

LANDSHYPOTEK AB

INTERIM REPORT JANUARY – JUNE

2010 # 2

- **OPERATING PROFIT EXCLUDING "NET RESULT OF FINANCIAL TRANSACTIONS" FOR THE FIRST SIX MONTHS OF 2010 AMOUNTED TO MSEK 199.1 (66.4)**

The improvement in profit was attributable to higher net interest income, lower costs and capital gains from the sale of two operating properties. Net interest income for the first half of 2010 totalled MSEK 212.7, up MSEK 64.0 compared with the corresponding period in 2009. The increase in net interest income was mainly due to a larger margin between the interest rates on deposits and lending and a higher volume of loans outstanding.

- **THE VOLUME OF LOANS OUTSTANDING AMOUNTED TO MSEK 49,281 (43,605)**

Loans outstanding increased 6.1 percent during the first six months of 2010 to MSEK 49,281. In the year-earlier period, loans outstanding rose 5.6 percent. The level of activity in the market remained high. Interest in purchases of land and investments in buildings and machinery was considerable. Landshypotek also noted that customers with other banks are becoming increasingly interested in transferring their loans to Landshypotek. Landshypotek boosted its share of the market for loans to farm and forest owners during the first half of 2010.

- **LOAN LOSS RATE: 0.00 PERCENT (0.01)**

During the first six months of 2010, recoveries exceeded loan losses and amounted to MSEK 0.1, corresponding to 0.00 percent of loans outstanding. In the year-earlier period, loan losses amounted to MSEK 1.2, corresponding to 0.01 percent of loans outstanding. As of 30 June 2010, doubtful credits amounted to MSEK 24.3 (27.5), corresponding to 0.05 percent (0.06) of loans outstanding.

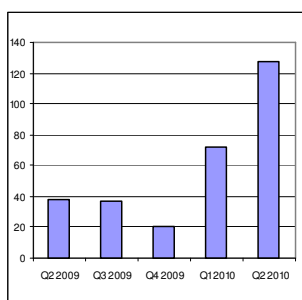
- **CAPITAL ADEQUACY WAS 36.8 PERCENT; TIER 1 CAPITAL ADEQUACY WAS 31.9 PERCENT ACCORDING TO BASEL II RULES**

Based on the Basel II capital adequacy rules, Landshypotek's capital situation is very strong. The intention was for Basel II to be fully implemented as of 1 January 2010. This will not be the case. The Swedish Financial Supervisory Authority has announced that the transitional rules that applied on 31 December 2009 will remain in effect. Pursuant to the transitional rules, Landshypotek's capital adequacy amounted to 9.2 percent and Tier 1 capital adequacy to 7.9 percent.

Landshypotek AB

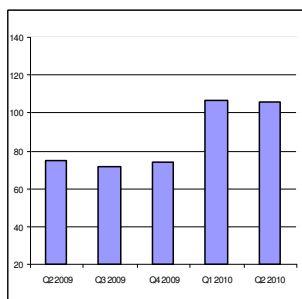
Landshypotek AB (corporate registration number 556500-2762) hereby submits its interim report for the period 1 January – 30 June 2010.

Operating profit excluding "Net result of financial transactions"



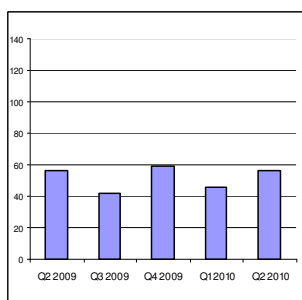
Operating profit for the first six months of 2010 excluding "Net result of financial transactions" amounted to MSEK 199.1.

