

Länsförsäkringar Bank

Year-end report 2023

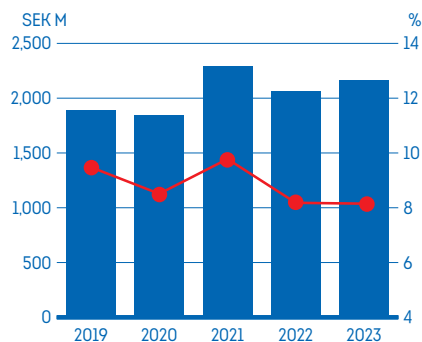
The period in brief, Group

- Operating profit rose 5% to SEK 2,168 M (2,067) and the return on equity amounted to 8.1% (8.2).
- Net interest income increased 27% to SEK 7,023 M (5,528).
- Net commission income, excluding remuneration to the regional insurance companies, increased 6% to SEK 1,405 M (1,329).
- Operating income increased 10% to SEK 5,542 M (5,033).
- Operating expenses increased 14% to SEK 2,869 M (2,510), including an impairment of intangible assets of SEK 165 M (0). Excluding this impairment, operating expenses increased 8%.
- Credit losses amounted to SEK 114 M (123), net, corresponding to a credit loss level of 0.03% (0.03).
- Operating profit was impacted by fees levied of SEK 391 M (333) during the period, of which risk tax comprised SEK 254 M (212).
- Business volumes increased 10% to SEK 901 billion (820).
- Lending increased 4% to SEK 382 billion* (367).
- Deposits declined 2% to SEK 151 billion (153).
- Fund volumes increased 23% to SEK 368 billion (299).
- A Group contribution of SEK 200 M gross and SEK 159 M net after tax was paid at year-end. The Board proposes a dividend for 2023 of SEK 241 M.
- The Common Equity Tier 1 capital ratio for the Consolidated Situation amounted to 15.1% (15.0**) on 31 December 2023.

Figures in parentheses pertain to the same period in 2022.

* Loans to the public excluding deposits with the Swedish National Debt Office and similar items.
** Pertains to 30 September 2023.

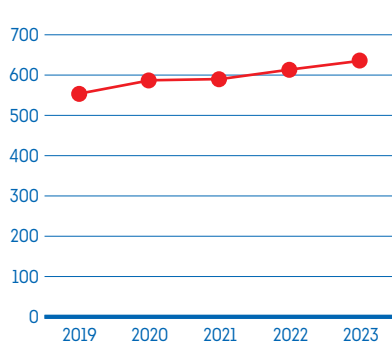
Operating profit and return on equity



● Operating profit, SEK M ● Return on equity, %

Customer trend

Primary bank customers, 000s



President's comment

We can summarise a year in which the final quarter was dominated by positive sentiment in the financial markets, at the same time as numerous underlying factors continued to show clear signs of a recession. Inflation in Sweden is declining and the Riksbank's fiscal austerity should start to ease moving forward. Meanwhile, GDP has fallen and unemployment has risen slightly, which contributed to continuing uncertainty. Added to this, we have growing geopolitical instability and an ongoing threat to the climate, which means it is easy to understand that households and companies are uncertain about the future.

In a year like this, it is particularly reassuring to be a bank with low risks, diverse business and the strength of our local profile, close to customers and with roots in non-life insurance. We maintain a very high level of credit quality and the share of commercial property lending is very small. We are standing strong in uncertain times and can direct our full attention to supporting our customers with financial services and advice in order to create sustainable financial security and opportunities.

Therefore, it is very gratifying that Länsförsäkringar Bank again topped the Swedish Quality Index's SKI Bank customer satisfaction survey. We see our first place in the SKI sustainability index ranking and in consumer loans, together with high rankings both in mortgages and in savings for retail customers, as confirmation that customers appreciate our customer-centric profile and our local focus.

House prices remained stable in the fourth quarter, in a market that continues to feature low turnover and low volume growth. At the same time, we continued to be successful and capture the highest market shares. Viewed in terms of the full-year, we captured the highest volume of all banks, indicating that customers appreciate our offering.

President's comment continues on page 2

Key figures

Group	Q4 2023	Q3 2023	Q4 2022	Jan-Dec 2023	Jan-Dec 2022
Return on equity, %	6.8	8.5	6.8	8.1	8.2
Return on total assets, %	0.26	0.37	0.21	0.35	0.36
Investment margin, %	1.52	1.42	1.57	1.47	1.19
Cost/income ratio before credit losses and fees levied	0.61	0.48	0.57	0.52	0.50
Common Equity Tier 1 capital ratio, consolidated situation, %	15.1	15.0	15.4	15.1	15.4
Tier 1 ratio, consolidated situation, %	16.8	16.8	17.2	16.8	17.2
Total capital ratio, consolidated situation, %	19.2	19.2	18.5	19.2	18.5
Share of credit-impaired loan receivables gross (stage 3), %	0.29	0.28	0.25	0.29	0.25
Share of credit-impaired loan receivables net (stage 3), %	0.21	0.20	0.15	0.21	0.15
Reserve ratio for loan receivables stage 1, %	0.01	0.01	0.02	0.01	0.02
Reserve ratio for loan receivables stage 2, %	1.74	1.80	1.41	1.74	1.41
Reserve ratio for loan receivables stage 3, %	28.0	28.4	40.9	28.0	40.9
Reserve ratio for loan receivables stage 3, incl. withheld remuneration to regional insurance companies, %	34.1	34.4	45.1	34.1	45.1
Credit loss level, %	0.04	0.05	0.08	0.03	0.03

Income statement, quarterly

Group, SEK M	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Net interest income	1,790.7	1,717.8	1,698.5	1,816.1	1,799.7
Net commission income	-243.9	-342.8	-370.6	-553.8	-348.5
Net gains/losses from financial items	-18.2	-3.2	26.6	-4.4	-80.1
Other operating income	8.4	5.7	10.7	3.5	7.7
Total operating income	1,537.2	1,377.5	1,365.5	1,261.5	1,379.0
Staff costs	-222.4	-206.3	-244.9	-214.4	-198.5
Other expenses	-711.3	-449.0	-429.8	-390.5	-584.0
Total operating expenses	-933.7	-655.3	-674.7	-604.9	-782.5
Profit before credit losses and fees levied	603.5	722.4	690.7	656.6	596.5
Credit losses, net	-41.1	-51.7	-42.4	21.0	-76.5
Share of profit/loss of participating interests	-	0.0	0.2	-0.6	-
Risk tax levied and resolution fee	-97.4	-97.6	-100.7	-94.9	-82.7
Operating profit	465.0	573.2	547.8	582.0	437.3

Continued from page 1

Our savings offering also performed well with a very strong performance in funds, driven by a strong net inflow after capturing the highest market share, and successful management. Our financial position remains very strong, with robust capital and liquidity key figures. During the quarter, we also received a positive outlook for our credit rating from S&P when Länsförsäkringar AB received a positive rating outlook.

We stand strong with our continuing strong earnings, very high credit quality and committed employees, and this provides an important foundation for our long-term growth and our opportunities to assist customers with their private finances and financial topics.

Sven Eggefalk

President of Länsförsäkringar Bank

There was optimism in the financial markets in the fourth quarter, with falling market interest rates and sharp stock-market upturns. The primary reason was that inflation continued to fall in several advanced economies, which presented opportunities for the central banks to start lowering interest rates in 2024. Meanwhile, the global economy continued to show its resilience and there are increasing signals that more central banks could succeed in curbing inflation without triggering a serious recession.

The US economy remained strong despite rapid rate rises by the Federal Reserve (Fed). Growth exceeded expectations and employment continued to increase. At the same time, signs can be seen of economic activity starting to ease, which in this context can be seen as positive since it contributes to lower inflation. There was a clear downward trend in inflation in the second half of 2023, giving the Fed the opportunity to start lowering interest rates in 2024. Fed forecasts indicate that the interest rate could be lowered up to three times next year, while the financial markets are considerably more optimistic and expect the key interest rate to be lowered even further.

The economic climate in the eurozone remained weak. GDP shrank in the third quarter and economic statistics suggest a further decline in the fourth quarter, which is technically considered a recession. The situation in Germany was particularly weak due to the slowdown in industry. The situation in the service sector is also deteriorating quickly as

the effects of rate hikes are becoming more apparent in the economy. The outlook for 2024 is slightly brighter, although we continue to expect sluggish growth in the first half of the year. Inflation continued to fall and is expected to give the European Central Bank (ECB) scope to implement economic stimulus packages. Despite this, the ECB has been restrictive in its communication around interest-rate cuts. However, the market believes that interest rates could start to be lowered in mid-2024.

Sweden is in an economic downturn but the economy has, to date, performed better than anticipated. GDP shrank in the third quarter and confidence indicators suggest that we will continue to see a weak trend. There was a relatively sharp increase in unemployment in the third quarter that has since stabilised. The labour market reported a surprisingly positive trend and employment rose in the fourth quarter. Inflation in Sweden has also fallen and the outcome for December showed a continued decline. The Riksbank is thought to have finished raising interest rates, and the market expects the first cut in the middle of 2024. However, negative inflationary surprises cannot be ruled out.

Lower inflation and expectations of rate cuts by the central banks combined with the resilience of the US economy coloured the sentiment in the financial markets at the end of 2023. Long-term bond interest rates fell sharply and the equities market reported a strong upswing. Including dividends and in

local currency, the MSCI AC World Index increased 9.4% and the US S&P 500 Index 11.6% in the fourth quarter. The Stockholm Stock Exchange was up 12.6% in the fourth quarter, and increased 18.5% for 2023. In the bond market, both Swedish and international interest rates ended the fourth quarter at lower levels. The Swedish ten-year government bond rate was 2.0% at year-end, which is the lowest level since February 2023, and a decline of one whole percentage point since the start of the fourth quarter.

Mortgage bond rates in Sweden also fell in the fourth quarter and the difference between government bond and mortgage bond rates reported a considerable decline. The lowest difference since the start of 2022 was reached at year-end.

Despite higher mortgage rates and household pessimism, Swedish house prices were largely unchanged in 2023. The outlook for the housing market remains uncertain.

2023 compared with 2022, Group

Business volumes

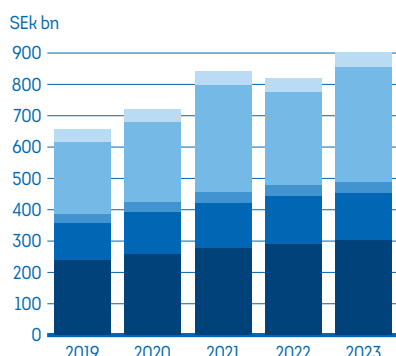
Business volumes increased 10% year-on-year to SEK 901 billion (820), driven by higher fund volumes and mortgage volumes.

Total lending, excluding deposits with the Swedish National Debt Office and similar items, improved 4% or SEK 15 billion to SEK 382 billion (367) with continued high credit quality. Lending in Länsförsäkringar Hypotek increased 6%, or SEK 17 billion, to SEK 314 billion (297). Lending in Wasa Kredit rose 3% to SEK 25.9 billion (25.1).

Deposits decreased 2%, or SEK 3 billion, to SEK 151 billion (153).

The fund volume increased 23% or SEK 69 billion to SEK 368 billion (299) due to a continued very strong net inflow and favourable trends in market values.

Business volumes



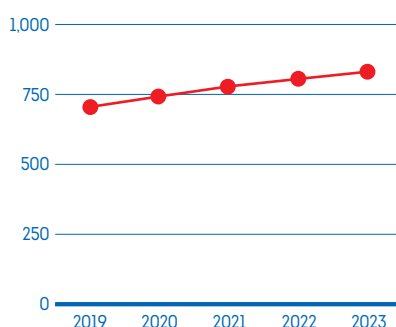
● Household mortgages ● Customer deposits
● Agricultural loans ● Funds ● Other loans

Customers

The number of customers with Länsförsäkringar as their primary bank rose 4% to 634,500 (612,800). Some 90% of those customers who have the bank as their primary bank are also existing Länsförsäkringar insurance customers. The number of bank cards issued by Länsförsäkringar Bank rose 3% to 820,600 (794,600).

Card trend

Cards issued by Länsförsäkringar Bank, 000s



Earnings and profitability

Operating profit rose 5% to SEK 2,168 M (2,067). The increase was primarily attributable to improved net interest income. Profit before credit losses and fees levied increased 6% to SEK 2,673 M (2,523).

