



## Press Release

# SEK's Year 2001 Financial Accounts

- *Business transactions at record level*
- *Broadening of product range*
- *The return on equity increased to 16.2%*
- *“Best Euro-MTN Borrower 2001” awarded by MTN Week*

### **Results**

Profit before taxes for the year was Skr 729.0 million (2000: 829.9). The return on equity was 22.5% (22.0%) before taxes, and 16.2 % (15.9 %) after taxes, respectively.

The state-supported export credits contributed to the State-support-system results with a surplus of Skr 168.8 million (93.1). The accumulated surplus during the period 1990 through 2001 amounts to approximately Skr 1.6 billion.

### **Business Activities**

SEK extended a record volume of customer-related financial transactions, amounting to Skr 24.9 billion (22.3). These transactions include new long-term credits accepted during the year, amounting to Skr 20.2 billion (20.7), and customer related transactions other than credits, amounting to Skr 4.7 billion (1.6).

Of new long-term credits, amounting to Skr 20.2 billion, Skr 10.6 billion (18.7) represented traditional export credits and Skr 9.6 billion (2.0) represented credits granted against documentation in the form of interest-bearing securities.

SEK's outstanding offers for long-term credits increased considerably and reached Skr 53.9 billion (20.4) at year-end.

SEK has strengthened its organization and its capabilities to provide a wider range of financial solutions. Leasing and renting are examples of solutions that SEK can offer its customers. The range of ECA-guarantees accepted as security for export credits has been extended. SEK has further strengthened its capacity regarding regional and local authorities. A number of credits as well as advisory services have been extended.

Even if the capital markets have been volatile during the year, SEK's borrowing activities have been successful. New borrowings with maturities one year or longer during the year amounted to USD 4.0 billion (4.4). SEK was awarded “Best Euro-MTN Borrower 2001” by the business magazine MTN Week.

### **Balance Sheet**

At year-end, total assets amounted to Skr 149.5 billion (169.8). Of total assets, credits outstanding represented Skr 70.4 billion (60.9) --exclusive of committed credits amounting to Skr 16.4 billion (19.1) -- while interest-bearing securities represented Skr 68.5 billion (97.7). The aggregate volume of funds borrowed and shareholders' funds, i.e., funds available, on the one hand, exceeds at all maturities the aggregate volume of lending commitments, on the other hand.

### **Counterparty Risk Exposures**

The quality of SEK's assets remains high. Of the total counterparty risk exposures, 21% (20%) was against the Swedish State and 17% (26%) was against other (highly creditworthy) OECD States; accordingly, the total risk exposure against OECD-states was 38% (46%) of total exposures. Further, of the total risk exposures, 50% (44%) was against banks and other financial institutions, while 12% (10%) was against corporations, etc.

### **Capital Adequacy**

SEK's generally conservative policy with regard to credit, interest rate, and currency exchange exposures remains the same. At year-end, SEK's adjusted total capital adequacy ratio (including in the Tier-1 capital base guarantee fund capital of Skr 600 million) was 20.4% (20.0%), of which 13.8% (13.0%) represented adjusted Tier-1. The regulatory total capital adequacy ratio was 18.5% (18.2 %), of which 11.9 % (11.1 %) represented the Tier-1 ratio.

### **Dividend**

The Board of Directors has decided to propose to the Annual General Meeting a dividend of Skr 360.4 million, an amount that approximately equals two thirds of the net profit for the year. The dividend proposed has been taken into account when determining the capital adequacy ratios.

### **Annual General Meeting of Shareholders**

The Annual General Meeting of Shareholders will be held on April 22, 2002.

### **Annual Report**

The Company's Annual Report will be distributed in March and will also be available at the Company's offices at Västra Trädgårdsgatan 11 B in Stockholm. Income Statements, Balance Sheets, and Statements of Cash Flows in summary are included in this press release.

Stockholm, February 27, 2002

AB SVENSK EXPORTKREDIT  
SWEDISH EXPORT CREDIT CORPORATION

Peter Yngwe  
President

Further information may be obtained from Peter Yngwe, President, or Sven-Olof Söderlund, Executive Director, on telephone no. (46) 8-613 83 00. (See also SEK's website [www.sek.se](http://www.sek.se))

***SEK is owned by the Swedish State (approximately 65%) and the global technology company ABB (approximately 35%). SEK's objective is to engage in financing activities and in connection therewith primarily promote the development of Swedish commerce and industry and Swedish export industry as well as otherwise engaging in Swedish and international financing activities on commercial grounds. Credits are granted at fixed or floating interest rates. SEK funds its activities primarily by issues in the international capital markets. SEK's balance sheet and assets are of high quality. SEK's long-term debt rating from Standard & Poor's and Moody's, respectively, is AA+/Aa2.***