Net interest income



Net interest income for the first half of 2010 totalled MSEK 212.7. 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



Landshypotek aims to achieve a sustainable reduction in costs and to enhance the efficiency of its operations. Costs during the first six months of 2010 amounted to MSEK 98.3, down MSEK 10.8 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 35 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		2009
	Jan - Mar	Jan - Mar	Jan - Mar
Net interest income	212.7		148.7
Interest rate margin	0.90%		0.70%
Other operating income	93.4		78.4
of which "Net result of financial transactions"	8.7		50.5
Expenses	-98.3		-109.1
Expense level, %	0.36		0.45
Loan losses, net	0.1		-1.2
Loan loss level, %	0.00%		0.01%
Operating profit	207.8		116.8
Operating profit not including "Net result of financial transactions"	199.1		66.4

Consolidated operating profit for the first six months of 2010 amounted to MSEK 207.8, a year-on-year increase of MSEK 91.0 (116.8). Excluding "Net result of financial transactions," operating profit totalled MSEK 199.1 (66.4). 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 also apply to the Parent Company.

Net interest income

Net interest income for the first quarter of 2010 amounted to MSEK 212.7, up MSEK 64.0 compared with the year-earlier period (148.7). The increase was mainly attributable to a higher margin between the interest rates on deposits and lending in the first half of 2010 compared with the year-earlier period. The increase in the volume of loans outstanding also contributed positively to net interest income. Market interest rates were somewhat lower in the first six months of 2010 than in the year-earlier period, which had an adverse effect on Landshypotek's net interest income. Market interest rates also impacted the return obtained on the portion of equity invested in lending operations.

Other operating income

Operating income excluding net interest income amounted to MSEK 93.4 for the period, up MSEK 15.0 compared with the year-earlier period. The increase was primarily attributable to the sale of two operating properties in the first half of 2010, which generated capital gains of MSEK 68.1. "Net result of financial transactions" amounted to an expense of MSEK 8.7, compared with income of MSEK 50.5 for the first half 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, whereof MSEK -30.2 are realised repurchases. This item also includes the result of revaluations of financial instruments. In order to gain an understanding of the total effect of fair value measurement, the revaluations carried directly to equity must also be taken into account.

Costs

Costs during the first six months of 2010 amounted to MSEK 98.3 (109.1). The MSEK 10.8 reduction in costs was mainly attributable to lower general administrative expenses, primarily costs for IT and purchased services.

Loan losses and doubtful credits

Loan losses for the first six months of 2010 amounted to recoveries of MSEK 0.1 (loss: 1.2). Write-offs of confirmed loan losses totalled MSEK 1.9 (0.7). Provisions for probable loan losses during the period amounted to MSEK 2.3 (1.3). Recoveries of previously confirmed losses, or previously doubtful credits, totalled MSEK 4.2 (0.8).

At 30 June 2010, doubtful credits amounted to MSEK 24.3, corresponding to 0.05 percent of loans outstanding. At 30 June 2009, doubtful credits totalled MSEK 27.5, equivalent to 0.06 percent of loans outstanding.

Landshypotek currently sees no signs that the decline of the general economic situation has affected the overall quality of its loan portfolio. Nor does the Company expect that a general economic deterioration would result in significantly higher loan losses, since the loan-to-value ratio is low – the average volume-weighted loan-to-value ratio is 41.0 percent – and Landshypotek’s customers generally have a strong repayment capacity. Landshypotek’s customers derive their income from several sources, including income from employment, contracting businesses, forestry and agriculture.

Comparison with the first quarter of 2010

Compared with the first quarter of 2010, operating profit for the second quarter of 2010 improved by MSEK 96.1. The earnings improvement was attributable to an increase in the net result of financial transactions and capital gains from the sale of properties.

Market overview

Market trend

Profitability in forestry and agriculture improved in the first half 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. The increase in the price of grain was the result of expectations that the volume of grain will decline during the autumn due to weaker harvests, primarily in Russia and other areas of Eastern Europe. Many Swedish grain producers expect to harvest a lower volume of top-quality grain in 2010. However, this decline in volume will be offset by higher prices.

