



# January–September 2020 Interim Report for Sparbanken Skåne AB (publ)

Lund, 28 October 2020

Sparbanken Skåne continues its stable performance. The COVID-19 crisis largely shaped the third quarter of 2020 as well, and the bank has focused on its crucial task of supporting residents, companies and associations through this challenging time.



Sparbanken  
Skåne





### Q3 financial summary, July–September 2020

- The bank's operating profit for the quarter was SEK 273m (219).
- Net interest income increased by 10% to SEK 310m (283), primarily driven by an increase in loan volume.
- Net fee and commission income amounted to SEK 125m (127).
- Expenses excluding credit losses increased slightly to SEK -203m (-196).
- Credit losses with an impact on profit were positive in the quarter, totalling SEK +38m (+2).
- Business volume was up SEK 7bn in the quarter, totalling SEK 215bn (208 in June 2020). This increase is primarily a result of the stock market's performance.
- Both the capital ratio and the tier 1 capital ratio amounted to 19.5% (19.7 at June 2020).
- The LCR amounted to 236% (239 in June 2020).

(Comparative figures in parentheses refer to Q3, July–September 2019 unless otherwise stated)

### Key events in Q3

- The progression of the COVID-19 crisis has continued to shape Skåne society. At the same time, there's a hint of market optimism in the bank's area of operation. A recurring theme in contact with customers has been stability with a certain degree of economic recovery despite the challenging situation.
- Previous allowances for credit losses were reversed in the quarter. The background was a more positive future macroeconomic scenario along with a decrease in allowance needs for individual credit exposures.
- In August, the bank's green bonds were listed on the Nasdaq Sustainable Bond Network, an informational platform designed to improve transparency for green, social and sustainable bonds. Sparbanken Skåne's aim with these bonds is to help put greater focus on the green transition.

- The bank continued renewing its customer offering. This included making it possible for young people to add their bank card to Apple Pay. Additionally, QR codes were implemented for BankID to further improve login security, identity verification and signatures in digital channels.
- Sparbanken Skåne was re-certified to ISO 14001, an international quality standard for environmental management systems. The standard supports the bank's efforts to advance sustainability in its operations.

### Financial summary, January–September 2020

- The bank's operating profit for the period was SEK 602m (436).
- Operating profit excluding goodwill amortisation for the January–September period totalled SEK 602m (600).
- Credit losses totalled SEK -59m (+6) because of increased allowances in the first quarter as a result of the COVID-19 pandemic.
- Net interest income increased by 12% to SEK 922m (826) primarily driven by an increase in loan volume.
- Net fee and commission income amounted to SEK 358m (381).
- Expenses decreased primarily as a result of lower goodwill amortisation (which was ended in May 2019) and totalled SEK 634m (787).
- Business volume increased by 5% to SEK 215bn (205 in December 2019).
- Both the capital ratio and the tier 1 capital ratio amounted to 19.5% (19.7).
- The LCR increased to 236% (186 in December 2019). The increase in cash and cash equivalents was mainly due to increased deposits from the general public during the period.

(Comparative figures in parentheses refer to January–September 2019 unless otherwise stated.)



# Stable performance in a challenging time

**Sparbanken Skåne's long-term stable performance continued into the third quarter of 2020. The COVID-19 crisis largely shaped society in this quarter as well. The bank has focused on its crucial task of supporting individuals, companies and associations through this challenging time.**

Today, we look back not only on the third quarter of the year but also the third quarter with COVID-19 in society. What initially looked to be a medical crisis rapidly also became a social crisis with economic impact.

In light of this, the trend in Sparbanken Skåne's private and corporate markets for the third quarter was relatively positive.

One in four Skåne residents have seen their personal finances impacted by the COVID-19 crisis, according to a survey by Sparbanken Skåne and Novus. But only a small percentage reported a substantial impact. Additionally, we can now look back on a solid growing season for the agricultural sector and a summer for the Skåne hospitality industry that was positive given the circumstances. Also, no signs of a decline were observed in the property market.

For Sparbanken Skåne, the third quarter of 2020 was characterised by market confidence in the future, in spite of the challenging situation. Accordingly, a recurring theme in contact with our customers has been stability with a certain degree of economic recovery.

## Strong finances for the bank

The Stockholm Stock Exchange continued to gain ground during the quarter and has now recovered to pre-crisis levels, which helped improve the bank's fund and securities volumes. Deposits also performed well, and, in total, the bank boosted its business volume by three percent in the quarter to SEK 215bn.

The sustainability of the rapid stock market gains is questionable, and there is a risk of equity market turbulence in the late autumn. The rate at which COVID-19 spreads, the US elections and other global political tensions all add uncertainty for investors and, consequently, the stock market trend.

Sparbanken Skåne's net interest income for the period totalled SEK 310m, a ten percent year-on-year increase primarily driven by an increase in loan volume on the bank's balance sheet.

The bank is well prepared for expected credit losses in conjunction with the COVID-19 crisis. In the third quarter, the bank was able to reverse previous loss allowances. The net amount of these reversals was SEK 38m, which had a positive impact on profit for the period in the credit losses line item. The background was a more favourable macroeconomic scenario with a faster economic recovery than the forecast at 30 June. In addition to this, we see a decrease in allowance needs for individual exposures, and we have SEK 59m in expenses for credit losses remaining on an accumulated basis for the year through the third quarter.

However, we still must take a modest view of the challenges in sectors such as the hotel, restaurant and conference industries as well as culture, associations and professional sports, whose normal revenue model, a paying audience, is now more or less not an option.

The bank's other administrative and operating expenses were as expected. Profit before tax for Q3 2020 totalled SEK 273m, which was up from SEK 219m for the same quarter of the previous year.

## Continued high customer activity

We continued to renew our customer offering. For instance, QR codes were implemented for BankID to further improve login security, identity verification and signatures in digital channels when the BankID is on a different device from the one you're logging in with.

We also launched Företagskollen, a service for monitoring cash flow as a complement to existing financial close processes. Additionally, since September, it has been possible for young people to add their bank card to Apple Pay. Overall, we have observed an increase in the use of digital services and digital contact with the bank during the pandemic.

Contact with customers remained frequent in the third quarter. Many of these contact instances involved support and advice on savings and loans in this highly extraordinary period. The customer's individual circumstances and needs are always the starting point when giving advice. This is how we can come up with sustainable and effective solutions for the future together.

In September, Svenskt Kvalitetsindex presented its annual customer satisfaction survey for the Swedish banking industry. Sparbanken Skåne made progress in both the private and corporate segment, and all savings banks collectively were ranked no. 1 overall in customer satisfaction, which we are very pleased with. This customer appreciation for the savings bank model, which is based on a local market presence and close customer relationships combined with digital services, is inspiring to everyone working at a savings bank.

## Initiatives for the future

During the quarter, Sparbanken Skåne's green bonds were listed on the Nasdaq Sustainable Bond Network, an informational platform designed to improve transparency for green, social and sustainable bonds. Last year, we became the first Swedish savings bank to issue green bonds, and now we have also become the first Swedish savings bank to join the Nasdaq Sustainable Bond Network. Our aim with these green bonds is to help put greater focus on the green transition in society.

In July, the bank was re-certified to ISO 14001, a standard for environmental management systems that helps us advance sustainability in our operations. We are currently working on creating a clear link between our business goals and the Agenda 2030 Global Goals.

In the third quarter, we also held activities with our three foundation owners. Blixtstödet, a programme launched in the spring to help people during the pandemic in collaboration with non-profit associations, has been modified to give the associations discretion to adapt their activities to the challenges of the COVID-19 period. The foundations also received applications for a new round of project assistance, and the bank engaged in dialogue with associations on next year's sponsorships and partnerships.

Bo Bengtsson  
CEO

# Financial information

At Sparbanken Skåne we have a clear vision – to be a bank that actively delivers simplicity and sustainability every day.

## Ownership structure

Sparbanken Skåne AB (publ)'s company registration number is 516401-0091.

The ownership structure of Sparbanken Skåne AB is shown below:

Sparbanksstiftelsen Färs & Frosta	26%
Sparbanksstiftelsen 1826	26%
Sparbanksstiftelsen Finn	26%
Swedbank AB (publ)	22%

The board is headquartered in Lund. The administrative centre is based in Kristianstad.

## Market performance

The impact of COVID-19 on the housing market continued to be limited. We saw a continued increase in housing prices for both houses and tenant-owner flats in the bank's area of operation during the third quarter. The number of enquiries for forbearance on principal payments due to COVID-19 continued to decrease significantly in the quarter, and the bank has not observed any increase in the number of overdue loans.

The corporate segment was largely characterised by a quarter of economic recovery and functioning businesses. Even the most exposed industries have not been as bad as previously forecast. In the hotel and restaurant industry, the summer was characterised by the staycation phenomenon with solid demand for the companies' products and services. However, there is still great uncertainty concerning the long-term impact of COVID-19, which can also be seen in the reluctance of companies to invest and in the increased inflow of liquidity we've seen from our corporate segment. At the same time, company demand for additional liquidity remains low.

## COVID-19 pandemic

For information on how the COVID-19 pandemic has impacted the bank's business volume and profit so far in 2020, please see the Credit quality and allowances and the Material risks and uncertainties sections below.

## Profit

The comparative figures refer to the January–September 2019 period.

Operating profit for the first nine months of 2020 totalled SEK 602m (436). Goodwill amortisation had a negative impact on profit totalling SEK 164m in the comparative period. No goodwill amortisation was recognised for 2020.

Operating profit for the period is in line with expectations, except for the large credit allowances commented on below.

The year-on-year improvement in net interest income and continued effective cost controls gave the bank healthy earnings before credit losses.

Net interest income improved by 12 percent year-on-year, amounting to SEK 922m (826). The loan volume gains had a positive impact on net interest income during the period, as did the market interest rate hike at the start of the year.

The resolution fee and deposit insurance were charged to net interest income in the amount of SEK -42m (-46).

Fee and commission income for the period totalled SEK 395m (417). Loan commissions amounted to SEK 67m (92) and are mainly attributable to commissions from Swedbank Hypotek. The drop in

loan commissions is due to a decrease in the volume brokered to Swedbank Hypotek. Securities fees amounted to SEK 164m (161). Other fee and commission income amounted to SEK 164m (165).

Fee and commission expenses amounted to SEK -37m (-37).

General administrative expenses were up year-on-year, totalling SEK -577m (-564), primarily as a result of higher IT expenses. Personnel expenses amounted to SEK -322m (-324), and IT expenses were SEK -167m (-152).

Depreciation of tangible assets totalled SEK -14m (-18).

Amortisation of intangible assets (goodwill) for the comparative period was SEK -164m.

Profit for the period after appropriations and tax totalled SEK 473m (335).

## Business volume

The comparative figures are for the volume at 31 December 2019.

The bank's total business volume at 30 September 2020 was SEK 214,704m (204,707), a 5 percent increase during the period. This change was primarily driven by an SEK 5.4bn increase in deposits from the general public. Loans also increased during the period by SEK 3.0bn. Despite negative net savings in funds, increased market values of the fund and insurance volume had a positive impact on business volume during the period amounting to SEK 1.5bn.

Deposits from the general public were up 10 percent, totalling SEK 58,571m (53,120). Both private and corporate deposit volumes increased during the period.

The market value of the total brokered fund and insurance volume was SEK 43,671m (42,162). One of the most significant reasons for the volume gains was the positive stock market performance following the plunge in share prices in February and March. We had substantial negative net savings in funds for the period. However, net savings have been positive after the first quarter, with a net outflow of SEK 850m for the period.

The previous year's positive performance of loans to the general public continued into the period. Loans to the general public at 30 September 2020 amounted to SEK 74,955m (71,903). This increase was mainly the result of issuing new loans to both private and corporate customers but also of moving residential mortgages from the brokered volume to loans on the bank's balance sheet.

The bank's loans continued to maintain excellent credit quality. However, the bank's loss allowances for expected credit losses increased during the period. This was caused by uncertainty primarily in certain corporate sectors due to the COVID-19 pandemic.

For more information, see "Credit quality and allowances" below.

The total loan portfolio brokered to Swedbank Hypotek at 30 September 2020 amounted to SEK 15,591m (15,875).

## Credit quality and allowances

The loss allowances for loans to the general public increased sharply in the first quarter of the year from SEK 106m to SEK 204m. These loss allowances decreased somewhat in the second quarter, and they decreased in the third quarter as well, closing the quarter at SEK 164m on 30 September.

