AS SEB Pank Group

Capital Adequacy and Risk Management Report (Pillar 3)

2018 Quarter II

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Table 1. Capital adequacy overview

EUR m	30 Jun 2018	31 Dec 2017
Own funds		
Common Equity Tier 1 capital	954	959
Tier 1 capital	954	959
Total own funds	954	959
Own funds requirement		
Risk exposure amount	2 650	2 484
Expressed as own funds requirement	212	199
Common Equity Tier 1 capital ratio	36,0%	38,6%
Tier 1 capital ratio	36,0%	38,6%
Total capital ratio	36,0%	38,6%
Own funds in relation to own funds requirement	4,50	4,82
Regulatory Common Equity Tier 1 capital requirement including buffer requirement (Pillar 1 only)	10,0%	10,0%
of which capital conservation buffer requirement	2,5%	2,5%
of which systemic risk buffer requirement	1,0%	1,0%
of which countercyclical capital buffer requirement	0,0%	0,0%
of which other systemically important institution buffer	2,0%	2,0%
Common Equity Tier 1 capital available to meet buffer [1)]	31,5%	34,1%
Leverage ratio		
Exposure measure for leverage ratio calculation	6 570	6 684
of which on balance sheet items	6 047	6 114
of which off balance sheet items	523	570
Leverage ratio	14,5%	14,3%

[1)] *CET1 ratio less minimum capital requirement of 4.5% excluding buffers.*

Table 2. EU OV1 - Overview of risk exposure amounts

Breakdown by Risk Type	Risk Exposure Amount		Minimum own funds requirements
EUR m	30 Jun 2018	31 Dec 2017	30 Jun 2018
Credit risk (excluding counterparty credit risk) (CCR)	2 498	2 325	200
of which standardised approach (SA)	*320*	*309*	26
of which foundation internal rating-based (F-IRB) approach	1 873	1 702	150
of which advanced internal rating-based (A-IRB) approach	304	314	24
Counterparty credit risk	0	0	0
of which CVA	*0*	*0*	*0*
Settlement risk	0	0	0
Securitisation exposures in banking book	0	0	0
Market risk	23	24	2
of which standardised approach	*23*	*24*	*2*
Large exposures	0	0	0
Operational risk	130	135	10
of which advanced measurement approach	*130*	*135*	*10*
Amounts below the thresholds for deduction (subject to 250% risk weight)	0	0	0
Floor adjustment	0	0	0
Additional risk exposure amount due to Article 3 CRR	0	0	0
Total	2 650	2 484	212

Table 3. Transitional own funds

Disclosure according to Article 5 in EU Regulation No 1423/2013

EUR m		30 Jun 2018	31 Dec 2017
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	129	129
	of which: share capital	43	43
	of which: share premium	86	86
2	Retained earnings	821	823
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	0	2
3a	Funds for general banking risk	19	19
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1		
5	Minority Interests (amount allowed in consolidated CET1)		
5a	Independently reviewed interim profits net of any foreseeable charge or dividend		
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	969	973
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	0	0
8	Intangible assets (net of related tax liability) (negative amount)	-4	-4
9	Empty Set in the EU		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)		
11	Fair value reserves related to gains or losses on cash flow hedges		
12	Negative amounts resulting from the calculation of expected loss amounts	-11	-10
13	Any increase in equity that results from securitised assets (negative amount)		
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	0	0
15	Defined-benefit pension fund assets (negative amount)		
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)		
17	Holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
18	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10% threshold and net of eligible short positions) (negative amount)		
19	Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
20	Empty Set in the EU		
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative		
20b	of which qualifying holdings outside the financial sector (negative amount)		
20c	of which: securitisation positions (negative amount)		
20d	of which: free deliveries (negative amount)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in 38 (3) are met) (negative amount)		

