

SVEA EKONOMI AB (publ)

ANNUAL REPORT 2015

The Board of Directors and CEO of Svea Ekonomi AB (publ), Co. Reg. No. 556489-2924, herewith submit the Annual Report and Consolidated Accounts for the 2015 financial year.

REPORT OF THE BOARD OF DIRECTORS

Operations

Svea Ekonomi AB conducts financing activities under a permit from the Swedish Financial Supervisory Authority and in accordance with the provisions of the Banking and Financing Business Act (SFS 2004:297) (LBF). The Svea Ekonomi AB Group also provides administrative services.

The Group's business concept is to provide the market with personal service and efficient custom solutions within the areas of Administrative and Financial Services (AFS) and Debt Recovery. Under this business concept we offer the following:

Invoice services, business financing, factoring, invoice purchasing, debt recovery, deposits, unsecured loans, VAT recovery, billing, legal services, credit reports, training, payment transfers, foreign currency exchange and Giro-service.

Financial services are offered by the consolidated situation, which comprises Svea Ekonomi AB, the branches Svea Finans NUF in Norway, Svea Ekonomi AB in Finland, and the wholly owned subsidiaries Svea Finance AS, Svea Finance SIA, Svea Finans A/S, Svea Rahoitus Suomi OY, Svea Finans Nederland BV, Svea Finans AG, Payson AB, Svea Exchange AB, Kapitalkredit Sverige AB and Daylet Limited. It also includes the associated companies Svea Ekonomi Cyprus Limited, Rhoswen Limited and Svea Finance ZRT.

Administrative services are offered by the operating subsidiaries Svea Billing Services AB and Svea Vat Adviser AB. Also, via associated companies Credex AB and Trade in Sports Europe AB.

Debt recovery operations are conducted by the sub-group Svea Inkasso AB with the operating subsidiaries Svea Finans AS, Svea Inkasso A/S and Svea Perintä Oy with the subsidiaries Svea Inkasso OÜ and Svea Inkasso SIA. In addition, debt recovery operations are carried out in Eastern Europe by the associated company Creditexpress NV.

The Group conducts business operations in the Nordic region and in other parts of Europe, and is one of the biggest within financing, administration and debt recovery. The Parent Company constitutes a substantial part of the Group, which can be seen in the five-year summaries on pages 5 and 6.

Significant events during the year

The year was characterized by expansion and an increase in loans and deposits. The positive earnings trend is mainly attributable to an increase in net income from interest, fees and commissions. This positive trend is expected to continue. While credit losses fell in respect of loans to private individuals, losses in respect of lending to companies rose. Thus, total credit losses rose compared to the previous year. Of the Group's losses in respect of loans to companies, SEK 39.4 million are attributable to a single undertaking in Eastern Europe.

Financial operations developed according to plan, with the exceptions of Denmark, the Netherlands and Estonia, which performed less well than planned. Investments in past-due receivables portfolios in eastern and central Europe developed according to plan, with the exceptions of the Ukraine and Russia, which performed less well than planned, mainly due to foreign exchange effects.

Debt recovery operations in Sweden and Finland developed better than planned, while operations in Norway, Denmark and Estonia developed less well than planned. Eastern Europe operations performed less well than planned.

The extraordinary shareholders meeting of 05 March 2015 resolved to pay a dividend to shareholders of SEK 25 million in accordance with a separate statement from the Board.

The extraordinary shareholders meeting of 19 October 2015 resolved to pay a dividend to shareholders of SEK 25 million in accordance with a separate statement from the Board.

Investments were made in the acquisition of past-due receivables in the Czech Republic and Poland.

The dormant subsidiaries Svea Kreditinfo AB and Svea Juridiska AB were sold during the year. The subsidiary Mobivox Telecom was sold internally and merged with Svea Billing Services AB. The dormant subsidiary Svea Financial Services Holding AB and its subsidiary Svea Financial Services AB were merged with Svea Ekonomi AB.

A further 29 per cent of the shares in Daylet Limited, which invests in past due receivables in Russia, were acquired in June and the remaining 21 per cent in December, thus making the subsidiary wholly owned.

In August, 49.5 per cent of the shares in the Kapitalkredit Sverige AB subsidiary were acquired, which is now wholly owned.

During the third and fourth quarters, impairment tests were carried out in respect of operations that developed less well than planned; impairments were charged to the consolidated operating profit during the quarters in the amounts of SEK 22.2 million and SEK 20.5 million respectively.

In November 2015, Svea Ekonomi AB issued a subordinated bond with a nominal value of SEK 200 million which will run until the end of November 2025, and in this connection changed the articles of association to a public limited company.

Operating revenues and operating profit

Operating revenues amounted to SEK 1808.9 million (1498.2) for the Group, and SEK 1384.6 million (1266.3) for the Parent Company. Operating profit amounted to SEK 385.1 million (325.9) for the Group, and SEK 427.0 million (466.7) for the Parent Company.

Lending

As of 31 December 2015, external lending to the public amounted to SEK 6006.7 million (5150.4) for the Group, and SEK 5100.2 million (4260.6) for the Parent Company.

Financing

Group lending to the public is financed through deposits from the public, our own operations, other credit institutions, convertible loans, subordinated debt and bonds.

As of 31 December 2015, deposits from the public amounted to SEK 7641.4 million (7544.8) for the Group, and SEK 7376.4 million (7411.7) for the Parent Company. As of 31 December 2015, liabilities to credit institutions amounted to SEK 14.8 million (29.1) for the Group. The Parent Company has no liabilities to credit institutions. Convertible loans amounted to a nominal SEK 50 million (50.0), subordinated debt to SEK 75.0 million (75.0) and the subordinated bond to a nominal value of SEK 200 million.

Liquidity

As of 31 December 2015, cash and bank balances plus approved but unutilized credit, amounted to SEK 1433.8 million (1970.7) for the Group, and SEK 981.7 million (1581.7) for the Parent Company.

As of 31 December 2015, liquidity including investments in listed bonds and other securities amounted to SEK 2286.6 million (3011.6) for the Group, and SEK 1834.5 million (2622.6) for the Parent Company.

Investments

Investments in tangible and intangible assets for the year amounted to SEK 35.3 million (92.4) for the Group, and SEK 258.4 million (200.2) for the Parent Company.

Personnel

The average number of permanent employees in the Group amounted to 916 (839), of whom 541 were women (503), and in the Parent Company 455 (432), of whom 247 were women (239).

As 31 December 2015, the number of employees in the Group amounted to 943 (896), and in the Parent Company 470 (440).

The planning and decision-making process regarding remunerations and benefits for key individuals in executive positions including the Board is described in Note 11.

Capital adequacy

The new European CRR/CRDIV (Basel III) regulations came into force as of 1 January 2014, and entail more stringent requirements for the highest quality components of the capital base – core primary capital and primary capital. In addition to the minimum capital requirement, a capital conservation buffer of 2.50 per cent was introduced as of 01 August 2014. A contra-cyclic buffer of 1.00 per cent was introduced as of 30 June 2015 for certain exposures in Norway, and a buffer of 1.00 per cent for certain exposures in Sweden applies as of 13 September 2015.

On 28 August 2014, the Board resolved that capital ratios should exceed the regulatory requirements by 0.50 percentage points.

The minimum capital requirement for the core primary capital ratio amounted to 4.50 per cent, the primary capital ratio to 6.00 per cent and the total capital ratio to 8.00 per cent.

As of 31 December 2015, the minimum capital requirement including the buffer requirement for the core primary capital ratio amounted to 7.55 per cent, the primary capital ratio to 9.05 per cent and the total capital ratio to 11.05 per cent.

In the consolidated situation as of 31 December 2015, the minimum capital requirement for the core primary capital ratio including the buffer requirement amounted to 7.53 per cent, the primary capital ratio to 9.03 per cent and the total capital ratio to 11.03 per cent.

Capital requirement is calculated in compliance with statutory minimum requirements for capital for credit risk, market risk, operational risk and credit valuation adjustment risk.

The core primary capital ratio in the Parent Company amounted to 14.02 per cent (11.65) as of 31 December 2015, the primary capital ratio to 14.02 per cent (11.65) and the total capital ratio to 15.44 per cent (11.77).

In the consolidated situation, the core primary capital amounted to 13.25 per cent (10.87) as of 31 December 2015, the primary capital ratio to 13.25 per cent (10.94) and the total capital ratio to 15.25 per cent (11.87).

In November 2015, supplementary capital and thus total capital was bolstered by the subordinated bond. For further information on risk management and capital management, refer to page 4 and Note 42.

Significant events since year-end

The beginning of 2016 proceeded according to plan. Volumes increased in both financial services and administrative services.

During the second quarter of 2016, Svea Ekonomi AB will apply for registration of the subordinated bond with the Nasdaq OMX Stockholm.

No other significant events have occurred since year-end.

Economic outlook

Group operating income for 2016 is anticipated to increase with positive earnings and cash flow.

The Group's lending to the general public, its credit losses and deposits from the public are anticipated to increase during 2016.

Proposed allocation of profits

The Board of Directors and the CEO propose that unappropriated earnings be placed at the disposal of the Annual General Meeting:

Profit brought forward from the previous year	949,383,532
Dividend to shareholders in accordance with extraordinary shareholders' meeting resolution	-25,000,000
Fair value reserve	118,908,875
Consolidation gain	515
Exchange rate differences	-17,977,051
Profit for the year	322,891,419
Total	1,348,207,290

To be distributed as follows:

To be paid to shareholders (800,000 shares x SEK 62.50 per share)	50,000,000
To be carried forward	1,298,207,290
Total	1,348,207,290

Proposed motion regarding dividends

The Board of Directors proposes that SEK 50,000,000.00 be distributed, equivalent to SEK 62.50 per share.

The Board proposes that the Annual General Meeting of 20 April 2016 authorize the Board to decide on a distribution date.

Current regulations for capital adequacy and major exposures stipulate that the company must, at all times, have a capital base corresponding to at least the company's internally assessed capital requirement, i.e. the total capital requirements for credit risks, market risks and operational risks, as well as for additional identified risks in the operations in accordance with the company's internal capital and liquidity adequacy assessment process (ICAAP). After the proposed appropriation of profits, the capital base in the consolidated situation amounts to SEK 1,468 million and the internally assessed capital requirement SEK 1,252 million. Because non-restricted equity is to be carried forward in accordance with the proposed allocation of profits, SEK 1,082 million are not distributable. A specification of these items is presented in Note 43. SEK 193 million of equity represents unrealized gains in respect of assets measured at fair value.

The Board of Directors and the CEO consider the proposed dividend to be justifiable with regard to the requirements that the nature, scope and risks of the operations impose on the size of shareholders' equity and the company's solvency requirements, liquidity and position in general.

This statement should be viewed in light of the information presented in the Annual Report.

With regard to the Group's and the Parent Company's position and performance in general, refer to the income statements and balance sheets presented below, with their associated supplementary disclosures and notes to the financial statements.

Risk management and capital management

Risk exposure is an integral part of all financial operations and means that Svea Ekonomi is exposed to credit, liquidity, market, transaction and operational risks. Therefore, the business requires a well-defined organization and clear division of responsibilities, as well as efficient processes for each area of risk.

Risk management organization

Svea Ekonomi uses a control model in which the responsibility for risk management is divided between the Board and *three lines of defence*: the line organization (1st line of defence); risk control and compliance (2nd line of defence) and internal auditing (3rd line of defence).

Board of Directors

Svea Ekonomi AB's Board of Directors bears ultimate responsibility for limiting and following up the company's and the Group's risks and also establishing the Group's capital adequacy target. At Svea Ekonomi, risks are measured and reported according to standardized principles and policies determined annually by the Board. The Board decides on guidelines for credit, liquidity, market, transaction and operational risks, and the internal capital and liquidity adequacy assessment process (ICAAP), which is revised at least once annually. The Board monitors risk trends on a continuous basis and sets and supervises limits of risk appetite that may not be exceeded.

Svea Ekonomi has established an efficient framework for risk appetites that includes all of the company's relevant risks. Ambition, approach and qualitative standpoints are established for each individual risk. Qualitative risk appetites are combined with quantitative risk appetite metrics and tolerance levels. The Board continually evaluates the operation's compliance with established risk appetites through follow-up and reports by the independent risk control function. The framework and relevance of risk appetite levels are evaluated on a continuous basis, for revision or update by the Board as necessary.

Line organization

The risk originates in the line organization, which has thus formal responsibility for risks and risk management processes. Guidelines and instructions form the basis of sound risk management, i.e. continuously identifying, measuring, controlling and following up the operation's risks.

Risk-control function

The Risk Controller is an independent control function responsible for ongoing controls that ensure risk exposure is kept within established limits and that the line organization controls operations in the intended manner. This also involves reporting relevant risk information to management and the Board. The function is also responsible for coordinating and advising on the company's internal capital and liquidity adequacy assessment process and providing personnel with supplementary training. The function, which is led by the Risk Control Officer, comprises a network of risk controllers in the major foreign subsidiaries and branches.

Compliance

Compliance refers to abidance of external regulations. Svea Ekonomi has an independent compliance function led by a Group Compliance Officer through a network of local compliance managers in the major foreign subsidiaries and branches. The organization's principal task is to assure the quality of the operation and prevent any problems by ensuring that changes in legislation and regulations are implemented and complied with by the operation.

Internal audit

The internal audit is an independent auditing function procured externally. It examines and evaluates risk-control and governance processes in the Group. It is independent of business operations and reports directly to the Board of Svea Ekonomi AB. The audit plan and priorities for the focus of the work are established by the Board. Reports prepared by the function are submitted to the Board and the unit an audit concerns.

The function audits day-to-day operations in the line organization and the work performed by the 2nd line of defence while also acting as an advisor to business operations.

For further information regarding risks, see Note 42.

FIVE-YEAR SUMMARY, GROUP (SEK THOUSAND)

Income statements	2015	2014	2013	2012	2011
Net interest income	778,302	578,141	434,469	392,847	383,244
Net commissions	930,729	818,630	708,767	635,144	535,832
Other operating income	99,887	101,381	65,622	40,205	14,976
Operating income	1,808,918	1,498,152	1,208,858	1,068,196	934,052
Operating expenses	-1,260,418	-1,049,606	-864,449	-762,081	-664,378
Profit before credit losses	548,500	448,546	344,409	306,115	269,674
Credit losses, net	-162,967	-121,181	-148,978	-94,304	-77,719
Impairment charges, financial assets	-466	-1,460	0	-4,977	0
Operating profit	385,067	325,905	195,431	206,834	191,955
Tax on profit for the year	-109,968	-94,738	-52,519	-56,042	-49,671
Profit for the year	275,099	231,167	142,912	150,792	142,284

Balance sheets

Lending to credit institutions	1)	1,367,998	1,880,907	1,048,866	1,263,562	1,113,717
Lending to the public		6,006,656	5,150,410	4,289,118	3,387,319	2,922,912
Other assets		2,393,894	2,114,276	1,529,825	1,376,751	1,139,281
Assets		9,768,548	9,145,593	6,867,809	6,027,632	5,175,910
Liabilities to credit institutions		14,816	29,052	37,730	43,241	31,485
Deposits from the public		7,641,412	7,544,755	5,561,667	4,827,313	4,242,761
Other liabilities		726,206	466,794	346,943	342,340	258,351
Shareholders' equity		1,386,114	1,104,992	921,469	814,738	643,313
Liabilities and shareholders' equity		9,768,548	9,145,593	6,867,809	6,027,632	5,175,910

Key ratios

Return on total assets, %	2)	2.9	2.9	2.2	2.7	2.9
Return on shareholders' equity, %	3)	22.1	22.8	16.5	20.7	24.0
Debt/equity ratio	4)	6.6	6.9	6.4	6.7	7.3
Equity/assets ratio, %	5)	14.2	12.1	13.4	13.5	12.4
Revenues/expenses excl. credit losses		1.4	1.4	1.4	1.4	1.4
Revenues/expenses incl. credit losses		1.3	1.3	1.2	1.2	1.3
Credit loss ratio, %	6)	2.9	2.6	3.9	3.0	3.1
Capital base in consolidated situation		1,468,418	951,780	790,612	702,087	548,747
Total capital ratio in consolidated situation, %		15.3	11.9	-	-	-
Capital adequacy ratio in consolidated situation		-	-	1.5	1.6	1.4
Cash flow from operating activities, SEK thousands	7)	703,254	629,917	539,625	424,474	399,707
Average number permanent employees		916	839	656	620	543

- 1) Including cash and bank balances with central banks.
- 2) Profit for the year as a percentage of average total assets.
- 3) Profit for the year as a percentage of average shareholders' equity.
- 4) Average liabilities divided by average shareholders' equity.
- 5) Shareholders' equity as a percentage of total assets at year end.
- 6) Credit losses as a percentage of average lending to the public.
- 7) Cash flow from operating activities before changes in operating assets and liabilities.

FIVE-YEAR SUMMARY, PARENT COMPANY (SEK THOUSANDS)

Income statements		2015	2014	2013	2012	2011
Net interest income	1)	787,982	539,515	382,276	297,982	269,499
Dividends received		37,769	206,779	105,185	118,928	109,965
Net commissions		273,699	231,439	192,901	154,959	115,213
Other operating income		285,179	288,559	234,382	194,928	159,735
Operating income		1,384,629	1,266,292	914,744	766,797	654,412
Operating expenses		-796,164	-633,512	-544,561	-456,236	-385,611
Profit before credit losses		588,465	632,780	370,183	310,561	268,801
Credit losses, net		-111,228	-103,073	-104,750	-74,184	-62,492
Impairment charges, financial assets		-50,220	-62,975	-33,150	-61,269	-31,240
Operating profit		427,017	466,732	232,283	175,108	175,069
Appropriations		-3,384	-221,735	-76,103	-49,156	-54,554
Profit before tax		423,633	244,997	156,180	125,952	120,515
Tax on profit for the year		-100,743	-32,767	-26,242	-13,669	-9,357
Profit for the year		322,890	212,230	129,938	112,283	111,158

Balance sheets

Lending to credit institutions		931,706	1,531,742	789,329	1,001,533	914,666
Lending to the public		5,669,469	4,952,040	4,107,382	3,213,851	2,892,565
Other assets		2,793,679	2,328,123	1,658,717	1,423,806	1,222,475
Assets		9,394,854	8,811,905	6,555,428	5,639,190	5,029,706
Liabilities to credit institutions		0	0	0	1,458	0
Deposits from the public		7,376,427	7,411,716	5,461,464	4,639,700	4,234,225
Other liabilities		626,200	352,784	235,670	223,165	161,281
Untaxed reserves		34,000	38,000	0	0	0
Shareholders' equity		1,358,227	1,009,405	858,294	774,867	634,200
Liabilities and shareholders' equity		9,394,854	8,811,905	6,555,428	5,639,190	5,029,706

Key ratios

Return on total assets, %	2)	3.5	2.8	2.1	2.1	2.3
Return on shareholders' equity, %	3)	26.6	22.4	15.9	15.9	18.5
Debt/equity ratio	4)	6.5	7.1	6.5	6.6	6.9
Equity/assets ratio, %	5)	14.7	11.8	13.1	13.7	12.6
Revenues/expenses excl. credit losses		1.7	2.0	1.7	1.7	1.7
Revenues/expenses incl. credit losses		1.5	1.7	1.4	1.4	1.5
Credit loss ratio, %	6)	2.1	2.3	2.9	2.4	2.5
Capital base		1,410,697	855,323	836,185	768,082	610,298
Total capital ratio, %		15.4	11.8	-	-	-
Capital adequacy ratio-		-	1.8	2.1	1.9	-
Cash flow from operating activities, SEK thousands	7)	7658,397	527,357	398,668	339,175	194,294
Average number permanent employees	8)	455	432	411	382	338
Number of employees on closing day		313	282	251	224	192

1) Net interest income before depreciation according to plan for leasing items.

2) Profit for the year as a percentage of average total assets.

3) Profit for the year as a percentage of average shareholders' equity.

4) Average liabilities divided by average shareholders' equity. Untaxed reserves were allocated to liabilities and shareholders' equity, respectively.

5) Shareholders' equity + equity portion of untaxed reserves as a percentage of total assets at year end.

6) Credit losses as a percentage of average lending to the public.

7) Cash flow from operating activities before changes in operating assets and liabilities.

8) Of which some personnel hired out to Swedish Group companies

INCOME STATEMENT (SEK thousands)	Note	Group		Parent Company	
		2015	2014	2015	2014
Interest income	4	876,237	728,825	738,635	593,423
Leasing income	4			139,871	87,666
Interest expenses	4	-97,935	-150,684	-90,524	-141,574
Net interest income		778,302	578,141	787,982	539,515
Dividends received	5	16,677	9,747	37,769	206,779
Commission income	6	974,461	858,212	300,741	254,521
Commission expenses	7	-43,732	-39,582	-27,042	-23,082
Net profit from financial transactions	8	64,252	61,051	80,813	96,470
Participations in associated company's earnings	9	-7,326	4,533		
Other operating income	10	26,284	26,050	204,366	192,089
Operating income		1,808,918	1,498,152	1,384,629	1,266,292
Personnel expenses	11	-544,061	-470,237	-316,370	-279,968
Other administrative expenses		-630,267	-540,895	-361,150	-278,920
Depreciation/amortization of intangible and tangible fixed assets etc.	12	-82,377	-37,229	-118,644	-74,624
Other operating expenses		-3,713	-1,245	0	0
Operating expenses		-1,260,418	-1,049,606	-796,164	-633,512
Profit before credit losses		548,500	448,546	588,465	632,780
Credit losses, net	13	-162,967	-121,181	-111,228	-103,073
Impairment charges, financial assets	14	-466	-1,460	-50,220	-62,975
Operating profit		385,067	325,905	427,017	466,732
Appropriations	15			-3,384	-221,735
Profit before tax		385,067	325,905	423,633	244,997
Tax on profit for the year	16	-109,968	-94,738	-100,743	-32,767
Profit for the year		275,099	231,167	322,890	212,230
Of which attributable to holding without a controlling influence		10,709	9,370		
Of which attributable to Parent Company shareholders		285,808	240,537		

STATEMENT OF COMPREHENSIVE INCOME (SEK thousands)

Profit for the year	275,099	231,167	322,890	212,230
<i>Items for possible reclassification and transfer to the income statement:</i>				
<i>Financial assets available for sale</i>				
Change in value	236,866	95,305	236,866	95,305
Change in value, deferred tax	-52,111	-20,967	-52,111	-20,967
Reclassified to the income statement	-84,418	-91,386	-84,418	-91,386
Deferred tax reclassified to the income statement	18,572	20,105	18,572	20,105
Translation of foreign operations	-27,991	18,571	-17,978	4,381
Other comprehensive income	90,918	21,628	100,931	7,438
Comprehensive income for the year	366,017	252,795	423,821	219,668
Of which attributable to holding without a controlling influence	9,001	7,930		
Of which attributable to Parent Company shareholders	375,018	260,725		

STATEMENT OF FINANCIAL POSITION/ BALANCE SHEETS (SEK thousands)	Note	Group		Parent Company	
		31/12/2015	31/12/2014	31/12/2015	31/12/2014
Cash and balances with central banks		50,742	44,699	0	0
Lending to credit institutions	35	1,317,256	1,836,208	931,706	1,531,742
Lending to the public	17, 35	6,006,656	5,150,410	5,669,469	4,952,040
Bonds and other securities	18	852,779	1,040,949	852,779	1,040,949
Shares and participations	19	1,130,624	589,631	1,130,597	589,044
Other participations	20	3,284	4,534	0	0
Shares and participations in associated companies	21	38,377	57,076	54,152	56,802
Shares in Group companies	22			280,478	274,177
Intangible assets	23	108,494	156,225	506	886
Tangible assets	24	105,055	108,733	417,589	306,799
Deferred tax assets	25	1,859	3,281	507	701
Other assets	26, 35	116,101	108,062	37,235	34,569
Prepaid expenses and accrued income	27	37,321	45,785	19,836	24,196
Assets		9,768,548	9,145,593	9,394,854	8,811,905
Liabilities to credit institutions	28, 35	14,816	29,052	0	0
Deposits from the public	29, 35	7,641,412	7,544,755	7,376,427	7,411,716
Issued securities, etc.	30			48,234	47,375
Other liabilities	31	227,985	211,294	161,411	134,420
Accrued expenses and deferred income	32	160,076	145,285	89,535	74,797
Liabilities		8,044,289	7,930,386	7,675,607	7,668,308
Provisions	25	65,771	35,215	54,646	21,192
Subordinated liabilities	33	272,374	75,000	272,374	75,000
Untaxed reserves	34			34,000	38,000
<i>Restricted shareholders' equity</i>					
Share capital		8,421	8,421	8,421	8,421
Statutory reserve				1,600	1,600
<i>Non-restricted shareholders' equity</i>					
Fair value reserve				193,352	74,443
Reserves		159,158	69,948		
Share premium account		49,579	49,579	49,579	49,579
Profit brought forward		887,516	730,940	782,385	663,132
Profit for the year		285,808	240,537	322,890	212,230
Attributable to Parent Company shareholders		1,390,482	1,099,425	1,358,227	1,009,405
Holding without a controlling influence		-4,368	5,567		
Shareholders' equity		1,386,114	1,104,992	1,358,227	1,009,405
Liabilities and shareholders' equity		9,768,548	9,145,593	9,394,854	8,811,905
Assets pledged for own liabilities	35	180,864	218,611	14,956	21,538
Contingent liabilities	36	540,052	492,472	601,949	563,823

REPORT OF CHANGES IN SHAREHOLDERS' EQUITY – GROUP

	Attributable to Parent Company shareholders							Total shareholders' equity
	Restricted equity		Non-restricted shareholders' equity			Holding without a controlling influence		
	Contributed capital		Reserves			Total		
	Share capital	Surplus fund	Revaluation reserve	Translation reserve	Profit brought forward			
Shareholders' equity 31/12/2013	8,000	0	71,386	-21,626	852,966	910,726	10,743	921,469
<i>Financial assets available for sale</i>								
Change in value			95,305			95,305		95,305
Change in value, deferred tax			-20,967			-20,967		-20,967
Reclassified to the income statement			-91,386			-91,386		-91,386
Deferred tax reclassified to the income statement			20,105			20,105		20,105
<i>Other changes in net asset value</i>								
Exchange rate differences				17,131		17,131	1,440	18,571
Total changes in net asset value			3,057	17,131		20,188	1,440	21,628
Profit for the year					240,537	240,537	-9,370	231,167
Comprehensive income for the year			3,057	17,131	240,537	260,725	-7,930	252,795
Dividend					-35,000	-35,000		-35,000
Bond conversion	421	49,579				50,000		50,000
Bonus issue	443				-443	0		0
Withdrawal of shares	-443				-86,583	-87,026		-87,026
Reclassification of holdings							2,260	2,260
Acquisition							494	494
Transactions with shareholders	421	49,579			-122,026	-72,026	2,754	-69,272
Shareholders' equity 31/12/2014	8,421	49,579	74,443	-4,495	971,477	1,099,425	5,567	1,104,992
<i>Financial assets available for sale</i>								
Change in value			236,866			236,866		236,866
Change in value, deferred tax			-52,111			-52,111		-52,111
Reclassified to the income statement			-84,418			-84,418		-84,418
Deferred tax reclassified to the income statement			18,572			18,572		18,572
<i>Other changes in net asset value</i>								
Exchange rate differences				-29,699		-29,699	1,708	-27,991
Total changes in net asset value			118,909	-29,699		89,210	1,708	90,918
Profit for the year					285,808	285,808	-10,709	275,099
Comprehensive income for the year			118,909	-29,699	285,808	375,018	-9,001	366,017
Dividend					-75,000	-75,000		-75,000
Acquisition of participations in subsidiaries from holding without a controlling influence					-8,961	-8,961	-1,434	-10,395
Capital contributions to subsidiaries from holding without a controlling influence							500	500
Transactions with shareholders					-83,961	-83,961	-934	-84,895
Shareholders' equity 31/12/2015	8,421	49,579	193,352	-34,194	1,173,324	1,390,482	-4,368	1,386,114

The translation reserve includes exchange-rate differences from the translation of foreign Group companies and branches.

