

Länsförsäkringar Hypotek

Interim Report January–September 2019

The period in brief

- Operating profit increased 9% to SEK 889.9 M (819.1) and the return on equity strengthened to 7.9% (7.8).
- Net interest income rose 4% to SEK 1,889 M (1,822).
- Credit losses amounted to SEK -0.8 M (-1.2), net, corresponding to a credit loss level of -0.00% (-0.00).
- Lending increased 10% to SEK 236.1 billion (215.6).
- The Common Equity Tier 1 capital ratio amounted to 18.0% (17.8*) on 30 September 2019.

Figures in parentheses pertain to the same period in 2018.
* Pertains to 30 June 2019.

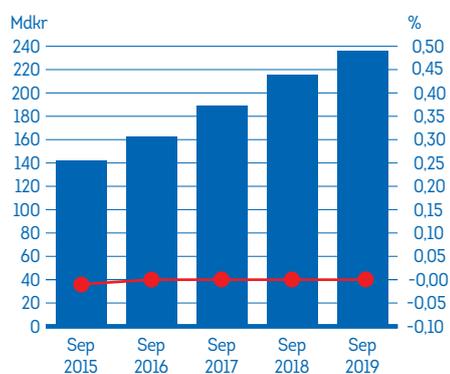
President's comment

Länsförsäkringar Hypotek continued to strengthen its position in the mortgage market and we have now reached a market share of 7% of retail mortgage lending. At the same time we have also captured a significant share of new mortgages during the first eight months of the year. We can see that the competition in the mortgage market has intensified and new mortgage initiatives continue to be introduced by both new and established players. Länsförsäkringar Hypotek is continuing to perform positively and operating profit trended positively in light of strong net interest income. Lending growth was stable, while credit quality remains very high. Great focus remains on the housing market and the price trend for the year to date was stable despite signs that we are facing a macro economic slowdown. We continue to seek structural political reforms for creating a healthier and better functioning housing market that fundamentally addresses the imbalances that exist today in terms of supply and demand for housing.

Anders Borgcrantz

President of Länsförsäkringar Hypotek

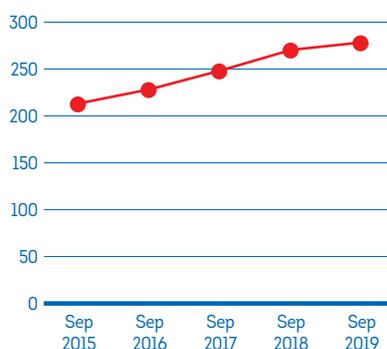
Loans to the public



● Loans, SEK billion ● Loan losses, %

Customer trend

Number of customers, 000s



Key figures

	Q 3 2019	Q 2 2019	Q 3 2018	Jan-Sep 2019	Jan-Sep 2018	Full-year 2018
Return on equity, %	7.9	7.8	7.8	7.9	7.8	7.7
Return on total assets, %	0.36	0.34	0.36	0.35	0.37	0.36
Investment margin, %	0.94	0.96	1.04	0.96	1.05	1.04
Cost/income ratio before credit losses	0.09	0.09	0.09	0.09	0.09	0.09
Common Equity Tier 1 capital ratio, %	18.0	17.8	54.5*	18.0	54.5*	18.3
Total capital ratio, %	18.7	18.8	57.8*	18.7	57.8*	19.4
Share of credit-impaired loan receivables (stage 3), %	0.08	0.09	0.08	0.08	0.08	0.07
Reserve ratio for loan receivables stage 1, %	0.00	0.00	0.00	0.00	0.00	0.00
Reserve ratio for loan receivables stage 2, %	0.07	0.07	0.07	0.07	0.07	0.08
Reserve ratio for loan receivables stage 3, %	0.95	0.90	1.02	0.95	1.02	1.06
Reserve ratio for loan receivables stage 3, incl. withheld remuneration to regional insurance companies, %	4.73	4.50	5.12	4.73	5.12	5.29
Credit loss level, %	-0.00	-0.00	-0.00	-0.00	-0.00	-0.00

* The capital ratios for periods prior to 31 December 2018 were calculated using the risk weight floor for Swedish mortgages that was previously applied.

Income statement, quarterly

SEK M	Q 3 2019	Q 2 2019	Q 1 2019	Q 4 2018	Q 3 2018
Net interest income	619.5	638.0	631.5	611.9	624.0
Net commission	-290.3	-309.3	-289.5	-327.7	-304.9
Net gains/losses from financial items	2.1	-9.3	-15.7	8.7	-15.9
Total operating income	331.2	319.4	326.3	292.9	303.3
Staff costs	-4.3	-3.9	-3.3	-3.2	-3.4
Other administration expenses	-25.0	-25.7	-25.5	-24.5	-23.0
Total operating expenses	-29.3	-29.6	-28.8	-27.7	-26.3
Profit before credit losses	301.9	289.8	297.5	265.2	276.9
Credit losses, net	0.3	0.1	0.4	0.1	0.5
Operating profit	302.1	289.9	297.9	265.3	277.4

Market commentary

The third quarter was dominated by continued concern regarding the effects of the deteriorating trade relations between the US and China, as well as Brexit. Incoming economic statistics suggested a weaker outlook, global manufacturing remained weak and the risk of the broader services sector also succumbing to a slowdown increased. The future of the trade conflict between the US and China is expected to continue to dictate the risk profile of the economic climate moving forward.

The Swedish economy performed significantly weaker than anticipated in the quarter. Second-quarter GDP growth was soft, with negative contributions from both investment and foreign trade. The development on the labour market surprised on the negative side with a particularly poor trend in employment. The overall view based on leading macro indicators was that the risk of a recession increased during the quarter.

The gloomier economic outlook, resulting from the trade conflict among other factors, became pivotal for the central banks, and in September the US central bank, the Fed,

lowered its benchmark interest rate a quarter point to 2%. This was the second consecutive cut and continued the turnaround on monetary policy that started when the Fed decided not to continue its cycle of raising rates at the beginning of the year. The ECB delivered an extensive stimulus programme at its monetary policy meeting in September. The deposit facility rate was lowered by 0.1 of a percentage point, slightly less than the market expected. At the same time, a new bond buying programme will commence in November. The banking sector in the eurozone, which has seen profitability squeezed by low interest rates, also received some relief since part of the excess liquidity holdings deposited with the ECB will now be exempt from the negative deposit facility rate. The ECB was clear in its forward-looking communication and announced that its bond-buying stimulus will end shortly before key interest rates are raised, which is expected to take place when inflation and the inflation outlook have stabilised at the target of just under 2%.

