Interim report

SBAB Bank AB (publ)

1

January–March
2025

SBAB!

The year in brief

Q1 2025

(Q4 2024)

- Total lending increased 0.5% to SEK 540.4 billion (537.8) concurrent with total deposits decreasing 0.3% to SEK 255.0 billion (255.9).
- Operating profit decreased to SEK 710 million (731), primarily due to a lower outcome for the net result of financial transactions. This trend was somewhat offset by lower costs.
- Net interest income posted a marginal decline to SEK 1,335 million (1,339), mainly due to a quarter-on-quarter increase in expenses linked to the national deposit guarantee. The underlying net interest rate trend was positive.
- Net credit losses totalled SEK 6 million (recoveries: 5). Confirmed credit losses totalled SEK 7 million (4).
- The return on equity amounted to 10.1% (10.1) and the C/I ratio was 35.4% (38.5).
- The Common Equity Tier 1 capital ratio increased to 14.4% (12.7) as a result of the introduction of the Banking Package. For more information, please refer to page 19.

Selected key metrics

	GROUP					
	2025	2024		2025	2024	
	Q1	Q4	Change	Jan–Mar	Jan–Mar	Change
Total lending, SEK bn	540.4	537.8	+0.5%	540.4	521.3	+3.7%
Total deposits, SEK bn	255.0	255.9	–0.3%	255.0	230.7	+10.5%
Net interest income, SEK mn	1,335	1,339	–0.3%	1,335	1,372	–2.7%
Net commission, SEK mn	–16	–13	–3 mn	–16	–17	+1 mn
Net result of financial transactions, SEK mn	–3	73	–76 mn	–3	40	–43 mn
Expenses, SEK mn	–473	–545	–13.2%	–473	–439	+7.7%
Net credit losses, SEK mn	–6	5	–11 mn	–6	–23	+17 mn
Imposed fees: Risk tax and resolution fee, SEK mn	–146	–143	–3 mn	–146	–142	–4 mn
Operating profit, SEK mn	710	731	–2.9%	710	805	–11.8%
Return on equity, %	10.1	10.1	0 pp	10.1	11.9	–1.8 pp
C/I ratio, %	35.4	38.5	–3.1 pp	35.4	31.2	+4.2 pp
Credit loss ratio	0.00	0.00	0 pp	0.00	–0.02	+0.02 pp
CET1 capital ratio, %	14.4	12.7	+1.7 pp	14.4	12.1	+2.3 pp

This is SBAB

Our business idea is to be innovative and considerate in our offering of loans and savings products and other services for better housing and household finances to private individuals, tenant-owners' associations and property companies in Sweden.

Vision

To enable tomorrow's homes and housing

Mission

The considerate bank with the best offering in housing and household finances

Business Area Private

Business Area Private offers services within housing and household finances, such as savings and loan products, insurance mediation, and housing search and real estate agent services. The core product is residential mortgages complemented with savings accounts. Activities are operated under the SBAB, Booli and HittaMäklare brands. We meet our customers and users digitally or by telephone. Our market share in terms of residential mortgages amounted to 8.82% on 28 February 2025, which makes us the fifth-largest residential mortgage bank in Sweden. Booli.se has Sweden's largest offering of homes for sale.

Read more on page 12

SBAB! hittamäklare! A service by SBAB booli! A service by SBAB

Business Area Corporates & Associations

Business Area Corporates & Associations (tenant-owners' associations) offers savings and property financing solutions to property companies, housing developers and tenant-owners' associations as well as savings to companies and organisations. We finance multi-family dwellings, existing as well as new construction. We offer personal service to our customers, who are concentrated in growth regions surrounding our offices in Stockholm, Gothenburg and Malmö. The market share for lending to companies (multi-family dwellings) was 18.18% on 28 February 2025. At the same time, the market share for lending to tenant-owners' associations was 11.05%.

Read more on page 13

SBAB assigns priority to four Sustainable Development Goals

Read more about our sustainability agenda in SBAB's Annual Report 2024

Statement from the CEO

We continue increasing our market share in mortgages despite intense competition. Our strong growth in deposits has been highly significant for our overall earnings trend in recent years, not least given the pressure on mortgage margins. In early 2025, deposits experienced a trend break, mainly driven by increased outflows of fixed-term retail deposits, which reversed in the latter part of the quarter. The recent global turbulence stemming from the US administration’s announcement of raised tariffs has triggered substantial movements in financial markets and increased uncertainty about future economic developments. SBAB has a strong position with good preparedness and capacity to manage further disruption.

Tariffs cause turbulence and increased uncertainty

The tariffs announced by the USA on imports from countries around the world not only raise international tension, they also increase uncertainty about future economic developments and lead to higher volatility in financial markets. The response to the tariffs by the EU and the rest of the world, and whether these tariffs will be permanent, will be critical for the future development of the economy, inflation and ultimately interest rates. Inflation in Sweden, which surprised on the upside in both January and February, was below expectations in March. The Riksbank’s most recent monetary policy meeting in March decided to leave the policy rate unchanged at 2.25% and concurrently announced that the rate is expected to remain at this level for the entire forecast period. In line with our strategy of acting flexibly to changes in market interest rates, SBAB has continuously adjusted residential mortgage rates. Given the uncertainty in the macroeconomic environment at the time of writing, the interest rate trend is highly uncertain looking forward.

Good growth for mortgages despite challenges

Our total lending volume grew 0.5% in the quarter to SEK 540.4 billion. Growth was particularly strong in mortgages and it is gratifying that, despite fierce mortgage market competition, we continue to grow and capture market shares. This clearly signals our customers’ appreciation of our simple and transparent offer with good terms and conditions. I would also like to showcase our brand and communication initiatives, which have helped us consolidate our position as one of the best-known players in the residential mortgage market. While the trend for the housing market has improved, recent events have generated uncertainty about future developments. The growth rate for residential mortgages increased from 1.4% in December 2024 to 1.7% in February 2025, which is still low from a historical perspective.

Total lending to corporates and tenant-owners’ associations decreased marginally in the quarter. The property sector continues to recover gradually, albeit from low levels, with transaction volumes up and market sentiment slightly more positive. Nonetheless, activity in the new construction market remains very low. The market for lending to tenant-owners’ associations is characterised by a low level of risk, which, in combination with increased loan repayments in a weakly growing market, results in fierce competition.

Deposits still important to earnings trend

We have grown our deposit volumes significantly since 2022, when the Riksbank first hiked interest rates. Deposits grew almost 19% in 2024, an exceptional performance of which we are extremely proud. Deposits continue to comprise an important source of funding that supports our earnings performance and our ability to deliver competitive terms for mortgages and housing finance to our customers over time.

In early 2025, deposits experienced a slight trend break, mainly driven by increased outflows of fixed-term retail deposits. However, in the latter part of the quarter, we noted a stronger performance. For the quarter as a whole, deposits decreased marginally with 0.3%

to SEK 255.0 billion. We continue to offer our customers good interest rates and fair conditions, not least when compared with the major banks, which are once again nearing zero interest on many account types. We are also investing considerable time and resources in improving and raising the visibility of our offer with the ambition of further growing our market shares.

New regulations improve our capital position

At the turn of the year, the new Banking Package (Capital Requirements Regulations III (CRR III)) entered force. The main impact of the new rules for SBAB entails that the risk weights for some of our corporate exposures are significantly reduced, a change which we welcome since it better reflects the low risk nature of our lending. All other factors remaining equal, the new rules mean we need to hold less capital and increase the scope measured against our risk-weighted capital requirements from the Swedish FSA.

We are governed by the goals that apply to our operations. We have a capital target set by our owner, the Swedish state, which entails maintaining a CET1 capital ratio and a total capital ratio of not less than 0.6 percentage points above the Swedish FSA's communicated requirements. As CEO with operational responsibility for the business, I have also previously decided a supplementary capital target for CET1 capital, which entails SBAB maintaining a buffer equivalent to 1–3 percentage points above the Swedish FSA's communicated requirements over time. At the end of the first quarter, our CET1 capital ratio was 14.4%, compared with the Swedish FSA's requirement of 10.1%.

Stable financial performance and good resilience to market turbulence and volatility

Continued pressure on mortgage margins contributes to certain challenges in terms of maintaining operational profitability. Return on equity for the first quarter amounted to 10.1%. To a limited extent, raising the share of financing from deposits helps compensate for the low mortgage margins. Our underlying trend for net interest income remains stable, although net interest income dipped marginally quarter-on-quarter, as a result of some positive effects in the comparative period in terms of the reversal of the national deposit guarantee fee, which was slightly lower than our forecast for 2024.

The current situation is complex with an escalating trade war, mainly between the USA and China, causing sharp movements in financial markets and increased uncertainty about future developments. The long-term effects are difficult to assess. However, SBAB has a strong position and our capacity and preparedness to manage further disruptions is robust. At the end of the first quarter, we had raised slightly more than half of our estimated borrowing requirement for the full year and the credit quality in our lending portfolio remains very strong.

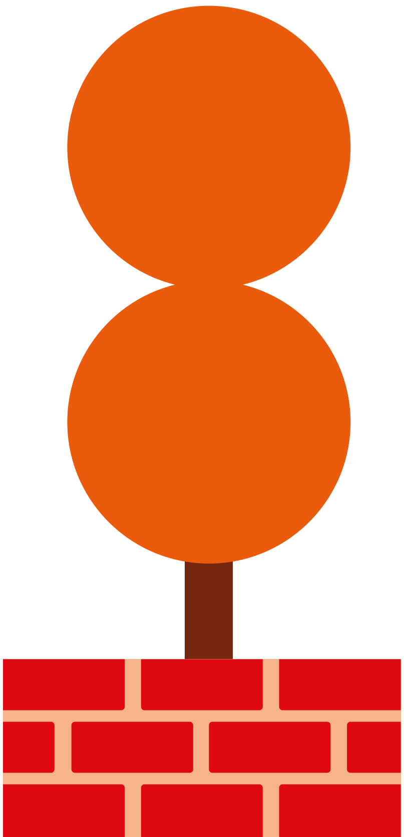
Wishing you a wonderful spring.

Mikael Inglander
CEO of SBAB

Target areas and long-term strategic goals until 2030

SBAB has decided on five target areas and seven long-term strategic goals extending to 2030. Together, these are expected to help SBAB conduct sustainable operations that generate long-term value for the company's stakeholders and that respond to the changes and challenges the company has identified in its operating environment. The financial targets as set by the owner for profitability, capitalisation and dividends remain unchanged.

Target areas		2030 goals
Long-term value creation	Return on equity	**≥10%**
Customer satisfaction	Market Share Residential Mortgages	**10%**
	Market share Corporate Clients	**20%**
	Market share Tenant-owners' associations	**15%**
Sustainable Society	Reduced emissions	**-50%**
Efficient Operations	C/I ratio	**<30%**
Attractive Workplace	Engagement Index (scale from 1 to 5)	**≥4**



Market overview

Swedish economy
2024 was marked by low inflation, falling interest rates and economic growth that slowly accelerated in the second half of the year. For the full year 2024, GDP is estimated to have increased 1%. The recovery continued during the start of 2025. Despite the decline in the GDP indicator in January, calendar-adjusted GDP was 2% higher than in the corresponding month last year. The trend for employment growth took a reversal in late 2024 and unemployment continued to rise in early 2025. Household mobility and housing demand were low in 2024 but have now recovered fully for houses, but only about halfway for apartments. Home sales have been somewhat hesitant in early 2025.

Developments in the Swedish housing market impact SBAB's lending and profitability. In turn, developments in the housing market are affected by the general state of the Swedish economy. Sweden is a small, heavily export-dependent economy that is highly influenced by international economic developments.

Read more about the forecasts for Sweden's economy in the latest edition of SBAB Bomarknadsnytt (in Swedish), available here.

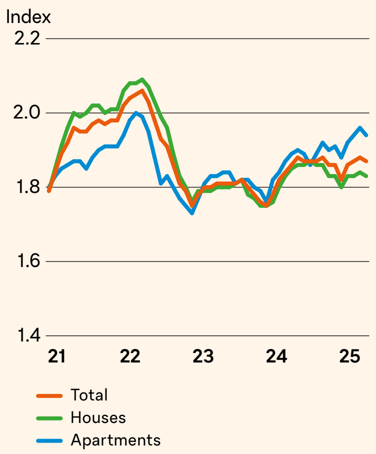
Fixed-income market
In May 2024, the Riksbank decided on a first policy rate cut from 4.00% to 3.75%. Further cuts were then implemented in stages until January 2025, when the Riksbank decided on a reduction from 2.50% to 2.25%. The subsequent high inflation outcomes for January and February led to the Riksbank communicating that the policy rate is expected to remain at the current level going forward. In addition, the Riksbank continued to reduce its holdings of SEK-denominated securities by SEK 192 billion in 2024, and by a further SEK 15 billion in 2025 until 23 March.

The overall effect on the economy is a less restrictive monetary policy. In 2024, short-term market interest rates also fell around 1.5 percentage points, concurrent with medium-term market interest rates falling around 0.6 percentage points. By contrast, long-term market interest rates rose a few tenths of a percentage point. In the first quarter of 2025, long-term market interest rates rose 0.1–0.3 percentage points, with the largest increase applying to the longest maturities. The effect on households of these developments was lower variable mortgage rates in the first quarter of 2025, down around 0.1 percentage point, and higher long-term fixed mortgage rates, up around 0.3 percentage points.

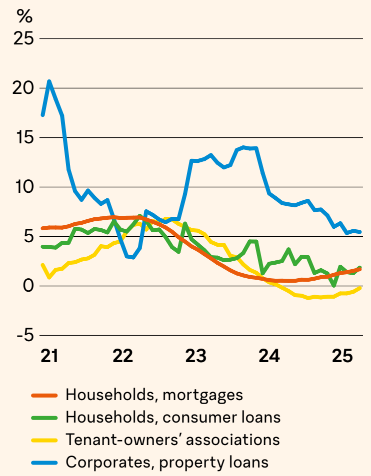
Compared with the policy rate and market interest rates, changes in households' mortgage rates have been slightly less volatile. This was partly because residential mortgage rates are also impacted by banks' deposit rates, for example on current and savings accounts.

Read about forecasts of the mortgage rate trends in the latest edition of SBAB Boräntenytt (in Swedish), available here.

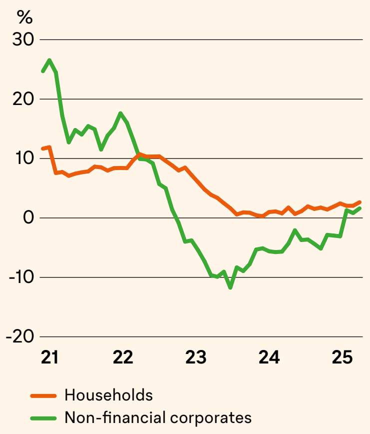
Housing price trend
(SBAB Booli HPI, 2013.01 = 1)



Lending growth
(Percentage, 12-month change)



Deposit growth
(Percentage, 12-month change)



Sources: Macrobond, Statistics Sweden, Booli and SBAB

Housing market
Quarter-on-quarter, the housing market temperature fell back slightly in the first quarter of 2025, especially for apartments. This means that selling homes in the secondary market has become slightly more difficult, which is reflected in longer advertising periods and a greater proportion of homes needing to republish their ads. The temperature assessment is based on how six key factors, including supply, advertising periods, number of bidders and bid premiums, relate to their respective 36-month averages.

In 2024, housing prices rose an average of 4.2% in Sweden as a whole, which was in line with what can be motivated by rising household disposable income. The price increase was greater for apartments than for houses. In the first quarter of 2025, house prices have continued to rise, albeit more slowly than expected as, for seasonal reasons, prices often rise faster in the beginning of the year. In the first quarter, apartment prices in Sweden increased 4.1% on average and house prices averaged increases of 2.3%.

While housing turnover recovered in 2024 for houses, this was not the case for apartments. The rate of housing turnover remained essentially normal for the first quarter of 2025. However, apartment turnover was around 10% below its expected normal rate. Housing turnover is cyclical, which largely explains the current low levels for apartments. However, other factors may have contributed to the low turnover, such as the higher interest rates compared with the 2015–2022 period, and uncertainty for buyers as to whether tenant-owners' associations have adjusted their fees to the changed conditions.

The market for new housing production differs from the market for existing housing. To begin with, it is impossible to identify any general decline in prices in the wake of the 2022 and 2023 interest rates hikes, even if reduced prices have become slightly more commonplace. On the other hand, sales, which fell sharply already in 2022, remained very low throughout 2024 and to date in 2025. Nevertheless, the supply of new housing was not any higher compared with 2022, for example. This is attributable to the low inflow of newly built housing.

For Sweden as a whole, the SBAB Booli Housing Market Index (HMI, available here) indicates that conditions for building housing improved throughout 2024. However, the index continues to remain close to one, which implies that households' potential demand for new housing is well aligned with supply. Essentially, the significantly lower pace of construction compared with a few years earlier is aligned with household demand for new housing. This relationship applies for the country as a whole. However, local surpluses or shortages for specific forms of housing can arise. Read more about housing price trends in the latest edition of SBAB Bomarknadsnytt (in Swedish), available here.

Market for deposits and lending
The rate of growth for retail loans continued to increase in the first quarter of 2025. On an annualised basis, the seasonally adjusted trend showed an increased growth rate for household mortgages from an average of 1.7% per month for the first quarter of 2024 to an average of 2.2% per month for the first two months of 2025. In terms of 12-month figures, the growth rate was 1.7% for February 2025, up from 0.5% for the same month in the previous year. The increase was largely attributable to faster lending growth for houses, but also for tenant-owner apartments. The mortgage lending growth rate is expected to continue to increase both in 2025 and in 2026 as the economy improves, employment increases and apartment turnover normalises. Household interest in consumer loans was low in 2024 but picked up slightly in January and February 2025. Due to the phase-out of interest tax deductions for these loans, the growth rate is expected to remain relatively low this year and next year despite a gradually improving economy.

Lending to tenant-owners' associations shrank in 2024, with the full-year trend standing at a negative 0.7%. However, the trend in lending turned positive in November, and in January and February 2025 the seasonally adjusted trend averaged 0.9% year-on-year. The weak performance was attributable to higher operating expenses and interest rates pressuring tenant-owners' associations to continue to delay certain investments.

The growth rate remained healthy for lending to rental property owners and rose to 5.5% in February 2025 expressed in 12-month terms due to the continued completion of many rental apartments where construction started in previous years. However, the growth rate has slowed compared with 2023 and 2024, mainly due to a lower pace of construction but also due to property companies now more easily being able to finance their activities in the capital market.