The Parent Company's statutory reserve of SEK 1.6 million arose from the transfer of retained earnings and does not constitute contributed capital.

REPORT OF CHANGES IN SHAREHOLDERS' EQUITY – PARENT COMPANY

	Restricted shareholders' equity		Non-restricted shareholders' equity			Total shareholders' equity
	Share capital	Statutory reserve	Fair value reserve	Share premium account	Profit brought forward	
Shareholders' equity 31/12/2013	8,000	1,600	71,386	0	777,308	858,294
<i>Financial assets available for sale</i>						
Change in value			95,305			95,305
Change in value, deferred tax			-20,967			-20,967
Reclassified to the income statement			-91,386			-91,386
Deferred tax reclassified to the income statement			20,105			20,105
<i>Other changes in net asset value</i>						
Exchange rate differences					4,381	4,381
Total changes in net asset value			3,057		4,381	7,438
Profit for the year					212,230	212,230
Comprehensive income for the year			3,057		216,611	219,668
Equity portion of convertible loan					3,469	3,469
Dividend					-35,000	-35,000
Bond conversion	421			49,579		50,000
Bonus issue	443				-443	0
Withdrawal of shares	-443				-86,583	-87,026
Transactions with shareholders	421			49,579	-118,557	-68,557
Shareholders' equity 31/12/2014	8,421	1,600	74,443	49,579	875,362	1,009,405
<i>Financial assets available for sale</i>						
Change in value			236,866			236,866
Change in value, deferred tax			-52,111			-52,111
Reclassified to the income statement			-84,418			-84,418
Deferred tax reclassified to the income statement			18,572			18,572
<i>Other changes in net asset value</i>						
Exchange rate differences					-17,978	-17,978
Total changes in net asset value			118,909		-17,978	100,931
Profit for the year					322,890	322,890
Comprehensive income for the year			118,909		304,912	423,821
Dividend					-75,000	-75,000
Consolidation gain					1	1
Transactions with shareholders					-74,999	-74,999
Shareholders' equity 31/12/2015	8,421	1,600	193,352	49,579	1,105,275	1,358,227

Share capital consists of 800,000 shares with a quote value of SEK 10.5265.

Exchange-rate differences refer to translation of foreign branches.

CASH-FLOW STATEMENT (SEK thousands)	Note	Group		Parent Company	
		2015	2014	2015	2014
Profit before credit losses		548,500	448,546	588,465	632,780
Of which interest received		876,237	728,825	738,635	593,423
Of which leasing charges received				139,871	87,666
Of which interest paid		-97,935	-150,684	-90,524	-141,574
Of which dividends		16,677	9,747	37,769	206,779
<i>Items not included in cash flow:</i>					
Anticipated dividend				0	-169,846
Capital gains, bonds and other securities		-7,923	-3,406	-7,923	-3,406
Capital losses – impairment charges, shares and participations		-76,459	-87,839	-76,495	-87,980
Capital gains, shares in Group companies				125	139
Depreciations, etc.		82,377	37,229	118,644	74,624
Capital gains/losses – retirement, fixtures & fittings		3,613	-118	-776	-651
Deferred tax		33,644	782	33,589	863
Exchange rate differences		-7,491	48,095	-14,344	-748
Revaluation of acquired past-due stocks of receivables		231,301	234,018	116,937	112,889
Adjustment, present value of convertible loan			1,402	859	1,402
Participations in associated company's earnings		7,326	-4,533		
Income taxes paid		-111,634	-44,259	-100,684	-32,709
Cash flow from operating activities before changes in operating assets and liabilities		703,254	629,917	658,397	527,357
Lending to the public		-1,270,644	-1,246,685	-950,350	-898,729
Bonds and other securities		38,945	-54,725	38,945	-54,725
Shares and participations		-335,699	-13,722	-337,473	-12,478
Other assets		425	-13,992	1,694	6,809
Liabilities to credit institutions		-14,236	-8,678	0	0
Deposits from the public		96,657	1,983,088	-39,270	1,781,829
Other liabilities		31,482	87,458	41,729	43,402
Changes to the operation's assets and liabilities		-1,453,070	732,744	-1,244,725	866,108
Cash flow from operating activities		-749,816	1,362,661	-586,328	1,393,465
Acquisition of bonds and other securities		148,472	-396,603	148,472	-396,603
Change of shares and participations in associated companies		10,907	4,391	-450	-1,930
Acquisition of shares in Group companies	22, 37			-54,499	-70,946
Liquidation, Group company				0	47
Sale of shares in Group companies				852	84
Consolidation, shares in Group companies				101	0
Holding without a controlling influence		-9,895	494		
Acquisition of intangible assets		-7,335	-29,107	0	0
Acquisition of tangible assets		-28,000	-63,267	-258,450	-200,169
Sale of tangible assets		384	498	27,892	15,491
Cash flow from investing activities		114,533	-483,594	-136,082	-654,026
Subordinated liabilities		197,374	75,000	197,374	75,000
Issued securities, etc.			-50,000	0	0
Bond conversions		0	50,000	0	50,000
Dividend		-75,000	-35,000	-75,000	-35,000
Withdrawal of shares		0	-87,026	0	-87,026
Cash flow from financing activities		122,374	-47,026	122,374	2,974
Cash flow for the year		-512,909	832,041	-600,036	742,413
Liquid assets at beginning of year		1,880,907	1,048,866	1,531,742	789,329
Liquid assets at year-end		1,367,998	1,880,907	931,706	1,531,742

Liquid assets comprise cash and balances with central banks and loans to credit institutions. Cash and cash equivalents not accessible for use amount to SEK 15,566,000 (22,148,000) in the Group and SEK 14,956,000 (21,538,000) in the Parent Company.

Note 1 Accounting policies and valuation principles

Information about the company

The Annual Report and consolidated accounts were prepared on 31 December 2015 and refer to Svea Ekonomi AB (publ), which is a credit institution registered in Sweden, whose registered office is in Solna, Stockholm. The head office address is Evenemangsgatan 31, Solna.

Compliance with standards and laws

The Annual Report and consolidated accounts were prepared in accordance with international reporting standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL/1995:1559). The Swedish Financial Supervisory Authority's regulations and general advice (FFFS 2008:25) and the Swedish Financial Reporting Board's recommendations RFR 1 Supplementary Accounting Rules for Groups and RFR 2 Accounting for Legal Entities are also applied. Accordingly, the company fully applies IFRS to the Group and legally restricted IFRS to the Parent Company.

The Annual Report and consolidated accounts were approved for issue by the Board of Directors on 20 April 2016. The income statements and balance sheets were presented for adoption by the Annual General Meeting on 20 April 2016.

General conditions for the preparation of the company's financial statements

Subsidiaries that prepare their own annual reports in accordance with the Annual Accounts Act adjust to comply with ÅRKL/1995:1559 in the consolidated accounts, whereby the item net sales is reported as commission income. All companies in the Group apply uniform accounting policies.

As of 1 January 2015, IFRS 8 Operating segments is applied as the company has issued interest bearing instruments which will be noted on the Nasdaq OMX Stockholm. IAS 33 Earnings per share is only applied by companies whose shares are subject to public trading.

The acquisition from the holding without a controlling influence is reported as a transaction within equity, i.e. between the Parent Company's owner and the holding without controlling influence.

As of 1 January 2015, Group contributions are also reported as appropriations. Thus comparative figures for 2014 have been restated affecting the Parent Company's operating income (SEK -52,894,000) and operating profit (SEK -52,894,000).

Otherwise the accounting policies have not changed in relation to the previous year. Assets and liabilities are reported at cost, unless otherwise stated below.

All amounts in the financial statements of the Group and Parent Company are presented in SEK thousands unless otherwise expressly stated. The Parent Company's functional currency is SEK.

IFRS 9 Financial instruments; the new standard will come into force in 2018. It concerns classification and valuation, impairment and general hedge accounting. No significant reclassifications between fair value and cost or any significant effect on capital adequacy and major exposures are anticipated.

The need to recognize impairment in IFRS 9 is based on a model for expected credit losses in contrast to the current IAS 39 model of incurred credit losses. In general, the requirement is expected to raise the provisions for credit losses, reduce equity and have a negative effect on capital adequacy during the transition, but will not entail effects on major exposures. Svea Ekonomi's impact analysis is not yet concluded.

IFRS 15 Revenues from contracts with customers; the new standard will come into force in 2017 and describes the only comprehensive accounting model for revenues from customer contracts. The standard does not apply to financial instruments, insurance contracts or leasing contracts and is not anticipated to have any significant effect on the company's accounting, capital adequacy or major exposures.

Critical assessments and important sources of uncertainty in estimates

Preparing the financial statements requires company management to make assessments and estimates as well as make assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses and off-balance-sheet commitments. These estimates and assumptions are based on past experience and other factors that the management considers fair and reasonable.

Certain accounting policies are deemed to be of particular importance for the Group's financial position as they are based on complex, subjective assessments and estimates on the part of management, most of which refer to circumstances that are uncertain. These critical assessments and estimates are primarily attributable to impairment testing of shares in Group companies, shares and participations in associated companies, unlisted shares and participations, goodwill and lending.

Impairment test for shares in Group companies

Shares in Group companies are tested as required in accordance with IAS 36 Impairment of Assets. An analysis is conducted in the test to determine whether the book value of the shares in the Group company is fully recoverable. When the recoverable amount is determined, the value in use is established measured as the present value of expected cash flows from the Group company concerned. The discount rate used is the risk-free interest rate plus a risk factor. Forecasts of future cash flows are based on Svea Ekonomi's best estimates of future income and expenses for the Group company concerned. Refer also to the section below entitled Impairment testing of fixed assets.

Impairment testing of goodwill

Goodwill is tested every year in accordance with IAS 36 Impairment of Assets. An analysis is conducted in the test to determine whether the book value of the goodwill is fully recoverable. When the recoverable amount is determined, the value in use is established measured as the present value of expected cash flows from the cash-generating units to which goodwill has been allocated. The discount rate used is the risk-free interest rate plus a risk factor. Forecasts of future cash flows are based on Svea Ekonomi's best estimates of future income and expenses for the cash-generating units. Refer also to the section below entitled Impairment testing of fixed assets.

Impairment testing of lending

When testing lending for impairment, the most critical assessment, and the one with the highest level of uncertainty, is estimating the most probable future cash flow that the customers can generate. Refer also to the section below entitled Impairment testing of financial assets.

Consolidated accounts

The consolidated accounts have been prepared by applying the rules of acquisition accounting and comprise the Parent Company and all the companies over which the Parent Company, directly or indirectly, has a controlling influence or significant influence, as the case may be. A controlling influence is assumed to exist when ownership amounts to at least 50 per cent of the votes in the subsidiary company. A significant influence is assumed to exist when ownership amounts to at least 20 per cent of the votes in the associated company. Interest can also be attained by means other than share ownership.

Group companies and associated companies are included in the consolidated accounts from the date on which the controlling or significant influence was obtained and are excluded from the consolidated accounts from the date on which the controlling or significant influence ceases. Only shareholders' equity earned after the acquisition is reported in consolidated shareholders' equity.

Internal transactions with subsidiaries and associated companies, and outstanding accounts with subsidiaries are eliminated in the consolidated accounts. The subsidiaries' and associated companies' accounting policies have been adjusted where necessary to ensure their conformance with the Group's accounting policies. The equity portion of untaxed reserves is reported in shareholders' equity as profit brought forward. The tax portion of untaxed reserves is reported as deferred tax liabilities based on the current tax rate in each country.

Group companies, subsidiaries

Subsidiaries are reported according to the acquisition method, which means acquired, identifiable assets, liabilities and contingent liabilities are measured at fair value on the acquisition date. The surplus that consists of the difference between the cost of the acquired participations and the total fair value of the acquired, identifiable net assets is reported as goodwill. If the cost is less than the fair value of the acquired subsidiary's net assets, the difference is reported directly in the income statement as a reversal of negative goodwill.

Associated companies

Associated companies are reported according to the equity method, which means the participation in the associated company is reported at cost on the acquisition date and is subsequently adjusted by the Group's share of the change in the associated company's net assets.

The acquisition cost of Group and associated companies comprises the total fair value of the assets provided, liabilities incurred or assumed, plus expenses – in the Parent Company – directly attributable to the acquisition.

Foreign Group companies and branches are translated according to the current method; see below for further information.

Foreign currencies

Group

Assets and liabilities in foreign currencies are translated at the closing day rate, while items in the income statement are translated at the average exchange rate for the year. Foreign subsidiaries prepare their accounts in the local functional currency of the country where they do business. Exchange-rate differences arise in the translation of the subsidiaries' annual accounts partly because the closing day rate changes between accounting year ends and also because the average rate deviates from the closing day rate. Exchange-rate differences attributable to the translation of subsidiaries are reported directly via comprehensive income in the translation reserve under shareholders' equity.

Parent Company

Assets and liabilities in foreign currencies are translated at the closing day rate. Exchange rate differences are reported in the income statement under net profit/loss from financial transactions. To minimize exchange-rate differences, net positions in NOK, EUR, DKK and USD are hedged through currency swaps/forward contracts as presented in Note 42. Swaps/forward contracts are translated on an ongoing basis at fair value and are reported in the income statement under net profit/loss from financial transactions. Hedge accounting is not applied.

Income recognition

Interest income

Interest income is accrued over the life of the loan according to the effective interest method and deducted in arrears. Income attributable to acquired but non-mature receivables is allocated up to the date of payment. Income attributable to acquired stocks of past-due receivables is reported when payment has been received and is matched by expenses attributable to these payments.

Leasing income

Leasing income is invoiced monthly or quarterly in advance and is periodized on a straight-line basis for the term of the leasing agreement. In the consolidated accounts, financial leasing agreements are reported as lending to the public, which means that leasing income is reported as interest income and amortization.

Dividend income

Dividend income is recognized when the right to receive payment is determined while dividends from other shares and participations are reported when payment is received.

Commission income

Income for services rendered is reported in the same month in which the assignment is completed or the service is rendered and at the value expected to be invoiced, which is conducted in arrears. Subscription income is invoiced on an annual basis in advance and is periodized over the life of the subscription.

Net profit/loss from financial transactions

Net profit/loss from financial transactions comprises realized gains and unrealized changes in the value of financial instruments based on the fair value of derivatives. The item also includes revenues and expenses attributable to the sale and purchase of foreign currencies and exchange rate changes.

Other operating income

Other operating income in the Parent Company refers primarily to staffing and re-invoicing of other expenses to other Group companies. The item also refers to income not attributable to other income lines and which is normally reported when the transactions have been completed.

Remuneration to employees

Remunerations to employees in the form of salaries, paid vacation, paid sick leave, other short-term remuneration and similar, and pensions are reported as they are earned.

Pension commitments

The Group has only defined-contribution plans, which means the Group's obligations are limited to the contributions that it has undertaken to pay to an insurance company. The expenses for defined-contribution pension plans are reported in the income statement as the benefits are earned, which normally coincides with the dates on which the pension premiums are paid. Expenses for the special employer's contribution are allocated as they arise.

Leasing

Svea Ekonomi as lessor

Svea Ekonomi's leasing operations are reported in the Parent Company as operational leasing. The assets referred to are reported in the balance sheet as tangible assets. Leasing income is reported according to the straight-line method over the life of the leasing agreement; see Note 24. Depreciations of leasing objects according to plan take place over the useful life of the asset by applying the annuity method down to the agreed residual values. The depreciations are periodized and reported during the lease agreement's term in the income statement as a depreciation of tangible assets. Residual values are determined in agreement with the lessee based on the leasing object's anticipated useful economic life.

In the consolidated accounts, these leasing agreements are classified as financial and are therefore reported as receivables from the lessee under Lending to the general public in an amount equivalent to the net investment according to the leasing agreement. The leasing payment is reported as repayment of receivables and as interest income. The income is spread to achieve an even return during each period of reported net investment.

Svea Ekonomi as lessee

All leasing agreements for own use are reported as operational leasing. Leasing charges are reported as expenses in the income statement in a straight-line over the lease term; see Note 24. Operational leasing is primarily attributable to normal agreements for the operations relating to office premises and office equipment.

Taxes

Current tax

Current tax refers to income tax payable on the current year's taxable income.

Deferred tax

Deferred tax is calculated for tax-loss carryforwards in Group companies insofar as it is probable that the loss carryforwards will be deducted from surpluses at future taxation. Deferred tax is also calculated on temporary differences, such as changes in untaxed reserves and the fair value reserve and on acquired Group-related surpluses.

In the Estonian Group companies, income tax is not paid until dividends are distributed. Since the companies will not pay any dividends in the foreseeable future, no deferred tax expense or liability has been reported.

Financial instruments – classification of financial assets and liabilities

A financial instrument is defined as every type of agreement that gives rise to a financial asset in a company and a financial liability or equity instrument with the counterparty.

Under IAS 39, every financial instrument is classified in one of the following categories and forms the basis for how such instruments are valued in the balance sheet and how the change in the value of the instruments is reported; refer also to Note 39.

Financial assets

- Financial assets measured at fair value in the statement of comprehensive income (income statement)
- Loan receivables and accounts receivable
- Financial assets available for sale

Financial liabilities

- Financial liabilities measured at fair value in the statement of comprehensive income (income statement)
- Other financial liabilities

Financial assets measured at fair value in the statement of comprehensive income (income statement)

Financial assets measured at fair value in the income statement are measured at fair value. All changes in the values of these items are reported directly in the income statement under net profit/loss from financial transactions.

Loan receivables and accounts receivable

Loan receivables and accounts receivable, which constitute financial assets that are not derivatives and which are not listed on an active market, are valued at accrued cost.

Financial assets available for sale

Financial assets available for sale are measured at fair value. Changes in fair value, apart from impairment charges, are reported in the Group in comprehensive income in the revaluation reserve and in the Parent Company in the fair value reserve under shareholders' equity. When an asset is sold, accumulated changes in fair value, which were previously reported under shareholders' equity, are transferred from shareholders' equity and reported instead under net profit/loss from financial transactions.

Financial liabilities measured at fair value in the statement of comprehensive income (income statement)

Financial liabilities measured at fair value in the income statement are measured at fair value. All changes in the values of these items are reported directly in the income statement under net profit/loss from financial transactions.

Other financial liabilities

Other financial liabilities not classified as belonging to the category of financial liabilities valued at fair value in the income statement are valued at accrued cost.

Combined financial instruments

Convertible debt instruments are reported as combined financial instruments, i.e. debt instruments with an option to convert the debt to shares. The debt instrument and the shareholders' equity component are therefore reported separately in the statement of financial position.

The fair value of the debt instrument consists of the present value of future payments of interest and amortizations attributable to the debt instrument. The discount rate consists of the market rate at the time of issue of comparable debt instruments but without conversion options. The equity instrument consists of a built-in option to convert the debt instrument to shares.

Financial assets and liabilities

Financial assets in the balance sheet include cash and balances with central banks, lending to credit institutions, lending to the public, bonds and other interest-bearing securities, shares and participations, accounts receivable and derivative instruments.

Financial liabilities in the balance sheet include liabilities to credit institutions, deposits from the public, issued securities, etc., accounts payable, derivative instruments and subordinated liabilities.

Cash and bank balances with central banks

Cash and bank balances are classified as loan receivables and accounts receivable and valued at accrued cost. The item comprises cash and bank balances that consist of Swedish and foreign notes and coin.

Lending to credit institutions

Lending to credit institutions is classified as loan receivables and accounts receivable and comprises bank balances and short-term liquid investments; it is valued at accrued cost.

Lending to the public

Lending to the public is classified as loan receivables and accounts receivable and is valued at accrued cost.

The item includes lending to private individuals and companies, factoring, acquired but non-mature receivables and acquired stocks of past-due receivables. The costs of stocks of past-due receivables of minor value and with estimated payment terms up to 18 months are expensed over their assessed life and matched against payments reported as income.

The Group monitors advances in the manner described in the separate section on risk and capital management. Impairment testing is conducted to identify loans attributable to individual customers or groups of customers if there is objective evidence of an impairment and if impairment requirement testing indicates a loss. See below for further information.

Bonds and other interest-bearing securities

Bonds and other interest-bearing securities are classified as financial assets available for sale. This item includes interest-bearing securities with fixed or determinable payments and fixed maturities that are reported at estimated fair value via comprehensive income in the revaluation reserve or fair value reserve under shareholders equity.

Shares and participations

Shares and participations are classified as financial assets available for sale. Shares and participations are reported at estimated fair value via comprehensive income in the revaluation reserve or fair value reserve under shareholders equity. Unlisted shares and participations are reported at cost.

Accounts receivable

Accounts receivable are classified as loan receivables and accounts receivable and comprise part of other assets; they are valued at accrued cost.

Derivative instruments

Derivative instruments are classified as financial assets or liabilities measured at fair value in the income statement. Changes in fair value are reported as net profit/loss from financial transactions in the income statement.

If the fair value of an individual contract is positive, it is reported as an asset and forms part of the item Other assets. If the fair value of an individual contract is negative, the derivative instrument is reported as a liability and comprises part of the item Other liabilities. Svea Ekonomi's derivative instruments consist of currency swaps and constitute hedging of net positions in NOK, EUR, DKK and USD.

Liabilities to credit institutions

Liabilities to credit institutions are classified as other financial liabilities and valued at accrued cost. The item comprises bank loans and loans from other credit institutions.

Deposits from the public

Deposits from the public are classified as other financial liabilities and valued at accrued cost. The item comprises deposits from both private individuals and companies.

Issued securities, etc.

Issued securities, etc. are classified as other financial liabilities and valued at accrued cost. The item refers to a convertible debt instrument.

Accounts payable

Accounts payable are classified as other financial liabilities and valued at accrued cost. The item forms part of other liabilities.

Subordinated liabilities

Subordinated liabilities are classified as other financial liabilities and valued at accrued cost. The item refers to subordinated loans and bonds from companies.

Contingent liabilities

Contingent liabilities

Guarantees are reported off the balance sheet as contingent liabilities. Insofar as it is considered necessary to realize guarantee commitments, they are reported as provisions in the balance sheet and as credit losses in the income statement, as the case may be. The provision is calculated as the discounted best estimate of the amount required to settle the guarantee in question.

