

The securities have not been and will not be registered under the U.S. Securities Act of 1933 (the “Act”). The Securities are part of a continuous offering by the Kingdom of Sweden and may not be offered or sold within the United States at any time except in a transaction exempt from the registration requirements of the Act (including a transaction made in accordance with Rule 144A under the Act).

Government bonds

TERMS AND CONDITIONS FOR EXCHANGES OF GOVERNMENT BONDS IN SWEDISH KRONOR WITH AN INDEX CLAUSE (INFLATION-LINKED BONDS)

The following is only a translation of the terms and conditions. The terms and conditions are in the Swedish language and in the case of any inconsistency between the English translation and the Swedish language version, the Swedish language version shall prevail.

§ 1 The applicability of the terms and conditions

These terms and conditions apply to Exchanges of Inflation-linked Bonds by the Swedish National Debt Office (Riksgäldskontoret) at auctions that take place from 17 July 2000 and until further notice.

§ 2 Definitions

“General Term	General Terms and Conditions for Inflation-linked Bonds and Conditions”
“Base Index”	See definition in General Terms and Conditions.
“Exchange auctions”	The Swedish National Debt Office’s combined sale of Inflation-linked Bonds via auction through a bidding procedure and purchase of other Inflation-linked Bonds at a specific real yield set by the Swedish National Debt Office.

“The Information System” OM Räntebörsen AB’s electronic system for reception and distribution of information on the Swedish money market.

“Payment Date” The date on which payment is to be made for sold and purchased Inflation-linked Bonds.

“Inflation-linked Bonds” Government bonds in Swedish kronor with an index clause issued by the Swedish state through the Swedish National Debt Office.

“Official Index” Consumer price index or – if the consumer price index is no longer established or published – a corresponding index for consumer prices in Sweden established or maintained by SCB or the body which establishes or publishes such indexes instead of SCB. When replacing index series, a new index shall be recalculated to the index series on which the Base Index is based.

“Reference Index” If the Payment Date is the 1st of the month, the Reference Index is the Official Index for the calendar month three months prior to that date. If the Payment Date is the 2nd to the 31st of the month, the Reference Index is obtained by linear interpolation between the Official Index for the calendar months that fall three and two months respectively before the Payment Date. In the event of interpolation, a 30-day month is assumed. The Reference Index is thus calculated according to the following formula:

$$R = F_{M-3} + \frac{D - 1}{30} (F_{M-2} - F_{M-3})$$

R = Reference Index for Payment Date.

D = The calendar day on which the Payment Date occurs (the 31st is changed to the 30th, however).

F_{M-3} = Official Index for the calendar month which falls three months prior to the Payment Date.

F_{M-2} = Official Index for the calendar month which falls two months prior to the Payment Date.

If the Official Index has not been established, or published, for any month as stated above, when an issue is to be made in the loan, the Swedish National Debt Office shall notify how the Reference Index shall be calculated instead. Such notification is provided through the Information System or another equivalent information system.

“SCB” Statistics Sweden (Statistiska Centralbyrån).

“Denomination” See definition in General Terms and Conditions

“Repayment Date” The date specified in the General Terms and Conditions.

§ 3 Exchange method

Exchanges at auctions take place through a bidding procedure with differentiated pricing in combination with purchase of other Inflation-linked Bonds at a real yield set by the Swedish National Debt Office.

§ 4 Announcement of exchange

Before every exchange, the Swedish National Debt Office announces through the Information System – or in another way decided upon by the Swedish National Debt Office – the auction date, the volume to be offered for sale in the loan in question, the latest time for submitting bids and the Payment Date and - as regards the Swedish National Debt Office's purchases of other Inflation-linked Bonds – the loans and volume that the purchase concerns, the real yield that will apply and the proportion between sales and buybacks.

§ 5 The bidding procedure

The bid shall contain information about the desired volume and requested return (real yield rate). The volume shall be specified as SEK 1,000,000 or whole multiples thereof and may not exceed the notified sales volume in the loan. The real yield rate shall be specified to at most three decimal places.

When the bidding period has ended, the bids will be ranked in accordance with the requested real yield rate. Allocation shall then be made provided that other Inflation-linked Bonds specified by the Swedish National Debt Office are surrendered in exchange in the proportion stipulated by the Swedish National Debt Office when announcing the exchange. First the bid with the lowest yield will receive allocation and then bids with higher yields will successively be filled until the volume offered has been reached. If necessary to avoid exceeding the volume, the allocation will be reduced for the offer with the highest accepted yield rate or, in the event of several bids with this yield rate, these bids will be reduced in proportion to the volume requested by the bidder. In the event of reduction, the volume allocated will be rounded off downwards to a multiple of SEK 1,000,000. The remaining bids do not receive any allocation.

The Swedish National Debt Office reserves the right to reject bids offered exceeding a particular yield rate, even if this may mean that no allocation whatsoever can be made of the volume offered.

§ 6 Payment

Payment for sold and bought back Inflation-linked Bonds is made on Payment Date. The payment amounts are to be paid gross. In relevant cases, the payment amounts shall include a supplement for accrued interest in accordance with the interest rate applicable for the bond from the most recent interest payment date to until and including the Payment Date

§ 7 Payment amount

Payment is calculated in accordance with the following formula:

$$P = I \times \left[\sum_{i=1}^n \frac{CF_i}{(1+r)^{T_i}} \right]$$

$$U = I \times \left[\frac{360 - d_c}{360} \times C \right]$$

$$K = \text{Round}(P - U; D)$$

$$L = \text{Round}\left(\frac{K + U}{100} \times N; 0\right)$$

- P** = price (including accrued interest in actual cases) expressed as a yield
I = index factor for the payment date corresponding to the ratio between the Reference Index and the Base Index
n = number of payments (interest coupons and nominal amount respectively)
CF_i = real payment flow at time "i" expressed as a yield rate, i.e. a percentage proportion of the bond's Denomination
r = yield expressed as an interest rate divided by 100
T_i = maturity expressed in years from time "i"
U = accrued interest
d_c = number of days to next coupon due date
C = real coupon expressed as a yield rate
K = price (excluding accrued interest when appropriate)
D = number of decimals that the price is rounded off to (3 for coupon bonds, no rounding off for zero coupon bonds)
L = payment amounts
N = nominal amounts

The Index Factor (I) in the above formula is calculated as follows:

$$I = \frac{\text{Reference Index for Payment Date}}{\text{Base Index}}$$

The maturity (T_i) is based on each month having 30 days and the year 360 days.

The maturity is calculated from the Payment Date until and including the Repayment Date or Coupon Due Date. In this connection, it is disregarded whether days are bank days or not.

§ 8 Reporting of exchange result

The exchange result is reported via the Information System – or in another way decided upon by the Swedish National Debt Office - 15 minutes after the most recent time for making bids. In the event of impediments, the Swedish National Debt Office reserves the right to report the result at a later time.

§ 9 Amendment of Terms and Conditions

Amendment of these Terms and Conditions will be notified two weeks before the amendment comes into effect.

Stockholm, 28 June 2000

THE SWEDISH NATIONAL DEBT OFFICE