

LANDSHYPOTEK AB

INTERIM REPORT JANUARY – MARCH

2011 # 1

- **OPERATING PROFIT EXCLUDING "NET RESULT OF FINANCIAL TRANSACTIONS" AMOUNTED TO MSEK 78.0 (71.5)**

The improved profit derived from higher net interest income and more extensive recoveries.

- **THE VOLUME OF LOANS OUTSTANDING AMOUNTED TO MSEK 52,572 (47,877)**

Loans outstanding increased by MSEK 799 or 1.5 percent to MSEK 52,572. Borrowing demand from Sweden's farmers and foresters continued to diminish in parallel with stiffening competition in the market.

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

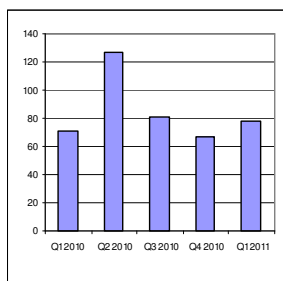
Recoveries exceeded loan losses in the first quarter and amounted to MSEK 1.9, corresponding to 0.01 percent of loans outstanding.

- **CAPITAL ADEQUACY WAS 39.1 PERCENT; TIER 1 CAPITAL ADEQUACY WAS 33.9 PERCENT ACCORDING TO BASEL II RULES**

Landshypotek AB

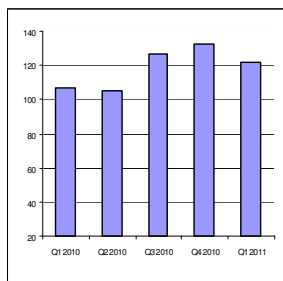
Landshypotek AB (corporate registration number 556500-2762) hereby submits its interim report for the period 1 January – 31 March 2011.

Operating profit excluding "Net result of financial transactions"



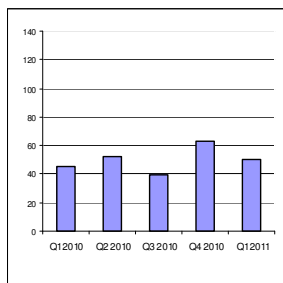
Operating profit for the first quarter of 2011 excluding "Net result of financial transactions" amounted to MSEK 78.0.

Net interest income



Net interest income for the first quarter 2011 amounted to MSEK 122.2. The magnitude of net interest income is determined by the loan volume, 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 quarter of 2011 amounted to MSEK 50.4 MSEK. An increase of MSEK 4.8 compared with the preceding 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 slightly less than SEK 53 billion, Landshypotek is the market leader, accounting for more than 37 percent of the market. Since Landshypotek's lending is characterised by adequate real property security, loan losses have been very low.

Landshypotek AB customers are members of Landshypotek, ekonomisk förening (incorporated association). Landshypotek aims to provide advantageous financing for Sweden's farmers and forest farmers. Landshypotek has just over 110 employees at some 20 locations in Sweden.

Operating profit 2011

Summary of income statement

	2011	2010
Million SEK	Jan - Mar	Jan - Mar
Net interest income	122.2	107
Interest rate margin	0.94%	0.91%
Other operating income	-22.1	-6.6
of which "Net result of financial transactions"	-26.5	-15.7
Expenses	-50.4	-45.6
Cost/income ratio	0.40	0.39
Loan losses, net	1.9	1
Loan loss level, %	-0.01%	-0.01%
Operating profit	51.5	55.8
Operating profit not including "Net result of financial transactions"	78.0	71.5

Consolidated operating profit for the first quarter of 2011 amounted to MSEK 51.5, a decline of MSEK 4.3 compared with the year-earlier period (MSEK 55.8). Excluding "Net result of financial transactions," operating profit was MSEK 78.0 (71.5). The improvement was attributable to higher net interest income, reduced costs and more extensive recoveries of credit exposure provisions.

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 2011 amounted to MSEK 122.2, up MSEK 15.2 compared with the year-earlier period (MSEK 107.0). The increase was mainly attributable to a higher margin between the interest rates on deposits compared with the year-earlier period. From mid-2009, the margins increased successively due to the competitive situation and new regulations, however, margins in the first quarter have remained relatively stable since the start of the year.

