

# AS SEB Pank Group

Interim Report of Quarter II 2015



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## **Statement of the Management Board**

Interim Report of Quarter II 2015 consists of the following parts and reports:

- Introduction – general information
- Management Report
- Consolidated Financial Statements
- Notes

The financial and other additional information published in the Interim Report of Quarter II 2015 is true and complete. Consolidated financial statements give a true and fair view of the actual financial position, results of operations and cash flows of the Group.

Consolidated financial statements have been compiled in accordance with the International Accounting Standard IAS 34 “Interim financial reporting” and in conformity with the requirements of Eesti Pank for publishing information. AS SEB Pank and subsidiaries of the consolidated group are assumed to be going concern.

Consolidated financial statements for the Quarter II 2015 are not audited.

Allan Parik  
Chairman of the Management Board

## I. Introduction - general information

### 1. Credit institution

Company name	AS SEB Pank
Address	Tornimäe Str. 2, Tallinn 15010, Estonia
Registered in	Republic of Estonia
Registry date	08.12.1995
Registry code	10004252 (Estonian Commercial Register)
Phone	+372 6 655 100
Fax	+372 6 655 102
SWIFT	EEUHEE2X
e-mail	info@seb.ee
Internet homepage	<a href="http://www.seb.ee">http://www.seb.ee</a>

### 2. Auditor

Audit company	AS PricewaterhouseCoopers
Registry code	10142876 (Estonian Commercial Register)
Address	Pärnu Str. 15, 10141 Tallinn, Estonia
Reporting date	30.06.2015
Reporting period	01.01.2015 - 30.06.2015
Reporting currency	Euro (EUR), millions

## II. Management Report

### 1. Credit institution's group as defined in Credit Institutions Law

#### 1.1. Consolidated group

Company name	Registry code	Reg. date	Address	Activity	Holding*** (%)	At an acquisition cost (EURmio)
AS SEB Liising	10281767	03.10.97	Tallinn, Tornimäe 2	Leasing	100.0%	1.8
AS Rentacar*	10303546	20.10.97	Haapsalu, Karja 27	Leasing	100.0%	0.0
AS SEB Varahaldus	10035169	22.05.96	Tallinn, Tornimäe 2	Asset management	100.0%	2.7
AS Sertifitseerimiskeskus**	10747013	27.03.01	Tallinn, Pärnu mnt 141	Data communication services	25.0%	1.0
Tieto Estonia Services OÜ **	11065244	30.08.04	Tallinn, Tammsaare tee 47	Information processing and network management	20.0%	0.0

5.5

All enterprises are registered in Estonian Commercial Register.

\* Consolidated subsidiary of AS SEB Liising.

\*\* Associates.

\*\*\* For all investments the percentage of holding equals to both, the holding from the number of shares as well as from the number of votes.

Parent company of the Group is AS SEB Pank, its activity is banking (information on page 3).

The “consolidated group” in the meaning of Credit Institutions Law in Estonia and the “Group” for IFRS consolidation purposes are identical.

Non-profit association SEB Heategevusfond is an association, not belonging to the consolidation group, registered on 06.01.2006. The founders of the association are AS SEB Pank and AS SEB Elu- ja Pensionikindlustus (subsidiary of life insurance company SEB Trygg Liv Holding AB which is the subsidiary of Skandinaviska Enskilda Banken AB). The association is aimed at raising and distributing funds for charitable cause to organisations, dealing with children, who have been deprived of parental care. Upon dissolution of the association, the assets remaining after satisfaction of the claims of creditors shall be transferred to a non-profit association or foundation with similar objectives, entered to the list of associations subject to income tax incentive of the Government of the Estonian Republic, or a legal person in public law, state or local government.

Non-profit association Spordiklubi United is an association, not belonging to the consolidation group, which started activity from September 2008. The association is founded by AS SEB Pank. The association is aimed at organizing on hobby and competition level sport events and organizing promotions for advertising of own and supporter’s activities. Upon dissolution of the association, the assets shall be transferred to a non-profit association, foundation or other persons filling the objectives by articles in public interests.