The Riksbank did not move the repo rate in September but did lower the repo rate path. However, it reiterated signalling a rate hike at the end of the year or at the start of next year. The decision meant that the Riksbank did not follow the same line chosen by other leading central banks. Since the rate announcement, incoming inflation data has fallen short of the Riksbank's forecast. The CPI with fixed interest rate excluding energy (CPIF-XE) was 1.6% in August, while inflation expectations have fallen.

Global interest rates declined again in the third quarter, while stock markets generally improved. Nevertheless, both markets were subject to relatively wide fluctuations at times. Interest rates for Swedish government bonds and Swedish covered bonds followed the international trend and fell during the quarter.

Housing prices in Sweden remained stable despite otherwise negative economic statistics across the board. According to Valueguard, housing prices as per August have increased by 4.8% since the beginning of the year.

January-September 2019 compared with January-September 2018

Growth and customer trend

Loans to the public rose 10%, or SEK 20.5 billion, to SEK 236.1 billion (215.6), with continued very high credit quality. The number of customers was 274,000 and 85% of retail mortgage customers have Länsförsäkringar as their primary bank.

Earnings and profitability

Operating profit increased 9% to SEK 889.9 M (819.1), primarily due to higher net interest income. The investment margin amounted to 0.98% (1.05). Profit before credit losses rose 9% to SEK 889.1 M (817.9). Return on equity strengthened to 7.9% (7.8).

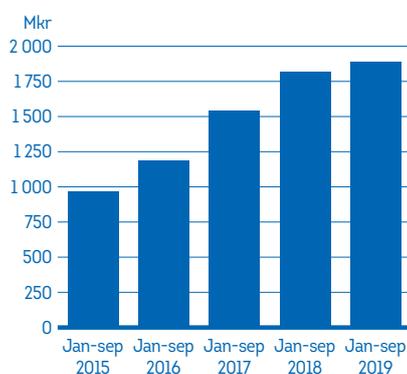
Operating profit and return on equity



Income

Operating income increased 9% to SEK 976.9 M (899.2), due to higher net interest income. Net interest income rose 4% to SEK 1,889 M (1,822). Net losses from financial items amounted to SEK -22.9 M (-10.7), mainly due to the effects of the repurchase of own bonds. Net commission amounted to SEK -889.2 M (-911.9).

Net interest income



Expenses

Operating expenses amounted to SEK 87.9 M (81.3). The cost/income ratio before credit losses was 0.09 (0.09) and after credit losses 0.09 (0.09).

Credit losses

Credit losses amounted to SEK -0.8 M (-1.2), net, corresponding to a credit loss level of -0.00% (-0.00).

Credit-impaired loan receivables (stage 3) before provisions amounted to SEK 186.2 M, corresponding to a share of credit-impaired loan receivables of 0.08%. The loss allowance for credit-impaired loan receivables was SEK 1.8 M. The reserve ratio for credit-impaired loan receivables amounted to 0.95%. In addition, SEK 7.0 M of the remuneration to the regional insurance companies regarding credit-impaired loan receivables is withheld*. Including the withheld remuneration to the regional insurance companies, the loss allowance for credit-impaired loan receivables totalled SEK 8.8 M.

The reserve ratio for credit-impaired loan receivables, including withheld remuneration to regional insurance companies, amounted to 4.73%. The total recognised loss allowance for loan receivables (stages 1-3), including withheld remuneration to the regional insurance companies, amounted to SEK 28.8 M, of which SEK 23.0 M pertained to withheld remuneration to the regional insurance companies in accordance with the settlement model.

Loss allowance, stage 3

SEK M	30 Sep 2019	30 Sep 2018
Loans to the public	236,095	215,637
Credit-impaired loan receivables (stage 3)	186.2	188.6
Total loss allowance for credit-impaired loan receivables (stage 3), incl. withheld remuneration to regional insurance companies	8.8	9.7
of which loss allowance for credit-impaired loan receivables (stage 3)	1.8	1.9
of which withheld remuneration to regional insurance companies for credit-impaired loan receivables (stage 3)	7.0	7.7

For further information on credit losses and credit-impaired loan receivables, refer to notes 1, 6 and 8.

* In accordance with the settlement model for the regional insurance companies' credit-risk commitments for generated business.

Loans

All loans are granted in Sweden, in SEK and have a well-diversified geographic distribution. Loans to the public increased 10%, or SEK 20.5 billion, to SEK 236.1 billion (215.6). The credit quality of the loan portfolio, comprising 71.5% (71) single-family homes, 25% (25) tenant-owned apartments, 3% (3.5) multi-family housing and 0.5% (0.5) industrial properties, remained favourable. On 31 August 2019, the market share of retail mortgages had strengthened to 7.0% (6.6) according to Statistics Sweden.

Cover pool

The cover pool, which forms the basis of issuance of covered bonds, contains SEK 226.1 billion, corresponding to 96% of the loan portfolio. The collateral comprises only private homes, of which 72% (72) are single-family homes, 26% (26) tenant-owned apartments and 2% (2) vacation homes. The geographic spread throughout Sweden is favourable and the average loan commitment is low at SEK 1.29 M (1.24). The weighted average loan-to-value ratio, LTV, was 58% (58) and the nominal, current OC (overcollateralisation) amounted to 34% (33).

Länsförsäkringar Hypotek's cover pool has a healthy buffer to manage any downturns in housing prices. In a stress test of the cover pool based on a 20% price drop in the market value of the mortgages' collateral, the weighted average LTV amounted to 65% (65) on 30 September 2019. No impaired loans are included in the cover pool.

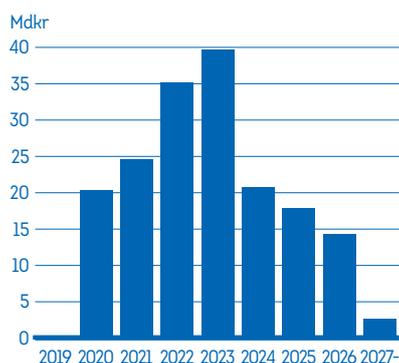
Cover pool	30 Sep 2019	30 Sep 2018
Cover pool, SEK billion	236	216
OC ¹ , %	34	33
Weighted average LTV, %	58	58
Collateral	Private homes	Private homes
Seasoning, months	60	58
Number of loans	398,213	377,426
Number of borrowers	175,877	166,585
Number of properties	175,822	166,439
Average commitment, SEK 000s	1,286	1,236
Average loan, SEK 000s	568	545
Interest rate type, variable, %	59	74
Interest rate type, fixed, %	41	26
Loans past due 60 days	None	None

¹ OC is calculated using nominal values and excludes accrued interest rates. Debt securities in issue in other currencies than SEK are translated into SEK using the swap rate. Debt securities in issue include repurchase agreements.