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

Landshypotek’s performance

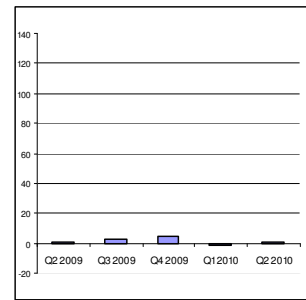
Landshypotek increased its net lending by SEK 2.8 billion during the first six months of the year, corresponding to lending growth of 6.1 percent, compared with 5.6 percent in the first six months of 2009. Landshypotek maintained its leading position in the market for first mortgage loans to farm and forest owners. The level of activity in the market remained high. Interest in purchases of land and investments in buildings and machinery was considerable. Landshypotek also noted that customers with other banks are becoming increasingly interested in transferring their loans to Landshypotek.

Financing

Borrowing

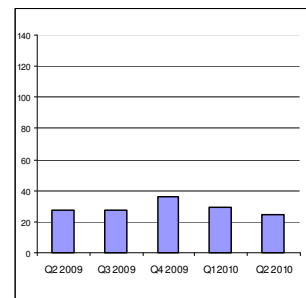
Landshypotek aims to borrow funds on the best possible terms, given a low risk profile. By operating with considerable flexibility in terms of markets and instruments, financing is

Loan losses



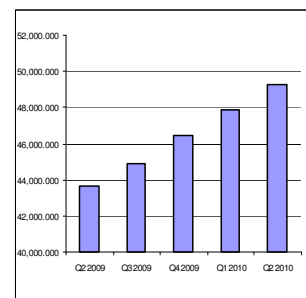
Loan losses for the first six months of 2010 amounted to recoveries of MSEK 0.1.

Doubtful credits



Doubtful credits declined during the year to MSEK 24.3 on 30 June 2010.

Lending volume



Landshypotek’s lending rose 6.1 percent during the first six months of the year to SEK 49.2 billion. Market growth was favourable and Landshypotek increased its market shares.

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 under Landshypotek's Swedish MTN and international EMTN programmes in a combined amount of approximately SEK 17.8 billion.

Liquidity

Landshypotek has accumulated a relatively large portfolio of interest-bearing securities, worth SEK 14.7 billion on 30 June 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.

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

Programme	Issued 30-06-2010	Maximum amount	Issued 31-21-2009
Swedish commercial paper	2,930	10,000	1,975
Swedish MTN programme	39,760	50,000	38,004
International EMTN programme	12,320	25,000	8,358
Other bonds	1		6
Subordinated loans	550		350

Rating

Landshypotek's rating remained unchanged during the first six months of 2010.

Capital adequacy

SEK thousand	Basel II	Transitional rules
Tier 1 capital	3,309,372	3,309,372
Tier 2 capital	514,509	514,509
Capital base (after deductions)	3,823,881	3,823,881
Deduction for deferred tax assets	-28,533	0
Deduction in accordance with Chapter 3, Section 8 of the Swedish Capital Adequacy and Large Exposures Act	-70,598	0
Capital requirement for credit risks in accordance with the standard method	463,844	463,844
Capital requirement for credit risks in accordance with IRB	314,992	314,992
Capital requirement for operative risks - Base method	52,124	52,124
Additional capital requirement in accordance with the transitional rules	-	2,505,865
Capital requirement	830,960	3,336,825
Capital adequacy ratio	4,6	1,2
Capital adequacy	36,8%	9,2%
Tier 1 capital adequacy	31,9%	7,9%

The capital base on 30 June 2010 amounted to MSEK 3,824 and the capital adequacy ratio in accordance with Basel II was 4.60.

On 30 June 2010, the capital requirement in accordance with Basel II amounted to MSEK 831. The capital requirement is calculated as a minimum capital requirement based on credit, market and operating risks (Pillar I).

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 1.15.