Other operating income

Operating income excluding net interest income amounted to a loss of MSEK 22.1 for the period, down MSEK 15.5 year-on-year.

The decline was primarily attributable to a decrease in "Net result of financial transactions" by MSEK 10.7 during the period. "Net result of financial transactions" amounted to a loss of MSEK 26.5 for the period compared with a loss of MSEK 15.7 in the year-earlier period. 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.

During the period, fees to the Swedish National Debt Office's stabilisation fund were charged to profit in an amount of MSEK 5.0, no corresponding item was reported in the first quarter 2010.

Costs

Costs in the first quarter of 2011 amounted to MSEK 50.4 (45.6). The cost increase of MSEK 4.9 was attributable to higher general administration costs, primarily, higher costs for services purchased.

Loan losses and doubtful credits

Loan losses for the first quarter of 2011 amounted to recoveries of MSEK 1.9 (1.0). Write-offs of confirmed losses amounted to MSEK 3.1 (0.3). Provisions for probable loan losses during the period amounted to MSEK 3.1 (0.8). Recoveries of previously confirmed losses, or previously doubtful credits, amounted to MSEK 8.0 (2.0).

At 31 March 2011, doubtful credits amounted to MSEK 25.7, corresponding to 0.05 percent of loans outstanding. At 31 March 2010, doubtful credits amounted to MSEK 29.1, corresponding to 0.06 percent of loans outstanding.

Comparison with the fourth quarter 2010

Compared with the fourth quarter of 2010, operating profit for the first quarter 2011 increased by MSEK 4.9. The earnings improvement was primarily attributable to a decrease in costs of MSEK 13.2 and a reduction in loan losses of MSEK 6.7. Net interest income declined MSEK 10.1.

Market overview

Market trend

Profitability in forest and agriculture improved in 2010 compared with the preceding year. The price trends in milk, beef and grain production were positive after two years of declining profitability. Pork production saw declining profitability in the second half of 2010 and profitability was healthy in forestry for 2010. Demand for timber and pulpwood was strong with rising prices, though during the late autumn, a slight slowing down in the market for timber was noted due to a decline in demand from sawmills.

The beginning of 2011 has been characterised by international concerns. Market developments in North Africa and Japan have contributed to heightening uncertainty in commodity markets which has affected the international prices for grain and sawn timber. Additionally, the strength of the SEK has had its own affect on export markets.

In the first quarter of 2011, producer prices in Sweden for livestock and grain production remained relatively unchanged. Opportunities for securing prices for the 2011 and 2012 grain harvests have been favourable. Pork production's issues with the high cost of feed and low product prices remain. A seasonal increase in pork prices is expected to be gradually implemented in the summer and autumn.

Price trends for timber and pulpwood were stable in the first quarter of 2011.

Landshypotek's development

Landshypotek increased its net lending by SEK 0.8 billion during the year, corresponding to lending growth of 1.5 percent, compared with 3.1 percent year-earlier period. Demand for credit from Sweden's forestry and agriculture sector weakened somewhat, from earlier high levels, attributable, in part to fewer farms than usual being sold during the winter and in part to relatively low new investment.

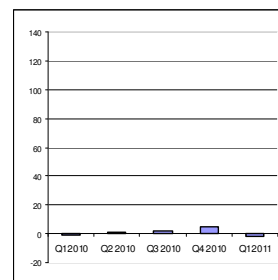
Financing

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.

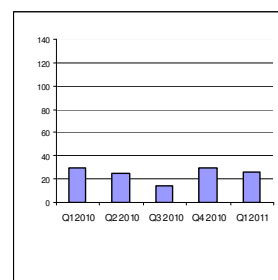
During the year, Landshypotek's primary source of financing comprised covered bonds and senior bonds. Covered bonds were issued in an amount of approximately SEK 5.8 billion and senior bonds were issued in an amount of SEK 4.5 billion.