Funding

Länsförsäkringar Hypotek continuously issues bonds to refinance future new loans and current funding falling due. The funding structure is favourable and the maturity profile is well diversified. Debt securities in issue increased 9% to SEK 185.6 billion (169.4). Issued covered bonds during the period totalled a nominal SEK 27.1 billion (31.8) and repurchases of a nominal SEK 8.1 billion (9.8) were executed. Matured covered bonds amounted to a nominal SEK 7.5 billion (7.0).

Maturity profile



● Covered bonds

Liquidity

On 30 September 2019, liquidity assets totalled SEK 10.2 billion (10.2). The liquidity situation remains healthy and contractual undertakings can be met for more than two years without needing to secure new funding in the capital market. Liquidity assets comprised 100% (100) Swedish covered bonds with the credit rating of AAA/Aaa.

Rating

Länsförsäkringar Hypotek is one of three issuers in the Swedish market with the highest credit rating for covered bonds from both Standard & Poor's and Moody's. The Parent Company Länsförsäkringar Bank's credit rating is A/Stable from Standard & Poor's and A1/Stable from Moody's

Rating			
Company	Agency	Long-term rating	Short-term rating
Länsförsäkringar Bank	Standard & Poor's	A/Stable	A-1(K-1)
Länsförsäkringar Bank	Moody's	A1/Stable	P-1
Länsförsäkringar Hypotek ¹⁾	Standard & Poor's	AAA/Stable	-
Länsförsäkringar Hypotek ¹⁾	Moody's	Aaa	-

¹⁾ Pertains to the company's covered bonds.

Capital ratio¹

Länsförsäkringar Hypotek AB (SEK M)	30 Sep 2019	30 Jun 2019
IRB Approach	18,506	17,896
retail exposures	14,635	14,074
exposures to corporates	3,871	3,822
Standardised Approach	1,620	1,779
Operational risks	1,430	1,430
Additional requirements according to Article 458 CRR	44,399	44,303
Total REA	66,457	65,973
Common Equity Tier 1 capital	11,933	11,713
Tier 1 capital	11,933	11,713
Total capital	12,433	12,374
Common Equity Tier 1 capital ratio	18.0%	17.8%
Tier 1 ratio	18.0%	17.8%
Total capital ratio	18.7%	18.8%
Total capital requirement		
Pillar I	5,317	5,278
Pillar II	1,050	1,089
Combined buffer	3,323	2,969
Capital requirement as a percentage of REA		
Pillar I	8.0%	8.0%
Pillar II	1.6%	1.7%
Combined buffer	5.0%	4.5%

The Common Equity Tier 1 capital ratio amounted to 18.0% (17.8). Common Equity Tier 1 capital strengthened again this quarter, with sustained profit generation.

On 30 September 2019, the total Risk Exposure Amount (REA) amounted to SEK 66,457 M (65,973).

For more information on capital adequacy, see note 12.

Internally assessed capital and buffer requirements

The internally assessed capital requirement for Länsförsäkringar Hypotek AB on 30 September 2019 amounted to SEK 6,366 M, comprising the minimum capital requirement under Pillar I and the capital requirement for risks managed under Pillar II. The internally assessed capital requirement is calculated based on the methods and models used to calculate the capital requirement under the framework of Pillar I. Internal models are used for Pillar II risks.

In addition to this, there are capital requirements for the countercyclical capital buffer and the capital conservation buffer that on 30 September 2019 totalled SEK 3,323 M (SEK 1,661 M each, 2.5% of REA).

The capital used to meet the internal capital requirement including buffer, meaning own funds, amounted to SEK 12,433 M.

¹ The comparative period pertains to 30 June 2019. Periodic information according to the Swedish Financial Supervisory Authority's regulations regarding prudential requirements and capital buffers, (FFFS 2014:12) and regarding management of liquidity risks in credit institutions and investment firms (FFFS 2010:7) is provided in this section, the sections on funding and liquidity, and in note 12.

Interest-rate risk

On 30 September 2019, an increase in market interest rates of 1 percentage point would have decreased the value of interest-bearing assets and liabilities, including derivatives, by SEK -172.3 M (increased: 115.5).

Risks and uncertainties

Länsförsäkringar Hypotek is exposed to a number of risks, primarily credit risks, liquidity risks and market risks. The macroeconomic situation in Sweden is critical for credit risk, since all loans are granted in Sweden. Market risks primarily comprise interest-rate risks that are restricted through narrow limits. The operations are characterised by a low risk profile. Credit losses remain low and the refinancing of business activities was highly satisfactory during the period. A more detailed description of risks is available in the 2018 Annual Report. No significant changes in the allocation of risk have taken place compared with the description provided in the Annual Report.

Third quarter of 2019 compared with second quarter of 2019

Operating profit increased 4% to SEK 302.1 M (289.9). Return on equity strengthened to 7.9% (7.8). Operating income increased 4% to SEK 331.2 M (319.4). Net interest income was SEK 619.5 M (638.0). Net losses from financial items amounted to SEK -2.1 M (-9.3). Net commission amounted to SEK -290.3 M (-309.3). Operating expenses amounted to SEK 29.4 M (29.6) and the cost/income ratio before credit losses to 0.09% (0.09). Credit losses amounted to SEK -0.3 M (-0.1).

Events after the end of the period

No significant events took place after the end of the period.

Income statement

SEK M	Not	Q3 2019	Q2 2019	Change	Q3 2018	Change	Jan-Sep 2019	Jan-Sep 2018	Change	Full-Year 2018
Interest income		1,007.8	1,015.7	-1%	851.8	18%	2,989.1	2,460.2	21%	3,311.5
Interest expense		-388.3	-377.6	3%	-227.8	70%	-1,100.0	-638.5	72%	-877.9
Net interest income	3	619.5	638.0	-3%	624.0	-1%	1,889.1	1,821.7	4%	2,433.6
Commission income		7.4	7.0	6%	0.6		15.0	1.9		2.5
Commission expense		-297.7	-316.4	-6%	-305.5	-3%	-904.2	-913.8	-1%	-1,242.1
Net commission	4	-290.3	-309.3	-6%	-304.9	-5%	-889.2	-911.9	-2%	-1,239.6
Net gains/losses from financial items	5	2.1	-9.3		-15.9		-22.9	-10.7		-1.9
Total operating income		331.2	319.4	4%	303.3	9%	976.9	899.2	9%	1,192.1
Staff costs		-4.3	-3.9	10%	-3.4	26%	-11.5	-11.7	-2%	-14.9
Other administration expenses		-25.0	-25.7	-3%	-23.0	9%	-76.3	-69.5	10%	-94.0
Administration expenses		-29.3	-29.6	-1%	-26.3	11%	-87.7	-81.2	8%	-108.9
Depreciation and impairment of tangible assets		0.0	0.0		0.0		-0.1	-0.1		-0.2
Total operating expenses		-29.4	-29.6	-1%	-26.4	11%	-87.9	-81.3	8%	-109.0
Profit before credit losses		301.9	289.8	4%	276.9	9%	889.1	817.9	9%	1,083.0
Credit losses, net	6	0.3	0.1		0.5	-40%	0.8	1.2	-33%	1.3
Operating profit		302.1	289.9	4%	277.4	9%	889.9	819.1	9%	1,084.4
Appropriations		-	-		0.1		-	0.1		-249.5
Tax		-65.3	-62.2	4%	-61.0	7%	-197.3	-181.5	9%	-176.4
Profit for the period		236.8	227.3	4%	216.4	9%	692.6	637.6	9%	658.5

