

Interim report

SBAB Bank AB (publ)

January–June
2025

SBAB!

The quarter in brief

Q2 2025

(Q1 2025)

- Total lending increased 0.1% to SEK 540.9 billion (540.4).
- Total deposits rose 2.8% to SEK 262.3 billion (255.0).
- Operating profit decreased to SEK 671 million (710), primarily due to lower net interest income and was partly offset by lower net credit losses.
- Net interest income declined to SEK 1,258 million (1,335), mainly due to lower lending margins.
- Expenses grew to SEK 482 million (472), primarily due to higher personnel-related costs as well as to increased costs for marketing.
- Net credit losses amounted to a recovery of SEK 26 million (loss: 6), mainly due to the unwinding of provisions and updates to internal models. Confirmed credit losses totalled SEK 9 million (loss: 7).
- The return on equity amounted to 9.3% (10.1) and the C/I ratio was 38.0% (35.4).
- The Common Equity Tier 1 (CET1) capital ratio was 14.5% (14.4).

Selected key metrics

	GROUP					
	2025	2025	Change	2025	2024	Change
	Q2	Q1		Jan-Jun	Jan-Jun	
Total lending, SEK bn	540.9	540.4	+0.1%	540.9	528.0	+2.5%
Total deposits, SEK bn	262.3	255.0	+2.8%	262.3	241.3	+8.7%
Net interest income, SEK mn	1,258	1,335	-5.8%	2,593	2,726	-4.9%
Net commission, SEK mn	-12	-16	+4 mn	-28	-31	+3 mn
Net result of financial transactions, SEK mn	6	-3	+9 mn	3	56	-53 mn
Expenses, SEK mn	-482	-472	+2.1%	-954	-909	+5.0%
Net credit losses, SEK mn	26	-6	-32 mn	20	-44	-64 mn
Imposed fees: Risk tax and resolution fee, SEK mn	-141	-146	-5 mn	-287	-284	+3 mn
Operating profit, SEK mn	671	710	-5.5%	1,381	1,541	-10.4%
Return on equity, %	9.3	10.1	-0.8 pp	9.7	11.3	-1.6 pp
C/I ratio, %	38.0	35.4	+2.6 pp	36.7	32.7	+4.0 pp
Credit loss ratio, %	0.02	0.00	+0.02 pp	0.01	-0.02	+0.03 pp
CET1 capital ratio, %	14.5	14.4	+0.1 pp	14.5	12.1	+2.4 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 8.79% on 31 May 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 18.25% on 31 May 2025. At the same time, the market share for lending to tenant-owners' associations was 10.99%.

→ 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

SBAB reports a stable financial performance for the second quarter. Profitability remains under pressure from low mortgage margins, while competition for customers is even more intense due to limited growth in the credit market. Deposits continue to be an important element for our overall earnings trend and our ability to offer competitive terms for mortgages and housing finance. Increased global uncertainty has led to downward revisions of growth forecasts and has delayed recoveries in the housing market and the general economy.

Global uncertainty is unusually high due to the US tariffs and heightened geopolitical tension. In addition, the loss of momentum in the economic recovery means it has become more protracted. Growth forecasts for 2025 were further revised downward in the quarter and led to the Riksbank's decision at its June meeting to cut the policy rate from 2.25% to 2%.

Cautious housing market and high competition for customers

Despite the sharp cut in interest rates – down 2 percentage points in total since May 2024 – housing market turnover remains relatively low. Housing prices have remained subdued during the year and supply is at a record high. The same trend is indicated by many other key indicators used to assess the housing market temperature, such as long advertising periods and low bid premiums. The tariff war and the resulting anxiety and uncertainty has derailed the recovery that we and many other market participants had been eagerly anticipating.

Annual market growth for mortgages was 2.1% at the end of May and SBAB's economists expect it to amount to around 3% for the full year. This is signifi-

cantly down on recent decades' growth, though compared with the last two years it is an increase. Many banks are well capitalised and the system has good liquidity, which means there are many banks that want to compete for customers. However, low growth in credit means that there is a limited number of customers and transactions to compete for. Among other effects, we have noted that small adjustments in mortgage rates have a clear impact on the inflow of new residential mortgage customers. Naturally, these developments are also reflected in current mortgage margins, which are well below the historical average. Despite the above, we continue to perform well in these tough competitive conditions and increased our mortgage volumes 0.6% for the quarter to a total of SEK 371.5 billion. Year-on-year, our mortgage volumes increased 5.1%.

Lending to corporates and associations decreased 1.1% in the quarter to a total of SEK 167.7 billion. Due to the increased uncertainty in the surrounding world, a cautious approach has been adopted to new housing projects and real estate transactions by many market actors. At the same time, the market for lending to tenant-owners' associations

continued to be dominated by intense competition, a low rate of investment and, periodic, negative growth in the credit market as a whole. We are ready to handle increased volumes in each segment as and when market activity picks up again.

Deposits continue to grow

The strong inflow of many new customers choosing to open savings accounts with SBAB is highly gratifying. Since the Riksbank's first policy rate hike in 2022, we have grown our total deposit volumes more than SEK 100 billion, which is a very good performance. Our deposits increased 2.8% in the second quarter to a total of SEK 262.3 billion. Our long-term track record of growing our deposit volumes indicates that many customers are more satisfied with the terms and conditions we offer than those offered by other market players, often the larger banks. We always try to offer fair prices, and fair terms and conditions to our customers. At the same time, our ambition is to be responsive to market interest rate developments, while taking into account and adapting to competitive conditions in the market.



Profitability under pressure from low mortgage margins

Net interest income amounted to SEK 1,258 million for the quarter, down 6% quarter-on-quarter and down 7% year-on-year. Profitability is being negatively impacted by falling interest rates and low mortgage margins. However, increased deposits in our financing structure mean we have greater flexibility and resilience today to manage upturns and downturns in interest rates and margins, which is important. The relative stability of net interest income over time shows both the strength of our business model with recurring and stable income from mortgages and housing finance, as well as our ability as a company to meet and manage changing market conditions. The return on equity for the quarter amounted to 9.3% and the C/I ratio was 9.7%.

Competition is fundamentally good, since it often improves terms and conditions for customers. In parallel, it raises demands on us as a company. To ensure that we act as smartly and efficiently as possible, we need to continuously challenge ourselves and our way of working. We also need to ensure that our offering

is good enough to compete in an increasingly competitive market. We have been investing in the operations for some time as part of our growth agenda to grow our market shares in all lending segments by 2030. It is essential that we are disciplined and make sound decisions about money, ensuring that the investments we make add value to operations and are compatible with our long-term goals. Our expenses increased 2% in the quarter to SEK 482 million.

Increased interest in Booli

Beyond offering housing finance and savings, our strategy comprises offering our customers value-creating and differentiated services in housing and household finances. Of late, we have noted a significant increase in interest in Booli. The company is receiving increased attention from the media and growing numbers of customers are discovering the benefits offered by Booli and its services. No other player in the market brings together such a wide range of homes for sale, and at the best price. The number of monthly visits to www.booli.se averaged around 13.2 million for the quarter, compared with 9.5 million in the corresponding period last

year. We are very happy and proud of this development. Booli sets us and our offering apart from other banks in the market at the same time as we help private individuals and companies make wise and well-informed housing market decisions.

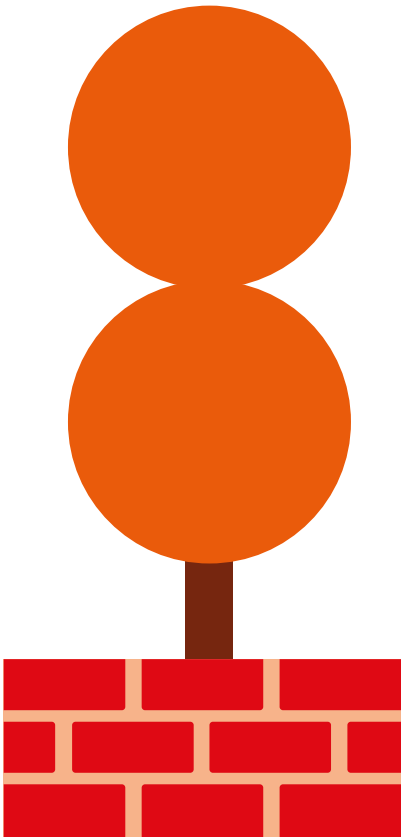
I would like to take the opportunity to give my sincere thanks to all employees. My thanks to all of you for your commitment, hard work and contribution to our shared success. Have a wonderful rest of the summer.

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 gradually accelerated in the second half of the year. GDP increased 1% for the full year before the recovery halted in the first quarter of 2025, when GDP declined 0.2% quarter-on-quarter. However, the GDP indicator for April this year shows an uptick, and compared with April 2024, GDP was up 1.2%. In October 2024, employment growth turned positive, but the unemployment trend continued to rise until March 2025. Household mobility and housing demand recovered in 2024, with a full recovery for houses, but only about halfway for apartments. For the first half of 2025, the level of house sales was assessed as normal, at the same times as sales have fallen for apartments, albeit not as deeply as in 2023.

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 June 2025, the Riksbank decided on a policy rate cut from 2.25% to 2%. This means that since May 2024, the policy rate has been halved from 4%. The motivation for the Riksbank's latest decision included the lost momentum with the economic recovery. Looking ahead, the Riksbank has indicated some likelihood of a further cut later this year. In addition, the Riksbank continued to reduce its holdings of SEK-denominated securities, which as of 23 June have decreased SEK 136 billion.

The overall effect on the economy of a lower policy rate and reduced holdings of Swedish securities is a less restrictive monetary policy. In 2024, short-term market interest rates fell around 1.5 percentage points and medium-term market interest rates fell around 0.6 percentage points at the same time as long-term market interest rates rose a few tenths of a percentage point. Initially, long-term

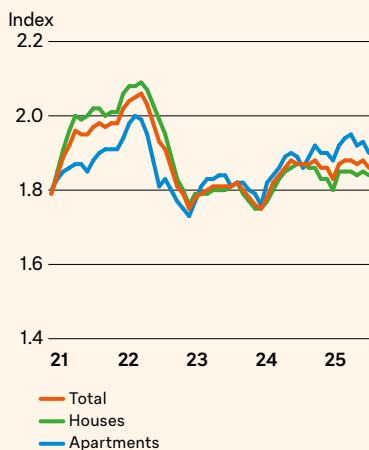
interest rates rose in 2025, but fell back in the second quarter to 0.1-0.2 percentage points below their year-end level at mid-year. For households, variable mortgage rates have fallen and in May were 0.2 percentage points below the January level. However, long-term fixed rates have risen and were around 0.1 percentage points higher in May compared with January.

Compared with the trends for 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. This meant, inter alia, that differences between mortgage interest rates and market interest rates shrank in recent years as market rates rose before widening when market interest rates fell back. To date in 2025, the difference for short-term interest rates has fallen slightly, concurrent with the difference for long-term interest rates remaining broadly unchanged.

Read about forecasts of the mortgage rate trends in the latest edition of SBAB Boräntnytt (in Swedish), available [here](#).