#### 1.2. Changes in the consolidated group during the accounting period and plans for year 2015

No such events or trends have occurred by the time of publishing the report, which would affect the strategy of the group in 2015.

## 2. Highlights

The second quarter of the year did not bring along significant changes for the Estonian economy. Increased internal consumption continues to be the key source of growth, driven by higher salaries and low inflation. Although the world economy is overshadowed by rather grim news, Estonian employers seem to enjoy somewhat better times. Real salaries, which have grown in recent years, allow once again betterment of living conditions as well as saving to create cash reserves.

I am glad to say that besides more active consumption, Estonians have also started to grow their savings. Positive growth trends in savings have been obvious since the end of 2010 and, compared to the second quarter of last year, private customer deposits were growing again in SEB, by 6.2 per cent. Also 35% more home loans were granted by SEB in the second quarter than in the same period last year and the loan portfolio of private persons grew by four per cent during the year. Likewise, banking habits are changing rapidly, reflected in the upsurge of mobile banking use and less visits to bank branches. In the past year, mobile phone use among SEB clientele has increased by 58% and thus, in June, we were the first bank in Estonia to introduce a mobile application offering full Internet bank functionality.

While private customers can enjoy times rather devoid of problems, there are no cloudless skies for the business community. Higher salaries have mainly come at the expense of the profits of companies. ROEs are on a downward trend, which signals that increasing salaries without added value is not sustainable. It can be seen that companies are shy of investing their resources to increase incomes in a situation where demand from other countries is low and the geopolitical prognosis remains insecure. Furthermore, it can be felt that geopolitical tensions have dampened the attractiveness of the Baltic economies as an investment target for foreign investors. Negative impacts of the Russian-Ukrainian conflict can be seen to have materialised for Estonian companies, especially in the areas of transportation, hospitality services and agriculture. Based on the information that we have, normal trade relations cannot be expected to be restored in the near future, which is why companies are actively searching for customers in other countries or reorganising their business in the affected areas.

In May, SEB was named the **Best Subcustodian Bank** in Estonia by **Global Finance** for the second year in a row. The same title was also given to the Latvian, Lithuanian and Swedish SEB banks. It was the 13<sup>th</sup> time for Global Finance to name the best subcustodian banks and Estonia received this award for the second year in a row.

**EMEA Finance**, the leading financial publication in the European, Middle East and African regions, awarded SEB Estonia with the title of the **best bank** and the **best broker in Estonia**.

In April, the third **New Home Day** took place at the SEB branches in Tallinn, Tartu and Pärnu which brought together **sellers and buyers of real estate at a small-scale real estate fair**. It also provided an excellent opportunity to **receive advice on selecting the best loan solution** as well as **managing the risks** related to the purchasing of real estate and taking a loan. A total of 300 clients took part in the New Home Day.

Agricultural campaign and retargeting for **agriculture sector companies and farmers** ended in Q2 with **76 people registering for the advisory meeting**. Both in Latvia and Estonia, there were **events** held for targeting the agriculture clients and showing them possible partnership possibilities and sharing the expertise of SEB.

In April, SEB started a long term campaign **Salary offering**. With the campaign SEB introduces products that help customers **manage their financial matters in an efficient way**. Also, to direct clients' **wages to SEB**, so that all their financial matters could be taken care of in one bank.

SEB wishes to be a partner for entrepreneurs in achieving their future success and to provide tools for helping the companies develop. To foster start-up development in the region, SEB Pank arranged a seminar named **"Morning Coffee for Start-up Companies"** with a total of **60 attendees**. A survey, conducted as part of the seminar, revealed that almost 96 per cent of the respondents believe that it is easy to start a business in Estonia, but the addition of various services and solutions would make it even easier.

