

Interim Report

January-September

2024

Handelsbanken's Interim Report

January – September 2024

Q3 2024 (Q2 2024)

- Operating profit increased to SEK 9,061m (8,511).
- Return on equity increased to 15.6% (15.2).
- Earnings per share grew to SEK 3.64 (3.43).
- The C/I ratio improved to 38.3% (41.5).
- The credit loss ratio was -0.02% (-0.02).
- The common equity tier 1 ratio was 18.8% (18.9).
- The anticipated dividend was SEK 3.95 per share, equivalent to 109% of profit for the quarter.

JANUARY – SEPTEMBER 2024 (JANUARY – SEPTEMBER 2023)

- Operating profit was SEK 25,839m (27,265).
- Return on equity was 14.8% (16.2).
- Earnings per share amounted to SEK 10.41 (11.04).
- The C/I ratio was 40.7% (36.8).
- The credit loss ratio was -0.02% (0.01).
- The common equity tier 1 ratio was 18.8% (19.4).
- The anticipated dividend was SEK 9.20 per share, equivalent to 88% of profit for the period.

Higher profits underpinned by improved efficiency and increased return on equity

Income went up, expenses went down and credit losses again consisted of net reversals during the quarter. The C/I ratio improved to 38.3%. Net interest income was stable. Net fee and commission income increased, mainly on the back of the continued strong development of the savings business. During the quarter, the Bank's market shares of the net inflows to its funds in Sweden and Norway were twice the size of its market shares of outstanding fund volumes. Ongoing efficiency improvement measures contributed to the cost reduction. During the quarter, the total staffing (i.e. employees plus external resources) was reduced by 286 people, or 2%, on top of the reduction of 155 employees and external resources in the previous quarter.

Satisfied customers and increased advisory activity

Independent surveys showed that Handelsbanken also this year has more satisfied customers than comparable peers in the home markets, among both private and corporate customers. The Bank was named Sweden's "Business Bank of the Year" and – for the thirteenth consecutive year – "Small Enterprise Bank". Advisory activity towards private and corporate customers has increased at the branches during the year. The Bank also continues to strengthen the local access to specialists at the branches, for example within the areas of Private Banking and occupational pensions.

Robust financial position

Also this year the bank received the award as one of the world's five strongest banks, reflecting the Bank's stable business model, low risk tolerance and strong capital position. Stable finances are fundamental for business growth and long-term customer relationships. The anticipated dividend during the quarter corresponded to 109% of profit for the quarter, and the common equity tier 1 ratio was 18.8%, equivalent to 4 percentage points above the regulatory requirement. The Bank estimates the day 1 effect arising from the introduction of the Banking Package on 1 January 2025 to be a marginal decrease to the risk exposure amount.

SEK m	Q3 2024	Q2 2024	Change	Jan-Sep 2024	Jan-Sep 2023	Change
Total income	15,545	15,457	1%	46,320	46,395	0%
Total expenses	-5,956	-6,420	-7%	-18,846	-17,096	10%
Net credit losses	141	133	6%	369	-89	
Risk tax and resolution fee	-671	-663	1%	-2,014	-1,960	3%
Operating profit	9,061	8,511	6%	25,839	27,265	-5%
Non-recurring items and special items in operating profit*	-66	-228		-499	-44	
Operating profit adjusted for items affecting comparability	9,127	8,739	4%	26,338	27,309	-4%

*Items affecting comparability consist of foreign exchange effects, non-recurring items and special items, which are presented in the tables on pages 5 and 7.

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For definitions and calculation of alternative performance measures, together with specifications of foreign exchange effects, non-recurring items and special items, please see the Fact Book which is available at handelsbanken.com/ir. The figures presented in the tables in this interim report have not been rounded off, which may result in the sum totals for certain sub-items not equalling the total presented.

Group - Overview

SEK m	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Summary income statement									
Net interest income	11,763	11,746	0%	12,184	-3%	35,096	35,356	-1%	47,578
Net fee and commission income	2,966	2,939	1%	2,812	5%	8,659	8,339	4%	11,139
Net gains/losses on financial transactions	626	580	8%	1,087	-42%	1,956	2,082	-6%	2,661
Net insurance result	129	138	-7%	79	63%	392	286	37%	493
Other dividend income	1	0				3	2	50%	3
Share of profit of associates and joint ventures	3	6	-50%	49	-94%	77	68	13%	51
Other income	55	49	12%	32	72%	136	261	-48%	325
Total income	15,545	15,457	1%	16,244	-4%	46,320	46,395	0%	62,249
Staff costs	-3,825	-3,990	-4%	-3,382	13%	-11,750	-10,111	16%	-13,642
Other expenses	-1,632	-1,926	-15%	-1,839	-11%	-5,614	-5,644	-1%	-7,796
Depreciation, amortisation and impairment of property, equipment and intangible assets	-498	-504	-1%	-466	7%	-1,481	-1,341	10%	-1,743
Total expenses	-5,956	-6,420	-7%	-5,686	5%	-18,846	-17,096	10%	-23,182
Profit before credit losses, risk tax and resolution fee	9,589	9,037	6%	10,558	-9%	27,474	29,299	-6%	39,067
Net credit losses	141	133	6%	-1		369	-89		-141
Gains/losses on disposal of property, equipment and intangible assets	2	4	-50%	3	-33%	10	14	-29%	20
Risk tax and resolution fee	-671	-663	1%	-653	3%	-2,014	-1,960	3%	-2,624
Operating profit	9,061	8,511	6%	9,908	-9%	25,839	27,265	-5%	36,322
Taxes	-2,024	-1,921	5%	-2,324	-13%	-5,819	-6,324	-8%	-8,417
Profit for the period from continuing operations	7,037	6,590	7%	7,583	-7%	20,020	20,940	-4%	27,905
Profit for the period from discontinued operations after tax	173	204	-15%	368	-53%	588	929	-37%	1,209
Profit for the period	7,210	6,794	6%	7,952	-9%	20,608	21,870	-6%	29,114
Summary balance sheet*, end of period									
Loans to the public	2,293,211	2,301,960	0%	2,330,086	-2%	2,293,211	2,330,086	-2%	2,291,808
<i>of which households</i>	<i>1,232,781</i>	<i>1,235,328</i>	<i>0%</i>	<i>1,237,275</i>	<i>0%</i>	<i>1,232,781</i>	<i>1,237,275</i>	<i>0%</i>	<i>1,223,770</i>
<i>of which corporates</i>	<i>1,060,268</i>	<i>1,065,961</i>	<i>-1%</i>	<i>1,090,811</i>	<i>-3%</i>	<i>1,060,268</i>	<i>1,090,811</i>	<i>-3%</i>	<i>1,061,289</i>
Deposits and borrowing from the public	1,384,921	1,416,323	-2%	1,369,077	1%	1,384,921	1,369,077	1%	1,298,480
<i>of which households</i>	<i>616,797</i>	<i>623,938</i>	<i>-1%</i>	<i>610,067</i>	<i>1%</i>	<i>616,797</i>	<i>610,067</i>	<i>1%</i>	<i>596,671</i>
<i>of which corporates</i>	<i>768,124</i>	<i>792,385</i>	<i>-3%</i>	<i>759,010</i>	<i>1%</i>	<i>768,124</i>	<i>759,010</i>	<i>1%</i>	<i>701,809</i>
Total equity	201,070	195,035	3%	203,747	-1%	201,070	203,747	-1%	205,085
Total assets	3,756,046	3,727,558	1%	3,679,330	2%	3,756,046	3,679,330	2%	3,537,792
Summary of key figures									
Return on equity, total operations	15.6%	15.2%		17.3%		14.8%	16.2%		15.9%
C/I ratio, Continuing operations	38.3%	41.5%		35.0%		40.7%	36.8%		37.2%
Earnings per share (before and after dilution), SEK	3.64	3.43		4.02		10.41	11.04		14.70
Common equity tier 1 ratio, CRR	18.8%	18.9%		19.4%		18.8%	19.4%		18.8%
Total capital ratio, CRR	22.3%	22.5%		24.5%		22.3%	24.5%		23.9%

* A specification of assets and liabilities held for sale in the disposal groups in Finland is set out in Note 10.

Q3 2024 COMPARED WITH Q2 2024

Operating profit improved by 6% to SEK 9,061m (8,511). Adjusted for items affecting comparability, the increase was 4%.

Income grew by 1% to SEK 15,545m (15,457).

Expenses decreased by 7% to SEK -5,956m (-6,420).

A preliminary provision for Oktogonen totalling SEK -28m (74) was recognised during the quarter, alongside a restructuring charge of SEK -24m (-302). Adjusted for these items affecting comparability, expenses decreased by 5%.

The C/I ratio improved to 38.3% (41.5).

Credit losses consisted of net reversals and the credit loss ratio was -0.02% (-0.02).

Profit for the period increased to SEK 7,210m (6,794).

Earnings per share improved to SEK 3.64 (3.43).

Return on equity increased to 15.6% (15.2).

After deductions for the anticipated dividend, the common equity tier 1 ratio was 18.8% (18.9).

Income

SEK m	Q3 2024	Q2 2024	Change
Net interest income	11,763	11,746	0%
Net fee and commission income	2,966	2,939	1%
Net gains/losses on financial trans.	626	580	8%
Other	190	192	-1%
Total income	15,545	15,457	1%

Net interest income increased by SEK 17m to SEK 11,763m (11,746). Adjusted for foreign exchange effects of SEK -19m, net interest income increased by SEK 36m. The net effect of margins and funding costs was negative, amounting to SEK -109m. Higher business volumes contributed SEK 15m. The day effect, arising from the extra calendar day this quarter compared to the previous quarter, was SEK 97m. Other effects had a SEK 33m impact on net interest income.

Net fee and commission income climbed by 1% to SEK 2,966m (2,939). Fund management, custody and other asset management commissions increased by 1% to SEK 1,823m (1,798), which included a 2% increase in mutual fund commissions to SEK 1,533m (1,505). Net payment commissions went up by 1% to SEK 459m (455), of which net card commissions increased by 1% to SEK 253m (250) as an effect of seasonally higher customer activity. Brokerage income declined by 10% to SEK 104m (116). Income from advisory services grew by 25% to SEK 45m (36). Lending and deposit commissions fell by 1% and amounted to SEK 250m (253). Insurance commissions increased by 7% to SEK 201m (188). Other items in net fee and commission income amounted to SEK 84m (93).

Net gains/losses on financial transactions increased by 8% to SEK 626m (580). The contribution from the customer-driven business in Handelsbanken Markets was SEK 279m (287). The Bank's liquidity portfolio gave a SEK 19m lower contribution compared to the previous quarter, amounting to SEK 43m (62). Other net gains/losses on financial transactions, primarily related to bond repurchases and ineffectiveness in the Bank's hedging relationships, as well as changes in the market values of derivatives used to manage interest rate and foreign exchange risk in the Bank's funding, increased to SEK 304m (231).

Net insurance result decreased by SEK 9m to SEK 129m (138), with the insurance service result amounting to SEK 21m (41) and the return on assets held on behalf of policyholders increasing to SEK 108m (97).

Remaining income items increased to SEK 59m (55).

Expenses

Expenses decreased by 7% to SEK -5,956m (-6,420).

Adjusted for items affecting comparability, the decrease was 5%.

Staff costs fell by 4% to SEK -3,825m (-3,990). A preliminary provision for Oktogonen was made during the quarter, amounting to SEK -28m (74). During the previous quarter, agreements were reached with just over 200 employees regarding the termination of their employment, giving rise to a restructuring charge of SEK -302m. An additional SEK -24m was recognised as a restructuring charge during the third quarter, relating to employment termination agreements. Foreign exchange effects reduced staff costs by SEK 5m. Adjusted for these items affecting comparability, staff costs were essentially unchanged, as the effects of fewer employees in Group-wide and business support units were offset by the seasonal increase of temporary staff during the summer months, additional recruitments in the branch operations to meet increased customer activity, as well as the permanent employment of formerly external resources. The average number of employees was largely unchanged at 12,339 (12,295). At the end of the quarter, the number of employees totalled 12,163 (12,229), while the total staffing (i.e. including external resources) was 12,908 (13,194) at the end of the quarter, a reduction of 286 people, or 2%.

Other expenses fell by 15% to SEK -1,632m (-1,926). The decrease was mainly due to a lower development rate and less use of external resources. At the end of the quarter, the number of external resources was 745 (965), a reduction of 220 people, or 23%.

Depreciation, amortisation and impairment fell by 1% to SEK -498m (-504).

Credit losses

SEK m	Q3 2024	Q2 2024	Change
Net credit losses	141	133	8
Credit loss ratio as % of loans to the public	-0.02	-0.02	

Credit losses consisted of net reversals and amounted to SEK 141m (133). The credit loss ratio was -0.02% (-0.02).

The net amount of actual credit losses decreased to SEK -19m (-27), as actual credit losses of SEK -46m (-89), were counterbalanced by previous provisions of SEK 28m (61). Recoveries of previously confirmed losses were SEK 21m (31).

Expected credit losses in Stage 3 totalled SEK -45m (-31). Provisions in Stage 1 and Stage 2 reduced credit losses by SEK 186m (159), due to the reversal of an expert-based provision of SEK 76m, updated macroeconomic assumptions that had an impact of SEK 61m, and the general strengthening of the credit quality.

At the end of the quarter, the expert-based provision amounted to SEK 378m (454).

Risk tax and resolution fee

The risk tax and resolution fee totalled SEK -671m (-663). The resolution fee totalled SEK -258m (-249). The risk tax totalled SEK -414m (-414).

Taxes

The effective tax rate in continuing operations was 22.3% (22.6). The difference between this rate and the corporate tax rate in Sweden of 20.6% derives primarily from the higher tax

rate in the UK operations, as well as from non-deductible costs on subordinated liabilities.

The *effective tax rate in total operations (including discontinued operations)* was 22.3% (22.5).

Discontinued operations

Profit from discontinued operations consists of the external income and expenses in the operations in Finland that are in the process of being divested, as well as additional costs in Sweden deriving from discontinued operations.

Profit from discontinued operations, after tax, decreased by 15% and amounted to SEK 173m (204).

The *capital gains* relating to the sale of the operations concentrating on small and medium-sized enterprises amounted to SEK 107m (-).

The depreciation of tangible non-current assets in the disposal group amounted to SEK -115m (-), which was attributable to the depreciation of right-of-use assets for property and equipment linked to the process of selling the Finnish operations.

Income decreased by 15% compared to the previous quarter, to SEK 546m (643), with net interest income decreasing by 14% to SEK 471m (548).

Expenses decreased by 3% to SEK -334m (-345).

Credit losses consisted of net recoveries amounting to SEK 48m (-9).

Non-recurring items and special items in operating profit

	Q3	Q2
SEK m	2024	2024
Special items		
Oktagonen: adjustment of allocation previous year (staff costs)		11
Oktagonen: provision current year (staff costs)	-28	63
Non-recurring items		
Restructuring charge (staff costs)	-24	-302
Total	-52	-228

Foreign exchange effects

	Q3
Foreign exchange effects vs. previous quarter, SEKm	2024
Net interest income	-19
Net fee and commission income	-3
Net gains/losses on financial transactions	0
Other income	0
Total income	-22
Staff costs	5
Other expenses	4
Depreciation and amortisation	0
Total expenses	9
Net loan losses	-1
Gains/losses on disposal of property, equipment and intangible assets	0
Risk tax and resolution fee	
Operating profit	-14

JANUARY – SEPTEMBER 2024 COMPARED WITH JANUARY – SEPTEMBER 2023

Operating profit decreased by 5% to SEK 25,839m (27,265). Adjusted for items affecting comparability, the decrease was 4%.

Income was essentially unchanged at SEK 46,320m (46,395).

Expenses rose by 10%, or SEK 1,750m, to SEK -18,846m (-17,096). Adjusted for items affecting comparability, expenses increased by 8%.

The C/I ratio was 40.7% (36.8).

The credit loss ratio was -0.02% (0.01).

Profit for the period amounted to SEK 20,608m (21,870).

Earnings per share amounted to SEK 10.41 (11.04).

Return on equity was 14.8% (16.2).

After deductions for the anticipated dividend, the common equity tier 1 ratio was 18.8% (19.4).

Income

SEK m	Jan-Sep 2024	Jan-Sep 2023	Change
Net interest income	35,096	35,356	-1%
Net fee and commission income	8,659	8,339	4%
Net gains/losses on financial trans.	1,956	2,082	-6%
Other	609	618	-1%
Total income	46,320	46,395	0%

Net interest income went down by 1%, or SEK 260m, to SEK 35,096m (35,356). Foreign exchange effects totalled SEK 41m. All in all, the net effect of margins and funding costs had a SEK 155m impact. Lower business volumes had an impact of SEK -453m on net interest income. The liquidity portfolio contributed SEK -67m. The day effect, arising because of the additional day entailed by a leap year, was SEK 100m. Lower costs for deposit guarantee schemes had an impact of SEK 73m. Other effects amounted to SEK -109m.

Net fee and commission income increased by 4% to SEK 8,659m (8,339). Fund management, custody and other asset management commissions increased by 8% to SEK 5,283m (4,881), which included a 7% increase in mutual fund commissions to SEK 4,438m (4,141). Brokerage income increased by 3% to SEK 326m (318). Net payment commissions increased by 3% to SEK 1,327m (1,291), of which card commissions constituted SEK 735m (772). Lending and deposit commissions fell by 12% to SEK 768m (875). Insurance commissions increased to SEK 568m (504). Advisory commissions were SEK 136m (200). Other net fee and commission income amounted to SEK 251m (270).

Net gains/losses on financial transactions went down by 6%, or SEK 126m, to SEK 1,956m (2,082). The customer-driven business in Handelsbanken Markets increased by SEK 47m to SEK 893m (846). The contribution from the Bank's liquidity portfolio rose by SEK 84m to SEK 199m (115). Other net gains/losses on financial transactions, primarily related to bond repurchases and ineffectiveness in the Bank's hedging relationships, as well as changes in the market values of derivatives used to manage interest rate and foreign exchange risk in the Bank's funding, amounted to SEK 864m (1,121).

Net insurance result rose by SEK 106m to SEK 392m (286). The return on assets held on behalf of policyholders improved by SEK 150m and amounted to SEK 303m (153). Insurance result was SEK 89m (133).

Remaining income items totalled SEK 216m (331).

Expenses

Staff costs rose by 16%, or SEK 1,639m, to SEK -11,750m (-10,111). A restructuring charge relating to employment termination agreements was recognised during the period, amounting to SEK -326m. The provision for Oktogonen was SEK -187m (-202). Foreign exchange effects totalled SEK -15m. Adjusted for the restructuring charge, Oktogonen and foreign exchange effects, staff costs increased by 13%. The increase was due to an increase in employee numbers, annual salary adjustments, the conversion of external resources to permanent employees and higher expenses for the earning of pensions, which arose due to a lower discount rate at the start of the year compared to the previous year.

The average number of employees grew by 6% to 12,278 (11,586). Of this increase, 4 percentage points were attributable to additional employees working in the branch operations, and 1 percentage points to the Bank's IT development (primarily through the replacement of consultants with salaried employees).

Other expenses fell by 1% to SEK -5,614m (-5,644).

Depreciation, amortisation and impairments of property, equipment and intangible assets rose by 10% to SEK -1,481m (-1,341).

Credit losses

SEK m	Jan-Sep 2024	Jan-Sep 2023	Change
Net credit losses	369	-89	458
Credit loss ratio as % of loans to the public	-0.02	0.01	

Credit losses consisted of net reversals of SEK 369m (-89), with SEK 226m referring to a reversal of an expert-based provision, which thus amounted to SEK 378m (604) at the end of the period. The credit loss ratio was -0.02% (0.01).

Risk tax and resolution fee

The risk tax and resolution fee totalled SEK -2,014m (-1,960). The risk tax totalled SEK -1,242m (-1,233). The resolution fee totalled SEK -773m (-727).

Taxes

The effective tax rate in continuing operations was 22.5% (23.2). The difference between this rate and the corporate tax rate in Sweden of 20.6% derives primarily from the higher tax rate in the UK operations, as well as from non-deductible costs on subordinated liabilities.

The effective tax rate in total operations (including discontinued operations) was 22.5% (22.8).

Discontinued operations

Profit from discontinued operations, after tax, amounted to SEK 588m (929).

The capital gains relating to the sale of the operations concentrating on small and medium-sized enterprises amounted to SEK 107m (-).

The depreciation of tangible non-current assets in the disposal group amounted to SEK -115m (-).

Income fell to SEK 1,851m (2,091), of which net interest income decreased by 1305% to SEK 1,582m (1,749).

Expenses rose by 14% to SEK -1,036m (-909).

Credit losses consisted of net reversals and amounted to SEK 36m (32).

Non-recurring items and special items in operating profit

SEK m	Jan-Sep 2024	Jan-Sep 2023
Special items		
Oktagonen: adjustment of allocation previous year (staff costs)	-159	-202
Oktagonen: provision current year (staff costs)	-28	
Non-recurring items		
Restructuring charge (staff costs)	-326	
Reversal of value added tax paid when divesting card acquiring business (Income)		158
Total	-513	-44

Foreign exchange effects

Foreign exchange effects vs. previous year, SEKm	Jan-Sep 2024
Net interest income	41
Net fee and commission income	-1
Net gains/losses on financial transactions	-2
Other income	0
Total income	38
Staff costs	-15
Other expenses	-4
Depreciation and amortisation	-1
Total expenses	-20
Net loan losses	-4
Gains/losses on disposal of property, equipment and intangible assets	0
Risk tax and resolution fee	
Operating profit	14

BUSINESS DEVELOPMENT

Q3 2024 compared with Q2 2024

The average volume of *loans to the public* in the home markets amounted to SEK 2,249bn (2,256).

The average volume of *deposits and borrowing from the public* in the home markets was unchanged at SEK 1,252bn (1,252).

Total assets under management in the Group increased by 3% and amounted to SEK 1,178bn (1,148) at the end of the quarter, of which SEK 1,081bn (1,050) was invested in the Bank's mutual funds. The net flow in the Bank's mutual funds was SEK 9.6bn (2.8), of which SEK 8.2bn (1.9) was in the Swedish market. Of the net flow in the Swedish mutual fund market during the third quarter, a total of 24% was invested in Handelsbanken's funds. The Bank's share of the Swedish mutual fund market was 11.8%.

January – September 2024 compared with January – September 2023

The average volume of *loans to the public* in the home markets fell by 1%, and totalled SEK 2,251bn (2,282).

The average volume of *deposits and borrowing from the public* in the home markets was SEK 1,244bn (1,259).

Total assets under management in the Group increased by 20% over the past 12 months and at the end of the period amounted to SEK 1,178bn (984), of which SEK 1,081bn (904) was invested in the Bank's mutual funds. The net flow to the Bank's mutual funds in Sweden amounted to SEK 11.8bn (17.3). Of the net flow in the Swedish mutual fund market

during the first nine months of the year, a total of 10% was invested in Handelsbanken's funds.

RATING

	Long-term	Short-term	Counterparty risk rating
Standard & Poor's	AA-	A-1+	AA-
Fitch	AA	F1+	AA+
Moody's	Aa2	P-1-	Aa1

The Bank's strong credit ratings entail that no other privately owned bank in the world has a higher overall rating from the three leading rating agencies. All of the Bank's ratings have been confirmed as unchanged during 2024. In June 2024, Moody's changed the outlook for the Bank to stable (negative). The outlooks from Fitch and Standard & Poor's are also stable.

FUNDING AND LIQUIDITY

For decades, Handelsbanken has adopted a prudent approach to funding, with a low risk profile. The funding strategy is based on a diversified, balanced utilisation of several stable funding sources, comprising deposits from households and SMEs, deposits from non-financial entities and market funding diversified across different types of debt instruments in multiple currencies.

Non-current assets are funded with stable non-current liabilities in the form of stable market funding and long-term stable deposits and borrowing from the public. Current liabilities, in the form of other deposits and borrowing from the public and short-term market funding, are matched by current assets and a liquidity reserve of SEK 934bn (763 at year-end 2023). Of this reserve, 91% is deposited with central banks and holdings of government bonds. The majority of the remainder is invested in holdings of liquid covered bonds. The interest rate risk in the bond holdings is hedged using derivative instruments, and the entirety of the holdings is measured at market value on an ongoing basis.

The Bank's low pledging ratio of its assets acts as further protection against liquidity risk, as it entails an unutilised issue amount. The low pledging ratio also serves as a layer of protection for holders of the Bank's senior bonds. The ratio of non-encumbered assets to unsecured market funding decreased to 248% (261% at year-end 2023).

At the end of the quarter, the Group's liquidity coverage ratio, (LCR), calculated according to the European Commission's delegated regulation, was 176% (210% at the end of the preceding year). At the end of the quarter, the net stable funding ratio (NSFR) according to CRR2 was 121% (120% at the end of the preceding year).

Bond issues during the nine month period amounted to a total of SEK 133bn (200), of which SEK 99bn (132) was in covered bonds and SEK 34bn (59) was in senior bonds, of which SEK 17bn constituted Senior non-preferred bonds also eligible according to the Bank's green framework (11). A green covered bond denominated in Swedish kronor was also issued during the quarter according to the same framework, amounting to SEK 6bn. No subordinated loans were issued during the period (11).

CAPITAL

After anticipated dividends, the common equity tier 1 ratio was 18.8% at the end of the quarter. The Bank's assessment is that the common equity tier 1 capital requirement, including Pillar 2 guidance, amounted to 14.8% (SEK 125bn) on the

same date. The capital requirement assessment is based on the Swedish Financial Supervisory Authority's Supervisory Review and Evaluation Process (SREP) for the year, which is applicable as of the end of the quarter. The decision entails a marginally lower capital requirement within Pillar 2 requirements linked to interest rate risk in the banking book compared to previous years. The common equity tier 1 capital requirement in Pillar 2 is 1.7 percentage points (0.5 percentage points Pillar 2 guidance and 1.2 percentage points Pillar 2 requirement), corresponding to SEK 14bn. The countercyclical buffer requirement was 2.0%.