Loan losses



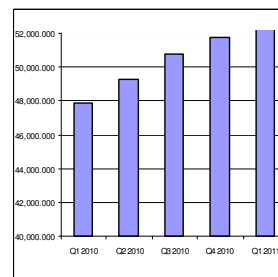
Loan losses for the first quarter of 2011 amounted to MSEK 1.9.

Doubtful credits



Doubtful credits declined in the first quarter 2011 and amounted to MSEK 25.7 at 31 March.

Lending volume



Landshypotek's lending rose 1.5% to SEK 52.6 billion in the first quarter of 2011.

Programme	Issued 31-03-2011	Maximum amount	Issued 31-12-2010
Swedish commercial paper	3,066	10,000	2,350
MTN programme	33,487	50,000	38,508
EMTN programme	20,252	25,000	15,126
RCB	3,444		2,996
Other bonds	15		15
Subordinated loans	550		550

Liquidity

Landshypotek has accumulated a relatively substantial portfolio of interest-bearing securities, valued at SEK 12.0 billion at 31 March 2011. The portfolio primarily comprises Swedish covered bonds with the highest credit rating and to a certain extent bonds issued by Swedish municipalities. The objective is for the holdings of interest-bearing securities to constitute a liquidity portfolio. Securities can be sold or borrowed against, as required, to manage the financing of maturing debt.

At 31 March, the portfolio was 1.9 times larger than market financing maturing in the next six months, which is an increase compared with 31 December (1.5).

Rating

Landshypotek's rating remained unchanged in 2011. In February, Landshypotek received confirmation of the rating A+, FI from Fitch with stable prospects. In February, Landshypotek also received confirmation from S & P of the AAA credit rating with stable prospects for its covered bonds.

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

Capital adequacy

SEK thousand	Financial Corporate Group	
	Basel II	Transitional rules
Tier 1 capital	3,359,905	3,359,905
Tier 2 capital	510,924	510,924
Capital base (after deductions)	3,870,829	3,870,829
Deduction for deferred tax assets	-7,465	
Deduction in accordance with Chapter 3, Section 8 of the Swedish Capital Adequacy and large Exposures Act	-78,087	
Capital requirement for credit risks in accordance with the standard method	396,563	396,563
Capital requirement for credit risks in accordance with IRB	335,159	335,159
Capital requirement for operative risks – Base method	60,210	60,210
Additional capital	-	2,689,648
Capital requirement	791,932	3,481,580
Capital adequacy ratio	4.89	1.11
Capital adequacy	39.1%	8.9%
Tier 1 capital adequacy	33.9%	7.7%

On 31 March 2011, the capital base amounted to MSEK 3,871.

On 31 March 2011, the capital base according to Basel II amounted to MSEK 792. 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 amounted to 4.89.

In addition to the minimum capital requirement, each institution must also 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 II 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. According to the transitional rules, Landshypotek has a capital adequacy ratio of 1.11.

Risk and capital management

Landshypotek lends approximately SEK 52 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 3,388 and a capital base of MSEK 3,871. The capital adequacy ratio is 4.89, corresponding to capital adequacy of 39.1 percent, and the Tier 1 capital ratio is 33.9 percent according to 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 risks 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 comprises 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

On April 7 an agreement was signed regarding the sale of Landshypotek real-estate with the address Strandvägen 1-3 in Stockholm.

The sale will be executed on June 30 2011, and will result in a capital gain of approximately SEK 250 million.

