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Interim Report 1 January–30 June
Volvofinans Bank AB



Message from the President

January–June 2014 highlights

Pre-tax profit SEK 164.4 million (131.9)
Return on equity 8.1% (6.5)
Lending at 30 June of SEK 24.9 billion (24.4)
Credit losses, net SEK 6.1 million (12.7)
Core tier 1 capital ratio, 21.3% (18.6)

Volvofinans Bank's profit for the first half of 2014 is SEK 164.4 million, an increase of 25% on the same period last year.

This significant improvement in profit is the result of, among other things, the continued high level of activity at Swedish Volvo dealerships during the first six months of the year. New car sales are very strong, with a total market where new registrations increased by 17.7% in June. Volvo's boost in sales is on a par with the market while Ford and Renault are just below. The industry organisation BIL Sweden recently increased its full-year forecast to 305,000 new car registrations. Registrations of heavy goods vehicles (>16 tonnes) also rose substantially in the first half of the year, by 18.6%. Volvo Trucks are doing well, increasing their market share by over 5 percentage points to 47.6% compared to last year.

Volvofinans Bank's charge and credit card, the Volvo Card, (Volvokort) is developing well in the market. The fuel volumes in the Tanka network are in principle unchanged compared to last year in a slightly declining total market. The number of new card accounts is just over 30% higher than in the same period last year. The card has also been used more widely at Volvo dealership workshops.

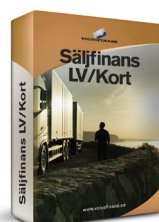
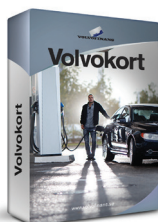
The business area Fleet Finance (Svensk Vagnparksfinans), which offers efficient and rational management of client companies' fleets, has made huge progress in winning new orders in the first half of the year. Out of all the bank's business areas, Sales Finance Cars (Säljfinans PV) is the one with the clearly highest lending volume, almost SEK 15 billion, split between car loans and private leasing to consumers as well as leasing to small and medium-sized enterprises. Private leasing to consumers continues to attract more interest, with both Volvo and Renault presenting strong offers in the market.

The improved net interest income is mainly due to lower borrowing costs and a more favourable borrowing mix. Costs have risen by 3%, as a result of greater marketing efforts, while the credit losses (net) have halved compared to last year.

The bank has delivered a very strong mid-2014 balance sheet; return on equity amounted to just over 8% in a market experiencing historically low interest rates. In the second half of the year we expect to see a continued strong passenger car market, which will benefit lending volumes. In an expansion phase it is reassuring to easily meet current capital requirements; at the halfway point of the year the core tier 1 capital ratio was 21.3%. Naturally some allowance has to be made for the geopolitical unrest around the world, which represents an element of uncertainty, but on the whole we feel confident about how the bank will perform this autumn.

Conny Bergström
President
Volvofinans Bank AB

The information contained in this report is that which Volvofinans Bank AB (publ), corporate ID no. 556069-0967, is obliged to publish in accordance with the Swedish Securities Market Act (SFS 2007:528). This report was submitted for publication at 4.15 pm on 22 August 2014.



Financial reports

Ownership/Operations

Since its establishment in 1959, Volvofinans Bank has been 50% owned by Swedish Volvo dealerships via their holding company AB Volverkinvest. The Sixth Swedish National Pension Fund (AP-fonden) owns 40% and Volvo Car Corporation (Volvo Personvagnar AB) 10%.

The primary task of Volvofinans Bank is to actively support sales of products marketed by Volvo dealers on the Swedish market by providing product and sales financing, while reporting favourable earnings.

Volvofinans Bank AB is the parent company in a Group with a dormant subsidiary. Based on chapter 7, section 6a of the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL), as of 31 December 2010 Volvofinans Bank does not prepare consolidated financial statements as activities in the subsidiary are of negligible value.

Volumes/lending

Sales of new passenger cars in Sweden rose by 18% compared with the same period in the previous year. A total of 151,747 (128,900) passenger vehicles were registered. The number of Volvo, Renault and Ford registrations was 44,190 (36 515), and their combined market share was 29% (28).

45% (44) of all passenger car business, new and used, within the Swedish Volvo dealerships generates a financial contract with Volvofinans Bank. New and used vehicle penetration is 49% and 36% respectively. Volvofinans Bank finances the Swedish Volvo dealers' truck sales, apart from those that take place through the AB Volvo-owned Volvo Truck Centre. Penetration for new trucks was 49% (43).

