

LANDSHYPOTEK AB

INTERIM REPORT JANUARY – SEPTEMBER

2010 # 3

- **OPERATING PROFIT EXCLUDING "NET RESULT OF FINANCIAL TRANSACTIONS" FOR THE FIRST NINE MONTHS OF 2010 AMOUNTED TO MSEK 279.7 (103.1)**

The improvement in profit was attributable to higher net interest income, lower costs and capital gains from the sale of two operating properties.

- **THE VOLUME OF LOANS OUTSTANDING AMOUNTED TO MSEK 50,779 (44,885)**

Loans outstanding increased 9.3 percent during the first nine months of 2010 to MSEK 50,779. Credit demand from Sweden's farmers and forest farmers has, from high levels, abated somewhat during the autumn. Landshypotek boosted its share of the market for loans to farm and forest owners during 2010.

- **LOAN LOSS RATE: 0.00 PERCENT (0.02)**

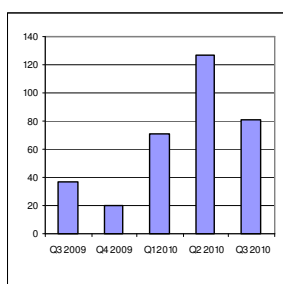
Loan losses for the first nine months of the year amounted to MSEK 1.8, corresponding to 0.00 percent of loans outstanding.

- **CAPITAL ADEQUACY WAS 36.7 PERCENT; TIER 1 CAPITAL ADEQUACY WAS 31.8 PERCENT ACCORDING TO BASEL II RULES**

Landshypotek AB

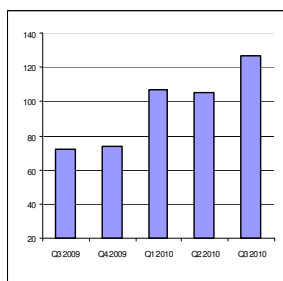
Landshypotek AB (corporate registration number 556500-2762) hereby submits its interim report for the period 1 January – 30 September 2010.

Operating profit excluding "Net result of financial transactions"



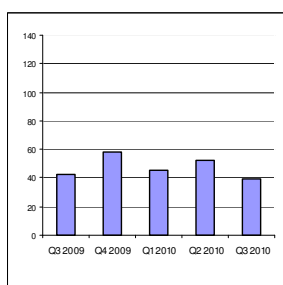
Operating profit for the first three quarters of 2010 excluding "Net result of financial transactions" amounted to MSEK 279.7.

Net interest income



Net interest income for the first three quarters of 2010 totalled MSEK 339.5. The scope of the Company's net interest income is determined by the volume of loans outstanding, the margin between the interest rates on deposits and lending and the return obtained on the equity invested in lending operations.

Costs



Costs during the first nine months of 2010 amounted to MSEK 137.6, down MSEK 13.5 or nearly 10 percent year-on-year.

Landshypotek offers Sweden's farm and forest owners financing in the form of first mortgage loans at the market's most attractive rates. With loans outstanding of approximately SEK 50 billion, Landshypotek is the market leader, accounting for more than 37 percent of the market. Since Landshypotek's lending is characterised by adequate property security, loan losses have been very low.

Landshypotek AB customers are members of Landshypotek, ekonomisk förening (incorporated association). Landshypotek aims to keep interest rates as low as possible on a sustained basis for its customers/members and to provide refunds of paid regular loan interest. Landshypotek has nearly 100 employees at some 20 locations in Sweden.

Operating profit 2010

Summary of income statement

Milion SEK	2010 Jan - Sep	2009 Jan - Sep
Net interest income	339.5	220.8
<i>Interest rate margin</i>	0.93%	0.70%
Other operating income	103.8	157.1
<i>of which "Net result of financial transactions"</i>	24.3	119.5
Expenses	137.6	-151.1
<i>Expense level, %</i>	0.38	0.47
Loan losses, net	-1.8	-4.2
<i>Loan loss level, %</i>	0.00%	0.02%
Operating profit	304	222.6
<i>Operating profit not including "Net result of financial transactions"</i>	279.7	103.1

Consolidated operating profit for the first nine months of 2010 amounted to MSEK 304.0, a year-on-year increase of MSEK 81.4 (222.6). Excluding "Net result of financial transactions," operating profit totalled MSEK 279.7 (103.1). The improvement in profit was attributable to higher net interest income and lower costs. In addition, two operating properties were sold during the first half of 2010, generating capital gains of MSEK 68.1.