Commitments

Loan commitments are reported off the balance sheet as contingent liabilities. In this context a loan commitment refers to a unilateral undertaking by the company to issue a loan on predetermined terms and conditions that allow the borrower to choose whether to raise the loan or not. The normal procedure for the company is for future payment to be on condition that the trend forecast regarding the borrower's ability to repay when the contract was signed does not deteriorate significantly. Should such a significant deterioration exist, the loan commitment may be revoked. Accordingly, loan commitments are risk-weighted at zero per cent when calculating capital requirements for the company and the Financial Companies Group, as said loan commitments are often subject to new credit checks if any disbursement is made in the future.

Methods for measuring fair value

Financial assets quoted on an active market

The fair value of financial instruments quoted on an active market is measured based on the bid price quoted on closing day, without additions for transaction expenses at the time of acquisition. A financial instrument is considered quoted on an active market if quoted prices are readily available on an exchange, from a trader, broker, banks, etc. and that such prices represent actual and regularly occurring market transactions on commercial conditions. Share prices are obtained from Nasdaq OMX. Instruments quoted on an active market are reported in the balance sheet under Shares and participations, and Bonds and other securities.

Other

The fair values of derivative instruments in the form of currency swaps/currency forward contracts are obtained from external commercial banks, and currency exchange rates from Reuters. Holdings of unlisted shares are reported at cost when it is not possible to reliably determine fair values. For the measurement of financial assets and liabilities in foreign currency, the fair values of these currencies are obtained from Reuters. These balance-sheet items are reported at accrued cost.

The division of financial instruments measured at fair value into three levels is described in Note 41.

Impairment tests of financial assets

On each reporting date, the company evaluates whether objective evidence exists indicating that a financial asset or group of assets require impairment as a result of loss events and that such events are deemed to have an impact on estimated future cash flows from the asset or group of assets.

Financial assets reported at accrued cost

Impairment testing of loans attributable to companies

Svea Ekonomi primarily applies individual impairment testing for lending to companies. A collective assessment is also conducted. Testing involves determining whether objective evidence exists, in the form of loss events or observable data showing that the customer's future cash flow has been affected to such an extent that full repayment, including collateral, is no longer probable. These cash flows have terms of less than one year.

The amount of the impairment corresponds to the amount of the anticipated loss.

Impairment testing of loans attributable to private individuals

Svea Ekonomi applies collective impairment testing primarily for lending to private individuals who have similar risk characteristics as there are no individually significant items. Testing includes an assessment of the amount of cash flow the customer is expected to generate in the future. These cash flows, with terms exceeding one year, are subsequently discounted using an effective rate of interest and result in a present value. The discount rate for loan receivables with variable interest comprises the current effective interest (IAS 39 AG84). Collateral received to limit the credit risk is measured at fair value.

If the book value of the loan exceeds the total of the present value of the expected cash flows, including the fair value of the collateral, the difference constitutes an impairment requirement. A need to recognize impairment for a group of loan receivables is a temporary measure pending the identification of an impairment for an individual customer. Identification occurs if the customer actually defaults or on the basis of other indicators.

Credit losses

If the impairment is not considered definite, it is reported in a reserve account showing the accumulated impairments. Changes in the credit risk and the accumulated impairments are reported as changes in the reserve account and as credit losses, net, in the income statement. If the impairment is considered to be definite, it is reported as a verified credit loss. An impairment loss is considered to be definite when a bankruptcy petition is submitted against the borrower and the receiver in bankruptcy has presented the financial outcome of the bankruptcy proceedings, or when

Svea Ekonomi waives its receivable through restructuring or, for other reasons considers recovery of the receivable improbable.

Financial assets available for sale

Financial assets in this category consist of listed shares, participations, bonds and other securities measured at fair value. Changes in fair value, apart from impairment charges, are reported against the fair value reserve in equity via other comprehensive income. Impairments take place if fair values fall below cost by significant amounts that exceed 30 per cent or when the fall in value has persisted for at least 12 months. Impairment charges are reported in the income statement under Net profit/loss from financial transactions.

Financial assets reported at cost

In the case of unlisted equity instruments, for which reliable fair values cannot be determined, impairment charges are calculated as the difference between an asset's cost and the present value of estimated future cash flows discounted at the current market return for similar financial assets.

Safeguarding receivables

When pledged assets are considered insufficient and there is a manifest risk that a loss might otherwise be incurred, the loan receivable may be protected through acquisition of the counterparty's business (Banking and Financing Business Act, Chapter 7). Acquired property must be disposed of when appropriate with regard to market conditions, however not later than when this can be done without loss.

The Group company Mobivox Telecom AB, which was acquired to protect receivables, was merged with Svea Billing Services AB. However, the operation does not satisfy the conditions of IFRS 5 on non-current assets held for sale.

Fixed assets

Fixed assets excluding goodwill are reported at cost less accumulated depreciations according to plan. Depreciation is calculated based on original cost. Depreciation is on a straight-line basis over the assets' useful lifetimes, with the exception of leasing objects. In the Parent Company, all fixtures and fittings for own use via leasing contracts and for rental are reported as operational leases. Leasing objects for rental are depreciated over the useful life of the asset by applying the annuity method down to the agreed residual values. In the Group, all leasing agreements in which the Group is lessor are reported as financial and as lending to the public.

Intangible assets

Goodwill is not depreciated.

Negative Group-related goodwill is reversed directly via the income statement.

Customer contracts are amortized according to plan over 2–5 years.

Licenses are amortized according to plan over 2.5 years (5).

Leasing objects are amortized according to plan over 5 years.

Capitalized expenditures for development work are amortized according to plan over 3–5 years.

Tangible assets

Buildings are depreciated according to plan over 50 years.

Computer equipment is depreciated according to plan over 3–5 years.

Other fixtures and fittings are depreciated according to plan over 5–10 years.

Leasing items for rental are depreciated according to plan over 1–7 years.

Depreciation of Parent Company leasing items is reported as anticipated credit losses.

Financial assets

Shares in Group companies and participations in associated companies are classified as financial assets and reported in the Parent Company at cost less any impairment charges.

Impairment testing of fixed assets

Goodwill is tested for impairment in accordance with IAS 36 Impairment of Assets in conjunction with the closing of the annual accounts.

Other fixed assets are tested for impairment whenever there is an indication of the need for an impairment. In the case of assets representing cash-generating units, impairments are reported by calculating a value in use. This value in use corresponds to the estimated future cash flows discounted by a factor that takes into account risk-free interest and the risk specific to the asset.

Impairments for holdings in Group companies that do not conduct cash-generating operations are based on net asset value at the closing date.

The Group's cash-generating units consist of its subsidiaries and associated companies. The cash flows of each company are used when testing goodwill and the planned residual value of other intangible assets attributable to said Group companies and shares in Group companies held by the Parent Company. Forecasts have been produced by company management. The two most important assumptions for which the units' recoverable value is most sensitive are the Group's weighted average cost of capital (WACC) and rate of growth.

Pledged assets and contingent liabilities

Pledged assets and contingent liabilities are reported in connection with the signing of contracts. In the case of pledged assets, the book value of the asset pledged as collateral is reported. In the case of contingent liabilities, the maximum guaranteed amount or the amount granted is reported.

Note 2 Segment reporting

An operating segment is a part of the Group that conducts operations from which it can generate revenues and incur expenses and for which independent financial information is available. The information is used on a continual basis as a control tool for the company's chief executive officer in order to evaluate operating profit/loss and to enable allocation of resources to the operating segment.

Svea Ekonomi's operating segments are divided into the operating areas Administration and Financial Services (AFS) and Debt Recovery, which also follows the legal classification. Eliminations pertain to transactions between operating segments and are reported separately. Intra-group sales between segments take place on market terms. Internal transactions between operating areas refers to remunerations for the work carried out within credit management and debt recovery of the Group's receivables.

The AFS operating area provides administration and financial services to companies and private individuals in the Nordic region and parts of the rest of Europe. Financial services provided to companies consist of factoring, invoice purchasing and company financing. Financial services to private individuals consist of lending, deposits, payment transfers and foreign currency exchange. The operation is regulated by EU directives under the supervision of the Swedish Financial Supervisory Authority.

Administrative services to companies consist of invoice and ledger services, credit information, training, VAT recovery and billing.

The debt recovery operating area provides debt recovery services, the administration of inspection fees and legal services to companies in the Nordic region and parts of the rest of Europe.

Information per business area	AFS	Debt collection	Elimination	Total
<i>Group 2015</i>				
Interest income	875,694	672	-129	876,237
Interest expenses	-98,567	493	139	-97,935
Dividends received	16,677	0	0	16,677
Commission income	507,044	453,260	14,157	974,461
Commission expenses	-39,648	-4,108	24	-43,732
Net profit from financial transactions	64,280	-28	0	64,252
Participations in associated company's earnings	-2,357	-4,969	0	-7,326
Other operating income	182,515	10,637	-166,868	26,284
Operating income	1,505,638	455,957	-152,677	1,808,918
Of which external	1,348,991	459,927		
Personnel expenses	-454,668	-173,326	83,933	-544,061
Other administrative expenses	-482,089	-216,922	68,744	-630,267
Depreciation/amortization of intangible and tangible fixed assets etc.	-67,486	-14,891	0	-82,377
Other operating expenses	-3,623	-90	0	-3,713
Operating expenses	-1,007,866	-405,229	152,677	-1,260,418
Profit before credit losses	497,772	50,728	0	548,500
Credit losses, net	-162,967	0	0	-162,967
Impairment charges, financial assets	-466	0	0	-466
Operating profit	334,339	50,728	0	385,067
Tax on profit for the year	-105,045	-4,923	0	-109,968
Profit for the year	229,294	45,805	0	275,099

No single customer represents more than 10 per cent of the Group's operating income.

Significant items not included in cash flow in addition to depreciations:

Revaluation of acquired past-due stocks of receivables	-231,301	0		-231,301
Impairment of goodwill	-35,281	-7,422		-42,703
Impairment loss, shares and participations in associated companies	-466	0		-466

Balance sheet items

Lending to credit institutions, of which client funds recovered	0	53,586		53,586
Lending to the public	6,006,656	0		6,006,656
Bonds and other securities	852,779	0		852,779
Shares and participations	1,130,624	0		1,130,624
Shares and participations in associated companies	682	37,695		38,377
Intangible assets	88,791	19,703		108,494
Tangible assets	99,794	5,261		105,055
Deferred tax assets	1,625	234		1,859
Deposits from the public	7,587,826	53,586		7,641,412

Note 2 Segment reporting, continued

Information per business area	AFS	Debt collection	Elimination	Total
<i>Group 2014</i>				
Interest income	728,015	874	-64	728,825
Interest expenses	-150,801	48	69	-150,684
Dividends received	9,747	0	0	9,747
Commission income	421,112	422,076	15,024	858,212
Commission expenses	-36,179	-3,439	36	-39,582
Net profit from financial transactions	61,051	0	0	61,051
Participations in associated company's earnings	-1,234	5,767	0	4,533
Other operating income	164,640	8,907	-147,497	26,050
Operating income	1,196,351	434,233	-132,432	1,498,152
Of which external	1,057,149	441,003		
Personnel expenses	-386,710	-157,452	73,925	-470,237
Other administrative expenses	-403,979	-195,423	58,507	-540,895
Depreciation/amortization of intangible and tangible fixed assets etc.	-29,360	-7,869	0	-37,229
Other operating expenses	-1,245	0	0	-1,245
Operating expenses	-821,294	-360,744	132,432	-1,049,606
Profit before credit losses	375,057	73,489	0	448,546
Credit losses, net	-121,181	0	0	-121,181
Impairment charges, financial assets	-1,460	0	0	-1,460
Operating profit	252,416	73,489	0	325,905
Tax on profit for the year	-87,353	-7,385	0	-94,738
Profit for the year	165,063	66,104	0	231,167
No single customer represents more than 10 per cent of the Group's operating income.				
Significant items not included in cash flow in addition to depreciations:				
Revaluation of acquired past-due stocks of receivables	-234,018	0		-234,018
Impairment loss, shares and participations in associated companies	-1,460	0		-1,460
Balance sheet items				
Lending to credit institutions, of which client funds recovered	0	49,503		49,503
Lending to the public	5,150,410	0		5,150,410
Bonds and other securities	1,040,949	0		1,040,949
Shares and participations	589,079	552		589,631
Shares and participations in associated companies	3,054	54,022		57,076
Intangible assets	124,486	31,739		156,225
Tangible assets	103,359	5,374		108,733
Deferred tax assets	2,386	895		3,281
Deposits from the public	7,495,252	49,503		7,544,755

Note 2 Segment reporting, continued

Information on geographical areas is provided for the country in which a company has its registered office and for all other countries where the company received revenues or has assets. Each significant specific country, i.e. constituting more than 10 per cent of the Group, is reported separately. The division into geographical areas is based on where customers are located and includes Sweden, Norway, Finland and other countries. Other countries include Denmark, Estonia, Latvia, the Netherlands, Switzerland, Austria, Germany, Russia, Romania, Serbia, the Ukraine, Bulgaria, Croatia, Slovakia, Hungary, Slovenia, the Czech republic and Poland.

Information by business segment	Sweden	Norway	Finland	Other	Elimination	Total
<i>Group 2015</i>						
Interest income	440,793	145,601	187,619	102,230	-6	876,237
Interest expenses	-86,085	-3,105	-59	-8,697	11	-97,935
Dividends received	16,677	0	0	0	0	16,677
Commission income	628,983	164,002	146,920	35,088	-532	974,461
Commission expenses	-31,542	-2,667	-6,679	-2,869	25	-43,732
Net profit from financial transactions	81,524	-217	-132	-16,490	-433	64,252
Participations in associated company's earnings	-2,356	0	0	-4,970	0	-7,326
Other operating income	19,551	2,169	3,851	988	-275	26,284
Operating income	1,067,545	305,783	331,520	105,280	-1,210	1,808,918
Percentage	59%	17%	18%	6%	0%	100%
Balance sheet items						
Lending to the public	3,274,350	664,752	1,585,411	482,143		6,006,656
Intangible assets	55,916	0	35,483	17,095		108,494
Tangible assets	95,968	1,431	1,331	6,325		105,055
Deferred tax assets	387	741	0	731		1,859
<i>Group 2014</i>						
Interest income	344,453	112,663	164,801	106,979	-71	728,825
Interest expenses	-136,356	-4,527	-99	-9,754	52	-150,684
Dividends received	9,747	0	0	0	0	9,747
Commission income	543,240	155,212	122,365	37,234	161	858,212
Commission expenses	-28,412	-2,327	-5,753	-3,155	65	-39,582
Net profit from financial transactions	96,498	-53	-67	-35,604	277	61,051
Participations in associated company's earnings	-550	0	-684	5,767	0	4,533
Other operating income	17,388	3,347	3,629	1,564	122	26,050
Operating income	846,008	264,315	284,192	103,031	606	1,498,152
Percentage	56%	18%	19%	7%	0%	100%
Balance sheet items						
Lending to the public	2,507,741	636,151	1,452,148	554,370		5,150,410
Intangible assets	74,911	1,132	33,774	46,408		156,225
Tangible assets	100,972	1,075	1,781	4,905		108,733
Deferred tax assets	930	1,596	0	755		3,281

Note 2 Segment reporting, continued

Information on geographical areas is provided for the country in which a company has its registered office and for all other countries where the company received revenues or has assets. Each significant specific country, i.e. constituting more than 10 per cent of the Group, is reported separately. The division into geographical areas is based on where customers are located and includes Sweden, Norway and Finland.

Information by business segment	Sweden	Norway	Finland	Other	Elimination	Total
<i>Parent Company 2015</i>						
Interest income	410,545	145,048	183,042	0	0	738,635
Leasing income	139,871	0	0	0	0	139,871
Interest expenses	-87,428	-3,056	-40	0	0	-90,524
Dividends received	37,769	0	0	0	0	37,769
Commission income	175,607	37,359	87,775	0	0	300,741
Commission expenses	-18,872	-2,209	-5,961	0	0	-27,042
Net profit from financial transactions	81,565	-217	-126	0	-409	80,813
Other operating income	191,861	4,338	8,167	0	0	204,366
Operating income	930,918	181,263	272,857	0	-409	1,384,629
Percentage	67%	13%	20%	0%	0%	100%
Balance sheet items	3,382,924	664,752	1,621,793			5,669,469
Lending to the public	506	0	0			506
Intangible assets	416,901	88	600			417,589
Tangible assets	0	507	0			507
Deferred tax assets						
<i>Parent Company 2014</i>						
Interest income	324,017	112,095	157,311	0	0	593,423
Leasing income	87,666	0	0	0	0	87,666
Interest expenses	-136,987	-4,501	-86	0	0	-141,574
Dividends received	259,673	0	0	0	0	259,673
Commission income	146,201	33,486	74,834	0	0	254,521
Commission expenses	-16,174	-1,852	-5,056	0	0	-23,082
Net profit from financial transactions	96,489	-53	-67	0	101	96,470
Other operating income	177,250	6,811	8,028	0	0	192,089
Operating income	938,135	145,986	234,964	0	101	1,319,186
Percentage	71%	11%	18%	0%	0%	100%
Balance sheet items	2,854,454	636,151	1,461,435			4,952,040
Lending to the public	886	0	0			886
Intangible assets	305,859	331	609			306,799
Tangible assets	0	701	0			701
Deferred tax assets						

Note 3 Expenses and income between Group companies	Parent Company	
	2015	2014
Expenses	-19,236	-13,876
Income ¹	213,638	206,524

¹ Income has been adjusted for dividends received and Group contributions received.

Note 4 Net interest income	Group		Parent Company	
	2015	2014	2015	2014
<i>Interest income</i>				
Lending to credit institutions	6,766	13,726	5,802	11,835
Lending to the public, Group			30,300	31,697
Lending to the public, external	857,625	702,081	690,687	536,873
Bonds and other securities	11,846	13,018	11,846	13,018
Total	876,237	728,825	738,635	593,423
<i>Leasing income</i>				
Leasing income			139,871	87,666
Depreciation according to plan, leased items			-105,249	-62,464
Total			34,622	25,202
<i>Interest expenses</i>				
Liabilities to credit institutions	-237	-893	-417	-33
Deposits from the public, external	-92,056	-145,882	-80,606	-133,788
Issued securities, etc.	0	-1,659	-3,859	-5,503
Subordinated liabilities	-5,642	-2,250	-5,642	-2,250
Total	-97,935	-150,684	-90,524	-141,574
Total	778,302	578,141	682,733	477,051

Note 4 Net interest income	Group		Parent Company	
	2015	2014	2015	2014
Dividends from shares and participations	16,677	9,747	16,677	9,747
Dividends from associated companies			2,759	5,504
Dividends from Group companies			18,333	191,528
Total	16,677	9,747	37,769	206,779

Note 5 Dividends received	Group		Parent Company	
	2015	2014	2015	2014
Dividends from shares and participations	16,677	9,747	16,677	9,747
Dividends from associated companies			2,759	5,504
Dividends from Group companies			18,333	191,528
Total	16,677	9,747	37,769	206,779

As of 1 January 2015, Group contributions are reported as appropriations. Comparison figures for 2014 have therefore been adjusted by SEK -52,894,000.

Note 6 Commission income	Group		Parent Company	
	2015	2014	2015	2014
Payment brokerage	50,171	33,124	0	0
Lending commissions	277,264	228,104	263,898	213,841
Foreign currency exchange, net	81,015	55,008	0	0
Other commissions	566,011	541,976	36,843	40,680
Total	974,461	858,212	300,741	254,521

Note 7 Commission expenses	Group		Parent Company	
	2015	2014	2015	2014
Payment brokerage	-21,238	-21,183	-7,136	-7,510
Information brokerage	-470	-533	-470	0
Other commissions	-22,024	-17,866	-19,436	-15,572
Total	-43,732	-39,582	-27,042	-23,082

Note 8 Net profit/loss from financial transactions	Group		Parent Company	
	2015	2014	2015	2014
<i>Financial assets available for sale</i>	50,171	33,124	0	0
Capital gain, shares and participations	100,422	113,139	100,422	113,139
Impairment loss, shares and participations	-23,963	-25,300	-23,927	-25,159
Capital gain, bonds and other securities	7,923	3,406	7,923	3,406
Total	84,382	91,245	84,418	91,386
<i>Financial instruments measured at fair value via the income statement</i>				
Changes in fair value of derivatives used as hedging instruments	96,679	-51,176	96,679	-51,176
Change in fair value of hedged items in foreign currencies	-99,536	56,315	-99,536	56,315
Total	-2,857	5,139	-2,857	5,139
<i>Financial instruments measured at accrued cost</i>				
Other exchange-rate gains/losses	-17,273	-35,333	-748	-55
Total	-17,273	-35,333	-748	-55
Total	64,252	61,051	80,813	96,470

Note 9 Participations in associated company's profit/loss	Group	
	2015	2014
Credex AB	114	-362
Trade in Sports Europe AB	-2,470	-188
eLombard Oyj	0	-684
Creditexpress NV	-4,970	5,767
Total	-7,326	4,533

Note 10 Other operating income	Group		Parent Company	
	2015	2014	2015	2014
Staffing for Swedish Group companies			96,458	94,141
Re-invoicing of expenses to Group companies			90,979	81,505
Insurance indemnity	3,189	3,238	0	0
Other	23,095	22,812	16,929	16,443
Total	26,284	26,050	204,366	192,089

Note 11 Personnel expenses etc.	Group		Parent Company	
	2015	2014	2015	2014
<i>Wages, salaries and other remunerations</i>				
Sweden				
to the board and senior executives	-25,240	-17,389	-21,062	-17,325
to other employees	-196,797	-175,461	-128,297	-122,728
	-222,037	-192,850	-149,359	-140,053
Norway				
to Board of Directors and CEO	-1,540	-1,363	0	0
to other employees	-69,081	-61,294	-29,034	-25,042
	-70,621	-62,657	-29,034	-25,042
Finland				
to Board of Directors and CEO	-1,447	-2,540	0	0
to other employees	-55,712	-49,391	-32,751	-28,655
	-57,159	-51,931	-32,751	-28,655
Denmark				
to Board of Directors and CEO	-1,254	-1,223	0	0
to other employees	-14,732	-15,393	0	0
	-15,986	-16,616	0	0

Estonia				
to Board of Directors and CEO	0	0	0	0
to other employees	-3,285	-2,697	0	0
	-3,285	-2,697	0	0
Latvia				
to Board of Directors and CEO	0	0	0	0
to other employees	-138	-449	0	0
	-138	-449		
Switzerland				
to Board of Directors and CEO	-1,750	-1,501	0	0
to other employees	-4,445	-2,977	0	0
	-6,195	-4,478		
Netherlands				
to Board of Directors and CEO	-3,002	-4,227	0	0
to other employees	-6,052	-6,078	0	0
	-9,054	-10,305		
Ukraine				
to Board of Directors and CEO	0	0	0	0
to other employees	-249	-337	0	0
	-249	-337		
Serbia				
to Board of Directors and CEO	0	0	0	0
to other employees	-179	-442	0	0
	-179	-442		
Bulgaria				
to Board of Directors and CEO	0	0	0	0
to other employees	0	0	0	0
	0	0		
Hungary				
to Board of Directors and CEO	0	0	0	0
to other employees	-562	-25	0	0
	-562	-25		
Czech Republic				
to Board of Directors and CEO	0	0	0	0
to other employees	-109	0	0	0
	-109	0		
Russia				
to Board of Directors and CEO	0	0	0	0
to other employees	0	0	0	0
	0	0	0	0
Total	-385,574	-342,787	-211,144	-193,750
<i>Social security expenses</i>				
	-96,676	-82,077	-61,622	-57,013
<i>Pension expenses</i>				
to the board and senior executives	-3,147	-2,556	-1,981	-1,431
to other employees	-23,698	-20,848	-15,004	-13,261
	-26,845	-23,404	-16,985	-14,692
<i>Other personnel expenses</i>				
	-34,966	-21,969	-26,619	-14,513
Total	-544,061	-470,237	-316,370	-279,968

Remuneration of senior executives

Preparation and decision-making processes

Remuneration of senior executives is decided by the Board.

Salaries and fees

As of 2015, only fixed fees are paid to the Chairman and members of the Board as resolved by the Annual General Meeting. Remuneration to the CEO, vice CEO and senior executives in the foreign branches comprises basic salary and pension. Other senior executives refers also to the 8 (6) individuals who together with the CEO and vice CEO comprise the management team in Sweden.

Pay and remunerations to the board and senior executives in the Parent Company, 2015	Basic salary, benefits and board fee	Variable remuneration	Pension expenses	Total
Board Chairman, Ulf Geijer	450	0	0	450
Board member, Mats Hellström	300	0	0	300
Board member, Anders Ingler	300	0	0	300
Board member, Mats Kärsrud	1,396	0	207	1,603
CEO, Lennart Ågren	1,318	0	205	1,523
Vice CEO, Anders Lidfelt	1,768	0	221	1,989
Other senior executives	15,530	0	1,348	16,878
Total	21,062	0	1,981	23,043

Pay and remunerations to the board and senior executives in the Parent Company, 2014	Basic salary, benefits and board fee	Variable remuneration	Pension expenses	Total
Board Chairman, Ulf Geijer	450	0	0	450
Board member, Mats Hellström	300	0	0	300
Board member, Anders Ingler	300	0	0	300
Board member, Mats Kärsrud	1,358	0	207	1,565
CEO, Lennart Ågren	1,322	0	205	1,527
Vice CEO, Anders Lidfelt	1,571	0	221	1,792
Other senior executives	12,024	0	798	12,822
Total	17,325	0	1,431	18,756

No severance pay or pension commitments other than defined-contribution fees are paid to the Board, CEO or other senior executives. The period of notice for senior executives in Sweden is prescribed by the Swedish Employment Protection Act. Loans to Board members, the CEO or equivalent senior executives in the Group amount to SEK 0 (0).

