

LANDSHYPOTEK BANK AB

INTERIM REPORT JANUARY – MARCH

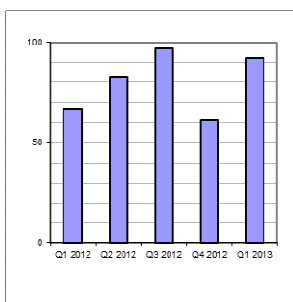
2013 # 1

- **LENDING to Swedish agriculture and forestry amounted to MSEK 59,439**
Loans outstanding increased MSEK 554 (0.9 percent) to MSEK 59,439 in the first quarter of 2013. Demand for credit from Sweden's forestry and agriculture sector remained high. However, the pace of growth was somewhat lower than in preceding years. The primary driver for demand was property transactions presently occurring in Swedish agriculture and forestry.
- **OPERATING PROFIT amounted to MSEK 76.5 (85.4).**
The decline in profit of MSEK 8.9 was attributable to a decline of MSEK 35.0 in the net result of financial transactions year-on-year. This negative effect was offset by an increase in net interest income of MSEK 22.9.
- **OPERATING PROFIT excluding the net result of financial transactions was MSEK 92.1 (66.1).**
The improvement in earnings of MSEK 26.0 was primarily due to higher net interest income and lower recognised net loan losses.
- **RECOGNISED LOAN LOSSES, NET amounted to MSEK -3.3 (5.2).**
- **THE CAPITAL ADEQUACY RATIO amounted to 33.0 (35.7) percent without taking into account the transitional rules linked to Basel I.**
The capital adequacy ratio amounted to 9.4 percent under the transitional rules.

Landshypotek Bank AB

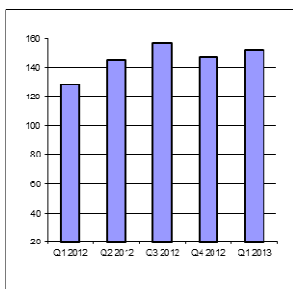
Landshypotek Bank AB's
(publ)
(Corp. Reg. No. 556500-2762)
interim report for 1 January -
31 March 2013.

Operating profit excluding the
net result of financial
transactions



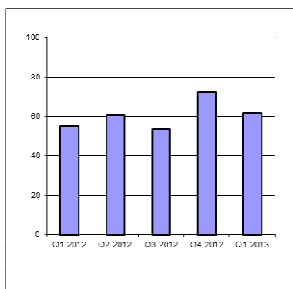
Operating profit for the first quarter of 2013, excluding the net result of financial transactions amounted to MSEK 92.1.

Net interest Income



Net interest income for the first quarter of 2013 amounted to MSEK 151.4. The amount 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 for the first quarter of 2013 amounted to MSEK 61.5, an increase of MSEK 5.6 year-on-year.

Landshypotek is a member-owned company tasked with providing competitive financing to Sweden's farm and forest owners. With loans outstanding of slightly more than SEK 59.4 billion, Landshypotek accounts for 28.5 percent of total lending for agricultural and forestry properties in Sweden and is thus the market leader. Lending is characterised by adequate property collateral which, historically, has resulted in extremely low loan losses. Landshypotek has 118 employees at 18 offices throughout Sweden.

Operating profit 2013

Summary of income statement

MSEK	2013	2012
	Jan - Mar	Jan - Mar
Net interest income	151.4	128.5
Other operating income	-16.7	18.0
<i>of which Net result of financial transactions</i>	<i>-15.6</i>	<i>19.4</i>
Expenses	-61.5	-55.9
<i>Cost income ratio adjust for property sales and financial transactions</i>	<i>0.41</i>	<i>0.43</i>
Loan losses	3.3	-5.2
<i>Loan loss level, %</i>	<i>-</i>	<i>0,01%</i>
Operating profit	76.5	85.4
<i>Operating profit not including Net result of financial transactions and the sale of operating property</i>	<i>92.1</i>	<i>66.1</i>

Consolidated operating profit for the first quarter of 2013 amounted to MSEK 76.5, down MSEK 8.9 compared with the year-earlier period (MSEK 85.4). The decline in profit of MSEK 8.9 was attributable to a decline of MSEK 35.0 in the net result of financial transactions year-on-year.

Operating profit excluding the net result of financial transactions was MSEK 92.1 (66.1). The improvement in underlying operating profit was due to the MSEK 22.9 increase in net interest income and a decrease in net loan losses reported. Higher costs of MSEK 5.6, primarily related to personnel and marketing, had an adverse impact on profit compared with the year-earlier period.

Net interest income

Net interest income for the first quarter of 2013 was MSEK 151.4. Net interest income was up 18 percent compared with the year-earlier period (MSEK 128.5). The amount 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.

The increase in net interest income was attributable to increased lending and lower interest rates on borrowings.

Other operating income

Other operating income amounted to negative MSEK 16.7 for the period. The fee of MSEK 6.0 payable to the stabilization fund, the loss of MSEK 15.6 from the net result of financial transactions, net commission income (excluding the stabilization fund) of MSEK 3.5 and income from property including capital gains from the sale of property of MSEK 1.4 were recognised under other operating income.