Since Parent Company profit accounted for slightly more than 90 percent of consolidated profit, the comments below are also valid for the Parent Company.

Net interest income

Net interest income for the period January to September inclusive 2010 amounted to MSEK 339.5, up MSEK 118.7 compared with the year-earlier period (220.8). The increase was mainly attributable to a higher margin between the interest rates on deposits and lending in the first nine months of 2010 compared with the year-earlier period. The increase in the volume of loans outstanding also contributed positively to net interest income.

Other operating income

Operating income excluding net interest income amounted to MSEK 103.8 for the period, a decrease of MSEK 53.3 compared with the year-earlier period.

The decrease was primarily attributable to "Net result of financial transactions" posting a decrease of MSEK 95.2 during the period. "Net result of financial transactions" amounted to MSEK 24.3 compared with MSEK 119.5 for the first nine months of 2009. The net result of financial transactions includes the realised result of purchases and sales of financial instruments and the result of repurchases of own bonds. This item also includes the result of revaluations of financial instruments. To gain an understanding of the total effect of market valuations, those revaluations that are recognised directly in equity capital must also be taken into consideration.

Fees to the stabilisation fund have burdened the result with a cost of MSEK 18.2 for the period. This regards the entire cost for 2009 and the accrued cost for the first three quarters of 2010. Furthermore, two operating properties were divested in the first half of 2010, which generated capital gains of MSEK 68.1.

Costs

Costs during the first nine months of 2010 amounted to MSEK 137.6 (151.1). The MSEK 13.5 reduction in costs was mainly attributable to lower general administrative expenses, primarily costs for personnel, IT and purchased services.

Loan losses and doubtful credits

Loan losses for the first nine months amounted to MSEK 1.8 (4.2). Write-offs of confirmed loan losses totalled MSEK 1.9 (0.7). Provisions for probable loan losses during the period amounted to MSEK 4.8 (4.4). Recoveries of previously confirmed losses, or previously doubtful credits, totalled MSEK 4.2 (0.8)

At 30 September 2010, doubtful credits amounted to MSEK 13.7, corresponding to 0.03 percent of loans outstanding. At 30 September 2009, doubtful credits totalled MSEK 27.1, equivalent to 0.06 percent of loans outstanding.

Comparison with the second quarter of 2010

Compared with the second quarter of 2010, operating profit for the second quarter of 2010 decreased by MSEK 55.7. The decline in earnings was attributable primarily to the capital gains from the sale of properties being recorded in the second quarter. MSEK 68.1 and the cost of the stabilisation fund, MSEK 18.2, being recorded in the third quarter.

Market overview

Market trend

Profitability in forestry and agriculture improved in the first nine months of 2010 compared with the year-earlier period. The price trend in milk production and grain production, which are key sectors for Swedish agriculture, was positive. The price of milk has increased gradually during the year, while the price of grain rallied during the summer to then stabilise at a higher level. Many Swedish grain producers harvested a lower volume of top-quality grain in 2010. However, this decline in volume is offset by higher prices.

Profitability in forestry improved during the first nine months of 2010. Demand for timber and pulpwood was strong and prices increased.

Landshypotek's performance

Landshypotek increased its net lending by SEK 4.3 billion during the first nine months of the year, corresponding to lending growth of 9.3 percent, compared with 8.7 percent in the first nine months of 2009. The demand for credit from Sweden's forestry and agriculture sector has, from high levels, weakened somewhat during the autumn. Landshypotek noted that customers with other banks are becoming increasingly interested in transferring their loans to Landshypotek. Landshypotek has increased its market share of lending to farm and forest owners in 2010.

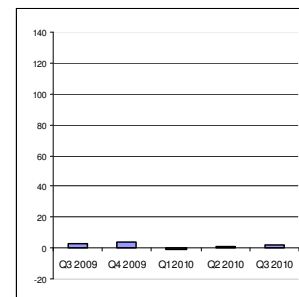
Financing

Borrowing

Landshypotek aims to borrow funds on the best possible terms, given a low risk profile. By operating with considerable flexibility in terms of markets and instruments, financing is obtained in an efficient manner and on the best possible terms. Landshypotek utilises several borrowing programmes in both the domestic and international markets, which allows the Company to meet most investors' needs for investments in interest-bearing instruments.