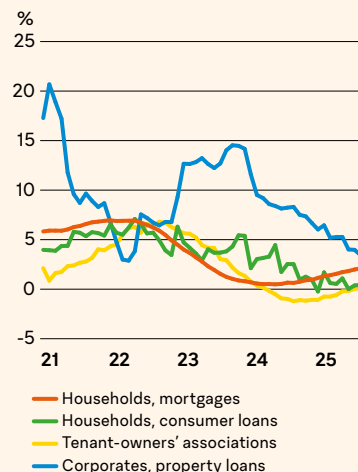
Housing price trend

(SBAB Booli HPI, 2013.01 = 1)



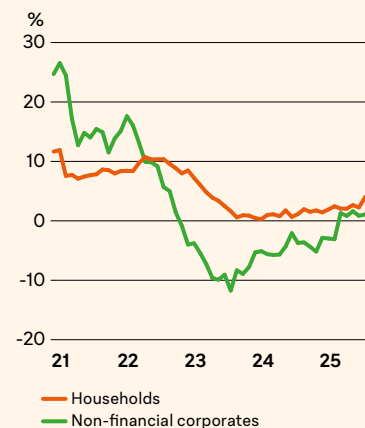
Lending growth

(Percentage, 12-month change)



Deposit growth

(Percentage, 12-month change)



Sources: Macrobond, Statistics Sweden, Booli and SBAB

Housing market

The housing market temperature continued to fall in the second quarter of 2025, especially for apartments. This means increased difficulty in selling homes in the secondary market, which is reflected in fewer bidders and more homes lowering prices. 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.

Last year, 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 continued to rise, albeit more slowly than expected as, for seasonal reasons, prices often rise quickly in the beginning of the year. However, prices fell in the second quarter, on average down 2.3% for apartments and down 0.4% for houses.

While house sales recovered in 2024, sales of apartments didn't. The rate of housing turnover remained essentially normal for the first half of 2025. However, apartment turnover has fallen and was around 15% below its expected normal rate at midyear. Housing turnover is cyclical, which largely explains the current low level for apartments. However, other factors may have contributed to the low turnover, such as the higher interest rates compared with 2015–2022, global turbulence 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 thus far 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 continued to improve in the first quarter of 2025. In general, the indices are below 1 and in many cases

are approaching 0.5, which implies that the potential demand of households for new housing exceeds supply. The significantly lower pace of construction compared with a few years earlier does not really correspond to potential household demand for new housing. However, due to the uncertain economic conditions, the potential demand is assessed as being temporarily higher than actual demand. 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 second quarter of 2025. On an annualised basis, the seasonally adjusted trend showed an increased growth rate for household mortgages from an average of 2.4% per month for the first quarter of 2024 to an average of 2.7% per month for April and May 2025. In terms of 12-month figures, the growth rate was 2.1% for May 2025, up from 0.7% 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 over the remainder of 2025 and in 2026 as the economy improves, employment increases and apartment turnover normalises. Households' interest in consumer loans has remained low in 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 April and May 2025 the seasonally adjusted trend averaged 0.1% 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 at a relatively normal level for lending to rental property owners and rose to 3.45% in May 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 previous years, 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 4.4% in May 2025. This represents a continued rebound from growth of around 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, which collapsed in 2022 and 2023, turned positive in 2024. In 12-month terms, deposits increased 1.3% for the full-year 2024. The twelve-month figures have remained positive in 2025, and was 1.7% in May. 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%.

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. High construction rates and lower population growth since 2020 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, with some highly indebted households. However, housing costs as a percentage of household income are generally low, especially among homeowners, which is attributable to relatively higher incomes. Higher interest rates led to higher housing costs in 2023 and early 2024 for many households. However, lower interest rates in 2025 mean that interest expenses are 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 that indebted households with tight margins may experience temporary difficulty coping with ongoing payments on their mortgages in periods with rising interest rates. However, 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. From 2023 onwards, rising mortgage rates 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, consumer confidence recovered, but has fallen again in the first half of 2025, albeit not as deeply.

Inflation fell in 2024 as did the policy rate. Falling policy rates and therefore declining market interest rates brought down mortgage rates. However, the economic recovery that began toward the end of last year lost momentum in 2025, not least in connection with the US administration's announcement of increased tariffs. Moreover, following a couple of unexpectedly high inflation outcomes at the start of the year, inflation surprised on the downside. This led the Riksbank's

decision at its June meeting to cut the policy rate to 2%. The Riksbank's forecast for the policy rate indicates some likelihood of a further cut later this year. Prevailing interest rate levels and future trends are important variables for SBAB, since they impact strongly on net interest income and operating profit.

Falling mortgage rates have contributed to rising housing prices, albeit not on a par with the housing price decline triggered by the earlier rise in interest rates. In June 2025, house and apartment prices remained 12% and 5% respectively below their spring 2022 peaks. At present, price developments are being held back by a weak labour market and high unemployment as well as by considerable uncertainty about the real economic development. 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 as well as building new housing units.

Many property companies have loans, and the higher interest rates compared with a few years ago have reduced their profits and the value of their properties. Recent years' higher interest rates have put pressure on property companies with tight margins. This has included problems achieving a sufficiently high cash flow to meet current interest expenses and to refinance maturing bonds. In 2025, however, falling interest rates contributed to lower risk, but given the interest rates over the past fifteen years, interest-rate risk remains higher than normal.

Risks and uncertainties 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 trade policy being pursued by the USA means that future global economic developments are currently very difficult to predict. Considerable focus remains on the risk of sharply hiked 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. One immediate consequence has been the triggering of substantial movements in financial markets and has led, inter alia, to large stock market falls and rising risk premiums on interest-bearing financial assets and instruments. Higher tariffs and

uncertainty about their implementation are also impacting decisions about household consumption and business investment levels. 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 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.

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. Escalating conflicts in the Middle East have yet to have any clear economic consequences, but risk, in addition to further raising uncertainty, 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.

Volatility and increased interest rate movements in the financial markets can impact the carrying amount of the financial instruments and holdings that SBAB uses to manage interest-rate and currency risks in the Group's assets and liabilities. This, in turn, can affect net income from financial transactions in the income statement and other comprehensive income reported under equity in the balance sheet.

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.

<p>SBAB! booli! <small>A service by SBAB</small></p> <h2>Buying</h2> <ul style="list-style-type: none"> ✓ Residential mortgages & housing financing ✓ Housing valuations ✓ Search service for homes for sale <p>Business partner services:</p> <ul style="list-style-type: none"> • Home insurance • Mortgage insurance • Legal advice 	<p>booli! hittamäklare! <small>A service by SBAB En tjänst från SBAB</small></p> <h2>Selling</h2> <ul style="list-style-type: none"> ✓ Estate agent recommendations ✓ Housing valuations ✓ Search service for homes for sale <p>Business partner services:</p> <ul style="list-style-type: none"> • Tax declaration help 	<p>SBAB!</p> <h2>Living</h2> <ul style="list-style-type: none"> ✓ Refinancing ✓ Saving ✓ Consumer loans <p>Business partner services:</p> <ul style="list-style-type: none"> • Construction advice 
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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	2025	2024	2025	2024	2024
	Q2	Q1	Q2	Jan-Jun	Jan-Jun	Jan-Dec
New lending for the period, SEK bn	19.0	20.5	21.1	39.5	39.4	86.0
Net change in lending for the period, SEK bn	0.5	2.6	6.7	3.1	10.6	20.6
Total lending, SEK bn	540.9	540.4	528.0	540.9	528.0	537.8
No. of deposit accounts, thousand	1,052	1,012	961	1,052	961	996
Net change in deposits, SEK bn	7.3	-0.9	10.7	6.4	26.1	40.7
Total deposits, SEK bn	262.3	255.0	241.3	262.3	241.3	255.9
Deposits/lending, %	48.5	47.2	45.7	48.5	45.7	47.6
Business Area Private						
No. of mortgage customers, thousand	300	300	291	300	291	298
No. of mortgage objects financed, thousand	193	193	187	193	187	192
New lending, SEK bn	16.6	18.0	17.3	34.6	29.2	69.3
Net change in lending for the period, SEK bn	2.4	3.1	6.0	5.5	7.1	19.6
Total lending, Private, SEK bn	373.2	370.8	355.2	373.2	355.2	367.7
Residential mortgages, SEK bn	371.5	369.2	353.5	371.5	353.5	366.0
Consumer loans, SEK bn	1.7	1.6	1.7	1.7	1.7	1.7
Market share, Residential mortgages, % ¹⁾	8.79	8.82	8.49	8.79	8.49	8.76
Market share, Consumer loans, % ¹⁾	0.51	0.51	0.53	0.51	0.53	0.52
Total deposits, Private, SEK bn	207.4	200.8	194.4	207.4	194.4	202.0
No. of retail customers with savings accounts, thousand	700	689	652	700	652	679
Market share deposits, Private, % ¹⁾	7.59	7.54	7.41	7.59	7.41	7.65
Business Area Corporates & Associations						
No. of housing financing customers	3,097	3,107	3,119	3,097	3,119	3,114
New lending, SEK bn	2.4	2.5	3.8	4.9	10.2	16.7
Net change in lending for the period, SEK bn	-1.9	-0.5	0.7	-2.4	3.5	0.8
Total lending, Corporates & Associations, SEK bn	167.7	169.6	172.8	167.7	172.8	170.1
Lending, Corporate clients, SEK bn	105.0	105.4	104.7	105.0	104.7	105.3
Lending, Tenant-owners' associations, SEK bn	62.7	64.2	68.1	62.7	68.1	64.8
Market Share Corporate Clients (multi-family dwellings), % ¹⁾	18.25	18.18	17.97	18.25	17.97	18.00
Market share, Tenant-owners' associations, % ¹⁾	10.99	11.05	11.28	10.99	11.28	11.15
Total deposits, Corporates & Associations, SEK bn	54.9	54.2	46.9	54.9	46.9	53.9
No. of customers with savings accounts, Corp. & Assoc.	19,400	18,800	17,700	19,400	17,700	18,400
Market share deposits, Corp. & Assoc., % ¹⁾	4.00	3.96	3.46	4.00	3.46	3.73

¹⁾ Source: Statistics Sweden. The figures in the columns for Q2 2025 and Jan-Jun 2025 correspond with the market share as of 31 May 2025. The Q1 2025 column corresponds with the market share as of 28 February 2025. The figures in the columns for Q2 2024 and Jan-Jun 2024 correspond with the market share as of 31 May 2024. The figures in the column for Jan-Dec 2024 correspond with the market share as of 31 December 2024.

Business Area Private

Trend for Q2 2025 compared with Q1 2025

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 growth has gradually risen in the last two years. During the quarter, the Riksbank lowered the policy rate 0.25 percentage points to 2%, which led to a reduction in the important variable mortgage rate (mortgages with three-month fixed-interest periods).

SBAB offers simple and straightforward terms and conditions, transparent mortgage rates, high availability through digital services and telephone, and mindful service. New lending declined slightly and amounted to SEK 16.6 billion (18.0) for the quarter. Total lending to private individuals amounted to SEK 373.2 billion (370.8) at the end of the quarter, of which SEK 371.5 billion (369.2) comprised residential mortgages and SEK 1.7 billion (1.6) consumer loans.

At the end of the quarter, the number of residential mortgage customers amounted to 300,000 (300,000) across 193,000 (193,000) mortgage objects.

The share of customers with variable mortgage rates amounted to 85.5% (84.8) at the end of the quarter.

The market share of residential mortgages was 8.79% on 31 May 2025 (8.82% on 28 February 2025). At the same date, the market share for consumer loans was 0.51% (0.51% on 28 February 2025).

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 207.4 billion (200.8) at the end of the quarter. At the same date, approximately 700,000 (689,000) 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 36% (32).

On 31 May 2025, the market share of retail deposits was 7.59% (7.54% on 28 February 2025). The share of retail

deposits that was covered by the national deposit guarantee amounted to 78.2% at the end of the quarter, corresponding to approximately SEK 162.1 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 sessions per month to www.sbab.se averaged around 1,449,000 (1,681,000). 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 sessions per month to www.booli.se averaged around 13,197,000 (11,335,000). Booli's monthly property valuation email had some 800,000 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 96% 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 Q2 2025 compared with Q1 2025

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)

Conditions in the property market continues to be marked by substantial uncertainty and tentativeness given international developments, although the conditions have eased somewhat recently.

Activity in the new construction market remains very low. Activity is greatest in the major metropolitan regions and more rental apartments are still being built than tenant-owner apartments. 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, although financially stronger players are showing an increased focus on growth. A few financially weaker players retain their focus on structural strengthening measures, while medium-strong players are generally focused on consolidating and refining existing operations.