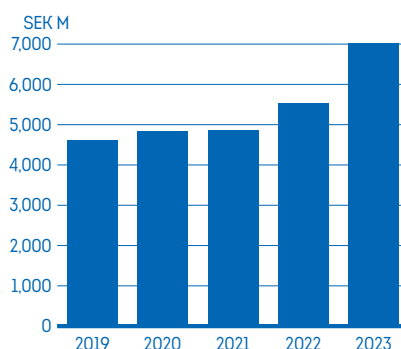
The levied risk tax increased to SEK 254 M (212) due to the risk tax rate being raised to 0.06% of total liabilities from 2023. The investment margin amounted to 1.47% (1.19). Return on equity amounted to 8.1% (8.2).

Income

Net interest income increased 27% to SEK 7,023 M (5,528) due to higher market interest rates. The recognised net commission income including remuneration to the regional insurance companies amounted to SEK -1,511 M (-508). The change was due to higher remuneration to the regional insurance companies, as a result of higher net interest income. The underlying net commission income, excluding remuneration to the regional insurance companies, increased 6% to SEK 1,405 M (1,329). Net gains from financial items amounted to SEK 1 M (0).

Total operating income increased 10% to SEK 5,542 M (5,033), driven by higher net interest income.

Net interest income

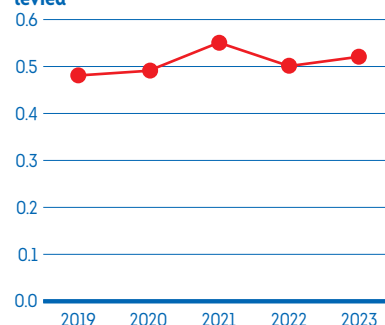


Expenses

Operating expenses rose 14% to SEK 2,869 M (2,510). An impairment of SEK 165 M was recognised for intangible assets in the fourth quarter, and related to the development of the P27 payment platform and an e-commerce platform in Wasa Kredit. Excluding this impairment, operating expenses increased 8%. Increases in expenses continued to be affected by a high rate of IT development related to, for example, digitisation and AML. A slightly higher share of IT development has also been expensed. At the same time, inflation impacted expenses. The cost/income ratio before credit losses

and fees levied amounted to 0.52 (0.50). Excluding the impairment of intangible assets, the cost/income ratio was 0.49. The cost/income ratio after credit losses and fees levied amounted to 0.61 (0.59).

Cost/income ratio before credit losses and fees levied



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 to increased interest rates and higher costs. The share of customers making late payments remains very low.

Credit losses for the full-year 2023 amounted to SEK 114 M (123), corresponding to a credit loss level of 0.03% (0.03).

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. Net credit losses in the first quarter were SEK -21 M.

Credit losses amounted to SEK 42 M in the second quarter, corresponding to a credit loss level of 0.04%, SEK 52 M in the third quarter or 0.05%, and credit losses were SEK 41 M or 0.04% in the fourth quarter.

A customary quarterly update of macro-economic scenarios for the calculation of expected credit losses took place in the fourth quarter. The outcome of the update had a very minor impact on the loss allowance. In total, the loss allowance increased SEK 9 M in the fourth quarter, mainly driven by Wasa Kredit.

Credit-impaired loan receivables (stage 3) before provisions amounted to SEK 1,147 M (963), corresponding to a share of credit-impaired loan receivables of 0.29% (0.25) gross and net after provisions to 0.21% (0.15). The loss allowance for credit-impaired loan receivables was SEK 321 M (394). The reserve ratio for credit-impaired loan receivables amounted to 28.0%. In addition, SEK 70 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 391 M (434). The reserve ratio for credit-impaired loan receivables, including withheld remuneration to the regional insurance companies, amounted to 34.1%.

Loan receivables (stage 2) before provisions amounted to SEK 6,528 M (7,247). The loss allowance for loan receivables (stage 2) was SEK 114 M (102) excluding and SEK 147 M (121) including withheld remuneration to the regional insurance companies.

The total recognised loss allowance was SEK 590 M, of which SEK 116 M pertained to withheld remuneration to the regional insurance companies*.

Loss allowance, stage 3

SEK M	31 Dec 2023	31 Dec 2022
Loans to the public	395,117	384,104
Credit-impaired loan receivables (stage 3)	1,147	963
Total loss allowance for credit-impaired loan receivables (stage 3), incl. withheld remuneration to regional insurance companies	391.3	434.1
of which loss allowance for credit-impaired loan receivables (stage 3)	320.9	394.1
of which withheld remuneration to regional insurance companies for credit-impaired loan receivables (stage 3)	70.3	40.0

For further information on credit losses and credit-impaired loan receivables, refer to notes 1, 6, 7 and 8.

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

Deposits and savings

Compared with one year ago, deposits from the public declined 2%, or SEK 3 billion, to SEK 151 billion (153). This decrease was mainly attributable to deposits from businesses. Deposits increased from 150 billion to SEK 151 billion in the fourth quarter. There was a shift during the year from savings accounts to fixed-term deposits. Deposits from businesses amounted to SEK 13.4 billion (15.2). The total number of deposit accounts increased 7%. The market share of household deposits had declined to 5.0% (5.1) on 31 December 2023 compared with one year ago, according to Statistics Sweden. 80% of deposits from the public comprise deposits that are covered by the government deposit insurance.

Year-on-year, the fund volume increased 23% or SEK 69 billion to SEK 368 billion (299), due to a continued very strong net inflow in the fund business and favourable trends in market values.

Loans

All loans are granted in Sweden, in SEK and have a well-diversified geographic distribution. The market for mortgage lending slowed during the year, at the same time as Länsförsäkringar Bank continued to capture market shares and maintain high credit quality.

Loans to the public increased 4%, or SEK 15 billion, to SEK 382 billion (367). Lending excludes deposits with the Swedish National Debt Office and similar lending items of SEK 13 billion (17).

Lending in Länsförsäkringar Hypotek increased 6%, or SEK 17 billion, to SEK 314 billion (297). The percentage of household mortgages in relation to the total loan portfolio was at 79%. On 31 December 2023, the market share of household mortgages increased to 7.4% (7.1) according to Statistics Sweden. The weighted average loan-to-value ratio (LTV) of the mortgage portfolio amounted to 63% (56). The year-on-year increase was due to the quarterly updates of market values that took place during the year.

Agricultural lending increased 1% to SEK 34.1 billion (33.9). Agricultural lending primarily comprises first-lien mortgages to family-owned agricultural operations, and the average loan commitment was low at SEK 2.4 M (2.3). First-lien mortgages for agricultural properties increased to SEK 33.4 billion (33.2), corresponding to 98% (98) of agricultural lending.

Lending in Wasa Kredit rose 3% to SEK 25.9 billion (25.1).

Loan portfolio, distribution in %*

Lending segment, %	31 Dec 2023	31 Dec 2022
Retail mortgages	79.4	79.5
Agriculture	8.9	9.2
Multi-family housing	3.2	2.8
Leasing and hire purchase	4.9	5.0
Unsecured loans	2.4	2.3
Other*	1.2	1.2
TOTAL	100.0	100.0

* Excluding deposits with the Swedish National Debt Office and similar items

Volume of household mortgages in Bank Group by loan-to-value ratio**

Capital receivable	Total	
	Volume, SEK M	%
Loan-to-value ratio		
0-50%	241,201	79.5
51-60%	28,181	9.3
61-70%	18,768	6.2
71-75%	6,118	2.0
76-80%	4,316	1.4
80%-	4,960	1.6
TOTAL	303,544	100.0

** Refers to loans with single-family homes, tenant-owned apartments or vacation homes as collateral on 31 December 2023.

Funding

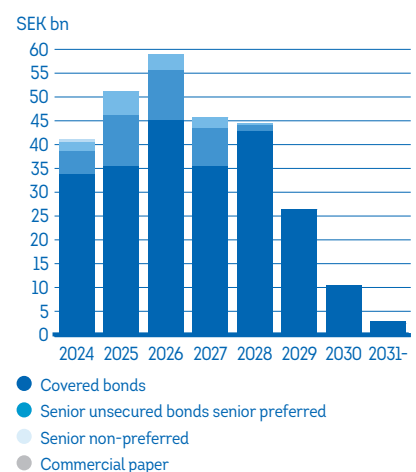
The Group has a low refinancing risk and the maturity profile is well diversified. Debt securities in issue increased 7% or SEK 18 billion to a nominal SEK 281 billion (263), of which covered bonds amounted to SEK 231 billion (218), senior long-term funding to SEK 49 billion (44) and short-term funding to SEK 0.6 billion (1.4). The average remaining term for long-term funding was 3.2 years (3.0) on 31 December 2023.

Covered bonds were issued during the period at a volume of a nominal SEK 51.9 billion (39.6). Repurchases of covered bonds amounted to a nominal SEK 9.8 billion (12.5) and matured covered bonds to a nominal SEK 28.7 billion (23.6). Länsförsäkringar Bank issued senior unsecured bonds of a nominal SEK 17.3 billion (7.7) during the period, while maturities amounted to a nominal SEK 11.5 billion (9.4). The total volume of senior non-preferred bonds outstanding, which also qualify for inclusion in MREL, amounted to SEK 11.0 billion (8.9) on 31 December 2023.

Bonds were issued in the fourth quarter for a total volume of SEK 14.6 billion, of which SEK 11.3 billion comprised covered bonds and SEK 3.3 billion senior unsecured bonds.

After the end of the period, in January 2024, a EUR-denominated five-year senior preferred bond was issued with a volume of EUR 500 M, and an SEK-denominated Additional Tier 1 instrument (AT1 bond), with a perpetual term and a first possible call date in 2029, was issued with a volume of SEK 1,350 M.

Maturity profile

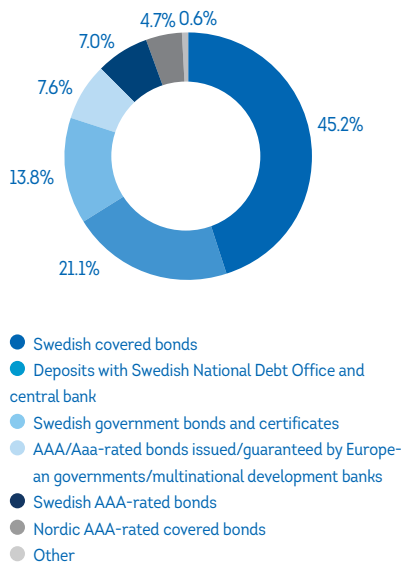


Liquidity

On 31 December 2023, the liquidity reserve totalled SEK 75 billion (71). About 25% 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 about two years without needing to secure new funding in the capital market. The Liquidity Coverage Ratio (LCR) for the Consolidated Situation on 31 December 2023 amounted to 337% (277). The Net Stable Funding Ratio (NSFR) for the Consolidated Situation on 31 December 2023 was 128% (125).

Liquidity reserve



Rating

Länsförsäkringar Bank's credit rating from Standard & Poor's was given a positive outlook in November 2023, in connection with the Parent Company Länsförsäkringar AB receiving a positive outlook.

Länsförsäkringar Bank's credit rating is thus A/Positive from Standard & Poor's and A1/Stable from Moody's. Länsförsäkringar Hypotek's covered bonds have the highest credit rating of Aaa from Moody's and AAA/Stable from Standard & Poor's.

Capital adequacy, Consolidated Situation¹

Länsförsäkringar Bank AB's consolidated situation encompasses Länsförsäkringar Bank AB and its subsidiaries, that is to say the Bank Group.

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.