In 12-month terms, deposits from households grew 2.6% in February 2025, which entailed a continued upturn in growth from about 2% in 2024. Households' expectations of their finances and future economic developments mean that they remain cautious about purchasing capital goods, choosing instead to build up their buffers.

Deposit growth from companies collapsed in 2022 and 2023, but turned positive in 2024. In 12-month terms, deposits increased 1.3% in 2024. While the monthly growth rate has been negative in early 2025, the 12-month figure in February remained positive at 1.6%. It is not uncommon for companies' deposit growth to be negative for short periods under certain circumstances. However, the last few years' negative trend has been unusually protracted and could be due to the fact that companies have reviewed their balance sheets as a result of higher interest rates. For the full-year 2025, SBAB's economists expect deposits to grow around 3–4%.

Risks and uncertainties

Risks and uncertainties related to the Swedish economy and SBAB's lending

The Swedish economy is susceptible to global economic developments and to conditions in the international financial markets. The economic trend in Sweden is the primary risk factor for SBAB's future earnings capacity, and the quality of our assets is mainly exposed to credit risks in the Swedish housing market. The management of interest-rate and currency risks entails some exposure to price risks.

Population growth has outpaced housing construction for quite some time, which has contributed to high demand for housing and a housing shortage. Recent years' high construction rates and now lower population growth have reduced the shortage, though some housing shortages still remain. The high rate of construction and an increasing proportion of homeowners, in combination with rising housing prices, have led to higher levels of private indebtedness, including some highly indebted households. However, housing costs as a percentage of household income are generally low, especially among homeowning households, which is attributable to relatively higher incomes. Higher interest rates led to higher housing costs in 2023 and early 2024 for many of these households. However, lower interest rates at the end of 2024 and the beginning of 2025 mean that interest expenses are now assessed as being at a normal long-term level.

Since the majority of households in Sweden own their own home and due to many mortgages being subject to variable interest, the Swedish economy is sensitive to interest rate changes. While this is positive for the monetary policy's impact, there is a risk of indebted households with tight margins experiencing temporary difficulty coping with ongoing payments on their mortgages as a result of rising interest rates. In general, the Swedish FSA's stress tests indicate that risks are low in the event of moderately rising interest rates. Moreover, higher interest rates in 2024 did not lead to any significant increase in the share of households with mortgage payment problems.

Pressure was put on household finances by the rapid rise in prices in 2022 and 2023, including for food and electricity. Rising mortgage rates from 2023 onwards applied further pressure on leveraged homeowners alongside falling housing prices. The consequences for households have included very low future expectations and weak consumption. In 2024, consumption confidence largely recovered and, in the first quarter of 2025, confidence was close to normal for home-owning households.

Inflation decreased in 2024 as did the policy rate. Falling policy rates and declining market interest rates also brought down mortgage rates in 2024 and early 2025. However, high inflation outcomes for January and February have halted further policy rate cuts. Future developments are expected to depend on how long the inflation increase extends, with both an increase and a decrease now clearly likely. Since the increase in inflation stemmed from relatively few goods in the consumption basket, and as many world market prices are stagnant and the Swedish economy remains weak, there are many indications that inflation will fall back in the coming months.

Falling mortgage rates have contributed to rising housing prices, albeit nowhere near the housing price decline triggered by the earlier rise in interest rates. In March 2025, house prices remained 12% below their spring 2022 peak and apartment prices were 2% below. At present, price developments are being held back by a weak labour market and high unemployment as well as by considerable uncertainty about the development of the economy. Looking ahead, housing prices are expected to rise moderately in pace with rising employment and growth in household incomes. Risks linked to rising interest rates could be increased by falling housing prices and rapidly rising unemployment. The risk largely pertains to the degree to which a fundamental downturn in prices leads to behaviour changes that trigger a larger price downturn, and how uncertainty over future housing prices impacts turnover for existing housing and building new housing units.

Many property companies have loans, and higher interest rates reduce their profits and the value of their properties. Higher interest rates can also put pressure on property companies with tight margins. This can include problems achieving a sufficiently high cash flow to meet current interest expenses or refinancing maturing bonds. In 2024, falling interest rates contributed to lower risk, but given interest rates over the past fifteen years, interest-rate risk remains higher than normal.

The trade policy being pursued by the USA means that future global economic developments are currently very difficult to predict. Right now, the focus is mainly on higher tariffs. The short timeframe in which tariffs can be imposed, as well as the possibility of negotiations, countermeasures by some countries, exemptions for certain goods and decisions to delay their introduction, all combine to compound uncertainty. Decisions about household consumption and business investment levels are impacted both by the higher tariffs and by uncertainty about the future. Currently, lower global economic growth is expected as a result of these actions by the USA. For Sweden, with an export share to the USA of 9% and an import share from the USA of around 3.5%, the expected economic impact is lower near-term GDP growth, down a couple of tenths of a percentage point. Accordingly, the economic recovery is expected to be slower. It is difficult to assess the impact of tariffs on inflation, which could be both positive and negative. Any impact of the trade war on SBAB's operations will be through the general economic conditions in Sweden, and is thus deemed to be small.

Risks related to the global economy and international financial markets

Any disruption in the international financial markets or in the global economy entails a risk for SBAB both as a participant in the Swedish market and as an issuer in the international capital market. These disruptions could be caused, for example, by global political and macroeconomic events, trade wars, changes in the monetary policies of central banks or extraordinary events such as pandemics, wars and acts of terrorism.

The recent global turbulence stemming from the US administration's announcement of raised tariffs, has triggered substantial movements in financial markets. The situation has led, inter alia, to large stock market falls, expectations of lower interest rates and rising risk premiums on interest-bearing financial assets and instruments. Future developments are shrouded in uncertainty. The overall function of the financial markets and banks' access to funding via the capital market are important preconditions for the SBAB Group's long-term competitiveness. While the tariff war is not expected to increase financial risks and risk premiums on Swedish fixed income instruments over time, it does generate inflation uncertainty and, thus, may lead to higher nominal interest rates.

Above all, armed conflict leads to a great deal of human suffering. However, it also affects economic performance and the financial markets, not just locally but often globally. Russia's war with Ukraine has led to extensive sanctions against Russia, to which Russia has responded by cutting off gas supplies to Europe. It has also led to higher public spending on defence, which can be expected to increase further going forward. Israel's war against the terrorist organisations Hamas and Hezbollah has not yet had any clear economic consequences, though it risks leading to higher oil prices. Although SBAB has no presence in the war- or sanction-affected areas, the company is indirectly affected by the unrest through its impact on the global economy. War can lead to high inflation, for example through extensive public borrowing, uncertainty about the future and volatility in the financial markets.

For more general information about risks and risk management, please refer to SBAB's 2024 Annual Report.

Mortgages and household finances without the hassle

We want to enable and facilitate every phase of home-owner life – be it buying, selling or living in a home – with our services within housing and household finances.

Buying

- Residential mortgages & housing financing
- Housing valuations
- Search service for homes for sale

Business partner services:

- Home insurance
- Mortgage insurance
- Legal advice

Selling

- Estate agent recommendations
- Housing valuations
- Search service for homes for sale

Business partner services:

- Tax declaration help

Living

- Refinancing
- Saving
- Consumer loans

Business partner services:

- Construction advice

Building blocks for our offering

Financial capital & lending
We receive our financial capital from three different sources: equity from owners, funding via the capital market and deposits from the public. In return, we pay interest and dividends. We convert this financial capital to different types of loans and financing for our customers.

Data
In our operations, we collect and process large amounts of information and data about housing and household finances, which we transparently and responsibly convert to knowledge and services for improving the customer offering and experience.

Business development

Volume trends

	GROUP					
	2025	2024	2024	2025	2024	2024
	Q1	Q4	Q1	Jan–Mar	Jan–Mar	Jan–Dec
New lending for the period, SEK bn	20.5	23.5	18.3	20.5	18.3	86.0
Net change in lending for the period, SEK bn	2.6	2.8	3.9	2.6	3.9	20.6
Total lending, SEK bn	**540.4**	**537.8**	**521.3**	**540.4**	**521.3**	**537.8**
No. of deposit accounts, thousand	1,012	996	905	1,012	905	996
Net change in deposits, SEK bn	–0.9	7.8	15.5	–0.9	15.5	40.7
Total deposits, SEK bn	**255.0**	**255.9**	**230.7**	**255.0**	**230.7**	**255.9**
Deposits/lending, %	47.2	47.6	44.3	47.2	44.3	47.6
Business Area Private						
No. of mortgage customers, thousand	300	298	287	300	287	298
No. of mortgage objects financed, thousand	193	192	184	193	184	192
New lending, SEK bn	18.0	19.8	11.9	18.0	11.9	69.3
Net change in lending for the period, SEK bn	3.1	5.4	1.1	3.1	1.1	19.6
Total lending, Private, SEK bn	**370.8**	**367.7**	**349.2**	**370.8**	**349.2**	**367.7**
Residential mortgages, SEK bn	369.2	366.0	347.5	369.2	347.5	366.0
Consumer loans, SEK bn	1.6	1.7	1.7	1.6	1.7	1.7
Market share, Residential mortgages, %[1]	8.82	8.76	8.41	8.82	8.41	8.76
Market share, Consumer loans, %[1]	0.51	0.52	0.55	0.51	0.55	0.52
Total deposits, Private, SEK bn	**200.8**	**202.0**	**186.4**	**200.8**	**186.4**	**202.0**
No. of retail customers with savings accounts, thousand	689	679	634	689	634	679
Market share deposits, Private, %[1]	7.54	7.65	7.11	7.54	7.11	7.65
Business Area Corporates & Associations						
No. of housing financing customers	3,107	3,114	3,118	3,107	3,118	3,114
New lending, SEK bn	2.5	3.7	6.4	2.5	6.4	16.7
Net change in lending for the period, SEK bn	–0.5	–2.6	2.8	–0.5	2.8	0.8
Total lending, Corporates & Associations, SEK bn	**169.6**	**170.1**	**172.1**	**169.6**	**172.1**	**170.1**
Lending, Corporate clients, SEK bn	105.4	105.3	103.7	105.4	103.7	105.3
Lending, Tenant-owners' associations, SEK bn	64.2	64.8	68.4	64.2	68.4	64.8
Market Share Corporate Clients (multi-family dwellings), %[1]	18.18	18.00	17.95	18.18	17.95	18.00
Market share, Tenant-owners' associations, %[1]	11.05	11.15	11.23	11.05	11.23	11.15
Total deposits, Corporates & Associations, SEK bn	**54.2**	**53.9**	**44.3**	**54.2**	**44.3**	**53.9**
No. of customers with savings accounts, Corp. & Assoc.	18,800	18,400	17,100	18,800	17,100	18,400
Market share deposits, Corp. & Assoc., %[1]	3.96	3.73	3.22	3.96	3.22	3.73

1) Source: Statistics Sweden. The figures in the columns for Q1 2025 and Jan–Mar 2025 correspond with the market shares as of 28 February 2025. The figures in the columns for Q4 2024 and Jan–Dec 2024 correspond with the market shares as of 31 December 2024. The figures in the columns for Q1 2024 and Jan–Mar 2024 correspond with the market shares as of 29 February 2024.

Business Area Private

Trend for Q1 2025 compared with Q4 2024

Business Area Private offers services within housing and household finances, such as savings and loan products, insurance mediation, and housing search and real estate agent services. The core product is residential mortgages complemented with savings accounts. Activities are operated under the SBAB, Booli and HittaMäklare brands. We meet our customers and users digitally or by telephone.

Lending

Growth in the residential mortgage market remains low from a historical perspective, although there was a cautious increase in the first quarter of 2025. During the quarter, the Riksbank lowered the policy rate 0.25 percentage points to 2.25%. The Riksbank's interest rate cut led to SBAB lowering the important variable mortgage rate during the beginning of the quarter (mortgages with three-month fixed-interest periods). As a consequence of higher market interest rates and thus increased borrowing costs for banks, marginal interest rate increases were implemented in the latter part of the quarter.

SBAB offers simple and straightforward terms and conditions, transparent mortgage rates, high availability through digital services and telephone, and mindful service. Despite low market growth, new lending remained healthy and totalled SEK 18.0 billion (19.8) for the quarter. Total lending to private individuals amounted to SEK 370.8 billion (367.7) at the end of the quarter, of which SEK 369.2 billion (366.0) comprised residential mortgages and SEK 1.6 billion (1.7) consumer loans.

At the end of the quarter, the number of residential mortgage customers amounted to 300,000 (298,000) across 193,000 (192,000) mortgage objects. The share of customers with variable mortgage rates amounted to 84.8% (84.9) at the end of the quarter.

The market share of retail mortgages was 8.18% on 28 February 2025 (8.76% on 31 December 2024). At the same date, the market share for consumer loans was 0.51% (0.52% on 31 December 2024).

For more information on credit losses and credit quality, please refer to pages 15–16, and Note 4 and Note 5.

Savings accounts (deposit)

SBAB's retail savings accounts are characterised by competitive savings rates and simple and transparent product terms and conditions. Over an extended period, SBAB has increased its investments in savings-focused marketing to raise the visibility of the offering in the market.

Retail deposits amounted to SEK 200.8 billion (202.0) at the end of the quarter. At the same date, approximately 689,000 (679,000) retail customers held a savings account with SBAB. At the end of the quarter, the share of deposits with fixed-interest periods amounted to about 32%.

On 28 February 2025, the market share of retail deposits was 7.54% (7.65% on 31 December 2024). The share of retail deposits that was covered by the national deposit guarantee amounted to 79% at the end of the quarter, corresponding to approximately SEK 158 billion.

User trends

Every month, many people visit SBAB's, Booli's and HittaMäklare's websites and apps to manage mortgages and savings or to find inspiration about housing and household finances. The number of visits to www.sbab.se averaged around 1,681,000 (1,746,000). Booli is a popular platform for finding information about supply, demand and price trends for housing. Booli.se offers services including housing searches and valuations. The number of monthly visits to www.booli.se averaged around 11,335,000 (9,400,000). Booli's monthly property valuation email had some 785,000 subscribers at the end of the quarter. The real estate agent service HittaMäklare is part of Booli. HittaMäklare's service for locating estate agents has been used at some time by about 95% of the registered estate agents in Sweden.

Sweden's most satisfied residential mortgage customers

In 2024, for the sixth consecutive year, SBAB had Sweden's most satisfied residential mortgage customers according to Swedish Quality Index (Swe: Svenskt Kvalitetsindex (SKI)), which measures customer satisfaction in the banking and finance sector each year. SBAB received a customer satisfaction score of 75.6 out of 100, compared with the industry average of 67.8.

Business Area Corporates & Associations

Trend for Q1 2025 compared with Q4 2024

Business Area Corporates & Associations (tenant-owners' associations) offers savings and property financing solutions to property companies, housing developers and tenant-owners' associations as well as savings to companies and organisations. We finance multi-family dwellings, existing as well as new construction. We offer personal service to our customers, who are concentrated in growth regions surrounding our offices in Stockholm, Gothenburg and Malmö.

Housing financing (lending)

Following a strong finish to the preceding year, the property sector's gradual recovery continued in the first quarter of 2024, with the market as a whole picking up and higher transaction market activity being noted. However, the recovery is happening gradually from low levels and competition for customers remains high.

Activity remains low in the new production market, albeit with a slight uptick in interest for starting new housing production in the metropolitan regions, not least in the form of an increase in the number of starting clearances. Construction and development companies still face some challenges in terms of making cost calculations feasible given higher construction costs and lower willingness to invest among households. That said, household demand is expected to increase going forward as a result of the sharp fall in new housing construction, even if macroeconomic developments are contributing some uncertainty. In parallel, a large supply of attractive land locations going forward is expected to increase the number of construction starts among strong players.

Property management companies continue to post strong operational results. As earlier, focus is on own property management and on conducting activities aimed at adapting operations to higher interest rates. This includes selling assets, not distributing dividends or instead distributing smaller ones, conducting new share issues and increased cost control.

SBAB's business focuses on lending on residential properties with good collateral in areas with strong demand. We focus on larger corporate customers with diversified revenue streams and good liquidity. During the quarter, new lending to corporates amounted to SEK 1.6 billion (2.4).

The credit portfolio for financing new production performed largely as forecast, with planned projects being completed according to previously agreed-upon financing, but where demand for new building credits remained low. At the end of the quarter, building credits outstanding amounted to SEK 5.9 billion. At the same date, SEK 4.3 billion of this volume had been disbursed.

The market for lending to tenant-owners' associations is characterised by a low level of risk. This, in combination with increased loan repayments in a weakly growing market, results in fierce competition. During the quarter, new lending to tenant-owners' associations amounted to SEK 0.9 billion (1.3).

Total lending to corporates and tenant-owners' associations amounted to SEK 169.6 billion (170.3) at the end of the quarter, of which SEK 105.4 billion (105.5) comprised lending to corporates and SEK 64.2 billion (64.8) lending to tenant-owners' associations.

The market share of lending to corporates (multi-family dwellings) was 18.18% as of 28 February 2025 (17.99% on 31 December 2024). At the same date, the market share for lending to tenant-owners' associations was 11.05% (11.15% on 31 December 2024). The number of housing financing customers was 3,107 (3,114) at the end of the quarter.

For more information on credit losses and credit quality, please refer to pages 15–16, and Note 4 and Note 5.

Savings accounts (deposit)

Deposits from corporates and organisations during the quarter totalled SEK 54.2 billion (53.9). At the same time, approximately 18,800 (18,400) customers held savings accounts with SBAB. On 28 February 2025, the market share of deposits from corporate clients and organisations was 3.96% (3.73% on 31 December 2024). The share of deposits from companies and organisations that was covered by the national deposit guarantee amounted to 20.9% at the end of the quarter, corresponding to approximately SEK 11.4 billion.

Sweden's most satisfied corporate customers

In 2024, for the seventh consecutive year, SBAB had Sweden's most satisfied property loan customers according to SKI. SBAB received a customer satisfaction score of 74.4 out of 100, compared with the industry average of 71.3.