The updated macroeconomic scenario resulted in an SEK 10m decrease in loss allowances during the third quarter. This also includes loss allowances in the form of provisions for loan commitments.

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The cumulative impact of the updated macroeconomic scenario for the first nine months of the year was an SEK 11m increase in loss allowances. Compared with the second quarter, the more positive forecasts for GDP, unemployment and housing prices were the main reasons for the decrease in loss allowances.

The loss allowance for expected credit losses on loans to the general public at 30 September 2020 was SEK 164m (106). The stage 1 loss allowance for the period increased to SEK 28m (19), which was primarily due to the impact of the updated macroeconomic scenario. The stage 2 (loans with a significant increase in credit risk) loss allowance increased to SEK 39m (30). The greatest increase for the first nine months of the year was in the stage 3 (credit-impaired loans) loss allowance, which amounted to SEK 97m (57).

As a result of the aforementioned loss allowance increase, credit losses rose, amounting to SEK -59m (+6) for the first nine months of the year. With few exceptions, the large allowances for expected credit losses are related to companies, not private customers. Several industries have had difficulties. The bank estimates the greatest loss allowance needs are in the hotel & restaurant, manufacturing, transport and retail sectors. No elevated risk is estimated for other industries at this time. For information about the allowance levels in each industry, please see Note 8.

The credit losses were mainly impacted by the increase in allowances for stage 3 credit losses. The SEK 40m increase during the period largely comprised individual major risk exposures identified during the period.

Industries particularly exposed to COVID-19

At 30/09/2020, SEK million	Loans and commitments	Loss allowances
Hotel and restaurant, including hotel properties	856	35
Manufacturing	776	6
Transport	591	2
Retail	1,966	32
<b>Total</b>	<b>4,189</b>	<b>75</b>

The residential mortgage portfolio, which accounts for over 60 percent of the bank's total loans on its own balance sheet, is high in quality and its historical credit losses are very low. The long-term repayment capacity of customers is decisive for issuing loans, which ensures high quality and low risks for both the customer and the bank. In addition, government measures have strengthened the benefits system, such as insurance for illness and unemployment. This mitigates potential negative effects at the household level. The average LTV for the residential mortgage portfolio was 54 percent.

The number of applications for forbearance on principal payments was highest in April and then steadily declined to a nearly normal level in June. The decrease in applications continued in the third quarter. In consideration of the LTV of our residential mortgage portfolio and the expansion of the option to apply for forbearance on principal payments from Finansinspektionen (the Swedish Financial Supervisory Authority), we estimate that residential mortgages are a limited credit risk. The bank has not observed any increase in the

number of overdue loans, which are at par with the levels observed at year-end. The various government support packages and forbearance on principal payments have probably helped keep incurred credit losses at a low level.

Overall, the credit loss level for the period was -0.08 percent (+0.02). Net stage 3 loans accounted for 0.57 percent (0.17) and the allowance ratio for stage 3 loans was 18 percent (32). The low allowance ratio for stage 3 loans is because some major exposures are estimated to be largely secured with adequate collateral.

The bank's estimate of loss allowance needs is based on a certain degree of economic recovery in the final quarter of 2020. If forecasts for GDP, unemployment and housing prices worsen in the final quarter, this could result in an increase in loss allowances.

The net cost for incurred losses during the period was down slightly (SEK -5m) from the same period in 2019 (SEK -7m). The amount received for previously incurred credit losses during the period amounted to SEK +7m (+6).

The local branch offices are responsible for tracking the bank's credit exposures. This includes calling attention to and acting on any potentially elevated risk identified. KYC information about local circumstances is a key factor for all exposure tracking. System-generated information or other information indicating potentially elevated risk is subject to analysis and reasonability assessments without delay, ultimately leading to an opinion on whether there is an elevated risk.

In addition to IT systems, key account managers will use their own means to search for information such as contacting the borrower, obtaining new financial statement information, monitoring events in local markets and generally tracking both macroeconomic and industry trends.

The bank's loss allowance practices for expected credit losses are based on updating customers' risk classifications on an ongoing basis. Based on these risk assessments, the bank uses action plans prioritising customers with elevated credit risk.

### Funding and liquidity

The bank's liquidity is solid. The bank's main source of funding is deposits, but the bank is also active in the Swedish funding market. In the Swedish capital market, the bank has a covered bond programme and a medium term note (MTN) programme for long-term funding and a certificate of deposit programme for short-term funding. The covered bond programme was rated AAA with a stable outlook by credit rating agency S&P Global, and Sparbanken Skåne's rating is A with a stable outlook.

During the first nine months of the year, both liquidity and funding were impacted by the global turbulence caused by COVID-19. Liquidity improved during the year primarily due to an increase in deposits from the general public but also because of increased funding. As the stock market turbulence began in March, many of the bank's customers moved their savings from funds to deposits. The move from funds to deposits stopped in the second and third quarter, but deposits are continuing to increase overall. This increase is rooted in both the private and corporate segments. Deposits increased by ten percent in the first nine months of the year, amounting to SEK 58,571m.

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The Swedish capital market was also impacted by the COVID-19 situation. Issuing bonds and certificates of deposit was very difficult at the start of the period. The market recovered and has been stable again since the end of the second quarter. The bank issued new bonds and also renewed bonds and certificates of deposit during the first nine months of the year.

In the second quarter, the bank applied for and was approved as a temporary monetary policy counterparty by the Swedish central bank. The bank also applied to the Swedish central bank for an SEK 1,000m loan for onward lending to SMEs. The loan was disbursed in June with a two-year maturity.

The bank's outstanding covered bonds increased by a nominal amount of SEK 3,700m during the first nine months of the year. Outstanding senior bonds increased by a nominal amount of SEK 300m during the period while MREL bonds were unchanged. Outstanding certificates of deposit totalling SEK 450m were redeemed.

The bank's outstanding bonds at 30 September amounted to SEK 6,600m in MTN programme bonds and SEK 15,700m in covered bonds. Outstanding certificates of deposit totalled SEK 500m. Changes during the period are disclosed in Note 10 Debt securities issued and related items.

All bonds are listed on the Nasdaq OMX Nordic Stockholm exchange. More information about the bond programmes can be found at [www.sparbankenskane.se](http://www.sparbankenskane.se).

In December 2019, Riksgälden (the Swedish National Debt Office) adopted its annual plans for how banks and other institutions in Sweden should be managed in the event of a financial crisis. Nine Swedish institutions are currently classified as systemically important and Sparbanken Skåne is one of them. Riksgälden also resolved that the minimum requirement for own funds and eligible liabilities (MREL), which is applicable to Sparbanken Skåne as of 2020, is 7.5 percent of the bank's total liabilities and capital base, half of which must be subordinated liabilities. Sparbanken Skåne is well prepared and will be able to meet the requirements stipulated well in advance.

On 7 April 2020, Riksgälden announced an extension of the subordination phase-in period for banks to meet MREL with own funds and subordinated liabilities from 2022 to 2024.

The bank's liquidity reserves at 30 September 2020 amounted to SEK 9,751m (7,104). The liquidity reserves increased during the period, primarily because of higher cash and cash equivalents due to an increase in deposits from the general public. At 30 September, the liquidity reserves consisted of assets that can generate liquidity quickly at predictable values. The bank's liquidity reserves are calculated in compliance with Finansinspektionen's Regulations Regarding Management of Liquidity Risks in Credit Institutions and Investment Firms (FFFS 2010:7). These assets include short-term loans to credit institutions and fixed-income securities.

The liquidity reserves combined with agreed borrowing limits continue to give the bank a strong ability to meet its obligations, and the refinancing risk is limited because the next bond maturity date is in February 2021. The bank's liquidity coverage ratio (LCR) was very solid and amounted to 236 percent (186 at 31 December 2019).

The loan-to-deposit ratio at 30 September 2020 was 128 percent (135 at year-end 2019).

More information about liquidity reserves and liquidity management is provided in periodic disclosures at [sparbankenskane.se/finansiiinformation/likviditet](http://sparbankenskane.se/finansiiinformation/likviditet).

### Rating

Sparbanken Skåne's credit rating from credit rating agency S&P Global was confirmed in the second quarter in connection with the agency's annual report, and the bank was assessed a rating of A with a stable outlook.

Sparbanken Skåne's covered bond programme is rated AAA with a stable outlook by S&P Global.

S&P Global rated the senior non-preferred bond issued under the MTN programme at BBB+.

### Capital and capital adequacy

The bank's capital base increased by SEK 292m during the period, putting the total value of the capital base on 30 September 2020 at SEK 6,582m (6,290 at year end). This increase is primarily due to the profit earned during the first half of the year and the cancellation of the previously proposed dividend for 2019.

The total Risk Exposure Amount (REA) increased due to the growth in lending, amounting to SEK 33,792m (31,919 at year-end).

The credit risk REA at 30 September 2020 totalled SEK 27,582m. SEK 7,900m of this item was calculated using the standardised approach to credit risk and SEK 19,682m was calculated using the Internal Ratings-Based (IRB) approach to credit risk.

The risk-weight floor REA increased as new loans were issued and residential mortgages were transferred from brokered loans to loans in the bank's own portfolio. The risk-weight floor REA amounted to SEK 3,983m (2,687 at year-end). Another reason for this increase was that the bank's residential mortgage commitments are now treated as secured by residential properties, making them subject to the risk-weight floor.

The operational risk REA at 30 September 2020 amounted to SEK 2,164m (2,049 at year-end).

This put the total capital ratio and CET1 capital ratio at 19.5 percent on 30 September 2020 (19.7 at year-end).

As a part of the EU Banking Package, the calculation of the SME discount in Article 501 of the Capital Requirements Regulation was changed. As a result of this change, the bank's REA will decrease by approximately SEK 1.1bn.

The positive impact on the total capital ratio will be approximately 0.6 percentage points. The change is planned for implementation in the second quarter of 2021. The bank's capital situation thus remains strong.

During the period, Finansinspektionen resolved to reduce the countercyclical capital buffer requirement to 0% (2.5).

The leverage ratio at 30 September 2020 amounted to 6.9 percent (7.5 at year-end). For more information about capital adequacy calculations, see Note 15, Capital adequacy analysis.

### Risks and uncertainties

The bank's business is exposed to various risks such as credit risk, market risk, liquidity risk and operational risk. The bank's board, which has ultimate responsibility for the bank's internal controls, has put policies and instructions in place for the bank's business to limit and monitor risk-taking in its operations. These policies and instructions are revised and adopted annually.

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Baseline scenario	30/09/2020			30/06/2020		31/03/2020		31/12/2019	
	2019	2020F	2021F	2020F	2021F	2020F	2021F	2020F	2021F
GDP (%)	1.2	-5.2	3.0	-5.1	1.9	-4.4	3.7	1.0	1.4
Unemployment (%)	6.8	8.6	9.4	9.6	10.3	9.2	8.6	7.1	7.2
Housing price performance (% annual performance)	2.3	5.5	3.5	0.5	-1.5	-0.6	3.3	5.0	5.0
Stibor 3M (%)	-0.03	0.12	0.07	0.18	0.17	-0.04	-0.02	0.15	0.15

The risk management system incorporates the strategies, processes and reporting procedures required to continuously identify, measure, manage, monitor and report the risks to which the business is exposed. Furthermore, the bank has the methods and procedures in place that are required to manage the risks associated with its activities.

The bank's level of risk-taking should be low and limited to what is financially sustainable in relation to the bank's capital buffer and long-term capital targets. The board has adopted a separate policy describing the risk appetite that will shape the bank's activities and the risk limits applicable in each risk area. Risk Management monitors, analyses and reports risks to the board and CEO.

Since the beginning of March, COVID-19 has been impacting most countries of the world. Demand for many goods and services fell sharply and deliveries of intermediate inputs and parts were impacted. Stock markets nosedived but then recovered. There is still great economic turbulence. In Sweden, unemployment and bankruptcies increased, and there is a high probability of negative gross domestic product (GDP) growth for the year. At the same time, most national governments, including the Swedish government, have taken major economic measures to cope with the economic consequences of the pandemic. How extensive this pandemic will be going forward is very difficult to estimate. The bank will follow developments carefully. With respect to allowances for credit losses, the bank's estimate of loss allowance needs is based on a certain degree of economic recovery in the fourth quarter of 2020. If we end up in a more negative scenario, the bank's estimate of loss allowance needs could result in additional credit allowances in the final quarter.

In 2018, the bank started applying new methods and policies for the recognition of expected credit losses (IFRS 9). The new policies and methods aim to predict and measure what credit losses may occur in the future for existing loans on the basis of both information known at the balance sheet date and estimated future scenarios. The bank's loss allowance practices for expected credit losses are based on updating customers' risk classifications on an ongoing basis. Based on these risk assessments, the bank uses action plans prioritising customers with elevated credit risk.