Operating income was down MSEK 34.7 compared with the year-earlier period. The decrease was primarily due to a decline of MSEK 35.0 in the net result of financial transactions to negative MSEK 15.6 (pos: 19.4), of which unrealised losses accounted for MSEK 16.7 and realised profits MSEK 1.1. The Net result of financial transactions included realised results from the purchase and sale of financial instruments, as well as the result from the repurchase of own bonds. In addition, this item includes the result from the revaluation of financial instruments. To gain an understanding of the total effect of market valuations, the remeasurements recognised directly in equity via other comprehensive income must also be taken into account. Remeasurements in equity amounted to negative MSEK 0.3 (pos: 11.7) in the first quarter of 2013.

Costs

Costs in the first quarter of 2013 amounted to MSEK 61.5 (55.9). The increase in costs of MSEK 5.6 was principally attributable to increased costs for personnel and marketing compared with the first quarter of 2012.

Loan losses and doubtful credits

Net loan losses reported for the first quarter of the year amounted to a recovery of MSEK 3.3 (loss: -5.2). Confirmed loan losses totalled MSEK -8.1 (-0.2). Provisions for suspected loan losses amounted to MSEK -5.3 (-6.7). Recoveries of previously confirmed losses, or previously suspected losses, amounted to MSEK 16.6 (1.8).

At 31 March 2013, doubtful credits amounted to MSEK 66.9, corresponding to 0.11 percent of loans outstanding. At 31 March 2012, doubtful credits amounted to MSEK 56.1, corresponding to 0.10 percent of total loans outstanding.

From a portfolio perspective, loan losses and the percentage of doubtful credits continue to be at a very low level. In the first quarter of 2013, a number of credit commitments were settled for which provisions were made in 2012. Accordingly, confirmed loan losses increased. In parallel, recoveries increased since loan losses were lower than feared. Viewed over the agricultural and forestry sectors, Landshypotek has not identified any general trend towards a decline in solvency. However, in individual cases, profitability may be under pressure, which negatively impacts the repayment capacity of these customers.

Comparison with the fourth quarter of 2012

Compared with the fourth quarter of 2012, operating profit for the first quarter of 2013 rose MSEK 38.8.

Excluding the net result of financial transactions, operating profit for the first quarter of 2013 amounted to MSEK 92.1, up MSEK 31.9 compared with the fourth quarter of 2012 (MSEK 60.2). The increase in profit during the quarter was primarily attributable to the increase in net interest income, lower costs and lower loan losses.

Market overview

Market trend

For dairy companies, 2012 was dominated by declining prices. A falling milk price, combined with rising prices for compound feed, put pressure on profitability both in Sweden and the rest of the global market. However, the tail end of 2012 posted a slight improvement which continued during the first quarter of 2013 due to lower inventory volumes, which pushed up market prices.

Profitability for beef declined slightly in the preceding year. Settlement prices in Sweden were at the top end for the EU, while prices for feed and animals increased.

Following a period of financial difficulty, pork producers had an improved 2012. Settlement prices rose. However, the prices of grain, feed and other input goods also rose. Accordingly, profitability did not improve at the same pace as rising settlement prices.

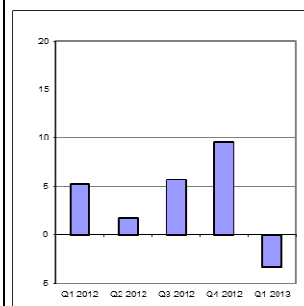
2012 was a good year for arable farming. Arable farmers reported healthy harvests and some even reported record harvests.

In forestry, prices recovered at the end of 2012.

The price of agricultural properties declined somewhat during 2012. The regional differences and the price of prime land continues to increase while a certain decrease can be noted for land in less favourable locations and for smaller isolated farms.

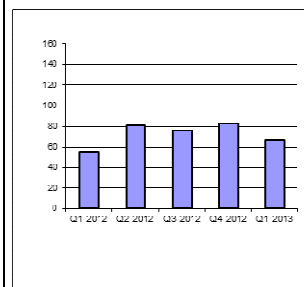
In 2012, the price of forestry properties declined for the first time in 15 years. The main underlying reason for this was the decline in prices for timber. However, major differences exist around Sweden.

Loan losses



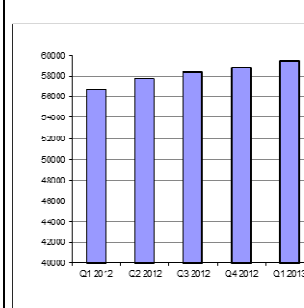
Loan losses for the first quarter of 2013 amounted to recoveries of MSEK 3.3.

Doubtful credits



Doubtful credits amounted to MSEK 66.9 on 31 March 2013.

Lending volume



In the first quarter of 2013, Landshypotek's lending increased 0.9% to SEK 59.4 billion.