SBAB's business focuses on lending on residential properties with good collateral in areas with strong demand. We focus primarily on larger corporate customers with diversified revenue streams and good liquidity. During the quarter, new lending to corporates amounted to SEK 1.3 billion (1.6).

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 is low. At the end of the quarter, building credits outstanding amounted to SEK 5.9 billion (5.9). At the same date, SEK 3.6 billion (4.3) 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 1.1 billion (0.9).

Total lending to corporates and tenant-owners' associations amounted to SEK 167.7 billion (169.6) at the end of the quarter, of which SEK 105.0 billion (105.4) comprised lending to corporates and SEK 62.7 billion (64.2) lending to tenant-owners' associations. SBAB's lending on commercial properties, which, pursuant to the Covered Bonds (Issuance) Act (2003:1223), are not regarded as residential properties, amounted to SEK 12.4 billion (12.4) at the end of the quarter.

The market share of lending to property companies (multi-family dwellings) was 18.25% on 31 May 2025 (18.18% on 28 February 2025). At the same date, the market share for lending to tenant-owners' associations was 10.99% (11.05% on 28 February 2025). The number of housing financing customers was 3,097 (3,107) 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 totalled SEK 54.9 billion (54.2) at the end of the quarter. At the same time, approximately 19,400 (18,800) customers held savings accounts with SBAB. On 31 May 2025, the market share of deposits from corporate clients and organisations was 4.00% (3.96% on 28 February 2025). The share of deposits from companies and organisations that was covered by the national deposit guarantee amounted to 21.1% at the end of the quarter, corresponding to approximately SEK 11.6 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

SEK million	GROUP							
	2025	2025	2024	2024	2024	2025	2024	2024
	Q2	Q1	Q4	Q3	Q2	Jan-Jun	Jan-Jun	Jan-Dec
Net interest income	1,258	1,335	1,339	1,223	1,354	2,593	2,726	5,288
Net commission	-12	-16	-13	-10	-14	-28	-31	-54
Net result of financial transactions (Note 3)	6	-3	73	-43	16	3	56	86
Other operating income	16	18	15	15	13	34	27	57
Total operating income	1,268	1,334	1,414	1,185	1,369	2,602	2,778	5,377
Expenses	-482	-472	-545	-453	-470	-954	-909	-1,907
Profit before credit losses and imposed fees	786	862	869	732	899	1,648	1,869	3,470
Net credit losses (Note 4) ¹⁾	26	-6	5	39	-21	20	-44	0
Imposed fees: Risk tax and resolution fee	-141	-146	-143	-143	-142	-287	-284	-570
Operating profit	671	710	731	628	736	1,381	1,541	2,900
Tax	-144	-151	-156	-134	-155	-295	-328	-618
Net profit for the period	527	559	575	494	581	1,086	1,213	2,282
Return on equity, % ²⁾	9.3	10.1	10.1	8.9	10.7	9.7	11.3	10.4
Return on assets, %	0.3	0.3	0.3	0.3	0.4	0.3	0.4	0.3
C/I ratio, %	38.0	35.4	38.5	38.2	34.3	36.7	32.7	35.5
Credit loss ratio, %	0.02	0.00	0.00	0.03	-0.02	0.01	-0.02	0.00
Share of credit stage loans 3, gross, %	0.13	0.16	0.16	0.17	0.16	0.13	0.16	0.16
Net interest margin, %	0.72	0.79	0.81	0.74	0.81	0.78	0.83	0.81
Number of employees (FTEs)	1,132	1,100	1,082	1,033	1,008	1,132	1,008	1,082

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

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

Trend for Q2 2025 compared with Q1 2025

Operating profit decreased to SEK 671 million (710), primarily due to lower net interest income. The trend was somewhat offset by lower net credit losses. The return on equity amounted to 9.3% (10.1) and the C/I ratio was 38.0% (35.4).

Net interest income

Net interest income declined to SEK 1,258 million (1,335), mainly due to lower lending margins, particularly on mortgages. This was partially offset by slightly higher deposit margins. The fee for the national deposit guarantee amounted to SEK 24 million (24).

Net commission

Net commissions increased to an expense of SEK 12 million (expense: 16), primarily due to lower expenses linked to lending operations, for example costs for credit checks of companies and consumers.

Net result of financial transactions

The net result of financial transactions amounted to an income of SEK 6 million (expense: 3) and was mainly attributable to the revaluation of credit risk in derivatives. For more information, please refer to [Note 3](#).

Expenses

Expenses grew to SEK 482 million (472), primarily due to higher personnel-related costs as well as to increased costs for marketing. The trend was somewhat offset by lower costs for consultants. At the end of the quarter, the number of FTEs was 1,132 (1,100).

Credit quality and credit losses

Net credit losses amounted to a recovery of SEK 26 million (loss: 6) for the quarter. Confirmed credit losses totalled SEK 9 million (loss: 7) and recoveries for previous confirmed credit losses amounted to SEK 2 million (recoveries: 1).

Total loss provisions decreased SEK 32 million during the quarter (unchanged). Provisions for loans in credit stage 1 decreased SEK 13 million (increase: 10), while provisions for loans in credit stage 2 and credit stage 3 decreased SEK 3 million (unchanged) and SEK 15 million (decrease: 11) respectively.

During the quarter, credit stage 3 exposures in the Private business area decreased due to recoveries and write-offs of defaulted exposures as well as due to fewer new defaults. Rating grade migrations in each business area, Private and Corporates & Associations, were overall positive in the quarter, and were partly offset by larger individual negative rating grade migrations in the Business area Corporates & Associations. An update to the forward-looking information applied in the impairment model, including downward revisions to forecasts for interest rates, unemployment and house prices, led to an increase in provisions in the quarter. In parallel, a PD model update for the forward-looking information, in conjunction with new outcomes as of June, contributed to an unwinding of provisions. The management overlay of SEK 30 million to the ECL implemented at the end of 2024 was unchanged in the quarter.

Loss provisions for loan commitments and undrawn building credits decreased SEK 1 million in the quarter (increase: 1),

mainly due to reduced loan commitment exposures. Guarantees available to cover credit losses remained unchanged (unchanged).

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.

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

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 141 million (146) for the quarter, of which the risk tax amounted to SEK 91 million (92) and the resolution fee to SEK 50 million (54).

January–June 2025 compared with January–June 2024

Operating profit decreased to SEK 1,381 million (1,541), primarily due to lower net interest income, increased costs and a lower net result of financial transactions. This was partially offset by slightly lower credit losses. The return on equity amounted to 9.7% (11.3) and the C/I ratio was 36.7% (32.7).

Net interest income declined to SEK 2,593 million (2,726), primarily driven by decreasing deposit margins. Higher deposit volumes and, to a certain extent, increased lending volumes and marginally higher lending margins had a positive impact on the item. The fee for the national deposit guarantee amounted to SEK 48 million (58) for the period.

Net commissions increased marginally to an expense of SEK 28 million (expense: 31), mainly due to increased revenue from insurance mediation and higher revenue from lending operations.

The net result of financial transactions decreased to an income of SEK 3 million (income: 56) and was mainly attributable to the revaluation of credit risk in derivatives and differences in value changes between hedging instruments and hedged items. For more information, please refer to [Note 3](#).

Costs increased to SEK 954 million (909), primarily due to an increased number of employees and thereby increased personnel costs. The trend was somewhat offset by lower costs for consultants. At the end of the period, the number of FTEs was 1,132 (1,008).

Net credit losses resulted in a recovery of SEK 20 million (loss: 44). Confirmed credit losses totalled SEK 16 million (loss: 6) and recoveries for previous confirmed credit losses amounted to SEK 3 million (recoveries: 2). The difference between the periods was mainly attributable to higher credit stage 3 exposures in the Private business area in the comparative period, which led to increased loss provisions. This trend was observed for

most of 2024 due to higher interest rates, which in 2025 have been noted at lower levels. The trend for credit stage 3 exposures gradually stabilised toward the end of 2024, before subsequently declining in the first half 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 287 million (284), of which the risk tax amounted to SEK 183 million (181) and the resolution fee to SEK 104 million (104).

Other comprehensive income, recognised directly under equity, amounted to SEK 656 million (expense: 665), primarily due to interest-rate-related value changes, whereby net profit for the period, compared with the preceding period, was positively impacted by falling 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

SEK million	GROUP			
	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Jun 2024
ASSETS				
Cash and balances at central banks	300	0	3,039	2,300
Chargeable treasury bills, etc.	–	22,997	–	6,998
Lending to credit institutions	7,505	8,493	8,173	14,573
Lending to the public (Note 5)	540,920	540,360	537,836	527,971
Bonds and other interest-bearing securities	113,868	112,165	97,375	94,734
Total other assets in the balance sheet	11,190	10,517	13,463	13,439
TOTAL ASSETS	673,783	694,532	659,886	660,015
LIABILITIES AND EQUITY				
Liabilities				
Liabilities to credit institutions	3,107	2,507	7,249	7,325
Deposits from the public	262,253	255,003	255,873	241,340
Issued debt securities, etc. (funding)	364,989	386,444	351,926	362,122
Subordinated debt	1,995	3,995	1,999	1,999
Total other liabilities in the balance sheet	15,107	20,202	16,741	21,896
Total liabilities	647,451	668,151	633,788	634,682
Total equity	26,332	26,381	26,098	25,333
– of which reserves/fair value reserve	–2,275	–2,669	–2,931	–4,402
– of which, Tier 1 capital instruments	5,700	5,700	6,100	7,700
TOTAL LIABILITIES AND EQUITY	673,783	694,532	659,886	660,015
CET1 capital ratio, %	14.5	14.4	12.7	12.1
Tier 1 capital ratio, %	18.3	18.2	16.3	16.6
Total capital ratio, %	19.6	19.5	17.5	17.7
Leverage ratio, % ¹⁾	4.09	3.94	4.19	4.39
LCR, %	273	309	196	265
NSFR, %	134	132	126	133

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

Trend for Q2 2025 compared with Q1 2025

Balance sheet comments

Chargeable treasury bills decreased to SEK 0 billion (23), primarily due to lower surplus liquidity that was previously deposited with the Riksbank via commercial paper. Cash and balances at central banks increased to SEK 0.3 billion (0). Lending to credit institutions decreased to SEK 7.5 billion (8.5), primarily attributable to outflows 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 113.9 billion (112.2), primarily driven by new securities purchases within the framework of normal liquidity reserve management. Lending to the public increased to SEK 540.9 billion (540.4), of which SEK 371.5 billion comprised residential mortgages, SEK 1.7 billion consumer loans, SEK 105.0 billion lending to property companies and SEK 62.7 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 increased to SEK 3.1 billion (2.5), primarily driven by outflows of securities connected to derivatives (CSAs) and to increased repo funding. Deposits from the public increased to SEK 262.3 billion (255.0), of which 86% comprised retail deposits and the remainder non-operational deposits pursuant to the liquidity coverage regulation (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. Tier 2 capital (T2) of SEK 2.0 billion matured in the quarter, which contributed to subordinated debt decreasing to SEK 2.0 billion (4.0). Equity increased to SEK 26.3 billion (25.8), primarily due to net profit for the period and the outcome for other comprehensive income. Other comprehensive income, recognised directly under equity, increased to SEK 394 million (262), primarily due to interest-rate-related value changes, whereby net profit for the period, quarter-on-quarter, was positively impacted by falling euro interest rates. For more information on this item, please refer to [page 24](#).

Funding

The second quarter started with strong market turbulence following Trump's announcement in early April of the tariffs that the USA planned to impose on the rest of the world. These proved more extensive than feared and led to substantial movements in international fixed-income markets. US Treasuries – typically considered one of the most liquid and safest asset classes – recorded unusually high volatility. Clear increases in fear and risk sentiment were also signalled by other risk indicators, such as the VIX index and CDS spreads. However, the effects gradually faded in April and by early May risk sentiment and credit spreads broadly returned to their levels prior to Trump's announcement.