The bank monitors macroeconomic developments on an ongoing basis. This includes defining forward-looking macroeconomic scenarios for various portfolio segments and translating these into macroeconomic forecasts. The macro parameters with the greatest significance for the performance of expected credit losses for the bank are changes in GDP, unemployment, housing prices and the general state of interest rates. The less negative forecasts (compared with 30 June) for GDP, unemployment and housing prices were the main reasons for the decrease in loss allowances based on the third quarter macroeconomic scenario.

Unemployment is higher in the bank's area of operation, but this does not impact the calculation of expected credit losses.

In addition to the above baseline scenarios, a positive and a negative scenario were also used and then weighted based on probability along with the baseline scenarios. The baseline scenario was assigned a weight of 66.6 percent in the probability-weighted estimates of expected credit losses. The negative and positive scenarios were each weighted at 16.7 percent. The weighting was unchanged.

The allowances for expected credit losses are based on the bank's estimate and forecast of future performance for several factors. As a result, the estimates and allowances are based on a high degree of uncertainty. The future outcome of incurred credit losses could turn out to be more or less than the allowances recognised during the first nine months of the year. It should be noted that the net loss from credit losses incurred during the period was only SEK -5m (-7). For more information about recognised credit losses, please see notes 7 and 8.

The bank's direct losses attributable to operational risk remained low in the period. The bank commands a satisfactory level of capital, which is suited to the risks posed by the bank's activities and which exceeds the minimum statutory requirements by a healthy margin.

#### Events after the reporting period

No events of material significance took place after the end of the reporting period.

<b>Financial ratios</b>	<b>09/2020</b>	<b>06/2020</b>	<b>03/2020</b>	<b>12/2019</b>	<b>09/2019</b>
<b>Volume</b>					
Business volume, millions of SEK	214,704	207,627	197,510	204,707	199,719
<b>Capital and liquidity</b>					
CET1 capital ratio	19.5%	19.7%	19.3%	19.7%	19.4%
Total capital ratio	19.5%	19.7%	19.3%	19.7%	19.4%
Leverage ratio	6.9%	7.1%	7.2%	7.5%	7.3%
Loan-to-deposit ratio	128%	129%	134%	135%	132%
LCR	236%	239%	315%	186%	215%
NSFR	130%	129%	132%	130%	130%
<b>Profit</b>					
Cost/income ratio before credit losses	0.49	0.50	0.51	0.61	0.64
Cost/income ratio after credit losses	0.53	0.62	0.74	0.61	0.64
Cost/income ratio after credit losses excluding dividends, capital gains and goodwill amortisation	0.53	0.62	0.74	0.50	0.50
Return on equity	9.3%	7.7%	5.3%	7.8%	7.3%
Return on equity excluding dividends, capital gains and goodwill amortisation	9.3%	7.7%	5.3%	9.8%	10.0%
<b>Credit-impaired loans and credit losses</b>					
Allowance ratio for stage 3 loans	18%	21%	19%	32%	31%
Net credit-impaired loans (stage 3) as a percentage of total loans to the general public	0.57%	0.58%	0.83%	0.17%	0.18%
Loan loss ratio excluding brokered volume	-0.08%	-0.13%	-0.14%	0.02%	0.01%
Loan loss ratio including brokered volume	-0.07%	-0.11%	-0.11%	0.02%	0.01%
<b>Other disclosures</b>					
Average number of employees	470	492	499	469	463

Financial ratio definitions are defined on page 31.



# Quarterly comparison

Income statement	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
Thousands of SEK					
Net interest income	309,821	310,634	301,417	280,852	282,526
Dividends received	-	-	760	-	-
Net fees and commissions	124,602	111,814	121,332	128,023	126,962
Net gain/loss from financial transactions	2,895	4,828	5,255	5,811	2,651
Other operating income	442	728	812	669	648
<b>Total net interest income and operating income</b>	<b>437,760</b>	<b>428,004</b>	<b>429,576</b>	<b>415,355</b>	<b>412,787</b>
General administrative expenses	-187,078	-192,222	-197,923	-199,199	-179,317
Depreciation and amortisation	-4,202	-4,556	-4,765	-5,621	-6,014
Other expenses	-11,919	-13,201	-18,240	-15,571	-10,749
Credit losses	38,285	108	-97,177	6,218	2,420
<b>Total expenses</b>	<b>-164,914</b>	<b>-209,871</b>	<b>-318,105</b>	<b>-214,173</b>	<b>-193,660</b>
<b>Operating profit/loss</b>	<b>272,846</b>	<b>218,133</b>	<b>111,471</b>	<b>201,182</b>	<b>219,127</b>
Taxes	-58,294	-46,772	-24,320	-39,850	-47,685
<b>Profit/loss for the period</b>	<b>214,552</b>	<b>171,361</b>	<b>87,151</b>	<b>162,157</b>	<b>171,442</b>

Balance sheet	30/09/2020	30/06/2020	31/03/2020	31/12/2019	30/09/2019
Thousands of SEK					
Loans to credit institutions	6,125,854	4,715,752	5,125,264	2,906,020	3,612,812
Loans to the general public	74,954,582	74,374,772	73,577,301	71,903,208	69,629,495
Fixed-income securities	5,345,205	5,095,378	4,830,283	4,885,429	4,691,625
Other assets	4,715,971	5,468,100	1,988,310	803,648	1,499,775
<b>Total assets</b>	<b>91,141,612</b>	<b>89,654,002</b>	<b>85,521,158</b>	<b>80,498,305</b>	<b>79,433,707</b>
Liabilities to credit institutions	1,066,375	1,067,948	64,815	60,482	65,904
Deposits from the general public	58,570,836	57,575,122	54,903,124	53,120,408	52,600,156
Debt securities issued and subordinated liabilities	24,006,293	23,719,532	23,477,595	20,426,649	19,939,533
Other liabilities	437,004	445,741	415,556	308,163	407,543
Equity	7,061,104	6,845,659	6,660,068	6,582,603	6,420,571
<b>Total liabilities, provisions and equity</b>	<b>91,141,612</b>	<b>89,654,002</b>	<b>85,521,158</b>	<b>80,498,305</b>	<b>79,433,707</b>

# Income statement

Income statement	Note	Q3 2020	Q3 2019	Change	Jan-Sep 2020	Jan-Sep 2019	Change	Jan-Dec 2019
Thousands of SEK								
Interest income		361,350	325,454	11%	1,082,557	949,422	14%	1,277,802
Interest expenses		-51,529	-42,928	20%	-160,685	-123,146	30%	-170,674
<b>Net interest income</b>	<b>3</b>	<b>309,821</b>	<b>282,526</b>	<b>10%</b>	<b>921,872</b>	<b>826,276</b>	<b>12%</b>	<b>1,107,128</b>
Dividends received		-	-	-	760	630	21%	630
Fee and commission income	4	137,897	139,435	-1%	395,089	418,046	-5%	557,896
Fee and commission expenses	5	-13,295	-12,473	7%	-37,341	-37,259	0%	-49,108
Net gain/loss from financial transactions	6	2,895	2,651	9%	12,978	6,905	88%	12,716
Other operating income		442	648	-32%	1,982	2,453	-19%	3,122
<b>Total net interest income and operating income</b>		<b>437,760</b>	<b>412,787</b>	<b>6%</b>	<b>1,295,340</b>	<b>1,217,051</b>	<b>6%</b>	<b>1,632,384</b>
General administrative expenses		-187,078	-179,317	4%	-577,223	-563,683	2%	-762,882
Depreciation of tangible assets and amortisation of intangible assets		-4,202	-6,014	-30%	-13,523	-182,300	-93%	-187,921
Other operating expenses		-11,919	-10,749	11%	-43,360	-40,680	7%	-56,251
<b>Total expenses before credit losses</b>		<b>-203,199</b>	<b>-196,080</b>	<b>4%</b>	<b>-634,106</b>	<b>-786,663</b>	<b>-19%</b>	<b>-1,007,054</b>
<b>Profit/loss before credit losses</b>		<b>234,561</b>	<b>216,707</b>	<b>8%</b>	<b>661,234</b>	<b>430,388</b>	<b>54%</b>	<b>625,330</b>
Net credit losses	7	38,285	2,420	-	-58,784	5,960	-	13,025
<b>Operating profit/loss</b>		<b>272,846</b>	<b>219,127</b>	<b>25%</b>	<b>602,450</b>	<b>436,348</b>	<b>38%</b>	<b>638,355</b>
Tax on profit for the period		-58,294	-47,685	22%	-129,386	-101,106	28%	-140,956
<b>Profit/loss for the period</b>		<b>214,552</b>	<b>171,442</b>	<b>25%</b>	<b>473,064</b>	<b>335,242</b>	<b>41%</b>	<b>497,399</b>
<b>Statement of comprehensive income</b>								
Thousands of SEK								
<b>Profit/loss for the period</b>		<b>214,552</b>	<b>171,442</b>	<b>25%</b>	<b>473,064</b>	<b>335,242</b>	<b>41%</b>	<b>497,399</b>
<b>Other comprehensive income</b>								
<b>Items that are or may be reclassified to profit or loss for the period</b>								
Net change in fair value of financial assets measured at fair value through other comprehensive income		1,136	-6,743	-	6,917	6,536	-12%	5,778
Change in fair value of financial assets measured at fair value through other comprehensive income, reclassified to profit or loss for the period		0	0	-	0	2,723	-	2,723
Change in loss reserve for financial assets measured at fair value through other comprehensive income		0	-1	-	0	-330	-	336
Tax attributable to items that may be reclassified to profit or loss for the period		-243	1,443	-	-1,480	-1,911	-23%	-1,944
<b>Other comprehensive income for the period</b>		<b>893</b>	<b>-5,301</b>	<b>-</b>	<b>5,437</b>	<b>7,018</b>	<b>-39%</b>	<b>6,893</b>
<b>Comprehensive income for the period</b>		<b>215,445</b>	<b>166,141</b>	<b>30%</b>	<b>478,501</b>	<b>342,260</b>	<b>39%</b>	<b>504,292</b>

# Balance sheet

Balance sheet	Note	30/09/2020	31/12/2019	Change		30/09/2019
Thousands of SEK						
<b>Assets</b>						
Cash		303	1,121	-818	-73%	1,442
Treasury bills eligible for refinancing with central banks		1,815,195	1,857,824	-42,629	-2%	1,634,899
Loans to credit institutions		6,125,854	2,906,020	3,219,834	-	3,612,812
Loans to the general public	8	74,954,582	71,903,208	3,051,374	4%	69,629,495
Bonds and other fixed-income securities		3,530,010	3,027,605	502,405	17%	3,056,726
Shareholdings and investments		-	4,000	-4,000	-	4,000
Derivatives		3,592	5,477	-1,885	-34%	6,776
Tangible assets		57,479	67,326	-9,847	-15%	74,109
Current tax assets		4,483,759	485,181	3,998,578	-	1,199,788
Deferred tax assets		16,241	14,937	1,304	9%	13,499
Other assets		15,079	69,507	-54,428	-78%	63,016
Prepaid expenses and accrued income		139,518	156,099	-16,581	-11%	137,145
<b>Total assets</b>		<b>91,141,612</b>	<b>80,498,305</b>	<b>10,643,307</b>	<b>13%</b>	<b>79,433,707</b>
<b>Liabilities, provisions and equity</b>						
Liabilities to credit institutions		1,066,375	60,482	1,005,893	-	65,904
Deposits from the general public	9	58,570,836	53,120,408	5,450,428	10%	52,600,156
Debt securities issued and related items	10	24,006,293	20,426,649	3,579,644	18%	19,939,533
Derivatives		87,970	14,398	73,572	-	87,177
Other liabilities		52,380	75,543	-23,163	-31%	55,218
Accrued expenses and deferred income		186,717	118,710	68,007	57%	167,496
Provisions	11	109,937	99,512	10,425	10%	97,652
<b>Total liabilities and provisions</b>		<b>84,080,508</b>	<b>73,915,702</b>	<b>10,164,806</b>	<b>14%</b>	<b>73,013,136</b>
<b>Equity</b>						
<b>Restricted equity</b>						
Share capital (16,683,364 shares and quotient value SEK 100)		1,668,336	1,668,336	-	-	1,668,336
Statutory reserve		109,196	109,196	-	-	109,196
<b>Total</b>		<b>1,777,532</b>	<b>1,777,532</b>	<b>-</b>	<b>-</b>	<b>1,777,532</b>
<b>Non-restricted equity</b>						
Share premium reserve		3,188,631	3,188,631	-	-	3,188,631
Fair value reserve		6,429	992	5,437	-	1,117
Retained earnings		1,615,448	1,118,049	497,399	44%	1,118,049
Profit/loss for the period		473,064	497,399	-24,335	-5%	335,242
<b>Total</b>		<b>5,283,572</b>	<b>4,805,071</b>	<b>478,501</b>	<b>10%</b>	<b>4,643,039</b>
<b>Total equity</b>		<b>7,061,104</b>	<b>6,582,603</b>	<b>478,501</b>	<b>7%</b>	<b>6,420,571</b>
<b>Total liabilities, provisions and equity</b>		<b>91,141,612</b>	<b>80,498,305</b>	<b>10,643,307</b>	<b>13%</b>	<b>79,433,707</b>
<b>Other notes</b>						
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# Statement of changes in equity