At the end of the quarter, the total capital ratio was 22.3%. The Bank's estimation is that the total capital requirement, including Pillar 2 guidance, amounted to 19.0% (SEK 160bn) on the same date. The total capital requirement in Pillar 2, including Pillar 2 guidance, comprises 2.3 percentage points, corresponding to SEK 20bn.

The Bank's capital goal is that its common equity tier 1 ratio should, under normal circumstances, exceed the common equity tier 1 capital requirement, including Pillar 2 guidance, by 1-3 percentage points. The Bank's capitalisation was thus above the target range.

Financial strength creates security and breeds confidence, and is a prerequisite for growth. Considering the current environment, the Bank intends during 2024 to maintain an extra common equity tier 1 capital buffer of one percentage point over the usual long-term target range of 1-3 percentage points more than the amount required by the Swedish Financial Supervisory Authority. This level differentiates Handelsbanken as a first-class counterparty in uncertain times, and contributes to cementing the Bank's particular financial position as one of the world's safest banks according to the leading international rating agencies. The extra buffer also means that, regardless of surrounding developments, the Bank has the capacity to take significant responsibility for the supply of credit and to grow its business in pace with customer demand. In conjunction with the year-end accounts for 2024 at the latest, the Bank will make a reassessment of the appropriate buffer, depending on the prevailing business environment. In order to calibrate the common equity tier 1 ratio to 4 percentage points above the Swedish Financial Supervisory Authority's requirement, a dividend was anticipated during the quarter corresponding to SEK 3.95 per share.

On 1 January 2025, the first parts of the new EU Banking Package will be introduced, representing the final components of the Basel 3 agreement. The Bank estimates that the day 1 effect will be a marginal decrease to the risk exposure amount.

Capital for consolidated situation 30 September 2024 compared with 30 June 2024

SEK m	30 Sep 2024	30 Jun 2024	Change
Common equity tier 1 ratio (%)	18.8%	18.9%	-0.1
Total capital ratio (%)	22.3%	22.5%	-0.2
Total risk-weighted exposure amount	842,280	848,556	-1%
Common equity tier 1 (CET1) capital	158,433	160,292	-1%
Total capital	188,223	190,568	-1%
Total equity	201,070	195,035	3%

Total own funds amounted to SEK 188bn (191) and the total capital ratio was 22.3% (22.5). The common equity tier 1 capital was SEK 158bn (160), while the common equity tier 1 ratio was 18.8% (18.9).

Profit for the period increased the common equity tier 1 ratio by 0.8 percentage points. Anticipated dividends had an impact of -0.9 percentage points. Taken as a whole, volume changes, credit risk migrations, the net effect of differing credit qualities for inflows and outflows, and foreign exchange effects had a neutral effect.

Capital for consolidated situation 30 September 2024 compared with 30 September 2023

SEK m	30 Sep 2024	30 Sep 2023	Change
Common equity tier 1 ratio (%)	18.8%	19.4%	-0.6
Total capital ratio (%)	22.3%	24.5%	-2.2
Total risk-weighted exposure amount	842,280	868,888	-3%
Common equity tier 1 (CET1) capital	158,433	168,147	-6%
Total capital	188,223	212,975	-12%
Total equity	201,070	203,747	-1%

Total own funds were SEK 188bn (213), and the total capital ratio amounted to 22.3% (24.5). The common equity tier 1 capital was SEK 158bn (168), while the common equity tier 1 ratio was 18.8% (19.4).

Profit for the period increased the common equity tier 1 ratio by 3.0 percentage points. Paid and anticipated dividends had an impact of -3.8 percentage points. Volume changes had a 0.4 percentage points impact. Credit risk migrations, net after risk weight floors, had a neutral effect. The net effect of differing credit qualities for inflows and outflows was 0.1 percentage points. Exchange rate movements had a neutral effect. Other effects had a -0.3 percentage points impact.

Economic capital and available financial resources

The Bank's internal assessment of its need for capital is based on the Bank's capital requirement, stress tests, and the Bank's model for economic capital (EC). This is measured in relation to the Bank's available financial resources (AFR). The Board stipulates that the AFR/EC ratio for the Group must exceed 120%. At the end of the quarter, Group EC totalled SEK 65.1bn (66.6), while AFR was SEK 241.4bn (229.2). Thus, the ratio between AFR and EC was 371% (344). For the consolidated situation, EC totalled SEK 37.3bn (37.6), and AFR was SEK 232.1bn (221.0).

SUSTAINABILITY

During the third quarter, Handelsbanken published its first "Nature and Biodiversity progress report", based on the *Taskforce on Nature-related Financial Disclosures* (TNFD) framework.

The EU's Sustainable Finance Disclosures Regulation (SFDR) means that asset managers must be transparent in how their mutual funds are classified under the SFDR. At the end of the quarter, 14 of the Group's funds, representing 21% of assets under management, were reported in the highest category (article 9), i.e. a fund that has sustainable investment as its objective. A total of 101 funds, representing 75% of the managed fund volume, were reported in the second highest category (article 8), i.e. funds that promote environmental or social characteristics.

Business volumes linked to the Bank's sustainability activities continued to grow. Compared with the corresponding period of the previous year, the volume of green loans increased by 44% to SEK 114bn (79); as part of this total, green mortgages grew by 15% to SEK 39bn (34). In addition, sustainability-linked loan facilities amounted to SEK 135bn (90).

Handelsbanken Group – Business segments in continuing operations

January - September 2024	Home markets						Adj. & elim.	Total Jan-Sep 2024
	Sweden	UK	Norway	The Netherlands	Markets	Other		
SEK m								
Net interest income	21,947	7,993	3,797	1,474	-25	-91		35,096
Net fee and commission income	6,708	653	506	128	426	238		8,659
Net gains/losses on financial transactions	750	162	60	13	893	78		1,956
Net insurance result	393		-1					392
Share of profit of associates and joint ventures						77		77
Other income	52	0	8	2	2	77		139
Total income	29,850	8,808	4,371	1,618	1,296	379		46,320
Staff costs	-3,781	-2,664	-976	-458	-733	-3,327	189	-11,750
Other expenses	-859	-667	-411	-115	-385	-3,177		-5,614
Internal purchased and sold services	-3,747	-1,090	-611	-237	71	5,612		
Depreciation, amortisation and impairments of property, equipment and intangible assets	-545	-282	-80	-43	-109	-405	-18	-1,481
Total expenses	-8,933	-4,702	-2,077	-853	-1,156	-1,297	171	-18,846
Profit before credit losses, risk tax and resolution fee	20,918	4,106	2,294	764	140	-918	171	27,474
Net credit losses	194	157	10	2	0	6		369
Gains/losses on disposal of property, equipment and intangible assets	6	0	3		0	0		10
Risk tax and resolution fee	-1,524		-307	-99	-19	-65		-2,014
Operating profit	19,594	4,263	2,000	667	121	-977	171	25,839
Profit allocation	277	37	42	0	-305	-51		
Operating profit after profit allocation	19,871	4,300	2,042	667	-184	-1,027	171	25,839
Internal income	4,109	2,951	-7,916	-102	50	908		

January - September 2023	Home markets						Adj. & elim.	Total Jan-Sep 2023
	Sweden	UK	Norway	The Netherlands	Markets	Other		
SEK m								
Net interest income	22,308	8,208	3,407	1,441	-30	22		35,356
Net fee and commission income	6,309	635	503	123	479	290		8,339
Net gains/losses on financial transactions	901	187	61	12	846	76		2,082
Net insurance result	285		2					286
Share of profit of associates and joint ventures						68		68
Other income	183	2	4	0	1	73		263
Total income	29,986	9,032	3,976	1,577	1,296	528		46,395
Staff costs	-3,571	-2,324	-812	-401	-706	-2,594	296	-10,111
Other expenses	-1,012	-659	-367	-102	-332	-3,172		-5,644
Internal purchased and sold services	-3,431	-1,044	-525	-192	8	5,183		
Depreciation, amortisation and impairments of property, equipment and intangible assets	-491	-235	-71	-45	-98	-384	-18	-1,341
Total expenses	-8,504	-4,262	-1,776	-739	-1,127	-966	278	-17,096
Profit before credit losses, risk tax and resolution fee	21,481	4,770	2,201	838	169	-438	278	29,299
Net credit losses	-85	-72	70	3		-5		-89
Gains/losses on disposal of property, equipment and intangible assets	10	0	4					14
Risk tax and resolution fee	-1,437		-289	-82	-15	-136		-1,960
Operating profit	19,968	4,699	1,986	759	153	-578	278	27,265
Profit allocation	329	41	37	0	-344	-64		
Operating profit after profit allocation	20,297	4,740	2,023	759	-191	-642	278	27,265
Internal income	3,828	2,014	-6,030	-91	353	-74		

The business segments consist of Handelsbanken Sweden, Handelsbanken UK, Handelsbanken Norway, Handelsbanken the Netherlands and Handelsbanken Markets. The income statements by segment include internal items such as internal interest, commissions and payment for internal services rendered, primarily according to the cost price principle. The part of Handelsbanken Markets' operating profit that does not involve risk-taking is allocated to branches with customer responsibility. Internal income which is included in total income comprises income from transactions with other operating segments and Other. Since interest income and interest expense are reported net as income, this means that internal income includes the net amount of the internal funding cost among segments and Other.

A reorganisation took place during Q2 2024, with the aim of creating an even more efficient and business-centric organisation. Parts of the central HR, finance and accounting and communications departments, the financial crime prevention unit that was previously part of 'Other', and parts of business support that were previously part of Handelsbanken Markets, have been transferred to Handelsbanken Sweden. The operations in Luxembourg and New York, i.e. the business undertaken outside the home markets, has been transferred from Handelsbanken Markets to Other. In addition, parts of Handelsbanken's IT department were previously part of Other have been transferred to Handelsbanken Markets. The comparative figures in the segment reporting have been recalculated to represent this reorganisation.

Handelsbanken Sweden

INCOME STATEMENT

SEK m	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Net interest income	7,292	7,328	0%	7,660	-5%	21,947	22,308	-2%	30,222
Net fee and commission income	2,294	2,290	0%	2,127	8%	6,708	6,309	6%	8,460
Net gains/losses on financial transactions	171	249	-31%	544	-69%	750	901	-17%	1,185
Net insurance result	129	139	-7%	80	61%	393	285	38%	494
Other income	13	26	-50%	8	63%	52	183	-72%	214
Total income	9,900	10,031	-1%	10,418	-5%	29,850	29,986	0%	40,575
Staff costs	-1,259	-1,269	-1%	-1,189	6%	-3,781	-3,571	6%	-4,783
Other expenses	-235	-303	-22%	-280	-16%	-859	-1,012	-15%	-1,353
Internal purchased and sold services	-1,125	-1,295	-13%	-1,089	3%	-3,747	-3,431	9%	-4,738
Depreciation, amortisation and impairments of property, equipment and intangible assets	-182	-180	1%	-163	12%	-545	-491	11%	-665
Total expenses	-2,801	-3,047	-8%	-2,721	3%	-8,933	-8,504	5%	-11,538
Profit before credit losses, risk tax and resolution fee	7,099	6,984	2%	7,696	-8%	20,918	21,481	-3%	29,037
Net credit losses	99	29	241%	31	219%	194	-85		-142
Gains/losses on disposal of property, equipment and intangible assets	2	2	0%	2	0%	6	10	-40%	14
Risk tax and resolution fee	-508	-505	1%	-481	6%	-1,524	-1,437	6%	-1,919
Operating profit	6,692	6,510	3%	7,248	-8%	19,594	19,968	-2%	26,990
Profit allocation	103	80	29%	93	11%	277	329	-16%	406
Operating profit after profit allocation	6,796	6,589	3%	7,340	-7%	19,871	20,297	-2%	27,395
Internal income	1,289	1,414	-9%	1,553	-17%	4,109	3,828	7%	5,767
Cost/income ratio, %	28.0	30.1		25.9		29.7	28.1		28.2
Credit loss ratio, %	-0.02	-0.01		0.00		-0.01	0.01		0.01
Allocated capital	118,793	114,065	4%	119,490	-1%	118,793	119,490	-1%	123,899
Return on allocated capital, %	18.2	18.3		19.5		17.5	18.2		18.2
Average number of employees	4,852	4,790	1%	4,810	1%	4,801	4,692	2%	4,695

BUSINESS VOLUMES

Average volumes, SEK bn	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Loans to the public*									
Household	965	967	0%	980	-2%	968	983	-2%	981
<i>of which mortgage loans</i>	939	940	0%	948	-1%	940	949	-1%	948
Corporates	626	627	0%	645	-3%	626	645	-3%	644
<i>of which mortgage loans</i>	455	450	1%	442	3%	450	437	3%	439
Total	1,591	1,594	0%	1,625	-2%	1,594	1,628	-2%	1,625
Deposits and borrowing from the public									
Household	483	482	0%	484	0%	480	483	-1%	483
Corporates	349	361	-3%	362	-4%	355	368	-4%	365
Total	832	842	-1%	847	-2%	835	851	-2%	848

* Excluding loans to the National Debt Office.

Q3 2024 COMPARED WITH Q2 2024

Operating profit increased by 3% to SEK 6,692m (6,510). Return on allocated capital was 18.2% (18.3). The C/I ratio improved to 28.0% (30.1).

Income decreased by 1% to SEK 9,900m (10,031).

Expenses decreased by 8% to SEK -2,801m (-3,047).

Net interest income decreased marginally to SEK 7,292m (7,328). Changed business volumes had an impact of SEK -29m. The net amount of changed margins and funding costs reduced net interest income by SEK 70m. The day effect was SEK 59m. Other effects had a SEK 4m impact.

Net fee and commission income increased marginally to SEK 2,294m (2,290). The increase was primarily due to continued positive developments in mutual fund commissions, insurance commissions and a positive net payment commissions trend.

Net gains/losses on financial transactions totalled SEK 171m (249).

Net insurance result was SEK 129m (139).

Other income amounted to SEK 13m (26).

Staff costs fell by 1% to SEK -1,259m (-1,269). The average number of employees was 4,852 (4,790), with part of the reason for the increase being the hiring of temporary staff during the summer months. The number of employees at the end of the quarter was 4,674 (4,751).

Other expense items went down by 13% to SEK -1,542m (-1,778). The decrease was due to lower IT-related costs.

Credit losses consisted of net reversals of SEK 99m (29). The credit loss ratio was -0.02% (-0.01).

The risk tax totalled SEK -305m (-308). The resolution fee was SEK -203m (-197).

JANUARY – SEPTEMBER 2024 COMPARED WITH JANUARY – SEPTEMBER 2023

Operating profit decreased by 2% to SEK 19,594m (19,968). Return on allocated capital was 17.5% (18.2). The C/I ratio was 29.7% (28.1).

Income decreased marginally to SEK 29,850m (29,986).

Expenses rose by 5% to SEK -8,933m (-8,504).

Net interest income went down by 2% to SEK 21,947m (22,308). Lower business volumes reduced net interest income by SEK 368m. The net effect of changes to margins and funding costs was SEK -124m. The day effect arising from the leap year was SEK 61m. Lower fees for the deposit guarantee scheme contributed SEK 68m and other effects in net interest income contributed SEK 2m.

Net fee and commission income increased by 6% to SEK 6,708m (6,309), mainly due to mutual fund commissions increasing by 8% to SEK 3,870m (3,570). Custody and other asset management commissions increased by 17% to SEK 629m (537). Brokerage and other securities commissions increased by 5% to SEK 121m (115). Insurance commissions increased by 12% to SEK 560m (502). Commission income from loans and deposits and from guarantees amounted to SEK 550m (623). Net payment commissions grew by 4% to SEK 985m (946), with net card commissions totalling SEK 641m (662).

Net gains/losses on financial transactions totalled SEK 750m (901).

Net insurance result increased to SEK 393m (285).

Other income amounted to SEK 52m (183).

Staff costs rose by 6% to SEK -3,781m (-3,571). The increase was due to annual salary adjustments and a 2% increase in the average number of employees to 4,801 (4,692).

The new employees were hired in the branch operations, as a response to higher levels of customer activity.

Other expense items rose by 4% to SEK -5,151m (-4,934).

Credit losses consisted of net reversals of SEK 194m (-85) and the credit loss ratio was -0.01% (0.01).

The risk tax amounted to SEK -915m (-899), and the resolution fee amounted to SEK -609m (-538).

BUSINESS DEVELOPMENT

Handelsbanken held on to its position as the best bank for business in this year's independent Finansbarometern survey, which again named Handelsbanken "Business Bank of the Year" and – for the thirteenth consecutive year – "Sweden's Small Enterprise Bank".

The major survey of customer satisfaction in the banking sector carried out by the Swedish Quality Index (SKI) showed that, of the major players, Handelsbanken received the highest rating from its customers. Among private customers, Handelsbanken received the score of 69.9, which can be compared with the scores of the other banks, which were in the 66.8–68.5 range, and the sector average of 69.0. Corporate customer gave Handelsbanken a score of 70.4, whereas other banks were in the 65.9–70.4 range, and the sector average was 69.1.

Q3 2024 compared with Q2 2024

The total average volume of lending fell marginally to SEK 1,591bn (1,594). Both household and corporate lending fell marginally to SEK 965bn (967) and SEK 626bn (627), respectively.

The total average volume of deposits fell by 1% to SEK 832bn (842). Household deposits went up very slightly to SEK 483bn (482), while corporate deposits decreased by 3% to SEK 349bn (361).

Total assets under management in Sweden increased to SEK 1,035bn (1,008) at the end of the quarter, of which the managed fund volume increased to SEK 956bn (930). The net flow to the Bank's mutual funds in Sweden amounted to SEK 8.2bn (1.9). Of the net flow in the Swedish mutual fund market during the third quarter, a total of 24% was invested in Handelsbanken's funds. The Bank's share of the Swedish mutual fund market was 11.8%.

January – September 2024 compared with January – September 2023

The total average volume of lending fell by 2% to SEK 1,594bn (1,628). Household lending decreased by 2% to SEK 968bn (983) and corporate lending decreased by 3% to SEK 626bn (645).

The total average volume of deposits fell by 2% to SEK 835bn (851). Household deposits went down by 1% to SEK 480bn (483), while corporate deposits decreased by 4% to SEK 355bn (368).

Total assets under management in Sweden increased to SEK 1,035bn (854) at the end of the period, of which the managed fund volume increased to SEK 956bn (798). The net flow in the Bank's mutual funds in Sweden during the period totalled SEK 14.1bn (17.5). Of the net flow in the Swedish mutual fund market during the period, a total of 10% was invested in Handelsbanken's funds.

Handelsbanken UK

INCOME STATEMENT

SEK m	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Net interest income	2,680	2,688	0%	2,934	-9%	7,993	8,208	-3%	11,010
Net fee and commission income	229	220	4%	218	5%	653	635	3%	845
Net gains/losses on financial transactions	52	53	-2%	74	-30%	162	187	-13%	253
Other income	0	0	0%	1	-100%	0	2	-100%	13
Total income	2,960	2,962	0%	3,227	-8%	8,808	9,032	-2%	12,121
Staff costs	-913	-884	3%	-828	10%	-2,664	-2,324	15%	-3,149
Other expenses	-221	-232	-5%	-237	-7%	-667	-659	1%	-907
Internal purchased and sold services	-349	-363	-4%	-352	-1%	-1,090	-1,044	4%	-1,414
Depreciation, amortisation and impairments of property, equipment and intangible assets	-94	-104	-10%	-87	8%	-282	-235	20%	-310
Total expenses	-1,576	-1,583	0%	-1,504	5%	-4,702	-4,262	10%	-5,780
Profit before credit losses, risk tax and resolution fee	1,384	1,379	0%	1,722	-20%	4,106	4,770	-14%	6,340
Net credit losses	41	61	-33%	-65		157	-72		-51
Gains/losses on disposal of property, equipment and intangible assets	0	0	0%	0	0%	0	0	0%	-1
Operating profit	1,425	1,440	-1%	1,659	-14%	4,263	4,699	-9%	6,289
Profit allocation	15	10	50%	13	15%	37	41	-10%	52
Operating profit after profit allocation	1,440	1,449	-1%	1,672	-14%	4,300	4,740	-9%	6,340
Internal income	1,052	998	5%	841	25%	2,951	2,014	47%	2,999
Cost/income ratio, %	53.0	53.3		46.4		53.2	47.0		47.5
Credit loss ratio, %	-0.07	-0.10		0.10		-0.09	0.04		0.03
Allocated capital	26,456	25,518	4%	24,882	6%	26,456	24,882	6%	25,856
Return on allocated capital, %	17.3	18.0		21.3		17.4	21.8		21.2
Average number of employees	2,866	2,852	0%	2,758	4%	2,846	2,670	7%	2,707

INCOME STATEMENT IN LOCAL CURRENCY

GBP m	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Net interest income	197.5	199.4	-1%	214.4	-8%	596.1	622.4	-4%	834.0
Net fee and commission income	16.9	16.3	4%	15.9	6%	48.7	48.2	1%	64.0
Net gains/losses on financial transactions	3.8	4.0	-5%	5.5	-31%	12.1	14.2	-15%	19.2
Other income	0.0	0.0	0%	0.1	-99%	0.0	0.2	-99%	1.0
Total income	218.2	219.7	-1%	235.8	-7%	656.9	684.9	-4%	918.2
Staff costs	-67.3	-65.6	3%	-60.5	11%	-198.7	-176.3	13%	-238.6
Other expenses	-16.3	-17.2	-5%	-17.4	-6%	-49.8	-50.0	0%	-68.7
Internal purchased and sold services	-25.7	-26.9	-4%	-25.6	0%	-81.3	-79.1	3%	-107.1
Depreciation, amortisation and impairments of property, equipment and intangible assets	-6.9	-7.8	-12%	-6.3	10%	-21.0	-17.8	18%	-23.5
Total expenses	-116.2	-117.4	-1%	-109.8	6%	-350.7	-323.2	9%	-437.9
Profit before credit losses, risk tax and resolution fee	102.0	102.3	0%	125.9	-19%	306.2	361.7	-15%	480.3
Net credit losses	3.0	4.5	-33%	-4.9		11.7	-5.5		-3.8
Gains/losses on disposal of property, equipment and intangible assets	0.0	0.0	0%	0.0	0%	0.0	0.0	49%	-0.1
Operating profit	105.1	106.8	-2%	121.1	-13%	318.0	356.3	-11%	476.4
Profit allocation	1.1	0.8	38%	0.9	22%	2.8	3.1	-10%	3.9
Operating profit after profit allocation	106.1	107.5	-1%	122.0	-13%	320.7	359.4	-11%	480.3

BUSINESS VOLUMES

Average volumes, GBP m	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Loans to the public									
Household	5,075	5,141	-1%	5,436	-7%	5,145	5,587	-8%	5,520
Corporates	12,658	12,686	0%	13,126	-4%	12,691	13,153	-4%	13,101
Total	17,733	17,827	-1%	18,563	-4%	17,837	18,740	-5%	18,621
Deposits and borrowing from the public									
Household	5,272	5,192	2%	5,387	-2%	5,206	5,490	-5%	5,441
Corporates	15,355	15,123	2%	14,858	3%	15,153	14,811	2%	14,924
Total	20,627	20,314	2%	20,245	2%	20,359	20,301	0%	20,365

Q3 2024 COMPARED WITH Q2 2024

Operating profit decreased by 1% to SEK 1,425m (1,440). In local currency terms, profit decreased by 2%. *Return on allocated capital* was 17.3% (18.0), and the *C/I ratio* was 53.0% (53.3).

Income was essentially unchanged at SEK 2,960m (2,962). Income fell by 1% when expressed in local currency terms.

Expenses decreased to SEK -1,576m (-1,583). In local currency terms, expenses decreased by 1%.

Net interest income was virtually unchanged at SEK 2,680m (2,688). Foreign exchange effects amounted to SEK 12m, and in local currency terms, net interest income went down by 1%. Changed business volumes had an impact of SEK 16m on net interest income. The net amount of changed margins and funding costs reduced net interest income by SEK 66m. The day effect was SEK 26m, while other effects amounted to SEK 4m.

Net fee and commission income increased by 4% to SEK 229m (220). The increase was attributable to savings-related fee and commission income, as well as net payment commissions.

Staff costs rose by 3% to SEK -913m (-884). The increase in staff costs was also 3% expressed in local currency. The average number of employees was 2,866 (2,852).

Other expense items went down by 5% to SEK -664m (-699). Expressed in local currency, other expense items decreased by 6%.

Credit losses consisted of net reversals of SEK 41m (61). The credit loss ratio was -0.07% (-0.10).

JANUARY – SEPTEMBER 2024 COMPARED WITH JANUARY – SEPTEMBER 2023

Operating profit decreased by 9% to SEK 4,263m (4,699). In local currency terms, profit decreased by 11%. *Return on allocated capital* was 17.4% (21.8). The *C/I ratio* worsened to 53.2% (47.0).

Income decreased by 2% to SEK 8,808m (9,032). Foreign exchange effects amounted to SEK 144m, and in local currency terms, income fell by 4%.

Expenses increased by 10% to SEK -4,702m (-4,262). In local currency terms, expenses increased by 9%.

Net interest income went down by 3% to SEK 7,993m (8,208). Foreign exchange effects amounted to SEK 130m, and in local currency terms, net interest income went down by 4%. Lower business volumes had an impact of SEK -135m. The net amount of changed margins and funding costs reduced net interest income by SEK 226m. The day effect arising from the leap year contributed SEK 28m. Other effects had a SEK -12m impact on net interest income.

Net fee and commission income increased by 3% to SEK 653m (635). Expressed in local currency, net fee and commission income increased by 1%. Commission income from the fund management, custody account management and asset management business, including brokerage and advisory services, decreased marginally to SEK 328m (329).

Net fee and commission income from payments increased by 7% to SEK 222m (207).