Average number permanent employees	Group		Parent Company	
	2015	2014	2015	2014
Women	541	503	247	239
Men	375	336	208	193
Total	916	839	455	432

The average number of permanent employees in the Parent Company also refers to personnel in the branch Svea Finans NUF and the Svea Ekonomi AB branch in Finland. During the year, personnel were outsourced from the Parent Company to operations in Svea Inkasso AB, Svea Vat Adviser AB, Svea Billing Services AB and Mobivox Telecom AB.

Number of employees	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Sweden				
Women	358	354	98	88
Men	225	226	90	86
	583	580	188	174
Norway				
Women	52	45	17	12
Men	75	63	34	28
	127	108	51	40
Finland				
Women	90	84	38	36
Men	54	48	36	32
	144	132	74	68
Denmark				
Women	19	23	0	0
Men	8	8	0	0
	27	31	0	0

Estonia				
Women	10	9	0	0
Men	6	6	0	0
	16	15	0	0
Latvia				
Women	1	1	0	0
Men	0	0	0	0
	1	1	0	0
Switzerland				
Women	5	3	0	0
Men	4	4	0	0
	9	7	0	0
Netherlands				
Women	7	8	0	0
Men	6	6	0	0
	13	14	0	0
Ukraine				
Women	2	2	0	0
Men	4	4	0	0
	6	6	0	0
Serbia				
Women	0	0	0	0
Men	0	0	0	0
	0	0	0	0
Bulgaria				
Women	1	1	0	0
Men	0	0	0	0
	1	1	0	0
Hungary				
Women	5	1	0	0
Men	3	0	0	0
	8	1	0	0
Czech Republic				
Women	0	0	0	0
Men	1	0	0	0
	1	0	0	0
Russia				
Women	4	0	0	0
Men	3	0	0	0
	7	0	0	0
Total	943	896	313	282

Number of Board members and company management	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Board members				
Women			0	0
Men			5	5
			5	5
Of whom external members			3	3
Company management				
Women	0	2	0	0
Men	17	15	3	3
	17	17	3	3

Remunerations to auditors	Group		Parent Company	
	2015	2014	2015	2014
<i>Grant Thornton Sweden AB</i>				
Audit assignment	3,134	2,998	2,000	1,829
Audit activities in addition to audit assignment	481	110	459	95
Tax advice	354	713	354	713
Other services	16	226	16	226
	3,985	4,047	2,829	2,863
<i>Other foreign auditors</i>				
Audit assignment	1,215	1,397	378	422
Audit activities in addition to audit assignment	409	487	291	280
Tax advice	19	78	0	0
Other services	0	0	0	0
	1,643	1,962	669	702
Total	5,628	6,009	3,498	3,565

Note 12 Depreciations, amortizations etc.	Group		Parent Company	
	2015	2014	2015	2014
<i>Depreciation and amortization, intangible assets</i>				
Impairment of group-related goodwill	-42,703	0	0	0
Amortization of customer contracts	-9,187	-9,187	-380	-380
Amortization of capitalized development expenditures	-2,850	-3,670	0	0
Depreciation of leasing objects	-108	-239	0	0
Total	-54,848	-13,096	-380	-380
<i>Depreciation and amortization, tangible assets</i>				
Depreciation of buildings	-31	-31	0	0
Depreciation of computer equipment	-5,240	-4,051	-4,058	-3,120
Depreciation of other fixtures and fittings	-22,258	-20,051	-8,957	-8,660
Depreciation of leasing objects			-105,249	-62,464
Total	-27,529	-24,133	-118,264	-74,244
Total	-82,377	-37,229	-118,644	-74,624

Note 13 Credit losses, net	Group		Parent Company	
	2015	2014	2015	2014
Write-off of verified credit losses for the year	-67,722	-32,375	-16,960	-12,823
Reversal of previously posted provisions for probable credit losses which in this year's accounts are reported as verified credit losses	23,665	27,623	12,260	12,723
Provision for probable credit losses for the year	-40,398	-28,301	-24,747	-18,208
Paid in for previous years' verified credit losses	1,904	2,325	1,151	2,096
Reversal of provisions no longer required for probable credit losses	8,662	7,832	4,581	3,122
Net expense of individually valued loan receivables for the year	-73,889	-22,896	-23,715	-13,090
Write-off of verified credit losses for the year	-61,433	-81,454	-59,171	-73,645
Paid in for previous years' verified credit losses	14,749	27,280	13,850	26,983
Provision/reversal of reserves for probable credit losses	-42,394	-44,111	-42,192	-43,321
Net expense of collectively-valued homogeneous loan receivables for the year	-89,078	-98,285	-87,513	-89,983
Net expense of realization of guarantees, etc. for the year	0	0	0	0
Net expense of credit losses for the year	-162,967	-121,181	-111,228	-103,073

The credit losses are entirely attributable to lending to the public.

Note 14 Impairment charges, financial assets	Group		Parent Company	
	2015	2014	2015	2014
<i>Impairment of shares in Group companies</i>				
Svea Kreditinfo AB			0	-1,500
Svea Juridiska AB			0	-6,923
Svea Financial Services Holding AB			0	-20,199
Kundgirot AB			-3,700	0
Svea Rahoitus Suomi OY			-4,000	-12,000
Svea Finans A/S			-2,612	-13,312
Svea Finans AG			0	-3,311
Daylet Limited			-36,808	0
Total			-47,120	-57,245
<i>Impairment of shares in associated companies</i>				
Impairment of shares in Trade in Sports Europe AB	-466	0	-3,100	0
Impairment of shares in eLombard Oyj	0	-1,460	0	-5,730
Total	-466	-1,460	-3,100	-5,730
Total	-466	-1,460	-50,220	-62,975

Some impairment charges were made as a result of impairment tests and strategic decisions, some to net asset value.

Note 15 Appropriations	Group		Parent Company	
	2015	2014	2015	2014
<i>Group contributions</i>				
Group contributions received			44,898	52,894
Group contributions provided			-52,282	-236,629
Total			-7,384	-183,735
Change in accelerated depreciations			4,000	-38,000
Total			-3,384	-221,735

As of 1 January 2015, Group contributions are reported as appropriations. Comparison figures for 2014 have therefore been adjusted by SEK 52,894,000.

Note 16 Tax on profit for the year	Group		Parent Company	
	2015	2014	2015	2014
Adjustment for current tax on previous years' earnings	7	-36	0	0
Current tax on net profit for the year	-111,641	-44,223	-100,684	-32,709
Current tax expense	-111,634	-44,259	-100,684	-32,709
Temporary differences	380	-8,486	-143	-142
Utilization of loss carryforward	-1,101	-44,379	0	0
Other	2,387	2,386	84	84
Deferred tax expense	1,666	-50,479	-59	-58
Total	-109,968	-94,738	-100,743	-32,767
Profit before tax	385,067	325,905	423,633	244,997
Tax rate of 22.0 per cent (22.0) as per current tax rate for the Parent Company	-84,715	-71,699	-93,199	-53,899
<i>Effect of different tax rates in other countries</i>				
Non tax-deductible impairments of shares in Group and associated companies	-3,730	-4,523	-11,048	-13,855
Non tax-deductible expenses	-32,587	-18,141	-6,126	-11,031
Tax-exempt dividends from Group companies			4,640	43,347
Tax-exempt income	9,674	12,544	5,875	3,408
Utilization of loss carryforward	543	38,275	0	0
Non deductible foreign tax	-826	-679	-826	-679
Current tax on previous years' earnings	7	-36	0	0
Current tax expense	-111,634	-44,259	-100,684	-32,709
Temporary differences	380	-8,486	-143	-142
Utilization of loss carryforward	-1,101	-44,379	0	0
Other	2,387	2,386	84	84
Deferred tax expense	1,666	-50,479	-59	-58
Tax expense	-109,968	-94,738	-100,743	-32,767
Reported effective tax rate	28.6%	29.1%	23.8%	13.4%

Note 17 Lending to the public	Group		Parent Company	
	2015-12-31	2014-12-31	2015-12-31	2014-12-31
Lending to the public, external	6,006,656	5,150,410	5,100,168	4,260,609
Lending to the public, Group			569,301	691,431
Total	6,006,656	5,150,410	5,669,469	4,952,040

Lending to the public, external	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2014	2014-12-31
<i>Loan receivables</i>				
Private individuals	3,908,307	3,415,796	3,682,428	3,179,252
Of which, doubtful loan receivables	452,102	401,526	447,227	396,879
Companies	2,522,978	2,124,693	1,812,448	1,442,402
Of which, doubtful loan receivables	67,554	55,756	41,709	30,694
Total loan receivables	6,431,285	5,540,489	5,494,876	4,621,654
Of which, doubtful loan receivables	519,656	457,282	488,936	427,573
<i>Reserve for doubtful loan receivables</i>				
Private individuals	-357,075	-334,323	-352,999	-330,351
Companies	-67,554	-55,756	-41,709	-30,694
Total reserve for doubtful loan receivables	-424,629	-390,079	-394,708	-361,045
Book value, loan receivables	6,006,656	5,150,410	5,100,168	4,260,609
Of which, doubtful loan receivables	95,027	67,203	94,228	66,528
Share of doubtful loan receivables, private individuals	11.6%	11.8%	12.1%	12.5%
Share of doubtful loan receivables, companies	2.7%	2.6%	2.3%	2.1%
Share of doubtful loan receivables, total	8.1%	8.3%	8.9%	9.3%
Rate of loss provisions for doubtful loan receivables, private individuals	79.0%	83.3%	78.9%	83.2%
Rate of loss provisions for doubtful loan receivables, companies	100.0%	100.0%	100.0%	100.0%
Rate of loss provisions for doubtful loan receivables, total	81.7%	85.3%	80.7%	84.4%

Age analysis, lending to the public, external	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
<i>Age analysis of doubtful, unimpaired loan receivables</i>				
Not past due		0	0	0
Past due <60 days	7,173	3,404	7,156	3,230
Past due 60–90 days	3,386	3,445	3,375	3,369
Past due 90–180 days	10,155	8,029	10,076	7,800
Past due 180–360 days	15,913	10,458	15,600	10,323
Past due >360 days	58,400	41,867	58,021	41,806
Total	95,027	67,203	94,228	66,528

Refers to lending to private individuals with no collateral according to Note 42.

<i>Age analysis unsettled ¹⁾, non-doubtful loan receivables</i>				
Past due 60–90 days	3,868	3,979	334	1,841
Past due 90–180 days	5,796	11,053	894	3,883
Past due 180–360 days	2,522	2,102	709	351
Past due >360 days	3,649	29,054	834	27,886
Total	15,835	46,188	2,771	33,961

Refers to lending against collateral according to Note 42.

¹⁾ Unsettled receivables refers to receivables past due > 60 days.

Reconciliation of reserves for doubtful loan receivables/credit losses	Individually valued doubtful receivables	Collectively valued doubtful receivables	Total
<i>Group</i>			
Closing reserve for credit losses, 31 December 2013	-58,099	-288,565	-346,664
Impairment for credit losses for the year	-28,301	-44,111	-72,412
Reversal of credit losses for the year	35,455	0	35,455
Changes reported in income statement	7,154	-44,111	-36,957
Exchange rate differences	-1,565	-4,893	-6,458
Closing reserve for credit losses, 31 December 2014	-52,510	-337,569	-390,079
Impairment for credit losses for the year	-40,398	-42,394	-82,792
Reversal of credit losses for the year	32,327	0	32,327
Changes reported in income statement	-8,071	-42,394	-50,465
Exchange rate differences	-1,049	16,964	15,915
Closing reserve for credit losses, 31 December 2015	-61,630	-362,999	-424,629
<i>Parent Company</i>			
Closing reserve for credit losses, 31 December 2013	-29,295	-285,469	-314,764
Impairment for credit losses for the year	-18,208	-43,321	-61,529
Reversal of credit losses for the year	15,845	0	15,845
Changes reported in income statement	-2,363	-43,321	-45,684
Transfer change in leasing	1,733	0	1,733
Transfer, intra-group lending	2,860	0	2,860
Exchange rate differences	-534	-4,656	-5,190
Closing reserve for credit losses, 31 December 2014	-27,599	-333,446	-361,045
Impairment for credit losses for the year	-24,747	-42,192	-66,939
Reversal of credit losses for the year	16,841	0	16,841
Changes reported in income statement	-7,906	-42,192	-50,098
Transfer change in leasing	921	0	921
Transfer, intra-group lending	-2,941	0	-2,941
Exchange rate differences	1,647	16,808	18,455
Closing reserve for credit losses, 31 December 2015	-35,878	-358,830	-394,708

Note 18 Bonds and other securities	Group 31/12/2015			Group 31/12/2014		
	Cost	Book value	Fair value	Cost	Book value	Fair value
<i>Financial assets available for sale</i>						
<i>Issued by public bodies</i>						
Swedish municipalities	110,775	109,441	109,441	165,868	165,651	165,651
Total	110,775	109,441	109,441	165,868	165,651	165,651
<i>Issued by other borrowers</i>						
Swedish non-financial companies	435,559	431,353	431,353	125,160	124,553	124,553
Swedish financial companies	166,736	164,925	164,925	376,544	377,652	377,652
Foreign issuers	148,722	147,060	147,060	371,626	373,093	373,093
Total	751,017	743,338	743,338	873,330	875,298	875,298
Total	861,792	852,779	852,779	1,039,198	1,040,949	1,040,949
Of which, listed securities	861,792	852,779	852,779	1,039,198	1,040,949	1,040,949
Of which, unlisted securities	0	0	0	0	0	0
Positive difference; book values exceed nominal values		2,368			9,663	
Negative difference; book values fall below nominal values		-9,589			-4,214	
Nominal values		860,000			1,035,500	

<i>Financial assets available for sale</i>	Parent Company 31/12/2015			Parent Company 31/12/2014		
	Cost	Book value	Fair value	Cost	Book value	Fair value
<i>Issued by public bodies</i>						
Swedish municipalities	110,775	109,441	109,441	165,868	165,651	165,651
Total	110,775	109,441	109,441	165,868	165,651	165,651
<i>Issued by other borrowers</i>						
Swedish non-financial companies	435,559	431,353	431,353	125,160	124,553	124,553
Swedish financial companies	166,736	164,925	164,925	376,544	377,652	377,652
Foreign issuers	148,722	147,060	147,060	371,626	373,093	373,093
Total	751,017	743,338	743,338	873,330	875,298	875,298
Total	861,792	852,779	852,779	1,039,198	1,040,949	1,040,949
Of which, listed securities	861,792	852,779	852,779	1,039,198	1,040,949	1,040,949
Of which, unlisted securities	0	0	0	0	0	0
Positive difference; book values exceed nominal values		2,368			9,663	
Negative difference; book values fall below nominal values		-9,589			-4,214	
Nominal values		860,000			1,035,500	

Note 19 Shares and participations	31/12/2015		31/12/2014	
<i>Group – Financial assets available for sale</i>	Book value	Fair value	Book value	Fair value
<i>Listed shares and participations</i>				
Cost	855,490		470,705	
Impairment loss	-7,647		0	
Unrealized change in value	257,644		94,073	
Total	1,105,487	1,105,487	564,778	564,778
<i>Unlisted shares and participations</i>				
Cost	71,317		54,745	
Impairment loss	-46,180		-29,892	
Total	25,137	25,137	24,853	24,853
Total	1,130,624	1,130,624	589,631	589,631

Note 19 Shares and participations, continued	31/12/2015		31/12/2014	
	Book value	Fair value	Book value	Fair value
<i>Parent Company – Financial assets available for sale</i>				
<i>Listed shares and participations</i>				
Cost	855,490		470,291	
Impairment loss	-7,647		0	
Unrealized change in value	257,644		94,073	
Total	1,105,487	1,105,487	564,364	564,364
<i>Unlisted shares and participations</i>				
Cost	71,102		54,391	
Impairment loss	-45,992		-29,711	
Total	25,110	25,110	24,680	24,680
Total	1,130,597	1,130,597	589,044	589,044

Because the valuation of one of the above unlisted participations is subject to great uncertainty, it will be followed up more thoroughly during 2016.

Note 20 Other participations	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Opening accumulated cost	4,534	3,374	0	0
Purchases/sales	-1,250	1,160	0	0
Closing accumulated cost	3,284	4,534	0	0
Total	3,284	4,534	0	0
Of which a share in a housing cooperative in Sälen.	3,284	4,534	0	0

Note 21 Shares and participations in associated companies	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Opening accumulated cost	57,238	60,169	62,531	60,602
Acquisitions for the year, unlisted	450	1,200	450	1,929
Dividends for the year	-2,759	-5,504	0	0
Exchange rate differences	-8,598	1,373	0	0
Closing accumulated cost	46,331	57,238	62,981	62,531
Opening accumulated profit shares	1,298	-3,235	0	0
Profit shares for the year	-7,326	4,533	0	0
Closing accumulated profit shares	-6,028	1,298	0	0
Opening accumulated impairment charges	-1,460	0	-5,729	0
Impairment for the year	-466	-1,460	-3,100	-5,729
Closing accumulated impairment charges	-1,926	-1,460	-8,829	-5,729
Total	38,377	57,076	54,152	56,802

	Registered office	Co. reg. no.	Number of shares	Percentage	Nominal value	Consolidated book value	Parent Company book value
Credex AB	Stockholm	556937-6204	30,000	30.00%	SEK 30,000	682	930
Trade in Sports Europe AB	Stockholm	556844-2577	3,131	23.84%	SEK 17,000	0	0
eLombard Oyj	Helsinki	2440723-5	2,563	40.11%	EUR 80,000	0	0
CreditExpress NV	Curacao	81710	2,940	33.33%	EUR 3,000	37,695	53,222
Total						38,377	54,152

All of the participations are unlisted and the associated companies are reported according to the equity method.

Note 21 Shares and participations in associated companies	Group	
	31/12/2015	31/12/2014

The associated company Creditexpress NV conducts debt recovery operations in Eastern Europe via a subsidiary and is of substantial significance for the Group. Creditexpress NV and its subsidiary are tasked with collecting receivables in respect of the Group's acquired parts due receivables in Eastern Europe. Creditexpress NV has paid dividends to the company in the amount of SEK 2,759,000 (5,504,000).

The Group's share in the income statements and balance sheets in individual, significant associated companies amounts to:

Operating income	95,975	95,064
Profit/loss for the year	-4,970	5,767
Assets	37,190	46,708
Liabilities	-11,308	-16,315
Group adjustment	11,813	23,629

The Group's share in the income statements and balance sheets in individual associated companies of minor significance amounts to:

Operating income	606	46
Profit/loss for the year	-2,356	-1,234
Assets	1,282	4,510
Liabilities	-133	-2,332
Group adjustment	-466	876

Note 22 Shares in Group companies	Parent Company	
	31/12/2015	31/12/2014
Opening accumulated cost	428,723	364,287
Acquisition of Svea Exchange AB	0	100
Acquisition of Svea Finance Zrt	0	981
Acquisition, Kapitalkredit Sverige AB	10,395	0
Acquisition, Daylet Limited	1	0
Rounding, Svea Finance AS	-1	0
Rounding, Rhoswen Limited	-1	0
New share issue, Daylet Limited	36,808	0
New share issue, Svea Exchange AB	0	9,900
Unconditional shareholder contribution, Svea Exchange AB	0	50,000
Unconditional shareholder contribution, Svea Finans A/S	2,612	9,965
Unconditional shareholder contribution, Kundgirot AB	3,700	0
Conditional shareholder contribution, Svea Finans Zrt	984	0
Liquidation, DialIT Communications BV	0	-3,170
Merger, Svea Financial Services Holding AB	-20,299	0
Sale, Svea Kreditinfo AB	-5,000	0
Sale, Svea Juridiska AB	-8,052	0
Sale, Mobivox Telecom AB	-100	0
Sale, Seblinco Finans Holding AB	0	-3,340
Closing accumulated cost	449,770	428,723
Opening accumulated impairment charges	-154,546	-103,541
Liquidation of accumulated impairment charges	0	3,000
Consolidation of accumulated impairment charges	20,199	0
Sale of assets, accumulated impairment charges	12,175	3,240
Impairment charges for the year	-47,120	-57,245
Closing accumulated impairment charges	-169,292	-154,546
Total	280,478	274,177

Note 22 Shares in Group companies						Parent Company	
						31/12/2015	31/12/2014
	Registered office	Co. reg. no.	Number of shares	Percentage	Nominal value	Book value	Book value
Payson AB	Stockholm	556646-2858	209,225	100.00%	SEK 209,000	45,656	45,656
Kapitalkredit Sverige AB	Stockholm	556761-0315	100,000	100.00%	SEK 1,549,000	17,640	7,245
Svea Exchange Finans AB	Stockholm	556710-5878	200,000	100.00%	SEK 200,000	60,000	60,000
Svea Rahoitus Suomi OY	Helsinki	1879927-9	9,000	100.00%	EUR 900,000	5,000	9,000
Svea Finance AS	Tallinn	11200943	250,000	100.00%	EUR 25,000	25	26
Svea Finance SIA	Riga	40103183054	20	100.00%	EUR 3,000	27	27
Svea Finans A/S	Copenhagen/ Alleröd	27448402	13	100.00%	DKK 1,201,000	8,700	8,700
Svea Finans Nederland BV	Reeuwijk	1199263	10,000	100.00%	EUR 1,000,000	80,775	80,775
Svea Finans AG	Zürich	1703025543-6	1,000	100.00%	CHF 1,000,000	20,000	20,000
Svea Ekonomi Cyprus Limited	Limassol	272182	665	66.50%	EUR 665	6	6
Svea Finance Belgrade DOO	Belgrade	20725095	-	100.00%	EUR 1,000	-	-
Svea Finance Bulgaria EOOD	Sofia	202527341	-	100.00%	BGN 1,000,000	-	-
Svea Ekonomi DOO	Zagreb	80750758	-	100.00%	HRK 20,000	-	-
Svea Finance DOO	Maribor	6643515000	-	100.00%	EUR 7,000	-	-
Rhoswen Invest Ukraine Limited	Kiev	37616221	-	100.00%	UAH 3,421,000	-	-
Svea Finance Czech Republic SRO	Prague	1483773	-	100.00%	CZK 200,000	-	-
Rhoswen Limited	Limassol	272182	700	70.00%	EUR 700	6	7
Svea Finance ZRT	Budapest	01-10-048218	665	66.50%	HUF 250,000	1,965	981
Daylet Limited	Nicosia	227024	100	100.00%	EUR 100	1	0
Total consolidated situation						239,801	232,423
Capital Collection Agency LLC	Moscow	1057747813837	1	100.00%	RUB 92,085,000	-	-
Kundgirot AB	Stockholm	556022-9980	50,000	100.00%	SEK 5,000,000	1,000	1,000
Svea Vat Adviser AB	Stockholm	556567-1327	12,000	100.00%	SEK 1,200,000	-	-
Svea Inkasso AB	Stockholm	556214-1423	50,000	100.00%	SEK 5,000,000	33,000	33,000
Svea Finans AS	Oslo	980,121,798	1,106,195	100.00%	NOK 1,106,000	-	-
Svea Perintä OY	Helsinki	0800502-5	26	100.00%	EUR 61,000	-	-
Svea Inkasso A/S	Copenhagen/ Alleröd	11038484	100	100.00%	DKK 510,000	-	-
Koekie GmbH	Wiener Neudorf	357372	-	100.00%	EUR 35,000	-	-
Svea Kreditinfo AB	Stockholm	556521-6792	-	-	-	-	100
Svea Juridiska AB	Stockholm	556496-7254	-	-	-	-	777
Svea Billing Services AB	Stockholm	556555-4622	10,000	100.00%	SEK 100,000	6,677	6,677
Mobivox Telecom AB	Stockholm	556654-2865	-	-	-	-	100
Svea Financial Services Holding AB	Stockholm	556793-5399	-	-	-	-	100
Total, other Group companies						40,677	41,754
Total						280,478	274,177

All of the Group companies are unlisted.

Note 23 Intangible assets

Goodwill

The forecast period for each cash-generating unit is five years with a supplement for subsequent cash flow without growth. The cash flows were discounted to a present value by applying the Group's weighted average cost of capital (WACC) estimated at 13.4 per cent (11.6) corresponding to 16–24 per cent (14–16) before tax for this year's tests. Estimated average rates of growth per year amount to around 3–19 per cent (approx. 3–14). The increase in WACC is attributable to higher risk premiums on the market, lower risk-free interest rates and a changed capital structure. The impairment tests entail impairments of the Group's carrying amounts for goodwill attributable partly to factoring and invoice purchasing operations in Switzerland (SEK 8 million) and the Netherlands (SEK 14 million), partly to payment transfer and foreign currency exchange operations in Sweden (SEK 8 million), the operation in Russia (SEK 5 million) in the AFS field and partly to debt recovery operations in Denmark (SEK 7 million). Furthermore, the tests meant that value of the the Parent Company's participation in Kundgirot AB was impaired.

