

Länsförsäkringar Alliance

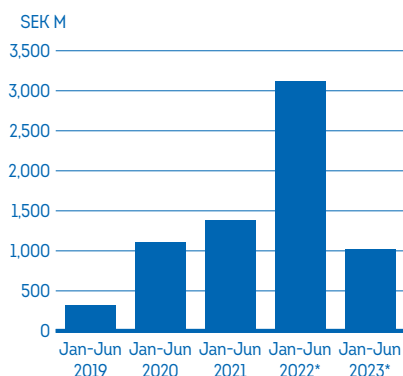
Interim review January-June 2023

The period in brief

Figures in parentheses pertain to the same period in 2022.

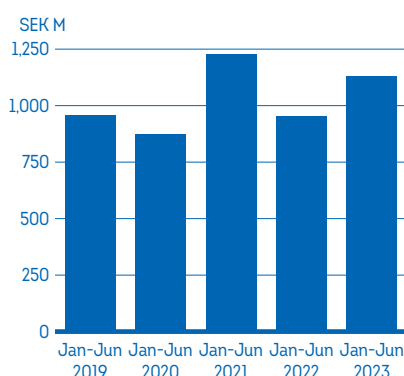
- Profit before tax for the Länsförsäkringar Alliance's non-life insurance operations increased to SEK 5,509 M (-5,814), with investment income of SEK 5,498 M (-8,291).
- The technical result for the Länsförsäkringar Alliance's non-life insurance operations amounted to SEK 1,018 M (3,122). Premiums earned after ceded reinsurance rose just over 4% to SEK 16,761 M (16,086). The combined ratio amounted to 100.9% (84.2).
- The Länsförsäkringar AB Group's profit before tax increased to SEK 2,020 M (1,474). The return on equity amounted to 12% (9).
- Länsförsäkringar AB Group's non-life insurance operations reported profit before tax of SEK 384 M (586). Premiums earned after ceded reinsurance rose 6% to SEK 4,375 M (4,129). The combined ratio amounted to 93.3% (85.8).
- The Länsförsäkringar Bank Group's profit before tax increased to SEK 1,130 M (953). Net interest income increased 49% to SEK 3,515 M (2,362). The return on equity amounted to 8.6% (7.6).
- Länsförsäkringar Fondliv's profit before tax increased to SEK 759 M (463). Premium income amounted to SEK 9,553 M (10,525). Commission and fee income amounted to SEK 1,029 M (1,084).
- Länsförsäkringar Liv's profit increased to SEK 2,860 M (-2,237).

Technical result for the Länsförsäkringar Alliance's non-life insurance operations

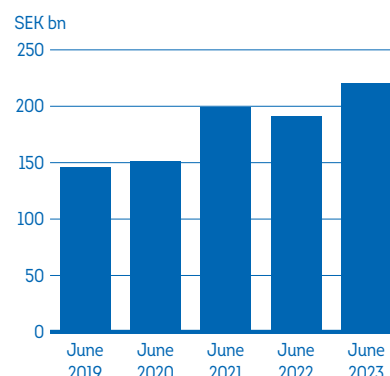


* According to legally restricted IFRS.

Länsförsäkringar Bank Group's profit before tax



Länsförsäkringar Fondliv's managed assets



Länsförsäkringar focuses on customers in uncertain times

Much uncertainty prevailed in the world in the first half of 2023. During these six months, the central banks continued to raise interest rates as the global economy displayed strong resilience, which contributed to higher than expected inflation figures. In these uncertain times, it is reassuring to say that Länsförsäkringar is made up of financially strong companies, which means that we can direct all our focus on our customers and our customer promise – simplifying everyday life and contributing to a secure future.

The key to our customer promise is continuously developing the operations to always be able to offer relevant services, a broad range of products and productive customer meetings. Some examples in the first half of 2023 are the launch of a new competitive pregnancy insurance policy, the launch of our new Hälsa och vård app that contains all of our health care insurance products, and the wonderful news that Länsförsäkringar can now be chosen under the ITP pension plan – confirming that our pension offering is top notch and reasonably priced. Furthermore, Länsförsäkringar raised interest rates on customers' fixed-term deposits and savings accounts and introduced interest on private transaction accounts in the second quarter.

Länsförsäkringar's claims-prevention activities are even more important in periods of high inflation. Avoiding claims is a gain for the environment, the individual and society at large. At Almedalsveckan, Länsförsäkringar held seminars on such subjects as climate adaptation for cities, smart solutions for flooding, and long-term and local security activities.

We are delighted that customers appreciate Länsförsäkringar's extensive and local sustainability efforts – Länsförsäkringar and Agria came in second and third place, respectively, in the insurance industry in the 2023 Sustainable Brand Index survey and Länsförsäkringar's banking and pension operations won Differ's consumer survey "2023 Sweden's Greenest Brand".

Greater optimism in the financial markets resulted in the Länsförsäkringar Alliance's non-life insurance operations reporting a profit before tax of SEK 5.5 billion, with investment income of SEK 5.5 billion. The technical result was SEK 1.0 billion, with healthy premium growth of just over 4%. However, claims costs increased, mainly due to strengthened provisions for changed mortality assumptions and several larger fire-damage claims, which resulted in a combined ratio of 100.9%.

The Länsförsäkringar AB Group's profit before tax increased to SEK 2.0 billion. The non-life insurance operations generated profit before tax of SEK 0.4 billion with a combined ratio of 93.3% and healthy growth in premiums of 6%, primarily from Agria's international opera-



” Länsförsäkringar is financially strong and customer focused

tions. The banking operations reported strong profit before tax of SEK 1.1 billion with favourable trends both in mortgage and fund volumes. The unit-linked insurance operations contributed profit before tax of SEK 0.8 billion, with premiums paid increasing 6% and managed assets up 11% to SEK 220 billion.

On behalf of the 23 regional insurance companies

Mathias Collén

President and CEO of Länsförsäkringar AB

The Länsförsäkringar Alliance's jointly owned company

Länsförsäkringar Alliance

The Länsförsäkringar Alliance comprises 23 local and customer-owned regional insurance companies and the jointly owned Länsförsäkringar AB. Customers are provided with a complete offering of banking, insurance, pension and real-estate brokerage services through the regional insurance companies.

The starting point is local presence and decision-making. Experience shows that local decision-making authority combined with joint strength creates substantial added value for customers.

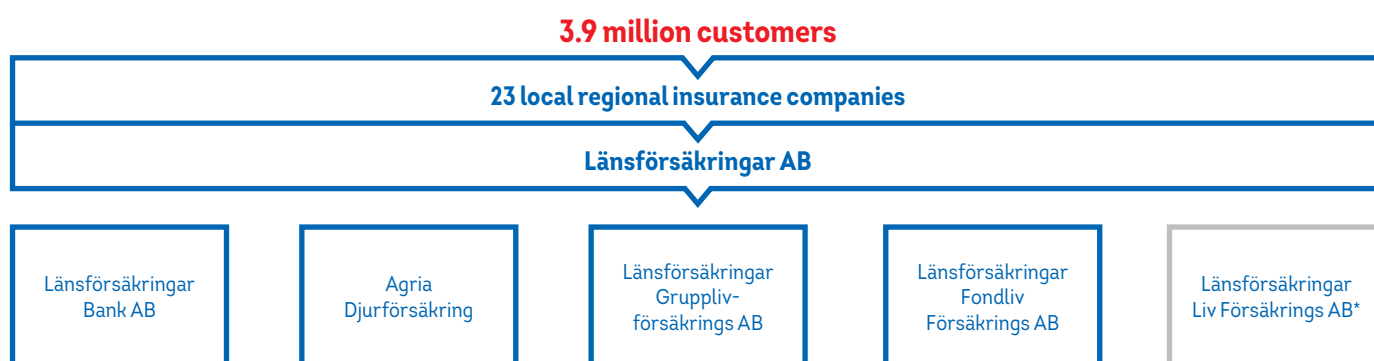
Long-term respect for customers' money is fundamental. There are no external shareholders; it is the customers' money that is being managed. This approach characterises the entire business.

The Länsförsäkringar Alliance has 3.9 million customers and 8,500 employees. The Länsförsäkringar Alliance is not a Group in the legal sense of the term. Most of the non-life insurance business in the Länsförsäkringar Alliance is underwritten in the regional insurance companies.

The Länsförsäkringar AB Group conducts banking, life assurance and pension insurance as well as some non-life insurance business. The non-life insurance business primarily comprises personal risk, pet and crop insurance and some motor, cargo, liability and property insurance. The Länsförsäkringar AB Group also manages the Länsförsäkringar Alliance's reinsurance cover and assumed international reinsurance.

Earnings from the Länsförsäkringar Alliance's non-life insurance operations consist of the total earnings of the 23 regional insurance companies and the non-life insurance operations of the Länsförsäkringar AB Group.

Länsförsäkringar Liv is operated according to mutual principles and is not consolidated in the Länsförsäkringar AB Group.



* The company is operated according to mutual principles and is not consolidated in the Länsförsäkringar AB Group.

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

¹⁾ Pertains to the company's covered bonds.

Financial overview

Report commented on the development Januari-June 2023 compared to January-June 2022, unless otherwise stated.
Amounts are in SEK, unless otherwise stated.

Länsförsäkringar Alliance¹⁾

	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Non-life insurance			
Solvency capital, SEK M	112,633	106,110	107,774
Solvency margin, %	327	323	325
Return on equity, %	9	-9	-4
Premiums earned after ceded reinsurance, SEK M	16,761	16,086	32,768
Technical result, SEK M	1,018	3,122	3,484
Profit before tax, SEK M	5,509	-5,814	-4,344
Combined ratio, %	100.9	84.2	93.4

Länsförsäkringar AB, Group²⁾

	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Profit before tax, SEK M	2,020	1,474	2,513
Total assets, SEK M	738,981	691,132	686,180
Return on equity, %	12	9	8
Own funds for the insurance group (FRL) ³⁾ , SEK M	62,945	58,677	59,099
Solvency capital requirement for the insurance group (FRL) ³⁾ , SEK M	45,510	38,932	41,836
Own funds for the financial conglomerate ⁴⁾ , SEK M	62,945	58,677	59,099
Capital requirement for the financial conglomerate ⁴⁾ , SEK M	45,510	38,932	41,836
Non-life insurance			
Premiums earned after ceded reinsurance, SEK M	4,375	4,129	8,485
Technical result, SEK M	391	599	797
Profit before tax, SEK M	384	586	685
Combined ratio, %	93.3	85.8	92.3

Länsförsäkringar Bank, Group⁵⁾

	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Deposits from the public, SEK M	153,101	155,867	153,341
Loans to the public, SEK M	391,865	385,639	384,104
Profit before tax, SEK M	1,130	953	2,067
Return on equity, %	8.6	7.6	8.2
Common Equity Tier 1 capital ratio, consolidated situation, %	14.7	14.9	15.4

Länsförsäkringar Fondliv

	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Premium income, SEK M	9,553	10,525	18,362
Profit before tax, SEK M	759	463	760
Managed assets, SEK M	220,322	190,909	197,905
Solvency ratio, %	166	166	163

Länsförsäkringar Liv (not consolidated in Länsförsäkringar AB Group)

	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Premium income after ceded reinsurance, SEK M	395	518	970
Profit, SEK M	2,860	-2,237	-2,409
Managed assets, SEK M	103,831	104,463	102,600
Solvency ratio, %	211	232	215

¹⁾ Legally restricted IFRS is applied from 1 January 2023. The comparative information has been restated due to the change of accounting policies in the same way as described in the Länsförsäkringar AB Group's note 1 Accounting policies. This applies consistently in the entire Interim review.

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³⁾ According to Swedish Insurance Business Act (FRL), Solvens II directive in Swedish law.

⁴⁾ The financial conglomerate comprises Länsförsäkringar AB, all insurance companies in the Group, inclusive Länsförsäkringar Liv Försäkrings AB, and Länsförsäkringar Bank AB with subsidiaries.

⁵⁾ According to full IFRS applied in the Länsförsäkringar Bank Group's reporting.

Market commentary

In the second quarter, the central banks continued to raise interest rates as the global economy displayed strong resilience. The main reasons were the significantly better labour market figures in Europe and the US, plus China reopening. The slightly stronger economic climate also led to inflation rates remaining higher than expected, making it clear that efforts to curb inflation are continuing, and many central banks indicated that it is likely that interest rates will continue to be lifted. The turmoil in the banking sector in the first months of the year gradually abated in the second quarter and the feared consequences were limited.

The US economy in particular continued to show resilience after the labour market presented a positive surprise. Employment continued to rise quickly, contributing to historically low unemployment levels. The rate of inflation declined, although the downturn was less than expected, and the Federal Reserve has suggested that interest rates could continue to be raised for the remainder of the year.

Growth in the eurozone remained weak but was also surprisingly positive. The trend in the industrial sector was very weak, which meant that after two quarters of consecutive negative growth Germany technically found itself in a recession at the start of the year. However, the services sector showed signs of picking up but risks being slowed by rising

interest rates. The European Central Bank (ECB) indicated that further interest-rate hikes would be made due to inflation falling at a slower rate than desired.

The Swedish economy also displayed a similar trend. Growth is expected to be almost zero this year, even though this is better than expectations from the start of the year. Although households and their large share of floating mortgage rates are impacted by rate rises, the strong trend in the labour market led to a better economic performance than expected. Inflation is continuing to fall, but the decline in underlying inflation is slow, primarily due to prices in the service sector continuing to rise at a rapid pace. The Riksbank continued its monetary policy tightening measures and lifted the policy rate to 3.75% at the end of June and also continued to reduce its bond holdings. The Riksbank announced that it would continue to pursue tightening and now expects the policy rate to be raised to 4% in 2023. In light of rising interest rates, international focus has increasingly been directed to the Swedish commercial property companies and their refinancing risks. The SEK was very weak, for many reasons, including an uncertain global background and interest rate differences, but probably also Swedish households being sensitive to interest rates and concern about the commercial property sector.