EUR m		30 Jun 2018	31 Dec 2017
22	Amount exceeding the 17,65% threshold (negative amount)		
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities		
24	Empty Set in the EU		
25	of which: deferred tax assets arising from temporary differences		
25a	Losses for the current financial year (negative amount)		
25b	Foreseeable tax charges relating to CET1 items (negative amount)		
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment		
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Article 467 and 468	0,0	0,0
	Of which : ... filter for unrealised gain 1		
	Of which : ... filter for unrealized gain 2		
26b	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR		
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)		
28	Total regulatory adjustments to Common equity Tier 1 (CET1)	-15	-14
29	Common Equity Tier 1 (CET1) capital	954	959
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts		
31	of which: classified as equity under applicable accounting standards		
32	of which: classified as liabilities under applicable accounting standards		
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1		
	Public sector capital injections grandfathered until 1 January 2018		
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties		
35	of which: instruments issued by subsidiaries subject to phase out		
36	Additional Tier 1 (AT1) capital before regulatory adjustments	0	0
Additional Tier 1 (AT1) capital: regulatory adjustments			
37	Direct and indirect holdings by an institution of own AT1 Instruments (negative amount)		
38	Holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
39	Direct and indirect holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10% threshold and net of eligible short positions) (negative amount)		
40	Direct and indirect holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above the 10% threshold net of eligible short positions) (negative amount)		
41	Regulatory adjustments applied to Additional Tier 1 capital in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase-out as prescribed in Regulation (EU) No 585/2013 (ie. CRR residual amounts)		

EUR m		30 Jun 2018	31 Dec 2017
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013		
41b	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013		
41c	Amounts to be deducted from added to Additional Tier 1 capital with regard to additional filters and deductions required pre- CRR		
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)		
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	0	0
44	Additional Tier 1 (AT1) capital	0	0
45	Tier 1 capital (T1 = CET1 + AT1)	954	959
Tier 2 (T2) capital: instruments and provisions			
46	Capital instruments and the related share premium accounts		
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2		
	Public sector capital injections grandfathered until 1 January 2018		
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties		
49	of which: instruments issued by subsidiaries subject to phase out		
50	Credit risk adjustments		
51	Tier 2 (T2) capital before regulatory adjustments	0	0
Tier 2 (T2) capital: regulatory adjustments			
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)		
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		
54a	of which new holdings not subject to transitional arrangements		
54b	of which holdings existing before 1 January 2013 and subject to transitional arrangements		
55	Direct and indirect holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)		
56	Regulatory adjustments applied to tier 2 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)		
56a	Residual amounts deducted from Tier 2 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013		

EUR m		30 Jun 2018	31 Dec 2017
56b	Residual amounts deducted from Tier 2 capital with regard to deduction from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013		
56c	Amounts to be deducted from or added to Tier 2 capital with regard to additional filters and deductions required pre- CRR		
57	Total regulatory adjustments to Tier 2 (T2) capital	0	0
58	Tier 2 (T2) capital	0	0
59	Total capital (TC = T1 + T2)	954	959
59a	Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amount)		
	of which:... items not deducted from CET1 (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Deferred tax assets that rely on future profitability net of related tax liability, indirect holdings of own CET1, etc.)		
	of which:...items not deducted from AT1 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Reciprocal cross holdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.)		
	Items not deducted from T2 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Indirect holdings of own T2 instruments, indirect holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc.)		
60	Total risk weighted assets	2 650	2 484
Capital ratios and buffers			
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	36,0%	38,6%
62	Tier 1 (as a percentage of risk exposure amount)	36,0%	38,6%
63	Total capital (as a percentage of risk exposure amount)	36,0%	38,6%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)	10,0%	10,0%
65	of which : capital conservation buffer requirements	2,5%	2,5%
66	of which : countercyclical buffer requirements	0,0%	0,0%
67	of which : systemic risk buffer requirements	1,0%	1,0%
67a	of which : Global Systemically Important Institutions (G-SII) or Other Systemically Important Institutions (O-SII) buffer	2,0%	2,0%
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	31,5%	34,1%
69	(Non relevant in EU regulation)		
70	(Non relevant in EU regulation)		
71	(Non relevant in EU regulation)		
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	4	3