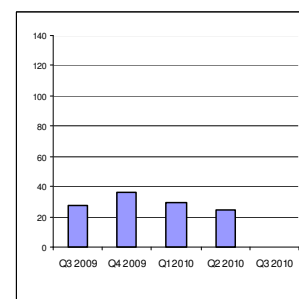
During the first half of the year, Landshypotek's primary source of financing was covered bonds. Covered bonds were issued in a combined amount of approximately SEK 17.8 billion.

Loan losses



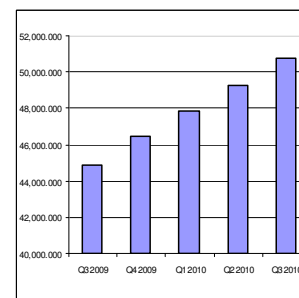
Loan losses for the first nine months of 2010 amounted to MSEK 1.8.

Doubtful credits



Doubtful credits declined during the year to MSEK 13.7 on 30 September 2010.

Lending volume



Landshypotek's lending rose 9.3 percent during the first nine months of the year to SEK 50.8 billion. Market growth was favourable and Landshypotek increased its market shares.

Liquidity

Landshypotek has accumulated a relatively large portfolio of interest-bearing securities, worth SEK 10.6 billion on 30 September 2010. Swedish covered bonds with the highest credit rating account for 99 percent of the portfolio. The reason for holding interest-bearing securities is so that they will function as a liquidity portfolio. Securities can be sold or mortgaged, if so required, in order to manage the financing of maturing debt.

Programme	Issued 30 Sep 2010	Maximum amount	Issued 31 Dec 2009
Swedish commercial paper	3 925	10 000	1 975
Swedish MTN programme	38 895	50 000	38 004
International EMTN programme	12 320	25 000	8 358
Other bonds	0		6
Subordinated loans	550		350

	Long	Short
S&P Covered bonds	AAA	
S&P	A-	A2, K1
Fitch	A+	F1
Moody's	A3	P2

Rating

Landshypotek's rating remained unchanged during the first nine months of 2010. In September, Landshypotek received confirmation of the rating A3, P2 from Moody's with stable prospects. However Landshypotek is on the watch list, with negative outlook, of S & P regarding covered bonds.

Capital adequacy

SEK thousand	Financial Corporate Group	
	Basel II	Transitional rules
Tier 1 capital	3,308,568	3,308,568
Tier 2 capital	514,509	514,509
Capital base (after deductions)	3,823,077	3,823,077
Deduction for deferred tax assets	-28,112	0
Deduction in accordance with Chapter 3, Section 8 of the Swedish Capital Adequacy and Large Exposures Act	-70,958	0
Capital requirement for credit risks in accordance with the standard method	459,250	459,250
Capital requirement for credit risks in accordance with IRB	321,062	321,052
Capital requirement for operative risks - Base method	52,124	52,124
Additional capital requirement in accordance with the transitional rules	-	2,541,096
Capital requirement	832,436	3,373,522
Capital adequacy ratio	4.6	1.1
Capital adequacy	36.7%	9.1%
Tier 1 capital adequacy	31.8%	7.8%

The capital base on 30 September 2010 amounted to MSEK 3,823.

On 30 September 2010, the capital requirement in accordance with Basel II amounted to MSEK 832. The capital requirement is calculated as a minimum capital requirement based on credit, market and operating risks (Pillar I).

The capital adequacy ratio in accordance with Basel II was 4.60.

In addition to the minimum capital requirement, each institution must conduct an internal capital assessment. This assessment must take all risks into account as well as the capital requirement. The supervisory authorities expect institutions to maintain a higher capital base than required by the formal minimum capital requirement.

The intention was for the Basel capital adequacy rules to be fully implemented by 1 January 2010. This transition to Basel II was preceded by transitional rules that have applied for three years. Application of the transitional rules has now been extended. In accordance with the transitional rules, Landshypotek has a capital adequacy ratio of 1.13.