Optimism among financial markets has risen, causing stock markets to increase, despite long-term interest rates rising again. Nevertheless, towards the end of the second quarter the central banks made warnings about higher rates, which may alter market sentiment going forward. Including dividends and in local currency, the MSCI AC World increased 13% and the US S&P 500 17% in the first half of the year. The Stockholm stock exchange was up 12%.

In the bond market, both Swedish and international rates were at higher levels at the end of the second quarter than the end of the first quarter. Rates on Swedish covered bonds increased in the second quarter, as did interest rate differences compared with government bonds, although these are at significantly lower level than the rates noted in June 2022.

House prices continued to rise in the second quarter despite higher mortgage rates and continuing household pessimism. Valueguard's housing index, HOX, rose 4% during the year. The outlook for the housing market remains highly uncertain given expectations that interest rates will continue to rise.

Non-life insurance

Most of the Länsförsäkringar's non-life insurance business is underwritten by the regional insurance companies. Earnings from the Länsförsäkringar Alliance's non-life insurance operations consist of the total earnings of the 23 regional insurance companies and the non-life insurance operations of the Länsförsäkringar AB Group.

January-June 2023 Figures in parentheses pertain to the same period in 2022.

- Profit before tax increased to SEK 5,509 M (-5,814), with investment income of SEK 5,498 M (-8,291).
- Premiums earned after ceded reinsurance rose just over 4% to SEK 16,761 M (16,086).
- The technical result amounted to SEK 1,018 M (3,122).
- The combined ratio was 100.9% (84.2), with a claims ratio of 80.3% (65.1).
- Solvency capital rose SEK 4,859 M during the half-year to SEK 112,633 M.

Earnings

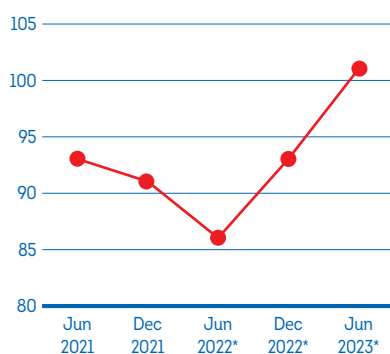
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Profit before tax for the Länsförsäkringar Alliance's non-life insurance operations increased to SEK 5,509 M (-5,814), due to strong investment income of SEK 5,498 M (-8,291). Optimism in the financial markets increased in the first half of 2023, resulting in stock-market upturns.

The technical result was SEK 1,018 M (3,122), with healthy premium growth of just over 4%. Claims costs increased in the first half of 2023, but mainly due to strengthened provisions for changed mortality assumptions and some major insurance claims. The claims ratio amounted to 80.3% (65.1). The expense ratio increased to 20.6% (19.1), resulting in a combined ratio of 100.9% (84.2). Measured as a five-year average, the combined ratio and the claims ratio were at 94% and 75%, respectively.

Combined ratio

Rolling 12-month figures, %



* According to legally restricted IFRS.

Non-life insurance, Länsförsäkringar Alliance

Key figures, SEK M	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Premiums earned after ceded reinsurance	16,761	16,086	32,768
Technical result	1,018	3,122	3,484
Bonuses and discounts	-182	-171	-1,249
Total investment income	5,498	-8,291	-5,329
Profit/loss before tax	5,509	-5,814	-4,344
Solvency capital	112,633	106,110	107,774
Solvency margin, %	327	323	325
Expense ratio, %	20.6	19.1	19.5
Claims ratio, %	80.3	65.1	73.9
Combined ratio, %	100.9	84.2	93.4

Solvency capital rose SEK 4,859 M during the half-year to SEK 112,633 M on 30 June 2023. The solvency margin amounted to 327% (323). The companies in the Länsförsäkringar Alliance continue to have strong and stable capital positions and are considered highly able to manage any additional slowdown in the global economy and potential consequences for the financial markets.

Business volumes

Länsförsäkringar's leading position in the Swedish non-life insurance market remained stable with a market share of 30.8% on 31 March 2023, according to statistics from Insurance Sweden.

Premiums earned after ceded reinsurance rose just over 4% to SEK 16,761 M (16,086). The increase was largely attributable to premium increases, but also portfolio growth.

Premiums earned for private insurance increased just over 4%, with personal risk and homeowner insurance continuing to drive growth. Growth in personal risk insurance was driven by portfolio growth. In April, Länsförsäkringar launched a new competitive pregnancy insurance that is also available in Länsförsäkringar's partner app Baby Journey whose user numbers are steadily growing. Agria continued to report strong growth, mainly in the international operations, with an 8% increase in premiums earned.

Premiums earned for the commercial segment rose 7%, primarily driven by continuing healthy growth in property and commercial insurance.

Premiums earned for the motor insurance segment rose 3%, with continued healthy growth in commercial motor.

Premiums earned in the agriculture segment rose 4%.

Claims trend

Claims payments after ceded reinsurance increased 29% to SEK 13,316 M (10,353) and the claims ratio amounted to 80.3% (65.1).

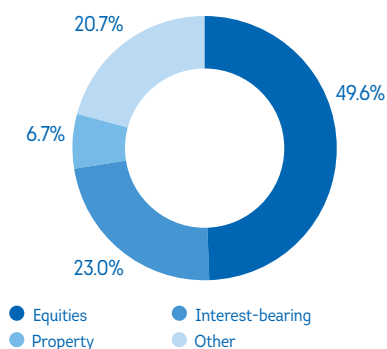
Continuing high inflation impacted claims costs, although the main reasons for increased claims costs were strengthening provisions for annuities due to changed mortality assumptions for the 23 regional insurance companies, and some major insurance claims. Changed mortality assumptions impacted the claims ratio by 3% and several larger fire-damage claims had an additional impact of 3% on the claims ratio.

In addition, the claims ratio in the first half of 2022 benefited from a higher discount rate on provisions as a result of rising market interest rates. In the second half of 2022, the majority of the regional insurance companies ceased discounting provisions, which resulted in a claims ratio of 73.9% at year-end.

Investment income

The Länsförsäkringar Alliance reported investment income for of SEK 5,498 M (-8,291) in the first half of 2023. Optimism in the financial markets increased during the first half of the year, resulting in stock-market upturns despite long-term interest rates rising again. This resulted in a return of 4.1% of the asset value on 30 June 2023.

Allocation of investment assets



Total investment assets amounted to SEK 152.5 billion on 30 June 2023.

Bank

Länsförsäkringar offers banking services through Länsförsäkringar Bank, which is part of the Länsförsäkringar AB Group. The 23 regional insurance companies are responsible for the bank's customer contact, while Länsförsäkringar AB is responsible for conducting joint business activities, strategic development activities and providing service.

January-June 2023 Figures in parentheses pertain to the same period in 2022.

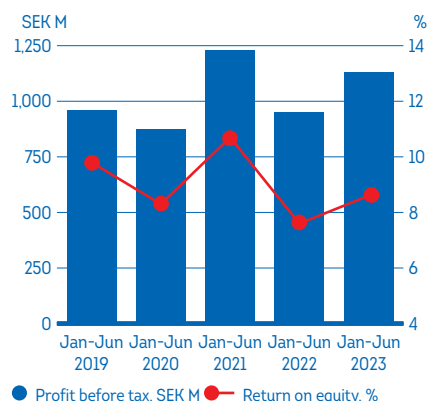
- Profit before tax increased to SEK 1,130 M (953) and the return on equity amounted to 8.6% (7.6).
- Net interest income increased 49% to SEK 3,515 M (2,362).
- Business volumes increased 9% to SEK 870 billion (797), deposits fell 2%, lending rose 4% and fund volumes increased 22%.
- The number of customers with Länsförsäkringar as their primary bank rose 4% and the number of bank cards increased 3%.

Earnings

Profit before tax rose 19% to SEK 1,130 M (953). The increase was primarily attributable to improved net interest income. Profit before credit losses and fees levied increased 15% to SEK 1,347 M (1,169). The levied risk tax increased to SEK 127 M (106) due to the risk tax rate this year being raised to 0.06% of total liabilities. The investment margin amounted to 1.47% (1.02). The return on equity amounted to 8.6% (7.6).

Net interest income increased 49% to SEK 3,515 M (2,362) due to higher market interest rates. The recognised net commission including remuneration to the regional insurance companies amounted to SEK -924 M (-1). The change was due to higher remuneration paid to the regional insurance companies, which was driven by higher net interest income. The trend in underlying net commission income, excluding remuneration paid to the regional insurance companies, increased 1% to SEK 691 M (682). Net gains from financial items amounted to SEK 22 M (-19). Total operating income increased 12% to SEK 2,627 M (2,345), driven by higher net interest income.

The Bank Group's profit before tax and return on equity



Länsförsäkringar Bank, Group*

Key figures, SEK M	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Profit before tax	1,130	953	2,067
Return on equity, %	8.6	7.6	8.2
Net interest income	3,515	2,362	5,528
Cost/income ratio before credit losses and fees levied	0.49	0.50	0.50

* According to full IFRS that is applied in the Länsförsäkringar Bank Group's reporting. This applies throughout pages 8-9.

Expenses

Operating expenses increased 9% to SEK 1,280 M (1,175). Expenses continued to be affected by a high rate of IT development related to digitisation and AML. The cost/income ratio before credit losses and fees levied amounted to 0.49 (0.50) and the cost/income ratio after credit losses and fees levied amounted to 0.57 (0.59).

Credit losses

The credit quality of the loan portfolio remained very high and credit losses in the Bank Group are low. Customers demonstrated high resilience despite increased interest rates and high inflation. The share of customers making late payments remains very low.

Credit losses for January-June amounted to SEK 21 M (49), corresponding to a credit loss level of 0.01% (0.02).

Credit losses in the first quarter was impacted by such factors as positive earnings effect from the divestment of credit-impaired loan receivables in Wasa Kredit and the effects of the implementation of new PD models and LGD estimates. In total, the loss allowance declined SEK 108 M in the first quarter, after the effect from withheld remuneration to the regional insurance companies.

Credit losses for the second quarter amounted to SEK 42 M, corresponding to a credit loss level of 0.04%.

A customary quarterly update of macro-

economic scenarios for the calculation of expected credit losses took place in the second quarter, which had a very minor impact on the loss allowance. In total, the loss allowance declined SEK 2 M in the second quarter, after the effect from withheld remuneration to the regional insurance companies.

Credit-impaired loan receivables (stage 3) before provisions amounted to SEK 929 M (995), corresponding to a share of credit-impaired loan receivables of 0.24% (0.26) gross and 0.16% (0.15) net after loss allowances. The loss allowance for credit-impaired loan receivables was SEK 295 M (393). The reserve ratio for credit-impaired loan receivables amounted to 31.7%. In addition, SEK 57 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 353 M (432). The reserve ratio for credit-impaired loan receivables, including withheld remuneration to the regional insurance companies, amounted to 37.8% (43.4).

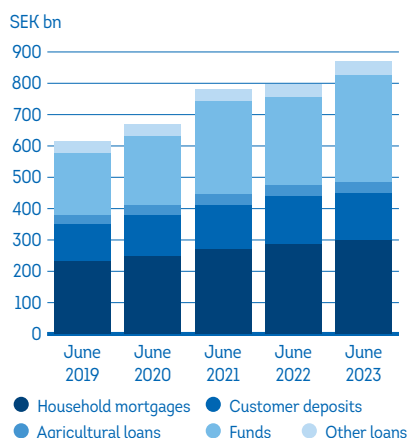
Loan receivables (stage 2) before provisions amounted to SEK 6,082 M (6,590). The loss allowance for loan receivables (stage 2) was SEK 107 M (86) excluding and SEK 139 M (99) including withheld remuneration to the regional insurance companies.

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

Business volumes

Business volumes increased 9% year-on-year to SEK 870 billion (797), driven by higher fund volumes and mortgage volumes. Total lending, excluding deposits with the Swedish National Debt Office and similar items, improved 4% to SEK 375 billion (360) with continued high credit quality. Lending in Länsförsäkringar Hypotek increased 7% to SEK 306 billion (287). Lending in Wasa Kredit rose 2% to SEK 25.7 billion (25.1). Deposits decreased 2% to SEK 153 billion (156). Fund volumes increased 22% to SEK 342 billion (281) due to a continuing strong net inflow and a favourable trend in market values.

Business volumes for the Bank Group



Funding

The Group has a low refinancing risk and the maturity profile is well diversified. Debt securities in issue increased 7% to a nominal SEK 286 billion (267), of which covered bonds amounted to SEK 236 billion (224), senior long-term funding to SEK 49 billion (43) and short-term funding to SEK 0.9 billion (0.2). The average remaining term for long-term funding was 3.0 years (3.0) on 30 June 2023.

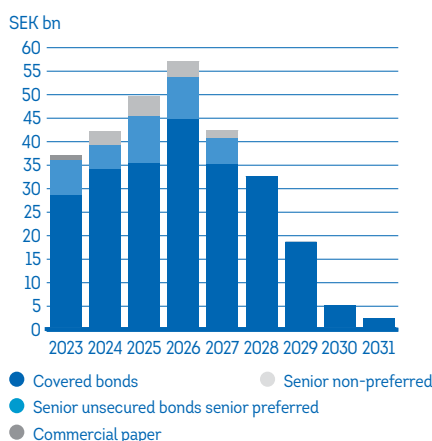
Covered bonds were issued during the period at a volume of a nominal SEK 28.7 billion (25.2). Repurchases of covered bonds amounted to a nominal SEK 3.9 billion (10.3) and matured covered bonds to a nominal SEK 5.6 billion (5.2). Länsförsäkringar Bank issued senior unsecured bonds of a nominal SEK 9.5 billion (1.2) during the period, while maturities amounted to a nominal SEK 3.7

billion (3.5). The total volume of the outstanding senior non-preferred bonds was SEK 12.1 billion (4.8) on 30 June 2023.