EUR m		30 Jun 2018	31 Dec 2017
73	Direct and indirect holdings by the institution of the CET 1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)		
74	Empty Set in the EU		
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)		
Applicable caps on the inclusion of provisions in Tier 2			
76	Credit risk adjustments included in T2 in respect of exposures subject to standardized approach (prior to the application of the cap)		
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	4	4
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)		
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	13	12
Capital instruments subject to phase-out arrangements			
(only applicable between 1 Jan 2013 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)		
82	Current cap on AT1 instruments subject to phase out arrangements		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)		
84	Current cap on T2 instruments subject to phase out arrangements		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)		

Table 4. Capital instruments' main features

Disclosure according to Article 3 in EU Regulation No 1423/2013

	30 Jun 2018	
1	Issuer	AS SEB Pank reg. No 10004252
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement	EE3100001793
3	Governing law(s) of the instrument	Estonian Law
	Regulatory treatment	
4	Transitional CRR rules	Common Equity Tier 1
5	Post-transitional CRR rules	Common Equity Tier 1
6	Eligible at solo/(sub-)consolidated/solo & (sub-)consolidated	Solo and consolidated
7	Instrument type (types to be specified by each jurisdiction)	Ordinary shares
8	Amount recognised in regulatory capital (currency in million, as of most recent reporting date)	43 EUR m
9	Nominal amount of instrument	43 EUR m
9a	Issue price	EUR 0,64
9b	Redemption price	n/a
10	Accounting classification	Share capital
11	Original date of issuance	06.05.1994
12	Perpetual or dated	Perpetual
13	Original maturity date	Perpetual
14	Issuer call subject to prior supervisory approval	NO
15	Optional call date, contingent call dates, and redemption amount	n/a
16	Subsequent call dates, if applicable	n/a
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Floating
18	Coupon rate and any related index	n/a
19	Existence of a dividend stopper	NO
20a	Fully discretionary, partially discretionary or mandatory (in terms of timing	Fully discretionary
20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Fully discretionary
21	Existence of step up or other incentive to redeem	NO
22	Noncumulative or cumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	n/a
25	If convertible, fully or partially	n/a
26	If convertible, conversion rate	n/a
27	If convertible, mandatory or optional conversion	n/a
28	If convertible, specify instrument type convertible into	n/a
29	If convertible, specify issuer of instrument it converts into	n/a
30	Write-down features	NO
31	If write-down, write-down trigger (s)	n/a
32	If write-down, full or partial	n/a
33	If write-down, permanent or temporary	n/a
34	If temporary write-down, description of write-up mechanism	n/a
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	n/a
36	Non-compliant transitioned features	NO
37	If yes, specify non-compliant features	n/a

Table 5. Leverage ratio

Disclosure according to EU Regulation 2016/200

	EUR m	30 Jun 2018	31 Dec 2017
Table LRSum: Summary reconciliation of accounting assets and leverage ratio exposures		**Applicable amount**	
1	Total assets as per published financial statements	6 059	6 124
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation		
3	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio total exposure measure in accordance with Article 429(13) of Regulation (EU) No 575/2013)		
4	Adjustments for derivative financial instruments	3	5
5	Adjustment for securities financing transactions (SFTs)		
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	523	569
EU-6a	(Adjustment for intragroup exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(7) of Regulation (EU) No 575/2013)		
EU-6b	(Adjustment for exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(14) of Regulation (EU) No 575/2013)		
7	Other adjustments	-15	-14
8	Leverage ratio total exposure measure	6 570	6 684
Table LRCom: Leverage ratio common disclosure		**CRR leverage ratio exposure**	
	On-balance sheet exposures (excluding derivatives and SFTs)		
1	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	6 038	6 101
2	(Asset amounts deducted in determining Tier 1 capital)	-15	-14
3	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	6 023	6 087
	Derivative exposures		
4	Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	19	21
5	Add-on amounts for PFE associated with all derivatives transactions (mark- to-market method)	5	6
EU-5a	Exposure determined under Original Exposure Method		
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework		
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)		
8	(Exempted CCP leg of client-cleared trade exposures)		
9	Adjusted effective notional amount of written credit derivatives		
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
11	Total derivatives exposures (sum of lines 4 to 10)	24	27
	SFT exposures		
12	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions		
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)		
14	Counterparty credit risk exposure for SFT assets		
EU-14a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429b(4) and 222 of Regulation (EU) No 575/2013		
15	Agent transaction exposures		
EU-15a	(Exempted CCP leg of client-cleared SFT exposure)		
16	Total securities financing transaction exposures (sum of lines 12 to 15a)	0	0