Staff costs rose by 15% to SEK -2,664m (-2,324). Expressed in local currency, staff costs rose by 13%. The increase was due to annual salary adjustments and a 7% increase in the average number of employees to 2,846 (2,670). The increase in the average number of employees was due mainly to further recruitments in the branch operations, in IT and business development, as well as within financial crime prevention.

Other expense items rose by 5% to SEK -2,039m (-1,938). Expressed in local currency, other expense items went up by 4%. The increase was mainly attributable to increased IT development and business development.

Credit losses consisted of net reversals of SEK 157m (-72). The credit loss ratio was -0.09% (0.04).

BUSINESS DEVELOPMENT

According to the annual EPSI survey of customer satisfaction in the banking industry, Handelsbanken – similar to previous years – had the most satisfied customers among all UK banks in the survey. Private customers gave Handelsbanken an index score of 84.2, as compared with the sector average of 75.0. Corporate customers gave the Bank an index score of 81.9, as compared with the sector average of 67.1.

Q3 2024 compared with Q2 2024

The total *average volume of lending* decreased by 1% to GBP 17.7bn (17.8). Household lending decreased by 1% to GBP 5.1bn (5.1), and corporate lending decreased marginally to GBP 12.7bn (12.7).

The total *average volume of deposits* increased by 2% to GBP 20.6bn (20.3). Household deposits increased by 2% to GBP 5.3bn (5.2), and corporate deposits increased by 2% to GBP 15.4bn (15.1).

The volume of assets under management in Handelsbanken Wealth & Asset Management increased to GBP 4.4bn (4.3) at the end of the quarter. *New savings* in Handelsbanken Wealth & Asset Management totalled net GBP 7m (48).

January – September 2024 compared with January – September 2023

The total *average volume of lending* decreased by 5% to GBP 17.8bn (18.7). Household lending decreased by 8% to GBP 5.1bn (5.6), and corporate lending decreased by 4% to GBP 12.7bn (13.2).

The total *average volume of deposits* increased to GBP 20.4bn (20.3). Household deposits decreased by 5% to GBP 5.2bn (5.5), and corporate deposits increased by 2% to GBP 15.1bn (14.8).

The volume of assets under management in Handelsbanken Wealth & Asset Management increased to GBP 4.4bn (4.1) at the end of the period. *New savings* totalled net GBP -40m (86).

Handelsbanken Norway

INCOME STATEMENT

SEK m	Q3			Q2			Q3			Jan-Sep			Full year
	2024	2024	Change	2023	2023	Change	2024	2023	Change	2024	2023	Change	
Net interest income	1,324	1,274	4%	1,192	11%		3,797	3,407	11%				4,624
Net fee and commission income	175	175	0%	180	-3%		506	503	1%				659
Net gains/losses on financial transactions	18	22	-18%	20	-10%		60	61	-2%				79
Net insurance result		0		1			-1	2					0
Other income	4	3	33%	1	300%		8	4	100%				5
Total income	1,523	1,473	3%	1,392	9%		4,371	3,976	10%				5,366
Staff costs	-340	-313	9%	-285	19%		-976	-812	20%				-1,103
Other expenses	-99	-146	-32%	-113	-12%		-411	-367	12%				-493
Internal purchased and sold services	-204	-206	-1%	-173	18%		-611	-525	16%				-708
Depreciation, amortisation and impairments of property, equipment and intangible assets	-26	-27	-4%	-25	4%		-80	-71	13%				-97
Total expenses	-669	-691	-3%	-597	12%		-2,077	-1,776	17%				-2,401
Profit before credit losses, risk tax and resolution fee	854	782	9%	797	7%		2,294	2,201	4%				2,965
Net credit losses	-6	44		45			10	70	-86%				37
Gains/losses on disposal of property, equipment and intangible assets	0	1	-100%	1	-100%		3	4	-25%				6
Risk tax and resolution fee	-102	-102	0%	-95	7%		-307	-289	6%				-393
Operating profit	746	726	3%	748	0%		2,000	1,986	1%				2,615
Profit allocation	15	17	-12%	15	0%		42	37	14%				47
Operating profit after profit allocation	761	744	2%	763	0%		2,042	2,023	1%				2,662
Internal income	-2,556	-2,691	-5%	-2,379	7%		-7,916	-6,030	31%				-8,567
Cost/income ratio, %	43.5	46.4		42.4			47.1	44.3					44.4
Credit loss ratio, %	0.01	-0.04		-0.06			0.00	-0.02					-0.01
Allocated capital	22,303	21,622	3%	22,252	0%		22,303	22,252	0%				23,339
Return on allocated capital, %	10.8	10.9		10.9			9.6	9.7					9.4
Average number of employees	1,021	980	4%	845	21%		989	809	22%				828

INCOME STATEMENT IN LOCAL CURRENCY

NOK m	Q3			Q2			Q3			Jan-Sep			Full year
	2024	2024	Change	2023	2023	Change	2024	2023	Change	2024	2023	Change	
Net interest income	1,360	1,282	6%	1,155	18%		3,855	3,365	15%				4,599
Net fee and commission income	180	176	2%	174	3%		514	497	3%				656
Net gains/losses on financial transactions	19	22	-14%	19	0%		61	60	2%				79
Net insurance result		0		1			-1	2					0
Other income	4	3	33%	1	300%		8	4	100%				5
Total income	1,563	1,483	5%	1,351	16%		4,437	3,928	13%				5,338
Staff costs	-349	-315	11%	-277	26%		-991	-803	23%				-1,097
Other expenses	-103	-146	-29%	-108	-5%		-417	-362	15%				-491
Internal purchased and sold services	-210	-206	2%	-168	25%		-620	-519	19%				-704
Depreciation, amortisation and impairments of property, equipment and intangible assets	-27	-27	0%	-24	13%		-81	-70	16%				-96
Total expenses	-688	-694	-1%	-578	19%		-2,108	-1,754	20%				-2,388
Profit before credit losses, risk tax and resolution fee	875	788	11%	773	13%		2,328	2,174	7%				2,950
Net credit losses	-6	45		44			10	69	-86%				36
Gains/losses on disposal of property, equipment and intangible assets	1	1	0%	1	0%		4	4	0%				6
Risk tax and resolution fee	-105	-103	2%	-93	13%		-312	-286	9%				-391
Operating profit	765	731	5%	727	5%		2,030	1,962	3%				2,601
Profit allocation	15	17	-12%	15	0%		42	37	14%				47
Operating profit after profit allocation	780	749	4%	741	5%		2,073	1,998	4%				2,648

BUSINESS VOLUMES

Average volumes, NOK bn	Q3			Q2			Q3			Jan-Sep			Full year
	2024	2024	Change	2023	2023	Change	2024	2023	Change	2024	2023	Change	
Loans to the public													
Household	135.4	131.5	3%	114.0	19%		130.6	113.1	15%				114.3
Corporates	190.1	191.4	-1%	192.5	-1%		191.3	191.5	0%				192.0
Total	325.5	322.9	1%	306.5	6%		321.9	304.5	6%				306.3
Deposits and borrowing from the public													
Household	42.8	40.7	5%	33.1	29%		40.2	32.1	25%				32.4
Corporates	58.4	53.4	9%	64.9	-10%		55.8	66.4	-16%				64.6
Total	101.2	94.1	8%	98.0	3%		96.0	98.5	-3%				97.0

Q3 2024 COMPARED WITH Q2 2024

Operating profit went up by 3% to SEK 746m (726), chiefly due to higher income and lower costs. Expressed in local currency, operating profit increased by 5%. Return on allocated capital was 10.8% (10.9), and the C/I ratio improved to 43.5% (46.4).

Income grew by 3% to SEK 1,523m (1,473). Expressed in local currency, income growth was 5%.

Expenses decreased by 3% to SEK -669m (-691). In local currency terms, expenses decreased by 1%.

Net interest income grew by 4% to SEK 1,324m (1,274). Foreign exchange effects amounted to SEK -22m, and in local currency terms, net interest income rose by 6%. Higher business volumes contributed SEK 26m. The net effect of changes to margins and funding costs was an increase in net interest income amounting to SEK 20m. The day effect was SEK 11m. Other effects, including changes to government fees, made a contribution of SEK 15m.

Net fee and commission income was unchanged at SEK 175m (175). Expressed in local currency, net fee and commission income increased by 2%. Higher commission income from mutual funds, custody accounts and other asset management, and from insurance, was offset by lower net fee and commission income from payments.

Net gains/losses on financial transactions totalled SEK 18m (22).

Other income amounted to SEK 4m (3).

Staff costs rose by 9% to SEK -340m (-313). Expressed in local currency, staff costs rose by 11%. The increase was primarily because of lower salary costs during the comparison quarter, as holiday pay disbursements replace salary costs during the month of June according to local agreements. The average number of employees increased by 4% to 1,021 (980). The increase was due to the permanent employment of formerly external resources, the employment of temporary staff during the summer months, and additional recruitments in the branch operations. There were 1,022 (990) employees at the end of the quarter.

Other expense items fell by 13% to SEK -329m (-379). Expressed in local currency, other expense items went down by 10%. The decrease was mainly due to the continued lowering of IT development expenses, together with less use of external resources.

Credit losses were SEK -6m (44), and the credit loss ratio was 0.01% (-0.04).

The risk tax amounted to SEK -59m (-59), and the resolution fee amounted to SEK -44m (-43).

JANUARY – SEPTEMBER 2024 COMPARED WITH JANUARY – SEPTEMBER 2023

Operating profit increased by 1% to SEK 2,000m (1,986). Expressed in local currency, operating profit increased by 3%. Return on allocated capital was 9.6% (9.7). The C/I ratio was 47.1% (44.3).

Income grew by 10% to SEK 4,371m (3,976). Expressed in local currency, income growth was 13%.

Expenses increased by 17% to SEK -2,077m (-1,776). Expressed in local currency, expenses increased by 20%.

Net interest income increased by 11% to SEK 3,797m (3,407). Foreign exchange effects amounted to SEK -82m, and in local currency terms, net interest income rose by 15%. Changed business volumes made a contribution of SEK 16m. The net amount of changed margins and funding costs increased net interest income by SEK 450m. The day effect arising from the leap year contributed SEK 9m. Other effects, including changes to government fees, made a contribution of SEK -3m.

Net fee and commission income increased by 1% to SEK 506m (503). Expressed in local currency, net fee and commission income grew by 3%. Net commission income from the fund management, custody account management and other asset management business, including brokerage and advisory services, increased by 3% to SEK 273m (265). Net payment commissions fell by 11% to SEK 130m (146).

Net gains/losses on financial transactions totalled SEK 60m (61).

Net insurance result was SEK -1m (2) and Other income was SEK 8m (4).

Staff costs rose by 20% to SEK -976m (-812). In local currency terms, the increase was 23%. The increase was mainly due to annual salary adjustments and a 22% increase in the average number of employees to 989 (809). The increase in the average number of employees was primarily because of the hiring of additional staff in the digital business development area and within financial crime prevention.

Other expense items increased by 14% to SEK -1,102m (-963). In local currency terms, the increase was 18%. The increase was mainly due to the aforementioned ongoing investment in strengthening the digital offering and availability for new and existing private customers.

Credit losses consisted of net reversals of SEK 10m (70). The credit loss ratio was 0.00% (-0.02).

The risk tax amounted to SEK -176m (-173), and the resolution fee amounted to SEK -132m (-116).

BUSINESS DEVELOPMENT

The annual EPSI customer satisfaction survey of the Norwegian banking market once again showed that Handelsbanken's customers were significantly more satisfied than the sector average. Private customers gave the Bank an index score of 74.9, as compared with the sector average of 66.8. Corporate customers gave the Bank an index score of 70.0, as compared with the sector average of 66.1.

Q3 2024 compared with Q2 2024

The total average volume of lending increased by 1% to NOK 325.5bn (322.9). Household lending increased by 3% to NOK 135.4bn (131.5), and corporate lending decreased by 1% to NOK 190.1bn (191.4).

The total average volume of deposits increased by 8% to NOK 101.2bn (94.1). Household deposits increased by 5% to NOK 42.8bn (40.7), and corporate deposits increased by 9% to NOK 58.4bn (53.4).

Total assets under management increased to SEK 49bn (47) at the end of the quarter, of which the managed fund volume increased to SEK 47bn (45). The net flow to the Bank's mutual funds in Norway amounted to SEK 1.9bn (2.1). Of the net flow in the Norwegian mutual fund market during the first two months of Q3, approximately 4% was invested in Handelsbanken's funds. The Bank's share of the Norwegian mutual fund market as of 30 June was 2%.

January –September 2024 compared with January –September 2023

The total average volume of lending increased by 6% to NOK 321.9bn (304.5). Household lending increased by 15% to NOK 130.6bn (113.1), and corporate lending decreased marginally to NOK 191.3bn (191.5).

The total average volume of deposits decreased by 3% to NOK 96.0bn (98.5). Household deposits increased by 25% to NOK 40.2bn (32.1), and corporate deposits decreased by 16% to NOK 55.8bn (66.4).

Total assets under management increased to SEK 49bn (40) at the end of the period, of which the managed fund volume increased to SEK 47bn (39). The net flow to the Bank's mutual funds in Norway amounted to SEK 4.4bn (1.1).

Handelsbanken the Netherlands

INCOME STATEMENT

SEK m	Q3			Q3		Jan-Sep		Jan-Sep		Full year
	2024	2024	Change	2023	Change	2024	2023	Change	2023	
Net interest income	496	498	0%	501	-1%	1,474	1,441	2%	1,941	
Net fee and commission income	43	42	2%	41	5%	128	123	4%	198	
Net gains/losses on financial transactions	4	3	33%	5	-20%	13	12	8%	17	
Other income	1	0		0		2	0		1	
Total income	545	544	0%	548	-1%	1,618	1,577	3%	2,157	
Staff costs	-152	-159	-4%	-137	11%	-458	-401	14%	-537	
Other expenses	-31	-43	-28%	-35	-11%	-115	-102	13%	-136	
Internal purchased and sold services	-79	-81	-2%	-66	20%	-237	-192	23%	-277	
Depreciation, amortisation and impairments of property, equipment and intangible assets	-14	-15	-7%	-16	-13%	-43	-45	-4%	-59	
Total expenses	-276	-298	-7%	-253	9%	-853	-739	15%	-1,009	
Profit before credit losses, risk tax and resolution fee	267	247	8%	294	-9%	764	838	-9%	1,148	
Net credit losses	1	0		2	-50%	2	3	-33%	13	
Gains/losses on disposal of property, equipment and intangible assets				0						
Risk tax and resolution fee	-33	-33	0%	-28	18%	-99	-82	21%	-113	
Operating profit	235	214	10%	268	-12%	667	759	-12%	1,048	
Profit allocation	0	0	0%	0	0%	0	0	0%	0	
Operating profit after profit allocation	235	214	10%	268	-12%	667	759	-12%	1,048	
Internal income	-43	-18	139%	-20	115%	-102	-91	12%	-98	
Cost/income ratio, %	50.6	54.8		46.2		52.7	46.9		46.8	
Credit loss ratio, %	0.00	0.00		-0.01		0.00	0.00		-0.01	
Allocated capital	5,517	5,334	3%	5,052	9%	5,517	5,052	9%	5,177	
Return on allocated capital, %	13.5	12.8		16.8		12.8	16.6		16.9	
Average number of employees	430	426	1%	391	10%	424	384	10%	388	

INCOME STATEMENT IN LOCAL CURRENCY

EUR m	Q3			Q3		Jan-Sep		Jan-Sep		Full year
	2024	2024	Change	2023	Change	2024	2023	Change	2023	
Net interest income	43.4	43.3	0%	42.5	2%	129.2	125.5	3%	169.1	
Net fee and commission income	3.7	3.7	0%	3.5	6%	11.2	10.7	5%	17.2	
Net gains/losses on financial transactions	0.3	0.3	0%	0.4	-25%	1.1	1.0	10%	1.5	
Other income	0.1			0.0		0.2	0.0		0.1	
Total income	47.5	47.3	0%	46.6	2%	141.7	137.4	3%	187.9	
Staff costs	-13.4	-13.8	-3%	-11.6	16%	-40.2	-34.9	15%	-46.8	
Other expenses	-2.7	-3.7	-27%	-3.0	-10%	-10.1	-8.9	13%	-11.9	
Internal purchased and sold services	-6.9	-7.1	-3%	-5.5	25%	-20.8	-16.7	25%	-24.1	
Depreciation, amortisation and impairments of property, equipment and intangible assets	-1.3	-1.2	8%	-1.4	-7%	-3.8	-3.9	-3%	-5.1	
Total expenses	-24.2	-25.9	-7%	-21.5	13%	-74.8	-64.4	16%	-87.9	
Profit before credit losses, risk tax and resolution fee	23.4	21.4	9%	25.0	-6%	67.0	73.0	-8%	100.0	
Net credit losses	0.0	0.0	0%	0.2	-100%	0.1	0.3	-66%	1.1	
Gains/losses on disposal of property, equipment and intangible assets				0.0						
Risk tax and resolution fee	-2.9	-2.9	0%	-2.5	16%	-8.7	-7.2	21%	-9.8	
Operating profit	20.5	18.6	10%	22.8	-10%	58.4	66.1	-12%	91.3	
Profit allocation	0.0	0.0	0%	0.0	0%	0.0	0.0	200%	0.0	
Operating profit after profit allocation	20.5	18.6	10%	22.7	-10%	58.4	66.1	-12%	91.3	

BUSINESS VOLUMES

Average volumes, EUR m	Q3			Q3		Jan-Sep		Jan-Sep		Full year
	2024	2024	Change	2023	Change	2024	2023	Change	2023	
Loans to the public										
Household	4,900	4,883	0%	4,889	0%	4,883	4,895	0%	4,891	
Corporates	3,958	3,913	1%	3,803	4%	3,919	3,763	4%	3,773	
Total	8,858	8,797	1%	8,691	2%	8,802	8,659	2%	8,664	
Deposits and borrowing from the public										
Household	839	848	-1%	685	22%	833	664	25%	679	
Corporates	2,847	2,846	0%	2,827	1%	2,782	2,886	-4%	2,858	
Total	3,686	3,694	0%	3,512	5%	3,616	3,550	2%	3,537	

Q3 2024 COMPARED WITH Q2 2024

Operating profit increased by 10% to SEK 235m (214). Return on allocated capital was 13.5% (12.8), and the C/I ratio improved to 50.6% (54.8). Foreign exchange effects were marginal during the quarter.

Income increased marginally to SEK 545m (544).

Expenses decreased by 7% to SEK -276m (-298).

Net interest income was unchanged at SEK 496m (498).

Changed business volumes had a SEK 2m positive impact on net interest income. The net amount of changed margins and funding costs reduced net interest income by SEK -4m. The day effect was SEK 1m. Other effects, including changes to government fees, had an impact of SEK -1m.

Net fee and commission income increased by 2% to SEK 43m (42).

Staff costs fell by 4% to SEK -152m (-159). The average number of employees grew by 1% to 430 (426).

Other expense items fell by 11% to SEK -124m (-139).

Credit losses consisted of net reversals and amounted to SEK 1m (0). The credit loss ratio was 0.00% (0.00).

The risk tax amounted to SEK -18m (-19), and the resolution fee amounted to SEK -15m (-14).

JANUARY – SEPTEMBER 2024 COMPARED WITH JANUARY – SEPTEMBER 2023

Operating profit decreased by 12% to SEK 667m (759). Return on allocated capital was 12.8% (16.6), and the C/I ratio was 52.7% (46.9). Foreign exchange effects were marginal.

Income grew by 3% to SEK 1,618m (1,577).

Expenses rose by 15% to SEK -853m (-739).

Net interest income increased by 2% to SEK 1,474m (1,441). Changed business volumes made a contribution of SEK 34m. The net amount of changed margins and funding costs increased net interest income by SEK 4m. The day effect was SEK 2m. Other effects decreased net interest income by SEK -7m.

Net fee and commission income increased by 4% to SEK 128m (123). Net commission income from the fund management, custody account management and other asset management business, including brokerage and advisory services, increased by 8% to SEK 134m (124).

Staff costs rose by 14% to SEK -458m (-401). The higher figure was due to annual salary adjustments, as well as a 10% increase in the number of employees to 424 (384) – due mainly to further recruitments within financial crime prevention – and to the expansion of the business.

Other expense items rose by 17% to SEK -395m (-339). The increase was primarily attributable to increased IT development, business growth and general cost inflation in purchased services.

Credit losses consisted of net reversals of SEK 2m (3). The credit loss ratio was 0.00% (0.00).

The risk tax amounted to SEK -55m (-52), and the resolution fee amounted to SEK -44m (-30).

BUSINESS DEVELOPMENT

According to the annual EPSI survey of customer satisfaction in the banking industry, Handelsbanken – similar to previous years – had the most satisfied customers among all the Dutch banks in the survey. Private customers gave Handelsbanken an index score of 78.6, as compared with the sector average of 68.2. Corporate customers gave the Bank an index score of 78.4, as compared with the sector average of 66.2.

Q3 2024 compared with Q2 2024

The total average volume of lending increased by 1% to EUR 8.9bn (8.8). Household lending increased marginally and amounted to EUR 4.9bn (4.9), while corporate lending increased by 1% to EUR 4.0bn (3.9).

The total average volume of deposits decreased marginally to EUR 3.7bn (3.7). Household deposits decreased by 1% to EUR 0.8bn (0.8), and corporate deposits were unchanged at EUR 2.8bn (2.8).

Assets under management at Optimix totalled EUR 2.1bn (2.1) at the end of the period, including the company's own mutual funds. New savings in Optimix during the quarter totalled net EUR -12m (-22).

January – September 2024 compared with January – September 2023

The total average volume of lending increased by 2% to EUR 8.8bn (8.7). Household lending decreased marginally to EUR 4.9bn (4.9), and corporate lending increased by 4% to EUR 3.9bn (3.8).

The total average volume of deposits increased by 2% to EUR 3.6bn (3.6). Household deposits increased by 25% to EUR 0.8bn (0.7), and corporate deposits decreased by 4% to EUR 2.8bn (2.9).

Assets under management at Optimix, including the company's own mutual funds, increased to EUR 2.1bn (2.0) at the end of the period.

Handelsbanken Markets

INCOME STATEMENT

SEK m	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Net interest income	-9	-5	80%	-19	-53%	-25	-30	-17%	-50
Net fee and commission income	159	126	26%	150	6%	426	479	-11%	592
Net gains/losses on financial transactions	279	287	-3%	278	0%	893	846	6%	1,091
Other income	1	0				2	1	100%	1
Total income	430	409	5%	409	5%	1,296	1,296	0%	1,634
Staff costs	-240	-240	0%	-237	1%	-733	-706	4%	-954
Other expenses	-123	-151	-19%	-116	6%	-385	-332	16%	-461
Internal purchased and sold services	20	52	-62%	-2		71	8		17
Depreciation, amortisation and impairments of property, equipment and intangible assets	-38	-38	0%	-33	15%	-109	-98	11%	-131
Total expenses	-380	-378	1%	-387	-2%	-1,156	-1,127	3%	-1,530
Profit before credit losses, risk tax and resolution fee	49	32	53%	23	113%	140	169	-17%	104
Net credit losses	0					0			
Gains/losses on disposal of property, equipment and intangible assets	0					0			
Risk tax and resolution fee	-6	-2	200%	-5	20%	-19	-15	27%	-20
Operating profit	43	29	48%	17	153%	121	153	-21%	83
Profit allocation	-112	-97	15%	-98	14%	-305	-344	-11%	-421
Operating profit after profit allocation	-69	-67	3%	-81	-15%	-184	-191	-4%	-338
Internal income	-55	-78	-29%	59		50	353	-86%	667
Cost/income ratio, %	119.5	121.2		124.4		116.6	118.4		126.1
Allocated capital	1,575	1,673	-6%	1,574	0%	1,575	1,574	0%	1,686
Return on allocated capital, %	-13.9	-12.9		-16.4		-12.3	13.8		-17.6
Average number of employees	464	486	-5%	479	-3%	478	479	0%	479

A large proportion of the fee and commission income and net gains/losses on financial transactions related to Markets' products is recognised in the profit/loss of the respective home market segment.

Q3 2024 COMPARED WITH Q2 2024

Operating profit was SEK 43m (29). Income increased by 5% and expenses increased by 1%.

Net interest income totalled SEK -9m (-5).

Net fee and commission income increased by 26% to SEK 159m (126), chiefly due to business activity and advisory commissions within Corporate Finance and Debt Capital Markets.

Net gains/losses on financial transactions decreased by 3% to SEK 279m (287).

Staff costs were unchanged at SEK -240m (-240). A reduction in costs arising from a fall in employee numbers was offset by a lower capitalisation rate linked to IT development. The average number of employees fell by 5% to 464 (486). The number of employees at the end of the quarter was 458 (468).

Other expense items amounted to SEK -141m (-137).

The risk tax and resolution fee totalled SEK -6m (-2).

JANUARY – SEPTEMBER 2024 COMPARED WITH JANUARY – SEPTEMBER 2023

Operating profit decreased to SEK 121m (153). Income was unchanged at SEK 1,296m (1,296). Expenses rose by 3% to SEK -1,156m (-1,127).

Net interest income totalled SEK -25m (-30).

Net fee and commission income declined by 11% to SEK 426m (479).

Net gains/losses on financial transactions increased by 6% to SEK 893m (846).

Staff costs rose by 4% to SEK -733m (-706), as a result of annual salary adjustments. The average number of employees was 478 (479).

Other expense items amounted to SEK -423m (-422).

The risk tax and resolution fee totalled SEK -19m (-15).

Other units not reported in the business segments

Below is an account of income and expense items attributable to units not reported in the business segments, including the Group's IT department, provisions for Oktogonen and central business support units.