Consolidated Situation (SEK M)	31 Dec 2023	30 Sep 2023
IRB Approach	39,691	39,002
of which retail exposures	23,914	23,721
of which exposures to corporates	15,758	15,277
Standardised Approach	9,000	8,596
CVA	662	618
Operational risk (standardised)	6,972	6,972
Additional requirements (risk weight floor, Article 458 CRR)	71,384	70,930
Total REA	127,710	126,118
Common Equity Tier 1 capital	19,229	18,925
Tier 1 capital	21,429	21,125
Total capital	24,519	24,215
Common Equity Tier 1 capital ratio	15.1%	15.0%
Tier 1 ratio	16.8%	16.8%
Total capital ratio	19.2%	19.2%
Risk-based capital requirements:		
Own funds requirements (Pillar I)	10,217	10,089
Pillar II Requirements (P2R)	2,682	2,648
Combined buffer requirement	5,747	5,675
Pillar II Guidance (P2G)	0	0
Overall adequate level of own funds and P2G	18.646	18.413
Risk-based capital requirements as a percentage of REA:		
Own funds requirements (Pillar I)	8.0%	8.0%
Pillar II Requirements (P2R)	2.1%	2.1%
Combined buffer requirement	4.5%	4.5%
Pillar II Guidance (P2G)	0.0%	0.0%
Overall adequate level of own funds and P2G	14.6%	14.6%

On 31 December 2023, the Common Equity Tier 1 capital amounted to SEK 19,229 M (18,925), up SEK 303 M mainly due to generated profit. Länsförsäkringar Bank AB paid a Group contribution of SEK 200 M (SEK 159 M

net after tax) to Länsförsäkringar AB at year-end. In addition, a deduction of SEK 241 M was made from Common Equity Tier 1 capital at year-end for the expected, proposed dividend from Länsförsäkringar Bank AB to Länsförsäkringar AB.

On 31 December 2023, the total risk exposure amount (REA) amounted to SEK 127,710 M (126,118) in the consolidated situation. Total REA increased SEK 1,592 M in the quarter. The credit quality of lending remained favourable.

The Common Equity Tier 1 capital ratio for Länsförsäkringar Bank's consolidated situation was 15.1% (15.0).

Total own funds amounted to SEK 24,519 M (24,215) on 31 December 2023. The total capital ratio was 19.2% (19.2).

Capital requirements and buffers

Risk-based capital requirement

In its Supervisory Review and Evaluation Process regarding Pillar 2 Requirements (P2R) for Länsförsäkringar Bank in the Consolidated Situation in the third quarter of 2022, the FSA decided on a P2R of 2.1% and a Pillar II Guidance (P2G) of 0.0%. Together, this means a total own funds requirement and P2G of 14.6% on 31 December 2023 compared with the total capital ratio of 19.2%. The FSA has not carried out a Supervisory Review and Evaluation Process regarding P2R for Länsförsäkringar Bank in the Consolidated Situation in 2023.

The countercyclical capital buffer amounted to SEK 2,554 M (2.0% of REA), while the capital conservation buffer amounted to SEK 3,193 M (2.5% of REA) on 31 December 2023.

Leverage ratio requirement

In the third quarter of 2022, the FSA decided in its Supervisory Review and Evaluation Process on a P2G for the leverage ratio requirement at group level of 0.15% in addition to the minimum requirement for the leverage ratio of 3.0%, which means that the total leverage ratio requirement and P2G amount to 3.15%.

The leverage ratio for the consolidated situation was 4.4% (4.4) on 31 December 2023.

For more information on capital adequacy, see note 12.

1) The comparative period pertains to 30 September 2023. Periodic information according to the FSA's regulations regarding prudential requirements and capital buffers, (FFFS 2014:12) and regarding management of liquidity risks in credit institutions and investment firms (FFFS 2010:7) is provided in this section, the sections on funding and liquidity, and in note 12.

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

[†]Pertains to the company's covered bonds.

Capital adequacy, Parent Company¹

Parent Company (SEK M)	31 Dec 2023	30 Sep 2023
IRB Approach	9,560	9,514
of which retail exposures	4,119	4,109
of which exposures to corporates	5,442	5,405
Standardised Approach	14,484	14,042
CVA	622	341
Operational risk (standardised)	2,749	2,749
Additional requirements (risk weight floor, Article 458 CRR)	4,545	4,718
Total REA	31,960	31,621
Common Equity Tier 1 capital	7,432	7,428
Tier 1 capital	9,632	9,628
Total capital	12,722	12,718
Common Equity Tier 1 capital ratio	23.3%	23.5%
Tier 1 ratio	30.1%	30.4%
Total capital ratio	39.8%	40.2%
Risk-based capital requirements:		
Own funds requirements (Pillar I)	2,557	2,530
Pillar II Requirements (P2R)	930	920
Combined buffer requirement	1,438	1,423
Pillar II Guidance (P2G)	0	0
Overall adequate level of own funds and P2G	4,925	4,873
Risk-based capital requirements as a percentage of REA:		
Own funds requirements (Pillar I)	8.0%	8.0%
Pillar II Requirements (P2R)	2.9%	2.9%
Combined buffer requirement	4.5%	4.5%
Pillar II Guidance (P2G)	0.0%	0.0%
Overall adequate level of own funds and P2G	15.4%	15.4%

On 31 December 2023, the Common Equity Tier 1 capital ratio for the Parent Company totalled 23.3% (23.5). The total Risk Exposure Amount (REA) was SEK 31,960 M (31,621) in the Parent Company. The credit quality of lending remained favourable.

Capital requirements and buffers

Risk-based capital requirements

In its Supervisory Review and Evaluation Process regarding P2R for Länsförsäkringar Bank AB at individual level in the third quarter of 2022, the FSA decided on a P2R of 2.9% and a P2G of 0.0%. Together, this means a total own funds requirement and P2G of 15.4% on 31 December 2023 compared with the total capital ratio of 39.8%.

The countercyclical capital buffer amounted to SEK 639 M (2.0% of REA), while the capital conservation buffer amounted to SEK 799 M (2.5% of REA) on 31 December 2023.

For more information on capital adequacy, see note 2 for the Parent Company.

¹ The comparative period pertains to 30 September 2023. Periodic information according to the Swedish Financial Supervisory Authority's regulations regarding prudential requirements and capital buffers, (FFFS 2014:12) and regarding management of liquidity risks in credit institutions and investment firms (FFFS 2010:7) is provided in this section, the sections on funding and liquidity, and in note 2 for the Parent Company.

Interest-rate risk

On 31 December 2023, an increase in market interest rates of 1 percentage point would have changed the value of interest-bearing assets and liabilities, including derivatives, by SEK -238 M (-294 on 30 September 2023).

Risks and uncertainties

The operations are characterised by a low risk profile. The Bank Group is exposed to a number of risks, primarily comprising credit risks, refinancing risks, market risks and cyber risks as well as risks related to the bank's work on anti-money laundering and measures to counter the financing of terrorism. The macroeconomic situation in Sweden is critical for credit risk since all loans are granted in Sweden. Credit losses remain low and the refinancing of business activities was highly satisfactory during the period. However, it can be stated that the macroeconomic trend is unusually uncertain due to monetary policy tightening, for example, which could have further negative effects for households and companies. In addition, it cannot be ruled out that further steep declines in house prices could lead to negative effects for households and for the value of collateral in the bank's mortgage lending. The currently high geopolitical risks, which have further risen with recent developments in the Middle East, could also result in further macroeconomic consequences and increased cyber and other security risks. For more information about macroeconomic developments, refer to page 3. A more detailed description of risks is available in the 2022 Annual Report.

Fourth quarter of 2023 compared with the third quarter of 2023

Operating profit declined 19% to SEK 465 M (573) and the return on equity amounted to 6.8% (8.5).

Operating income rose 12% to SEK 1,537 M (1,378), driven by improved net interest income. Net interest income increased 4% to SEK 1,791 M (1,718) due to an improved investment margin of 1.52% (1.42). Commission income amounted to SEK 512 M (540) and commission expense to SEK 756 M (883). Net commission income amounted to SEK -244 M (-343). Net gains from financial items amounted to SEK -18 M (-3). Operating expenses increased to SEK 934 M (655) due to an impairment of intangible assets of SEK 165 M in the fourth quarter, related to the development of the P27 payment platform and an e-commerce platform in Wasa Kredit. The cost/income ratio before credit losses and fees levied thus increased to 0.61 (0.48). The cost/income ratio excluding the impairment of intangible assets was 0.50. Credit

losses amounted to SEK 41 M (52), net. Business volumes increased 4%, or SEK 35 billion, to SEK 901 billion (864) in the fourth quarter, driven by higher fund volumes compared with the third quarter of 2023.

Markus Gustafsson appointed new CRO

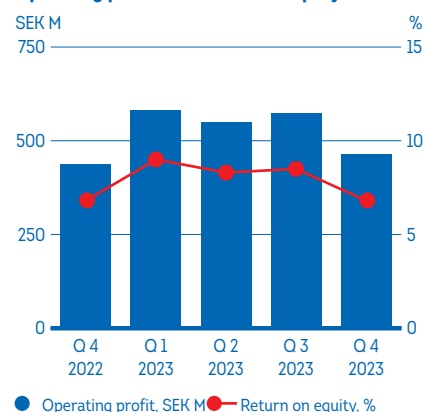
Markus Gustafsson has been appointed the new Chief Risk Officer (CRO) and on 1 February 2024 he succeeded Louise Lindgren who will retire in the first half of 2024.

Events after the end of the period

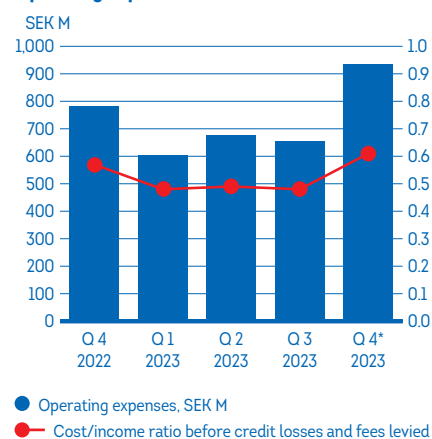
After the end of the period, on 16 January 2024, Länsförsäkringar Bank issued an SEK-denominated Additional Tier 1 instrument (AT1 bond), with a perpetual term and a first possible call date in 2029, with a volume of SEK 1,350 M.

Ulrica Hedman has on 9 February 2024 resigned from her position as a board member of Länsförsäkringar Bank in connection with her having left as President of LF Uppsala to start another position at Swedbank.

Operating profit and return on equity



Operating expenses and cost/income ratio



* Including an impairment of intangible assets of SEK 165 M. The cost/income ratio excluding this impairment was 0.50 in the fourth quarter of 2023.

Parent Company

2023 compared with 2022

Loans to the public, including deposits with the Swedish National Debt Office and similar lending items of SEK 13 billion, decreased to SEK 55 billion (62). Deposits from the public declined 2%, or SEK 3 billion, to SEK 152 billion (155) compared with one year ago. Debt securities in issue rose 10% to SEK 49 billion (45). Operating profit amounted to SEK 291 M (398). Net interest income increased to SEK 3,943 M (2,106). Commission income rose 15% to SEK 943 M (824). Commission

expense increased to SEK 2,870 M (1,092), driven by higher net interest income. Total operating income rose 7% to SEK 2,393 M (2,242). Operating expenses increased 12% to SEK 1,945 (1,731). Credit losses amounted to SEK 11 M (-2), net, corresponding to a credit loss level of 0.00% (0.00).

The Parent Company's risks and uncertainties are the same as those for the Bank Group as described on page 7.

SEK M	31 Dec 2023	31 Dec 2022
Total assets	237,154	239,475
Lending volume	55,120	62,087
Net interest income	3,943	2,106
Credit losses	11	-2
Operating profit	291	398

Subsidiaries

2023 compared with 2022

Länsförsäkringar Hypotek

Lending in Länsförsäkringar Hypotek increased 6%, or SEK 17 billion, to SEK 314 billion (297). Operating profit rose 14% to SEK 1,629 M (1,423), driven by improved net commission income.

Net interest income declined 15% to SEK 2,285 M (2,692) due to a lower investment margin. Net commission income amounted to SEK -250 M (-884) as a result of lower remuneration paid to the regional insurance companies, driven by lower net interest income. Operating expenses amounted to SEK 142 M (142). Credit losses amounted to SEK 2 M (4), net, corresponding to a credit loss level of 0.00% (0.00). The total number of customers was 305,800.

SEK M	31 Dec 2023	31 Dec 2022
Total assets	335,415	316,329
Lending volume	314,247	296,894
Net interest income	2,285	2,692
Credit losses	2	4
Operating profit	1,629	1,423

Wasa Kredit

Wasa Kredit's lending volumes increased 3% to SEK 25.9 billion (25.1). Operating profit amounted to SEK 109 M (194). The change was primarily attributable to higher operating expenses.

Net interest income amounted to SEK 744 M (721). Operating expenses amounted to SEK 687 M (554). Credit losses amounted to SEK 106 M (122), net. Credit losses for the full-year include a positive effect of SEK 56 M from the divestment of credit-impaired loan receivables in the first quarter. The reserve ratio for credit-impaired loan receivables amounted to 57.5%, while the total reserve ratio was 1.7%.