	EUR m	30 Jun 2018	31 Dec 2017
	Other off-balance sheet exposures		
17	Off-balance sheet exposures at gross notional amount	1 108	1 258
18	(Adjustments for conversion to credit equivalent amounts)	-585	-688
19	Other off-balance sheet exposures (sum of lines 17 and 18)	523	570
	Exempted exposures in accordance with Article 429(7) and (14) of Regulation (EU) No 575/2013 (on and off balance sheet)		
EU-19a	(Intragroup exposures (solo basis) exempted in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet))		
EU-19b	(Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet))		
	Capital and total exposure measure		
20	Tier 1 capital	954	959
21	Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	6 570	6 684
	Leverage ratio		
22	Leverage ratio	14,5%	14,3%
	Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	Fully phased in	Fully phased in
EU-24	Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) No 575/2013		

	Table LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)	CRR leverage ratio exposure	
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	6 038	6 101
EU-2	Trading book exposures	0	0
EU-3	Banking book exposures, of which:	6 038	6 101
EU-4	Covered bonds		
EU-5	Exposures treated as sovereigns	513	1 258
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns		
EU-7	Institutions	644	172
EU-8	Secured by mortgages of immovable properties	3 657	3 543
EU-9	Retail exposures	446	410
EU-10	Corporate	658	564
EU-11	Exposures in default	38	58
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	82	96

Table LRQua: Free format text boxes for disclosure on qualitative items

Leverage ratio is considered in capital and risk management and planning. The leverage ratio is frequently monitored and risks involved are assessed.

Table 6. EU CR1-A - Credit quality of exposures by exposure class and instrument

30 Jun 2018, EUR m	Gross carrying values of: Defaulted exposures	Gross carrying values of: Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
Central governments or central banks	0	0	0		0		0
Institutions	0	9	0		0	0	9
Corporates	20	2 996	9		18	0	3 008
of which large corporates	5	1 378	3		3	0	1 380
of which SME corporates	15	1 554	6		1	0	1 563
of which Specialised Lending	0	65	0		15	0	65
Retail exposures	35	2 440	13		71	0	2 462
of which secured by real estate property	33	2 214	11		24	0	2 236
of which retail SME	1	70	1		38	0	70
of which other retail exposures	1	156	1		9	0	157
Total IRB approach	**55**	**5 445**	**22**	**0**	**89**	**0**	**5 479**
Central governments or central banks	0	447	0		0	0	447
Other exposures	1	506	1		0	0	506
Total Standardised approach	**1**	**953**	**1**	**0**	**0**	**0**	**953**
Total	**56**	**6 399**	**23**	**0**	**89**	**0**	**6 432**
Of which: Loans	56	5 195	23		89		
Of which: Debt securities	0	98	0				
Of which: Off-balance-sheet exposures	0	1 106					

31 Dec 2017, EUR m	Gross carrying values of: Defaulted exposures	Gross carrying values of: Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
Central governments or central banks							
Institutions	0	27	0		0	0	27
Corporates	22	2 949	10		22	0	2 961
of which large corporates	0	1 230	1		3	0	1 229
of which SME corporates	20	1 644	8		4	0	1 655
of which Specialised Lending	2	76	1		16	0	77
Retail exposures	35	2 337	9		71	0	2 363
of which secured by real estate property	33	2 119	6		25	0	2 146
of which retail SME	1	69	1		38	0	69
of which other retail exposures	1	149	2		8	0	149
Total IRB approach	**57**	**5 313**	**19**	**0**	**93**	**0**	**5 352**
Central governments or central banks	0	1 291	0		0	0	1 291
Other exposures	1	488	1		0	0	488
Total Standardised approach	**1**	**1 779**	**1**	**0**	**0**	**0**	**1 779**
Total	**58**	**7 092**	**20**	**0**	**93**	**0**	**7 131**
Of which: Loans	58	5 748	20		93		
Of which: Debt securities	0	89					
Of which: Off-balance-sheet exposures	0	1 255					