Statement of comprehensive income

SEK M	Q3 2019	Q2 2019	Change	Q3 2018	Change	Jan-Sep 2019	Jan-Sep 2018	Change	Full-Year 2018
Profit for the period	236.8	227.3	4%	216.4	9%	692.6	637.6	9%	658.5
Other comprehensive income									
Items that have been reclassified or may subsequently be reclassified to the income statement									
Cash-flow hedges	-4.1	3.1		17.8		-22.8	-47.1	-52%	-43.5
Change in fair value of debt instruments measured at FVOCI	-12.4	-1.1		-8.3	49%	-7.3	-1.1		-8.2
Tax attributable to items that have been transferred or can be transferred to profit for the period	2.7	-0.4		-2.0		5.4	10.6	-49%	11.4
Total other comprehensive income for the period, net after tax	-13.8	1.6		7.5		-24.7	-37.6	-34%	-40.3
Total comprehensive income for the period	223.0	228.9	-3%	223.9		667.9	600.0	11%	618.2

Balance sheet

SEK M	Note	30 September 2019	31 December 2018	30 September 2018
Assets				
Loans to credit institutions	7	4,405.3	4,631.0	8,908.7
Loans to the public	8	236,095.0	221,107.9	215,637.2
Bonds and other interest-bearing securities		10,187.1	9,916.6	10,210.8
Derivatives	9	10,199.2	5,540.2	5,498.8
Fair value changes of interest-rate-risk hedged items in the portfolio hedge		497.6	103.5	116.9
Tangible assets		0.5	0.6	0.6
Deferred tax assets		41.1	37.2	38.0
Other assets		3.0	3.1	1.8
Prepaid expenses and accrued income		57.2	27.8	67.5
Total assets		261,486.0	241,368.0	240,480.2
Liabilities, provisions and equity				
Due to credit institutions	7	57,962.3	54,426.9	56,473.3
Debt securities in issue		185,572.0	171,195.1	169,447.9
Derivatives	9	718.5	430.7	483.7
Fair value changes of interest-rate-risk hedged items in the portfolio hedge		3,007.1	1,019.8	695.3
Other liabilities		298.8	137.9	179.0
Accrued expenses and deferred income		1,260.7	1,997.9	1,308.9
Provisions		1.5	1.5	1.4
Subordinated liabilities		500.0	661.0	661.0
Total liabilities and provisions		249,320.9	229,870.7	229,250.6
Untaxed reserves		908.3	908.3	658.6
Equity				
Share capital		3,129.9	3,129.9	3,129.9
Statutory reserve		14.1	14.1	14.1
Fair value reserve		-134.2	-109.5	-106.7
Retained earnings		7,554.6	6,896.1	6,896.0
Profit for the period		692.6	658.5	637.6
Total equity		11,256.9	10,589.1	10,571.1
Total liabilities, provisions and equity		261,486.0	241,368.0	240,480.2
Other notes				
Accounting policies	1			
Segment reporting	2			
Pledged assets, contingent liabilities and commitments	10			
Fair value valuation techniques	11			
Capital-adequacy analysis	12			
Disclosures on related parties	13			

Cash-flow statement in summary, indirect method

SEK M	Jan-Sep 2019	Jan-Sep 2018
Cash and cash equivalents, 1 January	4,614.4	2,858.7
Operating activities		
Operating profit	889.9	819.1
Adjustment of non-cash items	-607.7	-139.1
Change in assets of operating activities		
Change in interest-bearing securities	-226.8	-458.3
Change in loans to the public	-14,987.1	-17,959.9
Change in other assets	-1,735.3	-5,797.5
Change in liabilities of operating activities		
Change in debt securities in issue	11,365.2	14,675.3
Change in other liabilities	3,501.8	9,071.2
Cash flow from operating activities	-1,800.12	210.7
Investing activities		
Acquisition of property and equipment	-	-0.3
Cash flow from investing activities	-	-0.3
Financing activities		
Amortisation of subordinated debt	-161.0	-
Cash flow from financing activities	-161.0	-
Net cash flow for the period	-1,961.1	210.4
Cash and cash equivalents, 30 September	2,653.3	3,069.1

Cash and cash equivalents is defined as cash and balances with central banks and loans to credit institutions payable on demand.

Statement of changes in Shareholders' equity

SEK M	Restricted equity		Non-restricted equity				Total
	Share capital	Statutory reserve	Fair value reserve		Retained earnings	Profit for the period	
			Fair value reserve	Hedge reserve			
Opening balance, 1 January 2018	70.3	14.1	28.9	-98.0	9,461.1	477.1	9,953.4
Effect due to change in accounting policy ¹⁾			0.1		17.4		17.5
Opening balance, 1 January 2018 after adjustment for change in accounting policy	70.3	14.1	29.0	-98.0	9,478.5	477.1	9,970.9
Profit for the period						637.6	637.6
Other comprehensive income for the period			-0.9	-36.7			-37.6
Comprehensive income for the period			-0.9	-36.7		637.6	600.0
According to resolution by Annual General Meeting					477.1	-477.1	-
Bonus issue	3,059.6				-3,059.6		-
Closing balance, 30 September 2018	3,129.9	14.1	28.1	-134.7	6,896.0	637.6	10,571.1
Opening balance, 1 October 2018	3,129.9	14.1	28.1	-134.7	6,896.0	637.6	10,571.1
Profit for the period						21.0	21.0
Other comprehensive income for the period			-5.5	2.8			-2.7
Comprehensive income for the period			-5.5	2.8		21.0	18.2
Closing balance, 31 December 2018	3,129.9	14.1	22.6	-131.9	6,896.1	658.5	10,589.1
Opening balance, 1 January 2019	3,129.9	14.1	22.6	-131.9	6,896.1	658.5	10,589.1
Profit for the period						692.6	692.6
Other comprehensive income for the period			-5.8	-18.9			-24.7
Comprehensive income for the period			-5.8	-18.9		692.6	667.9
According to resolution by Annual General Meeting					658.5	-658.5	-
Closing balance, 30 September 2019	3,129.9	14.1	16.8	-150.9	7,554.6	692.6	11,256.9

¹⁾ Effect due to change in accounting policy from IAS 39 - Financial Instruments: Recognition and measurement to IFRS 9 - Financial Instruments. However, hedge accounting takes place in accordance with IAS 39 Financial Instruments: Recognition and Measurement.