Macroeconomic outcomes in the quarter indicated a continued weak economy, which prompted the market to focus on central banks and their role in stimulating growth. The US Federal Reserve chose to leave the federal funds rate unchanged during the quarter. On the other hand, the European Central Bank (ECB) chose to cut interest rates on two occasions to a total of 2%. The Riksbank, which at its March meeting had not signalled any further interest rate cuts during the forecast period, decided at its June meeting to cut the policy rate to 2%. The market had already priced in a high likelihood of a rate cut prior to the decision. Subsequent communication by the Riksbank led the market to price in further interest rate cuts before the year end.

Despite the ensuing turbulence after the tariff announcement, international and Swedish funding markets functioned satisfactorily in the quarter. After a slight slowdown for issues in the European covered bond market, the half-year ended with volumes on a par with those in 2024. In June, the lowest levels of the year were noted for credit spreads for secured debt. During the period, the supply of unsecured debt in the EUR market exceeded last year's levels and here, too, credit spreads ended the quarter at their lowest levels for the year. The fixed-income market continued to attract capital inflows through the quarter, which contributed to favourable borrowing conditions and low credit spreads.

SBAB was active in the primary market on two occasions during the quarter, first with an SEK 2.8 billion green senior non-preferred bond in the domestic market and thereafter with a EUR 500 million

green senior non-preferred bond in the European market. SCBC remained active in the Swedish funding market under its benchmark programme.

During the quarter as a whole, issued debt securities totalled SEK 22.0 billion (65.2). In parallel, securities were repurchased for SEK 7.3 billion (6.1) and securities amounting to SEK 42.5 billion (17.4) matured. Alongside changes in premiums/discounts and changes in SEK exchange rates, this resulted in a decrease in issued debt securities outstanding to a total of SEK 365.0 billion (386.4). In total, the SBAB Group has issued long-term bonds corresponding to SEK 75.5 billion in 2025 (of which SEK 58.6 billion comprised covered bond funding and SEK 16.9 billion unsecured funding), which can be compared with the total bonds maturing in 2025, which was calculated at about SEK 84.4 billion at the start of the year. Total funding required in 2025 is expected to amount to about SEK 90 billion.

At the end of the quarter, unsecured funding outstanding amounted to SEK 50.0 billion (57.1), of which SEK 24.2 billion (21.1) comprised senior non-preferred bonds, SEK 24.7 billion (30.9) other senior unsecured bonds and SEK 1.1 billion (5.1) commercial paper.

Funding through the issue of covered bonds is conducted by the wholly-owned subsidiary, SCBC. Total covered bond funding amounted to SEK 315.0 billion (329.3) at the end of the quarter, of which SEK 238.8 billion was in SEK and SEK 76.2 billion was in foreign currencies.

Liquidity position

SBAB's liquidity reserve primarily comprises liquid, interest-bearing securities with high ratings¹⁾. At the end of the quarter, the market value of the assets in the liquidity reserve amounted to SEK 111.2 billion (130.3). Taking the Riksbank's and the ECB's haircuts into account, the liquidity value of the assets was SEK 105.8 billion (126.6).

SBAB measures and stress-tests liquidity risk, for example, by calculating the survival horizon. The survival horizon at the end of the quarter totalled 637 days (442), which the company deems satisfactory.

According to the European Commission's Delegated Regulation with regard to liquidity coverage requirements, on 30 June 2025, the LCR was 273% (309) in all currencies combined, which exceeds

the minimum requirement of 100%. Measured in SEK, the LCR was 253% (265). The net stable funding ratio (NSFR) amounted to 134.1% (132.3) 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](#).

Capital position

The risk exposure amount (REA) increased to SEK 152.1 billion (151.3), partly due to a lower REA for retail exposures (mortgages) and a higher amount for risk-weight floors, and partly due to a marginally higher REA for corporate exposures as a result of a few negative rating grade migrations in the corporate business. SBAB's CET1 capital increased during the quarter to SEK 22.1 billion (21.8), primarily due to earnings for the period²⁾. At the end of the quarter, SBAB's CET1 capital ratio amounted to 14.5% (14.4) and the total capital ratio was 19.6% (19.5).

As per 30 June 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 correspond 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 Banking Package started on 1 January 2025. 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 59.7 billion.

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. In the second quarter, after receiving the Swedish FSA's decision, a minor change was implemented in the default definition. The change is not expected to have any material impact on REA.

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 4.09% (3.94) on 30 June 2025.

For more information on SBAB's capital position, please refer to [Note 11](#) and [Note 12](#).

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.

2) 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 surplus in own-funds calculations. Deloitte AB conducted the above review for 30 June 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)

SEK million	CONSOLIDATED SITUATION	
	30 Jun 2025	31 Mar 2025
Credit risk – IRB approach	42,729	42,905
– of which, retail exposures (IRBA)	9,732	10,017
– of which, corporate exposures (FIRB)	32,997	32,888
Credit risk – Standardised approach	11,352	11,270
– of which, counterparty risk	791	825
Credit valuation adjustment (CVA) risk	2,202	2,095
Market risk (standardised approach)	768	770
Operational risk	7,696	7,696
Additional requirements (risk-weight floor, Article 458 CRR)	87,388	86,530
Total REA	152,135	151,267
CET1 capital	22,090	21,849
Tier 1 capital	27,790	27,549
Total capital	29,798	29,557
CET1 capital ratio, %	14.5	14.4
Tier 1 capital ratio, %	18.3	18.2
Total capital ratio, %	19.6	19.5
Leverage ratio, %	4.09	3.94

Components of the capital target

% of REA	CONSOLIDATED SITUATION	
	30 Jun 2025	31 Mar 2025
Total capital requirements according to the Swedish FSA¹⁾	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 FSA¹⁾	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 target³⁾	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.

Dividend

The AGM resolved to distribute a dividend of 40% of net profit for the year, corresponding to SEK 913 million, for 2024. Full details of the proposed appropriation of earnings is available from SBAB's 2024 Annual Report, on page 67. The dividend was distributed in May 2025.

Events after the end of the period

No significant events occurred after the end of the period.

Auditors' review report

This report has been reviewed by the company's auditor in accordance with the International Standard on Review Engagements (ISRE) 2410.

The review report can be found at the end of this report.

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



Contents

Condensed financial statements

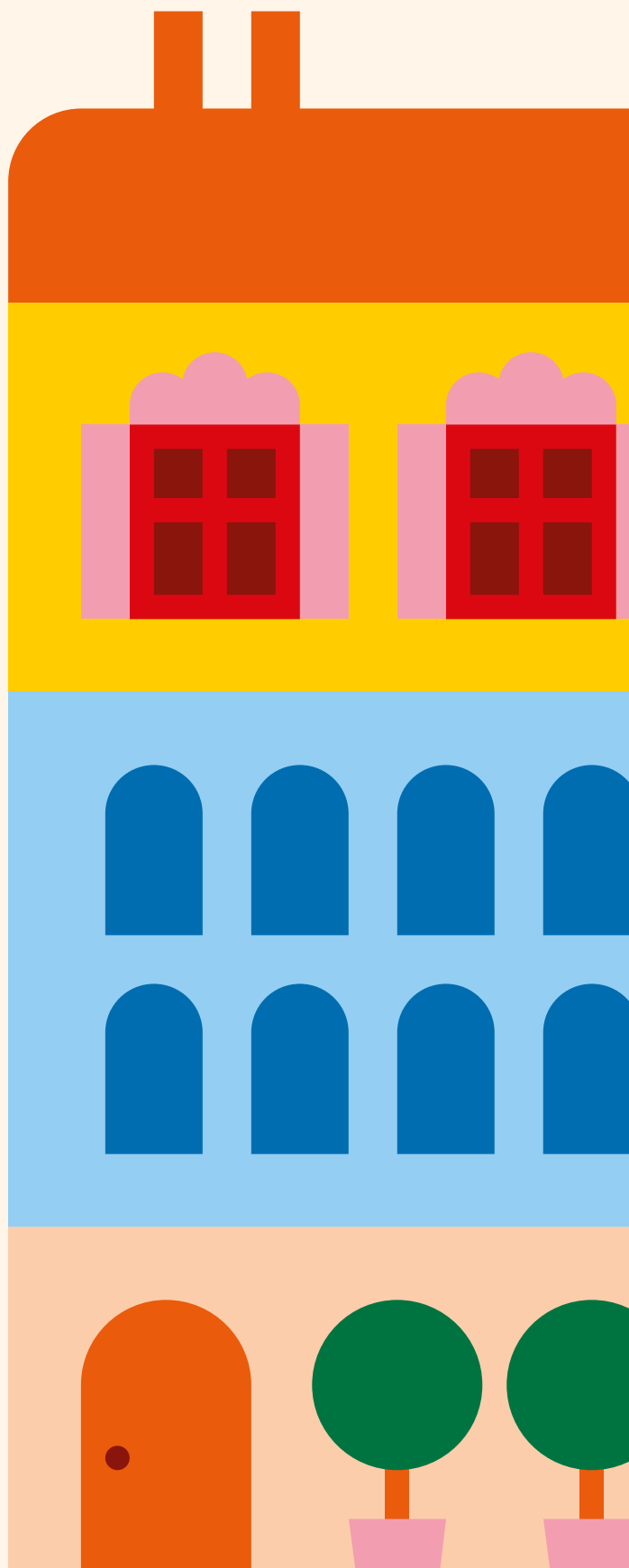
- 23 Condensed income statement
- 24 Condensed statement of comprehensive income
- 25 Condensed balance sheet
- 26 Condensed statement of changes in equity
- 27 Condensed cash-flow statement

Notes

- 28 **Note 1** Accounting policies
- 28 **Note 2** Changes in risks
- 29 **Note 3** Net result of financial transactions
- 29 **Note 4** Net credit losses
- 31 **Note 5** Lending to the public
- 33 **Note 6** Derivatives
- 33 **Note 7** Operating segments
- 35 **Note 8** Classification of financial instruments
- 37 **Note 9** Fair value disclosures
- 38 **Note 10** Liquidity reserve and liquidity risk
- 39 **Note 11** Capital adequacy, own funds and capital requirements
- 44 **Note 12** Internally assessed capital requirement

Parent Company

- 45 Consolidated income statement
- 46 Consolidated statement of comprehensive income
- 47 Consolidated balance sheet
- 48 **Note 13** Lending to credit institutions
- 48 **Note 14** Capital adequacy, own funds and capital requirements – Parent Company



Condensed income statement

SEK million	GROUP					
	2025	2025	2024	2025	2024	2024
	Q2	Q1	Q2	Jan-Jun	Jan-Jun	Jan-Dec
Interest income ¹⁾	5,326	5,495	7,422	10,821	14,884	28,153
Interest expense	-4,068	-4,160	-6,068	-8,228	-12,158	-22,865
Net interest income	1,258	1,335	1,354	2,593	2,726	5,288
Commission income	10	10	8	20	17	38
Commission expense	-22	-26	-22	-48	-48	-92
Net result of financial transactions (Note 3)	6	-3	16	3	56	86
Other operating income	16	18	13	34	27	57
Total operating income	1,268	1,334	1,369	2,602	2,778	5,377
Personnel costs	-289	-279	-252	-568	-492	-1,025
Other expenses	-153	-154	-179	-307	-339	-671
Depreciation, amortisation and impairment of PPE and intangible assets	-40	-39	-39	-79	-78	-211
Total expenses before credit losses and imposed fees	-482	-472	-470	-954	-909	-1,907
Profit before credit losses and imposed fees	786	862	899	1,648	1,869	3,470
Net credit losses (Note 4) ²⁾	26	-6	-21	20	-44	0
Imposed fees: Risk tax and resolution fee	-141	-146	-142	-287	-284	-570
Operating profit	671	710	736	1,381	1,541	2,900
Tax	-144	-151	-155	-295	-328	-618
Net profit for the year/period	527	559	581	1,086	1,213	2,282

¹⁾ In Q2 2025 interest income on financial assets measured at amortised cost, calculated using the effective-interest method, amounted to SEK 4,405 million and for the corresponding period the previous year to SEK 5,743 million for the Group.