INCOME STATEMENT

SEK m	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Net interest income	-21	-37	-43%	-84	-75%	-91	22		-170
Net fee and commission income	66	86	-23%	97	-32%	238	290	-18%	385
Net gains/losses on financial transactions	102	-35		167	-39%	78	76	3%	37
Share of profit of associates and joint ventures	3	6	-50%	49	-94%	77	68	13%	51
Other income	39	20	95%	22	77%	77	73	5%	94
Total income	190	38	400%	249	-24%	379	528	-28%	397
Staff costs	-975	-1,187	-18%	-805	21%	-3,327	-2,594	28%	-3,519
Other expenses	-923	-1,052	-12%	-1,058	-13%	-3,177	-3,172	0%	-4,446
Internal purchased and sold services	1,734	1,893	-8%	1,682	3%	5,612	5,183	8%	7,120
Depreciation, amortisation and impairments of property, equipment and intangible assets	-138	-135	2%	-137	1%	-405	-384	5%	-457
Total expenses	-302	-481	-37%	-316	-4%	-1,297	-966	34%	-1,303
Profit before credit losses, risk tax and resolution fee	-112	-444	-75%	-67	67%	-918	-438	110%	-906
Net credit losses	6	-2		-14		6	-5		3
Gains/losses on disposal of property, equipment and intangible assets	0	0	0%			0			
Risk tax and resolution fee	-22	-22	0%	-43	-49%	-65	-136	-52%	-179
Operating profit	-129	-466	-72%	-124	4%	-977	-578	69%	-1,082
Profit allocation	-22	-9	144%	-23	-4%	-51	-64	-20%	-83
Operating profit after profit allocation	-149	-476	-69%	-147	1%	-1,027	-642	60%	-1,165
Internal income	313	375	-17%	-54		908	-74		-768
Average number of employees	2,706	2,762	-2%	2,606	4%	2,741	2,552	7%	2,587
Allocated capital Finland	6,168	6,143	0%	6,636	-7%	6,168	6,636	-7%	6,904

Q3 2024 COMPARED WITH Q2 2024

Operating profit was SEK -129m (-466).

Income increased to SEK 190m (38), mainly due to an improvement in net gains/losses on financial transactions, but also because the Bank received a VAT refund of SEK 42m in Denmark, relating to previous years.

Expenses decreased to SEK -302m (-481).

Staff costs fell by 18% to SEK -975m (-1,187).

Restructuring charges totalled SEK -24m (-302). The provision for Oktogonen for the period was SEK -28m (74). Adjusted for restructuring charges and Oktogonen, staff costs went down by 4%. The average number of employees fell by 2% to 2,706 (2,762), in spite of the permanent employment of formerly external resources. The number of employees at the end of the quarter was 2,728 (2,710).

Other expenses went down by 12% to SEK 923m (1,052), which was mainly attributable to the use of fewer external resources and lower IT costs.

JANUARY – SEPTEMBER 2024 COMPARED WITH JANUARY – SEPTEMBER 2023

Operating profit was SEK -977m (-578).

Income was SEK 379m (528).

Expenses rose to SEK -1,297m (-966).

Staff costs rose by 28% to SEK -3,327m (-2,594). Adjusted for Oktogonen and restructuring charges, staff costs increased by 18%. The rest of the increase was due to an increase in employee numbers, annual salary adjustments and higher expenses for the earning of pensions, which arose due to a lower discount rate at the start of the year compared to the previous year. The average number of employees grew by 7% to 2,741 (2,552), with the number of employees at the Bank's IT department totalling 2,015 (1,851).

Other expenses were unchanged at SEK -3,177m (-3,172).

Depreciation, amortisation and impairment of property, equipment and intangible assets amounted to SEK -405m (-384).

Key metrics – Group

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Return on equity, total operations	15.6%	15.2%	17.3%	14.8%	16.2%	15.9%
C/I ratio, Continuing operations	38.3%	41.5%	35.0%	40.7%	36.8%	37.2%
Earnings per share, SEK	3.64	3.43	4.02	10.41	11.04	14.70
<i>of which continuing operations</i>	3.55	3.33	3.83	10.11	10.57	14.09
<i>of which discontinued operations</i>	0.09	0.10	0.19	0.30	0.47	0.61
Ordinary dividend per share, SEK						6.50
Total dividend per share, SEK						13.00
Adjusted equity per share, SEK	101.42	98.47	103.03	101.42	103.03	103.48
Common equity tier 1 ratio, CRR	18.8%	18.9%	19.4%	18.8%	19.4%	18.8%
Total capital ratio, CRR	22.3%	22.5%	24.5%	22.3%	24.5%	23.9%
Average number of employees	12,339	12,295	11,889	12,278	11,586	11,683

THE HANDELSBANKEN SHARE

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Number of converted shares						
Number of repurchased shares						
Holding of own shares in trading book, end of period						
Number of outstanding shares after repurchases and deduction for trading book, end of period	1,980,028,494	1,980,028,494	1,980,028,494	1,980,028,494	1,980,028,494	1,980,028,494
Number of outstanding shares after dilution, end of period	1,980,028,494	1,980,028,494	1,980,028,494	1,980,028,494	1,980,028,494	1,980,028,494
Average number of shares converted during the period						
Average holdings of own shares (repurchased and holdings in trading book)						
Average number of outstanding shares	1,980,028,494	1,980,028,494	1,980,028,494	1,980,028,494	1,980,028,494	1,980,028,494
- after dilution	1,980,028,494	1,980,028,494	1,980,028,494	1,980,028,494	1,980,028,494	1,980,028,494
Share price SHB class A, end of period, SEK	104.25	100.95	97.56	104.25	97.56	109.45
Share price SHB class B, end of period, SEK	133.40	122.40	115.40	133.40	115.40	130.20
Market capitalisation, end of period, SEK bn	207	201	194	207	194	217

Condensed set of financial statements – Group

INCOME STATEMENT - GROUP

SEK m		Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Interest income		42,746	44,180	-3%	42,885	0%	130,919	114,140	15%	159,805
<i>of which interest income according to the effective interest method and interest on derivatives in hedge accounting</i>		38,016	38,959	-2%	36,467	4%	114,993	95,784	20%	133,602
Interest expenses		-30,983	-32,434	-4%	-30,701	1%	-95,823	-78,784	22%	-112,227
Net interest income	Note 2	11,763	11,746	0%	12,184	-3%	35,096	35,356	-1%	47,578
Fee and commission income		3,352	3,307	1%	3,169	6%	9,777	9,414	4%	12,559
Fee and commission expenses		-384	-369	4%	-357	8%	-1,117	-1,075	4%	-1,421
Net fee and commission income	Note 3	2,966	2,939	1%	2,812	5%	8,659	8,339	4%	11,139
Net gains/losses on financial transactions	Note 4	626	580	8%	1,087	-42%	1,956	2,082	-6%	2,661
Insurance result		21	41	-49%	48	-56%	89	133	-33%	157
Return on assets held on behalf of policyholders		108	97	11%	31	248%	303	153	98%	336
Net insurance result	Note 5	129	138	-7%	79	63%	392	286	37%	493
Other dividend income		1	0				3	2	50%	3
Share of profit of associates and joint ventures		3	6	-50%	49	-94%	77	68	13%	51
Other income		55	49	12%	32	72%	136	261	-48%	325
Total income		15,545	15,457	1%	16,244	-4%	46,320	46,395	0%	62,249
Staff costs		-3,825	-3,990	-4%	-3,382	13%	-11,750	-10,111	16%	-13,642
Other expenses	Note 6	-1,632	-1,926	-15%	-1,839	-11%	-5,614	-5,644	-1%	-7,796
Depreciation, amortisation and impairment of property, equipment and intangible assets		-498	-504	-1%	-466	7%	-1,481	-1,341	10%	-1,743
Total expenses		-5,956	-6,420	-7%	-5,686	5%	-18,846	-17,096	10%	-23,182
Profit before credit losses, risk tax and resolution fee		9,589	9,037	6%	10,558	-9%	27,474	29,299	-6%	39,067
Net credit losses	Note 7	141	133	6%	-1		369	-89		-141
Gains/losses on disposal of property, equipment and intangible assets		2	4	-50%	3	-33%	10	14	-29%	20
Risk tax and resolution fee		-671	-663	1%	-653	3%	-2,014	-1,960	3%	-2,624
Operating profit		9,061	8,511	6%	9,908	-9%	25,839	27,265	-5%	36,322
Taxes		-2,024	-1,921	5%	-2,324	-13%	-5,819	-6,324	-8%	-8,417
Profit for the period from continuing operations		7,037	6,590	7%	7,583	-7%	20,020	20,940	-4%	27,905
Profit for the period from discontinued operations after tax	Note 10	173	204	-15%	368	-53%	588	929	-37%	1,209
Profit for the period from discontinued operations after tax		7,210	6,794	6%	7,952	-9%	20,608	21,870	-6%	29,114
Attributable to										
Shareholders in Svenska Handelsbanken AB		7,210	6,793	6%	7,950	-9%	20,606	21,867	-6%	29,107
Non-controlling interest		0	1	-100%	1	-100%	2	2	0%	8

EARNINGS PER SHARE – GROUP

	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Profit for the year, attributable to shareholders in Svenska Handelsbanken AB	7,210	6,793	6%	7,950	-9%	20,606	21,867	-6%	29,107
Average number of outstanding shares, millions	1,980.0	1,980.0		1,980.0		1,980.0	1,980.0		1,980.0
Average number of outstanding shares after dilution, millions	1,980.0	1,980.0		1,980.0		1,980.0	1,980.0		1,980.0
Earnings per share, SEK	3.64	3.43	6%	4.02	-9%	10.41	11.04	-6%	14.70
Earnings per share, continuing operations, SEK	3.55	3.33	7%	3.83	-7%	10.11	10.57	-4%	14.09
Earnings per share, discontinued operations, SEK	0.09	0.10	-10%	0.19	-53%	0.30	0.47	-36%	0.61

STATEMENT OF COMPREHENSIVE INCOME – GROUP

SEK m	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Profit for the period	7,210	6,794	6%	7,952	-9%	20,608	21,870	-6%	29,114
Items that will not be reclassified to the income statement									
Defined benefit pension plans	-973	-1,528	-36%	1,126		-734	1,861		-2,226
Instruments measured at fair value through other comprehensive income - equity instruments	66	-12		-9		104	57	82%	63
Tax on items that will not be reclassified to income statement	191	319	-40%	-229		170	-393		439
<i>of which defined benefit pension plans</i>	204	314	-35%	-230		189	-384		450
<i>of which equity instruments measured at fair value through other comprehensive income</i>	-13	5		1		-19	-9	111%	-11
Total items that will not be reclassified to the income statement	-717	-1,221	-41%	889		-461	1,526		-1,724
Items that may subsequently be reclassified to the income statement									
Cash flow hedges	233	-38		-675		86	57	51%	614
Instruments measured at fair value through other comprehensive income - debt instruments		12		18		24	16	50%	25
Insurance contracts	-171	-128	34%	120		-105	104		-396
Translation differences for the period	-660	-207	219%	-1,250	-47%	1,207	1,726	-30%	-1,078
<i>of which hedging net investment in foreign operations</i>	-56	52		220		-391	-151	159%	31
Tax on items that may subsequently be reclassified to the income statement	139	11		97	43%	125	6		113
<i>of which cash flow hedges</i>	-48	8		139		-18	-12	50%	-127
<i>of which debt instruments measured at fair value through other comprehensive income</i>	1	-2		-3		-4	-3	33%	-5
<i>of which hedging net investment in foreign operations</i>	12	-11		-45		81	31	161%	-6
<i>of which translation difference</i>	174	16		7		66	-10		251
Total items that may subsequently be reclassified to the income statement	-460	-350	31%	-1,689	-73%	1,336	1,910	-30%	-722
Total other comprehensive income for the period	-1,176	-1,571	-25%	-801	47%	876	3,433	-74%	-2,447
Total comprehensive income for the period	6,034	5,223	16%	7,151	-16%	21,484	25,303	-15%	26,667
Attributable to									
Shareholders in Svenska Handelsbanken AB	6,033	5,230	15%	7,151	-16%	21,489	25,303	-15%	26,662
Non-controlling interest	1	-7		0		-5	-1	400%	5

For the period January – September 2024, other comprehensive income totalled SEK 876m (3,433) after tax. Defined benefit pension plans were negatively affected during the period in the amount of SEK -545m (1,477) after tax, deriving from increased pension obligations. This was a consequence of the discount rate for Swedish pension obligations amounting to 3.1% at the end of the period, compared with 3.5% at year-end. At the same time, the value of plan assets has increased, reducing the negative impact somewhat.

The translation of the foreign operations had a positive effect of SEK 1,354m after tax (1,747), which is a result of the depreciation of the Swedish krona since year-end versus the majority of the currencies in the countries where the Group operates.

QUARTERLY PERFORMANCE – GROUP

SEK m	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Net interest income	11,763	11,746	11,587	12,222	12,184
Net fee and commission income	2,966	2,939	2,754	2,800	2,812
Net gains/losses on financial transactions	626	580	750	579	1,087
Net insurance result	129	138	125	207	79
Other dividend income	1	0	2	1	
Share of profit of associates and joint ventures	3	6	68	-17	49
Other income	55	49	32	64	32
Total income	15,545	15,457	15,318	15,854	16,244
Staff costs	-3,825	-3,990	-3,935	-3,531	-3,382
Other expenses	-1,632	-1,926	-2,056	-2,152	-1,839
Depreciation, amortisation and impairment of property, equipment and intangible assets	-498	-504	-479	-402	-466
Total expenses	-5,956	-6,420	-6,470	-6,086	-5,686
Profit before credit losses, risk tax and resolution fee	9,589	9,037	8,848	9,768	10,558
Net credit losses	141	133	95	-52	-1
Gains/losses on disposal of property, equipment and intangible assets	2	4	4	6	3
Risk tax and resolution fee	-671	-663	-680	-664	-653
Operating profit	9,061	8,511	8,267	9,057	9,908
Taxes	-2,024	-1,921	-1,874	-2,093	-2,324
Profit for the period from continuing operations	7,037	6,590	6,393	6,965	7,583
Profit for the period from discontinued operations after tax	173	204	211	280	368
Profit for the period	7,210	6,794	6,604	7,244	7,952
Earnings per share, SEK	3.64	3.43	3.33	3.66	4.02

BALANCE SHEET – GROUP

SEK m		30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Assets						
Cash and balances with central banks		600,840	581,551	561,864	476,171	482,302
Other loans to central banks	Note 8	6,598	3,519	22,212	6,282	6,379
Interest-bearing securities eligible as collateral with central banks		235,053	206,318	230,519	199,128	231,839
Loans to other credit institutions	Note 8	32,240	26,351	27,342	19,294	28,796
Loans to the public	Note 8	2,293,211	2,301,960	2,297,097	2,291,808	2,330,086
Value change of interest-hedged item in portfolio hedge		-6,573	-9,007	-9,690	-9,657	-14,837
Bonds and other interest-bearing securities		57,691	57,560	54,358	50,087	61,484
Shares		31,518	32,084	33,223	12,216	24,980
Investments in associates and joint ventures		847	754	725	657	642
Assets where the customer bears the value change risk		287,359	279,367	269,726	244,893	232,741
Derivative instruments	Note 11,12	32,123	30,992	39,451	30,110	45,612
Intangible assets	Note 13	8,476	8,589	8,603	8,567	8,530
Property and equipment		4,791	4,908	4,971	4,777	4,762
Current tax assets		2,456	2,127	1,014	203	1,213
Deferred tax assets		368	399	325	358	1,518
Net pension assets		12,343	12,830	13,906	11,699	16,080
Assets held for sale	Note 10	142,178	162,549	174,370	178,590	190,761
Other assets		11,633	21,408	22,571	10,276	23,915
Prepaid expenses and accrued income		2,893	3,300	3,699	2,331	2,527
Total assets	Note 17	3,756,046	3,727,558	3,756,288	3,537,792	3,679,330
Liabilities and equity						
Due to credit institutions	Note 14	136,554	107,793	98,824	90,143	135,502
Deposits and borrowing from the public	Note 14	1,384,921	1,416,323	1,422,065	1,298,480	1,369,077
Liabilities where the customer bears the value change risk		287,576	279,606	269,929	245,100	232,916
Issued securities	Note 15	1,601,892	1,580,571	1,611,848	1,523,481	1,556,596
Derivative instruments	Note 11,12	22,975	16,060	18,353	34,238	20,533
Short positions		15,692	15,456	15,013	2,364	12,558
Insurance liabilities		8,116	8,056	8,055	8,407	8,040
Current tax liabilities		1,734	1,207	1,025	1,211	1,872
Deferred tax liabilities		3,917	4,028	4,186	3,969	6,342
Provisions		439	487	543	601	541
Liabilities held for sale	Note 10	38,834	51,908	62,571	63,721	66,267
Other liabilities		18,870	17,456	20,198	14,882	18,283
Accrued expenses and deferred income		3,305	3,561	3,962	2,990	3,459
Subordinated liabilities		30,150	30,010	30,146	43,117	43,598
Total liabilities	Note 17	3,554,976	3,532,522	3,566,717	3,332,706	3,475,583
Non-controlling interest		3	2	9	8	3
Share capital		3,069	3,069	3,069	3,069	3,069
Share premium		8,758	8,758	8,758	8,758	8,758
Reserves		17,122	18,299	19,862	16,239	22,119
Retained earnings		151,512	151,512	151,270	147,905	147,931
Profit for the period, attributable to shareholders in Svenska Handelsbanken AB		20,606	13,396	6,603	29,107	21,867
Total equity		201,070	195,035	189,571	205,085	203,747
Total liabilities and equity		3,756,046	3,727,558	3,756,288	3,537,792	3,679,330

STATEMENT OF CHANGES IN EQUITY – GROUP

January - September 2024 SEK m	Share capital	Share premium	Defined benefit plans	Hedge reserve	Fair value reserve	Insurance contracts	Trans- lation reserve	Retained earnings incl profit for the year	Non- controlling interest	Total
Opening equity 2024	3,069	8,758	11,963	181	197	396	3,502	177,011	8	205,085
Profit for the period								20,606	2	20,608
Other comprehensive income			-545	68	104	-105	1,361		-7	876
<i>of which reclassified within equity</i>							-241			-241
Total comprehensive income for the period			-545	68	104	-105	1,361	20,606	-5	21,484
Reclassified to retained earnings								235		235
Dividend								-25,740		-25,740
Share-based payments to employees of Handelsbanken Plc *								54		
Repurchase own shares *								-54		
Closing equity	3,069	8,758	11,418	249	301	292	4,863	172,118	3	201,070

January – December 2023 SEK m	Share capital	Share premium	Defined benefit plans	Hedge reserve	Fair value reserve	Insurance contracts	Trans- lation reserve	Retained earnings incl profit for the year	Non- controlling interest	Total
Opening equity 2023	3,069	8,758	13,739	-307	126	793	4,332	163,510	3	194,024
Profit for the period								29,107	8	29,114
Other comprehensive income			-1,776	488	71	-396	-831		-3	-2,447
<i>of which reclassified within equity</i>			49				-284			-235
Total comprehensive income for the period			-1,776	488	71	-396	-831	29,107	5	26,667
Reclassified to retained earnings								235		235
Dividend								-15,840		-15,840
Share-based payments to employees of Handelsbanken Plc*								79		79
Repurchase own shares*								-79		-79
Closing equity	3,069	8,758	11,963	181	197	396	3,502	177,011	8	205,085

January - September 2023 SEK m	Share capital	Share premium	Defined benefit plans	Hedge reserve	Fair value reserve	Insurance contracts	Trans- lation reserve	Retained earnings incl profit for the year	Non- controlling interest	Total
Opening equity 2023	3,069	8,758	13,740	-307	126	793	4,332	163,510	3	194,024
Profit for the period								21,867	2	21,870
Other comprehensive income			1,477	46	61	104	1,747		-3	3,433
<i>of which reclassified within equity</i>			49				-310			49
Total comprehensive income for the period			1,477	46	61	104	1,747	21,867	-1	25,302
Reclassified to retained earnings								261		261
Dividend								-15,840		-15,840
Closing equity	3,069	8,758	15,216	-262	188	897	6,080	169,798	3	203,747

*Starting from the earnings year 2020 all employees in Handelsbanken plc are part of a share incentive plan ("SIP").

CONDENSED STATEMENT OF CASH FLOWS – GROUP

SEK m	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Operating profit	25,839	27,265	36,322
Profit from discontinued operations, before tax	735	1,072	1,394
Adjustment from Operating profit to investment activities	563		
Adjustment for non-cash items in profit/loss and result from discontinued operations	55	858	907
Paid income tax	-7,788	-5,346	-7,681
Changes in the assets and liabilities of operating activities	139,509	-18,892	-7,816
Cash flow from operating activities	158,914	4,956	23,125
Disposal of operations and subsidiaries	98		
Change in shares	-107	-53	-53
Change in property and equipment	-387	-362	-506
Change in intangible assets	-532	-664	-957
Cash flow from investing activities	-929	-1,080	-1,517
Repayment of subordinated loans	-13,371	-8,351	-8,351
Issued subordinated loans		8,635	8,635
Dividend paid	-25,740	-15,840	-15,840
Cash flow from financing activities	-39,111	-15,556	-15,556
Cash and cash equivalents at beginning of the period*	476,181	475,882	475,882
Cash flow for the period	118,874	-11,680	6,052
Exchange rate difference on cash and cash equivalents	5,792	18,111	-5,753
Cash and cash equivalents at end of the period*	600,847	482,313	476,181

* Cash and cash equivalents are defined as Cash and balances with central banks.

The statement of cash flows in the above table includes the discontinued operations in Finland (see Note 10).

Notes

NOTE 1 ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The consolidated accounts have been prepared in accordance with international financial reporting standards (IFRS) and interpretations of these standards as adopted by the EU.

The accounting policies also follow the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), and the regulations and general guidelines issued by the Swedish Financial Supervisory Authority, FFFS 2008:25 Annual reports in credit institutions and securities companies. RFR 1 Supplementary Accounting Rules for Groups, and statements from the Swedish Financial Reporting Board, are also applied in the consolidated accounts.

The interim report for the parent company has been prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies, and the regulations and general guidelines issued by the Swedish Financial Supervisory Authority, FFFS 2008:25 Annual reports in credit institutions and securities companies. The parent company also applies the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for legal entities and statements.

Changed accounting policies

The changes in accounting regulations applicable from 1 January 2024 have not had any impact on Handelsbanken's financial reports, capital adequacy, large exposures or other circumstances according to the applicable regulatory requirements.

The interim report of the Group and the parent company has been prepared in accordance with the same accounting policies and calculation methods that were applied in the Annual and Sustainability Report for 2023.

Future regulatory changes

IFRS 18 Presentation and Disclosure in Financial Statements

The IASB published the new IFRS 18 — Presentation and Disclosure in Financial Statements standard on 9 April 2024, which supersedes IAS 1 Presentation of Financial Statements. Assuming that IFRS 18 is adopted by the EU, and the date of implementation proposed by the IASB is not changed, this standard is to be applied as of the 2027 financial year. IFRS 18 sets out new requirements for the presentation and disclosure of information in financial statements, with a particular focus on the income statement and enhanced transparency surrounding management-defined performance measures.

The standard is not expected to entail any financial effects for Handelsbanken, as IFRS 18 focuses on presentation and disclosure in financial statements. The Bank has commenced work on analysing the effects of the new standard.

Other changes in IFRS

None of the other forthcoming changes in the accounting regulations issued for application are assessed to have a material impact on Handelsbanken's financial reports, capital adequacy, large exposures or other circumstances according to the applicable regulatory requirements.

Note 2 Net interest income

SEK m	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Interest income									
Loans to credit institutions and central banks	8,847	9,022	-2%	8,106	9%	26,327	20,871	26%	29,262
Loans to the public	26,301	26,717	-2%	24,682	7%	79,300	65,736	21%	91,518
Interest-bearing securities eligible as collateral with central banks	2,095	2,212	-5%	2,376	-12%	6,740	5,791	16%	8,110
Bonds and other interest-bearing securities	599	601	0%	596	1%	1,809	1,455	24%	2,076
Derivative instruments	5,330	6,218	-14%	7,972	-33%	18,560	22,634	-18%	32,227
Other interest income	84	80	5%	210	-60%	262	646	-59%	853
Total	43,256	44,853	-4%	43,941	-2%	132,999	117,132	14%	164,046
Deduction of interest income reported in Net gains/losses on financial transactions	-510	-672	-24%	-1,057	-52%	-2,080	-2,993	-31%	-4,242
Total interest income	42,746	44,180	-3%	42,885	0%	130,919	114,140	15%	159,805
<i>of which interest income according to the effective interest method and interest on derivatives in hedge accounting</i>	38,016	38,959	-2%	36,467	4%	114,993	95,784	20%	133,602
Interest expense									
Due to credit institutions and central banks	-874	-601	45%	-1,033	-15%	-2,247	-2,897	-22%	-3,768
Deposits and borrowing from the public	-10,750	-11,487	-6%	-9,982	8%	-33,194	-24,778	34%	-35,195
Issued securities	-13,477	-13,553	-1%	-12,741	6%	-40,633	-33,432	22%	-45,983
Derivative instruments	-6,175	-7,186	-14%	-7,301	-15%	-20,915	-18,362	14%	-28,562
Subordinated liabilities	-353	-351	1%	-438	-19%	-1,179	-1,206	-2%	-1,615
Deposit guarantee fee	-61	-61	0%	-86	-29%	-183	-257	-29%	-246
Other interest expenses	-148	-154	-4%	-137	8%	-419	-369	14%	-513
Total	-31,839	-33,393	-5%	-31,717	0%	-98,771	-81,301	21%	-115,881
Deduction of interest expense reported in Net gains/losses on financial transactions	855	959	-11%	1,016	-16%	2,948	2,517	17%	3,654
Total interest expense	-30,983	-32,434	-4%	-30,701	1%	-95,823	-78,784	22%	-112,227
<i>of which interest expense according to the effective interest method and interest on derivatives in hedge accounting</i>	-29,041	-30,182	-4%	-28,113	3%	-89,108	-71,427	25%	-100,238
Net interest income	11,763	11,746	0%	12,184	-3%	35,096	35,356	-1%	47,578

Included on the Derivative instruments rows is net interest income which relates to assets and liabilities that are hedged. These can have either a positive or a negative impact on interest income and interest expenses.