Thousands of SEK	Restricted equity		Non-restricted equity			Total equity	
	Share capital	Statutory reserve	Share premium reserve	Fair value reserve	Retained earnings	Profit/loss for the period	
<b>Balance at 1 January 2020</b>	<b>1,668,336</b>	<b>109,196</b>	<b>3,188,631</b>	<b>992</b>	<b>1,118,049</b>	<b>497,399</b>	<b>6,582,603</b>
<b>Appropriation of profit as per AGM resolution</b>							
Amount carried forward	-	-	-	-	497,399	-497,399	-
Transactions with owners in the form of dividends	-	-	-	-	-	-	-
Profit/loss for the period	-	-	-	-	-	473,064	473,064
Other comprehensive income for the period	-	-	-	5,437	-	-	5,437
comprehensive income for the period	-	-	-	-	-	-	478,501
<b>Balance at 30 September 2020</b>	<b>1,668,336</b>	<b>109,196</b>	<b>3,188,631</b>	<b>6,429</b>	<b>1,615,448</b>	<b>473,064</b>	<b>7,061,104</b>
<b>Balance at 1 January 2019</b>	<b>1,668,336</b>	<b>109,196</b>	<b>3,188,631</b>	<b>-5,901</b>	<b>997,439</b>	<b>196,432</b>	<b>6,154,133</b>
Adjustment of financial guarantee provision for brokered loans (net of tax)	-	-	-	-	-16,930	-	-16,930
<b>Adjusted balance at 1 January 2019</b>	<b>1,668,336</b>	<b>109,196</b>	<b>3,188,631</b>	<b>-5,901</b>	<b>980,509</b>	<b>196,432</b>	<b>6,137,203</b>
<b>Appropriation of profit as per AGM resolution</b>							
Amount carried forward	-	-	-	-	137,540	-137,540	-
Transactions with owners in the form of dividends	-	-	-	-	-	-58,892	-58,892
Profit/loss for the year	-	-	-	-	-	497,399	497,399
Other comprehensive income for the year	-	-	-	6,893	-	-	6,893
Comprehensive income for the year	-	-	-	-	-	-	504,292
<b>Balance at 31 December 2019</b>	<b>1,668,336</b>	<b>109,196</b>	<b>3,188,631</b>	<b>992</b>	<b>1,118,049</b>	<b>497,399</b>	<b>6,582,603</b>
<b>Balance at 1 January 2019</b>	<b>1,668,336</b>	<b>109,196</b>	<b>3,188,631</b>	<b>-5,901</b>	<b>997,439</b>	<b>196,432</b>	<b>6,154,133</b>
Adjustment of financial guarantee provision for brokered loans (net of tax)	-	-	-	-	-16,930	-	-16,930
<b>Adjusted balance at 1 January 2019</b>	<b>1,668,336</b>	<b>109,196</b>	<b>3,188,631</b>	<b>-5,901</b>	<b>980,509</b>	<b>196,432</b>	<b>6,137,203</b>
<b>Appropriation of profit as per AGM resolution</b>							
Amount carried forward	-	-	-	-	137,540	-137,540	-
Transactions with owners in the form of dividends	-	-	-	-	-	-58,892	-58,892
Profit/loss for the period	-	-	-	-	-	335,242	335,242
Other comprehensive income for the period	-	-	-	7,018	-	-	7,018
Comprehensive income for the period	-	-	-	-	-	-	342,260
<b>Balance at 30 September 2019</b>	<b>1,668,336</b>	<b>109,196</b>	<b>3,188,631</b>	<b>1,117</b>	<b>1,118,049</b>	<b>335,242</b>	<b>6,420,571</b>

## Restricted equity

Restricted equity may not be decreased by paying dividends.

## Statutory reserve

The purpose of the statutory reserve has been to save a share of the net profit not used to cover losses carried forward. The statutory reserve also includes amounts added to the share premium reserve before 1 January 2006.

## Non-restricted equity

### Share premium reserve

When shares are issued at a premium, i.e. the amount paid for the shares exceeds their quotient value, the amount received in excess of the quotient value of the shares is transferred to the share premium reserve. Amounts transferred to the share premium reserve on 1 January 2006 or later are included in non-restricted equity.

### Fair value reserve

The fair value reserve includes the accumulated net change in the fair value of financial assets at fair value through other comprehensive income until the asset is derecognised from the balance sheet.

### Retained earnings

Retained earnings comprise the non-restricted equity of previous years after any dividends are paid. When combined with profit or loss for the year and the fair value reserve, this constitutes total non-restricted equity, meaning the amount available for distribution to shareholders.



# Statement of cash flows

Indirect method	30/09/2020	31/12/2019	30/09/2019
Thousands of SEK			
<b>Cash flows from operating activities</b>			
Operating profit/loss	602,450	638,355	436,348
Net change in amortised cost for the period	75,855	65,695	46,444
Unrealised share of net gain from financial transactions	-4,470	-7,293	2,647
Depreciation and amortisation	13,523	187,921	182,300
Credit losses	65,341	-5,789	-1,077
Tax paid	-130,802	-91,951	-65,251
<b>Cash flows from operating activities before changes in working capital</b>	<b>621,897</b>	<b>786,938</b>	<b>601,411</b>
<b>Cash flow from changes in working capital</b>			
Increase/decrease in loans to the general public (-/+)	-3,038,173	-7,864,939	-5,512,533
Increase/decrease in securities (-/+)	-477,885	-448,157	-248,933
Increase/decrease in deposits from the general public (+/-)	5,450,428	1,854,892	1,334,640
Increase/decrease in liabilities to credit institutions (+/-)	1,005,893	-498,779	-493,357
Net change in other assets and liabilities	117,238	21,304	74,884
<b>Net cash from operating activities</b>	<b>3,679,398</b>	<b>-6,148,741</b>	<b>-4,243,888</b>
<b>Cash flows from investing activities</b>			
Disposal/redemption of financial assets	14,425	29,322	5,923
Transfer of excess liquidity to tax account	-4,000,000	2,300,000	1,600,000
Acquisition of tangible assets	-3,676	-2,172	-3,334
<b>Net cash from investing activities</b>	<b>-3,989,251</b>	<b>2,327,150</b>	<b>1,602,589</b>
<b>Cash flows from financing activities</b>			
Issue of fixed-income securities	8,158,195	8,682,823	6,682,290
Redemption of fixed-income securities	-4,629,326	-4,790,315	-3,262,961
Dividends paid	-	-58,892	-58,892
<b>Net cash from financing activities</b>	<b>3,528,869</b>	<b>3,833,616</b>	<b>3,360,437</b>
<b>Cash flow for the period</b>	<b>3,219,016</b>	<b>12,025</b>	<b>719,138</b>
Cash and cash equivalents at beginning of period	2,907,141	2,895,116	2,895,116
<b>Cash and cash equivalents at end of period</b>	<b>6,126,157</b>	<b>2,907,141</b>	<b>3,614,254</b>
The following subcomponents are included in cash and cash equivalents			
Cash	303	1,121	1,442
Loans to credit institutions	6,125,854	2,906,020	3,612,812
<b>Balance sheet total</b>	<b>6,126,157</b>	<b>2,907,141</b>	<b>3,614,254</b>
Short-term investments have been classified as cash and cash equivalents on the basis of the following criteria			
They have an insignificant risk of changes in value			
They are easily convertible to cash			
They have a maximum term of three months from their acquisition date			
Interest paid and dividends received included in net cash from operating activities			
Interest received	1,075,393	1,275,629	939,973
Interest paid including cost of deposit insurance and fee for resolution fund	-111,615	-157,780	-73,664
Dividends received	760	630	630

# Notes to the income statement and balance sheet

## Note 1 Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. In addition, the contents of the interim report are in compliance with the Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), Finansinspektionen's Regulations and General Guidelines on Annual Accounts for Credit Institutions and Securities Companies (FFFS 2008:25), and the Swedish Financial Reporting Board's Recommendation RFR 2 Accounting for Legal Entities. The bank thus applies adopted IFRS subject to restrictions under Swedish law (lagbegränsad IFRS), namely RFR 2 and FFFS. This means that all IFRSs adopted by the EU are applied to the extent possible within the scope of the Swedish Annual Accounts Act and in consideration of the relationship between accounting and taxation. The accounting policies and estimates and judgements applied in this interim report are in accordance with those applied in the 2019 Annual Report Except for the following comments in relation to Note 3 Risks.

Updated comments on credit risk can be found under "Credit quality and allowances".

Updated comments on liquidity risk can be found under "Funding and liquidity".

Comments on the impact of COVID-19 can be found under "Risks and uncertainties".

In 2020, the following change was made to the accounting policies applied by the bank. The recognition of expenses for securities commissions and fees previously included certain expenses now recognised as IT expenses. This change was applied retroactively to 2019 but not to earlier financial years. As a result, fee and commission expenses decreased in the first nine months of 2019 by SEK 10m to SEK 37m and general administrative expenses increased by SEK 10m to SEK 564m.

## Note 2 Operating segments

The bank's business is not divided into operating segments in the bank's internal reporting to its highest decision-making body (the CEO) given that its business is concentrated in banking activities within the bank's geographic area.

## Note 3 Net interest income

	Jan-Sep 2020	Jan-Sep 2019	Change	Full year 2019
Thousands of SEK				
<b>Interest income</b>				
Loans to credit institutions	1,167	3,410	-66%	4,213
Loans to the general public	1,085,305	965,183	12%	1,298,376
Fixed-income securities	10,756	2,284	-	3,895
Derivatives	-14,668	-21,454	-32%	-28,681
Other interest income	-3	-1	-	-1
<b>Total</b>	<b>1,082,557</b>	<b>949,422</b>	<b>14%</b>	<b>1,277,802</b>
<b>Interest expenses</b>				
Liabilities to credit institutions	-6,126	-9,139	-33%	-12,078
Deposits from the general public	-42,071	-38,618	9%	-55,310
– expenses for deposit insurance	-32,086	-29,652	8%	-43,533
Fixed-income securities	-102,589	-54,668	88%	-77,217
Subordinated liabilities	-	-4,677	-	-4,677
Other interest expenses	-9,899	-16,044	-38%	-21,392
– fee for resolution fund	-9,894	-16,041	-38%	-21,387
<b>Total</b>	<b>-160,685</b>	<b>-123,146</b>	<b>30%</b>	<b>-170,674</b>
<b>Total net interest income</b>	<b>921,872</b>	<b>826,276</b>	<b>12%</b>	<b>1,107,128</b>

## Note 4 Fee and commission income

	Jan-Sep 2020	Jan-Sep 2019	Change	Full year 2019
Thousands of SEK				
Payment intermediation fees	52,790	55,050	-4%	70,358
Loan commissions	66,650	92,376	-28%	117,891
Deposit commissions	59,110	56,927	4%	80,732
Commissions for financial guarantees issued	1,470	1,710	-14%	2,226
Securities commissions and fees	164,357	161,006	2%	218,787
Other fees and commissions	50,712	50,977	-1%	67,902
<b>Total</b>	<b>395,089</b>	<b>418,046</b>	<b>-5%</b>	<b>557,896</b>

<b>Note 5</b>	<b>Fee and commission expenses</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2019</b>	<b>Change</b>	<b>Full year 2019</b>
Thousands of SEK					
	Payment intermediation fees	-23,177	-26,124	-11%	-35,127
	Securities commissions and fees	-10,584	-7,600	-38%	-9,181
	Other fees and commissions	-3,580	-3,535	1%	-4,800
	<b>Total</b>	<b>-37,341</b>	<b>-37,259</b>	<b>-20%</b>	<b>-49,108</b>