²⁾ Including impairment and reversals of impairment of financial assets.

Condensed statement of comprehensive income

SEK million	GROUP					
	2025 Q2	2025 Q1	2024 Q2	2025 Jan-Jun	2024 Jan-Jun	2024 Jan-Dec
Net profit for the period	527	559	581	1,086	1,213	2,282
Other comprehensive income						
<i>Components that will be reclassified to profit or loss</i>						
Financial assets measured at FVTOCI	41	161	145	202	262	92
Changes related to cash-flow hedges	463	173	-349	636	-1,087	943
Tax attributable to components that will be reclassified to profit or loss	-105	-68	42	-173	170	-213
<i>Components that will not be reclassified to profit or loss</i>						
Revaluation effects of defined-benefit pension plans	-6	-5	-8	-11	-12	-20
Tax attributable to components that will not be reclassified to profit or loss	1	1	1	2	2	4
Other comprehensive income/loss	394	262	-169	656	-665	806
Total comprehensive income/loss for the period	921	821	412	1,742	548	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 1](#). See also the Financial development section for comments on the outcome of the period.

Condensed balance sheet

SEK million	GROUP		
	30 Jun 2025	31 Dec 2024	30 Jun 2024
ASSETS			
Cash and balances at central banks	300	3,039	2,300
Chargeable treasury bills, etc.	–	–	6,998
Lending to credit institutions	7,505	8,173	14,573
Lending to the public (Note 5)	540,920	537,836	527,971
Value changes of interest-rate-risk hedged items in macro hedges	380	–357	–1,036
Bonds and other interest-bearing securities	113,868	97,375	94,734
Derivatives (Note 6)	7,962	11,296	9,874
Shares and participation in associated companies and joint ventures	7	6	5
Deferred tax assets	526	697	1,071
Intangible assets	501	453	490
Property, plant and equipment	201	221	244
Other assets	278	210	1,469
Prepaid expenses and accrued income	1,335	937	1,322
TOTAL ASSETS	673,783	659,886	660,015
LIABILITIES AND EQUITY			
Liabilities			
Liabilities to credit institutions	3,107	7,249	7,325
Deposits from the public	262,253	255,873	241,340
Issued debt securities, etc.	364,989	351,926	362,122
Derivatives (Note 6)	10,309	10,848	16,014
Other liabilities	1,101	1,879	877
Accrued expenses and deferred income	3,694	4,012	5,000
Provisions	3	2	5
Subordinated debt	1,995	1,999	1,999
Total liabilities	647,451	633,788	634,682
Equity			
Share capital	1,958	1,958	1,958
Reserves/Fair value reserve	–2,275	–2,931	–4,402
Additional Tier 1 instruments	5,700	6,100	7,700
Retained earnings	19,863	18,689	18,864
Net profit for the period	1,086	2,282	1,213
Total equity	26,332	26,098	25,333
TOTAL LIABILITIES AND EQUITY	673,783	659,886	660,015

Condensed statement of changes in equity

SEK million	GROUP				
	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	-	-	-	-195	-195
Dividend paid	-	-	-	-913	-913
Other comprehensive income	-	656	-	-	656
Net profit for the period	-	-	-	1,086	1,086
Comprehensive income for the period	-	656	-	1,086	1,742
Closing balance, 30 June 2025	1,958	-2,275	5,700	20,949	26,332
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	-	-	-	-242	-242
Dividend paid	-	-	-	-963	-963
Other comprehensive income	-	-665	-	-	-665
Net profit for the period	-	-	-	1,213	1,213
Comprehensive income for the period	-	-665	-	1,213	548
Closing balance, 30 June 2024	1,958	-4,402	7,700	20,077	25,333
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

SEK million	GROUP		
	2025	2024	2024
	Jan-Jun	Jan-Jun	Jan-Dec
Opening cash and cash equivalents	11,212	18,157	18,157
OPERATING ACTIVITIES			
Interest and commissions paid/received	1,939	4,091	5,946
Outflows to suppliers and employees	-1,163	-1,115	-2,266
Taxes paid/refunded	-561	-471	-951
Change in assets and liabilities of operating activities	-2,186	-4,625	-8,814
Cash flow from operating activities	-1,971	-2,120	-6,085
INVESTING ACTIVITIES			
Change in property, plant and equipment	-2	-12	-24
Change in intangible assets	-92	-66	-126
Acquisition of subsidiaries, participation in associated companies and joint ventures	-1	-	-1
Cash flow from investing activities	-95	-78	-151
FINANCING ACTIVITIES			
Dividend paid	-913	-963	-963
Change in Tier 1 capital instrument	-400	1,900	300
Change in subordinated loan	-4	-	-
Repayment of lease liabilities	-24	-23	-46
Cash flow from financing activities	-1,341	914	-709
Increase/decrease in cash and cash equivalents	-3,407	-1,284	-6,945
Closing cash and cash equivalents	7,805	16,873	11,212

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

Change in liabilities attributable to financing activities

SEK million	GROUP									
	Opening balance	Non-cash items		Closing balance	Opening balance	Non-cash items		Closing balance		
	1 Jan 2025	Cash flow	Fair value	Other	30 Jun 2025	1 Jan 2024	Cash flow	Fair value	Other	30 Jun 2024
Subordinated debt	1,999	5	-	-9	1,995	1,998	-	-	1	1,999
Lease liabilities	157	-24	-	12	145	183	-23	-	15	175
Additional Tier 1 instruments	6,100	-400	-	-	5,700	5,800	1,900	-	-	7,700
Total	8,256	-419	-	3	7,840	7,981	1,877	-	16	9,874

Note 1 Accounting policies

The SBAB Group applies IFRS® Accounting Standards 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 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 July 15 2025.

Note 2 Changes in risks

Credit risk in lending operations

The credit risk in SBAB's lending portfolio is still low and the share of customers experiencing payment difficulties decreased during the quarter, mainly due to the currently lower interest rates. Within the Private business area, this has been observed both through reduced exposure within credit stage 3 due to write offs and cures for defaulted customers and through positive rating grade migrations for performing customers. Within the Corporates & Associations business area, rating grade migrations have been positive overall but a few larger negative migrations for customers have also occurred. Total loss provisions for expected credit losses (ECL) amounted to SEK 264 million as of June 30, 2025, compared to SEK 296 million as of March 31, 2025.

The Loan-to-Value (LTV) ratio for private individuals, real estate companies, and tenant-owners' associations amounted to 58%, 60%, and 32% respectively per 30 June 2025, compared to 59%, 60%, and 32% respectively per 31 March 2025. 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 second quarter of 2025 the results from the KRI does not indicate any significant changes in risk.

Counterparty credit risk in treasury operations

SBAB models counterparty credit risk according to CRR II Standardised Approach (SA-CCR). Total exposure to SBAB's transactional counterparties decreased slightly to SEK 6,597 million as of June 30 2025 compared to SEK 6,608 million as of March 31 2025.

Liquidity risk

SBAB's liquidity position remained strong during the second quarter of 2025. LCR by end of the second quarter of 2025 decreased in comparison with the first quarter. The survival horizon increased in comparison with the first quarter. The over collateralization level (OC-level) increased in comparison with the first quarter. The deposit-to-loan ratio increased during the second quarter. NSFR has decreased slightly in comparison with the first. 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 321 million as of 30 June compared to 644 on 31 March. The worst scenario was parallel up at 31 March and is now short rates up. Credit spread risk, measured with stressed VaR, is 1,135 as of 30 June compared to 1,328 at 31 March. Currency risk remains low, according to SBAB's guidelines.

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, in line with the end of the first quarter of 2025. SBAB has a limited lending on commercial property which amounted to 2 percent of lending to the public as of 30 June 2025, which is essentially unchanged compared to 31 March 2025. 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

SEK million	GROUP					
	2025	2025	2024	2025	2024	2024
	Q2	Q1	Q2	Jan-Jun	Jan-Jun	Jan-Dec
Gains/losses on interest-bearing financial instruments						
– Change in value of hedged items in hedge accounting	–1,689	–69	–849	–1,758	–16	–1,599
– Derivatives in hedge accounting	1,669	74	865	1,743	27	1,587
– Other derivatives	4	–38	31	–34	127	–69
– Interest-bearing securities, Fair Value Option	0	–	0	0	2	2
– Interest-bearing securities at fair value through other comprehensive income	–7	–10	–29	–17	–88	–70
– Interest-bearing securities at amortised cost	–2	0	–30	–2	–52	–78
– Realised gain/loss from financial liabilities at amortised cost	16	37	19	53	41	284
– Loan receivables at amortised cost	16	5	7	21	11	22
Currency translation effects	–1	–2	2	–3	4	7
Total	6	–3	16	3	56	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

SEK million	GROUP					
	2025	2025	2024	2025	2024	2024
	Q2	Q1	Q2	Jan-Jun	Jan-Jun	Jan-Dec
Lending to the public						
Confirmed credit losses	–9	–7	–4	–16	–6	–14
Recoveries of previously confirmed credit losses	2	1	1	3	2	4
Adjustment of interest, written down loans	1	0	1	1	1	4
Change in provision for the period – credit stage 1	13	–10	5	3	24	32
Change in provision for the period – credit stage 2	3	0	–18	3	–23	15
Change in provision for the period – credit stage 3	15	11	–7	26	–47	–48
Guarantees ¹⁾	0	0	0	0	0	0
Net credit losses for the period – lending to the public	25	–5	–22	20	–49	–7
Loan commitments and building credits²⁾						
Change in provision for the period – credit stage 1	1	–1	0	0	2	3
Change in provision for the period – credit stage 2	0	0	1	0	2	3
Change in provision for the period – credit stage 3	0	0	0	0	1	1
Net credit losses for the period – loan commitments and building credits	1	–1	1	0	5	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	26	–6	–21	20	–44	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 second quarter of 2025, total credit losses amounted to positive SEK 26 million (6). Confirmed credit losses amounted to SEK 9 million (7) and recoveries for previously confirmed credit losses amounted to SEK 2 million (1). Total loan loss provisions decreased by SEK 32 million (no change). Loss provisions decreased by SEK 13 million (increase by 10) for loans in credit stage 1, decreased by SEK 3 million (unchanged) for loans in credit stage 2 and decreased by SEK 15 million (decrease by 11) for loans in credit stage 3.

During the quarter, exposures in credit stage 3 within the Privat business area decreased due to write-offs and cures for defaulted exposures in combination with fewer new defaults. Rating grade migrations within both business areas were positive overall. However, a few larger negative migrations

occurred for customers within the Corporates & Associations business area. The forward-looking information was updated during the quarter and led to increased loss provisions due to somewhat worse forecasts for interest rates, unemployment and housing prices. The management overlay of SEK 30 million, implemented at the end of 2024 for credit stage 1 and 2 for the Private business area, remains unchanged.