Financial performance

Income statement overview

	GROUP						
	2025	2024	2024	2024	2024	2025	2024
SEK million	Q1	Q4	Q3	Q2	Q1	Jan–Mar	Jan–Mar
Net interest income	1,335	1,339	1,223	1,354	1,372	1,335	1,372
Net commission	–16	–13	–10	–14	–17	–16	–17
Net result of financial transactions (Note 3)	–3	73	–43	16	40	–3	40
Other operating income	18	15	15	13	14	18	14
Total operating income	**1,334**	**1,414**	**1,185**	**1,369**	**1,409**	**1,334**	**1,409**
Expenses	–472	–545	–453	–470	–439	–472	–439
Profit before credit losses and imposed fees	**862**	**869**	**732**	**899**	**970**	**862**	**970**
Net credit losses (Note 4)[1]	–6	5	39	–21	–23	–6	–23
Imposed fees: Risk tax and resolution fee	–146	–143	–143	–142	–142	–146	–142
Operating profit	**710**	**731**	**628**	**736**	**805**	**710**	**805**
Tax	–151	–156	–134	–155	–173	–151	–173
Net profit for the period	**559**	**575**	**494**	**581**	**632**	**559**	**632**
Return on equity, %[2]	10.1	10.1	8.9	10.7	11.9	10.1	11.9
Return on assets, %	0.3	0.3	0.3	0.4	0.4	0.3	0.4
C/I ratio, %	35.4	38.5	38.2	34.3	31.2	35.4	31.2
Credit loss ratio, %	0.00	0.00	0.03	–0.02	–0.02	0.00	–0.02
Share of credit stage loans 3, gross, %	0.16	0.16	0.17	0.16	0.16	0.16	0.16
Net interest margin, %	0.79	0.81	0.74	0.81	0.83	0.79	0.83
Number of employees (FTEs)	1,100	1,082	1,033	1,008	957	1,100	957

1) Including impairment and reversals of impairment of financial assets.

2) When calculating the return on equity for Q1 2025 and Jan–Mar 2025, average equity has been adjusted for the dividend for 2024 of SEK 913 million. When calculating the return on equity for Q1 2024, Q2 2024 and Jan–Mar 2024, average equity has been adjusted for the dividend of SEK 963 million for 2023.

Trend for Q1 2025 compared with Q4 2024

Operating profit decreased to SEK 710 million (731), primarily due to a lower outcome for the net result of financial transactions. The trend was somewhat offset by lower costs. The return on equity amounted to 10.1% (10.1) and the C/I ratio was 35.4% (38.5).

Net interest income
Net interest income posted a marginal decline to SEK 1,335 million (1,339), mainly due to increased fees linked to the national deposit guarantee, which amounted to SEK 24 million for the quarter, compared with a non-recurring reversal of SEK 8 million in the comparative period. After adjustment for the above, the trend for underlying net interest income was positive, mainly driven by marginally higher deposit margins, which were partly offset by slightly lower lending margins.

Net commission
Net commission income decreased to an expense of SEK 16 million (expense: 13) due to increased funding-related expenses.

Net result of financial transactions
The net result of financial transactions amounted to an expense of SEK 3 million (income: 73), mainly due to value changes in hedging instruments and hedged items as well as the revaluation of credit risk in derivatives. For more information, please refer to Note 3.

Expenses
Expenses decreased to SEK 472 million (545), mainly due to lower IT-related costs. Furthermore, the comparative period was adversely impacted by increased non-recurring depreciation. At the end of the quarter, the number of FTEs was 1,100 (1,082).

Credit quality and credit losses
Net credit losses totalled SEK 6 million (recoveries: 5). Confirmed credit losses totalled SEK 7 million (4) and recoveries for previous confirmed credit losses amounted to SEK 1 million (1).

Total loss provisions were unchanged during the quarter (decrease: SEK 8 million). Provisions for loans in credit stage 1 increased SEK 11 million (increase: 5), provisions for loans in credit stage 2 were unchanged (increase: 4) and provisions for loans in credit stage 3 decreased SEK 11 million (decrease: 16). During the quarter, positive rating grade migrations and reduced exposure in credit stage 3 were noted in the Private business area as a result of recoveries and write-offs of defaulted exposures, which led to releases of loss provisions. Negative rating grade migrations for individual counterparties in Business Area Corporates & Associations led to increased loss provisions. In addition, building credit exposures decreased, which led to further releases of loss provisions. Updates to the impairment model's forward-looking information contributed to higher PD effects as a result of the revised outlook, combined with previously elevated default frequencies over the past year. The management overlay of SEK 30 million to the ECL implemented at the end of the year, attributable to credit stages 1 and 2 in the Private business area, was unchanged.

Loss provisions for loan commitments and undrawn building credits increased SEK 1 million (decrease: 1), primarily as a result of increased exposure to loan commitments. Guarantees available to cover credit losses remained unchanged (unchanged).

For more information on credit loss allowances and changes in the forward-looking information in the ECL model, please refer to Note 4.

SBAB's credit granting to private individuals, tenant-owners' associations and property companies is based on a sound credit approval process that determines whether customers have the financial capacities required to meet their commitments. Lending in each business area is deemed to continue to be of good credit quality and low credit risk.

Imposed fees
Imposed fees includes the Swedish risk tax and the resolution fee. The risk tax amounted to 0.06% of the credit institution's liabilities. Imposed fees totalled SEK 146 million (143) for the quarter, of which the risk tax amounted to SEK 92 million (90) and the resolution fee to SEK 54 million (53).

January–March 2025 compared with January–March 2024

Operating profit decreased to SEK 710 million (805), primarily due to lower net interest income and increased costs. The return on equity amounted to 10.1% (11.9) and the C/I ratio was 35.4% (31.2).

Net interest income declined to SEK 1,335 million (1,372), primarily driven by shrinking deposit margins, which were negatively impacted by declining market interest rates. An increased deposit volume and an increased share of financing from deposits positively impacted the item. The fee for the national deposit guarantee amounted to SEK 24 million (29) for the period.

The net commission expense was SEK 16 million (expense: 17). The difference between the periods pertained mainly to increased commissions income linked to lending operations.

The net result of financial transactions decreased to an expense of SEK 3 million (income: 40) and was mainly attributable to the revaluation of credit risk in derivatives. For more information, please refer to Note 3.

Costs increased to SEK 472 million (439), primarily due to an increased number of employees and thereby increased personnel costs. The number of FTEs increased to 1,100 (957) during the period.

Net credit losses totalled SEK 6 million (loss: 23). Confirmed credit losses totalled SEK 7 million (2) and recoveries for previous confirmed credit losses amounted to SEK 1 million (1). The difference between the periods was mainly attributable to increased exposures in credit stage 3 for the Private business area in the first quarter of 2024, which led to increased loss provisions, a trend that was noted throughout most of 2024. The trend for credit stage 3 exposures gradually stabilised toward the end of 2024, before subsequently declining in the first quarter of 2025 in conjunction with the recovery and write-off of defaulted exposures. For more information on credit losses, loss allowances and credit quality, please refer to Note 4 and Note 5.

Imposed fees totalled SEK 146 million (142), of which the risk tax amounted to SEK 92 million (90) and the resolution fee to SEK 54 million (52).

Other comprehensive income, recognised directly under equity, amounted to income of SEK 262 million (expense: 496), primarily due to interest-rate-related value changes, whereby net profit for the period was positively impacted by changes in euro interest rates. For more information, please see below and refer to page 24.

Other comprehensive income

The Group's financial position and development is reflected primarily in the income statement and balance sheet. Moreover, the applied accounting policies give certain revaluation effects, among other effects, which are recognised in other comprehensive income. Other comprehensive income is recognised directly under equity in the balance sheet.

Other comprehensive income includes the line item changes in cash-flow hedges that consist of unrealised value changes from derivatives used for hedging cash flows in the Group's funding in foreign currencies. Borrowings in cash-flow hedges are measured at amortised cost, where value changes are not recognised while derivatives that hedge borrowing are marked to market. This means that changes in rates, primarily in euro, can lead to significant volatility during the term, even if the effect of the interest rates movements over time is marginal. The line item is normally affected positively by a decline in market interest rates and negatively by a rise in market interest rates.

The line item financial assets measured at FVTOCI consists of unrealised value changes in interest-bearing securities (classified according to certain principles) in the liquidity reserve. The line item is primarily affected by changes in credit spreads in bond holdings.

The item revaluation effects of defined-benefit pension plans includes actuarial gains and losses where changes in the discount rate is the assumption that has the strongest impact on the item.

For more information, refer to page 24.

Net result of financial transactions

Net result of financial transactions, recognised in profit or loss, mainly arises through SBAB's application of financial instruments, for example derivatives used to manage interest and currency risks in the Group's assets and liabilities.

Within the framework for applying financial instruments, certain accounting temporary ("unrealised") valuation effects arise, which are driven primarily by external market fluctuations. Changes in market interest rates affect, for example, the value of derivatives and interest-rate risk hedged assets and liabilities. The largest items in the net result of financial transactions consist of these types of effects. Over time, market fluctuations and associated valuation effects typically amount to zero for the instruments that remain on the balance sheet until maturity. The majority of SBAB's current financial instruments are held until maturity. Periods with negative earnings are therefore often followed by periods with positive earnings, and vice versa.

Otherwise, the net result of financial transactions is primarily affected by realised gains and losses on divestments and repurchases of financial instruments and by interest compensation.

For more information, please refer to Note 3.

Balance sheet overview

	GROUP		
SEK million	**31 Mar 2025**	**31 Dec 2024**	**31 Mar 2024**
ASSETS			
Cash and balances at central banks	0	3,039	1,280
Chargeable treasury bills, etc.	22,997	–	32,450
Lending to credit institutions	8,493	8,173	13,142
Lending to the public (Note 5)	540,360	537,836	521,294
Bonds and other interest-bearing securities	112,165	97,375	85,461
Total other assets in the balance sheet	10,517	13,463	15,719
TOTAL ASSETS	**694,532**	**659,886**	**669,346**
LIABILITIES AND EQUITY			
Liabilities			
Liabilities to credit institutions	2,507	7,249	8,518
Deposits from the public	255,003	255,873	230,686
Issued debt securities, etc. (funding)	386,444	351,926	379,574
Subordinated debt	3,995	1,999	1,999
Total other liabilities in the balance sheet	20,202	16,741	22,572
Total liabilities	**668,151**	**633,788**	**643,349**
Total equity	**26,381**	**26,098**	**25,997**
– of which reserves/fair value reserve	*–2,669*	*–2,931*	*–4,233*
– of which, Tier 1 capital instruments	*5,700*	*6,100*	*7,700*
TOTAL LIABILITIES AND EQUITY	**694,532**	**659,886**	**669,346**
CET1 capital ratio, %	14.4	12.7	12.1
Tier 1 capital ratio, %	18.2	16.3	16.7
Total capital ratio, %	19.5	17.5	17.9
Leverage ratio, %[1)]	3.94	4.19	4.29
LCR, %	309	196	350
NSFR, %	132	126	137

1) Calculated pursuant to Article 429 in Regulation (EU) No. 575/2013 of the European Parliament and of the Council.

Trend for Q1 2025 compared with Q4 2024

Balance sheet comments

During the quarter, chargeable treasury bills increased to SEK 23 billion (0), primarily due to increased holdings of Riksbank certificates. Cash and balances at central banks decreased to SEK 0 billion (3.0). Lending to credit institutions increased to SEK 8.5 billion (8.2), primarily attributable to inflows of securities linked to derivatives (CSAs), which are mainly impacted by changes in interest and exchange rates. The above changes were all within the scope of the normal short-term liquidity management. Bonds and other interest-bearing securities increased to SEK 112.2 billion (97.4), primarily driven by new securities purchases within the framework of normal liquidity reserve management. Lending to the public increased to SEK 540.4 billion (537.8), of which SEK 369.2 billion comprised residential mortgages, SEK 1.6 billion consumer loans, SEK 105.4 billion lending to property companies and SEK 64.2 billion lending to tenant-owners' associations. For more information on lending to the public, please refer to pages 12–13 and Note 5.

Liabilities to credit institutions decreased to SEK 2.5 billion (7.2), primarily driven by inflows of securities connected to derivatives (CSAs) and partly offset by increased repo funding. Deposits from the public decreased to SEK 255.0 billion (255.9), of which 86% comprised retail deposits and the remainder non-operational deposits pursuant to the liquidity coverage regulations (EU 2015/61). For more information on deposits from the public, please refer to pages 12–13. For information about issued debt securities, please refer to the "Funding" section below. New Tier 2 capital (T2) of SEK 2.0 billion was issued in the quarter, which contributed to subordinated debt increasing to SEK 4.0 billion (2.0). Equity decreased to SEK 25.8 billion (26.1), primarily due to the early redemption of Additional Tier 1 (AT1) capital loans totalling SEK 0.4 billion. Otherwise, equity was positively impacted by net profit for the period and the outcome for other comprehensive income. Other comprehensive income, recognised directly under equity, increased to SEK 262 million (expense: 34), primarily due to changes in the market values of securities in the liquidity reserve. For more information on this item, please refer to page 24.

Funding

In the first quarter, surprising outcomes in terms of economic data and geopolitical developments dominated the funding market. The datapoints that had the most impact on the Swedish fixed-income market included surprisingly strong inflation outcomes for January and February, which triggered adjustment of the fixed-income market's expectations of further interest rate cuts in 2025. At the end of March, market expectations were for the Riksbank to leave the policy rate unchanged at 2.25 percent, as per the Riksbank's own communication.

Germany voted through a historic defence and infrastructure program in mid-March, which triggered a sharp rise in the European fixed-income market. Subsequent interest rate movements also spread to Sweden during this period. Toward the end of March, the USA grabbed the world's attention with the announcement of new tariffs. The tariffs subsequently announced in early April were significantly above market estimates, which contributed to heightened expectations of a prolonged trade war and global recession. Against this backdrop, interest rates fell sharply both in the USA and in Europe.

Funding markets remained strong in January and February despite significant turbulence and volatility in the latter part of the quarter. In combined with a pent-up demand for investment opportunities for investors, partly due to strong fund inflows, a substantial need for new borrowing in the beginning of the year contributed to narrowing credit spreads in almost all debt classes. This was true both for the Swedish and for the European markets.

In January, SBAB issued a EUR 500 million public green senior preferred bond in the European market and thereafter a SEK 3.0 billion public green senior non-preferred bond in February in the domestic market. In March, SBAB also issued SEK 2 billion in new Tier 2 capital (T2). In addition to ongoing issues through the Swedish covered bond program, SCBC issued a SEK 7 billion public green covered bond in the domestic market in January and a EUR 1 billion bond in the European market in February. Demand from investors was healthy and all transactions were well-received in the market.

During the quarter as a whole, issued debt securities totalled SEK 65.2 billion (10.8). In parallel, securities were repurchased for SEK 6.1 billion (15.2) and securities amounting to SEK 17.4 billion (5.4) matured. Alongside changes in premiums/discounts and changes in SEK exchange rates, this resulted in an increase in issued debt securities outstanding of SEK 34.5 billion to a total of SEK 386.4 billion (351.9). In total, the SBAB Group has issued bonds corresponding to SEK 65.2 billion in 2025 (of which SEK 45.3 billion comprised covered bond funding and SEK 19.9 billion unsecured funding), which can be compared with the total bonds maturing in 2025 of about SEK 84.4 billion. The total funding need for 2025 is estimated to approximately SEK 90 billion.

At the end of the quarter, unsecured funding outstanding amounted to SEK 57.1 billion (46.7), of which SEK 21.1 billion (19.8) comprised senior non-preferred bonds, SEK 30.9 billion (26.6) other senior unsecured bonds and SEK 5.1 billion (0.3) commercial paper.

Funding through the issue of covered bonds is conducted by the wholly-owned subsidiary, SCBC. Total covered bond funding amounted to SEK 329.3 billion (305.2) at the end of the quarter, of which SEK 254.2 billion was in SEK and SEK 75.1 billion was in foreign currencies.

Liquidity position

SBAB's liquidity reserve primarily comprises liquid, interest-bearing securities with high ratings[1]. At the end of the quarter, the market value of the assets in the liquidity reserve amounted to SEK 130.1 billion (98.2). Taking the Riksbank's and the ECB's haircuts into account, the liquidity value of the assets was SEK 126.6 billion (95.0).

SBAB measures and stress-tests liquidity risk, for example, by calculating the survival horizon. The survival horizon at the end of the quarter totalled 442 days (532), which the company deems satisfactory.

According to the European Commission's Delegated Regulation with regard to liquidity coverage requirements, on 31 March 2025, the LCR was 309% (196) in all currencies combined, which exceeds the minimum requirement of 100%. Measured in SEK, the LCR was 265% (153). The net stable funding ratio (NSFR) amounted to 132.3% (126.3) according to Regulation (EU) 2019/876 of the European Parliament and the Council.

For more information on SBAB's liquidity, please refer to Note 10.

1) Also encompasses non-HQLA (high quality liquid assets) classified assets included in the Riksbank's or the ECB's lists of assets eligible as collateral.

Capital position

SBAB's CET1 capital increased to SEK 21.8 billion (21.4), primarily due to earnings for the year[1]. The risk exposure amount (REA) decreased significantly to SEK 151.3 billion (168.9), mainly due to the introduction of the Banking Package (Capital Requirements Regulations III) with reduced risk weights for corporate exposures. For more information, refer to later in this section. At the end of the quarter, SBAB's CET1 capital ratio amounted to 14.4% (12.7) and the total capital ratio was 19.5% (17.5).

As per 31 March 2025, the Swedish FSA's collected capital requirements are estimated to correspond to a CET1 capital ratio of 10.1% and a total capital ratio of 14.4%. SBAB's capital targets thus corresponded to a CET1 capital ratio of not less than 11.1% and a total capital ratio of not less than 15.0%.

Application of the first parts of the Banking Package started on 1 January 2025. In conjunction therewith, the total risk weights for SBAB's corporate exposures decreased significantly, as the new rules entail a lower LGD standard value for exposures secured against real property. The application of the Banking Package's new provisions on sustainable market valuation for houses and properties, which is based both on original and on average market valuations, is expected over time to compensate to some extent for reduced risk weights for corporate exposures as LTV ratios are raised in many cases. The impact of new and revised credit conversion factors (CCFs) for off-balance-sheet exposures generates lower risk weights over a transitional period, mainly for mortgage commitments within retail exposures. Moreover, the new output floor of 72.5% (with a phase-in from 50% over five years) for IRB exposures is not expected to be binding for SBAB in the near term. At the end of the quarter, SBAB's headroom to the capital floor amounted to SEK 58.8 billion.

SBAB has already received approval for new PD models for retail exposures and corporate exposures from the Swedish FSA, which have been implemented in operations since 2023. At the end of 2024, as per the agreed time plan with the Swedish FSA, SBAB applied for a new LGD model for retail exposures, which will be applied for private individuals with mortgages and unsecured loans.

The Swedish FSA's decision on the supervisory review and evaluation process (SREP) includes Pillar 2 guidance for SBAB of 0% on the risk-weighted capital requirement and 0.5% on the leverage ratio. The total leverage ratio requirement includes this requirement and the minimum requirement of 3% of the leverage ratio exposure amount, which results in a total leverage ratio requirement of 3.50%. The leverage ratio amounted to SEK 3.94% (4.19) on 31 March 2025.

For more information on SBAB's capital position, please refer to Note 11 and Note 12.

