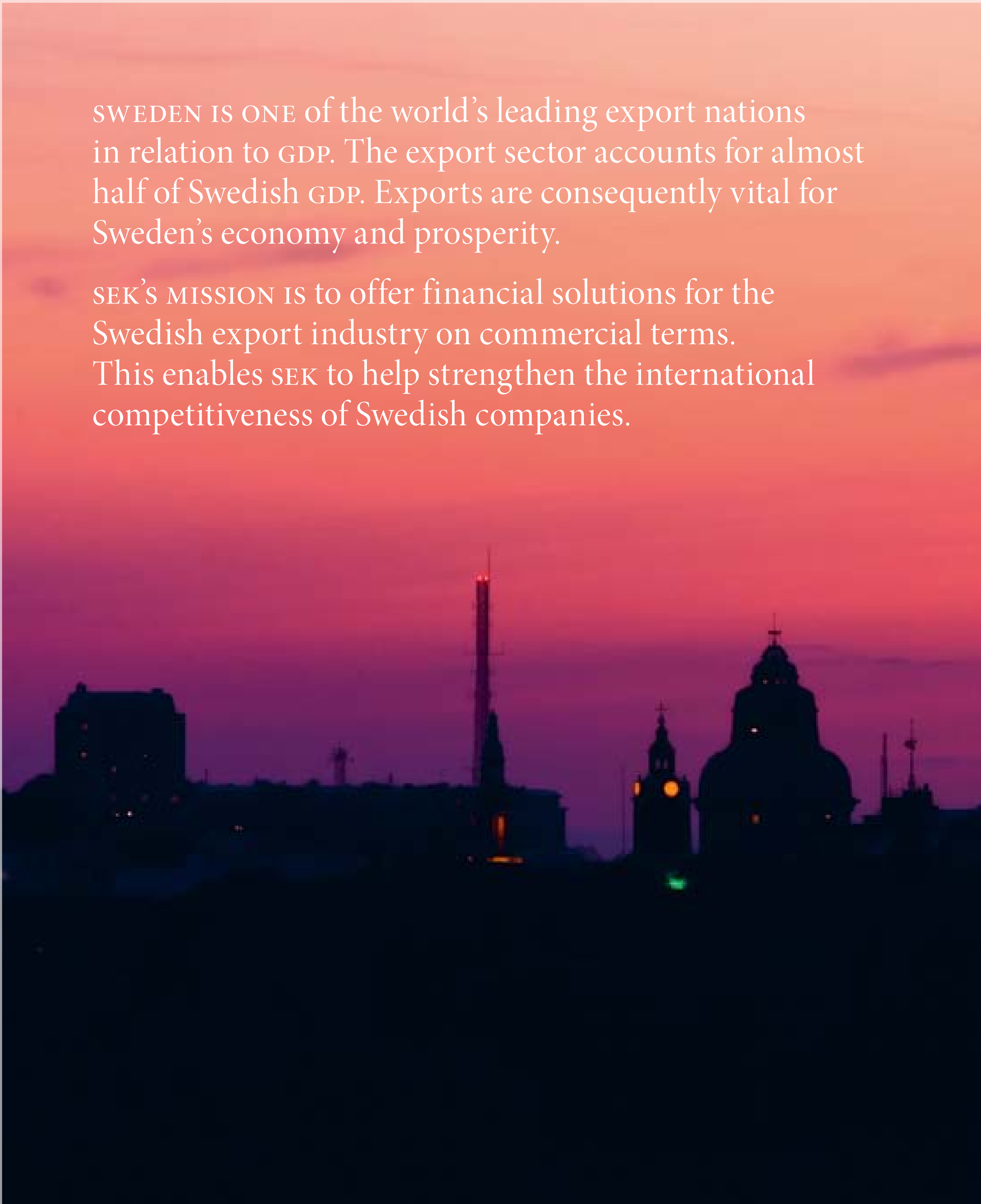
FINANCIAL KEY RATIOS

Amounts (other than %) in Skr mn	2011	2010	2009	2008	2007
Results					
Net interest revenues	1,870.8	1,898.5	1,994.3	1,543.3	833.1
Operating profit	1,889.1	3,939.7	2,368.6	185.2	497.0
Net profit for the year (after taxes)	1,399.5	2,891.7	1,727.3	143.9	345.9
After-tax return on equity[1]	11.3%	22.2%	16.8%	2.8%	8.2%
Operating profit excl. unrealized changes in fair value[2]	1,847.6	4,114.7	1,599.3	833.9	535.0
After-tax return on equity excl. unrealized changes in fair value[1]	11.0%	26.3%	10.9%	12.1%	9.2%
Operating profit excl. profit from sale of Swedbank shares					
Operating profit	1,889.1	1,374.7	2,368.6	185.2	497.0
After-tax return on equity[1]	11.3%	7.7%	16.8%	2.8%	8.2%
Operating profit excl. unrealized changes in fair value[2]	1,847.6	1,549.7	1,599.3	833.9	535.0
After-tax return on equity excl. unrealized changes in fair value[1]	11.0%	9.9%	10.9%	12.1%	9.2%
Dividend[3]	420.0	2,191.0	518.0	–	–
Customer financing					
New customer financial transactions[4]	51,249	48,749	122,476	64,890	56,826
of which direct customer financing	20,549	24,388	67,744	32,705	33,839
of which end-customer financing	30,700	24,361	54,732	32,185	22,987
Loans, outstanding and undisbursed[4,5]	220,672	217,862	232,164	180,109	131,741
Volume of outstanding offers of lending	64,294	86,623	84,506	27,394	45,606
Borrowing					
New long-term borrowings[6]	47,685	76,644	111,831	86,136	107,970
Outstanding senior debt	273,245	300,671	324,795	309,468	269,452
Outstanding subordinated debt	3,175	2,590	3,143	3,324	2,837
Statement of financial position					
Total assets	319,702	339,688	371,588	370,014	297,237
Total liabilities	305,734	327,118	358,133	359,620	292,626
Total equity	13,968	12,570	13,455	10,394	4,610
Capital					
Total capital adequacy ratio, incl. Basel I-based additional requirements[7]	23.3%	22.4%	18.7%	15.5%	8.9%
Total capital adequacy ratio, excl. Basel I-based additional requirements[8]	23.3%	22.4%	19.8%	21.4%	17.1%
Tier-1 capital adequacy ratio, incl. Basel I-based additional requirements[7]	23.3%	22.4%	17.9%	14.8%	6.5%
Common Equity Tier-1 adequacy ratio, incl. Basel I-based additional requirements[9]	19.6%	18.7%	14.3%	11.7%	3.6%

References to and definitions of the Financial Highlights are presented on page 44.

SWEDEN IS ONE of the world's leading export nations in relation to GDP. The export sector accounts for almost half of Swedish GDP. Exports are consequently vital for Sweden's economy and prosperity.

SEK'S MISSION IS to offer financial solutions for the Swedish export industry on commercial terms. This enables SEK to help strengthen the international competitiveness of Swedish companies.



232

the number of employees at SEK
as of December 31 2011

Volvo Buses delivers 1,200 buses to Panama City.

Find out more on page 26.

46%

the percentage of SEK's new borrowing that came from the US – SEK's largest funding market in 2011

Find out more on page 30.

Better matching between borrowing and lending reduces risk and makes SEK less vulnerable to the fluctuations of the credit markets.

Find out more on pages 29–31.

With a high credit rating, considerable experience and a broad network of contacts, SEK is able to borrow money even when the financial markets are in turmoil.

Find out more about Sweden's export credit system on pages 12–13.

Elekta sells hi-tech cancer therapy equipment to Brazil.

Find out more on pages 22–23.

A milestone is achieved as SEK arranges long-term financing for exporters in Chinese currency.

Find out more on pages 20-21.

1 billion dollars

SEK's global bond in July was fully subscribed.

Find out more on pages 15–16.

New customer financing

51.2

billion Swedish krona

Ericsson is expanding on the booming Indian mobile phone market.

Find out more on page 27.

SEK acted as co-arranger in 2011 to a greater extent than before and took on a share of the risk. This enables the company to increase the benefit it provides for clients.

Find out more on page 17.

WELL PREPARED TO PROVIDE SUPPORT

2011 HAS BEEN a year of turmoil and uncertainty in many parts of the world. A number of the world's major economies have seen their credit ratings cut and citizens have been flung between hope and despair as various measures and savings packages have been announced. The regulatory reforms in the financial sector have resulted in, and will continue to result in, fewer banks and other financial institutions being willing to offer companies financing over long periods. This could jeopardize companies' access to financing and lead to higher financing costs for companies.

There is no doubt that we find ourselves in a serious position as we begin 2012, but the situation has not developed into a full-scale crisis. The global economy and the way it develops are incredibly important to the Swedish export sector. Although the Swedish export industry is now better equipped than it was in 2008 and is consequently not as exposed to the risk of not obtaining the necessary financing, it is still dependent on access to financing for international business. Since Sweden's financial crisis in the early 1990s, international commercial banks have been the most important arrangers of financing for the Swedish export sector. Sweden and Scandinavia constitute a relatively small market for international banks, and since many of these banks are facing a difficult situation while also coming under pressure from new regulation, this could result in them focusing on other markets. If this occurs, access to long-term financing will become more difficult for Swedish exporters. This is exactly what happened when the US bank Lehman Brothers filed for bankruptcy in 2008, and it was then, perhaps more than ever, that the importance of having a specialist financial institution like SEK became so evident. SEK is a financial institution that acts as a complement to banks and focuses solely on lending to and for Swedish exporters.

At the time of writing, inquiries from both Swedish exporters and banks have increased. Just as when Lehman Brothers collapsed in 2008, companies want to know that SEK is there to provide long-term financing. Our message is clear – we are here and we are even better prepared now than we were in 2008. The timely and robust actions decided on by the Swedish government and parliament at the end of 2008 to strengthen SEK's lending capacity are still in place. A liquidity reserve consisting of a credit facility of Skr 100 billion is still available, as is the strong increase in our equity in order to expand our lending capacity. In addition, we have the ability to purchase state guarantees for lending of up to Skr 250 billion if required.

HOWEVER, IT IS SEK'S conservative business model that provides the greatest reassurance for exporters. Since SEK matches its lending and borrowing, SEK incurs no refinancing risk. This policy means that no refinancing risk is permitted. The strategy also results in the need for borrowed funds, which have not yet been disbursed in the form of credits, to be invested in interest-bearing securities, known as liquidity placements. It is extremely reassuring for exporters to know that when they obtain financing from SEK, SEK will have already borrowed the necessary funds with the same maturity. The current global turmoil and uncertainty make it all the more important that we have the capacity to deal with urgent situations. SEK has always been both conservative in its approach and well prepared.

SEK'S ROLE AS a reliable lender of long-term financing to exporters based in Sweden and their customers has increased over time, especially in recent years. Our mission has changed over time, depending on how the government


"Since SEK matches its lending and borrowing, SEK incurs no refinancing risk."

has defined Swedish interests. We are now focused solely on Swedish exporters and their customers. Our lending to and for the Swedish export sector has more than tripled over the past 10 years and we see no sign of demand for our financing decreasing, quite the opposite. While we expect demand for financing to increase, we are also working on strengthening relations with the 100 largest export companies in Sweden, which form the core of Sweden's economy.

Over the next few years our aim is to also continue developing our relationship with the 300 largest Swedish exporters in order to explain the advantages that SEK can offer them and the Swedish export sector. In order to provide effective assistance for small and medium-sized companies through long-term financing, we are also developing cooperation with the Swedish banks and other financial institutions with a branch network in Sweden that brings them closer to these companies. Since Sweden and its economy are so dependent on exports, all of us, both in business and politics, need to work to provide exporters with the optimum conditions to succeed. It is both important that the large companies are based in Sweden and that small and medium-size businesses receive help to grow and expand into new markets. If we succeed in this, then there will be good potential for healthy economic development in Sweden.

"SEK's conservative business model provides the greatest reassurance."

SO WHERE ARE developments currently heading? The West's present economic difficulties have primarily been caused by short-term risk-taking and short-sighted actions. Governments are spending more than their budgets allow in order to satisfy the demands of citizens in the short term. Banks base their long-term lending on short-term borrowing and their refinancing risks have led to banks facing problems in covering their payment commitments through borrowing on the capital markets. Quarterly reporting and related bonus schemes have encouraged this short-termism. New requirements for market-based measurement, whereby even assets not intended to be sold and debt held to maturity are also valued at market prices, further fuel this short-termism and penalize those institutions with conservative business models and limited risk-taking. Such short-termism increases volatility and consequently also increases risk in the market. What the market needs is a long-term approach, and this requires vision and action by both politicians and business leaders.

REGULATORY REFORM OF the financial sector is now starting to come into force. Many banks need to raise new capital and reduce their balance sheets to meet the tougher new requirements. As many international banks have large exposures to countries with significant problems, this could lead to more state ownership of banks. Moreover, the new requirements mean that, in order to reduce their refinancing risks, banks will need to match the maturities of their borrowing and lending to a much greater extent. In combination with higher capital requirements, this will make banks less willing to lend, especially over long periods, reducing companies' access to long-term financing. It is therefore important to safeguard the Swedish export credit system to ensure that Swedish exporters do not become less competitive.

The Swedish export credit system works extremely well in an international perspective, and it is important for our export sector to have access to a system with ensured financing and risk capacity. There is a growing need for SEK to be involved early on in procurement processes to demonstrate that exporters have financing in place. There is also a demand for SEK to play a greater role in international export deals by acting as co-arranger alongside an international bank. This in turn places greater requirements on SEK. The CIRR system, which is part of the export credit system, is a consensus-based subsidized system within the OECD, managed by SEK on behalf of the state. Despite being subsidized, this system has overall generated a surplus of approximately Skr 2.3 billion since 1990.

Promoting Swedish exports is also important from a sustainability perspective. Swedish companies are often held up internationally as models of sustainable business, particularly within the field of the environment, and have almost become part of the Swedish brand. We believe that demanding international and national climate targets will contribute to an additional boost in demand for Swedish technology within areas such as energy and waste management. SEK remains focused on being a driving force for encouraging companies in the financial market to take greater responsibility for environmental and social issues. In general, we are noticing that there is increasing consideration of sustainability issues in the loan transactions in which we participate. The focus on human rights has also increased in recent years and cooperation has improved between financiers in terms of requirements for adopting a sustainable business approach. I believe that we can all make a difference and influence developments in the right direction through the actions we take.

By increasing our understanding and including sustainability issues in credit decisions, we can make a difference for people, society and the environment. This year we have chosen to report this work in a separate sustainability report.

2011 HAS BEEN a successful year for SEK and we have fulfilled our purpose by acting as a complement to other institutions and ensuring financing for the Swedish export sector. During 2011, a transaction in which SEK participated received the prestigious Deal of the Year award from Trade Finance Magazine. The deal related to the delivery of 13 turbines from Siemens in Finspång for a solar energy project, and SEK contributed financing for this order. SEK's total new lending amounted to approximately Skr 51.2 billion and we were able to meet customer demand for financing throughout the year. In 2011, the number of customers and new relationships established with export companies increased in line with the targets set. To be a reliable and secure partner for Swedish exporters it is essential that our funding operations function well. Despite the concerns and the turbulence in the markets during the year, SEK had good access to the key capital markets and we continued to be viewed as a highly professional borrower. Operating profit for 2011 amounted to Skr 1,889 million. The Board of Directors has proposed that a dividend of Skr 420 million be paid to the owner, corresponding to 30 percent of net profit after tax. Return on equity was 11.3 percent and the risk-free rate of return was 8.3 percent, exceeding the financial targets that were set.

IN 2012 SEK celebrates its 50th anniversary. As experts in long-term and international financing, we have been an important cog in the Swedish export system since 1962. During these 50 years we have constantly endeavored to develop our offering for our customers and have consequently contributed to the general well-being of Swedish society. We have been pioneers in the international markets, and have opened up capital markets that were previously closed and inaccessible.

There is, and always has been, a great benefit in having an institution that works solely to maintain and increase the international competitiveness of exporters. We know this, and most important of all, so do our clients. We are an independent, niche institution that plays a complementary role in the market, and that can cooperate with local, regional and global financial companies around the world to ensure that exporters get the best financial support for their international business.

We are there in both good times and bad. We've been there for 50 years and we'll be there as long as we are of benefit to our clients in the Swedish export industry. Our mission – to ensure access to financial solutions for Swedish exporters on commercial terms – isn't just important; it's also an exciting and challenging role. It's a mission we're proud of and passionate about, every day.

Stockholm, March 16, 2012
Peter Yngwe, President

THE EXPORT CREDIT SYSTEM

A competitive advantage for the Swedish export sector

EXPORTER

An exporter generates business and turns to a bank for financing. Assisting a customer with financing is sometimes essential in order for a transaction to go ahead. It is increasingly common for purchasers of Swedish export products – such as buses, telecom systems and power plants – to make a deal conditional on financing being provided.

On page 27 you can find out about an order won by Ericsson to construct 3G networks in six Indian regional areas for telecom operator Aircel. The deal was made possible by export financing in which SEK, together with a number of Swedish banks and EKN, is providing financing to Aircel.

BANK

A commercial bank arranges financing for the deal. The bank acts as arranger, manages the documentation process, negotiates and handles administration.

The bank identifies the best financing solution for the customer on the financial markets. The bank turns to SEK and EKN, the Swedish Export Credits Guarantee Board, for export credits when that is the most competitive solution. This often depends on whether the loan needs to be long-term or needs to be issued in a currency that is difficult to access. When financial crises make it difficult to obtain any long-term loans at all, export credits are an important part of almost all large export deals.

THE SWEDISH EXPORT credit system plays an important role in supporting the export sector and the internationalization of Swedish companies. It consists of a number of organizations that, together, make it possible for Swedish exporters to offer their customers export credits.

This often involves transactions valued at billions of kronor with a long economic life, so it is essential for the purchaser to obtain long-term financing. Only those suppliers that are able to offer this type of financing will be considered for the deal.

The export credit system can make deals possible that would otherwise have failed or gone to an exporter in another country. This strengthens the competitiveness of Sweden and companies.

The Swedish system works well and is based on four principle players: exporters, banks, EKN (the Swedish Export Credits Guarantee Board) and SEK.

An important factor in the success of this four-pronged system is that each party plays a clear and mutually beneficial

EKN

EKN, the Swedish Export Credits Guarantee Board, issues guarantees and insures exporters and banks against the risk of not being paid or against other breaches of contract. A guarantee from EKN provides greater confidence in a transaction and gives the exporter or bank the ability to offer better financial terms. EKN also provides advice on risk management.

The decision to issue a guarantee is based on a commercial 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 the banks. With an excellent credit rating, many years of experience and an extensive network of contacts, SEK is also able to borrow money in currencies that are difficult to access and when the financial markets are in turmoil. SEK can also act as co-arranger in export finance transactions and provide financial advisory services.

role. In the Swedish system, SEK and EKN each have a separate function that complements the other.

The banks assist with their networks and by arranging transactions, while EKN and SEK provide guarantees and financing, respectively. Long-term financing is hard to find in a financial crisis, and this effect will probably be reinforced when the new Basel III regulations are implemented. These will tighten requirements on liquidity and the matching of long-term borrowing with long-term lending, and this will make it more expensive and harder for banks to contribute financing and risk capacity due to their funding base. The combined financial products and services provided by SEK and EKN will consequently become even more important.

LENDING IN BRIEF

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

FINANCING IN GOOD TIMES AND BAD

SEK helps exporters and their customers with financing, strengthening the international competitiveness of Swedish exporters. The greater the uncertainty on the financial markets, the greater the need for reliable financing. The financial crisis has made SEK's role more important than ever.

2011 WAS A turbulent year. Greece was buffeted by general strike after general strike. The political parties in the US Congress had great difficulty in agreeing how to deal with the increased debt burden. And in October the cover of British business weekly The Economist depicted a black hole.

It has been a time of great turmoil for the global economy and there are clear signs of this turmoil continuing. The effects of the financial crisis that shook the world in 2008, when the US bank Lehman Brothers went into bankruptcy, sending shock-waves around the global financial markets, are not over yet. In 2011, the financial crisis developed into a debt crisis, with major challenges for many European countries. All indications are that the debt crisis will continue to leave its mark in 2012 and beyond.

For an export-oriented country like Sweden it is vital that companies are able to sell their products and services to other countries. This often involves major business transactions. In many cases, buyers need help with financing in order for the deal to be possible. SEK's role is to help Swedish exporters and their customers with long-term financing. SEK acts as a complement to banks.

SEK'S ROLE IS countercyclical; when the global economy is performing poorly, the value of a stable provider of long-term financing increases. The company's levels of lending and borrowing consequently vary according to the global economy. In 2009, the financial markets were reeling from the credit crisis, with a lack of funds, nervous investors and great difficulty for exporters in assisting their customers with financing solutions. SEK lent more money than it had ever done before.

"We were incredibly active in 2009," explains Per Åkerlind, Chief Operating Officer (COO) and Head of Lending & Funding at SEK.

The effects of the crisis were still being felt strongly in 2010, with nervousness in the financial markets affecting access to, and the cost of, capital. Many companies took the opportunity to secure long-term financing.

"If 2010 was 'the year after', 2011 was more like 'the year before,'" says Åkerlind.

In July, SEK issued a USD 1 billion global bond, which became fully subscribed in a short space of time. This was well timed, as shortly after SEK benefited from a window in the market, the debt markets deteriorated steadily. The financial crisis escalated over the summer as the US struggled to adopt a budget and agree a debt ceiling. As during the initial phase of the financial crisis, it became very difficult to borrow new funds later on in the autumn.

In the autumn, the euro crisis worsened. When member countries issued guarantees for banks, the crisis shifted from banks to nations. Autumn 2011 saw a string of crisis meetings and rescue packages. The financial markets were gripped with a sense of doom and the markets ended 2011 in somber mood. It had become much harder to obtain financing. Many banks had difficulty in borrowing any funds at all. In situations like this, there is a great need for a secure and reliable financial partner like SEK.

SEK is a complement to the banking system and is an important cog in Sweden's export machinery, particularly when times are tough on the financial markets.

PER ÅKERLIND
COO and Head of Lending & Funding

"In view of the turbulence on the financial markets, we have chosen to maintain 10 months' worth of new lending capacity in liquidity placements. We need to maintain this safety margin so that we can offer our clients and their customers security and stability."

SEK STRIVES TO adapt its offering to the needs of each individual client. It has developed an advanced Customer Relationship Management (CRM) function in order to strengthen customer relations and better understand how it can help each client. This function is responsible for being the first point of contact at SEK and coordinating customer management. Håkan Lingnert is Head of Customer Relations.

"Our ambition is to both expand and deepen customer relations. We want to spend more time with clients to identify their needs and discuss additional ways in which we can help. This requires coordinating and optimizing our resources to best meet the needs of our customers. We are restricted by rules on large exposures, but we are often able to meet customers' needs, frequently in cooperation with banks," he explains.

In order to become an even more customer-focused organization, SEK has changed the way it is organized. All business is now conducted by the Lending & Funding group. Bringing together both funding and lending under the same management enables SEK to make more effective and efficient use of resources and skills. Lending operations are divided into two separate units; Corporate Lending and Structured Finance. Corporate Lending assists Swedish exporters with capital for investments and working capital, while the Structured Finance unit provides financing to the customers of Swedish exporters for the acquisition of Swedish equipment.

Jane Lundgren Ericsson is SEK's Vice COO and Head of Corporate Lending. She emphasizes the importance of access to capital for exporters at times of turmoil in the global economy.

"It's a difficult situation for banks and for their customers. Our business model means that we are still able to borrow relatively freely in various currencies. We were one of only a few instititutions that were able to borrow just a few days after the Lehman crash."

Turbulence in the market has led to greater understanding of the importance of not relying on banks being able to provide inexpensive, short-term financing when it is needed. However, there are still many medium-sized companies that have not adapted to the new conditions during and following the financial crisis.

2011 STARTED SLOWLY but gained significant momentum in the autumn. Jane Lundgren Ericsson talks about a 'catch-up' effect.

"It's starting to become evident to a lot of exporters that the crisis is continuing. Most are reporting a decline in orders. Many are also experiencing that access to money from banks is drying up. This has increased demand for SEK's financing."

Jane Lundgren Ericsson believes that direct financing volumes will increase. Banks are turning increasingly to SEK in order to cooperate on transactions. Maturities are getting longer and amounts are getting larger.

For end-customer financing, which involves helping Swedish exporters offer their customers financing so they can purchase buses, power stations or telecom systems, SEK is involved in virtually all major export transactions. This is because of access to long-term financing.

WITH A COMBINED staff of 400, it's difficult for SEK and EKN alone to provide effective coverage of a sufficient area of the world to meet exporters' needs. Banks therefore play an important role in providing the skills to arrange deals in practically any country in the world. The banks in turn need EKN to guarantee risks and SEK to provide long-term financing. Liquidity is a significant part of the puzzle that has grown in importance since the crisis hit in 2008. Together, this provides a competitive package that is often key to exporters' ability to win orders.

"We provide added lending capacity," says Kerstin Gedung, Head of Structured Finance at SEK.

"Export credits are often the only way to obtain financing for an electricity transmission project or a major telecom investment. We are able to provide support through long maturities, our expertise and a certain level of risk-taking. Acting as a complement to the commercial banks, we provide the banking system with a way of providing the optimum support for the Swedish export sector."

SEK acted as a co-arranger in 2011 to a greater extent than before and took on a share of the risk. This enables the company to increase the benefit to its customers and act as an even clearer complement to the banks.

Another important element in SEK's role for exporters is what is known as the CIRR system. Since 1978, SEK has been tasked by the state to administer the Swedish system for state-supported export credits. The CIRR system (Commercial Interest Reference Rate) provides the possibility to offer fixed interest rates in line with OECD guidelines to foreign buyers of equipment from Swedish manufacturers.

JANE LUNDGREN ERICSSON
Head of Corporate Lending

"It's starting to become evident to a lot of exporters that the crisis is continuing. Most are reporting a decline in orders. Many are also experiencing that access to money from banks is drying up. This has increased demand for SEK's financing."

NEW CUSTOMER FINANCING IN 2011

WHEN THE CREDIT crisis hit, it led to an increase in the importance of SEK. Demand for SEK's financing slowed as the crisis eased, but not as much as expected.

"During the crisis a lot of purchasers of Swedish export products realized that SEK's financing is very attractive at times of crisis, and that it can be a good idea to have part of their borrowing in the form of export credits during better times as well," explains Kerstin Gedung.

SEK provides a complementary function for customers. Companies need a range of financing. SEK acts as a complement to the market, providing local currencies and long maturities. It's important for companies to diversify their borrowing portfolios, and an increasing number of them have realized that export credits can also provide an attractive addition to other types of loan during better times. When a crisis hits, and everyone knows that there will eventually be another crisis, there is suddenly no functioning financial market. That's when it's important to have open channels of communication with those parties that can provide financing, explains Kerstin Gedung.

"Exporters and their customers rely on us to be there, and so do the banks."

"Our ambition is to both expand and deepen customer relations. We want to spend more time with clients to identify their needs and discuss additional ways in which we can help. This requires coordinating and optimizing our resources to best meet the needs of our customers."

EVEN IF THE financial crisis were to suddenly pass, which is highly unlikely, SEK would continue to play a significant and increasingly important role for Swedish exporters. The regulation under which banks and credit institutions operate is in changing. This primarily involves Basel III, a regulatory standard for capital and liquidity developed after the first phase of the financial crisis in 2008-2009.

The aim is to make the banking system more robust and reduce the risk of financial bubbles. Banks and credit institutions will be required to maintain higher liquidity reserves. They will need to be able to cope with a month's payments even if the financial markets close completely for a period of time, such as when Lehman Brothers collapsed. There will also be higher requirements placed on matching of the debt portfolio. A long-term claim will need to be matched with a long-term debt; a two-year loan will need to be matched with corresponding borrowing of at least one year. And there will also be higher capital requirements.

Per Åkerlind explains that it will become very expensive for banks, to the extent that access to long-term borrowing will decrease significantly. For SEK, however, there will be no difference at all.

"We already meet these requirements. We already match lending and borrowing."

SEK's liquidity placements constitute the company's strength and endurance to maintain operations during times of stress. They fulfill three purposes. First, SEK commits to pay out financing over a particular period. Loan funds are not disbursed until the equipment is delivered, which can take several years in the case of large projects. However, SEK must borrow the money before the agreement is entered into. In order to be a reliable lender over a process lasting a number of years, SEK can't rely on being able to borrow the necessary funds at a later date. SEK funds the transaction when the loan agreement is being signed and then invests the money until the date that the money is paid out. This portion of liquidity placements is reported as agreed but undisbursed credits, and amounted to Skr 25.1 billion at year-end.

Second, SEK needs to mitigate market risks that arise primarily in its funding operations. In the case of a large bond loan, a fixed rate of interest is normally applied. SEK cannot take the risk that interest rates will fall; it needs to offset the interest rate risk by purchasing derivatives. This means that SEK holds derivative instruments with numerous banks, which generate counterparty risks. SEK enters collateral agreements with these counterparties in order to offset the counterparty risk under these derivatives. Since the value of the derivatives can fluctuate, SEK must maintain a portion of liquidity placements so that it is able to immediately pay out money under these collateral agreements. Skr 15 billion is maintained in the liquidity placements as a buffer for this purpose.

Third, SEK needs to be prepared to provide new lending. SEK's purpose is to help Swedish exporters and their customers with financing to enable business transactions and investments. This is especially important during difficult times. The company currently holds approximately Skr 40 billion so that it is able to continue business as usual, even if its funding markets were completely frozen.

"In view of the turbulence on the financial markets, we have chosen to maintain 10 months' worth of new lending capacity in liquidity placements. We need to maintain this safety margin so that we can offer our clients and their customers security and stability," explains Per Åkerlind.

KERSTIN GEDUNG

Head of Structured Finance

"During the crisis a lot of purchasers of Swedish export products realized that SEK's financing is very attractive at times of crisis, and that it can be a good idea to have part of their borrowing in the form of export credits during better times as well."

MILESTONE REACHED AS SEK ARRANGES FINANCING IN CHINESE CURRENCY

Reliable funding is a vital part of SEK's complementary role in the market, which also includes providing long-term financing in different currencies. For the first time, SEK has now borrowed funds in Chinese currency, the renminbi (RMB), for long-term financing of AB Volvo's operations in China, Volvo China Investment Co Ltd. This has involved SEK issuing a three-year bond for RMB 200 million, which corresponds to approximately Skr 182 million. The bond has been purchased by Asian investors based in China, Hong Kong and Singapore. Chinese bank CITICS Securities was the lead bank. The proceeds from the issue are being lent on by SEK to AB Volvo's company in China.

"Until now, Swedish companies with operations in China have been able to access financing in local cur-

rency from Chinese banks. But these loans have often been expensive and short-term. Swedish companies plan to stay in China, and in our experience companies want part of their financing to be long-term and in local currency, so that they are better able to match their commitments," says André Sebelius, Senior Client Executive at SEK.

There is significant demand from exporters to increase the availability of long-term financing in Chinese currency in order to reduce the interest rate risk and currency risk posed by expanding Chinese operations. SEK's borrowing in RMB and its license to lend RMB in China can be seen as a milestone for the financing of Swedish exporters, which will now have access to far more competitive financing in RMB.

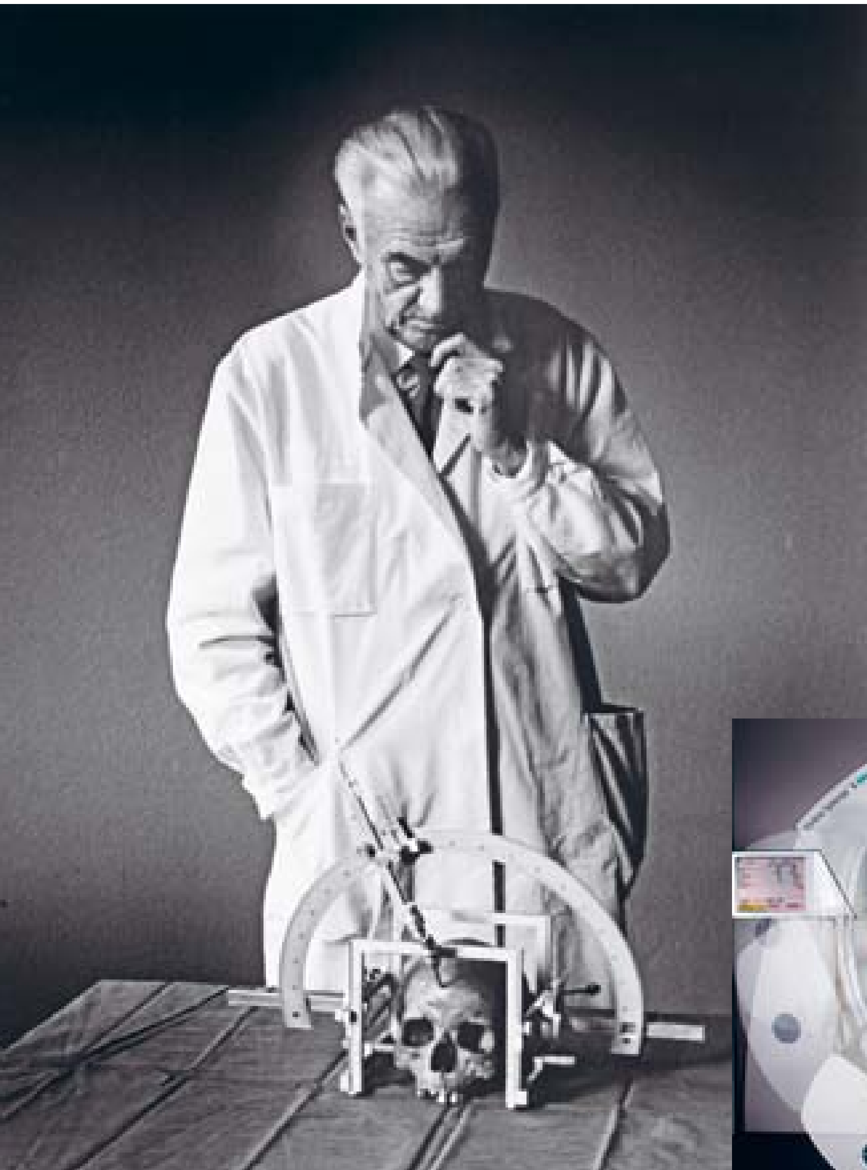
WIDER ACCESS TO CANCER CARE IN BRAZIL

SWEDISH MEDICAL TECHNOLOGY company Elekta manufactures equipment for radiation treatment of cancer. The company, founded by neurosurgeon Lars Leksell in 1972, is best known for its Leksell Gamma Knife®, which is used for the radiation treatment of targets in the brain, especially cancerous tumors. The company also produces linear accelerators, which are used for radiation therapy of cancer in the rest of the body, and also produces software for treatment planning and data management.

Two Elekta linear accelerators were recently sold to Felicio Rocha hospital in the large Brazilian city of Belo Horizonte. Felicio Rocha hospital's oncology department is run by two doctors, Fabrinni Concalves and Leonardo Cunha, and their company Radiocare Servicos Medicos Ltda. Half of the company's revenues come from state healthcare insurance.

In 2010, Radiocare purchased the Elekta Compact linear accelerator, which is specially designed for emerging markets. It is adapted for use in smaller treatment rooms so that buildings do not need to be redesigned, and costs a lot less than the most advanced linear accelerators. The sale was valued at USD 750,000.

SEK financed the transaction by offering Radiocare a repayment period of seven years.



"We made it possible for Elekta to offer its customer financing. This is part of our core business," says Jane Lundgren Ericsson, Head of Corporate Lending at SEK.

In September 2011, Radiocare wanted to buy an additional linear accelerator, the more advanced Elekta Synergy Platform, for more than USD 1 million. A requirement of the deal was that SEK could once again offer financing.

"In the fast-growing privately funded market in Brazil, financing is an extremely important element in successfully concluding sales. The support from SEK makes us much more competitive and able to act quickly to gain orders," says Olof Sandén, Executive Vice President at Elekta.

The deal is interesting from a risk point of view, with the risk being shared between SEK and the exporter. SEK has assisted a number of Elekta's customers with financing.

"It's extra special when we're able to help bring about a sale that not only benefits both parties, but also helps make life better and longer for a large group of people. Advanced cancer treatment equipment is of value on many different levels," says Jane Lundgren Ericsson.

MULTIDOCKER WINS PORT OF MONTEVIDEO ORDER

AT THE MOUTH of the Rio de la Plata river lies the Port of Montevideo, a key hub for Uruguay's growing export industry. In the spring of 2012, Swedish firm MultiDocker Cargo Handling is delivering a dock loading crane to Fenaril S.A., a company operating at the cargo port.

SEK is providing financing for the deal in cooperation with Northstar Europe S.A., which specializes in financing solutions for small and medium-sized companies with order values up to EUR 5 million. Northstar Europe S.A. managed the deal, which involved conducting a credit assessment, drawing up the terms of the contact and negotiating the loan agreements.

"The financing solution was a key factor in this sale and will most likely be important for future deals as well. The support from all parties involved and the competitive terms on local markets are of great value to us as an exporter," says Fredrik Österström, Vice President Sales and Marketing at MultiDocker Cargo Handling AB.

The repayment period is six years with a fixed interest rate.

"This is a unique cooperation between Northstar Europe S.A., the Luxembourg export credit agency ODL, EKN and SEK. It means that we can enable Swedish exporters to offer financing in connection with sales," says Per Edlundh, Associate Director at SEK's Structured Finance unit. *"This is the first transaction under the co-operation agreement with North Star Europe S.A., but several similar deals are in the pipeline for 2012."*

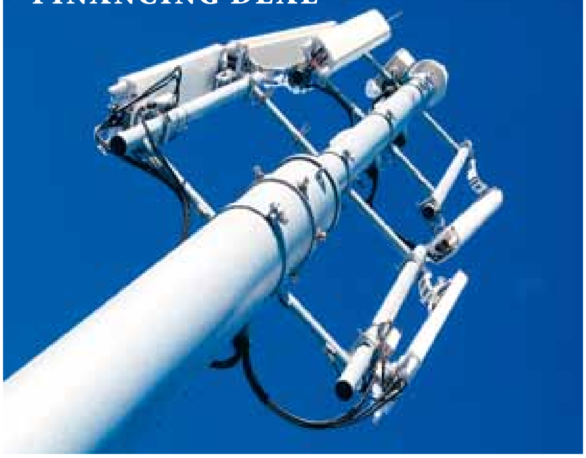
"This opens up a range of possibilities for smaller Swedish businesses to make export sales," says Per Edlundh.

MONTES DEL PLATA INVESTS IN STATE-OF-THE-ART PULP MILL IN URUGUAY

Stora Enso’s and Arauco’s joint venture Montes del Plata is investing in a state-of-the-art pulp mill in Punta Pereira, Uruguay. The new pulp mill will be the largest private investment ever in Uruguay and the construction of the facility and its operation will have a significant economic and social impact on the country. Andritz Group has won the order to deliver the pulp mill. The purchaser of the facility is the joint-venture company, which is equally owned and guaranteed by Stora Enso Oy and Celulosa Arauco y Constitución S.A. SEK is financing the Swedish deliveries, comprising a pulp-drying machine from Andritz AB, with a credit of approximately USD 60 million through a sub-participation in Finnish Export Credit’s (FEC) loan to the purchasers. The loan is guaranteed by Finnvera Plc, with reinsurance from EKN. BNP Paribas is the agent for the loan, in partnership with three other banks. The Inter-American Development Bank (IDB) is providing parallel financing.

“We welcome the support of Finnvera, FEC, SEK, IDB and other financing institutions for this exciting, strategically important project. We are also pleased with the long maturity of the credit facility,” says Stora Enso CFO Markus Rauramo.

SEK’S FIRST MURABAHA FINANCING DEAL



The USD 350 million financing for Ericsson’s export of telecom equipment to PT AXIS Telecom Indonesia is the first of its kind to be carried out by SEK. This is a form of murabaha financing that requires a structure that complies with Sharia principles. The transaction has been structured by HSBC and SEK and guaranteed by EKN.

“It was an interesting challenge to develop a structure that is also adapted for borrowers requiring financing in accordance with Sharia law,” says Jan Brickner, who is managing the transaction at SEK.

The telecom equipment now being exported to PT AXIS, a subsidiary of Saudi Telecom Company (STC), will be used to expand the company’s telecom network in Indonesia.