SEK M	31 Dec 2023	31 Dec 2022
Total assets	26,660	26,299
Lending volume	25,852	25,123
Net interest income	744	721
Credit losses	106	122
Operating profit	109	194

Länsförsäkringar Fondförvaltning

The fund volume increased 23% or SEK 69 billion from one year ago to SEK 368 billion (299) due to a continued strong net inflow and favourable trends in market values. Net inflow amounted to SEK 22.4 billion for 2023. Operating profit increased 11% to SEK 335 M (301). Total income increased 11% to SEK 592 M (534).

The fund offering includes 38 mutual funds under Länsförsäkringar's own brand with various investment orientations and a fund market with external funds. Managed funds under Länsförsäkringar's own brand amounted to SEK 331 billion (266). All of the funds were "Article 8 funds" that promote sustainability, and in one case one fund is an "Article 9 fund", which received this classification during the year and which means that it has sustainable investments as its objective.

SEK M	31 Dec 2023	31 Dec 2022
Total assets	1,896	1,645
Fund volumes	367,809	299,190
Net flow	22,374	7,394
Total income	592	534
Operating profit	335	301

Income statement - Group

SEK M	Note	Q 4 2023	Q 3 2023	Change	Q 4 2022	Change	Jan-Dec 2023	Jan-Dec 2022	Change
Interest income		5,799.3	5,647.7	3%	3,516.0	65%	20,682.2	8,887.3	
Interest expense		-4,008.6	-3,929.9	2%	-1,716.2		-13,659.0	-3,359.4	
Net interest income	3	1,790.7	1,717.8	4%	1,799.7	-1%	7,023.2	5,527.9	27%
Dividends received		0.1	0.1		0.1		0.6	0.6	
Commission income		511.6	540.5	-5%	455.3	12%	2,078.7	1,886.1	10%
Commission expense		-755.5	-883.4	-14%	-803.8	-6%	-3,589.9	-2,393.9	50%
Net commission income	4	-243.9	-342.8	-29%	-348.5	-30%	-1,511.2	-507.8	
Net gains / losses from financial items	5	-18.2	-3.2		-80.1	-77%	0.8	0.5	60%
Other operating income		8.4	5.7	47%	7.7	9%	28.4	11.7	
Total operating income		1,537.2	1,377.5	12%	1,379.0	11%	5,541.9	5,032.9	10%
Staff costs		-222.4	-206.3	8%	-198.5	12%	-887.9	-771.1	15%
Other administration expenses		-498.1	-402.7	24%	-525.0	-5%	-1,630.7	-1,512.7	8%
Total administration expenses		-720.5	-608.9	18%	-723.5	-0%	-2,518.6	-2,283.8	10%
Depreciation / amortisation and impairment of property and equipment / intangible assets		-213.2	-46.4		-59.0		-350.0	-226.6	54%
Total operating expenses		-933.7	-655.3	42%	-782.5	19%	-2,868.7	-2,510.3	14%
Profit before credit losses		603.5	722.4	-16%	596.5	1%	2,673.2	2,522.6	6%
Credit losses, net	6	-41.1	-51.7	-21%	-76.5	-46%	-114.2	-122.8	-7%
Share of profit/loss of participating interests		-	0.0		-		-0.4	-	
Risk tax levied and resolution fee		-97.4	-97.6		-82.7	18%	-390.6	-333.3	17%
Operating profit		465.0	573.2	-19%	437.3	6%	2,168.1	2,066.5	5%
Tax		-109.6	-123.8	-11%	-199.1	-45%	-446.6	-403.3	11%
Profit for the period		355.4	449.3	-21%	238.2	49%	1,721.5	1,663.2	4%

Statement of comprehensive income - Group

SEK M	Q 4 2023	Q 3 2023	Change	Q 4 2022	Change	Jan-Dec 2023	Jan-Dec 2022	Change
Profit for the period	355.4	449.3	-21%	238.2	49%	1,721.5	1,663.2	4%
Other comprehensive income								
Items that are reclassified or may subsequently be reclassified to the income statement								
Cash-flow hedges	-5.2	-141.1	-96%	-218.0	-98%	-112.3	252.7	
Change in fair value of debt instruments measured at FVOCI	-42.5	13.6		149.8		-51.7	-281.1	-82%
Tax attributable to items that have been transferred or can be transferred to profit for the period	9.8	26.3	-63%	14.0	-30%	33.8	5.8	
Total	-37.8	-101.3	-63%	-54.2	-30%	-130.2	-22.5	
Items that cannot be transferred to profit and loss								
Change in fair value of equity instruments measured at FVOCI	-0.8	0.2		3.4		3.6	-0.8	
Tax attributable to items that cannot be reversed to profit and loss	0.0	-0.1		-0.6		-0.9	-0.5	80%
Total	-0.9	0.1		2.7		2.7	-1.3	
Total other comprehensive income for the period, net after tax	-38.7	-101.1	-62%	-51.4	-25%	-127.5	-23.8	
Comprehensive income for the period	316.7	348.2	-9%	186.8	70%	1,594.0	1,639.4	-3%

Balance sheet – Group

SEK M	Note	31 Dec 2023	31 Dec 2022
Assets			
Cash and balances with central banks		5,786.5	4,947.0
Treasury bills and other eligible bills		11,183.2	10,856.8
Loans to credit institutions	8	878.0	1,253.4
Loans to the public	7	395,116.5	384,104.3
Bonds and other interest-bearing securities		51,522.6	49,969.4
Shares and participations		106.4	93.6
Shares and participations in joint ventures		5.1	3.2
Derivatives	9	4,963.9	8,138.3
Fair value changes of interest-rate-risk hedged items in the portfolio hedge		-1,553.2	-4,846.5
Intangible assets		1,351.2	1,317.5
Property and equipment		121.0	228.7
Deferred tax assets		16.3	12.2
Other assets		740.7	583.4
Prepaid expenses and accrued income		568.9	573.6
Total assets		470,807.1	457,234.8
Liabilities and equity			
Due to credit institutions		5,895.4	8,992.0
Deposits and borrowing from the public		150,506.6	153,340.8
Debt securities in issue		280,195.4	265,667.5
Derivatives	9	4,114.1	10,422.0
Fair value changes of interest-rate-risk hedged items in the portfolio hedge		-4,196.7	-12,010.5
Deferred tax liabilities		612.7	570.8
Other liabilities		1,633.4	1,586.8
Accrued expenses and deferred income		5,117.1	3,446.2
Provisions		47.6	37.0
Subordinated liabilities		3,093.3	2,596.7
Total liabilities		447,018.8	434,649.3
Equity			
Share capital		2,864.6	2,864.6
Other capital contributed		8,242.5	8,242.5
Reserves		-91.9	35.5
Additional Tier 1 instruments		2,200.0	2,200.0
Retained earnings		10,573.1	9,242.8
Total equity		23,788.3	22,585.5
Total liabilities and equity		470,807.1	457,234.8
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Cash-flow statement in summary, indirect method - Group

SEK M	Jan-Dec 2023	Jan-Dec 2022
Cash and cash equivalents, 1 January	5,345.4	14,720.5
Operating activities		
Operating profit	2,168.1	2,066.5
Adjustment of non-cash items	63.0	1087.9
Change in assets of operating activities		
Change in interest-bearing securities	-145.6	2,873.5
Change in loans to the public	-10,930.1	-22,139.0
Change in other assets	2,730.3	-1,766.8
Change in liabilities of operating activities		
Change in deposits and funding from the public	-2,834.2	7,076.0
Change in debt securities in issue	14,020.1	-1,605.2
Change in other liabilities	-3,901.0	3,899.4
Cash flow from operating activities	1,170.4	-8,507.7
Investing activities		
Acquisition of intangible assets	-360.4	-312.3
Acquisition of property and equipment	-110.6	-13.1
Change in other financial assets	-2.3	-3.2
Cash flow from investing activities	-473.2	-328.7
Financing activities		
Amortisation of lease liabilities	-11.5	-53.4
Interest on issued Additional Tier 1 instruments	-151.2	-89.1
Issued Additional Tier 1 instruments	1,601.3	-
Repayment of subordinated liabilities	-1,101.3	-
Dividend paid	-81.2	-396.3
Cash flow from financing activities	256.1	-538.7
Net cash flow for the period	953.3	-9,375.1
Cash and cash equivalents, 31 December	6,298.7	5,345.4

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

Statement of changes in shareholders' equity - Group

SEK M	Reserves						
	Share capital	Other capital contributed	Additional Tier 1 instruments ¹⁾	Fair value reserve	Hedge reserve	Retained earnings	Total
Opening balance, 1 January 2022	2,864.6	8,242.5	2,200.0	230.4	-171.1	8,382.6	21,749.0
Profit for the period						1,663.2	1,663.2
Other comprehensive income for the period				-224.5	200.7		-23.8
Comprehensive income for the period				-224.5	200.7	1,663.2	1,639.4
Dividend paid						-396.3	-396.3
Group contributions paid						-400.0	-400.0
Tax on group contributions paid						82.4	82.4
Dividends etc., on Additional Tier 1 instruments						-89.1	-89.1
Closing balance, 31 December 2022	2,864.6	8,242.5	2,200.0	5.9	29.6	9,242.8	22,585.5
Opening balance, 1 January 2023	2,864.6	8,242.5	2,200.0	5.9	29.6	9,242.8	22,585.5
Profit for the period						1,721.5	1,721.5
Other comprehensive income for the period				-38.3	-89.2		-127.5
Comprehensive income for the period				-38.3	-89.2	1,721.5	1,594.0
Group contributions paid						-200.0	-200.0
Tax on group contributions paid						41.2	41.2
Dividends etc., on Additional Tier 1 instruments						-151.2	-151.2
Dividend paid						-81.2	-81.2
Closing balance, 31 December 2023	2,864.6	8,242.5	2,200.0	-32.4	-59.5	10,573.1	23,788.3

¹⁾ The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since:

- The instrument, according to the conditions, does not have a set maturity date, meaning that the issuer has an unconditional right to refrain from making repayments.
- The issuer of the instrument has full discretion regarding interest payments, that is to say no obligation to pay interest.

Notes – Group

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

Note 1	Accounting policies
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This report was prepared in accordance with IAS 34 Interim Financial Reporting. The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and the interpretations of this standards as endorsed by the European Commission. Furthermore, the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL) (1995:1559) and the Swedish Financial Supervisory Authority's regulation and general guideline regarding annual reports at credit institutions and securities companies (FFFS 2008:25) were applied. The Group also applies the Swedish Financial Reporting Board's (RFR) recommendation RFR 1 Supplementary Accounting Rules for Groups and statements. Disclosures in accordance with IAS 34 appear in the financial statements and their associated notes as well as other parts of the interim report.

JUDGEMENTS AND ESTIMATES

The subsidiary Wasa Kredit has an ongoing tax case with the Swedish Tax Agency for which the inflow of economic benefits is deemed to be probable. Additional information about the contingent asset is found in note 10 Pledged assets, contingent liabilities, commitments and contingent assets.

AMENDED ACCOUNTING POLICIES APPLIED FROM 2023

IAS 12 Income Taxes: International Tax Reform – Pillar Two Model Rules

The IASB published International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12) in May 2023. The amendments endorsed by the EU on 9 November 2023 include a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to the introduction the Pillar Two Model Rules. They also include disclosure requirements for periods in which the rules have been enacted or substantively enacted, but are not yet in effect. Under the requirements, disclosures are to be presented for known or reasonably estimable information that helps users of financial statements understand the entity's exposure to income taxes arising from the Pillar Two Model Rules under this legislation.