Stockholm, 5 May 2011

Kjell Hedman, Managing Director

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 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	2011 Q1	2010 Q1	2010 Q4	2011 Full year	2010 Full year
Interest income	547,592	402,883	474,489	547,592	1,719,141
Interest expense	-425,399	-295,841	-342,167	-425,399	-1,247,307
Net interest income <i>Note 1</i>	122,193	107,042	132,322	122,193	471,834
Dividend income	0	0	0	0	0
Commission income	3,335	2,690	3,298	3,335	11,529
Commission expense	-5,127	-172	-2,594	-5,127	-20,620
Net result of financial transactions	-26,458	-15,709	-20,067	-26,458	4,219
Other operating income	6,189	6,595	2,047	6,189	91,374
Total operating income	100,132	100,446	115,006	100,132	558,336
General administrative expense	-42,181	-38,943	-54,603	-42,181	-169,754
Depreciation, amortisation and impairment of intangible non-current assets	-2,595	-2,342	-3,561	-2,595	-10,658
Other operating expenses	-5,674	-4,296	-5,305	-5,674	-20,613
Total expenses before loan losses	-50,449	-45,581	-63,469	-50,449	-201,025
Profit before loan losses	49,683	54,865	51,537	49,683	357,311
Loan losses, net <i>Note 2</i>	1,866	962	-4,895	1,866	-6,662
Impairment of financial assets					
Operating profit	51,548	55,827	46,642	51,548	350,649
Income tax	-13,274	-13,912	-14,805	-13,274	-76,908
Net profit for the period	38,274	41,915	31,837	38,274	273,741

Statement of comprehensive income

GROUP

SEK thousand	2011 Q1	2010 Q1	2010 Q4	2011 Full year	2010 Full year
Net profit for the period	38,274	41,915	31,837	38,274	273,741
Other comprehensive profit and loss					
Change in instruments for cash flow hedges	16,585	3,008	25,436	16,585	68,098
Change in available-for-sale financial instruments	-23,340	-28,068	-193,169	-23,340	-291,379
Taxes related to other comprehensive income loss	1,777	6,591	44,113	1,777	58,723
Total other comprehensive profit and loss	-4,978	-18,469	-123,620	-4,978	-164,558
Total comprehensive profit for the period	33,296	23,446	-91,783	33,296	109,183

Income statement

LANDSHYPOTEK AB PARENT COMPANY

SEK thousand	2011 Q1	2010 Q1	2010 Q4	2011 Full year	2010 Full year
Interest income	543,985	400,366	471,193	543,985	1,707,860
Interest expense	-426,753	-296,178	-343,100	-426,753	-1,249,517
Net interest income <i>Note 1</i>	117,232	104,188	128,093	117,232	458,343
Dividend income	0	0	0	0	0
Commission income	3,226	2,717	3,148	3,226	11,106
Commission expense	-5,127	-167	-2,594	-5,127	-20,615
Net result of financial transactions	-26,458	-15,709	-20,067	-26,458	4,219
Other operating income	6,188	5,734	2,048	6,188	93,413
Total operating income	95,060	96,763	110,628	95,060	546,466
General administrative expense	-44,094	-39,972	-60,381	-44,094	-179,002
Depreciation, amortisation and impairment of intangible non-current assets	-2,595	-2,342	-3,561	-2,595	-10,658
Other operating expenses	-5,671	-3,609	-5,086	-5,671	-20,384
Total expenses before loan losses	-52,360	-45,924	-69,028	-52,360	-210,044
Profit before loan losses	42,700	50,839	41,600	42,700	336,422
Loan losses, net <i>Note 2</i>	1,859	959	-3,863	1,859	-5,638
Impairment of financial assets					
Operating profit	44,559	51,798	37,737	44,559	330,784
Income tax	-11,436	-13,623	-10,941	-11,436	-69,621
Net profit for the period	33,124	38,175	26,796	33,124	261,163

Statement of comprehensive income

LANDSHYPOTEK AB PARENT COMPANY

SEK thousand	2011 Q1	2010 Q1	2010 Q4	2011 Full year	2010 Full year
Net profit for the period	33,124	38,175	26,796	33,124	261,163
Other comprehensive profit and loss					
Change in instruments for cash flow hedges	16,585	3,008	25,436	16,585	68,098
Change in available-for-sale financial instruments	-23,340	-28,068	-193,169	-23,340	-291,379
Taxes related to other comprehensive profit and loss	1,777	6,591	44,113	1,777	58,723
Total other comprehensive profit and loss	-4,978	-18,469	-123,620	-4,978	-164,558
Total comprehensive profit for the period	28,146	19,706	-96,824	28,146	96,605