1) In a decision by the Swedish FSA, subject to the company's auditors being able to confirm the surplus and that deductions for any dividends and foreseeable costs have been conducted pursuant to the Regulation on Prudential Requirements for Credit Institutions and Investment Firms and that these calculations have been conducted in compliance with the Commission Delegated Regulation (EU) No 241/2014, SBAB received approval for using the full-year surplus in own-funds calculations. Deloitte AB conducted the above review for 31 March 2025. This means that net profit for the year has been included in own funds and that expected dividends have reduced own funds.

Capital adequacy (outcome Pillar 1)

	CONSOLIDATED SITUATION	
SEK million	**31 Mar 2025**	**31 Dec 2024**
Credit risk – IRB approach	42,905	74,537
– of which, retail exposures (IRBA)	*10,017*	*17,763*
– of which, corporate exposures (FIRB)	*32,888*	*56,774*
Credit risk – Standardised approach	11,270	9,248
– of which, counterparty risk	825	*563*
Credit valuation adjustment (CVA) risk	2,095	1,119
Market risk (standardised approach)	770	417
Operational risk[1]	7,696	7,603
Additional requirements (risk-weight floor, Article 458 CRR)	86,530	75,966
Total REA	**151,267**	**168,889**
CET1 capital	21,849	21,417
Tier 1 capital	27,549	27,517
Total capital	29,557	29,534
CET1 capital ratio, %	14.4	12.7
Tier 1 capital ratio, %	18.2	16.3
Total capital ratio, %	19.5	17.5
Leverage ratio, %	3.94	4.19

1) The standardised approach for operational risk has been applied from 31 December 2024.

Components of the capital target

	CONSOLIDATED SITUATION	
% of REA	**31 Mar 2025**	**31 Dec 2024**
Total capital requirements according to the Swedish FSA[1]	**14.4**	**14.4**
– of which, Pillar 1 minimum requirement[2]	*8.0*	*8.0*
– of which, Pillar 2 requirement (P2R)	*1.9*	*1.9*
– of which, Capital conservation buffer	2.5	*2.5*
– of which, Countercyclical buffer	2.0	*2.0*
– of which, Pillar 2 guidance (P2G)	–	–
SBAB's capital target	**15.0**	**15.0**
CET1 capital requirements according to the Swedish FSA[1]	**10.1**	**10.1**
– of which, Pillar 1 minimum requirement[2]	*4.5*	*4.5*
– of which, Pillar 2 requirement (P2R)	*1.1*	*1.1*
– of which, Capital conservation buffer	2.5	*2.5*
– of which, Countercyclical buffer	2.0	*2.0*
– of which, Pillar 2 guidance (P2G)	–	–
SBAB's capital target[3]	**11.1–13.1**	**11.1–13.1**

1) Pertains to the statutory requirements including the Swedish FSA's P2R and P2G.

2) Includes the Pillar 1 risk weight floor, Swedish mortgages (Article 458 of the CRR, Regulation (EU) No 575/2013)

3) Supplementary capital target for CET1 capital decided by the CEO, see page 20

Other information

SBAB's financial targets from the owner

- **Profitability:** A return on equity of no less than 10% over a business cycle.
- **Capitalisation:** The CET1 capital ratio and total capital ratio should be at least 0.6 percentage points higher than the requirements communicated by the Swedish FSA. The CEO has decided on a supplementary capital target for CET1 capital, which entails, under normal circumstances, SBAB maintaining a buffer equivalent to 1–3 percentage points above the Swedish FSA's communicated requirements over time. The target is a complement to the lower limit of 0.6 percentage points decided by the Board.
- **Dividend:** Ordinary dividend of at least 40% of profit for the year after tax, taking the Group's capital structure into account.

Proposal for a basic deduction in the Act on Risk Tax for Credit Institutions

A memorandum proposes the introduction of a basic deduction in the Act on Risk Tax for Credit Institutions. The proposal entails that when calculating the tax base, a basic deduction is made corresponding in amount to the threshold for tax liability that applies for the tax year in question. With the aim of making the proposal neutral from a public finance perspective, it is also concurrently proposed that the risk tax rate be increased. The new provisions are proposed to enter force on 1 January 2026. Read more about the proposal on the Government's website.

Changes in Executive Management

An organisational change was implemented in February 2025 with the aim of clarifying internal governance and advancing progress in development. The change entailed the merger of the former Customer Experience (CX) and Tech departments into a new department called Digital. In conjunction with the change, Robin Silfverhielm took on the role of Chief Digital Information Officer (CDIO) and remained a member of the Executive Management, while Marko Ivanic, CTO, stepped down from the Executive Management.

SBAB joins the Net-Zero Banking Alliance

In December 2024, SBAB decided to join the Net-Zero Banking Alliance (NZBA), which was widely communicated to the market in February 2025. The NZBA is a UN-convened bank collaboration that has undertaken to achieving net-zero GHG emissions from their lending and investment portfolios by 2050.

SBAB moves from Solna to Stockholm

In spring 2026, SBAB is moving office from Solna Business Park to new premises at Drottninggatan 89 in Stockholm. The bank is signing a new contract to this effect with the existing property owner Fabege. SBAB's subsidiary Booli, which is currently located at Norra Bantorget, will also move to the new premises.

Events after the end of the period

Annual General Meeting

SBAB held its Annual General Meeting (AGM) on 29 April 2025. The AGM resolved to elect the following Board members: Jan Sinclair (Chairman, re-elected), Lars Börjesson (re-elected), Jenny Lahrin (re-elected), Wenche Martinussen (re-elected), Jane Lundgren Ericsson (re-elected), Synnöve Trygg (re-elected), Inga-Lill Carlberg (re-elected), John Sætre (re-elected) and Rikard Josefson (newly elected). The local trade unions appointed Karin Neville and Margareta Naumburg as employee representatives on the Board of Directors, with David Larsson as alternate.

The AGM resolved to distribute a dividend of SEK 913 million, corresponding to 40% of net profit for the year, for 2024. Full details of the proposed appropriation of earnings are available from SBAB's 2024 Annual Report, on page 67.

Deposit requirement from the Riksbank

The possibility of the Riksbank to decide on interest-free deposits from Swedish banks and other credit institutions with operations in Sweden was enacted on 1 January 2025, through an amendment to the Sveriges Riksbank Act. During April 2025, the Riksbank communicated to SBAB that the preliminary plan is that institutions will pay the deposit requirement in October 2025.

Auditors' review report

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

Outcomes for owner's financial targets

	2024	2023	2022	2021	2020
Dividend, %	40	40	40	40	0
Return on equity, %	10.4	11.5	10.5	11.1	10.8
CET1 capital ratio, above Swedish FSA requirement, %	2.6	2.2	2.6	4.3	5.4
Total capital ratio, above Swedish FSA requirement, %	3.1	2.6	3.0	4.2	5.4

Long-term climate goal for 2030

SBAB has adopted a long-term climate goal to reduce the company's total emissions intensity (kgCO2e per m2) for its lending portfolio 50% by 2030. The climate goal is a major and important step for SBAB in driving the green transition together with our customers. The goal is aligned with the Paris Agreement's goal of limiting the global temperature increase to 1.5 °C and is reported each year in our annual report (available here for 2024).

Read more in SBAB's Annual Report 2024

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Condensed financial statements

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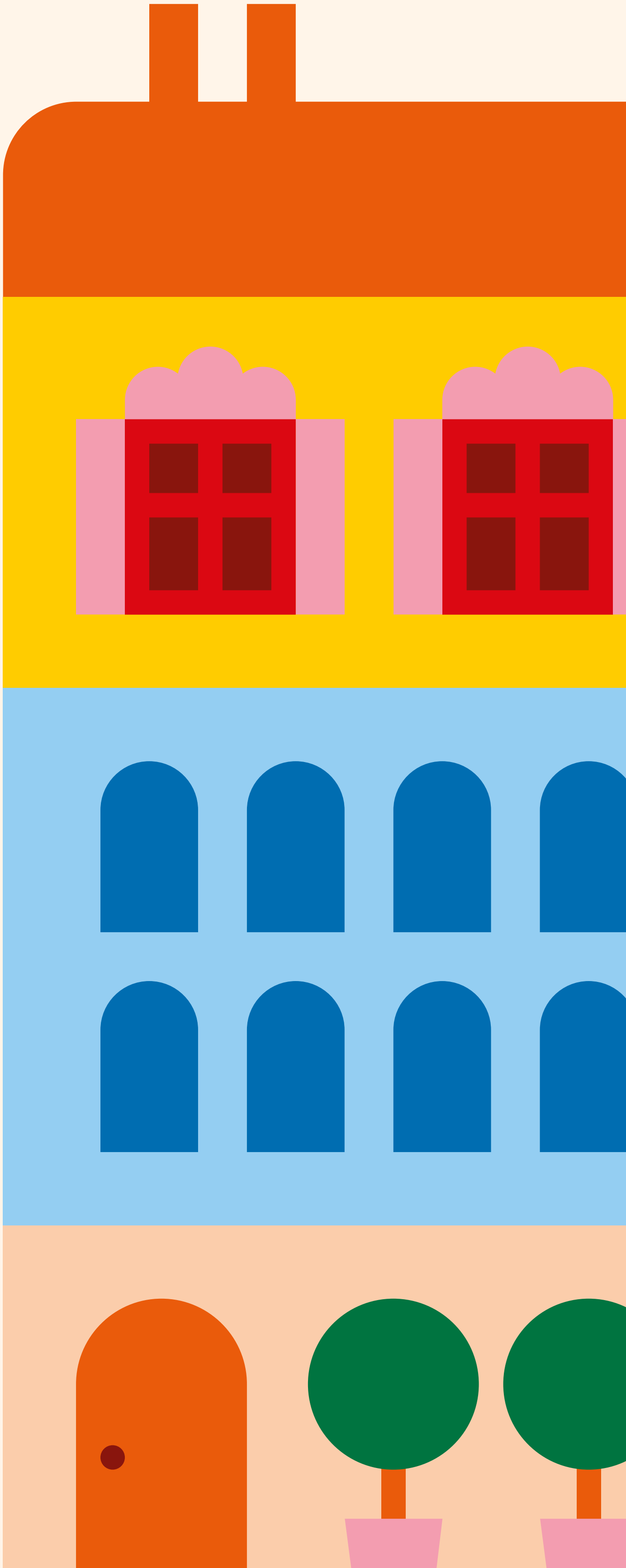
Parent Company



Condensed income statement

	GROUP					
	2025	2024	2024	2025	2024	2024
SEK million	**Q1**	**Q4**	**Q1**	**Jan–Mar**	**Jan–Mar**	**Jan–Dec**
Interest income[1]	5,495	6,297	7,462	5,495	7,462	28,153
Interest expense	–4,160	–4,958	–6,090	–4,160	–6,090	–22,865
Net interest income	**1,335**	**1,339**	**1,372**	**1,335**	**1,372**	**5,288**
Commission income	10	10	9	10	9	38
Commission expense	–26	–23	–26	–26	–26	–92
Net result of financial transactions (Note 3)	–3	73	40	–3	40	86
Other operating income	18	15	14	18	14	57
Total operating income	**1,334**	**1,414**	**1,409**	**1,334**	**1,409**	**5,377**
Personnel costs	–279	–274	–240	–279	–240	–1,025
Other expenses	–154	–176	–160	–154	–160	–671
Depreciation, amortisation and impairment of PPE and intangible assets	–39	–95	–39	–39	–39	–211
Total expenses before credit losses and imposed fees	**–472**	**–545**	**–439**	**–472**	**–439**	**–1,907**
Profit before credit losses and imposed fees	**862**	**869**	**970**	**862**	**970**	**3,470**
Net credit losses (Note 4)[2]	–6	5	–23	–6	–23	0
Imposed fees: Risk tax and resolution fee	–146	–143	–142	–146	–142	–570
Operating profit	**710**	**731**	**805**	**710**	**805**	**2,900**
Tax	–151	–156	–173	–151	–173	–618
Net profit for the year/period	**559**	**575**	**632**	**559**	**632**	**2,282**

[1] In Q1 2025 interest income on financial assets measured at amortised cost, calculated using the effective-interest method, amounted to SEK 4,576 million and for the corresponding period the previous year to SEK 5,962 milliion for the Group.

[2] Including impairment and reversals of impairment of financial assets.

Condensed statement of comprehensive income

	GROUP					
	2025	2024	2024	2025	2024	2024
SEK million	**Q1**	**Q4**	**Q1**	**Jan–Mar**	**Jan–Mar**	**Jan–Dec**
Net profit for the period	**559**	**575**	**632**	**559**	**632**	**2,282**
Other comprehensive income						
Components that will be reclassified to profit or loss						
Financial assets measured at FVTOCI	161	–173	117	161	117	92
Changes related to cash-flow hedges	173	129	–738	173	–738	943
Tax attributable to components that will be reclassified to profit or loss	–68	9	128	–68	128	–213
Components that will not be reclassified to profit or loss						
Revaluation effects of defined-benefit pension plans	–5	2	–4	–5	–4	–20
Tax attributable to components that will not be reclassified to profit or loss	1	–	1	1	1	4
Other comprehensive income/loss	**262**	**–34**	**–496**	**262**	**–496**	**806**
Total comprehensive income/loss for the period	**821**	**541**	**136**	**821**	**136**	**3,088**

The Group's financial position and development is reflected in the income statement and balance sheet. Moreover, the applied accounting policies give certain revaluation effects, that are recognised in other comprehensive income.

Other comprehensive income includes changes in cash-flow hedges that consist of unrealised value changes from derivatives used for hedging cash flows in the Group's funding in foreign currencies. Funding in cash flow hedges is measured at amortised cost, where value changes are not recognised while derivatives that hedge borrowing are marked to market. This means that changes in rates, primarily in euro, can lead to volatility during the term, even if the long-term result is zero. The line item is normally affected positively by a decline in interest rates and negatively by a rise in interest rates.

Financial assets measured at FVTOCI consist of unrealised value changes in debt securities (classified according to certain principles) in the liquidity reserve. The line item is primarily affected by changes in credit spreads in bond holdings.

The item revaluation effects of defined-benefit pension plans includes actuarial gains and losses where change in the discount rate is the assumptions that have the strongest impact on the item.

For further information, refer to SBAB's 2024 Annual Report, Note G 1. See also the Financial development section for comments on the outcome of the period.

Condensed balance sheet

SEK million	GROUP 31 Mar 2025	31 Dec 2024	31 Mar 2024
ASSETS			
Cash and balances at central banks	–	3,039	1,280
Chargeable treasury bills, etc.	22,997	–	32,450
Lending to credit institutions	8,493	8,173	13,142
Lending to the public (Note 5)	540,360	537,836	521,294
Value changes of interest-rate-risk hedged items in macro hedges	−422	−357	−1,597
Bonds and other interest-bearing securities	112,165	97,375	85,461
Derivatives (Note 6)	7,127	11,296	13,002
Shares and participation in associated companies and joint ventures	6	6	5
Deffered tax assets	626	697	1,032
Intangible assets	485	453	478
Property, plant and equipment	215	221	253
Other assets	1,405	210	1,525
Prepaid expenses and accrued income	1,075	937	1,021
TOTAL ASSETS	**694,532**	**659,886**	**669,346**
LIABILITIES AND EQUITY			
Liabilities			
Liabilities to credit institutions	2,507	7,249	8,518
Deposits from the public	255,003	255,873	230,686
Issued debt securities, etc.	386,444	351,926	379,574
Derivatives (Note 6)	11,739	10,848	16,029
Other liabilities	2,349	1,879	487
Accrued expenses and deferred income	6,111	4,012	6,050
Provisions	3	2	6
Subordinated debt	3,995	1,999	1,999
Total liabilities	**668,151**	**633,788**	**643,349**
Equity			
Share capital	1,958	1,958	1,958
Reserves/Fair value reserve	−2,669	−2,931	−4,233
Additional Tier 1 instruments	5,700	6,100	7,700
Retained earnings	20,833	18,689	19,940
Net profit for the period	559	2,282	632
Total equity	**26,381**	**26,098**	**25,997**
TOTAL LIABILITIES AND EQUITY	**694,532**	**659,886**	**669,346**

Condensed statement of changes in equity

	GROUP				
SEK million	**Share capital**	**Reserves/Fair value reserve**	**Additional Tier 1 instruments**	**Retained earnings and net profit for the year**[1]	**Total equity**
Opening balance, 1 January 2025	**1,958**	**–2,931**	**6,100**	**20,971**	**26,098**
Additional Tier 1 instruments	–	–	–400	–	–400
Additional Tier 1 instruments, dividend	–	–	–	–138	–138
Other comprehensive income	–	262	–	–	262
Net profit for the period	–	–	–	559	559
Comprehensive income for the period	**–**	**262**	**–**	**559**	**821**
Closing balance, 31 Mar 2025	**1,958**	**–2,669**	**5,700**	**21,392**	**26,381**
Opening balance, 1 January 2024	**1,958**	**–3,737**	**5,800**	**20,069**	**24,090**
Additional Tier 1 instruments	–	–	1,900	–	1,900
Additional Tier 1 instruments, dividend	–	–	–	–129	–129
Other comprehensive income	–	–496	–	–	–496
Net profit for the period	–	–	–	632	632
Comprehensive income for the period	**–**	**–496**	**–**	**632**	**136**
Closing balance, 31 Mar 2024	**1,958**	**–4,233**	**7,700**	**20,572**	**25,997**
Opening balance, 1 January 2024	**1,958**	**–3,737**	**5,800**	**20,069**	**24,090**
Additional Tier 1 instruments	–	–	300	–	300
Additional Tier 1 instruments, dividend	–	–	–	–417	–417
Dividend paid	–	–	–	–963	–963
Other comprehensive income	–	806	–	–	806
Net profit for the year	–	–	–	2,282	2,282
Comprehensive income for the year	**–**	**806**	**–**	**2,282**	**3,088**
Closing balance, 31 December 2024	**1,958**	**–2,931**	**6,100**	**20,971**	**26,098**

1) Retained earnings includes the Parent Company's statutory reserve, which is not distributable.