Risk and capital management

Landshypotek lends approximately SEK 50 billion to slightly more than 50,000 customers against collateral in the form of liens on farm properties. Lending is secured by collateral in forest and agricultural properties, which may amount to a maximum of 75 percent of a conservatively adjusted market value (loan value) at the time of lending. Together with Landshypotek's methods for assessing and limiting counterparty risk, this has resulted in a highly limited risk in the portfolio, as reflected in the Company's very low loan losses over time.

Landshypotek AB is owned by the Parent Company of the financial corporate group, Landshypotek, ekonomisk förening (incorporated association), which is a member-owned organisation. The financial corporate group has shareholders' equity amounting to MSEK 3,521 and a capital base of MSEK 3,823. The capital adequacy ratio is 4.59, corresponding to capital adequacy of 36.7 percent, and the Tier 1 capital ratio is 31.8 percent in accordance with the Basel II rules.

The risks on which Landshypotek actively focuses its efforts are classified in the risk categories of credit risk, market risk, operating risk and other risks.

The capital requirement for credit risk is primarily quantified through the risk weight formulas stipulated in Pillar I (IRB approach for the retail portfolio). For its credit risk, Landshypotek established a capital requirement that exceeds the capital adequacy requirement calculated in Pillar I. The numerous private individuals living in rural areas provide Landshypotek with favourable sector diversification. Landshypotek is also well diversified from a regional perspective.

Market risk consists of interest-rate risks, exchange-rate risks, liquidity risks and counterparty risks. Through its financial risk policy, the Board of Directors establishes how risks are to be measured, reported and limited. Landshypotek is exposed to a generally low market risk.

Operating risk is defined as "the risk of losses as a result of inappropriate or failed internal processes, human error, faulty systems or external events that affect business operations." Incidents that occur are reported and followed up by Landshypotek's risk organisation and reported to the Board of Directors in the case of serious events.

Events after the end of the period under review

No events of material significance have occurred since the end of the period under review.

Stockholm, 2 November 2010

Kjell Hedman, Managing Director

This Interim Report covers the Group comprising Landshypotek AB, subsidiaries Lanbrukskredit AB, Landshypotek Jordbrukskredit AB and the General Mortgage Bank of Sweden. Landshypotek AB is reported separately. Amounts in parentheses refer to the corresponding period in the preceding year. This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounting policies applied in this Interim Report are unchanged compared to those applied in the most recent Annual Report aside from the calculation of taxes. The interim report utilizes the standardized method for the calculation of corporation tax.

Income statement

GROUP

SEK thousand	2010 Q 3	2009 Q 2	2010 Q 2	2010 Jan - Sep	2009 Jan - Sep	2009 Full year
Interest income	433,405	430,082	408,364	1,244,652	1,380,155	1,777,540
Interest expense	-306,555	-358,033	-302,744	-905,140	-1,159,370	-1,483,074
Net interest income	126,850	72,049	105,620	339,512	220,785	294,466
Dividend income	0	0	0	0	10,000	10,000
Commission income	2,673	2,771	2,868	8,231	8,450	11,840
Commission expense	-17,798	-110	-56	-18,026	-996	-1,759
Net result of financial transactions	15,602	69,079	24,393	24,286	119,531	49,065
Other operating income	9,979	6,937	72,753	89,327	20,098	26,692
Total operating income	137,306	150,726	205,578	443,330	377,868	390,304
General administrative expense	-32,153	-36,713	-44,055	-115,151	-126,578	-177,177
Depreciation, amortisation and impairment of intangible non-current assets	-2,382	-2,406	-2,373	-7,097	-9,661	-12,598
Other operating expenses	-4,705	-2,881	-6,307	-15,308	-14,866	-19,887
Total expenses before loan losses	-39,240	-42,000	-52,735	-137,556	-151,105	-209,662
Profit before loan losses	98,066	108,726	152,843	305,774	226,763	180,642
Loan losses, net impairment of financial assets	-1,826	-2,960	-903	-1,767	-4,159	-8,484
Operating profit	96,240	105,766	151,940	304,007	222,604	172,158
Income tax	-6,909	-28,695	-41,282	-62,103	-58,556	-42,969
Net profit for the period	89,331	77,071	110,658	241,904	164,048	129,189