Note 3 Net fee and commission income

SEK m	Q3			Q2			Q3			Full year 2023
	2024	2024	Change	2023	2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	
Brokerage and other securities commissions	104	116	-10%	84	24%		326	318	3%	420
Mutual funds	1,533	1,505	2%	1,403	9%		4,438	4,141	7%	5,534
Custody and other asset management fees	290	293	-1%	255	14%		845	740	14%	997
Advisory services	45	36	25%	63	-29%		136	200	-32%	236
Insurance	201	188	7%	170	18%		568	504	13%	673
Payments	736	722	2%	718	3%		2,132	2,096	2%	2,811
Loans and deposits	250	253	-1%	296	-16%		768	875	-12%	1,156
Guarantees	48	44	9%	48	0%		140	144	-3%	196
Other	143	151	-5%	131	9%		423	395	7%	536
Total fee and commission income	3,352	3,307	1%	3,169	6%		9,777	9,414	4%	12,559
Securities	-77	-71	8%	-69	12%		-224	-177	27%	-243
Payments	-277	-267	4%	-258	7%		-805	-805	0%	-1,053
Other	-30	-31	-3%	-30	0%		-88	-93	-5%	-124
Total fee and commission expenses	-384	-369	4%	-357	8%		-1,117	-1,075	4%	-1,421
Net fee and commission income	2,966	2,939	1%	2,812	5%		8,659	8,339	4%	11,139

Net fee and commission income per business segment

SEK m	January - September 2024								Total Jan-Sep 2024
	Home markets					Other Adj. & elim.			
	Sweden	UK	Norway	The Nether- lands	Markets				
Brokerage and other securities commissions	121	5	11	12	182	9	-14		326
Mutual funds	3,870	256	169	46		144	-47		4,438
Custody and other asset management fees	629	29	93	76	0	19	-1		845
Advisory services		38	0		108	-8	-2		136
Insurance	560	1	8			1	-2		568
Payments	1,675	249	207	1	0	0			2,132
Loans and deposits	478	116	90	7	19	77	-19		768
Guarantees	72	11	27	1		30	-1		140
Other	406	3	4	1	214	2	-207		423
Total fee and commission income	7,810	707	607	143	523	274	-287		9,777
Total fee and commission expenses	-1,102	-54	-101	-14	-97	-36	287		-1,117
Net fee and commission income	6,708	653	506	128	426	238	0		8,659
<i>of which Net card commissions</i>	<i>641</i>	<i>52</i>	<i>54</i>	<i></i>	<i>0</i>	<i>-11</i>	<i></i>		<i>735</i>

SEK m	January - September 2023								Total Jan-Sep 2023
	Home markets					Other Adj. & elim.			
	Sweden	UK	Norway	The Nether- lands	Markets				
Brokerage and other securities commissions	115	4	9	9	185	11	-15		318
Mutual funds	3,570	256	173	45		146	-49		4,141
Custody and other asset management fees	537	31	83	70		20	-1		740
Advisory services	0	38	0		160	3	-1		200
Insurance	502	0	2			1	-1		504
Payments	1,643	245	203	1		3			2,096
Loans and deposits	552	108	83	6	1	126	-1		875
Guarantees	71	10	32	1		31	-1		144
Other	382	4	4	0	231	1	-227		395
Total fee and commission income	7,372	695	590	133	577	342	-295		9,414
Total fee and commission expenses	-1,063	-60	-88	-9	-98	-52	295		-1,075
Net fee and commission income	6,309	635	503	123	479	290	0		8,339
<i>of which Net card commissions</i>	<i>662</i>	<i>48</i>	<i>72</i>	<i>0</i>	<i>0</i>	<i>-10</i>	<i></i>		<i>772</i>

The comparative figures have been recalculated due to the reorganisation, see page 9.

Note 4 Net gains/losses on financial transactions

SEK m	Q3			Q2			Q3			Jan-Sep			Full year
	2024	2024	Change	2023	2023	Change	2024	2023	Change	2024	2023	Change	
Amortised cost	127	135	-6%	251	-49%		497	454	9%				668
<i>of which loans</i>	50	19	163%	47	6%		103	32	222%				95
<i>of which interest-bearing securities</i>				0				0					0
<i>of which issued securities</i>	78	116	-33%	204	-62%		394	422	-7%				573
Fair value through other comprehensive income	0	0	0%	0			0	-1					-1
<i>of which interest-bearing securities - expected credit losses</i>	0	0	0%	0			0	0	150%				0
<i>of which interest-bearing securities - reclassification from other comprehensive income</i>				0	-100%		0	-1					-1
Fair value through profit or loss, fair value option	773	172	349%	-100			422	-585					670
<i>of which interest-bearing securities</i>	773	172	349%	-100			422	-585					670
Fair value through profit or loss, mandatory including FX effects	-146	386		595			1,433	2,207	-35%				1,494
<i>of which assets held on behalf of policyholders</i>	108	97	11%	31	248%		303	153	98%				336
Hedge accounting	-20	-16	-25%	372			-93	160					166
<i>of which net gains/losses on fair value hedges</i>	-29	-17	-71%	202			-102	95					82
<i>of which cash flow hedge ineffectiveness</i>	9	1		170	-95%		9	65	-86%				83
Total	734	677	8%	1,118	-34%		2,259	2,236	1%				2,997
Deduction of return on assets held on behalf of policyholders	-108	-97	-11%	-31	-248%		-303	-153	-98%				-336
Net gains/losses on financial transactions	626	580	8%	1,087	-42%		1,956	2,082	-6%				2,661

Note 5 Net insurance result

SEK m	Q3			Q2			Q3			Jan-Sep			Full year
	2024	2024	Change	2023	2023	Change	2024	2023	Change	2024	2023	Change	
Insurance revenue	285	290	-2%	290	-2%		897	883	2%				1,169
Insurance service expenses	-244	-229	7%	-233	5%		-757	-728	4%				-958
Insurance service result	41	61	-33%	57	-28%		140	155	-10%				211
Result from reinsurance contracts held													-10
Financial income and expenses from insurance contracts	-22	-18	22%	-9	144%		-52	-22	136%				-44
Insurance result	21	41	-49%	48	-56%		89	133	-33%				157
Return on assets held on behalf of policyholders	108	97	11%	31	248%		303	153	98%				336
Net insurance result	129	138	-7%	79	63%		392	286	37%				493

Note 6 Other expenses

mkr	Q3			Q2			Q3			Jan-Sep			Full year
	2024	2024	Change	2023	2023	Change	2024	2023	Change	2024	2023	Change	
Property and premises	-161	-181	-11%	-159	1%		-525	-504	4%				-686
IT related expenses	-727	-886	-18%	-771	-6%		-2,543	-2,407	6%				-3,379
Communication	-64	-61	5%	-70	-9%		-196	-215	-9%				-284
Travel and marketing	-51	-80	-36%	-63	-19%		-191	-207	-8%				-299
Purchased services	-451	-532	-15%	-547	-18%		-1,583	-1,755	-10%				-2,355
Supplies	-32	-39	-18%	-44	-27%		-113	-142	-20%				-188
Other expenses	-147	-147	0%	-185	-21%		-464	-414	12%				-605
Other expenses	-1,632	-1,926	-15%	-1,839	-11%		-5,614	-5,644	-1%				-7,796

Note 7 Credit losses

SEK m	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Expected credit losses on balance sheet items									
The period's provision Stage 3	-76	-56	36%	-88	-14%	-266	-239	11%	-328
Reversal of Stage 3 provisions previous years	29	27	7%	81	-64%	108	191	-43%	209
Total expected credit losses Stage 3	-47	-29	62%	-7		-158	-48	229%	-119
The period's net provision Stage 2	104	87	20%	17		284	-154		-112
The period's net provision Stage 1	51	59	-14%	-14		161	22		39
Total expected credit losses in Stage 1 and Stage 2	156	145	8%	3		445	-132		-72
Total expected credit losses on balance sheet items	108	117	-8%	-4		287	-180		-192
Expected credit losses on off-balance sheet items									
The period's net provision Stage 3	2	-2		3	-33%	0	10	-100%	8
The period's net provision Stage 2	29	-3		8	263%	59	-14		-39
The period's net provision Stage 1	1	17	-94%	6	-83%	36	21	71%	8
Total expected credit losses on off-balance sheet items	31	12	158%	16	94%	94	16	488%	-23
Write-offs									
Actual credit losses for the period	-46	-89	-48%	-77	-40%	-183	-193	-5%	-260
Utilised share of previous provision Stage 3	28	61	-54%	38	-26%	127	142	-11%	185
Total write-offs	-19	-27	-30%	-39	-51%	-57	-51	12%	-75
Recoveries	21	31	-32%	25	-16%	45	126	-64%	149
Net credit losses	141	133	6%	-1		369	-89		-141
<i>of which loans to the public</i>	<i>108</i>	<i>120</i>	<i>-10%</i>	<i>-17</i>		<i>273</i>	<i>-105</i>		<i>-120</i>

SEK m	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
1) Expected credit losses Stage 3 on and off balance sheet	-45	-31	-82	-73	-4
Change in model-based provision Stage 1 and Stage 2:					
Update of macroeconomic scenarios and risk factors	61	59	65	37	-2
Transfer of exposures in exposed sectors from Stage 1 to Stage 2*	1	0	-3	5	0
Change in probability of default in portfolio at beginning of quarter (net rating changes)	-26	-88	-49	-137	-77
Effects of changes in exposures (existing, new and terminated exposures)	33	39	24	44	10
Other in Stage 1 and Stage 2	29	72	85	84	69
<i>Deducted, discontinued operations</i>	<i>12</i>	<i>2</i>	<i>-3</i>	<i>-11</i>	<i>3</i>
Model-based credit losses in Stage 1 and Stage 2	110	84	119	22	3
Expert based provision					
Expert based provision	-386	-463	-540	-617	-617
<i>Deducted, discontinued operations</i>	<i>8</i>	<i>9</i>	<i>11</i>	<i>13</i>	<i>13</i>
Expert based provision in continuing operations	-378	-454	-529	-604	-604
Quarterly change of provisions which affect credit losses in Stage 1 and Stage 2	76	75	75	0	14
2) Expected credit losses in Stage 1 and Stage 2 on and off balance sheet	186	159	195	22	17
3) Write-offs	-19	-27	-11	-24	-39
4) Recoveries	21	31	-7	23	25
Net credit losses (1+2+3+4)	141	133	95	-52	-1

* Expert-based assessment of significant increase in credit risk

The total provision requirement in Stage 1 and Stage 2 has decreased slightly during the third quarter. The provision consists of a model-based provision which is affected by aspects including macroeconomic risk factors and customer migration, together with an expert-based provision. The selection of macroeconomic risk factors upon which the model is based is unchanged since the previous quarter. Updated assumptions for macroeconomic risk factors have led to an overall SEK 61m decrease in the provision requirement during the quarter. Negative rating migration in the customer portfolio increased the provision requirement by SEK 26m. Changes in the size of the exposures decreased the provision requirement by SEK 33m. The Other line item in Stage 1 and Stage 2 reduced the provision requirement due to the impact of factors such as maturity and collateral effects.

During Q3, the Bank applied an expert-based provision based on elevated credit risks relating to uncertainty factors which were not deemed to be fully considered in the Bank's risk models. These uncertainty factors are primarily linked to macroeconomic conditions and potentially substantial changes in demand. Given the challenges, at the end of the quarter, in assessing how the uncertainty factors noted above affect the credit risk at individual company level, the Bank has therefore applied an expert-based stress in sectors at risk of extra sensitivity. This stress has been applied in addition to the model-based calculations, and results in an additional provision requirement of SEK 378m (454 during the previous quarter) in continuing operations and SEK 386m (463) including discontinued operations.

The impairment testing process for agreements in Stage 3 has not been changed, and the customary procedure with individual assessment has continued.

Loans to the public – Key metrics

%	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Credit loss ratio, continuing operations YTD	-0.02	-0.01	-0.01	0.01	0.01
Total credit loss reserve ratio	0.08	0.09	0.09	0.10	0.10
Credit loss reserve ratio Stage 1	0.01	0.01	0.02	0.02	0.02
Credit loss reserve ratio Stage 2	0.55	0.56	0.58	0.60	0.62
Credit loss reserve ratio Stage 3	12.49	13.36	14.96	16.28	16.79
Proportion of loans Stage 3	0.31	0.30	0.28	0.24	0.23

For definitions, please see the Fact Book which is available at handelsbanken.com/ir. The reserve ratios and proportions of loans above include the disposal groups in Finland, which have been reclassified on the balance sheet as Assets held for sale (see Note 10).

Sensitivity analysis and macroeconomic forecast in ECL calculations

The table below shows the percentage increase and decrease, respectively, to the provision for expected credit losses in Stage 1 and Stage 2 as at 30 September 2024, if the negative and positive scenarios are assigned probabilities of 100%. The effect of assigning a probability of 100% to the severe downturn scenario for the UK is not included in the total.

%	30 September 2024		31 December 2023	
	Percentage increase in the provision in a negative scenario	Percentage decrease in the provision in a positive scenario	Percentage increase in the provision in a negative scenario	Percentage decrease in the provision in a positive scenario
Sweden	22.97	-12.29	27.45	-15.70
Great Britain	19.52	-25.50	21.13	-29.56
Great Britain, severe downturn scenario	29.45		29.99	
Norway	24.10	-13.93	33.68	-18.20
Finland	7.83	-4.86	8.52	-5.06
The Netherlands	30.95	-15.74	36.85	-22.53
United States	47.34	-25.34	57.50	-36.86
Other countries	17.29	-9.60	23.51	-12.04
Total	20.09	-14.99	23.58	-18.51

The calculation of expected credit losses applies forward-looking information in the form of macroeconomic scenarios. The expected credit loss is a probability-weighted average of the calculated forecasts. Three scenarios are applied for exposures outside the UK. The forecast in the base case scenario is assigned a weight of 70% (70), while an upturn in the economy is assigned 15% (15), and a downturn 15% (15). For exposures in the UK, a fourth, more severe downturn scenario is also applied. The probability weighting for severe downturn/downturn/base case/upturn scenarios for the UK is 15%/20%/60%/5% (15/20/60/5). These scenarios and weightings have formed the basis for the calculation of expected credit losses in Stage 1 and Stage 2 as at 30 September 2024.

Macroeconomic risk factor		Downturn scenario			Base case scenario			Upturn scenario			
		2024	2025	2026	2024	2025	2026	2024	2025	2026	
GDP growth, %	Sweden	0.36	-1.51	1.70	0.86	2.49	2.70	1.86	4.49	3.50	
	Great Britain	0.55	-2.41	0.56	1.05	1.59	1.56	2.05	3.59	2.36	
	Great Britain, severe downturn scenario	0.05	-4.91	0.56							
	Norway	0.15	-2.45	0.66	0.65	1.55	1.66	1.65	3.55	2.46	
	Finland	-0.70	-2.50	0.60	-0.20	1.50	1.60	0.80	3.50	2.40	
	Euro area	0.29	-2.62	0.52	0.79	1.38	1.52	1.79	3.38	2.32	
	United States	2.06	-2.33	1.08	2.56	1.67	2.08	3.56	3.67	2.88	
	Unemployment rate, %	Sweden	8.62	10.25	9.94	8.32	8.15	7.74	8.02	6.95	6.84
Great Britain		4.75	6.85	6.83	4.45	4.75	4.63	4.15	3.55	3.73	
Great Britain, severe downturn scenario		5.25	8.25	8.13							
Norway		2.33	4.30	4.40	2.03	2.20	2.20	1.73	1.00	1.30	
Finland		8.38	9.70	9.30	8.08	7.60	7.10	7.78	6.40	6.20	
Euro area		6.83	8.78	8.73	6.53	6.68	6.53	6.23	5.48	5.63	
United States		4.40	6.68	6.85	4.10	4.58	4.65	3.80	3.38	3.75	
Policy interest rate, %		Sweden	3.75	4.50	4.25	2.75	2.25	2.25	2.25	1.25	1.25
	Great Britain	5.75	6.00	5.00	4.75	3.75	3.00	4.25	2.75	2.00	
	Great Britain, severe downturn scenario	3.25	0.50	0.75							
	Norway	5.50	5.75	5.00	4.50	3.50	3.00	4.00	2.50	2.00	
	Finland	4.25	4.50	4.00	3.25	2.25	2.00	2.75	1.25	1.00	
	Euro area	4.25	4.50	4.00	3.25	2.25	2.00	2.75	1.25	1.00	
	United States	5.63	5.63	4.88	4.63	3.38	2.88	4.13	2.38	1.88	
	Residential real estate, value change %	Sweden	-2.03	-3.40	4.19	2.00	3.44	3.05	3.59	5.18	6.60
Great Britain		-2.25	-0.55	-0.93	-2.46	2.45	3.41	-1.41	5.56	6.25	
Great Britain, severe downturn scenario		-4.14	-3.86	-1.22							
Norway		1.81	1.94	6.55	2.91	6.29	6.54	4.03	8.27	6.90	
Finland		-5.68	2.80	4.17	-7.00	0.52	3.34	-7.42	0.04	3.04	
Euro area		3.48	2.20	4.22	3.28	3.60	3.52	3.79	4.70	3.52	
Commercial real estate, value change %		Sweden	-15.08	-4.27	5.95	-4.63	4.35	4.71	-1.38	12.10	9.47
		Great Britain	-6.43	-14.03	-2.59	0.11	0.43	0.05	3.04	8.74	5.68
	Great Britain, severe downturn scenario	-7.26	-18.76	-4.09							
	Norway	-12.08	-12.06	-1.57	-3.12	-1.22	-1.09	0.31	6.27	3.08	
	Finland	-14.52	-5.54	3.93	-5.68	1.77	2.92	-3.13	7.51	6.60	
	Euro area	-15.11	-9.62	2.36	-5.71	0.56	1.73	-1.78	7.84	5.32	

Note 8 Loans

The balance sheet items in the tables below include the disposal groups in Finland, which have been reclassified to Assets held for sale and Liabilities held for sale in the balance sheet, respectively (see Note 10).

Loans and interest-bearing securities that are subject to impairment testing, net

SEK m	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Cash and balances with central banks	600,831	581,540	561,855	476,162	482,291
Other loans to central banks	25,995	23,773	42,751	32,145	33,470
Interest-bearing securities eligible as collateral with central banks					
Loans to other credit institutions	32,244	26,356	27,344	19,297	28,803
<i>of which reverse repos</i>	23,285	18,676	16,463	9,623	19,011
Loans to the public	2,404,717	2,433,554	2,440,007	2,434,217	2,483,022
<i>of which reverse repos</i>	18,770	18,522	19,088	17,404	18,555
Bonds and interest-bearing securities	13,721	13,226	13,396	12,709	13,222
Total	3,077,508	3,078,449	3,085,353	2,974,529	3,040,809

Loans and interest-bearing securities that are subject to impairment testing, divided into stages

SEK m	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Volume, gross	3,079,393	3,080,551	3,087,673	2,976,927	3,043,294
<i>of which Stage 1</i>	2,972,690	2,957,338	2,951,914	2,833,004	2,895,613
<i>of which Stage 2</i>	98,129	114,771	127,760	136,859	140,830
<i>of which Stage 3</i>	8,574	8,442	7,999	7,064	6,851
Provisions	-1,887	-2,104	-2,322	-2,400	-2,487
<i>of which Stage 1</i>	-271	-324	-386	-430	-463
<i>of which Stage 2</i>	-545	-652	-740	-820	-874
<i>of which Stage 3</i>	-1,071	-1,128	-1,197	-1,150	-1,150

Loans to the public that are subject to impairment testing, divided into stages

SEK m	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Volume, gross	2,406,595	2,435,643	2,442,324	2,436,611	2,485,501
<i>of which Stage 1</i>	2,299,967	2,312,534	2,306,576	2,292,700	2,337,820
<i>of which Stage 2</i>	98,053	114,667	127,749	136,848	140,830
<i>of which Stage 3</i>	8,574	8,442	7,999	7,064	6,851
Provisions	-1,877	-2,090	-2,317	-2,395	-2,480
<i>of which Stage 1</i>	-268	-321	-382	-426	-459
<i>of which Stage 2</i>	-539	-640	-738	-819	-870
<i>of which Stage 3</i>	-1,071	-1,128	-1,197	-1,150	-1,150

Change in the provision for expected credit losses – Loans and interest-bearing securities

30 September 2024				
SEK m	Stage 1	Stage 2	Stage 3	Total
Provision at beginning of year	-430	-820	-1,150	-2,400
Derecognised assets	36	74	107	218
Write-offs	0	1	177	178
Remeasurements due to changes in credit risk	-52	166	-44	71
Changes due to update in the methodology for estimation				
Foreign exchange effect, etc	1	-10	-4	-12
Purchased or originated assets	-17	-7	-5	-29
Transfer to Stage 1	-25	47	0	23
Transfer to Stage 2	52	-187	1	-135
Transfer to Stage 3	163	191	-153	201
Provision at end of period	-271	-545	-1,071	-1,887

31 December 2023				
SEK m	Stage 1	Stage 2	Stage 3	Total
Provision at beginning of year	-480	-723	-1,257	-2,459
Derecognised assets	37	89	211	337
Write-offs		1	213	214
Remeasurements due to changes in credit risk	-219	140	-96	-175
Changes due to update in the methodology for estimation	-32	-16		-48
Foreign exchange effect, etc	2	2	1	5
Purchased or originated assets	-34	-33	-8	-75
Transfer to Stage 1	-40	56	1	17
Transfer to Stage 2	169	-503	6	-328
Transfer to Stage 3	167	166	-221	111
Provision at end of period	-430	-820	-1,150	-2,400

Change in the provision for expected credit losses – Loans to the public

30 September 2024				
SEK m	Stage 1	Stage 2	Stage 3	Total
Provision at beginning of year	-426	-819	-1,150	-2,395
Derecognised assets	36	74	107	217
Write-offs	0	1	177	178
Remeasurements due to changes in credit risk	-52	172	-44	76
Changes due to update in the methodology for estimation				
Foreign exchange effect, etc	1	-10	-4	-12
Purchased or originated assets	-17	-7	-5	-29
Transfer to Stage 1	-25	47	0	23
Transfer to Stage 2	52	-187	1	-135
Transfer to Stage 3	163	191	-153	201
Provision at end of period	-268	-539	-1,071	-1,877

31 December 2023				
SEK m	Stage 1	Stage 2	Stage 3	Total
Provision at beginning of year	-475	-722	-1,257	-2,454
Derecognised assets	36	89	211	337
Write-offs		1	213	214
Remeasurements due to changes in credit risk	-219	140	-96	-176
Changes due to update in the methodology for estimation	-32	-16		-48
Foreign exchange effect, etc	2	2	1	5
Purchased or originated assets	-34	-33	-8	-75
Transfer to Stage 1	-40	56	1	17
Transfer to Stage 2	169	-502	6	-326
Transfer to Stage 3	167	166	-221	111
Provision at end of period	-426	-819	-1,150	-2,395

The change analysis shows the net effect on the provision for the stage in question for each explanatory item during the period. The impact of reversals and write-offs is calculated on the opening balance. The effect of revaluations arising as a result of changes due to updates in the methodology for estimation, foreign exchange effects, etc., is calculated before any transfer of net amounts between stages. Purchased or originated assets and amounts transferred between stages are recognised after the effects of other explanatory items are taken into account. The transfer rows present the effect on the provision for the stated stage.