Notes

Amounts in SEK million if not otherwise stated. Comparative figures in parentheses: income-statement items are compared with the immediately preceding quarter, balance-sheet items are compared with the immediately preceding year-end, unless otherwise stated.

Note 1 Accounting policies

Länsförsäkringar Hypotek AB prepares its accounts in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL), the Swedish Securities Market Act (2007:528) and Swedish Financial Supervisory Authority's regulations and general guidelines (FFFS 2008:25). The company also applies the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities and statements issued pertaining to listed companies. The regulations in RFR 2 stipulate that the company, in the annual accounts for the legal entity, is to apply all IFRS adopted by the EU and statements to the extent that this is possible within the framework of the Swedish Annual Accounts Act and the Pension Obligations Vesting Act, and with consideration to the relationship between accounting and taxation. The recommendation stipulates the permissible exceptions from and additions to IFRS. This interim report was prepared in accordance with IAS 34 Interim Financial Reporting.

AMENDED ACCOUNTING POLICIES APPLIED FROM 1 JANUARY 2019

The company applies IFRS 16 Leases and IFRIC 23 Uncertainty over Income Tax Treatments from 1 January 2019.

IFRS 16 Leases

IFRS 16 replaced IAS 17 Leases on 1 January 2019. The standard primarily entailed that instead of being classified as operating leases as previously, leases where a company in the Group is the lessee are recognised in the balance sheet. IFRS 16 is applied only at Group level.

IFRIC 23 Uncertainty over Income Tax Treatments

The Company applies IFRIC 23 Uncertainty over Income Tax Treatments from 1 January 2019. IFRIC 23 clarifies how IAS 12 is to be applied if there are uncertainties about how tax legislation is to be applied to a certain transaction or under certain circumstances.

The interpretation did not entail any impact on the consolidated financial statements.

In all other respects, the report has been prepared in accordance with the same accounting policies and calculation methods applied in the 2018 Annual Report.

Note 2 Segment reporting

The business of the company represents one operating segment and reporting to the chief operating decision maker thus agrees with the interim report.

Note 3		Net interest income								
SEK M	Q3 2019	Q2 2019	Change	Q3 2018	Change	Jan-Sep 2019	Jan-Sep 2018	Change	Full-Year 2018	
Interest income										
Loans to credit institutions	7.2	21.4	-66%	8.8	-18%	51.6 ¹	28.9 ¹	79%	29.5	
Loans to the public	1,035.8	1,025.9	1%	908.7	14%	3,053.5	2,670.1	14%	3,593.9	
Interest-bearing securities	12.2	15.8	-23%	20.3	-40%	43.3 ¹	58.3 ¹	-26%	76.6	
Derivatives	-47.4	-47.4		-86.0	-45%	-159.2	-297.1	-46%	-388.5	
Other interest income	-	-		-		-	-		-	
Total interest income	1,007.8	1,015.7	-1%	851.8	18%	2,989.1	2,460.2	21%	3,311.5	
Interest Expense										
Due to credit institutions	-145.3	-143.4	1%	-121.7	19%	-428.7 ¹	-363.3 ¹	18%	-494.7	
Dept securities in issue	-463.7	-483.9	-4%	-471.5	-2%	-1,432.1	-1,440.9	-1%	-1,888.6	
Subordinated liabilities	-2.9	-2.9		-2.4	21%	-8.5	-6.8	25%	-9.2	
Derivatives	254.9	271.7	-6%	406.3	-37%	863.7	1,294.5	-33%	1,675.0	
Other interest expense	-31.3	-19.1	64%	-38.4	-18%	-94.4	-122.1	-23%	-160.5	
Total interest expense	-388.3	-377.6	3%	-227.8	70%	-1,100.0	-638.5	72%	-877.9	
Total net interest income	619.5	638.0	-3%	624.0	-1%	1,889.1	1,821.7	4%	2,433.6	
Average interest rate on loans to the public during the period, %	1.8	1.8		1.7		1.8	1.7		1.7	

¹ Of which negative interest of Loans to credit institutions SEK -5.2 M (-3.4), Interest-bearing securities SEK -1.5 M (-1.0) and Due to credit institutions SEK 5.4 M (3.6).

Interest income calculated according to the effective interest method amounts to SEK 1,007.8 M (1,015.7).

Note 4		Net commission								
SEK M	Q3 2019	Q2 2019	Change	Q3 2018	Change	Jan-Sep 2019	Jan-Sep 2018	Change	Full-Year 2018	
Commission income										
Loans	7.4	7.0	6%	0.6		15.0	1.9		2.5	
Total commission income	7.4	7.0	6%	0.6		15.0	1.9		2.5	
Commission Expense										
Remuneration to regional insurance companies	-297.1	-316.4	-6%	-305.3	-3%	-903.5	-913.4	-1%	-1,241.6	
Other commission	-0.6	-		-0.2		-0.7	-0.4		-0.4	
Total commission expense	-297.7	-316.4	-6%	-305.5	-3%	-904.2	-913.8	-1%	-1,242.1	
Total net commission	-290.3	-309.3	-6%	-304.9	-5%	-889.2	-911.9	-2%	-1,239.6	

Note 5		Net gains / losses from financial items								
SEK M	Q3 2019	Q2 2019	Change	Q3 2018	Change	Jan-Sep 2019	Jan-Sep 2018	Change	Full-Year 2018	
Interest-bearing assets and liabilities and related derivatives	-5.4	-15.1	-64%	-22.1	-76%	-41.5	-29.3	42%	-26.6	
Other financial assets and liabilities	0.0	0.0		0.0		0.0	0.0		0.1	
Interest compensation (refer to items measured at amortised cost)	7.5	5.8	29%	6.2	21%	18.6	18.6		24.6	
Total net gains / losses from financial items	2.1	-9.3		-15.9		-22.9	-10.7		-1.9	