Landshypotek's performance

Landshypotek increased its net lending by SEK 0.5 billion during the first quarter of 2013, corresponding to lending growth of 0.9 percent, compared with 2.1 percent in the first quarter of 2012. Demand for credit from Sweden's forestry and agriculture sector remained high. However, the annual pace of growth, about 8 percent, was somewhat lower than in preceding years.

Deposits amounted MSEK 1 521 on 31 March 2013. The primary driver for demand was the structural transformation presently occurring in Swedish agriculture and forestry. Through developing Landshypotek's market presence and a wider product offering, Landshypotek aims to grow in pace with the market.

Financing

Borrowing

Landshypotek's ambition is to borrow funds on the best possible terms given a low risk profile: The following also applies:

- borrowing is well diversified as regards programmes, currencies and investors
- borrowing has a tenor that corresponds well to the tenor of assets
- substantial concentrations of borrowings maturing during a short duration are avoided.

Landshypotek operates with considerable flexibility and actively raises funds via national and international bond markets, as well as striving to always respond to investors' concerns regarding tenors and interest-rate structure.

Landshypotek works continuously with investor relations to ensure levels of awareness and interest are maintained in the company.

During the year, Landshypotek issued covered bonds to a value of approximately SEK 4.8 billion. In addition, senior bonds were issued to a value of approximately SEK 1.0 billion. During the same period bonds have matured or been repurchased to a value of MSEK 5.9, of which covered bonds value MSEK 4.3.

In general, the finance market for Nordic banks functioned smoothly in first quarter of 2013. Landshypotek has been very successful in its financing activities and demand for Landshypotek's bonds has been favourable.

Programme (MSEK)	Issued 31-3-2013	Maximum amount	Issued 31-12-2012
Swedish commercial paper	3,651	10,000	4,005
MTN programme	42,098	50,000	42,530
EMTN programme	17,002	29,200*	17,105
RCB**	3,206		3,206
Subordinated loans	700		700

* MEUR 3,500

** Registered Covered Bonds

Liquidity

Landshypotek has a substantial liquidity portfolio of interest-bearing securities, valued at SEK 14.7 billion at 31 March 2013. The portfolio primarily comprises Swedish covered bonds with the highest credit rating and to a minor extent, bonds issued by Swedish municipalities.

Securities can be sold or borrowed against, as required, to manage the financing of maturing debt. At 31 March, the liquidity portfolio was 2.0 (1.4) times larger than market financing maturing in the next six months.

	Long	Short
S&P Covered bonds	AAA	
S&P	A	A1, K1
Fitch	A+	F1

Rating

Landshypotek has credit ratings from two different rating agencies, Standard & Poor's and Fitch.

Standard & Poors confirmed the AAA rating for covered bonds and A, A-1 for the company during 2012. Fitch confirmed the company's credit rating of A+, F1 in 2013.

Risk management

Landshypotek's loans outstanding amounted to just more than SEK 59 billion to about 50,000 customers against collateral in the form of liens on agricultural and forestry properties.

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

Credit risk is defined as the risk that Landshypotek does not receive payment as agreed in combination with the risk that the value of the collateral is not adequate and thus will not cover the outstanding claim. The risk encompasses all Landshypotek's retail receivables. 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-to-value ratio). In addition, Landshypotek is exposed to credit risk that arises from the management of liquidity, interest and currency risk. Collateral requirements in combination with Landshypotek's methods for limiting credit risk result in highly limited credit risk in the portfolio, as reflected in the company's very low loan losses over time.

Naturally, Landshypotek's activities are exposed to liquidity risk, but Landshypotek maintains a substantial liquidity reserve and has set low tolerance levels for this risk.

Landshypotek is exposed to market risk in the form of interest-rate, currency, basis-spread and credit-spread risk. Interest-rate and currency risk are mainly managed through swap agreements and are therefore low. Basis risk arises from entering into certain swap agreements and credit-spread risk is contained in Landshypotek's liquidity portfolio. Landshypotek limits these risks and monitors their development on a daily basis.

Operational 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.

Through its policy documents, the Board of Directors establishes how risks are to be measured, reported and limited.

Capital adequacy

At 31 March 2013, the capital adequacy ratio amounted to 33.0 percent without taking into account the transitional rules linked to Basel I. The capital base was MSEK 4,574 and the capital requirement was MSEK 1,108.

The capital adequacy ratio amounted to 9.4 percent according to the transitional rules (regulatory requirement).

New capital adequacy rules (Capital Requirements Directive IV/Capital Requirements Regulation) will probably be implemented on 1 January 2014. In the latest proposal from the European Commission, the transitional rules linked to Basel I are to be extended, again with the possibility of applying for an exception. At present, the extent to which Sweden will implement more stringent rules than the EU is unclear as is the extent to which Sweden will implement new rules more quickly than the EU.