Loss provisions for loan commitments and building credits decreased by SEK 1 million (increase by 1) for the second quarter of 2025, mainly due to reduced 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

Factors	Scenario 1 (40%)			Scenario 2 (10%)			Scenario 3 (25%)			Scenario 4 (25%)		
	2026	2027	2028	2026	2027	2028	2026	2027	2028	2026	2027	2028
GDP ¹⁾ , Δ	+3.3%	+2.5%	+1.8%	+4.3%	+2.4%	+1.3%	+6.7%	+3.0%	+2.2%	-0.7%	+1.5%	+1.8%
Repo rate	2.2%	2.2%	2.2%	2.0%	2.4%	2.4%	2.5%	2.6%	2.5%	3.2%	3.3%	3.1%
Unemployment	8.3%	7.9%	7.4%	7.7%	6.8%	6.3%	11.1%	10.7%	9.4%	9.5%	10.3%	10.3%
House prices, Δ	+4.1%	+4.5%	+2.9%	+1.9%	+4.5%	+2.8%	-8.4%	-1.6%	+2.9%	-13.9%	-10.3%	+0.3%
Prices of tenant-owners' rights, Δ	+6.0%	+4.9%	+3.5%	+3.2%	+4.8%	+3.4%	-8.9%	-3.8%	+3.5%	-13.9%	-11.3%	+1.0%
Property prices, Δ	+1.7%	+4.6%	+5.0%	+1.0%	+3.4%	+4.3%	-5.7%	-5.0%	-2.2%	-7.7%	-9.8%	-8.7%
ECL	SEK 151 million			SEK 145 million			SEK 302 million			SEK 454 million		
Weighted ECL ²⁾	SEK 264 million											

1) Not included in the ECL calculation

2) Of which, SEK 262 million was attributable to lending to the public and SEK 2 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 second 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 loan loss provisions. 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. Compared to the previous forward-looking information, the forecasts for interest rates, unemployment, and housing prices are somewhat worse. The

revised forward-looking information contributed to increased loss provisions of SEK 11 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.

During June, the PD-model for forward-looking information was calibrated by including newly observed data. In addition, an analysis was performed by the model development team which showed that certain changes to the PD-model improved its predictive power and increased stability in estimates over time. The main change that was implemented in the model was a moving average for the repo rate. The model update contributed to decreased loss provisions of SEK 26 million.

As of June 30, 2025, the total loss provisions amount to SEK 264 million, compared to SEK 296 million as of March 31, 2025. 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. 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 ratio³⁾ (LTV) in the mortgage portfolio at the end of the quarter was 58% (59), and the average mortgage at the same time was SEK 2.0 million (1.9). The LTV in new loans granted during the quarter was 70% (68), and the Debt-to-Income ratio was 3.6 (3.4). During the second quarter of 2025, the number of individually assessed loss provisions within the Private business area remained the same and the associated provisions increased by SEK 1 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 loans with individually assessed loss provisions exist within the Corporates & Associations business area as of the second 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

SEK million	GROUP		
	30 Jun 2025	31 Dec 2024	30 Jun 2024
Opening balance, per year	537,836	517,400	517,400
New lending for the period	39,478	86,000	39,436
Amortisation, repayments	-36,410	-65,549	-28,813
Confirmed credit losses	-16	-14	-6
Change in provision for expected credit losses ¹⁾	32	-1	-46
Closing balance, per year/period	540,920	537,836	527,971

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

SEK million	GROUP		
	30 Jun 2025	31 Dec 2024	30 Jun 2024
Lending, Residential mortgages	371,486	365,986	353,455
Lending, Corporate Clients & Tenant-Owners' Associations	167,747	170,195	172,811
Lending, Consumer loans	1,687	1,655	1,705
Total	540,920	537,836	527,971

Geographical composition

	GROUP			
	Lending, Residential mortgages %		Lending, Corporate Clients & Tenant-Owners' Associations %	
	2025	2024	2025	2024
	Q2	Q2	Q2	Q2
Stockholm area	62.3	62.9	48.7	49.5
Öresund region	9.4	9.2	19.1	18.9
University cities and growth regions	10.4	10.8	15.3	16.3
Gothenburg area	10.9	10.9	8.7	8.3
Other regions	7.1	6.2	8.2	6.9

Note 5 Lending to the public, Cont.

Lending to the public by credit stage

SEK million	GROUP		
	30 Jun 2025	31 Dec 2024	30 Jun 2024
Credit stage 1			
Gross lending	508,897	501,116	476,611
Provision	-32	-35	-42
Total	508,865	501,081	476,569
Credit stage 2			
Gross lending	31,561	36,157	50,867
Provision	-62	-66	-105
Total	31,499	36,091	50,762
Credit stage 3			
Gross lending	723	857	832
Provision	-167	-193	-192
Total	556	664	640
Total gross lending	541,181	538,130	528,310
Total provisions	-261	-294	-339
Total	540,920	537,836	527,971

Lending to the public and provisions

SEK million	GROUP							
	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	9,418	-14	-9,401	11	-17	3	0	0
Moved to credit stage 2	-8,355	1	8,526	-20	-171	19	0	0
Moved to credit stage 3	-39	0	-178	2	217	-2	0	0
Volume change*	4,348	0	-3,305	8	-143	29	900	37
Revaluation**	2,409	16	-238	3	-4	-36	2,167	-17
Confirmed credit losses	-	-	-	-	-16	13	-16	13
Closing balance, 30 June 2025	508,897	-32	31,561	-62	723	-167	541,181	-261

*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							
	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 December 2024	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

SEK million	GROUP					
	30 Jun 2025			31 Dec 2024		
	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	3,992	9,526	514,123	4,374	10,844	491,935
Currency-related	3,970	783	89,408	6,922	4	86,552
Total	7,962	10,309	603,531	11,296	10,848	578,487

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

Note 7 Operating segments

SEK million	GROUP					
	Jan–Jun 2025					
	Follow-up of operations			Reconciliation against the statutory income statement		
	Retail	Corporate Clients & Tenant-Owners' Associations	Total	Administrative consultants	IFRS 16 Leasing ¹⁾	Statutory profit
Net interest income	1,654	939	2,593	–	–	2,593
Commission income	20	0	20	–	–	20
Commission expense	–38	–10	–48	–	–	–48
Net result of financial transactions	–8	11	3	–	–	3
Other operating income	34	0	34	–	–	34
Total operating income	1,662	940	2,602	–	–	2,602
Salaries and remuneration	–254	–107	–361	–	–	–361
Other personnel costs	–143	–67	–210	3	–	–210
Other expenses	–243	–84	–327	–3	23	–327
Depreciation, amortisation and impairment of PPE and intangible assets	–38	–18	–56	–	–23	–56
Net credit losses	20	0	20	–	–	20
Imposed fees: Risk tax and resolution fee	–195	–92	–287	–	–	–287
Operating profit²⁾	809	572	1,381	0	0	1,381
Tax	–173	–122	–295	–	–	–295
Profit after standardised tax	636	450	1,086	0	0	1,086
Return on equity, %	7.8	14.4	9.7	–	–	9.7

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

²⁾ Segment performance.

Note 7 Operating segments, Cont.

SEK million	GROUP					
	Jan–Jun 2024					
	Follow-up of operations			Reconciliation against the statutory income statement		
	Retail	Corporate Clients & Tenant-Owners' Associations	Total	Administrative consultants	IFRS 16 Leasing	Statutory profit
Net interest income	1,615	1,111	2,726	–	–	2,726
Commission income	17	0	17	–	–	17
Commission expense	–34	–14	–48	–	–	–48
Net result of financial transactions	34	22	56	–	–	56
Other operating income	27	0	27	–	–	27
Total operating income	1,659	1,119	2,778	–	–	2,778
Salaries and remuneration	–224	–84	–308	–	–	–308
Other personnel costs	–145	–57	–202	18	–	–184
Other expenses	–264	–79	–343	–18	22	–339
Depreciation, amortisation and impairment of PPE and intangible assets	–37	–19	–56	–	–22	–78
Net credit loss	–36	–8	–44	–	–	–44
Imposed fees: Risk tax and resolution fee	–188	–96	–284	–	–	–284
Operating profit	765	776	1,541	0	0	1,541
Tax	–163	–165	–328	–	–	–328
Profit after standardised tax	602	611	1,213	0	0	1,213
Return on equity, %	9.1	14.3	11.2	–	–	11.2

Business volumes

SEK million	GROUP							
	Jan–Jun 2025				Jan–Dec 2024			
	Retail	Corporate Clients & Tenant-Owners' Associations	Total	Reconciliation against statutory balance sheet	Retail	Corporate Clients & Tenant-Owners' Associations	Total	Reconciliation against statutory balance sheet
Lending to the public								
Residential mortgages	370,715	–	370,715	370,715	365,427	–	365,427	365,427
Service loans	966	–	966	966	788	–	788	788
Consumer loans	1,700	–	1,700	1,700	1,670	–	1,670	1,670
Real estate loans	–	164,242	164,242	162,242	–	164,001	164,001	164,001
Building credits	–	3,593	3,593	3,593	–	6,282	6,282	6,282
ECL	–	–	–	–261	–	–	–	–294
Transaction and modification costs	–	–	–	–35	–	–	–	–38
Total	373,381	167,835	541,216	540,920	367,885	170,283	538,168	537,836
Deposits from the public								
Savings accounts	133,269	25,706	158,975	158,975	137,467	29,917	167,384	167,384
Fixed interest accounts	74,105	–	74,105	74,105	64,531	–	64,531	64,531
Investment accounts	–	29,173	29,173	29,173	–	23,958	23,958	23,958
Special deposits	–	–	–	–	–	–	–	–
Total	207,374	54,879	262,253	262,253	201,998	53,875	255,873	255,873

Note 7 Operating segments, Cont.

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 –3 million (–18) 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

GROUP							
30 Jun 2025							
SEK million	Financial assets measured at FVTPL			Financial assets measured at FVTOCI	Financial assets measured at amortised cost	Total	Total fair value
	Fair value option	Derivatives in hedge accounting	Other (Obligatory) classification				
Cash and balances at central banks	–	–	–	–	300	300	300
Chargeable treasury bills, etc.	–	–	–	–	–	–	–
Lending to credit institutions	–	–	–	–	7,505	7,505	7,505
Lending to the public	–	–	–	–	540,920	540,920	540,928
Value changes of interest-rate-risk hedged items in macro hedges	–	–	–	–	380	380	–
Bonds and other interest-bearing securities	–	–	–	110,885	2,983	113,868	113,305
Derivatives	–	7,717	245	–	–	7,962	7,962
Other assets	–	–	–	–	172	172	172
Prepaid expenses and accrued income	811	–	–	5	321	1,137	1,137
Total financial assets	811	7,717	245	110,890	552,581	672,244	671,309

Financial liabilities

GROUP					
30 Jun 2025					
SEK million	Financial liabilities measured at FVTPL		Financial liabilities measured at amortised cost	Total	Total fair value
	Derivatives in hedge accounting	Held for trading			
Liabilities to credit institutions	–	–	3,107	3,107	3,107
Deposits from the public	–	–	262,253	262,253	262,253
Issued debt securities, etc.	–	–	364,989	364,989	362,559
Derivatives	9,841	468	–	10,309	10,309
Other liabilities	–	–	1,012	1,012	1,012
Accrued expenses and deferred income	–	–	3,591	3,591	3,591
Subordinated debt	–	–	1,995	1,995	2,139
Total financial liabilities	9,841	468	636,947	647,256	644,970

Note 8 Classification of financial instruments, Cont.

Financial assets

	GROUP						
	31 Dec 2024						
	Financial assets measured at FVTPL			Financial assets measured at FVTOCI	Financial assets measured at amortised cost	Total	Total fair value
SEK million	Fair value option	Derivatives in hedge accounting	Other (Obligatory) classification				
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		Financial liabilities measured at amortised cost	Total	Total fair value
SEK million	Derivatives in hedge accounting	Held for trading			
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

SEK million	GROUP							
	30 Jun 2025				31 Dec 2024			
	Quoted market prices (Level 1)	Other observable market data (Level 2)	Unobservable market data (Level 3)	Total	Quoted market prices (Level 1)	Other observable market data (Level 2)	Unobservable market data (Level 3)	Total
Assets								
Chargeable treasury bills, etc.	–	–	–	–	–	–	–	–
Bonds and other interest-bearing securities	110,885	–	–	110,885	92,073	–	–	92,073
Derivatives	–	7,962	–	7,962	–	11,296	–	11,296
Prepaid expenses and accrued income	816	–	–	816	526	–	–	526
Total	111,701	7,962	–	119,663	92,599	11,296	–	103,895
Liabilities								
Derivatives	–	10,309	–	10 309	–	10,848	–	10,848
Total	–	10,309	–	10,309	–	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 637 days at 30 June (442 days at 31 March).