## INCOME STATEMENTS

SEK (exclusive of the S-system) (Skr million)	2001		2000	
	Consolidated Group	Parent Company	Consolidated Group	Parent Company
Interest revenues	6,911.7	6,917.5	7,347.1	7,353.1
Interest expenses	-6,081.0	-6,081.2	-6,451.6	-6,452.1
<b>Net interest revenues</b>	<b>830.7</b>	<b>836.3</b>	<b>895.5</b>	<b>901.0</b>
Commissions earned	12.8	12.8	1.5	1.5
Commissions incurred	-7.7	-7.7	-6.6	-6.6
Remuneration from the S-system	36.7	36.7	36.7	36.7
Net results of financial transactions	6.0	6.0	18.6	18.6
Other operating income	8.2	8.1	16.8	16.8
Administrative expenses	-150.7	-157.0	-125.7	-132.0
Depreciations of non-financial assets	-6.3	-4.2	-5.6	-3.4
Other operating expenses	-0.7	0.0	-1.3	-0.7
<b>Operating profit</b>	<b>729.0</b>	<b>731.0</b>	<b>829.9</b>	<b>831.9</b>
Changes in untaxed reserves	n.a.	19.3	n.a.	157.4
<b>Taxes</b>	<b>-188.3</b>	<b>-193.7</b>	<b>-228.1</b>	<b>-272.2</b>
<b>Net profit for the year</b>	<b>540.7</b>	<b>556.6</b>	<b>601.8</b>	<b>717.1</b>

The above income statements do not include the S-system, the results of which are shown below.

S-system (Skr million)	2001	2000
Interest revenues	622.7	584.9
Interest expenses	-853.3	-919.0
<b>Net interest expenses</b>	<b>-230.6</b>	<b>-334.1</b>
Remuneration to SEK	-36.7	-36.7
Foreign exchange effects	-12.9	-7.8
<b>Reimbursement from the State</b>	<b>280.2</b>	<b>378.6</b>
Net	0.0	0.0

**BALANCE SHEETS**

(Skr million)	December 31, 2001			December 31, 2000		
	Consolidated Group	Parent Company	Of which S-system	Consolidated Group	Parent Company	Of which S-system
<b>ASSETS</b>						
Cash in hand	0.0	0.0	0.0	0.0	0.0	0.0
Treasuries/government bonds	17,599.1	17,599.1	73.4	42,238.0	42,238.0	122.3
Of which current assets	(16,510.3)	(16,510.2)	(73.4)	(41,181.6)	(41,181.6)	(122.3)
Of which fixed assets	(1,088.8)	(1,088.8)	--	(1,056.4)	(1,056.4)	--
Credits to credit institutions	15,361.8	15,361.7	8,480.8	23,310.5	23,310.5	7,241.6
Credits to the public	30,149.2	30,149.2	7,001.5	24,356.7	24,356.7	6,886.2
Other interest-bearing securities	75,819.5	75,819.5	--	68,698.5	68,698.5	--
Of which current assets	(47,479.0)	(47,479.0)	--	(42,385.2)	(42,385.2)	--
Of which fixed assets	(28,340.5)	(28,340.5)	--	(26,313.3)	(26,313.3)	--
Of which credits	(28,074.2)	(28,074.2)	--	(26,055.3)	(26,055.3)	--
Shares in subsidiary	n.a.	103.6	--	n.a.	103.5	--
Non-financial assets	139.3	18.9	--	140.6	18.2	--
Other assets	6,498.1	6,537.3	190.2	6,555.0	6,611.3	254.0
Prepaid expenses and accrued revenues	3,973.8	3,973.8	232.9	4,504.8	4,504.8	266.1
<b>Total assets</b>	<b>149,540.8</b>	<b>149,563.1</b>	<b>15,978.8</b>	<b>169,804.1</b>	<b>169,841.5</b>	<b>14,770.2</b>
<b>LIABILITIES, ALLOCATIONS AND SHAREHOLDERS' FUNDS</b>						
Borrowing from credit institutions	1,510.6	1,510.6	12.5	5,504.1	5,368.2	14.7
Borrowing from the public	92.9	92.9	0.0	115.1	115.1	0.0
Senior securities issued	121,697.5	121,697.5	5,158.6	135,776.8	135,776.8	5,116.3
Other liabilities	13,887.4	13,889.6	292.5	15,726.0	15,881.4	300.3
Lending/(borrowing) between SEK and the S-system	--	--	10,186.4	--	--	8,993.1
Accrued expenses and prepaid revenues	3,565.6	3,565.4	328.8	4,509.6	4,509.2	345.8
Allocations	403.4	18.4	--	409.9	19.5	--
Subordinated securities issued	4,738.0	4,738.0	--	4,256.9	4,256.9	--
<b>Total liabilities and allocations</b>	<b>145,895.4</b>	<b>145,512.4</b>	<b>15,978.8</b>	<b>166,298.4</b>	<b>165,927.1</b>	<b>14,770.2</b>
Untaxed reserves	n.a.	1,374.9	--	n.a.	1,394.2	--
Share capital	990.0	990.0	--	990.0	990.0	--
Non-distributable reserves	1,129.9	140.0	--	1,143.8	140.0	--
<b>Total non-distributable capital</b>	<b>2,119.9</b>	<b>1,130.0</b>	<b>--</b>	<b>2,133.8</b>	<b>1,130.0</b>	<b>--</b>
Profit carried forward	984.8	989.2	--	770.1	673.1	--
Net profit for the year	540.7	556.6	--	601.8	717.1	--
<b>Total distributable capital</b>	<b>1,525.5</b>	<b>1,545.8</b>	<b>--</b>	<b>1,371.9</b>	<b>1,390.2</b>	<b>--</b>
<b>Total shareholders' funds</b>	<b>3,645.4</b>	<b>2,675.8</b>	<b>--</b>	<b>3,505.7</b>	<b>2,520.2</b>	<b>--</b>
<b>Total liabilities, allocations and shareholders' funds</b>	<b>149,540.8</b>	<b>149,563.1</b>	<b>15,978.8</b>	<b>169,804.1</b>	<b>169,841.5</b>	<b>14,770.2</b>
<b>COLLATERAL PROVIDED</b>						
Collateral provided	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>	<b>None</b>
Interest-bearing securities						
Subject to repurchase agreements	0.0	0.0	--	2,365.8	2,365.8	--
Subject to lending	109.4	109.4	--	160.9	160.9	--
<b>CONTINGENT LIABILITIES</b>						
Guarantee for liabilities of subsidiary	--	--	--	--	136.1	--
<b>COMMITMENTS</b>						
Committed undisbursed credits	16,443.9	16,443.9	12,087.6	19,145.0	19,145.0	13,455.6
Other commitments	--	--	--	--	--	--