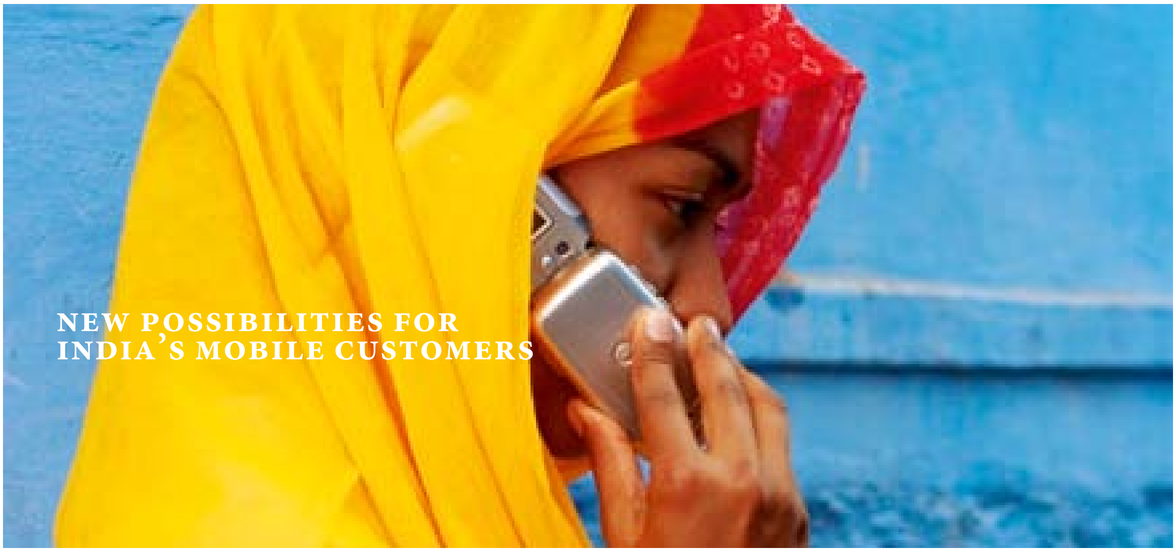
After almost two years of work, the agreement came into effect in May 2011, with the financing being paid out over 1.5 years followed by a repayment period of 8.5 years.

VOLVO BUSES SOON ON THE STREETS OF PANAMA CITY

DURING THE YEAR, Volvo Buses AB won an order from Transporte Masivo de Panama S.A. for 1,200 buses for immediate delivery to Panama City's public transport system. SEK's financing of the deal totals approximately USD 194 million and has been put together and arranged by HSBC Bank Plc. The purchaser's commitments are 95 percent guaranteed by EKN, with the remaining 5 percent guaranteed by HSBC.

METSO PAPER SWEDEN AB DELIVERS EQUIPMENT TO RUSSIA

METSO PAPER SWEDEN AB, a global supplier within the pulp and paper industry, has won an order to provide equipment to OJSC Ilim Group's pulp mill in Bratsk, Russia. SEK is providing approximately EUR 90 million of financing for this order. Nordea Bank is arranging the loan, which was signed in March 2011, and SEB is acting as agent for SEK and EKN. EKN is guaranteeing 90 percent of the transaction and the two banks are assuming an equal share of the remaining risk. The loan will be paid out until August 2012, followed by a five-year repayment period with half-yearly installments.



NEW POSSIBILITIES FOR INDIA'S MOBILE CUSTOMERS

INDIA'S MOBILE PHONE market is growing rapidly. At the end of 2010 there were more than 750 million mobile customers in India, and many of these have several subscriptions. At the same time, the steady influx of new customers is continuing.

In 2010, operators in India began rolling out a 3G network following the government's auction of licenses. 3G opens up entirely new possibilities for mobile phone customers in India, such as smart location-based services.

One of the companies involved in the build-out is Aircel, India's seventh-largest telecom company with more than 60 million customers. Aircel, which is majority-owned by Malaysian telecom operator Maxis Communications Berhad, is currently building a 3G network in 13 of the country's 23 regional areas ("circles"). In addition, Aircel is looking into the possibilities of offering wireless broadband in eight of these areas.

During 2010, Ericsson was awarded a contract to supply Aircel's 3G network in six of the 13 areas during a three-year period. The order was supported by financing.

"India is one of the world's largest telecom markets and is also a market with significant growth potential. Ericsson has been a part of the Aircel growth story in India by being a key provider of network equipment, core, radio and value-added services (VAS) since Aircel commenced operations in India in 1998. In 2011, we have taken our relationship to a new level, with a managed services agreement in which Ericsson was entrusted to manage 2G, 3G, VAS and Pan India IN in six circles in a multi-vendor, multi-technology environment," says Fredrik Jejdling, Head of Region India at Ericsson India Private Ltd.

The deal is an end-customer financing transaction, in which SEK together with SEB, Nordea and Swedbank are arranging a loan to Aircel. 85 percent of the loan amount is guaranteed by EKN, the Swedish Export Credits Guarantee Board.

"This transaction is a co-arrangement in which we are working with our partner banks and providing funding for the entire transaction," says David Lindström, Director Export Finance at SEK.

The lending is in the form of what is termed a CIRR loan, with a door-to-door tenor of approximately 8.5 years.

"Adequate financing of required investments is often critical and we greatly appreciate having on board EKN, SEK and the selected banks to provide such financial support to Aircel," says Sven-Åke Hellgren, President of Ericsson Credit AB.

FUNDING IN BRIEF

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

STABLE ACCESS TO CAPITAL

The worse global economic conditions become, the more important it is for the Swedish export sector to be able to offer its customers long-term financing. This places great importance on access to reliable funding operations. The crisis years have shown that SEK is a secure and valuable harbor in this financial storm.

IT HAS BEEN a time of great turmoil for the global economy. The financial crisis is now in its fourth year and there are clear signs that it will continue to leave its mark in 2012.

Since operators on the financial markets act based on future forecasts, it only takes an expectation of decline and turbulence for the cost of borrowing, particularly long-term borrowing, to increase markedly. When the cost of borrowing becomes too high and lending risks are deemed too great for banks, they become much more restrictive in their lending. This has had a substantial impact on access to financing for many Swedish exporters.

So that the export industry does not shut down when things get tough in the global economy, companies need to be able offer their customers financing solutions. Companies can't simply point out that there is a financial crisis and that it's difficult to obtain funding, otherwise their customers will go elsewhere. What is needed is a reliable provider of financing that is not dependent on economic cycles or favorable conditions to have access to money that it can then lend on. This is SEK's role. The financial crisis has clearly demonstrated the important role that SEK plays in oiling the wheels of the export sector.

A KEY FACTOR is SEK's ability to continue to borrow money. This borrowing, or 'funding', needs to function correctly. Regardless of conditions on the financial markets, SEK must be able to borrow money so that it can offer clients, and their customers, long-term loans and enable business deals to take place.

"Lending and borrowing are two sides of the same coin," says Per Åkerlind, COO and Head of Lending & Funding.

These two sides of the business have now been brought together under a single area called Lending & Funding. This change also emphasizes, in an organizational way, the correlation between lending and borrowing and how they are mutually dependent. The change sees Per Åkerlind given overall responsibility for overseeing the entire operational side of the business.

"We always need to have money in order to offer lending products. Money is our raw material. Funding, you might say, is our purchasing department; without it we would have nothing to offer our customers," he continues.

To maintain stable funding during turbulent times it's important to be agile and adapt to new circumstances. In 2010, more than half of SEK's borrowing came from Japan; in 2011, US investors accounted for half of new borrowing, while the Japanese market decreased to around a quarter of new borrowing.

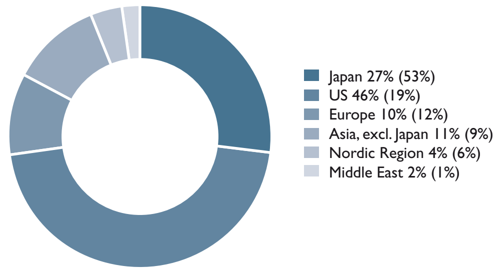
There is quite a difference between the purchasers of SEK's bonds in Japan and the US. In Japan, Uridashi bonds are popular. These are public EMTNs (euro medium-term notes) aimed at private individuals issued by foreign issuers. These bonds can generally be settled before maturity, and SEK therefore generally deems these maturities to be short-term. The US market consists more of professional investors or high-net-worth individuals who invest large sums.

Turbulence in the global economy has made matching between lending and borrowing more important. A seven-year loan for Skr 1 billion, for example, needs to be matched with a seven-year bond. Banks often match long-term loans with bonds with a shorter maturity, which means that every so often they need to go to the market to borrow capital. This makes them more vulnerable to the turbulence that we have seen in recent years.

"When Lehman Brothers went bankrupt financial markets around the world ground to a halt. We can't be vulnerable to those sorts of events. We need to have a longer-term perspective," explains Petra Mellor, Senior Manager in SEK's Funding department.

"We match all our lending with borrowing of equal length and consequently incur no refinancing risk"

MARKETS



When SEK assists Swedish exporters with financing, the lending period is normally over many years. In order to guarantee access to long-term financing for exporters and their customers, SEK must match borrowing with lending.

"We match all our lending with borrowing of equal length and consequently incur no refinancing risk," emphasizes Petra Mellor. "Our clients need to be able to rely on us."

SEK ensures access to money in a number of different ways; through good liquidity, through its high credit rating and good relations with investors around the world, and by not taking unnecessary risks. Better matching between borrowing and lending reduces risk and makes SEK less vulnerable to the fluctuations of the credit market. This is a key reason why SEK borrowed more money in the US than in Japan in 2011.

"When conditions change we need to change with them," says Petra Mellor. "The fact that the majority of our borrowing shifts from one market to another demonstrates the flexibility that makes us more reliable during times of turbulence."

SWEDISH EXPORTERS ARE significantly affected by the process of change in the way credits and financing solutions are regulated. The new Basel III regulatory standard will force banks to increase their liquidity so that they are less sensitive to economic conditions. This is to reduce the risk of financial bubbles and extreme economic volatility.

Another effect of the new regulation is that it will become more expensive and harder to borrow money. Fewer types of financial assets will qualify for the liquidity reserves that must be maintained by banks. The price of short-term assets that meet the requirements, primarily government-issued bonds, will rise. SEK grows in importance when access to financing for exporters decreases.

The regulatory reforms also require that new long-term claims (loans of more than one year) must be matched by long-term borrowing. This will become very expensive for some banks, to the point where access to long-term financing will become restricted. For SEK, however, there will be no difference at all. Since its business is, by its nature, long-term, these steps have already been taken.

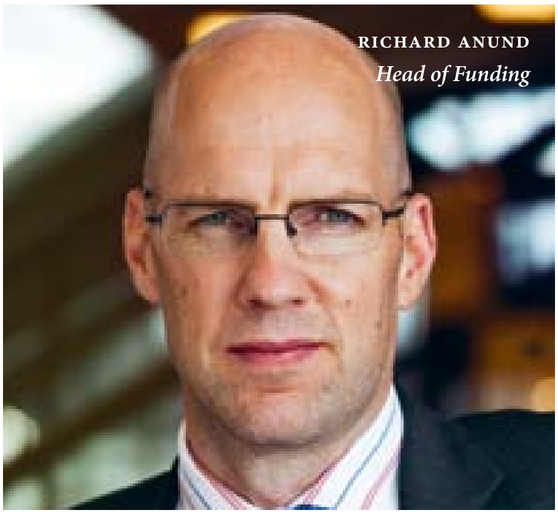
"We already match all seven-year lending with seven-year borrowing," explains Richard Anund, Head of Funding. "We already have a capital base that enables us to comply with Basel III."

This reliable funding is an important aspect of SEK's complementary role in the market. Swedish exporters will require long-term financing for investments in terms of customers even when there is a downturn in the economy, and when regulation makes long-term credit expensive and difficult to access. They will continue to require loans in different currencies, such as Thai baht, Chilean pesos, Turkish lira and South Korean won.

"It's particularly important that we are able to borrow and lend in a crisis, so that we can step in and play a greater role."

In the autumn of 2011 it became increasingly difficult for many companies to obtain long-term financing in US dollars. A growing number of them consequently turned to SEK, contributing to the marked increase in SEK's US borrowing.

"The crisis makes our complementary role in the market clearer. The banks benefit from us. We make it possible to find long-term financing that would otherwise be too expensive and we can borrow in currencies that would otherwise be inaccessible," says Richard Anund.



"The crisis makes our complementary role in the market clearer. The banks benefit from us. We make it possible to find long-term financing that would otherwise be too expensive and we can borrow in currencies that would otherwise be inaccessible."

"When conditions change we need to change with them," says Petra Mellor. "The fact that the majority of our borrowing shifts from one market to another demonstrates the flexibility that makes us more reliable during times of turbulence."

AN IMPORTANT COMPANY WITH A KEY TASK

2011 was a year of training and education, new organizational structure and a completely new work environment. SEK is becoming an increasingly attractive place to work. This has been demonstrated by the interest shown at career fairs at Stockholm School of Economics and KTH Royal Institute of Technology.

IN DECEMBER 2010, SEK moved from Västra Trädgårdsgatan by Stockholm's Kungsträdgården to Waterfront Building above Stockholm Central Station. For staff, this has meant a new and, in many ways, improved work environment.

The Västra Trädgårdsgatan building was constructed in 1758 and had considerable charm and character, but did not provide the best office environment. Different departments were located separately and there were few natural meeting places. Waterfront Building was completed in 2010 and is much more adapted to modern working conditions and the modern workforce.

"Now the whole company is located together over two open-plan floors with a cafeteria and lots of opportunities for spontaneous meetings. The work environment is better and the reaction has been very positive," says Sirpa Rusanen, Director of Human Resources at SEK.

In conjunction with the move, a comprehensive ergonomic review of all staff's work environments was undertaken. An ergonomic specialist helped each member of staff to adapt their workstation.

By the middle of 2011 a gym had been constructed at the new offices.

"Fitness is important, particularly for people in demanding but sedentary jobs. Staff really appreciate the gym and it's getting a lot of use."

IN ADDITION TO designing and improving the new workplace, training and development has been the year's highest priority. SEK has developed a training program together with IFL Executive Education at Stockholm School of Economics, offering employees the opportunity to increase their understanding of SEK's products and services.

"The main task has been to develop a shared vision of SEK's business. There are a lot of aspects to the business and it can be hard for an individual member of staff to gain an overview of the company's entire offering. We aimed to address this by developing the IFL program together with Stockholm School of Economics," says Sirpa Rusanen.

She describes the IFL program as a successful investment and the course has been very popular with staff.

"The next step is to go into greater depth about our products. Around 50 employees have started an advanced course in financial economics," she continues.

Everyone at the company has been offered the IFL training and the opportunity to understand and discuss the company's products and services. The advanced course has a narrower focus and requires more specific and in-depth prior knowledge of subjects such as mathematics. Not all staff will reach this level, but it offers an opportunity for more detailed study of risk, bonds and fixed-income derivatives for those who work with SEK's products.

In 2011, the way the company is organized was made clearer and adapted to the task of the company. All business operations have been brought under the same management and a single name: Lending & Funding. Per Åkerlind is Head of the unit.

"It's important that the organization doesn't stand still. We need to adapt to changing realities, and occasionally this means revising the way the business is organized. We've now created a structure that will better suit our mission," he explains.

"We're working a lot on job descriptions and the delegation of tasks within organizational structures to clarify different roles and tasks. We're not finished yet, but we're well on our way," adds Sirpa Rusanen.

In conjunction with the reorganization, SEK has developed an advanced Customer Relationship Management (CRM) function to coordinate work with clients. This function consists of a corporate group and a banking group.

"The CRM function should be the first point of contact at SEK and a continual link between clients and our different areas of expertise," explains Håkan Lingnert, who heads up this unit.

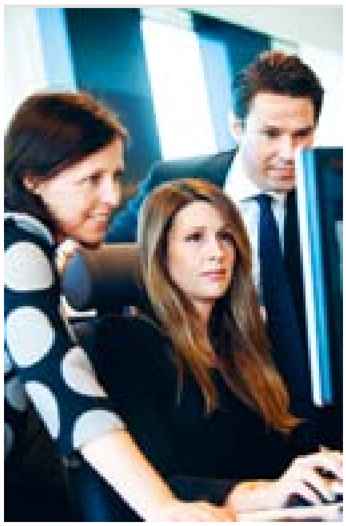
DURING 2011, SEK had an average of 232 employees. Staff turnover is relatively low. While the company has developed and expanded its operations in many respects, the number of employees has remained at the previous level. Sirpa Rusanen explains that a key objective of the reorganization has been more effective and efficient organization and processes.

In 2011, SEK began implementing the Lean concept as a method of working.

"Many people think that 'Lean' refers to downsizing, but that's not how we see it at all. We want to ensure that the way we are organized provides the conditions to make the best

SEK's employee survey shows that SEK is seen as a great place to work and that staff are highly motivated and have strong skills. The company offers exciting challenges and employees feel that what they do is important.

Sirpa Rusanen, Executive Director Human Resources



use of our capacity; that each person is doing the right job. For instance, there should not be two functions in the company doing the same thing," explains Sirpa Rusanen.

The Lean concept has so far been tested in two pilot programs to free up staffing capacity. If duplication of work is identified in the organization, resources can be freed up to reduce the need to hire in consultants and external experts.

An important aspect of the work of managing capacity to ensure the best results is internal job rotation. It's important to have the opportunity to work on different things. This is evident in the company's administrative functions, but it's also true in the commercial side of the business. Switching between working with structured products, end-customer financing and direct financing can be good for staff development. Many employees come straight from university and want the opportunity to develop and take on more advanced tasks. And it's equally important to offer development opportunities for those staff who have been with the company for a long time.

SEK is an attractive workplace, both among existing employees and those who are approaching the end of their studies and starting to look at prospective employers. SEK's employee survey shows that SEK is seen as a great place to work and that staff are highly motivated and have strong skills. The company offers exciting challenges and employees feel that what they do is important. Support for the company's core values is strong.

"We always achieve a strong score on being a good place to work and on staff motivation and skills. And we're delighted that the trend remains positive. It's steadily improving," says Sirpa Rusanen.

"The financial crisis has probably made SEK more attractive to prospective employees. Just as our importance for the export sector increases when there is a global economic crisis, we also become a more interesting and attractive employer. And it's at times of crisis that the importance of our work becomes most evident. SEK plays a vital role in providing long-term financing solutions and enabling export deals that would otherwise not go ahead. This has an effect both on existing and prospective employees."

"Something that sets us apart from other employers in the financial industry is our modest size," explains Sirpa Rusanen.

"Here, staff are able to work across a number of areas. Each member of staff gets to work with a range of assignments and approaches tasks with a broader perspective. We find that many employees believe this is a valuable and attractive aspect of working here that supports staff development."

IN 2011, SEK established new points of contact with future employees and customers by participating in career fairs at KTH Royal Institute of Technology and Stockholm School of Economics.

"Meeting students is a fantastic way to measure the strength of the SEK brand and what it stands for," says PR Manager Kim Rydeheim.

In addition to KTH and Stockholm School of Economics, SEK has also become involved in the top talent network Nova Agentum. During the year, SEK representatives presented and discussed their work with members of the Nova Agentum network on a number of occasions.

"We are an important company with a key task. Our role in the export system makes us an interesting and different alternative for a lot of young and motivated talent in the financial sector. We do things differently," says Kim Rydeheim.

Discussions about corporate social responsibility (CSR) have been of particular interest and many young people are looking for a professional role that allows them to both develop their career and to contribute to a better world. SEK's international operations are seen as very attractive.

Many of them get in touch after meeting SEK representatives at university career fairs to find out more about the company's operations. In 2012, SEK aims to be even better at meeting motivated people and plans to inform people about its role and its business via many more channels and networks.

"We need their input. Someone that we meet at a career fair might be recruited by one of the major banks, but they are of interest to us after a number of years' experience. It's important for us to maintain a profile when the most talented people in the financial sector are planning their career," says Sirpa Rusanen.

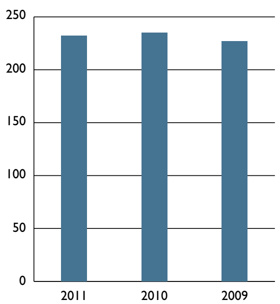
EMPLOYEE INDEX

	Results 2010	Results 2011	Goal 2012
Leadership	70	72	75
Organizational efficiency	53	63	70
Employee index	70	73	75

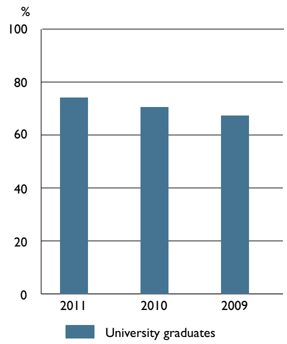
SEK recruited around 20 people in 2011. Some of them joined the company straight from university. But most positions, particularly on the commercial side of the business, require in-depth experience in banking. Having a presence at the career fairs of the leading universities is not just about marketing SEK in the short term and finding staff, it's also about establishing a long-term relationship with SEK.

"We want to raise awareness about SEK not just among future employees, but also among future exporters, clients and competitors. We are already finding that many more people know about us than last year. Building relationships with future employees and customers is an important part of the long-term approach to our task," says Sirpa Rusanen.

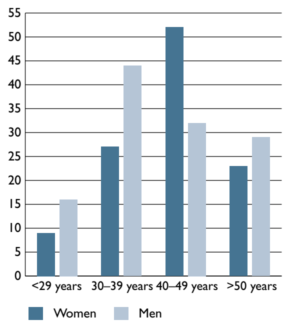
NUMBER OF EMPLOYEES



LEVEL OF EDUCATION



BREAKDOWN BY AGE AND GENDER (NUMBER)



	2011	2010	2009
Total number of employees at year-end[1]	232	235	227
… of which management	42	39	37
… of which non-management	190	196	190
… of which permanent employees	219	226	217
… of which non-permanent employees	13	9	10
… of which full-time employees[2]	225	229	217
… of which part-time employees[3]	7	6	10
… of which in Sweden	231	234	226
… of which in Singapore	1	1	1

	2011	2010	2009
Number of employees who left employment	22	18	12
… of which women	5	5	6
… of which men	17	13	6
… of which under the age of 30	3	1	2
… of which aged 30–50	16	14	6
… of which over the age of 50	3	3	4

1 *Employees who have not yet started are not included.*
2 *Full-time employees refers to the level of employment to which the employee is entitled to work.*
3 *Refers to employment contracts drawn up for a level of employment of less than 100%.*

SUSTAINABLE DEVELOPMENT

SEK is reporting its 2011 sustainability work at GRI Application Level B+ in a separate sustainability report, which is available at www.sek.se

CONTRIBUTING TO SUSTAINABLE development is an important part of SEK's business operations. We work to integrate social and environmental issues in our operations and our governance. We actively pursue issues of sustainability and take opportunities to have an influence on and, insofar as is reasonable, to ensure that customers and cooperation partners take responsibility in line with our aims, guidelines and policies.

"A key part of SEK's sustainability work in recent years has been to develop methods to identify and classify social and environmental impacts in connection with lending. This involves responsible lending, which means that as a provider of financing we have a clear process for identifying impacts on the environment, people and society in those projects or businesses being financed," says Johan Henningsson, Head of CSR at SEK. During the year, SEK also became a signatory to the ten principles of the UN's Global Compact.

OVERALL OBJECTIVES AND FOCUS AREAS

SEK's overall objective for contributing to sustainable development is to ensure access to financial solutions on commercial terms for Swedish exporters and to also be a driving force for sustainable business through dialogue, cooperation and by setting requirements. SEK's focus areas for sustainable development are based on our mission and our key impacts, risks and opportunities. SEK's main impact is as a financial institution on the international market. We have a responsibility in our lending operations to set requirements and carry out monitoring so that businesses and projects that we finance are conducted in a responsible manner and comply with legislation, international guidelines and agreements within the areas of money laundering, corruption, human rights, labor conditions and the environment. This is our primary focus area, which we refer to as sustainable financing. SEK also has a role to play in creating the conditions for Swedish environmental technology to develop and compete on the international market, and this is our second focus area.

Our third focus area concerns the impact that our company's own operations have; i.e., our responsibility to minimize our own environmental impact and to be an attractive and responsible employer.

"Our sustainability work has come a long way, and our next priority is extensive dialogue with our stakeholders about the

THE GLOBAL COMPACT

WE SUPPORT

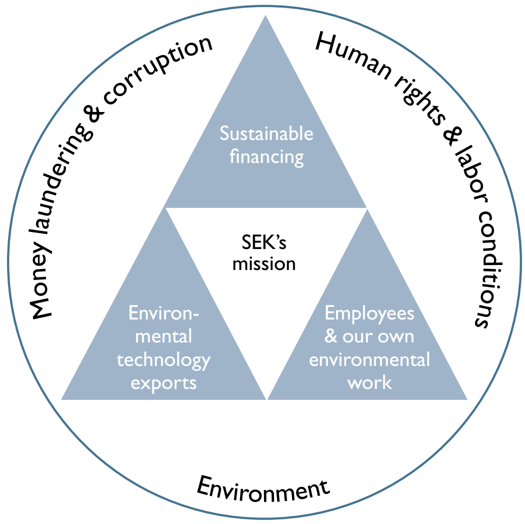
JOHAN HENNINGSSON
Head of CSR

"Our sustainability work has come a long way and our next priority is extensive dialogue with our stakeholders about the implementation of new guidelines on corporate responsibility for human rights."

implementation of new guidelines on corporate responsibility for human rights. We also need to further strengthen SEK's external communication regarding sustainable business and review agreements to ensure we receive information on social and environmental risks at the earliest possible stage," says Johan Henningsson.

EXTENSIVE DIALOGUE AND COOPERATION

SEK aims to be a driving force in encouraging the financial markets to take greater responsibility for environmental and social issues. We therefore aim to make informed decisions in our lending, put in place requirements and influence transactions. We are, however, aware that we do not have all the answers, and sometimes we have yet to find the questions. Progress is to be made through cooperation and dialogue with our stakeholders. Cooperation with both exporters and financial institutions to understand and resolve problems using shared business models. Dialogue with NGOs and other stakeholder groups in order to understand the issues and the expectations they have of us. We also aim to increase cooperation with EKN, the Swedish Export Credits Guarantee Board, within the area of sustainability and further promote environmental technology through our involvement in the Environmental Technology Export Group.



Our sustainability work is based on three areas: Sustainable Financing, Environmental Technology Exports and work within our own business operations, i.e. Employees and our own Environmental Work.

REPORT OF THE DIRECTORS[1]

BUSINESS ACTIVITIES

Swedish exporters' need for export credits remained high throughout 2011. SEK's customers were active in many of Sweden's key export markets, particularly in the fast-growing Asian markets. These are markets that are becoming increasingly important for Swedish exporters. SEK's new lending for 2011 amounted to Skr 51.2 billion, a 5.1 percent increase from the previous year (2010: Skr 48.7 billion). SEK believes that this high volume of lending demonstrates that SEK is an increasingly important financial provider for the Swedish export industry and, thus, a complement to other financial institutions. The volume of new lending reflected in part SEK's customers' difficulties in obtaining financing from other institutions, as well as SEK's continuous work on developing its relations with a group representing approximately 300 of Sweden's largest exporters.

Over the past year, SEK has provided a range of major Swedish exporters, such as Ericsson, ABB, Volvo and Stora Enso with direct financing, enabling important export transactions. SEK also assisted a number of new customers during the year with financing, for example Bonnier AB, Cargotec and Indutrade.

NEW CUSTOMER FINANCING

Skr billion	January–December 2011	January–December 2010
Customer financing of which:		
End customer financing	30.7	24.3
Direct customer financing	20.5	24.4
Total[1]	**51.2**	**48.7**

[1] Of which Skr 7.3 billion (2010: Skr 8.6 billion) had not been disbursed at period-end.

FUNDING

SEK's new long-term borrowing amounted to Skr 47.7 billion in 2011 (2010: Skr 76.6 billion), which is a decrease of Skr 28.9 billion compared to 2010. The decrease is a result of, and in line with, a strategic decision to more closely match the lending to the need for new borrowing thus enabling a reduction in the volume of outstanding liquidity placements. The decrease in volume of SEK's liquidity placements is primarily due to a lower volume of agreed but undisbursed credit commitments. The decrease in volume is also a result of a strategic decision to reduce the volume of liquidity placements by not refinancing all maturing debt. However, SEK continues to be well prepared for new lending. Despite the turbulent market conditions, SEK had access to the key capital markets throughout the year.

In 2011 the US market accounted for a major share, 46.4 percent (2010: 19.1 percent), of SEK's new borrowing. One reason that SEK was so active on this market was the high customer demand for financing in US dollars and SEK was able to borrow on relatively attractive terms throughout the year on the American domestic market. Japan was SEK's second-largest market, accounting for 27.2 percent of new borrowing (52.9 percent). Despite the relative decrease compared to previous year, Japan continues to be an important funding market for SEK. New borrowing on the Japanese market had longer maturities than during the previous year and corresponded well with the longer maturities of SEK's new lending. European markets accounted for 10.3 percent (2010: 11.5 percent) of SEK's total new borrowing during 2011. Repurchase of own debt amounted to Skr 13.3 billion (2010: Skr 9.2 billion) and early redemption on own debt amounted to Skr 23.2 billion (2010: Skr 24.6 billion) for 2011.

The reliable funding is an important element in SEK's complementary role in the market. Swedish exporters also need access to long-term financing during times of financial uncertainty and when new, pending capital adequacy regulation makes long-term loans difficult to obtain. The new regulation, which will require closer matching of borrowing and lending by financial institutions, will increase the costs of long-term lending. SEK already matches the maturity profiles of its borrowing and lending and therefore deems that it will be able to meet the new requirements in this respect. Alignments of IT systems, processes and reporting to new requirements involve a challenge to SEK. Several business projects have been conducted during 2011 and will continue throughout 2012 to implement such alignments.

In July SEK issued a USD 1 billion global benchmark bond. This issue, which was well received and subscribed for by investors around the world, was undertaken in cooperation with Barclays, Bank of America Merrill Lynch and Morgan Stanley.

SEK continued its work of diversifying its funding base across new investors and markets. The work with SEK bonds aimed at Swedish private investors continued and the com-

[1] All amounts in this Report of the Directors relate to the Consolidated Group, unless otherwise stated (see Note 1). The Consolidated Group encompasses as of December 31, 2011, SEK and its wholly owned subsidiaries AB SEK Securities, SEK Financial Advisors AB, SEK Financial Services AB, SEK Customer Finance AB, SEK Exportlånet AB and Venantius AB, including the latter's wholly owned subsidiary VF Finans AB ("the Subsidiaries"). For differences between the Consolidated Group and the Parent Company see Note 1 (o). The "Risk" section of the Annual Report is an integral part of the Report of the Directors (see pages 45–59).

pany intensified its efforts in opening up new domestic markets, the Chinese market in particular. For the first time, in the beginning of 2012, SEK could borrow Chinese currency for direct lending to customers. The funding was, however, not performed on the domestic Chinese market.

KEY FACTORS FOR FINANCIAL PERFORMANCE

Substantially all of SEK's revenues and net income derive from the net interest revenues earned on loans and liquidity placements. Funding for these assets comes from equity and from debt securities issued in the international capital markets. Accordingly, key determinants of SEK's profits from year to year are (i) the spread, or difference, between the rate of interest earned on its debt-financed assets and the cost of that debt; (ii) the outstanding volumes of loans and liquidity placements; as well as (iii) the relative proportions of its assets funded by debt and equity. SEK issues debt instruments with terms that may be fixed, floating, or linked to various indexes. SEK's strategy is to economically hedge these terms to floating rates with the goal of matching its debt-financed assets. The quality of SEK's financial results, its relatively stable credit ratings, its role within Swedish public policy and its close connection to the Swedish state have enabled SEK to realize funding at levels that are competitive within the market. Another key influence on SEK's results of operations has been changes in fair value of certain assets, liabilities and derivatives reported at fair value. Also during the years in the wake of the financial crisis of 2008, realized profits from certain disposals as a result of the crisis, as well as substantially higher amounts of net credit losses have considerably affected SEK's operating profits. Realized profits during the years after the financial crisis consist primarily of the sale of shares in Swedbank and assets related to Lehman Brothers.

JANUARY-DECEMBER 2011

OPERATING PROFIT

Operating profit totaled Skr 1,889.1 million, a decrease by 52.0 percent from the previous year (2010: Skr 3,939.7 million). The negative change was mainly attributable to a realized gain in 2010 amounting to Skr 2,565.0 million for the disposal of Swedbank shares. In addition, provisions for net credit losses have increased by Skr 119.1 million in 2011 compared to 2010. The negative change in net result is compensated by realized gains in 2011 related to the sale of a claim against a subsidiary in the Lehman Brothers Group amounting to Skr 279.3 million. Furthermore, the negative change was offset by the sale of a subsidiary whose only asset was the former office building of SEK, amounting to Skr 105.1 million. Operating profit excluding profit from the disposal of shares increased by 37.4 percent from the previous year.

NET INTEREST REVENUES

Net interest revenues totaled Skr 1,870.8 million, which is a decrease of 1.5 percent from the previous year (2010: Skr 1,898.5 million). This decrease was primarily due to a decline in the average volumes of interest-bearing assets, which to some extent was offset by an increase in margins.

The average margin on debt-financed assets was 0.55 percent per annum, an increase of 6 basis points, or 12.2 percent, from the previous year (2010: 0.49 percent). The increase in the average margin was partly attributable to the portion of outstanding volume derived from loans with higher margins having increased as well as lower interest costs compared to the previous year, when costs related to SEK's required participation in the Swedish State's stability fund were higher.

The average volume of debt-financed assets amounted to Skr 268.0 billion during the year, a decrease of 13.1 percent from the previous year (2010: Skr 308.3 billion). The average volumes for debt-financed loans outstanding during the year amounted to Skr 166.2 billion (2010: Skr 175.4 billion), while debt-financed liquidity placements amounted to Skr 101.8 billion (2010: Skr 132.9 billion). The main reason for the lower average volumes was that SEK deemed that the need for holding liquidity placements was lower. The amount needed for liquidity placements is based on anticipated need for disbursements under existing and new loans and collateral agreements. The funding for these needs is invested in securities, pending disbursement. See Note 11 for further information about loans and liquidity placements.

COMMISSIONS EARNED AND COMMISSIONS INCURRED

Commission earned amounted to Skr 12.3 million (2010: Skr 19.7 million). Commissions incurred amounted to Skr 14.9 million (2010: Skr 19.9 million). The decrease in commissions earned was primarily due to lower revenues from capital market commissions. The decrease in commissions incurred was mainly related to lower bank fees.

NET RESULTS OF FINANCIAL TRANSACTIONS

Net results of financial transactions totaled Skr 523.4 million (2010: Skr 2,497.6 million). This significant decrease from 2010 was primarily attributable to the gain realized in 2010 from the sale of the shares in Swedbank, which totaled Skr 2,565.0 million (see Note 23), which was offset by a realized gain during 2011 of Skr 279.3 million related to the sale of a claim on a subsidiary of the Lehman Brothers Group. For further analysis see below, under the respective subheading of realized and unrealized results.

Realized net results of financial transactions

Realized net result of financial transactions amounted to Skr 481.9 million (2010: Skr 2,672.6). The decrease compared to previous year is mainly attributable to a realized gain in 2010 amounting to Skr 2,565.0 million for the disposal of Swedbank shares. The negative change in net result was offset by realized net gains from disposed assets and early redemption (excluding the sale of shares in Swedbank) equal to Skr 434.9 million (2010: Skr 9.0), of which Skr 279.3 million was related to the sale of a claim on a subsidiary of the Lehman Brothers Group.

Unrealized net results of financial transactions

Unrealized net results of financial transactions amounted to Skr 41.5 million (2010: Skr –175.0). Positive changes in unrealized net result in 2011 were mainly attributable to a decrease in credit spread on SEK's own debt which was offset by a change in value related to of SEK's subordinated debt. The negative change in fair value during the same period 2010 was mainly related to an increase in fair value on long-term borrowing.

OTHER OPERATING INCOME

Other operating income amounted to Skr 108.8 million (2010: Skr 0.0) and consisted mainly of realized profit from the disposal of shares in subsidiaries. On April 13, 2011, the Parent Company sold all the shares in the wholly owned subsidiary AB SEKTIONEN to a company in the LMK Industri AB Group. AB SEKTIONEN's main asset was its building, which served as SEK's headquarters up to December 17, 2010, when SEK moved its headquarters to new, rented, premises. AB SEKTIONEN's operating business prior to the sale was to rent its building to the Parent Company.

PERSONNEL EXPENSES

Personnel expenses totaled Skr 282.8 million (2010: Skr 259.4 million) which is an increase of 9.0 percent compared with previous year. The increase in personnel expenses was due to an accrual being made for the estimated cost of the general personnel incentive program of Skr 25.5 million (2010: Skr 0.0) since the set objectives were met. No amounts were paid in the personnel incentive program in the previous year. The outcome of the general personnel incentive program is based on the operating profit excluding unrealized changes in fair value. Since 2009, senior executives receive no variable remuneration. The total annual cost for each employee is limited to an amount equaling two months' salary for that employee plus social insurance costs. SEK's general incentive program includes all permanent employees of the Group except for the executive officers, as aforementioned. The total number of employees included in the general incentive program at December 31, 2011, was 211 as compared to 216 at December 31, 2010.

For information about the general incentive program and other terms and conditions of remuneration, see Note 5.

OTHER EXPENSES

Other expenses amounted to Skr 203.1 million (2010: Skr 191.9 million), an increase of 5.8 percent compared to previous year. The increase in other expenses was mainly due to an increase in costs related to SEK renting its office space instead of, as previously, owning it. Furthermore, costs for IT and information system have increased, counteracted by costs for external fees having decreased. During 2010 external fees were affected by expenses associated with activities to strengthen internal control, as well as defining and clarifying SEK's role and positioning. This effort was mainly concluded during 2010.

AMORTIZATION OF NON-FINANCIAL ASSETS

Amortizations of non-financial assets amounted to Skr 14.5 million (2010: Skr 13.1 million), and these costs were primarily attributable to the amortizations of intangible assets relating to SEK's business systems.

NET CREDIT LOSSES

During the year an additional provision of Skr 110.0 million has been made to the reserve for unspecified counterparties. By contrast, the reserve decreased by Skr 35.0 million during 2010. The increase in the reserve during 2011 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. Net credit losses amounted, thereafter, to Skr 110.9 million, compared to the recovery of net credit losses amounting to Skr 8.2 million for 2010.

NET PROFIT AFTER TAX

Net profit for the year amounted to Skr 1,399.5 million (2010: Skr 2,891.7 million). Tax on net profit amounted to Skr 489.6 million (2010: Skr 1,048.0 million), of which Skr 403.6 million (2010: Skr 1,038.8 million) consisted of current tax and Skr 70.1 million (2010: Skr 9.2 million) consisted of deferred tax (see Note 10). The decrease in net profit for the year 2011 was primarily due to the gain realized from the sale of shares in Swedbank in 2010, which had a positive impact of Skr 1,890.0 million after tax with no corresponding such impact during 2011.

CHANGES IN FAIR VALUE IN OTHER COMPREHENSIVE INCOME

Changes in fair value, not reported in net profit but in other comprehensive income, amounted to Skr 406.8 (2010: Skr –1,858.6 million). Skr 12.1 million (2010: Skr –1,653.3 million) was attributable to the change in value on available-for-sale securities and Skr 394.7 million (2010: Skr –205.6 million) was attributable to the change in value of derivatives used in cash-flow hedges.

The positive changes in fair value for the full year 2011 related to available-for-sale securities were due to decreased credit spreads on asset bonds. The negative change in fair value during the previous year in value of available-for-sale securities were mainly due to a transfer of unrealized positive changes in fair value in the shares in Swedbank, from other comprehensive income to operating profit, due to realized profit related to the disposal. The positive changes in fair value related to cash-flow hedges during 2011 were related to unrealized profit on derivatives attributable to declining Swedish interest rates for maturities over one year in Swedish kronor. The previous year's negative changes in fair value related to cash-flow hedges were due to the transfer of unrealized changes in fair value from other comprehensive income to operating profit during 2010 was significantly higher than the unrealized changes in fair value. After tax deductions amounting to Skr –107.0 million (2010: Skr 488.9 million), other comprehensive income amounted to Skr 299.8 million 2010: Skr –1,370.0 million).

PERFORMANCE MEASUREMENT IN THE CONSOLIDATED GROUP

SEK discloses both operating profit (calculated in accordance with IFRS) which is operating profit including changes in 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 fair value of certain financial instruments which are recognized for IFRS purposes.

Operating profit excluding changes in fair value of certain financial instruments is a supplementary metric to operating profit. Operating profit 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.

PERFORMANCE MEASUREMENT AND RETURN ON EQUITY

Skr mn	January–December 2011	January–December 2010
Operating profit	1,889.1	3,939.7
Unrealized changes in fair value	-41.5	175.0
Operating profit excl. unrealized changes in fair value	1,847.6	4,114.7
After-tax return on equity	11.3%	22.2%
After-tax return on equity excl. unrealized changes in fair value	11.0%	26.3%

For definitions of performance measurement and return on equity, see page 44.

RETURN ON EQUITY

Return on equity was 11.3 percent (2010: 22.2 percent) after taxes. Return on equity, excluding the effect of the sale of shares in Swedbank (see Note 23), was 11.3 percent (2010: 7.7 percent) after taxes.

Return on equity excluding unrealized changes in fair value was 11.0 percent (2010: 26.3 percent) after taxes. Return on equity, excluding unrealized changes in fair value and excluding the effect of the sale of shares in Swedbank, was 11.0 percent (2010: 9.9 percent) after taxes.