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 30 June, the LCR was 273% (309% as of 31 March) in all currencies at the consolidated level. The significant currencies for the bank are SEK and EUR, where LCR was 253% (265%) in SEK and 789% (6,107%) in EUR.

The net stable funding ratio (NSFR), amounted to 134% (132%) according to of Regulation (EU)2019/876 of the European Parliament and the Council.

SEK billion		CONSOLIDATED SITUATION									
		30 Jun 2025					31 Mar 2025				
		Distribution by currency					Distribution by currency				
		Total	SEK	EUR	USD	Other	Total	SEK	EUR	USD	Other
Level 1	Level 1 assets	106.6	88.1	18.1	0.4	-	124.2	104.1	19.7	0.4	-
	Cash and balances with central banks ¹⁾	10.7	10.7	-	-	-	10.2	10.2	-	-	-
	Securities issued or guaranteed by sovereigns, central banks, MDBs and international organisations	17.5	11.4	6.1	-	-	38.5	33.2	5.3	-	-
	Securities issued by municipalites and public sector entities	21.7	16.4	4.9	0.4	-	18.5	13.6	4.5	0.4	-
	Extremely high quality covered bonds	56.7	49.6	7.1	-	-	57.0	47.1	9.9	-	-
	Other assets	-	-	-	-	-	-	-	-	-	-
Level 2	Level 2 assets	4.6	4.6	-	-	-	6.1	6.1	-	-	-
	Level 2A assets	4.6	4.6	-	-	-	6.1	6.1	-	-	-
	Securities issued or guaranteed by sovereigns, central banks, municipalities and public sector entities	-	-	-	-	-	-	-	-	-	-
	High quality covered bonds	4.6	4.6	-	-	-	6.1	6.1	-	-	-
	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		111.2	92.7	18.1	0.4	-	130.3	110.2	19.7	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). 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 30 June 2025. The Swedish FSA has announced in the second 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 30 June 2025.

Capital adequacy

SEK million	CONSOLIDATED SITUATION				
	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024
Available own funds (amounts)					
Common Equity Tier 1 (CET1) capital	22,090	21,849	21,417	21,193	20,954
Tier 1 capital	27,790	27,549	27,517	27,293	28,654
Total capital	29,798	29,557	29,534	29,312	30,657
Risk-weighted exposure amounts					
Total risk exposure amount	152,135	151,267	168,889	171,486	172,860
Total risk exposure pre-floor	152,135	151,267	–	–	–
Capital ratios (as a percentage of risk-weighted exposure amount)					
Common Equity Tier 1 ratio (%)	14.5	14.4	12.7	12.4	12.1
Common Equity Tier 1 ratio considering unfloored TREAs (%)	14.5	14.4	–	–	–
Tier 1 ratio (%)	18.3	18.2	16.3	15.9	16.6
Tier 1 ratio considering unfloored TREAs (%)	18.3	18.2	–	–	–
Total capital ratio (%)	19.6	19.5	17.5	17.1	17.7
Total capital ratio considering unfloored TREAs (%)	19.6	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				
	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 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 (%)	9.0	8.9	7.1	6.8	6.6
Leverage ratio					
Total exposure measure	679,093	698,779	656,664	661,432	653,330
Leverage ratio (%)	4.1	3.9	4.2	4.1	4.4
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					
Total high-quality liquid assets (HQLA) (Weighted value -average)	110,349	106,159	104,433	104,421	101,830
Cash outflows - Total weighted value	56,880	55,063	57,895	56,787	56,246
Cash inflows - Total weighted value	12,578	13,717	16,700	16,551	16,957
Total net cash outflows (adjusted value)	44,302	41,346	41,195	40,236	39,289
Liquidity coverage ratio (%) ¹⁾	254.4	259.9	258.4	263.5	262.8
Net Stable Funding Ratio					
Total available stable funding	579,917	579,796	530,349	558,876	551,168
Total required stable funding	432,506	438,094	419,976	418,267	414,806
NSFR ratio (%)	134.1	132.3	126.3	133.6	132.9

1) A reinterpretation of the calculation of historical average values was made as of 2025-06-30, and previous periods have therefore been adjusted accordingly.

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

SEK million	GROUP		
	30 Jun 2025	31 Dec 2024	30 Jun 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	19,840	18,651	18,835
Accumulated other comprehensive income (and other reserves)	-2,275	-2,930	-4,402
Independently reviewed interim profits net of any foreseeable charge or dividend ¹⁾	655	1,383	738
Common Equity Tier 1 (CET1) capital before regulatory adjustments	20,178	19,062	17,129
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
Additional value adjustments (negative amount)	-121	-115	-121
Intangible assets (net of related tax liability) (negative amount)	-235	-178	-244
Fair value reserves related to gains or losses on cash-flow hedges of financial instruments that are not valued at fair value	2,504	3,009	4,621
Negative amounts resulting from the calculation of expected loss amounts	-215	-343	-408
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	-	-
Other regulatory adjustments ²⁾	-21	-18	-23
Total regulatory adjustments to Common Equity Tier 1 (CET1)	1,912	2,355	3,825
Common Equity Tier 1 (CET1) capital	22,090	21,417	20,954
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	7,700
Tier 1 capital (T1=CET1+AT1)	27,790	27,517	28,654
Tier 2 (T2) capital : instruments			
Capital instruments and the related share premium accounts	1,997	2,012	1,995
Credit risk adjustments	11	5	8
Tier 2 (T2) capital before regulatory adjustments	2,008	2,017	2,003
Tier 2 capital: regulatory adjustments			
Total regulatory adjustments to Tier 2 (T2) capital	-	-	-
Tier 2 (T2) capital	2,008	2,017	2,003
Total capital (TC=T1+T2)	29,798	29,534	30,657
Total risk-exposure amount	152,135	168,889	172,860

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

SEK million	GROUP		
	30 Jun 2025	31 Dec 2024	30 Jun 2024
Capital ratios and requirements including buffers %			
Common Equity Tier 1 capital	14,5	12.7	12.1
Tier 1 capital	18,3	16.3	16.6
Total capital	19,6	17.5	17.7
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	9,0	7.1	6.6

1) Net profits for the period were reduced by the expected dividend of SEK 434 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

SEK million	CONSOLIDATED SITUATION					
	30 Jun 2025		31 Dec 2024		30 Jun 2024	
	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement
Credit risk recognised in accordance with IRB approach						
Exposures to corporates	32,997	2,640	56,774	4,542	62,760	5,021
Retail exposures	9,732	778	17,763	1,421	19,429	1,554
– of which, exposures to SMEs	–	–	–	–	–	–
– of which, retail exposures secured by immovable property	9,732	778	17,763	1,421	19,429	1,554
Total exposures recognised with the IRB approach	42,729	3,418	74,537	5,963	82,189	6,575
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⁾	791	63	710	57	793	63
– of which, derivatives according to CRR, Appendix 2	770	62	672	54	728	58
– of which, repos	21	1	38	3	65	5
– of which, other	0	0	0	0	0	0
Retail exposures	2,931	235	2,057	165	2,078	166
Exposures in default	9	1	7	1	6	1
Exposures in the form of covered bonds	6,618	529	5,868	469	6,257	501
Exposures to institutions and corporates with a short-term credit rating	12	1	43	3	16	1
Equity exposures	108	9	107	9	107	9
Other items	883	71	455	36	589	47
Total exposures recognised with standardised approach	11,352	908	9,247	740	9,846	788
Market risk	768	61	417	33	272	22
– of which, position risk	–	–	–	–	–	–
– of which, currency risk	768	61	417	33	272	22
Operational risk	7,696	616	7,603	608	7,603	608
Credit valuation adjustment risk (CVA risk)	2,202	176	1,119	90	1,305	104
Additional requirements under Article 458 of the CRR	87,388	6,991	75,966	6,077	71,645	5,732
Total risk exposure amount and minimum capital requirements	152,135	12,171	168,889	13,511	172,860	13,829
Capital requirements for capital conservation buffer		3,803		4,222		4,322
Capital requirements for countercyclical buffer		3,051		3,382		3,467
Total capital requirements		19,025		21,115		21,617

1) The risk-weighted amount for counterparty risk according to the CRR, Article 92(3)(f), amounts to SEK 791 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 9,262 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 30 June 2025 according to Swedish FSA amount to SEK 21,870 million, of which SEK 2,845 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	
	30 Jun 2025	31 Dec 2024
	Internally assessed capital requirement	
	SEK million	SEK million
Credit risk	5,476	6,703
Market risk	1,778	1,591
Operational risk	616	608
Concentration risk	1,056	1,521
Sovereign risk	160	118
CVA	176	90
Other risks ¹⁾	0	0
Total	9,262	10,631
Total Own funds	29,798	29 534

1) This includes pension and business risk

Parent Company

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

Profit before credit losses and imposed fees decreased to SEK 450 million (647), mainly attributable to lower net interest income and increased costs. Net interest income decreased to SEK 621 million (812), mainly due to lower deposit margins and decreasing lending volumes. Net commission decreased and amounted to an expense of SEK 7 million (income 3), mainly due to lower income from SCBC for credit facility. Net result of financial transactions amounted to an income of SEK 21 million (income 39). The difference was mainly attributable to revaluation of credit risk in derivative instruments and differences in change in value of hedging instruments and hedged items. Other operating income amounted to SEK 761 million (693) and mainly com-

prised fees from SCBC for administrative services in line with the applicable outsourcing agreements. Expenses increased to SEK 946 million (900), mainly due to higher costs for personnel in line with the development of the number of FTEs. Net credit losses were positive and amounted to SEK 6 million (negative 10). The difference between the periods was mainly attributable to negative risk class migrations during the comparison period, which resulted in increased loss provisions. The development was reversed in 2025 with positive risk class migrations and thereby reduced loss provisions. Fees imposed amounted to SEK 107 million (100). Lending to the public amounted to SEK 14.3 billion (23.4) and deposits from the public to SEK 262.3 billion (241.3). The CET1 capital ratio amounted to 34.5% (28.8%) and the total capital ratio was 53.4% (48.9%). The internally assessed capital requirement was SEK 5,206 million (5,968).