Condensed cash-flow statement

	GROUP		
	2025	2024	2024
SEK million	Jan–Mar	Jan–Dec	Jan–Mar
Opening cash and cash equivalents	**11,212**	**18,157**	**18,157**
OPERATING ACTIVITIES			
Interest and commissions paid/received	–5,379	5,946	3,981
Outflows to suppliers and employees	–579	–2,266	–542
Taxes paid/refunded	–272	–951	–230
Change in assets and liabilities of operating activities	–1,981	–8,814	–8,797
Cash flow from operating activities	**–4,249**	**–6,085**	**–5,588**
INVESTING ACTIVITIES			
Change in property, plant and equipment	1	–24	–4
Change in intangible assets	–54	–126	–32
Acquisition of subsidiaries, participation in associated companies and joint ventures	–	–1	–
Cash flow from investing activities	**–53**	**–151**	**–36**
FINANCING ACTIVITIES			
Dividend paid	–	–963	–
Change in Tier 1 capital instrument	–400	300	1,900
Change in subordinated loan	1,996	–	–
Repayment of lease liabilities	–13	–46	–11
Cash flow from financing activities	**1,583**	**–709**	**1,889**
Increase/decrease in cash and cash equivalents	**–2,719**	**–6,945**	**–3,735**
Closing cash and cash equivalents	**8,493**	**11,212**	**14,422**

Cash and cash equivalents are defined as cash and lending to credit institutions.

Change in liabilities attributable to financing activities

	GROUP									
			Non-cash items					Non-cash items		
SEK million	Opening balance 1 Jan 2024	Cash flow	Fair value	Other	Closing balance 31 Mar 2024	Opening balance 1 Jan 2024	Cash flow	Fair value	Other	Closing balance 31 Mar 2024
Subordinated debt	1,999	2,000	–	–4	3,995	1,998	–	–	–	1,998
Lease liabilities	6,100	–400	–	–	5,700	183	–11	–	14	186
Additional Tier 1 instruments	157	–13	–	12	156	5,800	1,900	–	–	7,700
Total	**8,256**	**1,587**	**–**	**8**	**9,851**	**7,981**	**1,889**	**–**	**14**	**9,884**

Note 1 Accounting policies

The SBAB Group applies the International Financial Reporting Standards (IFRS Accounting Stadards®) as adopted by the EU. In addition to these accounting standards, Finansinspektionen's (the Swedish FSA) regulations and general guidelines on annual accounts for credit institutions and securities companies (FFFS 2008:25), the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups were taken into consideration. The Group's interim report fulfils the requirements stipulated under IAS 34, Interim Financial Reporting.

Statutory IFRS Accounting Standards is applied for the Parent Company, which means that this interim report has been prepared in compliance with IFRS subject to the additions and exceptions that ensue from the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities, the Swedish FSA's regulations and general guidelines on annual accounts for credit institutions and securities companies (FFFS 2008:25) and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies.

New and amended accounting principles that come into effect in 2025 or later
IFRS 18 Presentation and Disclosure in Financial Statements will replace IAS1 Presentation of Financial Reports. The new standard will be effective for fiscal years beginning on or after Januari 1, 2027. Analysis is underway of the effect the new standard will have on the SBAB Group's financial report.

Other amended accounting policies that enter force in 2025 or later, such as the IASB's published amendments regarding classification and measurement of financial instruments in IFRS 9 and IFRS 7, are assessed as having no material impact on the SBAB Group's accounting and financial statements.

The condensed interims reports are prepared on a going concern basis. The condensed interim reports were approved by the board for publication on April 29, 2025.

Note 2 Changes in risks

Credit risk in lending operations
During the first quarter of 2025, no significant increase in credit risk was identified in SBAB's lending. The proportion of customers experiencing payment difficulties remains low and decreased during the quarter, mainly due to the current lower interest rates. Within the Private business area, the exposure in credit stage 3 is therefore lower and have thus resulted in decreased loss provisions. Overall the rating grade migrations within the Private business area have been positive. Within the Corporates & Associations business area there has been a few negative risk grade migrations which have led to a slight increase in loss provisions. Furthermore, exposure toward building credits have decreased as a result of final placements, which resulted in decreased loss provisions.

The forward-looking information was revised in March 2025 as a result of continuous monitoring of the global economic development. The forward-looking information indicates a neutral economic development which has led to increased PD effects, together with the previously increased default rates during the past year. The LGD effects in the scenarios came in a little lower which contributed to lower loss provisions, mainly in credit stage 3 due to less severe price drops for houses and properties. The updated forward-looking information have overall lowered total loss provisions.

Total loss provisions amounted to SEK 296 million per March 31, 2025, compared to SEK 296 million per December 31, 2024.

Total loss provisions as of December 31, 2024, amounted to SEK 296 million, compared with SEK 304 million as of September 30, 2024.

The Loan-to-Value (LTV) ratio for private individuals, real estate companies, and tenant-owners' associations amounted to 59%, 60%, and 32% respectively per 31 March 2025, compared to 59%, 60%, and 32% respectively per 31 December 2024. For more information on credit losses, loss allowances, and credit quality see Note 4.

Since SBAB's business model is exclusively based on financing housing, flood risk within sustainability is identified as one of the primary climate risks in the lending operations. Climate risk within the lending portfolio is measured by a key risk indicator (KRI) that is defined as a value that indicate a change in climate risk profile. The KRI covers the acute physical risks regarding floods and monitors the share of capital linked to houses in zones with an elevated risk of flooding. During the first quarter of 2025 the results from the KRI does not indicate any changes in risk.

Counterparty credit risk in treasury operations
SBAB models counterparty credit risk according to CRR II Standardised Approach (SA-CCR). Total usage of SBAB's limits to transactional counterparties increased to SEK 6,608 million as of March 31 compared to SEK 5,458 million as of december 31, 2024.

Liquidity risk
SBAB's liquidity positions remained strong during the first quarter of 2025. LCR by end of the first quarter of 2025 increased in comparison with LCR level for the fourth quarter of 2024. The survival horizon decreased in comparison with the fourth quarter of 2024. The over collateralization level (OC-level) decreased in comparison with the fourth quarter of 2024. The deposit-to-loan ratio decreased during the first quarter of 2025. NSFR has increased in comparison with the fourth quarter of 2024. See Note 10 and Balance sheet for more information.

Market risk
The main market risks for SBAB are interest rate risk and credit spread risk. Interest rate risk (delta EVE) measured according to FI's pillar 2 method is 644 million as of 31 March compared to 446 at 31 December 2024. The worst scenario was short rate up at year end, and is now parallell up. Credit spread risk, measured with stressed VaR, is 1,328 as of 31 March compared to 1,205 at 31 December 2024. Currency risk remains low, according to SBAB's giudelines.

Operational risk
The change of SBAB's core ICT-system, with end date in the second quarter of 2026, is ongoing and complex. Therefore, the project is still a source to exposure for operational risks.

Business risk
Financial markets and the real economy continue to be impacted by the current geopolitical situation, as well as by the falling interest rates. The impact on SBAB's financial position is however moderate. Business risk is estimated to be at a low level. No material changes in the competitive landscape were observed during the last quarter and SBAB has not entered any new, or exited any existing, markets or segments

Concentration risk
The lending to the ten largest customer groups accounted for 8 percent of total lending volume which is slightly higher compared to 31 December 2024. SBAB has a limited lending on commercial property which amounted to 2 percent of lending to the public as of 31 March 2025, which is unchanged compared to 31 December 2024. For more information on the geographical distribution of the lending portfolio, please refer to Note 5. SBAB also evaluates the capital requirement for concentration risk on a regular basis and quantifies the risk with economic capital risk for credit risk exposures. For more information, please see Note 12.

Note 3 Net result of financial transactions

	GROUP					
	2025	2024	2024	2025	2024	2024
SEK million	Q1	Q4	Q1	Jan–Mar	Jan–Mar	Jan–Dec
Gains/losses on interest-bearing financial instruments						
– Change in value of hedged items in hedge accounting	–69	375	833	–69	833	–1,599
– Derivatives in hedge accounting	74	–335	–838	74	–838	1,587
– Other derivatives	–38	–145	96	–38	96	–69
– Interest-bearing securities,Fair Value Option	–	–	2	–	2	2
– Interest-bearing securities at fair value through other comprehensive income	–10	3	–59	–10	–59	–70
– Interest-bearing securities at amortised cost	0	–4	–22	0	–22	–78
– Realised gain/loss from financial liabilities at amortised cost	37	170	22	37	22	284
– Loan receivables at amortised cost	5	6	4	5	4	22
Currency translation effects	–2	3	2	–2	2	7
Total	**–3**	**73**	**40**	**–3**	**40**	**86**

SBAB uses derivatives to manage interest-rate and currency risk in the Group's assets and liabilities. Derivatives are recognised at fair value in the balance sheet. SBAB's risk management and hedge accounting strategies entail that profit variations between periods may arise for individual items in the table above, as a result of changes in market interest rates, but that they are in general offset by profit variations in other items. Profit variations not neutralised through risk management and hedge accounting are commented on in the income statement overview.

Note 4 Net credit losses

	GROUP					
	2025	2024	2024	2025	2024	2024
SEK million	Q1	Q4	Q1	Jan–Mar	Jan–Mar	Jan–Dec
Lending to the public						
Confirmed credit losses	–7	–4	–2	–7	–2	–14
Recoveries of previously confirmed credit losses	1	1	1	1	1	4
Adjustment of interest, written down loans	0	0	0	0	0	4
Change in provision for the period – credit stage 1	–10	–5	19	–10	19	32
Change in provision for the period – credit stage 2	0	–4	–5	0	–5	15
Change in provision for the period – credit stage 3	11	16	–40	11	–40	–48
Guarantees[1]	0	0	0	0	0	0
Net credit losses for the period – lending to the public	**–5**	**4**	**–27**	**–5**	**–27**	**–7**
Loan commitments and building credits[2]						
Change in provision for the period – credit stage 1	–1	0	2	–1	2	3
Change in provision for the period – credit stage 2	0	1	1	0	1	3
Change in provision for the period – credit stage 3	0	0	1	0	1	1
Net credit losses for the period – loan commitments and building credits	**–1**	**1**	**4**	**–1**	**4**	**7**
Other financial instruments						
Change in provision for the period – credit stage 1	0	0	0	0	0	0
Net credit losses for the period – other financial instruments	**0**	**0**	**0**	**0**	**0**	**0**
Total	**–6**	**5**	**–23**	**–6**	**–23**	**0**

[1] The item includes guarantees for loan commitments.

[2] Credit provisions for loan commitments and building credits are included in the "Provisions" item in the balance sheet

Note 4 Net credit losses, Cont.

During the first quarter of 2025, total credit losses amounted to SEK 6 million (5 million). Loss provisions increased by SEK 11 million (increase by 5) for loans in credit stage 1, remained unchanged (increase by 4) for loans in credit stage 2 and decreased by SEK 11 million (decreased by 16) for loans in credit stage 3.

Positive rating grade migrations and lower exposure in credit stage 3 within the Private business area led to a decrease in loss provisions. Negative rating grade migrations within the Corporate & Associations business area led to increased loss provisions. However, lower exposure to building credits within the same business area led to decreased loss provisions. The updated forward-looking information indicates a neutral economic development which has led to increased PD effects, together with the previously increased default rates during the past year. In total, the effects mentioned above have resulted in unchanged total loss provisions. The management overlay of SEK 30 million, implemented per 2024-12-31 for credit stage 1 and 2 for the Private business area, remains unchanged.

Loss provisions for loan commitments and building credits increased by SEK 1 million (decrease by 1) for the first quarter of 2025, mainly due to increased exposure to loan commitments. Guarantee amounts that can be utilised to cover credit losses remained unchanged (unchanged) during the quarter.

Sensitivity analysis of forward-looking information

Lending to the public and loan commitments

	Scenario 1 (40%)			Scenario 2 (10%)			Scenario 3 (25%)			Scenario 4 (25%)		
Factors	**2025**	**2026**	**2027**	**2025**	**2026**	**2027**	**2025**	**2026**	**2027**	**2025**	**2026**	**2027**
GDP[1], Δ	+1.5%	+2.7%	+2.7%	+1.9%	+4.4%	+3.8%	–3.2%	+0.3%	+4.7%	–1.3%	–2.2%	+1.0%
Repo rate	2.2%	2.1%	2.2%	2.1%	2.1%	2.4%	2.4%	2.5%	2.5%	2.6%	3.2%	3.2%
Unemployment	8.4%	8.1%	7.7%	8.3%	7.4%	6.5%	8.9%	11.3%	10.2%	8.6%	9.7%	10.2%
House prices, Δ	+3.1%	+3.6%	+6.8%	+6.2%	+1.0%	+7.4%	–6.3%	–6.8%	+3.3%	–7.2%	–13.5%	–5.4%
Prices of tenant-owners' rights, Δ	+4.7%	+4.6%	+3.6%	+8.1%	+1.3%	+4.1%	–5.8%	–9.3%	–1.5%	–8.2%	–16.5%	–7.8%
Property prices, Δ	+0.1%	+2.4%	+5.2%	+3.1%	+1.3%	+3.9%	–6.1%	–4.7%	–5.2%	–7.9%	–7.3%	–10.9%
ECL	**SEK 166 million**			**SEK 159 million**			**SEK 336 million**			**SEK 519 million**		
Weighted ECL[2]	**SEK 296 million**											

1) Not included in the ECL calculation

2) Of which, SEK 293 million was attributable to lending to the public and SEK 3 million to off-balance-sheet items linked to loan commitments and building credits

Impairment model and credit loss provisions

SBAB has evaluated the macroeconomic development during the first quarter of 2025 and received updated macroeconomic forecasts from SBAB's Chief Economist to revise the forward-looking information applied in the impairment model for calculating expected credit losses (ECL model) and thereby credit loss allowances. The forward-looking information comprises four scenarios: A base scenario and three alternative scenarios, where the base scenario (scenario 1) is currently positive and describes a normal recovery from the current recession and represents the bank's expectations for Sweden's economy. The three alternative scenarios comprise one positive (scenario 2) and two negative (scenarios 3 and 4) relative to the base scenario. The most recent forward-looking information indicates stable interest rates going forward and price increases for housing and properties in the positive scenarios, while price decreases for housing and properties and rising unemployment dominate the negative scenarios. The revised forward-looking information contributed to increased loss provisions of SEK 14 million during the quarter. The table above depicts the forward-looking information, consisting of a weighting of the four scenarios with forecasts of the macroeconomic factors applied in the ECL model.

Lower exposure in credit stage 3 for the Private business area have decreased the loss provisions by SEK 6 million. Positive rating grade migrations within the same business area led to further decreased loss provisions by SEK 3 million. Negative rating grade migrations within the Corporates & Associations business area led to increased loss provisions of SEK 1 million. Lower exposure to building credits have resulted in decreased loss provisions by SEK 5 million.

As of March 31, 2025, the total loss provisions amount to SEK 296 million, compared to SEK 296 million as of December 31, 2024. The bank is comfortable with the scope of the loss allowances.

Note 4 Net credit losses, Cont.

Overall credit quality
The credit quality in SBAB's lending operations remains strong and the credit risk in lending to private individuals is low. The lending within the Private business area is based on a sound credit approval process that determines whether customers have the financial capacity required to meet their obligations.
The Swedish Financial Supervisory Authority's annual mortgage survey, with data from 2024, shows that the financial conditions for new customers have improved slightly over the past year. The improvement can, among other things, be explained by the fact interest rates have been lowered following reduced inflation. The average Loan-to-Value ratio (3) (LTV) in the mortgage portfolio at the end of the quarter was 59% (59), and the average mortgage at the same time was SEK 1.9 million (1.9). The LTV in new lending during the quarter was 68% (68), and the Debt-to-Income ratio was 3.4 (3.4). During the first quarter of 2025, fewer individually assessed loss provisions within the Private business area contributed to a decrease of SEK 2 million.

The credit quality in SBAB's lending to real estate companies, property developers, and tenant-owners' associations also remains strong. For real estate companies and tenant-owners' associations, the average LTV at the end of the quarter was 60% (60) and 32% (32), respectively. In the Corporates & Associations business area, the granting of loans is based on an assessment of the customers' ability to generate stable cash flows over time and whether adequate collateral can be provided. No individually assessed loss provisions within the business area have been deemed necessary during the first quarter of 2025.

3) The loan-to-value (LTV) ratio is defined as the size of a loan in relation to the market value of pledged collateral. The reported average is the exposure weighted average. Where applicable, the calculation takes into consideration contributory factors such as guarantees and the collateral's lien priority. SBAB verifies the market values on a regular basis. For residential properties and tenant-owners' rights, the market value is verified at least every third year.

Note 5 Lending to the public

	GROUP		
SEK million	**31 Mar 2025**	**31 Dec 2024**	**31 Mar 2024**
Opening balance, per year	**537,836**	**517,400**	**517,400**
New lending for the period	20,495	86,000	18,348
Amortisation, repayments	–17,965	–65,549	–14,426
Confirmed credit losses	–7	–14	–2
Change in provision for expected credit losses[1]	1	–1	–26
Closing balance, per year/period	**540,360**	**537,836**	**521,294**

[1] For further information, please refer to Note 4 ("Change in provision for the period – credit stages 1, 2 and 3").

Distribution of lending, including provisions

	GROUP		
SEK million	**31 Mar 2025**	**31 Dec 2024**	**31 Mar 2024**
Lending, Residential mortgages	369,163	365,986	347,493
Lending, Corporate Clients & Tenant-Owners' Associations	169,563	170,195	172,070
Lending, Consumer loans	1,634	1,655	1,731
Total	**540,360**	**537,836**	**521,294**

Geographical composition

	GROUP			
	Lending, Residential mortgages %		**Lending, Corporate Clients & Tenant-Owners' Associations %**	
	2025	**2024**	**2025**	**2024**
	Q1	**Q4**	**Q1**	**Q4**
Stockholm area	62.3	62.5	49.0	48.8
Öresund region	9.4	9.3	18.9	18.9
University cities and growth regions	10.4	10.3	15.2	15.3
Gothenburg area	10.9	10.9	8.7	8.9
Other regions	7.1	7.0	8.2	8.2

Note 5 Lending to the public, Cont.

Lending to the public by credit stage

SEK million	GROUP 31 Mar 2025	31 Dec 2024	31 Mar 2024
Credit stage 1			
Gross lending	507,418	501,116	469,724
Provision	–44	–35	–47
Total	**507,374**	**501,081**	**469,677**
Credit stage 2			
Gross lending	32,396	36,157	51,075
Provision	–67	–66	–86
Total	**32,329**	**36,091**	**50,989**
Credit stage 3			
Gross lending	839	857	813
Provision	–182	–193	–185
Total	**657**	**664**	**628**
Total gross lending	**540,653**	**538,130**	**521,612**
Total provisions	**–293**	**–294**	**–318**
Total	**540,360**	**537,836**	**521,294**

Lending to the public and provisions

SEK million	GROUP							
Capital	Credit stage 1 Capital	Provision	Credit stage 2 Capital	Provision	Credit stage 3 Capital	Provision	Capital	Provision
Opening balance, 1 January 2025	**501,116**	**–35**	**36,157**	**–66**	**857**	**–193**	**538,130**	**–294**
Moved to credit stage 1	5,774	–6	–5,770	6	–4	0	0	0
Moved to credit stage 2	–4,548	1	4,655	–11	–107	10	0	0
Moved to credit stage 3	–25	0	–143	1	168	–1	0	0
Volume change*	1,998	–1	-2,304	6	–67	16	–373	21
Revaluation**	3,103	–3	–199	–3	–2	–20	2,902	–26
Confirmed credit losses	–	–	–	–	–6	6	–6	6
Closing balance, 31 March 2025	**507,418**	**–44**	**32,396**	**–67**	**839**	**–182**	**540,653**	**–293**

*Refers to new lending, amortizations, redemptions and loan transfers between SBAB and SCBC.
**Refers to revaluation of ECL as well as changes in transaction and modification costs.
For further information on changes in provision for the period – credit stages 1, 2 and 3, please refer to Note 4.