The Group's reported goodwill value is distributed partly across factoring/invoice purchasing operations mainly in Denmark, Switzerland, and Finland (SEK 40 million) and payment transfers/currency exchange operations in Sweden (SEK 38 million) in the AFS field, and partly across debt recovery operations in Denmark (SEK 7 million).

Sensitivity analyses were conducted into WACC and the level of annual growth at which an impairment requirement would exist, which showed there to be adequate room for manoeuvre in the calculated values in use. The least room for manoeuvre in growth rate and/or WACC is in the two factoring/invoice purchasing units

in Denmark and Sweden. A WAAC between 2.8–12.4 percentage points lower or an annual growth rate of around 0–2 percentage points lower, would result in an impairment of goodwill in these units.

Note 23 Intangible assets, continued	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
<i>Goodwill</i>				
Opening accumulated cost	122,922	99,877	0	0
Acquisition	5,244	24,676	0	0
Sales/retirements	-5,244	-1,631	0	0
Closing accumulated cost	122,922	122,922	0	0
Opening accumulated impairment charges	-90	-1,721	0	0
Sales/retirements	5,244	1,631	0	0
Impairment charges for the year	-42,703	0	0	0
Closing accumulated impairment charges	-37,549	-90	0	0
Closing residual value according to plan	85,373	122,832	0	0
<i>Customer contracts</i>				
Opening accumulated cost	105,108	204,162	9,479	36,750
Sales/retirements	0	-99,054	0	-27,708
Exchange rate differences	0	0	-240	437
Closing accumulated cost	105,108	105,108	9,239	9,479
Opening accumulated depreciations	-82,767	-172,634	-8,593	-35,484
Sales/retirements	0	99,054	0	27,708
Exchange rate differences	0	0	240	-437
Depreciations for the year	-9,187	-9,187	-380	-380
Closing accumulated depreciations	-91,954	-82,767	-8,733	-8,593
Closing residual value according to plan	13,154	22,341	506	886
<i>Licenses</i>				
Opening accumulated cost	3,000	3,000	3,000	3,000
Closing accumulated cost	3,000	3,000	3,000	3,000
Opening accumulated depreciations	-3,000	-3,000	-3,000	-3,000
Closing accumulated depreciations	-3,000	-3,000	-3,000	-3,000
Closing residual value according to plan	0	0	0	0
<i>Capitalized development expenditures, etc.</i>				
Opening accumulated cost	21,722	19,115	0	0
Acquisition	2,091	4,061	0	0
Exchange rate differences	-789	269	0	0
Sales/retirements	0	-1,723	0	0
Closing accumulated cost	23,024	21,722	0	0
Opening accumulated depreciations	-10,802	-8,858	0	0
Sales/retirements	0	1,723	0	0
Exchange rate differences	571	4	0	0
Depreciations for the year	-2,850	-3,671	0	0
Closing accumulated depreciations	-13,081	-10,802	0	0
Closing residual value according to plan	9,943	10,920	0	0

Note 23 Intangible assets, continued	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
<i>Leasing objects</i>				
Opening accumulated cost	4,013	0	0	0
Acquisition	0	4,013	0	0
Closing accumulated cost	4,013	4,013	0	0
Opening accumulated depreciations	-3,881	0	0	0
Acquisitions/ sale/ retirements	0	-3,642	0	0
Depreciations for the year	-108	-239	0	0
Closing accumulated depreciations	-3,989	-3,881	0	0
Closing residual value according to plan	24	132	0	0
Total	108,494	156,225	506	886

Note 24 Tangible assets	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
<i>Buildings</i>				
Opening accumulated cost	1,566	1,566	0	0
Purchases	0	0	0	0
Closing accumulated cost	1,566	1,566	0	0
Opening accumulated depreciations	-310	-279	0	0
Depreciations for the year	-31	-31	0	0
Closing accumulated depreciations	-341	-310	0	0
<i>Land</i>	3,384	3,384	1,650	1,650
Closing residual value according to plan	4,609	4,640	1,650	1,650

<i>Fixtures and fittings</i>				
Opening accumulated cost	197,051	105,384	100,159	84,650
Purchases	28,000	91,825	17,364	15,387
Exchange rate differences	-1,321	1,252	-358	122
Sales/retirements	-25,482	-1,410	-6,448	0
Closing accumulated cost	198,248	197,051	110,717	100,159
Opening accumulated depreciations	-92,958	-40,469	-37,983	-26,126
Sales, retirements, purchases	21,485	-27,528	6,344	0
Exchange rate differences	1,169	-859	329	-77
Depreciations for the year	-27,498	-24,102	-13,015	-11,780
Closing accumulated depreciations	-97,802	-92,958	-44,325	-37,983
Closing residual value according to plan	100,446	104,093	66,392	62,176

Note 24 Tangible assets, continued	Parent Company			
	31/12/2015	31/12/2014		
<i>Leasing objects as lessor</i>				
Opening accumulated cost	341,733	203,632		
Purchases	241,086	184,782		
Sales/retirements	-71,324	-46,681		
Closing accumulated cost	511,495	341,733		
Opening accumulated depreciations	-94,605	-63,441		
Sales/retirements	42,982	31,300		
Depreciations for the year	-105,249	-62,464		
Closing accumulated depreciations	-156,872	-94,605		
Opening accumulated impairment charges	-4,155	-2,423		
Impairment charges for the year	-921	-1,732		
Closing accumulated impairment charges	-5,076	-4,155		
Closing book value	349,547	242,973		
Total	105,055	108,733	417,589	306,799

Buildings refers to the office property in Åseda and properties in Haninge and Sälen. The tax assessment value amounts to SEK 805,000 (811,000) for the buildings and SEK 2,183,000 (2,012,000) for land.

The leasing object impairment loss above was reported in the income statement as a credit loss.

Leasing contracts and other rental agreements as lessee	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
<i>Fixtures and fittings used via leasing contracts</i>				
Cost, operational leasing	12,035	13,199	12,035	13,199
Of which, newly signed contracts during the year	4,205	5,104	4,205	5,104
Of which, contracts redeemed during the year	-5,369	-3,553	-5,369	-3,553
Leasing expenses during the year	3,873	4,514	3,873	4,514
<i>Other rental agreements:</i>				
Rental expenses during the year	64,890	59,544	33,790	32,529
<i>Future leasing and rental payments as lessee</i>				
Within one year	67,564	70,175	35,939	37,195
Between one and five years	79,859	82,441	57,471	75,197
Later than five years	0	0	0	0

Leasing contracts and other rental agreements as lessor	Group		Group	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
<i>Financial leasing, Group</i>				
Gross investment		398,845		281,885
Non-earned financial income		-49,298		-38,912
Net investment in financial leasing agreements		349,547		242,973
Less residual values not guaranteed that fall to the lessor		0		0
Present value of receivables re future minimum leasing charges		349,547		242,973
Reserve for doubtful receivables re minimum leasing charges		5,076		4,155
<i>Remaining life, Group</i>				
	Gross investment	Net investment	Gross investment	Net investment
Within one year	151,739	127,263	101,092	82,679
Between one and five years	246,032	221,245	180,066	159,593
Later than five years	1,074	1,039	727	701
Total	398,845	349,547	281,885	242,973

Of which the single largest net investment 2,050 2,000

Leasing contracts and other rental agreements as lessor, continued	Parent Company	
	31/12/2015	31/12/2014
<i>Operational leasing – Present value of future minimum leasing charges</i>	Net investment	Net investment
Within one year	127,263	82,679
Between one and five years	221,245	159,593
Later than five years	1,039	701
Total	349,547	242,973
Carrying amount of repossessed leasing objects	99	0
Residual values guaranteed by suppliers	0	0

Leasing objects comprise primarily IT, telecoms and other communications equipment.

Note 25 Deferred tax assets/provisions	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Tangible assets	551	804	507	701
Other assets	190	226	0	0
Loss carryforwards	1,118	2,251	0	0
Deferred tax assets	1,859	3,281	507	701
Intangible assets	-3,471	-5,858	-111	-195
Fair value reserve	-54,535	-20,997	-54,535	-20,997
Untaxed reserves	-7,765	-8,360	0	0
Deferred tax liabilities/provisions	-65,771	-35,215	-54,646	-21,192
Net	-63,912	-31,934	-54,139	-20,491
Tangible assets	-215	-126	-143	-142
Intangible assets	2,387	2,386	84	84
Loss carryforwards	-1,101	-44,379	0	0
Untaxed reserves	595	-8,360	0	0
Change reported in income statement	1,666	-50,479	-59	-58
Change, deferred tax fair value fund	-33,538	-863	-33,538	-863
Exchange rate differences	-106	81	-51	0
Reported directly against shareholders' equity	-33,644	-782	-33,589	-863
Total changes	-31,978	-51,261	-33,648	-921
Unutilized tax losses	5,081	10,452	0	0
Reported deferred tax assets	1,118	2,251	0	0

Note 26 Other assets	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Accounts receivable	32,659	31,680	3,164	3,228
Current tax assets	3,257	14,237	0	8,668
Positive value of foreign exchange-related contracts	26,654	15,368	26,654	15,368
Deduction, non-payment of funds	15,617	18,156	6,791	7,106
Agent receivable, Giroservice and card company	12,445	14,526	0	0
Outlay to authorities	16,352	11,838	0	0
Value-added tax	2,428	1,304	0	0
Other receivables	6,689	953	626	199
Total	116,101	108,062	37,235	34,569

Note 26 Other assets, continued	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
<i>Derivatives for hedging fair value not hedge accounted</i>				
Foreign exchange-related swap contracts	1,822,156	1,032,743	1,822,156	1,032,743
Total	1,822,156	1,032,743	1,822,156	1,032,743
Foreign exchange distribution of market values				
EUR	1,128,290	793,497	1,128,290	793,497
NOK	556,998	219,788	556,998	219,788
DKK	67,980	4,090	67,980	4,090
USD	42,234	0	42,234	0
Total	1,795,502	1,017,375	1,795,502	1,017,375
Positive value of foreign exchange-related contracts	26,654	15,368	26,654	15,368

Note 27 Prepaid expenses and accrued income	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Commission income	7,961	11,693	1,612	3,877
Rental/subscription expenses	13,497	16,087	9,783	11,815
Other expenses	15,863	18,005	8,441	8,504
Total	37,321	45,785	19,836	24,196

Note 28 Liabilities to credit institutions	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Granted credit	80,644	118,890	50,000	50,000
Unutilized credit facilities	-65,828	-89,838	-50,000	-50,000
Total	14,816	29,052	0	0

Note 29 Deposits from the public	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Deposits from the public, private individuals	7,006,775	6,885,515	6,927,201	6,806,532
Deposits from the public, companies	634,637	659,240	449,162	436,959
Deposits from the public, Group			64	168,225
Total	7,641,412	7,544,755	7,376,427	7,411,716

Note 30 Issued securities, etc.	Parent Company	
	31/12/2015	31/12/2014
<i>Convertible debt instrument</i>		
Nominal value of 1 convertible debt instrument	50,000	50,000
Shareholders' equity component of convertible debt instrument	-3,469	-3,469
Capitalized interest	1,703	844
Total	48,234	47,375

On 01 January 2014, Svea Ekonomi AB issued a convertible debt instrument with a nominal value of SEK 50,000,000. The debt instrument matures on 01 January 2018 at its nominal value or it may be converted to new shares on request of the bearer at a price of SEK 2,250 per share for a total of 22,222 shares. The debt instrument carries an annual interest of 6 per cent. The interest expense of the convertible debt instrument for the year amounted to SEK 3,859,000 (3,844,000).

Note 31 Other liabilities	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Accounts payable	67,605	72,282	37,001	38,447
Tax liability	77,713	23,351	70,501	15,656
Negative value of foreign exchange-related contracts	1,950	22,592	1,950	22,592
Deduction, non-disbursed funds	15,815	34,023	14,229	12,209
Retained income taxes	34,414	46,022	29,299	41,695
Value-added tax	16,299	11,520	8,378	3,742
Other liabilities	14,189	1,504	53	79
Total	227,985	211,294	161,411	134,420
<i>Derivatives for hedging fair value not hedge accounted</i>				
Foreign exchange-related swap contracts	759,416	1,269,770	759,416	1,269,770
Total	759,416	1,269,770	759,416	1,269,770
Foreign exchange distribution of market values				
EUR	745,465	899,850	745,465	899,850
NOK	0	263,430	0	263,430
DKK	11,678	66,588	11,678	66,588
USD	4,223	62,494	4,223	62,494
Total	761,366	1,292,362	761,366	1,292,362
Negative value of foreign exchange-related contracts	1,950	22,592	1,950	22,592

Note 32 Accrued expenses and deferred income	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Interest income	1,374	3,041	1,204	2,833
Leasing income	23,068	16,218	23,068	16,218
Commission income	15,160	11,875	3,719	2,368
Commission expenses	3,425	2,367	3,425	2,367
Personnel expenses	75,744	65,655	47,071	38,781
Other administration expenses from authorities	14,547	10,035	0	0
Other administrative expenses	26,758	36,094	9,588	11,026
Other consolidated internal administrative expenses			1,460	1,204
Total	160,076	145,285	89,535	74,797

Note 33 Subordinated liabilities	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Subordinated loans	75,000	75,000	75,000	75,000
<i>Bonds</i>				
ISIN SE0007730528, nominal value	200,000	0	200,000	0
Transaction expenses	-3,705	0	-3,705	0
Accrued interest	1,079	0	1,079	0
Total	197,374	0	197,374	0
Total	272,374	75,000	272,374	75,000

On 30 June 2014, the Parent Company raised a six-year subordinated loan in the nominal amount of SEK 75,000,000 which will fall due on 30 June 2020. The loan is subordinate to other debt and can be included in the capital base as supplementary capital according to current regulations. The subordinated loan will run at a fixed annual interest rate of 6 per cent. Interest payments will be made on 31 March, 30 June, 30 September and 31 December. The subordinated loan may not be redeemed prematurely.

The Parent Company will repay the nominal amount including accrued interest for the entire outstanding subordinated debt on the due date. Interest expenses for convertible loans for the year amounted to SEK 4,500,000 (2,250,000).

Note 33 Subordinated liabilities, continued

On 24 November 2015, the Parent Company issued a 10-year subordinated bond in the nominal amount of SEK 200,000,000 which will fall due on 24 November 2025. During the second quarter of 2016, the Parent Company will submit an application to register the financial instrument with Nasdaq Stockholm. The bond is subordinate to other debt and can be included in the capital base as supplementary capital according to current regulations. It may not be redeemed before 24 November 2020 and will run with a floating rate note (FRN) of STIBOR 3 months + 5.25 per cent per annum. Interest payments will be made on 24 February, 24 May, 24 August and 24 November.

The Parent Company may elect to redeem the loan prematurely, but this will require Swedish Financial Supervisory Authority approval. Early redemption may also take place if the capital adequacy regulations are changed and no longer permit the inclusion of the bond in the capital base. The Parent Company will repay the nominal amount including accrued interest for all outstanding bonds under the loan on the due date.

Interest expense for the year for bonds amounted to SEK 1,079,000. Other transaction expenses in connection with the issue amounted to SEK 3,768,000 and are periodized until 24 November 2020.

Note 34 Untaxed reserves	Parent Company	
	31/12/2015	31/12/2014
Accelerated depreciations	34,000	38,000
Total	34,000	38,000

Note 35 Assets pledged for own liabilities	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
<i>For guarantees provided etc.</i>				
Lending to credit institutions – portion of	2,904	10,087	2,294	9,477
<i>For liabilities to credit institutions</i>				
Lending to the public	165,298	196,463	0	0
<i>For deposits from the public</i>				
Lending to credit institutions – portion of	12,662	12,061	12,662	12,061
Total	180,864	218,611	14,956	21,538

For guarantees provided etc.

Through its subsidiary Svea Ekonomi AB in Finland, the Parent Company pledged cash and cash equivalents as security for bank guarantees issued by Nordea totalling SEK 2,294,000 (9,477,000), which took place under a collaboration agreement with 3 customers (1). Within the Group, the subsidiary Svea Inkasso AB pledged cash and cash equivalents as security for bank guarantees issued by Nordea totalling SEK 500,000 (500,000), which took place under a collaboration agreement with a customer. The subsidiary Svea Exchange AB pledged cash and cash equivalents as security for a bank guarantee issued by Swedbank in the amount of SEK 110,000 (110,000) in respect of office space rental. The above assets will remain pledged until the collaboration agreement or rental agreement cease.

For liabilities to credit institutions

The subsidiary Svea Finans Nederland BV has pledged its outstanding purchased receivables of SEK 165,298,000 (196,463,000) as security for a credit limit granted by ABN Amro Bank in the amount of EUR 2 million (6). The above assets will remain pledged until the credit agreement ceases.

For deposits from the public

Through the subsidiary Svea Ekonomi AB affiliate in Finland acting as a credit institution, the Parent Company deposited SEK 12,662,000 (12,061,000) with Finlands Bank in a so-called reserve account. The sum amounts to 1 per cent of the branch's borrowing from the Parent Company in Sweden at the end of Q3 on 30/09/2015 in respect of a deduction of EUR 100,000. The above assets will remain pledged until such time as the borrowing or operation ceases or regulations concerning reserve accounts are changed.

Note 36 Contingent liabilities	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
<i>Contingent liabilities</i>				
Guarantee commitments, external	100	100	100	100
Guarantee commitments, Group			20,280	12,210
Total	100	100	20,380	12,310
<i>Commitments</i>				
Granted credit	6,947,777	6,007,226	6,645,746	5,864,598
Disbursed credit	1) -6,431,285	-5,540,489	-6,064,177	-5,313,085
Non-disbursed credit	516,492	466,737	581,569	551,513
Approved limits, agents	35,905	36,890	0	0
Agent, disbursed	2) -12,445	-11,255	0	0
Non-disbursed limits	23,460	25,635	0	0
Total	539,952	492,372	581,569	551,513
Total	540,052	492,472	601,949	563,823

1) Refers to lending to the public before provision for credit losses.

2) Refers to part of Other assets.

Note 37 Business combinations

A foreign currency exchange and giro service operation was acquired with takeover on 20 March 2014. In connection with the acquisition, values such as customer contracts, synergy effects, geographical presence, market share, management and personnel were identified. The acquisition was allocated within the Group to the subsidiary Svea Exchange AB. According to the acquisition analysis, the total value of the assets and liabilities were as follows:

	Carrying amount in the company on acquisition	Adjustments	Fair value reported in Group
Other participations	1,250		1,250
Intangible assets, leasing objects	371		371
Intangible assets, goodwill		24,676	24,676
Tangible assets	36,368		36,368
Assets	37,989	24,676	62,665
Liabilities	-6,365	0	-6,365
Net assets	31,624	24,676	56,300
Acquisition costs			1,024
Transferred reimbursement including acquisition costs			57,324
Acquired lending to credit institutions			0
Effect of Group lending to credit institutions			-57,324

Operations during the period April–December 2014 affected the Group's operating income by SEK 63,060,000 and the operating profit by SEK -62,412,000. The period entailed major expenses for restarting the operation.

Note 38 Merger of subsidiaries

On 29 December 2015, the Financial Supervisory Authority granted approval for a merger. The approval was registered with the Swedish Companies Registration Office on 30 December 2015, with the effect that the subsidiary Svea Financial Services Holding AB, co. reg. no. 556793-5399, was dissolved to become part of Svea Ekonomi AB, co. reg. no. 556489-2924. The total value of the assets and liabilities when the fusion was executed were as follows:

Lending to credit institutions	97
Net assets	97

Operations during the period January–December 2015 affected the Group's operating income by SEK -2,000 and the operating profit by SEK -3,000.

Note 39 Financial instruments – classification of financial assets and liabilities

	Loan receivables and accounts receivable	Financial assets available for sale	Financial assets/liabilities measured at fair value in the income statement	Other financial liabilities	Other balance sheet items	Total carrying amount
<i>Group 2015</i>						
Cash and balances with central banks	50,742					50,742
Lending to credit institutions	1,317,256					1,317,256
Lending to the public	6,006,656					6,006,656
Bonds and securities			852,779			852,779
Shares and participations			1,130,624			1,130,624
Other participations					3,284	3,284
Shares and participations in associated companies					38,377	38,377
Intangible assets					108,494	108,494
Tangible assets					105,055	105,055
Deferred tax assets					1,859	1,859
Other assets	32,659		26,654		56,788	116,101
Prepaid expenses and accrued income					37,321	37,321
Total assets	7,407,313	1,983,403	26,654		351,178	9,768,548
Liabilities to credit institutions				14,816		14,816
Deposits from the public				7,641,412		7,641,412
Other liabilities			1,950	67,605	158,430	227,985
Accrued expenses/ deferred income					160,076	160,076
Provisions					65,771	65,771
Subordinated liabilities				272,374		272,374
Total liabilities			1,950	7,996,207	384,277	8,382,434
Shareholders' equity					1,386,114	1,386,114
Balance sheet total						9,768,548
<i>Group 2014</i>						
Cash and balances with central banks	44,699					44,699
Lending to credit institutions	1,836,208					1,836,208
Lending to the public	5,150,410					5,150,410
Bonds and securities		1,040,949				1,040,949
Shares and participations		589,631				589,631
Other participations					4,534	4,534
Shares and participations in associated companies					57,076	57,076
Intangible assets					156,225	156,225
Tangible assets					108,733	108,733
Deferred tax assets					3,281	3,281
Other assets	31,680		15,368		61,014	108,062
Prepaid expenses and accrued income					45,785	45,785
Total assets	7,062,997	1,630,580	15,368		436,648	9,145,593
Liabilities to credit institutions				29,052		29,052
Deposits from the public				7,544,755		7,544,755
Other liabilities			22,592	72,282	116,420	211,294
Accrued expenses/ deferred income					145,285	145,285
Provisions					35,215	35,215
Subordinated liabilities				75,000		75,000
Total liabilities			22,592	7,721,089	296,920	8,040,601
Shareholders' equity					1,104,992	1,104,992
Balance sheet total						9,145,593

Note 39 Financial instruments – classification of financial assets and liabilities, continued

	Loan receivables and accounts receivable	Derivative instruments available for sale	Financial assets/liabilities measured at fair value in the income statement	Other financial liabilities	Other balance sheet items	Total carrying amount
<i>Parent Company 2015</i>						
Lending to credit institutions	931,706					931,706
Lending to the public	5,669,469					5,669,469
Bonds and securities		852,779				852,779
Shares and participations		1,130,597				1,130,597
Shares and participations in associated companies					54,152	54,152
Shares in Group companies					280,478	280,478
Intangible assets					506	506
Tangible assets					417,589	417,589
Deferred tax assets					507	507
Other assets	3,164		26,654		7,417	37,235
Prepaid expenses and accrued income					19,836	19,836
Total assets	6,604,339	1,983,376	26,654		780,485	9,394,854
Deposits from the public				7,376,427		7,376,427
Issued securities, etc.				48,234		48,234
Other liabilities			1,950	37,001	122,460	161,411
Accrued expenses/ deferred income					89,535	89,535
Provisions					54,646	54,646
Subordinated liabilities				272,374		272,374
Untaxed reserves					34,000	34,000
Total liabilities			1,950	7,734,036	300,641	8,036,627
Shareholders' equity					1,358,227	1,358,227
Balance sheet total						9,394,854
<i>Parent Company 2014</i>						
Lending to credit institutions	1,531,742					1,531,742
Lending to the public	4,952,040					4,952,040
Bonds and securities		1,040,949				1,040,949
Shares and participations		589,044				589,044
Shares and participations in associated companies					56,802	56,802
Shares in Group companies					274,177	274,177
Intangible assets					886	886
Tangible assets					306,799	306,799
Deferred tax assets					701	701
Other assets	3,228		15,368		15,973	34,569
Prepaid expenses and accrued income					24,196	24,196
Total assets	6,487,010	1,629,993	15,368		679,534	8,811,905
Deposits from the public				7,411,716		7,411,716
Issued securities, etc.				47,375		47,375
Other liabilities			22,592	38,447	73,381	134,420
Accrued expenses/ deferred income					74,797	74,797
Provisions					21,192	21,192
Subordinated liabilities				75,000		75,000
Untaxed reserves					38,000	38,000
Total liabilities			22,592	7,572,538	207,370	7,802,500
Shareholders' equity					1,009,405	1,009,405
Balance sheet total						8,811,905

Note 40 Financial instruments measured at fair value	31/12/2015		31/12/2014	
	Carrying amount	Fair value	Carrying amount	Fair value
<i>Group</i>				
Cash and balances with central banks	50,742	50,742	44,699	44,699
Lending to credit institutions	1,317,256	1,317,256	1,836,208	1,836,208
Lending to the public	6,006,656	6,006,656	5,150,410	5,150,410
Bonds and securities	852,779	852,779	1,040,949	1,040,949
Shares and participations	1,130,624	1,130,624	589,631	589,631
Accounts receivable	32,659	32,659	31,680	31,680
Foreign exchange-related contracts	26,654	26,654	15,368	15,368
Financial assets	9,417,370	9,417,370	8,708,945	8,708,945
Non-financial assets	351,178	351,178	436,648	436,648
Assets	9,768,548	9,768,548	9,145,593	9,145,593
Liabilities to credit institutions	14,816	14,816	29,052	29,052
Deposits from the public	7,641,412	7,641,412	7,544,755	7,544,755
Issued securities, etc.	0	0	0	0
Accounts payable	67,605	67,605	72,282	72,282
Foreign exchange-related contracts	1,950	1,950	22,592	22,592
Subordinated liabilities	272,374	276,366	75,000	77,764
Financial liabilities	7,998,157	8,002,149	7,743,681	7,746,445
Non-financial liabilities	384,277	384,277	296,920	296,920
Liabilities and provisions	8,382,434	8,386,426	8,040,601	8,043,365
<i>Parent Company</i>				
Lending to credit institutions	931,706	931,706	1,531,742	1,531,742
Lending to the public	5,669,469	5,669,469	4,952,040	4,952,040
Bonds and securities	852,779	852,779	1,040,949	1,040,949
Shares and participations	1,130,597	1,130,597	589,044	589,044
Accounts receivable	3,164	3,164	3,228	3,228
Foreign exchange-related contracts	26,654	26,654	15,368	15,368
Financial assets	8,614,369	8,614,369	8,132,371	8,132,371
Non-financial assets	780,485	780,485	679,534	679,534
Assets	9,394,854	9,394,854	8,811,905	8,811,905
Liabilities to credit institutions	0	0	0	0
Deposits from the public	7,376,427	7,376,427	7,411,716	7,411,716
Issued securities, etc.	48,234	48,234	47,375	47,375
Accounts payable	37,001	37,001	38,447	38,447
Foreign exchange-related contracts	1,950	1,950	22,952	22,952
Subordinated liabilities	272,374	276,366	75,000	76,845
Financial liabilities	7,735,986	7,739,978	7,595,490	7,597,335
Non-financial liabilities	300,641	300,641	207,010	207,010
Liabilities and provisions	8,036,627	8,040,619	7,802,500	7,804,345

The fair value of current financial assets and liabilities is considered to correspond to the carrying amount. The carrying amount is a reasonable estimate of fair value, taking into account the limited credit risk and short term. Where it was not possible to assess the fair value of financial assets and liabilities in the tables above, these items were reported at their carrying amounts. These assets are assessed as belonging to Level III.