STATEMENT OF FINANCIAL POSITION

TOTAL ASSETS AND LIQUIDITY

SEK's total assets at the end of 2011 amounted to Skr 319.7 billion, which is an 5.9 percent decrease from December 31, 2010 (year-end 2010: Skr 339.7 billion). Of total assets, loans amounted to Skr 195.6 billion (year-end 2010: Skr 179.7 billion) and liquidity placements amounted to Skr 84.9 billion (year-end 2010: Skr 116.6 billion). The decrease of outstanding liquidity placements was related to SEK deeming the need for holding liquidity placements to be lower. The amount needed for liquidity placements is based on anticipated need for disbursements under existing and new loans and collateral agreement.

The amount of outstanding and undisbursed loans totaled Skr 220.7 billion at the end of the year, which represents an increase of 1.3 percent (year-end 2010: Skr 217.9 billion). Of this amount, Skr 195.6 billion consisted of loans outstanding, which is an increase of 8.9 percent from the previous year (year-end 2010: Skr 179.7 billion). Of the total volume of outstanding and committed but undisbursed loans, Skr 43.3 billion (year-end 2010: Skr 40.6 billion) related to the S-system, of which Skr 34.2 billion (year-end 2010: Skr 24.0 billion) consisted of loans outstanding. The increase of loans outstanding in the S-system is attributable to the fact that SEK's customers have increasingly found the CIRR loans commercially attractive and a way to diversify funding sources, since other sources of funding are not as readily available as before the financial crisis. The S-system is made up of CIRR loans, which is the Swedish State's export credit support system, and the State's tied aid credit program.

As of December 31, 2011 the aggregated amount of outstanding offers amounted to Skr 64.3 billion (year-end 2010: Skr 86.6 billion), a decrease of 25.8 percent since the year-end 2010. Skr 57.6 billion (year-end 2010: Skr 75.8 billion) of outstanding offers derived from the S-system. The decrease in outstanding offers was related to a large amount of outstanding offers maturing during the year.

Despite the decrease in liquidity placements, SEK continues to have a high level of liquid assets and a low funding risk. The aggregate volume of funds and equity exceeded the aggregate volume of loans outstanding and loans committed during each future time period. Accordingly, all loan commitments are funded through maturity. See also the chart title "Development over time of SEK's available funds" chart in the "Risk" section on page 55. The Risk section is an integral part of this Report of the Directors.

COUNTERPARTY RISK EXPOSURES

In the composition of SEK's counterparty exposure, exposure to government export credit agencies and corporates has increased in proportion, to the decrease in the exposure to financial institutions and asset-backed securities. Of the total counterparty exposure at December 31, 2011, 43.4 percent (year-end 2010: 40.6 percent) was to states and government export credit agencies; 27.6 percent (year-end 2010: 33.0 percent) was to financial institutions; 5.1 percent (year-end 2010: 6.9 percent) was to asset-backed securities; 17.7 percent (year-end 2010: 12.5 percent) was to corporates; and 6.1 percent (year-end 2010: 6.9 percent) was to regional governments. SEK's exposure to derivative counterparties is significantly limited when compared to the amount of derivatives reported among SEK's assets, Skr 31.5 billion (year-end 2010: Skr 37.7 billion), since most derivatives are subject to collateral agreements. See the table "Total net exposures" in Note 27. Derivatives reported as assets in the statement of financial position are the aggregate of the fair value of all individual derivative contracts which has a positive fair value. Hence, no consideration is taken with regard to netting or collateral posted.

For net exposures to counterparties in Greece, Ireland, Italy, Portugal and Spain see Note 27. These exposures have decreased in 2011.

SEK's hedging transactions are expected to be effective in offsetting changes in fair value attributable to hedged risks. The gross value of certain items in the statements of financial position, particularly derivatives and issued (non-subordinated) securities, which 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 (which can be significant), such changes in fair value would generally offset each other; with little impact on the value of net assets (see the section Critical Accounting Policies in Note 1).

OTHER EXPOSURES AND RISKS

SEK maintains a conservative policy with regard to market exposures, such as interest rate risks, currency risks and operational risks. See the section titled "Risk" on pages 45–59.

For quantitative and qualitative information about risks and exposures, see the section titled "Risk" on pages 45–59 as well as Note 27 Risk information.

LIABILITIES AND EQUITY

As of December 31, 2011, the aggregate volume of funds borrowed and shareholders' equity exceeded the aggregate volume of loans outstanding and loans committed at all maturities. Thus, SEK consider that all outstanding commitments are covered through maturity.

On December 21, 2011, Standard & Poor's Ratings Services (S&P) announced that it had lowered its issue ratings on SEK's two rated outstanding junior subordinated debt instruments to 'BBB-' from 'A+'. At the same time, they lowered the associated program ratings on SEK's junior subordinated hybrid instruments to 'BBB-' from 'A+'. According to S&P, the rating action is in line with S&P's updated methodology on rating hybrid instruments and reflects their view that in most instances within the EU involving state aid, there has been a requirement to apply a burden-sharing arrangement involving junior subordinated debt holders. The downgrade is limited to these two junior subordinated debt instruments and the related program. No other ratings of SEK or any of its other debt instruments are affected.

On January 30, 2012, the Board of Directors has resolved to propose at the Annual General Meeting that a dividend of Skr 420.0 million (2010: Skr 301.0 million) be paid, which represents 30 percent of net profit after tax. For the year 2010, an additional special dividend of Skr 1,890.0 million was also paid, due to the gain realized from the sale of Swedbank shares.

CAPITAL ADEQUACY

SEK's total capital adequacy ratio calculated according to Basel II, Pillar 1, was 23.3 percent as of December 31, 2011 (year-end 2010: 22.4 percent), of which the Tier-1 capital ratio was 23.3 percent (year-end 2010: 22.4 percent). Amendments to the capital adequacy rules related to price adjustments, which came into effect in December 2011 in Sweden, have affected the capital base, however not with a material effect. The Common Equity Tier-1 capital adequacy ratio was 19.6 percent (year-end 2010: 18.7 percent). See Note 26 for further information on capital adequacy.

RESULTS UNDER THE S-SYSTEM

CIRR loans represent one of two varieties of loans in the S-system. The result in the S-system for 2011 amounted to Skr 81.8 million (2010: Skr –27.8 million), of which result related to CIRR loans comprised Skr 123.7 million (2010: Skr 11.6 million). The result related to concessionary loans, the other type of loan in the S-system, amounted to Skr –41.9 million (2010: Skr –39.4 million). The S-system paid net compensation to SEK of Skr 72.4 million (2010: Skr 48.7 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. A net deficit of both types of loans in the S-system is fully reimbursed by the State, while a net surplus is repaid to the State. The result for the S-system includes a commission revenue item of Skr 92.4 million (2010: Skr 50.8 million), which represents upfront interest compensation for early terminated loan agreements.

The aggregate surplus for the CIRR based export credits under the S-system for the period from 1990 to 2011 amounted to approximately Skr 2.3 billion, with the average year-end volume of outstanding loans of Skr 9.9 billion.

BUSINESS OBJECTIVES

SEK's overall business objectives encompass objectives for increased customer satisfaction and aims to ensure organizational efficiency and financial performance. The number of new clients and customer relations constituted the metrics for customer satisfaction. A ceiling for the costs and the employees' assessment of the business' effectiveness constituted the metrics for organizational efficiency whereas return on equity constituted the primary measure for financial performance. All the operational objectives were reached or exceeded in 2011. In addition to the overall business objectives SEK targets capital structure, brand awareness, employee motivation and internal control.

The Board of Directors will, at the annual general meeting, propose to the owner, the following financial objectives for the company:

Profitability Return on equity will, in the long-term, be equivalent to the risk free interest rate plus 5 percentage points. The risk free interest rate shall be calculated as the average of the ten-year government bond rate over the past 10 years.

Capital structure The objective is for the Common Equity Tier-1 adequacy ratio to be 16 percent and no less than 12 percent.

Dividend policy The ordinary dividend will amount to 30 percent of earnings. Under the policy, at the proposal for distribution, the target capital structure, the company's future capital needs and potential investment and acquisition plans, shall be taken into account.

CORPORATE GOVERNANCE

SEK adheres to the Swedish Corporate Governance Code, the Swedish government's guidelines for companies with state ownership as well as the Swedish Annual Accounts Act for Credit Institutions and Securities Companies. 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 give an opinion on the efficiency of internal control within the framework of SOX.

See also the Corporate Governance Report. In 2011, the Swedish Financial Supervisory Authority initiated an industry-wide inquiry of financial institutions' reporting of financial instruments they hold. SEK is co-operating with this inquiry and the outcome of it is not yet available.

REMUNERATION POLICY

SEK is governed by the Swedish Financial Supervisory Authority's regulations and recommendations on remuneration policies in credit institutions, securities companies and fund management companies (FFFS 2011:1). SEK's remuneration policy promotes effective risk management and does not encourage excessive risk-taking. The company also follows the state's guidelines on the terms and conditions of remuneration for leading officials in companies with state ownership within this annual report stated deviations. See Note 5.

PERSONNEL AND ORGANIZATION

During the year, the average number of employees was 234 (2010: 228 employees), of which 108 were women and 126 men (2010: 100 women and 128 men). The total number of employees at year-end was 232 (year-end 2010: 235 employees). The average employee age at year-end was 42 (year-end 2010: 41 years).

At the end of the year, the company's executive management consisted of 8 members (year-end 2010: 7 members), 3 of which were women and 5 were men (year-end 2010: 3 women and 4 men). The number of employees in other management positions at the end of the year was 42 (year-end 2010: 39 employees), of which 16 were women and 26 men (year-end 2010: 16 women and 23 men).

SEK's work is also supported by a range of policies and guidelines such as an instruction for SEK's working environment and an equal opportunities plan, as well as other guidelines that give the employees at SEK a healthy and stimulating working environment.

ENVIRONMENT AND SOCIAL RESPONSIBILITY

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

SUSTAINABILITY REPORT

From 2011, SEK's sustainability reporting is published separately on SEK's website www.sek.se.

FUTURE DEVELOPMENT

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

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

SEK is not aware that any of these factors as of the date of this report will have a negative impact on the future of the company.

EVENTS AFTER THE REPORTING PERIOD

SEK has a Skr 100 billion loan facility with the Swedish National Debt Office. 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. On January 31, 2012, both the loan facility and the ability to purchase state guarantees were extended for 2012.

On March 14, 2012, the arbitration proceedings, which can not be appealed were concluded in SEK's favor with regard to the dispute between SEK and Sparbanksstiftelsernas Förvaltnings AB (SFAB). The dispute relates to SEK's transfer of ownership of shares in Swedbank from SFAB in March 2009. SFAB has also been ordered to reimburse SEK for the expenses it incurred during the arbitration proceedings. See Note 23 for more information on the dispute.

FINANCIAL HIGHLIGHTS

Amounts (other than %) in Skr mn	2011	2010	2009	2008	2007
Results					
Net interest revenues	1,870.8	1,898.5	1,994.3	1,543.3	833.1
Operating profit	1,889.1	3,939.7	2,368.6	185.2	497.0
Net profit for the year (after taxes)	1,399.5	2,891.7	1,727.3	143.9	345.9
After-tax return on equity[1]	11.3%	22.2%	16.8%	2.8%	8.2%
Operating profit excl. unrealized changes in fair value[2]	1,847.6	4,114.7	1,599.3	833.9	535.0
After-tax return on equity excl. unrealized changes in fair value[1]	11.0%	26.3%	10.9%	12.1%	9.2%
Operating profit excl. profit from sale of Swedbank shares					
Operating profit	1,889.1	1,374.7	2,368.6	185.2	497.0
After-tax return on equity[1]	11.3%	7.7%	16.8%	2.8%	8.2%
Operating profit excl. unrealized changes in fair value[2]	1,847.6	1,549.7	1,599.3	833.9	535.0
After-tax return on equity excl. unrealized changes in fair value[1]	11.0%	9.9%	10.9%	12.1%	9.2%
Dividend[3]	420.0	2,191.0	518.0	–	–
Customer financing					
New customer financial transactions[4]	51,249	48,749	122,476	64,890	56,826
of which direct customer financing	20,549	24,388	67,744	32,705	33,839
of which end customer financing	30,700	24,361	54,732	32,185	22,987
Loans, outstanding and undisbursed[4,5]	220,672	217,862	232,164	180,109	131,741
Volume of offers of lending	64,294	86,623	84,506	27,394	45,606
Borrowing					
New long-term borrowings[6]	47,685	76,644	111,831	86,136	107,970
Outstanding senior debt	273,245	300,671	324,795	309,468	269,452
Outstanding subordinated debt	3,175	2,590	3,143	3,324	2,837
Statement of financial position					
Total assets	319,702	339,688	371,588	370,014	297,237
Total liabilities	305,734	327,118	358,133	359,620	292,626
Total equity	13,968	12,570	13,455	10,394	4,610
Capital					
Total capital adequacy ratio, incl. Basel I-based additional requirements[7]	23.3%	22.4%	18.7%	15.5%	8.9%
Total capital adequacy ratio, excl. Basel I-based additional requirements[8]	23.3%	22.4%	19.8%	21.4%	17.1%
Tier-1 capital adequacy ratio, incl. Basel I-based additional requirements[7]	23.3%	22.4%	17.9%	14.8%	6.5%
Common Equity Tier-1 adequacy ratio, incl. Basel I-based additional requirements[9]	19.6%	18.7%	14.3%	11.7%	3.6%

1 Operating profit, after taxes, expressed as a percentage per annum of the opening balance of equity, adjusted for dividends paid during the period. When calculating return on equity based on operating profit excluding unrealized changes in fair value, reserves related to financial assets available-for-sale and reserves for cash flow hedge accounting are excluded from the opening balance of equity

2 Operating profit excluding unrealized fair value changes and taxes. Fair value changes relate to financial assets except held-for-trading securities and financial liabilities, and to related derivatives (see Note 4).

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

4 New customer financing includes new loans accepted and syndicated customer transactions. It refers to all loans accepted, regardless of maturities.

5 Amounts of loans include all loans, including loans granted in the form of interest-bearing securities, as well as loans granted by traditional documentation. SEK considers that these amounts are useful measurements of SEK's credit/lending volumes. Comments on lending volumes in this report therefore relate to amounts based on this definition (see Note 11).

6 New borrowing with maturities exceeding one year.

7 Capital adequacy ratio expressed as a percentage of risk-weighted assets in accordance with Basel II, Pillar 1, calculated in accordance with §5 of the law (Law 2006:1372) that details the implementation of the law (Law 2006:1371) regarding capital adequacy and large exposures.

8 Capital adequacy ratio expressed as a percentage of risk-weighted assets in accordance with Basel II, Pillar 1, excluding adjustments for valid transitional rules regarding required minimum capital. Please see Note 26 "Capital Adequacy ", in this Annual Report for a complete description of the calculation of required minimum capital during the transitional period.

9 According to SEK's definition, Common Equity Tier-1 constitutes of Tier-1 capital excluding additional Tier-1 capital in the form of perpetual subordinated debt.

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

RISK AND CAPITAL MANAGEMENT

During 2011, there were no significant changes to SEK's objectives, principles, risk management methods or methods of measuring risk. Furthermore, neither the types of risk exposures nor the origins of these exposures have changed materially. Uncertainty and risks, especially in the financial system, increased further in 2011, which may lead to increased losses over time.

At December 31, 2011, SEK's risk-weighted assets (RWA), as calculated in accordance with Basel II (without taking into consideration the transitional rules applicable during the current period of transition from Basel I to Basel II), were equal to Skr 65.9 billion (year-end 2010: Skr 64.5 billion), which implies a Common Equity Tier-1 ratio of 19.6 percent (year-end 2010: 18.7 percent), a Tier-1 ratio of 23.3 percent (year-end 2010: 22.4 percent) and a total capital adequacy ratio of 23.3 percent (year-end 2010: 22.4 percent). In 2009, the Swedish legislature decided to extend the transitional rules until the end of 2011, and in 2011, the legislature determined to further extend the transitional rules. For 2012, therefore, the capital requirement will continue to correspond to the highest capital requirement under the Basel II rules and 80 percent of the capital requirement under Basel I rules. The above-mentioned transitional rules have had no impact on SEK's risk-weighted assets and capital adequacy ratios, either at the end of 2011 or 2010. For further information on capital adequacy, see Note 26.

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

RISK, LIQUIDITY AND CAPITAL MANAGEMENT

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

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

It is not only in transactions with customers that risk management skills are vital for success. Based on SEK's strategy, which has been used for many years, SEK's borrowing activities benefit from the market's various types of risk preferences. By being flexible and accepting new types of structures at an early stage – while also being able to manage the risks that these imply – the company can satisfy investor demands regarding risk exposure while also obtaining funding on favorable terms. SEK has a conservative policy on liquidity and funding risk, which means, for example, that all credit commitments – outstanding credits as well as agreed but undisbursed credits – will at all times be fully funded throughout the maturity period.

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

RISK MANAGEMENT AND RISK CONTROL

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

The chart "General Principles for Governance" on page 61, 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 furnished and reported to the Board at its meetings. The Board has established a dedicated Finance Committee, which assists the Board with overall issues regarding the company's financial operations. These financial operations include long- and short-term funding, liquidity management, risk measurement and risk limits, as well as matters regarding policy and quality control. The Finance Committee can make decisions on interest rate and currency limits. The Board's Credit Committee is the Board's working group 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 and other benefits for the President and overall issues relating to salaries and other benefits. The Remuneration Committee also prepares proposals on salaries and other benefits for the executive management and on the terms for and outcome of the general incentive system.

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

SEK's risk-related management and control is directed at credit, market, liquidity, and operational risks. Management and control at the corporate level includes the entire company, i.e., all risks, but they are directed especially at risk appetite, capital targets and business environment risk.

Within SEK, responsibility for risk management is based on the principle of three "lines of defense," the aim of which is to clarify roles and responsibility for risk management. The first line of defense consists of business units (including support functions) that "own" and manage risks. The Risk Control and Compliance function constitutes the second line of defense and it is responsible for the monitoring and control of risk and ensuring compliance. The third line of defense consists of Internal Audit, whose task is to undertake independent inspection and supervision of both the first and second lines of defense.

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

The second line of defense also consists of a Compliance function. This function supports the organization in ensuring that operations are run according to applicable regulations, and also monitors compliance with regulations within the company. The Compliance function reports to the President but is also obliged to report to the Board. Internal Audit, which is the third line of defense, investigates and assesses the efficiency and integrity of the risk management described above. Internal Audit reports to the Board. Internal Audit performs auditing activities in accordance with by the Board approved audit plan. Internal Audit reports regularly to the Board, the Board's Audit Committee and to the President and also informs SEK's executive management on a regular basis. To further strengthen the third line of defense, in 2011 the Board took the decision to outsource the Internal Audit function to an external party as of January 1, 2012. This is in order to ensure access to specialist expertise and global networks, which are considered to be of particular importance at a time of extensive regulatory changes.

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

AIM, FOCUS AND OBJECTIVES OF RISK MANAGEMENT

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

During 2011, there were no significant changes to SEK's objectives, principles, risk management methods or methods of measuring risk. Furthermore, the exposure to various types of risk, or their origins, has not changed materially. Uncertainty and risks, especially in the financial system, increased further in 2011, which may lead to increased losses over time. This is the reason for the increase in credit loss reserves not linked to specific counterparties.

Core Principles for Risk Management

- SEK shall carry out its business in such a manner that SEK is perceived by its business counterparties as a first-class counterparty.
- SEK shall be selective in its choice of counterparties in order to ensure high creditworthiness.
- All SEK's credit commitments shall at all times be fully funded throughout maturity.
- SEK shall at all times have risk capital well above regulatory requirements.

SEK'S RISK MANAGEMENT

SEK's risk management primarily involves using various techniques to transform and reduce gross risks into net risks that are at an acceptable level for SEK. The matrix below describes management's view on risk management for SEK's most significant risk categories.

GROSS EXPOSURE

CREDIT RISK

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

COUNTERPARTY RISK IN DERIVATIVE TRANSACTIONS

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

MARKET RISKS – INTEREST RATES

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

MARKET RISKS – CURRENCY

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

MARKET RISKS – OTHER MARKETS

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

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
■ By using different methods for corporates, financial institutions and insurance companies, SEK establishes credit ratings for its individual counterparties. Most of the counterparties against whom SEK accepts net exposures are also rated by one or more of the internationally recognized rating agencies. In order to be able to keep the credit risk at the desired level, SEK usually uses various types of guarantees and other risk-mitigating solutions. For export credits, where the ultimate borrower may have low creditworthiness, guarantees from Export Credit Agencies (ECAs) and banks are normally used. To avoid larger than desired risks, SEK may also require risk mitigation in those cases where counterparties have high creditworthiness but where the financing requirements are large. In such cases, credit derivatives are normally used. SEK's liquidity placements shall be made in assets with good credit quality and in accordance with defined guidelines.	■ The net risk is limited mainly to counterparties with high creditworthiness. In many cases there are several guarantors liable for payment in respect of the same exposure. The net risk for an exposure with several guarantors that are liable for payment is considerably lower than the risk would have been against an individual counterparty. Net risk takes into account any risk mitigation/risk distribution.
■ In order to keep counterparty risks at a controlled and acceptable level, SEK methodically chooses counterparties with good credit quality for derivative transactions. To further reduce these risks, SEK strives to obtain collateral agreements from counterparties before entering into a derivative transaction. This means that the highest permitted risk level is decided in advance, regardless of market value changes that may occur.	■ The combination of a choice of counterparties and collateral agreements leads to limited net risk. All exposures related to counterparty risk in derivative transactions must be contained within set limits.
■ SEK uses various techniques for measuring and managing interest rate risks which are designed to provide a clear picture and good control of these risks. Using different derivatives, the original interest rate risks in assets and liabilities are normally transformed from long-term to short-term interest terms in currencies with well-functioning markets.	■ The net risk is limited. Market-related counterparty risk remains in respect of counterparties in derivative transactions to the extent that derivatives are used to manage interest rate risk.
■ Differences in exposures to individual currencies that exist between different transactions are matched with the aid of various derivatives, primarily currency swaps. Currency exposure also arises in the net interest income that is continuously generated in foreign currency. This is hedged regularly in order to minimize risks.	■ The net risk comprises an accrued net interest income in foreign currency that is hedged regularly, which results in low risk. 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.	■ SEK generally does not have any net exposure to any types of risk other than interest rate, currency and credit 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 funding risk, it is SEK's policy that all credit commitments – outstanding credits and agreed but undisbursed credits – must be funded until maturity. Surplus borrowing is invested in assets with good credit quality and with a maturity profile that matches expected needs. SEK also has a strict policy for liquidity risk in its short-term liquidity management. This policy includes requirements for back-up facilities.	■ Overall, SEK has a limited and well controlled liquidity and funding risk.
■ SEK places great importance on developing structural capital by having clear and reliable routines, a clear division of responsibility, competent and knowledgeable employees and good systems support. SEK also works continually on ethical issues. Long-term, consistent efforts result in the development of risk awareness and attitudes among employees.	■ Operational risk exists in all operations and can never be totally avoided. Operational risk is, however, kept to a controlled, acceptable level through consistent quality assurance work.

CREDIT RISK

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

EVENTS IN 2011

In 2011, the level of risk in SEK's total net exposures, defined as the average risk weighting, increased marginally and the total volume of risk-weighted assets (RWA) increased slightly. During the year, there have been minor changes in the composition of SEK's total net exposures. Exposures to corporates have increased, while exposures to financial institutions have declined. The migration matrix below, based on internal risk classification, overall shows a marginally positive migration for risk classes A+ to BB- and a more neutral trend for other risk classes. The number of counterparties that received a modified risk class is more than in 2010.

MIGRATION MATRIX; CORPORATES AND FINANCIAL INSTITUTIONS UNDER THE IRB APPROACH AT DECEMBER 31, 2011

The migration matrix displays the rating breakdown as of December 31, 2011 for counterparties for which SEK applies the IRB method, relative to ratings as of December 31, 2010. For information regarding rating linked to financial assets as well as the part of the credit exposures where SEK applies the IRB method, see pages 126, 127 and 129 under Note 27.

The table should be read row by row. The first row displays the breakdown by rating as of December 31, 2011 for the counterparties that as of December 31, 2010 were rated 'AAA'. The second row displays the breakdown by rating as of December 31, 2011 for the counterparties that as of December 31, 2010 were rated 'AA+', and so on. The shaded diagonal thus displays the percentage of counterparties whose rating was unchanged as of December 31, 2011, compared with December 31, 2010.

	2011																		
	AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-	BB+	BB	BB-	B+	B	B-	CCC/C	D	Total
AAA	100%																		100%
AA+	12%	85%	3%																100%
AA		8%	83%	9%															100%
AA-			12%	81%	7%														100%
A+				27%	57%	14%		2%											100%
A					13%	76%	4%	7%											100%
A-						15%	83%	2%											100%
BBB+				2%			6%	71%	18%	3%									100%
BBB					2%	2%		55%	41%										100%
BBB-									14%	79%	7%								100%
BB+										14%	68%	18%							100%
BB									5%	11%	26%	47%	11%						100%
BB-											8%	23%	69%						100%
B+												50%		0%	50%				100%
B															0%	50%		50%	100%
B-															67%	0%	33%		100%
CCC												50%					50%		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, 2012 for the belowmentioned exposures.

- 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 business area.

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

All of SEK's counterparties must be assigned a risk classification or rating internally. For exposures that are included in the exemptions from the IRB approach, granted to SEK by the Swedish Financial Supervisory Authority, external rating is used. External rating is also used for securitization positions. The decision concerning an internal rating for a counterparty is taken by SEK's Rating Committee. The members of the Rating Committee are appointed by the President based on the members' previous experience of risk assessment and experience of credit rating. The Rating Committee members come from various functions within SEK, with a majority of the members representing non-commercial functions within the company. SEK aims to maintain continuity within the Rating Committee. The design of the company's IRB system includes a number of both operational and analytical aspects. The operational design concerns the organizational process for and control of how counterparties are assigned risk classifications. Important operational aspects include where in the company the risk classification is made and established, and how the responsibility for monitoring, validation and control is distributed throughout the organization. The analytical design concerns how risk is measured and assessed. This includes how loss concepts are defined and measured, and which methods and models are used for risk classification and the calculation of risk. The analytical design of risk classification systems often differentiates significantly between different financial institutions. A common factor among the systems, however, is that every credit exposure within a specific risk class is associated with a number of quantifiable risk expressions. The two terms that together primarily express the credit risk of an exposure are the probability of default or cessation of payments by a borrower (Probability of Default, PD) and the portion of the loan that will be lost in the event of a default (Loss Given Default, LGD). Using these two parameters and the size of the outstanding exposure at default (Exposure at Default, EAD), it is possible to calculate the statistically expected loss (Expected Loss, EL) for a given counterparty exposure. By using what is known as the Basel formula, the unexpected loss (UL) can also be estimated. In the Foundation IRB approach, only the PD is estimated internally. The values of the other parameters are set by the supervisory authority.[1]

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. By allocating each counterparty an explicit (cardinal) default probability, the company can check its own risk classification against external sources.

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 intends to start using insurance solutions for risk mitigation. In 2011, SEK applied for approval by the Swedish Financial Supervisory Authority to use the Foundation internal rating-based approach to calculate risk-weighted exposures to insurance companies. On January 12, 2012 the Swedish Financial Supervisory Authority granted SEK permission to use the Foundation internal rating-based approach.

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

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

LIMITS AND MONITORING

SEK uses limits to manage lending and to limit risks to a set extent. This limit expresses the highest acceptable exposure to a risk counterparty for each future date. A limit granted by the appropriate committee permits SEK's business functions to, conclude, within such limit, business transactions in

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

SEK's name that imply credit risk in respect of the relevant counterpart. All limits and risk classifications are reviewed at least once a year. Exposures judged to be problem credits[2] are subject to more frequent reviews, and the limit is blocked[3] 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 kind of credit risk – arises when derivative transactions are used to manage risks. In order to limit this risk, SEK enters into such transactions solely with counterparties with good creditworthiness. Risk is further reduced by SEK's entering into ISDA Master Agreements, with associated collateral agreements, known as Credit Support Annex, with its counterparties before entering into derivative transactions. Any exemptions to this require a special decision, which is taken as a part of the credit process for the relevant counterparty. These collateral 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, 2011 was Skr 31.5 billon (year-end 2010: Skr 37.7 billion). After netting on the basis of the current Credit Support Annex (by counterparty), the exposure was Skr 16.7 billion (year-end 2010: Skr 23.6 billion), i.e., Skr 14.8 billion less than the gross exposure (year-end 2010: Skr 14.1 billion less than gross exposure). As of December 31, 2011 counterparties had paid Skr 15.6 billion (year-end 2010: Skr 14.3 billon). At the end of 2011, SEK had provided credit support under Credit Support Annex with different counterparties amounting to Skr 4.3 billion (year-end 2010: Skr 0.7 billion), reducing total counterparty risk exposure for SEK by the corresponding amount.

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 contracts 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, 2011, government export credit agencies guaranteed a total of Skr 123.1 billion, or 39.3 percent of SEK's total credit exposures (year-end 2010: Skr 123.8 billion, or 35.8 percent). Skr 110.0 billion covered corporate exposures, Skr 5.3 billion covered exposures to financial institutions, and Skr 7.8 billion covered government exposures (year-end 2010: Skr 109.6 billion, Skr 6.1 billion, and Skr 8.1 billion, respectively). The guaranteed corporate exposures are included in the class of financial instruments referred to as "Loans to the public", the guaranteed exposures to financial institutions are in the class "Loans to credit institutions" and the guaranteed exposures to governments are in the class "Loans to the public".

Credit derivatives

At year-end 2011, Skr 19.4 billion of SEK's assets were secured through CDS coverage obtained from 19 different financial institutions (year-end 2010: Skr 26.8 billion, obtained from 19 different financial institutions). Skr 19.4 billion covered corporate exposures and Skr 0.0 billion covered exposures in securitization positions (year-end 2010: Skr 25.3 billion and Skr 1.5 billion). All exposures covered by CDSs are included in the class of financial instruments known as "Other interest-

[2] 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.

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

bearing securities, except loans", "Loans in the form of interest-bearing securities" or "Loans to the public". SEK has what are referred to as collateral agreements in place with issuers of credit derivatives.

Collateral

SEK uses various types of collateral or risk mitigation to reduce or transfer credit risks. Approved risk mitigation methods under ISDA 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 previously described concentration risks 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.

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, 2011, was 307.9 percent of SEK's total capital base, and consisted of risk-weighted exposures to 22 different counterparties, or counterparty groups, of which the majority relate to combined exposures for which more than one counterparty is responsible for the same payments (year-end 2010: 277.5 percent and 20 different counterparties or counterparty groups). The changes in large exposure rules came into force on December 31, 2010, with transitional rules applicable through to the end of 2012. According to these rules, financial institution exposures are treated in the same way as corporate exposures. A 100 percent weighting is applied for these exposures, instead of the previous 20 percent weighting. SEK applies the transitional rules, which enable the previous method of treatment to be applied to those financial institution exposures incurred no later than 2009. Exposures to financial institutions incurred since December 31, 2009, however, have 100 percent weighting. SEK complies with these rules and reports its large exposures to the Swedish Financial Supervisory Authority on a quarterly basis.

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

MARKET RISKS

Market risk occurs when the terms of a contract are such that the size of the payments linked to the contract or the value of the contract vary due to a market variable, such as an interest rate or exchange rate. The resulting market risks are known as interest rate risk and currency risk, which are also the market risks to which SEK is primarily exposed.

RISK MANAGEMENT

SEK's management of market risks is regulated by steering documents established by the Board's Finance Committee. These clearly define and circumscribe the net market risks to which SEK is permitted to be exposed. In addition to these steering documents, SEK has instructions defining methodology for the calculation of interest rate risk. The instructions are re-established yearly by the Asset and Liability Committee. The calculated market risks are reported regularly to the Asset and Liability Committee and the Board's Finance Committee.

Measurement and reporting

The following describes how SEK internally measures and reports market risk. For the impact on results and other comprehensive income, see Note 27.

Risk neutrality for interest rate risk in debt-financed assets and debt excluding perpetual subordinated debt can only be achieved if the currency, interest rate terms and the overall maturity period for the liabilities all matches the corresponding assets. Conditions are different with regard to shareholders' funds as interest rate terms cannot be matched. According to SEK's approach, risk neutrality should be based around the aim of minimizing the impact of earnings and forming a link with the shareholder's required return on equity. According to prevalent capital market theory, the required return on equity consists of two separate parts; the risk-free rate and a risk premium. If the required return on equity is to follow this theory, it means that the nominal rate of return will vary over time, depending on the current market conditions. In addition to this theory, SEK has taken as its starting point an assessment of the average maturity in the credits and has also taken reinvestment risk into consideration. On this basis, SEK has defined zero risk (so called zero-risk definition) in assets funded with shareholder's funds as a maturity structure where 1/7 [4] of the total portfolio matures every year from year 1 to year 7.

Currency risks are kept at a low level since SEK matches assets and liabilities in terms of currencies. The limited remaining currency risk mainly arises on an ongoing basis due to

[4] As of 2012, the new return target will be based on 1/10 instead of 1/7.

differences between revenues and costs (net interest margins) related to assets and liabilities in the respective currency.

Interest rate risk in debt-financed assets and debt excluding perpetual subordinated debt

Interest rate risk in debt-financed assets and debt excluding perpetual subordinated debt is measured as the highest of the risks calculated from a positive one-percentage-point parallel shift in the yield curve and the risk from a half-percentage-point rotation of the yield curve. Perpetual subordinated debt with related hedging transactions, as well as assets in which shareholders' equity and untaxed reserves are invested, are excluded from these calculations. The limit for interest rate risk in debt-financed assets and debt excluding perpetual subordinated debt was Skr 70 million at the end of 2011 (year-end 2010: Skr 70 million). The risk amounted to Skr 37 million at the end of 2011 (year-end 2010: Skr 47 million).

Basis risk

The differences in the interest rate basis for different currencies lead to a risk in the case of surpluses or deficits in borrowings in relation to loans in individual currencies over a specific period. The basis risk is calculated (with the exception of surpluses in Skr, USD and EUR) as the change in present value due to changes in interest rate bases by a certain number of basis points (according to a standardized method). Surpluses in Skr, USD and EUR are excluded from the calculation of basis risk since the majority of SEK's lending is made in these currencies. Surpluses in these currencies may fairly swiftly be used to finance lending, if desired. The limit for basis risk was Skr 190 million at the end of 2011 (year-end 2010: Skr 190 million). Total basis risk amounted to Skr 102 million at the end of 2011 (year-end 2010: Skr 91 million).

Interest rate risk in perpetual subordinated debt

The volume of perpetual subordinated debt at December 31, 2011 amounted to USD 350 million (year-end 2010: USD 350 million), corresponding to Skr 2,423 million (year-end 2010: Skr 2,381 million). The interest rate risk relating to this volume was hedged with interest rate swaps, with maturities between 2019 and 2034. The interest rate risk in perpetual subordinated debt is measured as the highest of the risks calculated from a positive one-percentage-point parallel shift in the yield curve and the risk from a half-percentage-point rotation of the yield curve. The maturity for perpetual subordinated debt has been approximated at 30 years. SEK thus measures an approximated interest rate risk related to perpetual subordinated debt. The interest rate risk in perpetual subordinated debt was Skr 280 million at the end of 2011 (year-end 2010: Skr 144 million). There is no specific limit for this risk.

Interest rate risk in assets corresponding to shareholders' funds

In order to ensure a long-term stable return on equity, SEK's policy is to invest shareholders' funds in securities with medium-term maturities. At year-end 2011, the volume of securities for this purpose amounted to Skr 14.7 billion, with an average outstanding maturity of 3.0 years (year-end 2010: Skr 13.6 billion, with an average outstanding maturity of 3.4 years). The interest rate risk in assets corresponding to shareholders' funds is calculated as a change in present value at a one-percentage-point parallel upward shift in the yield curve compared with a benchmark portfolio according to the zero-risk definition. According to this definition, which aims to reflect the risk taking into account the shareholder's demand for long-term return on shareholders' funds, the interest rate risk was Skr 45 million at the end of 2011 (year-end 2010: Skr 48 million).

Currency risk

The risk is calculated as a change in the value of foreign currency positions resulting from a 10-percentage-point change in the exchange rate for the respective currency and the Swedish krona. The limit for currency risks was Skr 15 million at the end of 2011 (year-end 2010: Skr 15 million). The currency risk amounted to Skr 4 million at the end of 2011 (year-end 2010: Skr 2 million).

Other price risk

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

LIQUIDITY AND FUNDING RISK

Liquidity and funding risk is defined as the risk of not being able to settle payment obligations immediately when due.

EVENTS IN 2011

In 2011 a number of the new regulations developed by regulators in 2010 became part of the regulations with which the company must now comply. These regulations mainly concern the management and reporting of liquidity risk. The company is considered to be well prepared for future changes in the regulatory environment. SEK is prepared for additional new rules being implemented in the future and preparatory work for implementing these new rules is ongoing.

SEK has also further developed the company's liquidity risk management in 2011. As a result of the new regulations that have come into force over the past year, both the management and reporting of liquidity risk have been reviewed and adapted in line with the new regulations. There has also been additional focus on the introduction of new quantitative requirements for liquidity risk, with an expected implementation date for the Liquidity Coverage Ratio (LCR) of January 1, 2013.

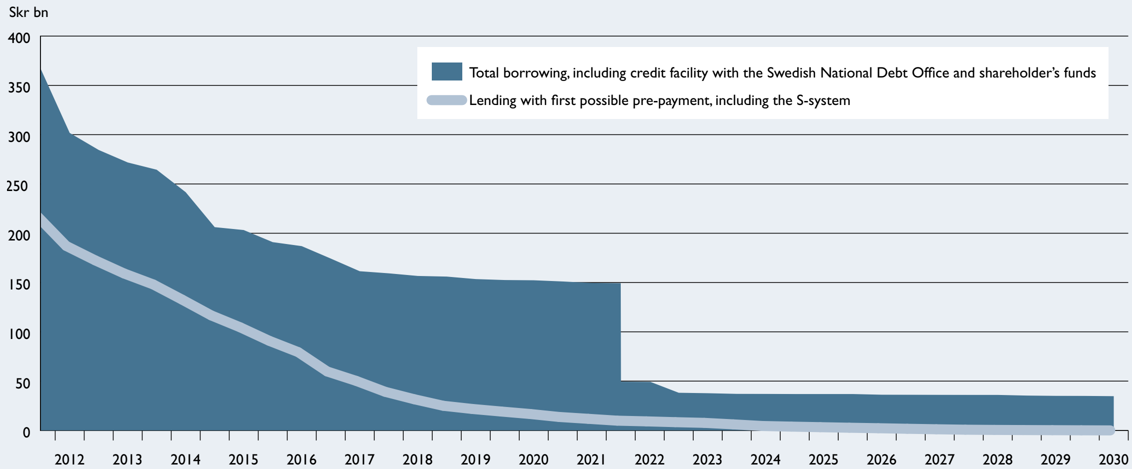
RISK MANAGEMENT

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 all credit commitments – outstanding credits as well as agreed but undisbursed credits – be funded throughout maturity. This policy means that no refinancing risk is allowed. This strategy also means that borrowed funds not yet used to finance credits need to be invested in securities, known as liquidity placements. Liquidity and funding risk are measured and reported regularly to the Asset and Liability Committee and the Board's Finance Committee.

SEK's conservative policy for liquidity and funding risk is measured and reported on the basis of various forecasts regarding the development of available funds in comparison with all credit commitments – outstanding credits as well as agreed but undisbursed credits. Available funds are defined as shareholder's funds, borrowing and credit facilities with the Swedish National Debt Office. Excess funds, i.e. the portion of available funds not already used to finance loans, must be invested in assets with good credit quality. See the Liquidity placements section for further details. The credit facility with the Swedish National Debt Office amounted to 100 billion, (year-end 2010: Skr 100 billion) is valid through to December 31, 2012 and distributed as follows: 80 percent may be used for funding lending within the S-system and 20 percent may be used for funding lending in SEK. See the chart "Development over time of SEK's available funds." Part of SEK's structured long-term borrowing includes early redemption clauses that will be triggered if certain market conditions are met. Thus, the actual maturity for such contracts is associated with uncertainty. In the chart "Development over time of SEK's available funds," such borrowing has been assumed to be due at the first possible redemption opportunity. This assumption is an expression of the precautionary principle that the company applies concerning liquidity and funding management. In addition, SEK also carries out various sensitivity analyses with regard to such instruments, in which different market conditions are simulated.

DEVELOPMENT OVER TIME OF SEK'S AVAILABLE FUNDS

Borrowing, credit facility with Swedish National Debt Office, shareholder's funds and lending, as of December 31, 2011.



Funding

SEK's funding strategy is defined in the steering document Financing Strategy, which is established by the Board's Finance Committee. The Financing Strategy, among other things, aims to ensure that SEK's funding is well-diversified with regard to markets, investors, counterparties and currencies.

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. 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, 2011 (year-end 2010: total volume of USD 7.0 billion, USD 0.0 billion utilized). SEK also has swing lines that function as back-up facilities for the commercial paper programs.