<b>Note 6</b>	<b>Net gain/loss from financial transactions</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2019</b>	<b>Change</b>	<b>Full year 2019</b>
Thousands of SEK					
	Shareholdings/investments	4,407	1,900	132%	2,800
	Fixed-income securities	-299	-3,109	-	-3,104
	Other financial instruments	4,476	4,084	10%	7,477
	Exchange rate fluctuations	4,394	4,030	9%	5,543
	<b>Total</b>	<b>12,978</b>	<b>6,905</b>	<b>88%</b>	<b>12,716</b>

	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2019</b>	<b>Change</b>	<b>Full year 2019</b>	
<b>Net gain/loss by valuation category</b>					
	Financial assets at fair value through other comprehensive income	4,108	-1,209	-	-304
	Ineffective portion of fair value hedge	601	624	-4%	826
	Derivatives intended for risk management, no hedge accounting	3,875	3,460	12%	6,651
	Change in fair value of derivatives used as hedging instruments in a fair value hedge	-78,542	-45,999	71%	22,503
	Change in fair value of hedged item attributable to the hedged risk in fair value hedges	78,542	45,999	71%	-22,503
	Exchange rate fluctuations	4,394	4,030	9%	5,543
	<b>Total</b>	<b>12,978</b>	<b>6,905</b>	<b>88%</b>	<b>12,716</b>

<b>Note 7</b>	<b>Net credit losses</b>	<b>Jan-Sep 2020</b>	<b>Jan-Sep 2019</b>	<b>Change</b>	<b>Full year 2019</b>
Thousands of SEK					
<b>Loans at amortised cost</b>					
	Change in provisions – stage 1	-8,802	232	-	1,019
	Change in provisions – stage 2	-9,157	1,038	-	3,226
	Change in provisions – stage 3	-37,863	6,311	-	6,930
	<b>Total</b>	<b>-55,822</b>	<b>7,581</b>	<b>-</b>	<b>11,175</b>
	Net cost for the period for incurred losses	-5,417	-7,726	-30%	-10,287
	The amount received for previously incurred credit losses	6,557	5,850	12%	7,236
	<b>Total credit losses on loans at amortised cost</b>	<b>-54,682</b>	<b>5,705</b>	<b>-</b>	<b>8,124</b>
<b>Loan commitments and financial guarantee contracts</b>					
	Change in provisions – stage 1	-4,165	-2,384	-	-934
	Change in provisions – stage 2	-322	-569	-	3,819
	Change in provisions – stage 3	385	3,208	-	2,016
	<b>Total credit losses for loan commitments and financial guarantee contracts</b>	<b>-4,102</b>	<b>255</b>	<b>-</b>	<b>4,901</b>
	<b>Total credit losses</b>	<b>-58,784</b>	<b>5,960</b>	<b>-</b>	<b>13,025</b>

Note 8	Loans to the general public	Stage 1	Stage 2	Stage 3	Total
Thousands of SEK					
<b>Gross carrying amount</b>					
<b>Gross carrying amount at 1 January 2020</b>		67,796,753	4,034,868	180,416	<b>72,012,037</b>
New financial assets		15,239,658	493,863	87,949	<b>15,821,470</b>
Derecognised financial assets		-10,690,958	-905,247	-17,601	<b>-11,613,806</b>
Changes due to changed balances		-1,040,402	-124,081	-12,559	<b>-1,177,042</b>
Transfers between stages during the period					
from stage 1 to stage 2		-1,874,530	1,874,530	-	<b>0</b>
from stage 1 to stage 3		-171,696	-	171,696	<b>0</b>
from stage 2 to stage 1		1,140,447	-1,140,447	-	<b>0</b>
from stage 2 to stage 3		-	-121,307	121,307	<b>0</b>
from stage 3 to stage 2		-	5,632	-5,632	<b>0</b>
from stage 3 to stage 1		1,509	-	-1,509	<b>0</b>
Exchange rate fluctuations		36	0	0	<b>36</b>
<b>Gross carrying amount at 30 September 2020</b>		<b>70,400,817</b>	<b>4,117,811</b>	<b>524,067</b>	<b>75,042,695</b>
<b>Loss allowances</b>					
<b>Loss allowances at 1 January 2020</b>		19,314	30,188	56,859	<b>106,361</b>
New financial assets		8,970	3,908	8,853	<b>21,731</b>
Derecognised financial assets		-3,261	-5,370	-4,507	<b>-13,138</b>
Changes due to changed balances		-1,895	-2,774	-1,782	<b>-6,451</b>
Changed risk variables (EAD, PD, LGD)		5,313	-5,670	8,912	<b>8,555</b>
Changes in macroeconomic scenarios		7,778	2,073	38	<b>9,889</b>
Changes due to updated models		-994	-241	-133	<b>-1,368</b>
Transfers between stages during the period					
from stage 1 to stage 2		-7,539	21,431	-	<b>13,892</b>
from stage 1 to stage 3		-384	-	18,672	<b>18,288</b>
from stage 2 to stage 1		754	-2,913	-	<b>-2,159</b>
from stage 2 to stage 3		-	-1,352	10,442	<b>9,090</b>
from stage 3 to stage 1		1	-	-75	<b>-74</b>
from stage 3 to stage 2		-	65	-494	<b>-429</b>
<b>Loss allowances at 30 September 2020</b>		<b>28,057</b>	<b>39,345</b>	<b>96,785</b>	<b>164,187</b>
<b>Carrying amount</b>					
<b>Opening balance at 1 January 2020</b>		67,777,439	4,004,680	123,557	<b>71,905,676</b>
<b>Closing balance at 30 September 2020</b>		<b>70,372,760</b>	<b>4,078,466</b>	<b>427,282</b>	<b>74,878,508</b>
<b>Change in fair value of hedged amount in portfolio hedge</b>					<b>76,074</b>
<b>Total</b>					<b>74,954,582</b>



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	Stage 1	Stage 2	Stage 3	Total
Thousands of SEK				
<b>Gross carrying amount</b>	Stage 1	Stage 2	Stage 3	<b>Total</b>
<b>Gross carrying amount at 1 January 2019</b>	60,678,047	3,322,727	171,166	<b>64,171,940</b>
New financial assets	23,174,695	508,965	11,168	<b>23,694,828</b>
Derecognised financial assets	-13,644,955	-674,024	-67,475	<b>-14,386,454</b>
Changes due to changed balances	-1,353,285	-106,878	-8,134	<b>-1,468,297</b>
Transfers between stages during the period				
from stage 1 to stage 2	-2,145,001	2,145,001	-	<b>0</b>
from stage 1 to stage 3	-19,456	-	19,456	<b>0</b>
from stage 2 to stage 1	1,098,556	-1,098,556	-	<b>0</b>
from stage 2 to stage 3	-	-64,947	64,947	<b>0</b>
from stage 3 to stage 2	-	2,580	-2,580	<b>0</b>
from stage 3 to stage 1	8,132	-	-8,132	<b>0</b>
Exchange rate fluctuations	20	0	0	<b>20</b>
<b>Gross carrying amount at 31 December 2019</b>	<b>67,796,753</b>	<b>4,034,868</b>	<b>180,416</b>	<b>72,012,037</b>
<b>Loss allowances</b>				
<b>Loss allowances at 1 January 2019</b>	20,333	33,414	61,706	<b>115,453</b>
New financial assets	8,968	3,362	4,179	<b>16,509</b>
Derecognised financial assets	-5,649	-6,803	-24,519	<b>-36,971</b>
Changes due to changed balances	-1,170	-1,507	-4,123	<b>-6,800</b>
Changed risk variables (EAD, PD, LGD)	2,487	-6,092	6,455	<b>2,850</b>
Changes in macroeconomic scenarios	-1,588	-1,255	-262	<b>-3,105</b>
Changes due to updated models	-397	-348	0	<b>-745</b>
Transfers between stages during the period				
from stage 1 to stage 2	-4,084	14,147	-	<b>10,063</b>
from stage 1 to stage 3	-37	-	3,408	<b>3,371</b>
from stage 2 to stage 1	440	-2,294	-	<b>-1,854</b>
from stage 2 to stage 3	-	-2,479	11,298	<b>8,819</b>
from stage 3 to stage 1	11	-	-1,012	<b>-1,001</b>
from stage 3 to stage 2	-	43	-271	<b>-228</b>
<b>Loss allowances at 31 December 2019</b>	<b>19,314</b>	<b>30,188</b>	<b>56,859</b>	<b>106,361</b>
<b>Carrying amount</b>				
<b>Opening balance at 1 January 2019</b>	60,657,714	3,289,313	109,460	<b>64,056,487</b>
<b>Closing balance at 31 December 2019</b>	<b>67,777,439</b>	<b>4,004,680</b>	<b>123,557</b>	<b>71,905,676</b>
<b>Change in fair value of hedged amount in portfolio hedge</b>				<b>-2,468</b>
<b>Total</b>				<b>71,903,208</b>

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	Stage 1	Stage 2	Stage 3	Total
Thousands of SEK				
<b>Gross carrying amount</b>				
<b>Gross carrying amount at 1 January 2019</b>	60,678,047	3,322,727	171,166	<b>64,171,940</b>
New financial assets	16,821,424	447,047	5,454	<b>17,273,925</b>
Derecognised financial assets	-10,317,768	-425,464	-52,511	<b>-10,795,743</b>
Changes due to changed balances	-883,653	-83,377	-10,377	<b>-977,407</b>
Transfers between stages during the period				
from stage 1 to stage 2	-1,887,412	1,887,412	-	<b>0</b>
from stage 1 to stage 3	-13,393	-	13,393	<b>0</b>
from stage 2 to stage 1	1,013,059	-1,013,059	-	<b>0</b>
from stage 2 to stage 3	-	-69,500	69,500	<b>0</b>
from stage 3 to stage 2	-	4,112	-4,112	<b>0</b>
from stage 3 to stage 1	8,154	-	-8,154	<b>0</b>
Exchange rate fluctuations	224	0	0	<b>224</b>
<b>Gross carrying amount at 30 September 2019</b>	<b>65,418,682</b>	<b>4,069,898</b>	<b>184,359</b>	<b>69,672,939</b>
<b>Loss allowances</b>				
<b>Loss allowances at 1 January 2019</b>	20,334	33,414	61,705	<b>115,453</b>
New financial assets	7,285	3,246	1,900	<b>12,431</b>
Derecognised financial assets	-4,279	-4,549	-17,567	<b>-26,395</b>
Changes due to changed balances	-1,612	-1,081	-3,954	<b>-6,647</b>
Changed risk variables (EAD, PD, LGD)	2,085	-4,819	4,835	<b>2,101</b>
Changes in macroeconomic scenarios	-86	-863	-327	<b>-1,276</b>
Changes due to updated models	1	0	0	<b>1</b>
Transfers between stages during the period				
from stage 1 to stage 2	-4,137	12,422	-	<b>8,285</b>
from stage 1 to stage 3	-54	-	1,970	<b>1,916</b>
from stage 2 to stage 1	550	-2,678	-	<b>-2,128</b>
from stage 2 to stage 3	-	-2,802	10,553	<b>7,751</b>
from stage 3 to stage 1	13	-	-1,070	<b>-1,057</b>
from stage 3 to stage 2	-	88	-1,044	<b>-956</b>
<b>Loss allowances at 30 September 2019</b>	<b>20,100</b>	<b>32,378</b>	<b>57,001</b>	<b>109,479</b>
<b>Carrying amount</b>				
<b>Opening balance at 1 January 2019</b>	60,657,713	3,289,313	109,461	<b>64,056,487</b>
<b>Closing balance at 30 September 2019</b>	<b>65,398,582</b>	<b>4,037,520</b>	<b>127,358</b>	<b>69,563,460</b>
<b>Change in fair value of hedged amount in portfolio hedge</b>				<b>66,035</b>
<b>Total</b>				<b>69,629,495</b>