Statement of comprehensive income

GROUP

SEK thousand	2010 Q 3	2009 Q 2	2010 Q 2	2010 Jan - Sep	2009 Jan - Sep	2009 Full year
Net profit for the period	89,331	77,071	110,658	241,904	164,048	129,189
Other comprehensive profit and loss						
Change in instruments for cash flow hedges	8,123	4,892	31,531	42,662	8,500	10,438
Change in available-for-sale financial instruments	-38,047	28,506	-32,095	-98,210	5,080	-81,240
Taxes related to other comprehensive income loss	7,855	-8,783	164	14,610	-3,575	18,621
Total other comprehensive profit and loss	-22,069	24,615	-400	-40,938	10,005	-52,181
Total comprehensive profit for the period	67,262	101,686	110,258	200,966	174,053	77,008

Income statement

LANDSHYPOTEK AB PARENT COMPANY

SEK thousand	2010 Q 3	2009 Q 2	2010 Q 2	2010 Jan - Sep	2009 Jan - Sep	2009 Full year
Interest income	430,615	427,662	405,686	1,236,667	1,371,930	1,766,774
Interest expense	-307,136	-358,589	-303,103	-906,417	-1,162,970	-1,487,067
Net interest income	123,479	69,073	102,583	330,250	208,960	279,707
Dividend income	0	0	0	0	0	0
Commission income	2,566	2,762	2,675	7,958	8,421	11,653
Commission expense	-17,798	-90	-56	-18,021	-931	-1,714
Net result of financial transactions	15,602	69,079	24,393	24,286	119,531	49,065
Other operating income	9,979	5,917	75,652	91,365	17,585	23,213
Total operating income	133,828	146,741	205,247	435,838	353,566	361,924
General administrative expense	-33,598	-38,194	-45,051	-118,621	-130,746	-186,334
Depreciation, amortisation and impairment of intangible non-current assets	-2,382	-2,406	-2,373	-7,097	-9,661	-12,282
Other operating expenses	-4,706	-2,629	-6,983	-15,298	-13,934	-18,514
Total expenses before loan losses	-40,686	-43,229	-54,407	-141,016	-154,341	-217,130
Profit before loan losses	93,142	103,512	150,840	294,822	199,225	144,794
Loan losses, net Impairment of financial assets	-1,829	-2,743	-905	-1,775	-3,946	-8,438
Operating profit	91,313	100,769	149,935	293,047	195,279	136,356
Income tax	-5,625	-26,501	-39,432	-58,680	-51,359	-36,150
Net profit for the period	85,688	74,268	110,504	234,367	143,920	100,206

Statement of comprehensive income

LANDSHYPOTEK AB PARENT COMPANY

SEK thousand	2010 Q 3	2009 Q 2	2010 Q 2	2010 Jan - Sep	2009 Jan - Sep	2009 Full year
Net profit for the period	85,688	74,268	110,504	234,367	143,920	100,206
Other comprehensive profit and loss						
Change in instruments for cash flow hedges	8,123	4,892	3,008	42,662	8,500	10,438
Change in available-for-sale financial instruments	-38,047	28,506	-28,068	-98,210	5,080	-81,240
Taxes related to other comprehensive profit and loss	7,855	-8,783	6,591	14,610	-3,575	18,621
Total other comprehensive profit and loss	-22,069	24,615	-18,469	-40,938	10,005	-52,181
Total comprehensive profit for the period	63,619	98,883	92,035	193,429	153,925	48,025