New law on top-up tax for companies in large groups

The Länsförsäkringar AB Group is subject to the law on top-up tax for companies in large groups (the "Top-up Tax Act") that comes into force on 1 January 2024. This Act means that companies in the Länsförsäkringar AB Group may be obliged to pay a top-up tax for the difference between a minimum rate of 15% and the effective tax rate calculated according to the Top-up Tax Act for each country in which the Group operates. As per 31 December 2023, the Länsförsäkringar AB Group pays corporate tax of more than 15% in all its countries of operation, except for Ireland where Capstone Financial Services Ltd and Agria's Irish branch both pay corporate tax of 12.5%. Corporate tax that is less than the minimum tax rate of 15% is an indicator that operations may be liable to pay top-up tax. Countries of operation with a nominal corporate tax rate of at least 15% could still be subject to top-up tax since the calculation of the effective tax rate per country depends on specific adjustments. Accordingly, it is too early to state whether Länsförsäkringar Bank will be liable to pay top-up tax due to the complex legislation. The Länsförsäkringar AB Group is currently evaluating its exposure to top-up tax, including the application of temporary simplification rules, and it is not yet possible to estimate the outcome with reasonable certainty. However, calculations based on the financial outcome for 2023 indicate that the Group could apply the simplification rules, meaning that no top-up tax would be paid for the 2024-2026 fiscal years. The option of applying simplification rules is not established until the financial outcome of each year is known. For this reason, the Bank Group is applying the compulsory exemption in IAS 12 Income Taxes regarding the reporting of disclosures on deferred tax that could arise as a result of the Top-up Tax Act.

No new or revised IFRSs and interpretations adopted by the IASB and have not yet in force are expected to have any material effect on the consolidated financial statements, capital requirement, own funds or other circumstances according to applicable regulatory requirements.

In all other respects, the interim report has been prepared in accordance with the same accounting policies and calculation methods applied in the 2022 Annual Report.

Note 2	Segment reporting					
Income statement, Jan-Dec 2023 SEK M	Banking operations	Mortgage institution	Finance company	Mutual funds	Eliminations / Adjustments	Total
Net interest income	3,942.7	2,284.8	744.2	51.5	0.0	7,023.2
Dividends received	200.6	-	-	-	-200.0	0.6
Commission income	943.1	27.6	255.2	1,034.8	-182.0	2,078.7
Commission expense	-2,869.5	-277.8	-129.8	-494.9	182.0	-3,589.9
Net gain / loss from financial items	23.4	-22.6	-	-	-	0.8
Intra-Group income	156.3	-	4.4	0.0	-160.8	-
Other income	-4.1	-	32.5	0.0	-	28.4
Total operating income	2,392.6	2,012.0	906.5	591.5	-360.8	5,541.9
Intra-Group expenses	6.1	-114.4	-15.1	-37.4	160.8	-
Other administration expenses	-1,655.4	-27.1	-629.2	-218.5	11.5	-2,518.6
Depreciation / amortisation and impairment	-296.1	-0.1	-42.6	-0.3	-11.0	-350.0
Total operating expenses	-1,945.3	-141.5	-686.9	-256.2	161.3	-2,868.7
Profit before credit losses	447.2	1,870.5	219.7	335.3	-199.5	2,673.2
Credit losses, net	-11.0	-2.0	-105.8	0.0	4.5	-114.2
Share of profit/loss of participating interests	0.0	0.0	0.0	0.0	-0.4	-0.4
Risk tax levied and resolution fee	-145.7	-239.7	-5.2	0.0	0.0	-390.6
Operating profit / loss	290.6	1,628.8	108.7	335.3	-195.4	2,168.1
Balance sheet 31 December 2023						
Total assets	237,154.5	335,415.1	26,660.1	1,896.7	-130,319.2	470,807.1
Liabilities	225,768.0	318,652.3	22,677.9	310.6	-120,390.1	447,018.8
Equity	11,386.4	16,762.8	3,982.1	1,586.1	-9,929.1	23,788.4
Total liabilities and equity	237,154.5	335,415.1	26,660.1	1,896.7	-130,319.2	470,807.1
Income statement, Jan-Dec 2022, SEK M	Banking operations	Mortgage institutions	Finance company	Mutual funds	Eliminations/ Adjustments	Total
Net interest income	2,105.8	2,691.8	720.6	9.7	-0.0	5,527.9
Dividends received	250.6	-	-	-	-250.0	0.6
Commission income	823.5	35.9	186.3	1,016.2	-175.7	1,886.1
Commission expense	-1,092.2	-919.6	-65.2	-492.4	175.6	-2,393.9
Net gain / loss from financial items	26.0	-25.5	-	-	0.0	0.5
Intra-Group income	146.1	0.0	3.3	0.3	-149.8	-
Other income	-18.0	0.0	29.5	0.2	-	11.7
Total operating income	2,241.7	1,782.7	874.4	534.0	-399.9	5,032.9
Intra-Group expenses	6.9	-110.0	-12.3	-34.6	149.9	-
Other administration expenses including fees levied	-1,587.5	-32.3	-519.3	-198.0	53.4	-2,283.8
Depreciation / amortisation and impairment	-150.1	-0.1	-22.3	-0.3	-53.8	-226.6
Total operating expenses	-1,730.7	-142.4	-553.9	-232.9	149.5	-2,510.3
Profit / loss before loan losses	511.0	1,640.3	320.6	301.2	-250.4	2,522.6
Credit losses, net	2.5	-4.1	-121.8	-	0.6	-122.8
Share of profit/loss of participating interests	-	-	-	-	-	-
Risk tax levied and resolution fee	-115.3	-213.5	-4.5	-	0.0	-333.3
Operating profit / loss	398.3	1,422.7	194.2	301.2	-249.8	2,066.5
Balance sheet 31 December 2022						
Total assets	239,474.9	316,329.2	26,299.3	1,644.9	-126,513.5	457,234.8
Liabilities	227,837.9	300,632.2	22,434.8	324.2	-116,579.8	434,649.3
Equity	11,637.0	15,697.0	3,864.4	1,320.7	-9,933.8	22,585.4
Total liabilities and equity	239,474.9	316,329.2	26,299.3	1,644.9	-126,513.5	457,234.8

Income and assets are attributable in their entirety to Sweden. The segment distribution per legal entity reflects the internal reporting to the chief operating decision maker. The legal structure within Länsförsäkringar Bank Group is in line with the product offering to external customers. The portion of assets and liabilities that is not distributed per segment comprises intra-Group eliminations within the Bank Group.

For more information, see note 4 Net commission income.

Note 3 Net interest income								
SEK M	Q 4 2023	Q 3 2023	Change	Q 4 2022	Change	Jan-Dec 2023	Jan-Dec 2022	Change
Interest income								
Loans to credit institutions	109.0	139.2	-22%	79.0	38%	440.6	143.3	
Loans to the public	4,203.1	3,884.2	8%	2,657.7	58%	14,622.6	7,858.9	86%
Interest-bearing securities	297.2 ¹⁾	407.0 ¹⁾	-27%	134.1		1,252.3	329.5	
Derivatives	1,189.9	1,217.2	-2%	645.1	84%	4,366.5	555.4	
Other interest income	0.1	0.0		0.1		0.2	0.1	
Total interest income according to the effective interest method	5,799.3	5,647.7	3%	3,516.0	65%	20,682.2	8,887.3	
Interest expense								
Due to credit institutions	-69.0	-94.7	-27%	-56.2	23%	-306.6	-82.1	
Deposits and borrowing from the public	-786.1	-708.0	11%	-218.9		-2,429.1	-367.4	
Debt securities in issue	-1 365.5 ²⁾	-1 290.3 ²⁾	6%	-772.4	77%	-4,667.8	-2,392.5	95%
Subordinated liabilities	-37.6	-36.3	4%	-16.0		-131.1	-44.7	
Derivatives	-1751.1	-1,769.5	-1%	-600.5		-6,031.4	-356.3	
Other interest expense	0.7	-31.1		-52.3		-93.0	-116.3	-20%
Total interest expense according to the effective interest method	-4,008.6	-3,929.9	2%	-1,716.2		-13,659.0	-3,359.4	
Total net interest income	1,790.7	1,717.8	4%	1,799.7	-1%	7,023.2	5,527.9	27%
Average interest rate on loans to the public during the period, including net leasing, %	4.4	4.1		2.9		3.9	2.2	
Average interest rate on deposits from the public during the period, %	2.1	1.9		0.6		1.6	0.2	

¹⁾ Of which negative interest on Interest-bearing securities of SEK -3.0 M (-3.9).

²⁾ Interest expenses on non-preferred senior debt amounts to SEK 169.3 M (149.4).

Note 4 Net commission income								
SEK M	Q 4 2023	Q 3 2023	Change	Q 4 2022	Change	Jan-Dec 2023	Jan-Dec 2022	Change
Commission income								
Payment mediation	43.3	50.0	-13%	40.2	8%	171.6	153.7	12%
Loans	74.8	73.5	2%	71.7	4%	295.2	243.8	21%
Deposits	0.3	0.4	-25%	0.9	-67%	3.1	5.0	-38%
Securities	265.4	278.6	-5%	250.8	6%	1,083.2	1,061.5	2%
Cards	94.6	102.1	-7%	90.7	4%	377.2	351.0	7%
Remuneration to regional insurance companies	29.1	32.0	-9%	16.8	73%	132.4	74.7	77%
Other commission	4.1	4.0	2%	-15.7		16.1	-3.5	
Total commission income	511.6	540.5	-5%	455.3	12%	2,078.7	1,886.1	10%
Commission expense								
Payment mediation	-46.7	-44.8	4%	-38.5	21%	-176.9	-156.1	13%
Securities	-30.8	-31.4	-2%	-27.9	10%	-121.0	-119.9	1%
Cards	-40.8	-51.5	-21%	-40.1	2%	-189.1	-159.9	18%
Remuneration to regional insurance companies	-589.1	-711.5	-17%	-652.9	-10%	-2,916.4	-1,837.2	59%
Management costs	-18.2	-24.1	-24%	-39.7	-54%	-97.3	-104.9	-7%
Other commission	-29.9	-20.0	50%	-4.7		-89.1	-15.9	
Total commission expense	-755.5	-883.4	-14%	-803.8	-6%	-3,589.9	-2,393.9	50%
Total net commission income	-243.9	-342.8	-29%	-348.5	-30%	-1,511.2	-507.8	

There are no material uncertainties regarding income or cash flow in the table above since they are settled on an ongoing basis. Outstanding remuneration to the regional insurance companies and securities commission are also settled on an ongoing basis.

For more information, see note 2 Segment reporting.

Note 5	Net gains / losses from financial items							
SEK M	Q 4 2023	Q 3 2023	Change	Q 4 2022	Change	Jan-Dec 2023	Jan-Dec 2022	Change
Interest-bearing assets and liabilities and related derivatives	-20.5	42.5		-123.4	-83%	-11.4	-62.6	-82%
Other financial assets and liabilities	1.2	-46.5		42.4	-97%	8.0	54.0	-85%
Interest compensation (refer to items measured at amortised cost)	1.2	0.8	50%	1.0	20%	4.2	9.1	-54%
Total net gains / losses from financial items	-18.2	-3.2		-80.1	-77%	0.8	0.5	60%

Note 6	Credit losses							
Net credit losses, SEK M	Q 4 2023	Q 3 2023	Change	Q 4 2022	Change	Jan-Dec 2023	Jan-Dec 2022	Change
Change in loss allowance for loan receivables								
Stage 1 (not credit-impaired)	2.8	3.4	-18%	2.3	22%	20.3	14.3	42%
Stage 2 (not credit-impaired)	-1.8	-5.1	-65%	-30.4	-94%	-11.2	-13.1	-15%
Stage 3 (credit-impaired)	-9.9	-16.6	-40%	7.4		73.1	-27.4	
Total change in loss allowance for loan receivables	-8.9	-18.2	-51%	-20.7	-57%	82.1	-26.2	
Expense for confirmed credit losses	-48.6	-47.8	2%	-74.6	-35%	-278.7	-193.3	44%
Payment received for prior confirmed credit losses	16.2	14.3	13%	22.6	-28%	88.1	103.6	-15%
Net expense for the period for credit losses for loan receivables ¹⁾	-41.2	-51.7	-20%	-72.7	-43%	-108.4	-115.9	-6%
Change in loss allowance for commitments	4.7	2.0		-3.0		2.7	-3.6	
Net expense for other credit losses	-4.4	-1.9		-0.7		-8.1	-3.0	
Net expense of the modification result	-0.2	-0.1		-0.1		-0.4	-0.3	33%
Net expense for credit losses	-41.1	-51.7	-21%	-76.5	-46%	-114.2	-122.8	-7%

¹⁾ A condition for full payment of the regional insurance companies' remuneration by the Bank Group is that the loans generated by each regional insurance company for the Bank Group (excluding Wasa Kredit AB) are of high quality. If this is not the case, up to 80% of any credit losses are off-set against the accrued remuneration to the regional insurance companies. This model for settlement of credit losses is kept separate and is taken into consideration when the provisions are established.