The total contract portfolio (loan and leasing contracts) amounted to 198,046 contracts (194,509). The truck and bus element of the contract portfolio totalled 6,042 contracts (6,230), which is 3% of the total. Vagnparkfinans administrators 27,882 (34,689) vehicle fleet contracts.

Goods and services purchased using the Volvokort card totalled SEK 5.5 billion and the number of accounts actively purchasing is half a million per month. Goods and services to a value of SEK 216 million were purchased using the 21,489 Volvo Lastbils kort cards.

The lending volume was SEK 24.9 billion, compared with SEK 24.4 billion in the previous year. The truck and bus share of lending was SEK 2.2 billion (2.3), which corresponds to 9% of total lending. Vagnparkfinans accounts for SEK 5.1 billion (5.4), or 20% of lending, and Volvokort for 7%, or SEK 1.7 billion (1.8).

Volvofinans Bank's operating segments are Volvo Card, Sales Finance Cars, Sales Finance Trucks and Fleet Finance. The Sales Finance Cars segment includes financing for passenger cars through loans and leases and the Sales Finance Trucks segment includes financing for trucks and buses through loans and leases, as well as the Volvo Truck Card. Fleet Finance, includes the financing through leases and administration of vehicle fleets. The operating income, operating profit, number of contracts and lending volume for Volvofinans Bank's lines of business are presented below. Operating income is defined as the net of interest income, interest expenses, leasing net, dividends received, net result of financial transactions, commission income and commission expenses. Expenses are defined as general administration expenses and other operating expenses. Volvofinans Bank is of the opinion that it is not relevant to divide up its liabilities among the various segments. Borrowing is determined by the total requirement and cannot be attributed to a specific segment.

Jan-June 2014	Sales Finance Cars	Sales Finance Trucks	Fleet Finance	Volvo Card	Total
Number of contracts (average)	159,699	6,064	57,369	-	223,132
Number of active accounts (average)	-	2,051	-	451,718	453,769
Lending volume, SEK million (average)	14,841	2,253	5,093	1,132	23,319
Operating income, SEK thousand	108,976	15,889	49,908	148,912	323,685
Expenses, SEK thousand	- 36,865	- 7,038	- 19,548	- 89,662	-153,113
Credit losses, net, SEK thousand	51	- 70	1,715	- 7,821	- 6,125
Operating profit, SEK thousand	72,162	8,781	32,075	51,429	164,447

Jan-June 2014	Loans	Leases	Total
Number of contracts	111,520	86,526	198,046
Average contract, SEK thousand	101	167	130
Collateral value, SEK million	11,230	14,434	25,664
Credit utilised, SEK million	10,471	12,480	22,951
Loan-to-value ratio	93	86	89
Market value, SEK million	14,219	12,831	27,050
Surplus value, SEK million	3,747	352	4,099
Surplus value, %	36	3	18

Profit

Volvofinans Bank's profit before credit loss expenses is SEK 170.6 million (144.6), an increase of 18%. This increase in profit is primarily accounted for by lower borrowing margins. Profit for the period increased by 25% to SEK 164.4 million (131.9).

Credit risks and credit losses

The credit risk for Volvofinans Bank is very low as, under the agreements in place, by far the predominant part of both the credit and residual value risk is borne by each Volvo dealer. Problem credits are defined as all defaulted receivables, i.e. those more than 90 days overdue or given default for other reasons. Volvofinans Bank's problem credits for credit card receivables total SEK 13.8 million (9.1) and for loan and lease lending SEK 165.4 million (183.6).

With regard to commitments relating to loan and leasing lending, in addition to the collateral in the financed items, there are recourse agreements in place meaning that the dealers bear the credit risk of SEK 152.5 million on the balance sheet date. There are no credits with interest concessions, and no property has been received to provide security for receivables. Confirmed customer losses refer to credit card transactions. Anticipated credit loss impairment for the retail segment has been calculated using statistical risk models, while anticipated credit loss impairment for the corporate segment has been calculated individually by means of a manual review.

Credit losses, net	Amounts in SEK thousand		
	2014 Jan-June	2013 Jan-June	2013 Jan-Dec
Individually valued receivables			
Write-off of confirmed credit losses for the period	- 9,141	- 10,796	-18,308
Impairment for the period	- 486	- 4,182	- 8,039
Received from previous years' confirmed credit losses	464	935	1,096
Reversed provisions no longer required for probable credit losses	3,038	315	739
Net cost for individually valued receivables for the period	- 6,125	- 13,728	- 24,512
Group valued receivables			
Impairment for the period	-	1,037	- 3,844
Reversed provisions no longer required for probable credit losses	-	-	47
Net cost for grouped valued receivables for the period	-	1,037	- 3,797
Credit losses, net	- 6,125	- 12,691	- 28,309

From 2014 onwards, all receivables are individually valued.