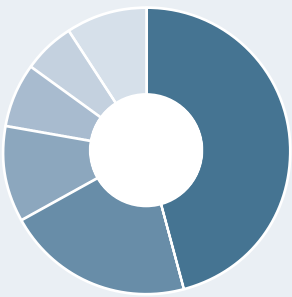
SHORT-TERM FUNDING PROGRAMS

Program type	UCP	ECP
Currency	USD	Multi currencies
Number of dealers	4	4
Dealer of the day facility	No	Yes
Program size	USD 3,000 mil.	USD 4,000 mil.
Usage as of Dec. 31, 2011	USD 0 mil.	USD 0 mil.
Usage as of Dec. 31, 2010	USD 0 mil.	USD 0 mil.
Maturity	Maximum 270 days	Maximum 364 days

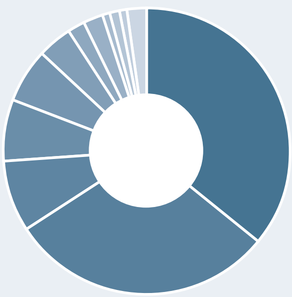
Long-term funding

To secure access to large volumes of funding, and to ensure that insufficient liquidity among individual funding sources does not constitute an obstacle to operations, SEK issues bonds with different structures, currencies and maturities. In addition, SEK carries out issues in many different geographic markets. The following charts illustrate some of the aspects of the diversification of SEK's funding. Figures in the first chart are not comparable to amounts shown on page 117 under Note 18 since (i) the definition of structure types, that are in accordance with internal reporting, are different from the definition applied in Note 18 and (ii) the chart displays nominal amounts and not book values. SEK's long-term funding issued during 2011 amounted to Skr 47.7 billion (2010: Skr 76.6 billion).

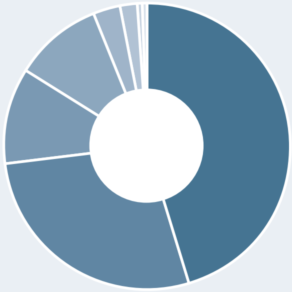
TOTAL LONG-TERM FUNDING BY STRUCTURE TYPE



TOTAL LONG-TERM FUNDING BY CURRENCY



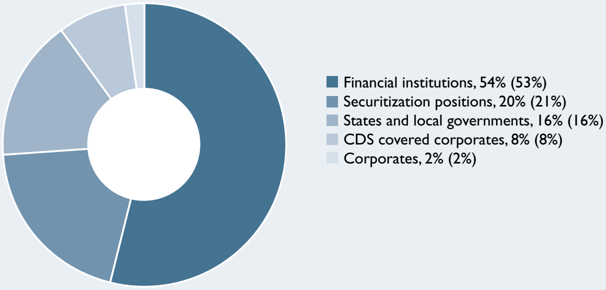
LONG-TERM FUNDING IN 2011 BY MARKET



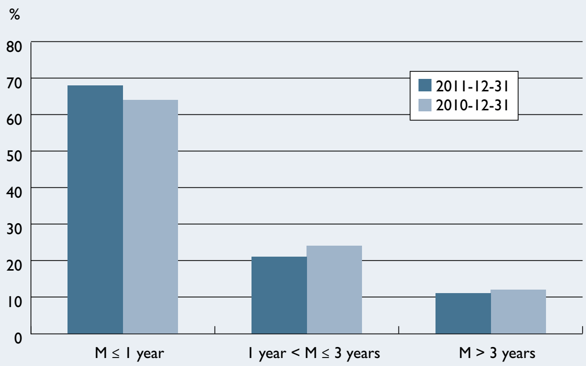
Liquidity placements

To meet the financing requirements for long-term lending, borrowed funds not yet used to finance credits need to be invested in securities, known as liquidity placements. These placements are subject to regulations specified in the Liquidity Strategy established by the Board's Finance Committee. The size of SEK's liquidity placements depends on a number of factors. SEK's Finance Policy stipulates that all SEK's credit commitments – outstanding credits as well as agreed but undisbursed credits – must be funded through maturity. One of the largest contributing factors to the size of liquidity placements is the amount of agreed but undisbursed credits. At the end of 2011, agreed but undisbursed credits amounted to 29.5 percent of total liquidity placements (year-end 2010: 32.8 percent). As part of its liquidity placements, SEK also requires a buffer 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. In addition, the liquidity placements also ensures that SEK maintains readiness to meet its assessed new lending requirements, enabling SEK to continue for a certain period to grant new credits to the normal extent, even if funding markets were entirely or party closed. The maturity profile of the liquidity placements must reflect the net maturity of funding and lending. Investments must be made in assets of good credit quality. When making such investments, the liquidity of the investment under normal market conditions should be taken into account. The currency should also be in accordance with established guidelines. Furthermore, the duration of the assets must be in accordance with defined guidelines. SEK assesses that the assets will be held to maturity, according to plan. The volume of the liquidity placements amounted to Skr 84.9 billion at the end of 2011 (year-end 2010: Skr 116.6 billion). The decrease in volume of SEK's liquidity placements is primarily due to a lower volume of agreed but undisbursed credit commitments. The decrease in volume is also a result of, and in line with, a strategic decision to reduce the volume of liquidity placements by not refinancing all maturing debt – hence, reducing the expected timeframe the company can continue to grant new loans to the usual extent even if the funding markets are completely closed. The following charts provide a breakdown of the liquidity placements by exposure type, maturity and rating as of December 31, 2011. The remaining maturity in the liquidity investments decreased further in 2011. Furthermore, credit quality declined slightly in 2011 owing mainly to the build-up of the liquidity investments, which mainly consists of financials that in general have had their credit ratings downgraded during 2011.

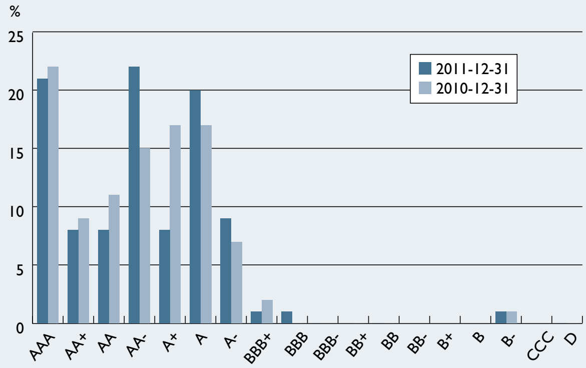
LIQUIDITY BY TYPE OF EXPOSURE



LIQUIDITY PLACEMENTS BY REMAINING MATURITY ("M")



LIQUIDITY PLACEMENTS BY RATING



SEK and the new liquidity regulations under Basel III

During 2011, SEK continued preparing for future regulations in the field of liquidity. The focus has mainly been on studying the effects and preparing for the two new quantitative measures proposed by the Basel Committee on Banking Supervision, Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR).

Liquidity Coverage Ratio

The liquidity ratio LCR requires banks to maintain high quality liquid assets sufficient enough to cover net cumulative cash outflows at a stressed scenario during a 30-day period. In accordance with the new liquidity risk reporting framework in Sweden, the quantitative liquidity risk measure, LCR, is reported monthly to the regulatory authority. In addition, the regulatory authority in Sweden has declared its intention to make LCR binding as of January 2013, two years ahead of the timetable proposed by the Basel Committee.

As of the end of 2011, SEK does not report an LCR ratio above the, according to the regulations, proposed level of 100 percent. The reason why SEK does not currently meet the ratio is as follows: SEK's liquidity strategy states that at times when the financial markets are considered turbulent, a larger portion of liquid funds is invested via O/N placements (depos) in banks. By doing so, the company ensures that it has access to a large amount of funds the following day. In LCR, this strategy is not considered sufficiently robust. SEK has made the decision to stick with its present liquidity strategy, which was tested and proved to work in the 2008 financial crisis, even though this means reporting a lower LCR. However, since SEK holds a large amount of liquid funds in O/N placements, the outcome of the ratio can be adjusted to meet the required level of 100 percent in only a matter of hours by investing these funds in highly liquid assets. Should the regulatory authority come to another conclusion regarding SEK's current liquidity strategy, the company will listen to its opinion and adjust the level of the ratio before the end of 2012. Furthermore, once the LCR ratio becomes binding, SEK will increase the amount invested in these highly liquid assets, thus increasing the ratio to above the required 100 percent.

Net Stable Funding Ratio

As described above, SEK has a conservative policy for liquidity and funding risk. The policy requires that all credit commitments – outstanding credits as well as agreed but undisbursed credits – are financed through maturity. As a result, the company does not have to change its present funding structure in order to adjust to the long-term, structural, quantitative liquidity risk measure NSFR. The aim of NSFR is for banks to finance illiquid assets with long-term stable funding. This liquidity risk measure confirms SEK's conservative policy, which has been used for a long time. This means that SEK is already able to report a ratio above the required level of 100 percent for NSFR. However, it is important to point out that there is still some uncertainty about when this ratio will be binding, as well as about what the final version of the ratio will look like. SEK will continue to follow developments and evaluate any changes and their consequences for SEK's current business model.

Contingency plan

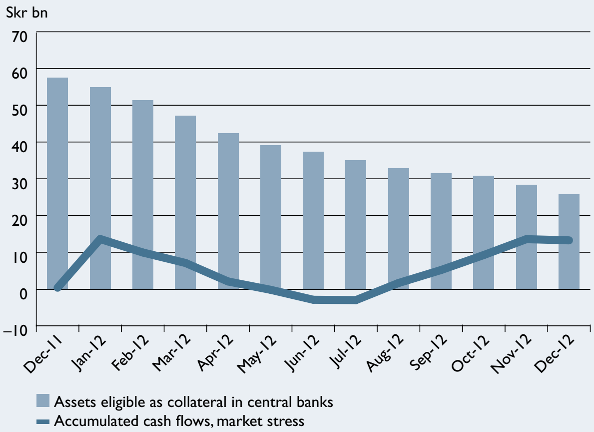
SEK has a contingency funding plan for the management of liquidity crises. The plan describes what constitutes a liquidity crisis according to SEK and what measures SEK intends to take if such a crisis is deemed to have occurred. The plan also describes the decision-making organization during a liquidity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

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 Finance Policy, in which SEK should have a cash surplus to ensure financing of payments in the form of agreed but undisbursed credits. The cash surplus should also serve as a buffer for payments under collateral agreements as well as to ensure readiness for a potential increase in demand for lending.

The chart below shows the development of accumulated cash flows for a stressed market scenario. Assumptions for this scenario include, but are not limited to, the following: not all funding that matures can be refinanced; cash needs to be paid out under collateral agreements; and SEK meets all credit commitments – outstanding credits as well as agreed but undisbursed credits. In addition to the above, SEK also continues to grant new credits in accordance with the business plan. Account is also taken of the fact that a part of SEK's liquidity reserve 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 small deficit in accumulated cash flows under the stressed scenario.

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.

EVENTS IN 2011

Up until the second quarter of 2011, the company applied the Basic Indicator Approach for calculating capital requirement for operational risk according to Pillar 1. Since the third quarter of 2011 the company has applied the Standardized Approach.

SEK works proactively and continuously to prevent incidents and to plan for the handling of major incidents and crisis. As a part of this work, the company's crisis management group practiced the management of various crisis scenarios. In addition, the most critical functions conducted a business continuity exercise to ensure the company is prepared in the event of a crisis.

RISK MANAGEMENT

In order to support risk management, the company works in accordance with the framework that has been further developed in 2011. SEK's framework for managing operational risk is based on the company's risk appetite and risk management objectives. The risk appetite specifies the direction and framework for the management of risk, which is set out in the management of the business by the policy for operational risk, instructions, manuals and the corporate culture of the company. These steering documents describe the risk management process and define which activities and operations are included in the process and how they should be performed. The steering documents also indicate how responsibility is structured for the execution and monitoring of and compliance with risk management. The policy is issued by the Board and the instructions are issued by the President.

Risk management process

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

Internal capital adequacy assessment

Under Basel II Pillar 2, companies are responsible for designing their own internal capital adequacy assessment processes (ICAAP). This requires institutions to identify their risks and assess their risk management in an extensive and comprehensive manner and, based on this, to assess their capital needs. They must also communicate their analyses and conclusions to the Swedish Financial Supervisory Authority. The ICAAP must be documented and disclosed throughout the company. As part of its strategic planning process, SEK's Board and executive management establish the company's risk appetite and clear objectives with regard to the capital structure. An important part of the company's capital planning is the performance of a scenario analysis. A scenario analysis provides a summary of how capital needs would be affected by unfavorable developments in the business environment. Among other things, the effects of the current market uncertainty and the ongoing European sovereign debt crisis are observed and analyzed. SEK's sovereign exposures are small in relation to the total balance sheet and SEK is essentially not exposed to market valuation effects related to credit risk. SEK's sovereign exposures to European countries are shown in Note 27, 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 the envisaged Basel III rules. The evaluation shows that SEK will be able to meet the Basel III rules at the time they come into force.

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

To calculate capital requirements in accordance with Pillar 2, SEK uses other methods than those used to calculate the capital requirements under Pillar 1. Under Pillar 2, a number of other risks are analyzed in addition to those risks covered by capital under Pillar 1. These risks are analyzed based on a perspective of proportionality, with the greatest focus being placed on those risks that are of most significance for SEK. For example, for internal evaluation and assessment of capital requirements regarding credit risks under Pillar 2, SEK works with what is referred to as economic capital. This is a more exact and risk-sensitive measure than the regulatory capital requirement under Pillar 1.The need for economic capital is based on a calculation of Value at Risk (VaR) and forms a central part of the company's internal assessment. SEK's assessment of whether, in addition to the capital requirement calculated under Pillar 1, the company needs to allocate capital for credit risk under Pillar 2 is mainly based on a quantitative approach. This approach is also complemented by a comparative analysis of the capital requirement under the Basel formula and the necessary economic capital (calculated with a confidence level of 99.9 percent). This quantitative approach is further complemented 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 automatically calculated capital requirement under Pillar 1.

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

CORPORATE GOVERNANCE REPORT 2011

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 2011 financial year. The articles of association, disclosures from the latest general meetings et cetera, are available on SEK's website (www.sek.se) under the section "About SEK". The corporate governance report of 2011 has been reviewed by the auditors of the company.

The ability to maintain confidence among customers, our owner, investors and other parties is of utmost importance to SEK. To achieve this, great emphasis is placed on creating a clear and efficient division of duties and governance as well as securing a sufficient level of internal control.

IMPORTANT REGULATIONS

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

SEK is wholly owned by the Swedish government. SEK adheres to the Swedish Government Owner Policy (www.regeringen.se). 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 the regulation by the Swedish Financial Supervisory Authority.

NON-COMPLIANCE WITH THE CODE

Corporate governance of SEK deviates from the requirements of the Code on the following issues in respect of the 2011 financial year:

APPOINTMENT OF THE BOARD

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

CHAIRMAN AT THE ANNUAL GENERAL MEETING

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

APPOINTMENT OF AUDITORS

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

THE BOARD OF DIRECTORS' INDEPENDENCE FROM THE OWNER

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

ATTENDANCE AT GENERAL MEETINGS OF THE COMPANY

No quorate Board was present at SEK's annual general meeting and extraordinary general meeting of the company in 2011. No decisions were proposed for the Board to take at these meetings. The Code states that a quorate Board of Directors should be present.

NON-COMPLIANCE WITH THE GOVERNMENT OWNER POLICY

SEK deviates from the Government Owner Policy in the following matters:

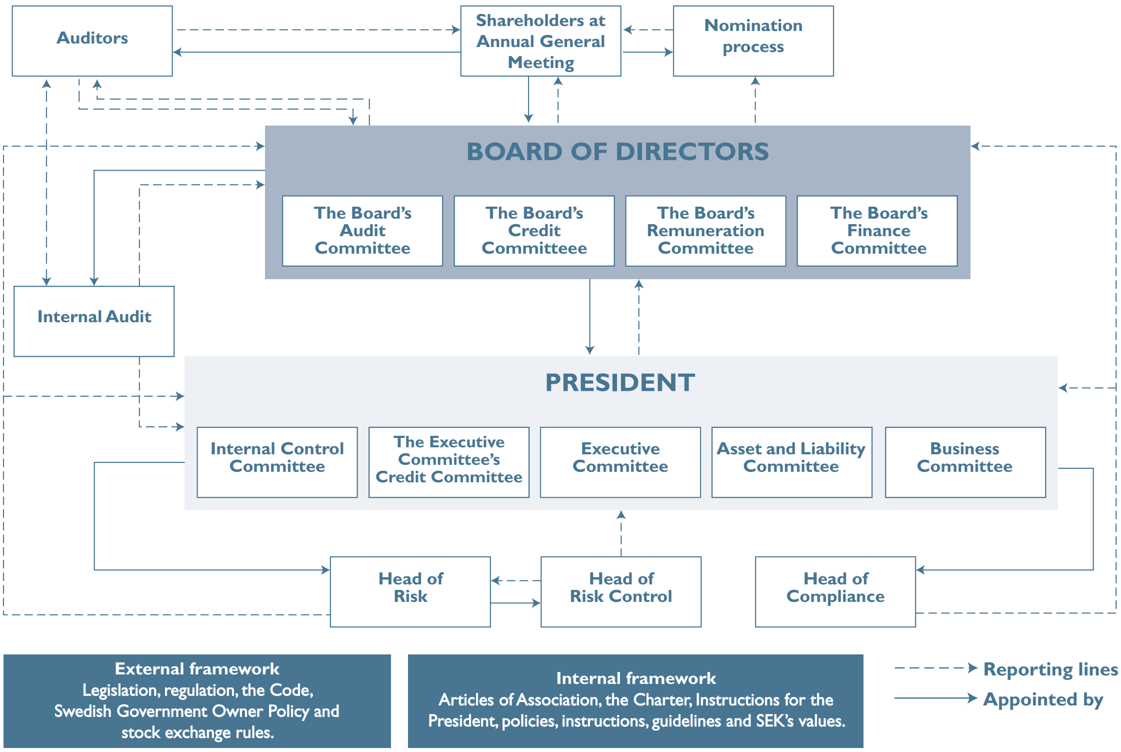
ANNUAL GENERAL MEETING

According to the Government Owner Policy, the general public should be invited to attend the annual general meeting. Instead of inviting the general public, a special presentation was held in conjunction with the annual general meeting in order to provide the general public with the opportunity to submit questions to the Board and executive management. The reason for this deviation is that there is only one owner representative at the annual general meeting and that all decisions from the annual general meeting are disclosed by another method. It is therefore deemed that presence at the annual general meeting does not provide the general public with any additional information and that the need for information is much better served by a special presentation.

TERMS AND CONDITIONS OF REMUNERATION

SEK does also follow the government's guidelines on the terms and conditions of the remuneration for senior executives in companies with state ownership – with the, in Note 5, disclosed discrepancies.

GENERAL PRINCIPLES FOR GOVERNANCE



GENERAL MEETINGS AND OWNER

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

ANNUAL GENERAL MEETING

SEK's annual general meeting was held on April 29, 2011. The annual general meeting adopted the annual accounts submitted by the Board of Directors and the President for 2010 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 301.0 million to be disbursed to the shareholder. At the annual general meeting Lars Linder-Aronson, Cecilia Ardström and Lotta Mellström were elected as new Directors of the Board and Jan Belfrage, Jan Roxendal and Eva Walder were reelected as Directors of the Board. The Board of Directors thereafter consisted of six directors as compared to nine directors previously. Lars Linder-Aronson was elected Chairman of the Board of Directors by the annual general meeting. Furthermore it was decided by the annual general meeting that the company will also be governed in accordance with the owner's instructions regarding SEK, which the government has submitted. Representatives from the owner also furnished the Chairman of the Board of Directors certain information for the Board of Directors from the owner.

On the day of the annual general meeting a special presentation was arranged, to which customers and other stakeholders in the company with a general interest were invited to attend as representatives of the general public. The newly elected Chairman of the Board, Lars Linder-Aronson, spoke about the principal events during the annual general meeting and, together with the President, about the company's role and operations. Undersecretary of State, Gunnar Oom, provided information about the owner's view of SEK and its role during these turbulent times. Hannes Wadell, Treasurer at Autoliv, held a presentation for the audience regarding how the past year has affected Autoliv's operations. Participants were also invited to submit questions to SEK's executive management. At the presentation a discussion was also held, led by journalist Lars Adaktusson, about Swedish export companies' conditions for competing on the export market.

EXTRAORDINARY GENERAL MEETING

On July 8, 2011, SEK held an extraordinary general meeting, at which Ulla Nilsson and Åke Svensson were elected as new Directors of the Board. Following this the Board of Directors thereafter consists of eight directors.

OWNER'S POLICY

This owner's policy was submitted for decision at SEK's annual general meeting on April 29, 2011. It is valid until the State, in its capacity as sole owner of the company, communicates otherwise. The description below is an extract from the owner's policy.

Under the purpose clause presented in the Articles of Association, SEK's line of activities shall, as a market complementary player, be to offer Swedish export companies, or exporting companies with Swedish interests, or exporting companies' end customers: (i) CIRR loans, (ii) export credits with primarily long-term duration, (iii) corporate loans with primarily long-term duration and with a direct link to export activity, (iv) financing in local (odd) currencies, (v) long-term project financing, and (vi) advice in internationally procured and funded projects.

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

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

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

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

SEK is to act so that its rating in maintained.

THE COMPOSITION OF THE BOARD OF DIRECTORS

PROCEDURE FOR NOMINATION OF MEMBERS OF THE BOARD OF DIRECTORS

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

A work group analyzes the need for competence in the composition of the Board of Directors as well as the operation and situation of the company. Thereafter a decision to recruit might be made and a recruitment process is started. The choice of directors is derived from a wide recruitment base. When the procedure is closed, the nominations will be publicly disclosed as per the stipulations of the Code. The Board should 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 56 years and 7 months. Information about the members of the Board can be found on pages 68–69.

THE WORK OF THE BOARD OF DIRECTORS

TASKS AND DIVISION OF RESPONSIBILITY

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

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

SEK's general counsel has acted as secretary to the Board of Directors up until April 2011. Since then, the Executive Director, Head of Strategic Analysis, has acted as secretary to the Board of Directors.

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

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

DESCRIPTION OF THE WORK OF THE BOARD OF DIRECTORS

The Board of Directors met on 15 occasions in 2011. In addition to this, the Board of Directors held a special strategy seminar. The work of the Board was carried out in accordance with the established rules of procedure. Meetings of the Board discussed such matters as annual and interim reports, business activities, the 2012-2014 business plan, internal capital adequacy assessment (ICAAP), the 2012 budget, organizational and staffing issues and the employee survey. Furthermore, the Board has taken certain significant decisions regarding loans and funding. One of the Board meetings was held in Singapore in conjunction with an educational trip to Singapore and Indonesia. During the trip the company's Board and executive management visited, for educational reasons, Swedish export companies with business activities in the region such as Ericsson and Volvo.

While examining the annual and interim accounts the company auditors participated in 7 meetings of the Board of Directors and reported to and conducted a dialogue with the Board about their observations arising from the scrutiny and assessment of SEK's operations as well as correspondence with supervisory authorities in accounting matters. The Board of Directors will have a meeting at least once a year with the company auditors without the presence of the President nor any other member of the management.

QUALITY ASSURANCE OF FINANCIAL REPORTING

In its special report on internal control (see page 67), the Board has reported on the structure of internal control in financial reporting routines. 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, among other things, ensured by first 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 about financial and economic developments in accordance with predetermined templates.

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

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

Constant assessments are made during 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 2011, this assessment was also performed with external assistance.

THE BOARD COMMITTEES

During the financial year the Board's Credit Committee, Finance Committee, Remuneration Committee and Audit Committee met on 15, 3, 10 and 8 occasions respectively. The Board has an annual process of establishing instructions for all of its committees. Minutes from all the committee meetings are furnished and reported to the Board of Directors at its meetings.

CREDIT COMMITTEE

The Credit Committee handles matters relating to credits and credit decisions. The Board of Directors has drawn up a credit policy for the Credit Committee. Upon the request of the Board, the committee has issued a credit instruction that has been reported to the Board. Decision-making rights regarding credits follow an order of delegation established by the Board of Directors. The Board has appointed the following three members to the Credit Committee: Jan Belfrage (chairman), Lars Linder-Aronson and Eva Walder. From executive management, the President and the Executive Directors, Chief Operating Officer, Chief Risk Officer and Head of Strategic Analysis attended the committee's meetings. The company's general counsel acted as secretary to the committee up until April 2011, since then, the Executive Director, Head of Strategic Analysis, has acted as secretary to the committee.

FINANCE COMMITTEE

The Finance Committee handles overall questions relating to the company's long-term and short-term borrowing, liquidity management, risk measurement and risk limits, and matters relating to policy or quality assurance. The Finance Committee is empowered to decide on interest rate limits and currency risk limits. The Board of Directors has established a Finance Policy. The committee has issued a Finance Instruction. The Board has, after the annual general meeting in April 2011, appointed the following three members to the Finance Committee: Lars Linder-Aronson (Chairman), Cecilia Ardström and Jan Roxendal. Furthermore, in July 2011, the Board appointed Ulla Nilsson as a member of the committee in connection to her election, the same month, as Director of the Board. From the executive management, the President and the Chief Operating Officer attended the committee's meetings. The company's general counsel acted as secretary to the committee up until April 2011. Since then, the Executive Director, Head of Strategic Analysis, has acted as secretary to the committee.

REMUNERATION COMMITTEE

The Remuneration Committee handled matters relating to salaries and other benefits for the President and the executive management and overall issues relating to salaries and other benefits. In 2011 this also included an evaluation of remuneration performed by an external party. The Board of Directors has established a Remuneration policy and a Remuneration instruction. During 2011 the committee prepared proposals on salaries and other benefits for the President and executive management. The committee also prepared proposals for the terms and outcomes of a general incentive program. The committee has also in 2011 prepared proposals regarding the disbursement of retroactive variable remuneration and a new general incentive program. Furthermore, the committee evaluates the compliance with the annual general meetings decisions regarding remuneration. The Board of Directors has drawn up instructions for the Remuneration Committee. The Board has appointed the following three members to the Remuneration Committee: Lars Linder-Aronson (Chairman), Lotta Mellström and Eva Walder. 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 company's general counsel acted as secretary to the committee up until April 2011. Since then, the Executive Director, Head of Strategic Analysis, has acted as secretary to the committee.

AUDIT COMMITTEE

The Audit Committee (established in accordance with the Swedish Companies Act) acts as a working committee for matters relating to the company's financial reporting and corporate governance report (including the Board's internal audit report) in accordance with the Code. The Audit Committee establishes overall instructions for the company's auditing work. The Audit Committee has, during 2011, prepared the Board's proposal to outsource SEK's independent internal audit function to an external company. In connection with the annual general meeting, the Board has appointed the following three members to the committee: Jan Roxendal (Chairman), Cecilia Ardström and Lotta Mellström. Furthermore, in July 2011, the Board appointed Åke Svensson as member of the committee in connection to his election, the same month, as Director of the Board. 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 SEK's Head of Internal Audit have reported to the committee and SEK's general counsel acted as secretary to the committee up until April 2011. Since then, the Executive Director, Head of Strategic Analysis, has acted as secretary to the committee. In most cases, the meetings of the committee are also attended by the auditor appointed by the annual general meeting and by the Swedish National Audit Office. The following matters have been discussed at the Audit Committee's meetings with the auditors: the focus and extent of the audit, coordination of internal and external auditing, internal control, critical accounting issues and financial reports submitted by the company as well as correspondence with supervisory authorities in accounting matters.

ATTENDANCE FREQUENCY AT MEETINGS OF THE BOARD OF DIRECTORS AND THE COMMITTEES IN 2011

	The Board of Directors	Credit Committee	Finance Committee	Remuneration Committee	Audit Committee
Number of meetings	**15**	**15**	**3**	**10**	**8**
Lars Linder-Aronson	10	10	2	6	
Cecilia Ardström	10		2		5
Jan Belfrage	14	15			
Lotta Mellström	10			6	5
Ulla Nilsson[1]	6		2		
Jan Roxendal	15		3		8
Åke Svensson[1]	5				4
Eva Walder	11	14		7	
Ulf Berg[2]	5			3	
Christina Liffner[2]	5			3	3
Karin Apelman[2]	5	4	1		
Helena Levander[2]	4	4			
Risto Silander[2]	5		1		
Per Östensson[2]	3		1		

[1] *Elected to the Board of Directors on August 7, 2011*
[2] *Left the Board of Directors on April 29, 2011*

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 2008 appointed Authorized Public Accountant Jan Birgerson as auditor of the company until the annual general meeting of 2012, with Authorized Public Accountant Anna Peyron as alternate during the same period. 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. The National Audit Office has appointed Authorized Public Accountant Filip Cassel for the period from the 2010 annual general meeting up to and including the 2014 annual general meeting, with Authorized Public Accountant Anders Herjevik as alternate for the same period.

PRESIDENT

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

TERMS AND CONDITIONS OF REMUNERATION

SEK is governed by the Swedish Financial Supervisory Authority's regulations and recommendations on remuneration policies in credit institutions, securities companies and fund management companies (FFFS 2011:1). SEK follows the government's guidelines on the terms and conditions of the remuneration for senior executives in companies with state ownership – with the, in this Annual Report, disclosed discrepancies. 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. The proposal for guidelines for the remuneration of senior executives that will be proposed at the annual general meeting in April, 2012 is principally unamended compared to previously stipulated guidelines.

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

Principles for remuneration and other benefits to senior executives are decided at the annual general meeting. Remuneration to senior executives consists of fixed salary and other benefits. The pension commitment for senior executives should as a rule be given in the form of defined contribution plans and covered by insurance. Variable compensation is not granted to senior executives.

With the exception of the President, the Head of Financial Control and members of the executive committee, the company offers all permanent employees a general incentive program. The maximum amount in the general incentive program is two months' salary. This is based on operating profit excluding unrealized changes in fair value. Up to and including 2010, certain employees within the company's operating business had the possibility of individual variable remuneration, in addition to the company's general incentive program, of up to a maximum of two months' salary. The outcome is based on the operating profit excluding unrealized changes in fair value. Information on SEK's remuneration policy in accordance with regulations of the Swedish Financial Supervisory Authority is disclosed on the company's website (www.sek.se). The company has no outstanding share- or share price-related incentive programs. For information on the remuneration of the Board of Directors, the executive management and auditors, see Note 5.

During 2011 SEK's Board of Directors has decided to retroactively disburse variable remuneration related to the 2008 financial year to certain senior executives. This decision is deemed not to be in conflict with the Swedish Financial Supervisory Authority's regulations or the government's guidelines on the terms and conditions on the remuneration for senior executives as it concerns retroactive remuneration related to a period before the regulation came into force. With respect to this final disbursement, SEK honors its obligations under agreements made before the new regulation was imposed.

For 2012, the following conditions, in summary, cover the company's general incentive program:

The program covers all permanent employees, excluding the President, other executive directors, Head of Financial Control and Head of Risk Control.

The maximum outcome in the general incentive program is equivalent to two months' salary.

THE BOARD OF DIRECTORS' REPORT FOR THE 2011 FINANCIAL YEAR ON INTERNAL CONTROL AND RISK MANAGEMENT WITH REGARD TO FINANCIAL REPORTING

The control environment – 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. Another important aspect is to prepare guidelines that provide the prerequisites for an organizational structure with clear roles and responsibilities that favor the efficient management of company risks and promote good 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.

Risk assessment and control activities – SEK's risk analysis of financial reporting is intended to identify those financial reporting items that are subject to the risk of material errors. The control structure has been designed around these risks to prevent, reveal and correct deficiencies in financial reporting. At SEK, this control structure partly consists of the company being organized to appropriately segregate responsibilities, and to ensure accurate financial reporting.

Information and communications – Policies, guidelines, instructions and manuals are continuously updated and communicated to staff via relevant channels, especially the intranet, through internal training courses and personnel meetings. Formal and informal communication takes place regularly between staff and management which benefits the company due to the small number of employees and the fact that they are mainly concentrated at one location.

Monitoring – The Board of Directors and the Audit Committee are continuously informed of management reports on financial developments with 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, accounting reports and annual reports prior to comment on by the Audit Committee and approval by the Board of Directors. The work of the management does also include continuous monitoring and assessment of the effectiveness of internal control. The company management has an annual procedure for ensuring that suitable action is taken in respect of deficiencies and recommendations for actions that may arise both from internal and external auditing work. SEK's Compliance function acts to help ensure that operations within the SEK Group conform to applicable rules. The Compliance function must also monitor compliance with rules within the SEK group. Where necessary, the Head of the Compliance function is required to report directly to the Chairman of the Board.

SEK has an independent internal auditing function which reviews and assesses whether the company's risk management, governance, control and management procedures are efficient, effective and appropriate. As of February 1, 2011 the Head of Internal Audit reports directly to the Board. Internal Audit conducted auditing work in accordance with the auditing plan approved by the Board of Directors applicable at a particular point in time. The Head of Internal Audit has reported observations on an ongoing basis to the Board, the Audit Committee and the President, and has also provided regular updates to company management. In November 2011, after the preparation of the Audit Committee, SEK's Board of Directors decided, that the independent internal audit function would be outsourced to an external company from 2012. SEK's Board of Directors has appointed KPMG to be responsible for the independent internal audit function during 2012 and they have commenced their assignment in January, 2012.

SEK is a Foreign Private Issuer as defined by U.S. 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 the effectiveness and efficiency of internal control and comment on this in financial reporting based on testing of internal control. However, no corresponding expression of opinion is required of the company's auditors for the category of companies to which SEK belongs within the U.S regulations.

Reporting according to section 404 of the Sarbanes-Oxley Act
The executive management has assessed the internal control of financial reporting in accordance with the rules on foreign private issuers. The conclusion as at December 31, 2011 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 and 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 Directors of Facility Labs AB and Centeni Holding AB. Member of the Board of Directors of Betsson AB, e-Capital AB and Ventshare AB.

CECILIA ARDSTRÖM

Born: 1965.

Education: Studies of economy, Gothenburg School of Economics.

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

Previous positions: CIO and Head of Asset Management at Folksam group. Member of the Board of Directors of Tryggstiftelsen and deputy at SEB Tryggliv Gamla. Member of the Board of Directors of AP7 and companies within Tele2. Head of Treasury at Tele2.

Current positions: Chief Financial Officer and Head of Asset Management at Länsförsäkringar AB. Member of the Board of Directors, Länsbörsen.

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 Crédit Agricole, Nordic Manager and former CEO of Sweden at Citigroup, CFO at AGA AB, Group Treasurer at AB SKF.

Other appointments: Member of the Board of Directors of Litorina Kapital 3 and Litorina Kapital 4.

LOTTA MELLSTRÖM

Born: 1970.

Education: MSc Economics and Business, Lund University.

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

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

Other appointments: Member of the Board of Directors of Vectura Consulting AB and SOS Alarm Sverige AB.

Current positions: Deputy Director at the Swedish Ministry of Finance.

ULLA NILSSON

Born: 1947.

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

Elected: 2011. Member of SEK's Finance 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.

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

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

ÅKE SVENSSON

Born: 1952.

Education: MSc Electrical Engineering, Linköping University, Honorary Doctor.

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

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

Other appointments: Member of the Board of Saab AB, Parker Hannifin Corp., Royal Swedish Academy of Engineering Sciences, (IVA), Swedish National Agency for Higher Education's Advisory Committee.

Current positions: CEO of Teknikföretagen.

EVA WALDER

Born: 1951.

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

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

Previous positions: Served as Ambassador to 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, Ministry for Foreign Affairs.

AUDITORS, ORDINARY

JAN BIRGERSON

Authorized Public Accountant
Ernst & Young

Born: 1954.
Auditor at SEK since 2008.

FILIP CASSEL

Authorized Public Accountant
Appointed by the Swedish National Audit Office

Born: 1947.
Auditor at SEK since 2010.

AUDITORS, ALTERNATE

ANNA PEYRON

Authorized Public Accountant
Ernst & Young

Born: 1965.
Auditor at SEK since 2008.

ANDERS HERJEVIK

Authorized Public Accountant
Appointed by the Swedish National Audit Office

Born: 1966.
Auditor at SEK since 2010.

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

MANAGEMENT

PETER YNGWE

President & CEO

Born: 1957.

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

Employed: 1984.

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

JANE LUNDGREN ERICSSON

Executive Director – Deputy COO, President – AB SEK Securities

Born: 1965.

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

Employed: 1993.

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

SUSANNA RYSTEDT

Executive Director – Administrative Officer

Born: 1964.

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

Employed: 2009.

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

PER ÅKERLIND

Executive Director – COO

Born: 1962.

Education: MSc Engineering, KTH Royal Institute of Technology, Stockholm.

Employed: 1990.

Assignments: Member of the Board of Directors of AB SEK Securities.

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

PER JEDEFORS

Executive Director – Chief Risk Officer

Born: 1949.

Education: MSc Economics and Business, Lund University.

Employed: 2011.

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

JOHAN WINLUND

Executive Director – Communications

Born: 1969.

Education: Media and Communication Studies Degree, Uppsala University.

Employed: 2007–2012.

SIRPA RUSANEN

Executive Director – Human Resources

Born: 1964.

Education: Behavioral Science Degree, Lund University.

Employed: 2005.

SVEN-OLOF SÖDERLUND

Executive Director – Strategic Analysis

Born: 1952.

Education: Economics Degree, Stockholm University.

Employed: 1988.

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Skr mn	Note	2011	2010
Interest revenues		10,223.0	12,183.1
Interest expenses		–8,352.2	–10,284.6
Net interest revenues	2	**1,870.8**	**1,898.5**
Commissions earned	3	12.3	19.7
Commissions incurred	3	–14.9	–19.9
Net results of financial transactions	4	523.4	2,497.6
Other operating income	7	108.8	–
Operating income		**2,500.4**	**4,395.9**
Personnel expenses	5	–282.8	–259.4
Other expenses	6	–203.1	–191.9
Depreciations and amortizations of non-financial assets	7	–14.5	–13.1
Net credit losses	9	–110.9	8.2
Operating profit		**1,889.1**	**3,939.7**
Taxes	10	–489.6	–1,048.0
Net profit for the year (after taxes)[1]		**1,399.5**	**2,891.7**
Other comprehensive income related to:			
Available-for-sale securities[2, 3]		*12.1*	*–1,653.3*
Derivatives in cash flow hedges[3]		*394.7*	*–205.6*
Tax on other comprehensive income	10	–107.0	488.9
Total other comprehensive income		**299.8**	**–1,370.0**
Total comprehensive income[1]		**1,699.3**	**1,521.7**

1 The entire profit is attributable to the shareholder of the Parent Company.
2 Changes in the value of the shares in Swedbank are included in 2010. See Notes 4 and 23.
3 See the Consolidated Statement of Changes in Equity.

Skr	2011	2010
Basic and diluted earnings per share[1]	**350.8**	**724.7**

1 The number of shares in 2011 amounts to 3,990,000 (year-end 2010: 3,990,000).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Skr mn	Note	December 31, 2011	December 31, 2010
ASSETS			
Cash and cash equivalents	11, 12	3,749.6	8,798.0
Treasuries/government bonds	11, 12	2,033.4	5,431.3
Other interest-bearing securities except loans	11, 12	74,738.5	100,533.0
Loans in the form of interest-bearing securities	11, 12	66,204.5	71,805.8
Loans to credit institutions	9, 11, 12	25,791.6	22,538.9
Loans to the public	9, 11, 12	107,938.1	87,101.9
Derivatives	14	31,467.0	37,659.8
Property, plant, equipment and intangible assets	7	128.4	159.3
Other assets	16	3,909.8	1,704.1
Prepaid expenses and accrued revenues	17	3,741.0	3,955.5
Total assets		**319,701.9**	**339,687.6**
LIABILITIES AND EQUITY			
Borrowing from credit institutions	12, 18	15,833.9	14,342.8
Borrowing from the public	12, 18	59.1	19.3
Senior securities issued	12, 18	257,352.4	286,309.5
Derivatives	14	22,604.8	18,057.4
Other liabilities	19	2,497.0	1,640.6
Accrued expenses and prepaid revenues	20	3,351.0	3,443.4
Deferred tax liabilities	10	811.6	660.9
Provisions	5, 21	49.6	53.6
Subordinated securities issued	11, 22	3,174.4	2,590.3
Total liabilities		**305,733.8**	**327,117.8**
Share capital		3,990.0	3,990.0
Reserves		294.6	−5.2
Retained earnings		9,683.5	8,585.0
Total equity		**13,968.1**	**12,569.8**
Total liabilities and equity		**319,701.9**	**339,687.6**
COLLATERAL PROVIDED ETC			
Collateral provided		None	None
Interest-bearing securities:			
Subject to lending		*123.0*	*229.7*
CONTINGENT ASSETS AND LIABILITIES	23	1.1	4.5
COMMITMENTS			
Committed undisbursed loans	23	25,071.8	38,205.2

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity	Share capital[1]	Reserves		Retained earnings
Skr mn			*Hedge reserve*[2]	*Fair value reserve*[3]	
Opening balance of equity 2010	13,456.1	3,990.0	180.0	1,184.8	8,101.3
Net profit for the year	2,891.7				2,891.7
Other comprehensive income:					
Changes in fair value					
Available-for-sale securities	*835.5*			*835.5*	
Derivatives in cash flow hedges	*–2.9*		*–2.9*		
Reclassified to profit or loss	–2,691.5		–202.7	–2,488.8	
Tax on other comprehensive income	488.9		54.1	434.8	
Total other comprehensive income	–1,370.0		–151.5	–1,218.5	
Total comprehensive income	1,521.7		–151.5	–1,218.5	2,891.7
Dividend	–2,408.0				–2,408.0
Closing balance of equity 2010[4, 5]	**12,569.8**	**3,990.0**	**28.5**	**–33.7**	**8,585.0**
Opening balance of equity 2011	12,569.8	3,990.0	28.5	–33.7	8,585.0
Net profit for the year	1,399.5				1,399.5
Other comprehensive income:					
Changes in fair value					
Available-for-sale securities	*–0.8*			*–0.8*	
Derivatives in cash flow hedges	*546.9*		*546.9*		
Reclassified to profit or loss	–139.3		–152.2	12.9	
Tax on other comprehensive income	–107.0		–103.8	–3.2	
Total other comprehensive income	299.8		290.9	8.9	
Total comprehensive income	1,699.3		290.9	8.9	1,399.5
Dividend	–301.0				–301.0
Closing balance of equity 2011[4, 5]	**13,968.1**	**3,990.0**	**319.4**	**–24.8**	**9,683.5**

1 The total number of shares is 3,990,000.

2 Hedge reserve is shown as net after-tax difference between fair value and amortized cost recognized through other comprehensive income related to derivatives in cash flow hedges.