In April, in cooperation with SEB, the **docudrama "Tomorrow came yesterday" was aired on television**. The film is based on a discussion between **Baltic experts and opinion leaders** on what the world will look like in thirty years. The film helps to fulfil SEB's long-term commitment to **expand people's financial knowledge**.

SEB has developed a **mobile application called "Mark the places"**, which helps people **map the places, where they would like to pay for their purchases or services by card, but are unable to do so today**. The information collected helps companies assess the benefits of introducing card payments to their business opportunities.

For a long time SEB has been a **partner for entrepreneurship competition Ajujaht ("Brainhunt")**. This year approximately **300 business ideas** were sent to the competition and the **winner was Jiffi** – a public transport ticket system based on smartphone.

In Q2, SEB compiled a **Baltic Household Outlook**, which shows whether and **how the Baltic families should in their economic decisions consider with the environment** where the prices aren't going up anymore or are rather dropping. For example, it revealed that in 2014, the average gross earnings grew in each of the Baltic States and families have an average money reserve of 5-6 months' pay. Also the loan portfolio of consumer loans and other loans is decreasing.

In June, the **SEB Mobile Bank was updated** making SEB the first bank in Estonia to offer **full internet bank functionality in a mobile app**. Up to now, the mobile application included only the most popular functions, then the updated mobile bank offers the same functionality as the **full version of the Internet Bank**.

In June, SEB introduced a **Shadow Economy Index for the Baltic countries** which gives an overview of the current state of the Baltics' shadow economy and business culture. The index revealed that the level of shadow economy in Latvia is twice as high as in Estonia and Lithuania. Also an overview of **tax collecting and fighting against shadow economy** in the Baltic States was given.

The more than 892 400 customers of SEB Pank Group are served by 1102 employees. The customers are served through many different channels such as 24 branch offices, 209 on-line post offices, 251 ATMs, 9504 POS-terminals. There are more than 532 300 debit and credit cards in use. In addition, over 76% of our customers use internet bank services.

**3. Capital adequacy**

(millions of EUR)