A Tier 2 capital loan amounting to SEK 1.6 billion with a ten-year term, and the option of early redemption after five years, was issued during the first quarter. This loan replaced a Tier 2 capital loan of SEK 1.1 billion that was redeemed early on the first possible redemption date of 1 March 2023.

A six-year Euro covered bond in Länsförsäkringar Hypotek was issued during the second quarter at an amount of EUR 500 M. Also in the second quarter, a new seven-year covered benchmark bond in SEK in Länsförsäkringar Hypotek was issued with an initial nominal amount of SEK 3 billion.

Maturity profile



Liquidity

The liquidity reserve totalled SEK 89 billion (87) on 30 June 2023. About 40% of the liquidity reserve is invested in short-term deposits with the Riksbank and the Swedish National Debt Office, and the remainder is invested in securities with very high credit quality that are eligible for transactions with the Riksbank and, where appropriate, with the ECB. By utilising the liquidity reserve, contractual undertakings can be met for just over two years without needing to secure new funding in the capital market. The Liquidity Coverage Ratio (LCR) for the consolidated situation on 30 June 2023 amounted to 409% (377). The Net Stable Funding Ratio (NSFR) for the consolidated situation on 30 June 2023 amounted to 126% (126).

Other events during the period

In the first quarter of 2023, Finansinspektionen (the Swedish Financial Supervisory Authority, FSA) approved the Länsförsäkringar Bank Group's application to use new probability of default (PD) models and to transition from the Standardised Approach to the IRB Approach for the class of exposures to corporates in Wasa Kredit. The decision means that all of the bank's PD models were replaced by new models, which took place in the first quarter of 2023.

Life assurance and pension insurance

Länsförsäkringar offers pension savings, primarily occupational pensions. Fund management, guarantee management and personal-risk insurance are offered through Länsförsäkringar Fondliv. No new policies are underwritten in Länsförsäkringar Liv, but the company manages traditional life assurance that was taken out before September 2011. Länsförsäkringar Liv is operated according to mutual principles and is not consolidated in the Länsförsäkringar AB Group.

January-June 2023 Figures in parentheses pertain to the same period in 2022.

- Länsförsäkringar Fondliv's profit before tax increased to SEK 759 M (463). Total managed assets increased to SEK 220 billion (191).
- Länsförsäkringar Liv's profit increased to SEK 2,860 M (-2,237). Total managed assets amounted to SEK 104 billion (104).
- The return was positively impacted by rising stock markets and the bonus rates in New Trad and Old Trad were raised.

Länsförsäkringar offers pension savings such as fund management and guarantee management. Länsförsäkringar also manages traditional life assurance that was taken out before September 2011.

Unit-linked insurance

Optimism in the financial markets increased in the first half of 2023, resulting in stockmarket upturns, despite long-term interest rates rising again. This trend was also reflected in Länsförsäkringar's fund range.

Of a total of 163 funds, 90% generated a positive return in the first half of 2023, with an average return of 11.3% for customers. The categories of funds that performed the strongest included technology, US equities and global funds, while funds targeting, for example, properties and China performed negatively.

A high-quality, attractive fund range that generates healthy, long-term returns on customers' pension capital is a central part of the Länsförsäkringar offering. All funds are carefully analysed and assessed based on criteria including management organisation, return and sustainability. Nine new funds in different categories were launched during the first half-year, and five funds were replaced by funds with higher sustainability levels and return potential. 99% of customer savings is invested in funds that promote sustainability or have sustainable investment as their objective according to the EU Sustainable Finance Disclosure Regulation.

Guarantee management

Länsförsäkringar offers guarantee management for customers who want a guarantee in their savings and the lowest level on their future payments. Länsförsäkringar guarantees a portion of the customer's paid-in insurance capital with the possibility of

Länsförsäkringar Fondliv and Länsförsäkringar Liv

Key figures, SEK M	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Länsförsäkringar Fondliv			
Premium income, net	9,553	10,525	18,362
Profit before tax	759	463	760
Managed assets	220,322	190,909	197,905
Solvency ratio, %	166	166	163
Länsförsäkringar Liv (not consolidated in the Länsförsäkringar AB Group)			
Profit/loss	2,860	-2,237	-2,409
Managed assets	103,831	104,463	102,600
Collective consolidation ratio, New Trad, %	109	103	104
Collective consolidation ratio, Old Trad, %	120	121	117
Solvency ratio, %	211	232	215

additional returns. Investments as of 30 June 2023 comprised 36% equities, 34% interest-bearing, 22% alternative investments and 8% properties. The share of alternative investments has gradually increased in recent years. 22% of managed assets was invested in sustainability-focused investments.

Guarantee management's managed assets increased to SEK 5.8 billion (5.2). The return was 5.3% (-10.9). The average return has been 7.2% per year since 2019.

Traditional life assurance

Länsförsäkringar Liv, which is closed for new business, conducts traditional life assurance for its customers divided into three portfolios: New Trad, Old Trad and New World.

Total managed assets amounted to SEK 104 billion (104) on 30 June 2023. Managed assets increased in the first half of 2023, mainly due to rising stock markets. All classes of assets, except properties, made a positive contribution to returns in the half-year since optimism in the financial markets increased despite long-term interest rates

rising again. Geopolitical uncertainty, related both to Ukraine and to Taiwan, is continuing, although the market impact was limited during the half-year.

Sustainability is an integral part of Länsförsäkringar Liv's investment portfolios. On 30 June 2023, 23% (21) of managed assets were invested in sustainability-focused investments, which was in line with the target of 23%. Länsförsäkringar Liv also has the target of halving the carbon footprint from its management portfolios by 2027 compared with 2019, and the decline noted at the most recent measurement at year-end was 34%.

Länsförsäkringar Liv is working actively to strengthen the company's capital position in order to improve the conditions for maintaining its long-term investment strategy with the allocation of risk assets held at a balanced and sustainable level over time. As a result of this strategy and the favourable trend in the financial markets, Länsförsäkringar Liv raised its bonus rate from 1% to 4% in New Trad and Old Trad from 1 March 2023.

New Trad

Managed assets in New Trad amounted to SEK 27 billion (27). New Trad is a management form that existing customers can choose to transition to. Transitions involve, for instance, lower fees and a lower guaranteed rate. Länsförsäkringar Liv can thus invest the capital in assets with a higher expected return, which over time increases the possibility of higher bonuses.

Investments as of 30 June 2023 comprised 40% equities, 35% interest-bearing, 16% alternative investments and 9% properties. The percentage of equities, alternative investments and properties increased in the first half of 2023, while the percentage of interest-bearing investments declined.

Investment return amounted to 6.7% (-11.0). The average return has been 5.8% per year since 2013. The bonus rate on 30 June 2023 was 4% (4). The average bonus rate has been 6.7% per year since 2013.

Old Trad

Managed assets in Old Trad amounted to SEK 68 billion (70). The primary aim of risk-taking in the Old Trad investment portfolio is to ensure that the guaranteed commitments can also be realised in the event of a negative market trend. At the same time, balanced risk-taking is applied to facilitate a reasonable return on customers' savings.

Investments as of 30 June 2023 comprised 63% interest-bearing, 17% equities, 12% alternative investments and 8% properties. The percentage of equities, alternative investments and properties increased in the first half of 2023, while the percentage of interest-bearing investments declined.

Investment return amounted to 2.5% (-7.1). The bonus rate on 30 June 2023 was 4% (4).

New World

Managed assets in New World amounted to SEK 8 billion (8). New World is a traditional insurance policy whereby customers benefit from changes in value in the equities market, while at the same time are guaranteed to recoup over time at least the premiums paid, after deductions for expenses and yield tax.

On 30 June 2023, 71% of the investments comprised equities and 29% interest-bearing investments.

Investment return amounted to 12.6% (-16.6).

Earnings for Länsförsäkringar Fondliv

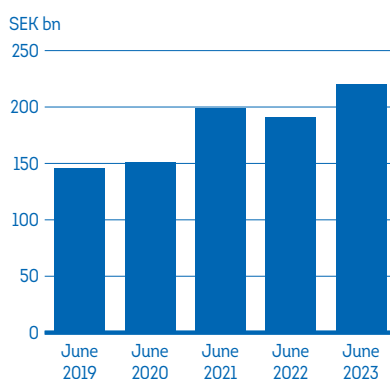
Länsförsäkringar Fondliv's profit before tax increased to SEK 759 M (463). Excluding the reimbursement for yield tax that is included in other technical income, profit before tax amounted to SEK 284 M (273).

Managed assets increased 11% in the first half of the year to SEK 220 billion on 30 June 2023, primarily due to higher returns as a result of rising stock markets. Net inflow of premiums and capital from existing and new customers amounted to SEK 454 M (4,684) compared with a strong first half of 2022. Total premium income amounted to SEK 9,553 M (10,525), with premiums paid increasing 6% to SEK 5,612 M (5,320), while transferred in business volumes declined.

Premium income after ceded reinsurance for insurance risk fell to SEK 137 M (158). Commission and fee income declined to SEK 1,029 M (1,084) due to lower commission and fee levels. Profit was impacted by lower distribution costs, which resulted in operating expenses of SEK 813 M (868).

Länsförsäkringar Fondliv has had an earnings-based remuneration model for the regional insurance companies since 2021 in order to finance and drive long-term organic growth for the Länsförsäkringar Alliance.

Managed assets unit-linked insurance



Capital position

Länsförsäkringar Fondliv's solvency ratio on 30 June 2023 amounted to 166% (166). Länsförsäkringar Fondliv has a strong and stable capital position and is considered highly able to manage any future negative market fluctuations.

Earnings for Länsförsäkringar Liv

Länsförsäkringar Liv's profit increased to SEK 2,860 M (-2,237) after rising stock markets led to higher investment income of SEK 4,340 M (-10,186). At the same time, profit was positively impacted by SEK 892 M (10,002), mainly driven by negative net cash flow despite a lower discount rate in the first half of 2023. Changes in market interest rates affect Länsförsäkringar Liv's earnings since future commitments are discounted with the market interest rate. However, the company can largely protect itself from the impact of fluctuations in market interest rates on earnings by partly matching assets and liabilities against each other.

Operating expenses increased to SEK 175 M (166), primarily due to higher inflation with increased costs for purchased services. Länsförsäkringar Liv works continuously to enhance the efficiency of its operations to reduce operating expenses over time, which benefits customers through lower fees.

Capital position

Länsförsäkringar Liv's solvency ratio on 30 June 2023 amounted to 211% (232). The lower solvency ratio is due to an increased share of risk assets in the investment portfolios, which has been made possible by a strengthened capital position. Länsförsäkringar Liv has a strong capital position and is considered highly able to manage any future negative market fluctuations. Collective consolidation amounted to 109% (103) in New Trad and 120% (121) in Old Trad. The surplus in New World is primarily distributed directly between customers' insurance, which means that the collective consolidation is always 100%.

Real-estate brokerage

Länsförsäkringar offers real-estate brokerage through Länsförsäkringar Fastighetsförmedling. The operations are conducted in franchise form, whereby the regional insurance companies act as franchisers for the 187 local branches across Sweden.

July 2022-June 2023 Figures in parentheses pertain to the year-earlier period.

- Länsförsäkringar Fastighetsförmedling's total sales value amounted to SEK 58.6 billion (83.3).
- The number of brokered residential properties declined 23% to 22,975 (29,669), the number of brokered tenant-owned apartments fell 23% and the number of brokered single-family homes fell 19%.
- Länsförsäkringar Fastighetsförmedling is one of the largest real-estate brokers in Sweden with a market share of 15.4% for brokered single-family homes and 12.8% for brokered tenant-owned apartments as per 30 June 2023.

Through Länsförsäkringar Fastighetsförmedling, Länsförsäkringar offers a total solution for reliable mortgage transactions: real-estate brokerage, banking and insurance services all in one company. Real-estate brokerage is also a key customer meeting for sales of mortgages and insurance.

Länsförsäkringar Fastighetsförmedling has 187 branches throughout Sweden. Länsförsäkringar Fastighetsförmedling is one of the largest players in the market and has had the most satisfied customers for many years according to the Swedish Quality Index's customer satisfaction survey for the estate-agent industry.

The real-estate brokerage is an integrated part of the local regional insurance companies' full-service customer offering, with the aim of offering more than just brokerage and sales of residential properties. The operations are conducted in franchise form, whereby the regional insurance companies act as the franchiser for the local branches. This also means that Länsförsäkringar Fastighetsförmedling differs from other national estate-agent chains by always being locally based.

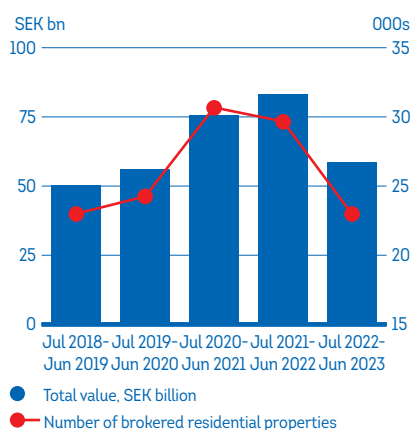
From July 2022 to June 2023, Länsförsäkringar Fastighetsförmedling brokered a total of 22,975 listings (29,669), a decline of 23%.

The number of brokered tenant-owned apartments fell 23% to 12,562 (16,385) and the number of single-family homes fell 19% to 9,377 (11,618). Commission income increased 29% to SEK 1,004 M (1,424). The total sales value for the period amounted to SEK 58.6 billion (83.3).

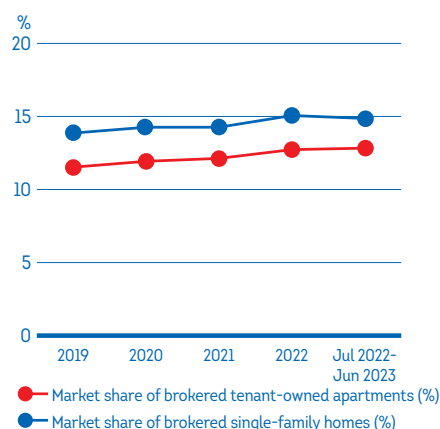
Länsförsäkringar Fastighetsförmedling's market share of brokered single-family homes* was 15.4% on 30 June 2023. The market share of brokered tenant-owned apartments* was 12.8% on 30 June 2023.