Financial Corporate Group* 31-03-2013

SEK thousand	Basel II**	Transitional rules
Tier 1 capital	3,942,056	3,942,056
Tier 2 capital	632,175	632,175
Capital base (after deductions)	4,574,231	4,574,231
Deduction for deferred tax assets	-22,778	
Deduction Intangible non-current assets	-36,728	
Deduction in accordance with Chapter 3, Section 8 of the Swedish Capital Adequacy and Large Exposures Act	-135,554	
Capital requirement for credit risks in accordance with the standard method	540,480	540,480
Capital requirement for credit risks in accordance with IRB	472,596	472,596
Capital requirement for operative risks - Base method	95,248	95,248
Additional capital requirement in accordance with the transitional rules	-	2,772,850
Capital requirement	1,108,324	3,881,174
Capital adequacy ratio	4.1	1.2
Capital adequacy	33.0%	9.4%
Tier 1 capital adequacy	28.5%	8.1%

* The Financial Corporate Group includes Landshypotek, ekonomisk förening (incorporated association) and Landshypotek AB Group.

** Regulatory requirements excluding transitional rules linked to Basel I.

Accounting policies

This Report encompasses the Group comprising Landshypotek AB and the subsidiary Landshypotek Jordbrukskredit AB. Landshypotek Bank 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. Calculation methods and risk management are unchanged compared to those applied in the most recent Annual Report (see www.landshypotek.se, Financial info) with the exception of the changes in IAS 19 - Employee Benefits. The corridor approach has been eliminated which means that all actuarial gains and losses are to be recognised in other comprehensive income. See Note 5, Effect of changing accounting policy IAS 19 - Employee Benefits. IFRS 13 Fair Value Measurement has been applied from 1 January 2013. The standard contains a precise definition of fair value and states the disclosure requirements for fair value. For Landshypotek, the requirements stated in IFRS 13 correspond well with the requirements previously found in IFRS 7. This Interim Report has been supplemented with Note 4 Fair Value Measurement.

Group structure

All borrowers of Landshypotek Bank AB are also members of Landshypotek ekonomisk förening. Landshypotek, ekonomisk förening owns 100 percent of the shares in Landshypotek Bank AB and is the parent association of the group of financial companies.

Landshypotek Bank AB is the Parent Company of the sub-group, and more than 90 percent of operations in the sub-group are conducted by the Parent Company Landshypotek Bank AB. Other companies in the subgroup are Landshypotek Jordbrukskredit AB which is 100-percent owned by Landshypotek Bank AB.

Events after the end of the period under review

In November 2012, Landshypotek was granted a banking licence. Thereafter, Landshypotek adopted a new Articles of Association and a new business name, Landshypotek Bank AB (publ). The Swedish Companies Registration Office completed the registration of the company as a bank on 4 April 2013. In conjunction with this event, a private placement was made to Landshypotek ekonomisk förening, which was registered on 4 April 2013.

Stockholm, 26 April 2013

Kjell Hedman, Managing Director

This interim report has not been subject to review by the company's auditors.

Income statement

GROUP

SEK thousand	2013 Q1	2012 Q1	2012 Q4	2012 Jan-Mar	2012 Full year
Interest income	580,963	681,780	627,646	580,963	2,619,504
Interest expense	-429,540	-553,270	-480,193	-429,540	-2,041,677
Net interest income <i>Note 1</i>	151,423	128,510	147,453	151,423	577,827
Commission income	3,958	3,577	3,704	3,958	15,188
Commission expense	-6,448	-5,562	-8,730	-6,448	-24,512
Net result of financial transactions	-15,577	19,384	-22,444	-15,577	-49,057
Other operating income	1,401	585	485	1,401	2,147
Total operating income	134,756	146,494	120,468	134,757	521,594
General administrative expense <i>Note 5</i>	-55,292	-53,742	-65,987	-55,292	-226,777
Depreciation, amortisation and impairment of intangible non-current assets	-783	-273	-1,353	-783	0
Other operating expenses	-5,423	-1,884	-5,743	-5,423	-15,547
Total expenses before loan losses	-61,498	-55,899	-73,083	-61,498	-244,530
Profit before loan losses	73,258	90,595	47,385	73,259	277,064
Loan losses, net <i>Note 2</i>	3,286	-5,158	-9,605	3,286	-22,117
Operating profit	76,545	85,437	37,780	76,545	254,947
Income tax for the period	-16,851	-23,114	-20,770	-16,851	-76,228
Net profit for the period	59,694	62,323	17,010	59,694	178,719

Statement of comprehensive income

GROUP

SEK thousand	2013 Q1	2012 Q1	2012 Q4	2012 Jan-Mar	2012 Full year
Net profit for the period	59,694	62,323	17,010	59,694	178,719
Other comprehensive profit and loss					
<i>Items to be reclassified to profit or loss</i>					
Change in cash flow hedges	13,115	46,444	-20,779	13,115	-54,010
Change in available-for-sale financial assets	-13,467	-34,730	-31,862	-13,467	-81,901
Taxes on items to be reclassified	77	-3,081	10,041	77	27,168
<i>Total, items to be reclassified to profit or loss</i>	<i>-275</i>	<i>8,633</i>	<i>-42,600</i>	<i>-275</i>	<i>-108,743</i>
<i>Items that are not reclassified to profit or loss</i>					
Actuarial differences for defined-benefit pensions	9,639	-2,881	-2,881	9,639	-11,523
Tax items that are not reclassified	-2,121	634	634	-2,121	2,535
<i>Total, items that are not reclassified to profit or loss</i>	<i>7,518</i>	<i>-2,247</i>	<i>-2,247</i>	<i>7,518</i>	<i>-8,988</i>
Total other comprehensive profit and loss	7,243	6,386	-44,847	7,243	-117,731
Total comprehensive profit for the period	66,937	68,709	-27,837	66,937	60,988