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 3,371 and a capital base of MSEK 3.824. The capital adequacy ratio is 4.60, corresponding to capital adequacy of 36.8 percent, and the Tier 1 capital ratio is 31.9 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, 27 August 2010

Kjell Hedman, Managing Director

This Interim Report has been reviewed by Company's auditors.

This Interim Report covers the Group comprising Landshypotek AB, subsidiaries Lantbrukskredit 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 for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting. For the Mother company it has been prepared in accordance with IFRS with the amendments and limitations that follow from RFR 2.3 and the provisions of the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL). The accounting policies applied in this Interim Report are unchanged compared to those applied in the most recent Annual Report apart from tax expenses that is calculated under the standardized approach.

Review report

For translation purposes

We have reviewed this report for the period 1 January to 30 June 2010 for Landshypotek AB (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Act for Credit institutions and Securities Companies. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden, RS, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Act for Credit institutions and Securities Companies regarding the Group, and with the Swedish Annual Act for Credit institutions and Securities Companies, regarding the Parent Company.

Stockholm den 27 augusti 2010

.....
Anna Hesselman
Authorised Public Accountant

.....
Bengt Fröander
Authorised Public Accountant

Income statement

GROUP

SEK thousand	2010 Q 2	2009 Q 2	2010 Q 1	2010 Jan - Jun	2009 Jan - Jun	2009 Full year
Interest income	408,364	443,772	402,883	811,247	950,073	1,777,540
Interest expense	-302,744	-369,008	-295,841	-598,585	-801,337	-1,483,074
Net interest income <i>Note 1</i>	105,620	74,764	107,042	212,662	148,736	294,466
Dividend income	0	10,000	0	0	10,000	10,000
Commission income	2,868	3,089	2,690	5,558	5,679	11,840
Commission expense	-56	-106	-172	-228	-886	-1,759
Net result of financial transactions	24,393	79,939	-15,709	8,684	50,452	49,065
Other operating income	72,753	6,450	6,595	79,348	13,161	26,692
Total operating income	205,578	174,136	100,446	306,024	227,142	390,304
General administrative expense	-44,055	-45,777	-38,943	-82,998	-89,865	-177,177
Depreciation, amortisation and impairment of intangible non-current assets	-2,373	-3,596	-2,342	-4,715	-7,255	-12,598
Other operating expenses	-6,307	-6,827	-4,296	-10,603	-11,985	-19,887
Total expenses before loan losses	-52,735	-56,200	-45,581	-98,316	-109,105	-209,662
Result before loan losses	152,843	117,936	54,865	207,708	118,037	180,642
Loan losses, net <i>Note 2</i>	-903	-435	962	59	-1,199	-8,484
Impairment of financial assets						
Operating result	151,940	117,501	55,827	207,767	116,838	172,158
Taxes on the period's result	-41,282	-30,574	-13,912	-55,194	-29,861	-42,969
Net result for the period	110,658	86,927	41,915	152,573	86,977	129,189

Statement of comprehensive income

SEK thousand	2010 Q 2	2009 Q 2	2010 Q 1	2010 Jan - Jun	2009 Jan - Jun	2009 Full year
Net result for the period	110,658	86,927	41,915	152,573	86,977	129,189
Other comprehensive income/loss						
Change in instruments for cash flow hedges	31,531	16,875	3,008	34,539	3,608	10,438
Change in available-for-sale financial instruments	-32,095	-72,343	-28,068	-60,163	-23,426	-81,240
Taxes related to other comprehensive income loss	164	14,585	6,591	6,755	5,212	18,621
Total other comprehensive income/loss	-400	-40,883	-18,469	-18,869	-14,606	-52,181
Total comprehensive income for the period	110,258	46,044	23,446	133,704	72,371	77,008