Balance sheet

SEK Thousand	GROUP				PARENT COMPANY			
	2010 30 Sep	2010 30 Jun	2009 31 Dec	2010 30 Sep	2010 30 Sep	2010 30 Jun	2009 31 Dec	2009 30 Sep
ASSETS								
Cash and balances with central banks	3,937	5,053	8,946	6,641	3,937	5,053	8,946	6,641
Due from financial institutions	643,815	260,938	87,761	49,902	646,123	251,341	300,505	65,217
Loans to customers	Note 3 50,779,091	49,281,487	46,455,974	44,885,190	50,459,326	48,964,272	46,142,049	44,584,750
Bonds and other interest-bearing securities	10,591,600	14,745,956	11,532,817	11,361,973	10,591,600	14,745,956	11,532,817	11,361,973
Derivative financial instruments	-144,648	409,328	308,074	380,164	-144,648	409,328	308,074	380,164
Shares	1	1	1	1	0	0	0	0
Shares in Group companies	0	0	0	0	514,827	514,827	515,027	515,027
Intangible non-current assets	0	0	0	0	0	0	0	0
Tangible assets					0	0	0	0
Equipment	2,655	2,821	3,334	3,578	2,655	2,821	3,334	3,578
Buildings and land	314,556	316,597	336,256	331,356	314,543	316,585	319,903	314,688
Other assets	757,453	105,794	449,953	873,170	732,788	81,354	444,778	851,680
Prepaid expenses and accrued income	583,081	417,863	612,446	411,905	582,450	417,306	611,595	411,391
TOTAL ASSETS	63,531,541	65,545,838	59,795,562	58,303,880	63,703,601	65,708,843	60,187,027	58,495,109
LIABILITIES, PROVISIONS AND EQUITY								
Due to financial institutions	2,796,526	5,164,221	5,709,996	7,653,442	3,094,286	5,450,951	6,224,755	7,967,200
Borrowing from the public	112,000	146,000	45,000	89,000	112,000	146,000	45,000	89,000
Debt securities in issue, etc.	55,542,789	55,319,552	49,027,096	45,563,278	55,542,789	55,319,552	49,027,096	45,563,278
Derivative financial instruments	153,749	183,607	229,107	277,740	153,749	183,607	229,107	277,740
Other liabilities	39,961	41,562	161,797	62,179	30,307	31,616	151,257	48,673
Accrued expenses and prepaid income	708,647	569,110	816,292	627,832	709,101	569,368	816,037	627,855
Provisions	107,064	118,250	136,431	188,346	76,901	86,908	102,731	149,244
Subordinated liabilities	549,956	549,988	350,000	350,000	549,956	549,988	350,000	350,000
TOTAL LIABILITIES	60,010,692	62,092,290	56,475,719	54,811,817	60,269,089	62,337,990	56,945,983	55,072,990
Equity	3,520,849	3,453,548	3,319,844	3,492,063	3,434,512	3,370,853	3,241,044	3,422,119
TOTAL LIABILITIES, PROVISIONS AND EQUITY	63,531,541	65,545,838	59,795,562	58,303,880	63,703,601	65,708,843	60,187,027	58,495,109

Cash-flow statement

SEK thousand	GROUP			PARENT COMPANY		
	2010 Jan - Sep	2009 Jan - Sep	2009 Full year	2010 Jan - Sep	2009 Jan - Sep	2009 Full year
Liquid funds at beginning of period	8,946	2,707	2,707	8,946	2,707	2,707
Cash flow from operating activities	179,697	104,440	114,355	196,037	91,439	101,353
Cash flow from investing activities	15,282	-523	-8,116	-1,058	12,478	4,886
Cash flow from financing activities	-199,988	-99,983	-100,000	-199,988	-99,983	-100,000
Cash flow for the period	-5,009	3,934	6,239	-5,009	3,934	6,239
Liquid funds at end of period	3,937	6,641	8,946	3,937	6,641	8,946

Change in shareholders' equity

GROUP

SEK thousand	Other		Hedging reserve	Fair value reserve	Retained earnings	Total
	Share capital	contributed capital				
Equity 31 December 2009	1,927,000	1,026,254	-50,355	146,990	269,955	3,319,844
Net profit for the period			31,481	-72,380	241,904	201,005
Total change before transactions with the owners	0	0	31,481	-72,380	241,904	201,005
Equity 30 September 2010	1,927,000	1,026,254	-18,874	74,610	511,859	3,520,849

SEK thousand	Other		Hedging reserve	Fair value reserve	Retained earnings	Total
	Share capital	contributed capital				
Equity 31 December 2008	1,927,000	1,026,248	-58,048	206,867	215,979	3,318,046
Net profit for the period			6,264	3,741	164,012	174,017
Total change before transactions with the owners	0	0	6,264	3,741	164,012	174,017
Equity 30 September 2009	1,927,000	1,026,248	-51,784	210,608	379,991	3,492,063