Income statement

LANDSHYPOTEK BANK AB PARENT COMPANY

SEK thousand	2012 Q4	2011 Q4	2012 Q3	2013 Jan-Mar	2012 Full year
Interest income	577 242	677 711	622 567	577 242	2 600 509
Interest expense	-429 648	-555 781	-480 394	-429 648	-2 044 316
Net interest income <i>Note 1</i>	147 594	121 931	142 173	147 594	556 193
Dividends received from subsidiary	-	-	156 993	-	-
Commission income	3 562	3 509	3 053	3 562	13 491
Commission expense	-6 448	-5 562	-8 729	-6 448	-24 512
Net result of financial transactions	-15 577	19 384	-22 444	-15 577	-49 057
Other operating income	1 398	569	484	1 398	2 127
Total operating income	130 529	139 831	271 530	130 529	498 243
General administrative expense	-56 539	-55 417	-66 647	-56 539	-232 272
Depreciation, amortisation and impairment of intangible non-current assets	-783	-273	-1 318	-783	-2 171
Other operating expenses	-5 420	-1 878	-5 738	-5 420	-15 516
Total expenses before loan losses	-62 742	-57 568	-73 703	-62 742	-249 959
Profit before loan losses	67 787	82 263	197 827	67 787	248 284
Loan losses, net <i>Note 2</i>	3 451	-2 576	-9 589	3 451	-16 310
Impairment of shares in subsidiary	-	-	-65 000	-	-
Operating profit	71 238	79 687	123 238	71 238	231 974
Income tax for the period	-15 683	-20 911	-19 605	-15 683	-73 488
Net profit for the period	55 555	58 777	103 633	55 555	158 486

Statement of comprehensive income

LANDSHYPOTEK BANK AB PARENT COMPANY

SEK thousand	2012 Q4	2011 Q4	2012 Q3	2013 Jan-Mar	2012 Full year
Net profit for the period	55 555	58 777	103 633	55 555	158 486
Other comprehensive profit and loss					
<i>Items to be reclassified to profit or loss</i>					
Change in cash flow hedges	13 115	46 444	-20 779	13 115	-54 010
Change in available-for-sale financial assets	-13 467	-34 730	-31 862	-13 467	-81 901
Taxes on items to be reclassified	77	-3 081	10 041	77	27 168
<i>Total, items to be reclassified to profit or loss</i>	<i>-275</i>	<i>8 633</i>	<i>-42 600</i>	<i>-275</i>	<i>0</i>
Total other comprehensive profit and loss	-275	8 633	-42 600	-275	-108 743
Total comprehensive profit for the period	55 280	67 410	61 033	55 280	49 743

Balance sheet

SEK Thousand	GROUP			PARENT COMPANY		
	2013 31-mar	2012 [✓] 31-dec	2012 31-mar	2012 [✓] 31-mar	2012 [✓] 31-dec	2012 31-mar
ASSETS						
Cash and balances with central banks	31 424	45 400	37 937	31 424	45 400	37 937
Due from financial institutions	810 251	642 194	107 573	766 633	634 326	188 805
Loans to customers <i>Note 3</i>	59 439 331	58 884 842	56 722 318	59 121 615	58 613 225	56 436 640
Bonds and other interest-bearing securities	14 677 978	15 715 556	13 665 017	14 677 978	15 715 556	13 665 017
Derivative financial instruments	629 435	1 011 692	443 632	629 435	1 011 692	443 632
Shares	1	1	1	1	1	0
Shares in Group companies				280 753	280 753	514 827
Intangible non-current assets	36 728	35 312	18 286	36 728	35 312	18 286
Tangible assets						
Equipment	5 509	5 424	3 476	5 509	5 424	3 476
Buildings and land	12 928	15 116	15 581	12 928	15 116	15 581
Other assets	59 421	234 767	388 470	158 208	250 237	369 895
Deferred tax asset	22 778	28 051		16 704	19 542	
Prepaid expenses and accrued income	893 703	858 434	1 010 576	893 507	858 582	1 010 801
TOTAL ASSETS	76 619 487	77 476 789	72 412 867	76 631 423	77 485 166	72 704 895
LIABILITIES, PROVISIONS AND EQUITY						
Due to financial institutions	837 186	620 419	1 801 025	841 186	620 419	2 220 025
Borrowing from the public	1 521 419	1 579 308	586 857	1 521 419	1 579 308	586 857
Debt securities in issue, etc.	67 032 389	68 203 114	64 045 854	67 032 389	68 203 114	64 045 854
Derivative financial instruments	1 375 846	1 078 647	210 050	1 375 846	1 078 647	210 050
Other liabilities	27 120	351 746	186 104	27 321	351 726	185 827
Accrued expenses and prepaid income	1 031 522	1 095 455	1 034 104	1 031 523	1 095 525	1 035 930
Provisions	31 090	42 155	71 991	3 477	3 477	37 679
Subordinated liabilities	699 952	699 921	549 968	699 952	699 921	549 968
TOTAL LIABILITIES	72 556 524	73 670 765	68 485 953	72 533 113	73 632 137	68 872 190
Equity	4 062 963	3 806 024	3 926 914	4 098 310	3 853 029	3 832 705
TOTAL LIABILITIES, PROVISIONS AND EQUITY	76 619 487	77 476 789	72 412 867	76 631 423	77 485 166	72 704 895