In the fourth quarter of 2023, total credit losses amounted to SEK -56.8 M (-54.4), of which the Bank Group's recognised credit losses amounted to SEK -41.1 M (-51.7) and the remainder of SEK -15.7 M (-2.7) was settled against remuneration to the regional insurance companies.

The table below shows the forward-looking macroeconomic scenarios used for calculating the loss allowance. The macroeconomic scenarios applied in the model calculations were updated in the fourth quarter to reflect the current macroeconomic situation. Three potential macroeconomic scenarios are considered when calculating expected credit losses: a base scenario that is currently weighted at 60%, and a more positive scenario and a more negative scenario that are both weighted at 20%.

31 December 2023	Base scenario			Negative scenario			Positive scenario		
	2024	2025	2026	2024	2025	2026	2024	2025	2026
Housing prices, annual change in %	3.0%	4.0%	4.0%	-4.1%	4.0%	4.0%	10.6%	4.0%	4.0%
GDP, annual change in %	0.6%	3.2%	3.0%	-0.3%	3.0%	3.4%	1.5%	3.3%	2.7%
Unemployment, level in %	8.5%	8.4%	7.7%	9.0%	8.9%	7.9%	7.9%	7.8%	7.2%
31 December 2022	Base scenario			Negative scenario			Positive scenario		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Housing prices, annual change in %	2.0%	4.0%	5.0%	-4.1%	4.0%	5.0%	8.4%	4.0%	5.0%
GDP, annual change in %	-0.9%	1.3%	2.3%	-1.5%	0.9%	2.3%	-0.2%	1.6%	2.3%
Unemployment, level in %	8.2%	8.4%	8.1%	8.7%	9.0%	8.6%	7.7%	7.9%	7.7%

Note 7	Loans to the public Loan receivables are geographically attributable in their entirety to Sweden.	
SEK M	31 December 2023	31 December 2022
Public sector	10,187.7	8,149.2
Corporate sector	26,764.7	23,695.8
Retail sector	356,009.5	343,950.7
Other	2,628.1	8,864.2
Loans to the public before reserves	395,590.0	384,659.9
Loss allowance	-473.4	-555.7
Loans to the public	395,116.5	384,104.3

Allocation per stage, SEK M	31 December 2023								
	Gross carrying amount				Loss allowances				Carrying net amount
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Loans to the public
Länsförsäkringar Hypotek AB	311,495.9	2,435.1	327.1	314,258.1	-2.1	-4.0	-5.2	-11.3	314,246.8
Länsförsäkringar Bank AB	53,678.3	1,166.4	292.8	55,137.5	-1.1	-4.3	-12.4	-17.8	55,119.7
Wasa Kredit AB	22,740.7	2,926.2	527.5	26,194.4	-35.7	-105.3	-303.3	-444.3	25,750.1
Total	387,914.8	6,527.8	1,147.4	395,590.0	-39.0	-113.6	-320.9	-473.4	395,116.5
Allocation per stage, SEK M	31 December 2022								
	Gross carrying amount				Loss allowances				Carrying net amount
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Loans to the public
Länsförsäkringar Hypotek AB	294,285.1	2,456.0	162.6	296,903.7	-4.2	-2.6	-2.4	-9.2	296,894.5
Länsförsäkringar Bank AB	60,427.3	1,434.0	236.4	62,097.7	-1.2	-2.0	-7.6	-10.8	62,086.9
Wasa Kredit AB	21,737.1	3,357.5	563.8	25,658.5	-53.9	-97.7	-384.1	-535.6	25,122.9
Total	376,449.5	7,247.5	962.9	384,659.9	-59.3	-102.3	-394.1	-555.7	384,104.3

Note 7

Loans to the public, continued
 Loan receivables are geographically attributable in their entirety to Sweden.

Change of loss allowance SEK M	Not credit-impaired		Credit-impaired	Total
	Stage 1	Stage 2	Stage 3	
Opening balance, 1 January 2023	-59.3	-102.3	-394.1	-555.7
Increase due to new or acquired loans	-31.2	-0.4	-0.9	-32.5
Change in loss allowance model or method	9.1	14.0	9.5	32.6
Decrease due to repayment	19.8	25.0	81.9	126.7
Change due to changed credit risk	-105.4	-59.2	-69.6	-234.1
Transfer between stages	127.6	-4.8	-225.1	-102.4
Other adjustments	0.5	1.8	1.2	3.5
Sale	0.0	12.4	152.6	165.0
Decrease due to write-off	-	-	123.6	123.6
Closing balance, 31 December 2023	-39.0	-113.6	-320.9	-473.4
Allocation of loss allowance requirement	Not credit-impaired		Credit-impaired	Total
	Stage 1	Stage 2	Stage 3	
Loans to the public before loss allowances	387,914.8	6,527.8	1,147.4	395,590.0
Credit reserve requirement	-51.8	-146.6	-391.3	-589.7
Withheld remuneration to the regional insurance companies	12.9	33.1	70.3	116.3
Recognised loss allowance	-39.0	-113.6	-320.9	-473.4
Loans to the public	387,875.8	6,414.2	826.5	395,116.5
Change of loss allowance SEK M	Not credit-impaired		Credit-impaired	Total
	Stage 1	Stage 2	Stage 3	
Opening balance, 1 January 2022	-73.5	-89.2	-366.1	-528.9
Increase due to new or acquired loans	-48.0	-0.3	-0.4	-48.6
Change in loss allowance model or method	4.4	6.5	0.8	11.7
Decrease due to repayment	31.8	28.0	79.3	139.1
Change due to changed credit risk	-14.8	14.0	-98.1	-99.0
Transfer between stages	39.7	-65.9	-186.3	-212.4
Other adjustments	1.2	1.8	0.3	3.3
Sale	0.0	2.8	9.5	12.4
Decrease due to write-off	-	-	166.9	166.9
Closing balance, 31 December 2022	-59.3	-102.3	-394.1	-555.7
Allocation of loss allowance requirement	Not credit-impaired		Credit-impaired	Total
	Stage 1	Stage 2	Stage 3	
Loans to the public before loss allowances	376,449.5	7,247.5	962.9	384,659.9
Credit reserve requirement	-80.7	-120.9	-434.1	-635.7
Withheld remuneration to the regional insurance companies	21.4	18.6	40.0	80.0
Recognised loss allowance	-59.3	-102.3	-394.1	-555.7
Loans to the public	376,390.2	7,145.2	568.8	384,104.3

A condition for full payment of the regional insurance companies' remuneration by the Bank Group is that the loans generated by each regional insurance company for the Bank Group (excluding Wasa Kredit AB) are of high quality. If this is not the case, up to 80% of any credit losses are off-set against the accrued remuneration to the regional insurance companies. This model for settlement of credit losses is kept separate and is taken into consideration when the provisions are established.

Note 8 Loans to credit institutions

On 31 December 2023, Loans to credit institutions amounted to SEK 878.0 M (1,253.4) and was included in Stage 1. Loss allowance for credit losses amounted to SEK 0.0 M (0.0).

Note 9 Derivatives

SEK M	31 December 2023		31 December 2022	
	Nominal value	Fair value	Nominal value	Fair value
Derivatives with positive values				
<i>Derivatives in hedge accounting</i>				
Interest-related	178,977.0	5,773.2	187,131.0	7,532.9
Currency-related	54,430.9	3,033.8	30,246.8	3,548.8
<i>Other derivatives</i>				
Currency-related	-	-	156.3	1.3
Total derivatives	233,407.9	8,807.0	217,534.1	11,083.1
Offset derivatives with positive values	-102,034.0	-3,843.1	-55,221.0	-2,944.8
Net amount after offset	131,373.9	4,963.9	162,313.1	8,138.3
Derivatives with negative values				
<i>Derivatives in hedge accounting</i>				
Interest-related	195,646.0	7,576.8	198,520.0	12,231.0
Currency-related	10,024.3	368.2	33,483.3	1,095.4
<i>Other derivatives</i>				
Currency-related	569.1	12.1	656.4	40.5
Total derivatives	206,239.3	7,957.2	232,659.7	13,366.9
Offset derivatives with negative values	-102,034.0	-3,843.1	-55,221.0	-2,944.8
Net amount after offset	104,205.3	4,114.1	177,438.7	10,422.0

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

Note 10	Pledged assets, contingent liabilities and commitments		
SEK M		31 December 2023	31 December 2022
For own liabilities, pledged assets		316,006.2	309,314.5
Contingent liabilities		42.2	30.5
Commitments ¹⁾		23,775.9	24,794.5

¹⁾ Commitments to related parties amounted to SEK 13.2 M (82.1) for the regional insurance companies and SEK 7.0 M (9.6) for other related parties.

Contingent liabilities comprise contingent liabilities, which in turn comprise guarantees. Assumptions comprise approved but not disbursed loans and approved but unutilised overdraft facilities and card loans. For additional information about provisions for credit losses on commitments, see note 6.

Contingent assets

The subsidiary Wasa Kredit has an ongoing tax case with the Swedish Tax Agency regarding the repayment of value added tax and a final ruling is expected in 2024. The tax case is the result of a decision by the Supreme Administrative Court in October 2023, entailing that Wasa Kredit will probably recover input VAT for the 2017–2023 fiscal years. The company's current assessment is that between SEK 130 and 160 M will be received.

Note 11	Fair value valuation techniques				
SEK M		31 December 2023		31 December 2022	
		Book value	Fair value	Book value	Fair value
Financial Assets					
Cash and balances with central banks		5,786.5	5,786.5	4,947.0	4,947.0
Treasury bills and other eligible bills		11,183.2	11,183.2	10,856.8	10,856.8
Loans to credit institutions		878.0	878.0	1,253.4	1,253.4
Loans to the public		395,116.5	392,343.2	384,104.3	380,162.2
Bonds and other interest-bearing securities		51,522.6	51,522.6	49,969.4	49,969.4
Shares and participations		106.4	106.4	93.6	93.6
Derivatives		4,963.9	4,963.9	8,138.3	8,138.3
Other assets 1)		336.0	336.0	183.4	183.4
Prepaid expenses and accrued income 1)		303.6	303.6	303.2	303.2
Total		470,196.7	467,423.4	459,849.3	455,907.3
Financial Liabilities					
Due to credit institutions		5,895.4	5,895.4	8,992.0	8,992.0
Deposits and borrowing from the public		150,506.6	152,238.6	153,340.8	154,568.1
Debt securities in issue		280,195.4	277,041.7	265,667.5	253,521.2
Derivatives		4,114.1	4,114.1	10,422.0	10,422.0
Other liabilities 1)		209.5	209.5	429.2	429.3
Subordinated liabilities		3,093.3	3,077.2	2,596.7	2,428.0
Accrued expenses and deferred income 1)		2,375.1	2,375.1	1,342.1	1,342.1
Total		446,389.3	444,951.5	442,790.3	431,702.6

The carrying amount of cash and balances with central banks, loans to credit institutions, other assets, prepaid expenses and accrued income, due to credit institutions, other liabilities and accrued expenses and deferred income comprises a reasonable approximation of the fair value based on the cost of the assets and liabilities, since these assets and liabilities have short terms.

¹⁾ The comparative figures have been adjusted.

Note 11 Fair Value valuation techniques, continued

Financial assets and liabilities measured at fair value in the balance sheet 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 listings

Level 3 refers to prices based on own assumptions and judgements

Financial instruments measured at fair value in the balance sheet

31 December 2023, SEK M	Level 1	Level 2	Level 3	Total
Assets				
Treasury bills and other eligible bills	7,184.5	3,998.7		11,183.2
Bonds and other interest-bearing securities	51,522.6	-		51,522.6
Shares and participations	7.5	27.5	71.4	106.4
Derivatives		4,963.9		4,963.9
Liabilities				
Derivatives		4,114.1		4,114.1
31 December 2022, SEK M				
Assets				
Treasury bills and other eligible bills	6,273.0	4,583.9		10,856.8
Bonds and other interest-bearing securities	49,969.4			49,969.4
Shares and participations	8.1	23.2	62.3	93.6
Derivatives		8,138.3		8,138.3
Liabilities				
Derivatives		10,422.0		10,422.0

Shares and participations and other assets in Level 3 are measured at fair value. Since there is no active market for these shares, the fair value cannot be calculated reliably based on such a listing. Instead, regular valuations are performed based on, for example, recent company reports and forecast results. The fair value of Level 2 shares and participations that pertain to unlisted Series B shares in Mastercard Incorporated (MA) is measured based on the price of the Series A share on the balance-sheet date. Derivatives in Level 2 essentially refer to swaps for which fair value is calculated by discounting expected future cash flows. Holdings in Level 3 primarily comprise holdings of a strategic nature.