Note 6 Credit losses									
Net credit losses, SEK M	Q3 2019	Q2 2019	Change	Q3 2018	Change	Jan-Sep 2019	Jan-Sep 2018	Change	Full-Year 2018
Change in loss allowance for loan receivables									
Stage 1 (not credit-impaired)	-0.3	0.1		0.1		0.0	0.0		-0.4
Stage 2 (not credit-impaired)	0.0	-0.1		-0.1		-0.1	-0.1		-0.2
Stage 3 (credit-impaired)	0.1	-0.2		-0.1		-0.1	0.0		0.3
Total change in loss allowance for loan receivables	-0.2	-0.2		0.0		-0.2	-0.1		-0.3
Expense for confirmed credit losses	0.0	-0.1		-0.2		-0.2	-0.5	-60%	-0.6
Payment received for prior confirmed credit losses	0.4	0.5	-20%	0.6	-33%	1.2	1.8	-33%	2.3
Net expense for the period for credit losses for loan receivables	0.3	0.2	50%	0.4	-25%	0.8	1.3	-38%	1.4
Change in loss allowance for commitments	0.0	0.0		0.1		0.0	0.0		-
Net expense for other credit losses for the period	0.0	0.0		0.0		0.0	0.0		0.0
Net expense of the modification result for the period	0.0	0.0		0.0		-0.1	0.0		0.0
Net expense for credit losses for the period	0.3	0.1		0.5	-40%	0.8	1.2	-33%	1.3

The settlement model regarding the commitment that the regional insurance companies have for credit losses entails that the regional insurance companies cover 80 percent of the loss allowance requirement on the date when an impairment is identified for Länsförsäkringar Hypotek AB. Off-setting takes place against, and can amount to a maximum of, accrued commission. Remuneration corresponding to 80 percent of the loss allowance requirement is withheld on every occasion until the lending mediated by the regional insurance company has been regulated. During the second third of 2019, total credit losses amounted to SEK 0.0 M (-0.6), of which Länsförsäkringar Hypotek recognised credit losses amounted to SEK 0.3 M (0.1) and the remainder of SEK -0.3 M (-0.7) was settled against remuneration to the regional insurance companies.

Note 7	Loans / due to credit institutions
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On 30 September 2019, Loans to credit institutions amounted to SEK 4,405.3 M (4,631.0) and was included in Stage 1. Loss allowance for credit losses amounted to SEK 0 M (0) Loans to credit institutions include deposits with the Parent Company of SEK 2,740.0 M (4,602.9). Balances in the Parent Company's bank accounts pertaining to the covered bond operations are recognised as Loans to credit institutions. Due to credit institutions amounted to SEK 57,962.3 M (54,426.9) on 30 September. Due to credit institutions includes borrowings from the Parent Company of SEK 56,314.4 M (54,251.7).

Note 8 Loans to the public Loan receivables are geographically attributable in their entirety to Sweden			
SEK M	30 September 2019	31 December 2018	30 September 2018
Corporate sector	6,655.6	6,603.0	6,617.3
Retail sector	229,445.2	214,510.5	209,025.2
Loans to the public before loss allowance	236,100.8	221,113.5	215,642.5
Loss allowance	-5.8	-5.6	-5.4
Loans to the public	236,095.0	221,107.9	215,637.2

Loans to the public				
Reconciliation of loss allowance				
SEK M	Not credit-impaired		Credit-impaired	Total
	Stage 1	Stage 2	Stage 3	
Opening balance, 1 January 2019	-2.3	-1.6	-1.6	-5.6
Increase due to new or acquired loans	-0.8	0.0	-0.1	-0.9
Change in loss allowance model or method	0.0	0.0	-	0.0
Decrease due to repayment	0.3	0.3	0.5	1.0
Change due to changed credit risk	0.6	-0.3	-0.6	-0.3
Other adjustments	0.0	0.0	0.0	0.0
Decrease due to write-off	-	-	0.1	0.1
Closing balance, 30 September 2019	-2.3	-1.7	-1.8	-5.8
Allocation of loss allowance requirement				
SEK M	Not credit-impaired		Credit-impaired	Total
	Stage 1	Stage 2	Stage 3	
Loans to the public before loss allowances	233,580.6	2,333.9	186.2	236,100.8
Credit reserve requirement	-11.5	-8.5	-8.8	-28.8
Withheld remuneration to the regional insurance companies	9.2	6.8	7.0	23.0
Recognised loss allowance	-2.3	-1.7	-1.8	-5.8
Loans to the public	233,578.3	2,332.2	184.5	236,095.0

Loans to the public				
Reconciliation of loss allowance				
SEK M	Not credit-impaired		Credit-impaired	Total
	Stage 1	Stage 2	Stage 3	
Opening balance, 1 January 2018	-1.9	-1.4	-1.9	-5.3
Increase due to new or acquired loans	-0.8	0.0	-0.1	-0.9
Change in loss allowance model or method	-0.1	0.0	0.0	-0.1
Decrease due to repayment	0.2	0.2	0.2	0.6
Change due to changed credit risk	0.7	-0.2	-0.3	0.2
Other adjustments	0.0	0.0	-	0.0
Decrease due to write-off	-	-	0.2	0.2
Closing balance, 30 September 2018	-1.9	-1.5	-1.9	-5.4
Allocation of loss allowance requirement				
SEK M	Not credit-impaired		Credit-impaired	Total
	Stage 1	Stage 2	Stage 3	
Loans to the public before loss allowances	213,346.5	2,107.4	188.6	215,642.5
Credit reserve requirement	-9.6	-7.5	-9.7	-26.8
Withheld remuneration to the regional insurance companies	7.7	6.0	7.7	21.4
Recognised loss allowance	-1.9	-1.5	-1.9	-5.4
Loans to the public	213,344.6	2,105.9	186.7	215,637.2

The settlement model regarding the commitment that the regional insurance companies have for credit losses entails that the regional insurance companies cover 80 percent of the loss allowance requirement on the date when an impairment is identified for Länsförsäkringar Hypotek AB. Off-setting takes place against, and can amount to a maximum of, accrued commission. Remuneration corresponding to 80 percent of the loss allowance requirement is withheld on every occasion until the lending mediated by the regional insurance company has been regulated.