SEK million	GROUP							
Capital	Credit stage 1 Capital	Provision	Credit stage 2 Capital	Provision	Credit stage 3 Capital	Provision	Capital	Provision
Opening balance, 1 January 2024	**466,456**	**–66**	**50,501**	**–81**	**735**	**–145**	**517,692**	**–292**
Moved to credit stage 1	24,693	–44	–24,654	37	–39	7	0	0
Moved to credit stage 2	–19,774	7	19,888	–18	–114	11	0	0
Moved to credit stage 3	–201	0	–353	2	554	–3	0	0
Volume change*	28,019	9	–8,617	13	–255	38	19,147	60
Revaluation**	1,924	59	–608	–19	–11	–111	1,305	–72
Confirmed credit losses	–1	–	–	–	–13	10	–14	10
Closing balance, 31 December2024	**501,116**	**–35**	**36,157**	**–66**	**857**	**–193**	**538,130**	**–294**

*Refers to new lending, amortizations, redemptions and loan transfers between SBAB and SCBC.
**Refers to revaluation of ECL as well as changes in transaction and modification costs.
For further information on changes in provision for the period – credit stages 1, 2 and 3, please refer to Note 4.

Note 6 Derivatives

	GROUP					
	31 Mar 2025			31 Mar 2024		
SEK million	Assets measured at fair value	Liabilities measured at fair value	Total nominal value	Assets measured at fair value	Liabilities measured at fair value	Total nominal value
Interest-rate-related	4,357	10,073	542,119	5,124	15,990	515,909
Currency-related	2,770	1,666	93,050	7,878	39	86,532
Total	**7,127**	**11,739**	**635,169**	**13,002**	**16,029**	**602,441**

Cross-currency interest-rate swaps are classified as currency-related derivatives.

Note 7 Operating segments

	GROUP					
	Jan–Mar 2025					
	Follow-up of operations			Reconciliation against the statutory income statement		
SEK million	Retail	Corporate Clients & Tenant-Owners' Associations	Total	Administrative consultants	IFRS 16 Leasing [1]	Statutory profit
Net interest income	852	483	1,335	–	–	1,335
Commission income	10	0	10	–	–	10
Commission expense	–21	–5	–26	–	–	–26
Net result of financial transactions	–3	0	–3	–	–	–3
Other operating income	18	0	18	–	–	18
Total operating income	**856**	**478**	**1,334**	**–**	**–**	**1,334**
Salaries and remuneration	–125	–53	–178	–	–	–178
Other personnel costs	–71	–32	–103	2	–	–101
Other expenses	–121	–42	–163	–2	11	–154
Depreciation, amortisation and impairment of PPE and intangible assets	–19	–9	–28	–	–11	–39
Net credit losses	–3	–3	–6	–	–	–6
Imposed fees: Risk tax and resolution fee	–99	–47	–146	–	–	–146
Operating profit [2]	**418**	**292**	**710**	**0**	**0**	**710**
Tax	–89	–62	–151	–	–	–151
Profit after standardised tax	**329**	**230**	**559**	**0**	**0**	**559**
Return on equity, %	8.2	14.9	10.1	–	–	10.1

[1] Depreciation charge for right-of-use assets of office premises.

[2] Segment performance.

Note 7 Operating segments, Cont.

	GROUP					
	Jan–Mar 2024					
	Follow-up of operations			Reconciliation against the statutory income statement		
SEK million	**Retail**	**Corporate Clients & Tenant-Owners' Associations**	**Total**	**Administrative consultants**	**IFRS 16 Leasing**	**Statutory profit**
Net interest income	819	553	1,372	–	–	1,372
Commission income	9	0	9	–	–	9
Commission expense	–18	–8	–26	–	–	–26
Net result of financial transactions	24	16	40	–	–	40
Other operating income	14	0	14	–	–	14
Total operating income	**848**	**561**	**1,409**	**–**	**–**	**1,409**
Salaries and remuneration	–109	–42	–151	–	–	–151
Other personnel costs	–69	–28	–97	8	–	–89
Other expenses	–125	–38	–163	–8	11	–160
Depreciation, amortisation and impairment of PPE and intangible assets	–18	–10	–28	–	–11	–39
Net credit loss	–21	–2	–23	–	–	–23
Imposed fees: Risk tax and resolution fee	–96	–46	–142	–	–	–142
Operating profit	**410**	**395**	**805**	**0**	**0**	**805**
Tax	–87	–86	–173	–	–	–173
Profit after standardised tax	**323**	**309**	**632**	**0**	**0**	**632**
Return on equity, %	9.9	14.8	11.9	–	–	11.9

Business volumes

	GROUP							
	Jan–Mar 2025				Jan–Dec 2024			
SEK million	**Retail**	**Corporate Clients & Tenant-Owners' Associations**	**Total**	**Reconciliation against legal balance sheet[1)]**	**Retail**	**Corporate Clients & Tenant-Owners' Associations**	**Total**	**Reconciliation against legal balance sheet[1)]**
Lending to public								
Residential mortgages	368,536	–	368,536		365,427	–	365,427	
Service loans	849	–	849		788	–	788	
Consumer loans	1,652	–	1,652		1,670	–	1,670	
Real estate loans	–	165,390	165,390		–	164,001	164,001	
Buildning credits	–	4,265	4,265		–	6,282	6,282	
Total	**371,037**	**169,655**	**540,692**	**540,360**	**367,885**	**170,283**	**538,168**	**537,836**
Deposits from the public								
Savings accounts	135,370	27,635	163,005		137,467	29,917	167,384	
Fixed interest accounts	65,431	–	65,431		64,531		64,531	
Investment accounts	–	26,417	26,417		–	23,958	23,958	
Special deposits	–	150	150		–	–	–	
Total	**200,801**	**54,202**	**255,003**	**255,003**	**201,998**	**53,875**	**255,873**	**255,873**

1) Tabel displays gross capital only. No consideration taken for credit reservations and transactions costs. Total lending to the public amounts to per 2025-03-31 till 540,360 million.

All expenses and revenues are fully allocated to the segments Retail and Corporate Clients & Tenant-Owners' Associations. In relation to the statutory income statement, an expense of SEK –2 million (–8) was transferred between the rows "Other expenses" and "Other personnel costs." The cost refers to administrative consultants, which pertain to "Other personnel costs" in the internal monitoring. IFRS 16 is not taken into account in the follow-up of operations. All expenses identified in IFRS 16, with the exception of the interest component, are to be considered as costs for premises. The effect of IFRS 16 on the Group is recognised in the reconciliation against the statutory income statement. For more information on IFRS 16, please refer to Note G 1 in SBAB`s 2024 Annual Report.

Note 8 Classification of financial instruments

Financial assets

SEK million	GROUP 31 Mar 2025 Financial assets measured at FVTPL: Fair value option	Derivatives in hedge accounting	Other (Obligatory) classification	Financial assets measured at FVTOCI	Financial assets measured at amortised cost	Total	Total fair value
Cash and balances at central banks	–	–	–	–	–	–	–
Chargeable treasury bills, etc.	–	–	–	22,997	–	22,997	22,997
Lending to credit institutions	–	–	–	–	8,493	8,493	8,493
Lending to the public	–	–	–	–	540,360	540,360	538,750
Value changes of interest-rate-risk hedged items in macro hedges	–	–	–	–	–422	–422	–
Bonds and other interest-bearing securities	–	–	–	107,665	4,500	112,165	111,415
Derivatives	–	6,801	327	–	–	7,127	7,127
Other assets	–	–	–	–	1,363	1,363	1,363
Prepaid expenses and accrued income	–	–	–	632	353	985	985
Total financial assets	**–**	**6,801**	**327**	**131,294**	**554,647**	**693,068**	**691,130**

Financial liabilities

SEK million	GROUP 31 Mar 2025 Financial liabilities measured at FVTPL: Derivatives in hedge accounting	Held for trading	Financial liabilities measured at amortised cost	Total	Total fair value
Liabilities to credit institutions	–	–	2,507	2,507	2,507
Deposits from the public	–	–	255,003	255,003	255,003
Issued debt securities, etc.	–	–	386,444	386,444	347,901
Derivatives	11,016	723	–	11,739	11,739
Other liabilities	–	–	2,266	2,266	2,266
Accrued expenses and deferred income	–	–	5,988	5,988	5,988
Subordinated debt	–	–	3,995	3,995	4,141
Total financial liabilities	**11,016**	**723**	**656,203**	**667,942**	**629,545**

Note 8 Classification of financial instruments, Cont.

Financial assets

	GROUP						
	31 Dec 2024						
	Financial assets measured at FVTPL						
SEK million	Fair value option	Derivatives in hedge accounting	Other (Obligatory) classification	Financial assets measured at FVTOCI	Financial assets measured at amortised cost	Total	Total fair value
Cash and balances at central banks	–	–	–	–	3,039	3,039	3,039
Chargeable treasury bills, etc.	–	–	–	–	–	–	–
Lending to credit institutions	–	–	–	–	8,173	8,173	8,173
Lending to the public	–	–	–	–	537,836	537,836	536,362
Value changes of interest-rate-risk hedged items in macro hedges	–	–	–	–	–357	–357	–
Bonds and other interest-bearing securities	–	–	–	92,073	5,302	97,375	97,363
Derivatives	–	10,798	498	–	–	11,296	11,296
Other assets	–	–	–	–	208	208	208
Prepaid expenses and accrued income	–	–	–	526	331	857	857
Total financial assets	**–**	**10,798**	**498**	**92,599**	**554,532**	**658,427**	**657,299**

Financial liabilities

	GROUP				
	31 Dec 2024				
	Financial liabilities measured at FVTPL				
SEK million	Derivatives in hedge accounting	Held for trading	Financial liabilities measured at amortised cost	Total	Total fair value
Liabilities to credit institutions	–	–	7,249	7,249	7,249
Deposits from the public	–	–	255,873	255,873	255,873
Issued debt securities, etc.	–	–	351,926	351,926	347,901
Derivatives	10,435	413	–	10,848	10,848
Other liabilities	–	–	350	350	350
Accrued expenses and deferred income	–	–	3,950	3,950	3,950
Subordinated debt	–	–	1,999	1,999	1,994
Total financial liabilities	**10,435**	**413**	**621,347**	**632,194**	**628,165**

Fair value measurement of financial instruments
The measurement policies for financial instruments recognised at fair value in the balance sheet are provided in Note G 1 (Accounting Policies) in SBAB's 2024 Annual Report. In the "total fair value" column above, information is also provided on the fair value of financial instruments that are recognised at amortised cost in the balance sheet.

The carrying amounts for current receivables and liabilities have been assessed as equal to their fair values. Investments at amortised cost were measured at quoted prices, Level 1.

For Lending to the public, Issued debt securities and Subordinated debt, fair value is established based on generally accepted valuation techniques. As far as possible, calculations made in conjunction with measurement are based on observable market data. Mainly, the models used are based on discounted cash flows.

Issued debt securities and subordinated debt are measured at the Group's current borrowing rate, Level 2. For lending to the public, where no observable credit margin data is available at the time of measurement, the credit margin on the most recent stipulated date of expiry is applied to set the discount rate, Level 3.

Note 9 Fair value disclosures

	GROUP							
	31 Mar 2025				31 Dec 2024			
SEK million	Quoted market prices (Level 1)	Other observable market data (Level 2)	Unobser-vable market data (Level 3)	Total	Quoted market prices (Level 1)	Other observable market data (Level 2)	Unobser-vable market data (Level 3)	Total
Assets								
Chargeable treasury bills, etc.	–	22,997	–	22,997	–	–	–	–
Bonds and other interest-bearing securities	107,665	–	–	107,665	92,073	–	–	92,073
Derivatives	–	7,127	–	7,127	–	11,296	–	11,296
Prepaid expenses and accrued income	639	–	–	639	526	–	–	526
Total	**108,304**	**30,124**	–	**138,429**	**92,599**	**11,296**	–	**103,895**
Liabilities								
Derivatives	–	11,739	–	11,739	–	10,848	–	10,848
Total	–	**11,739**	–	**11,739**	–	**10,848**	–	**10,848**

The measurement policies for financial instruments recognised at fair value in the balance sheet are provided in Note G 1 (Accounting Policies) in SBAB's 2024 Annual Report. In the table, financial assets and liabilities recognised at fair value in the balance sheet are divided on the basis of the measurement levels used below. No transfers were made between levels in 2024 or 2025.

Quoted market prices (Level 1)
Measurement at quoted prices in an active market for identical assets and liabilities. A market is deemed to be active if the price data is easily accessible and corresponds to actual regularly occurring transactions. The measurement method is used for holdings of quoted interest-bearing securities and for publicly quoted derivatives, primarily interest-rate futures.

Measurement based on observable market data (Level 2)
Measurement aided by external market information other than quoted prices included in Level 1, such as quoted interest rates or prices for closely related instruments. The main tools used are models based on discounted cash flows. This group includes all non-quoted derivatives and certificates.

Measurement based in part on unobservable data (Level 3)
Measurement whereby a material component of the model is based on estimates or assumptions that do not originate directly from the market. This method is currently not used on any asset or liability.

Note 10 Liquidity reserve and liquidity risk

The assets in SBAB's liquidity reserve comprises liquid, interest-bearing securities with high ratings and form an integrated part of the Group's liquidity risk management. Securities holdings are limited by asset class and by country, respectively, and must have at least an AA-rating (as stated by Moody's Investors Service's ratings system) on acquisition. In addition to these collective limits, limits for individual issuers may also be set. The following table is reported according to the Swedish Bankers' Association's template for liquidity reserve disclosures and is based on the European Commission's Delegated Regulation EU (2015/61) with regard to liquidity coverage requirements.

Calculation of survival horizon

SBAB measures and stress tests liquidity risk by calculating the survival horizon, which is an internal metric used to identify how long SBAB will be able to meet its payment obligations without access to capital market funding, and includes outflows from deposits under a stressed scenario. The survival horizon has been limited to a minimum of 180 days at the consolidated level at any given time.

The survival horizon is calculated by totalling the maximum need of liquidity for each coming day and comparing this to the size of the liquidity portfolio after applicable haircuts. The calculations are based on a crisis scenario in which all loans are assumed to be extended on maturity, meaning that no liquidity is added through loan redemption, and where no funding is available and deposits decline. Accordingly, the maximum need for liquidity can be identified for every given future period, and the necessary liquidity reserve can be established. SBAB's survival horizon amounted to 442 days at 31 March 2025 (532 days at 31 December 2024).

Regulatory measures

The liquidity coverage ratio (LCR) is defined in accordance with the European Commission Delegated Regulation with regard to liquidity coverage requirements and calculates the degree to which a bank's liquid assets cover its net cash flows for the coming 30 days in a stressed scenario. Net cash flows comprise contractual inflows and outflows, and theoretical flows based on historical data, for example, withdrawals of the bank's deposits. At 31 March 2025, the LCR was 309% (196% as of 31 December 2024) in all currencies at the consolidated level. The significant currencies for the bank are SEK and EUR, where LCR was 265% (153%) in SEK and 6,107% (720%) in EUR.

The net stable funding ratio (NSFR), amounted to 132,3% (126.3%) according to of Regulation (EU)2019/876 of the European Parliament and the Council.

		CONSOLIDATED SITUATION									
		31 Mar 2025					31 Dec 2024				
			Distribution by currency					Distribution by currency			
SEK billion		Total	SEK	EUR	USD	Other	Total	SEK	EUR	USD	Other
	Level 1 assets	**124.2**	**104.1**	**19.7**	**0.4**	–	**92.0**	**73.8**	**17.8**	**0.4**	–
	Cash and balances with central banks[1]	10.2	10.2	–	–	–	10.3	10.3	–	–	–
Level 1	Securities issued or guaranteed by sovereigns, central banks, MDBs and international organisations	38.5	33.2	5.3	–	–	14.0	9.2	4.8	–	–
	Securities issued by municipalites and public sector entities	18.5	13.6	4.5	0.4	–	20.3	17.3	2.6	0.4	–
	Extremely high quality covered bonds	57.0	47.1	9.9	–		47.4	37.0	10.4	–	–
	Other assets	–	–	–	–	–	–	–	–	–	–
	Level 2 assets	**6.1**	**6.1**	–	–	–	**5.8**	**5.8**	–	–	–
	Level 2A assets	**6.1**	**6.1**	–	–	–	**5.8**	**5.8**	–	–	–
	Securities issued or guaranteed by sovereigns, central banks, municipalities and public sector entities	–	–	–	–	–	–	–	–	–	–
	High quality covered bonds	6.1	6.1	–	–	–	5.8	5.8	–	–	–
Level 2	Corporate debt securities (lowest rating AA-)	–	–	–	–	–	–	–	–	–	–
	Other assets	–	–	–	–	–	–	–	–	–	–
	Level 2B assets	–	–	–	–	–	–	–	–	–	–
	Asset-backed securities	–	–	–	–	–	–	–	–	–	–
	High quality covered bonds	–	–	–	–	–	–	–	–	–	–
	Corporate debt securities (rated A+ to BBB-)	–	–	–	–	–	–	–	–	–	–
	Shares (major stock index)	–	–	–	–	–	–	–	–	–	–
	Other assets	–	–	–	–	–	–	–	–	–	–
	Liquidity reserve	**130.1**	**110.2**	**19.7**	**0.4**	–	**97.8**	**79.6**	**17.8**	**0.4**	–

1) Includes central bank facilities.

Note 11 Capital adequacy, own funds and capital requirements

Amendments to the Banking Package
The capital adequacy is based on the consolidated version of the Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD) which have been adapted to the Banking Package adopted on 7 June 2019. Information in this note refers to the minimum capital requirements according to Pillar 1 and corresponds to the disclosure requirements in the CRR, part eight and the Swedish FSA regulation FFFS 2014:12.