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Gross carrying amount and loss allowance by sector at 30 September 2020	Gross carrying amount	Loss allowance	Net carrying amount
Thousands of SEK			
<b>Loans to the general public</b>			
<b>Private customers</b>	<b>41,087,263</b>	<b>27,364</b>	<b>41,059,899</b>
<b>Tenant-owners' associations</b>	<b>2,912,176</b>	<b>2,680</b>	<b>2,909,496</b>
<b>Corporate customers</b>	<b>31,043,256</b>	<b>134,143</b>	<b>30,909,113</b>
Agriculture, fishing, forestry	7,084,445	9,592	7,074,853
Manufacturing	572,727	5,096	567,631
Public sector	894,257	3,325	890,932
Construction	1,886,420	6,946	1,879,474
Retail	1,424,646	26,800	1,397,846
Transport	530,675	2,072	528,603
Hotel and restaurant	459,017	15,014	444,003
Information technology	341,939	247	341,692
Banking and insurance	163,463	92	163,371
Property management	14,136,601	41,566	14,095,035
Service sector	1,874,557	8,612	1,865,945
Other loans to businesses	1,674,509	14,781	1,659,728
<b>Loans to the general public</b>	<b>75,042,695</b>	<b>164,187</b>	<b>74,878,508</b>

Gross carrying amount and loss allowance by sector at 31 December 2019	Gross carrying amount	Loss allowance	Net carrying amount
Thousands of SEK			
<b>Loans to the general public</b>			
<b>Private customers</b>	<b>39,563,533</b>	<b>28,076</b>	<b>39,535,457</b>
<b>Tenant-owners' associations</b>	<b>2,379,566</b>	<b>1,141</b>	<b>2,378,425</b>
<b>Corporate customers</b>	<b>30,068,938</b>	<b>77,144</b>	<b>29,991,794</b>
Agriculture, fishing, forestry	7,033,937	9,973	7,023,964
Manufacturing	562,312	2,688	559,624
Public sector	820,930	3,634	817,296
Construction	1,813,815	3,994	1,809,821
Retail	1,353,033	15,813	1,337,220
Transport	445,477	1,735	443,742
Hotel and restaurant	375,798	1,243	374,555
Information technology	310,712	145	310,567
Banking and insurance	179,493	116	179,377
Property management	13,619,856	19,112	13,600,744
Service sector	1,812,628	4,305	1,808,323
Other loans to businesses	1,740,947	14,386	1,726,561
<b>Loans to the general public</b>	<b>72,012,037</b>	<b>106,361</b>	<b>71,905,676</b>

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Gross carrying amount and loss allowance by sector at 30 September 2019	Gross carrying amount	Loss allowance	Net carrying amount
Thousands of SEK			
<b>Loans to the general public</b>			
<b>Private customers</b>	<b>37,832,183</b>	<b>30,632</b>	<b>37,801,551</b>
<b>Tenant-owners' associations</b>	<b>2,160,428</b>	<b>675</b>	<b>2,159,753</b>
<b>Corporate customers</b>	<b>29,680,328</b>	<b>78,172</b>	<b>29,602,156</b>
Agriculture, fishing, forestry	6,936,821	10,409	6,926,412
Manufacturing	566,584	2,998	563,586
Public sector	837,878	2,034	835,844
Construction	1,843,000	4,675	1,838,325
Retail	1,353,113	14,911	1,338,202
Transport	452,846	1,214	451,632
Hotel and restaurant	345,901	1,274	344,627
Information technology	298,944	262	298,682
Banking and insurance	181,239	139	181,100
Property management	13,106,028	18,932	13,087,096
Service sector	1,767,957	4,307	1,763,650
Other loans to businesses	1,990,017	17,017	1,973,000
<b>Loans to the general public</b>	<b>69,672,939</b>	<b>109,479</b>	<b>69,563,460</b>



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Gross carrying amount and loss allowance by stage	30 September 2020	31 December 2019	30 September 2019
Thousands of SEK			
<b>Loans to the general public, private customers and tenant-owners' associations</b>			
<b>Stage 1</b>			
Gross carrying amount	42,116,873	40,047,183	38,190,086
Loss allowances	7,016	5,053	5,272
Carrying amount	42,109,857	40,042,130	38,184,814
<b>Stage 2</b>			
Gross carrying amount	1,847,124	1,854,342	1,757,128
Loss allowances	8,580	8,186	8,753
Carrying amount	1,838,544	1,846,156	1,748,375
<b>Stage 3</b>			
Gross carrying amount	35,443	41,574	45,397
Loss allowances	14,449	15,978	17,282
Carrying amount	20,994	25,596	28,115
<b>Total carrying amount, loans to private customers and tenant-owners' associations</b>	<b>43,969,395</b>	<b>41,913,882</b>	<b>39,961,304</b>
<b>Loans to the general public, corporate customers</b>			
<b>Stage 1</b>			
Gross carrying amount	28,283,946	27,749,570	27,228,596
Loss allowances	21,042	14,261	14,828
Carrying amount	28,262,904	27,735,309	27,213,768
<b>Stage 2</b>			
Gross carrying amount	2,270,687	2,180,526	2,312,768
Loss allowances	30,764	22,002	23,623
Carrying amount	2,239,923	2,158,524	2,289,145
<b>Stage 3</b>			
Gross carrying amount	488,623	138,842	138,964
Loss allowances	82,337	40,881	39,721
Carrying amount	406,286	97,961	99,243
<b>Total carrying amount, loans to corporate customers</b>	<b>30,909,113</b>	<b>29,991,794</b>	<b>29,602,156</b>
Gross carrying amount – stage 1	70,400,819	67,796,753	65,418,682
Gross carrying amount – stage 2	4,117,811	4,034,868	4,069,896
Gross carrying amount – stage 3	524,066	180,416	184,361
<b>Total gross carrying amount</b>	<b>75,042,696</b>	<b>72,012,037</b>	<b>69,672,939</b>
Loss allowance – stage 1	28,058	19,314	20,100
Loss allowance – stage 2	39,344	30,188	32,376
Loss allowance – stage 3	96,786	56,859	57,003
<b>Total loss allowances</b>	<b>164,188</b>	<b>106,361</b>	<b>109,479</b>
<b>Total carrying amount, loans to the general public</b>	<b>74,878,508</b>	<b>71,905,676</b>	<b>69,563,460</b>
Gross stage 3 loans in %	0.70%	0.25%	0.26%
Net stage 3 loans in %	0.57%	0.17%	0.18%
Ratio of loss allowances to stage 1 loans	17%	18%	18%
Ratio of loss allowances to stage 2 loans	24%	28%	30%
Ratio of loss allowances to stage 3 loans	59%	54%	52%
Allowance ratio for stage 1 loans	0.04%	0.03%	0.03%
Allowance ratio for stage 2 loans	0.96%	0.75%	0.80%
Allowance ratio for stage 3 loans	18%	32%	31%
Total Allowance ratio for loans	0.22%	0.15%	0.16%

<b>Note 9</b>	<b>Deposits from the general public</b>	<b>30/09/2020</b>	<b>31/12/2019</b>	<b>30/09/2019</b>
Thousands of SEK				
The general public				
-	Swedish currency	58,061,667	52,645,780	52,126,615
-	foreign currency	509,169	474,628	473,541
<b>Total</b>		<b>58,570,836</b>	<b>53,120,408</b>	<b>52,600,156</b>
<b>Deposits per customer category, excluding bank cheques</b>				
	Public sector	2,445,128	1,671,077	1,695,446
	Corporate sector	12,052,238	10,297,516	10,018,172
	Retail sector	43,615,083	40,347,559	39,982,845
	- sole proprietors	6,534,050	6,371,765	6,281,010
	Other sectors	413,487	751,000	850,062
<b>Total</b>		<b>58,525,936</b>	<b>53,067,152</b>	<b>52,546,525</b>
<b>Note 10</b>	<b>Debt securities issued and related items</b>	<b>30/09/2020</b>	<b>31/12/2019</b>	<b>30/09/2019</b>
Thousands of SEK				
	Certificates of deposit	499,417	949,332	949,266
	Bond loans	6,612,307	6,315,917	6,815,343
	Covered bonds	15,896,401	12,163,564	12,174,924
	MREL bond	998,167	997,836	-
<b>Total</b>		<b>24,006,293</b>	<b>20,426,649</b>	<b>19,939,533</b>
<b>Changes during the period</b>				
	Issued	8,158,195	8,682,823	6,682,290
	Repurchased	-2,450,000	-500,000	-499,250
	Matured	-2,128,551	-3,744,546	-2,231,879
<b>Change</b>		<b>3,579,644</b>	<b>4,438,277</b>	<b>3,951,161</b>

<b>Note 11</b>	<b>Provisions</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Thousands of SEK					
	<b>Loss allowances at 1 January 2020</b>	3,472	7,664	15,016	<b>26,152</b>
	New loan commitments and financial guarantees	4,463	843	549	<b>5,855</b>
	Financial guarantees and loan commitments that are past due	-1,027	-2,536	-1,282	<b>-4,845</b>
	Changes due to changed loan commitments and similar items	-199	559	382	<b>742</b>
	Changed risk variables (EAD, PD, LGD)	1,226	-1,622	-58	<b>-454</b>
	Changes in macroeconomic scenarios	1,030	288	0	<b>1,318</b>
	Changes due to updated models	-174	-12	0	<b>-</b>
	Transfers between stages during the period				
	from stage 1 to stage 2	-1,241	3,053	-	<b>1,812</b>
	from stage 1 to stage 3	-9	-	513	<b>504</b>
	from stage 2 to stage 1	95	-376	-	<b>-281</b>
	from stage 2 to stage 3	-	0	12	<b>12</b>
	from stage 3 to stage 1	-	-	-	<b>-</b>
	from stage 3 to stage 2	-	121	-500	<b>-379</b>
	<b>Loss allowances at 30 September 2020</b>	<b>7,636</b>	<b>7,982</b>	<b>14,632</b>	<b>30,250</b>
	Provisions for pensions				66,862
	Other provisions				12,825
	<b>Total</b>				<b>109,937</b>
	<b>Loss allowances at 31 December 2018</b>	<b>1,624</b>	<b>2,238</b>	<b>5,652</b>	<b>9,514</b>
	Adjustment of opening values	912	9,246	11,381	<b>21,539</b>
	<b>Loss allowances at 1 January 2019</b>	<b>2,536</b>	<b>11,484</b>	<b>17,033</b>	<b>31,053</b>
	New loan commitments and financial guarantees	1,868	317	268	<b>2,453</b>
	Financial guarantees and loan commitments that are past due	-756	-4,973	-3,847	<b>-9,576</b>
	Changes due to changed loan commitments and similar items	382	827	-146	<b>1,063</b>
	Changed risk variables (EAD, PD, LGD)	-10	-939	-392	<b>-1,341</b>
	Changes in macroeconomic scenarios	-58	-8	-	<b>-66</b>
	Changes due to updated models	89	5	95	<b>189</b>
	Transfers between stages during the period				
	from stage 1 to stage 2	-631	1,833	-	<b>1,202</b>
	from stage 1 to stage 3	-10	-	1,033	<b>1,023</b>
	from stage 2 to stage 1	62	-350	-	<b>-288</b>
	from stage 2 to stage 3	-	-532	976	<b>444</b>
	from stage 3 to stage 1	0	-	-2	<b>-2</b>
	from stage 3 to stage 2	-	0	-2	<b>-2</b>
	<b>Loss allowances at 31 December 2019</b>	<b>3,472</b>	<b>7,664</b>	<b>15,016</b>	<b>26,152</b>
	Provisions for pensions				61,769
	Other provisions				11,591
	<b>Total</b>				<b>99,512</b>

CONTINUED FROM PAGE 23.