Income statement

LANDSHYPOTEK AB, PARENT COMPANY

SEK thousand	2010 Q 2	2009 Q 2	2010 Q 1	2010 Jan - Jun	2009 Jan - Jun	2009 Full year
Interest income	405,686	441,145	400,366	806,052	944,268	1,766,774
Interest expense	-303,103	-369,934	-296,178	-599,281	-804,381	-1,487,067
Net interest income <i>Note 1</i>	102,583	71,211	104,188	206,771	139,887	279,707
Dividend income	0	0	0	0	0	0
Commission income	2,675	3,078	2,717	5,392	5,659	11,653
Commission expense	-56	-81	-167	-223	-841	-1,714
Net result of financial transactions	24,393	79,939	-15,709	8,684	50,452	49,065
Other operating income	75,652	5,629	5,734	81,386	11,668	23,213
Total operating income	205,247	159,776	96,763	302,010	206,825	361,924
General administrative expense	-45,051	-46,999	-39,972	-85,023	-92,552	-186,334
Depreciation, amortisation and impairment of intangible non-current assets	-2,373	-3,596	-2,342	-4,715	-7,255	-12,282
Other operating expenses	-6,983	-6,478	-3,609	-10,592	-11,305	-18,514
Total expenses before loan losses	-54,406	-57,073	-45,924	-100,330	-111,112	-217,130
Result before loan losses	150,841	102,703	50,839	201,680	95,713	144,794
Loan losses, net <i>Note 2</i>	-905	-437	959	54	-1,203	-8,438
Impairment of financial assets						
Operating result	149,936	102,266	51,798	201,734	94,510	136,356
Taxes on the period's result	-39,432	-26,899	-13,623	-53,055	-24,858	-36,150
Net result for the period	110,504	75,367	38,175	148,679	69,652	100,206

Statement of comprehensive income

SEK thousand	2010 Q 2	2009 Q 2	2010 Q 1	2010 Jan - Jun	2009 Jan - Jun	2009 Full year
Net result for the period	110,504	75,367	38,175	148,679	69,652	100,206
Other comprehensive profit and loss						
Change in instruments for cash flow hedges	31,531	16,875	3,008	34,539	3,608	10,438
Change in available-for-sale financial instruments	-32,095	-72,343	-28,068	-60,163	-23,426	-81,240
Taxes related to other comprehensive profit and loss	164	14,585	6,591	6,755	5,212	18,621
Total other comprehensive profit and loss	-400	-40,883	-18,469	-18,869	-14,606	-52,181
Total comprehensive result for the period	110,104	34,484	19,706	129,810	55,046	48,025