Cash-flow statement

SEK thousand	GROUP			PARENT COMPANY		
	2013 Jan-Mar	201 Jan-Mar	2012 Full Year	2013 Jan-Mar	2012 Jan-Mar	2012 Full Year
Cash and cash equivalents beginning of period	125,130	170,935	170,935	117,268	151,480	151,480
Cash flow from operating activities	-19,468	37,579	-19,598	-55,220	37,579	-164,998
Cash flow from investing activities	820	-6,035	-30,779	820	-6,035	126,214
Cash flow from financing activities	40,718	19	4,572	40,718	19	4,572
Cash flow for the period	22,070	31,563	-45,805	-13,682	31,563	-34,212
Cash and cash equivalents at end of period	147,200	202,498	125,130	103,586	183,043	117,268

Statement of changes in equity

GROUP

SEK thousand	Share contributed capital	Other capital	Hedging reserve	Fair value reserve	Defined-benefit pensions	Retained earnings	Total
Equity 31 December 2012	1 927 000	1 026 254	-69 008	22 745	-8 988	908 023	3 806 024
Total comprehensive profit for the period			10 230	-10 504	7 518	59 694	66 937
Total change before transactions with the owners	0	0	10 230	-10 504	7 518	59 694	66 937
Ongoing issue	190 000						190 000
Equity 31 March 2013	2 117 000	1 026 254	-58 778	12 241	-1 470	967 718	4 062 963

SEK thousand	Share contributed capital	Other capital	Hedging reserve	Fair value reserve	Defined-benefit pensions	Retained earnings	Total
Equity 1 January 2012	1 927 000	1 026 254	-25 398	87 877	-	852 167	3 867 900
Effect of changing accounting policy IAS19 - Defined-benefit pensions						-9 676	-9 676
Adjusted opening balance	1 927 000	1 026 254	-25 398	87 877		842 491	3 858 224
Total comprehensive profit for the period			34 229	-25 597	-2 247	62 323	68 709
Total change before transactions with the owners	0	0	34 229	-25 597	-2 247	62 323	68 709
Others						-19	-19
Equity 31 March 2012	1 927 000	1 026 254	8 831	62 280	-2 247	904 795	3 926 914

LANDSHYPOTEK BANK AB PARENT COMPANY

SEK thousand	Share contributed capital	Other capital	Hedging reserve	Fair value reserve	Retained earnings	Total	
Equity 31 December 2012	1,927,000	1,016,694	-69,008	22,745	955,599	3,853,029	
Total comprehensive profit for the period			10,230	-10,504	0	55,555	55,280
Total change before transactions with the owners	0	0	10,230	-10,504		55,555	55,279
Ongoing issue	190,000						190,000
Equity 31 March 2013	2,117,000	1,016,694	-69,008	22,745	1,011,155	4,098,310	

SEK thousand	Share contributed capital	Other capital	Hedging reserve	Fair value reserve	Retained earnings	Total	
Equity 31 December 2011	1,927,000	1,016,694	-25,398	87,877	759,143	3,765,315	
Total comprehensive profit for the period			34,229	-25,597		58,777	67,410
Total change before transactions with the owners			34,229	-25,597		58,777	67,410
Others						-19	-19
Equity 31 March 2012	1,927,000	1,016,694	8,831	62,280	817,901	3,832,705	