3 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 to 2011 new assets in the category available-for-sale have been acquired. Fair value reserve amounted to Skr –24.8 (year-end 2010: Skr –33.7 million), of which Skr 2.2 million (year-end 2010: Skr 6.4 million) represented interest-bearing securities with positive changes in fair value, Skr –10.1 million, (year-end 2010: Skr –1.7 million) represented interest-bearing securities with negative changes in fair value and Skr –16.9 million (year-end 2010: Skr –38.4 million) remained from the reclassification in 2008.

4 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 6,176.9 million (year-end 2010: Skr 5,965.4 million) and distributable capital amounted to Skr 7,791.2 million (year-end 2010: Skr 6,604.4 million).

5 The entire equity is attributable to the shareholder of the Parent Company.

PARENT COMPANY INCOME STATEMENT

Skr mn	Note	2011	2010
Interest revenues		10,210.6	12,170.3
Interest expenses		–8,352.5	–10,288.0
Net interest revenues	2	**1,858.1**	**1,882.3**
Dividend from subsidiary	15	42.9	672.7
Commissions earned	3	3.7	12.9
Commissions incurred	3	–13.6	–19.1
Net results of financial transactions	4	523.4	2,497.6
Other operating income	15	58.5	–0.2
Operating income		**2,473.0**	**5,046.2**
Personnel expenses	5	–287.2	–242.8
Other expenses	6	–201.1	–187.8
Depreciations and amortizations of non-financial assets	7	–13.9	–7.4
Net credit losses	9	–114.9	7.2
Impairment of shares in subsidiaries	15	–39.7	–533.4
Operating profit		**1,816.2**	**4,082.0**
Changes in untaxed reserves	10	–287.0	–1,022.2
Taxes	10	–416.8	–779.0
Net profit for the year (after taxes)		**1,112.4**	**2,280.8**

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

Skr mn	2011	2010
Net profit for the year (after taxes)	**1,112.4**	**2,280.8**
Other comprehensive income related to:		
Available-for-sale securities[1, 2]	*12.1*	*–1,653.3*
Derivatives in cash flow hedges[2]	*394.7*	*–205.6*
Tax on other comprehensive income	–107.0	488.9
Total other comprehensive income	**299.8**	**–1,370.0**
Total comprehensive income	**1,412.2**	**910.8**

1 Changes in the value of the shares in Swedbank are included in 2010. See Notes 4 and 23.
2 See the Parent Company Statement of Changes in Equity.

PARENT COMPANY BALANCE SHEET

Skr mn	Note	December 31, 2011	December 31, 2010
ASSETS			
Cash and cash equivalents	11, 12	3,666.2	8,711.0
Treasuries/government bonds	11, 12	2,033.4	5,431.3
Other interest-bearing securities except loans	11, 12	74,738.5	100,533.0
Loans in the form of interest-bearing securities	11, 12	66,226.2	71,839.7
Loans to credit institutions	9, 11, 12	25,815.2	22,538.9
Loans to the public	9, 11, 12	107,938.1	87,101.9
Derivatives	14	31,467.0	37,659.8
Shares in subsidiaries	15	82.3	225.5
Property, plant, equipment and intangible assets	7	128.4	52.6
Other assets	16	3,890.5	1,711.5
Prepaid expenses and accrued revenues	17	3,740.2	3,955.4
Total assets		**319,726.0**	**339,760.6**
LIABILITIES AND EQUITY			
Borrowing from credit institutions	12, 18	15,843.9	14,352.8
Borrowing from the public	12, 18	59.1	22.2
Senior securities issued	12, 18	257,352.4	286,309.5
Derivatives	14	22,604.8	18,057.4
Other liabilities	19	2,527.5	1,673.6
Accrued expenses and prepaid revenues	20	3,350.8	3,442.7
Deferred tax liabilities	10	114.0	10.2
Provisions	5, 21	13.3	14.3
Subordinated securities issued	11, 22	3,174.4	2,590.3
Total liabilities		**305,040.2**	**326,473.0**
Untaxed reserves	10	**2,684.9**	**2,397.9**
Share capital		3,990.0	3,990.0
Legal reserve		198.0	198.0
Fair value reserve		294.6	–5.2
Retained earnings		6,405.9	4,426.1
Net profit for the year		1,112.4	2,280.8
Total equity		**12,000.9**	**10,889.7**
Total liabilities and equity		**319,726.0**	**339,760.6**
COLLATERAL PROVIDED ETC			
Collateral provided		None	None
Interest-bearing securities:			
Subject to lending		*123.0*	*229.7*
CONTINGENT ASSETS AND LIABILITIES	23	–	–
COMMITMENTS			
Committed undisbursed loans	23	25,071.8	38,205.2

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	Equity	Share capital[1]	Legal reserve	Reserves		Retained earnings
Skr mn				*Hedge reserve*[2]	*Fair value reserve*[3]	
Opening balance of equity 2010	12,392.9	3,990.0	198.0	180.0	1,184.8	6,840.1
Net profit for the year	2,280.8					2,280.8
Other comprehensive income:						
Changes in fair-value						
Available-for-sale securities	*835.5*				*835.5*	
Derivatives in cash flow hedges	*–2.9*			*–2.9*		
Reclassified to profit or loss	–2,691.5			–202.7	–2,488.8	
Tax on other comprehensive income	488.9			54.1	434.8	
Total other comprehensive income	–1,370.0			–151.5	–1,218.5	
Total comprehensive income	910.8			–151.5	–1,218.5	2,280.8
Group contribution	–6.0					–6.0
Dividend	–2,408.0					–2,408.0
Closing balance of equity 2010[4]	**10,889.7**	**3,990.0**	**198.0**	**28.5**	**–33.7**	**6,706.9**
Opening balance of equity 2011	10,889.7	3,990.0	198.0	28.5	–33.7	6,706.9
Net profit for the year	1,112.4					1,112.4
Other comprehensive income:						
Changes in fair-value						
Available-for-sale securities	*–0.8*				*–0.8*	
Derivatives in cash flow hedges	*546.9*			*546.9*		
Reclassified to profit or loss	–139.3			–152.2	12.9	
Tax on other comprehensive income	–107.0			–103.8	–3.2	
Total other comprehensive income	299.8			290.9	8.9	
Total comprehensive income	1,412.2			290.9	8.9	1,112.4
Dividend	–301.0					–301.0
Closing balance of equity 2011[4]	**12,000.9**	**3,990.0**	**198.0**	**319.4**	**–24.8**	**7,518.3**

1 The total number of shares is 3,990,000.
2 See footnote 2 in Consolidated statement of changes in equity.
3 See footnote 3 in Consolidated statement of changes in equity.
4 According to the Swedish Annual Accounts Act for Credit Institutions and Securities Companies, the non-distributable capital for the Parent Company at year-end amounted to Skr 4,188.0 million (year-end 2010: Skr 4,188.0 million) and distributable capital amounted to Skr 7,812.9 million (year-end 2010: Skr 6,701.7 million).

STATEMENT OF CASH FLOWS

	Consolidated Group		Parent Company	
Skr mn	2011	2010	2011	2010
Operating activities				
Operating profit[1]	1,889.1	3,939.7	1,816.2	4,082.0
Adjustments to convert operating profit to cash flow:				
Write-down of impaired shares in subsidiary	n.a.	n.a.	39.7	533.4
Write-down of impaired financial instruments	43.4	81.7	47.4	82.7
Depreciation	14.5	10.6	13.9	7.4
Derivatives	567.6	3,289.8	567.6	3,289.8
Gain on sale of subsidiary	–105.1	–	–54.7	–
Exchange rate differences	–4.6	0.9	–4.6	0.9
Other	62.4	32.8	71.5	39.7
Income tax paid	–1,187.5	–387.8	–1,168.8	–354.4
Total adjustments to convert operating profit to cash flow	**–609.3**	**3,028.0**	**–488.0**	**3,599.5**
Disbursements of loans	–57,673.4	–39,007.8	–57,673.4	–39,007.8
Repayments of loans	41,113.1	37,517.5	40,994.0	37,745.2
Net decrease in bonds and securities held	29,211.8	9,914.4	29,216.0	9,714.6
Other changes – net	378.9	130.1	495.0	109.5
Cash flow from operating activities	**14,310.2**	**15,521.9**	**14,359.8**	**16,243.0**
Investing activities				
Capital expenditures	139.1	–42.2	95.8	–46.5
Cash flow from investing activities	**139.1**	**–42.2**	**95.8**	**–46.5**
Financing activities				
Proceeds from issuance of short-term senior debt	3,403.6	46,931.5	3,403.6	46,931.5
Proceeds from issuance of long-term senior debt	51,486.4	76,667.5	51,486.4	76,667.5
Repayments of debt	–37,565.7	–111,742.0	–37,568.5	–112,239.2
Repurchase and early redemption of own long-term debt	–36,522.6	–33,759.5	–36,522.6	–33,759.5
Dividend paid	–301.0	–2,408.0	–301.0	–2,408.0
Cash flow from financing activities	**–19,499.3**	**–24,310.5**	**–19,502.1**	**–24,807.7**
Net cash flow for the year	**–5,050.0**	**–8,830.8**	**–5,046.5**	**–8,611.2**
Exchange rate differences on cash and cash equivalents	1.6	–7.7	1.7	–34.5
Cash and cash equivalents at beginning of year	8,798.0	17,636.5	8,711.0	17,356.7
Cash and cash equivalents at end of year[2]	**3,749.6**	**8,798.0**	**3,666.2**	**8,711.0**

COMMENTS TO THE CASH FLOW STATEMENT:

[1] **Interest payments received and expenses paid**	**Consolidated Group**		**Parent Company**	
Skr mn	**2011**	**2010**	**2011**	**2010**
Interest payments received	10,446.9	12,684.1	10,164.1	12,892.9
Interest expenses paid	8,534.9	10,786.7	8,246.2	11,079.2

[2] **Cash and cash equivalents:**	**Consolidated Group**		**Parent Company**	
Skr mn	**2011**	**2010**	**2011**	**2010**
Cash at banks	231.8	225.0	148.4	81.4
Cash equivalents	3,517.8	8,573.0	3,517.8	8,629.6
Total cash and cash equivalents	**3,749.6**	**8,798.0**	**3,666.2**	**8,711.0**

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 financial statements of SEK as of December 31, 2011 encompass SEK and its wholly owned subsidiaries AB SEK Securities, SEK Financial Advisors AB, SEK Financial Services AB, SEK Customer Finance AB, SEK Exportlånet AB and Venantius AB, including the latter's wholly owned subsidiary VF Finans AB ("the Subsidiaries"). These are together referred to as the "Consolidated Group" or "the Group".

AB SEK Securities is a securities company under the supervision of the Swedish Financial Supervisory Authority. SEK Financial Advisors AB, SEK Customer Finance AB and Venantius AB are no longer engaged in any active business. SEK Financial Services AB and SEK Exportlånet AB are inactive companies. On April 13, 2011, the Parent Company in the Consolidated Group sold all of the shares in the wholly owned subsidiary AB SEKTIONEN to a company in the LMK Industri AB Group. AB SEKTIONEN's main asset was its building, which served as SEK's headquarters up to December 17, 2010, when SEK moved its headquarters to new, rented, premises. AB SEKTIONEN's operating business prior to the sale was to rent its building to the Parent Company.

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" section (pages 45–59). 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 March 16, 2012. The Group's

Introductory Note, continued

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 26, 2012.

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

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

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

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

Note 1. Significant accounting policies
The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise stated.

TABLE OF CONTENTS

(a) Changes to accounting policies and disclosure requirements and standards not yet adopted
The accounting policies, in all material aspects, are unchanged in comparison with the financial statements included in SEK's 2010 Annual Report, with the exceptions stated below.
The Group has adopted the following amendments to standards and interpretations from IASB as from January 1, 2011, but they have had little or no impact on SEK's financial reporting:

IAS 32 Financial Instruments: Presentation – Classification of Rights Issues. The definition of a liability has been amended with the effect that rights issues fixed in a currency other than their functional currency and issued pro rata to existing owners are classified as equity instruments.

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments. This interpretation clarifies how an entity shall account for renegotiated terms of a financial liability resulting in the issuing of equity instruments to the creditor to fully, or partially, extinguish a financial liability.

IFRIC 14 Prepayments of a minimum funding requirement – amendment. This amendment provides guidance in assessing the recoverability of pension assets and allows the early payment of contributions to cover the minimum funding requirements to be accounted for as an asset.

IFRS 7 Financial Instruments: Disclosures. Amendments to the disclosure of financial assets, emphasizing the interaction between quantitative and qualitative disclosure about the nature and extent of risks associated with financial instruments.

IAS 1 Presentations of Financial Statements. Clarification of content of the statement of changes in equity.

IAS 34 Interim Financial Reporting. This amendment clarifies disclosure requirements, including that disclosures regarding financial instruments might be required.

The Segment Reporting has been changed to better reflect the present internal reporting structure. Comparative figures have been reclassified. Following this change, SEK reports two segments: direct customer financing and end customer financing. Previously, SEK

Note 1, continued

reported the segments "granting of loans" and "other segments". SEK has recently, as previously announced, analyzed its business strategies, resulting in an increased focus on the core business; lending to Swedish export companies. An analysis with the same conclusions has also been conducted by the government, resulting in the adoption of the owner's instruction for SEK at the annual general meeting in 2011. Consequently, focus has been shifted from the segments previously identified as separate, and the previous assessment that they would gradually constitute an increasing portion of SEK's business is no longer prevailing.

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

IFRS 7 Financial Instruments: Disclosures. This amendment requires additional quantitative and qualitative disclosures relating to the transfer of financial assets when financial assets are derecognized from the balance sheet but the entity has a continuing involvement in them. SEK's preliminary conclusion is that the amendment of this standard will not affect the financial disclosure provided by SEK in any material way. The amendment must be applied for annual periods beginning on or after July 1, 2011.

IFRS 7 Financial Instruments: Disclosures. The amendments contain new disclosure requirements for financial assets and liabilities that are offset in the statement of financial position or subject to master netting arrangements or similar agreements. SEK has not yet evaluated the effect of the amendment. The amendment must be applied for annual periods beginning on or after January 1, 2013. This amendment is not yet endorsed by the EU.

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 has not yet evaluated the effect of the amendment. The amendment must be applied for annual periods beginning on or after January 1, 2014. This amendment is not yet endorsed by the EU.

IAS 19 Employee Benefits. This standard was amended in June 2011. The impact on SEK will be as follows: SEK will no longer apply the corridor approach and will instead recognize all actuarial gains and losses under other comprehensive income as they occur; all past service costs will be recognized immediately; and interest cost on pension obligations and expected return on plan assets will be replaced by a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). SEK's preliminary conclusion is that the amendment will not have a material impact on SEK's financial statements. The unrecognized actuarial losses amounted to Skr 40.5 million as of December 31, 2011. If SEK has unrecognized actuarial losses at transition there will be a negative impact on equity. The amendment must be applied for annual periods beginning January 1, 2013. This amendment is not yet endorsed by the EU.

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

IFRS 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 IFRSs. The requirements do not extend the use of fair-value accounting, but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. SEK is yet to assess the full impact of IFRS 13 and intends to adopt IFRS 13 no later than the accounting period beginning on or after January 1, 2013. The standard is not yet endorsed by the EU.

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

(b) Basis of consolidation

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

At the date of the acquisition of a company, the assets and liabilities in the acquired company are recognized at fair value. The difference between the acquisition value of the shares in the company and the net assets in the company is recorded as goodwill. The fair value of assets and liabilities in the acquired company is deter-

Note 1, continued

mined by management, in part by taking account of independent valuation. In cases where the shares have been acquired without any exchange of cash remuneration, the fair value of the shares in the acquired company is also determined by management, in part by taking account of independent valuation.

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

(c) Segment reporting

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

(d) Recognition of operating income and expenses

(i) Net interest income

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

The state-supported system ("S-system"). SEK 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 agreements between SEK and the State, the State reimburses SEK for all interest differentials, financing costs and net foreign exchange losses under the S-system as long as any loans or borrowings remain outstanding. 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 decisions associated with ownership; (ii) SEK does not have discretion in establishing prices; and (iii) SEK receives compensation in the form of a fixed commission. Accordingly, the costs reimbursed by the State are not accounted for in SEK's statement of comprehensive income. The State's reimbursements are made on a quarterly basis. 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. SEK's net compensation for administrating the S-system is recognized as part of interest revenues in the statement of comprehensive income.

(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 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. Interest differential compensation on early repayment of fixed interest rate loans is recognized directly under "Net results of financial transactions". The compensation is equal to the fair-value adjustment arising from change in applicable interest rates.

(e) Foreign currency transactions

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

(f) Financial instruments

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

The recognition of financial instruments in, and their derecognition from, the statement of financial position is based on the trade

Note 1, continued

dates for securities bought, as well as for securities issued and for derivatives. All other financial instruments are recognized and derecognized 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.

(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 securities acquired by SEK that are not quoted on an active market. Transactions in the category of loans and receivables are measured at amortized cost, using the effective interest rate method. When one, or multiple, derivatives are used to hedge a currency and/or interest rate exposure relating to a loan or receivable, fair-value hedge accounting is applied. Furthermore, cash flow hedge accounting is applied for certain transactions classified as loans and receivables. This is the case when SEK wishes to hedge against variability in the cash flow from these assets.

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

Financial assets available-for-sale. Assets that are classified as available-for-sale securities are carried at fair value, with changes in fair value recognized in other comprehensive income. If assets are sold, changes in fair value are transferred from other comprehensive income to profit or loss. Among other things, this category is used for securities quoted on an active market that would otherwise be classified in the category of loans and receivables. Listed shares that are available-for-sale are also included in this category.

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

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

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

Note 1, continued

(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 derivatives and valued at fair value through profit or loss. When SEK classifies a risk-mitigating instrument as a financial guarantee, SEK always owns the specific asset whose risk the financial guarantee mitigates and the potential amount that SEK can receive from the counterparty under the guarantee represents only the actual loss incurred by SEK related to its holding.

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

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

Committed undisbursed loans. Committed undisbursed loans, 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.

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

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

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

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

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.

Note 1, continued

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

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

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

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

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

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

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

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

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

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

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

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

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

- historically observed market data. One example is a valuation depending on the correlation between two exchange rates, where the correlation is determined by time series analysis,
- similar observable market data. One example is SEK's valuation of the volatility of a stock option whose maturity is longer than the longest option for which observable market quotes are available. In such a case, SEK extrapolates a value based on the observable market quotes for shorter maturities.

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

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

Examples from the second group are the standard forms of quotes, such as call options in the foreign exchange market quoted through volatility which is calculated so that the "Black-Scholes model" recreates observable prices. Further examples from this group are – for various currencies and maturities – currency volatility, swap volatility, cap/floor volatilities, stock volatility, dividend schedules for equity and CDS spreads.

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

Note 1, continued

then extrapolated to calculate the non-observable data. Another example of non-observable data is when market correlation used in valuation models is based on transactions with low liquidity, such as spread options.

(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 dealers in such instruments or market quotations. When calculating fair value for derivative instruments, the impact on the fair value of the instrument related to counterparty credit risk is based on publicly quoted prices on credit default swaps of the counterparty, if such prices are available.

Issued debt instruments. When calculating the fair value of issued debt instruments, the effect on the fair value of SEK's own credit risk is assessed based on internally established models founded on observations from different markets. Furthermore, certain assumptions are made about the expected duration of certain liabilities carried at fair value and the derivatives that hedge the debt instruments. Assumptions on expected duration are evaluated and reconsidered on a quarterly basis. The models used include both observable and non-observable parameters for valuation.

Issued debt instruments that are hybrid instruments with embedded derivatives. SEK issues debt instruments in many financial markets. A large portion of these are hybrid instruments with embedded derivates. SEK's policy is to hedge the risks in these instruments using derivatives in order to obtain effective economic hedges. These hybrid debt instruments are classified as financial liabilities measured at fair value through profit or loss. As there are no quoted market prices for these instruments, valuation models, valuations established by external parties or quotes furnished by dealers in such instruments are used to calculate fair value. The same valuation model is used for both hybrid debt instruments and the derivative hedging such instruments, except with regard to adjustments due to counterparty or own credit risk.

See further information in Note 13 regarding the valuation techniques applied for certain types of financial instruments.

(x) Impairment of financial assets

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

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

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

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

Charge-offs are recorded when it is evident that it is highly unlikely that any remaining part of SEK's claim on a counterparty will be reimbursed within the foreseeable future and when there exists no guarantee or collateral covering the claim. Charge-offs may also be made once bankruptcy proceedings have been concluded and a final loss can be established, taking into account the value of any assets held by the bankruptcy estate and SEK's share of these assets. Recoveries are recorded only if there is virtual certainty of collection, such as in the aftermath of a bankruptcy proceeding when the payment due to be paid to SEK has been finally determined.

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

Note 1, continued

(g) Tangible assets
Items of property and equipment are measured at cost, less accumulated depreciation and 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 book 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 government bonds, with a remaining term approximating that of the actual commitments.

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

The companies of the Group support 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. Such information has been made available to all companies within the Group since 2009. The future costs of the plan may change accordingly if the underlying assumptions of the plan 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 26.3 percent. Deferred taxes are calculated on all taxable temporary differences, regardless of whether a given temporary difference is recognized in the income statement or through other comprehensive income.

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

(m) Statement of Cash Flows
The Statement of Cash Flows shows inflows and outflows of cash and cash equivalents during the year. SEK's Statement of Cash

Note 1, continued

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

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

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

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

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

The functional currency of the Parent Company
SEK has determined that the Swedish krona (Skr) is its functional currency under IFRS. Large portions of its assets, liabilities and related derivatives are denominated in foreign currency. Under IFRS, both assets and liabilities are translated at closing exchange rates and the differences between historical book values and current values are recognized as foreign exchange effects in the statement of comprehensive income. These differences largely offset each other, causing the net result not to be of material amount in relation to total assets and liabilities in foreign currency. This reflects the economic substance of SEK's policy of holding assets financed by liabilities denominated in, or hedged into, the same currency. See Note 27 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. See Note 12 for information on SEK's classification of financial assets and liabilities.

The selection of the appropriate valuation techniques when prices from active markets are not available for derivatives and other financial instruments carried at fair value
When reporting the amounts of its assets, liabilities and derivatives, as well as its revenues and expenses, assumptions and estimates must be made in assessing the fair value of financial instruments and derivatives, especially where unquoted or illiquid securities or other debt instruments are involved. SEK makes judgments regarding what the most appropriate valuation techniques are for the different financial instruments held by the Group. If the conditions underlying these assumptions and estimates were to change, the amounts reported could be different. When financial instruments are carried at fair value, fair value is calculated through the use of market quotations, pricing models, valuations established by external parties and discounted cash flows. The majority of SEK's financial instruments are not publicly traded, and quoted market prices are not readily available. Different pricing models or assumptions could produce different valuation results. Furthermore, the estimated fair value of a financial instrument may, under certain market conditions, differ significantly from the amount that could be realized if the security were sold immediately. See Note 27 for disclosure of change in value of assets and liabilities if the market interest rate rises or falls by one percentage point.

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

Note 1, continued

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 agreement with the Swedish 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 24.

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, 2011 by Skr 60–70 million (2010: Skr 50–60 million) and equity by Skr 40–50 million (2010: Skr 30–40 million) at that date. A higher total future cash flow would affect operating profit and equity positively, and a lower total future cash flow would affect operating profit and equity negatively.

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

If the assumption related to the valuation of assets classified at fair value through profit or loss were changed such that the average credit spread applied to such assets were 0.10 percent higher or lower than the average spread actually used in the calculations, this would affect operating profit for the fiscal year ended December 31, 2011 by approximately Skr 20–30 million (2010: Skr 20–30 million) and equity, at such date, by approximately Skr 30–40 million (2010: Skr 30–40 million). A higher credit spread would affect operating profit and equity negatively, and a lower credit spread would affect operating profit and equity positively.

If the assumption related to the valuation of liabilities classified at fair value through profit or loss were changed such that the average credit spread applied to such liabilities were 0.10 percent higher or lower than the average spread actually used in the calculations, this would affect operating profit for the fiscal year ended December 31, 2011 by approximately Skr 300–400 million (2010: Skr 400–500 million) and equity, at such date, by approximately Skr 200–300 million (2010: Skr 300–400 million). A higher credit spread would affect operating profit and equity positively, and a lower credit spread would affect operating profit and equity negatively.

SEK issues debt instruments in many financial markets. A large portion of these are hybrid instruments with embedded derivatives. SEK's policy is to hedge the risks in these instruments using swaps with corresponding structures in order to obtain effective economic hedges. These hybrid debt instruments are classified as financial liabilities measured at fair value. As there are no market quotes for this group of transactions, valuation models, valuations established by external parties or quotations furnished by dealers in such instruments are used to calculate fair value. The same model is used for a hybrid liability and the structured swap hedging the instrument, except for adjustments due to counterparty or SEK's own credit risk. Thus, with the exception of effects from changes in counterparty and SEK's own credit risk valuations, fair-value changes in a hybrid liability are always matched by corresponding changes in the fair value of the swap that hedges that 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. Please see further information regarding valuation techniques in Note 13.

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), the only potential material effect on profit or loss or equity would result if there were changes in the credit spreads.

SEK uses swap agreements (primarily) to hedge risk exposures in financial assets and liabilities. SEK enters into swap agreements only under ISDA master agreements and all swap contracts are with financial institutions as counterparties. Counterparty risks are managed by using a credit support annex or other agreement whereby the credit exposure is mitigated on at least a monthly basis. Swaps are measured at fair value by using market quoted rates, where available. If market quotes are not available, valuation

Note 1, continued

models are used. For counterparties in respect of which SEK has a positive swap portfolio value, SEK uses a model to adjust the net exposure fair value for changes in the counterparty's credit quality. The models used include both directly observable and implied market parameters. Please see further information regarding valuation techniques in Note 13.

(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. Dividends from investments in subsidiaries are recognized as a separate line item in the income statement or in other operating income if they are of an immaterial amount.

(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; reserves; retained earnings; and net profit for the year. Reserves consist of the following items: reserve for fair value (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*. 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	**2011**	**2010**	**2011**	**2010**
Interest revenues were related to:				
Loans to credit institutions	1,197.3	1,191.9	1,197.3	1,191.9
Loans to the public	3,679.2	3,018.1	3,666.0	3,002.5
Interest-bearing securities	1,950.0	1,679.8	1,950.8	1,682.6
Impaired financial assets	3.1	3.1	3.1	3.1
Derivatives	3,393.4	6,290.2	3,393.4	6,290.2
Total interest revenues	**10,223.0**	**12,183.1**	**10,210.6**	**12,170.3**
Total interest expenses	**–8,352.2**	**–10,284.6**	**–8,352.5**	**–10,288.0**
Net interest revenues	**1,870.8**	**1,898.5**	**1,858.1**	**1,882.3**

Note 2, continued

Skr mn	Consolidated Group 2011	Consolidated Group 2010	Parent Company 2011	Parent Company 2010
Interest revenues were related to:				
Financial assets available-for-sale	211.9	66.8	211.9	66.8
Financial assets at fair value through profit or loss	3,801.8	6,715.4	3,789.4	6,702.6
Loans and receivables	6,209.3	5,400.9	6,209.3	5,400.9
Total interest revenues	**10,223.0**	**12,183.1**	**10,210.6**	**12,170.3**
Interest expenses were related to:				
Financial liabilities at fair value through profit or loss	–3,945.4	–4,149.9	–3,945.5	–4,149.8
Financial guarantees	–216.9	–248.6	–216.9	–248.6
Other financial liabilities	–4,189.9	–5,886.1	–4,190.1	–5,889.6
Total interest expenses	**–8,352.2**	**–10,284.6**	**–8,352.5**	**–10,288.0**
Net interest revenues	**1,870.8**	**1,898.5**	**1,858.1**	**1,882.3**

In interest revenues Skr 72.4 million (2010: Skr 48.7 million) represent remuneration from the S-system (see Note 24).

Interest revenues in the Consolidated Group by geographic market are 36.2 percent (2010: 24.2 percent) from Sweden, 24.7 percent (2010: 52.4 percent) from other European countries and 39.1 percent (2010: 24.4 percent) from other countries outside of Europe.

Note 3. Net commissions

Skr mn	Consolidated Group 2011	Consolidated Group 2010	Parent Company 2011	Parent Company 2010
Commissions earned were related to:				
Capital market commissions	8.6	6.8	–	–
Financial consultants' commissions	2.3	12.7	2.3	12.7
Other commissions earned	1.4	0.2	1.4	0.2
Total commissions earned	**12.3**	**19.7**	**3.7**	**12.9**
Commissions incurred were related to:				
Depot and bank fees	–8.2	–10.1	–8.2	–10.1
Brokerage	–2.8	–3.6	–2.8	–3.6
Risk capital guarantee from shareholder[1]	–1.8	–3.6	–1.8	–3.6
Financial consultants' commissions	–0.8	–1.5	–0.8	–1.5
Other commissions incurred	–1.3	–1.1	0.0	–0.3
Total commissions incurred	**–14.9**	**–19.9**	**–13.6**	**–19.1**
Net commissions	**–2.6**	**–0.2**	**–9.9**	**–6.2**

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

Commissions earned in the Consolidated Group by geographic market is 43.6 percent (2010: 51.2 percent) from Sweden, 56.5 percent (2010: 34.2 percent) from Europe except Sweden, and 0.0 percent (2010: 14.7 percent) from countries outside of Europe.

Commissions incurred in the Consolidated Group by geographic market is 34.7 percent (2010: 34.5 percent) from Sweden, 65.0 percent (2010: 59.9 percent) from Europe except Sweden, and 0.3 percent (2010: 5.5 percent) from countries outside of Europe.

Commissions earned from financial assets and liabilities not measured at fair value through profit or loss amounts, for the Consolidated Group, to Skr 0.2 million (2010: Skr 0.2 million), and for the Parent Company to Skr 0.2 million (2010: Skr 0.2 million).

Commissions incurred from financial assets and liabilities not measured at fair value through profit or loss amounts, for the Consolidated Group, to Skr 0.2 million (2010: Skr 0.7 million), and for the Parent Company to Skr 0.2 million (2010: Skr 0.7 million).

Note 4. Net results of financial transactions

Skr mn	Consolidated Group 2011	Consolidated Group 2010	Parent Company 2011	Parent Company 2010
Net results of financial transactions were related to:				
Currency exchange effects on assets and liabilities excluding assets and liabilities valued at fair value	4.8	–0.8	4.8	–0.8
Interest compensation[1]	42.2	99.4	42.2	99.4
Realized results on settled assets and repurchased debt[1]	434.9	2,574.0	434.9	2,574.0
Total net results of financial transactions, before certain fair value changes	**481.9**	**2,672.6**	**481.9**	**2,672.6**
Unrealized changes in fair value related to financial assets, financial liabilities and related derivatives	41.5	–175.0	41.5	–175.0
Total net results of financial transactions	**523.4**	**2,497.6**	**523.4**	**2,497.6**

Realized results on settled assets and repurchased debt Skr mn	Consolidated Group 2011	Consolidated Group 2010	Parent Company 2011	Parent Company 2010
Financial assets or liabilities at fair value through profit or loss	403.3[2]	140.1	403.3[2]	140.1
Financial assets available-for-sale	–	2,565.0[3]	–	2,565.0[3]
Loans and receivables	–	–137.9	–	–137.9
Other financial liabilities	31.6	6.8	31.6	6.8
Total	**434.9**	**2,574.0**	**434.9**	**2,574.0**

Unrealized changes in fair value related to financial assets, financial liabilities and related derivatives, for categories of financial instruments Skr mn	Consolidated Group 2011	Consolidated Group 2010	Parent Company 2011	Parent Company 2010
Financial assets or liabilities at fair value through profit or loss				
of which designated upon initial recognition (FVO)	*14,019.7*	*–280.7*	*14,019.7*	*–280.7*
of which held-for-trading	*–13,971.6*	*45.2*	*–13,971.6*	*45.2*
Derivatives used for hedge accounting	2,253.2	799.9	2,253.2	799.9
Financial assets available-for-sale[4]	–43.9	–31.7	–43.9	–31.7
Loans and receivables[4]	415.0	–149.1	415.0	–149.1
Other financial liabilities[4]	–2,630.9	–558.6	–2,630.9	–558.6
Ineffectiveness of cash flow hedges that have been reported in the profit or loss	0.0	0.0	0.0	0.0
Total	**41.5**	**–175.0**	**41.5**	**–175.0**
of which total amount of the changes in fair value estimated using valuation techniques based on assumptions that are not supported by prices from observable current market transactions in the instruments recognized in profit or loss during the period	*41.5*	*–175.0*	*41.5*	*–175.0*

1 The compensation represents the change in fair value due to changes in applicable interest rates for early redemption of loans. The compensation was previously reported as realized results on settled assets and repurchased debt.

2 The result includes a realized gain from a sale regarding a receivable of Skr 279.3 million related to Lehman Brothers. The claim was previously reported as a contingent asset.

3 The disposal of the shares in Swedbank in the fourth quarter of 2010 is reported in the line item Realized results on settled assets and repurchased debt with a value of Skr 2,565.0 million which correspond to the changes in fair value that has been reported previously as other comprehensive income and has been included in the fair value reserve within equity. See Note 23 for more information.

4 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.

Note 5. Personnel expenses

Skr mn	Consolidated Group 2011	Consolidated Group 2010	Parent Company 2011	Parent Company 2010
Personnel expenses:				
Salaries and remuneration to the Board of Directors and the Presidents	–7.4[1]	–6.9[1]	–5.3	–5.2
Salaries and remuneration to Senior Executives	–17.1	–10.9	–19.2[1]	–12.7[1]
Salaries and remuneration to other employees	–140.0	–113.1	–140.9	–114.7
Pensions	–49.1	–67.0	–52.6	–51.2
Social insurance	–54.6	–45.1	–54.6	–42.9
Other personnel expenses	–14.6	–16.4	–14.6	–16.1
Total personnel expenses	**–282.8**	**–259.4**	**–287.2**	**–242.8**

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

Salaries and remuneration to senior executives (excluding the President) include Skr 5.8 million (2010: Skr 0.0 million) of variable remuneration related to 2008. Salaries and remuneration to other employees include Skr 19.4 million (2010: Skr 0.0 million) of variable remuneration related to 2011. Variable remuneration is not paid to the Presidents or other senior executives for the years 2010 and 2011. The combined total of the remuneration to senior executives, excluding the President of the Parent Company, amounted to Skr 19.2 million (2010: Skr 12.7 million). Of the remuneration to senior executives, Skr 14.8 million (2010: Skr 12.4 million) is pensionable. Of the remuneration to the President of the Parent Company, Skr 4.3 million (2010: Skr 4.1 million) is pensionable.

Average number of employees	Consolidated Group 2011	Consolidated Group 2010	Parent Company 2011	Parent Company 2010
Women	108	100	108	97
Men	126	128	126	124
Total	**234**	**228**	**234**	**221**

Number of employees at year-end	Consolidated Group 2011	Consolidated Group 2010	Parent Company 2011	Parent Company 2010
Women	111	106	111	104
Men	121	129	121	125
Total	**232**	**235**	**232**	**229**

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

Parent Company	2011	2010
Board of Directors	50	44
Senior Executives	38	43

Note 5, continued

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

1 See additional information on page 97.
2 Includes the effect of salary reduction plans, premiums for insurance covering sickness benefit for prolonged illness, other public risk insurance as a result from collective agreements and retroactive effects from 2010 due to renegotiated insurance contracts.

Since April 29, 2010 remuneration is not paid to a director of the board who are employed by the Government Offices of Sweden.

Note 5, continued

2010 **Remuneration and other benefits to the Board of Directors and Senior Executives in the Consolidated Group** Skr thousand	**Fee, includes committee fee**	**Fixed salary**	**Other benefits**	**Pension fee[1]**	**Total**
Chairman of the Board of Directors:					
Ulf Berg	–185				–185
Vice Chairman of the Board of Directors:					
Christina Liffner	–132				–132
Other members of the Board of Directors:					
Karin Apelman	–160				–160
Jan Belfrage	–77				–77
Helena Levander	–114				–114
Jan Roxendal	–138				–138
Risto Silander	–118				–118
Eva Walder	–37				–37
Board members who resigned at the AGM 2010:					
Bo Netz	–35				–35
Senior Executives:					
Peter Yngwe, President and CEO		–4,047	–144	–3,398	–7,590
Jane Lundgren Ericsson, President – AB SEK Securities		–1,699	–55	–340	–2,094
Sirpa Rusanen, Executive Director – Human Resources		–1,128	–83	–375	–1,585
Måns Höglund, Executive Director – Corporate & Structured Finance		–2,862	–124	–2,212	–5,198
Per Åkerlind, Executive Director – Capital Markets		–2,717	–123	–2,154	–4,994
Sven-Olof Söderlund, Executive Director – Strategic Analysis & Planning		–1,992	–101	–836	–2,929
Susanna Rystedt, Executive Director – Administration		–1,735	–68	–498	–2,301
Total	**–996**	**–16,180**	**–697**	**–9,813**	**–27,687**

1 Includes the effect of salary reduction plans, premiums for insurance covering sickness benefit for prolonged illness, other public risk insurance as a result from collective agreements.

Comprehensive information on the company's remuneration policy in accordance with the Swedish Financial Supervisory Authority's Regulations and General Guidelines governing remuneration policies in credit institutions, investment firms and fund management companies (Chapter 5. FFFS 2009:6), is disclosed in connection with the publication of annual accounts on March 16, 2012 in the Pillar 3 report. SEK's disclosure provides information about the principles applied for remuneration earned in 2011. The disclosure also describes the design of the remuneration policy, as adopted by the company.

Pension provisions for executive directors in SEK should not amount to more than 30 percent of pensionable salary for retirement and survivor's pension. The contribution for retirement and survivor's pension can exceed 30 percent on account of SEK putting into practice 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. The retirement for all senior executives is 65 years. Contracts for the President and other senior executives are following the Senior Executives to the Governmental Guidelines (April 20, 2009) where the BTP plan is included as an approved collective agreed defined pension plan.

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 2011, 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 will be disbursed in 2012. The additional pension contributions are conditional on Peter Yngwe remaining employed by SEK, and will not be disbursed in case of resignation prior to the dates of each payment.

Pension fees for Per Åkerlind, for the full year 2011, exceeding 30 percent pertain to additional pension contributions negotiated in

Note 5, continued

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 will be disbursed in 2012. The additional pension contributions are conditional on Per Åkerlind remaining employed by SEK, and will not be disbursed in case of resignation prior to the dates of each payment.

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 6 months' notice period upon termination initiated by SEK and are, in addition, entitled to severance pay corresponding to 18 monthly salaries. Deduction is made for income obtained from new employment. 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.

At the beginning of 2011 there was an employment contract that deviated from the General Guidelines related to a senior executive who retired during the first half of 2011. This agreement was drawn up before the current guidelines were established and included the retirement age of 60 years and had individually designed occupational pension schemes. This agreement included a benefit-based insurance where a pension was paid on salary between 30 and 70 base amounts. The pension obligation was covered by regular premium payments and was converted to a defined-contribution agreement in connection with the retirement in 2011. SEK has no further pension obligations to the person in concern.

In 2009 the Board of Directors took a decision not to pay the variable remuneration of 2008 to five senior executives. The Board of Directors revised this decision in 2011 after further assessment because the employment contracts of these five leading executives entitled them to the earned variable remuneration from 2008. Consequently, SEK disbursed, and recognized, this remuneration this year to Jane Lundgren Ericsson Skr 293 thousand, Sirpa Rusanen Skr 205 thousand, Måns Höglund Skr 2,399 thousand, Per Åkerlind Skr 2,497 thousand and Sven-Olof Söderlund Skr 420 thousand. Because of this non-pensionable one-time payment their total remuneration increased this year compared to 2010.