Change in level 3, SEK M	Shares and participations
Opening balance, 1 January 2023	62.3
Recognised through profit or loss	9.1
Recognised in other comprehensive income	-0.1
Closing balance, 31 December 2023	71.4
Opening balance, 1 January 2022	56.7
Recognised through profit or loss	5.6
Recognised in other comprehensive income	0.0
Closing balance, 31 December 2022	62.3

Not 12 Capital-adequacy analysis – key figures

The capital-adequacy analysis was prepared in accordance with FFFS 2008:25. Under this regulation, an institution is to present the disclosures stipulated in Article 447 of the Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (Capital Requirements Regulation). The capital-adequacy analysis is also to include an overview of the total risk exposure amount in accordance with Article 438 d of the Capital Requirements Regulation. The Group's disclosures on its total own funds requirements and its own funds in accordance with the Swedish Financial Supervisory Authority's regulation and general guideline regarding prudential requirements and capital buffers (FFFS 2014:12) are found in the section Capital adequacy on page 6.

Other information that is to be disclosed in accordance with Part Eight of the Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms is published on <https://www.lansforsakringar.se/stockholm/other-languages/>.

	Consolidated situation	Consolidated situation
SEK M	31 Dec 2023	31 Dec 2022
Available own funds (amounts)		
Common Equity Tier 1 (CET1) capital	19,228.7	18,468.8
Tier 1 capital	21,428.7	20,668.8
Total capital	24,518.6	22,163.9
Risk-weighted exposure amounts		
Total risk-weighted exposure amount	127,709.7	119,910.2
Capital ratios (as a percentage of risk-weighted exposure amount)		
Common Equity Tier 1 ratio (%)	15.1%	15.4%
Tier 1 ratio (%)	16.8%	17.2%
Total capital ratio (%)	19.2%	18.5%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)		
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.1%	2.1%
of which: to be made up of CET1 capital (percentage points)	1.2%	1.2%
of which: to be made up of Tier 1 capital (percentage points)	1.6%	1.6%
Total SREP own funds requirements (%)	10.1%	10.1%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)		
Capital conservation buffer (%)	2.5%	2.5%
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0%	0%
Institution specific countercyclical capital buffer (%)	2%	1%
Systemic risk buffer (%)	0%	0%
Global Systemically Important Institution buffer (%)	0%	0%
Other Systemically Important Institution buffer (%)	0%	0%
Combined buffer requirement (%)	4.5%	3.5%
Overall capital requirements (%)	14.6%	13.6%
CET1 available after meeting the total SREP own funds requirements (%)	9.1%	8.4%
Leverage ratio		
Leverage ratio total exposure measure	483,374.6	465,690.0
Leverage ratio (%)	4.4%	4.4%
Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)		
Additional own funds requirements to address the risk of excessive leverage (%)	0%	0%
of which: to be made up of CET1 capital (percentage points)	0%	0%
Total SREP leverage ratio requirements (%)	3%	3%

Not 12 Capital-adequacy analysis - key figures, continued

	Consolidated situation	Consolidated situation
SEK M	31 Dec 2023	31 Dec 2022
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)		
Leverage ratio buffer requirement (%)	0%	0%
Overall leverage ratio requirements (%)	3%	3%
Liquidity Coverage Ratio (12 months average)		
Total high-quality liquid assets (HQLA) (Weighted value - average)	68,091.9	71,093.9
Cash outflows - Total weighted value	28,472.0	32,025.8
Cash inflows - Total weighted value	7,257.3	7,350.1
Total net cash outflows (adjusted value)	21,214.7	24,675.7
Liquidity coverage ratio (%)	336.3%	304.7%
Net Stable Funding Ratio		
Total available stable funding	406,478.6	376,796.1
Total required stable funding	316,695.3	302,407.8
NSFR ratio (%)	128%	125%

Note 12 Capital-adequacy analysis - overview of risk weighted exposure amounts

SEK M	Consolidated situation 31 Dec 2023		Consolidated situation 31 Dec 2022	
	Risk exposure amount	Capital requirement	Risk exposure amount	Capital requirement
Credit risk (excluding CCR)	119,238.9	9,539.1	111,588.8	8,927.1
of which: the standardised approach	8,164.0	653.1	11,345.0	907.6
of which: the foundation IRB (FIRB) approach	15,758.2	1,260.7	8,855.1	708.4
of which: the advanced IRB (AIRB) approach	23,913.8	1,913.1	30,808.8	2,464.7
of which: risk exposure amounts according to Article 458 CRR	71,383.7	5,710.7	60,579.8	4,846.4
Counterparty credit risk - CCR	1,498.3	119.9	1,920.3	153.6
of which: the standardised approach	820.4	65.6	1,075.1	86.0
of which: exposures to a CCP	15.5	1.2	18.6	1.5
of which: credit valuation adjustment - CVA	662.3	53.0	826.6	66.1
of which: other CCR	-	-	-	-
Operational risk	6,972.5	557.8	6,401.1	512.1
of which: standardised approach	6,972.5	557.8	6,401.1	512.1
Total	127,709.7	10,216.8	119,910.2	9,592.8

Note 13 Disclosures on related parties

Significant agreements for the Bank Group are primarily outsourcing agreements with the 23 regional insurance companies and outsourcing agreements with Länsförsäkringar AB regarding development, service, finance and IT. The Group's remuneration to the regional insurance companies in accordance with prevailing outsourcing agreements is presented in note Net Commission. Normal business transactions took place between Group companies as part of the outsourced operations.

Income statement – Parent Company

SEK M	Q 4 2023	Q 3 2023	Change	Q 4 2022	Change	Jan-Dec 2023	Jan-Dec 2022	Change
Interest income	2,708.8	2,674.3	1%	1,473.3	84%	9,636.8	3,344.9	
Interest expense	-1,704.4	-1,704.1		-613.6		-5,694.1	-1,239.1	
Net interest income	1,004.4	970.1	4%	859.7	17%	3,942.7	2,105.8	87%
Dividends received	200.1	0.1		250.1	-20%	200.6	250.6	-20%
Commission income	232.4	247.5	-6%	201.3	15%	943.1	823.5	15%
Commission expense	-633.8	-758.9	-16%	-479.1	32%	-2,869.5	-1,092.2	
Net commission	-401.4	-511.4	-22%	-277.8	44%	-1,926.4	-268.8	
Net gain / loss from financial items	0.6	-4.4		7.0	-91%	23.4	26.0	-10%
Other operating income	37.7	37.2	1%	34.9	8%	152.2	128.1	19%
Total operating income	841.5	491.6	71%	874.0	-4%	2,392.6	2,241.7	7%
Staff costs	-131.9	-122.5	8%	-110.3	20%	-515.2	-426.8	21%
Other administration expenses	-358.5	-284.5	26%	-423.3	-15%	-1,134.1	-1,153.7	-2%
Total administration expenses	-490.4	-407.0	20%	-533.7	-8%	-1,649.3	-1,580.6	4%
Depreciation / amortisation and impairment of property and equipment / intangible assets	-182.4	-37.6		-39.1		-296.1	-150.1	97%
Other operating expenses including fees levied	-672.8	-444.7	51%	-572.8	17%	-1,945.3	-1,730.7	12%
Total operating expenses	168.7	46.9		301.2	-44%	447.2	511.0	-12%
Credit losses, net	-2.5	-1.9	32%	0.8		-11.0	2.5	
Risk tax levied and resolution fees	-36.4	-36.4		-28.2	29%	-145.7	-115.3	26%
Operating profit / loss	129.8	8.5		273.7	-53%	290.6	398.3	-27%
Appropriations	-27.0	-		130.0		-27.0	130.0	
Tax	-36.2	-7.0		-186.1	-81%	-78.6	-141.8	-45%
Profit / loss for the period	66.6	1.6		217.7	-69%	185.0	386.5	-52%

Statement of comprehensive income – Parent Company

SEK M	Q 4 2023	Q 3 2023	Change	Q 4 2022	Change	Jan-Dec 2023	Jan-Dec 2022	Change
Profit for the period	66.6	1.6		217.7	-69%	185.0	386.5	-52%
Other comprehensive income								
Items that are reclassified or may subsequently be reclassified to the income statement								
Cash-flow hedges	-6.3	-42.3	-85%	-61.8	-90%	-35.1	64.5	
Change in fair value of debt instruments measured at FVOCI	-39.4	4.8		102.4		-51.4	-222.9	-77%
Tax attributable to items that are transferred or can be transferred as income for the period	9.4	7.7	22%	-8.4		17.8	32.6	-45%
Total	-36.3	-29.8	22%	32.2		-68.6	-125.8	-45%
Items that cannot be transferred to profit and loss								
Change in fair value of equity instruments measured at FVOCI	-0.8	0.2		3.4		3.6	-0.8	
Tax attributable to items that cannot be reversed to profit and loss	0.0	-0.1		-0.6		-0.9	-0.5	80%
Total	-0.9	0.1		2.7		2.7	-1.3	
Total other comprehensive income for the period, net after tax	-37.2	-29.7	25%	34.9		-65.9	-127.1	-48%
Comprehensive income for the period	29.4	-28.1		252.6	-88%	119.1	259.4	-54%

Balance sheet – Parent Company

SEK M	Note	Note	31 Dec 2023	31 Dec 2022
Assets				
Cash and balances with central banks			5,786.5	4,947.0
Treasury bills and other eligible bills			11,183.2	10,856.8
Loans to credit institutions		4	103,473.7	95,226.4
Loans to the public		3	55,119.7	62,086.9
Bonds and other interest-bearing securities			41,025.6	40,099.7
Shares and participations			106.4	93.6
Shares and participations in joint ventures			5.5	3.2
Shares and participations within the Group			9,962.5	9,962.5
Derivatives			8,954.6	15,031.3
Fair value changes of interest-rate-risk hedged items in the portfolio hedge			-232.1	-542.6
Intangible assets			1,293.1	1,261.8
Property and equipment			6.4	9.4
Deferred tax assets			3.4	11.4
Other assets			302.7	266.7
Prepaid expenses and accrued income			163.5	160.8
Total assets			237,154.5	239,474.9
Liabilities, provisions and equity				
Due to credit institutions			9,185.5	10,592.7
Deposits and borrowing from the public			151,826.9	154,531.1
Debt securities in issue			49,474.6	44,913.1
Derivatives			7,750.5	13,272.6
Fair value changes of interest-rate-risk hedged items in the portfolio hedge			-111.1	-562.7
Deferred tax liabilities			-	4.7
Other liabilities			1,206.7	1,052.0
Accrued expenses and deferred income			3,293.3	1,396.7
Provisions			17.6	15.6
Subordinated liabilities			3,093.3	2,596.7
Total liabilities and provisions			225,737.2	227,812.6
Untaxed reserves			145.0	118.0
Equity				
<i>Restricted equity</i>				
Share capital			2,864.6	2,864.6
Statutory reserve			18.4	18.4
Development Expenditures Fund			1,293.1	1,304.3
<i>Total restricted equity</i>			<i>4,176.1</i>	<i>4,187.3</i>
<i>Non-restricted equity</i>				
Additional Tier 1 instruments			2,200.0	2,200.0
Fair value reserves			-44.1	21.7
Retained earnings			4,755.3	4,748.7
Profit for the period			185.0	386.5
<i>Total non-restricted equity</i>			<i>7,096.2</i>	<i>7,357.0</i>
Total equity			11,272.3	11,544.3
Total liabilities, provisions and equity			237,154.5	239,474.9
Notes				
Accounting policies		1		
Capital-adequacy		2		
Disclosures on related parties		5		
Pledged assets, contingent liabilities and commitments		6		

Cash-flow statement in summary, indirect method - Parent Company

SEK M	Jan-Dec 2023	Jan-Dec 2022
Cash and cash equivalents, 1 January	5,139.2	14,441.6
Operating activities		
Operating profit	290.6	398.3
Adjustment of non-cash items	-343.5	-532.7
Change in assets of operating activities		
Change in interest-bearing securities	69.8	3,427.5
Change in loans to the public	6,958.2	-4,180.0
Change in other assets	-8,254.3	-15,786.5
Change in liabilities of operating activities		
Change in deposits and funding from the public	-2,704.2	7,329.1
Change in debt securities in issue	4,282.3	-1,053.5
Change in other liabilities	626.8	2,074.9
Cash flow from operating activities	925.6	-8,323.0
Investing activities		
Acquisition of intangible assets	-323.2	-287.7
Acquisition of property and equipment	-1.2	-4.6
Change in other financial assets	-2.3	-201.7
Cash flow from investing activities	-326.7	-494.0
Financing activities		
Interest on issued Additional Tier 1 instruments	-151.2	-89.1
Issued subordinated liabilities	1,601.3	-
Repayment of subordinated liabilities	-1,101.3	-
Dividend paid	-81.2	-396.3
Cash flow from financing activities	267.6	-485.4
Net cash flow for the period	866.6	-9,302.4
Cash and cash equivalents, 31 December	6,005.8	5,139.2

Cash and cash equivalents are defined as cash and balances at central banks and loans due to credit institutions payable on demand.