LANDSHYPOTEK AB PARENT COMPANY

SEK thousand	Other		Hedging reserve	Fair value reserve	Retained earnings	Total
	Share capital	contributed capital				
Equity 31 December 2009	1,927,000	1,010,000	-50,355	146,990	207,409	3,241,044
Net profit for the period			31,481	-72,380	234,367	193,469
Total change before transactions with the owners	0	0	31,481	-72,380	234,367	193,469
Equity 30 September 2010	1,927,000	1,010,000	-18,874	74,610	441,776	3,434,512

SEK thousand	Other		Hedging reserve	Fair value reserve	Retained earnings	Total
	Share capital	contributed capital				
Equity 31 December 2008	1,927,000	1,010,000	-58,048	206,864	182,411	3,268,227
Net profit for the period			6,264	3,741	143,885	153,890
Total change before transactions with the owners	0	0	6,264	3,741	143,885	153,890
Equity 30 September 2009	1,927,000	1,010,000	-51,784	210,605	326,296	3,422,116

Notes

NOTE 1 NET INTEREST INCOME

GROUP

TSEK	2010 Q 3	2009 Q 3	2010 Q 2	2010 Jan - Sep	2009 Jan - Sep	2009 Full year
Interest income						
Interest income on loans to credit institutions	137	45	28	238	360	462
Interest income on loans to Group companies	0	0	0	0	0	0
Interest income on loans to customers	344,764	325,129	311,348	964,276	1,077,835	1,394,569
- less interest losses	-305	-64	-1,026	-1,357	-497	-865
Interest income on interest-bearing securities	88,811	104,971	98,010	281,493	302,450	383,269
- of which interest income on financial assets values at fair value in the income statement	31,114	18,282	32,330	85,133	38,826	57,107
- of which interest income on available-for-sale financial assets	57,697	86,689	65,680	196,360	263,624	326,162
Other interest income	2	1	4	2	7	105
Total	433,405	430,082	408,364	1,244,652	1,380,155	1,777,540
All interest income is attributable to the Swedish market.						
Interest expense						
Interest expense for liabilities to Group companies	-207	-106	-63	-316	-176	-231
Interest expense for liabilities to credit institutions - other	-5,251	-11,969	-4,698	-14,553	-66,025	-69,585
Interest expense for borrowing from the public	0	0	0	0	0	0
Interest expense for interest-bearing securities	-339,550	-336,411	-340,860	-1,003,581	-1,079,640	-1,400,831
- of which interest expense for other financial liabilities	-66,883	-289,752	-255,975	-566,797	-960,798	-1,188,460
- of which interest expense on financial assets valued at fair value in the income statement	-272,667	-46,659	-84,885	-436,784	-118,842	-212,371
Interest expense on subordinated liabilities	-3,246	-1,120	-1,307	-5,266	-5,756	-6,534
Interest expense for derivative instruments	41,886	-8,152	47,708	122,410	-6,370	-812
- of which interest expense on derivatives valued at fair value in the income statement	27,266	-3,635	34,173	92,113	-1,452	-1,040
- of which interest expense on derivatives indentified as hedging instruments	14,620	-4,517	13,535	30,297	-4,918	228
Other interest expense	-187	-275	-3,524	-3,834	-1,403	-5,081
Total	-306,555	-358,033	-302,744	-905,140	-1,159,370	-1,483,074
Total net interest income	126,850	72,049	105,620	339,512	220,785	294,466