THE CONSOLIDATED GROUP

SEK's employees 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	2011	2010
Service cost	–6.5	–7.3
Prior service cost	0.0	–5.8
Interest cost	–6.6	–7.1
Expected return on plan assets	3.3	5.0
Amortization of actuarial gains and losses	5.1	–4.5
Settlement	0.0	–3.0
Net defined benefit pension cost	**–4.7**	**–22.7**
Special employer's contribution for defined benefit pension commitments	**–1.1**	**–5.5**
Net defined contribution pension cost, including special employer's contribution	**–43.3**	**–38.8**
Net pension cost	**–49.1**	**–67.0**

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

Skr mn	2011	2010
Defined benefit obligations	251.8	211.7
Plan assets	–164.3	–171.3
Net value	**87.5**	**40.4**
Unrecognized actuarial gains and losses, net	–40.5	9.8
Provision for pensions, net obligations (see Note 21)	**47.0**	**50.2**

The following table displays the development of defined benefit obligations

Skr mn	2011	2010
Defined benefit obligation, opening balance	211.7	210.7
Prior service cost	0.0	5.8
Service cost	6.5	7.3
Interest cost	6.6	7.1
Benefits paid	–7.4	–6.9
Settlement	–12.4	–21.2
Actuarial losses	46.8	8.9
Defined benefit obligation, closing balance	**251.8**	**211.7**

Note 5, continued

The following table shows the development of plan assets

Skr mn	2011	2010
Fair value of plan assets, opening balance	171.3	176.3
Expected return on plan assets	3.3	5.0
Contributions by the employer	7.5	8.6
Benefits paid	–6.0	–5.5
Settlement	–13.4	–21.0
Actuarial gains	1.6	7.9
Fair value of plan assets, closing balance	**164.3**	**171.3**

The following table shows principal actuarial assumptions used end of year

%	2011	2010
Discount rate	2.0	3.3–3.8
Expected return on plan assets	2.4	2.0–5.0
Expected salary increase	3.5	3.4–3.5
Expected inflation	1.5	2.0
Expected turnover	4.0	2.0

Reconciliation of pension liabilities

Skr mn	2011	2010
Pension liabilities, opening balance	50.2	37.5
Net periodic pension cost	4.7	22.7
Net contribution, plan assets	–7.5	–8.6
Net pension payments	–1.4	–1.4
Reductions and adjustments	1.0	0.0
Pension liabilities, closing balance	**47.0**	**50.2**

Pension expense in 2011 for defined benefit pensions amounts to Skr –4.7 million (2010: Skr –22.7 million). The difference in pension cost relates primarily to extra costs associated with the regulation of two defined benefit pension promised to managers and the cost of earnings during the previous period relates BTP pension for all employees in 2010. In 2011, there is also an actuarial gain of Skr 5.1 million (2010: Skr –4.5 million). The actuarial gain arises when there are no longer active employees in a defined benefit pension plan.

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

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

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

Expected inflation
The assumption of expected inflation levels with Swedish bonds at the real interest rate.

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

PARENT COMPANY

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

Pension cost

Skr mn	2011	2010
Pension commitments provided for in the statement of financial position		
Revenue (+)/cost (–) accounted for in the statement of comprehensive income	–0.4	–1.2
Pension commitments provided for through insurance contracts		
Pension costs for the year, excluding taxes	–42.0	–40.9
Net cost accounted for pensions, excluding taxes	**–42.4**	**–42.1**

Reconciliation of provisions for pensions

Skr mn	2011	2010
Opening balance, January 1	14.3	14.5
Provisions made/provision used	–1.0	–0.2
Closing balance, December 31	**13.3**	**14.3**

Note 6. Other expenses

Skr mn	Consolidated Group 2011	Consolidated Group 2010	Parent Company 2011	Parent Company 2010
Travel expenses and marketing	–20.5	–18.1	–20.4	–17.8
IT and information system	–65.3	–57.9	–65.2	–55.2
Fees	–75.5	–86.8	–74.6	–85.6
Real estate and premises expenses[1]	–30.3	–15.9	–31.3	–18.7
Other	–11.5	–13.2	–9.6	–10.5
Total other expenses	**–203.1**	**–191.9**	**–201.1**	**–187.8**

1 SEK is a partner in rental agreements of office space in Stockholm and Singapore. As of December 1, 2010 SEK rents office space in Waterfront Building, Stockholm, Sweden.

COST OF OPERATING LEASES

Skr mn	Consolidated Group 2011	Consolidated Group 2010	Parent Company 2011	Parent Company 2010
Leases	–27,9	–9,8	–28,9	–13,7

The major part relates to office premises.

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

Skr mn	Consolidated Group December 31, 2011	Consolidated Group December 31, 2010	Parent Company December 31, 2011	Parent Company December 31, 2010
Within 1 year	–30.0	–28.7	–30.0	–29.7
Between 1 and 5 years	–105.7	–135.1	–105.7	–135.1
More than 5 years	–	–	–	–
Total future minimum rentals payable under non-cancellable operating leases	**–135.7**	**–163.8**	**–135.7**	**–164.8**

REMUNERATION TO AUDITORS AND RELATED AUDIT COMPANIES

Skr mn	Consolidated Group 2011	Consolidated Group 2010	Parent Company 2011	Parent Company 2010
Ernst & Young:				
Audit fee	–13.4[1]	–13.5	–13.3[1]	–13.3
Audit related fee	–0.7	–0.5	–0.7	–0.5
Tax related fee	–0.2	–0.2	–0.2	–0.2
Other fees	–0.1	–1.2	–0.1	–1.2
The Swedish National Audit Office:				
Audit fee	–0.8	–0.2	–0.8	–0.2
Total	**–15.2**	**–15.6**	**–15.1**	**–15.4**

1 of which 1.5 million refer to year 2010.

Audit fee also includes auditing of reporting to authorities and issued prospectuses. Remuneration to auditors may for accounting reasons be included in other items than “Other expenses”. Other fees consist primarily of costs related to the commitment to comply with the regulations of the Sarbanes-Oxley Act (SOX).

Note 7. Tangible and intangible assets

	Consolidated Group		Parent Company	
Skr mn	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Buildings				
Acquisition cost at the beginning of the year	142.8	142.8	0.7	0.7
Sales or disposals of the year	–142.1[1]	0.0	0.0	0.0
Accumulated depreciations at the beginning of the year	–41.4	–39.1	–0.4	–0.3
Depreciations of the year	–0.5	–2.3	0.0	–0.1
Reversed depreciations due to sale or disposal	41.5	0.0	0.0	0.0
Book value	**0.3**	**101.4**[2]	**0.3**	**0.3**
Land				
Acquisition cost	0.1	0.1	0.1	0.1
Book value	**0.1**	**0.1**[2]	**0.1**	**0.1**
Inventories, office and building equipment				
Acquisition cost at the beginning of the year	90.2	64.6	80.0	61.5
Acquisitions of the year	16.2	30.4	16.2	29.2
Sales or disposals of the year	–42.0	–4.8	–32.2	–10.7
Accumulated depreciations at the beginning of the year	–49.7	–48.4	–44.9	–45.7
Reversed depreciations due to sale or disposals	35.1	3.9	30.5	5.3
Depreciations during the year	–9.4	–5.2	–9.3	–4.6
Currency differences	–0.1	0.2	–0.1	0.2
Book value	**40.3**	**40.7**	**40.2**	**35.2**
Intangible assets				
Acquisition cost at beginning of the year	130.2	118.0	126.4	106.4
Acquisitions of the year	75.1	12.2	75.1	20.0
Accumulated depreciations at the beginning of the year	–113.1	–107.3	–109.3	–106.4
Depreciations of the year	–4.5	–5.8	–4.5	–2.9
Book value	**87.7**	**17.1**	**87.7**	**17.1**
Net book value				
Property, land and equipment	40.7	142.2	40.7	35.5
Intangible assets	87.7	17.1	87.7	17.1
Total net book value	**128.4**	**159.3**	**128.4**	**52.6**
Depreciations during the year according to the Consolidated Statement of Comprehensive Income	**–14.5**	**–13.1**	**–13.9**	**–7.4**

1 The subsidiary AB SEKTIONEN, owner of SEK's former office building, was sold during the second quarter and generated a positive result of Skr 105.1 million which is reported as other operating income in the consolidated statement of comprehensive income.
2 Buildings and Land in the Consolidated Group with a net book value of Skr 101.1 million for December 31, 2010 represent assets held-for-sale.

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

Note 8. Leasing

FINANCIAL LEASES – LESSORS

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

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

	Consolidated Group				Parent Company			
	December 31, 2011		December 31, 2010		December 31, 2011		December 31, 2010	
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
Not later than one year	692.2	666.8	86.5	56.1	692.2	666.8	86.5	56.1
Later than one year and not later than five years	300.5	245.0	823.8	779.4	300.5	245.0	823.8	779.4
Later than five years	102.5	93.4	75.7	71.2	102.5	93.4	75.7	71.2
Total	**1,095.2**	**1,005.2**	**986.0**	**906.7**	**1,095.2**	**1,005.2**	**986.0**	**906.7**
Unearned finance income	0.0	90.0	0.0	79.3	0.0	90.0	0.0	79.3
Unguaranteed residual value	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**1,095.2**	**1,095.2**	**986.0**	**986.0**	**1,095.2**	**1,095.2**	**986.0**	**986.0**

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

Note 9. Impairment and past-due receivables

	Consolidated Group		Parent Company	
Skr mn	2011	2010	2011	2010
Net credit losses[1,2]	–125.1	–119.7	–125.1	–119.9
Reversal of previous write-downs[2,3]	10.0	126.9	10.0	126.9
Net impairment and reversals	**–115.1**	**7.2**	**–115.1**	**7.0**
Recovered credit losses	4.2	1.0	0.2	0.2
Net credit losses	**–110.9**	**8.2**	**–114.9**	**7.2**
of which related to loans[4]	*12.9*	*92.8*	*8.9*	*92.1*
of which related to liquidity placements[4]	*–123.8*	*–84.6*	*–123.8*	*–84.9*
Changes in reserves of financial assets				
Balance brought forward	–561.1	–939.9	–561.2	–939.8
Impaired financial assets sold[3]	–	371.6	–	371.6
Net impairments and reversals	–115.1	7.2	–115.1	7.0
Balance carried forward	**–676.2**	**–561.1**	**–676.3**	**–561.2**
of which related to loans[4]	*–33.5*	*–41.6*	*–33.6*	*–41.7*
of which related to liquidity placements[4]	*–642.7*	*–519.5*	*–642.7*	*–519.5*

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. An impairment of Skr 16.0 million was recorded in 2011 in relation to the two CDOs (2010: Skr 119.4 million), bringing the total of such impairment to Skr 491.4 million (year-end 2010: Skr 475.4 million). The assets have a book value gross before impairment of Skr 641.4 million (year-end 2010: Skr 638.4 million).

2 The amount for 2011 includes a provision of Skr 110.0 million (2010: dissolution of Skr 35.0 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 160.0 million (year-end 2010: Skr 50.0 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 During 2010 the exposure to Glitnir Bank was settled, which resulted in a Skr 87.4 million reversal of previous write-downs in connection to the disposal of the asset.

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.

	Consolidated Group		Parent Company	
Skr mn	2011	2010	2011	2010
Past-due receivables:				
Aggregate amount less than 90 days past-due	154.2[1]	154.6[1]	154.2[1]	154.6[1]
Aggregate amount of principal and interest more than 90 days past-due	891.8[1,2]	273.2[1,2]	891.8[1,2]	273.2[1,2]
Principle amount not past-due on such receivables	2,079.4[1]	2,682.9[1]	2,079.4[1]	2,682.9[1]

1 Past-due receivables consist primarily of one loan in respect of which discussion of restructuring has been initiated but not concluded. The credit is fully covered by adequate guarantees and therefore no loan loss reservation has been made.

2 Of the aggregate amount of principal and interest past due Skr 153.5 million (year-end 2010: Skr 273.2 million) was due for payment more than three but less than six months before the balance-sheet date, and Skr 153.5 million (year-end 2010: Skr – 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	2011	2010	2011	2010
Income tax				
Adjustment previous year	–15.9	0.0	–15.9	0.0
Current tax	–403.6	–1,038.8	–400.9	–1,035.4
Deferred tax	–70.1	–9.2	0.0	256.4
Total income tax	**–489.6**	**–1,048.0**	**–416.8**	**–779.0**
Income tax related to other comprehensive income				
Current tax	–3.2	0.0	–3.2	0.0
Deferred tax	–103.8	488.6	–103.8	488.6
Income tax related to other comprehensive income	**–107.0**	**488.6**	**–107.0**	**488.6**
Reconciliation of effective tax rate				
The Swedish corporate tax rate, %	26.3	26.3	26.3	26.3
Profit before taxes	1,889.1	3,939.7	1,529.2	3,059.8
National tax based on profit before taxes 26.3 %	–496.8	–1,036.1	–402.2	–804.7
Tax effects of:				
Non-taxable income	27.6	0.0	14.4	0.0
Non-deductible expenses	–1.4	–1.8	–1.4	–1.8
Write-down of impaired shares in subsidiaries	–	–	–10.4	–140.3
Imputed interest on tax allocation reserve	–12.9	–8.3	–12.9	–8.3
Dividend received	–	–	11.3	176.9
Adjustment previous year	–15.9	–0.9	–15.9	–0.8
Other	9.8	–0.9	0.3	0.0
Total tax	**–489.6**	**–1,048.0**	**–416.8**	**–779.0**
Effective tax expense in %	25.9	26.6	27.3	25.5

	Consolidated Group		Parent Company	
Skr mn	2011	2010	2011	2010
Deferred tax assets concerning:				
Other temporary differences	14.5	29.8	0.0	16.3
Total deferred tax assets	**14.5**	**29.8**	**0.0**	**16.3**
Deferred tax liabilities concerning:				
Untaxed reserves	709.7	634.3	–	–
Temporary differences, real estate	0.0	26.0	–	–
Temporary differences financial instruments;				
– Cash flow hedges	114.0	10.2	114.0	10.2
Other temporary differences	2.4	–9.6	0.0	0.0
Total deferred tax liabilities	**826.1**	**660.9**	**114.0**	**10.2**
Net deferred tax liabilities (+)/ tax assets (–)	**811.6**	**631.1**	**114.0**	**–6.1**

No deductable loss carry forwards existed as of December 31, 2011 or December 31, 2010.

Note 10, continued

CHANGES IN DEFERRED TAXES

	Consolidated Group		Parent Company	
Skr mn	**2011**	**2010**	**2011**	**2010**
Opening balance	–631.1	–1,102.2	6.1	–732.0
Change through profit or loss	–70.1	–9.2	–16.3	256.4
Change in other comprehensive income	–103.8	488.6	–103.8	488.6
Other	–6.6	–8.3	0.0	–6.9
Total	**–811.6**	**–631.1**	**–114.0**	**6.1**

UNTAXED RESERVES

	Parent Company	
Skr mn	**December 31, 2011**	**December 31, 2010**
Tax allocation reserve:		
Opening balance	2,397.9	1,375.7
Dissolution during the year	–184.4	–208.6
Allocation during the year	471.4	1,230.8
Closing balance	**2,684.9**	**2,397.9**
Of which		
2005 Tax allocation reserve	–	*184.4*
2006 Tax allocation reserve	*202.9*	*202.9*
2007 Tax allocation reserve	*244.1*	*244.1*
2008 Tax allocation reserve	*91.5*	*91.5*
2009 Tax allocation reserve	*444.2*	*444.2*
2010 Tax allocation reserve	*1,230.8*	*1,230.8*
2011 Tax allocation reserve	*471.4*	–

In the financial statements of the Consolidated Group, the untaxed reserves of the Group companies are allocated 73.7 percent to equity and 26.3 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, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Loans:				
Loans in the form of interest-bearing securities	66,204.5	71,805.8	66,226.2	71,839.7
Loans to credit institutions[1]	25,791.6	22,538.9	25,815.2	22,538.9
Loans to the public	107,938.1	87,101.9	107,938.1	87,101.9
Less:				
Deposits with time to maturity exceeding three months[1]	–4,334.3	–1,790.2	–4,334.3	–1,790.2
Total loans	**195,599.9**	**179,656.4**	**195,645.2**	**179,690.3**
Liquidity placements:				
Cash and cash equivalents[1]	3,749.6	8,798.0	3,666.2	8,711.0
Deposits with time to maturity exceeding three months[1]	4,334.3	1,790.2	4,334.3	1,790.2
Treasuries/government bonds	2,033.4	5,431.3	2,033.4	5,431.3
Other interest-bearing securities except loans	74,738.5	100,533.0	74,738.5	100,533.0
Total liquidity placements	**84,855.8**	**116,552.5**	**84,772.4**	**116,465.5**
of which				
– issued by public authorities	29,004.1	40,129.4	29,004.1	40,129.4
– quoted on an exchange	139,901.7	172,313.2	139,901.7	174,943.2

[1] Cash and cash equivalents include, in this context, cash at banks where amounts can be converted 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 reservations, 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 fall short of the nominal amount.

	Consolidated Group		Parent Company	
Skr mn	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Sum of amounts exceeding nominal	136.4	61.8	136.4	61.8
Sum of amounts falling below nominal	–29.9	–47.4	–29.9	–47.4

VOLUME DEVELOPMENT, LENDING

	Consolidated Group		of which S-system			
	Total		Total		of which	
Skr mn	2011	2010	2011	2010	CIRR-loans 2011	Concessionary loans 2011
Offers of long-term loans accepted	51,249	48,749	7,965	8,760	7,965	0
Syndicated customer transactions	39	19	–	–	–	–
Total customer financial transactions	**51,288**	**48,768**	**7,965**	**8,760**	**7,965**	**0**
Undisbursed loans at year-end	25,072	38,205	9,036	16,570	8,829	207
Loans outstanding at year-end	195,600	179,656	34,227	23,989	33,386	841

Note 11, continued

OUTSTANDING LOANS AS PER LOAN TYPE

Skr mn	Consolidated Group December 31, 2011	Consolidated Group December 31, 2010	Parent Company December 31, 2011	Parent Company December 31, 2010	of which S-system December 31, 2011	of which S-system December 31, 2010
Total lending for export of capital products	102,566	80,050	102,566	80,050	34,227	23,989
Other lending related to export	71,729	76,809	71,774	76,843	–	–
Lending related to infrastructure	21,305	22,797	21,305	22,797	–	–
Total lending	**195,600**	**179,656**	**195,645**	**179,690**	**34,227**	**23,989**

OUTSTANDING LOANS AS PER BUSINESS AREA

Skr mn	Consolidated Group December 31, 2011	Consolidated Group December 31, 2010	Parent Company December 31, 2011	Parent Company December 31, 2010	of which S-system December 31, 2011	of which S-system December 31, 2010
End customer financing	101,122	83,034	101,122	83,034	34,227	23,989
Direct customer financing	94,430	96,442	94,430	96,442	–	–
Other	48	180	93	214	–	–
Total lending	**195,600**	**179,656**	**195,645**	**179,690**	**34,227**	**23,989**

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

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

Note 12, continued

FINANCIAL LIABILITIES BY ACCOUNTING CATEGORY

December 31, 2011					
Consolidated Group	**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)[4]**		
Borrowing from credit institutions	15,833.9	–	–	–	15,833.9
Borrowing from the public	59.1	–	–	–	59.1
Senior securities issued	257,352.4	–	130,317.6	–	127,034.8
Derivatives	22,604.8	19,954.8	–	2,650.0	–
Subordinated securities issued	3,174.4	–	–	–	3,174.4
Total financial liabilities	**299,024.6**	**19,954.8**	**130,317.6**	**2,650.0**	**146,102.2**

FINANCIAL ASSETS BY ACCOUNTING CATEGORY

December 31, 2010						
Consolidated Group	**Total**	**Financial assets at fair value through profit or loss**		**Derivati-ves 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	8,798.0	–	–	–	–	8,798.0
Treasuries/government bonds	5,431.3	–	–	–	–	5,431.3
Other interest-bearing securities except loans	100,533.0	–	5,522.7	–	9,082.6	85,927.7
Loans in the form of interest-bearing securities	71,805.8	–	2,383.9	–	–	69,421.9
Loans to credit institutions	22,538.9	–	–	–	–	22,538.9
Loans to the public	87,101.9	–	–	–	–	87,101.9
Derivatives	37,659.8	22,775.9	–	14,883.9	–	–
Total financial assets	**333,868.7**	**22,775.9**	**7,906.6**	**14,883.9**	**9,082.6**	**279,219.7**

Note 12, continued

FINANCIAL LIABILITIES BY ACCOUNTING CATEGORY

		December 31, 2010			
Consolidated Group	**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)[4]**		
Borrowing from credit institutions	14,342.8	–	–	–	14,342.8
Borrowing from the public	19.3	–	–	–	19.3
Senior securities issued	286,309.5	–	162,595.0	–	123,714.5
Derivatives	18,057.4	16,050.3	–	2,007.1	–
Subordinated securities issued	2,590.3	–	–	–	2,590.3
Total financial liabilities	**321,319.3**	**16,050.3**	**162,595.0**	**2,007.1**	**140,666.9**

1 Of loans and receivables 9.5 percent (2010: 10.9 percent) are subject to fair value hedge accounting and 5.7 percent (2010: 5.0 percent) are subject to cash flow hedge accounting.
2 No assets were classified as held-for-trading other than derivatives held for economic hedging in accordance with IAS39.
3 Of other financial liabilities 86.2 percent (2010: 87.6 percent) are subject to fair value hedge accounting.
4 The difference between carrying and nominal amount is Skr –48,468.9 million (2010: Skr –36,428.8 million). Nominal amount is Skr 178,786.5 million (2010: Skr 199,023.7 million).

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

During 2011, in fair value hedges gains on hedging instruments amounts to Skr 2.253,2 million (2010: Skr 799.9 million) and losses on hedged items attributable to the hedged risk amounts to Skr –2,249.2 million (2010: Skr –750.3 million).

Accumulated changes in the fair value of financial liabilities attributable to changes in credit risk amounted to Skr 209.4 million (2010: Skr 107.9 million), which represents a cumulative decrease of the book value. For the period January 1 to December 31, 2011 the credit component has increased by Skr 101.5 million (2010: Skr –102.8 million), which decreased the value of financial liabilities and affected operating profit positively.

The accumulated changes for derivatives originating from credit risk amount to Skr –6.3 million (year-end 2010: Skr –23.6 million), period changes amounted to Skr 17.3 million (2010: Skr –2.0 million) which has a positive effect on operating profit. The change in subordinated debt is related to a change in values. No new subordinated debt has been issued.

The amount of cumulative change in the fair value of financial assets attributable to changes in the credit risk was Skr –125.7 million (2010: Skr –350.6 million). The amount of change during the period was Skr 224.9 million (2010: Skr –38.9 million).

The amount of total assets as of December 31, 2011, Skr 319.7 billion (2010: Skr 339.7 billion), has been affected by approximately Skr 0.7 billion (2010: Skr –24.1 billion) by exchange rates changes since December 31, 2010. Repayments of long-term debt amounting to approximately Skr 37.6 billion (2010: Skr 111.7 billion) have been effectuated, and SEK's own debt repurchase and early redemption amounted to approximately Skr 36.5 billion (2010: Skr 33.8 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 become illiquid due to the extraordinary market conditions which existed during late 2008 due to the global financial crisis, and SEK assessed itself to be able to hold the assets to maturity. Therefore there was no need for impairment of such securities held-for-trading or securities available-for-sale. The reclassified assets consist of interest-bearing fixed rate bonds. At the time of the reclassification, the expected cash flows of the reclassified assets were equal to the contractual amounts, including principal and interest.

The aforementioned reclassification of the fair value of assets, previously accounted for as held-for-trading securities, to the category "loans and receivables" occurred on October 1, 2008 with retroactive effect from July 1, 2008. If SEK had not chosen the reclassification option it would have had a positive effect of Skr 0.4 million on operating profit for the period January 1 to December 31, 2011 and a positive effect on operating profit of Skr 4.8 million for the period January 1 to December 31, 2010. With respect to the period January 1 to December 31, 2011, total interest revenues of Skr 32.1 million were derived from these reclassified assets, whereas, with respect to the period January 1 to December 31, 2010, total interest revenues Skr 72.0 million were derived from the reclassified assets. The weighted average effective interest rate for these assets amounted to 1.8 percent.

Note 12, continued

Reclassified financial assets Skr mn	**December 31, 2011** **Nominal value**	**Book value**	**Fair value**	**December 31, 2010** **Nominal value**	**Book value**	**Fair value**
Other interest-bearing securities except loans	241.5	245.4	245.5	3,348.9	3,368.9	3,368.6

The aforementioned reclassification of assets earlier accounted for as "available-for-sale" to the category "loans and receivables" occurred as of October 1, 2008. If SEK had not chosen the reclassification option the effect reported in other comprehensive income would have been a positive effect of Skr 29.0 million for the period January 1 to December 31, 2011. For the period January 1 to December 31, 2010 the reclassification affected other comprehensive income by a positive effect of Skr 11.1 million. With respect to the period January 1 to December 31, 2011, total interest revenues of Skr 90.9 million were derived from these reclassified assets and during the period January 1 to December 31, 2010, total interest revenues of Skr 129.4 million were derived from the reclassified assets. The weighted average effective interest rate for these assets amounted to 2.2 percent.

Reclassified financial assets Skr mn	**December, 31 2011** **Nominal value**	**Book value**	**Fair value**	**December 31, 2010** **Nominal value**	**Book value**	**Fair value**
Other interest-bearing securities except loans	1,122.6	1,130.7	1,128.2	4,209.5	4,235.6	4,203.9
Loans in the form of interest-bearing securities	930.2	1,019.8	1,019.8	1,710.4	1,783.2	1,783.4
Total	**2,052.8**	**2,150.5**	**2,148.0**	**5,919.9**	**6,018.8**	**5,987.3**

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

Note 13, continued

Consolidated Group	December 31, 2010		
Skr mn	Book value	Fair value	Surplus value (+)/ Deficit value (–)
Cash and cash equivalents	8,798.0	8,798.0	0.0
Treasuries/governments bonds	5,431.3	5,434.7	3.4
Other interest-bearing securities except loans	100,533.0	98,383.7	-2,149.3
Loans in the form of interest-bearing securities	71,805.8	73,723.4	1,917.6
Loans to credit institutions	22,538.9	22,757.3	218.4
Loans to the public	87,101.9	88,703.5	1,601.6
Derivatives	37,659.8	37,659.8	0.0
Total financial assets	**333,868.7**	**335,460.4**	**1,591.7**
Borrowing from credit institutions	14,342.8	14,342.8	0.0
Borrowing from the public	19.3	19.3	0.0
Senior securities issues	286,309.5	286,354.3	44.8
Derivatives	18,057.4	18,057.4	0.0
Subordinated securities issued	2,590.3	2,590.3	0.0
Total financial liabilities	**321,319.3**	**321,364.1**	**44.8**

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

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

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

DETERMINING FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

For more information on fair value of financial instruments, see Note 1.

Note 13, continued

FINANCIAL ASSETS IN FAIR VALUE HIERARCHY

Consolidated Group	December 31, 2011							
	Financial assets at fair value through profit or loss or through other comprehensive income				Available-for-sale			
Skr mn	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	–	–	–	–	–	–	–	–
Treasuries/governments bonds	–	–	–	–	–	–	–	–
Other interest-bearing securities except loans	–	3,905.8	571.6	**4,477.4**	–	9,197.6	–	**9,197.6**
Loans in the form of interest-bearing securities	–	1,779.4	509.5	**2,288.9**	–	–	–	–
Loans to credit institutions	–	–	–	–	–	–	–	–
Loans to the public	–	–	–	–	–	–	–	–
Shares and participation	–	–	–	–	–	–	–	–
Derivatives	–	21,022.1	10,444.9	**31,467.0**	–	–	–	–
Total financial assets in fair value hierarchy	–	**26,707.3**	**11,526.0**	**38,233.3**	–	**9,197.6**	–	**9,197.6**

During 2011 no “Financial assets at fair value through profit or loss or other comprehensive income” have been moved from level 1 to level 2.

FINANCIAL LIABILITIES IN FAIR VALUE HIERARCHY

Consolidated Group	December 31, 2011			
	Financial liabilities at fair value through profit or loss or other comprehensive income			
Skr mn	Level 1	Level 2	Level 3	Total
Borrowing from credit institutions	–	–	–	–
Borrowing from the public	–	–	–	–
Senior securities issued	–	8,641.3	121,676.3	**130,317.6**
Derivatives	–	9,134.8	13,470.0	**22,604.8**
Subordinated securities issued	–	–	–	–
Total financial liabilities in fair value hierarchy	–	**17,776.1**	**135,146.3**	**152,922.4**

FINANCIAL ASSETS IN FAIR VALUE HIERARCHY

Consolidated Group	December 31, 2010							
	Financial assets at fair value through profit or loss or through other comprehensive income				Available-for-Sale			
Skr mn	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	–	–	–	–	–	–	–	–
Treasuries/governments bonds	–	–	–	–	–	–	–	–
Other interest-bearing securities except loans	–	5,522.5	0.2	**5,522.7**	–	9,082.6	–	**9,082.6**
Loans in the form of interest-bearing securities	–	2,383.9	–	**2,383.9**	–		–	
Loans to credit institutions	–	–	–	–	–	–	–	–
Loans to the public	–	–	–	–	–	–	–	–
Shares and participation	–	–	–	–	–	–	–	–
Derivatives	–	16,872.0	20,787.8	**37,659.8**	–	–	–	–
Total financial assets in fair value hierarchy	–	**24,778.4**	**20,788.0**	**45,566.4**	–	**9,082.6**	–	**9,082.6**

During 2010, “Financial assets at fair value through profit or loss or other comprehensive income” amounting to Skr 6,406.4 million have been moved from level 1 to level 2.

Note 13, continued

FINANCIAL LIABILITIES IN FAIR VALUE HIERARCHY

Consolidated Group	December 31, 2010			
	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	–	9,286.3	153,308.7	162,595.0
Derivatives	–	8,021.4	10,036.0	18,057.4
Subordinated securities issued	–	–	–	–
Total financial liabilities in fair value hierarchy	**–**	**17,307.7**	**163,344.7**	**180,652.4**

FINANCIAL ASSETS AT FAIR VALUE IN LEVEL 3

Consolidated Group	2011								
Skr mn	January 1, 2011	Purchases	Sales	Settlements	Transfers from level 1 and level 2	Transfers from level 3	Gains and losses through profit or loss[1]	Gains and losses in comprehensive income	December 31, 2011
Other interest-bearing securities except loans	0.2	6.1	–	0.0	504.4	–	60.9	–	571.6
Loans in the form of interest-bearing securities	–	–	–	–	509.5	–	–	–	509.5
Derivatives	20,787.8	1,587.7	–2,427.7	–7,977.9	32.2	–42.6	–1,514.6	–	10,444.9
Total financial assets at fair value in level 3	**20,788.0**	**1,593.8**	**–2,427.7**	**–7,977.9**	**1,046.1**	**–42.6**	**–1,453.7**	**–**	**11,526.0**

FINANCIAL LIABILITIES AT FAIR VALUE IN LEVEL 3

Consolidated Group	2011								
Skr mn	January 1, 2011	Issues	Buy-backs	Settlements	Transfers from level 1 and level 2	Transfers from level 3	Gains and losses through profit or loss[1]	Gains and losses in comprehensive income	December 31, 2011
Senior securities issued	153,308.7	25,292.9	–21,206.7	–31,150.8	–	–	–4,567.8	–	121,676.3
Derivatives	10,036.0	3,455.8	–206.9	–800.2	144.0	–90.3	931.6	–	13,470.0
Total financial liabilities at fair value in level 3	**163,344.7**	**28,748.7**	**–21,413.6**	**–31,951.0**	**144.0**	**–90.3**	**–3,636.2**	**–**	**135,146.3**

FINANCIAL ASSETS AT FAIR VALUE IN LEVEL 3

Consolidated Group	2010								
Skr mn	January 1, 2010	Purchases	Sales	Settlements	Transfers from level 1 and level 2	Transfers from level 3	Gains and losses through profit or loss[1]	Gains and losses in comprehensive income	December 31, 2010
Other interest-bearing securities except loans	293.1	–	–	–64.5	–	–228.5	0.1	–	0.2
Derivatives	11,533.4	7,709.1	–787.3	–2,765.3	320.6	–42.0	4,819.3	–	20,787.8
Total financial assets at fair value in level 3	**11,826.5**	**7,709.1**	**–787.3**	**–2,829.8**	**320.6**	**–270.5**	**4,819.4**	**–**	**20,788.0**

Note 13, continued

FINANCIAL LIABILITIES AT FAIR VALUE IN LEVEL 3

Consolidated Group	2010								
Skr mn	January 1, 2010	Issues	Buy-backs	Settle-ments	Trans-fers from level 1 and level 2	Trans-fers from level 3	Gains and losses through profit or loss[1]	Gains and losses in com-prehensive income	December 31, 2010
Senior securities issued	131,840.9	53,821.9	–12,321.2	–19,125.4	6,052.9	–6,116.5	–843.9	–	153,308.7
Derivatives	15,456.1	571.2	–449.8	–1,144.9	441.3	–1,412.9	–3,425.0	–	10,036.0
Total financial liabilities at fair value in level 3	**147,297.0**	**54,393.1**	**–12,771.0**	**–20,270.3**	**6,494.2**	**–7,529.4**	**–4,268.9**	**–**	**163,344.7**

[1] The unrealized fair value change (profit) for assets and liabilities held as of December 31, 2011 amounts to Skr 2.2 billion 2011 (2010: Skr 8.9 billion).

UNCERTAINTY OF VALUATION OF LEVEL 3 INSTRUMENTS

As the estimation of the parameters used in the valuation of level 3 transactions is an uncertain and subjective process SEK has, in accordance with IFRS 7, conducted an analysis on the difference in fair value of level 3 instruments using other reasonable parameter values. The analysis has been conducted by adjusting the volatilities relevant for the uncertainty analysis +/– 5 percent and all correlations +/– 10 percent and then choosing the highest and lowest value for each transaction. All transactions in level 3 are part of a structured product.

The result is in accordance with SEKs business model where the structured packages are hedged with derivatives where one leg matches the cash flows of the structured product and the other leg is floating with a spread against a reference rate. This means that an increase or decrease in the value of the structured product is offset by an equally large increase or decrease of the derivative's matching leg. In the scenario with maximum market value below, the value of both the structured product and the derivative's matched leg are maximized regardless if it is an asset or a liability. In the scenario with minimum market value, the value of both the structured product and the derivative's matched leg are minimized. After accounting for the effect of collateral provided under ISDA agreements, only the exposure remaining after collateral payments is affected by the credit value adjustment. Any positive/negative figure in the uncertainty analysis will have a positive/negative effect on profit or loss.

UNCERTAINTY ANALYSIS – LEVEL 3 ASSETS AND LIABILITIES

Consolidated Group	December 31, 2011	
	Scenario with maximum market value	Scenario with minimum market value
Skr mn	Change	
Assets		
Other interest-bearing securities except loans	–	–
Derivatives	36.7	–36.8
Total change in fair value of level 3 assets	**36.7**	**–36.8**
Liabilities		
Senior securities issues	–135.7	197.2
Derivatives	99.0	–160.4
Total change in fair value of level 3 liabilities	**–36.7**	**36.8**
Credit value adjustment	–0.3	0.2
Total effect on profit or loss	**–0.3**	**0.2**

UNCERTAINTY ANALYSIS – LEVEL 3 ASSETS AND LIABILITIES

Consolidated Group	December 31, 2010	
	Scenario with maximum market value	Scenario with minimum market value
Skr mn	Change	
Assets		
Other interest-bearing securities except loans	–	–
Derivatives	2,983.9	–3,480.0
Total change in fair value of level 3 assets	**2,983.9**	**–3,480.0**
Liabilities		
Senior securities issues	–4,474.0	6,169.8
Derivatives	1,490.1	–2,689.8
Total change in fair value of level 3 liabilities	**–2,983.9**	**3,480.0**
Credit value adjustment	–1.7	0.7
Total effect on profit or loss	**–1.7**	**0.7**

Note 14. Derivatives

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

Consolidated Group	December 31, 2011			December 31, 2010		
Derivatives by categories						
Skr mn	Assets Fair value	Liabilities Fair value	Nominal amounts	Assets Fair value	Liabilities Fair value	Nominal amounts
Interest rate-related contracts	6,169.6	7,226.2	143,469.3	3,846.8	7,003.8	148,043.8
Currency-related contracts	23,182.5	5,089.8	231,600.0	24,815.3	6,456.4	253,930.1
Equity-related contracts	1,952.9	8,747.5	58,498.7	7,085.1	3,958.0	73,069.0
Contracts rel. to commodities, credit risk, etc.	162.0	1,541.3	20,377.5	1,912.6	639.2	20,611.9
Total derivatives	**31,467.0**	**22,604.8**	**453,945.5**	**37,659.8**	**18,057.4**	**495,654.8**

Consolidated Group	December 31, 2011			December 31, 2010		
of which derviatives used for economic hedges, accounted for as held-for-trading under IAS 39 Skr mn	Assets Fair value	Liabilities Fair value	Nominal amounts	Assets Fair value	Liabilities Fair value	Nominal amounts
Interest rate-related contracts	1,663.1	5,559.8	70,695.7	841.5	5,729.5	71,658.7
Currency-related contracts	8,918.7	4,106.1	141,522.1	12,936.6	5,723.6	165,512.5
Equity-related contracts	1,952.9	8,747.5	58,498.7	7,085.1	3,958.0	73,069.0
Contracts rel. to commodities, credit risk, etc.	162.0	1,541.3	20,377.5	1,912.6	639.2	20,611.9
Total derivatives	**12,696.7**	**19,954.7**	**291,094.0**	**22,775.8**	**16,050.3**	**330,852.1**

Note 14, continued

Consolidated Group	December 31, 2011			December 31, 2010		
of which derivatives used for hedge accounting Skr mn	Assets Fair value	Liabilities Fair value	Nominal amounts	Assets Fair value	Liabilities Fair value	Nominal amounts
Interest rate-related contracts	4,506.5	1,666.4	72,773.6	3,005.3	1,274.3	76,385.2
Currency-related contracts	14,263.8	983.7	90,077.9	11,878.7	732.8	88,417.5
Equity-related contracts	–	–	–	–	–	–
Contracts rel. to commodities, credit risk, etc.	–	–	–	–	–	–
Total derivatives	**18,770.3**	**2,650.1**	**162,851.5**	**14,884.0**	**2,007.1**	**164,802.7**

Consolidated Group	December 31, 2011				
Derivatives used as cash flow hedges Skr mn	≤ 1 month	1 month ≤ 3 months	3 months ≤ 1 year	1 year ≤ 5 years	> 5 years
Cash inflows (assets)	69.0	8.8	79.0	687.4	64.6
Cash outflows (liabilities)	0.0	–4.8	13.3	0.0	0.0
Net cash inflow	**69.0**	**4.0**	**92.3**	**687.4**	**64.6**

Consolidated Group	December 31, 2010				
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)	39.7	46.7	47.0	273.3	33.9
Cash outflows (liabilities)	68.1	–6.5	–24.0	43.1	30.7
Net cash inflow	**107.8**	**40.2**	**23.0**	**316.4**	**64.6**

Consolidated Group	December 31, 2011				
Derivatives used as fair-value hedge Skr mn	≤ 1 month	1 month ≤ 3 months	3 months ≤ 1 year	1 year ≤ 5 years	> 5 years
Cash inflows (assets)	120.0	489.9	3,131.4	10,900.0	4,662.8
Cash outflows (liabilities)	–70.6	–147.2	–379.4	–1,588.7	–345.7
Net cash inflow	**49.4**	**342.7**	**2,752.0**	**9,311.3**	**4,317.1**

Consolidated Group	December 31, 2010				
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)	88.0	808.0	1,845.9	10,210.8	5,212.1
Cash outflows (liabilities)	–89.4	–214.4	–636.5	–1,958.1	–73.3
Net cash inflow	**–1.4**	**593.6**	**1,209.4**	**8,252.7**	**5,138.8**

NET LOSSES ON CASH FLOW HEDGES RECLASSIFIED TO THE STATEMENT OF COMPREHENSIVE INCOME DURING THE YEAR

Skr mn	2011	2010
Interest income	353.6	283.7
Interest expense	–201.4	–81.1
Total	**152.2**	**202.6**

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

SEK uses swap agreements (primarily) to hedge risk exposure inherent in financial assets and liabilities. SEK enters into swap agreements only under ISDA master agreements and all swap contracts are with financial institutions as counterparties. Coun-

Note 14, continued

terparty risks are managed by using an ISDA Credit Support Annex. Swaps are measured at fair value by using market quoted rates where available. If market quotes are not available, valuation models are used. SEK uses models to adjust the net exposure fair value for changes in counterparties' credit quality. The models used include both directly observable and non-observable market parameters.