Balance sheet

SEK Thousand	GROUP			PARENT COMPANY		
	2011 31 mar	2010 30 dec	2010 31 mar	2011 31 mar	2010 30 dec	2010 31 mar
ASSETS						
Cash and balances with central banks	7,448	5,393	8,924	7,448	5,393	8,924
Due from financial institutions	52,526	216,144	53,694	44,246	201,416	63,612
Loans to customers <i>Note 3</i>	52,571,931	51,773,034	47,876,812	52,272,207	51,457,391	47,551,751
Bonds and other interest-bearing securities	12,019,463	10,975,059	13,931,397	12,019,463	10,975,059	13,931,397
Derivative financial instruments	72,763	80,321	276,210	72,763	80,321	276,210
Shares	1	1	1	0	0	0
Shares in Group companies	100	0	0	514,927	514,827	515,027
Intangible non-current assets	0	0	0	0	0	0
Tangible assets				0	0	0
Equipment	2,307	2,601	2,907	2,307	2,601	2,907
Buildings and land	346,606	348,929	334,934	346,593	348,917	318,581
Other assets	243,454	96,875	158,249	223,362	76,274	139,115
Prepaid expenses and accrued income	841,974	662,497	594,625	840,828	661,732	594,117
TOTAL ASSETS	66,158,574	64,160,854	63,237,753	66,344,143	64,323,930	63,401,641
LIABILITIES, PROVISIONS AND EQUITY						
Due to financial institutions	725,449	83,962	5,264,643	1,038,208	371,722	5,551,508
Borrowing from the public	102,000	105,000	53,000	102,000	105,000	53,000
Debt securities in issue, etc.	59,397,142	58,413,189	53,274,011	59,397,142	58,413,189	53,274,011
Derivative financial instruments	1,061,678	606,683	225,579	1,061,678	606,683	225,579
Other liabilities	137,800	150,218	144,005	129,532	141,480	136,025
Accrued expenses and prepaid income	724,644	823,004	455,666	725,672	823,723	455,346
Provisions	71,980	74,232	127,485	48,559	48,944	95,349
Subordinated liabilities	549,968	549,949	350,000	549,968	549,949	350,000
TOTAL LIABILITIES	62,770,662	60,806,237	59,894,389	63,052,759	61,060,690	60,140,818
Untaxed reserves	0					
Equity	3,387,913	3,354,618	3,343,364	3,291,385	3,263,240	3,260,823
TOTAL LIABILITIES, PROVISIONS AND EQUITY	66,158,574	64,160,854	63,237,753	66,344,143	64,323,930	63,401,641

Cash-flow statement

SEK thousand	GROUP			PARENT COMPANY		
	2011 Q1	2010 Q1	2010 Full Year	2011 Q1	2010 Q1	2010 Full Year
Cash and cash equivalents beginning of period	5,393	8,946	8,946	5,393	8,946	8,946
Cash flow from operating activities	2,013	570	-180,903	2,012	570	-164,562
Cash flow from investing activities	23	-592	-22,599	24	-592	-38,940
Cash flow from financing activities	19	0	199,949	19	0	199,949
Cash flow for the period	2,055	-22	-3,553	2,055	-22	-3,553
Cash and cash equivalents at end of period	7,448	8,924	5,393	7,448	8,924	5,393

Change in shareholders' equity

GROUP

SEK thousand	Share capital	Other contributed capital	Hedging reserve	Fair value reserve	Retained earnings	Total
Equity 31 December 2010	1,927,000	1,026,254	-166	-67,757	469,287	3,354,617
Net profit for the period			12,224	-17,201	38,274	33,297
Total change before transactions with the owners	0	0	12,224	-17,201	38,274	33,297
Dividend/group contribution rendered						0
Taxes on group contribution rendered						0
Equity 31 March 2011	1,927,000	1,026,254	12,058	-84,958	507,560	3,387,913