Balance sheet

SEK Thousand	GROUP				PARENT COMPANY			
	2010 30 Jun	02-Jul 31 Mar	2009 31 Dec	01-Jul 30 Jun	2010 30 Jun	2010 31 Mar	2009 31 Dec	2009 30 Jun
ASSETS								
Cash and balances with central banks	5,053	8,924	8,946	12,121	5,053	8,924	8,946	12,121
Due from financial institutions	260,938	53,694	87,761	353,446	251,341	63,612	300,505	354,990
Loans to customers	Note 3 49,281,487	47,876,812	46,455,974	43,604,887	48,964,272	47,551,751	46,142,049	43,306,215
Bonds and other interest-bearing securities	14,745,956	13,931,397	11,532,817	10,309,523	14,745,956	13,931,397	11,532,817	10,309,523
Derivative financial instruments	409,328	276,210	308,074	422,779	409,328	276,210	308,074	422,779
Shares	1	1	1	1	0	0	0	0
Shares in Group companies	0	0	0	0	514,827	515,027	515,027	515,027
Intangible non-current assets	0	0	0	0	0	0	0	0
Tangible assets					0	0	0	0
Equipment	2,821	2,907	3,334	3,979	2,821	2,907	3,334	3,979
Buildings and land	316,597	334,934	336,256	333,335	316,585	318,581	319,903	316,666
Other assets	105,794	158,249	449,953	265,670	81,354	139,115	444,778	257,012
Prepaid expenses and accrued income	417,863	594,625	612,446	295,733	417,306	594,117	611,595	295,342
TOTAL ASSETS	65,545,838	63,237,753	59,795,562	55,601,474	65,708,843	63,401,641	60,187,027	55,793,654
LIABILITIES, PROVISIONS AND EQUITY								
Due to financial institutions	5,164,221	5,264,643	5,709,996	8,000,420	5,450,951	5,551,508	6,224,755	8,313,178
Borrowing from the public	146,000	53,000	45,000	125,000	146,000	53,000	45,000	125,000
Debt securities in issue, etc.	55,319,552	53,274,011	49,027,096	42,630,936	55,319,552	53,274,011	49,027,096	42,630,936
Derivative financial instruments	183,607	225,579	229,107	293,052	183,607	225,579	229,107	293,052
Other liabilities	41,562	144,005	161,797	45,583	31,616	136,025	151,257	31,446
Accrued expenses and prepaid income	569,110	455,666	816,292	585,190	569,368	455,346	816,037	585,020
Provisions	118,250	127,485	136,431	180,876	86,908	95,349	102,731	141,747
Subordinated liabilities	549,988	350,000	350,000	350,000	549,988	350,000	350,000	350,000
TOTAL LIABILITIES	62,092,290	59,894,389	56,475,719	52,211,057	62,337,990	60,140,818	56,945,983	52,470,379
Equity	3,453,548	3,343,364	3,319,844	3,390,417	3,370,853	3,260,823	3,241,044	3,323,275
TOTAL LIABILITIES, PROVISIONS AND EQUITY	65,545,838	63,237,753	59,795,562	55,601,474	65,708,843	63,401,641	60,187,027	55,793,654

Cash-flow statement

SEK thousand	GROUP			PARENT COMPANY		
	2010 Jan - Jun	2009 Jan - Jun	2009 Full year	2010 Jan - Jun	2009 Jan - Jun	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	180,638	109,893	114,355	196,979	96,892	101,353
Cash flow from investing activities	15,457	-496	-8,116	-884	12,505	4,886
Cash flow from financing activities	-199,988	-99,983	-100,000	-199,988	-99,983	-100,000
Cash flow for the period	-3,893	9,414	6,239	-3,893	9,414	6,239
Liquid funds at end of period	5,053	12,121	8,946	5,053	12,121	8,946

Change in shareholders' equity

GROUP

Group	Share capital	Other contributed capital	Hedging reserve	Fair value reserve	Retained earnings	Total
SEK thousand						
Equity 31 December 2009	1,927,000	1,026,254	-50,355	146,990	269,955	3,319,844
Net profit for the period			25,471	-44,340	152,573	133,704
Total change before transactions with the owners	0	0	25,471	-44,340	152,573	133,704
Equity 30 June 2010	1,927,000	1,026,254	-24,884	102,650	422,528	3,453,548

Group	Share capital	Other contributed capital	Hedging reserve	Fair value reserve	Retained earnings	Total
SEK thousand						
Equity 31 December 2008	1,927,000	1,026,248	-58,048	206,867	215,979	3,318,046
Net profit for the period			2,659	-17,265	86,977	72,371
Total change before transactions with the owners	0	0	2,659	-17,265	86,977	72,371
Equity 30 June 2009	1,927,000	1,026,248	-55,389	189,602	302,956	3,390,417

LANDSHYPOTEK AB, PARENT COMPANY

Group	Share capital	Other contributed capital	Hedging reserve	Fair value reserve	Retained earnings	Total
SEK thousand						
Equity 31 December 2009	1,927,000	1,010,000	-50,355	146,990	207,409	3,241,044
Net profit for the period			25,471	-44,340	148,679	129,810
Total change before transactions with the owners	0	0	25,471	-44,340	148,679	129,810
Equity 30 June 2010	1,927,000	1,010,000	-24,884	102,650	356,088	3,370,853