<b>Loss allowances at 31 December 2018</b>	1,624	2,238	5,652	<b>9,514</b>
Adjustment of opening values	912	9,246	11,381	<b>21,539</b>
<b>Loss allowances at 1 January 2019</b>	2,536	11,484	17,033	<b>31,053</b>
New loan commitments and financial guarantees	2,865	382	912	<b>4,159</b>
Financial guarantees and loan commitments that are past due	-446	-547	-4,421	<b>-5,414</b>
Changes due to changed loan commitments and similar items	11	323	-30	<b>304</b>
Changed risk variables (EAD, PD, LGD)	-11	-970	3	<b>-978</b>
Changes in macroeconomic scenarios	87	17	-1	<b>103</b>
Changes due to updated models	272	51	-96	<b>227</b>
Transfers between stages during the period				
from stage 1 to stage 2	-457	1,702	-	<b>1,245</b>
from stage 1 to stage 3	-2	-	237	<b>235</b>
from stage 2 to stage 1	63	-335	-	<b>-272</b>
from stage 2 to stage 3	-	-54	191	<b>137</b>
from stage 3 to stage 1	-	-	-	<b>-</b>
from stage 3 to stage 2	-	0	0	<b>0</b>
<b>Loss allowances at 30 September 2019</b>	4,918	12,053	13,828	<b>30,799</b>
Provisions for pensions				56,226
Other provisions				10,627
<b>Total</b>				<b>97,652</b>

<b>Note 12</b> Derivatives	30/09/2020		31/12/2019		30/09/2019	
The bank uses financial hedges to protect itself from interest rate and currency risks. Derivative instruments comprise interest rate swaps, interest rate caps and currency forwards.						
Thousands of SEK	<b>Nominal amount</b>	<b>Fair value</b>	<b>Nominal amount</b>	<b>Fair value</b>	<b>Nominal amount</b>	<b>Fair value</b>
<b>Derivative instruments with positive fair values</b>						
Fixed-income contracts	210,000	0	240,000	0	240,000	0
Currency contracts	125,010	3,592	146,983	5,477	166,349	6,776
<b>Total derivative instruments with positive fair values</b>	<b>335,010</b>	<b>3,592</b>	<b>386,983</b>	<b>5,477</b>	<b>406,349</b>	<b>6,776</b>
<b>Derivative instruments with negative fair values</b>						
Fixed-income contracts	11,775,500	84,592	8,681,625	9,140	6,894,000	80,712
Currency contracts	122,842	3,378	145,446	5,258	165,449	6,465
<b>Total derivative instruments with negative fair values</b>	<b>11,898,342</b>	<b>87,970</b>	<b>8,827,071</b>	<b>14,398</b>	<b>7,059,449</b>	<b>87,177</b>

The bank has entered into interest rate swap contracts to a large extent in order to protect itself from the interest rate risk associated with the fixed-interest loans provided by the bank. Interest rate cap contracts have been used as reinsurance for loans with floating interest rates for which the bank has guaranteed the customer a maximum interest rate. Currency forwards are used in operations involving bank customers, where the currency risk is covered using reverse currency forwards with Swedbank.

Note 13 30 September 2020	Financial assets and liabilities				Fair value
	Carrying amount			Fair value through other comprehensive income	
Thousands of SEK	Fair value	Amortised cost	Debt instruments		Equity instruments
Cash and balances at central banks	-	303	-	-	303
Treasury bills eligible for refinancing with central banks	-	-	1,815,195	-	1,815,195
Loans to credit institutions	-	6,125,854	-	-	6,125,854
Loans to the general public	-	74,954,582	-	-	75,036,334
Bonds and other fixed-income securities	-	-	3,530,010	-	3,530,010
Derivatives	3,592	-	-	-	3,592
Other assets	-	75,154	-	-	75,154
Accrued income	-	83,852	-	-	83,852
<b>Total</b>	<b>3,592</b>	<b>81,239,745</b>	<b>5,345,205</b>	<b>-</b>	<b>86,670,294</b>
Liabilities to credit institutions	-	1,066,375	-	-	1,066,375
Deposits from the general public	-	58,570,836	-	-	58,546,334
Securities issued	-	24,006,293	-	-	24,006,293
Derivatives	87,970	-	-	-	87,970
Other liabilities	-	41,331	-	-	41,331
Accrued expenses	-	183,944	-	-	183,944
<b>Total</b>	<b>87,970</b>	<b>83,868,779</b>	<b>-</b>	<b>-</b>	<b>83,932,247</b>

31 December 2019	Financial assets and liabilities				Fair value
	Carrying amount			Fair value through other comprehensive income	
Thousands of SEK	Fair value	Amortised cost	Debt instruments		Equity instruments
Cash and balances at central banks	-	1,121	-	-	1,121
Treasury bills eligible for refinancing with central banks	-	-	1,857,824	-	1,857,824
Loans to credit institutions	-	2,906,020	-	-	2,906,020
Loans to the general public	-	71,903,208	-	-	72,437,169
Bonds and other fixed-income securities	-	-	3,027,605	-	3,027,605
Shareholdings and investments	-	-	-	4,000	4,000
Derivatives	5,477	-	-	-	5,477
Other assets	-	69,508	-	-	69,508
Accrued income	-	123,101	-	-	123,101
<b>Total</b>	<b>5,477</b>	<b>75,002,958</b>	<b>4,885,429</b>	<b>4,000</b>	<b>80,431,825</b>
Liabilities to credit institutions	-	60,482	-	-	60,482
Deposits from the general public	-	53,120,408	-	-	53,125,106
Securities issued	-	20,426,649	-	-	20,426,649
Derivatives	14,398	-	-	-	14,398
Other liabilities	-	60,430	-	-	60,430
Accrued expenses	-	116,926	-	-	116,926
<b>Total</b>	<b>14,398</b>	<b>73,784,895</b>	<b>-</b>	<b>-</b>	<b>73,803,991</b>

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30 September 2019	Carrying amount				Fair value
	Fair value	Amortised cost	Fair value through other comprehensive income		
Thousands of SEK			Debt instruments	Equity instruments	
Cash and balances at central banks	-	1,442	-	-	1,442
Treasury bills eligible for refinancing with central banks	-	-	1,634,899	-	1,634,899
Loans to credit institutions	-	3,612,812	-	-	3,612,812
Loans to the general public	-	69,629,495	-	-	70,139,061
Bonds and other fixed-income securities	-	-	3,056,726	-	3,056,726
Shareholdings and investments	-	-	-	4,000	4,000
Derivatives	6,776	-	-	-	6,776
Other assets	-	63,016	-	-	63,016
Accrued income	-	112,226	-	-	112,226
<b>Total</b>	<b>6,776</b>	<b>73,418,991</b>	<b>4,691,625</b>	<b>4,000</b>	<b>78,630,958</b>
Liabilities to credit institutions	-	65,904	-	-	65,904
Deposits from the general public	-	52,600,156	-	-	52,605,101
Securities issued	-	19,939,533	-	-	19,939,533
Derivatives	87,177	-	-	-	87,177
Other liabilities	-	55,218	-	-	55,218
Accrued expenses	-	166,518	-	-	166,518
<b>Total</b>	<b>87,177</b>	<b>72,827,329</b>	<b>-</b>	<b>-</b>	<b>72,919,451</b>

The tables below disclose the fair value measurement approach for the financial instruments measured at fair value in the balance sheet. Fair value measurement is categorised into the following three levels:

Level 1: Quoted prices in active markets for identical instruments

Level 2: Inputs other than quoted market prices included within Level 1 that are observable for the instrument, either directly or indirectly

Level 3: Unobservable inputs for the instrument

### 30/09/2020

Thousands of SEK	Level 1	Level 2	Level 3	Total
Treasury bills eligible for refinancing with central banks	1,815,195	-	-	1,815,195
Bonds and related items	3,530,010	-	-	3,530,010
Other assets – derivatives	-	3,592	-	3,592
<b>Total</b>	<b>5,345,205</b>	<b>3,592</b>	<b>-</b>	<b>5,348,797</b>
Other liabilities – derivatives	-	87,970	-	87,970
<b>Total</b>	<b>-</b>	<b>87,970</b>	<b>-</b>	<b>87,970</b>

### 31/12/2019

Thousands of SEK	Level 1	Level 2	Level 3	Total
Treasury bills eligible for refinancing with central banks	1,857,824	-	-	1,857,824
Bonds and related items	3,027,605	-	-	3,027,605
Shareholdings and investments	-	-	4,000	4,000
Other assets – derivatives	-	5,477	-	5,477
<b>Total</b>	<b>4,885,429</b>	<b>5,477</b>	<b>4,000</b>	<b>4,894,906</b>
Other liabilities – derivatives	-	14,398	-	14,398
<b>Total</b>	<b>-</b>	<b>14,398</b>	<b>-</b>	<b>14,398</b>

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**30/09/2019**

Thousands of SEK	Level 1	Level 2	Level 3	Total
Treasury bills eligible for refinancing with central banks	1,634,899	-	-	1,634,899
Bonds and related items	3,056,726	-	-	3,056,726
Shareholdings and investments	-	-	4,000	4,000
Other assets – derivatives	-	6,776	-	6,776
<b>Total</b>	<b>4,691,625</b>	<b>6,776</b>	<b>4,000</b>	<b>4,702,401</b>
Other liabilities – derivatives	-	87,177	-	87,177
<b>Total</b>	<b>-</b>	<b>87,177</b>	<b>-</b>	<b>87,177</b>

The level 3 heading 'Shareholdings and investments' include unlisted shareholdings and investments measured using established valuation models. These shareholdings were sold in the first half of 2020.

The table below presents a breakdown of opening and closing balances of financial instruments measured at fair value in the balance sheet on the basis of a valuation technique based on unobservable inputs (level 3).

Thousands of SEK	Shareholdings and investments	Total
Opening balance at 1 January 2020	4,000	4,000
Disposals	-6,000	-6,000
Cost – acquisitions	4,000	4,000
Total gains and losses recognised	2,000	2,000
– recognised in profit or loss	2,000	2,000
<b>Closing balance at 30 September 2020</b>	<b>0</b>	<b>0</b>
Gains and losses recognised in profit or loss for assets included in the closing balance at 30 September 2020	2,000	2,000

#### Fair value measurement

The main methods and assumptions used to measure the fair value of the financial instruments reported in the table above are summarised as follows:

##### Financial instruments quoted in active markets

For financial instruments quoted in active markets, fair value measurement is based on the asset's listed bid price on the balance sheet date less transaction expenses (e.g. brokerage) at the time of acquisition. A financial instrument is deemed quoted in an active market if quoted prices are easily available on a stock market, from a trader, broker, trade association or company providing current price information or regulatory authority, and these prices represent actual and regularly occurring market transactions on commercial terms. Any future transaction expenses on disposal are not taken into account. Such instruments can be found in the following balance-sheet items: Treasury bills eligible for refinancing with central banks and Bonds and other fixed-income securities.

##### Financial instruments not quoted in active markets

Derivative instruments are measured at the fair value received from the counterparty where the fair value is measured using a valuation model established in the market for measuring the type of derivative instrument in question. Fair value measurement of OTC instruments generally uses valuation models based on observable market data. The present value of the cash flows associated with the financial instrument is calculated for measurement of fixed-interest and currency derivatives without option components. The yield curve used for discounting cash flows is based on observable market data, meaning it is derived from quoted relevant interest rates for the respective term when the cash flows are received or paid. Options are measured using generally accepted valuation models, such as Black-Scholes. The models are updated with observable market data relevant to the measurement of the option. This observable market data includes interest rates, currencies, credit risk, volatility, correlations and market liquidity. The fair value of financial instruments classified to a lower level is also measured using valuation models mainly based on observable market data but with some estimates made by the bank that are considered significant for the fair value measurement.

Structured products are measured at fair value through profit or loss. They are not traded daily in active markets. Instead, the fair values are obtained from counterparties and measured on the basis of the performance of the underlying indices/prices of the respective instruments at the balance sheet date.

The fair value of financial instruments that are not derivative instruments is measured on the basis of future cash flows of principal and interest discounted to current market interest rates at the balance sheet date. In cases where discounted cash flows have been used, future cash flows are calculated using the best estimate of the bank's management.

The fair value of loans with fixed interest rates was measured by discounting expected future cash flows with the discount rate set at the current lending rate applicable.

The carrying amount is deemed to reflect the fair value of trade receivables and payables with a remaining useful life of less than six months.

The fair value of borrowings is measured on the basis of current market interest rates where the original credit spread has been kept constant if there is no clear evidence that a change in the bank's credit rating has led to an observable change in the bank's credit spread.

The fair value of loans and deposits was measured by discounting expected future cash flows with the discount rate set at the current lending or deposit rate applicable. However, the fair value of a liability that is redeemable on demand is not recognised at an amount lower than the amount to be paid on demand and is discounted from the first date that payment of this amount could be demanded.



**Note 14** Pledged assets, contingent liabilities and commitments

	30/09/2020	31/12/2019	30/09/2019
Thousands of SEK			
Pledged assets			
Loans *	20,626,236	15,972,894	15,748,382
Bonds and other fixed-income securities	1,118,495	-	-
Other pledged assets	146,762	63,169	112,926
Contingent liabilities	530,791	636,202	515,639
Commitments	9,876,217	8,580,557	9,663,007

\* The pledge is defined as the borrower's nominal debt including accrued interest. It refers to the loans of the total available collateral that are used as the pledge at each point in time.

\* difference entered in report LRCalc rad:LRC190

**Note 15** Capital adequacy analysis

The disclosures in this note are made in compliance with Finansinspektionen's Regulations and General Guidelines on Annual Accounts for Credit Institutions and Securities Companies (FFFS 2008:25) and Finansinspektionen's Regulations Regarding Prudential Requirements and Capital Buffers (FFFS 2014:12). Other disclosures required under Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on Prudential Requirements for Credit Institutions and Investment Firms ("the Capital Requirements Regulation") and regulations supplementing the Capital Requirements Regulation are made on the bank's website (sparbankenskane.se).