Note 9 Derivatives						
SEK M	30 September 2019		31 December 2018		30 September 2018	
	Nominal value	Fair value	Nominal value	Fair value	Nominal value	Fair value
Derivatives with positive values						
<i>Derivatives in hedge accounting</i>						
Interest-related	141,767.0	3,076.6	144,777.0	1,369.7	104,172.0	994.1
Currency-related	39,271.5	7,122.6	34,118.9	4,170.6	34,761.5	4,504.7
Total derivatives with positive values	181,038.5	10,199.2	178,895.9	5,540.2	138,933.5	5,498.8
Derivatives with negative values						
<i>Derivatives in hedge accounting</i>						
Interest-related	86,790.0	642.7	41,595.0	249.8	74,795.0	407.4
Currency-related	1,394.2	75.8	2,717.8	180.9	1,394.2	76.3
Total derivatives with negative values	88,184.2	718.5	44,312.8	430.7	76,189.2	483.7

Financial hedging agreements were signed to hedge against interest-rate risks and currency risks stemming from the Company's operations. Hedge accounting is applied to funding, lending, deposits, bonds and other securities. Hedging instruments primarily comprise interest and currency interest-rate swaps.

Note 10 Pledged assets, contingent liabilities and commitments			
SEK M	30 September 2019	31 December 2018	30 September 2018
For own liabilities, pledged assets	237,569.0	221,070.8	220,300.7
Commitments ¹⁾	12,289.7	10,117.9	11,602.2

¹⁾ On 30 September 2019 there are no commitments to related parties.

Commitments comprise approved but not disbursed loans. For more information regarding loss allowance for commitments, see note 6.

SEK M	30 September 2019		31 December 2018		30 September 2018	
	Book value	Fair value	Book value	Fair value	Book value	Fair value
Financial assets						
Loans to credit institutions	4,405.3	4,405.3	4,631.0	4,631.0	8,908.7	8,908.7
Loans to the public	236,095.0	236,728.6	221,107.9	221,580.0	215,637.2	216,253.7
Bonds and other interest-bearing securities	10,187.1	10,187.1	9,916.6	9,916.6	10,210.8	10,210.8
Derivatives	10,199.2	10,199.2	5,540.2	5,540.2	5,498.8	5,498.8
Other assets	-	-	0.0	0.0	-	-
Total	260,886.6	261,520.2	241,195.7	241,667.8	240,255.5	240,872.0
Financial Liabilities						
Due to credit institutions	57,962.3	57,962.3	54,426.9	54,426.9	56,473.3	56,473.3
Debt securities in issue	185,572.0	190,445.5	171,195.1	174,878.3	169,447.9	172,098.1
Derivatives	718.5	718.5	430.7	430.7	483.7	483.7
Other liabilities	0.4	0.4	1.2	1.2	7.5	7.5
Subordinated liabilities	500.0	501.8	661.0	663.2	661.0	679.2
Total	244,753.2	249,628.5	226,714.9	230,400.4	227,073.4	229,741.8

The carrying amount of loans to credit institutions, other assets, due to credit institutions and other liabilities comprises a reasonable approximation of the fair value based on the cost of the assets and liabilities.

Determination of fair value through published price quotations or valuation techniques where				
Level 1 includes Instruments with published price quotations				
Level 2 includes Valuation techniques based on observable market prices				
Level 3 includes Valuation techniques based on unobservable market price				
Financial instruments measured at fair value in the balance sheet				
30 September 2019, SEK M	Level 1	Level 2	Level 3	Total
Assets				
Bonds and other interest-bearing securities	10,187.1			10,187.1
Derivatives		10,199.2		10,199.2
Liabilities				
Derivatives		718.5		718.5
31 December 2018, SEK M				
Assets				
Bonds and other interest-bearing securities	9,916.6			9,916.6
Derivatives		5,540.2		5,540.2
Liabilities				
Derivatives		430.7		430.7
30 September 2018, SEK M				
Assets				
Bonds and other interest-bearing securities	10,210.8			10,210.8
Derivatives		5,498.8		5,498.8
Liabilities				
Derivatives		483.7		483.7

Note 12 Capital-adequacy

Presentation of own funds in accordance with Article 5 of the European Commission Implementing Regulation (EU) No 1423/2013. Rows that are empty in the presentation in accordance with the Regulation have been excluded in the table below to provide a better overview. There are no items encompassed by the provisions applied before Regulation (EU) No 575/2013 or any prescribed residual amounts under the Regulation.

SEK M	30 Sep 2019	31 Dec 2018	30 Sep 2018
Common Equity Tier 1 capital: instruments and reserves			
Capital instruments and associated share premium reserves	3,129.9	3,129.9	3,129.9
<i>Of which: share capital</i>	3,129.9	3,129.9	3,129.9
Non-distributed earnings (Retained earnings)	7,554.5	6,896.0	6,896.0
Accumulated Other comprehensive income	589.5	614.3	421.1
Interim profits, net, after deductions for foreseeable charge and dividends that have been verified by persons independent of the institution	692.6	658.5	637.7
Common Equity Tier 1 capital before legislative adjustments	11,966.5	11,298.6	11,084.8
Common Equity Tier 1 capital: legislative adjustments			
Additional value adjustments	-20.7	-15.3	-15.8
Fair value reserves related to gains or losses on cash-flow hedges	150.9	132.0	134.8
Negative amounts resulting from the calculation of expected loss amounts	-164.1	-124.3	-127.2
Total legislative adjustments of Common Equity Tier 1 capital	-33.9	-7.5	-8.3
Common Equity Tier 1 capital and additional Tier 1 instruments	11,932.6	11,291.1	11,076.5
Tier 2 capital: instruments and provisions			
Capital instruments and associated share premium reserves	500.0	661.0	661.0
Tier 2 capital	500.0	661.0	661.0
Total capital (total capital = Tier 1 capital + Tier 2 capital)	12,432.6	11,952.1	11,737.5
Total risk-weighted assets	66,456.7	61,556.4	20,315.7
Capital ratios and buffers			
Common Equity Tier 1 capital (as a percentage of the total risk-weighted exposure amount)	18.0%	18.3%	54.5%
Tier 1 capital (as a percentage of the total risk-weighted exposure amount)	18.0%	18.3%	54.5%
Total capital (as a percentage of the total risk-weighted exposure amount)	18.7%	19.4%	57.8%
Institution-specific buffer requirements	9.5%	9.0%	9.0%
<i>Of which: capital conservation buffer requirement</i>	2.5%	2.5%	2.5%
<i>Of which: countercyclical capital buffer requirement</i>	2.5%	2.0%	2.0%
<i>Of which: systemic risk buffer requirement</i>	-	-	-
<i>Of which: buffer for globally systemically important institution or for another systemically important institution</i>	-	-	-
Common Equity Tier 1 capital available for use as a buffer (as a percentage of the risk weighted exposure amount)	10.7%	11.4%	48.5%

¹⁾ Comparative figure has been adjusted.