STATEMENTS OF CASH FLOWS (Mkr)	2001		2000	
	Consolidated Group	Parent Company	Consolidated Group	Parent Company
<b>Cash flows from operating activities</b>				
Net Profit for the year. . . . .	540.7	556.6	601.8	717.1
<i>Adjustments to reconcile net profit to net cash provided by operating activities:</i>				
Changes in untaxed reserves. . . . .	n.a	-19.3	n.a	-157.4
Increase(+)/decrease(-) in deferred taxes. . . . .	-10.5	-5.1	-44.1	n.a
Depreciations. . . . .	6.3	4.2	5.6	3.4
Increase(-)/decrease(+) in prepaid expenses and accrued revenues. . . . .	531.0	531.0	-102.3	-102.3
Decrease(-)/increase(+) in accrued expenses and prepaid revenues. . . . .	-944.1	-943.7	286.5	286.4
Decrease(+)/increase(-) in derivative instruments. . . . . with positive or negative values. . . . .	-188.6	-188.6	11,078.1	11,078.1
Other changes - net. . . . .	-1,589.0	-1,725.1	-283.0	-278.1
<b>Net cash (used in)/provided by operating activities. . . . .</b>	<b>-1,654.2</b>	<b>-1,790.0</b>	<b>11,542.6</b>	<b>11,547.2</b>
<b>Cash flows from investing activities</b>				
Disbursements of credits. . . . .	-17,576.0	-17,576.0	-7,759.8	-7,759.8
Repayments of credits, including effects of currency translations. . . . .	17,562.7	17,562.8	3,567.2	3,567.2
Net increase(-)/decrease(+) in bonds and securities held. . . . .	17,517.9	17,517.9	-21,887.7	-21,887.7
Capital expenditures. . . . .	-5.0	-5.1	-6.5	-6.5
Other changes - net. . . . .	2,169.5	2,169.5	150.6	150.6
<b>Net cash (used in)/provided by investing activities. . . . .</b>	<b>19,669.1</b>	<b>19,669.1</b>	<b>-25,936.2</b>	<b>-25,936.2</b>
<b>Cash flows from financing activities</b>				
Net change in originally short-term debt. . . . .	-41,809.8	-41,809.8	21,777.3	21,777.3
Proceeds from issuance of long-term senior debt. . . . .	37,957.0	37,957.0	18,416.5	18,416.5
Proceeds from issuance of long-term subordinated debt. . . . .	481.1	481.1	846.9	846.9
Repayments of long-term senior debt, including effects of currency translations on all debt. . . . .	-12,136.8	-12,001.0	-26,316.8	-26,321.4
Dividend paid. . . . .	-401.0	-401.0	-1,725.1	-1,725.1
Own long-term debt repurchased, net change. . . . .	-2,105.4	-2,105.4	1,394.8	1,394.8
<b>Net cash (used in)/provided by financing activities. . . . .</b>	<b>-18,014.9</b>	<b>-17,879.1</b>	<b>14,393.6</b>	<b>14,389.0</b>
Net increase(+)/decrease(-) in cash and cash equivalents. . . . .	0.0	0.0	0.0	0.0
Cash and cash equivalents at beginning of period. . . . .	0.0	0.0	0.0	0.0
<b>Cash and cash equivalents at end of period. . . . .</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>