Note 41 Fair value – measurement levels

The tables below provide information on how fair value is determined for the financial instruments measured at fair value in the balance sheet. The financial instruments referred to are bonds and other securities, shares and participations, and foreign exchange-related contracts. Fair value is determined on the basis of the following three levels.

Level 1: according to prices listed on an active market for the same instruments (see Note 1).

Level 2: according to valuation techniques/models, directly or indirectly based on observable market data, and which are not included in level 1.

Level 3: based on input data not observable in the market. This generally applies to unlisted shares and participations whose carrying amounts are considered to correspond to their fair values.

<i>Group 31/12/2015</i>	Level 1	Level 2	Level 3	Total
Bonds and other securities	852,779			852,779
Shares and participations	1,105,487		25,137	1,130,624
Foreign exchange-related contracts		26,654		26,654
Financial assets	1,958,266	26,654	25,137	2,010,057

Foreign exchange-related contracts		1,950		1,950
Financial liabilities		1,950		1,950

<i>Group 31/12/2014</i>	Level 1	Level 2	Level 3	Total
Bonds and other securities	1,040,949			1,040,949
Shares and participations	564,778		24,853	589,631
Foreign exchange-related contracts		15,368		15,368
Financial assets	1,605,727	15,368	24,853	1,645,948

Foreign exchange-related contracts		22,592		22,592
Financial liabilities		22,592		22,592

<i>Parent Company 31/12/2015</i>	Level 1	Level 2	Level 3	Total
Bonds and other securities	852,779			852,779
Shares and participations	1,105,487		25,110	1,130,597
Foreign exchange-related contracts		26,654		26,654
Financial assets	1,958,266	26,654	25,110	2,010,030

Foreign exchange-related contracts		1,950		1,950
Financial liabilities		1,950		1,950

<i>Parent Company 31/12/2014</i>	Level 1	Level 2	Level 3	Total
Bonds and other securities	1,040,949			1,040,949
Shares and participations	564,364		24,680	589,044
Foreign exchange-related contracts		15,368		15,368
Financial assets	1,605,313	15,368	24,680	1,645,361

Foreign exchange-related contracts		22,592		22,592
Financial liabilities		22,592		22,592

Note 41 Fair value – Level 3	Shares and participations
<i>Group</i>	
Closing balance 31/12/2013	46,930
Acquisition cost	3,210
Exchange rate differences	13
Gains and losses reported in profit for the year	-25,300
Closing balance 31/12/2014	24,853
Acquisition cost	6,078
Transfer from level 1	10,633
Proceeds	-104
Exchange rate differences	-7
Gains and losses reported in profit for the year	-16,316
Closing balance 31/12/2015	25,137
<i>Parent Company</i>	
Closing balance 31/12/2013	46,629
Acquisition cost	3,210
Gains and losses reported in profit for the year	-25,159
Closing balance 31/12/2014	24,680
Acquisition cost	6,077
Transfer from level 1	10,633
Gains and losses reported in profit for the year	-16,280
Closing balance 31/12/2015	25,110

Note 42 Financial risks

Credit risks

Credit risk is defined as the risk of loss due to a counterparty's failure to fulfil its contractual obligations and that any collateral provided will not cover the amount due to Svea Ekonomi. The risk arises primarily through various types of lending to the public (companies and private individuals) and through the issuance of guarantees. Credit is granted based on the counterparty's financial position and ability to pay, and that there is good reason to expect the counterparty will meet its obligations.

Credit risk policy and organization

Svea Ekonomi's credit policy describes such things as the approach, organization, responsibility and process required for a credit decision. In this case the Group is divided into credit units where each unit's management is responsible for ensuring that credit processing complies with applicable credit risk regulations. This policy and its associated instructions are based on the assessment that credit decisions require local expertise, and are thus best dealt with in a decentralized organization. Credit unit operations differ in many respects regarding both their nature and their respective legal environments. Accordingly, a credit unit's management may decide on specific application instructions under the proviso that requirements are met.

Credit process

The credit process is initiated when a business manager or customer-account manager in a credit unit submits a proposal for a credit decision. After the case has been investigated, the credit rating is determined, following which action may be taken in accordance with the credit decision. Counterparty exposure is continuously monitored by the credit manager in the credit unit concerned and also by the Board in cases of major exposure. The responsibility for credit risk lies with the customer unit concerned. The unit continuously assesses the customer's ability to fulfil his commitments; it identifies deviations from agreed terms and any weaknesses in the customer's financial position. Based on reports of past-due payments and other available information, the unit responsible for the customer account also determines whether the receivable is doubtful, or if anything indicates that the customer's ability to repay is jeopardized. When it is unlikely that a customer will repay the entire debt (the principal, interest and fees), and if the situation cannot be resolved in a reasonable way, the receivable is considered doubtful. If a customer exposure is deemed weak, the exposure is placed under special monitoring and an action plan is prepared to minimize the potential credit loss.

Individual and collective impairment assessment

The company continuously examines the quality of its credit portfolio to identify any need for impairments. Weak and doubtful exposures are monitored and continuously reviewed with respect to current and future ability to make repayments. A receivable is reported as doubtful and a provision is posted if objective evidence exists in the form of loss events or observable data showing that the customer's future cash flow has been affected to such an extent that full repayment, including collateral, is no longer probable. The amount of the provision corresponds to the anticipated loss, based on the discounted value of future cash flow and the value of the pledged property. In addition to individual impairment assessment of receivables, a collective impairment assessment is conducted for groups of receivables that were not necessarily assessed as doubtful on an individual basis. An impairment charge for a group of loan receivables is a temporary measure pending the identification of an impairment for an individual customer. For lending to companies, individual impairment testing is applied primarily since it is believed to result in the identification of necessary reserves. In addition, an assessment is conducted to determine whether any collective impairment requirement exists. Group impairment testing is applied to lending to private individuals when there are no individual significant items.

Lending and credit risk

Financial assets that can expose the Group to credit risks consist of lending to credit institutions, lending to the public, accounts receivable and derivative contracts. In general, significant concentrations of credit risks are considered not to exist as lending is spread across different counterparties, business sectors and geographical regions.

The Group's lending to credit institutions consists primarily of bank balances with established banks and credit institutions where the risk of loss is deemed extremely small.

The Group's lending to private individuals consists primarily of unsecured loans. These loans are attributable to a large number of parties liable for payment with relatively low average loan amounts. Because credit is granted after rigorous credit scoring of each individual customer, the risk of losses is deemed minimized. Portions of unsecured loans have co-borrowers and may also be covered by voluntary payment insurance, which provides cover against inability to pay due to involuntary unemployment, illness, accident or death.

As a part of its operations, the Group acquires stocks of past-due receivables and works with their collection. All rights and risks associated with the receivables are thereby assumed. The stocks of receivables are acquired at prices considerably lower than their nominal value. To minimize risk in these operations, the Group exercises caution when making acquisition decisions. Emphasis lies on small stocks of receivables of relatively low average amounts, which contributes to risk spreading. The acquisitions were made in the Nordic region and eastern Europe. Alongside exchange rate risks in local currencies there are heightened risks chiefly in exposure in Ukraine and Russia.

As collateral for its lending to companies, the Group uses accounts receivable, cash flows, property mortgage deeds, company mortgages, leasing objects and guarantees which, following individual assessment, essentially cover total lending on the closing date.

In the case of factoring and invoice purchasing, a certain portion of the credit granted or purchase sum paid may be withheld as security in the form of escrow accounts. These funds may be offset together with deposited accountable funds from transferred receivables and the seller's pledged but non-transferred receivables against receivables from the borrower or seller in final settlement. These deposits from companies may be offset against loans to companies to a group-wide maximum of SEK 635 million and SEK 449 million in the Parent Company.

The Group's accounts receivable are attributable to customers and parties liable for payment, who are active in various industries and who are not concentrated to any particular geographic region. The risk of loss is deemed small.

The credit risk arising from the Parent Company's currency swaps/forward contracts depends on the counterparty; as the latter is a major bank, the risk of loss is extremely small.

The tables below present the maximum credit risk exposure for financial instruments with regard to the collateral available for loan receivables and information regarding the credit quality of said receivables.

Age analyses of doubtful receivables and non-settled but non-doubtful receivables are presented in Note 17.

Credit-risk exposure, gross and net, and specification of collateral for loan receivables

	Total credit risk exposure (before impairment)	Impairment/provision	Carrying amount	Value of collateral for items in balance sheets	Total credit risk exposure after deductions for collateral
<i>Group 2015</i>					
Lending to credit institutions	1,317,256		1,317,256		1,317,256
Lending to public					
<i>Lending against collateral in:</i>					
Mortgages on properties	380,523	-1,932	378,591	378,591	0
Mortgages on housing cooperatives	0	0	0	0	0
Accounts receivable	892,804	-15,030	877,774	877,774	0
Floating charges	66,875	0	66,875	66,875	0
Guarantees	196,928	-5,718	191,210	191,210	0
Other	447,505	-5,076	442,429	442,429	0
Total lending against collateral	1,984,635	-27,756	1,956,879	1,956,879	0
<i>Unsecured lending:</i>					
Lending, external	4,446,650	-396,873	4,049,777		4,049,777
Lending, Group	0		0		0
Total unsecured lending	4,446,650	-396,873	4,049,777		4,049,777
Total lending to the public,	6,431,285	-424,629	6,006,656	1,956,879	4,049,777
Bonds and other securities					
<i>Government securities and similar:</i>					
AAA	49,505		49,505		49,505
AA+	59,935		59,935		59,935
<i>Other issuers:</i>					
AAA	99,370		99,370		99,370
AA	44,481		44,481		44,481
AA-	24,729		24,729		24,729
BBB-	50,308		50,308		50,308
With no rating	524,451		524,451		524,451
Total bonds and other securities	852,779		852,779		852,779
Positive value of foreign exchange-related contracts	26,654		26,654		26,654
Issued loan commitments	0		0		0
Issued financial guarantees	100		100		100
Total	8,628,074	-424,629	8,203,445	1,956,879	6,246,566

Portions of unsecured loans have co-borrowers and may also be covered by voluntary payment insurance, which provides cover against inability to pay.

Specification of collateral for loan receivables	Lending to private individuals	Lending to companies	Value of collateral
<i>Group 2015</i>			
Mortgages on properties	93,785	284,806	378,591
Mortgages on housing cooperatives	0	0	0
Accounts receivable	0	877,774	877,774
Floating charges	0	66,875	66,875
Guarantees	133,165	58,045	191,210
Other	9,868	432,561	442,429
Loan receivables	236,818	1,720,061	1,956,879

Of which, unsettled receivables as defined in Note 17 15,835

Of which, doubtful receivables as per Note 17 0

Credit-risk exposure, gross and net, and specification of collateral for loan receivables, continued

<i>Group 2014</i>	Total credit risk exposure (before impairment)	Impairment/ provision	Carrying amount	Value of collateral for items in balance sheets	Total credit risk exposure after deductions for collateral
Lending to credit institutions	1,836,208		1,836,208		1,836,208
Lending to public					
<i>Lending against collateral in:</i>					
Mortgages on properties	70,297	-5,991	64,306	64,306	0
Mortgages on housing cooperatives	0	0	0	0	0
Accounts receivable	885,039	-13,763	871,276	871,276	0
Floating charges	79,149	-155	78,994	78,994	0
Guarantees	111,876	-2,320	109,556	109,556	0
Other	334,868	-4,155	330,713	330,713	0
Total lending against collateral	1,481,229	-26,384	1,454,845	1,454,845	0
<i>Unsecured lending:</i>					
Lending, external	4,059,260	-363,695	3,695,565		
Lending, Group	0		0		3,695,565
Total unsecured lending	4,059,260	-363,695	3,695,565		3,695,565
Total lending to the public,	5,540,489	-390,079	5,150,410	1,454,845	3,695,565
Bonds and other securities					
<i>Government securities and similar:</i>					
AAA	50,489		50,489		50,489
AA+	115,162		115,162		115,162
<i>Other issuers:</i>					
AAA	311,104		311,104		311,104
AA	65,067		65,067		65,067
A-	71,121		71,121		71,121
BBB	88,230		88,230		88,230
BBB-	58,934		58,934		58,934
BB+	11,205		11,205		11,205
BB	20,963		20,963		20,963
With no rating	193,355		193,355		193,355
Total bonds and other securities	1,040,949		1,040,949		1,040,949
Positive value of foreign exchange-related contracts	15,368		15,368		15,368
Issued loan commitments	0		0		0
Issued financial guarantees	100		100		100
Total	8,433,114	-390,079	8,043,035	1,454,845	6,588,190

Portions of unsecured loans have co-borrowers and may also be covered by voluntary payment insurance, which provides cover against inability to pay.

Specification of collateral for loan receivables <i>Group 2014</i>	Lending to private individuals	Lending to companies	Value of collateral
Mortgages on properties	48,255	16,051	64,306
Mortgages on housing cooperatives	0	0	0
Accounts receivable	0	871,276	871,276
Floating charges	0	78,994	78,994
Guarantees	103,175	6,381	109,556
Other	12,555	318,158	330,713
Loan receivables	163,985	1,290,860	1,454,845

Of which, unsettled receivables as defined in Note 17 46,188

Of which, doubtful receivables as per Note 17 0

Credit-risk exposure, gross and net, and specification of collateral for loan receivables, continued

	Total credit risk exposure (before impairment)	Impairment/ provision	Carrying amount	Value of collateral for items in balance sheets	Total credit risk exposure after deductions for collateral
<i>Parent Company 2015</i>					
Lending to credit institutions	931,706		931,706		931,706
Lending to public					
<i>Lending against collateral in:</i>					
Mortgages on properties	379,828	-1,932	377,896	377,896	0
Mortgages on housing cooperatives	0	0	0	0	0
Accounts receivable	840,813	-13,586	827,227	827,227	0
Floating charges	66,875	0	66,875	66,875	0
Guarantees	193,427	-5,224	188,203	188,203	0
Other	88,953	0	88,953	88,953	0
Total lending against collateral	1,569,896	-20,742	1,549,154	1,549,154	0
<i>Unsecured lending:</i>					
Lending, external	3,924,980	-373,966	3,551,014		3,551,014
Lending, Group	569,301		569,301		569,301
Total unsecured lending	4,494,281	-373,966	4,120,315		4,120,315
Total lending to the public,	6,064,177	-394,708	5,669,469	1,549,154	4,120,315
<i>Bonds and other securities</i>					
<i>Government securities and similar:</i>					
AAA	49,505		49,505		49,505
AA+	59,935		59,935		59,935
<i>Other issuers:</i>					
AAA	99,370		99,370		99,370
AA	44,481		44,481		44,481
AA-	24,729		24,729		24,729
BBB-	50,308		50,308		50,308
With no rating	524,451		524,451		524,451
Total bonds and other securities	852,779		852,779		852,779
Positive value of foreign exchange-related contracts	26,654		26,654		26,654
Issued loan commitments	0		0		0
Issued financial guarantees	20,380		20,380		20,380
Total	7,895,696	-394,708	7,500,988	1,549,154	5,951,834

Portions of unsecured loans have co-borrowers and may also be covered by voluntary payment insurance, which provides cover against inability to pay.

Specification of collateral for loan receivables	Lending to private individuals	Lending to companies	Value of collateral
<i>Parent Company 2015</i>			
Mortgages on properties	93,785	284,111	377,896
Mortgages on housing cooperatives	0	0	0
Accounts receivable	0	827,227	827,227
Floating charges	0	66,875	66,875
Guarantees	133,165	55,038	188,203
Other	9,810	79,143	88,953
Loan receivables	236,760	1,312,394	1,549,154

Of which, unsettled receivables as defined in Note 17 2,771

Of which, doubtful receivables as per Note 17 0

Credit-risk exposure, gross and net, and specification of collateral for loan receivables, continued

<i>Parent Company 2015</i>	Total credit risk exposure (before impairment)	Impairment/provision	Carrying amount	Value of collateral for items in balance sheets	Total credit risk exposure after deductions for collateral
Lending to credit institutions	1,531,742		1,531,742		1,531,742
Lending to public					
<i>Lending against collateral in:</i>					
Mortgages on properties	69,536	-5,991	63,545	63,545	0
Mortgages on housing cooperatives	0	0	0	0	0
Accounts receivable	878,277	-12,645	865,632	865,632	0
Floating charges	79,149	-155	78,994	78,994	0
Guarantees	109,514	-1,912	107,602	107,602	0
Other	79,799	0	79,799	79,799	0
Total lending against collateral	1,216,275	-20,703	1,195,572	1,195,572	0
<i>Unsecured lending:</i>					
Lending, external	3,427,171	-340,342	3,086,829		3,086,829
Lending, Group	669,639		669,639		669,639
Total unsecured lending	4,096,810	-340,342	3,756,468		3,756,468
Total lending to the public,	5,313,085	-361,045	4,952,040	1,195,572	3,756,468
Bonds and other securities					
<i>Government securities and similar:</i>					
AAA	50,489		50,489		50,489
AA+	115,162		115,162		115,162
<i>Other issuers:</i>					
AAA	311,104		311,104		311,104
AA	65,067		65,067		65,067
AA-	24,897		24,897		24,897
A+	30,422		30,422		30,422
A-	71,121		71,121		71,121
BBB	88,230		88,230		88,230
BBB-	58,934		58,934		58,934
BB+	11,205		11,205		11,205
BB	20,963		20,963		20,963
With no rating	193,355		193,355		193,355
Total bonds and other securities	1,040,949		1,040,949		1,040,949
Positive value of foreign exchange-related contracts	15,368		15,368		15,368
Issued loan commitments	0		0		0
Issued financial guarantees	12,310		12,310		12,310
Total	7,913,454	-361,045	7,552,409	1,195,572	6,356,837

Portions of unsecured loans have co-borrowers and may also be covered by voluntary payment insurance, which provides cover against inability to pay.

Specification of collateral for loan receivables	Lending to private individuals	Lending to companies	Value of collateral
<i>Parent Company 2015</i>			
Mortgages on properties	48,255	15,290	63,545
Mortgages on housing cooperatives	0	0	0
Accounts receivable	0	865,632	865,632
Floating charges	0	78,994	78,994
Guarantees	103,175	4,427	107,602
Other	12,555	67,244	79,799
Loan receivables	163,985	1,031,587	1,195,572
Of which, unsettled receivables as defined in Note 17			33,961
Of which, doubtful receivables as per Note 17			0

Credit quality of loan receivables	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
<i>Private individuals:</i>				
Share of doubtful loan receivables	11.6%	11.8%	12.1%	12.5%
Rate of loss provisions for doubtful loan receivables	79.0%	83.3%	78.9%	83.2%
Credit loss ratio	2.6%	3.2%	2.7%	3.3%
<i>Companies:</i>				
Share of doubtful loan receivables	2.7%	2.6%	2.3%	2.1%
Rate of loss provisions for doubtful loan receivables	100.0%	100.0%	100.0%	100.0%
Credit loss ratio	3.4%	1.6%	1.7%	1.4%

Credit Valuation Adjustment (CVA risk)

The company's receivables in foreign currency have been hedged through currency swaps/forward contracts. Contracts have been signed with a major bank, and the company uses a credit valuation adjustment calculation to calculate counterparty risk.

In the event of a bank default, the agreements may be netted, which means contracts with negative carrying amounts may be fully offset against contracts with positive carrying amounts.

Concentration risks

Concentration risks are defined as risks that arise from major individual exposures or concentrations of exposures to certain industries or regions. To reduce such risks, exposures are spread across many different counterparties, industries and regions.

Market risks

Market risk is defined as the risk of losses due to changes in interest rates, exchange rates and share prices. Svea Ekonomi has limited market risks; see below for further information.

Interest-rate risks

Because lending and borrowing essentially take place at variable interest rates, interest rate risk is insignificant.

Disclosures regarding fixed-interest periods for financial assets and liabilities are presented in the following tables and sensitivity analyses.

Interest-rate exposure, fixed-interest terms for the Group

Group 2015	Max 1 month	1 mo. – 3 mo.	3 mo. – 1 yr	1 yr – 5 yrs	More than 5 yrs	No interest	Total
Cash and balances with central banks						50,742	50,742
Lending to credit institutions	1,317,082		174				1,317,256
Lending to the public	5,954,956	1,313	2,312			48,075	6,006,656
Bonds and other securities		852,779					852,779
Other assets						1,541,115	1,541,115
Total assets	7,272,038	854,092	2,486	0	0	1,639,932	9,768,548
Liabilities to credit institutions	14,816						14,816
Deposits from the public	7,003,374		51,901	49,308		536,829	7,641,412
Other liabilities						388,061	388,061
Provisions						65,771	65,771
Subordinated liabilities		197,374		75,000			272,374
Shareholders' equity						1,386,114	1,386,114
Total liabilities and shareholders' equity	7,018,190	197,374	51,901	124,308	0	2,376,775	9,768,548
Net interest-rate exposure	253,848	656,718	-49,415	-124,308	0		
Cumulative interest-rate exposure	253,848	910,566	861,151	736,843	736,843		

Interest-rate exposure, fixed-interest terms for the Group, continued

<i>Group 2014</i>	Max 1 month	1 mo. – 3 mo.	3 mo. – 1 yr	1 yr – 5 yrs	More than 5 yrs	No interest	Total
Cash and balances with central banks						44,699	44,699
Lending to credit institutions	1,836,208						1,836,208
Lending to the public	5,058,068		8,075	49,583		34,684	5,150,410
Bonds and other securities		991,078	49,871				1,040,949
Other assets						1,073,327	1,073,327
Total assets	6,894,276	991,078	57,946	49,583	0	1,152,710	9,145,593
Liabilities to credit institutions	29,052						29,052
Deposits from the public	6,892,856		20,469	116,543		514,887	7,544,755
Other liabilities						356,579	356,579
Provisions						35,215	35,215
Subordinated liabilities					75,000		75,000
Shareholders' equity						1,104,992	1,104,992
Total liabilities and shareholders' equity	6,921,908	0	20,469	116,543	75,000	2,011,673	9,145,593
Net interest-rate exposure	-27,632	991,078	37,477	-66,960	-75,000		
Cumulative interest-rate exposure	-27,632	963,446	1,000,923	933,963	858,963		

Sensitivity analysis

The impact of a 1-percentage-point increase/decrease in interest on net interest income during the next 12-month period amounts to +/- SEK 7,368,000 (8,590,000) for the Group based on all interest-bearing assets and liabilities existing on the closing date.