* Statistics for market shares for single-family homes and apartments are based on Värderingsdata's list of contracts, excluding new-builds (rolling 12 months on 30 June 2023).

Residential properties brokered by Länsförsäkringar Fastighetsförmedling

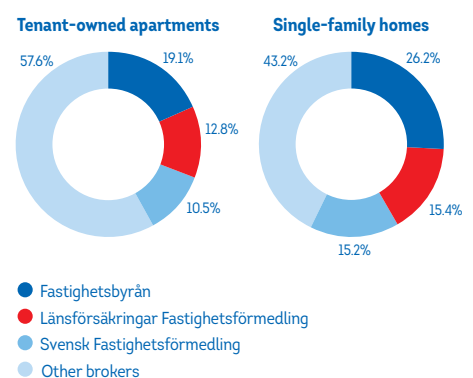


Länsförsäkringar Fastighetsförmedling's market share 2019-June 2023**



** Statistics for market shares are based on Värderingsdata's list of contracts, excluding new-builds (12 months on 31 December of each year).

Market shares for the three largest real-estate brokers on 30 June 2023*



Länsförsäkringar AB

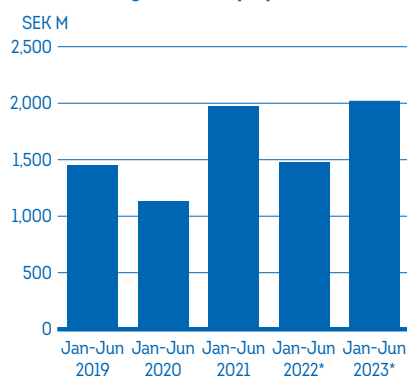
Länsförsäkringar AB and its subsidiaries are commissioned by the regional insurance companies to conduct joint banking and insurance operations, pursue strategic development activities and provide service in areas that generate economies of scale and efficiency. The Länsförsäkringar AB Group's non-life insurance business is divided into two business units: Non-life (Personal risk and Motor, Commercial and Reinsurance) and Agria (pet and crop insurance). Länsförsäkringar AB's interim report is included on pages 13-15 and 18-39.

January-June 2023 Figures in parentheses pertain to the same period in 2022.

- The Länsförsäkringar AB Group's profit before tax increased to SEK 2,020 M (1,474) and the return on equity amounted to 12% (9).
- Länsförsäkringar AB Group's non-life insurance operations reported profit before tax of SEK 384 M (586).
- Profit before tax for the banking operations increased to SEK 1,131 M (953).
- Länsförsäkringar Fondliv's profit before tax increased to SEK 759 M (463).
- The Parent Company's profit before tax amounted to SEK 690 M (1,072).

Earnings

Länsförsäkringar AB Group's profit before tax



* According to legally restricted IFRS.

The Länsförsäkringar AB Group's profit before tax increased to SEK 2,020 M (1,474). The return on equity amounted to 12% (9).

The Länsförsäkringar AB Group's non-life insurance business is divided into two business units: Non-life and Agria. The Non-life Insurance business unit is responsible for development and service of the Länsförsäkringar Alliance's non-life insurance business and conducting non-life insurance business in development areas to supplement the regional insurance companies' offering or to achieve economies of scale. Agria is the Länsförsäkringar Alliance's specialist company for pet and crop insurance. Profit before tax for the Group's total non-life insurance business amounted to SEK 384 M (586). Premiums earned after ceded reinsurance rose 6% to SEK 4,375 M (4,129). The combined ratio amounted to 93.3% (85.8).

Profit before tax for the banking operations, according to legally restricted IFRS, increased to SEK 1,131 M (953). The increase was primarily attributable to improved net interest income. Net interest income, ac-

cording to legally restricted IFRS, increased 47% to SEK 3,242 M (2,200).

Länsförsäkringar Fondliv's profit before tax amounted to SEK 759 M (463). Managed assets increased 11% in the first half of the year to SEK 220 billion on 30 June 2023, primarily due to higher returns as a result of rising stock markets. Total premium income amounted to SEK 9,553 M (10,525), with premiums paid increasing 6% to SEK 5,612 M (5,320), while transferred in business volumes declined.

The Länsförsäkringar AB Group's investment return attributable to the insurance operations' and Parent Company's assets increased to 2.7% (-4.1) due to a positive market trend. Equities contributed 2.7 percentage points (-3.5) due to rising stock markets during the first half-year. The fixed-income portfolio contributed 0.5 of a percentage point (-1.3), mainly from Swedish interest rates that provided the most positive contribution. Alternative investments contributed 0.2 of a percentage point (0.1), with an equal contribution from private equity and private lending. Properties made a contribution of -0.6 of a percentage point (0.5), with unlisted and listed properties both reporting a negative investment return.

Capital position

The Länsförsäkringar AB Group's equity increased SEK 549 M in the first half of 2023 to SEK 35,525 M. Equity rose mainly due to earnings for the period.

The Länsförsäkringar AB Group is a financial conglomerate in which the Group conducts insurance and banking operations. The Group's companies are encompassed by group solvency regulations in accordance

with legislation on financial conglomerates and legislation on insurance operations, with Länsförsäkringar Liv included in accordance with the deduction and aggregation method. The bank companies are subject to the capital adequacy rules at group level. In addition, the insurance and bank companies are subject to the solvency and capital adequacy rules, respectively, at individual level.

On 30 June 2023, surplus capital for the Länsförsäkringar AB Group under the rules on insurance operations and the rules on financial conglomerates was SEK 17.4 billion, up SEK 0.2 billion during the half-year, mainly as a result of the issuance of subordinated loans in the banking operations. Own funds amounted to SEK 62.9 billion and the capital requirement to SEK 45.5 billion.

Länsförsäkringar AB paid dividends of SEK 698 M for the 2022 financial year to its owners in the first half of 2023. Länsförsäkringar AB also received dividends and Group contributions from subsidiaries of a total of SEK 1,466 M.

Länsförsäkringar AB Group's capital position

	30 Jun 2023	31 Dec 2022	30 Jun 2022
Länsförsäkringar AB			
Solvency ratio, %	225	223	227
Försäkringsaktiebolaget Agria			
Solvency ratio, %	183	172	226
Länsförsäkringar Grupplivförsäkrings AB			
Solvency ratio, %	287	227	354
Länsförsäkringar Fondliv Försäkrings AB			
Solvency ratio, %	166	163	166
Länsförsäkringar Liv Försäkrings AB			
Solvency ratio, %	211	215	232
Länsförsäkringar Bank Group			
Common Equity Tier 1 capital ratio, %	14.7	15.4	14.9

Non-life insurance

The Länsförsäkringar AB Group's Non-life Insurance business unit conducts personal risk insurance, some motor, cargo, liability and property insurance as well as international reinsurance. The Länsförsäkringar AB Group also manages the Länsförsäkringar Alliance's joint reinsurance cover.

The technical result amounted to SEK 219 M (284) with a combined ratio of 89.0% (80.7). Premiums earned after ceded reinsurance rose 2% to SEK 1,480 M (1,450), driven by strong sales in personal risk and commercial insurance, while the business volumes in internationally assumed reinsurance declined.

Claims payments after ceded reinsurance amounted to SEK 1,012 M (890) and the claims ratio increased to 68.4% (61.4). The expense ratio increased slightly to 20.6% (19.3), mainly due to the impairment of capitalised acquisition costs in motor insurance. Profit before tax amounted to SEK 196 M (436), with the decrease mainly due to lower unrealised gains on property holdings.

Personal risk

The technical result for Personal risk fell to SEK 42 M (116). Earnings for health care insurance weakened year-on-year as a result of higher claims costs related to operations and medical care since the use of health care insurance has increased. Earnings for health insurance and group life assurance declined, mainly because earnings in 2022 included high run-off gains on prior-year's claims reserves.

Motor, Commercial and Reinsurance

The technical result for Motor, Commercial and Reinsurance rose to SEK 170 M (165). Earnings for internationally assumed reinsurance improved due to few major claims in the first half of the year and run-off gains on prior-year's claims reserves. Earnings for liability insurance increased slightly due to run-off gains and earnings for cargo insurance remained positive. Earnings for the Länsförsäkringar Alliance's internal reinsurance, to which Länsförsäkringar AB contributes a 15% share of assumed reinsurance, were negatively weak due to more fire-damage claims affecting the business. Motor insurance also reported negative earnings due to higher claims costs.

The Non-life Insurance business unit also includes annuities operations and run-off business, which reported a profit of SEK 7 M (3).

Agria

Agria's technical result fell to SEK 172 M (315) since the claims-cost trend was higher than premium growth. The combined ratio amounted to 95.6% (88.5).

Growth continued to be healthy, premiums earned after ceded reinsurance rose 8% to SEK 2,895 M (2,679) attributable both to premium increases and portfolio growth. The international operations reported the highest growth in business volumes.

Claims payments after ceded reinsurance amounted to SEK 2,034 M (1,778). The claims ratio including claims adjustment costs rose to 70.3% (66.3) since claims costs increased more than premium growth in the first half-year. Operating expenses amounted to SEK 734 M (594) and the expense ratio rose to 25.3% (22.2), primarily due to Agria's international expansion and the continued digitisation of the operations for increased efficiency and improved long-term profitability.

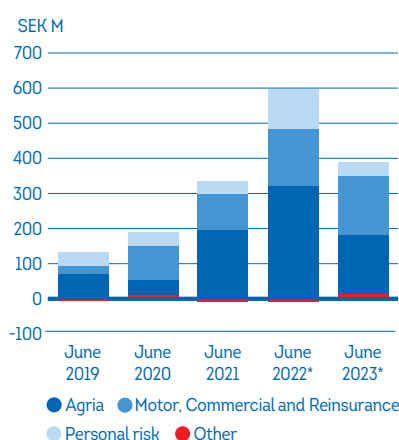
Profit before tax rose to SEK 188 M (150) due to higher investment income from rising stock markets in the first half of the year.

Agria is continuing to expand internationally, and in February Agria took over the role of insurer of Capstone's operations in Ireland and in the Netherlands. At the same time, the brand Petinsure was changed to Agria Petinsure in the Irish market, and the brand Zoopo was changed to Agria Dierenverzekering in the Dutch market.

Agria's digital veterinary service and the Agria Vårdguide app were launched in the UK in April following a successful launch in the Nordic region.

At the start of the summer, Agria arranged its popular Dog Walk event to raise money for homeless dogs, and the Glädjehoppet hobbyhorse event for the Swedish Childhood Cancer Fund.

Technical result



* According to legally restricted IFRS.

Bank

Profit before tax for the banking operations, according to legally restricted IFRS, increased to SEK 1,131 M (953). The increase was primarily attributable to improved net interest income. Net interest income, according to legally restricted IFRS, increased 47% to SEK 3,242 M (2,200). More information about Länsförsäkringar Bank is available on pages 8-9.

Unit-linked insurance

Länsförsäkringar Fondliv's profit before tax amounted to SEK 759 M (463). Managed assets increased 11% in the first half of the year to SEK 220 billion on 30 June 2023, primarily due to higher returns as a result of rising stock markets. Total premium income amounted to SEK 9,553 M (10,525), with premiums paid increasing 6% to SEK 5,612 M (5,320), while transferred in business volumes declined. More information about Länsförsäkringar Fondliv is available on pages 10-11.

Parent Company

Länsförsäkringar AB Group's Parent Company consists of the Non-life Insurance business unit excluding Länsförsäkringar Gruppliv, as well as units within Support and Service. Support and Service is responsible for business service, both within the Group and for the regional insurance companies, and conducts Länsförsäkringar's joint IT and strategic development operations.

The Parent Company's non-life insurance business reported premiums earned after ceded reinsurance of SEK 1,300 M (1,282), driven by strong sales in personal risk and commercial insurance, while the business volumes in internationally assumed reinsurance declined.

Claims payments after ceded reinsurance amounted to SEK 904 M (809). The technical result amounted to SEK 180 M (230).

Non-technical income and expenses from the Parent Company's Support and Service operations amounted to SEK -237 M (-156).

The Parent Company's profit before tax amounted to SEK 690 M (1,072).

Other events during the period

Jonas Ekegren became the CFO of Länsförsäkringar AB on 21 February 2023.

On 1 March 2023, the bonus rate in the savings forms of New Trad and Old Trad was raised from 1% to 4% due to high return on investment assets during the first two months of 2023.

On 1 April 2023, Sara Rindevall took office as President of Länsförsäkringar Fondliv.

Events after the end of the period

Länsförsäkringar Liv decided to distribute an extra bonus rate to approximately 300,000 customers in Old Trad due to a strong collective consolidation following an extended period of successful fixed-income, currency and equities positions. A total of SEK 6.5 billion was distributed in July 2023, corresponding to an extra 14% increase in customers' insurance capital.

The bonus rate for New Trad was raised from 4% to 5%, before taxes and fees, from 1 August 2023. The bonus rate for Old Trad remained at 4%.

Risks and uncertainty factors of the operations

The rate of inflation in the global economy declined in the first half of 2023, but the decrease was less than expected and central banks continued to raise interest rates to curb inflation. At the same time, optimism in the financial markets about the economic climate increased and stock markets rose. The turmoil in the banking sector in the first months of the year gradually abated and the consequences for the financial system were limited.

Unit-linked managed assets in Länsförsäkringar Fondliv increased during the period, mainly due to rising stock markets. In the unit-linked insurance operations, the policyholders primarily bear the market risks, but since the managed assets trend affects earnings, Länsförsäkringar Fondliv is also exposed to market risk. Earnings may also be negatively affected if customers move their insurance to paid-up policies or transfer them to another insurance company, since this leads to lower future fee income.