In June 2024 changes in CRR and CRD were adopted and published in the Official Journal. The regulations contain amendments that improve the comparability of risk-based capital measures between banks within the EU. This reduces the scope for unjustified differences. The regulation includes changes to the standardised approach and the internal rating-based (IRB) approach used to calculate capital requirements for credit risk. For the calculation of capital requirement according to IRB a floor is introduced, where risk-weighted exposure amounts (REA) must not be less than 72.5% of what the standardised approach measures, with a transitional period during 2025 - 2030. The regulations are mainly to be applied from 1 January 2025, but for several years transitional rules will apply.

Buffer requirements
The countercyclical buffer rate for Swedish exposures amounts to 2% as of 31 March 2025. The Swedish FSA has announced in the first quarter 2025 that the countercyclical buffer rate is left unchanged. The countercyclical buffer rates for Denmark and Norway are unchanged at 2.5% as of 31 March 2025.

Capital adequacy

	CONSOLIDATED SITUATION				
SEK million	**31 Mar 2025**	**31 Dec 2024**	**30 Sep 2024**	**30 Jun 2024**	**31 Mar 2024**
Available own funds (amounts)					
Common Equity Tier 1 (CET1) capital	21,849	21,417	21,193	20,954	20,638
Tier 1 capital	27,549	27,517	27,293	28,654	28,338
Total capital	29,557	29,534	29,312	30,657	30,342
Risk-weighted exposure amounts					
Total risk exposure amount	151,267	168,889	171,486	172,860	169,898
Total risk exposure pre-floor	151,267	–	–	–	–
Capital ratios (as a percentage of risk-weighted exposure amount)					
Common Equity Tier 1 ratio (%)	14.4	12.7	12.4	12.1	12.1
Common Equity Tier 1 ratio considering unfloored TREA (%)	14.4	–	–	–	–
Fully-loaded output floor CET 1 capital ratio (%)	14.4	–	–	–	–
Tier 1 ratio (%)	18.2	16.3	15.9	16.6	16.7
Tier 1 ratio considering unfloored TREA (%)	18.2	–	–	–	–
Fully-loaded output floor T1 capital ratio (%)	18.2	–	–	–	–
Total capital ratio (%)	19.5	17.5	17.1	17.7	17.9
Total capital ratio considering unfloored TREA (%)	19.5	–	–	–	–
Fully-loaded output floor Total capital ratio (%)	19.5	–	–	–	–
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.9	1.9	1.9	1.9	1.9
of which: to be made up of CET1 capital (percentage points)	1.1	1.1	1.1	1.1	1.1
of which: to be made up of Tier 1 capital (percentage points)	1.4	1.4	1.4	1.4	1.4
Total SREP own funds requirements (%)	9.9	9.9	9.9	9.9	9.9

Note 11 Capital adequacy, own funds and capital requirements, Cont.

SEK million	CONSOLIDATED SITUATION 31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	–	–	–	–	–
Institution specific countercyclical capital buffer (%)	2.0	2.0	2.0	2.0	2.0
Systemic risk buffer (%)	–	–	–	–	–
Global Systemically Important Institution buffer (%)	–	–	–	–	–
Other Systemically Important Institution buffer (%)	–	–	–	–	–
Combined buffer requirement (%)	4.5	4.5	4.5	4.5	4.5
Overall capital requirements (%)	14.4	14.4	14.4	14.4	14.4
CET1 available after meeting the total SREP own funds requirements (%)	8.9	7.1	6.8	6.6	6.6
Leverage ratio					
Total exposure measure	698,779	656,664	661,432	653,330	661,207
Leverage ratio (%)	3.9	4.2	4.1	4.4	4.3
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
Additional own funds requirements to address the risk of excessive leverage (%)	–	–	–	–	–
of which: to be made up of CET1 capital (percentage points)	–	–	–	–	–
Total SREP leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
Leverage ratio buffer requirement (%)	–	–	–	–	–
Overall leverage ratio requirement (%)	3.0	3.0	3.0	3.0	3.0
Liquidity Coverage Ratio					
Total high-quality liquid assets (HQLA) (Weighted value -average)	106,159	104,433	104,421	101,830	100,021
Cash outflows - Total weighted value	55,063	57,895	56,787	56,246	59,392
Cash inflows - Total weighted value	13,717	16,700	16,551	16,957	19,495
Total net cash outflows (adjusted value)	41,346	41,195	40,236	39,289	39,897
Liquidity coverage ratio (%)	256.8	253.5	259.5	259.2	250.7
Net Stable Funding Ratio					
Total available stable funding	579,796	530,349	558,876	551,168	573,250
Total required stable funding	438,094	419,976	418,267	414,806	419,475
NSFR ratio (%)	132,3	126.3	133.6	132.9	136.7

Note 11 Capital adequacy, own funds and capital requirements, Cont.

Disclosures in accordance with Article 4 of Commission Implementing Regulation (EU) No 637/2021, Annex VII.

Own funds

	GROUP		
SEK million	**31 Mar 2025**	**31 Dec 2024**	**31 Mar 2024**
Common Equity Tier 1 (CET1) capital : Instruments and reserves			
Capital instruments and the related share premium accounts	1,958	1,958	1,958
Retained earnings	19,897	18,651	18,947
Accumulated other comprehensive income (and other reserves)	–2,669	–2,930	–4,233
Independently reviewed interim profits net of any foreseeable charge or dividend[1]	337	1,383	386
Common Equity Tier 1 (CET1) capital before regulatory adjustments	**19,524**	**19,062**	**17,059**
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
Additional value adjustments (negative amount)	–150	–115	–139
Intangible assets (net of related tax liability) (negative amount)	–209	–178	–208
Fair value reserves related to gains or losses on cash-flow hedges of financial instruments that are not valued at fair value	2,872	3,009	4,343
Negative amounts resulting from the calculation of expected loss amounts	–167	–343	–394
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	–	–	–
Other regulatory adjustsments[2]	–20	–18	–22
Total regulatory adjustments to Common Equity Tier 1 (CET1)	**2,325**	**2,355**	**3,580**
Common Equity Tier 1 (CET1) capital	**21,849**	**21,417**	**20,638**
Additional Tier 1 (AT1) capital: Instrument			
Capital instruments and the related share premium accounts	5,700	6,100	7,700
– of which, classified as equity under applicable accounting standards	*5,700*	*6,100*	*7,700*
– of which, classified as liabilities under applicable accounting standards	–	–	–
Amount of qualifying items referred to in Article 484(4) CRR and the related share premium accounts subject to phase out from AT1	–	–	–
Additional Tier 1 (AT1) capital before regulatory adjustments	**5,700**	**6,100**	**7,700**
Additional Tier 1 (AT1) capital: regulatory adjustments			
Total regulatory adjustments to Additional Tier 1 (AT1) capital	**–**	**–**	**–**
Additional Tier 1 capital (AT1) capital	**5,700**	**6,100**	**7,100**
Tier 1 capital (T1=CET1+AT1)	**27,549**	**27,517**	**28,338**
Tier 2 (T2) capital : instruments			
Capital instruments and the related share premium accounts	1,998	2,012	1,995
Credit risk adjustments	10	5	9
Tier 2 (T2) capital before regulatory adjustments	**2,008**	**2,017**	**2,004**
Tier 2 capital: regulatory adjustments			
Total regulatory adjustments to Tier 2 (T2) capital	**–**	**–**	**–**
Tier 2 (T2) capital	**2,008**	**2,017**	**2,004**
Total capital (TC=T1+T2)	**29,557**	**29,534**	**30,342**
Total risk-exposure amount	**151,267**	**168,889**	**169,898**

Note 11 Capital adequacy, own funds and capital requirements, Cont.

SEK million	GROUP 31 Mar 2025	31 Dec 2024	31 Mar 2024
Capital ratios and requirements including buffers %			
Common Equity Tier 1 capital	14.4	12.7	12.1
Tier 1 capital	18.2	16.3	16.7
Total capital	19.5	17.5	17.9
Institution-CET1 overall capital requirements	10.1	10.1	10.1
– of which, capital conservation buffer requirement	*2.5*	*2.5*	*2.5*
– of which, countercyclical buffer requirement	*2.0*	*2.0*	*2.0*
– of which, systemic risk buffer requirement	–	–	–
– of which, G-SII buffer and O-SII buffer	–	–	–
– of which, additional own funds requirements to address the risk other than the risk of excessive leverage	*1.1*	*1.1*	*1.1*
Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	8.9	7.1	6.6

1) Net profits for the period were reduced by the expected dividend of SEK 224 million. The results have been verified by Deloitte AB pursuant to Article 26, Point 2a of the Capital Requirements Regulation.
2) A small deduction from CET1 capital has been made due to the NPL backstop, pursuant to Article 36, Point 1m of the Capital Requirements Regulation.

Note 11 Capital adequacy, own funds and capital requirements, Cont.

Risk exposure amounts and capital requirements

	CONSOLIDATED SITUATION					
	31 Mar 2025		31 Dec 2024		31 Mar 2024	
SEK million	Risk exposure amount	Capital require-ment	Risk exposure amount	Capital require-ment	Risk exposure amount	Capital require-ment
Credit risk recognised in accordance with IRB approach						
Exposures to corporates	32,888	2,631	56,774	4,542	62,147	4,972
Retail exposures	10,017	801	17,763	1,421	22,492	1,799
– of which, exposures to SMEs	–	–	–	–	–	–
– of which, retail exposures secured by immovable property	*10,017*	801	*17,763*	1,421	*22,492*	*1,799*
Total exposures recognised with the IRB approach	**42,905**	**3,432**	**74,537**	**5,963**	**84,639**	**6,771**
Credit risk recognised with the standardised approach						
Exposures to governments and central banks	0	0	0	0	0	0
Exposures to regional governments or local authorities or agencies	0	0	0	0	0	0
Exposures to multilateral development banks	0	0	0	0	0	0
Exposures to international organisations	0	0	0	0	0	0
Exposures to institutions[1]	825	66	710	57	1,014	81
– of which, derivatives according to CRR, Appendix 2	*809*	*65*	*672*	*54*	*949*	*76*
– of which, repos	*15*	*1*	*38*	*3*	*65*	*5*
– of which, other	*0*	*0*	*0*	*0*	0	*0*
Retail exposures	2,748	220	2,057	165	1,834	147
Exposures in default	8	1	7	1	6	1
Exposures in the form of covered bonds	6,840	547	5,868	469	5,443	435
Exposures to institutions and corporates with a short-term credit rating	312	25	43	3	36	3
Equity exposures	108	9	107	9	106	9
Other items	429	34	455	36	493	39
Total exposures recognised with standardised approach	**11,270**	**902**	**9,247**	**740**	**8,932**	**715**
Market risk	**770**	**62**	**417**	**33**	**295**	**24**
– of which, position risk	–	–	–	–	–	–
– of which, currency risk	*770*	*62*	*417*	*33*	*295*	*24*
Operational risk	**7,696**	**616**	**7,603**	**608**	**7,603**	**608**
– of which, standardised approach	*7,696*	*616*	*7,603*	*608*	*7,603*	*608*
Credit valuation adjustment risk (CVA risk)	**2,095**	**168**	**1,119**	**90**	**1,626**	**130**
Additional requirements under Article 458 of the CRR	**86,531**	**6,921**	**75,966**	**6,077**	**66,803**	**5,344**
Total risk exposure amount and minimum capital requirements	**151,267**	**12,101**	**168,889**	**13,511**	**169,898**	**13,592**
Capital requirements for capital conservation buffer		**3,782**		**4,222**		**4,247**
Capital requirements for countercyclical buffer		**3,033**		**3,382**		**3,404**
Total capital requirements		**18,916**		**21,115**		**21,243**

1) The risk-weighted amount for counterparty risk according to the CRR, Article 92(3)(f), amounts to SEK 825 million (710).

Note 12 Internally assessed capital requirement

The internal capital adequacy assessment aims to ensure that SBAB has sufficient capital to withstand a financial crisis. The internally assessed capital requirement for the SBAB Group amounted to SEK 11,207 million (SEK 10,631 million per 31 December 2024). The internal capital requirement is assessed using internal models for economic capital and is not fully comparable to the estimated capital requirement published by the Swedish FSA due to differences in both assumptions and methodologies. SBAB estimates that total capital requirement as of 31 March 2025 according to Swedish FSA amount to SEK 21,745 million, of which SEK 2,829 million comprise capital requirement in Pillar 2. SBAB quantifies the internal capital requirement within the scope of the internal capital adequacy assessment process (ICAAP). Internal capital requirement is defined as the higher of the economic capital and the regulatory capital requirement based on Pillar 1, Pillar 2, and buffer requirements for each risk category.

	CONSOLIDATED SITUATION	
	31 Mar 2025	31 Dec 2024
	Internally assessed capital requirement	
	SEK million	SEK million
Credit risk	5,608	6,703
Market risk	2,012	1,591
Operational risk	616	608
Concentration risk	2,662	1,521
Sovereign risk	141	118
CVA	168	90
Other risks[1]	–	0
Total	**11,207**	**10,631**
Total Own funds	**29,557**	**29 534**

1) This includes pension and business risk

Parent Company

Trend for January–March 2025 compared with January–March 2024

Profit before credit losses and imposed fees decreased to SEK 232 million (293), mainly attributale to lower net interest income together with increased costs. Net interest income decreased during the period and amounted to SEK 325 million (367), mainly due to lower deposit margins and reduced lending volume. Net commission decreased and amounted to an expense of SEK 4 million (income 1), mainly due to lower income from SCBC for credit facility. Net result of financial transactions amounted to an expence of SEK 1 million (income 21). The difference was mainly attributable to revaluation of credit risk in derivative instruments. Other operating income amounted to SEK 379 million (336) and mainly comprised fees from SCBC for administrative services in line with the applicable outsourcing agreements. Expenses increased to SEK 468 million (431), mainly due to higher costs for staff in line with the increased number of FTE. Net credit losses were in line the previous year and amounted to SEK 1 million (2). Fees imposed amounted to SEK 54 million (51). Lending to the public amounted to SEK 17.5 billion (23.3) and deposits from the public to SEK 255.0 billion (230.7). The CET1 capital ratio amounted to 33.4% (29.3%) and the total capital ratio was 51.6% (49.9%). The internally assessed capital requirement was SEK 5,539 million (5,796).

Consolidated income statement

	PARENT COMPANY					
	2025	2024	2024	2025	2024	2024
SEK million	Q1	Q4	Q1	Jan–Mar	Jan–Mar	Jan–Dec
Interest income	2,416	2,943	3,340	2,416	3,340	13,223
Interest expense	–2,091	–2,558	–2,973	–2,091	–2,973	–11,606
Net interest income	**325**	**385**	**367**	**325**	**367**	**1,617**
Dividends received	0	579	0	0	0	579
Commission income	8	8	16	8	16	50
Commission expense	–12	–15	–15	–12	–15	–55
Net result of financial transactions	–1	29	21	–1	21	58
Other operating income	380	413	335	380	335	1,453
Total operating income	**700**	**1,399**	**724**	**700**	**724**	**3,702**
Personnel costs	–285	–280	–244	–285	–244	–1,046
Other expenses	–175	–197	–180	–175	–180	–752
Depreciation, amortisation and impairment of PPE and intangible assets	–8	–8	–7	–8	–7	–30
Total expenses before credit losses and imposed fees	**–468**	**–485**	**–431**	**–468**	**–431**	**–1,828**
Profit/loss before credit losses and imposed fees	**232**	**914**	**293**	**232**	**293**	**1,874**
Net credit losses	–1	30	–2	–1	–2	46
Imposed fees; Risk tax and resolution fee	–54	–50	–51	–54	–51	–200
Impairment of financial assets	0	–	0	0	–	–
Operating profit	**177**	**894**	**240**	**177**	**240**	**1,720**
Tax	–41	–70	–55	–41	–55	–256
Net profit for the period	**136**	**824**	**185**	**136**	**185**	**1,464**

Consolidated statement of comprehensive income

	PARENT COMPANY					
	2025	2024	2024	2025	2024	2024
SEK million	Q1	Q4	Q1	Jan–Mar	Jan–Mar	Jan–Dec
Net profit/loss for the period	**136**	**824**	**185**	**136**	**185**	**1,464**
Other comprehensive income						
Components that will be reclassified to profit or loss						
Financial assets measured at FVTOCI	161	–174	117	161	117	92
Changes related to cash-flow hedges	53	12	–10	53	–10	42
Other	–	–	–	–	–	1
Tax attributable to components that will be reclassified to profit or loss	–44	33	–22	–44	–22	–28
Other comprehensive income/loss, net of tax	**170**	**–129**	**85**	**170**	**85**	**107**
Total comprehensive income for the period	**306**	**695**	**270**	**306**	**270**	**1,571**

Consolidated balance sheet

	PARENT COMPANY		
SEK million	31 Mar 2025	31 Dec 2024	31 Mar 2024
ASSETS			
Cash and balances at central banks	–	3,039	1,280
Chargeable treasury bills, etc.	22,997	–	32,450
Lending to credit institutions (Note 13)	174,243	202,199	165,016
Lending to the public	17,499	17,066	23,334
Bonds and other interest-bearing securities	112,165	97,375	85,461
Derivatives	16,038	19,795	26,311
Shares and participations in associated companies and joint ventures	6	6	5
Shares and participations in Group companies	17,201	17,201	17,201
Deferred tax assets	–	0	3
Intangible assets	29	12	14
Property, plant and equipment	48	57	57
Other assets	1,254	32	123
Prepaid expenses and accrued income	1,302	1,425	1,394
TOTAL ASSETS	**362,782**	**358,207**	**352,649**
LIABILITIES AND EQUITY			
Liabilities			
Liabilities to credit institutions	3,845	8,776	9,916
Deposits from the public	255,003	255,873	230,686
Issued debt securities, etc.	57,127	46,716	57,592
Derivatives	17,391	20,357	26,563
Other liabilities	2,146	1,695	175
Accrued expenses and deferred income	2,091	1,421	2,794
Deferred tax liabilities	45	–	–
Provisions	3	2	6
Subordinated debt	3,995	1,999	1,999
Total liabilities	**341,646**	**336,839**	**329,731**
Equity			
Restricted equity			
Share capital	1,958	1,958	1,958
Statutory reserve	392	392	392
Total restricted equity	**2,350**	**2,350**	**2,350**
Unrestricted equity			
Fair value reserve	217	48	26
Additional Tier 1 instruments	5,700	6,100	7,700
Retained earnings	12,733	11,406	16,657
Net profit for the period	136	1,464	185
Total unrestricted equity	**18,786**	**19,018**	**20,568**
Total equity	**21,136**	**21,368**	**22,918**
TOTAL LIABILITIES AND EQUITY	**362,782**	**358,207**	**352,649**

Note 13 Lending to credit institutions

Of the Parent Company's lending to credit institutions at 31 mars, 2025, SEK 165,936 million relates to a receivable from the wholly owned subsidiary AB Sveriges Säkerställda Obligationer (publ) (Swedish Covered Bond Corporation, SCBC), compared with SEK 194,067 million at the end of 2024. This receivable is subordinated in the event of receivership or liquidation, which means that payment is received only after other creditors of the subsidiary have been paid.