Notes

NOTE 1 NET INTEREST INCOME

GROUP

TSEK	2013 Q1	2012 Q1	2012 Q4	2013 Jan-Mar	2012 Full year
Interest income					
Interest income on loans to credit institutions	977	256	2 619	977	3 026
Interest income on loans to Group companies	0	0	0	0	0
Interest income on loans to customers	507 986	587 277	540 396	507 986	2 267 582
- less interest losses	-496	-177	-774	-496	-2 279
Interest income on interest-bearing securities	72 488	94 406	84 886	72 488	350 422
- of which interest income on financial assets valued at fair value through profit or loss	68 524	64 258	68 811	68 524	222 103
- of which interest income on available-for-sale financial assets	3 964	30 148	16 075	3 964	128 319
Other interest income	8	18	518	8	753
Total	580 963	681 780	627 646	580 963	2 619 504
All interest income is attributable to the Swedish market.					
Interest expense					
Interest expense for liabilities to Group companies	-338	-1 029	-1 098	-338	-4 480
Interest expense for liabilities to credit institutions - other	-2 220	-3 446	-2 392	-2 220	-12 672
interest expense for borrowing from the public	-8 216	0	-8 396	-8 216	-21 713
Interest expense for interest-bearing securities	-413 251	-547 386	-484 017	-413 251	-2 015 138
- of which interest expense on financial assets valued at fair value through profit or loss	-152 198	-158 056	-153 868	-152 198	-561 603
- of which interest expense for other financial liabilities	-261 053	-389 330	-330 150	-261 053	-1 453 536
Interest expense on subordinated liabilities	-8 957	-4 982	-9 504	-8 957	-34 679
Interest expense for derivative instruments	3 441	6 835	25 772	3 441	49 645
- of which interest expense on derivatives valued at fair value through profit or loss	-6 209	669	12 165	-6 209	38 196
- of which interest expense on derivatives identified as hedging instruments	9 650	6 166	13 607	9 650	11 449
Other interest expense	0	-3 261	-556	0	-2 639
Total	-429 540	-553 270	-480 193	-429 540	-2 041 677
Total net interest income	151 423	128 510	147 453	151 423	577 827

LANDSHYPOTEK BANK AB PARENT COMPANY

TSEK	2013 Q1	2012 Q1	2012 Q4	2013 Jan-Mar	2012 Full year
Interest income					
Interest income on loans to credit institutions	962	221	2 593	962	2 959
Interest income on loans to Group companies	193	374	340	193	1 072
Interest income on loans to customers	504 087	582 871	535 012	504 087	2 247 591
- less interest losses	-496	-176	-775	-496	-2 279
Interest income on interest-bearing securities	72 488	94 406	84 886	72 488	350 422
- of which interest income on financial assets valued at fair value through profit or loss	68 524	64 258	68 811	68 524	222 103
- of which interest income on available-for-sale financial assets	3 964	30 148	16 075	3 964	128 319
Other interest income	8	14	508	8	742
Total	577 242	677 711	622 567	577 242	2 600 509
All interest income is attributable to the Swedish market.					
Interest expense					
Interest expense for liabilities to Group companies	-446	-3 540	-1 300	-446	-7 120
Interest expense for liabilities to credit institutions - other	-2 220	-3 447	-2 392	-2 220	-12 672
interest expense for borrowing from the public	-8 216	0	-8 396	-8 216	-21 713
Interest expense for interest-bearing securities	-413 251	-547 386	-484 017	-413 251	-2 015 138
- of which interest expense on financial assets valued at fair value through profit or loss	-152 198	-158 056	-153 868	-152 198	-561 603
- of which interest expense for other financial liabilities	-261 053	-389 330	-330 150	-261 053	-1 453 536
Interest expense on subordinated liabilities	-8 957	-4 982	-9 504	-8 957	-34 679
Interest expense for derivative instruments	3 441	6 835	25 772	3 441	49 645
- of which interest expense on derivatives valued at fair value through profit or loss	-6 209	669	12 165	-6 209	38 196
- of which interest expense on derivatives identified as hedging instruments	9 650	6 166	13 607	9 650	11 449
Other interest expense	0	-3 261	-556	0	-2 639
Total	-429 648	-555 781	-480 394	-429 648	-2 044 316
Total net interest income	147 594	121 931	142 173	147 594	556 193

NOTE 2 LOAN LOSSES NET

GROUP

SEK thousand	2013 Q1	2012 Q1	2012 Q4	2013 Jan-Mar	2012 Jan-Mar
The period's impairment charge for realised losses	-8 053	-218	-2 442	-8 053	-6 575
Reversal of prior provisions for probable loan losses, reported as realised losses	6 446	218	4 307	6 446	6 135
Impairment charge for probable loan losses	-5 287	-6 719	-15 802	-5 287	-32 787
Recovery of previous realised losses	261	580	643	261	2 439
Reversal of provisions no longer required for probable loan losses	9 919	981	3 689	9 919	8 671
Total loan losses	3 286	-5 158	-9 606	3 286	-22 117

All loan losses are attributable to loans to customers

LANDSHYPOTEK BANK AB PARENT COMPANY

SEK thousand	2012 Q4	2011 Q4	2012 Q3	2012 Full year	2012 Jan-Mar
The period's impairment charge for realised losses	-5 098	-218	-2 338	-5 098	-4 502
Reversal of prior provisions for probable loan losses, reported as realised losses	3 657	218	2 338	3 657	4 166
Impairment charge for probable loan losses	-5 287	-4 137	-12 076	-5 287	-25 236
Recovery of previous realised losses	260	579	642	260	2 435
Reversal of provisions no longer required for probable loan losses	9 919	981	1 845	9 919	6 827
Total loan losses	3 451	-2 576	-9 590	3 451	-16 310

All loan losses are attributable to loans to customers

NOTE 3 PAST DUE RECEIVABLES ETC.