Consolidated income statement

SEK million	PARENT COMPANY					
	2025	2025	2024	2025	2024	2024
	Q2	Q1	Q2	Jan–Jun	Jan–Jun	Jan–Dec
Interest income	2,271	2,416	3,538	4,687	6,878	13,223
Interest expense	-1,975	-2,091	-3,093	-4,066	-6,066	-11,606
Net interest income	296	325	445	621	812	1,617
Dividends received	-	-	-	-	-	579
Commission income	13	8	15	21	31	50
Commission expense	-16	-12	-13	-28	-28	-55
Net result of financial transactions	22	-1	18	21	39	58
Other operating income	381	380	358	761	693	1,453
Total operating income	696	700	823	1,396	1,547	3,702
Personnel costs	-294	-285	-262	-579	-506	-1,046
Other expenses	-175	-175	-200	-350	-380	-752
Depreciation, amortisation and impairment of PPE and intangible assets	-9	-8	-7	-17	-14	-30
Total expenses before credit losses and imposed fees	-478	-468	-469	-946	-900	-1,828
Profit/loss before credit losses and imposed fees	218	232	354	450	647	1,874
Net credit losses	7	-1	-8	6	-10	46
Imposed fees; Risk tax and resolution fee	-53	-54	-49	-107	-100	-200
Operating profit	172	177	297	349	537	1,720
Tax	-41	-41	-66	-82	-121	-256
Net profit for the period	131	136	231	267	416	1,464

Consolidated statement of comprehensive income

SEK million	PARENT COMPANY					
	2025 Q2	2025 Q1	2024 Q2	2025 Jan-Jun	2024 Jan-Jun	2024 Jan-Dec
Net profit/loss for the period	131	136	231	267	416	1,464
Other comprehensive income						
<i>Components that will be reclassified to profit or loss</i>						
Financial assets measured at FVTOCI	201	161	144	201	261	92
Changes related to cash-flow hedges	41	53	7	94	-3	42
Other	-	-	-	-	-	1
Tax attributable to components that will be reclassified to profit or loss	-17	-44	-31	-61	-53	-28
Other comprehensive income/loss, net of tax	225	170	120	234	205	107
Total comprehensive income for the period	356	306	351	501	621	1,571

Consolidated balance sheet

SEK million	PARENT COMPANY		
	30 Jun 2025	31 Dec 2024	30 Jun 2024
ASSETS			
Cash and balances at central banks	300	3,039	2,300
Chargeable treasury bills, etc.	–	–	6,998
Lending to credit institutions (Note 13)	197,298	202,199	187,131
Lending to the public	14,302	17,066	23,398
Bonds and other interest-bearing securities	113,868	97,375	94,734
Derivatives	15,288	19,795	23,293
Shares and participations in associated companies and joint ventures	7	6	5
Shares and participations in Group companies	17,201	17,201	17,201
Intangible assets	31	12	14
Property, plant and equipment	45	57	59
Other assets	90	32	134
Prepaid expenses and accrued income	1,436	1,425	1,709
TOTAL ASSETS	359,866	358,207	356,976
LIABILITIES AND EQUITY			
Liabilities			
Liabilities to credit institutions	4,542	8,776	8,725
Deposits from the public	262,252	255,873	241,340
Issued debt securities, etc.	49,976	46,716	53,583
Derivatives	17,016	20,357	24,116
Other liabilities	901	1,695	612
Accrued expenses and deferred income	2,761	1,421	4,372
Deferred tax liabilities	58	–	30
Provisions	3	2	5
Subordinated debt	1,995	1,999	1,999
Total liabilities	339,504	336,839	334,782
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	282	48	146
Additional Tier 1 instruments	5,700	6,100	7,700
Retained earnings	11,763	11,406	11,582
Net profit for the period	267	1,464	416
Total unrestricted equity	18,012	19,018	19,844
Total equity	20,362	21,368	22,194
TOTAL LIABILITIES AND EQUITY	359,866	358,207	356,976

Note 13 Lending to credit institutions

Of the Parent Company's lending to credit institutions at 30 June, 2025, SEK 189,340 million relates to a receivable from the wholly owned subsidiary AB Sveriges S kerst llda 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 for 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).

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 30 June 2025. The Swedish FSA has announced in the second 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 30 June 2025.

Capital adequacy

SEK million	PARENT COMPANY				
	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024
Available own funds (amounts)					
Common Equity Tier 1 (CET1) capital	14,039	14,089	14,208	13,791	13,861
Tier 1 capital	19,739	19,789	20,308	19,891	21,561
Total capital	21,736	21,786	22,320	21,905	23,558
Risk-weighted exposure amounts					
Total risk exposure amount	40,705	42,225	40,966	47,390	48,160
Total risk exposure pre-floor ¹⁾					
Capital ratios (as a percentage of risk-weighted exposure amount)					
Common Equity Tier 1 ratio (%)	34.5	33.4	34.7	29.1	28.8
Common Equity Tier 1 ratio considering unfloored TREA (%) ¹⁾					
Tier 1 ratio (%)	48.5	46.9	49.6	42.0	44.8
Tier 1 ratio considering unfloored TREA (%) ¹⁾					
Total capital ratio (%)	53.4	51.6	54.5	46.2	48.9
Total capital ratio considering unfloored TREA (%) ¹⁾					

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

SEK million	PARENT COMPANY				
	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 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 (%)	28.1	27.0	28.3	22.8	22.4
Leverage ratio					
Total exposure measure	187,397	188,860	148,233	166,173	179,079
Leverage ratio (%)	10.5	10.5	13.7	12.0	12.0
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 Ratio²⁾					
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 Ratio²⁾					
Total available stable funding					
Total required stable funding					
NSFR ratio (%)					

1) Output floor is only calculated and reported on Group level, according to adopted Regulation amending the Regulation (2014/993) on Special Supervision and Capital Buffers.

2) 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.

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

SEK million	PARENT COMPANY		
	30 Jun 2025	31 Dec 2024	30 Jun 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	12,154	11,797	11,973
Accumulated other comprehensive income (and other reserves)	282	48	147
Independently reviewed interim profits net of any foreseeable charge or dividend ¹⁾	-168	552	-69
Common Equity Tier 1 (CET1) capital before regulatory adjustments	14,226	14,355	14,009
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
Additional value adjustments (negative amount)	-132	-150	-159
Intangible assets (net of related tax liability) (negative amount)	-3	-5	-4
Fair value reserves related to gains or losses on cash-flow hedges of financial instruments that are not valued at fair value	-19	55	91
Negative amounts resulting from the calculation of expected loss amounts	-14	-30	-53
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-	-	-
Other regulatory adjustments ²⁾	-19	-17	-23
Total regulatory adjustments to Common Equity Tier 1 (CET1)	-187	-147	-148
Common Equity Tier 1 (CET1) capital	14,039	14,208	13,861
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)	19,739	20,308	21,561
Tier 2 (T2) capital: Instruments			
Capital instruments and the related share premium accounts	1,997	2,012	1,995
Credit risk adjustments	0	-	3
Tier 2 (T2) capital before regulatory adjustments	1,997	2,012	1,998
Tier 2 (T2) capital: regulatory adjustments			
Total regulatory adjustments to Tier 2 (T2) capital	-	-	-
Tier 2 (T2) capital	1,997	2,012	1,998
Total capital (TC= T1+T2)	21,736	22,320	23,558
Total risk-exposure amount	40,705	40,966	48,160

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

SEK million	PARENT COMPANY		
	30 Jun 2025	31 Dec 2024	30 Jun 2024
Capital ratio and requirements including buffers, %			
Common Equity Tier 1 capital	34.5	34.7	28.8
Tier 1 capital	48.5	49.6	44.8
Total capital	53.4	54.5	48.9
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	28.1	28.3	22.4

1) Net profits for the period were reduced by the expected dividend of SEK 434 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

SEK million	PARENT COMPANY					
	30 Jun 2025		31 Dec 2024		30 Jun 2024	
	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement
Credit risk recognised in accordance with IRB approach						
Exposures to corporates	3,612	289	7,306	584	13,431	1,075
Retail exposures	445	36	860	69	1,107	89
– of which, exposures to SMEs	–	–	–	–	–	–
– of which, retail exposures secured by immovable property	445	36	860	69	1,107	89
Total exposures recognised with the IRB approach	4,057	325	8,166	653	14,538	1,164
Credit risk recognised with the standardised approach						
Exposures to governments and central banks	13	1	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⁾	688	55	709	57	772	62
– of which, derivatives according to CRR, Appendix 2	585	47	551	44	604	48
– of which, repos	4	0	–	–	8	1
– of which, other	99	8	158	13	159	13
Retail exposures	2,931	235	2,057	165	2,078	166
Exposures in default	9	1	7	1	6	1
Exposures in the form of covered bonds	6,618	529	5,868	469	6,257	501
Exposures to institutions and corporates with a short-term credit rating	11	1	41	3	16	1
Equity exposures	17,208	1,377	17,207	1,377	17,207	1,377
Other items	186	15	178	13	229	18
Total exposures recognised with standardised approach	27,664	2,213	26,067	2,085	26,565	2,125
Market risk	268	21	64	5	31	2
– of which, position risk	–	–	–	–	–	–
– of which, currency risk	268	21	64	5	31	2
Operational risk	4,149	332	3,835	307	3,835	307
Credit valuation adjustment risk (CVA risk)	1,211	97	634	51	806	64
Additional requirements under Article 458 of the CRR	3,356	268	2,200	176	2,385	191
Total risk exposure amount and minimum capital requirements	40,705	3,256	40,966	3,277	48,160	3,853
Capital requirements for capital conservation buffer		1,018		1,024		1,204
Capital requirements for countercyclical buffer		818		822		969
Total capital requirements		5,092		5,123		6,026

¹⁾ The risk-weighted amount for counterparty risk according to the CRR, Article 92(3)(f), amounts to SEK 589 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	30 Jun 2025	30 Jun 2024	31 Dec 2024
Deposits from the public	262,253	241,340	255,873
Lending to the public	540,920	527,971	537,836
Deposits/lending, %	48.5	45.7	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-Jun	Jan-Jun	Jan-Dec
Expenses	-954	-909	-1,907
Operating income	2,602	2,778	5,377
C/I ratio, %	36.7	32.7	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-Jun	Jan-Jun	Jan-Dec
Expenses	-954	-909	-1,907
Annualised expenses	-1,908	-1,818	-1,907
Aver. lending to the public	540,640	522,686	527,618
C/L ratio, %	0.36	0.35	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.

SEK million	GROUP		
	2025	2024	2024
	Jan-Jun	Jan-Jun	Jan-Dec
Net profit for the period	1,086	1,213	2,282
<i>Annual. net profit for the period</i>	2,172	2,426	2,282
Average equity	22,672 ¹⁾	21,549 ²⁾	21,997 ²⁾
Return on equity, %	9.7	11.3	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.

SEK million	GROUP		
	2025	2024	2024
	Jan-Jun	Jan-Jun	Jan-Dec
Net interest income	2,593	2,726	5,288
<i>Annualised net interest income</i>	5,186	5,452	5,288
Average balance sheet total	666,835	655,282	661,864
Net interest margin, %	0.78	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.

SEK million	GROUP		
	2025	2024	2024
	Jan-Jun	Jan-Jun	Jan-Dec
Credit losses	20	-44	0
<i>Annualised credit losses</i>	40	-88	0
Lending to the public	540,920	527,971	537,836
Credit loss ratio, %	0.01	-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.

SEK million	GROUP		
	30 Jun 2025	30 Jun 2024	31 Dec 2024
Gross lending credit stage 3	723	833	857
Lending to the public	540,920	527,971	537,836
Share of Stage 3 loans, %	0.13	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

Auditors' review report

To the Board of Directors in SBAB Bank AB (publ), org.nr. 556253-7513

Introduction

We have reviewed the condensed interim financial information (interim report) of SBAB Bank AB (publ) for the period 1 January – 30 June 2025. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410 Review of Interim Financial Information performed by the company's auditors. A

review consists of making inquiries, primarily with persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report for the Group is not, in all material aspects, in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities

Companies and as regards the parent company in accordance the Annual Accounts Act for Credit Institutions and Securities Companies.

Stockholm, 15 July 2025

Deloitte AB

Signature on Swedish original

Malin Lüning
Auktoriserad revisor

The Board of Directors and 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, 15 July, 2025

Jan Sinclair
Chairman of the Board

Rikad Josefson
Board Member

Synnöve Trygg
Board Member

John Sætre
Board Member

Inga-Lill Carlberg
Board Member

Lars Börjesson
Board Member

Wenche Martinussen
Board Member

Jenny Lahrin
Board Member

Jane Lundgren-Ericsson
Board Member

Margareta Naumburg
Employee representative

Karin Neville
Employee representative

Mikael Inglander
CEO

Financial calendar

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



Contact

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This information was submitted
for publication on 16 July 2025
at 08:00 (CET).

SBAB Bank AB (publ)
Corp. Reg. No.: 556253-7513

While every care has been taken in the transla-
tion of this report, readers are reminded that the
original report, signed by the CEO, is in Swedish.