Loans to the public – by sector

30 September 2024		Gross			Provisions			Net
SEK m	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3		
Private individuals	1,162,720	26,861	5,152	-74	-100	-634	1,193,925	
<i>of which mortgage loans</i>	995,693	19,824	2,333	-20	-32	-49	1,017,749	
<i>of which other loans with property mortgages</i>	139,142	5,683	1,602	-13	-20	-83	146,311	
<i>of which other loans to private individuals</i>	27,885	1,354	1,217	-41	-48	-502	29,865	
Housing co-operative associations	277,398	10,733	37	-4	-15	-8	288,141	
<i>of which mortgage loans</i>	264,086	5,615	26	-1	-4	-7	269,715	
Property management	677,165	47,468	2,522	-103	-171	-86	726,795	
Manufacturing	16,650	3,830	46	-13	-55	-24	20,434	
Retail	30,449	439	97	-9	-7	-68	30,901	
Hotel and restaurant	4,967	816	135	-4	-6	-23	5,885	
Passenger and goods transport by sea	267	1		0	0		268	
Other transport and communication	6,107	241	21	-3	-2	-15	6,349	
Construction	14,128	3,802	266	-33	-129	-116	17,918	
Electricity, gas and water	13,133	8	4	-1	0	-4	13,140	
Agriculture, hunting and forestry	20,644	940	94	-5	-5	-5	21,663	
Other services	19,394	850	103	-8	-6	-38	20,295	
Holding, investment and insurance Comp., funds etc.	26,157	1,752	8	-6	-12	-3	27,896	
Government and municipalities	4,458	92		0	-1		4,549	
<i>of which Swedish national debt office</i>	163						163	
Other corporate lending	26,330	220	89	-5	-30	-47	26,557	
Total	2,299,967	98,053	8,574	-268	-539	-1,071	2,404,717	

31 December 2023		Gross			Provisions			Net
SEK m	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3		
Private individuals	1,158,428	28,771	4,159	-143	-132	-589	1,190,494	
<i>of which mortgage loans</i>	991,247	21,664	1,592	-38	-43	-44	1,014,378	
<i>of which other loans with property mortgages</i>	139,030	5,631	1,310	-44	-40	-93	145,794	
<i>of which other loans to private individuals</i>	28,151	1,476	1,257	-61	-49	-452	30,322	
Housing co-operative associations	283,134	11,367	13	-4	-20	-9	294,481	
<i>of which mortgage loans</i>	265,549	5,291	12	-1	-1	-8	270,842	
Property management	648,688	81,834	1,984	-130	-249	-159	731,968	
Manufacturing	19,210	4,150	72	-24	-105	-46	23,257	
Retail	30,214	671	108	-13	-9	-62	30,909	
Hotel and restaurant	4,333	1,803	101	-4	-9	-6	6,218	
Passenger and goods transport by sea	1,289	1	0	0	0	0	1,290	
Other transport and communication	11,985	178	18	-5	-2	-15	12,159	
Construction	14,238	4,429	281	-56	-264	-93	18,535	
Electricity, gas and water	15,941	33	7	-2	0	-3	15,976	
Agriculture, hunting and forestry	20,390	1,507	81	-7	-8	-3	21,960	
Other services	20,965	818	143	-11	-9	-85	21,821	
Holding, investment and insurance Comp., funds etc.	23,154	878	12	-6	-5	-3	24,030	
Government and municipalities	12,278	64		0	0		12,342	
<i>of which Swedish national debt office</i>	6,748						6,748	
Other corporate lending	28,453	344	85	-21	-7	-77	28,777	
Total	2,292,700	136,848	7,064	-426	-819	-1,150	2,434,217	

Specification of Loans to the public – Property management

30 September 2024	Gross			Provisions			Net
SEK m	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Loans in Sweden							
State-owned property companies	11,204			0			11,204
Municipal-owned property companies	7,854	563		0	0		8,417
Residential property companies	143,610	17,549	387	-6	-67	-11	161,462
<i>of which mortgage loans</i>	134,986	17,111	281	-4	-66	-9	152,299
Other property management	145,748	8,697	203	-4	-12	-30	154,602
<i>of which mortgage loans</i>	80,302	4,956	76	-2	-9	-8	85,315
Total loans in Sweden	308,416	26,809	590	-10	-79	-41	335,685
Loans outside Sweden							
UK	141,293	8,810	1,399	-67	-68	-1	151,366
Norway	124,814	4,129	403	-24	-7	-24	129,291
Finland	35,042	6,691	119	-1	-17	-15	41,819
The Netherlands	66,628	1,029		-1	0		67,656
Other countries	972		11	0		-5	978
Total loans outside Sweden	368,749	20,659	1,932	-93	-92	-45	391,110
Total loans - Property management	677,165	47,468	2,522	-103	-171	-86	726,795

31 December 2023	Gross			Provisions			Net
SEK m	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Loans in Sweden							
State-owned property companies	11,306			0			11,306
Municipal-owned property companies	7,311	515		0	0		7,826
Residential property companies	129,563	30,200	64	-7	-68	-13	159,739
<i>of which mortgage loans</i>	121,606	28,574	56	-6	-64	-7	150,159
Other property management	131,093	20,222	164	-11	-30	-52	151,386
<i>of which mortgage loans</i>	72,794	10,836	63	-3	-17	-21	83,652
Total loans in Sweden	279,273	50,937	228	-18	-98	-65	330,257
Loans outside Sweden							
UK	129,672	13,876	1,132	-87	-129	-26	144,438
Norway	133,310	6,364	91	-22	-12	-28	139,703
Finland	44,389	5,249	522	-2	-9	-35	50,114
The Netherlands	61,056	5,408		-1	-1		66,462
Other countries	988		11	0		-5	994
Total loans outside Sweden	369,415	30,897	1,756	-112	-151	-94	401,711
Total loans - Property management	648,688	81,834	1,984	-130	-249	-159	731,968

Specification of Loans to the public – Property management: Type of collateral & country

30 September 2024						
SEK m, gross	Sweden	UK	Norway	Finland	The Netherlands	Total
Government guarantees	2,417	5	1,294	19,327		23,043
Residential	195,132	80,974	19,745	15,382	35,464	346,697
Office, retail, hotel	97,947	50,683	79,446	4,275	12,851	245,202
Other real estate	8,445	417	11,159	351	18,390	38,762
Industry, logistics	17,814	17,355	9,282	1,879	649	46,979
Agriculture, forestry	3,861	920	143	2	15	4,941
Other collateral	2,325	222	122	337	142	3,148
Unsecured	7,874	926	6,099	26	74	14,999
Undeveloped			2,056	273	72	2,401
Total	335,815	151,502	129,346	41,852	67,657	726,172

31 December 2023						
SEK m, gross	Sweden	UK	Norway	Finland	The Netherlands	Total
Government guarantees	3,336	5	1,290	19,494		24,125
Residential	192,222	80,478	21,139	18,414	37,184	349,437
Office, retail, hotel	101,189	46,526	86,230	7,062	10,619	251,626
Other real estate	4,024	314	11,863	1,111	17,676	34,988
Industry, logistics	17,239	15,022	8,873	2,851	596	44,581
Agriculture, forestry	4,093	1,139	113	4	15	5,364
Other collateral	1,763	209	192	509	281	2,954
Unsecured	6,572	987	8,282	446	41	16,328
Undeveloped			1,783	269	52	2,104
Total	330,438	144,680	139,765	50,160	66,464	731,507

Loans to the public – Property management: Commercial properties LTV per country

30 September 2024						
LTV, %	Sweden	UK	Norway	Finland	The Netherlands	Total
0-40	83.6	90.0	75.9	73.6	88.1	82.5
41-60	15.5	9.5	21.0	17.0	11.5	15.7
61-75	0.7	0.4	2.5	7.5	0.3	1.4
>75	0.1	0.1	0.5	1.8	0.1	0.3
Average LTV	45.1	40.9	51.8	45.9	45.1	44.7

31 December 2023						
LTV, %	Sweden	UK	Norway	Finland	The Netherlands	Total
0-40	83.7	90.1	78.9	75.1	88.4	83.2
41-60	15.5	9.5	18.9	15.7	11.3	15.3
61-75	0.6	0.2	1.9	6.9	0.2	1.3
>75	0.1	0.1	0.3	2.3	0.1	0.3
Average LTV	46.0	41.0	51.0	47.0	45.0	45.0

Loan to value (LTV) shows lending in relation to the market value of the collateral. *Average LTV* refers to a weighted average maximum LTV per property. The *division into ranges* follows an allocation method that can be described using the following feasible example: a credit with a loan-to-value ratio of 60% is divided up in such a way that two-thirds of the volume is reported under the line item LTV 0-40%, while the remaining third is reported under the line item LTV 41-60%.

Loans to the public – Property management: Residential properties LTV per country

30 September 2024		The Nether-				
LTV, %	Sweden	UK	Norway	Finland	lands	Total
0-40	79.4	87.6	76.9	52.4	83.4	79.9
41-60	18.1	12.3	20.8	19.5	15.5	16.7
61-75	2.2	0.2	2.0	10.9	1.0	2.1
>75	0.2	0.0	0.4	17.2	0.1	1.2
Average LTV	48.7	44.4	52.5	57.4	49.3	48.3

31 December 2023		The Nether-				
LTV, %	Sweden	UK	Norway	Finland	lands	Total
0-40	79.2	86.6	76.5	55.7	81.0	79.3
41-60	18.1	13.2	20.5	20.2	16.4	17.1
61-75	2.4	0.2	2.6	10.5	2.4	2.5
>75	0.3	0.0	0.5	13.6	0.2	1.2
Average LTV	49.0	45.0	54.0	57.0	51.0	49.0

Loan to value (LTV) shows lending in relation to the market value of the collateral. *Average LTV* refers to a weighted average maximum LTV per property. The *division into ranges* follows an allocation method that can be described using the following feasible example: a credit with a loan-to-value ratio of 60% is divided up in such a way that two-thirds of the volume is reported under the line item LTV 0-40%, while the remaining third is reported under the line item LTV 41-60%.

Note 9 Credit risk exposure

SEK m	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Cash and balances with central banks	600,847	581,560	561,874	476,181	482,313
Other loans to central banks	25,995	23,773	42,751	32,145	33,470
Interest-bearing securities eligible as collateral with central banks	235,053	206,318	230,519	199,128	231,839
Loans to other credit institutions	32,244	26,356	27,344	19,297	28,803
<i>of which reverse repos</i>	23,285	18,676	16,463	9,623	19,011
Loans to the public	2,404,717	2,433,554	2,440,007	2,434,217	2,483,022
<i>of which reverse repos</i>	18,770	18,522	19,088	17,404	18,555
Bonds and other interest-bearing securities	57,691	57,560	54,358	50,087	61,484
Derivative instruments*	32,123	30,992	39,451	30,110	45,612
Contingent liabilities	57,871	58,625	60,724	58,120	60,241
Commitments	440,653	432,143	433,675	427,865	450,456
Total	3,887,194	3,850,880	3,890,703	3,727,150	3,877,239

* Refers to the sum total of positive market values.

The balance sheet items in the tables above include the disposal groups in Finland, which have been reclassified to Assets held for sale and Liabilities held for sale in the balance sheet, respectively (see Note 10).

Note 10 Assets and liabilities held for sale, and discontinued operations

Assets and liabilities in the Bank's operations in Finland constitute assets and liabilities held for sale in accordance with IFRS 5, and are attributable to two different disposal groups. During Q3 2024, part of the first disposal group was divested to Oma Sparbank Abp, comprising the part of the Finnish operations concentrating on small and medium-sized enterprises. During Q4, the remainder of the first disposal group, constituting the parts of the operations covering private customers, including asset management and investment services, as well as the life insurance business, will be transferred to S-banken Abp and the insurance company Fennia Liv, respectively. The operations remaining after these divestments will constitute the second disposal group.

The units listed below are included in the disposal groups and in the discontinued operations in Finland:

- Handelsbanken AB (publ) branch in Finland
- Handelsbanken Asuntoluottopankki (Stadshypotek AB (publ) branch in Finland)
- SHB Liv Försäkringsaktiebolag in Finland
- Handelsbanken Liv Försäkrings AB branch in Finland

Assets and liabilities held for sale

30 September 2024 SEK m	Finland
Assets	
Cash and balances with central banks	7
Other loans to central banks	19,397
Interest-bearing securities eligible as collateral with central banks	
Loans to other credit institutions	4
Loans to the public	111,506
<i>Of which households</i>	30,708
<i>Of which corporates</i>	80,798
Bonds and other interest-bearing securities	0
Shares	4
Assets where the customer bears the value change risk	9,788
Intangible assets	125
Property and equipment	362
Other assets	985
Total assets	142,178
Liabilities	
Due to credit institutions	826
Deposits and borrowing from the public	26,931
<i>Of which households</i>	12,820
<i>Of which corporates</i>	14,111
Liabilities where the customer bears the value change risk	9,788
Provisions	276
Other liabilities	1,013
Total liabilities	38,834

The translation reserve includes an accumulated amount of SEK 1,140m (1,022) attributable to the translation of assets and liabilities held for sale, and is included in the translation reserve presented in the Statement of changes in equity – Group. The purchase price remains on the books of the selling entities, meaning that the divestments do not result in any reclassification of the translation reserve to the income statement.

31 December 2023 SEK m	Finland
Assets	
Cash and balances with central banks	10
Other loans to central banks	25,863
Interest-bearing securities eligible as collateral with central banks	0
Loans to other credit institutions	3
Loans to the public	142,409
<i>Of which households</i>	39,561
<i>Of which corporates</i>	102,847
Bonds and other interest-bearing securities	0
Shares	2
Assets where the customer bears the value change risk	9,586
Intangible assets	123
Property and equipment	467
Other assets	128
Total assets	178,590
Liabilities	
Due to credit institutions	980
Deposits and borrowing from the public	51,556
<i>Of which households</i>	17,434
<i>Of which corporates</i>	34,122
Liabilities where the customer bears the value change risk	9,586
Provisions	195
Other liabilities	1,404
Total liabilities	63,721

Income, expenses and profits, discontinued operations in Finland

SEK m	Q3 2024	Q2 2024	Change	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change	Full year 2023
Net interest income	471	548	-14%	631	-25%	1,582	1,749	-10%	2,368
Net fee and commission income	68	87	-22%	103	-34%	245	309	-21%	406
Net gains/losses on financial transactions	3	5	-40%	7	-57%	13	20	-35%	29
Net insurance result	4	4	0%	5	-20%	12	14	-14%	17
Other income	0	0	0%	0	0%	0	0	0%	9
Total income	546	643	-15%	743	-27%	1,851	2,091	-11%	2,829
Staff costs	-210	-185	14%	-189	11%	-610	-577	6%	-841
Other expenses Depreciation, amortisation and impairments of property, equipment and intangible assets	-124	-160	-23%	-103	20%	-426	-332	28%	-464
Total expenses	-334	-345	-3%	-292	14%	-1,036	-909	14%	-1,306
Net credit losses	48	-9		17	182%	36	32	13%	41
Gains/losses on disposal of property, equipment and intangible assets	0	0	0%	0	0%	0	-1		-1
Risk tax and resolution fee	-32	-32	0%	-25	28%	-98	-73	34%	-97
Profit for the period attributable to Denmark and Finland before tax	226	258	-12%	444	-49%	753	1,140	-34%	1,467
Tax	-46	-51	-10%	-64	-28%	-151	-157	-4%	-200
Profit for the period attributable to Denmark and Finland after tax	181	206	-12%	379	-52%	602	983	-39%	1,267
Other expenses pertaining to discontinued operations*	-2	-3	-33%	-15	-87%	-10	-68	-85%	-73
Impairment pertaining to discontinued operations**	-115					-115			
Taxes	23	1		3		25	14	79%	15
Profit for the period incl. Other expenses pertaining to discontinued operations, after tax	88	204	-57%	368	-76%	503	929	-46%	1,209
Gains/losses on disposal of disposal groups in discontinued operations									
Capital gain before tax	107					107			
Taxes	-21					-21			
Capital gain after tax	86					86			
Profit for the period pertaining to discontinued operations, after tax	173	204	-15%	368	-53%	588	929	-37%	1,209
Material internal transactions with continuing operations, which are eliminated in the income statement above**:									
Total income	10	14		27		42	75		100
Total expenses	-29	-32		-29		-91	-77		-101

* Additional expenses arise in Sweden relating to the divestment of the discontinued operations, which are attributed to discontinued operations. These include, for example, consultancy fees and legal costs.

** The valuation of each disposal group at the lower of fair value after deductions for selling costs, and the carrying amount, has resulted in an impairment loss attributable to non-current assets.

*** Only external income and expenses are included in profits from both continuing and discontinued operations. The discontinued operations have material internal transactions with the continuing operations, which are thus eliminated in the accounting. The elimination of internal transactions relating to net interest income between the discontinued operations in Finland and Handelsbanken Treasury is adjusted and thus internal interest income and internal interest expenses are presented in continuing and discontinued operations, respectively.

Fee and commission income, discontinued operations in Finland

SEK m	Q3			Q3			Jan-Sep			Full year 2023
	2024	Q2 2024	Change	2023	Change	2024	Jan-Sep 2023	Change		
Brokerage and other securities commissions	0	2	-100%	3	-100%	4	7	-43%	9	
Mutual funds	1	2	-50%	2	-50%	4	6	-33%	7	
Custody and other asset management fees	7	8	-13%	10	-30%	26	31	-16%	41	
Advisory services										
Insurance	20	20	0%	20	0%	60	58	3%	77	
Payments	41	47	-13%	55	-25%	138	163	-15%	213	
Loans and deposits	10	12	-17%	21	-52%	37	65	-43%	85	
Guarantees	3	4	-25%	5	-40%	11	15	-27%	19	
Other	2	2	0%	2	0%	6	8	-25%	11	
Total fee and commission income	84	97	-13%	118	-29%	286	352	-19%	463	

Cash flows, discontinued operations

SEK m	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Cash flow from operating activities	13,484	2,287	4,611
Cash flow from investing activities	98	-8	-8
Cash flow from financing activities			
Cash flow for the period from discontinued operations	13,582	2,279	4,604

Note 11 Derivatives

mkr	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Positive market values					
Trading	37,322	40,349	47,888	45,668	75,868
Fair value hedges	19,860	14,766	15,133	17,253	15,889
Cash flow hedges	22,916	22,741	27,402	19,410	31,308
Amounts offset	-47,975	-46,864	-50,972	-52,221	-77,453
Total	32,123	30,992	39,451	30,110	45,612
Negative market values					
Trading	45,039	38,291	42,606	54,579	65,677
Fair value hedges	11,185	17,035	18,285	16,007	28,198
Cash flow hedges	4,281	4,014	4,149	8,877	5,461
Amounts offset	-37,529	-43,280	-46,687	-45,225	-78,803
Total	22,975	16,060	18,353	34,238	20,533
Nominal value					
Trading	3,123,941	3,287,286	3,068,052	2,789,188	3,188,776
Fair value hedges	697,299	689,200	728,324	696,655	715,864
Cash flow hedges	383,049	407,111	422,602	468,797	497,359
Amounts offset	-2,394,376	-2,380,511	-2,360,869	-2,310,691	-2,830,826
Total	1,809,913	2,003,086	1,858,109	1,643,949	1,571,173

In this note, derivative contracts are presented on a gross basis. Amounts offset on the balance sheet consist of the offset market value of contracts for which there is a legal right and intention to settle contractual cash flows net (including cleared contracts). These contracts are presented on a net basis on the balance sheet per counterparty and currency.

Note 12 Offsetting of financial instruments

30 September 2024		Repurchase agreements, securities borrowing and similar agreements	
SEK m	Derivatives		Total
Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements			
Gross amount	80,098	54,143	134,241
Amounts offset	-47,975	-11,121	-59,096
Carrying amount on the balance sheet	32,123	43,022	75,145
Related amounts not offset on the balance sheet			
Financial instruments, netting arrangements	-7,908		-7,908
Financial assets received as collateral	-19,825	-43,011	-62,836
Total amounts not offset on the balance sheet	-27,733	-43,011	-70,744
Net amount	4,390	11	4,401
Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements			
Gross amount	60,504	11,798	72,302
Amounts offset	-37,529	-11,121	-48,650
Carrying amount on the balance sheet	22,975	677	23,652
Related amounts not offset on the balance sheet			
Financial instruments, netting arrangements	-7,908		-7,908
Financial assets pledged as collateral	-8,456	-677	-9,133
Total amounts not offset on the balance sheet	-16,364	-677	-17,041
Net amount	6,611		6,611
31 December 2023			
SEK m	Derivatives	Repurchase agreements, securities borrowing and similar agreements	Total
Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements			
Gross amount	82,331	32,141	114,472
Amounts offset	-52,221	-4,628	-56,849
Carrying amount on the balance sheet	30,110	27,513	57,623
Related amounts not offset on the balance sheet			
Financial instruments, netting arrangements	-7,781		-7,781
Financial assets received as collateral	-18,880	-27,513	-46,393
Total amounts not offset on the balance sheet	-26,661	-27,513	-54,174
Net amount	3,449		3,449
Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements			
Gross amount	79,463	4,631	84,094
Amounts offset	-45,225	-4,628	-49,853
Carrying amount on the balance sheet	34,238	3	34,241
Related amounts not offset on the balance sheet			
Financial instruments, netting arrangements	-7,781		-7,781
Financial assets pledged as collateral	-17,305	-3	-17,308
Total amounts not offset on the balance sheet	-25,086	-3	-25,089
Net amount	9,152		9,152

Derivative instruments are offset on the balance sheet when doing so reflects the Bank's expected cash flows upon the settlement of two or more derivatives. Repurchase agreements and reverse repurchase agreements with central counterparty clearing houses are offset on the balance sheet when doing so reflects the Bank's expected cash flows upon the settlement of two or more agreements. This occurs when the Bank has both a contractual right and the intention to settle the agreed cash flows at a net amount. The remaining counterparty risk in derivatives is reduced through netting agreements in the event of cancelled payment, i.e. the netting of positive and negative values in all derivative transactions with one and the same counterparty in the case of bankruptcy. The Bank's policy is to sign netting agreements with all bank counterparties. These netting agreements are supplemented with agreements on the pledging of collateral for the net exposure. Cash is primarily pledged as collateral, although government instruments are also used in some cases. Collateral for repurchase agreements and for the depositing and lending of securities is, as a rule, in the form of cash or other securities.

The amount offset for derivative assets includes offset cash collateral of SEK 11,064m (11,268) derived from the balance sheet item Deposits and borrowing from the public. The amount set off for derivative liabilities includes offset cash collateral of SEK 618m (4,272), derived from the balance sheet item Loans to the public.

Note 13 Goodwill and other intangible assets

SEK m	Goodwill			Other intangible assets			Total		
	Jan-Sep 2024	Jan-Sep 2023	Full year 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Opening residual value	4,356	4,397	4,397	4,211	4,005	4,005	8,567	8,402	8,402
Additional during the period				534	664	961	534	664	961
Reclassified as assets held for sale									
The period's amortisation				-633	-563	-751	-633	-563	-751
The period's impairments				-3		-1	-3		-1
Foreign exchange effect	-7	-7	-41	17	34	-3	10	27	-44
Closing residual value	4,349	4,390	4,356	4,126	4,140	4,211	8,476	8,530	8,567

Note 14 Due to credit institutions, deposits and borrowing from the public

SEK m	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Due to credit institutions	136,554	107,793	98,824	90,143	135,502
<i>of which repos</i>	26	199	0	0	419
Deposits and borrowing from the public	1,384,921	1,416,323	1,422,065	1,298,480	1,369,077
<i>of which repos</i>	651	83	1	2	199

Note 15 Issued securities

SEK m	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Issued securities at beginning of year	1,523,481	1,474,801	1,474,801
Issued	827,845	941,037	1,251,086
Repurchased	-42,284	-64,691	-72,561
Matured	-724,234	-832,022	-1,124,075
Foreign exchange effect etc.	17,084	37,471	-5,771
Issued securities at end of period	1,601,892	1,556,596	1,523,481

Note 16 Pledged assets and contingent liabilities

SEK m	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Assets pledged for own debt	1,125,979	1,086,266	1,062,964	1,062,518	1,024,027
Other pledged assets	105,427	104,793	76,699	69,399	78,416
Contingent liabilities	57,871	58,625	60,724	58,120	60,241
Commitments	440,653	432,143	433,675	427,865	450,456

Note 17 Classification of financial assets and liabilities

30 September 2024	Fair value through profit or loss			Fair value through other comprehensive income	Amortised cost	Total carrying amount	Fair value
	Mandatory	Fair value option	Derivatives identified as hedge instruments				
SEK m							
Assets							
Cash and balances with central banks					600,848	600,848	600,847
Other loans to central banks					25,995	25,995	25,995
Interest-bearing securities eligible as collateral with central banks	3,750	231,302				235,053	235,053
Loans to other credit institutions					32,245	32,245	32,228
Loans to the public					2,404,717	2,404,717	2,396,998
Value change of interest-hedged item in portfolio hedge					-6,573	-6,573	
Bonds and other interest-bearing securities	20,857	23,113		13,721		57,691	57,691
Shares	30,825			696		31,522	31,522
Assets where the customer bears the value change risk	297,148					297,148	297,148
Derivative instruments	11,439		20,684			32,123	32,123
Other assets	3				12,473	12,476	12,476
Total	364,023	254,415	20,684	14,417	3,069,705	3,723,243	3,722,081
Investments in associates						847	
Non-financial assets						31,955	
Total assets						3,756,046	
Liabilities							
Due to credit institutions					137,380	137,380	137,549
Deposits and borrowing from the public					1,411,852	1,411,852	1,411,564
Liabilities where the customer bears the value change risk		297,364				297,364	297,364
Issued securities	668				1,601,224	1,601,892	1,599,886
Derivative instruments	19,765		3,211			22,976	22,976
Short positions	15,692					15,692	15,692
Other liabilities	2				19,621	19,623	19,623
Subordinated liabilities					30,150	30,150	31,056
Total	36,127	297,364	3,211		3,200,227	3,536,929	3,535,710
Non-financial liabilities						18,046	
Total liabilities						3,554,976	

SEK m	Fair value through profit or loss			Fair value through other comprehensive income	Amortised cost	Total carrying amount	Fair value
	Mandatory	Fair value option	Derivatives identified as hedge instruments				
Assets							
Cash and balances with central banks					476,181	476,181	476,181
Other loans to central banks					32,145	32,145	32,145
Interest-bearing securities eligible as collateral with central banks	3,534	195,594				199,128	199,128
Loans to other credit institutions					19,298	19,298	19,272
Loans to the public					2,434,217	2,434,217	2,415,484
Value change of interest-hedged item in portfolio hedge					-9,657	-9,657	
Bonds and other interest-bearing securities	13,550	23,827		12,709		50,087	50,087
Shares	11,617			601		12,218	12,218
Assets where the customer bears the value change risk	254,401				78	254,479	254,479
Derivative instruments	13,618		16,492			30,110	30,110
Other assets	27				10,282	10,309	10,309
Total	296,747	219,421	16,492	13,310	2,962,544	3,508,514	3,499,412
Investments in associates						657	
Non-financial assets						28,620	
Total assets						3,537,792	
Liabilities							
Due to credit institutions					91,124	91,124	91,287
Deposits and borrowing from the public					1,350,036	1,350,036	1,349,338
Liabilities where the customer bears the value change risk		254,609			78	254,687	254,687
Issued securities	1,506				1,521,975	1,523,481	1,497,333
Derivative instruments	27,399		6,840			34,238	34,238
Short positions	2,364					2,364	2,364
Other liabilities	27				15,712	15,739	15,739
Subordinated liabilities					43,117	43,117	43,227
Total	31,296	254,609	6,840		3,022,042	3,314,787	3,288,213
Non-financial liabilities						17,919	
Total liabilities						3,332,706	

Assets and liabilities in the tables above include the disposal groups in Finland, which have been reclassified to Assets held for sale and Liabilities held for sale in the balance sheet, respectively (see Note 10).