Capital procurement

The volume of deposits via the bank's e-saving account was stable during the second quarter and amounted to SEK 12.1 billion. Despite the low interest rate, the public remains interested in savings deposits and Volvofinans Bank's interest rate offer is keeping up with the competition. At 30 June 2014, total deposits amounted to SEK 13.9 billion (12.7), accounting for 59% (54) of the bank's total financing.

Bonds worth SEK 650 million, with three- and five-year terms respectively, have been issued during the quarter. At the halfway point of the year, outstanding financing via the bank's market loans programme amounted to a nominal SEK 7.6 billion (9.1).

In addition to deposits and capital market borrowing, operations were financed through bank loans, in the amount of SEK 1.6 billion (1.7). The proportion of long-term financing with a remaining term of more than one year was 60% (63).

Financial risks

The bank's business operations are continually exposed to a number of financial risks.

Liquidity risk is the risk that Volvofinans Bank's payment obligations cannot be met on maturity without significant costs in terms of the means of payment or – in a worst-case scenario – cannot be met by any means. To deal with liquidity instability, Volvofinans Bank has not only a liquidity reserve, with high-quality liquid securities and unrestricted deposits in another bank, but also agreed credit facilities that can be utilised at short notice.

Deposits with a remaining period of less than one year together with a proportion of borrowing must be covered at all times by the liquidity reserve and unutilised credit facilities.

At 30 June, the liquidity reserve totalled SEK 3.2 billion (3.8), of which deposits at other banks constituted SEK 1.0 billion (33%) and the securities portfolio SEK 2.2 billion (67%). Volvofinans Bank's liquidity reserve must be no less than 5% of lending at all times. At the end of the first half this proportion was 13% (15). In addition to the liquidity reserve, unutilised available loan facilities totalled SEK 4.4 billion (4.6).

Volvofinans Bank's liquidity coverage ratio at the end of the first half of the year was 219%, as stipulated by the Swedish Financial Supervisory Authority in FFFS 2012:6. The liquid coverage ratio calculated in accordance with Article 415 of the EU Capital Requirements Regulation came to 228%.

Interest rate risk is the current and future risk that net interest income de-

clines as a result of unfavourable changes in the interest rate. The vast majority of Volvofinans Bank's lending and all borrowing follow the short-term market interest rate, which involves a limited interest rate risk.

Currency risk is the risk of unfavourable changes in exchange rates. All of Volvofinans Bank's lending is in Swedish kronor and any borrowing in foreign currency is hedged, which means the bank is not exposed to fluctuations in exchange rates.

Rating

Volvofinans Bank has international credit ratings from Moody's Investors Service as follows:

- Short-term financing: P-2
- Long-term financing: Baa2

On 29 May, Moody's announced that the outlook of 82 European banks had been changed to "negative" from "stable"; these banks included Sweden's four commercial banks and Volvofinans Bank. The reason for the rating agency's decision is entirely a result of the EU's new system risk management framework, and more specifically the new Bank Recovery and Resolution Directive.

You will find more information and a detailed company analysis from Moody's on our website, volvofinans.se.

Capital adequacy

Volvofinans Bank calculates most of the credit risk using its internal risk classification method (IRB) following the approval by the Swedish Financial Supervisory Authority on 24 March 2014 of Volvofinans Bank's application to calculate the corporate portfolio using IRB. The remainder is calculated according to the standardised method. The core tier 1 capital ratio according to Basel III was 21.31%.

Events after the balance sheet date

No significant events have occurred since the balance sheet date.

In the event of conflict in interpretation or differences between this interim report the Swedish version, the latter will prevail.

Interim Report

The interim report provides a true and fair picture of the bank's operations, position and performance, and describes material risks and uncertainties relating to the bank.

Göteborg, August 2014

Urmas Kruusval
Chairman of the Board of Directors

Tommy Andersson
Board Member

Anders Gustafsson
Board Member

Bob Persson
Board Member

Per Avander
Board Member

Christina Brinck
Board Member

Conny Bergström
President and CEO

Calendar

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The reports will be available for viewing on our website: volvofinans.se.