Business volumes in Länsförsäkringar Bank increased during the period, mainly due to the healthy trend in fund volumes combined with higher mortgage volumes. Credit risks in the banking operations are primarily affected by the economic situation in Sweden since all loans are granted locally. Low loan-to-value ratios, combined with a well-diversified geographic spread and local presence, are the core pillars in efforts to ensure that the loan portfolio maintains high credit quality. Credit losses remained very low during the period.

The Group's non-life insurance operations are highly diverse, ranging from cargo insurance and reinsurance to pet insurance. Non-life insurance taken out is reinsured, where deemed appropriate, and extensive reinsurance operations are conducted on behalf of the Länsförsäkringar Alliance.

The day-to-day operations include a variety of process risks and the Group's products and services may be associated with different types of product risks. Security risks, for example, external crime and internal fraud cannot be completely avoided and the war in Ukraine risks leading to higher cyber risks and other security risks. Compliance risks, particularly those associated with money laundering and financing of terrorism, are managed by maintaining a high level of internal governance and control. The risk of the life-assurance and banking operations being used to launder money and finance terrorism or fraud is reduced through a systematic process of risk assessments and active monitoring of ongoing business relationships and deviating activities or transactions. Suspicious activity and transactions are reported directly to the Financial Intelligence Unit of the police. The head of Financial Crime Prevention is a member of the bank's management team and reports directly to the bank's President.

The Parent Company in the Länsförsäkringar AB Group also assumes risks attributable to the company's investments in liquidity and the business-support operations conducted on behalf of the subsidiaries and the regional insurance companies.

Despite uncertainty in the world and in the financial markets, the Länsförsäkringar AB Group continues to have a stable capital position.

A more detailed description of the risks to which the Group is exposed, and how they are managed, is presented in Länsförsäkringar AB's 2022 Annual Report in Group note 2 Risk and capital management.

The results of the operations for the period and the financial position of the Länsförsäkringar AB Group and the Parent Company at 30 June 2023 are presented in the following financial statements with accompanying notes.

Financial statements

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Länsförsäkringar Alliance non-life insurance

Financial statements

Income statement for Länsförsäkringar Alliance non-life insurance			
SEK M	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Premiums earned after ceded reinsurance	16,761	16,086	32,768
Investment income transferred from financial operations	989	447	1,011
Claims payments after ceded reinsurance	-13,316	-10,353	-23,969
Operating expenses	-3,414	-3,040	-6,319
Other technical revenue/expenses	-2	-18	-7
Technical result for non-life insurance operations before bonuses and discounts	1,018	3,122	3,484
Bonuses and discounts	-182	-171	-1,249
Technical result for non-life insurance operations after bonuses and discounts	836	2,951	2,234
Total investment income	5,498	-8,291	-5,329
Investment income transferred to insurance operations	-854	-165	-599
Other income/expenses	29	-310	-650
Profit/loss before tax	5,509	-5,814	-4,344

Balance sheet for Länsförsäkringar Alliance non-life insurance			
SEK M	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS			
Shares and participations	75,627	71,715	71,586
Bonds and other interest-bearing securities	35,084	33,999	33,723
Other investment assets	41,767	38,381	41,311
Total investment assets	152,479	144,095	146,620
Reinsurers' portion of technical provisions	9,822	10,887	9,046
Receivables and other assets	17,770	14,943	14,921
Cash and bank balances	9,004	11,369	10,917
Prepaid expenses and accrued income	2,393	2,017	1,994
TOTAL ASSETS	191,467	183,311	183,499
EQUITY, PROVISIONS AND LIABILITIES			
Equity	102,799	97,392	98,905
Technical provisions (before ceded reinsurance)	68,135	66,618	63,742
Other provisions and liabilities	17,513	16,184	17,841
Accrued expenses and deferred income	3,019	3,117	3,011
TOTAL EQUITY, PROVISIONS AND LIABILITIES	191,467	183,311	183,499

The Länsförsäkringar Alliance comprises 23 local and customer-owned regional insurance companies and the jointly owned Länsförsäkringar AB. The Länsförsäkringar Alliance is not a Group in the legal sense of the term. Most of the non-life insurance business in the Alliance is underwritten by the regional insurance companies. For additional information about the non-life insurance business conducted by the Länsförsäkringar AB Group, see note 2 Earnings per operating segment.

Earnings from the Länsförsäkringar Alliance's non-life insurance operations consist of the total earnings of the 23 regional insurance companies and the non-life insurance operations of the Länsförsäkringar AB Group. Earnings for Support and Service are also included. The holdings and change in value in the Länsförsäkringar AB share and transactions between the regional insurance companies and the Länsförsäkringar AB Group have been eliminated.

Länsförsäkringar AB Group

Key figures

Key figures for the Länsförsäkringar AB Group			
	Jan-Jun	Jan-Jun	Full-year
SEK M (unless otherwise stated)	2023	2022	2022
Group			
Profit before tax	2,020	1,474	2,513
Net profit for the period	1,259	1,115	1,963
Return on equity, %	12	9	8
Total assets, SEK billion	739	691	686
Equity per share, SEK	3,197	3,058	3,144
Solvency capital	37,352	35,414	36,316
Solvency margin, %	426	272	434
Own funds for the insurance group (FRL)	62,945	58,677	59,099
Solvency capital requirement for the insurance group (FRL)	45,510	38,932	41,836
Own funds for the financial conglomerate	62,945	58,677	59,099
Capital requirement for the financial conglomerate	45,510	38,932	41,836
Insurance operations			
<i>Non-life insurance operations</i>			
Premiums earned (after ceded reinsurance)	4,194	3,961	8,139
Investment income transferred from financial operations	90	4	9
Claims payments (after ceded reinsurance)	-2,938	-2,586	-5,673
Technical result for non-life insurance operations	463	640	903
<i>Premium income, non-life insurance</i>			
Premium income (before ceded reinsurance)	6,674	6,294	10,172
Premium income (after ceded reinsurance)	5,075	4,686	8,373
<i>Life-assurance operations</i>			
Premium income (after ceded reinsurance)	428	403	673
Fees pertaining to financial agreements	434	466	882
Investment income, net	293	-681	-581
Claims payments (after ceded reinsurance)	-186	-168	-320
Technical result, life-assurance operations	700	421	680
Operating profit for insurance operations	889	521	445
<i>Key figures</i>			
Cost ratio	28	25	27
Expense ratio	21	19	21
Claims ratio	70	66	70
Combined ratio	92	84	91
Management cost ratio, life-assurance operations	0.8	0.8	0.8
Direct yield, %	-0.6	-0.3	-0.5
Total return, %	2.7	-4.1	-3.3
<i>Financial position</i>			
Investment assets, SEK billion	18	17	17
Unit-linked insurance assets, policyholder bears the risk, SEK billion	215	186	192
Technical provisions (after ceded reinsurance), SEK billion	12	11	11

Key figures for the Länsförsäkringar AB Group, cont.

	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
SEK M (unless otherwise stated)			
Banking operations			
Net interest income	3,242	2,200	5,147
Profit before tax	1,131	953	2,067
Net profit for the period	916	829	1,664
Return on equity, %	8.6	7.6	8.2
Total assets, SEK billion	483	466	457
Equity	23,365	22,022	22,586
Cost/income ratio before credit losses and fees levied	0.49	0.50	0.50
Investment margin, %	1.47	1.02	1.19
Common Equity Tier 1 capital ratio, consolidated situation, %	14.7	14.9	15.4
Tier 1 ratio, consolidated situation, %	16.5	16.7	17.2
Total capital ratio, consolidated situation, %	18.9	18.9	18.5
Credit loss level, %	0.01	0.02	0.03
Liquidity coverage ratio, consolidated situation, %	317	305	334
Net Stable Funding Ratio, consolidated situation, %	126	126	125

For definitions, refer to Länsförsäkringar AB's 2022 Annual Report.

The comparative information has been restated due to the voluntary change of accounting policies as described in note 1 Accounting policies.

Key figures for the Banking operations according to full IFRS that is applied in the Länsförsäkringar Bank Group's reporting

	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
SEK M (unless otherwise stated)			
Banking operations			
Net interest income	3,515	2,362	5,528
Profit before tax	1,130	953	2,067
Net profit for the period	917	829	1,663
Total assets, SEK billion	484	466	457

Other key figures for the Banking operations according to full IFRS have not been changed.

Statement of income for the Länsförsäkringar AB Group			
SEK M	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
TECHNICAL RECOGNITION OF NON-LIFE INSURANCE OPERATIONS			
Premiums earned (after ceded reinsurance)	4,194	3,961	8,139
Premium income	6,674	6,293	10,172
Premiums for ceded reinsurance	-1,599	-1,607	-1,799
Change in Provision for unearned premiums and unexpired risks	-1,602	-1,444	-237
Reinsurers' portion of Change in provision for unearned premiums and unexpired risks	721	720	3
Investment income transferred from financial operations	90	4	9
Other technical revenue (after ceded reinsurance)	7	7	109
Claims payments (after ceded reinsurance)	-2,938	-2,586	-5,673
Claims paid	-3,073	-2,748	-5,624
Before ceded reinsurance	-4,265	-3,767	-7,532
Reinsurers' portion	1,192	1,019	1,908
Change in Provision for claims outstanding	135	162	-49
Before ceded reinsurance	147	645	1,564
Reinsurers' portion	-12	-483	-1,612
Change in Other technical provisions (after ceded reinsurance)			
Operating expenses	-889	-747	-1,680
Other technical expenses (after ceded reinsurance)	-1	0	-2
Technical result for non-life insurance operations	463	640	903
TECHNICAL RECOGNITION OF LIFE-ASSURANCE OPERATIONS			
Premium income (after ceded reinsurance)	428	403	673
Premium income	445	422	711
Premiums for ceded reinsurance	-17	-18	-38
Investment income, revenue	132	69	128
Unrealised gains on investment assets	21,900	0	0
Other technical revenue	1,532	1,311	2,335
Claims payments (after ceded reinsurance)	-186	-168	-320
Claims paid	-165	-135	-277
Before ceded reinsurance	-168	-138	-283
Reinsurers' portion	3	3	5
Change in Provision for claims outstanding	-22	-33	-43
Before ceded reinsurance	-18	-34	-44
Reinsurers' portion	-4	2	1
Change in other technical provisions (after ceded reinsurance)	-22,048	38,793	33,463
Life-assurance provision	-111	-77	-14
Technical provisions for life-assurance provision, policyholder bears the risk	-21,937	38,870	33,477
Unit-linked insurance commitments	-21,651	38,223	32,934
Conditional bonus	-286	648	543
Operating expenses	-920	-970	-1,865
Investment income, expenses	-86	-75	-156
Unrealised losses on investment assets	-0	-38,901	-33,492
Other technical expenses (after ceded reinsurance)	-51	-41	-86
Technical result, life-assurance operations	700	421	680

Statement of income for the Länsförsäkringar AB Group, cont.			
SEK M	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
NON-TECHNICAL RECOGNITION			
Technical result for non-life insurance operations	463	640	903
Technical result, life-assurance operations	700	421	680
Investment income, revenue	543	394	752
Unrealised gains on investment assets	173	209	148
Investment income, expenses in the non-life insurance operations	-445	-357	-680
Unrealised losses on investment assets	-92	-523	-505
Investment income transferred to non-life insurance operations	-104	-14	-34
Other income	1,353	1,143	2,425
Other expenses	-1,702	-1,394	-3,244
Profit from insurance operations	889	521	445
BANKING OPERATIONS			
Net interest income	3,242	2,200	5,147
Net commission income and other operating income	625	1,401	2,386
Operating expenses	-2,518	-2,431	-5,010
Credit losses	-21	-49	-123
Risk tax levied and resolution fee	-196	-168	-333
Profit for banking operations	1,131	953	2,067
Profit before tax	2,020	1,474	2,513
Current tax	-778	-399	-586
Deferred tax	17	39	36
Tax on profit for the period	-761	-359	-550
Profit for the period	1,259	1,115	1,963

Statement of comprehensive income for the Länsförsäkringar AB Group			
SEK M	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Profit for the period	1,259	1,115	1,963
Other comprehensive income			
Items that have been transferred or can be transferred to profit for the period			
Translation differences attributable to foreign operations	38	6	9
Cash flow hedges	34	270	253
Change in fair value of financial assets measured at fair value through other comprehensive income	-23	-416	-281
Tax attributable to items that have been transferred or can be transferred to profit or loss	-2	30	6
Total	47	-109	-14
Items that cannot be transferred to profit and loss			
Change in fair value of equity instruments measured at fair value through other comprehensive income	13	-11	-3
Tax attributable to items that cannot be reversed to profit for the period	-3	1	1
Total	11	-9	-2
Total other comprehensive income for the period, net after tax	58	-119	-16
Comprehensive income for the period	1,316	996	1,947

Balance sheet for the Länsförsäkringar AB Group			
SEK M	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS			
Intangible assets	4,209	4,045	3,979
Goodwill	102	128	115
Other intangible assets	4,107	3,916	3,865
Investment assets	107,332	86,421	82,757
Investments in Group companies, associated companies, joint ventures and other companies with a participating interest	133	88	140
Shares in Länsförsäkringar Liv	8	8	8
Shares and participations in associated companies and joint ventures	125	80	131
Other financial investment assets	107,060	86,222	82,456
Shares and participations	6,981	6,349	6,572
Bonds and other interest-bearing securities	91,559	71,943	67,627
Other loans	-	-	0
Derivatives	8,521	7,930	8,256
Deposits with companies that have ceded reinsurance	139	110	162
Investment assets for which the life-assurance policyholder bears the investment risk	214,452	185,538	192,086
Unit-linked insurance assets	214,452	185,538	192,086
Reinsurers' portion of Technical provisions	9,822	10,947	9,106
Unearned premiums and unexpired risks	1,222	1,213	497
Claims outstanding	8,600	9,734	8,609
Receivables	386,854	380,224	376,810
Receivables, direct insurance	3,714	3,188	3,181
Receivables, reinsurance	1,201	1,405	740
Loans to the public	383,953	378,065	376,362
Fair value adjustment of interest-rate-risk hedged items in portfolio hedge	-4,150	-4,395	-4,847
Other receivables	2,136	1,962	1,373
Other assets	12,160	20,065	17,654
Tangible assets and inventories	8,329	7,810	8,075
Cash and bank balances	3,378	11,743	9,245
Other assets	452	512	334
Deferred tax	87	117	62
Current tax	365	395	272
Prepaid expenses and accrued income	4,153	3,894	3,787
Accrued interest and rental income	72	37	60
Deferred acquisition costs	2,852	2,704	2,744
Other prepaid expenses and accrued income	1,229	1,152	983
TOTAL ASSETS	738,981	691,132	686,180