SEK thousand	Share capital	Other contributed capital	Hedging reserve	Fair value reserve	Retained earnings	Total
Equity 31 December 2009	1,927,000	1,026,254	-50,355	146,990	269,955	3,319,844
Net profit for the period			50,189	-214,747	273,769	109,211
Total change before transactions with the owners	0	0	50,189	-214,747	273,769	109,211
Dividend/group contribution rendered						-101,000
Taxes on group contribution rendered						26,563
Equity 31 December 2010	1,927,000	1,026,254	-166	-67,757	543,724	3,354,618

LANDSHYPOTEK AB PARENT COMPANY

SEK thousand	Share capital	Other contributed capital	Hedging reserve	Fair value reserve	Retained earnings	Total
Equity 31 December 2010	1,927,000	1,010,000	-166	-67,757	394,163	3,263,240
Net profit for the period			12,224	-17,201	33,124	28,147
Total change before transactions with the owners	0	0	12,224	-17,201	33,124	28,147
Dividend/group contribution rendered						0
Taxes on group contribution rendered						0
Equity 31 March 2011	1,927,000	1,010,000	12,058	-84,958	427,286	3,291,385

SEK thousand	Share capital	Other contributed capital	Hedging reserve	Fair value reserve	Retained earnings	Total
Equity 31 December 2009	1,927,000	1,010,000	-50,355	146,990	207,409	3,241,044
Net profit for the period			50,189	-214,747	261,191	96,633
Total change before transactions with the owners	0	0	50,189	-214,747	261,191	96,633
Dividend/group contribution rendered						-101,000
Taxes on group contribution rendered						26,563
Equity 31 December 2010	1,927,000	1,010,000	-166	-67,757	468,600	3,263,240

Notes

NOTE 1 NET INTEREST INCOME

GROUP

TSEK	2011 Q1	2010 Q1	2010 Q4	2011 Full year	2010 Full year
Interest income					
Interest income on loans to credit institutions	264	73	325	264	563
Interest income on loans to Group companies	0	0	0	0	0
Interest income on loans to customers	466,067	308,164	398,807	466,067	1,363,083
- less interest losses	-93	-26	-724	-93	-2,081
Interest income on interest-bearing securities	81,348	94,672	76,072	81,348	357,565
- of which interest income on financial assets values at fair value in the income statement	31,248	21,689	26,494	31,248	111,627
- of which interest income on available-for-sale financial assets	50,100	72,983	49,578	50,100	245,938
Other interest income	5	0	9	5	11
Total	547,591	402,883	474,489	547,591	1,719,141
All interest income is attributable to the Swedish market.					
Interest expense					
Interest expense for liabilities to Group companies	-415	-46	-308	-415	-624
Interest expense for liabilities to credit institutions - other	-2,030	-4,604	-6,213	-2,030	-20,766
interest expense for borrowing from the public	0	0	0	0	0
Interest expense for interest-bearing securities	-443,451	-323,171	-378,046	-443,451	-1,381,627
- of which interest expense for other financial liabilities	-148,215	-243,939	271,680	-148,215	-295,117
- of which interest expense on financial assets valued at fair value in the income statement	-295,236	-79,232	-649,726	-295,236	-1,086,510
Interest expense on subordinated liabilities	-4,281	-713	-3,715	-4,281	-8,981
Interest expense for derivative instruments	24,901	32,816	46,692	24,901	169,102
- of which interest expense on derivatives valued at fair value in the income statement	24,022	30,674	110,895	24,022	203,008
- of which interest expense on derivatives identified as hedging instruments	879	2,142	-64,203	879	-33,906
Other interest expense	-122	-123	-577	-122	-4,411
Total	-425,398	-295,841	-342,167	-425,398	-1,247,307
Total net interest income	122,193	107,042	132,322	122,193	471,834