Group	Share capital	Other contributed capital	Hedging reserve	Fair value reserve	Retained earnings	Total
SEK thousand						
Equity 31 December 2008	1,927,000	1,010,000	-58,048	206,864	182,411	3,268,227
Net profit for the period			2,659	-17,262	69,652	55,049
Total change before transactions with the owners	0	0	2,659	-17,262	69,652	55,049
Equity 30 June 2009	1,927,000	1,010,000	-55,389	189,602	252,063	3,323,275

Notes

NOTE 1 NET INTEREST INCOME

GROUP

TSEK	2010 Q 2	2009 Q 2	2010 Kvartal 1	2010 Jan - Jun	2009 Jan - Jun	2009 Full year
Interest income						
Interest income on loans to credit institutions	28	73	73	101	315	462
Interest income on loans to Group companies	0	0	0	0	0	
Interest income on loans to customers	311,348	345,189	308,164	619,512	752,706	1,394,569
- less interest losses	-1,026	-182	-26	-1,052	-433	-865
Interest income on interest-bearing securities	98,010	98,691	94,672	192,682	197,479	383,269
- of which interest income on financial assets values at fair value in the income statement	32,330	17,702	21,689	54,019	20,544	57,107
- of which interest income on available-for-sale financial assets	65,680	80,989	72,983	138,663	176,935	326,162
Other interest income	4	1	0	4	6	105
Total	408,364	443,772	402,883	811,247	950,073	1,777,540
All interest income is attributable to the Swedish market.						
Interest expense						
Interest expense for liabilities to Group companies	-63	-70	-46	-109	-70	-231
Interest expense for liabilities to credit institutions - other	-4,698	-18,188	-4,604	-9,302	-54,056	-69,585
interest expense for borrowing from the public	0	0	0	0	0	0
Interest expense for interest-bearing securities	-340,860	-335,541	-323,171	-664,031	-743,229	-1,400,831
- of which interest expense for other financial liabilities	79,822	309,918	-243,939	-164,117	-72,183	-1,188,460
- of which interest expense on financial assets valued at fair value in the income statement	-420,682	-645,459	-79,232	-499,914	-671,046	-212,371
Interest expense on subordinated liabilities	-1,307	-1,293	-713	-2,020	-4,636	-6,534
Interest expense for derivative instruments	47,708	-13,291	32,816	80,524	1,782	-812
- of which interest expense on derivatives valued at fair value in the income statement	34,173	-38,181	30,674	64,847	-73,128	-1,040
- of which interest expense on derivatives indentified as hedging instruments	13,535	24,890	2,142	15,677	74,910	228
Other interest expense	-3,524	-625	-123	-3,647	-1,128	-5,081
Total	-302,744	-369,008	-295,841	-598,585	-801,337	-1,483,074
Total net interest income	105,620	74,764	107,042	212,662	148,736	294,466