SEK issues debt instruments in many financial markets. A large portion of these are hybrid instruments with embedded derivatives. SEK's policy is to hedge the risks in these instruments using swaps with offsetting terms in order to obtain effective economic hedges. These hybrid debt instruments are classified as financial liabilities measured at fair value. As there are no market quotes for this group of instruments, internal valuation models, external valuation models, prices from external sources or prices from external parties or brokers for such instruments are used to calculate fair value. The model used is the same for a hybrid liability and the structured swap hedging it, except for adjustments due to the counterparty's or SEK's own credit risk. Thus, with the exception of effects from changes in the counterparty's and SEK's own credit risk, fair value changes in a hybrid liability are always matched by corresponding changes in the fair value of the swap that is hedging that liability. Such developments, which differ in different markets, have been taken into account when calculating the fair values for such liabilities. The models used include both directly observable and non-observable market parameters.

The nominal amounts of derivative instruments do not reflect real exposures. In the case in which a collateral agreement has been negotiated with the counterparty, the threshold amount under the collateral agreement represents real exposure. In the case in which no collateral agreement has been negotiated with the counterparty, the positive fair value represents the real exposure. In almost all cases SEK has negotiated collateral agreements. See the table "Total net exposures" in Note 27, for information regarding amounts of risk exposures related to derivatives.

Some credit default swap contracts are derivatives and accordingly classified as financial assets or liabilities at fair value through profit or loss, whereas others are classified as financial guarantees and therefore carried at amortized cost. As of December 31, 2011 the nominal amount of credit default swap contracts classified as financial guarantees were Skr 15,371.7 million (year-end 2010: Skr 20,020.7 million).

Note 15. Shares

All subsidiaries are domiciled in Stockholm, Sweden, and are wholly owned by AB Svensk Exportkredit. The net profit for the year after taxes, related to the subsidiaries, amounted to Skr 10.1 million (2010: Skr 9.8 million).

Shares in subsidiaries	**December 31, 2011**		**December 31, 2010**	
Skr mn	**Book value**	**Number of shares**	**Book value**	**Number of shares**
AB SEKTIONEN (reg no 556121–0252)[1]	–	–	103.5	4,000
AB SEK Securities (reg no 556608–8885)	10.0	100,000	10.0	100,000
SEK Financial Advisors AB (reg no 556660–2420)	0.8	5,000	5.0	5,000
SEK Financial Services AB (reg no 556683–3462)	0.1	1,000	0.1	1,000
SEK Customer Finance AB (reg no 556726–7587)	16.6	1,000	16.6	1,000
SEK Exportlånet AB (reg no 556761–7617)	0.1	1,000	0.1	1,000
Venantius AB (reg no 556449–5116)	54.7	5,000,500	90.2	5,000,500
Total	**82.3**		**225.5**	

1 The subsidiary AB SEKTIONEN, was sold during the second quarter and generated a positive result of Skr 105.1 million which is reported as other operating income in the consolidated statement of comprehensive income.

	Consolidated Group		**Parent Company**	
Skr mn	**2011**	**2010**	**2011**	**2010**
Impairments of shares in subsidiaries[1]	–	–	–39.7	–533.4
Total impairments of shares in subsidiaries	**–**	**–**	**–39.7**	**–533.4**

1 Impairment of shares in Venantius amounting to Skr 35.5 million (2010: Skr 533.4 million). The impairment of shares in Venantius was caused by dividends paid from Venantius recorded in the same amount. Impairment of shares in SEK Financial Advisors amounts to Skr 4.2 million. The impairment was caused by dividends paid from SEK Financial Advisors with the same amount.

Note 16. Other assets

	Consolidated Group		Parent Company	
Skr mn	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Due from the State	2,113.8	1,155.6	2,113.8	1,155.6
Current tax claim	0.0	0.5	0.0	0.5
Deferred tax claim (see Note 10)	0.0	29.8	0.0	16.3
Claims on subsidiaries	n.a.	n.a.	–7.9	32.9
Receivables for trade that has not settled	1,711.0	392.4	1,711.0	392.4
Other	85.0	125.8	73.6	113.8
Total	**3,909.8**	**1,704.1**	**3,890.5**	**1,711.5**

Note 17. Prepaid expenses and accrued revenues

	Consolidated Group		Parent Company	
Skr mn	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Interest revenues accrued	3,708.8	3,932.6	3,708.7	3,932.6
Prepaid expenses and other accrued revenues	32.2	22.9	31.5	22.8
Total	**3,741.0**	**3,955.5**	**3,740.2**	**3,955.4**

Note 18. Debt

DEBT AS PER CATEGORIES

December 31, 2011	Consolidated Group			Parent Company		
Skr mn	Total	Total debt excluding senior securities issued	Total senior securities issued	Total	Total debt excluding senior securities issued	Total senior securities issued
Exchange rate related contracts	127,790.3	–	127,790.3	127,790.3	–	127,790.3
Interest rate related contracts	83,730.5	15,893.0	67,837.5	83,740.5	15,903.0	67,837.5
Equity related contracts	45,256.2	–	45,256.2	45,256.2	–	45,256.2
Contracts related to raw materials, credit risk etc.	16,468.4	–	16,468.4	16,468.4	–	16,468.4
Total debt outstanding	**273,245.4**	**15,893.0**	**257,352.4**	**273,255.4**	**15,903.0**	**257,352.4**
Of which denominated in:						
Swedish Kronor	9,550.2			9,560.2		
Other currencies	263,695.2			263,695.2		
Total	**273,245.4**			**273,255.4**		

Note 18, continued

December 31, 2010	Consolidated Group			Parent Company		
Skr mn	Total	Total debt excluding senior securities issued	Total senior securities issued	Total	Total debt excluding senior securities issued	Total senior securities issued
Exchange rate related contracts	129,987.0	–	129,987.0	129,987.0	–	129,987.0
Interest rate related contracts	81,561.9	14,362.1	67,199.8	81,574.8	14,375.0	67,199.8
Equity related contracts	68,787.1	–	68,787.1	68,787.1	–	68,787.1
Contracts related to raw materials, credit risk etc.	20,335.6	–	20,335.6	20,335.6	–	20,335.6
Total debt outstanding	**300,671.6**	**14,362.1**	**286,309.5**	**300,684.5**	**14,375.0**	**286,309.5**
Of which denominated in:						
Swedish Kronor	12,374.3			12,387.2		
Other currencies	288,297.3			288,297.3		
Total	**300,671.6**			**300,684.5**		

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

SEK HAS THE FOLLOWING FUNDING PROGRAMS IN PLACE:

Skr mn	Value outstanding[1]	
Funding programs	**December 31, 2011**	**December 31, 2010**
Medium-term note program:		
Unlimited Euro Medium-Term Note Programme	195,197.7	215,998.4
Unlimited SEC-registered U.S. Medium-Term Note Programme	61,981.4	57,103.6
Unlimited Swedish Medium-Term Note Programme	830.1	1,464.5
Skr 8,000,000,000 Swedish Medium-Term Note Programme	4,262.5	4,217.0
Unlimited MTN/STN AUD Debt Issuance Programme	49.9	1,477.4
Commercial paper program:		
USD 3,000,000,000 U.S. Commercial Paper Programme	–	–
USD 4,000,000,000 Euro-Commercial Paper Programme	–	–

[1] Amortized cost excluding fair value adjustments

Note 19. Other liabilities

	Consolidated Group		Parent Company	
Skr mn	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Liabilities to subsidiaries	n.a.	n.a.	32.6	35.1
Current tax liability	67.8	819.7	65.7	817.4
Liabilities related to assets acquired though not yet delivered and paid for	1,848.3	84.8	1,848.3	84.8
Other	580.9	736.1	580.9	736.3
Total	**2,497.0**	**1,640.6**	**2,527.5**	**1,673.6**

Note 20. Accrued expenses and prepaid revenues

	Consolidated Group		Parent Company	
Skr mn	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Interest expenses accrued	3,154.9	3,337.7	3,155.0	3,337.7
Other accrued expenses	196.1	105.7	195.8	105.0
Total	**3,351.0**	**3,443.4**	**3,350.8**	**3,442.7**

Note 21. Provisions

	Consolidated Group		Parent Company	
Skr mn	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Pension liabilities (see Note 5)	47.0	50.2	13.3	14.3
Termination reserve	2.6	3.4	–	–
Total	**49.6**	**53.6**	**13.3**	**14.3**

Note 22. Subordinated debt securities

	Consolidated Group		Parent Company	
Skr mn	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Perpetual, non-cumulative subordinated loan, foreign currency[1,2]	3,174.4	2,590.3	3,174.4	2,590.3
Total subordinated debt outstanding	**3,174.4**	**2,590.3**	**3,174.4**	**2,590.3**
Of which denominated in:				
Swedish kronor	–	–	–	–
Foreign currencies	3,174.4	2,590.3	3,174.4	2,590.3

1 Nominal value USD 200 million. Interest payments quarterly in arrears at a rate of 5.40 percent per annum. Redeemable, at SEK's option only, on or after December 27, 2008, and quarterly thereafter at 100 percent of the nominal value. Redemption requires the prior approval of the Swedish Financial Supervisory Authority. Interest payment will not be made if SEK does not have available distributable capital for making such a payment. The investor's right to receive accrued but unpaid interest will thereafter be lost (noncumulative). In order to avoid the issuer being obliged to enter into liquidation the general meeting together with the approval of the Swedish Financial Supervisory Authority may decide that the principal amount and any unpaid interest will be utilized in the meeting of losses. However, SEK cannot thereafter pay any dividend to its shareholders before the principal amount has been reinstated as debt in full in the statement of financial position or been redeemed with approval by the Swedish Financial Supervisory Authority and such accrued but unpaid interest has been paid.

2 Nominal value USD 150 million. Interest payments quarterly in arrears at a rate of 6.375 percent per annum. Redeemable, at SEK's option only, on or after December 27, 2008, and quarterly thereafter at 100 percent of the nominal value. Redemption requires the prior approval of the Swedish Financial Supervisory Authority. Interest payment will not be made if SEK does not have available distributable capital for making such a payment. The investor's right to receive accrued but unpaid interest will thereafter be lost (noncumulative). In order to avoid the issuer being obliged to enter into liquidation the general meeting together with the approval of the Swedish Financial Supervisory Authority may decide that the principal amount and any unpaid interest will be utilized in the meeting of losses. However, SEK cannot thereafter pay any dividend to its shareholders before the principal amount has been reinstated as debt in full in the statement of financial position or been redeemed with approval by the Swedish Financial Supervisory Authority and such accrued but unpaid interest has been paid.

The accrued interest related to the subordinated debt, at year-end Skr 1.6 million (year-end 2010: Skr 1.5 million), has been included in the item "Accrued expenses and prepaid revenues".

The subordinated loans are subordinated to the company's other debts, which means that payment will not be performed until other creditors have received repayment.

Note 23. 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, 2011. Contingent liabilities consist of liabilities related to previous loans made by Venantius AB amounting to Skr 1.1 million (year-end 2010: Skr 4.5 million). Commitments consist of committed undisbursed loans. Such committed undisbursed loans represent loan offers that have been accepted by the customer but not yet disbursed. Of the Skr 25,071.8 million of committed undisbursed loans at December 31, 2011 (year-end 2010: Skr 38,205.2 million), committed undisbursed loans under the S-system represented Skr 9,036.0 million (year-end 2010: Skr 16,570.1 million). Such commitments under the S-system sometimes include a fixed-rate option, the cost of which is reimbursed by the Swedish state in accordance with an agreement with the state (see Note 24).

SEK makes indicative loan offers to its customers, i.e. offers at a specified interest rate subject to change prior to the acceptance of the offer. When a borrower accepts the loan offer, the interest rate is stipulated. The volume of outstanding offers amounted to Skr 64.3 billion at year-end 2011 (year-end 2010: Skr 86.6 billion).

As of December 31, 2011, SEK had, under the security agreements for derivative contracts, made deposits amounting to Skr 4.3 billion (year-end 2010: Skr 0.7 billion).

LEHMAN BROTHERS HOLDINGS INC.

Following Lehman Brothers Holdings Inc.'s (the parent company in the Lehman Brothers Group) request for bankruptcy protection on September 15, 2008, SEK replaced most of the outstanding derivative contracts the Parent Company had entered into with three different Lehman Brothers entities. In accordance with the terms

Note 23, continued

of the original contracts (which generally took the form of ISDA Master Agreements), SEK prepared statements of claim ("Calculation Statements") in relation to all of these Lehman Brothers entities. The Calculation Statements were delivered to the respective counterparties in the beginning of October 2008.

The majority of the contracts SEK had with three different Lehman Brothers entities served primarily to hedge SEK against market risk. Those contracts have been replaced with new contracts. In addition, SEK had entered into credit default swaps with Lehman Brothers entities that were accounted for as financial guarantee and therefore recorded at amortized cost. The underlying counterparties covered by these credit default swaps all had such creditworthiness as to qualify under SEK's policies to be held without credit default swap coverage. SEK has therefore not replaced these credit default swaps. The Calculation Statements included claims for calculated costs related to the replacement of these financial guarantees. SEK's claims against the related Lehman Brothers entities associated with these financial guarantees has not previously been recognized in the statement of financial position due to the requirement that contingent assets only should be recognized when there is virtual certainty of collection.

During the beginning of 2011, SEK reached an agreement with Lehman Brothers Special Financing Inc. with regard to the parties' respective claims. On November 16, 2011, an agreement was concluded with a third party for the sale of the said claim on the subsidiary in the former Lehman Brothers Group. The sale has resulted in a realized gain of Skr 279.3 million, of which Skr 100.0 million was already recorded as an unrealized gain in the second quarter of 2011 and Skr 127.0 million as an unrealized gain in the third quarter of 2011.

During the third quarter of 2011, SEK reached an agreement with Lehman Brothers Special Financing Inc. that resolved the parties' respective claims. Based on that agreement, a portion of the previously recognized contingent asset are considered virtually certain to have a positive fair value and have therefore been recognized in the statement of financial position based on an assessment of the present value of future cash flows. On November 16, 2011, an agreement was concluded for the sale to a third party of SEK's agreed claim against Lehman Brothers International (Europe) (in administration) ("LBIE-Claim"), together with the contingent claim against Lehman Brothers Holding, Inc. in its capacity as guarantor, in relation to the LBIE-Claim. The purchase price of approximately USD 41.1 million was credited to SEK's account the same day. Based on these agreements, SEK believes that it no longer should report any contingent asset related to this particular Lehman Brothers subsidiary.

In June 2009, Lehman Brothers Finance S.A. (in liquidation, with PricewaterhouseCoopers as appointed liquidators) ("LBF") notified SEK that LBF was demanding the payment of amounts that LBF claimed were due under one of the original ISDA Master Agreements (the "LBF Agreement"), plus interest, rejecting SEK's claims for cross-affiliate set-off, interest and damages, as reflected in the related Calculation Statements. SEK rejected LBF's claim for payment and its other objections to the relevant Calculation Statements. SEK made a payment to LBF, during the fourth quarter 2011, representing SEK's debt including interest in accordance with the Calculation Statements. SEK disagrees with LBF's position, and intends to continue to vigorously defend its position.

SEK believes that it will not suffer any significant losses related to the bankruptcy of Lehman Brothers. SEK's set-off and damage claims have however not been settled, and no assurance can be given that they will be compensated in full. Nor can any guarantees on the outcome of SEK's dispute with LBF be given.

SPARBANKSSTIFTELSERNAS FÖRVALTNINGS AB

In March 2009, in connection with the settlement of a claim against Sparbanksstiftelsernas Förvaltnings AB ("SFAB"), SEK came to an agreement with SFAB by which SEK, through a purchase, assumed ownership of 25,520,000 shares in Swedbank AB representing 3.3 percent of Swedbank's total share capital and votes. On June 16, 2009 SEK received a claim from SFAB challenging the agreement related to the transfer of ownership in the shares of Swedbank AB, which has been rejected by SEK. SEK subsequently subscribed for new shares in a rights offering of Swedbank AB in the autumn of 2009. Payment for new shares of Skr 497.6 million was delivered on October 6, 2009. SEK's holding in Swedbank AB amounted to 3.3 percent and the number of shares amounted to 38,280,000 after participating in the rights offering.

On October 26, 2009, SEK received an additional claim from SFAB relating to the value of SEK's entire current stake in Swedbank (38,280,000 shares), including fair valuation changes. These shares had an acquisition cost of a total of Skr 997.6 million, and, as of September 30, 2010, had a book value of Skr 3,592.0 million, which corresponded to the fair value. The aforementioned additional claim does not affect SEK's previous conclusion that SFAB has no valid claim, and, therefore, it has been rejected.

On November 11, 2009, SFAB announced that it had initiated arbitration proceedings. On March 1, 2010, SFAB submitted a statement of claim against SEK at the Arbitration Institute of the Stockholm Chamber of Commerce. The statement of claim has subsequently (after SEK filed its defense) been supplemented and developed. The arbitration process is still ongoing. On March 5, 2010, SFAB also submitted an application for summons against SEK in the said dispute to the City Court of Stockholm. SEK still considers that SFAB's demands are unfounded and has therefore not made any financial provisions in respect of any of the actions taken by SFAB as described above.

On October 28, 2010, SEK sold its entire stake in Swedbank AB. The holding was privately placed with a number of Swedish and international institutional investors. SEK, a holder of shares in Swedbank since March 2009, had previously announced that it should not be regarded as a long-term owner but rather had the intention to sell the stake in a responsible way. The shares, which had been acquired at a cost of Skr 997.6 million, were sold for a total of Skr 3,562.7 million resulting in a profit of Skr 2,565.0 million before taxes. At the board meeting held on October 29, 2010, SEK's Board of Directors resolved to call an extraordinary general meeting with the purpose to propose an extra dividend amounting to Skr 1,890.0 million, equal to the realized profit from the sale after tax. The extraordinary general meeting was held on December 1, 2010, and a decision on a special dividend amounting to Skr 1,890.0 million was made. The dividend was paid to SEK's owner, the Swedish state, on December 15, 2010. On March 14, 2012, the arbitration proceedings, which can not be appealed, were concluded in SEK's favor with regard to the dispute between SEK and SFAB. SFAB has also been ordered to reimburse SEK for the expenses it incurred during the arbitration proceedings.

Note 24. S-system

SEK administers, for compensation, the Swedish State's export credit support system, and the State's related aid credit program (together the "S-system"). Pursuant to an agreement between SEK and the Swedish state, SEK has specific conditions for granting loans in the S-system. See Note 1(d) (i). The remuneration from the S-system to SEK in accordance with the agreement, amounted to Skr 72.4 million for the year (2010: Skr 48.7 million), is shown as a part of interest revenues in the Statements of Comprehensive Income for SEK. The assets and liabilities of the S-system are included in SEK's statements of financial position.

CIRR loans (Commercial Interest Reference Rate) represent one of the two loan types in the S-system, the other being concessionary loans. The net result in the S-system for 2011 amounted to Skr 81.8 million (2010: Skr –27.8 million), of which the net result for the CIRR loans represented Skr 123.7 million (2010: Skr 11.6 million).

STATEMENT OF COMPREHENSIVE INCOME FOR THE S-SYSTEM

Skr mn	2011	2010
Interest revenues	862.9	680.2
Interest expenses	–802.5	–710.7
Net interest revenues	**60.4**	**–30.5**
Interest compensation[1]	92.4	50.8
Remuneration to SEK	–72.4	–48.7
Foreign exchange effects	1.4	0.6
Reimbursement to (–)/from (+) the State	–81.8	27.8
Net result	**0.0**	**0.0**

STATEMENT OF FINANCIAL POSITION FOR THE S-SYSTEM (INCLUDED IN SEK'S STATEMENT OF FINANCIAL POSITION)

Skr mn	December 31, 2011	December 31, 2010
Cash and cash equivalents	20.1	55.9
Loans	34,226.9	23,989.0
Derivatives	4.6	16.9
Other assets	2,459.0	1,466.8
Total assets	**36,710.6**	**25,528.6**
Liabilities	34,591.8	24,353.6
Derivatives	2,118.8	1,175.0
Equity	–	–
Total liabilities and equity	**36,710.6**	**25,528.6**
Commitments		
Committed undisbursed loans (Note 23)	9,036.0	16,570.1

RESULTS UNDER THE S-SYSTEM BY TYPE OF LOAN

	CIRR loans		Concessionary loans	
Skr mn	2011	2010	2011	2010
Net interest revenues	100.3	7.0	–39.9	–37.5
Interest compensation[1]	92.4	50.8	–	–
Remuneration to SEK	–70.4	–46.8	–2.0	–1.9
Foreign exchange effects	1.4	0.6	–	–
Total	**123.7**	**11.6**	**–41.9**	**–39.4**

[1] During 2011, interest compensation has been reclassified to the line item "Interest compensation". The compensation represents the change in fair value due to

changes in applicable interest rates for early redemption of loans. The compensation was previously reported as commissions earned.

Note 25. Segment reporting

The Segment Reporting has been changed from the fourth quarter of 2011 to better reflect the present internal reporting structure. Comparative figures have been restated. In accordance with IFRS 8, SEK has the following two segments: direct customer financing and end customer financing. Direct customer financing concerns financing that SEK arranges directly to, or for the benefit of Swedish exports companies. End customer financing refers to financing that SEK arranges for buyers of Swedish goods and services. Previously, SEK reported the segments granting of loans and other segments (including advisory services and capital market products).

See Note 1 (c) for further information about Segment Reporting.

SEK's management evaluates its business mainly on the basis of the non-IFRS income measure, operating profit excluding some fair valuation effects recorded according to IFRS. 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			**Jan–Dec 2011**		
Skr mn	**Direct customer financing**	**End customer financing**	**Reconciliation with the Consolidated Statement of Comprehensive Income[1]**	**Unrealized changes in value**	**Total**
Net interest revenues and net commissions	1,098.1	770.1			1,868.2
Net results of financial transactions	227.3	254.6			481.9
Other operating income			108.8		108.8
Operating expenses	–211.5	–288.9			–500.4
Net credit losses	–71.9	–39.0			–110.9
Operating profit excl. unrealized changes in fair value	**1,042.0**	**696.8**	**108.8**		**1,847.6**
Unrealized changes in value				41.5	41.5
Operating profit	**1,042.0**	**696.8**	**108.8**	**41.5**	**1,889.1**

Consolidated Statement of Comprehensive Income			**Jan–Dec 2010**		
Skr mn	**Direct customer financing**	**End customer financing**	**Reconciliation with the Consolidated Statement of Comprehensive Income[1]**	**Unrealized changes in value**	**Total**
Net interest revenues and net commissions	1,110.7	787.6			1,898.3
Net results of financial transactions	124.4	–16.8	2,565.0		2,672.6
Other operating income					
Operating expenses	–185.7	–278.7			–464.4
Net credit losses	72.6	–64.4			8.2
Operating profit excl. unrealized changes in fair value	**1,122.0**	**427.7**	**2,565.0**		**4,114.7**
Unrealized changes in value				–175.0	–175.0
Operating profit	**1,122.0**	**427.7**	**2,565.0**	**–175.0**	**3,939.7**

[1] The item consists of other operating income primarily due to the sale of AB SEKTIONEN and realized net profit due to the disposal of the shares in Swedbank.

Note 25, continued

Skr billion	December 31, 2011 Direct customer financing	End customer financing	Sum of segments	December 31, 2010 Direct customer financing	End customer financing	Sum of segments
Interest-bearing assets	127.5	147.5	275.0	136.7	158.0	294.7
Committed undisbursed loans	2.5	22.6	25.1	4.7	33.5	38.2

RECONCILIATION BETWEEN SUM OF SEGMENTS AND CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Skr billion	December 31, 2011	December 31, 2010
Sum of segments	**275.0**	**294.7**
Derivates	31.5	37.7
Property, plant, equipment and intangible assets	0.1	0.2
Other assets	3.9	1.7
Prepaid expenses and accrued revenues	3.7	4.0
Other [2]	5.5	1.4
Total	**319.7**	**339.7**
Consolidated statement of financial position	319.7	339.7

[2] Other consists mainly of call deposits.

Income geographical areas	Jan–Dec 2011			Jan–Dec 2010		
Skr mn	Interest revenues	Com-missions earned	Total	Interest revenues	Com-missions earned	Total
Sweden	3,697.0	5.4	3,702.4	2,943.9	10.1	2,954.0
Europe except Sweden	2,527.0	6.9	2,533.9	6,265.2	6.7	6,271.9
Countries outside of Europe	3,999.0	0.0	3,999.0	2,974.0	2.9	2,976.9
Total	**10,223.0**	**12.3**	**10,235.3**	**12,183.1**	**19.7**	**12,202.8**

Note 26. Capital adequacy

The capital adequacy ratio of SEK as a consolidated financial entity, calculated according to Basel II, Pillar 1, as of December 31, 2011 was 23.3 percent (year-end 2010: 22.4 percent) without taking into account the effects of currently applicable transitional rules (see below).

CAPITAL BASE

Skr mn	Consolidated Group December 31, 2011	Consolidated Group December 31, 2010	Parent Company December 31, 2011	Parent Company December 31, 2010
Tier-1 capital	15,375	14,432	15,386	14,519
Total capital base[1]	**15,375**	**14,432**	**15,386**	**14,519**

[1] Total capital base, including expected loss surplus in accordance with the IRB approach.

Note 26, continued

CAPITAL BASE – ADJUSTING ITEMS

	Consolidated Group		Parent Company	
Skr mn	December 31, 2011	December 31, 2010	December 31, 2011	December 31, 2010
Equity	13,968	12,570	12,001	10,890
Equity-portions of untaxed reserves	n.a.	n.a.	1,979	1,767
Expected dividend	–420	–301	–420	–301
Items recognized at fair value	–475	–75	–476	–75
Intangible assets and other adjustments	–88	–58	–88	–58
Deduction from Tier-1	–33	n.a.	–33	n.a.
Tier-1 eligible subordinated debt	2,423	2,381	2,423	2,381
100% of expected loss in accordance with IRB-calculation	0	–85	0	–85
Total Tier-1 capital	**15,375**	**14,432**	**15,386**	**14,519**

IMPACT ON THE CAPITAL BASE FROM EXPECTED LOSS

Expected loss is calculated according to law and regulations, based on information from SEK's internal ratings-based approach (IRB-approach). Such an expected loss does not represent real, individually anticipated losses, but reflects a theoretically calculated amount. Expected loss is a gross deduction from the capital base. This deduction is decreased by impairments of financial assets for which expected loss is calculated. The difference between recorded impairment and expected loss will adjust the capital base, by a reduction or an addition, as the case might be. As of December 31, 2011 the deduction from the capital base amounted to Skr 0.0 million. As of December 31, 2010, the deduction from the capital base amounted to Skr 85.0 million. The amount reduces Tier-1 capital.

CAPITAL REQUIREMENT IN ACCORDANCE WITH PILLAR 1

	Consolidated Group				Parent Company			
	December 31, 2011		December 31, 2010		December 31, 2011		December 31, 2010	
Skr mn	Weighted claims	Required capital	Weighted claims	Required capital	Weighted claims	Required capital	Weighted claims	Required capital
Credit risk standardized method	1,767	141	925	74	1,766	141	920	73
Credit risk IRB method	59,349	4,748	58,157	4,653	59,421	4,754	58,259	4,661
Currency exchange risks	–	–	–	–	–	–	–	–
Operational risk	4,799	384	5,371	430	4,767	381	6,858	549
Total Basel II	**65,915**	**5,273**	**64,453**	**5,157**	**65,954**	**5,276**	**66,037**	**5,283**
Basel I-based additional requirement[1]	–	–	26	2	–	–	0	0
Total Basel II incl. additional requirement	**65,915**	**5,273**	**64,479**	**5,159**	**65,954**	**5,276**	**66,037**	**5,283**
Total Basel I	**81,146**	**6,492**	**80,599**	**6,448**	**81,217**	**6,497**	**80,702**	**6,456**

[1] The item "Basel I based additional requirements" is calculated in accordance with § 5 of the law (2006:1372) on implementation of the capital adequacy requirements (2006:1371).

Note 26, continued

CREDIT RISKS

For risk classification and quantification of credit risk SEK uses an internal ratings-based (IRB) approach. The Swedish Financial Supervisory Authority has approved SEK's IRB approach. Specifically, SEK applies the Foundation Approach. Under the Foundation Approach, the company determines the probability of default within one year (PD) of each of its counterparties, while the Swedish Financial Supervisory Authority establishes the remaining parameters. The Swedish Financial Supervisory Authority has, however exempted the company, until December 31, 2012, for some exposures. For exposure exempted from the IRB approach, SEK applies the standardized approach when calculating the capital requirement for credit risk.

OPERATIONAL RISKS

The regulations provide opportunities for companies to use different methods for the calculation of capital requirements for operational risks. Until the third quarter of 2011 SEK used the basic indicator approach. As of the third quarter of 2011, SEK is applying the Standardized Approach. Under the standardized approach the capital requirement for operational risk is based on the company's operations being divided into business areas in accordance with capital adequacy regulations. The capital requirement for respective areas is calculated by multiplying a factor of 12 percent, 15 percent or 18 percent (depending on the business area) by an income indicator. This income indicator consists of the average operating income for the past three financial years. Operational income is calculated as the sum of the following items: interest and leasing income, interest and leasing costs, dividends received, commission income, commission expense, net profit from financial transactions and other operating income.

TRANSITIONAL RULES

Since 2007, the capital requirement has been determined, primarily, based on Basel II rules. The Swedish legislature has, however, chosen not to immediately allow the full effect of the Basel II regulations if these rules result in a lower capital requirement than that calculated on the basis of the earlier, less risk-sensitive, Basel I rules. During the transition period of 2007 to 2009, the capital requirement was therefore calculated in parallel on the basis of the Basel I rules. To the extent that the Basel I-based capital requirement – reduced to 95 percent in 2007, 90 percent in 2008, and 80 percent in 2009 – has exceeded the capital requirement based on the Basel II rules, the capital requirement under the abovementioned Basel I-based rules has constituted the minimum capital requirement. In 2009 the Swedish legislature decided to extend the transitional rules to apply until the end of 2011. In 2011 the legislature has determined to further extend the transitional rules. For 2012, therefore, the capital requirement will continue to correspond to the highest capital requirement under the Basel II rules and 80 percent of the capital requirements under Basel I rules.

CAPITAL ADEQUACY ANALYSIS (PILLAR 1)

	Consolidated Group				Parent Company			
	December 31, 2011		December 31, 2010		December 31, 2011		December 31, 2010	
Skr mn	Excl. Basel I based add. requirement	Incl. Basel I based add. requirement	Excl. Basel I based add. requirement	Incl. Basel I based add. requirement	Excl. Basel I based add. requirement	Incl. Basel I based add. requirement	Excl. Basel I based add. requirement	Incl. Basel I based add. requirement
Total capital adequacy	23.3%	23.3%	22.4%	22.4%	23.3%	23.3%	22.0%	22.0%
...Of which related to Tier-1 Capital	*23.3%*	*23.3%*	*22.4%*	*22.4%*	*23.3%*	*23.3%*	*22.0%*	*22.0%*
Capital adequacy quota (total capital base/total required capital)	2.92	2.92	2.80	2.80	2.92	2.92	2.75	2.75

According to SEK's definition, Common Equity Tier-1 constitutes of Tier-1 capital excluding additional Tier-1 capital in the form of perpetual subordinated debt. SEK's Common Equity Tier-1 capital adequacy ratio amounted to 19.6 percent as of December 31, 2011 (year-end 2010: 18.7). The definition of what to be computed in Common Equity Tier-1 capital in future capital adequacy regulations has not yet been determined.

Note 27. Risk information

For further risk information, see the section "Risk" on pages 45–59.

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

The table of credit quality as per category in the statement of financial position and the table illustrating the link between statement of financial position categories and exposures according to Basel II contain book values. Other tables contain nominal values.

Note 27, continued

CREDIT RISK

The table below displays the maximum exposure to credit risk. The amounts are nominal values.

Consolidated Group	December 31, 2011 Maximum exposure to credit risk		
Skr mn	Financial assets at fair value through profit or loss	Assets available-for-sale	Loans and receivables
Cash and cash equivalents	–	–	3,749.6
Treasuries/government bonds	–	–	2,035.8
Other interest-bearing securities except loans	4,268.7	9,198.5	61,653.2
Loans in the form of interest-bearing securities	2,114.5	–	63,427.5
Loans to credit institutions	–	–	27,267.1
Loans to the public	–	–	126,946.9
Derivatives	31,467.0	–	–
Total financial assets	**37,850.2**	**9,198.5**	**285,080.1**

Consolidated Group	December 31, 2010 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	–	–	8,798.0
Treasuries/government bonds	–	–	5,437.2
Other interest-bearing securities except loans	5,316.5	9,056.9	86,358.5
Loans in the form of interest-bearing securities	2,214.9	–	69,040.4
Loans to credit institutions	–	–	25,281.3
Loans to the public	–	–	121,718.9
Derivatives	37,659.8	–	–
Total financial assets	**45,191.2**	**9,056.9**	**316,634.3**

Maximum exposure to credit risk for “Loans to credit institutions” and “Loans to the public” includes undisbursed loans at year-end, entered at nominal value.

The table below displays the credit quality after risk mitigation (net) as per category in the statement of financial position. The amounts are book values.

Consolidated Group	December 31, 2011					
Skr mn	Book value	AAA	AA+ to A-	BBB+ to BBB-	BB+to B-	CCC to D
Cash and cash equivalents	3,749.6	–	3,749.6	–	–	–
Treasuries/government bonds	2,033.4	1,995.3	–	38.1	–	–
Other interest-bearing securities except loans	74,738.5	16,294.0	57,437.7	860.1	77.0	69.7
Loans in the form of interest-bearing securities	66,204.5	19,730.4	26,818.4	15,690.4	3,965.3	–
Loans to credit institutions	25,791.6	8,362.5	13,682.1	3,732.6	14.4	–
Loans to the public	107,938.1	49,903.1	35,368.1	14,916.9	7,611.9	138.1
Derivatives	31,467.0	–	24,602.7	6,864.3	–	–
Total financial assets	**311,922.7**	**96,285.3**	**161,658.6**	**42,102.4**	**11,668.6**	**207.8**
Committed undisbursed loans	**25,071.8**	**14,274.9**	**8,211.1**	**1,318.0**	**1,256.3**	**11.5**

Note 27, continued

Consolidated Group	December 31, 2010					
Skr mn	Book value	AAA	AA+ to A-	BBB+ to BBB-	BB+to B-	CCC to D
Cash and cash equivalents	8,798.0	–	8,798.0	–	–	–
Treasuries/government bonds	5,431.2	899.0	4,494.0	–	38.2	–
Other interest-bearing securities except loans	100,532.9	24,263.6	72,852.0	3,114.1	140.4	162.8
Loans in the form of interest-bearing securities	71,805.9	23,399.5	30,488.4	15,798.7	2,119.3	–
Loans to credit institutions	22,539.0	10,572.9	10,664.8	588.5	712.8	–
Loans to the public	87,101.9	59,430.7	14,780.4	9,208.5	3,548.9	133.4
Derivatives	37,659.8	65.7	28,788.0	8,806.1	–	–
Total financial assets	**333,868.7**	**118,631.4**	**170,865.6**	**37,515.9**	**6,559.6**	**296.2**
Committed undisbursed loans	**38,205.2**	**18,248.8**	**16,337.1**	**3,598.7**	**14.5**	**6.1**

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, 2011					
Skr billion	Book value	Adjustment from Book value to Exposure	Adjustment to exposure class	Amendment for undisbursed loans and counterparty exposure	Exposure	Exposure class
Treasuries/government bonds	2.0	–	9.5	1.5	13.0	Central governments
Other interest-bearing securities except loans	74.7	–	27.0	21.4	123.1	Government export credit agencies
Loans in the form of interest-bearing securities	66.2	–0.3	–47.1	0.3	19.1	Regional governments
Loans to credit institutions including cash and cash equivalents[1]	29.5	–4.7	–24.4	–	0.4	Multilateral development banks
Loans to the public	107.9	–0.7	–33.2	12.5	86.5	Financial institutions, including equity exposures
Shares and participation	–	–	52.1	3.3	55.4	Corporates
Derivatives	31.5	–14.8	–16.7	–	–	
	–	–	16.1	–	16.1	Securitization positions
Total financial assets	**311.8**	**–20.5**	**–16.7**	**39.0**	**313.6**	

Note 27, continued

Consolidated Group	December 31, 2010					
Skr billion	Book value	Adjustment from Book value to Exposure	Adjustment to exposure class	Amendment for undisbursed loans and counterparty exposure	Exposure	Exposure class
Treasuries/government bonds	5.4	0.0	9.1	2.0	16.5	Central governments
Other interest-bearing securities except loans	100.5	–0.3	–9.2	32.8	123.8	Government export credit agencies
Loans in the form of interest-bearing securities	71.8	–0.5	–48.1	0.5	23.7	Regional governments
Loans to credit institutions including cash and cash equivalents[1]	31.3	–0.3	–30.6	0.0	0.4	Multilateral development banks
Loans to the public	87.1	–0.6	15.1	12.5	114.1	Financial institutions, including equity exposures
Shares and participation	–	–	39.7	3.6	43.3	Corporates
Derivatives	37.7	–14.1	–23.6	–	–	
	–	–	24.0	–	24.0	Securitization positions
Total financial assets	**333.8**	**–15.8**	**–23.6**	**51.4**	**345.8**	

[1] Skr 4.3 billion (2010: Skr 0.7 billion) of the book value for Loans to credit institutions are cash collateral provided by SEK.

Reduction in derivative exposures from applying netting under current ISDA Master Agreements according to Basel II regulations regarding counterparty risk in derivative transactions amounts to Skr 14.8 billion (2010: Skr 14.1 billion). For further information regarding counterparty risk in derivative transactions under Basel II, see section "Risk" on pages 45–59.

TOTAL CREDIT EXPOSURES CONSOLIDATED GROUP

Amounts expressing gross exposures are shown before guarantees and credit derivatives (CDSs) while net exposures are reported after taking guarantees and credit derivatives into consideration. The amounts are nominal values.