Interest-rate exposure, fixed-interest terms for the Parent Company

<i>Parent Company 2015</i>	Max 1 month	1 mo. – 3 mo.	3 mo. – 1 yr	1 yr – 5 yrs	More than 5 yrs	No interest	Total
Lending to credit institutions	931,706						931,706
Lending to the public	5,427,027	1,313	510	194,740		45,879	5,669,469
Bonds and other securities		852,779					852,779
Other assets						1,940,900	1,940,900
Total assets	6,358,733	854,092	510	194,740	0	1,986,779	9,394,854
Deposits from the public	7,000,077					376,350	7,376,427
Issued securities, etc.				48,234			48,234
Other liabilities						250,946	250,946
Provisions						54,646	54,646
Subordinated liabilities		197,374		75,000			272,374
Untaxed reserves						34,000	34,000
Shareholders' equity						1,358,227	1,358,227
Total liabilities and shareholders' equity	7,000,077	197,374	0	123,234	0	2,074,169	9,394,854
Net interest-rate exposure	-641,344	656,718	510	71,506	0		
Cumulative interest-rate exposure	-641,344	15,374	15,884	87,390	87,390		

Interest-rate exposure, fixed-interest terms for the Parent Company, continued

<i>Parent Company 2014</i>	Max 1 month	1 mo. – 3 mo.	3 mo. – 1 yr	1 yr – 5 yrs	More than 5 yrs	No interest	Total
Lending to credit institutions	1,531,742						1,531,742
Lending to the public	4,732,737			185,477		33,826	4,952,040
Bonds and other securities		991,078	49,871				1,040,949
Other assets						1,287,174	1,287,174
Total assets	6,264,479	991,078	49,871	185,477	0	1,321,000	8,811,905
Deposits from the public	6,891,025					520,691	7,411,716
Issued securities, etc.				47,375			47,375
Other liabilities						209,217	209,217
Provisions						21,192	21,192
Subordinated liabilities					75,000		75,000
Untaxed reserves						38,000	38,000
Shareholders' equity						1,009,405	1,009,405
Total liabilities and shareholders' equity	6,891,025	0	0	47,375	75,000	1,798,505	8,811,905
Net interest-rate exposure	-626,546	991,078	49,871	138,102	-75,000		
Cumulative interest-rate exposure	-626,546	364,532	414,403	552,505	477,505		

Sensitivity analysis

On the closing date, the impact of a 1-percentage-point increase/decrease in interest on net interest income during the future 12-month period amounts to +/- SEK 874,000 (4,775,000) for the Parent Company, based on all interest-bearing assets and liabilities existing on the closing date.

Currency risks

Currency risk is the risk that changes in exchange rates will negatively impact the Group's income statement, balance sheet and/or cash flows. Currency risk can be divided into transaction exposure and translation exposure. Transaction exposure comprises the net of operational and financial currency inflows and outflows. Translation exposure consists primarily of foreign subsidiary equities in foreign currency.

Transaction exposure

Because operations are local, every subsidiary has most of its income and expenses denominated in the local currency, thus currency fluctuations only have a limited effect on the company's operating profit or loss in local currency. Foreign operations seldom have receivables or liabilities in other currencies, and this limits transaction exposure. Because the Parent Company has receivables in foreign currency, major currency exposures in NOK, EUR, DKK and USD have been hedged through currency swaps/forward contracts to minimize risk. We were unable to hedge the Group's exchange rate exposure in Russia and the Ukraine.

Translation exposure

Svea Ekonomi does business in many countries. Changes in exchange rates affect the value of net assets in foreign currencies. When the balance sheets of foreign subsidiaries are translated to SEK, balance-sheet exposure arises as a result of said balance sheets' being expressed in other currencies. The subsidiaries' performance and financial position are reported in the currencies of the countries concerned and then translated to SEK prior to inclusion in the consolidated accounts. Consequently, fluctuations in the exchange rates between local currencies and SEK will affect the consolidated income statement and balance sheet. The effect of this exposure is minimized through the limited need for equity and by financing in local currency; refer to the Equity report. Foreign net assets are not hedged.

Disclosures regarding assets and liabilities specified by underlying currency and the foreign exchange rates applied are presented the tables and sensitivity analyses below. The following exchange rates of significant currencies were used in translations of transactions in foreign currencies:

Code	Local currency	Average exchange rate		Closing day rate	
		2015	2014	31/12/2015	31/12/2014
NOK	Norwegian crowns	1.0464	1.0897	0.9554	1.0516
EUR	Euros	9.3525	9.0961	9.1750	9.4746
DKK	Danish crowns	1.2538	1.2218	1.2293	1.2781
USD	United States dollars	8.4440	6.8803	8.4469	7.8117
RUB	Russian roubles	0.1388	-	0.1157	0.1344
UAH	Ukrainian hryvnia	0.3933	0.5884	0.3516	0.4894

Consolidated assets and liabilities in SEK thousands by underlying currency

<i>Consolidated 31/12/2015</i>	SEK	NOK	EUR	DKK	USD	Other	Total
cash and balances with central banks	17,126	1,046	13,011	1,021	8,940	9,598	50,742
Lending to credit institutions	905,622	189,771	185,327	15,141	3,255	18,140	1,317,256
Lending to the public	3,117,860	666,253	1,955,118	72,536	4,141	190,748	6,006,656
Other assets	2,351,523	16,568	6,046	1,795	0	17,962	2,393,894
Total assets	6,392,131	873,638	2,159,502	90,493	16,336	236,448	9,768,548
Liabilities to credit institutions	407	0	7,846	0	1,504	5,059	14,816
Deposits from the public	7,312,274	180,748	137,783	8,106	489	2,012	7,641,412
Other liabilities	271,179	61,816	46,460	2,941	-5	5,670	388,061
Provisions	65,742	0	0	0	0	29	65,771
Subordinated liabilities	272,374	0	0	0	0	0	272,374
Shareholders' equity	1,032,934	149,603	219,790	-1,738	1,118	-15,593	1,386,114
Total liabilities and shareholders' equity	8,954,911	392,167	411,879	9,309	3,106	-2,823	9,768,548
Currency swaps	0	-567,975	-1,885,264	-80,735	-47,599	0	
Net position	-2,562,780	-86,504	-137,641	449	-34,369	239,271	

<i>Consolidated 31/12/2014</i>	SEK	NOK	EUR	DKK	USD	Other	Total
cash and balances with central banks	12,349	1,125	11,635	923	9,812	8,855	44,699
Lending to credit institutions	1,424,696	208,104	172,336	8,976	9,419	12,677	1,836,208
Lending to the public	2,433,646	636,622	1,752,194	61,527	66,759	199,662	5,150,410
Other assets	2,068,202	13,132	17,543	2,255	0	13,144	2,114,276
Total assets	5,938,893	858,983	1,953,708	73,681	85,990	234,338	9,145,593
Liabilities to credit institutions	0	0	28,493	0	525	34	29,052
Deposits from the public	7,068,783	288,731	142,939	5,760	37,058	1,484	7,544,755
Other liabilities	240,110	49,932	52,803	4,098	2,526	7,110	356,579
Provisions	35,215	0	0	0	0	0	35,215
Subordinated liabilities	75,000	0	0	0	0	0	75,000
Shareholders' equity	786,738	114,240	208,993	-2,754	-5,176	2,951	1,104,992
Total liabilities and shareholders' equity	8,205,846	452,903	433,228	7,104	34,933	11,579	9,145,593
Currency swaps	0	-493,266	-1,680,510	-69,246	-59,464	0	
Net position	-2,266,953	-87,186	-160,030	-2,669	-8,407	222,759	

Other currencies consist principally of Russian roubles and Ukrainian hryvnia.

Sensitivity analysis

<i>Consolidated 2015</i>	NOK	EUR	DKK	USD	Other	Total
effect of 10% increase in SEK against currency	8,650	13,764	-45	3,437	-23,927	1,879
<i>Consolidated 2014</i>	NOK	EUR	DKK	USD	Other	Total
effect of 10% increase in SEK against currency	8,719	16,003	267	841	-22,276	3,553

Assets and liabilities in SEK thousands by underlying currency - Parent Company

<i>Parent Company 31/12/2015</i>	SEK	NOK	EUR	DKK	USD	Other	Total
Lending to credit institutions	674,893	141,966	109,950	1,627	3,253	17	931,706
Lending to the public	2,886,299	666,253	1,960,441	80,107	42,829	33,540	5,669,469
Other assets	2,788,566	2,669	2,062	382	0	0	2,793,679
Total assets	6,349,758	810,888	2,072,453	82,116	46,082	33,557	9,394,854
Liabilities to credit institutions	0	0	0	0	0	0	0
Deposits from the public	7,144,596	171,607	59,596	139	489	0	7,376,427
Issued securities, etc.	48,234	0	0	0	0	0	48,234
Other liabilities	198,235	28,132	24,579	0	0	0	250,946
Provisions	54,646	0	0	0	0	0	54,646
Subordinated liabilities	272,374	0	0	0	0	0	272,374
Untaxed reserves	34,000	0	0	0	0	0	34,000
Shareholders' equity	1,046,573	130,929	180,725	0	0	0	1,358,227
Total liabilities and shareholders' equity	8,798,658	330,668	264,900	139	489	0	9,394,854
Currency swaps	0	-567,975	-1,885,264	-80,735	-47,599	0	
Net position	-2,448,900	-87,755	-77,711	1,242	-2,006	33,557	

<i>Parent Company 31/12/2014</i>	SEK	NOK	EUR	DKK	USD	Other	Total
Lending to credit institutions	1,233,382	166,958	120,499	1,577	9,235	91	1,531,742
Lending to the public	2,469,859	636,622	1,729,364	60,654	55,541	0	4,952,040
Other assets	2,322,959	2,688	2,476	0	0	0	2,328,123
Total assets	6,026,200	806,268	1,852,339	62,231	64,776	91	8,811,905
Liabilities to credit institutions	0	0	0	0	0	0	0
Deposits from the public	7,061,730	280,267	69,146	137	436	0	7,411,716
Issued securities, etc.	47,375	0	0	0	0	0	47,375
Other liabilities	164,207	23,377	21,633	0	0	0	209,217
Provisions	21,192	0	0	0	0	0	21,192
Subordinated liabilities	75,000	0	0	0	0	0	75,000
Untaxed reserves	38,000	0	0	0	0	0	38,000
Shareholders' equity	793,468	97,728	118,209	0	0	0	1,009,405
Total liabilities and shareholders' equity	8,200,972	401,372	208,988	137	436	0	8,811,905
Currency swaps	0	-493,266	-1,680,510	-69,246	-59,464	0	
Net position	-2,174,772	-88,370	-37,159	-7,152	4,876	91	

Sensitivity analysis

<i>Parent Company 2015</i>	NOK	EUR	DKK	USD	Other	Total
effect of 10% increase in SEK against currency	8,776	7,771	-124	201	-3,356	13,267
<i>Parent Company 2014</i>	NOK	EUR	DKK	USD	Other	Total
effect of 10% increase in SEK against currency	8,837	3,716	715	-488	-9	12,771

Share price risks

The aim of asset management is to secure a satisfactory return, while keeping the company's payment capacity intact. Available funds must be allocated to interest-bearing bank accounts, commercial paper, funds or listed shares and participations according to the company's investment policy.

The company's investments in listed shares and participations do not constitute a trading inventory. Investments are distributed over a number of well-known listed companies in various industries and are thereby deemed to provide a good spread of risks. However, there are price fluctuation risks.

Shares and participations specified by geographical market and industry are presented in the tables and sensitivity analyses below.

Geographic distribution of holdings:	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Sweden	1,054,735	589,044	1,054,735	589,044
Nordic, other	38,400	552	38,400	0
Europe, other	2,054	35	2,027	0
Rest of the world	35,435	0	35,435	0
Total	1,130,624	589,631	1,130,597	589,044

Distribution of holdings per industry:	Group		Parent Company	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Commodities	278,976	201,737	278,976	201,737
Services	294,068	154,880	294,068	154,880
Telecoms	30,985	111,902	30,985	111,896
IT	241,688	100,605	241,688	100,605
Energy	17,134	0	17,134	0
Health care	47,609	5,693	47,609	5,693
Finance	68,831	7,249	68,805	6,668
Industry	120,399	6,223	120,399	6,223
Other	30,934	1,342	30,933	1,342
Total	1,130,624	589,631	1,130,597	589,044

Sensitivity analysis

The impact on shareholders' equity of a 10 per cent increase or decrease in the share price amounts to +/- SEK	113,062	58,963	113,060	58,904
or a percentage of shareholders' equity based on the shares and participations existing on the closing date.	8.2%	5.3%	8.3%	5.8%

Operational risks

Operational risk is defined as the risk that a direct or indirect loss or damaged reputation will result from shortcomings or errors attributable to internal processes, individuals, systems or external events. The company works continuously on developing and optimizing its internal processes to reduce the risk of operational incidents. This work includes methods for personnel training and identifying and reporting operational risks.

Information security and crime prevention are important aspects in the management of operational risks. The Group continuously evaluates its operations and takes the necessary actions in the event of incidents or quality shortcomings. Process development focuses on the analysis of events linked to potential operational risks and other warning signs.

Commercial risks

Commercial risk is defined as the risk that the company's revenues fall and are unable to cover operational expenses. Commercial risk also includes strategic risk and reputational risk.

Strategic risk

Strategic risks are risks that can affect the company's earnings in the long term due to erroneous or deficient business decisions. Strategic risks are handled by Svea Ekonomi's Board and management through e.g. regular board and management meetings where strategic issues are taken up. The company has also established a continuity plan for the effective management of strategic risks.

Reputational risk

Reputational risk refers to the risk that the company's name and brand is impacted negatively, with negative effects on operations and earnings.

Reputational risk is managed through such processes as the company's procedures for approving major changes in the organization or operation.

Liquidity risks

Liquidity risk is defined as the risk of extra expenses for ensuring that the Group's payment obligations can be fulfilled on the due date. The risk of Svea Ekonomi being unable to meet its payment commitments is deemed low.

Liquidity strategy

Svea Ekonomi manages its liquidity to provide satisfactory preparedness for current and non-current payments, and has a contingency plan to manage disruptions that affect liquidity.

Available liquidity

Liquidity risks are managed according to a Board decision stipulating that at any time an adequate proportion of deposits from the public must be in the form of available liquidity via a liquidity reserve and other so-called liquidity-creating measures.

The liquidity reserve consists of high-quality assets that can be converted to cash the following banking day and which consist of cash and cash equivalents, government securities, bank balances, secured bonds and corporate bonds with high ratings (at least AA-) and bonds with valuation haircuts.

Other liquidity-creating measures consist of other assets and sources of liquidity comprising listed shares and participations and unutilized credit facilities.

Otherwise, liquidity-creating measures can be taken by reducing lending and/or the sale of financial assets.

Financing strategy

Svea Ekonomi finances for the long term at as low a cost as possible and with the maximum possible spread of risk.

Such financing consists of deposits from private individuals and companies, borrowing from credit institutions and issued securities, subordinated loans and bonds.

Financing consists chiefly of non fixed-term deposits in SEK covered by the state deposit guarantee from a very large number of private individuals. Despite its being current by definition, this financing is in the opinion of the company non-current in character. This assessment is in line with Basel Committee thinking for the calculation of so-called Stable Funding.

Svea Ekonomi's long-term liquidity risk was otherwise minimized by the Parent Company's issuance of a new convertible loan in the nominal amount of SEK 50 million in 2014 and it also raised subordinated debt for a total of SEK 75.0 million. The Parent Company also issued a subordinated bond with a nominal value of SEK 200 million in November 2015. Otherwise, the Group has loan facilities with credit institutions in Switzerland of CHF 1.4 million and in the Netherlands of EUR 2 million (6).

Risk tolerance and risk appetite

Risk tolerance refers to the maximum risk level that Svea Ekonomi will accept based on the assessed existing liquidity risk with regard to the business and its focus. Risk appetite is the level that Svea Ekonomi chooses to apply in practice.

Svea Ekonomi has a low tolerance as regards liquidity risk, which means that an adequate portion of deposits must be in the form of available liquidity at any time. Said portion must be sufficient for business to be conducted on a long-term basis and under various degrees of stress, without any need to change the business model. Risk appetite is at a lower level than risk tolerance, as in relation to deposits, available liquidity exceeds the minimum requirement decided on by the Board.

Measuring and reporting liquidity risk

Liquidity risk is measured and monitored continuously by means of key ratios and stress tests. The stress tests cover various major withdrawal scenarios by savings customers over 30 days, from realistic to less probable, the effect they have on available liquidity and the number of days it takes before liquidity is spent. Liquidity risk is reported to the Board every month.

Publication of information

Information for publication comprises detailed information about the size of the liquidity reserve and its composition, the size and distribution of financing sources and key ratios; refer to the table below and also www.sveaekonomi.se for the consolidated situation.

Liquidity for the consolidated situation	31/12/2015	31/12/2014
Liquidity reserve	1,915,756	2,486,245
Other liquidity-creating measures	1,236,780	872,625
Available liquidity	3,152,536	3,358,870
<hr/>		
Lending	7,225,988	7,088,669
<hr/>		
Borrowing	287,190	104,052
Deposits	7,589,832	7,665,543
Borrowing and deposits	7,877,022	7,769,595
<hr/>		
Balance sheet total	9,647,314	9,194,728
<hr/>		
Key ratios		
Liquidity reserve/deposits	25.24%	32.43%
Liquidity reserve/balance sheet total	19.86%	27.04%
Available liquidity/deposits	41.54%	43.82%
Available liquidity/balance sheet total	32.68%	36.53%
Lending/deposits	95.21%	92.47%
Borrowing and deposits/balance sheet total	81.65%	84.50%

New standards in BASEL III (CRR) from 2015

As of 2015, a short-term liquidity metric – Liquidity Coverage Ratio (LCR) – was introduced as part of BASEL III standards, which describe how large a liquidity reserve the company will need to cover a net cash outflow for 30 days in a stress scenario. LCR is reported monthly and the company meets the requirement with room to spare.

As of 2018, another new metric will be introduced – Net Stable Funding Ratio (NSFR) – with the objective of measuring the amount of the company's non-current stable sources of finance in relation to its liquidity profile for assets financed, and for the realization of off-balance-sheet commitments and liabilities. NSFR is being reported as of 2015 while the standards are expected to be introduced in 2018.

As of 2015, Leverage Ratio must also be reported, for which a mandatory metric may be introduced from 2018. Leverage is a metric that aims to limit the risk for increased indebtedness among credit institutions. Leverage is calculated as primary capital divided by the total exposure on and off balance sheet with adjustments of certain items such as derivatives.

Information about non-discounted cash flows during contractual terms remaining for financial assets and liabilities is presented in the tables below. The tables also show contingent liquidity defined as available funds (at fair values) in relation to deposits from the public.

Liquidity exposure – Group

Contractual non-discounted cash flows – terms remaining							
<i>Group 2015</i>	On demand	Max 3 months	3 mo.– 1 yr	1 yr – 5 yrs	More than 5 yrs	No term	Total
Cash and balances with central banks	50,742						50,742
Lending to credit institutions	1,301,690		15,066		500		1,317,256
Lending to the public		3,723,833	1,257,730	2,051,054	671,957		7,704,574
Bonds and other securities			40,747	856,588	0		897,335
Shares and participations						1,130,624	1,130,624
Other assets		61,741	3,257			345,493	410,491
Total assets	1,352,432	3,785,574	1,316,800	2,907,642	672,457	1,476,117	11,511,022
Liabilities to credit institutions		14,816					14,816
Deposits from the public	6,927,201	616,251	57,533	52,266			7,653,251
Subordinated liabilities		4,064	12,191	133,363	252,179		401,796
Other liabilities		120,268	77,713			255,851	453,832
Shareholders' equity						1,386,114	1,386,114
Total liabilities and shareholders' equity	6,927,201	755,399	147,436	185,629	252,179	1,641,965	9,909,809
Issued financial guarantees						-100	-100
Issued loan commitments						-539,952	-539,952
Lease agreements as lessee		-16,891	-50,673	-79,859	0		-147,423
Total	0	-16,891	-50,673	-79,859	0	-540,052	-687,475
Total difference	-5,574,769	3,013,284	1,118,691	2,642,154	420,278		
Cash and balances with central banks							50,742
Lending to credit institutions							1,317,256
Bonds and securities, after valuation haircuts, discounted							817,304
Shares and participations, listed							1,105,487
Unutilized credit facilities							15,828
Available liquidity							3,306,617
Available liquidity/deposits from public, discounted							43%

Liquidity exposure – Group

Contractual non-discounted cash flows – terms remaining							
<i>Group 2014</i>	On demand	Max 3 months	3 mo.– 1 yr	1 yr – 5 yrs	More than 5 yrs	No term	Total
Cash and balances with central banks	44,699						44,699
Lending to credit institutions	1,814,060		21,648		500		1,836,208
Lending to the public		3,453,957	859,922	1,808,711	536,477		6,659,067
Bonds and other securities			94,867	939,126	50,490		1,084,483
Shares and participations						589,631	589,631
Other assets		48,352	14,237			421,107	483,696
Total assets	1,858,759	3,502,309	990,674	2,747,837	587,467	1,010,738	10,697,784
Liabilities to credit institutions		29,052					29,052
Deposits from the public	6,806,532	601,211	25,884	156,360			7,589,986
Subordinated liabilities		1,125	3,375	18,000	77,250		99,750
Other liabilities		152,416	23,351			216,027	391,794
Shareholders' equity						1,104,992	1,104,992
Total liabilities and shareholders' equity	6,806,532	783,804	52,610	174,360	77,250	1,321,019	9,215,574
Issued financial guarantees						-100	-100
Issued loan commitments						-492,372	-492,372
Lease agreements as lessee		-17,544	-52,631	-82,441	0		-152,616
Total	0	-17,544	-52,631	-82,441	0	-492,472	-645,088
Total difference	-4,947,773	2,700,961	885,433	2,491,036	510,217		
Cash and balances with central banks							44,699
Lending to credit institutions							1,836,208
Bonds and securities, after valuation haircuts, discounted							1,015,550
Shares and participations, listed							564,778
Unutilized credit facilities							39,838
Available liquidity							3,501,073
Available liquidity/deposits from public, discounted							46%

Liquidity exposure – Parent Company

<i>Parent Company 2015</i>	Contractual non-discounted cash flows – terms remaining						Total
	On demand	Max 3 months	3 mo.– 1 yr	1 yr – 5 yrs	More than 5 yrs	No term	
Lending to credit institutions	916,750		14,956				931,706
Lending to the public		3,580,830	1,240,237	1,845,058	670,364		7,336,489
Bonds and other securities			40,747	856,588			897,335
Shares and participations						1,130,597	1,130,597
Other assets		29,818				780,485	810,303
Total assets	916,750	3,610,648	1,295,940	2,701,646	670,364	1,911,082	11,106,430
Deposits from the public	6,927,201	449,226					7,376,427
Issued securities, etc.			3,000	53,000			56,000
Subordinated liabilities		4,064	12,191	133,363	252,179		401,796
Other liabilities		76,628	70,501			158,463	305,592
Untaxed reserves						34,000	34,000
Shareholders' equity						1,358,227	1,358,227
Total liabilities and shareholders' equity	6,927,201	529,918	85,692	186,363	252,179	1,550,690	9,532,042
Issued financial guarantees						-20,380	-20,380
Issued loan commitments						-581,569	-581,569
Lease agreements as lessee		-8,985	-26,954	-57,471	0		-93,410
Lease agreements as lessor		32,638	94,625	221,245	1,039		349,547
Total	0	23,653	67,671	163,774	1,039	-601,949	-345,812
Total difference	-6,010,451	3,104,384	1,277,919	2,679,057	419,224		
Lending to credit institutions							931,706
Bonds and securities, after valuation haircuts, discounted							817,304
Shares and participations, listed							1,105,487
Unutilized credit facilities							0
Available liquidity							2,854,497
Available liquidity/deposits from public, discounted							39%

Liquidity exposure – Parent Company

Contractual non-discounted cash flows – terms remaining

<i>Parent Company 2014</i>	On demand	Max 3 months	3 mo.– 1 yr	1 yr – 5 yrs	More than 5 yrs	No term	Total
Lending to credit institutions	1,510,204		21,538				1,531,742
Lending to the public		3,454,033	710,196	1,705,622	534,862		6,404,713
Bonds and other securities			94,867	939,126	50,490		1,084,483
Shares and participations						589,044	589,044
Other assets		18,596	8,668			670,866	698,130
Total assets	1,510,204	3,472,629	835,269	2,644,748	585,352	1,259,910	10,308,112
Deposits from the public	6,806,532	605,184					7,411,716
Issued securities, etc.			3,000	56,000			59,000
Subordinated liabilities		1,125	3,375	18,000	77,250		99,750
Other liabilities		106,476	15,656			108,277	230,409
Untaxed reserves						38,000	38,000
Shareholders' equity						1,009,405	1,009,405
Total liabilities and shareholders' equity	6,806,532	712,785	22,031	74,000	77,250	1,155,682	8,848,280
Issued financial guarantees						-12,310	-12,310
Issued loan commitments						-551,513	-551,513
Lease agreements as lessee		-9,299	-27,896	-75,197	0		-112,392
Lease agreements as lessor		20,799	61,880	159,593	701		242,973
Total	0	11,500	33,984	84,396	701	-563,823	-433,242
Total difference	-5,296,328	2,771,344	847,222	2,655,144	508,803		
Lending to credit institutions							1,531,742
Bonds and securities, after valuation haircuts, discounted							1,015,550
Shares and participations, listed							564,364
Unutilized credit facilities							0
Available liquidity							3,111,656
Available liquidity/deposits from public, discounted							42%

Note 43 Capital adequacy

The capital adequacy regulations express the legislature's view of the amount of the capital base that a credit-market company is required to have in relation to the level of risk assumed by said company. The capital base must at a minimum correspond to the total capital requirement for credit risks, market risks, operational risks and credit valuation adjustment risks. When the Board decides on its dividend motion, it takes into account such factors as distributable earnings, market situation and other capital requirements as well as other issues that the Board deems relevant. The operation's capital situation and requirements are determined on a continual basis through the company's internal capital and liquidity adequacy assessment process (ICAAP).