**Capital base**

Thousands of SEK	30/09/2020	31/12/2019	30/09/2019
CET1 capital	6,582,013	6,289,848	6,087,595
<b>Net capital base</b>	<b>6,582,013</b>	<b>6,289,848</b>	<b>6,087,595</b>

**Capital requirement and risk-weighted exposure amount**

	30/09/2020		31/12/2019		30/09/2019	
	Capital requirement	Risk-weighted exposure amount	Capital requirement	Risk-weighted exposure amount	Capital requirement	Risk-weighted exposure amount
Minimum capital for credit risk						
- IRB approach	1,574,556	19,681,948	1,556,258	19,453,223	1,532,428	19,155,344
- standardised approach	632,024	7,900,301	612,720	7,659,002	597,187	7,464,832
Credit valuation adjustment	2,593	32,413	3,162	39,525	1,730	21,625
Risk weight floor, residential and commercial properties	318,674	3,983,428	214,987	2,687,339	209,417	2,617,716
Other REAs	2,400	30,000	2,400	30,000	1,760	22,000
Capital requirement for operational risk	173,143	2,164,292	163,957	2,049,465	163,957	2,049,465
<b>Total capital requirements and risk-weighted exposure amounts</b>	<b>2,703,391</b>	<b>33,792,382</b>	<b>2,553,484</b>	<b>31,918,554</b>	<b>2,506,479</b>	<b>31,330,982</b>

<b>CET1 capital ratio</b>	<b>19.5%</b>	<b>19.7%</b>	<b>19.4%</b>
<b>Tier 1 capital ratio</b>	<b>19.5%</b>	<b>19.7%</b>	<b>19.4%</b>
<b>Total capital ratio</b>	<b>19.5%</b>	<b>19.7%</b>	<b>19.4%</b>

<b>Pillar 2 capital requirement</b>	<b>2.1%</b>	<b>701,219</b>	<b>1.9%</b>	<b>622,162</b>	<b>2.0%</b>	<b>630,401</b>
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<b>Total internally assessed capital requirement (excluding buffer requirement)</b>	<b>3,404,610</b>	<b>3,175,646</b>	<b>3,136,880</b>
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<b>Buffer requirement</b>	<b>2.5%</b>	<b>844,810</b>	<b>5.0%</b>	<b>1,595,928</b>	<b>5.0%</b>	<b>1,566,549</b>
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- capital conservation buffer	2.5%	844,810	2.5%	797,964	2.5%	783,275
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- countercyclical capital buffer	0.0%	0	2.5%	797,964	2.5%	783,275
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<b>Total capital requirement including buffer requirement</b>	<b>4,249,420</b>	<b>4,771,574</b>	<b>4,703,429</b>
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Thousands of SEK	30/09/2020		31/12/2019		30/09/2019	
<b>CET1 capital: Instruments and reserves</b>						
Share capital	1,668,336		1,668,336		1,668,336	
Statutory reserve	109,196		109,196		109,196	
Share premium reserve	3,188,631		3,188,631		3,188,631	
Fair value reserve	-		-		-	
Retained earnings	1,615,448		1,118,049		1,134,979	
Profit attributable to the bank's owners	258,512		497,399		163,800	
Deduction for ineligible part of profit for the period or year	-51,702		-150,150		-49,140	
<b>CET1 capital before regulatory adjustments</b>	<b>6,788,421</b>		<b>6,431,461</b>		<b>6,215,802</b>	
<b>CET1 capital: regulatory adjustments</b>						
Value adjustments due to prudent valuation requirements	-5,345		-4,885		-4,692	
Deferred tax assets	-16,241		-14,937		-13,499	
Deduction of IRB provisions (see disclosure below)	-184,822		-121,791		-110,016	
<b>Total regulatory adjustments to CET1 capital</b>	<b>-206,408</b>		<b>-141,613</b>		<b>-128,207</b>	
<b>CET1 capital</b>	<b>6,582,013</b>		<b>6,289,848</b>		<b>6,087,595</b>	
<b>Capital base</b>	<b>6,582,013</b>		<b>6,289,848</b>		<b>6,087,595</b>	
<b>Special disclosures</b>						
<b>IRB Provisions excess(+)/shortfall(-)</b>	<b>-184,822</b>		<b>-120,837</b>		<b>-110,016</b>	
Total IRB provisions (+)	143,286		90,349		91,964	
IRB Expected loss amount (-)	-328,108		-211,186		-201,980	
<b>Capital requirement and risk-weighted exposure amount</b>						
Thousands of SEK	30/09/2020		31/12/2019		30/09/2019	
	Capital requirement	Risk-weighted exposure amount	Capital requirement	Risk-weighted exposure amount	Capital requirement	Risk-weighted exposure amount
<b>Credit risk under standardised approach</b>						
Central government or central bank exposures	-	-	-	-	-	-
Regional government or local authority exposures	-	-	-	-	-	-
Corporate exposures	96,591	1,207,385	83,377	1,042,218	73,331	916,642
Retail exposures	242,261	3,028,265	238,136	2,976,701	242,992	3,037,402
Exposures secured by mortgages on immovable property	291,314	3,641,427	288,943	3,611,782	278,363	3,479,537
Items in default	1,858	23,224	1,944	24,301	2,180	27,251
Equity exposures	-	-	320	4,000	320	4,000

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	Capital requirement	Risk-weighted exposure amount	Capital requirement	Risk-weighted exposure amount	Capital requirement	Risk-weighted exposure amount
<b>Credit risk under IRB approach</b>						
Institutional exposures	164,939	2,061,743	89,062	1,113,274	104,837	1,310,468
Corporate exposures	757,707	9,471,342	821,135	10,264,188	781,729	9,771,614
Retail exposures	632,977	7,912,211	633,111	7,913,888	627,462	7,843,271
– mortgage loans	388,225	4,852,811	374,577	4,682,211	353,581	4,419,768
– other loans	244,752	3,059,400	258,534	3,231,677	273,880	3,423,503
Non-credit obligation asset exposures	18,932	236,652	12,950	161,873	18,399	229,991
<b>Total</b>	<b>2,206,580</b>	<b>27,582,249</b>	<b>2,168,978</b>	<b>27,112,225</b>	<b>2,129,614</b>	<b>26,620,176</b>
<b>Credit valuation adjustment</b>	<b>2,593</b>	<b>32,413</b>	<b>3,162</b>	<b>39,525</b>	<b>1,730</b>	<b>21,625</b>
<b>Risk weight floor, residential and commercial properties</b>	<b>318,674</b>	<b>3,983,428</b>	<b>214,987</b>	<b>2,687,339</b>	<b>209,417</b>	<b>2,617,716</b>
<b>Other REAs</b>	<b>2,400</b>	<b>30,000</b>	<b>2,400</b>	<b>30,000</b>	<b>1,760</b>	<b>22,000</b>
<b>Operational risk</b>						
	<b>30/09/2020</b>		<b>31/12/2019</b>		<b>30/09/2019</b>	
	Capital requirement	Risk-weighted exposure amount	Capital requirement	Risk-weighted exposure amount	Capital requirement	Risk-weighted exposure amount
Standardised approach	173,143	2,164,292	163,957	2,049,465	163,957	2,049,465
<b>Total capital requirement for operational risk</b>	<b>173,143</b>	<b>2,164,292</b>	<b>163,957</b>	<b>2,049,465</b>	<b>163,957</b>	<b>2,049,465</b>
<b>Total capital requirements and risk-weighted exposure amounts</b>	<b>2,703,391</b>	<b>33,792,382</b>	<b>2,553,484</b>	<b>31,918,554</b>	<b>2,506,479</b>	<b>31,330,982</b>

## Note 16 Disclosures on related parties and other significant relationships

The bank's related key personnel are directors, senior executives and the close family members of these individuals. Transactions with related key personnel have been made on market terms.

The bank collaborates on a large scale with Swedbank AB. This collaboration is governed by a collaboration agreement that is valid until 30 June 2024. The agreement covers brokering of mortgage loans to Swedbank Hypotek and brokering of fund & insurance savings, shares, international services and the procurement of IT services.

This interim report has not been audited by the bank's auditors.

Lund, 27 October 2020

Bo Bengtsson  
CEO

# Financial ratio definitions

## Business volume

The bank's business volume includes the loan volume, which mainly consists of loans to the general public, brokered loans and credit that has been granted but not yet utilised. Business volume also includes the savings volume, comprising deposits from the general public, brokered funds and insurance, and customer custody accounts.

## CET1 capital ratio

The bank's Common Equity Tier 1 (CET1) capital ratio is the CET1 capital of the bank expressed as a percentage of the risk-weighted exposure amount.

The CET1 capital is equal to the bank's equity less any goodwill and IRB provisions.

## Total capital ratio

The bank's total capital ratio is the capital base of the bank expressed as a percentage of the risk-weighted exposure amount.

The capital base comprises the CET1 capital and subordinated liabilities. The regulatory requirement including capital conservation and countercyclical buffers is 10.5%.

## Leverage ratio

The bank's leverage ratio is the CET1 capital of the bank expressed as a percentage of the bank's total assets, pledged assets and contingent liabilities. As opposed to the CET1 capital ratio and the total capital ratio, risk weighting of certain assets, pledged assets and contingent liabilities are not taken into consideration. Instead, all exposures are recognised at their nominal amounts.

## Loan-to-deposit ratio

Loans to the general public expressed as a percentage of deposits from the general public.

## LCR

The Liquidity Coverage Ratio (LCR) is calculated according to the Capital Requirements Regulation (CRR) and Directive (CRD IV). The LCR measures the bank's unencumbered high-quality liquid assets (liquidity reserves) expressed as a percentage of the bank's estimated liquidity needs in a 30 calendar-day liquidity stress scenario.

## NSFR

The Net Stable Funding Ratio (NSFR) assigns a weight to the bank's assets and funding based on their maturity. Less liquid assets have a more negative impact on the ratio than those that are more liquid. Funding with a longer maturity has a more positive effect on the ratio than funding with a shorter maturity. The main aim of the ratio is to measure the bank's ability to cope with a stress scenario over a one-year time horizon. If the ratio is over 100%, it means that long-term less liquid assets are funded satisfactorily with stable long-term funding. The metric is governed by the Capital Requirements Regulation (CRR), but no calculation methods have been established yet.

## Cost/income ratio before credit losses

The bank's costs (excluding credit losses) expressed as a percentage of the bank's income.

## Cost/income ratio after credit losses

The bank's costs (including credit losses) expressed as a percentage of the bank's income.

## Cost/income ratio after credit losses excluding dividends, capital gains, impairment losses and goodwill amortisation

The bank's costs excluding impairment losses on financial assets and goodwill amortisation expressed as a percentage of the bank's income excluding dividends and capital gains on disposal of branch offices.

## Return on equity

Operating profit net of tax (21.4%) expressed as a percentage of average equity.

## Return on equity excluding dividends, capital gains, impairment losses and goodwill amortisation

The bank's operating profit net of tax (21.4%), excluding dividends, capital gains on the disposal of branch offices, impairment losses on financial assets and goodwill amortisation, expressed as a percentage of average equity.

## Loan loss ratio excluding brokered volume

Credit losses as a percentage of the opening balance of loans to the general public.

## Loan loss ratio including brokered volume

Credit losses as a percentage of the opening balance of loans to the general public and the brokered volume.

## Average number of employees

The average number of employees (1,730 hours per employee) has been calculated on the basis of the number of hours worked for the bank.

## Gross stage 3 loans in %

The gross carrying amount in stage 3 as a percentage of the total gross carrying amount for loans to the general public.

## Net stage 3 loans and credit-impaired loans (stage 3) as a percentage of total loans to the general public

The carrying amount in stage 3 as a percentage of the total carrying amount for loans to the general public.

## Ratio of loss allowances to stage 1 loans

Loss allowance in stage 1 as a percentage of total loss allowances for loans to the general public.

## Ratio of loss allowances to stage 2 loans

Loss allowance in stage 2 as a percentage of total loss allowances for loans to the general public.

## Ratio of loss allowances to stage 3 loans

Loss allowance in stage 3 as a percentage of total loss allowances for loans to the general public.

## Allowance ratio for stage 1, 2 and 3 loans

The loss allowance in each stage as a percentage of the gross carrying amount in each stage for loans to the general public.

## Total allowance ratio for loans

Total loss allowances as a percentage of the total gross carrying amount for loans to the general public.



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