Skr billion	Total				Loans & interest-bearing securities				Undisbursed loans, derivatives, etc			
	December 31, 2011		December 31, 2010		December 31, 2011		December 31, 2010		December 31, 2011		December 31, 2010	
Classified by exposure class	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Central governments	13.0	4	16.5	5	11.5	4	14.4	5	1.5	4	2.1	4
Government export credit agencies	123.1	39	123.8	36	101.7	37	91.1	31	21.4	55	32.7	64
Regional governments	19.1	6	23.7	7	18.8	7	23.2	8	0.3	1	0.5	1
Multilateral development banks	0.4	0	0.4	0	0.4	0	0.4	0	–	–	–	–
Financial institutions	86.5	28	114.1	33	74.0	27	101.6	35	12.5	32	12.5	24
Corporates	55.4	18	43.3	12	52.1	19	39.7	13	3.3	8	3.6	7
Securitization positions	16.1	5	24.0	7	16.1	6	24.0	8	–	–	–	–
Total	**313.6**	**100**	**345.8**	**100**	**274.6**	**100**	**294.4**	**100**	**39.0**	**100**	**51.4**	**100**

Note 27, continued

CREDIT EXPOSURES ALLOCATION BETWEEN IRB-APPROACH AND THE STANDARDIZED APPROACH

	December 31, 2011		December 31, 2010	
Skr billion	Net exposures	Share, %	Net exposures	Share, %
Standardized approach				
Central governments	13.0	4	16.5	5
Government export credit agencies	123.1	39	123.8	36
Regional governments	19.1	6	23.7	7
Multilateral development banks	0.4	0	0.4	0
Corporates	0.4	0	0.1	0
Sum standardized approach	**156.0**	**49**	**164.5**	**48**
IRB method				
Financial institutions	86.5	28	114.1	33
Corporates	55.0	18	43.2	12
Securitization positions	16.1	5	24.0	7
Sum IRB method	**157.6**	**51**	**181.3**	**52**
Total	**313.6**	**100**	**345.8**	**100**

CREDIT EXPOSURES BY REGION AND EXPOSURE CLASS

Gross exposure by region and exposure class, as of December 31, 2011

Skr billion	Africa	Asia	North America	Oceania	South America	Sweden	Other Nordic countries	Other European countries	Total
Central governments	0.0	7.6	–	–	0.2	3.3	2.5	1.8	15.4
Government export credit agencies	0.7	–	–	–	–	–	0.0	–	0.7
Regional governments	–	–	–	–	–	9.7	1.3	–	11.0
Multilateral development banks	–	–	–	–	–	–	–	0.0	0.0
Financial institutions	0.6	1.2	6.7	4.4	–	22.0	10.6	30.3	75.8
Corporates	2.0	34.8	18.6	0.8	3.9	71.1	17.1	46.3	194.6
Securitization positions	–	–	3.4	3.6	–	–	–	9.1	16.1
Total	**3.3**	**43.6**	**28.7**	**8.8**	**4.1**	**106.1**	**31.5**	**87.5**	**313.6**

Gross exposure by region and exposure class, as of December 31, 2010

Skr billion	Africa	Asia	North America	Oceania	South America	Sweden	Other Nordic countries	Other European countries	Total
Central governments	0.0	7.8	–	–	0.3	2.1	3.6	6.6	20.4
Government export credit agencies	–	–	–	–	–	–	0.0	–	0.0
Regional governments	–	–	–	–	–	12.9	1.6	–	14.5
Multilateral development banks	–	–	–	–	–	–	–	0.0	0.0
Financial institutions	0.6	0.9	11.7	5.5	–	31.8	12.2	36.1	98.8
Corporates	2.2	26.7	20.5	0.9	3.9	68.2	17.6	46.7	186.7
Securitization positions	–	0.0	4.3	4.6	–	–	–	16.5	25.4
Total	**2.8**	**35.4**	**36.5**	**11.0**	**4.2**	**115.0**	**35.0**	**105.9**	**345.8**

Note 27, continued

Net exposure by region and exposure class, as of December 31, 2011

Skr billion	Africa	Asia	North America	Oceania	South America	Sweden	Other Nordic countries	Other European countries	Total
Central governments	–	0.7	–	–	–	3.9	2.5	5.9	13.0
Government export credit agencies	–	–	6.4	–	–	99.2	2.4	15.1	123.1
Regional governments	–	–	–	–	–	17.5	1.6	–	19.1
Multilateral development banks	–	–	–	–	–	–	–	0.4	0.4
Financial institutions	–	0.8	9.7	4.4	–	19.1	13.3	39.2	86.5
Corporates	–	1.6	0.5	–	0.2	39.1	9.0	5.0	55.4
Securitization positions	–	–	3.4	3.6	–	–	–	9.1	16.1
Total	**–**	**3.1**	**20.0**	**8.0**	**0.2**	**178.8**	**28.8**	**74.7**	**313.6**

Net exposure by region and exposure class, as of December 31, 2010

Skr billion	Africa	Asia	North America	Oceania	South America	Sweden	Other Nordic countries	Other European countries	Total
Central governments	–	–	–	–	–	2.9	3.6	10.0	16.5
Government export credit agencies	–	–	8.4	–	–	96.2	1.5	17.7	123.8
Regional governments	–	–	–	–	–	21.8	1.9	–	23.7
Multilateral development banks	–	–	–	–	–	–	–	0.4	0.4
Financial institutions	–	0.7	17.5	5.5	–	29.0	13.0	48.4	114.1
Corporates	–	0.6	1.4	–	0.1	28.9	7.3	5.0	43.3
Securitization positions	–	0.0	4.4	4.6	–	–	–	15.0	24.0
Total	**–**	**1.3**	**31.7**	**10.1**	**0.1**	**178.8**	**27.3**	**96.5**	**345.8**

CREDIT EXPOSURES TO EUROPEAN COUNTRIES, BY EXPOSURE CLASS AND RISK MITIGATION METHOD

In light of the ongoing European sovereign debt crisis, the tables below aim to describe SEK's exposures to European countries. The effects of the crisis are observed and analyzed using scenario analyses as part of the internal capital adequacy assessment (ICAAP), described in the section "Risk" on pages 45–59. SEK's policy states that all credit commitments – outstanding credits and agreed, but undisbursed, credits – must be funded to maturity and SEK therefore does not hold any unfunded exposures. 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 27, continued

GROSS AND NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY RISK MITIGATION METHOD, AS OF DECEMBER 31, 2011

	Gross exposure	Outgoing risk mitigation		Additional risk mitigation		Net exposure
Skr billion		Guarantee	CDS	Guarantee	CDS	
United Kingdom						
Sovereign	–	–	–	4.9	–	4.9
Non-sovereign	18.4	–4.5	–1.9	0.4	4.7	17.1
France						
Sovereign	–	–	–	3.5	–	3.5
Non-sovereign	8.0	–4.2	–	0.4	3.7	7.9
Germany						
Sovereign	1.3	–	–	6.7	–	8.0
Non-sovereign	5.3	–1.5	–0.3	0.5	1.7	5.7
The Netherlands						
Sovereign	–	–	–	–	–	–
Non-sovereign	7.3	–0.3	–	1.1	–	8.1
Belgium						
Sovereign	–	–	–	–	–	–
Non-sovereign	2.0	–0.2	–	0.0	–	1.8
Ireland						
Sovereign	–	–	–	–	–	–
Non-sovereign	5.9	–1.6	–	–	–	4.3
Spain						
Sovereign	–	–	–	–	–	–
Non-sovereign	10.7	–7.6	–	–	0.2	3.3
Poland						
Sovereign	–	–	–	3.1	–	3.1
Non-sovereign	3.1	–3.1	–	–	–	–
Switzerland						
Sovereign	–	–	–	0.1	–	0.1
Non-sovereign	2.0	–	–0.2	0.0	1.4	3.2
Italy						
Sovereign	–	–	–	0.9	–	0.9
Non-sovereign	3.2	–3.2	–	–	–	–
Portugal						
Sovereign	0.5	–0.5	–	0.5	–	0.5
Non-sovereign	0.3	–	–	0.0	–	0.3
Turkey						
Sovereign	0.0	–	–	–	–	–
Non-sovereign	5.6	–5.6	–	–	–	–
Russia						
Sovereign	–	–	–	–	–	–
Non-sovereign	11.4	–11.4	–	–	–	0.0
Greece						
Sovereign	–	–	–	–	–	–
Non-sovereign	–	–	–	–	–	–
Other countries						
Sovereign	0.0	–	–	0.4	–	0.4
Non-sovereign	2.5	–0.9	–	0.0	–	1.6
Total	**87.5**	**–44.6**	**–2.4**	**22.5**	**11.7**	**74.7**

Note 27, continued

GROSS AND NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY RISK MITIGATION METHOD, AS OF DECEMBER 31, 2010

	Gross exposure	Outgoing risk mitigation		Additional risk mitigation		Net exposure
Skr billion		Guarantee	CDS	Guarantee	CDS	
United Kingdom						
Sovereign	–	–	–	6.4	–	6.4
Non-sovereign	25.8	–6.1	–2.0	0.5	7.4	25.6
France						
Sovereign	0.1	–	–	4.0	–	4.1
Non-sovereign	10.2	–3.2	–	0.4	4.4	11.8
Germany						
Sovereign	0.6	–	–	7.1	–	7.7
Non-sovereign	5.2	–1.3	–0.3	0.5	2.0	6.1
The Netherlands						
Sovereign	–	–	–	–	–	–
Non-sovereign	8.3	–0.4	–	1.1	–	9.0
Belgium						
Sovereign	4.5	–	–	–	–	4.5
Non-sovereign	3.7	–	–	–	–	3.7
Ireland						
Sovereign	0.9	–	–	–	–	0.9
Non-sovereign	6.1	–2.3	–1.5	0.5	–	2.8
Spain						
Sovereign	–	–	–	–	–	–
Non-sovereign	11.1	–7.3	–0.3	–	–	3.5
Poland						
Sovereign	–	–	–	2.5	–	2.5
Non-sovereign	3.1	–2.5	–	–	–	0.6
Switzerland						
Sovereign	–	–	–	0.1	–	0.1
Non-sovereign	2.0	–	–0.7	–	1.3	2.6
Italy						
Sovereign	–	–	–	1.0	–	1.0
Non-sovereign	4.1	–3.4	–	–	–	0.7
Portugal						
Sovereign	0.5	–0.5	–	0.5	–	0.5
Non-sovereign	0.4	–	–	–	–	0.4
Turkey						
Sovereign	–	–	–	–	–	–
Non-sovereign	6.3	–6.3	–	–	–	–
Russia						
Sovereign	–	–	–	–	–	–
Non-sovereign	10.8	–10.7	–	–	–	0.1
Greece						
Sovereign	–	–	–	–	–	–
Non-sovereign	–	–	–	–	–	–
Other countries						
Sovereign	0.0	–	–	0.4	–	0.4
Non-sovereign	2.2	–0.9	–	0.2	–	1.5
Total	**105.9**	**–44.9**	**–4.8**	**25.2**	**15.1**	**96.5**

Note 27, continued

GROSS AND NET EXPOSURES NORDIC COUNTRIES BY RISK MITIGATION, AS OF DECEMBER 31, 2011

Skr billion	Gross exposure	Outgoing risk mitigation: Guarantee	Outgoing risk mitigation: CDS	Additional risk mitigation: Guarantee	Additional risk mitigation: CDS	Net exposure
Sweden						
Sovereign	13.0	–	–	107.6	–	120.6
Non-sovereign	93.1	–34.1	–12.2	7.5	3.9	58.2
Norway						
Sovereign	–	–	–	0.7	–	0.7
Non-sovereign	5.0	0.0	–0.9	1.3	–	5.4
Finland						
Sovereign	2.3	–1.1	–	2.8	–	4.0
Non-sovereign	15.5	–3.0	–3.3	0.4	–	9.6
Iceland						
Sovereign	0.5	–	–	–	–	0.5
Non-sovereign	0.5	–0.3	–	–	–	0.2
Denmark						
Sovereign	1.0	–	–	0.3	–	1.3
Non-sovereign	6.7	–0.3	–0.3	0.7	0.3	7.1
Total	**137.6**	**–38.8**	**–16.7**	**121.3**	**4.2**	**207.6**

GROSS AND NET EXPOSURES NORDIC COUNTRIES BY RISK MITIGATION, AS OF DECEMBER 31, 2010

Skr billion	Gross exposure	Outgoing risk mitigation: Guarantee	Outgoing risk mitigation: CDS	Additional risk mitigation: Guarantee	Additional risk mitigation: CDS	Net exposure
Sweden						
Sovereign	15.0	–	–	105.9	–	120.9
Non-sovereign	100.0	–38.3	–14.7	6	4.9	57.9
Norway						
Sovereign	–	–	–	–	–	–
Non-sovereign	4.8	0.0	–1.1	–	–	3.7
Finland						
Sovereign	3.9	–1.3	–	2.8	–	5.4
Non-sovereign	18.1	–3.0	–5.8	0.0	–	9.3
Iceland						
Sovereign	0.5	–	–	–	–	0.5
Non-sovereign	0.2	–	–	–	–	0.2
Denmark						
Sovereign	0.8	–	–	0.3	–	1.1
Non-sovereign	6.7	–	–0.4	0.5	0.3	7.1
Total	**150.0**	**–42.6**	**–22.0**	**115.5**	**5.2**	**206.1**

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 27, continued

GROSS EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2011

Skr billion	Central govern-ments	Government export credit agencies	Regional govern-ments	Multilateral develop-ment banks	Financial institutions	Corporates	Securi-tization positions	Total
United Kingdom	–	–	–	–	8.9	6.3	3.2	18.4
Russia	–	–	–	–	0.0	11.4	–	11.4
Spain	–	–	–	–	0.5	8.9	1.3	10.7
France	–	–	–	–	6.1	1.9	0.0	8.0
The Netherlands	–	–	–	–	5.1	1.3	0.9	7.3
Germany	1.3	–	–	–	4.7	0.6	–	6.6
Ireland	–	–	–	–	1.3	2.0	2.6	5.9
Turkey	–	–	–	–	0.1	5.5	–	5.6
Italy	–	–	–	–	–	3.2	–	3.2
Poland	–	–	–	–	–	3.1	–	3.1
Switzerland	–	–	–	–	1.7	0.3	–	2.0
Belgium	–	–	–	–	0.9	0.3	0.8	2.0
Portugal	0.5	–	–	–	–	–	0.3	0.8
Greece	–	–	–	–	–	–	–	–
Other countries	–	–	–	0.0	1.0	1.5	–	2.5
Total	**1.8**	**–**	**–**	**0.0**	**30.3**	**46.3**	**9.1**	**87.5**

GROSS EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2010

Skr billion	Central govern-ments	Government export credit agencies	Regional govern-ments	Multilateral develop-ment banks	Financial institutions	Corporates	Securi-tization positions	Total
United Kingdom	–	–	–	–	8.9	7.6	9.3	25.8
Spain	–	–	–	–	1.3	8.1	1.7	11.1
Russia	–	–	–	–	0.1	10.7	–	10.8
France	0.1	–	–	–	9.4	0.6	0.2	10.3
The Netherlands	–	–	–	–	5.5	1.5	1.3	8.3
Belgium	4.5	–	–	–	2.6	0.3	0.8	8.2
Ireland	0.9	–	–	–	1.0	2.3	2.8	7.0
Turkey	–	–	–	–	0.1	6.2	–	6.3
Germany	0.6	–	–	–	4.7	0.5	0.0	5.8
Italy	–	–	–	–	0.7	3.4	–	4.1
Poland	–	–	–	–	–	3.1	–	3.1
Switzerland	–	–	–	–	1.2	0.8	–	2.0
Portugal	0.5	–	–	–	–	–	0.4	0.9
Greece	–	–	–	–	–	–	–	–
Other countries	0.0	–	–	0.0	0.6	1.6	–	2.2
Total	**6.6**	**–**	**–**	**0.0**	**36.1**	**46.7**	**16.5**	**105.9**

Note 27, continued

NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2011

Skr billion	Central govern-ments	Government export credit agencies	Regional govern-ments	Multilateral develop-ment banks	Financial institutions	Corporates	Securi-tization positions	Total
United Kingdom	–	4.9	–	–	13.2	0.7	3.2	22.0
Germany	2.3	5.7	–	–	5.3	0.4	–	13.7
France	–	3.5	–	–	7.9	–	0.0	11.4
The Netherlands	–	–	–	–	5.9	1.3	0.9	8.1
Ireland	–	–	–	–	1.2	0.5	2.6	4.3
Switzerland	–	0.1	–	–	3.1	0.1	–	3.3
Spain	–	–	–	–	0.7	1.3	1.3	3.3
Poland	3.1	–	–	–	–	–	–	3.1
Belgium	–	–	–	–	0.9	0.1	0.8	1.8
Italy	–	0.9	–	–	–	0.0	–	0.9
Portugal	0.5	–	–	–	–	–	0.3	0.8
Greece	–	–	–	–	–	–	–	–
Other countries	0.0	–	–	0.4	1.0	0.6	–	2.0
Total	**5.9**	**15.1**	**–**	**0.4**	**39.2**	**5.0**	**9.1**	**74.7**

NET EXPOSURES EUROPEAN COUNTRIES, EXCLUDING NORDIC COUNTRIES BY EXPOSURE CLASSES, AS OF DECEMBER 31, 2010

Skr billion	Central govern-ments	Government export credit agencies	Regional govern-ments	Multilateral develop-ment banks	Financial institutions	Corporates	Securi-tization positions	Total
United Kingdom	–	6.4	–	–	15.6	0.7	9.3	32.0
France	0.1	4.0	–	–	11.7	–	0.1	15.9
Germany	1.4	6.2	–	–	5.8	0.4	0.0	13.8
The Netherlands	–	–	–	–	6.5	1.2	1.3	9.0
Belgium	4.5	–	–	–	2.6	0.3	0.8	8.2
Ireland	0.9	–	–	–	0.9	0.5	1.4	3.7
Spain	–	–	–	–	1.3	0.5	1.7	3.5
Poland	2.5	–	–	–	–	0.6	–	3.1
Switzerland	–	0.1	–	–	2.5	0.1	–	2.7
Italy	–	1.0	–	–	0.7	–	–	1.7
Portugal	0.5	–	–	–	–	–	0.4	0.9
Greece	–	–	–	–	–	–	–	–
Other countries	0.1	–	–	0.4	0.8	0.7	–	2.0
Total	**10.0**	**17.7**	**–**	**0.4**	**48.4**	**5.0**	**15.0**	**96.5**

Note 27, continued

CORPORATE EXPOSURES BY INDUSTRY (GICS)

	December 31, 2011		December 31, 2010	
Skr billion	Gross exposure	Net exposure	Gross exposure	Net exposure
Utilities	15.8	5.7	13.4	6.4
Energy	3.3	1.3	1.9	0.7
Finance	20.9	2.5	26.4	2.7
Health care	6.8	2.1	5.7	1.0
Industrials	39.2	22.3	31.5	12.9
IT and telecom	66.4	6.2	64.7	6.2
Consumer goods	14.6	6.9	14.7	5.3
Materials	26.3	8.2	27.4	8.1
Other	1.3	0.2	1.0	0.0
Total	**194.6**	**55.4**	**186.7**	**43.3**

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 rating. Ratings in the table as of December 31, 2011 are stated as the second lowest of the ratings from Standard & Poor's, Moody's and Fitch. When only two ratings are available the lowest is stated. All of these assets represent first-priority tranches, and they have all been rated 'AAA'/'Aaa' by Standard & Poor's or Moody's at acquisition.

Net exposures **December 31, 2011**

Skr mn

Exposure[1]	RMBS[2]	Auto Loans	CMBS[2]	Consumer loans	CDO[2]	CLO[2]	Total	... of which rated 'AAA'	... of which rated 'AA+'	... of which rated 'AA'	... of which rated 'AA-'	... of which rated 'A+'	... of which rated 'A'	... of which rated 'BBB+'	... of which rated 'BBB'	... of which rated 'BBB-'	... of which rated 'BB'	... of which CDO rated 'CCC'
Australia	3,550	–	–	–	–	–	3,550	3,550	–	–	–	–	–	–	–	–	–	–
Belgium	760	–	–	–	–	–	760	760	–	–	–	–	–	–	–	–	–	–
France	–	24	–	–	–	–	24	24	–	–	–	–	–	–	–	–	–	–
Germany	–	102	70	–	–	–	172	102	70[4]	–	–	–	–	–	–	–	–	–
Ireland	920	–	–	–	–	1,465[3]	2,385	1,465	–	–	45[4]	–	–	592[4]	283[4]	–	–	–
Netherlands	834	–	–	–	–	–	834	834	–	–	–	–	–	–	–	–	–	–
Portugal	351	–	–	–	–	–	351	–	–	–	–	–	171[4]	–	–	180[4]	–	–
Spain	962	65	–	66	–	209	1,302	452	50[4]	16[4]	496[4]	44[4]	24[4]	–	–	–	220[4]	–
United Kingdom	3,246	–	–	–	–	57	3,303	3,044	–	259[4]	–	–	–	–	–	–	–	–
United States	–	–	–	–	151	2,790	2,941	2,132	658[4]	–	–	–	–	–	–	–	–	151[5]
Total	**10,623**	**191**	**70**	**66**	**151**	**4,521**	**15,622**	**12,363**	**778**	**275**	**541**	**44**	**195**	**592**	**283**	**180**	**220**	**151**

[1] Exposures are assessed on the domicile of the issuance which is consistent with the underlying assets' except for Ireland where the majority of the underlying assets are in France, United Kingdom and Germany.

[2] RMBS = Residential Mortgage-Backed Securities
CMBS =Commercial Mortgage-Backed Securities
CDO = Collateralized Debt Obligations
CLO = Collateralized Loan Obligations

[3] In the fourth quarter of 2011 SEK decided not to take account of a credit derivative to cover the risk of an Irish CLO amounting to Skr 1,465 million at 31 December 2011. The issuer of this credit derivative has a lower rating than the underlying CLO, which is rated 'AAA'.

[4] Of these assets amounting to Skr 3,108 million, still Skr 1,535 million have the highest-possible rating from at least one of the rating institutions.

[5] These assets consist of two CDOs (first-priority tranches) with end-exposure to the U.S market. There have been no delays with payments under the tranches. However, the ratings of the assets have been downgraded dramatically during 2008 to 2011, by Standard & Poor's from 'AAA' to 'NR' (after being downgraded to 'D'), by Moody's from 'Aaa' to 'Ca' and by Fitch from 'AAA' to 'C'. Due to the dramatic rating downgrades, SEK has analyzed the expected cash flows of the assets and has recorded related impairments. The impairments amount to Skr 491 million in total as of December 31, 2011.

Note 27, continued

Net exposures **December 31, 2010**

Skr mn **Exposure**[1]	RMBS[2]	Credit cards	Auto Loans	CMBS[2]	Con-sumer Loans	CDO[2]	CLO[2]	Total	... of which rated 'AAA'	... of which rated 'AA+'	... of which rated 'AA'	... of which rated 'AA-'	... of which rated 'A+'	... of which rated 'A'	... of which CDO rated 'CCC'
Australia	4,620	–	–	–	–	–	–	4,620	4,620	–	–	–	–	–	–
Belgium	765	–	–	–	–	–	–	765	765	–	–	–	–	–	–
France	–	–	146	–	–	–	–	146	146	–	–	–	–	–	–
Germany	–	–	388	73	–	–	–	461	461	–	–	–	–	–	–
Ireland	999	–	–	–	–	–	41	1,040	484	–	–	212[3]	41[3]	303[3]	–
Japan	–	–	9	–	–	–	–	9	9	–	–	–	–	–	–
Netherlands	1,157	–	–	–	–	–	142	1,299	1,299	–	–	–	–	–	–
Portugal	382	–	–	–	–	–	–	382	382	–	–	–	–	–	–
Spain	1,096	–	120	–	154	–	306	1,676	1,027	347[3]	302[3]	–	–	–	–
United Kingdom	9,216	–	–	–	–	–	–	9,216	9,216	–	–	–	–	–	–
United States	–	450	–	–	–	163	3,270	3,883	2,717	1,003[3]	–	–	–	–	163[4]
Total	**18,235**	**450**	**663**	**73**	**154**	**163**	**3,759**	**23,497**	**21,126**	**1,350**	**302**	**212**	**41**	**303**	**163**

1 Exposures are assessed on the domicile of the issuance which is consistent with the underlying assets', 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 2,208 million, still Skr 1,748 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 dramatically during 2008 and 2009, by Standard & Poor's from 'AAA' to 'CC', by Moody's from 'Aaa' to 'Ca' and by Fitch from 'AAA' to 'CCC'. Due to the dramatic rating downgrades, SEK has analyzed the expected cash flows of the assets and recorded related impairments. The impairments amount to Skr 475 million in total as of December 31, 2010.

MARKET RISK

The positions that SEK secure, relating to market risk, can be positions that are not valued at fair value in the statement of financial position due to accounting reasons. Thus, the financial risk estimated by SEK may differ from the changes in value recognized in operating profit or in other comprehensive income.

SEK assumes a one-percentage-point change in the market rate, as a parallel shift, for the sensitivity analyses relating to interest rate risk. SEK assesses a reasonable assumption to be that the average change in market rates will not exceed one percentage point over the next year.

CHANGE IN VALUE IF THE MARKET INTEREST RATE RISES BY ONE PERCENTAGE POINT AS OF DECEMBER 31, 2011

The impact on the value of assets and liabilities, including derivatives, when market interest rates rise by one percentage point (+1%).

Consolidated Group

Skr mn	**M ≤ 1 year**	**1 year < M ≤ 3 years**	**3 years < M ≤ 5 years**	**M > 5 years**	**Total**
Foreign currency	–2.2	–4.7	–7.8	277.7	263.0
Swedish Skr	–6.0	–87.4	–151.1	–264.9	–509.4
	–8.2	–92.1	–158.9	12.8	–246.4

Note 27, continued

of which financial instruments measured at fair value through profit or loss

Skr mn	M ≤ 1 year	1 year < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	316.1	4.5	8.7	294.9	624.2
Swedish Skr	89.1	0.2	0.1	–9.3	80.1
	405.2	4.7	8.8	285.6	704.3

of which financial instruments measured at fair value through other comprehensive income

Skr mn	M ≤ 1 year	1 year < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	–5.3	–	–	–	–5.3
Swedish Skr	–9.6	–83.0	–145.4	–254.8	–492.8
	–14.9	–83.0	–145.4	–254.8	–498.1

CHANGE IN VALUE IF THE MARKET INTEREST RATE RISES BY ONE PERCENTAGE POINT AS OF DECEMBER 31, 2010
The impact on the value of assets and liabilities, including derivatives, when market interest rates rise by one percentage point (+1%).

Consolidated Group

Skr mn	M ≤ 1 year	1 year < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	–1.3	–5.3	–7.6	140.3	126.1
Swedish Skr	–4.0	–58.7	–151.4	–216.1	–430.2
	–5.3	–64.0	–159.0	–75.8	–304.1

of which financial instruments measured at fair value through profit or loss

Skr mn	M ≤ 1 year	1 year < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	315.8	4.2	4.5	165.2	489.7
Swedish Skr	87.9	2.0	0.3	–9.3	80.9
	403.7	6.2	4.8	155.9	570.6

of which financial instruments measured at fair value through other comprehensive income

Skr mn	M ≤ 1 year	1 year < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	–8.3	–	–	–	–8.3
Swedish Skr	–5.6	–55.0	–145.2	–202.8	–408.6
	–13.9	–55.0	–145.2	–202.8	–416.9

CHANGE IN VALUE IF THE MARKET INTEREST RATE DECLINES BY ONE PERCENTAGE POINT AS OF DECEMBER 31, 2011
The impact on the value of assets and liabilities, including derivatives, when market interest rates declines by one percentage point (–1%).

Consolidated Group

Skr mn	M ≤ 1 year	1 year < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	15.0	4.1	6.1	–391.8	–366.6
Swedish Skr	6.0	90.2	158.7	284.4	539.3
	21.0	94.3	164.8	–107.4	172.7

Note 27, continued

of which financial instruments measured at fair value through profit or loss

Skr mn	M ≤ 1 year	1 year < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	–218.9	–4.5	–9.1	–409.5	–642.0
Swedish Skr	–90.3	–0.2	–0.1	10.2	–80.4
	–309.2	–4.7	–9.2	–399.3	–722.4

of which financial instruments measured at fair value through other comprehensive income

Skr mn	M ≤ 1 year	1 year < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	4.7	–	–	–	4.7
Swedish Skr	9.8	85.7	152.7	273.4	521.6
	14.5	85.7	152.7	273.4	526.3

CHANGE IN VALUE IF THE MARKET INTEREST RATE DECLINES BY ONE PERCENTAGE POINT AS OF DECEMBER 31, 2010

The impact on the value of assets and liabilities, including derivatives, when market interest rates declines by one percentage point (–1%).

Consolidated Group

Skr mn	M ≤ 1 year	1 year < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	5.4	5.0	8.0	–209.5	–191.1
Swedish Skr	4.0	60.3	158.5	231.8	454.6
	9.4	65.3	166.5	22.3	263.5

of which financial instruments measured at fair value through profit or loss

Skr mn	M ≤ 1 year	1 year < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	–201.7	–4.3	–4.7	–236.1	–446.8
Swedish Skr	–88.9	–2.1	–0.3	10.2	–81.1
	–290.6	–6.4	–5.0	–225.9	–527.9

of which financial instruments measured at fair value through other comprehensive income

Skr mn	M ≤ 1 year	1 year < M ≤ 3 years	3 years < M ≤ 5 years	M > 5 years	Total
Foreign currency	6.6	–	–	–	6.6
Swedish Skr	5.7	56.5	152.0	217.3	431.5
	12.3	56.5	152.0	217.3	438.1

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.

Note 27, continued

Currency	December 31, 2011 Exchange rate	Portion at year-end, %	Foreign currency position	December 31, 2010 Exchange rate	Portion at year-end, %	Foreign currency position
SKR	1	70.8	n.a.	1	68.8	n.a.
EUR	8.9447	7.6	–1,400.5	9.0020	9.3	–1,595.7
USD	6.9234	10.5	1,948.0	6.8025	8.4	1,433.9
JPY	0.08918	8.6	–1,588.4	0.08345	9.3	–1,594.1
CHF	7.3556	1.4	261.1	7.2355	1.9	329.1
MXN	0.4942	1.0	–193.6	0.5500	1.6	–273.3
Others	–	0.1	–18.5	–	0.7	–110.5
Total foreign currency position		**100.0**	**–991.9**		**100.0**	**–1,810.6**

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 80.0 million (year-end 2010: Skr 160.1 million).

Skr mn	December 31, 2011 Consolidated Group	Parent Company	December 31, 2010 Consolidated Group	Parent Company
Total assets	319,701.9	319,726.0	339,687.6	339,760.6
of which denominated in foreign currencies	*285,628.4*	*285,648.2*	*284,816.0*	*284,875.5*
Total liabilities	305,733.8	305,040.2	327,117.8	326,473.0
of which denominated in foreign currencies	*284,849.0*	*284,188.3*	*284,581.2*	*284,006.7*

LIQUIDITY RISK

Contractual flows

Consolidated Group Skr mn	Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	No maturity/discount effect	Book value
	December 31, 2011							
Financial Assets								
Cash and cash equivalents	**3,749.6**	3,749.6	–	–	–	–	–	3,749.6
Treasuries/government bonds	**2,040.3**	–	2,000.0	1.5	38.8	–	–6.9	2,033.4
Other interest-bearing securities except loans	**80,376.2**	8,754.9	16,437.3	26,249.5	21,515.0	7,419.5	–5,637.7	74,738.5
Loans in the form of interest-bearing securities	**75,818.2**	512.1	1,692.5	11,581.6	45,554.6	16,477.4	–9,613.7	66,204.5
Loans to credit institutions	**26,348.0**	8,182.3	1,003.0	2,187.4	10,309.1	4,666.2	–556.4	25,791.6
Loans to the public	**125,039.8**	1,756.9	5,306.9	17,738.1	64,710.1	35,527.8	–17,101.7	107,938.1
Derivatives	**50,044.3**	763.2	7,646.3	15,554.1	17,374.8	8,705.9	–18,577.3	31,467.0
Total	**363,416.4**	**23,719.0**	**34,086.0**	**73,312.2**	**159,502.4**	**72,796.8**	**–51,493.7**	**311,922.7**

Note 27, continued

Consolidated Group Skr mn	Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	No maturity/discount effect	Book value
				December 31, 2011				
Financial Liabilities								
Borrowing from credit institutions	–15,655.1	–1,033.7	–6,181.3	–2,582.2	–5,857.9	0.0	–178.8	–15,833.9
Borrowing from the public	–59.1	–59.1	–	–	–	–	–	–59.1
Senior securities issued	–290,300.2	–1,707.5	–43,201.5	–63,691.0	–132,965.5	–48,734.7	32,947.8	–257,352.4
Derivatives	2,525.2	–507.6	3,256.3	6,268.0	–3,817.9	–2,673.6	–25,130.0	–22,604.8
Subordinated securities issued	–2,737.6	0.0	–10.7	–48.0	–255.7	–2,423.2	–436.8	–3,174.4
Total	**–306,226.8**	**–3,307.9**	**–46,137.2**	**–60,053.2**	**–142,897.0**	**–53,831.5**	**7,202.2**	**–299,024.6**
Commitments								
Committed undisbursed loans	3,743.4	–2,955.5	–3,216.4	–11,029.7	6,676.2	14,268.8	21,328.4	25,071.8
Cash flow surplus (+)/ deficit (–)	**60,933.0**	**17,455.6**	**–15,267.6**	**2,229.3**	**23,281.6**	**33,234.1**		
Accumulated cash flow surplus (+)/deficit (–)	**60,933.0**	**17,455.6**	**2,188.0**	**4,417.3**	**27,698.9**	**60,933.0**		

With regard to liabilities with maturity between one and three months, SEK has the intention to refinance these through borrowing on the financial markets.

Consolidated Group Skr mn	Sum Cash Flow	Maturity ≤ 1 month	Maturity 1 month ≤ 3 months	Maturity 3 months ≤ 1 year	Maturity 1 year ≤ 5 years	Maturity > 5 years	No maturity/discount effect	Book value
				December 31, 2010				
Financial Assets								
Cash and cash equivalents	**8,798.0**	8,798.0	–	–	–	–	–	8,798.0
Treasuries/government bonds	**7,201.6**	–	7,201.6	–	–	–	–1,770.3	5,431.3
Other interest-bearing securities except loans	**110,020.3**	5,027.7	19,953.0	39,706.4	36,562.6	8,770.6	–9,487.3	100,533.0
Loans in the form of interest-bearing securities	**85,243.7**	417.5	4,873.3	11,846.4	41,018.2	27,088.3	–13,437.9	71,805.8
Loans to credit institutions	**25,357.2**	680.1	1,626.2	4,810.8	8,142.0	10,098.1	–2,818.3	22,538.9
Loans to the public	**94,568.4**	3,071.2	4,980.7	10,804.4	52,807.2	22,904.9	–7,466.5	87,101.9
Derivatives	**46,880.7**	2,020.6	8,411.6	14,953.7	15,786.4	5,708.4	–9,220.9	37,659.8
Total	**378,069.9**	**20,015.1**	**47,046.4**	**82,121.7**	**154,316.4**	**74,570.3**	**–44,201.2**	**333,868.7**

Note 27, continued

	December 31, 2010							
Consolidated Group Skr mn	**Sum Cash Flow**	**Maturity ≤ 1 month**	**Maturity 1 month ≤ 3 months**	**Maturity 3 months ≤ 1 year**	**Maturity 1 year ≤ 5 years**	**Maturity > 5 years**	**No maturity/discount effect**	**Book value**
Financial Liabilities								
Borrowing from credit institutions	**–14,336.2**	–3,141.2	–2,122.9	–2,129.6	–6,942.5	–	–6.6	–14,342.8
Borrowing from the public	–	–	–	–	–	–	–19.3	–19.3
Senior securities issued	**–321,632.7**	–6,669.6	–40,956.7	–74,292.3	–151,959.1	–47,755.0	35,323.2	–286,309.5
Derivatives	**2,823.4**	207.6	1,237.1	2,095.2	701.3	–1,417.8	–20,880.8	–18,057.4
Subordinated securities issued	**–4,155.5**	–	–34.6	–103.9	–554.1	–3,462.9	1,565.2	–2,590.3
Total	**–337,301.0**	**–9,603.2**	**–41,877.1**	**–74,430.6**	**–158,754.4**	**–52,635.7**	**15,981.7**	**–321,319.3**
Commitments								
Committed undisbursed loans	**3,341.5**	–4,006.9	–4,439.8	–6,821.3	7,250.9	11,358.6	34,863.7	38,205.2
Cash flow surplus (+)/deficit (–)	**44,110.4**	**6,405.0**	**729.5**	**869.8**	**2,812.9**	**33,293.2**		
Accumulated cash flow surplus (+)/deficit (–)	**44,110.4**	**6,405.0**	**7,134.5**	**8,004.3**	**10,817.2**	**44,110.4**		

Repayments which are subject to notice are treated as if notice were to be given immediately, except for "Loans to credit institutions", "Loans to the public", "Borrowing from credit institutions", " and "Borrowing from the public" where repayments are assumed to occur on maturity date. "Subordinated securities issued" which consists of subordinated debt without maturity date assumed not to be repaid at the time of the first redemption date. Regarding the subordinated debt SEK determines whether the loans will be redeemed in advance, which SEK does not intend to do.

Differences between book values and future cash flows for financial assets and financial liabilities are reported in the column "No maturity/discount effect".

Items other than financial instruments with an approximate expected recovery time within less than 12 months: other assets; prepaid expenses and accrued revenues, other liabilities; and accrued expenses and prepaid revenues. All other balance sheet items, other than financial instruments, have an approximate expected recovery time of 12 months or more.

For information regarding liquidity risk, see section "Risk" on pages 45–59. The amounts above contain interest.

Note 28. Transactions with related parties

SEK defines related parties in 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, 31.6 percent (year-end 2010: 25.4 percent) of the company's outstanding loans on December 31, 2011, were guaranteed by the State. 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 24).

SEK has a Skr 100 billion credit facility with the Swedish National Debt Office. 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 January 2012, both the loan facility and the ability to purchase state guarantees were extended for 2012.

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 27.9 million (year-end 2010: Skr 22.6 million) for other assets, Skr 22.5 million (year-end 2010: Skr 29.5 million) for other liabilities, Skr 0.8 million (2010: Skr 2.8 million) for interest incomes and Skr 0.5 million (2010: Skr 0.3 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 includes the following positions:

- The Board of Directors
- The President and CEO
- Other members in the Executive Committee

For information about remuneration and other benefits to key management personnel see Note 5, "Personnel costs".

The following table summarizes the Consolidated Group's transactions with its related parties:

	2011					
	Shareholder, the Swedish State		Companies and organizations that are controlled through a common owner, the Swedish State		Total	
Skr mn	Assets/ liabilities	Interest income/ Interest expense	Assets/ liabilities	Interest income/ Interest expense	Assets/ liabilities	Interest income/ Interest expense
Treasuries/government bonds	1,995.3	13.2	–	–	1,995.3	13.2
Other interest-bearing securities except loans	–	–	3,369.7	79.4	3,369.7	79.4
Loans in the form of interest-bearing securities	–	–	1,200.4	30.1	1,200.4	30.1
Loans to credit institutions	–	–	1,959.9	24.0	1,959.9	24.0
Loans to the public	–	–	538.1	8.0	538.1	8.0
Due from the State	2,113.8	–	–	–	2,113.8	–
Total	**4,109.1**	**13.2**	**7,068.1**	**141.5**	**11,177.2**	**154.7**
	–	–	–	–	–	–
Borrowing from credit institutions	–	–	–	–	–	–
Borrowing from the public	–	–	–	–	–	–
Senior securities issued	–	–	–	–	–	–
Other liabilities	115.7	–	–	–	115.7	–
Total	**115.7**	**–**	**–**	**–**	**115.7**	**–**

Note 28, continued

	2010					
	Shareholder, the Swedish State		Companies and organizations that are controlled through a common owner, the Swedish State		Total	
Skr mn	Assets/ liabilities	Interest income/ Interest expense	Assets/ liabilities	Interest income/ Interest expense	Assets/ liabilities	Interest income/ Interest expense
Treasuries/government bonds	–	–	–	1.0	–	1.0
Other interest-bearing securities except loans	–	–	4,314.4	49.8	4,314.4	49.8
Loans in the form of interest-bearing securities	–	–	1,541.8	26.8	1,541.8	26.8
Loans to credit institutions	–	–	1,790.5	132.0	1,790.5	132.0
Loans to the public	–	–	629.6	12.4	629.6	12.4
Due from the State	1,155.6	–	–	–	1,155.6	–
Total	**1,155.6**	–	**8,276.3**	**222.0**	**9,431.9**	**222.0**
	–	–	–	–	–	–
Borrowing from credit institutions	–	–	–	–	–	–
Borrowing from the public	–	–	–	–	–	–
Senior securities issued	–	–	–	–	–	–
Other liabilities	–	–	–	–	–	–
Total	–	–	–	–	–	–

Note 29. Events after the reporting period

SEK has a Skr 100 billion loan facility with the Swedish National Debt Office. The Swedish parliament has also authorized the government to enable SEK to purchase state guaranties on commercial terms for new borrowing of up to Skr 250 billion. On January 31, 2012, both the loan facility and the ability to purchase state guarantees were extended for 2012.

On March 14, 2012, the arbitration proceedings, which can not be appealed, were concluded in SEK's favor with regard to the dispute between SEK and Sparbanksstiftelsernas Förvaltnings AB (SFAB). The dispute relates to SEK's transfer of ownership of shares in Swedbank from SFAB in March 2009. SFAB has also been ordered to reimburse SEK for the expenses it incurred during the arbitration proceedings.

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 their financial positions at December 31, 2011, 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 in the income statement, balance sheet and statement of cash flows for the Parent Company and in related Notes. The following proposal regarding distribution of profits relates to the Parent Company.

At the disposal of the Annual General Meeting	7,812.9
The Board of Directors and the President propose that the Annual General Meeting dispose of these funds as follows:	
– Dividend to the shareholder, disbursed on April 30, 2012, of Skr 105.26 per share, amounting to	420.0
– Remaining disposable funds to be carried forward	7,392.9
	7,812.9

The financial position of the company and the Group is good as evidenced by the annual report for 2011.The equity of the Parent Company and the Group, as of December 31, 2011, contains 4.2 and 3.6 percent, respectively, of unrealized changes in value due to valuation of financial instruments at fair value.

The capital base for the Group amounted to, as of December 31, 2011, Skr 15,375 million resulting in a total capital adequacy ratio of 23.3 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's 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 positions 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 positions and results of operations as well as the significant risks and uncertainties which the Parent Company and its subsidiaries are exposed to.

Stockholm March 16, 2012

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 March 16, 2012

Jan Birgerson
Authorized Public Accountant

Filip Cassel
Authorized Public Accountant
Appointed by the Swedish National Audit Office

AUDIT REPORT

To the annual meeting of the shareholders of AB Svensk Exportkredit, corporate identity number 556084-0315

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

We have audited the annual accounts and consolidated accounts of AB Svensk Exportkredit for the financial year 2011. The annual accounts and consolidated accounts of the company are included in the printed version of this document on pages 38–146.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS AND THE MANAGING DIRECTOR FOR THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these annual accounts in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and consolidated accounts in accordance with International Financial Reporting Standards as issued by International Accounting Standard Board (IASB) and also adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these annual accounts and consolidated accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts and consolidated accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the annual accounts and consolidated accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Managing Director, as well as evaluating the overall presentation of the annual accounts and consolidated accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINIONS

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the parent company as of 31 December 2011 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 2011 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by International Accounting Standard Board (IASB) and also adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies. A corporate governance statement has been prepared. The statutory administration report and the corporate governance statement are consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual meeting of shareholders adopt the income statement and balance sheet for the Parent Company and the statement of comprehensive income and the statement of financial position of the Consolidated Group.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In addition to our audit of the annual accounts and consolidated accounts, we have examined the proposed appropriations of the company's profit or loss and the administration of the Board of Directors and the Managing Director of AB Svensk Exportkredit for the financial year 2011.

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 March 16, 2012

Jan Birgerson
Authorized Public Accountant

Filip Cassel
Authorized Public Accountant
Appointed by the Swedish National Audit Office

This is a translation of the Swedish original Auditor's report
Dated March 16, 2012