



Press release, 18 July 2014

Interim report 1 January – 30 June 2014

Volume growth and stronger profits

SBAB's CEO, Per Anders Fasth, comments:

SBAB's operating profit, which continued to grow stronger in the second quarter of the year, amounted to SEK 502 million. Return on equity amounted to 14.3%, exceeding the 10% target.

Positive volume growth

The lending business remained affected by strong competition in the market, but SBAB still experienced positive volume growth in the quarter. New lending to households rose, while new lending to companies and tenant-owner associations were in line with the previous quarter. SBAB's total lending amounted to SEK 259 billion at midyear. During the period, SBAB adapted its residential mortgage product according to the Swedish Bankers' Association's recommendation regarding individual repayment plans, which entered into effect on 1 July.

The second quarter was also characterised by continued stable growth in deposits, which now amount to SEK 55 billion.

Positive information from Moody's

Early in the year, the rating agency Moody's initiated a review of SBAB's rating, which could have resulted in a potential downgrade. The review was finalised in June, whereupon the current long- and short-term ratings were confirmed by Moody's.

New CEO in August

In June, the Board of Directors made a decision on the appointment of new CEO of SBAB. I therefore welcome Klas Danielsson, who begins his new role on 14 August.

Second quarter of 2014 compared with the first quarter of 2014

- Operating profit totalled SEK 502 million (340)
- Profit, excluding net result from financial instruments, amounted to SEK 273 million (258)
- Net interest income amounted to SEK 514 million (496)
- Expenses totalled SEK 219 million (219)
- The net effect of loan losses amounted to a gain of SEK 20 million (gain 1)
- Return on equity was 14.3% (10.8), and 8.4% (8.2) excl. net result from financial instruments
- The Common Equity Tier 1 capital ratio, without transitional rules, amounted to 23.5% (22.6)
- New lending for the quarter amounted to SEK 11.7 billion (9.5) and the total lending volume was SEK 259.0 billion (258.0)
- New deposits for the quarter amounted to SEK 3.5 billion (6.1) and the total volume of deposits was SEK 55.5 billion (52.0)



January–June 2014 compared with January–June 2013

- Operating profit totalled SEK 842 million (584)
- Profit, excluding net result from financial instruments, amounted to SEK 531 million (620)
- Net interest income amounted to SEK 1,010 million (1,040)
- Expenses totalled SEK 438 million (396)
- The net effect of loan losses amounted to a gain of SEK 21 million (gain 29)
- Return on equity was 12.6% (10.7), and 8.4% (10.7) excl. net result from financial instruments
- The Common Equity Tier 1 capital ratio, without transitional rules, amounted to 23.5% (23.8)

SBAB's interim report is available for download from: www.sbab.se/investor

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