If you have any questions, please contact our President, Conny Bergström, on +46 (0)31 83 88 00.

This report has not been the subject of special examination by the company's auditors.

KPI

	30/06/2014	30/06/2013*	31/12/2013*
Return on equity, %	8.09	6.49	6.80
Risk capital/Balance sheet total, %	14.20	13.97	13.15
Deposits/Lending, %	55.84	51.94	59.52
Operating profit/Risk-weighted assets, %	2.34	1.60	1.73
Capital adequacy ratio	2.66	2.32	2.38
Capital adequacy level, %	21.31	18.58	19.06
Core tier 1 capital ratio, %	21.31	18.58	19.06
Credit losses/Lending, %	0.05	0.09	0.11
E/I ratio	0.49	0.54	0.54
E/I ratio, excl. credit losses	0.47	0.50	0.49

* according to the previous framework (Basel II), with transitional rules

Income statement

Amounts in SEK thousand

	2014 Q2	2014 Q1	2013 Q2	2014 Jan-June	2013 Jan-June	2013 Jan-Dec
Interest income	135,164	137,221	146,750	272,386	296,355	593,590
Lease income	874,172	860,140	865,871	1,734,312	1,714,605	3,477,151
Interest expenses	- 129,025	- 137,404	- 162,735	- 266,429	- 330,269	- 645,923
Dividends received	697	534	611	1,230	1,181	2,487
Commission income	86,759	81,483	82,988	168,242	162,174	333,086
Commission expenses	- 5,395	- 4,810	- 5,014	- 10,205	- 8,908	- 21,291
Net result of financial transactions*	- 901	- 667	266	- 1,569	- 5,670	- 14,618
Total operating income	961,470	936,497	928,738	1,897,967	1,829,468	3,724,482
General administration expenses	- 67,886	- 66,931	- 66,410	- 134,818	- 132,714	- 267,903
Depreciation, amortisation and impairment of property, plant and equipment and intangible non-current assets	- 791,787	- 777,603	- 775,376	- 1,569,391	- 1,535,376	- 3,117,831
Other operating expenses	- 12,068	- 11,119	- 7,914	- 23,186	- 16,807	- 34,212
Total operating expenses	- 871,742	- 855,653	- 849,700	- 1,727,395	- 1,684,897	- 3,419,946
Profit before credit losses	89,729	80,844	79,038	170,572	144,571	304,536
Credit losses, net	- 1,026	- 5,100	- 5,828	- 6,125	- 12,691	- 28,309
Profit before appropriations and tax	88,703	75,744	73,210	164,447	131,880	276,227
Tax	- 19,515	- 16,664	- 16,106	- 36,178	- 29,014	- 61,134
Profit	69,189	59,080	57,104	128,269	102,866	215,093
*Net result of financial transactions						
Interest-bearing securities and related derivatives	- 901	- 667	266	- 1,569	- 5,670	- 14,618
Total	- 901	- 667	266	- 1,569	- 5,670	- 14,618

Balance sheet

Amounts in SEK thousand

	30/06/2014	30/06/2013	31/12/2013
Chargeable treasury bills etc.	1,172,186	951,439	1,291,747
Lending to credit institutions	1,049,364	1,896,358	2,585,494
Lending to the public	12,699,884	12,484,078	12,478,791
Bonds and other interest-bearing securities	993,470	906,016	1,272,558
Shares and participations in other companies	48	48	48
Shares and participations in associated companies	11,865	9,379	11,865
Shares and participations in Group companies	6,740	6,740	6,740
Intangible non-current assets	6,965	19,686	8,756
Property, plant and equipment, inventory	1,320	1,403	1,411
Property, plant and equipment, lease items	12,220,943	11,904,468	11,486,812
Other assets*	603,785	815,161	676,366
Prepayments and accrued income	45,906	61,544	42,641
Total assets	28,812,476	29,056,319	29,863,229
Liabilities to credit institutions	1,550,000	1,650,000	1,550,000
Deposits and borrowing from the public	13,914,987	12,667,905	14,265,506
Securities issued	7,645,587	9,117,983	8,314,508
Other liabilities*	661,681	626,189	756,300
Accruals and deferred income	948,678	935,266	834,726
Total liabilities	24,720,933	24,997,343	25,721,040
Untaxed reserves	3,443,184	3,443,184	3,443,184
Equity	483,912	483,912	483,912
Operating profit	164,447	131,880	215,093
Total liabilities and equity	28,812,476	29,056,319	29,863,229
* Of which derivative instruments with positive and negative market value			
Derivative instruments with positive market value	56,269	88,776	115,407
Derivative instruments with negative market value	- 549	- 190	- 281