SEK Thousand	GROUP			PARENT COMPANY		
	2013 31-mar	2012 31-dec	2012 31-mar	2013 31-mar	2012 31-dec	2012 31-mar
Nonperforming loans where interest is recognised as income	740 181	863 822	418 706	726 794	846 673	413 539
Nonperforming loans that are doubtful credits	67 011	102 897	60 742	61 155	94 253	53 253
Total nonperforming loans	807 192	966 719	479 448	787 949	940 926	466 792
Doubtful credits that are not nonperforming	26 455	9 869	13 290	26 455	9 869	13 290
Less provisions set aside	-26 600	-29 671	-17 941	-17 956	-21 027	-10 452
Doubtful credits that are not performing	67 011	102 897	60 742	61 155	94 253	53 253
Total doubtful loans	66 866	83 095	56 091	69 654	83 095	56 091
Shares taken over to protect claims	1	1	1			

NOTE 4 FAIR VALUE MEASUREMENT

LANDSHYPOTEK BANK AB PARENT COMPANY

SEK thousand	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value in profit or loss				
Bonds and other interest-bearing securities	8,859,602			8,859,602
Interest-rate swaps		23,275		23,275
Cross-currency interest-rate swaps		44,099		44,099
Derivatives identified as hedging instruments				
Interest-rate swaps		433,916		433,916
Cross-currency interest-rate swaps		128,145		128,145
Available-for-sale financial assets				
Available-for-sale financial assets				
Bonds and other interest-bearing securities	2,269,294	3,549,082		5,818,376
Total assets measured at fair value	11,128,896	4,178,517	-	15,307,412
Financial liabilities measured at fair value in profit or loss				
Interest-rate swaps		418,227		418,227
Cross-currency interest-rate swaps		528,999		528,999
Derivatives identified as hedging instruments				
Interest-rate swaps		161,780		161,780
Cross-currency interest-rate swaps		266,840		266,840
Total financial liabilities measured at fair value	-	1,375,846	-	1,375,846

No transfers were made between the levels.

Level 1

Comprise quoted prices in active markets for identical assets or liabilities.

Level 2

In all cases, the swap curve was utilised as the basis for measurement. Listed spreads relative to the swap curve were utilised for measuring the value of bond assets. The swap curve was used for measurement of interest-rate and cross-currency interest-rate swap.

Level 3

Inputs for assets and liabilities that are not based on observable data.

NOTE 5, EFFECT OF CHANGING ACCOUNTING POLICY IAS 19 - EMPLOYEE BENEFITS

GROUP

Income statement

SEK thousand	Previously reported Q1 2012	Recalculated	Recalculated for Q1 2012	Previously reported full-year 2012	Recalculated	Recalculated for 2012
General administrative expense	-52 904	-838	-53 742	-223 425	-3 352	-226 777
Total expense before loan losses	-52 904	-838	-53 742	-223 425	-3 352	-226 777
Income tax for the period	-23 042	-72	-23 114	-75 941	-286	-76 227
Net profit for the period	63 233	-910	62 323	182 357	-3 638	178 719

Totalresultat

SEK thousand	Previously reported Q1 2012	Recalculated	Recalculated for Q1 2012	Previously reported full-year 2012	Recalculated	Recalculated for 2012
Net profit for te period	63 233	-910	62 323	182 357	-3 638	178 719
Other comprehensive income <i>Items that are not reclassified</i>						
Actuarial differences for defined-benefit pensions		-2 881	-2 881		-11 523	-11 523
Tax items that are not reclassified		634	634		2 535	2 535
<i>Total, items that are not reclassified</i>		<i>-2 247</i>	<i>-2 247</i>		<i>-8 988</i>	<i>-8 988</i>
Total other comprehensive profit or loss	8 633	-2 247	6 386	-108 742	-8 988	-117 730
Total comprehensive profit/loss for the period	71 866	-3 157	68 709	73 615	-12 626	60 988

Balance sheet

SEK thousand	Previously reported Q1 2012	Recalculated	Recalculated for Q1 2012	Previously reported full-year 2012	Recalculated	Recalculated for 2012
Assets						
Deferred tax assets	384 455	4 015	388 470	22 349	5 702	28 051
Total assets	72 408 852	4 015	72 412 867	77 471 087	5 702	77 476 789
Liabilities, provisions and equity						
Other liabilities	189 554	-3 450	186 104	353 830	-2 084	351 746
Provisions	51 693	20 298	71 991	12 067	30 088	42 155
Total liabilities	68 469 105	16 848	68 485 953	73 642 761	28 004	73 670 765
Equity	3 939 747	-12 833	3 926 914	3 828 326	-22 302	3 806 024
Total liabilities, provisions and equity	72 425 700	-12 833	72 412 867	77 471 087	5 702	77 476 789

The above calculation that is attributable to IAS 19 - Employee Benefits has removed the corridor approach for defined-benefit pensions. Plan assets are calculated by applying the discount rate for mortgage bonds. The initial effect is charged to retained earnings on 1 January 2012. Thereafter, changes in the pension liability are recognised under General administrative expenses, Income tax for the period and other comprehensive income.