Table 7. EU CR1-B - Credit quality of exposures by industry or counterparty types

30 Jun 2018, EUR m	Gross carrying values of: Defaulted exposures	Gross carrying values of: Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
Banks	0	262	0		4	0	262
Finance and insurance	0	67	0		6	0	67
Wholesale and retail	1	607	1		1	0	607
Transportation	0	175	0		0	0	175
Shipping	0	69	0		2	0	69
Business and household services	1	279	2		10	0	278
Construction	0	136	0		12	0	136
Manufacturing	2	538	1		0	0	538
Agriculture, forestry and fishing	9	196	3		0	0	202
Mining, oil and gas extraction	0	100	0		0	0	100
Electricity, water and gas supply	0	311	0		19	0	311
Commercial real estate management	10	779	4		0	0	785
Residential real estate management	0	0	0		0	0	0
Public Administration	0	330	0		0	0	330
Household mortgage	31	2 128	11		24	0	2 149
Other	2	423	2		10	0	423
Total	**56**	**6 399**	**23**	**0**	**89**	**0**	**6 432**

31 Dec 2017, EUR m	Gross carrying values of Defaulted exposures	Gross carrying values of Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
Banks	0	1 037	0		0	0	1 037
Finance and insurance	0	72	0		4	0	72
Wholesale and retail	1	551	1		6	0	551
Transportation	1	164	1		1	0	165
Shipping	0	61	0		0	0	61
Business and household services	1	268	1		2	0	268
Construction	0	132	0		11	0	132
Manufacturing	2	509	1		15	0	509
Agriculture, forestry and fishing	10	180	3		0	0	186
Mining, oil and gas extraction	0	116	0		0	0	116
Electricity, water and gas supply	0	409	0		0	0	409
Commercial real estate management	10	736	4		20	0	742
Residential real estate management							0
Public Administration	0	420	0		0	0	420
Household mortgage	32	2 035	6		25	0	2 060
Other	2	402	2		9	0	402
Total	**58**	**7 092**	**20**	**0**	**93**	**0**	**7 131**

Table 8. EU CR1-C - Credit quality of exposures by geography

30 Jun 2018, EUR m	Gross carrying values of Defaulted exposures	Gross carrying values of Non-defaulted	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the	Net values
Estonia	55	6 235	22	0	88	0	6 267
Other countries *	1	164	1	0	0	0	165
Total	**56**	**6 399**	**23**	**0**	**89**	**0**	**6 432**

* By residence of the obligor
Credit exposure is primarily concentrated to Estonia. The category "Other countries" consists mainly Lithuania, Latvia and Finland.

31 Dec 2017, EUR m	Gross carrying values of Defaulted exposures	Gross carrying values of Non-defaulted	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the	Net values
Estonia	58	6 937	20		93	0	6 974
Other countries *	1	156	0		0	0	156
Total	**58**	**7 092**	**20**	**0**	**93**	**0**	**7 131**

* By residence of the obligor
Credit exposure is primarily concentrated to Estonia. The category "Other countries" consists mainly Lithuania, Latvia and Turkey.