Statement of changes in shareholders' equity – Parent Company

SEK M	Restricted equity			Non-restricted equity					
	Share capital	Develop- ment Expenditu- res Fund	Statutory Reserve	Additional Tier 1 instru- ments ¹⁾	Fair value reserve			Profit for the period	Total
					Fair value reserve	Hedge reserve	Retained earnings		
Opening balance, 1 January 2022	2,864.6	1,162.5	18.4	2,200.0	181.8	-33.0	5,746.8	-53.4	12,087.8
Profit for the period								386.5	386.5
Other comprehensive income for the period					-178.3	51.2			-127.1
Comprehensive income for the period					-178.3	51.2		386.5	259.4
According to resolution by Annual General Meeting							-53.4	53.4	-
Dividends paid							-396.3		-396.3
Group contributions paid							-400.0		-400.0
Tax on group contributions paid							82.4		82.4
Dividends etc., on Additional Tier 1 instruments							-89.1		-89.1
Capitalised proprietary development expenditures		141.7					-141.7		-
Closing balance, 31 December 2022	2,864.6	1,304.3	18.4	2,200.0	3.5	18.3	4,748.7	386.5	11,544.3
Opening balance, 1 January 2023	2,864.6	1,304.3	18.4	2,200.0	3.5	18.3	4,748.7	386.5	11,544.3
Profit for the period								185.0	185.0
Other comprehensive income for the period					-38.0	-27.8			-65.9
Comprehensive income for the period					-38.0	-27.8		185.0	119.1
Group contributions paid							-200.0		-200.0
Tax on group contributions paid							41.2		41.2
According to resolution by Annual General Meeting							386.5	-386.5	-
Dividends etc., on Additional Tier 1 instruments							-151.2		-151.2
Dividends paid							-81.2		-81.2
Capitalised proprietary development expenditures		-11.2					11.2		-
Closing balance, 31 December 2023	2,864.6	1,293.2	18.4	2,200.0	-34.5	-9.6	4,755.3	185.0	11,272.3

¹⁾ The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since:

- The instrument, according to the conditions, does not have a set maturity date, meaning that the issuer has an unconditional right to refrain from making repayments.
- The issuer of the instrument has full discretion regarding interest payments, that is to say no obligation to pay interest.

Notes – Parent Company

All figures in SEK M unless otherwise stated. Comparative figures in parentheses: income-statement items are compared with the immediately preceding quarter, balance-sheet items are compared with the immediately preceding year-end, unless otherwise stated.

Note 1	Accounting policies
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Länsförsäkringar Bank AB (publ) prepares its accounts in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL) (1995:1559) and Swedish Financial Supervisory Authority's regulations and general guidelines (FFFS 2008:25). The company also applies the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities and statements.

The deviations arising between the Parent Company's and the Group's accounting policies are due to the limitations on the possibility of applying IFRS in the Parent Company, as a result of the Annual Accounts Act for Credit Institutions and Securities Companies and the Pension Obligations Vesting Act and in certain cases for tax reasons. The deviations are described in the 2022 Annual Report.

CHANGES THAT IMPACTED THE FINANCIAL STATEMENTS IN 2023

No accounting standards, which have been published but not yet applied, came into effect during the period that have a material effect on the company's financial statements or capital adequacy and large exposures.

In all other respects, the interim report has been prepared in accordance with the same accounting policies and calculation methods applied in the 2022 Annual Report.

Note 2 Capital-adequacy analysis - key metrics

The capital-adequacy analysis was prepared in accordance with FFFS 2008:25. Under this regulation, an institution is to present the disclosures stipulated in Article 447 of the Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (Capital Requirements Regulation). The capital-adequacy analysis is also to include an overview of the total risk exposure amount in accordance with Article 438 d of the Capital Requirements Regulation. The Group's disclosures on its total own funds requirements and its own funds in accordance with the Swedish Financial Supervisory Authority's regulation and general guideline regarding prudential requirements and capital buffers (FFFS 2014:12) are found in the section Capital adequacy on page 6.

SEK M	31 Dec 2023	31 Dec 2022
Available own funds (amounts)		
Common Equity Tier 1 (CET1) capital	7,431.7	7,954.4
Tier 1 capital	9,631.7	10,154.4
Total capital	12,721.7	11,649.5
Risk-weighted exposure amounts		
Total risk-weighted exposure amount	31,960.3	30,481.8
Capital ratios (as a percentage of risk-weighted exposure amount)		
Common Equity Tier 1 ratio (%)	23.3%	26.1%
Tier 1 ratio (%)	30.1%	33.3%
Total capital ratio (%)	39.8%	38.2%
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)		
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.9%	2.9%
of which: to be made up of CET1 capital (percentage points)	1.6%	1.6%
of which: to be made up of Tier 1 capital (percentage points)	2.2%	2.2%
Total SREP own funds requirements (%)	10.9%	10.9%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)		
Capital conservation buffer (%)	2.5%	2.5%
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0%	0%
Institution specific countercyclical capital buffer (%)	2%	1%
Systemic risk buffer (%)	0%	0%
Global Systemically Important Institution buffer (%)	0%	0%
Other Systemically Important Institution buffer	0%	0%
Combined buffer requirement (%)	4.5%	3.5%
Overall capital requirements (%)	15.4%	14.4%
CET1 available after meeting the total SREP own funds requirements (%)	17.1%	20.0%
Leverage ratio		
Leverage ratio total exposure measure	136,410.6	143,784.5
Leverage ratio (%)	7.1%	7.1%
Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)		
Additional own funds requirements to address the risk of excessive leverage (%)	0%	0%
of which: to be made up of CET1 capital (percentage points)	0%	0%
Total SREP leverage ratio requirements (%)	3%	3%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)		
Leverage ratio buffer requirement (%)	0%	0%
Overall leverage ratio requirements (%)	3%	3%
Liquidity Coverage Ratio (12 months average)		
Total high-quality liquid assets (HQLA) (Weighted value - average)	59,060.3	62,224.6
Cash outflows - Total weighted value	55,758.0	57,264.1
Cash inflows - Total weighted value	13,211.8	10,996.5
Total net cash outflows (adjusted value)	44,975.7	46,267.7
Liquidity coverage ratio (%)	149.7%	152.4%
Net Stable Funding Ratio		
Total available stable funding	186,668.6	180,246.6
Total required stable funding	108,508.5	107,654.1
NSFR ratio (%)	172%	167%

Note 2 Capital-adequacy analysis - overview of risk weighted exposure amounts

Mkr	Risk weighted exposure amounts		Total own funds requirements	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Credit risk (excluding CCR)	27,989.2	27,514.0	2,239.1	2,201.1
of which: the standardised approach	13,883.8	13,913.8	1,110.7	1,113.1
of which: the foundation IRB (FIRB) approach	5,441.8	4,050.1	435.3	324.0
of which: the advanced IRB (AIRB) approach	4,118.5	5,279.9	329.5	422.4
of which: risk exposure amounts according to Article 458 CRR	4,545.1	4,270.2	363.6	341.6
Counterparty credit risk - CCR	1,221.6	683.4	97.7	54.7
of which: the standardised approach	584.2	372.0	46.7	29.8
of which: exposures to a CCP	15.5	18.6	1.2	1.5
of which: credit valuation adjustment - CVA	621.9	292.8	49.8	23.4
of which: other CCR	-	-	-	-
Foreign-currency risk	-	-	-	-
Operational risk	2,749.4	2,284.4	220.0	182.8
of which: standardised approach	2,749.4	2,284.4	220.0	182.8
Total	31,960.3	30,481.8	2,556.8	2,438.5

Note 3 Loans to the public

A condition for full payment of the regional insurance companies' remuneration by Länsförsäkringar Bank AB is that the loans generated by each regional insurance company for Länsförsäkringar Bank AB are of high quality. If this is not the case, up to 80% of any credit losses are off-set against the accrued remuneration to the regional insurance companies. This model for settlement of credit losses is kept separate and is taken into consideration when the provisions are established. On 31 December 2023, the total credit reserve requirement for loan receivables amounted to SEK 89.1 M (54.1) of which Länsförsäkringar Bank's recognised loss allowance for loan receivables accounted for SEK 17.8 M (10.8) and the remainder of SEK 71.3 M (43.3) was settled against the remuneration to the regional insurance companies.

Note 4 Loans to credit institutions

On 31 December 2023, Loans to credit institutions amounted to SEK 103,473.7 M (95,226.4) and was included in Stage 1. Loss allowance for credit losses amounted to SEK 23.1 M (21.2).

Note 5 Disclosures on related parties

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

Note 6 Pledged assets, contingent liabilities and commitments

SEK M	31 December 2023	31 December 2022
For own liabilities, pledged assets	11,155.5	16,701.9
Contingent liabilities	42.2	30.5
Commitments ¹⁾	62,587.5	51,638.0

¹⁾ Commitments to related parties amounted to SEK 57,350.2 M (45,976.4) for companies within the Bank Group, SEK 1.0 M (51.0) for the regional insurance companies and SEK 6.4 M (6.4) for other related parties.

Contingent liabilities comprise contingent liabilities, which in turn comprise guarantees. Assumptions comprise approved but not disbursed loans and approved but unutilised overdraft facilities and card loans.

Note 7 Significant events after the end of the reporting period

No significant events have occurred after the end of the reporting period.

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

The President affirms that this interim report provides a true and fair view of the company's and the Group's operations, financial position and earnings and describes the significant risks and uncertainties to which the company and the companies included in the Group are exposed.

Stockholm, 9 February 2024

Sven Eggefalk
President

Review report

To the Board of Directors of Länsförsäkringar Bank AB (publ)

Corp. id. 516401-9878

Introduction

We have reviewed the condensed interim financial information (interim report) of Länsförsäkringar Bank AB (publ) as of 31 December 2023 and the twelve-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

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

Conclusion

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

Stockholm, 9 February 2024

Deloitte AB

Patrick Honeth
*Authorized Public Accountant
Auditor in charge*

Definitions

Glossary

Return on total assets

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

Own funds

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

Credit-impaired loan receivables

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

Common Equity Tier 1 capital

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

Common Equity Tier 1 capital ratio

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

Liquidity Coverage ratio

Qualitative liquid assets in relation to their net cash outflow measured over a period of 30 days.

Loan receivables

Comprises loans to the public and loans to credit institutions.

Tier 1 capital

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

Tier 1 ratio

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

Risk Exposure Amount (REA)

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

Fixed-interest period

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

Tier 2 capital

Primarily comprises fixed-term subordinated debt.

Total capital ratio

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

Net stable funding ratio

Available stable funding in relation to the assets that require stable funding over one year.

Alternative performance measures

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

Share of credit-impaired loan receivables, gross or net, respectively

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

Credit loss level

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

Investment margin

Net interest income in relation to average total assets.

Reserve ratio for loan receivables

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

Return on equity

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

Financial calendar 2024

Interim report January-March Länsförsäkringar Bank	24 April
Interim report January-June Länsförsäkringar Bank	19 July
Interim report January-June Länsförsäkringar Hypotek	19 July
Interim report January-September Länsförsäkringar Bank	22 October

This report contains such information that Länsförsäkringar Bank AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication on 9 February 2024 at 12:00 p.m. CET.

The annual report for 2023 will be published in the week of 18 to 22 March 2024.

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