Change in equity

Amounts in SEK thousand

	Share capital	Statutory reserve fund	Retained earnings	Equity
Opening equity, 1 January 2013	400,000	20,000	107,312	527,312
Profit for the period after tax	-	-	102,866	102,866
Total change before transactions with shareholders	-	-	102,866	102,866
Dividends	-	-	- 43,400	- 43,400
Closing equity, 30 June 2013	400,000	20,000	166,778	586,778
Opening equity, 1 January 2013	400,000	20,000	107,312	527,312
Net profit for the year	-	-	215,093	215,093
Total change before transactions with shareholders	-	-	215,093	215,093
Dividends	-	-	- 43,400	- 43,400
Closing equity, 31 December 2013	400,000	20,000	279,005	699,005
Opening equity, 1 January 2014	400,000	20,000	279,005	699,005
Profit for the period after tax	-	-	128,269	128,269
Total change before transactions with shareholders	-	-	128,269	128,269
Dividends	-	-	215,093	215,093
Closing equity, 30 June 2014	400,000	20,000	192,181	612,181

Cash flow statement

Amounts in SEK thousand

	2014 Jan-June	2013 Jan-June	2013 Jan-Dec
Operating activities			
Operating profit	164,447	131,880	276,227
Adjustment of items not included in cash flow			
Unrealised portion of net result of financial transactions	- 1,568	- 5,423	- 14,371
Depreciation, amortisation and impairment	1,562,457	1,521,773	3,094,561
Credit losses	11,193	6,824	5,582
Disposal of intangible non-current assets	-	-	3,441
Tax paid	-	-	- 61,134
Changes in operating assets and liabilities			
Chargeable treasury bills etc.	119,561	73,250	- 267,058
Lending to credit institutions	1,536,130	- 120,777	- 809,913
Lending to the public	- 230,558	595,702	602,045
Bonds and other interest-bearing securities	279,088	- 270,669	- 637,211
Other assets	68,197	14,227	172,164
Liabilities to credit institutions	-	- 650,000	- 750,000
Borrowing from the public	- 350,519	880,323	2,477,925
Securities issued	- 668,920	142,308	- 661,168
Other liabilities	20,293	- 42,949	- 4,483
Cash flows from operating activities	2,509,801	2,276,469	3,426,607
Investing activities			
Acquisition of intangible non-current assets	-	- 2,982	-
Investments in shares and participations	-	-	- 2,487
Acquisition of property, plant and equipment	- 4,160,019	- 3,922,694	- 6,463,201
Sale of property, plant and equipment	1,865,312	1,692,606	3,082,481
Cash flows from investing activities	- 2,294,707	- 2,233,070	- 3,383,207
Financing activities			
Dividend paid	- 215,093	- 43,400	- 43,400
Cash flows from financing activities	- 215,093	- 43,400	- 43,400
Cash flow for the period			
Cash and cash equivalents at start of year	-	-	-
Cash flows from operating activities	2,509,801	2,276,469	3,426,607
Cash flows from investing activities	- 2,294,707	- 2,233,070	- 3,383,207
Cash flows from financing activities	- 215,093	- 43,400	- 43,400
Cash and cash equivalents at the end of the period	-	-	-

Capital base

	Amounts in SEK thousand		
	30/06/2014	30/06/2013*	31/12/2013*
Core tier 1 capital			
Equity	483,912	483,912	483,912
Share of equity of untaxed reserves	2,685,683	2,685,683	2,685,683
Intangible non-current assets	- 6,965	- 19,686	- 8,756
AVA	- 2,123	-	-
IRB shortfall	- 160,077	- 91,636	- 109,144
Core tier 1 capital	3,003,430	3,058,273	3,051,695
Total capital base	3,003,430	3,058,273	3,051,695
Capital base according to Basel II	3,002,553	3,058,273	3,051,695
Capital requirement			
Capital requirement, credit risk IRB**	955,140	555,400	621,937
Capital requirement, credit risk according to standardised method	83,097	530,321	530,225
Capital requirement, operational risk	87,089	83,676	87,089
Capital requirement, CVA risk according to Basel III	950	-	-
Total minimum capital requirement	1,126,276	1,169,397	1,239,251
Total capital requirement according to transitional rules	1,260,323	1,317,041	1,280,786
Capital adequacy			
Without transitional rules			
Risk-weighted assets	14,078,451	14,617,463	15,490,638
Capital adequacy ratio	2.66	2.62	2.46
Core capital ratio, %	21.31	20.92	19.70
Solvency ratio, %	21.31	20.92	19.70
With transitional rules			
Risk-weighted assets	15,754,037	16,463,013	16,009,825
Capital adequacy ratio	2.38	2.32	2.38
Core capital ratio, %	19.06	18.58	19.06
Solvency ratio, %	19.06	18.58	19.06