Table 9. EU CR1-D - Ageing of past due exposures

30 Jun 2018, EUR m	Gross carrying values ≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year
Loans	55	5	4	6	4	18
Debt securities						
Total exposures	**55**	**5**	**4**	**6**	**4**	**18**

31 Dec 2017, EUR m	Gross carrying values ≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year
Loans	63	5	3	4	2	18
Debt securities						
Total exposures	**63**	**5**	**3**	**4**	**2**	**18**

Table 10. EU CR1-E - Non-performing and forborne exposures

	Gross carrying values							Accumulated impairment and provisions and negative fair value adjustments due to credit risk				Collaterals and financial guarantees received	
		Of which performing but past due > 30 days and <= 90 days	Of which performing forborne	Of which non-performing				On performing exposures		On non-performing exposures		On non-performing exposures	Of which forborne exposures
30 Jun 2018, EUR m					Of which defaulted	Of which impaired	Of which forborne		Of which forborne		Of which forborne		
Debt securities	98												
Loans and advances	5 251	4	27	71	56	56	28	4	0	18	8	35	43
Off-balance-sheet exposures	1 106	0	0	0	0	0	0	0	0	0	0	0	0

	Gross carrying values							Accumulated impairment and provisions and negative fair value adjustments due to credit risk				Collaterals and financial guarantees received	
		Of which performing but past due > 30 days and <= 90 days	Of which performing forborne	Of which non-performing				On performing exposures		On non-performing exposures		On non-performing exposures	Of which forborne exposures
31 Dec 2017, EUR m					Of which defaulted	Of which impaired	Of which forborne		Of which forborne		Of which forborne		
Debt securities	89												
Loans and advances	5 806	4	29	62	58	22	30	7	0	12	5	44	51
Off-balance-sheet exposures	1 255	0	0	0	0	0	0	0	0	0	0	0	0

Table 11. EU CR2-A - Changes in the stock of general and specific credit risk adjustments

30 Jun 2018, EUR m	Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
Opening balance	**23**	
Increases due to amounts set aside for estimated loan losses during the period	1	
Decreases due to amounts reversed for estimated loan losses during the period	-1	
Decreases due to amounts taken against accumulated credit risk adjustments	0	
Transfers between credit risk adjustments	0	
Impact of exchange rate differences	0	
Business combinations, including acquisitions and disposals of subsidiaries	0	
Other adjustments	0	
Closing balance	**23**	
Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	-1	
Specific credit risk adjustments directly recorded to the statement of profit or loss	0	

31 Dec 2017, EUR m	Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
Opening balance	**25**	
Increases due to amounts set aside for estimated loan losses during the period	0	
Decreases due to amounts reversed for estimated loan losses during the period	-5	
Decreases due to amounts taken against accumulated credit risk adjustments	0	
Transfers between credit risk adjustments	0	
Impact of exchange rate differences	0	
Business combinations, including acquisitions and disposals of subsidiaries	0	
Other adjustments	0	
Closing balance	**20**	
Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	-1	
Specific credit risk adjustments directly recorded to the statement of profit or loss	1	

Opening balance as at 30 June 2018 differs from reported closing balance as at 31 December 2017 due to provisions re-measurement as a result of implementation of IFRS9.

Table 12. EU CR2-B - Changes in stock of defaulted and impaired loans and debt securities

30 Jun 2018, EUR m	Gross carrying value defaulted exposures
Opening balance	**58**
Loans and debt securities that have defaulted or impaired since the last reporting period	4
Returned to non-defaulted status	-2
Amounts written off	0
Other changes	-5
Closing balance	**56**

31 Dec 2017, EUR m	Gross carrying value defaulted exposures
Opening balance	**63**
Loans and debt securities that have defaulted or impaired since the last reporting period	10
Returned to non-defaulted status	-4
Amounts written off	-1
Other changes	-10
Closing balance	**58**

Category “Other changes” consists repaid loans

Table 13. EU CR3 - Credit risk mitigation techniques

30 Jun 2018, EUR m	Exposures unsecured - Carrying amount	Exposures secured - Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
Total loans	1 627	3 601	3 523	78	
Total debt securities	98				
Total exposures	**1 726**	**3 601**	**3 523**	**78**	**0**
Of which defaulted	10	27	27	0	

31 Dec 2017, EUR m	Exposures unsecured - Carrying amount	Exposures secured - Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
Total loans	2 142	3 645	3 583	62	
Total debt securities	89				
Total exposures	**2 220**	**3 645**	**3 583**	**62**	**0**
Of which defaulted	10	36	36	0	