LANDSHYPOTEK AB PARENT COMPANY

TSEK	2011 Q1	2010 Q1	2010 Q4	2011 Full year	2010 Full year
Interest income					
Interest income on loans to credit institutions	231	72	312	231	545
Interest income on loans to Group companies	9	20	19	9	53
Interest income on loans to customers	462,488	305,629	395,510	462,488	1,351,771
- less interest losses	-91	-27	-724	-91	-2,081
Interest income on interest-bearing securities	81,348	94,672	76,072	81,348	357,565
- of which interest income on financial assets values at fair value in the income statement	31,248	21,689	26,494	31,248	111,627
- of which interest income on available-for-sale financial assets	50,100	72,983	49,578	50,100	245,938
Other interest income	0	0	4	0	7
Total	543,985	400,366	471,193	543,985	1,707,860
All interest income is attributable to the Swedish market.					
Interest expense					
Interest expense for liabilities to Group companies	-1,770	-383	-1,241	-1,770	-2,841
Interest expense for liabilities to credit institutions - other	-2,030	-4,604	-6,214	-2,030	-20,767
interest expense for borrowing from the public	0	0	0	0	0
Interest expense for interest-bearing securities	-443,451	-323,171	-378,046	-443,451	-1,381,627
- of which interest expense for other financial liabilities	-148,215	-243,939	271,680	-148,215	-295,117
- of which interest expense on financial assets valued at fair value in the income statement	-295,236	-79,232	-649,726	-295,236	-1,086,510
Interest expense on subordinated liabilities	-4,281	-713	-3,715	-4,281	-8,981
Interest expense for derivative instruments	24,901	32,816	46,692	24,901	169,102
- of which interest expense on derivatives valued at fair value in the income statement	24,022	30,674	110,895	24,022	203,008
- of which interest expense on derivatives identified as hedging instruments	879	2,142	-64,203	879	-33,906
Other interest expense	-122	-123	-576	-122	-4,403
Total	-426,753	-296,178	-343,100	-426,753	-1,249,517
Total net interest income	117,232	104,188	128,093	117,232	458,343

NOTE 2 LOAN LOSSES NET

GROUP

SEK thousand	2011 Q1	2010 Q1	2010 Q4	2011 Full Year	2010 Full year
The period's impairment charge for realised losses	-3,141	-252	-4,733	-3,141	-6,683
Reversal of prior provisions for probable loan losses, reported as realised losses	2,641	304	4,458	2,641	6,460
Impairment charge for probable loan losses	-3,099	-829	-7,098	-3,099	-11,888
Recovery of previous realised losses	62	90	247	62	418
Reversal of provisions no longer required for probable loan losses	5,403	1,649	2,231	5,403	5,031
Total loan losses	1,866	962	-4,895	1,866	-6,662

All loan losses are attributable to loans to customers

LANDSHYPOTEK AB PARENT COMPANY

SEK thousand	2011 Q1	2010 Q1	2010 Q4	2011 Full Year	2010 Full year
The period's impairment charge for realised losses	-2,105	-252	-4,733	-2,105	-6,683
Reversal of prior provisions for probable loan losses, reported as realised losses	1,605	304	4,458	1,605	6,460
Impairment charge for probable loan losses	-3,099	-829	-6,063	-3,099	-10,853
Recovery of previous realised losses	55	87	244	55	407
Reversal of provisions no longer required for probable loan losses	5,403	1,649	2,231	5,403	5,031
Total loan losses	1,859	959	-3,863	1,859	-5,638

All loan losses are attributable to loans to customers

NOTE 3 NONPERFORMING LOANS

SEK Thousand	2011 Q1	2010 Q4	2010 Q1	2011 Q1	2010 Q4	2010 Q1
Nonperforming loans where interest is recognised as income	198,846	198,310	148,194	190,169	190,416	140,971
Nonperforming loans that are doubtful credits	17,700	19,047	23,459	17,646	18,993	23,405
Total nonperforming loans	216,546	217,357	171,653	207,815	209,409	164,376
Doubtful credits that are not nonperforming	11,100	18,247	11,722	11,100	18,247	11,722
Less provisions set aside	-3,052	-7,940	-6,068	-2,998	-6,850	-6,014
Doubtful credits that are not performing	17,700	18,916	23,459	17,646	18,862	23,405
Total doubtful loans	25,748	29,223	29,113	25,748	30,259	29,113
Shares taken over to protect claims	1	1	1			