DISCLOSURE OF OWN FUNDS

1 January – 31 March 2016

Swedish Covered Bonds Corporation (SCBC)

Swedish Covered Bonds Corporation (SCBC), reports credit risk mainly in accordance with the IRB approach, and reports operational risk, market risk and CVA risk in accordance with the standardised approach.

The tables below are based on Swedish Financial Supervisory Authority's Regulatory Code FFFS 2014:18 and FFFS 2014:12. According to these regulations SBAB shall publish the structure of own funds, risk exposure amount per exposure class and information about capital adequacy and buffers on a quarterly basis.

For SCBC, the internal capital requirement without the risk weight floor amounted to SEK 4,407 million.

SCBC

Covered Bonds of SBAB

OWN FUNDS

Disclosures in accordance with Article 5 of Commission Implementing Regulation (EU) No 1423/2013
No mounts are subject to the provisions preceding Regulation (EU) No 575/2013 ("CRR") or the prescribed residual amount according to Regulation (EU) No 575/2013.

SCBC, SEK million	31/03/2016	31/12/2015	31/03/2015
Common Equity Tier 1 capital: Instruments and reserves			
Capital instruments and the related share premium reserves	9,600	9,600	9,600
Retained earnings	4,348	3,145	3,145
Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	721	241	187
Independently reviewed interim profits net of any foreseeable charge or dividend	-	1,203	-
Common Equity Tier 1 capital before regulatory adjustments	**14,669**	**14,189**	**12,932**
Common Equity Tier 1 capital: Regulatory adjustments			
Additional value adjustments (negative amount)	-8	-7	-9
Fair value reserves to gain or losses on cash flow hedges	-721	-241	-187
Negative amounts resulting from the calculation of expected loss amounts	-36	-34	-37
Gains or losses on liabilities valued at fair value resulting from changes in the own credit standing	-1	-1	0
Total regulatory adjustments to the Common Equity Tier 1 capital	**-766**	**-283**	**-233**
Common Equity Tier 1 capital	**13,903**	**13,906**	**12,699**
Additional Tier 1 capital: Instruments			
Additional Tier 1 capital before regulatory adjustments	**-**	**-**	**-**
Additional Tier 1 capital: Regulatory adjustments			
Total regulatory adjustments to Additional Tier 1 capital	**-**	**-**	**-**
Additional Tier 1 capital	**-**	**-**	**-**
Tier 1 capital (Tier 1 capital = Common Equity Tier 1 capital + Additional Tier 1 capital)	**13,903**	**13,906**	**12,699**
Tier 2 capital: Instruments and provisions			
Tier 2 capital before regulatory adjustments	**-**	**-**	**-**
Tier 2 capital: Regulatory adjustments			
Total regulatory adjustments to Tier 2 capital	**-**	**-**	**-**
Tier 2 capital	**-**	**-**	**-**
Total capital (Total capital = Tier 1 capital + Tier 2 capital)	**13,903**	**13,906**	**12,699**
Total risk-weighted assets	**19,220**	**16,151**	**17,976**
Capital ratios and buffers			
Common Equity Tier 1 (as a percentage of risk exposure amount)	72.3	86.1	70.6
Tier 1 (as a percentage of total risk exposure amount	72.3	86.1	70.6
Total capital (as a percentage of total risk exposure amount	72.3	86.1	70.6
Institution specific buffer requirement (common equity Tier 1 capital requirement in accordance with Article 92(1)(a) plus capital conservation buffer and countercyclical capital buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII buffer and O-SII buffer) expressed as a percentage of risk exposure amount, %	8.0	8.0	7.0
- of which: Common Equity Tier 1 capital, minimum requirement, %	*4.5*	*4.5*	*4.5*
- of which: capital conservation buffer requirement, %	*2.5*	*2.5*	*2.5*
- of which: countercyclical buffer requirement, %	*1.0*	*1.0*	*-*
- of which: systemic risk buffer requirement, %	*-*	*-*	*-*
- of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer, %	*-*	*-*	*-*
Common Equity Tier 1 capital, available to meet buffers (as a percentage of risk exposure amount), %	64.3	78.1	62.6

CAPITAL REQUIREMENTS

SCBC, SEK million	31/03/2016 Capital requirement	31/03/2016 Risk exposure amount	31/12/2015 Capital requirement	31/12/2015 Risk exposure amount	31/03/2015 Capital requirement	31/03/2015 Risk exposure amount
Credit risk recognised in accordance with IRB approach						
Exposures to corporates	396	4,950	379	4,743	397	4,961
Retail exposures	763	9,534	628	7,856	666	8,325
- of which: exposures to SME	*86*	*1,068*	*78*	*980*	*95*	*1,186*
- of which: retail exposures secured by immovable property	*677*	*8,466*	*550*	*6,876*	*571*	*7,138*
Total exposures in accordance with IRB approach	**1,159**	**14,484**	**1,007**	**12,599**	**1,063**	**13,286**
Credit risk reported in accordance with standardised approach						
Exposures to governments and central banks	0	0	0	0	0	0
Exposures to regional governments or local authorities	0	0	0	0	0	0
Exposures to institutions [1]	14	178	27	335	50	628
- of which: derivatives according to CRR, Appendix 2	*11*	*135*	*26*	*319*	*45*	*563*
- of which: repos	*3*	*36*	*1*	*14*	*5*	*62*
Exposures to corporates	-	-	-	-	2	19
Retail exposures	-	-	-	-	1	9
Exposures to institutions and corporates with a short-term credit assessment	0	2	0	0	0	0
Other items	75	935	64	798	103	1,291
Total exposures in accordance with standardised approach	**89**	**1,115**	**91**	**1,133**	**156**	**1,947**
Market risk	*35*	*433*	**29**	**361**	**28**	**348**
- of which: position risk	-	-	-	-	-	-
- of which: currency risk	*35*	*433*	*29*	*361*	*28*	*348*
Operational risk	**241**	**3,008**	**150**	**1,874**	**150**	**1,874**
Credit valuation adjustment risk	**14**	**180**	**15**	**184**	**41**	**521**
Total capital requirements and risk exposure amount	**1,538**	**19,220**	**1,292**	**16,151**	**1,438**	**17,976**
Capital requirements for capital conservation buffer	**480**		**404**		**449**	
Capital requirements for countercyclical buffer	**192**		**162**		**-**	
Total capital requirements	**2,210**		**1,858**		**1,887**	

[1] The risk-weighted exposure amount for counterparty risk according to CRR, Article 92, item 3(f), amounts to SEK 174 million (625).

CAPITAL ADEQUACY

SCBC, SEK million	31/03/2016	31/12/2015	31/03/2015
Common Equity Tier 1 capital	13,903	13,906	12,699
Tier 1 capital	13,903	13,906	12,699
Total own funds	**13,903**	**13,906**	**12,699**
Without transition rules			
Risk exposure amount	19,220	16,151	17,976
Common Equity Tier 1 capital ratio, %	72.3	86.1	70.6
Excess [1] Common Equity Tier 1 capital	13,038	13,179	11,889
Tier 1 capital ratio, %	72.3	86.1	70.6
Excess [1] Tier 1 capital	12,750	12,937	11,620
Total capital ratio, %	72.3	86.1	70.6
Excess [1] total capital	12,366	12,614	11,260
With transition rules			
Own funds	13,939	13,940	12,736
Risk exposure amount	132,459	115,555	114,123
Total capital ratio, %	10.5	12.1	11.2

[1] Surplus of capital has been calculated based on the minimum capital requirements (without buffer requirements)