Of the total receivable, SEK 24,000 million (24,000) comprises of internal Group debt instruments (senior non-preferred notes), issued by the subsidiary SCBC for the purpose of meeting the minimum requirement för own funds and eligible liabilities (MREL) announced by the Swedish National Debt Office.

Note 14 Capital adequacy, own funds and capital requirements – Parent Company

Amendments to the Banking Package

The capital adequacy is based on the consolidated version of the Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD) which have been adapted to the Banking Package adopted on 7 June 2019. .

Information in this note refers to the minimum capital requirements according to Pillar 1 and corresponds to the disclosure requirements in the CRR, part eight and the Swedish FSA regulation FFFS 2014:12.

In June 2024 changes in CRR and CRD were adopted and published in the Official Journal. The regulations contain amendments that improve the comparability of risk-based capital measures between banks within the EU. This reduces the scope for unjustified differences. The regulation includes changes to the standardised approach and the internal rating-based (IRB) approach used to calculate capital requirements for credit risk. For the calculation of capital requirement according to IRB a floor is introduced, where risk-weighted exposure amounts (REA) must not be less than 72.5% of what the standardised approach measures, with a transitional period during 2025 - 2030.

The regulations are mainly to be applied from 1 January 2025, but for several years transitional rules will apply.

Buffer requirements

The countercyclical buffer rate for Swedish exposures amounts to 2% as of 31 March 20025. The Swedish FSA has announced in the first quarter 2025 that the countercyclical buffer rate is left unchanged. The countercyclical buffer rates for Denmark and Norway are unchanged at 2.5% as of 31 March 2025.

Capital adequacy

	PARENT COMPANY				
SEK million	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024
Available own funds (amounts)					
Common Equity Tier 1 (CET1) capital	14,089	14,208	13,791	13,861	13,849
Tier 1 capital	19,789	20,308	19,891	21,561	21,549
Total capital	21,786	22,320	21,905	23,558	23,545
Risk-weighted exposure amounts					
Total risk exposure amount	42,225	40,966	47,390	48,160	47,196
Total risk exposure pre-floor[1]					
Capital ratios (as a percentage of risk-weighted exposure amount)					
Common Equity Tier 1 ratio (%)	33.4	34.7	29.1	28.8	29.3
Common Equity Tier 1 ratio considering unfloored TREA (%)[1]					
Fully-loaded output floor CET 1 capital ratio (%)[1]					
Tier 1 ratio (%)	46.9	49.6	42.0	44.8	45.7
Tier 1 ratio considering unfloored TREA (%)[1]					
Fully-loaded output floor T1 capital ratio (%)[1]					
Total capital ratio (%)	51.6	54.5	46.2	48.9	49.9
Total capital ratio considering unfloored TREA (%)[1]					
Fully-loaded output floor Total capital ratio (%)[1]					

Note 14 Capital adequacy, own funds and capital requirements – Parent Company, Cont.

SEK million	PARENT COMPANY 31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024
Additional own funds requirement to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
Additional own funds requirement to address risks other than the risk of excessive leverage (%)	3.3	3.3	3.3	3.3	3.3
of which: to be made up of CET1 capital (percentage points)	1.9	1.9	1.9	1.9	1.9
of which: to be made up of Tier 1 capital (percentage points)	2.5	2.5	2.5	2.5	2.5
Total SREP own funds requirement (%)	11.3	11.3	11.3	11.3	11.3
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	–	–	–	–	–
Institution specific countercyclical capital buffer (%)	2.0	2.0	2.0	2.0	2.0
Systemic risk buffer (%)	–	–	–	–	–
Global Systemically Important Institution buffer (%)	–	–	–	–	–
Other Systemically Important Institution buffer (%)	–	–	–	–	–
Combined buffer requirement (%)	4.5	4.5	4.5	4.5	4.5
Overall capital requirements (%)	15.8	15.8	15.8	15.8	15.8
CET1 available after meeting the total SREP own funds requirements (%)	27.0	28.3	22.8	22.4	23.0
Leverage ratio					
Total exposure measure	188,860	148,233	166,173	179,079	189,574
Leverage ratio (%)	10.5	13.7	12.0	12.0	11.4
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
Additional own funds requirements to address the risk of excessive leverage (%)	–	–	–	–	–
of which: to be made up of CET1 capital (percentage points)	–	–	–	–	–
Total SREP leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
Leverage ratio buffer requirement (%)	–	–	–	–	–
Overall leverage ratio requirement (%)	3.0	3.0	3.0	3.0	3.0
Liquidity Coverage Ratio[2]					
Total high-quality liquid assets (HQLA) (Weighted value -average)					
Cash outflows - Total weighted value					
Cash inflows - Total weighted value					
Total net cash outflows (adjusted value)					
Liquidity coverage ratio (%)					
Net Stable Funding Ratio[2]					
Total available stable funding					
Total required stable funding					
NSFR ratio (%)					

1) SBAB Bank AB is treated as a single liquidity sub-group, together with AB Sveriges Säkerställda Obligationer (publ), according to Article 8 (CRR) and a decision by Swedish FSA. Therefore Liquidity information is only regarded material on a consolidated basis. For results at consolidated level, see Note 11.

2) Output floor is only calculated and reported at the group level, according to adopted regulation by the Swedish government.

Note 14 Capital adequacy, own funds and capital requirements – Parent Company, Cont.

Disclosures in accordance with Article 4 of Commission Implementing Regulation (EU) No 637/2021, Annex VII.

Own funds

	PARENT COMPANY		
SEK million	31 Mar 2025	31 Dec 2024	31 Mar 2024
Common Equity Tier 1 (CET1) capital instruments: Instruments and reserves			
Capital instruments and the related share premium accounts	1,958	1,958	1,958
Retained earnings	12,212	11,797	12,086
Accumulated other comprehensive income (and other reserves)	217	48	26
Independently reviewed interim profits net of any foreseeable charge or dividend[1)]	–87	552	0
Common Equity Tier 1 (CET1) capital before regulatory adjustments	**14,300**	**14,355**	**14,070**
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
Additional value adjustments (negative amount)	–181	–150	–178
Intangible assets (net of related tax liability) (negative amount)	–7	–5	–3
Fair value reserves related to gains or losses on cash-flow hedges of financial instruments that are not valued at fair value	13	55	96
Negative amounts resulting from the calculation of expected loss amounts	–17	–30	–46
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	–	–	–
Other regulatory adjustments[2)]	–19	–17	–22
Total regulatory adjustments to Common Equity Tier 1 (CET1)	**–211**	**–147**	**–153**
Common Equity Tier 1 (CET1) capital	**14,089**	**14,208**	**13,849**
Additional Tier 1 (AT1) capital: Instrument			
Capital instruments and the related share premium accounts	5,700	6,100	7,700
– of which, classified as equity under applicable accounting standards	*5,700*	*6,100*	*7,700*
– of which, classified as liabilities under applicable accounting standards	–	–	–
Amount of qualifying items referred to in Article 484(4) CRR and the related share premium accounts subject to phase out from AT1	–	–	–
Additional Tier 1 capital before regulatory adjustments	**5,700**	**6,100**	**7,700**
Additional Tier 1 (AT1) capital: regulatory adjustments			
Total regulatory adjustments to Additional Tier 1 (AT1) capital	**–**	**–**	–
Additional Tier 1 (AT1) capital	**5,700**	**6,100**	**7,700**
Tier 1 capital (T1= CET1+AT1)	**19,789**	**20,308**	**21,549**
Tier 2 (T2) capital: Instruments			
Capital instruments and the related share premium accounts	1,998	2,012	1,995
Credit risk adjustments	0	–	1
Tier 2 (T2) capital before regulatory adjustments	**1,998**	**2,012**	**1,996**
Tier 2 (T2)capital: regulatory adjustments			
Total regulatory adjustments to Tier 2 (T2) capital	**–**	**–**	–
Tier 2 (T2) capital	**1,998**	**2,012**	**1,996**
Total capital (TC= T1+T2)	**21,786**	**22,320**	**23,545**
Total risk-exposure amount	**42,225**	**40,966**	**47,196**

Note 14 Capital adequacy, own funds and capital requirements – Parent Company, Cont.

	PARENT COMPANY		
SEK million	**31 Mar 2025**	**31 Dec 2024**	**31 Mar 2024**
Capital ratio and requirements including buffers, %			
Common Equity Tier 1 capital	33.4	34.7	29.3
Tier 1 capital	46.9	49.6	45.7
Total capital	51.6	54.5	49.9
Institution CET1 overall capital requirements	10.9	10.9	10.9
– of which, capital conservation buffer requirement	*2.5*	*2.5*	*2.5*
– of which, countercyclical buffer requirement	*2.0*	*2.0*	*2.0*
– of which, systemic risk buffer requirement	–	–	–
– of which, G-SII buffer and O-SII buffer	–	–	–
– of which, additional own funds requirements to address the risk other than the risk of excessive leverage	*1.9*	*1.9*	*1.9*
Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	27.0	28.3	23.0

1) Net profits for the year-end were reduced by the expected dividend of SEK 224 million. The results have been verified by Deloitte AB pursuant to Article 26, Point 2a of the Capital Requirements Regulation.

2) A minor amount generated a deduction of NPL backstop, pursuant to Article 36, Point 1m of the Capital Requirements Regulation.

Note 14 Capital adequacy, own funds and capital requirements – Parent Company, Cont.

Risk exposure amounts and capital requirements

	PARENT COMPANY					
	31 Mar 2025		31 Dec 2024		31 Mar 2024	
SEK million	Risk exposure amount	Capital require-ment	Risk exposure amount	Capital require-ment	Risk exposure amount	Capital require-ment
Credit risk recognised in accordance with IRB approach						
Exposures to corporates	4,564	365	7,306	584	13,477	1,078
Retail exposures	455	36	860	69	1,174	94
– of which, exposures to SMEs	–	–	–	–	–	–
– of which, retail exposures secured by immovable property	*455*	*35*	*860*	*69*	*1,174*	*94*
Total exposures recognised with the IRB approach	**5,019**	**402**	**8,166**	**653**	**14,651**	**1,172**
Credit risk recognised with the standardised approach						
Exposures to governments and central banks	0	0	0	0	0	0
Exposures to regional governments or local authorities or agencies	0	0	0	0	0	0
Exposures to multilateral development banks	0	0	0	0	0	0
Exposures to international organisations	0	0	0	0	0	0
Exposures to institutions[1)]	803	64	709	57	972	77
– of which, derivatives according to CRR, Appendix 2	*687*	*55*	*551*	*44*	*827*	*66*
– of which, repos	*5*	*0*	–	–	*6*	*0*
– of which, other	*111*	*9*	*158*	*13*	*139*	*11*
Retail exposures	2,748	220	2,057	165	1,834	147
Exposures in default	8	1	7	1	6	1
Exposures in the form of covered bonds	6,840	547	5,868	469	5,443	435
Exposures to institutions and corporates with a short-term credit rating	311	25	41	3	34	3
Equity exposures	17,208	1,377	17,207	1,377	17,206	1,377
Other items	171	13	178	13	182	14
Total exposures recognised with standardised approach	**28,089**	**2,247**	**26,067**	**2,085**	**25,677**	**2,054**
Market risk	**189**	**15**	**64**	**5**	**47**	**4**
– of which, position risk	–	–	–	–	–	–
– of which, currency risk	*189*	*15*	*64*	*5*	*47*	*4*
Operational risk	**4,149**	**332**	**3,835**	**307**	**3,835**	**307**
– of which, standardised approach	–	–	*3,835*	*307*	*3,835*	*307*
Credit valuation adjustment risk (CVA risk)	**1,520**	**122**	**634**	**51**	**1,165**	**93**
Additional requirements under Article 458 of the CRR	**3,259**	**261**	**2,200**	**176**	**1,821**	**146**
Total risk exposure amount and minimum capital requirements	**42,225**	**3,378**	**40,966**	**3,277**	**47,196**	**3,776**
Capital requirements for capital conservation buffer		**1,056**		**1,024**		**1,180**
Capital requirements for countercyclical buffer		**848**		**822**		**948**
Total capital requirements		**5,282**		**5,123**		**5,904**

1) The risk-weighted amount for counterparty risk according to the CRR, Article 92(3)(f), amounts to SEK 687 million (551).

Alternative performance measures

Alternative performance measures (APMs) are financial metrics of historical or future performance, financial position or cash flows that are not defined in the applicable rules for financial reporting (such as IFRS and the Swedish Annual Accounts Act) or in the EU's Capital Requirements Directive (CRD IV)/Capital Requirements Regulation (CRR).

SBAB uses APMs when these are relevant for the presentation and follow-up of the Group's financial position and when these metrics are deemed to provide additional valuable information to readers of the financial reports. SBAB has also chosen to present the APMs as they are in common use within the industry. APMs can be calculated with various approaches and, accordingly, SBAB's metrics are not directly comparable with similar metrics presented by other companies.

Deposits/lending

Definition: Ratio of total deposits from the public to total lending to the public (closing balances).

The APM aims to provide the reader with further information regarding the relative ratio of deposits to lending.

	GROUP		
SEK million	**31 Mar 2025**	**31 Mar 2024**	**31 Dec 2024**
Deposits from the public	255,003	230,686	255,873
Lending to the public	540,360	521,294	537,836
Deposits/lending, %	**47.2**	**44.3**	**47.6**

C/I ratio

Definition: Total expenses before credit losses and imposed fees for the period in relation to total operating income for the period.

The APM aims to provide the reader with further information regarding the Group's cost-efficiency.

	GROUP		
	2025	**2024**	**2024**
SEK million	**Jan–Mar**	**Jan–Mar**	**Jan–Dec**
Expenses	–472	–439	–1,907
Operating income	1,334	1,409	5,377
C/I ratio, %	**35.4**	**31.2**	**35.5**

C/L ratio

Definition: Expenses for the period (annualised) before credit losses and imposed fees in relation to lending to the public (calculated using the opening and closing balances for the period).

The APM aims to provide the reader with further information regarding the Group's cost-efficiency.

	GROUP		
	2025	**2024**	**2024**
SEK million	**Jan–Mar**	**Jan–Mar**	**Jan–Dec**
Expenses	–472	–439	–1,907
Aver. lending to the public	539,098	519,347	527,618
C/L ratrio, %	**0.35**	**0.34**	**0.36**

Return on equity

Definition: Net profit for the period (annualised) in relation to average equity (calculated using the opening and closing balances for the reporting period), after adjustment for additional Tier 1 instruments and value changes in financial assets recognised in equity.

The APM aims to provide the reader with further information regarding the Group's profitability in relation to unrestricted equity.

	GROUP		
	2025	2024	2024
SEK million	Jan–Mar	Jan–Mar	Jan–Dec
Net profit for the period	559	632	2,282
Average equity	22,227[1]	21,314[2]	21,997[2]
Return on equity, %	**10.1**	**11.9**	**10.4**

1) Average equity has been adjusted for dividend of SEK 913 million for 2024.
2) Average equity has been adjusted for dividend of SEK 963 million for 2023.

Net interest margin

Definition: Net interest income for the period (annualised) in relation to average (calculated using the opening and closing balances for the reporting period) total balance sheet.

The APM aims to provide the reader with further information regarding the Group's profitability.

	GROUP		
	2025	2024	2024
SEK million	Jan–Mar	Jan–Mar	Jan–Dec
Net interest income	1,335	1,372	5,288
Average balance sheet total	677,203	659,947	661,864
Net interest margin, %	**0.79**	**0.83**	**0.81**

Credit loss ratio

Definition: Credit losses for the period (annualised) in relation to total lending to the public (closing balance).

The APM aims to provide the reader with further information regarding the relative ratio of credit losses to total lending.

	GROUP		
	2025	2024	2024
SEK million	Jan–Mar	Jan–Mar	Jan–Dec
Credit losses	–6	–23	0
Lending to the public	540,360	521,294	537,836
Credit loss ratio, %	**0.00**	**–0.02**	**0.00**

Share of Stage 3 loans, gross, %

Definition: Gross lending in credit stage 3 (closing balance) in relation to total lending to the public (closing balance).

The APM aims to provide the reader with further information regarding the proportion of non-performing loans pursuant to accepted accounting standards relative to the total loan portfolio.

	GROUP		
SEK million	31 Mar 2025	31 Mar 2024	31 Dec 2024
Gross lending credit stage 3	839	813	857
Lending to the public	540,360	521,294	537,836
Share of Stage 3 loans, %	**0.16**	**0.16**	**0.16**

New lending

Definition: Gross lending for the period.

The APM aims to provide the reader with an image of the inflow of new business during the reporting period.

Definitions of other key performance indicators

Number of employees (FTEs)	Number of employees expressed as full-time equivalents (FTEs), adjusted for sick leave and leave of absence
Return on assets	Net profit in relation to balance sheet total
CET1 capital ratio	CET1 capital in relation to risk-weighted assets
Total capital ratio	Own funds in relation to risk-weighted assets
Tier 1 capital ratio	Tier 1 capital in relation to risk-weighted assets
Leverage ratio	Tier 1 capital in relation to total assets and off-balance sheet exposures restated with the application of credit conversion factors
Liquidity coverage ratio, LCR	Liquid assets in relation to net cash outflows over a 30-day stress scenario in accordance with the European Commission’s Delegated Regulation EU (2015/61) with regard to liquidity coverage requirements
Survival horizon	The number of days that the need for liquidity can be met in a stress scenario before new liquidity is needed
Net stable funding ratio, NSFR	A liquidity risk metric of a structural nature that demonstrates the stability of the Group’s funding in relation to its assets. From 30 September 2019, NSFR is calculated pursuant to Regulation (EU) 2019/876 of the European Parliament and the Council

The CEO affirms that this report provides an accurate overview of the operations, financial position and performance of the Parent Company and the Group, and describes the significant risks and uncertainties faced by the Parent Company and the companies in the Group.

Solna, April 29 2025

Mikael Inglander
CEO

Financial calendar

Interim Report Jan–Jun 2025	**16 July 2025**
Interim Report Jan–Sep 2025	**23 October 2025**
Year-end Report 2025	**13 February 2026**

Credit ratings

	Moody's	Standard & Poor's
Long-term funding, SBAB	A1	A+
Long-term funding, SCBC	Aaa	–
Short-term funding, SBAB	P–1	A–1

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While every care has been taken in the translation of this report, readers are reminded that the original report, signed bythe CEO, is in Swedish.