Note 18 Fair value measurement of financial instruments

30 September 2024				
SEK m	Level 1	Level 2	Level 3	Total
Assets				
Interest-bearing securities eligible as collateral with central banks	233,179	1,873		235,052
Bonds and other interest-bearing securities	50,561	7,130		57,691
Shares	30,583	766	173	31,522
Assets where the customer bears the value change risk	293,822	3,307	19	297,148
Derivative instruments	86	32,037		32,123
Total	608,231	45,113	192	653,536
Liabilities				
Liabilities where the customer bears the value change risk	294,038	3,307	19	297,364
Issued securities		668		668
Derivative instruments	67	22,908		22,975
Short positions	15,649	43		15,692
Total	309,754	26,926	19	336,699
31 December 2023				
SEK m	Level 1	Level 2	Level 3	Total
Assets				
Interest-bearing securities eligible as collateral with central banks	199,092	36		199,128
Bonds and other interest-bearing securities	48,231	1,856		50,087
Shares	11,406	638	174	12,218
Assets where the customer bears the value change risk	251,504	2,820	77	254,401
Derivative instruments	92	30,016	2	30,110
Total	510,325	35,366	253	545,944
Liabilities				
Liabilities where the customer bears the value change risk	251,712	2,820	77	254,609
Issued securities		1,506		1,506
Derivative instruments	47	34,189	2	34,238
Short positions	2,364			2,364
Total	254,123	38,515	79	292,717

Assets and liabilities in the tables above include the disposal groups in Finland, which have been reclassified to Assets held for sale and Liabilities held for sale in the balance sheet, respectively (see Note 10).

Valuation process

The risk control function checks that the Group's financial instruments are correctly valued. As far as is possible, the valuations are based on external data.

For financial instruments traded on an active market, the fair value is the same as the quoted market price. An active market is one where quoted prices are readily and regularly available from a regulated market, execution venue, reliable news service or equivalent, and where the price information received can be verified by means of regularly occurring transactions. The current market price corresponds to the price between the bid price and the offer price which is most representative of fair value under the circumstances. For groups of financial instruments which are managed on the basis of the Bank's net exposure to market risk, the current market price is presumed to be the same as the price which would be received or paid if the net position were divested.

For financial instruments where there is no reliable information about market prices, fair value is established using valuation models. These models can, for example, be based on price comparisons, present value calculations or option valuation theory depending on the nature of the instrument.

Valuation hierarchy

In the tables, financial instruments at fair value have been categorised in terms of how the valuations have been carried out and the degree of transparency regarding market data used in the valuation. The categorisation is shown as levels 1-3 in the tables. Financial instruments which are valued at a direct and liquid market price are categorised as level 1. These financial instruments mainly comprise government instruments and other interest-bearing securities that are traded actively, listed shares and short-term positions in corresponding assets.

Level 1 also includes the majority of shares in mutual funds and other assets which are related to unit-linked insurance contracts and similar agreements and the corresponding liabilities. Financial instruments which are valued using valuation models which substantially are based on market data are categorised as level 2. Level 2 mainly includes interest-bearing securities and interest- and currency-related derivatives. Financial instruments whose valuation to a material extent is affected by input data that cannot be verified using external market information are categorised as level 3. Level 3 includes unlisted shares, certain holdings of private equity funds and certain derivatives.

The categorisation is based on the valuation method used on the balance sheet date. If the category for a specific instrument has changed since the previous balance sheet date (31 December 2023), the instrument has been moved between the levels in the table. There were no significant moves between the levels during the period. Changes in level 3 holdings during the year are shown in a separate table below.

The holdings in level 3 mainly comprise unlisted shares. The Group's holdings of unlisted shares are mainly comprised of participating interests in companies which provide supporting operations to the Bank. For example, these may be participating interests in clearing organisations and infrastructure collaboration on Handelsbanken's home markets. Such holdings are generally valued at the Bank's share of the company's net asset value, or alternatively at the price of the last completed transaction. In all material respects, unlisted shares are classified at fair value through other comprehensive income. Value changes for these holdings are thus reported in Other comprehensive income.

Certain holdings of private equity funds are categorised in level 3. These are valued using valuation models mainly based on a relative valuation of comparable listed companies in the same sector. The performance

measurements used in the comparison are adjusted for factors which distort the comparison between the investment and the company used for comparison. Subsequently, the valuation is based on earnings multiples, such as P/E ratios.

The derivatives component in some of the Bank's issued structured bonds and the related hedging derivatives are also categorised as belonging to level 3. For these derivatives, internal assumptions have a material impact on calculation of the fair value. Hedging derivatives in level 3 are traded under CSA agreements where the market values are checked and verified with the Bank's counterparties on a daily basis.

Differences between the transaction price and the value measured by a valuation model

The models use input data in the form of market prices and other variables that are deemed to affect pricing. The models and input data

which form the basis of the valuations are regularly validated to ensure that they are consistent with market practice and established financial theory. In cases where there are positive differences between the value calculated with the help of a valuation model at initial recognition and the transaction price (day 1 gains/losses), the difference is accrued over the life of the financial instrument. Such differences occur when the applied valuation model does not fully capture all the components which affect the value of the instrument. Day 1 gains/losses are comprised of the Bank's profit margin and remuneration for, for example, capital costs and administrative costs. During the period, an accrual effect of SEK 106m (93) was recognised under Net gains/losses on financial transactions. At the end of the period, non-recognised day 1 gains/losses totalled SEK 522m; at year-end 2023, the corresponding figure was SEK 472m.

Change in level 3 holdings

30 September 2024 SEK m	Shares	Derivative assets	Derivative liabilities	Assets where the customer bears the value change risk	Liabilities where the customer bears the value change risk
Carrying amount at beginning of year	174	2	-2	77	-77
Acquisitions					
Repurchases/sales	-5				
Matured during the period					
The period's value change realised in the income statement	-6				
Unrealised value change in income statement	10	-2	2	-58	58
Unrealised value change in other comprehensive income					
Changes in the methodology					
Transfer from level 1 or 2					
Transfer to level 1 or 2					
Carrying amount at end of period	173			19	-19

31 December 2023 SEK m	Shares	Derivative assets	Derivative liabilities	Assets where the customer bears the value change risk	Liabilities where the customer bears the value change risk
Carrying amount at beginning of year	173	39	-39	525	-525
Acquisitions					
Repurchases/sales	-1				
Matured during the period					
The period's value change realised in the income statement					
Unrealised value change in income statement	2			-448	448
Unrealised value change in other comprehensive income					
Changes in the methodology					
Transfer from level 1 or 2					
Transfer to level 1 or 2		-37	37		
Carrying amount at end of period	174	2	-2	77	-77

A change in non-observable input data is not judged to give rise to significantly higher or lower values for holdings in level 3, for which reason no sensitivity analysis is presented.

Note 19 Assets and liabilities by currency

30 September 2024								Other	
SEK m	SEK	EUR	NOK	DKK	GBP	USD	currencies	Total	
Assets									
Cash and balances with central banks	45,739	174,238	4,609	0	121,575	254,564	123	600,847	
Other loans to central banks		23,111	2,884					25,995	
Loans to other credit institutions	994	4,733	21,893	1	1,131	3,373	119	32,244	
Loans to the public	1,570,206	257,979	322,705	1,464	242,410	8,807	1,146	2,404,717	
<i>of which corporates</i>	601,630	164,818	190,368	1,443	173,940	8,657	209	1,141,066	
<i>of which households</i>	968,413	93,161	132,336	21	68,470	150	937	1,263,488	
Interest-bearing securities eligible as collateral with central banks	214,148	8,802	1,441	1		10,661		235,053	
Bonds and other interest-bearing securities	42,234	630	14,827			0		57,691	
Other items not broken down by currency	399,498							399,498	
Total assets	2,272,819	469,492	368,359	1,466	365,116	277,404	1,389	3,756,046	
Liabilities									
Due to credit institutions	20,652	32,246	33,022	51	412	50,975	22	137,380	
Deposits and borrowing from the public	817,399	117,455	111,323	1,398	274,423	88,111	1,743	1,411,853	
<i>of which corporates</i>	331,015	90,240	69,381	1,294	204,219	84,972	1,113	782,235	
<i>of which households</i>	486,384	27,215	41,942	104	70,203	3,139	630	629,617	
Issued securities	591,848	465,835	28,118		36,313	457,470	22,307	1,601,892	
Subordinated liabilities	0	14,452			6,559	9,139		30,150	
Other items not broken down by currency, incl. equity	574,771							574,771	
Total liabilities and equity	2,004,671	629,988	172,463	1,449	317,706	605,695	24,072	3,756,046	
Other assets and liabilities broken down by currency (net)		160,570	-195,840	-17	-47,443	328,306	22,702		
Net foreign currency position		74	57		-33	14	19	131	
31 December 2023									
SEK m	SEK	EUR	NOK	DKK	GBP	USD	Other currencies	Total	
Assets									
Cash and balances with central banks	67,895	128,820	4,776	0	113,645	160,935	109	476,181	
Other loans to central banks		29,326	1,687		1,131			32,145	
Loans to other credit institutions	259	5,772	9,671	1	873	2,299	422	19,297	
Loans to the public	1,579,316	287,783	319,815	1,464	234,892	9,330	1,617	2,434,217	
<i>of which corporates</i>	598,485	185,869	201,140	1,443	167,456	9,171	573	1,164,137	
<i>of which households</i>	974,083	101,914	118,675	21	67,436	159	1,044	1,263,332	
Interest-bearing securities eligible as collateral with central banks	181,752	7,561	36	1		9,778		199,128	
Bonds and other interest-bearing securities	36,868	486	12,223			509		50,087	
Other items not broken down by currency	326,737							326,737	
Total assets	2,192,827	459,749	348,209	1,465	350,541	182,852	2,148	3,537,792	
Liabilities									
Due to credit institutions	15,666	50,097	18,093	64	346	6,835	22	91,124	
Deposits and borrowing from the public	814,008	140,586	110,296	1,171	257,177	24,238	2,561	1,350,037	
<i>of which corporates</i>	335,161	110,747	75,871	1,034	190,553	20,797	1,767	735,931	
<i>of which households</i>	478,848	29,839	34,424	138	66,624	3,441	793	614,106	
Issued securities	569,595	407,148	27,016		37,930	459,581	22,211	1,523,481	
Subordinated liabilities	0	22,740			6,258	14,120		43,117	
Other items not broken down by currency, incl. equity	530,033							530,033	
Total liabilities and equity	1,929,302	620,570	155,404	1,236	301,711	504,774	24,794	3,537,792	
Other assets and liabilities broken down by currency (net)		160,527	-192,764	-223	-48,850	321,918	22,716		
Net foreign currency position		-294	41	7	-20	-4	70	-200	

Assets and liabilities in the tables above include the disposal groups in Finland, which have been reclassified to Assets held for sale and Liabilities held for sale in the balance sheet, respectively (see Note 10).

Note 20 Own funds and capital requirements in the consolidated situation

The requirements for the calculation of own funds and capital requirements are regulated in Regulation (EU) No 575/2013 (CRR) and Directive 2013/36/EU, which comprise the EU's implementation of the international Basel III regulations. All references to CRR in this report refer to these regulations in their entirety, regardless of legislative form (regulation, directive, executive decree or national implementation). Figures reported in this section refer to the minimum capital requirements under Pillar 1 and meet the requirements for publication of information relating to capital adequacy in CRR Part Eight, as well as in the Swedish Financial Supervisory Authority's regulation FFFS 2014:12. Information regarding the total capital requirement and common equity tier 1 capital requirements in Pillar 2 is provided in the Group performance section. They fulfil the requirements set out in the regulations and general guidelines issued by the Swedish Financial Supervisory Authority, FFFS 2008:25 Annual reports in credit institutions and securities companies. Information in this section relates to Handelsbanken's material risks and capital requirement as of the publication date of this report. A full description of the Bank's risks and capital management can be found in Handelsbanken's Annual Report and in Handelsbanken's Risk and Capital – Information according to Pillar 3.

Key metrics

SEK m	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Available own funds					
Common equity tier 1 (CET1) capital	158,433	160,292	162,648	157,576	168,147
Tier 1 capital	168,512	170,860	173,274	172,603	184,438
Total capital	188,223	190,568	193,227	200,081	212,975
Risk-weighted exposure amounts					
Total risk-weighted exposure amount	842,280	848,556	863,310	836,790	868,888
Capital ratios (as a percentage of risk-weighted exposure amount)					
Common equity tier 1 ratio (%)	18.8%	18.9%	18.8%	18.8%	19.4%
Tier 1 ratio (%)	20.0%	20.1%	20.1%	20.6%	21.2%
Total capital ratio (%)	22.3%	22.5%	22.4%	23.9%	24.5%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.8%	2.0%	2.0%	2.0%	2.0%
of which: to be made up of CET1 capital (percentage points)	1.2%	1.3%	1.3%	1.3%	1.3%
of which: to be made up of Tier 1 capital (percentage points)	1.4%	1.5%	1.5%	1.5%	1.5%
Total SREP own funds requirements (%)	9.8%	10.0%	10.0%	10.0%	10.0%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)					
Institution specific countercyclical capital buffer (%)	2.0%	2.0%	1.9%	1.9%	1.9%
Systemic risk buffer (%)	3.2%	3.2%	3.2%	3.2%	3.2%
Global Systemically Important Institution buffer (%)					
Other Systemically Important Institution buffer	1.0%	1.0%	1.0%	1.0%	1.0%
Combined buffer requirement (%)	8.6%	8.6%	8.6%	8.6%	8.6%
Overall capital requirements (%)	18.5%	18.6%	18.6%	18.6%	18.5%
CET1 available after meeting the total SREP own funds requirements (%)	13.1%	13.1%	13.1%	13.1%	13.6%
Leverage ratio					
Leverage ratio total exposure measure	3,585,482	3,578,473	3,593,854	3,390,498	3,543,920
Leverage ratio	4.7%	4.8%	4.8%	5.1%	5.2%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
Additional own funds requirements to address the risk of excessive leverage (%)					
of which: to be made up of CET1 capital (percentage points)					
Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
Leverage buffer and combined leverage buffer requirement (as a percentage of the total exposure measure)					
Leverage ratio requirement (percentage points)					
Combined leverage ratio requirement (percentage points)	3.0%	3.0%	3.0%	3.0%	3.0%
Liquidity coverage ratio (LCR)*					
Total high-quality liquid assets (HQLA) (Weighted value-average)	946,297	934,576	924,173	895,982	883,232
Cash outflows - Total weighted value	597,040	600,865	605,867	617,192	633,045
Cash inflows - Total weighted value	81,134	83,527	86,896	88,942	92,214
Total net cash outflows (adjusted value)	515,906	517,339	518,972	528,250	540,831
Liquidity coverage ratio	184%	182%	179%	172%	164%
Net stable funding ratio (NSFR)					
Total available stable funding	2,139,532	2,176,604	2,218,720	2,101,502	2,140,123
Total required stable funding	1,765,227	1,800,549	1,804,849	1,758,065	1,826,421
NSFR ratio	121%	121%	123%	120%	117%

* High quality liquid assets and cashflows refer to the average of the values at each month-end during the last 12 months. The ratio is calculated based on these averages.

Overview of risk exposure amounts

	RWEA		Own funds requirements	
	30 Sep 2024	30 Jun 2024	30 Sep 2024	30 Jun 2024
Credit risk (excluding CCR)	718,037	726,600	57,443	58,128
Of which standardised approach	191,888	191,694	15,351	15,336
Of which foundation IRB (FIRB) approach	52,526	53,686	4,202	4,295
Of which slotting approach				
Of which equities under simple risk-weighted approach	2,575	2,336	206	187
Of which advanced IRB (AIRB) approach	262,409	271,442	20,993	21,715
Of which risk weight floors	208,639	207,442	16,691	16,595
Counterparty credit risk - CCR	13,012	12,716	1,041	1,017
Of which standardised approach	9,754	9,100	780	728
Of which internal model method (IMM)				
Of which exposures to a CCP	295	268	24	21
Of which credit valuation adjustment - CVA	2,386	2,640	191	211
Of which other CCR	577	708	46	57
Settlement risk				
Securitisation exposures in the non-trading book (after the cap)				
Of which SEC-IRBA approach				
Of which SEC-ERBA (including IAA)				
Of which SEC-SA approach				
Of which 1,250%/ deduction				
Position, foreign exchange and commodities risks (market risk)	25,714	23,723	2,057	1,898
Of which standardised approach	25,714	23,723	2,057	1,898
Of which IMA				
Large exposures				
Operational risk	85,517	85,517	6,841	6,841
Of which basic indicator approach				
Of which standardised approach	85,517	85,517	6,841	6,841
Of which advanced measurement approach				
Amounts below the thresholds for deduction (subject to 250% risk weight)				
Total	842,280	848,556	67,382	67,885

Capital requirement credit risk

The capital requirement for credit risk is calculated according to the standardised approach and the IRB approach in accordance with CRR. There are two different IRB approaches: the IRB approach without own estimates of LGD and CCF, and the IRB approach with own estimates of LGD and CCF.

In the IRB approach without own estimates of LGD and CCF, the Bank uses its own method to determine the probability of the customer defaulting within one year (PD), while the other parameters are set out in CRR rules.

In the IRB approach with own estimates of LGD and CCF, the Bank uses its own methods to calculate the loss given default (LGD) and the exposure amount.

Handelsbanken uses the IRB approach without own estimates of LGD and CCF for exposures to sovereigns and institutions, for certain product and collateral types for corporate exposures in the parent company, and in the subsidiaries Stadshypotek AB and Handelsbanken Finans AB. Exposures in Handelsbanken plc and Ecster AB are reported according to the standardised approach.

The IRB approach with own estimates of LGD and CCF is applied to the majority of exposures to large corporates, medium-sized companies, property companies and housing co-operative associations in the parent company (excluding the Netherlands), as well as in the subsidiaries Stadshypotek AB and Handelsbanken Finans AB. The IRB approach with own estimates of LGD and CCF is also applied to retail exposures in the parent company in Sweden, Norway and Finland, and in the subsidiary Stadshypotek AB. Risk weight floors are applied in Sweden and Norway for mortgage loans and corporate exposures secured by real estate.

At the end of the quarter, the IRB approach was applied to 73% of the total risk-weighted exposure amount for credit risk, including the effect of the risk weight floor.

For the remaining credit risk exposures, the capital requirements are calculated using the standardised approach.

Of Handelsbanken's corporate exposures, 97% were to customers with a repayment capacity assessed as normal or better than normal, i.e. with a rating grade between 1 and 5 on the Bank's nine-point risk rating scale. The IRB approach is based on historical losses, including the Swedish banking crisis in the early 1990s. The risk weights, excluding regulatory risk weight floors, applied when calculating risk-weighted exposure amounts reflect Handelsbanken's credit loss history. The risk assessment includes margins of conservatism to ensure that the risk is not underestimated.

The capital requirements for equity exposures in the IRB approach are calculated according to a simplified risk weight method.

Capital requirement market risk

The capital requirement for market risks is calculated for the Bank's consolidated situation. The capital requirements for interest rate risk and equity price risk are, however, only calculated for positions in the trading book. When calculating the capital requirement for market risks, the standardised approach is applied.

Capital requirement operational risk

Handelsbanken uses the standardised approach to calculate the capital requirement for operational risk. According to the standardised approach, the capital requirement is calculated by multiplying a factor specified in the regulations by the average operating income during the last three years of operation. Different factors are applied in different business segments.

Note 21 Risk and liquidity

Figures reported in this section meet the requirements for publication of information relating to risk and capital management in CRR Part Eight.

Risk and uncertainty factors

Handelsbanken provides credit through its branch operations, exercising a low risk tolerance. The credit process is based on the conviction that a decentralised organisation with local presence ensures high quality in credit decisions. Essentially, market risks in the Bank's business operations are only taken as part of meeting customers' investment and risk management needs. Handelsbanken's exposure to market risks is low. The Bank's low tolerance of risk means that it is also well-equipped to operate under difficult market conditions. In

recent years, geopolitical risk has risen to a higher level, one reason for which is Russia's invasion of Ukraine. Handelsbanken has no direct exposures to Russia, Ukraine or Belarus. Nonetheless, geopolitical developments may entail indirect risks for the Bank. The rise in geopolitical instability has heightened the risk of different types of attacks on critical infrastructure in society. The Bank is monitoring developments and assesses the risk of various scenarios on an ongoing basis.

Liquidity and funding

Handelsbanken has a low tolerance of liquidity risks and works actively to minimise them, at aggregate level and also in each individual currency. The aim is to have good access to liquidity and a considerable capacity to meet customers' funding requirements, even in difficult times. This is achieved by maintaining a good matching of incoming and outgoing cash flows over time in all currencies essential to the Bank and by maintaining large liquidity reserves of good quality. The Bank thereby manages the economic risks in funding and can thereby maintain stable and long-term funding for the business-operating units.

Furthermore, the Bank aims for breadth in its funding programmes and their use. This ensures that the Bank can keep its core business intact for a long period of time, even in the event of disruption in the financial markets.

To ensure sufficient liquidity to support its core operations in stressed financial conditions, the Bank holds large liquidity reserves in all currencies of importance to the Bank. The liquidity reserve comprises several different parts. Cash, balances and other lending to central banks are components which can provide the Bank with immediate liquidity. The reserve also comprises liquid securities, such as government bonds, covered bonds and other securities of very high credit quality. These can also provide the Bank with immediate liquidity. These parts of the liquidity reserve are illustrated in the table and amounted to SEK 934bn at 30 September 2024. The remainder of the liquidity reserve comprises an unutilised issue amount for covered bonds and other liquidity-creating measures.

Balances with central banks and banks, and securities holdings in the liquidity reserve

Market value, SEK m	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Level 1 assets	930,649	876,125	896,425	762,149	821,079
Cash and balances with central banks	623,965	602,833	601,880	504,940	512,134
Securities issued or guaranteed by sovereigns, central banks, MDBs and international organisations	230,430	197,492	222,176	192,929	225,592
Securities issued by municipalities and PSEs	651	564	1,371	209	1,997
Extremely high quality covered bonds	75,603	75,234	70,997	64,071	81,357
Level 2 assets	3,735	3,526	3,693	1,110	3,445
Level 2A assets	3,595	3,247	3,477	1,050	3,223
<i>Securities issued or guaranteed by sovereigns, central banks, municipalities and PSEs</i>	2,277	2,834	2,939	36	1,946
<i>High quality covered bonds</i>	1,319	413	538	1,014	1,277
<i>Corporate debt securities (lowest rating AA-)</i>					
Level 2B assets	140	279	216	60	222
<i>Asset-backed securities</i>					
<i>High quality covered bonds</i>					
<i>Corporate debt securities (rated A+ to BBB-)</i>	140	279	216	60	222
<i>Shares (major stock index)</i>					
Total liquid assets	934,384	879,651	900,118	763,260	824,525
<i>of which in SEK</i>	295,855	259,662	293,929	282,920	286,055
<i>of which in EUR</i>	202,754	183,219	178,948	162,765	176,389
<i>of which in USD</i>	260,092	271,549	247,041	166,329	202,638
<i>of which in other currencies</i>	175,682	165,221	180,200	151,246	159,442

30 September 2024					
Market value, SEK m	SEK	EUR	USD	Other	Total
Level 1 assets	294,610	202,707	260,092	173,240	930,649
Cash and balances with central banks	44,622	197,047	253,992	128,304	623,965
Securities issued or guaranteed by sovereigns, central banks, MDBs and international organisations	215,763	5,545	6,100	3,021	230,430
Securities issued by municipalities and PSEs	651				651
Extremely high quality covered bonds	33,574	114		41,915	75,603
Level 2 assets	1,246	48		2,442	3,735
Level 2A assets	1,153			2,442	3,595
<i>Securities issued or guaranteed by sovereigns, central banks, municipalities and PSEs</i>				2,277	2,277
<i>High quality covered bonds</i>	1,153			165	1,319
<i>Corporate debt securities (lowest rating AA-)</i>					
Level 2B assets	92	48			140
<i>Asset-backed securities</i>					
<i>High quality covered bonds</i>					
<i>Corporate debt securities (rated A+ to BBB-)</i>	92	48			140
<i>Shares (major stock index)</i>					
Total liquid assets	295,855	202,754	260,092	175,682	934,384

Maturities for financial assets and liabilities

30 September 2024 SEK m	Up to 30 days	31 days - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspec. maturity	Total
Assets								
Cash and balances with central banks	600,847							600,847
Interest-bearing securities eligible as collateral with central banks *	235,053							235,053
Bonds and other interest-bearing securities *	57,691							57,691
Loans to credit institutions **	56,500	77	127	390	557	588		58,239
of which reverse repos	23,285							23,285
Loans to the public	71,372	325,790	193,508	233,635	403,144	1,177,268		2,404,717
of which reverse repos	18,770							18,770
Other ***	40,881						358,617	399,498
of which shares and participating interests	31,522							31,522
of which claims on investment banking settlements	9,359							9,359
Total	1,062,345	325,867	193,635	234,025	403,701	1,177,856	358,617	3,756,046
Liabilities								
Due to credit institutions ****	91,878	24,951	4,831	49	620	279	14,773	137,380
of which repos	26							26
of which deposits from central banks	11,446	12,061					69	23,576
Deposits and borrowing from the public ****	168,187	187,785	14,302	2,709	1,194	166	1,037,510	1,411,853
of which repos	650							650
Issued securities	112,950	404,503	302,819	165,196	561,086	55,338		1,601,892
of which covered bonds		55,461	94,229	115,850	432,476	24,559		722,575
of which bank certificates (CDs) with original maturity of less than one year	38,995	174,580	70,671					284,246
of which corporate certificates (CPs) with original maturity of less than one year	72,012	165,922	110,041					347,975
of which bank certificates (CDs) and corporate certificates (CPs) with original maturity above one year	1,003	2,977	671					4,651
of which Senior Non-Preferred Bonds				18,431	26,833	29,685		74,949
of which senior bonds and other securities with original maturity of more than one year	51	3,346	26,468	31,636	104,906	1,087		167,494
Subordinated liabilities					25,581	4,569		30,150
Other ***	25,837						548,934	574,771
of which short positions	15,692							15,692
of which investment banking settlement debts	10,145							10,145
Total	398,852	617,239	321,952	167,954	588,481	60,352	1,601,217	3,756,046

* The table shows holdings of bonds and other interest-bearing securities in the time intervals in which they can be converted to liquidity if they are pledged as collateral or sold. This means that the table does not reflect the actual maturities for the securities included. In "Other", assets and liabilities are reported as maturing in the time intervals that correspond to the contractual maturity dates, taking into account contractual amortisation plans.