Balance sheet for the Länsförsäkringar AB Group, cont.			
SEK M	30 Jun 2023	30 Jun 2022	31 Dec 2022
EQUITY, PROVISIONS AND LIABILITIES			
Equity	35,525	34,074	34,976
Share capital	200	200	200
Other capital contributed	11,115	11,115	11,115
Tier 1 capital	2,200	2,200	2,200
Other reserves	-133	-331	-220
Retained earnings	20,884	19,775	19,717
Net profit for the period	1,259	1,115	1,963
Subordinated liabilities	3,092	2,596	2,597
Subordinated liabilities	3,092	2,596	2,597
Technical provisions (before ceded reinsurance)	21,484	21,734	19,662
Unearned premiums and unexpired risks	5,653	5,159	3,982
Life-assurance provision	2,743	2,579	2,550
Claims outstanding	13,089	13,996	13,130
Technical provisions for life assurance, policyholder bears the risk (before ceded reinsurance)	217,895	188,543	195,258
Conditional bonus	3,271	2,774	2,969
Unit-linked insurance commitments	214,624	185,770	192,289
Other provisions	1,788	1,426	1,359
Pensions and similar commitments	45	49	48
Current tax	591	230	239
Deferred tax	1,021	1,061	1,006
Other provisions	131	86	67
Deposits from reinsurers	65	63	63
Deposits from reinsurers	65	63	63
Liabilities	450,858	436,838	427,293
Liabilities, direct insurance	1,019	605	856
Liabilities, reinsurance	939	855	529
Due to credit institutions	9,901	9,933	8,992
Deposits and funding from the public	151,538	154,664	151,312
Fair value adjustment of interest-rate-risk hedged items in portfolio hedge	-11,602	-10,399	-12,010
Debt securities in issue	288,686	271,309	265,515
Derivatives	9,042	8,456	10,475
Other liabilities	1,335	1,415	1,624
Accrued expenses and deferred income	8,273	5,859	4,972
Reinsurers' portion of deferred acquisition costs	7	6	5
Other accrued expenses and deferred income	8,266	5,852	4,967
TOTAL EQUITY, PROVISIONS AND LIABILITIES	738,981	691,132	686,180

Statement of changes in equity for the Länsförsäkringar AB Group

SEK M	Share capital	Other capital contributed	Tier 1 capital	Reserves	Retained earnings including profit for the period	Total
Opening equity, 1 January 2022	200	11,115	2,200	-435	22,307	35,387
Effect of change in accounting policies ¹⁾	-	-	-	-	-537	-537
Adjusted opening equity						
1 Jan 2022	200	11,115	2,200	-435	21,770	34,850
Realised gain/loss from sale of shares	-	-	-	-	19	19
Transactions with the Group's owners						
<i>Contributions from and transfers of value to owners</i>						
Dividends paid	-	-	-	-	-1,751	-1,751
Total transactions with the Group's owners	-	-	-	-	-1,751	-1,751
Comprehensive income for the period ²⁾	-	-	-	-119	1,115	996
Dividends, etc., on Additional Tier 1 instruments	-	-	-	-	-40	-40
Closing equity, 30 June 2022	200	11,115	2,200	-554	21,113	34,074
Opening equity, 1 July 2022	200	11,115	2,200	-554	21,113	34,074
Transactions with the Group's owners						
<i>Contributions from and transfers of value to owners</i>						
Dividends paid	-	-	-	-	-	-
Total transactions with the Group's owners	-	-	-	-	-	-
Comprehensive income for the period	-	-	-	102	849	951
Dividends, etc., on Additional Tier 1 instruments	-	-	-	-	-49	-49
Closing equity, 31 December 2022	200	11,115	2,200	-452	21,913	34,976
Opening equity, 1 January 2023	200	11,115	2,200	-452	21,913	34,976
Realised gain/loss from sale of shares	-	-	-	-	-	-
Transactions with the Group's owners						
<i>Contributions from and transfers of value to owners</i>						
Dividends paid	-	-	-	-	-698	-698
Total transactions with the Group's owners	-	-	-	-	-698	-698
Comprehensive income for the period	-	-	-	58	1,259	1,316
Dividends, etc., on Additional Tier 1 instruments	-	-	-	-	-68	-68
Closing equity, 30 June 2023	200	11,115	2,200	-394	22,405	35,525

¹⁾ Refers to the effects of the transition from full IFRS to legally restricted IFRS.

²⁾ The comparative information has been restated due to the voluntary change of accounting policies as described in note 1 Accounting policies.

Länsförsäkringar AB Group

Notes to the financial statements

All figures in SEK M unless otherwise stated.

Note 1 Accounting policies

Compliance with standards and legislation

The Group's financial statements have been prepared in accordance with the Swedish Annual Accounts Act for Insurance Companies (ÅRFL) and Finansinspektionen's (the Swedish Financial Supervisory Authority, FSA) regulations and general guidelines FFFS 2019:23 regarding annual accounts at insurance undertakings and institutions for occupational retirement provision. The Group applied legally restricted IFRS, which means that IFRS and associated statements and interpretations endorsed by the EU are applied as far as possible within the framework of Swedish legislation and taking into consideration the connection between accounting and taxation. The differences arising between the Group's and the Parent Company's accounting policies are presented in the section Parent Company accounting policies.

This note states the areas in which changes have been made due to new or changed policies compared with Länsförsäkringar AB's 2022 Annual Report. For all other areas, the same policies and calculation methods have been applied.

Estimates and judgements in the financial statements

The preparation of accounts in accordance with legally restricted IFRS requires that management make judgements and estimates, and make assumptions that affect the application of the accounting policies and the carrying amounts of the income, expenses, assets, liabilities, contingent liabilities and provisions presented in the accounts. These judgements and estimates are based on historic experiences and the best information available on the balance-sheet date. The actual outcome may deviate from these estimates and judgements, but estimates are regularly evaluated to reduce deviations. Changes in estimates are recognised in the period in which the change is made if the change only affects that period, or in the period in which the change is made and future periods if the change affects both current and future periods. Changes to estimates and assessments during the period are described in this section.

Significant judgements applied to the Group's accounting policies

Insurance contracts

Contracts for direct insurance and assumed reinsurance that the Group issues in its capacity as an insurer in accordance with the provisions of the Insurance Business Act are classified and recognised as insurance contracts if they do not meet the definition of an investment contract. The changed definition did not result in any changes to the classification of the Group's insurance or investment contracts.

Amended accounting policies applied from 1 January 2023

Legally restricted IFRS

The Länsförsäkringar AB Group applies legally restricted IFRS from 1 January 2023. The most material effects identified in connection with the transition to legally restricted IFRS are described below.

Effects of amended accounting policies.

The transition to legally restricted IFRS in the consolidated financial statements entails reporting similar to the Parent Company which already applies legally restricted IFRS. The transition took place as a retrospective restatement and resulted in a non-recurring effect on the opening balance for the comparative period recognised in equity. The comparative figures in the interim report have been restated based on the principles according to legally restricted IFRS. Effect on amounts of amended accounting policies due to the transition to legally restricted IFRS are presented in the table below.

Legally restricted IFRS

By amending FFFS 2019:23 Regulations and general guidelines regarding annual accounts at insurance undertakings and institutions for occupational retirement provision, the FSA removed the Länsförsäkringar Alliance Interim review January-June 2023

requirement of applying the IAS regulation (full IFRS) in consolidated financial statements for unlisted insurance companies, occupational pension companies and financial holding companies. The FFFS regulations had been adapted to the provisions on consolidated financial statements for unlisted companies stipulated in the Swedish Annual Accounts Act for Insurance Companies (1995:1560).

For this reason, Länsförsäkringar AB has decided to transition to legally restricted IFRS from 1 January 2023 when IFRS 17 Insurance Contracts came into effect. The most material effects identified in connection with the transition to legally restricted IFRS are described below.

Presentation of the interim report

The transition to legally restricted IFRS in the consolidated financial statements involved changed requirements for the presentation of the interim report. The interim report is no longer prepared based on IAS 34, and has instead been prepared based on the compulsory disclosure requirements stipulated in the Swedish Annual Accounts Act for Insurance Companies (1995:1560), the Swedish Annual Accounts Act (1995:1554) and the FSA's regulations and general guidelines FFFS 2019:23 regarding annual accounts at insurance undertakings and institutions for occupational retirement provision and the accompanying amendments.

Consolidated financial statements

The Länsförsäkringar AB Group has decided not to present a cash-flow statement.

The Länsförsäkringar AB Group's presentation formats for its financial statements have been adapted to the ÅRFL and FFFS 2019:23. For the income statement, this change means that the presentation format is divided into the technical result for the non-life insurance and life-assurance operations, the non-technical result and earnings for the banking operations. The balance sheet has been adapted to the presentation format with the addition of certain specific bank-related balance-sheet items.

Intra-Group transactions are eliminated, but if they are the result of external income and expenses they are allocated in the consolidated income statement to the most relevant operations.

Yield tax

Yield tax paid by the company on behalf of the policyholders is recognised as tax in net profit for the year. The reimbursement deducted from assets managed on behalf of the policyholders is recognised as Other technical revenue. The items were previously recognised net in the line item change in life-assurance provision, policyholder bears the risk.

Leases

Insurance regulations give unlisted insurance groups the option to apply IFRS 16 Leases even though the standard is not applied to the annual report for the legal entity. The Länsförsäkringar AB Group has decided not to apply IFRS 16 in the consolidated financial statements so that the Group's and the Parent Company's accounting is the same. This choice means that all leases, both as lessee and lessor, are recognised as if they are operating leases even if the lease is deemed to be a finance lease.

Reporting for the lessee

For Länsförsäkringar AB as lessee, the changed accounting policy means that lease payments made are expensed straight-line over the term instead of being recognised in the balance sheet as a right-of-use asset and lease liability. Accordingly, this means that a depreciation cost for the right-of-use asset and interest expense for the lease liability are also not recognised.

Reporting for the lessor

As lessor, all leases will be recognised as if they are operating leases in

the cases in which the leases comprise finance leases. Received lease payments are recognised as rental income straight-line over the term, while a depreciation cost is recognised and is presented in the balance sheet for the tangible asset that the Group owns. Previously, a financial receivable from the lessee and an associated interest income in profit or loss was recognised for leases classified as finance leases.

Goodwill

With the transition to legally restricted IFRS, the useful life of consolidated goodwill is five years compared with the previous policy when consolidated goodwill had an unlimited useful life and thus was not amortised and instead was tested for impairment every year.

DESCRIPTION OF SIGNIFICANT ACCOUNTING POLICIES

This section describes the accounting policies for the areas in which a change has been made compared with the accounting policies applied in the 2022 Annual Report. For other material accounting policies applied, refer to the 2022 Annual Report.

Insurance contracts

Contracts for direct insurance and assumed reinsurance that the Group issues in its capacity as an insurer in accordance with the provisions of the Insurance Business Act are classified as insurance contracts or investment contracts. Insurance contracts comprise contracts for insurance that are classified as financial agreements in Länsförsäkringar Fondliv Försäkrings AB. Other contracts for insurance are classified as insurance contracts and essentially comprise contracts whereby the company accepts significant insurance risk by agreeing to compensate the policyholder if a specified insured event adversely affects the policyholder.

PRINCIPLES FOR ITEMS IN PROFIT OR LOSS

Leases

All leases, both for which Länsförsäkringar is the lessor and lessee, are recognised as if they are operating leases even if the lease is deemed to be a finance lease.

Reporting for the lessee

For leases in which the Group is lessee, paid lease payments are expensed straight-line over the lease term. Leases that contain both one or more lease components and one or more non-lease components are recognised for the lessee as a single lease component. This means that all payments that arise from the lease are recognised as lease payments.

Reporting for the lessor

For leases in which Länsförsäkringar is the lessor, received lease payments are recognised in profit or loss straight-line over the term.

Yield tax

Yield tax paid by the company on behalf of the policyholders is recognised as tax in net profit for the year. The reimbursement deducted from assets managed on behalf of the policyholders is recognised as Other technical revenue.

PRINCIPLES FOR BALANCE-SHEET ITEMS

Goodwill

Consolidated goodwill has a useful life of five years and amortised on a straight-line basis.

PARENT COMPANY ACCOUNTING POLICIES

Compliance with standards and legislation

Like the Group, the Parent Company applies legally restricted IFRS but with the addition that the Parent Company also applies the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The differences between the Parent Company's and the Group's accounting policies for the areas in which changes were made during the period are presented in this note. The other differences between the Parent Company's and the Group's accounting policies are unchanged and are described in Länsförsäkringar AB's 2022 Annual Report.

Amended accounting policies from 1 January 2023

From 1 January 2023, the Parent Company decided to change the policy for recognising shares and participations in Group companies and associated companies

Shares and participations in Group companies and associated companies

Shares and participations in Group companies are categorised based on the purpose of the holding. This policy means that the holding in Lf Sak Fastighets AB is now measured at fair value instead of at cost as previously. The change was made retrospectively and meant that comparative figures relating to 30 June 2022 and 31 December 2022 were restated in the amount of SEK 1,897 M and SEK 1,836 M, respectively. The opening balance of equity for 2022 was adjusted in the amount of SEK 1,688 M. The restatement impacted the comparative figures for profit or loss such that Unrealised gains pertaining to 30 June 2022 and 31 December 2022 were restated in the amount of SEK 209 M and SEK 148 M, respectively.