Note 12		Capital-adequacy analysis, continued					
SEK M	30 September 2019		31 December 2018		30 September 2018		
	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement	
Credit risk according to Standardised Approach							
Exposures to institutions	464.3	37.1	390.5	31.2	470.5	37.6	
Covered bonds	1,018.7	81.5	991.7	79.3	1,021.1	81.7	
Other items	137.0	11.0	98.0	7.8	137.9	11.0	
Total capital requirement and risk exposure amount	1,620.0	129.6	1,480.2	118.4	1,629.5	130.4	
Credit risk according to IRB Approach							
<i>Retail exposures</i>							
Exposures secured by real estate collateral	453.4	36.3	341.4	27.3	350.6	28.0	
Other retail exposures	14,169.9	1,133.6	13,387.0	1,071.0	13,110.1	1,048.8	
Other retail exposures, small and medium-sized businesses	2.3	0.2	1.3	0.1	4.9	0.4	
Other retail exposures	9.0	0.7	11.5	0.9	16.9	1.3	
Total retail exposures	14,634.6	1,170.8	13,741.2	1,099.3	13,482.5	1,078.6	
Exposures to corporates	3,871.1	309.7	3,428.8	274.3	3,481.7	278.5	
Total capital requirement and risk exposure amount	18,505.7	1,480.5	17,170.0	1,373.6	16,964.2	1,357.1	
Operational risk							
Standardised Approach	1,429.7	114.4	1,130.6	90.4	1,130.6	90.4	
Total capital requirement for operational risk	1,429.7	114.4	1,130.6	90.4	1,130.6	90.4	
Total capital requirement for credit valuation adjustments	501.8	40.1	550.6	44.0	591.4	47.3	
Additional Risk Exposure Amounts according to Article 458 CRR	44,399.4	3,552.0	41,225.0	3,298.0			
Total capital requirement and risk exposure amount	66,456.7	5,316.5	61,556.4	4,924.5	20,315.7	1,625.3	

Note 13	Disclosures on related parties
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Significant agreements for Länsförsäkringar Hypotek AB are primarily outsourcing agreements with the 23 regional insurance companies and outsourcing agreements with Länsförsäkringar AB regarding development, service, finance and IT. Normal business transactions took place between Group companies as part of the outsourced operations.

This interim report is a translation of the Swedish interim report that has been reviewed by the company's auditors.

The President affirm that this interim report provides a true and fair view of the company's operations, financial position and earnings and describes the significant risks and uncertainties to which the company is exposed.

Stockholm, 24 October 2019

Anders Borgcrantz
President

Review report

To the Board of Directors of Länsförsäkringar Hypotek AB (publ)
Corp. id. 556244-1781

Introduction

We have reviewed the attached condensed interim report of Länsförsäkringar Hypotek AB (publ) as of 30 September 2019 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this attached interim report in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies. Our responsibility is to express a conclusion on this attached interim report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the attached interim report is not prepared, in all material respects, in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies.

Stockholm, 24 October 2019

Dan Beitner
Authorized Public Accountant

Definitions

Glossary

Return on total assets

Profit for the year, after tax, in relation to average total assets.

Own funds

Own funds comprises the sum of Tier 1 capital and Tier 2 capital, less items indicated in the capital adequacy rules. Own funds in relation to capital requirements.

Credit-impaired loan receivables

Loan receivables that have fallen due, have defaulted on issue or acquisition and thus are in stage 3 of the rules on expected credit losses under IFRS 9.

Common Equity Tier 1 capital

Common Equity Tier 1 capital comprises equity less intangible assets, goodwill, prudent valuation, investments in financial companies and IRB deficit.

Common Equity Tier 1 capital ratio

Common Equity Tier 1 capital in relation to the total risk exposure amount.

Tier 1 capital

The sum of Common Equity Tier 1 capital and Additional Tier 1 instruments.

Tier 1 ratio

Tier 1 capital in relation to the total risk exposure amount.

Risk Exposure Amount (REA)

The Risk Exposure Amount comprises assets in the balance sheet and off-balance sheet commitments valued in accordance with credit risk, market risk, operational risk and credit valuation adjustment risk in accordance with the capital adequacy rules.

Loan receivables

Comprises loans to the public and loans to credit institutions.

Fixed-interest period

The agreed period during which the interest rate on an asset or liability is fixed.

Tier 2 capital

Primarily comprises fixed-term subordinated debt.

Total capital ratio

Total own funds in relation to the total risk exposure amount.

Alternative performance measures

The European Securities and Markets Authority's (ESMA) Guidelines on Alternative Performance Measures came into effect on 3 July 2016. In accordance with these guidelines, disclosures on financial performance measures that are not defined by IFRS have been provided. Investment margin and return on equity show the organisation's earnings in relation to various investment measures. The share of credit-impaired loan receivables, credit losses and performance measures concerning loss allowance are presented to provide an understanding of lending, collateral and credit risk. The common factor for all of the alternative performance measures is that they describe the development of the operations and aim to improve comparability between different periods. The measures may differ from similar performance measures presented by other organisations.

Share of credit-impaired loan receivables

Credit-impaired loan receivables (stage 3) after loss allowance in relation to loans to the public and credit institutions before loss allowance.

Credit loss level

Credit losses, net, for loan receivables in relation to loans to the public and credit institutions after loss allowance.

Investment margin

Net interest income in relation to average total assets.

Reserve ratio for loan receivables

Recognised loss allowance for loan receivables in relation to loan receivables before loss allowance.

Return on equity

Operating profit less standard tax in relation to average equity, adjusted for items in equity recognised in other comprehensive income and for Additional Tier 1 Capital loans.

Financial calendar

Year-end report Länsförsäkringar Bank	6 February 2020
Year-end report Länsförsäkringar Hypotek	6 February 2020

This report contains such information that Länsförsäkringar Hypotek AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication on 24 October 2019 at 12:00 a.m. CET.

For further information, please contact:

Anders Borgcrantz, President, Länsförsäkringar Hypotek AB
anders.borgcrantz@lansforsakringar.se, +46 (0)8-588 412 51, +46 (0)73-964 12 51

Martin Rydin, CFO, Länsförsäkringar Hypotek AB
martin.rydin@lansforsakringar.se, +46 (0)8-588 412 79, +46 (0)73-964 28 23

Stefan Karkamanis, Investor Relations, Länsförsäkringar Bank AB
stefan.karkamanis@lansforsakringar.se, +46 (0)8-588 402 90, +46 (0)72-310 00 80

Länsförsäkringar Hypotek AB (publ),
Corporate Registration Number 556244-1781,
Street address: Tegeluddsvägen 11-13,
Postal address: 106 50 Stockholm,
Telephone: +46 (0)8-588 400 00