* according to the previous framework (Basel II)

** figures for 2013 are for households only and figures from 2014 onwards include both households and corporate exposures

Lease income and accumulated net interest

Amounts in SEK thousand

	2014 Q2	2014 Q1	2013 Q2	2014 Jan-June	2013 Jan-June	2013 Jan-Dec
Leasi income	874,172	860,140	865,871	1,734,312	1,714,605	3,477,151
Scheduled amortisation	- 793,711	- 780,571	- 779,726	- 1,574,282	- 1,542,860	- 3,130,150
Interest income	135,164	137,221	146,750	272,386	296,355	593,590
Interest expenses	- 129,025	- 137,404	- 162,735	- 266,429	- 330,269	- 645,923
Accumulated net interest	86,600	79,386	70,160	165,987	137,831	294,668

Information about derivatives that can be offset

Financial assets and liabilities that are subject to offsetting, which are covered by a legally binding framework agreement to offset, or by a similar agreement.

Amounts in SEK thousand

Amounts which are not to be offset in the balance sheet	Net amount of reported financial assets ¹⁾	Net amount of reported financial liabilities ¹⁾	Net amount / Asset (+), Liability (-)
Derivatives	56,269	- 549	55,720

¹⁾ No amounts have been reported as net in the balance sheet; there are no securities in the form of cash or financial instruments.

Fair value assets and liabilities by category

Assets

Amounts in SEK thousand

	Loan and trade receivables	Financial assets at fair value through the statement of comprehensive income	Investments held to maturity	Derivatives used in hedge accounting	Other assets	Total	Fair value
30/06/2014							
Chargeable treasury bills etc.	-	1,072,280	99,906	-	-	1,172,186	1,172,162
Lending to credit institutions	1,049,364	-	-	-	-	1,049,364	1,049,364
Lending to the public	12,699,884	-	-	-	-	12,699,884	12,660,792
Bonds and other interest-bearing securities	-	993,470	-	-	-	993,470	993,470
Shares and participations in other companies	-	-	-	-	48	48	-
Shares and participations in associated companies	-	-	-	-	11,865	11,865	-
Shares and participations in Group companies	-	-	-	-	6,740	6,740	-
Intangible non-current assets	-	-	-	-	6,965	6,965	-
Property, plant and equipment, inventory	-	-	-	-	1,320	1,320	-
Property, plant and equipment, lease items	-	-	-	-	12,220,943	12,220,943	-
Other assets	417,641	-	-	56,269	129,874	603,785	603,785
Prepayments and accrued income	45,906	-	-	-	-	45,906	45,906
Total assets	14,212,795	2,065,750	99,906	56,269	12,377,755	28,812,476	

Liabilities

	Financial liabilities at fair value through the income statement	Non-financial liabilities	Derivatives used in hedge accounting	Other financial liabilities	Total	Fair value
30/06/2014						
Liabilities to credit institutions	-	-	-	1,550,000	1,550,000	1,560,757
Deposits and borrowing from the public	-	-	-	13,914,987	13,914,987	13,916,372
Securities issued	-	-	-	7,645,587	7,645,587	7,756,063
Other liabilities	549	306,652	-	354,480	661,681	661,681
Accruals and deferred income	-	777,566	-	171,112	948,678	948,678
Total liabilities	549	1,084,218	-	23,636,166	24,720,933	

Accounting policies

Volvofinans Bank prepares its interim report in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL) (1995:1559) and the stipulations and general recommendations of the Swedish Financial Supervisory Authority in respect of credit institutions and securities companies (FFFS 2008:25), in accordance with the amendment provisions in FFFS 2009:11, as well as the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The Bank applies legally limited IFRS, referring to standards that have been adopted for application with the limitations that arise from Recommendation RFR 2 and FFFS 2008:25. The bank applies the same valuation and accounting policies as in the last annual report. See note 33 of the 2013 annual report for a description of the methods used to calculate fair value.

New or amended International Financial Reporting Standards that have been published but not yet applied will, in the bank's assessment, have a limited impact on the financial reports.