Shares and participations in associated companies are measured at fair value instead of at cost as previously. The change was made retrospectively and meant that comparative figures relating to 30 June 2022 and 31 December 2022 were restated in the amount of SEK 33 M and SEK 31 M, respectively. The opening balance of equity for 2022 was adjusted in the amount of SEK 29 M. The restatement impacted the comparative figures for profit or loss such that Unrealised gains pertaining to 30 June 2022 and 31 December 2022 were restated in the amount of SEK 4 M and SEK 2 M, respectively.

Differences between the Group's and the Parent Company's accounting policies

Shares and participations in Group companies and associated companies

Shares and participations in Group companies are measured at fair value or cost, based on the purpose of the subsidiary's operations. Subsidiaries held for the purpose of generating investment income through capital growth exclusively by investing funds in capital investment assets are measured at fair value through profit or loss, while other subsidiaries are measured according to the cost method. Dividends from subsidiaries are recognised as Investment income, revenue when the right to receive dividends is deemed to be certain and can be reliably calculated.

The Parent Company's holdings in Lf Sak Fastighets AB are held for investment income purposes and thus are measured at fair value. The Parent Company's holdings in other subsidiaries are measured according to the cost method.

Shares and participations in associated companies are measured at fair value.

Due to the transition to legally restricted IFRS for the Länsförsäkringar AB Group, previously published figures for Jan-Jun 2022 and Full-year 2022 have been restated. The changes are presented in the tables below.

Restatement table – Statement of income for the Länsförsäkringar AB Group						
SEK M Jan-Jun 2022	(Restated) Jan-Jun 2022	Lessee	Lessor	Yield tax	Goodwill	Jan-Jun 2022
TECHNICAL RECOGNITION OF NON-LIFE INSURANCE OPERATIONS						
Operating expenses	-747	0	-	-	-15	-732
Technical result for non-life insurance operations	640	0	-	-	-15	654
TECHNICAL RECOGNITION OF LIFE-ASSURANCE OPERATIONS						
Other technical revenue	1,311	-	-	190	-	1,121
Operating expenses	-970	-0	-	-	-	-970
Technical result, life-assurance operations	421	-0	-	190	-	231
NON-TECHNICAL RECOGNITION						
Profit from insurance operations	521	0	-	190	-15	345
BANKING OPERATIONS						
Net interest income	2,200	-160	-	-	-	2,360
Net commission income and other operating income	1,398	1,415	-	-	-	-17
Operating expenses	-2,427	-1,255	-	-	-	-1,172
Profit for banking operations	953	0	-	-	-	954
Profit/loss before tax	1,474	0		190	-15	1,299
Current tax	-399	-	-	-190	-	-209
Tax on profit for the period	-359	-	-	-190	-	-169
Profit for the period	1,115	0	-	-	-15	1,129

Restatement table – Statement of income for the Länsförsäkringar AB Group						
SEK M Jan-Dec 2022	(Restated) Full-year 2022	Lessee	Lessor	Yield tax	Goodwill	Full-year 2022
TECHNICAL RECOGNITION OF NON-LIFE INSURANCE OPERATIONS						
Operating expenses	-1,680	0	-	-	-31	-1,649
Technical result for non-life insurance operations	903	0	-	-	-31	934
TECHNICAL RECOGNITION OF LIFE-ASSURANCE OPERATIONS						
Other technical revenue	2,335	-	-	194	-	2,141
Operating expenses	-1,865	-0	-	-	-	-1,865
Technical result, life-assurance operations	680	-	-	194	-	486
NON-TECHNICAL RECOGNITION						
Profit from insurance operations	445	0	-	194	-31	283
BANKING OPERATIONS						
Net interest income	5,147	-376	-	-	-	5,523
Net commission income and other operating income	2,386	2,882	-	-	-	-495
Operating expenses	-5,010	-2,506	-	-	-	-2,504
Profit for banking operations	2,067	-	-	-	-	2,067
Profit/loss before tax	2,513	0		194	-31	2,350
Current tax	-586	-	-	-194	-	-392
Tax on net profit for the year	-550	-	-	-194	-	-356
Net profit/loss for the year	1,963	0	-	-	-31	1,995

Restatement table – Statement of financial position for the Länsförsäkringar AB Group

SEK M 30 Jun 2022	(Restated) 30 Jun 2022	Lessee	Lessor	Goodwill	30 Jun 2022
ASSETS					
Intangible assets	4,045	-	-	-595	4,639
Investment assets	86,421	-837	-	-	87,258
Receivables	380,219	-	-7,574	-	387,793
Other assets	20,065	-369	7,574	-	12,860
TOTAL ASSETS	691,127	-1,206	-	-595	692,928

SEK M 30 Jun 2022	(Restated) 30 Jun 2022	Lessee	Lessor	Goodwill	30 Jun 2022
EQUITY, PROVISIONS AND LIABILITIES					
Equity	34,074	40	-	-595	34,628
Liabilities	436,833	-1,246	-	-	438,079
TOTAL EQUITY, PROVISIONS AND LIABILITIES	691,127	-1,206	-	-595	692,928

Restatement table – Statement of financial position for the Länsförsäkringar AB Group

SEK M 31 Dec 2022	(Restated) 31 Dec 2022	Lessee	Lessor	Goodwill	31 Dec 2022
ASSETS					
Intangible assets	3,979	-	-	-613	4,592
Investment assets	82,757	-767	-	-	83,524
Receivables	376,810	-	-7,742	-	384,552
Other assets	17,654	-413	7,742	-	10,325
TOTAL ASSETS	686,180	-1,180	-	-613	687,973

SEK M 31 Dec 2022	(Restated) 31 Dec 2022	Lessee	Lessor	Goodwill	31 Dec 2022
EQUITY, PROVISIONS AND LIABILITIES					
Equity	34,976	40	-	-613	35,549
Liabilities	427,293	-1,219	-	-	428,513
TOTAL EQUITY, PROVISIONS AND LIABILITIES	686,180	-1,180	-	-613	687,973

Note 2 Earnings per operating segment

SEK M Jan-Jun 2023	Non-life insurance	Agria	Unit-linked insurance	Bank	Support & Service	Eliminations and adjustments	Total
TECHNICAL RECOGNITION OF NON-LIFE INSURANCE							
Premiums earned (after ceded reinsurance)	1,480	2,895	-	-	-	-1	4,374
Investment income transferred from financial operations	56	36	-	-	-	-	92
Other technical revenue (after ceded reinsurance)	-	9	-	-	-	-	9
Claims payments (after ceded reinsurance)	-1,012	-2,034	-	-	-	-	-3,046
Operating expenses	-304	-734	-	-	-	114	-924
Other technical expenses (after ceded reinsurance)	-1	-	-	-	-	-	-1
Technical result for non-life insurance operations	219	172	-	-	-	113	504
TECHNICAL RECOGNITION OF LIFE-ASSURANCE							
Premium income (after ceded reinsurance)	-	-	137	-	-	-	137
Investment income, revenue	-	-	121	-	-	-0	121
Unrealised gains on investment assets	-	-	21,889	-	-	-	21,889
Other technical revenue	-	-	1,532	-	-	-	1,532
Claims payments (after ceded reinsurance)	-	-	-78	-	-	-	-78
Change in other technical provisions (after ceded reinsurance)	-	-	-21,937	-	-	-	-21,937
Operating expenses	0	-	-813	-	-	-71	-884
Investment income, expenses	-	-	-81	-	-	-0	-82
Technical result, life-assurance operations	0	-	718	-	-	-72	647
NON-TECHNICAL RECOGNITION							
Technical result for non-life insurance operations	219	172	-	-	-	113	504
Technical result, life-assurance operations	0	-	718	-	-	-72	647
Investment income, revenue	-27	196	37	-	1,037	-693	551
Unrealised gains on investment assets	11	61	12	-	100	-	183
Investment income, expenses in the non-life insurance	-4	-205	-8	-	-232	0	-449
Unrealised losses on investment assets	-0	-0	-	-	-92	-	-92
Investment income transferred to non-life insurance	-3	-36	-	-	-66	-	-104
Other income	-0	-	53	-	2,006	-708	1,351
Other expenses	-	-	-53	-	-2,243	594	-1,702
Profit from insurance operations	196	188	759	-	510	-764	889
BANKING OPERATIONS							
Net interest income	-	-	-	3,240	-	2	3,242
Net commission income and other operating income	-	-	-	625	-	-	625
Operating expenses	-	-	-	-2,518	-	-	-2,518
Credit losses	-	-	-	-21	-	-	-21
Risk tax levied and resolution fee	-	-	-	-196	-	-	-196
Profit for banking operations	-	-	-	1,129	-	2	1,131
Profit/loss before tax	196	188	759	1,129	510	-763	2,020

Segment note for the Banking operations according to full IFRS that is applied in the Länsförsäkringar Bank Group's reporting

SEK M Jan-Jun 2023	Non-life insurance	Agria	Unit-linked insurance	Bank	Support & Service	Eliminations and adjustments	Total
BANKING OPERATIONS							
Net interest income	-	-	-	3,515	-	-	3,515
Net commission income and other operating income	-	-	-	-888	-	-	-888
Operating expenses	-	-	-	-1,280	-	-	-1,280
Credit losses	-	-	-	-21	-	-	-21
Risk tax levied and resolution fee	-	-	-	-196	-	-	-196
Profit for banking operations	-	-	-	1,130	-	-	1,130

Premium income per geographic market, Agria operating segment

SEK M	Jan-Jun 2023	Jan-Jun 2022 ¹⁾
Sweden	1,535	1,551
Denmark	209	175
Finland	85	66
Norway	430	416
UK	642	548
France	29	18
Germany	10	2
Ireland	22	14
Total	2,963	2,790

¹⁾ Comparative figures have been adjusted.

The distribution into operating segments matches how the Group is organised and is monitored by Group management. The technical result is presented for Non-life Insurance, Agria and Unit-linked Insurance since the result is followed up by Group management. Income is primarily attributable to Sweden, and the remaining part comes from Denmark, Finland, France, Norway, the UK and Germany.

The **Non-life Insurance** operating segment pertains to non-life and group life assurance; group life assurance comprises a minor portion only. The Länsförsäkringar Alliance's internal and external reinsurance are also included.

The **Agria operating segment** refers to insurance cover for pets as well as crop insurance for agricultural customers.

The **Unit-linked Insurance operating segment** refers to life-assurance operations linked to mutual funds.

The **Banking operating segment** pertains to deposits and lending operations. The legal structure of Länsförsäkringar Bank Group matches the product offering to customers.

The **Support and Service** operating segment pertains to service, IT and development for the Länsförsäkringar Alliance and costs for shared functions.

Depreciation/amortisation and impairment: Depreciation of property and equipment and amortisation of intangible assets in Non-life Insurance is included in Other administration expenses. Amortisation pertaining to acquired intangible assets under Unit-linked insurance is included in eliminations and adjustments of administration expenses.

Investment income, net: Investment income transferred from financial operations to insurance operations is recognised in Non-life Insurance.

Continued on next page

Note 2 Earnings per operating segment, cont.

SEK M Jan-Jun 2022	Non-life insurance	Agria	Unit-linked insurance	Bank	Support & Service	Eliminations and adjustments	Total
TECHNICAL RECOGNITION OF NON-LIFE INSURANCE							
Premiums earned (after ceded reinsurance)	1,450	2,679	-	-	-	-1	4,129
Investment income transferred from financial operations	4	0	-	-	-	-	4
Other technical revenue (after ceded reinsurance)	-	7	-	-	-	-	7
Claims payments (after ceded reinsurance)	-890	-1,778	-	-	-	-	-2,668
Operating expenses	-280	-594	-	-	-	96	-778
Other technical expenses (after ceded reinsurance)	0	-	-	-	-	-	0
Technical result for non-life insurance operations	284	315	-	-	-	95	694
TECHNICAL RECOGNITION OF LIFE-ASSURANCE							
Premium income (after ceded reinsurance)	-	-	158	-	-	-	158
Investment income, revenue	-	-	64	-	-	-0	64
Unrealised gains on investment assets	-	-	-	-	-	-	-
Other technical revenue	-	-	1,311	-	-	-	1,311
Claims payments (after ceded reinsurance)	-	-	-86	-	-	-	-86
Change in other technical provisions (after ceded reinsurance)	-	-	38,870	-	-	-	38,870
Operating expenses	-	-	-868	-	-	-71	-939
Investment income, expenses	-	-	-72	-	-	-0	-73
Technical result, life-assurance operations	-	-	465	-	-	-72	393
NON-TECHNICAL RECOGNITION							
Technical result for non-life insurance operations	284	315	-	-	-	95	694
Technical result, life-assurance operations	-	-	465	-	-	-72	393
Investment income, revenue	-25	107	13	-	1,391	-1,087	400
Unrealised gains on investment assets	209	0	-	-	-	-	209
Investment income, expenses in the non-life insurance	-2	-88	-7	-	-261	0	-359
Unrealised losses on investment assets	-30	-185	-7	-	-331	-	-553
Investment income transferred to non-life insurance	-	-0	-	-	-14	-	-14
Other income	0	1	-	-	1,781	-638	1,143
Other expenses	-	-	-	-	-1,937	543	-1,394
Profit from insurance operations	436	150	463	-	629	-1,158	521
BANKING OPERATIONS							
Net interest income	-	-	-	2,199	-	0	2,200
Net commission income and other operating income	-	-	-	1,401	-	-	1,401
Operating expenses	-	-	-	-2,431	-	-	-2,431
Credit losses	-	-	-	-49	-	-	-49
Risk tax levied and resolution fee	-	-	-	-168	-	-	-168
Profit for banking operations	-	-	-	953	-	0	953
Profit/loss before tax	436	150	463	953	629	-1,158	1,474

Segment note for the Banking operations according to full IFRS that is applied in the Länsförsäkringar Bank Group's reporting

SEK M Jan-Jun 2022	Non-life insurance	Agria	Unit-linked insurance	Bank	Support & Service	Eliminations and adjustments	Total
BANKING OPERATIONS							
Net interest income	-	-	-	2,362	-	-	2,362
Net commission income and other operating income	-	-	-	-17	-	-	-17
Operating expenses	-	-	-	-1,175	-	-	-1,175
Credit losses	-	-	-	-49	-	-	-49
Risk tax levied and resolution fee	-	-	-	-168	-	-	-168
Profit for banking operations	-	-	-	953	-	-	953

Note 3 Related-party transactions

During the period, standard business transactions took place with companies with which a related-party relationship exists.