The European CRR/CRDIV (Basel III) regulations came into force as of 1 January 2014, and entail more stringent requirements for the highest quality components of the capital base – core primary capital and primary capital. A capital conservation buffer of 2.50 per cent was introduced as of 01 August 2014 in addition to the minimum capital requirement and a systemic risk buffer for systemically important financial institutions. A contra-cyclic buffer of 1.00 per cent was introduced as of 30 June 2015 for certain exposures in Norway, and a buffer of 1.00 per cent for certain exposures in Sweden applies as of 13 September 2015.

On 28 August 2014, the Board resolved that capital ratios should exceed the regulatory requirements by 0.50 percentage points.

The capital conservation buffer is built up in good times with the aim of avoiding a breach of the capital requirement in bad times. The contra-cyclic buffer will vary over the course of an economic cycle with the aim of combating excessive credit growth. All capital requirements and buffer requirements must be applied in full no later than 2019. The special buffer for systemic risks is not applicable to the company.

The minimum capital requirement for the core primary capital ratio amounted to 4.50 per cent, the primary capital ratio to 6.00 per cent and the total capital ratio to 8.00 per cent.

As of 31 December 2015, the minimum capital requirement including the buffer requirement for the core primary capital ratio amounted to 7.55 per cent, the primary capital ratio to 9.05 per cent and the total capital ratio to 11.05 per cent.

In the consolidated situation as of 31 December 2015, the minimum capital requirement for the core primary capital ratio including the buffer requirement amounted to 7.53 per cent, the primary capital ratio to 9.03 per cent and the total capital ratio to 11.03 per cent.

Capital base

Capital base refers to the total of core primary, primary and supplementary capital, after deductions. Core primary capital is defined as capital that essentially corresponds to paid capital and certain reserves. Earnings may only be included after deductions for proposed dividends. Net intangible assets, i.e. after deferred tax and deferred tax assets attributable to loss carryforwards are not included in core primary capital. Deductions from core primary capital are also made for half of certain substantial investments in the financial sector. According to transition regulations, the revaluation reserve/fair value reserve previously reported as supplementary capital, are not to be calculated as part of the capital base in 2014 but taken up again as core primary capital in 2015. Otherwise core primary capital comprises parts of minority shareholdings. Primary capital comprises parts of minority shareholdings.

Supplementary capital comprises fixed-term subordinated loans and bonds, which with a remaining term of less than five years may be taken up to a reduced amount of the nominal value based on the number of days remaining until the date of maturity. Deductions from supplementary capital are also made for half of certain substantial investments in the financial sector. Otherwise supplementary capital comprises parts of minority shareholdings.

Minimum capital requirement – Pillar 1

The legal requirement for credit risks, market risks, operational risks and credit valuation adjustment risk is found in Pillar 1.

Credit risks: Svea Ekonomi applies the Standard Method for calculating credit risk.

Market risks: Svea Ekonomi uses the Swedish Financial Supervisory Authority's standardized model.

Operational risks: Svea Ekonomi applies the Basic Indicator Method, which requires the capital requirement to be calculated at 15 per cent of an average of operating income in the three most recent years, adjusted for dividend income received from Group companies and Group contributions.

Credit valuation adjustment risk – Svea Ekonomi uses a Credit Valuation Adjustment (CVA) model.

Capital assessment and risk management – Pillar 2

The Pillar 2 regulations require an institution to have a process for assessing its total capital requirement in relation to its risk profile and a strategy for maintaining capital level, where the Board is responsible for establishing the institution's risk tolerance. The process is known as the internal capital and liquidity adequacy assessment process (ICAAP).

All material risks must be identified, evaluated, measured and tested for stress based on different scenarios. The evaluation must focus in particular on the risks that are not managed under Pillar 1. Certain risks must be covered by capital, which means that institutions are expected to possess a larger capital base than the minimum level specified by Pillar 1 below. There are also share price risks, concentration risks, additional exchange rate risks and interest rate risks.

The analysis of the capital requirement is made through quantitative and qualitative methods and is based on a number of scenarios per risk driver. The overall assessment is that in addition to the minimum capital requirement the company's capital base also covers these risks.

Publication of information – Pillar 3

Information for publication mainly includes detailed disclosures about credit risks and information for the consolidated situation of companies about the models and data used to calculate the Pillar 1 requirement. This is available at www.sveaekonomi.se.

For further information on risk management and capital management, refer to page 4 and Note 42.

Capital adequacy for the Parent Company	31/12/2015	31/12/2014
Core primary capital	1,281,169	847,117
Primary capital	1,281,169	847,117
Total capital	1,410,697	855,323
Capital requirement, pillar I	730,845	581,505
Capital conservation buffer	228,389	181,720
Contra-cyclic buffer	49,941	0
Capital requirements including buffer requirement	1,009,175	763,225
Capital requirement, pillar II	183,588	83,762
Capital requirement, internally assessed	1,192,763	846,987
Risk weighted exposures	9,135,562	7,268,807
Core primary capital ratio, %	14.02	11.65
Primary capital ratio, %	14.02	11.65
Total capital ratio, %	15.44	11.77
Total capital ratio, % (incl fair value reserve)	15.44	12.79
Core primary capital requirement, %	4.50	4.50
Capital conservation buffer requirement, %	2.50	2.50
Contra-cyclic buffer requirement, %	0.55	0.00
Total core primary capital including buffer requirement, %	7.55	7.00
Primary capital requirement, %	6.00	6.00
Capital conservation buffer requirement, %	2.50	2.50
Contra-cyclic buffer requirement, %	0.55	0.00
Total primary capital including buffer requirement, %	9.05	8.50
Required return on total capital, %	8.00	8.00
Capital conservation buffer requirement, %	2.50	2.50
Contra-cyclic buffer requirement, %	0.55	0.00
Total capital including buffer requirement, %	11.05	10.50
Core primary capital available for use as buffer, %	9.52	7.15
Total exposure amount for leverage ratio	11,153,430	9,720,673
Leverage ratio, %	11.14	8.67

In November 2015, supplementary capital and thus total capital was bolstered by a subordinated bond. Subordinated liabilities may not exceed 2 per cent of risk-weighted exposures.

Information regarding capital reported to the supervisory authorities as of 11 February 2016 is presented below. The biggest difference compared with the capital information above is the lack of a verified interim surplus for Q4 2015 as of the reporting date.

Core primary capital	1,239,511
Primary capital	1,239,511
Total capital	1,367,067
Risk weighted exposures	9,136,157
Core primary capital ratio, %	13.57%
Primary capital ratio, %	13.57%
Total capital ratio, %	14.96%

Capital base, Parent Company	31/12/2015		31/12/2014	
Share capital	8,421		8,421	
Share premium account	49,579		49,579	
Capital instruments and associated share premium reserves	58,000		58,000	
Retained earnings	810,505		694,372	
Accumulated other comprehensive income (and other reserves)	193,352		74,443	
Earnings before predictable expenses and dividends	322,890		212,230	
Equity (including the capital portion of untaxed reserves)	1,384,747		1,039,045	
Proposed dividends	-50,000		-50,000	
Core primary capital before regulatory adjustments	1,334,747		989,045	
Intangible assets, net	-395		-691	
Deferred tax asset dependent upon future profitability	0		0	
Fair value reserve, unrealized gains	0		-74,443	
Substantial investments in the financial sector	-53,183		-66,794	
Core primary capital: regulatory adjustments	-53,578		-141,928	
Core primary capital	1,281,169		847,117	
Substantial investments in the financial sector	0		0	
Primary capital addition: regulatory adjustments	0		0	
Primary capital	1,281,169		847,117	
Subordinated liabilities	182,711		75,000	
Supplementary capital before regulatory adjustments	182,711		75,000	
Substantial investments in the financial sector	-53,183		-66,794	
Supplementary capital: regulatory adjustments	-53,183		-66,794	
Supplementary capital	129,528		8,206	
Total capital	1,410,697		855,323	
Risk-weighted exposures and minimum capital requirement	Risk weighted	Minimum capital requirement	Risk weighted	Minimum capital requirement
Exposures to institutions	236,296	18,904	464,442	37,155
Exposures to companies	2,157,186	172,575	1,640,209	131,217
Household exposures	2,510,648	200,852	2,188,756	175,100
Other exposures	2,007,020	160,562	1,284,885	102,791
Credit risk	6,911,151	552,892	5,578,291	446,263
of which exposures to institutions	219,928	17,594	426,825	34,146
of which exposures to companies	1,830,833	147,304	1,610,910	128,873
of which exposures to households	2,376,398	190,112	2,026,071	162,086
of which exposures secured through property mortgages	302,980	24,238	22,366	1,789
of which failing exposures	157,624	11,773	169,617	13,569
of which exposures in the form of covered bonds	16,368	1,309	37,617	3,009
of which stock market exposure	1,559,014	124,721	934,689	74,775
of which other exposures	448,006	35,840	350,196	28,016
Currency risk	180,987	14,479	91,799	7,487
Market risk	180,987	14,479	91,799	7,344
Operational risk	2,032,861	162,629	1,591,048	127,284
Operational risk	2,032,861	162,629	1,591,048	127,284
Credit value adjustment risk	10,564	845	7,670	614
Credit value adjustment risk	10,564	845	7,670	614
Total	9,135,562	730,845	7,268,807	581,505

According to transition regulations, the fair value reserve previously reported as supplementary capital, is not to be calculated as part of the capital base in 2014 but taken up again as core primary capital in 2015.

Capital adequacy for the consolidated situation	31/12/2015	31/12/2014
Core primary capital	1,275,877	871,230
Primary capital	1,275,877	876,695
Total capital	1,468,418	951,780
Capital requirement, pillar I	770,163	641,369
Capital conservation buffer	240,676	200,428
Contra-cyclic buffer	51,163	0
Capital requirements including buffer requirement	1,062,003	841,797
Capital requirement, pillar II	190,086	70,006
Capital requirement, internally assessed	1,252,089	911,803
Risk weighted exposures	9,627,042	8,017,116
Core primary capital ratio, %	13.25	10.87
Primary capital ratio, %	13.25	10.94
Total capital ratio, %	15.25	11.87
Total capital ratio, % (incl fair value reserve)	15.25	12.80
Core primary capital requirement, %	4.50	4.50
Capital conservation buffer requirement, %	2.50	2.50
Contra-cyclic buffer requirement, %	0.53	0.00
Total core primary capital including buffer requirement, %	7.53	7.00
Primary capital requirement, %	6.00	6.00
Capital conservation buffer requirement, %	2.50	2.50
Contra-cyclic buffer requirement, %	0.53	0.00
Total primary capital including buffer requirement, %	9.03	8.50
Required return on total capital, %	8.00	8.00
Capital conservation buffer requirement, %	2.50	2.50
Contra-cyclic buffer requirement, %	0.53	0.00
Total capital including buffer requirement, %	11.03	10.50
Core primary capital available for use as buffer, %	8.75	6.37
Total exposure amount for leverage ratio	11,461,279	10,165,750
Leverage ratio, %	10.58	8.29

In November 2015, supplementary capital and thus total capital was bolstered by a subordinated bond. Subordinated liabilities may not exceed 2 per cent of risk-weighted exposures.

Information regarding capital reported to the supervisory authorities as of 11 February 2016 is presented below. The biggest difference compared with the capital information above is the lack of a verified interim surplus for Q4 2015 as of the reporting date.

Core primary capital	1,181,871
Primary capital	1,181,871
Total capital	1,374,161
Risk weighted exposures	9,614,504
Core primary capital ratio, %	12.29%
Primary capital ratio, %	12.29%
Total capital ratio, %	14.29%

During the period, the consolidated situation comprised Svea Ekonomi AB, the branches Svea Finans NUF in Norway, Svea Ekonomi AB in Finland, and the subsidiaries Svea Finance AS, Svea Finance SIA, Svea Finans A/S, Svea Rahoitus Suomi OY, Svea Finans Nederland BV, Svea Finans AG, Payson AB, Svea Exchange AB, Kapitalkredit Sverige AB and Daylet Limited. It also includes the associated companies Svea Ekonomi Cyprus Limited, Rhoswen Limited, Svea Finance ZRT and the Group company Svea Intressenter 2 AB.

Capital base for the consolidated situation	31/12/2015		31/12/2014	
Share capital		8,421		8,421
Share premium account		49,579		49,579
Capital instruments and associated share premium reserves		58,000		58,000
Retained earnings		898,202		729,697
Accumulated other comprehensive income (and other reserves)		170,198		70,300
Earnings before predictable expenses and dividends		287,436		252,465
Shareholders' equity		1,413,836		1,110,462
Proposed dividends		-50,000		-50,000
Minority shareholdings (permissible amount in core primary capital)		0		8,187
Core primary capital before regulatory adjustments		1,363,836		1,068,649
Intangible assets, net		-86,841		-121,291
Deferred tax asset dependent upon future profitability		-1,118		-1,685
Fair value reserve, unrealized gains		0		-74,443
Core primary capital: regulatory adjustments		-87,959		-197,419
Core primary capital		1,275,877		871,230
Minority shareholdings		0		5,465
Primary capital addition		0		5,465
Primary capital		1,275,877		876,695
Subordinated liabilities		192,541		75,000
Minority shareholdings		0		85
Supplementary capital before regulatory adjustments		192,541		75,085
Supplementary capital		192,541		75,085
Total capital		1,468,418		951,780
Risk-weighted exposures and minimum capital requirement	Risk weighted	Minimum capital requirement	Risk weighted	Minimum capital requirement
Exposures to institutions	282,590	22,607	496,978	39,758
Exposures to companies	2,680,629	214,450	2,229,084	178,327
Retail exposures	2,687,122	214,970	2,357,190	188,575
Other exposures	1,400,735	112,059	878,171	70,254
Credit risk	7,051,076	564,086	5,961,423	476,914
of which exposures to institutions	266,222	21,298	459,360	36,749
of which exposures to companies	2,353,050	188,244	2,194,079	175,526
of which exposures to households	2,546,301	203,704	2,193,248	175,460
of which exposures secured through property mortgages	302,980	24,238	22,366	1,789
of which failing exposures	165,421	13,234	176,580	14,126
of which exposures in the form of covered bonds	16,368	1,309	37,617	3,009
of which stock market exposure	1,225,452	98,036	687,635	55,011
of which other exposures	175,283	14,023	190,536	15,243
Currency risk	356,962	28,557	272,912	21,833
Market risk	356,962	28,557	272,912	21,833
Operational risk	2,208,440	176,675	1,775,111	142,009
Operational risk	2,208,440	176,675	1,775,111	142,009
Credit value adjustment risk	10,564	845	7,670	614
Credit value adjustment risk	10,564	845	7,670	614
Total	9,627,042	770,163	8,017,116	641,369

According to transition regulations, the fair value reserve previously reported as supplementary capital, is not to be calculated as part of the capital base in 2014 but taken up again as core primary capital in 2015.

Note 44 Reporting per country

<i>Consolidated 2015</i>			Operating	Operating	Tax on current	Average
Country	Geographical area	Operation ³⁾	income	profit/loss	year earnings	number of permanent employees
Sweden	SE, DE, NL, AT ¹⁾	FIN, REC, ADM	1,067,544	305,588	-61,681	581
Norway	Norway	FIN, REC	305,783	83,400	-22,641	118
Finland	Finland	FIN, REC	326,500	92,085	-21,722	138
Denmark	Denmark	FIN, REC	35,566	-2,782	7	29
Estonia	Estonia	FIN, REC	10,710	122	0	16
Latvia	Latvia	FIN, REC	3,638	3,161	-137	1
Switzerland	Switzerland	FIN	8,003	771	-172	8
Netherlands	Netherlands	FIN	41,102	7,477	-1,779	14
Cyprus	CY, RU, RO, SL, CZ, PL ²⁾	FIN	14,308	-42,047	98	0
Ukraine	Ukraine	FIN	-11,862	-15,372	-146	5
Serbia	Serbia	FIN	4,997	4,529	0	0
Bulgaria	Bulgaria	FIN	1,148	541	-54	1
Croatia	Croatia	FIN	6,800	2,340	-1,317	0
Slovenia	Slovenia	FIN	568	-435	-95	0
Czech Republic	Czech Republic	FIN	0	-185	0	0
Hungary	Hungary	FIN	-1,131	-4,569	-2	5
Austria	Austria	ADM	-2	-34	-56	0
Curacao	Eastern Europe	REC	-4,969	-4,969	0	0
Eliminations			215	-44,739	-271	
Total			1,808,918	385,067	-109,968	916

<i>Consolidated 2015</i>			Operating	Operating	Tax on current	Average
Country	Geographical area	Operation ³⁾	income	profit/loss	year earnings	number of permanent employees
Sweden	SE, DE, NL, AT ¹⁾	FIN, REC, ADM	846,008	210,992	-47,716	523
Norway	Norway	FIN, REC	264,315	64,396	-17,482	103
Finland	Finland	FIN, REC	284,192	68,013	-17,088	139
Denmark	Denmark	FIN, REC	35,586	-9,725	-5,646	29
Estonia	Estonia	FIN, REC	9,431	496	0	16
Latvia	Latvia	FIN, REC	51	-1,404	0	2
Switzerland	Switzerland	FIN	8,939	2,685	-632	8
Netherlands	Netherlands	FIN	45,226	14,651	-3,519	14
Cyprus	CY, RU, RO, SL ²⁾	FIN	6,690	-8,360	-1,744	0
Ukraine	Ukraine	FIN	-10,770	-15,333	-17	4
Serbia	Serbia	FIN	-1,085	-2,956	0	0
Bulgaria	Bulgaria	FIN	572	17	-2	1
Croatia	Croatia	FIN	3,628	1,082	-715	0
Slovenia	Slovenia	FIN	89	76	-15	0
Hungary	Hungary	FIN	-32	-187	0	0
Austria	Austria	ADM	-2	3	0	0
Curacao	Eastern Europe	REC	5,767	5,767	0	0
Eliminations				-453	-4,308	-162
Total			1,498,152	325,905	-94,738	839

The tables show information per country where Svea Ekonomi is established, i.e. has a physical presence through a subsidiary, associated company or a branch. The names of subsidiaries and associated companies are provided under notes 21 and 22. The Parent Company also conducts business in Norway and Finland via the branches Svea Finans NUF and Svea Ekonomi AB respectively.

1) Geographical area refers to Sweden, Germany, the Netherlands and Austria.

2) Geographical area refers to Cyprus, Russia, Romania, Slovakia, the Czech Republic and Poland.

3) Operations comprise FIN = Financial services, REC = Debt recovery services, ADM = Administrative services. FIN and ADM together constitute the AFS operational area.

Note 45 Related party transactions	Parent Company	
	31/12/2015	31/12/2014
Income and expenses		
Interest income, Group companies	30,300	31,697
Dividends received, Group companies	18,333	191,528
Dividends received, associated companies	2,759	5,504
Commission income, Group companies	-4,099	-819
Other operating income, Group companies	187,437	175,646
Other operating income, associated companies	0	0
Other administrative expenses, Group companies	-19,236	-13,876
Other administrative expenses, associated companies	-1,717	-188
Other administration expenses, company under significant influence of key individual in executive position	-26,246	-14,636
Total	187,531	374,856
Assets		
Lending to the public, Group companies	569,301	691,431
Prepaid expenses and accrued income, Group companies	1,586	3,296
Total	570,887	694,727
Liabilities		
Deposits from the public, Group companies	64	168,225
Other liabilities, company under significant influence of key individual in executive position	2,292	2,005
Accrued expenses and deferred income, Group companies	1,460	1,204
Total	3,816	171,434
Assets pledged for own liabilities		
For Group companies	0	0
For associated companies	0	0
For companies under significant influence of key individual in executive position	0	0
Contingent liabilities		
Guarantees, Group companies	20,280	12,210
Guarantees, associated companies	0	0
Guarantees, companies under significant influence of key individual in executive position	0	0

Group companies and associated companies

The Parent Company finances the Group companies, which generate interest income, receive dividends and lease personnel to Group companies.

Companies under significant influence of key individual in executive position

The Parent Company purchases telemarketing services in respect of a call centre, sales and conference bookings that generate other administration expenses.

Senior executives, etc.

Disclosures are provided in Note 11

The Board of Directors and CEO hereby certify that the Annual Report and the consolidated accounts have been prepared in accordance with the IFRS adopted by the EU and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL), applying the Swedish Financial Supervisory Authority's regulations (FFFS 2008:25) and the Swedish Financial Reporting Board's recommendations, and provide a true and fair view of the Group's and the Parent Company's financial position and earnings and that the Board of Directors' Report provides a true and fair overview of the performance of the Group's and Parent Company's operations, financial position and earnings and describes the significant risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Stockholm 20 April 2016

Ulf Geijer,
Board member
Chairman

Mats Kårsrud
Board member

Mats Hellström
Board member

Anders Ingler
Board member

Lennart Ågren
Board member CEO

My audit report was submitted on 20 April 2016.

Per Fridolin
Authorized Public Accountant
Grant Thornton Sweden AB

AUDIT REPORT

To the Annual General Meeting of Svea Ekonomi AB, company registration number 556489-2924

Report on the Annual Report and the consolidated accounts

I have audited the annual accounts and consolidated accounts of Svea Ekonomi AB for 2015.

The responsibility of the Board of Directors and the Chief Executive Officer for the annual accounts and the consolidated accounts

The Board of Directors and the Chief Executive Officer are responsible for the preparation of annual accounts which give a true and fair view in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and consolidated accounts which give a true and fair view in accordance with international accounting standards as adopted by the EU, and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and for such internal control as the Board of Directors and Chief Executive Officer consider necessary for the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to irregularities or errors.

The auditor's responsibility

My responsibility is to express an opinion on the annual accounts and the consolidated accounts on the basis of my audit. I have conducted my audit in accordance with the International Standards on Auditing and generally accepted auditing standards in Sweden. These standards require that I observe professional ethical standards and plan and conduct my audit with the aim of obtaining a reasonable degree of certainty that the annual accounts and consolidated accounts are free from material misstatement.

An audit involves obtaining, through various actions, audit evidence about amounts and other information contained in the annual accounts and the consolidated accounts. The auditor decides which actions to take, partly by assessing the risks of material misstatements in the annual accounts and the consolidated accounts, whether due to irregularities or errors. In this risk assessment the auditor takes into consideration those parts of the internal control that are relevant for how the company prepares its annual accounts and consolidated accounts in order to give a true and fair view for the purpose of devising auditing actions that are appropriate in view of the circumstances, but not for the purpose of expressing an opinion on the efficacy of the company's internal control. An audit also includes an evaluation of the appropriateness of the accounting principles employed and the reasonableness of the estimates used by the Board of Directors and Chief Executive Officer in the accounts as well as an evaluation of the general presentation in the annual accounts and the consolidated accounts.

I believe that the audit evidence I have obtained is sufficient and adequate as a basis for my opinion.

Opinion

In my opinion the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and in all material respects give a true and fair view of the financial position of the Parent Company on 31 December 2015 and of its financial results and cash flows for the year in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies, and that the consolidated accounts have been prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and in all material respects give a true and fair view of the financial position of the Group on 31 December 2015 and of its financial results and cash flows for the year in accordance with international auditing standards as adopted by the EU and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies. The Report of the Board of Directors is

consistent with the other sections of the annual accounts and the consolidated accounts.

I therefore recommend that the Annual General Meeting adopt the income statements and balance sheets of the Parent Company and the Group.

Report on other statutory and regulatory requirements

In addition to my audit of the annual accounts and consolidated accounts, I have also audited the proposal for appropriation of the company's profit or loss and the Board of Directors' and Chief Executive Officer's administration of Svea Ekonomi AB for the year 2015.

The Board of Directors' and Chief Executive Officer's responsibility

Under the Swedish Companies Act and the Banking and Financing Business Act, responsibility for the proposal for appropriation of the company's profit or loss rests with the Board of Directors, and responsibility for the administration rests with the Board of Directors and Chief Executive Officer.

The auditor's responsibility

My responsibility is to express an opinion, with a reasonable degree of certainty, on the proposal for appropriation of the company's profit or loss and on the administration on the basis of my audit. I have conducted my audit in accordance with generally accepted auditing standards in Sweden.

As a basis for my opinion on the Board of Directors' proposal for appropriation of the company's profit or loss, I have examined the Board's reasoned opinion and a sample of the evidence for the same in order to be able to determine whether the proposal is consistent with the Swedish Companies Act.

As a basis for my opinion on release from liability, I have, in addition to my audit of the annual accounts and consolidated accounts, examined significant decisions, actions and circumstances of the company in order to be able to determine the liability, if any, to the company of any Director or the Chief Executive Officer. I have also examined whether any Director or the Chief Executive Officer has in any other way acted in violation of the Swedish Companies Act, the Banking and Financing Business Act, the Swedish Annual Accounts Act for Credit Institutions and Securities Companies or the company's Articles of Association.

I believe that the audit evidence I have obtained is sufficient and adequate as a basis for my opinion.

Opinion

I recommend that the Annual General Meeting appropriate the company's retained earnings as proposed in the Report of the Board of Directors and grant freedom from liability to the Directors and the Chief Executive Officer in respect of the financial year.

Stockholm 20 April 2016

Per Fridolin
Authorized Public Accountant