LANDSHYPOTEK AB PARENTCOMPANY

TSEK	2010 Q 3	2009 Q 3	2010 Q 2	2010 Jan - Sep	2009 Jan - Sep	2009 Full year
Interest income						
Interest income on loans to credit institutions	134	44	27	233	328	424
Interest income on loans to Group companies	4	26	10	34	184	192
Interest income on loans to customers	341,972	322,686	308,660	956,261	1,069,465	1,383,665
- less interest losses	-305	-65	-1,025	-1,357	-497	-863
Interest income on interest-bearing securities	88,811	104,971	98,010	281,493	302,450	383,269
- of which interest income on financial assets values at fair value in the income statement	31,114	18,282	32,330	85,133	38,826	57,107
- of which interest income on available-for-sale financial assets	57,697	86,689	65,680	196,360	263,624	326,162
Other interest income	-1	4	4	3	4	87
Total	430,615	427,666	405,666	1,236,667	1,371,934	1,766,774
All interest income is attributable to the Swedish market.						
Interest expense						
Interest expense for liabilities to Group companies	-787	-663	-430	-1,600	-3,776	-4,224
Interest expense for liabilities to credit institutions - other	-5,251	-11,969	-4,698	-14,553	-66,025	-69,585
Interest expense for borrowing from the public	0	0	0	0	0	0
Interest expense for interest-bearing securities	-339,550	-336,411	-340,860	-1,003,581	-1,079,640	-1,400,831
- of which interest expense for other financial liabilities	-402,680	-289,752	-290,822	-966,797	-960,798	-1,188,460
- of which interest expense on financial assets valued at fair value in the income statement	63,130	-46,659	-420,882	-436,784	-118,842	-212,371
Interest expense on subordinated liabilities	-3,246	-1,119	-1,307	-5,266	-5,756	-6,534
Interest expense for derivative instruments	41,886	-8,152	47,708	122,410	-6,370	-812
- of which interest expense on derivatives valued at fair value in the income statement	27,266	-3,635	34,173	92,113	-1,452	-1,040
- of which interest expense on derivatives indentified as hedging instruments	14,620	-4,517	13,535	30,297	-4,918	228
Other interest expense	-188	-275	-3,516	-3,827	-1,403	-5,081
Total	-307,136	-358,589	-303,103	-906,417	-1,162,970	-1,487,067
Total net interest income	123,479	69,077	102,563	330,250	208,964	279,707

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NOTE 2 LOAN LOSSES NET

GROUP

SEK thousand	2010 Q 3	2009 Q 3	2010 Q 2	2010 Jan - Sep	2009 Jan - Sep	2009 Full year
The period's impairment charge for realised losses	-23	0	-1,675	-1,950	-658	-1,784
Reversal of prior provisions for probable loan losses, reported as realised losses	23	0	1,675	2,002	325	1,596
Impairment charge for probable loan losses	-2,493	-3,070	-1,468	-4,790	-4,389	-9,414
Recovery of previous realised losses	58	62	23	171	387	900
Reversal of provisions no longer required for probable loan losses	609	48	542	2,800	176	218
Total loan losses	-1,826	-2,960	-903	-1,767	-4,159	-8,484

LANDSHYPOTEK AB PARENT COMPANY

SEK thousand	2010 Q 3	2009 Q 3	2010 Q 2	2010 Jan - Sep	2009 Jan - Sep	2009 Full year
The period's impairment charge for realised losses	-23	-1	-1,675	-1,950	-658	-1,784
Reversal of prior provisions for probable loan losses, reported as realised losses	23	0	1,675	2,002	325	1,432
Impairment charge for probable loan losses	-2,493	-2,853	-1,468	-4,790	-4,172	-9,197
Recovery of previous realised losses	55	61	21	163	382	893
Reversal of provisions no longer required for probable loan losses	609	50	542	2,800	177	218
Total loan losses	-1,829	-2,743	-905	-1,775	-3,946	-8,438

All loan losses are attributable to loans to customers

NOTE 3 NONPERFORMING LOANS

SEK Thousand	GROUP				PARENT COMPANY			
	2010 30 Sep	2010 31 Jun	2009 31 Dec	2009 30 Sep	2010 30 Sep	2010 30 Jun	2009 31 Dec	2009 30 Sep
Nonperforming loans where interest is recognised as income	210,498	182,920	237,356	288,212	206,312	175,954	229,204	280,818
Nonperforming loans that are doubtful credits	12,317	19,809	32,823	26,046	12,263	19,755	32,769	26,046
Total nonperforming loans	222,815	202,729	270,179	314,258	218,575	195,709	261,973	306,864
Doubtful credits that are not nonperforming	8,654	9,499	10,005	1,496	8,654	9,499	9,774	1,496
Less provisions set aside	-7,229	-4,980	-6,897	-725	-7,175	-4,926	-6,844	-507
Doubtful credits that are not performing	12,317	19,809	32,823	26,334	12,263	19,755	32,769	26,046
Total doubtful loans	13,742	24,328	35,931	27,105	13,742	24,328	35,699	27,035
Shares taken over to protect claims	1	1	1	1				