Note 4 Fair value valuation techniques

Table 1	30 Jun 2023		31 Dec 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Shares in Länsförsäkringar Liv Försäkrings AB	8	8	8	8
Loans to the public	383,953	380,249	376,362	372,420
Unit-linked insurance assets, policyholder bears the risk	214,452	214,452	192,086	192,086
Shares and participations	6,981	6,981	6,572	6,572
Shares and participations in associated companies	125	125	131	131
Bonds and other interest-bearing securities	59,861	59,861	56,770	56,770
Treasury bills and other eligible bills	31,698	31,698	10,857	10,857
Derivatives	8,521	8,521	8,256	8,256
Other receivables	2,124	-	1,147	-
Prepaid expenses and accrued income	445	-	579	-
Cash and bank balances	3,378	-	9,245	-
Total financial assets	711,545		662,014	
Financial liabilities				
Subordinated liabilities	3,092	2,950	2,597	2,428
Debt securities in issue	288,686	278,170	265,515	253,369
Unit-linked insurance commitments	214,624	214,624	192,289	192,289
Deposits from the public	151,538	155,182	151,312	154,568
Due to credit institutions	9,901	9,901	8,992	8,992
Derivatives	9,042	9,042	10,475	10,475
Other liabilities	717	-	816	-
Accrued expenses and deferred income	4,149	-	1,798	-
Total financial liabilities	681,750		633,795	

The carrying amount of other receivables, cash and cash equivalents, due to credit institutions and other liabilities is deemed to comprise a reasonable approximation of their fair value since these assets and liabilities have short terms.

Note 4 Fair value valuation techniques, cont.

Financial assets and liabilities measured at fair value in the statement of financial position are presented in the table based on the valuation techniques applied:

Level 1 refers to prices determined from prices listed in an active market.

Level 2 refers to prices determined by calculated prices of observable market data.

Level 3 refers to prices based on own assumptions and judgements.

Note 2 Fair value valuation techniques

30 Jun 2023	Level 1	Level 2	Level 3	Total carrying amount
Assets				
Shares in Länsförsäkringar Liv Försäkrings AB	-	-	8	8
Unit-linked insurance assets, policyholder bears the risk	214,333	-	119	214,452
Shares and participations	3,620	27	3,334	6,981
Shares and participations in associated companies	-	-	125	125
Bonds and other interest-bearing securities	58,569	-	1,292	59,861
Treasury bills and other eligible bills	5,710	25,988	-	31,698
Derivatives	0	8,520	-	8,521
Liabilities				
Derivatives	1	9,041	-	9,042

31 Dec 2022	Level 1	Level 2	Level 3	Total carrying amount
Assets				
Shares in Länsförsäkringar Liv Försäkrings AB	-	-	8	8
Unit-linked insurance assets, policyholder bears the risk	191,941	-	144	192,086
Shares and participations	3,229	23	3,320	6,572
Shares and participations in associated companies	-	-	131	131
Bonds and other interest-bearing securities	55,511	-	1,259	56,770
Treasury bills and other eligible bills	6,273	4,584	-	10,857
Derivatives	0	8,256	-	8,256
Liabilities				
Derivatives	2	10,473	-	10,475

There were no significant transfers between level 1 to level 2 during the first half of 2023 or during 2022. There were no transfers from Level 3 in 2023. In 2022, there was one transfer regarding Unit-linked insurance assets from Level 1 to Level 3.

Note 4 Fair value valuation techniques

Table 3 – Change Level 3	Shares in Länsförsäkr- ingar Liv Försäkrings AB	Unit-linked insurance assets	Shares and participations	Shares and participations in associated companies	Bonds and other interest- bearing securities	Total carrying amount
Opening balance, 1 January 2022	8	-	2,855	131	982	3,977
Transferred from Level 1 to Level 3	-	144	-	-	-	144
Transferred from Level 2 to Level 3	-	-	-	-	-	-
Acquisitions	-	-	219	-	283	502
Divestments and reclassifications	-	-	-27	-	-38	-65
Recognised in profit for the period	-	-	273	-	32	305
Recognised in other comprehensive income	-	-	0	-	-	0
Closing balance, 31 December 2022	8	144	3,320	131	1,259	4,863
Opening balance, 1 January 2023	8	144	3,320	141	1,259	4,873
Transferred from Level 1 to Level 3	-	-	-	-	-	-
Transferred from Level 2 to Level 3	-	-	-	-	-	-
Acquisitions	-	-	80	2	39	122
Divestments and reclassifications	-	-	-	-28	-4	-32
Recognised in profit for the period	-	-25	-75	9	-6	-98
Recognised in other comprehensive income	-	-	9	-	4	12
Closing balance, 30 June 2023	8	119	3,334	125	1,292	4,877

Note 5 Significant events after the end of the reporting period

There were no significant events after the end of the reporting period.

Länsförsäkringar AB Parent Company

Key figures

Key figures for Länsförsäkringar AB, Parent Company			
	Jan-Jun	Jan-Jun	Full-year
SEK M	2023	2022	2022
Premium income (after ceded reinsurance)	2,134	1,909	2,625
Technical provisions (after ceded reinsurance)	5,062	4,589	4,230
Solvency capital	42,406	43,128	43,582
<i>Of which, surplus values in investments in Group companies</i>	<i>20,866</i>	<i>21,854</i>	<i>22,040</i>
<i>Of which, deferred tax</i>	<i>3</i>	<i>10</i>	<i>11</i>
Solvency margin, %	1,488	1,692	1,660
Own funds ¹⁾	21,149	20,408	20,548
Minimum capital requirement	2,833	2,571	2,633
Solvency capital requirement	9,390	8,998	9,215
Claims ratio	70	63	73
Expense ratio	21	19	19
Combined ratio	91	82	92
Direct yield, %	0.2	0.2	0.4
Total return, %	1.6	-0.7	-0.1

¹⁾ Of which Tier 1 capital 21,149 (20,408)

For definitions, refer to Länsförsäkringar AB's 2022 Annual Report.

The comparative information has been restated due to the voluntary change of accounting policies as described in the Group's note 1 Accounting policies under the section Parent Company accounting policies.

Länsförsäkringar AB Parent Company

Financial statements

Income statement for Länsförsäkringar AB, Parent Company			
SEK M	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
TECHNICAL RECOGNITION OF NON-LIFE INSURANCE OPERATIONS			
Premiums earned (after ceded reinsurance)	1,300	1,282	2,585
Investment income transferred from financial operations	54	4	9
Claims payments (after ceded reinsurance)	-904	-809	-1,876
Operating expenses	-269	-249	-499
Other technical expenses	-1	0	-2
Technical result for non-life insurance operations	180	230	217
NON-TECHNICAL RECOGNITION			
Technical result for non-life insurance operations	180	230	217
Investment income, revenue	851	1,212	2,095
Unrealised gains on investment assets	100	-	-
Investment income, expenses	-46	-82	-126
Unrealised losses on investment assets	-92	-118	-179
Investment income transferred to non-life insurance operations	-66	-14	-33
Other income	2,006	1,781	3,684
Other expenses	-2,243	-1,937	-4,309
Profit before appropriations	690	1,072	1,348
Appropriations			
Tax allocation reserve	-	-	-14
Profit before tax	690	1,072	1,334
Tax on profit for the period	-9	-	-12
Profit for the period	681	1,072	1,322

Statement of comprehensive income	Jan-Jun 2023	Jan-Jun 2022	Jan-Jun 2022
SEK M			
Profit for the period	681	1,072	1,322
Other comprehensive income			
Items that cannot be transferred to profit and loss			
Change in fair value of equity instruments measured at FVOCI	9	-7	-2
Tax attributable to items that cannot be reversed to profit or loss	-2	-1	1
Comprehensive income for the period	688	1,064	1,321

Balance sheet for Länsförsäkringar AB, Parent Company			
SEK M	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS			
Intangible assets	411	398	323
Investment assets	23,084	22,938	21,910
Reinsurers' portion of Technical provisions	9,729	10,855	9,027
Receivables	2,258	2,233	2,299
Cash and bank balances	3,033	2,465	3,647
Other assets	532	369	393
Prepaid expenses and accrued income	639	540	431
TOTAL ASSETS	39,685	39,799	38,029
EQUITY, PROVISIONS AND LIABILITIES			
Equity	20,355	20,111	20,365
Untaxed reserves	1,188	1,174	1,188
Technical provisions (before ceded reinsurance)	14,791	15,444	13,257
Other provisions	75	78	71
Derivatives	10	33	3
Deposits from reinsurers	10	4	4
Liabilities	2,632	2,251	2,465
Accrued expenses and deferred income	625	705	676
TOTAL EQUITY, PROVISIONS AND LIABILITIES	39,685	39,799	38,029

Consolidated statement of changes in equity for Länsförsäkringar AB, Parent Company

SEK M	Restricted equity			Non-restricted equity			
	Share capital	Development Expenditures Fund	Statutory reserve	Fair value reserve	Retained earnings	Profit for the period	Total equity
Opening equity, 1 January 2022	200	255	4	-469	17,623	1,446	19,059
Effect of change in accounting policies	-	-	-	-	1,717	-	1,717
Adjusted opening equity 1 Jan 2022	200	255	4	-469	19,340	1,446	20,776
Appropriation of profit	-	-	-	-	1,446	-1,446	-
Dividends paid	-	-	-	-	-1,751	-	-1,751
Net profit for the period	-	-	-	-	-	1,072	1,072
Other comprehensive income for the period	-	-	-	-6	-	-	-6
Realised gain/loss from sale of shares	-	-	-	-	19	-	19
Capitalised internally generated development expenditures	-	58	-	-	-58	-	-
Closing equity, 30 June 2022	200	313	4	-475	18,996	1,072	20,111
Opening equity, 1 July 2022	200	313	4	-475	18,996	1,072	20,111
Net profit for the period	-	-	-	-	-	250	250
Other comprehensive income for the period	-	-	-	5	-	-	5
Change in reserve	-	-	-	-	-	-	-
Capitalised internally generated development expenditures	-	-68	-	-	68	-	-
Closing equity, 31 December 2022	200	245	4	-470	19,064	1,322	20,365
Opening equity, 1 January 2023	200	245	4	-470	19,064	1,322	20,365
Appropriation of profit	-	-	-	-	1,171	-1,171	-
Dividends paid	-	-	-	-	-698	-	-698
Net profit for the period	-	-	-	-	-	681	681
Other comprehensive income for the period	-	-	-	7	-	-	7
Realised gain/loss from sale of shares	-	-	-	-	-	-	-
Capitalised internally generated development expenditures	-	165	-	-	-165	-	-
Closing equity, 30 June 2023	200	411	4	-462	19,371	832	20,355

Note 1 Related-party transactions

During the period, customary business transactions took place with companies with which a related-party relationship exists. The sphere of related parties is unchanged since the most recent annual report was published.

The President and CEO submits the report for the Länsförsäkringar AB Group (pages 13–15, 18–39) on behalf of the Board of Directors.
This report is unaudited.

Stockholm, 31 August 2023

Mathias Collén
President and CEO

Länsförsäkringar Liv Försäkrings AB

Financial statements

Income statement for Länsförsäkringar Liv Försäkrings AB			
SEK M	Jan-Jun 2023	Jan-Jun 2022	Full-year 2022
Premium income after ceded reinsurance	395	518	970
Investment income, net	4,340	-10,186	-9,622
Other technical revenue	51	46	97
Claims payments	-2,471	-2,369	-4,757
Change in technical provisions	892	10,002	11,254
Operating expenses	-175	-166	-330
Other technical expenses	-50	-38	-80
Technical result for insurance operations	2,980	-2,193	-2,469
Profit/loss before appropriations and tax	2,980	-2,193	-2,469
Tax allocation reserve	-	-	160
Tax	-120	-44	-100
Profit/loss for the period	2,860	-2,237	-2,409
Other comprehensive income	-	-	-
Comprehensive income for the period	2,860	-2,237	-2,409

Balance sheet for Länsförsäkringar Liv Försäkrings AB		
SEK M	30 Jun 2023	31 Dec 2022
ASSETS		
Intangible assets	6	7
Investment assets	99,307	99,264
Receivables	1,308	25
Other assets	4,510	4,429
Prepaid expenses and accrued income	31	4
TOTAL ASSETS	105,162	103,728
EQUITY, PROVISIONS AND LIABILITIES		
Equity	37,782	35,674
Untaxed reserves	33	33
Technical provisions	65,275	66,219
Provisions for other risks and expenses	28	29
Liabilities	1,818	1,543
Accrued expenses and deferred income	226	230
TOTAL EQUITY, PROVISIONS AND LIABILITIES	105,162	103,728

For more information about Länsförsäkringar Liv's key figures, refer to the key Figures Report that is available at <https://www.lansforsakringar.se/om-oss/finansieellt/gemensamma-bolag/lansforsakringar-liv/>

Financial calendar 2023

Interim Report January-September Länsförsäkringar Bank

27 October

The information was submitted for publication on 31 August 2023 at 12:00 Swedish time.

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