** Term loans to central banks stand for SEK 25,995m of the volume.

*** "Other" includes market values in derivative transactions.

**** Sight deposits are reported under "Unspecified maturity".

Liquidity coverage ratio (LCR)

Liquidity coverage ratio (LCR) - sub components SEK m	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
High quality liquidity assets	928,483	873,757	894,518	758,587	818,235
Cash outflows					
Retail deposits and deposits from small business customers	57,002	57,940	55,608	55,996	56,125
Unsecured wholesale funding	417,584	363,131	377,412	255,923	357,613
Secured wholesale funding	10,498	3,642	3,722	4,266	3,169
Other cash outflows	99,234	96,469	104,019	108,646	115,567
Total cash outflows	584,318	521,182	540,761	424,831	532,474
Cash inflows					
Inflows from fully performing exposures	34,539	33,370	41,692	40,108	37,989
Other cash inflows	21,081	23,398	24,744	23,341	41,511
Total cash inflows	55,620	56,769	66,436	63,449	79,500
Liquidity coverage ratio (LCR)	176%	188%	189%	210%	181%

Net stable funding ratio (NSFR)

Net stable funding ratio (NSFR) - sub components SEK m	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Available stable funding (ASF)					
Capital items and instruments	211,366	213,794	216,900	208,436	223,511
Retail deposits	709,349	725,963	712,489	709,447	720,534
Wholesale funding	1,214,938	1,232,855	1,285,183	1,179,688	1,189,378
Other liabilities	3,879	3,992	4,148	3,931	6,700
Total Available stable funding (ASF)	2,139,532	2,176,604	2,218,720	2,101,502	2,140,123
Required stable funding (RSF)					
Total high-quality liquid assets (HQLA)	14,224	13,942	14,198	6,063	11,597
Assets encumbered for more than 12 months in cover pool					
Performing loans and securities	488,248	545,431	529,243	487,444	530,545
Other assets	1,167,972	1,142,078	1,157,185	1,178,603	1,193,259
Off-balance sheet items	72,346	76,541	82,053	63,915	67,793
	22,436	22,557	22,171	22,040	23,228
Total Required stable funding (RSF)	1,765,227	1,800,549	1,804,849	1,758,065	1,826,421
Net stable funding ratio (NSFR)	121%	121%	123%	120%	117%

The liquidity coverage ratio (LCR) has been a binding requirement for banks in the EU since the European Commission introduced its Delegated Regulation. The figure states the ratio between the Bank's liquidity buffer and net cash flows in a very stressed scenario during a 30-day period. The requirement applies to LCR at aggregate level and the ratio must be at least 100%. The minimum requirement for the structural liquidity measure, the NSFR (Net Stable Funding Ratio) – the ratio between available stable funding and required stable funding – requires the Bank to have sufficient stable funding to cover its funding needs under both normal and stressed circumstances from the perspective of a one-year horizon. The minimum requirement applies to LCR at aggregate level, and the ratio must be at least 100%.

At the end of the quarter, the Group's aggregated LCR was 176%, which shows that the Bank has substantial resistance to short-term disruptions in the funding markets. At the same date, the Group's NSFR amounted to 121%.

Stress test with liquidity-creating measures

The governance of the Bank's liquidity situation is based on stress tests, which are performed at an aggregate level and also individually for the currencies that are essential to the Bank. The stress tests are designed to ensure that the Bank has sufficient liquidity in various stressed scenarios and with the implementation of different measures, which are also included in the Bank's recovery plan. The stress tests are carried out with both general and idiosyncratic stress on a regular basis, as well as on an ad hoc basis. These are also supplemented with scenario analyses which take substantial falls in housing prices into account.

Resistance to more long-term disruptions in the market is measured on a daily basis through stress testing of cash flows based on certain assumptions. For example, it is assumed that the Bank cannot obtain funding in the financial markets, at the same time as 5-20% of non-fixed-term deposits from households and companies disappears gradually in the first month. It is further assumed that the Bank will continue to conduct its core activities, i.e. that fixed-term deposits from and loans to households and companies will be renewed at maturity and that issued commitments and credit facilities will be

partly utilised by customers. Simultaneously, consideration is given to the fact that cash, balances and other lending to central banks are components which can provide the Bank with immediate liquidity. Consideration is also given to liquid securities, such as government bonds, covered bonds and other securities of very high credit quality which can provide the Bank with immediate liquidity. In addition, the Bank can create liquidity through utilising the unutilised issue amount for covered bonds and by implementing other liquidity-creating measures to gradually provide the Bank with liquidity. With these conditions, the Bank will be liquid for more than three years.

Non-encumbered assets, NEA

30 September 2024		Accumulated coverage ratio in %
SEK bn	NEA	of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio	934	92%
Mortgage loans	760	167%
Other household lending	141	181%
Property company lending lowest risk class (1-3)	250	205%
Other corporate lending lowest risk class (1-3)	95	214%
Loans to credit institutions lowest risk class (1-3)	3	215%
Other corporate lending	339	248%
Other assets	3	248%
Total non-encumbered assets (NEA)	2,525	248%
Encumbered assets without underlying liabilities**	73	
Encumbered assets with underlying liabilities	1,158	
Total assets, Group	3,756	

31 December 2023		Accumulated coverage ratio in %
SEK bn	NEA	of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio	763	83%
Mortgage loans	780	167%
Other household lending	141	182%
Property company lending lowest risk class (1-3)	250	210%
Other corporate lending lowest risk class (1-3)	100	220%
Loans to credit institutions lowest risk class (1-3)	3	221%
Other corporate lending	364	260%
Other assets	6	261%
Total non-encumbered assets (NEA)	2,407	261%
Encumbered assets without underlying liabilities**	70	
Encumbered assets with underlying liabilities	1,062	
Total assets, Group	3,538	

* Issued short and long non-secured funding and liabilities to credit institutions.

** Over-collateralisation in cover pool (OC) and assets to cover Operational Continuity in Resolution requirement in the UK

Information in this section relates to Handelsbanken's material risks and risk management at the time that this interim report is published. A full description of the Bank's risks and capital management can be found in Handelsbanken's Annual Report and in Handelsbanken's Risk and Capital – Information according to Pillar 3.

Note 22 Related-party transactions

There have been no transactions of material importance with related parties during the period.

Note 23 Segment reporting

Information about the Bank's segment reporting is provided on pages 9-18.

Note 24 Events after the balance sheet date

No significant events have occurred after the balance sheet date.

Condensed set of financial statements – Parent company

INCOME STATEMENT – PARENT COMPANY

SEK m	Q3			Q2			Q3			Full year
	2024	2024	Change	2023	Change	Jan-Sep	Jan-Sep	Change	2023	
Net interest income	6,415	6,465	-1%	6,720	-5%	19,194	18,928	1%	25,946	
Dividends received	323	270	20%	342	-6%	9,351	4,313	117%	15,957	
Net fee and commission income	1,165	1,174	-1%	1,162	0%	3,432	3,420	0%	4,573	
Net gains/losses on financial transactions	586	755	-22%	770	-24%	2,002	1,237	62%	1,745	
Other income	1,019	990	3%	884	15%	2,997	2,874	4%	4,230	
Total income	9,508	9,655	-2%	9,877	-4%	36,977	30,771	20%	52,452	
Staff costs	-3,340	-3,415	-2%	-2,990	12%	-10,218	-8,980	14%	-11,456	
Other administrative expenses	-1,648	-1,939	-15%	-1,741	-5%	-5,623	-5,383	4%	-7,453	
Depreciation, amortisation and impairment of property, equipment and intangible assets	-558	-534	4%	-597	-7%	-1,702	-1,806	-6%	-2,334	
Total expenses before credit losses	-5,545	-5,888	-6%	-5,327	4%	-17,542	-16,169	8%	-21,243	
Profit before credit losses, risk tax and resolution fee	3,962	3,767	5%	4,550	-13%	19,434	14,602	33%	31,208	
Net credit losses	137	78	76%	176	-22%	256	94	172%	58	
Impairment of financial assets				-29	-100%		-127	-100%	-1,524	
Risk tax and resolution fee	-469	-355	32%	-463	1%	-1,296	-1,274	2%	-1,633	
Operating profit	3,632	3,489	4%	4,235	-14%	18,395	13,295	38%	28,110	
Appropriations										
Profit before tax	3,632	3,489	4%	4,235	-14%	18,395	13,295	38%	28,110	
Taxes	-798	-784	2%	-1,019	-22%	-2,281	-2,331	-2%	-5,747	
Profit for the period	2,834	2,705	5%	3,215	-12%	16,114	10,964	47%	22,363	

STATEMENT OF COMPREHENSIVE INCOME – PARENT COMPANY

SEK m	Q3			Q2			Q3			Full year
	2024	2024	Change	2023	Change	Jan-Sep	Jan-Sep	Change	2023	
Profit for the period	2,834	2,705	5%	3,215	-12%	16,114	10,964	47%	22,363	
Other comprehensive income										
Items that will not be reclassified to the income statement										
Instruments measured at fair value through other comprehensive income - equity instruments	64	-13		-8		95	58	64%	63	
Tax on items that will not be reclassified to income statement	-13	5		1		-17	-9	-89%	-11	
<i>of which equity instruments measured at fair value through other comprehensive income</i>	-13	5		1		-17	-9	-89%	-11	
Total items that will not be reclassified to the income statement	51	-8		-7		78	49	59%	52	
Items that may subsequently be reclassified to the income statement										
Cash flow hedges	-608	-337	-80%	-799	24%	-808	-471	-72%	-1,571	
Instruments measured at fair value through other comprehensive income - debt instruments		12	-100%	18	-100%	24	16	50%	25	
Translation differences for the period	-754	-61		-325	-132%	-267	-158	-69%	-1,289	
<i>of which hedging net investment in foreign operations</i>							5	-100%	5	
Tax on items that may subsequently be reclassified to the income statement	274	84	226%	167	64%	213	73	192%	522	
<i>of which cash flow hedges</i>	125	69	81%	165	-24%	166	97	71%	324	
<i>of which debt instruments measured at fair value through other comprehensive income</i>	1	-2		-3		-4	-3	-33%	-5	
<i>of which hedging net investment in foreign operations</i>							-1	-100%	-1	
<i>of which tax on translation difference</i>	148	17		6		51	-16		204	
Total items that may subsequently be reclassified to the income statement	-1,088	-302	-260%	-939	-0	-838	-536	-56%	-2,313	
Total other comprehensive income for the period	-1,038	-309	-236%	-946	-0	-761	-488	-56%	-2,262	
Total comprehensive income for the period	1,795	2,397	-25%	2,269	-21%	15,353	10,476	47%	20,100	

Comment on results – Parent company January – September 2024 compared with January – September 2023

The parent company's accounts cover parts of the operations that, in organisational terms, are included in branch operations within and outside Sweden, Markets, and central departments and staff functions. Although most of Handelsbanken's business comes from the local branches and is co-ordinated by them, in legal terms a sizeable part of business volumes are outside the parent company in wholly owned subsidiaries – particularly in the Stadshypotek AB mortgage institution and Handelsbanken plc. Thus, the performance of the parent company is not equivalent to the performance of business operations in the Group as a whole.

For further information on the divestment of the operations in Finland, refer to the introduction to Note 10.

The parent company's operating profit increased by 38% to SEK 18,395m (13,295) compared with the previous year, mainly due to higher dividends received. The SEK 5,038m increase in dividends received to SEK 9,351m (4,313) is primarily attributable to the parent company receiving dividends of approximately SEK 8,200m from its subsidiary, Handelsbanken plc. In addition, there was a significant rise in net gains/losses on financial transactions. The main explanation behind the SEK 765m increase in net gains/losses on financial transactions to SEK 2,002m (1,237) is the positive effects of decreased spreads in the market on the Bank's holdings of subordinated loans issued by the subsidiary Stadshypotek, which are valued at fair value on the balance sheet and income statement. Net interest income increased by 1% to SEK 19,194m (18,928). Net fee and commission income increased by SEK 12m to SEK 3,432m (3,420). Profit for the period increased by 47% to SEK 16,114m (10,964). Since year-end 2023, the parent company's equity has decreased to SEK 148,044m (158,431).

BALANCE SHEET – PARENT COMPANY

SEK m	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Assets					
Cash and balances with central banks	479,272	463,644	443,543	362,536	373,681
Interest-bearing securities eligible as collateral with central banks	235,053	206,318	230,519	199,128	231,839
Loans to credit institutions	990,093	1,011,203	1,058,155	1,007,992	1,057,541
Loans to the public	562,383	586,196	592,997	600,997	630,946
Value change of interest hedged item in portfolio hedge	-6,573	-9,007	-9,690	-9,657	-14,836
Bonds and other interest-bearing securities	62,331	60,191	55,379	50,791	63,846
Shares	25,546	26,003	27,095	6,170	18,955
Shares in subsidiaries and investments in associates and joint ventures	69,502	69,359	69,398	68,986	70,591
Assets where the customer bears the value change risk	2,055	2,011	1,994	1,948	2,475
Derivative instruments	37,886	39,712	49,357	39,019	62,065
Intangible assets	3,102	3,151	3,191	3,211	3,180
Property, equipment and leasing assets	5,801	6,005	6,417	6,673	6,532
Current tax assets	2,392	2,106	842		1,140
Deferred tax assets	380	385	381	374	662
Other assets	11,308	13,360	27,080	20,789	22,546
Prepaid expenses and accrued income	1,722	2,011	2,272	1,386	1,503
Total assets	2,482,254	2,482,648	2,558,930	2,360,344	2,532,668
Liabilities and equity					
Due to credit institutions	221,588	186,255	188,315	176,143	232,856
Deposits and borrowing from the public	1,153,663	1,202,459	1,224,533	1,109,471	1,176,047
Liabilities where the customer bears the value change risk	2,055	2,011	1,994	1,948	2,475
Issued securities	852,573	855,122	904,585	806,167	868,137
Derivative instruments	41,124	27,927	31,523	46,269	29,794
Short positions	15,692	15,456	15,013	2,364	12,558
Current tax liabilities				831	
Deferred tax liabilities	139	298	355	336	1,175
Provisions	576	620	633	624	606
Other liabilities	13,157	12,508	14,052	11,374	12,995
Accrued expenses and deferred income	2,626	2,867	3,062	2,399	2,728
Subordinated liabilities	30,150	30,010	30,146	43,117	43,598
Total liabilities	2,333,343	2,335,533	2,414,212	2,201,046	2,382,968
Untaxed reserves	867	867	867	867	867
Share capital	3,069	3,069	3,069	3,069	3,069
Share premium	8,758	8,758	8,758	8,758	8,758
Other funds	8,197	9,310	9,646	9,063	10,791
Retained earnings	111,907	111,830	111,803	115,178	115,251
Profit for the period	16,114	13,280	10,575	22,363	10,964
Total equity	148,044	146,248	143,851	158,431	148,832
Total liabilities and equity	2,482,254	2,482,648	2,558,930	2,360,344	2,532,668

STATEMENT OF CHANGES IN EQUITY – PARENT COMPANY

January - September 2024 SEK m	Restricted equity			Unrestricted equity					Retained earnings incl. profit for the year	Total
	Share capital	Statutory reserve	Fund for internally developed software	Share premium	Hedge reserve *	Fair value reserve *	Translation reserve *			
Opening equity 2024	3,069	2,682	3,140	8,758	2,284	197	761	137,541	158,431	
Profit for the period								16,114	16,114	
Other comprehensive income					-642	97	-216		-761	
Total comprehensive income for the period					-642	97	-216	16,114	15,353	
Dividend								-25,740	-25,740	
Fund for internally developed software			-106					106		
Closing equity	3,069	2,682	3,034	8,758	1,642	294	545	128,020	148,044	

January – December 2023 SEK m	Restricted equity			Unrestricted equity					Retained earnings incl. profit for the year	Total
	Share capital	Statutory reserve	Fund for internally developed software	Share premium	Hedge reserve *	Fair value reserve *	Translation reserve *			
Opening equity 2023	3,069	2,682	3,010	8,758	3,531	126	1,847	130,864	153,887	
Profit for the period								22,363	22,363	
Other comprehensive income <i>of which reclassified within equity</i>					-1,247	71	-1,086		-2,262	
							-284		-284	
Total comprehensive income for the period					-1,247	71	-1,086	22,363	20,100	
Reclassified to retained earnings								284	284	
Dividend*								-15,840	-15,840	
Fund for internally developed software			129					-129		
Closing equity	3,069	2,682	3,140	8,758	2,284	197	761	137,541	158,431	

January - September 2023 SEK m	Restricted equity			Unrestricted equity					Retained earnings incl. profit for the year	Total
	Share capital	Statutory reserve	Fund for internally developed software	Share premium	Hedge reserve *	Fair value reserve *	Translation reserve *			
Opening equity 2023	3,069	2,682	3,010	8,758	3,531	126	1,847	130,864	153,887	
Profit for the period								10,694	10,694	
Other comprehensive income					-374	61	-175		-488	
Total comprehensive income for the period					-374	61	-175	10,964	10,476	
Dividend								-15,840	-15,840	
Fund for internally developed software			83					-83		
Closing equity	3,069	2,682	3,093	8,758	3,158	188	1,671	126,214	148,832	

* Included in fair value fund.

CONDENSED STATEMENT OF CASH FLOWS – PARENT COMPANY

SEK m	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Operating profit	18,395	13,295	28,110
Adjustment from Operating profit to investment activities	706		-335
Adjustment for non-cash items in profit/loss	306	1,870	-8,076
Paid income tax	-5,542	-3,418	-5,188
Changes in the assets and liabilities of operating activities	134,026	-24,994	-19,128
Cash flow from operating activities	147,892	-13,246	-4,615
Disposal of operations and subsidiaries	-1,657		
Liquidation of subsidiaries			336
Change in shares	-107	-53	-53
Change in property and equipment	-392	-1,343	-1,956
Change in intangible assets	-374	-496	-682
Cash flow from investing activities	-2,531	-1,892	-2,355
Repayment of subordinated loans	-13,371	-8,351	-8,351
Issued subordinated loans		8,635	8,635
Dividend paid	-25,740	-15,840	-15,840
Received Group contributions	11,338	16,249	16,249
Cash flow from financing activities	-27,773	692	692
Cash and cash equivalents at beginning of the period*	362,536	376,010	376,010
Cash flow for the period	117,587	-14,446	-6,278
Exchange rate difference on cash and cash equivalents	-850	12,117	-7,196
Cash and cash equivalents at end of the period*	479,272	373,681	362,536

* Cash and cash equivalents are defined as Cash and balances with central banks.

OWN FUNDS AND CAPITAL REQUIREMENTS – PARENT COMPANY

Key metrics

SEK m	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023
Available own funds					
Common equity tier 1 (CET1) capital	125,379	128,954	134,088	125,618	135,100
Tier 1 capital	135,458	139,523	144,715	140,644	151,391
Total capital	155,170	159,230	164,667	168,123	179,928
Risk-weighted exposure amounts					
Total risk-weighted exposure amount	414,346	421,933	431,592	421,681	463,350
Capital ratios (as a percentage of risk-weighted exposure amount)					
Common equity tier 1 ratio (%)	30.3%	30.6%	31.1%	29.8%	29.2%
Tier 1 ratio (%)	32.7%	33.1%	33.5%	33.4%	32.7%
Total capital ratio (%)	37.4%	37.7%	38.2%	39.9%	38.8%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.2%	1.2%	1.2%	1.2%	1.2%
of which: to be made up of CET1 capital (percentage points)	0.7%	0.7%	0.7%	0.7%	0.7%
of which: to be made up of Tier 1 capital (percentage points)	0.9%	0.9%	0.9%	0.9%	0.9%
Total SREP own funds requirements (%)	9.2%	9.2%	9.2%	9.2%	9.2%
Combined buffer requirement (as a percentage of risk-weighted exposure amount)					
Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)					
Institution specific countercyclical capital buffer (%)	2.0%	2.0%	1.9%	1.9%	1.8%
Systemic risk buffer (%)					
Global Systemically Important Institution buffer (%)					
Other Systemically Important Institution buffer					
Combined buffer requirement (%)	4.5%	4.5%	4.4%	4.4%	4.3%
Overall capital requirements (%)	13.6%	13.7%	13.6%	13.6%	13.6%
CET1 available after meeting the total SREP own funds requirements (%)	25.1%	25.3%	25.8%	24.6%	23.9%
Leverage ratio					
Leverage ratio total exposure measure	1,778,094	1,765,198	1,818,244	1,609,855	1,760,618
Leverage ratio	7.6%	7.9%	8.0%	8.7%	8.6%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
Additional own funds requirements to address the risk of excessive leverage (%)					
of which: to be made up of CET1 capital (percentage points)					
Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
Bruttosoliditetsbuffert och samlat bruttosoliditetskrav (som en procentandel av det totala exponeringsmättet)					
Krav på bruttosoliditetsbuffert (i %)					
Samlat bruttosoliditetskrav (i %)	3.0%	3.0%	3.0%	3.0%	3.0%
Liquidity coverage ratio (LCR)*					
Total high-quality liquid assets (HQLA) (Weighted value-average)	829,516	821,351	815,105	790,916	781,574
Cash outflows - Total weighted value	577,495	581,818	583,264	595,524	607,454
Cash inflows - Total weighted value	166,209	168,509	169,789	174,788	178,459
Total net cash outflows (adjusted value)	411,286	413,309	413,475	420,736	428,995
Liquidity coverage ratio	205%	202%	200%	192%	184%
Net stable funding ratio (NSFR)					
Total available stable funding	1,320,605	1,353,824	1,396,356	1,320,193	1,349,621
Total required stable funding	1,177,066	1,194,445	1,244,630	1,211,510	1,192,901
NSFR ratio	112%	113%	112%	109%	113%

* High quality liquid assets and cashflows refer to the average of the values at each month-end during the last 12 months. The ratio is calculated based on these averages.

Overview of risk exposure amounts

	RWEA		Own funds requirements	
	30 Sep 2024	30 Jun 2024	30 Sep 2024	30 Jun 2024
Credit risk (excluding CCR)	342,377	350,147	27,390	28,012
Of which standardised approach	145,943	146,364	11,675	11,709
Of which foundation IRB (FIRB) approach	46,429	47,839	3,714	3,827
Of which slotting approach				
Of which equities under simple risk-weighted approach	2,508	2,281	201	182
Of which advanced IRB (AIRB) approach	122,710	129,125	9,817	10,330
Of which risk weight floors	24,787	24,538	1,983	1,963
Counterparty credit risk - CCR	13,009	12,716	1,041	1,017
Of which standardised approach	9,751	9,100	780	728
Of which internal model method (IMM)				
Of which exposures to a CCP	295	268	24	21
Of which credit valuation adjustment - CVA	2,386	2,640	191	211
Of which other CCR	577	708	46	57
Settlement risk				
Securitisation exposures in the non-trading book (after the cap)				
Of which SEC-IRBA approach				
Of which SEC-ERBA (including IAA)				
Of which SEC-SA approach				
Of which 1,250%/ deduction				
Position, foreign exchange and commodities risks (market risk)	12,383	12,492	991	999
Of which standardised approach	12,383	12,492	991	999
Of which IMA				
Large exposures				
Operational risk	46,577	46,577	3,726	3,726
Of which basic indicator approach				
Of which standardised approach	46,577	46,577	3,726	3,726
Of which advanced measurement approach				
Amounts below the thresholds for deduction (subject to 250% risk weight)				
Total	414,346	421,933	33,148	33,755

SUBMISSION OF REPORT

I hereby submit this report.

Stockholm, 23 October 2024

Michael Green

President and Chief Executive Officer

Information regarding the press conference and telephone conference

A press conference will be held on 23 October 2024 at 08:30 a.m.

Press releases, presentations, a fact book and a recording of the press conference will be available at handelsbanken.com/ir.

The highlights of the annual report for 2024 will be published on 5 February 2025.

For further information, please contact:

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Auditors' review report

Svenska Handelsbanken AB (publ), corporate identity number 502007-7862

INTRODUCTION

We have reviewed the condensed interim financial information (interim report) for Svenska Handelsbanken AB (publ) as at 30 September 2024 and for the nine-month period ending as at this date. The Board of Directors and the Chief Executive are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies. Our responsibility is to express a conclusion on this interim report based on our review.

FOCUS AND SCOPE OF THE REVIEW

We have conducted our review in accordance with the International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily to persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review differs from and is substantially less in scope than an audit conducted in accordance with

International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

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

Stockholm, 23 October 2024

PricewaterhouseCoopers AB

Magnus Svensson Henryson
Authorised Public Accountant

Deloitte AB

Malin Lünig
Authorised Public Accountant

NOTE: this is an unofficial translation of the report originally issued in Swedish. In case of discrepancies between the original report and this translation the original Swedish version shall prevail.

Share price performance and other information

The Swedish stock market (OMX Stockholm 30 index) went up by 10% during the first nine months of the year. The Stockholm stock exchange's bank index increased by 4%. Handelsbanken's class A shares closed at SEK 104.25 at the end of the period, a decline of 5% compared to the closing price of SEK 109.45 at year-end. Including the distributed dividend of SEK 13.00 per share, the total return was 7%.

Over the last five years, the Swedish stock market (OMX Stockholm 30) has gone up by 59%, and the bank index (OMX Stockholm Banks PI) has gone up by 53%. During the same period, the price of Handelsbanken's class A share has risen by 13%.

SHARE PRICE PERFORMANCE PREVIOUS 5 YEARS

Index 100 = September 30, 2019



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