LANDSHYPOTEK AB, PARENT COMPANY

TSEK	2010 Q 2	2009 Q 2	2010 Q 1	2010 Jan - Jun	2009 Jan - Jun	2009 Full year
Interest income						
Interest income on loans to credit institutions	27	66	72	99	284	424
Interest income on loans to Group companies	10	39	20	30	158	192
Interest income on loans to customers	308,660	342,530	305,629	614,289	746,779	1,383,665
- less interest losses	-1,025	-181	-27	-1,052	-432	-863
Interest income on interest-bearing securities	98,010	98,691	94,672	192,682	197,479	383,269
- of which interest income on financial assets values at fair value in the income statement	32,330	17,702	21,689	54,019	20,544	57,107
- of which interest income on available-for-sale financial assets	65,680	80,989	72,983	138,663	176,935	326,162
Other interest income	4	0	0	4	0	87
Total	405,686	441,145	400,366	806,052	944,268	1,766,774
All interest income is attributable to the Swedish market.						
Interest expense						
Interest expense for liabilities to Group companies	-430	-995	-383	-813	-3,113	-4,224
Interest expense for liabilities to credit institutions - other	-4,698	-18,188	-4,604	-9,302	-54,056	-69,585
interest expense for borrowing from the public	0	0	0	0	0	0
Interest expense for interest-bearing securities	-340,860	-335,541	-323,171	-664,031	-743,229	-1,400,831
- of which interest expense for other financial liabilities	79,822	309,918	-243,939	-164,117	-72,183	-1,188,460
- of which interest expense on financial assets valued at fair value in the income statement	-420,682	-645,459	-79,232	-499,914	-671,046	-212,371
Interest expense on subordinated liabilities	-1,307	-1,294	-713	-2,020	-4,637	-6,534
Interest expense for derivative instruments	47,708	-13,291	32,816	80,524	1,782	-812
- of which interest expense on derivatives valued at fair value in the income statement	34,173	-87,637	30,674	64,847	-73,128	-1,040
- of which interest expense on derivatives indentified as hedging instruments	13,535	74,346	2,142	15,677	74,910	228
Other interest expense	-3,516	-625	-123	-3,639	-1,128	-5,081
Total	-303,103	-369,934	-296,178	-599,281	-804,381	-1,487,067
Total net interest income	102,583	71,211	104,188	206,771	139,887	279,707

NOTE 2 LOAN LOSSES, NET GROUP

SEK thousand	2010 Q 2	2009 Q 2	2010 Q 1	2010 Jan - Jun	2009 Jan - Jun	2009 Full year
The period's impairment charge for realised losses	-1,675	-333	-252	-1,927	-658	-1,784
Reversal of prior provisions for probable loan losses, reported as realised losses	1,675	0	304	1,979	325	1,596
Impairment charge for probable loan losses	-1,468	-478	-829	-2,297	-1,319	-9,414
Recovery of previous realised losses	23	251	90	113	325	900
Reversal of provisions no longer required for probable loan losses	542	125	1,649	2,191	128	218
Total loan losses	-903	-435	962	59	-1,199	-8,484

All loan losses are attributable to loans to customers

LANDSHYPOTEK AB, PARENT COMPANY

SEK thousand	2010 Q 2	2009 Q 2	2010 Q 1	2010 Jan - Jun	2009 Jan - Jun	2009 Full year
The period's impairment charge for realised losses	-1,675	-332	-252	-1,927	-657	-1,784
Reversal of prior provisions for probable loan losses, reported as realised losses	1,675	0	304	1,979	325	1,432
Impairment charge for probable loan losses	-1,468	-478	-829	-2,297	-1,319	-9,197
Recovery of previous realised losses	21	249	87	108	321	893
Reversal of provisions no longer required for probable loan losses	542	125	1,649	2,191	128	218
Total loan losses	-905	-436	959	54	-1,202	-8,438

All loan losses are attributable to loans to customers

NOTE 3 NONPERFORMING LOANS

SEK Thousand	2010 30 Jun	2010 31 Mar	2009 31 Dec	2009 30 Jun	2010 31 Mar	2010 31 Mar	2009 31 Dec	2009 30 Jun
Nonperforming loans where interest is recognised as income	182,920	148,194	237,356	221,495	175,954	140,971	229,204	216,112
Nonperforming loans that are doubtful credits	19,809	23,459	32,823	28,016	19,755	23,405	32,769	28,016
Total nonperforming loans	202,729	171,653	270,179	249,511	195,709	164,376	261,973	244,128
Doubtful credits that are not nonperforming	9,499	11,722	10,005	0	9,499	11,722	9,774	0
Less provisions set aside	-4,980	-6,068	-6,897	-507	-4,926	-6,014	-6,844	-507
Doubtful credits that are not performing	19,809	23,459	32,823	28,046	19,755	23,405	32,769	28,016
Total doubtful loans	24,328	29,113	35,931	27,539	24,328	29,113	35,699	27,509
Shares taken over to protect claims	1	1	1	1				