CAPITAL BASE	<u>30.06.15</u>			<u>31.12.14</u>
<b>OWN FUNDS</b>	<b>840.9</b>			<b>848.8</b>
<b>1. TIER 1 CAPITAL</b>	<b>840.9</b>			<b>843.3</b>
<b>1.1. COMMON EQUITY TIER 1 CAPITAL</b>	<b>840.9</b>			<b>843.3</b>
<b>1.1.1. Capital instruments eligible as CET1 Capital</b>	<b>128.8</b>			<b>128.8</b>
Paid up capital instruments	42.5			42.5
Share premium	86.3			86.3
<b>1.1.2. Retained earnings*</b>	<b>695.9</b>			<b>695.9</b>
<b>1.1.3. Accumulated other comprehensive income</b>	<b>1.0</b>			<b>0.7</b>
<b>1.1.4. Other reserves</b>	<b>19.3</b>			<b>19.4</b>
<b>1.1.5. Adjustments to CET1 due to prudential filters</b>	<b>0.0</b>			<b>-0.1</b>
<b>1.1.6. (-) Intangible assets</b>	<b>-2.2</b>			<b>-1.1</b>
<b>1.1.7. (-) IRB shortfall of credit risk adjustments to expected losses</b>	<b>-1.6</b>			<b>0.0</b>
<b>1.1.8. Other transitional adjustments to CET1 Capital</b>	<b>-0.3</b>			<b>-0.3</b>
<b>2. TIER 2 CAPITAL</b>	<b>0.0</b>			<b>5.5</b>
IRB Excess of provisions over expected losses eligible	0.0			5.5
		Capital require- ments		Capital require- ments
<b>RISK WEIGHTED ASSETS (RWA)</b>	<u><b>30.06.15</b></u>	(8%)	<u><b>31.12.14</b></u>	(8%)
<b>TOTAL RISK EXPOSURE AMOUNT</b>	<b>2 193.3</b>	<b>175.5</b>	<b>2 005.5</b>	<b>160.4</b>
<b>1. RISK WEIGHTED EXPOSURE AMOUNTS FOR CREDIT, COUNTERPARTY CREDIT AND DILUTION RISKS AND FREE DELIVERIES</b>	<b>2 035.4</b>	<b>162.8</b>	<b>1 849.2</b>	<b>147.9</b>
<b>1.1. Standardised approach (SA)</b>	<b>205.2</b>	<b>16.4</b>	<b>201.7</b>	<b>16.1</b>
Public sector entities	0.7	0.1	0.7	0.1
Retail	169.0	13.5	163.1	13.0
Secured by mortgages on immovable property	0.0	0.0	0.9	0.1
Exposures in default	1.7	0.1	1.8	0.1
Collective investments undertakings (CIU)	5.6	0.4	5.1	0.4
Equity	1.1	0.1	1.1	0.1
Other items	27.1	2.2	29.0	2.3
<b>1.2. Internal ratings based Approach (IRB)</b>	<b>1 830.2</b>	<b>146.4</b>	<b>1 647.5</b>	<b>131.8</b>
<b>1.2.1. IRB approaches when neither own estimates of LGD nor Conversion Factors are used</b>	<b>1 513.0</b>	<b>121.0</b>	<b>1 328.7</b>	<b>106.3</b>
Institutions	170.2	13.6	19.2	1.5
Corporates - SME	743.0	59.4	744.0	59.5
Corporates - Specialised Lending	61.6	4.9	67.3	5.4
Corporates - Other	538.2	43.1	498.2	39.9
<b>1.2.2. IRB approaches when own estimates of LGD and/or Conversion Factors are used</b>	<b>317.2</b>	<b>25.4</b>	<b>318.8</b>	<b>25.5</b>
Retail - Secured by real estate SME	14.5	1.2	11.6	0.9
Retail - Secured by real estate non-SME	223.4	17.9	221.3	17.7
Retail - Qualifying revolving	2.3	0.2	2.2	0.2
Retail - Other SME	18.3	1.5	33.1	2.6
Retail - Other non-SME	58.7	4.7	50.6	4.0
<b>2. TOTAL RISK EXPOSURE AMOUNT FOR POSITION, FOREIGN EXCHANGE AND COMMODITIES RISKS</b>	<b>13.5</b>	<b>1.1</b>	<b>8.9</b>	<b>0.7</b>
<b>3. TOTAL RISK EXPOSURE AMOUNT FOR OPERATIONAL RISK (AMA)</b>	<b>140.9</b>	<b>11.3</b>	<b>142.4</b>	<b>11.4</b>
<b>4. TOTAL RISK EXPOSURE AMOUNT FOR CREDIT VALUATION ADJUSTMENT</b>	<b>3.5</b>	<b>0.3</b>	<b>5.0</b>	<b>0.4</b>

\* Dividends, paid for 2014, have been deducted from retained earnings.



**CAPITAL RATIOS**

	<b>30.06.15</b>	<b>31.12.14</b>
TOTAL RISK EXPOSURE AMOUNT Basel III (without additional risk exposure amount due to application of Basel I floor)	2 193.3	2 005.5
Own fund requirement	175.5	160.4
Total capital ratio	38.34%	42.32%
Tier 1 Capital ratio	38.34%	42.04%
CET1 Capital ratio	38.34%	42.04%
Tier 2 Capital ratio	0.00%	0.27%
TOTAL RISK EXPOSURE AMOUNT Basel III (with additional risk exposure amount due to application of Basel I floor)	3 577.5	3 370.8
Own fund requirement	286.2	269.7
Total capital ratio	23.51%	25.18%
Tier 1 Capital ratio	23.51%	25.02%
CET1 Capital ratio	23.51%	25.02%
Tier 2 Capital ratio	0.00%	0.16%

**MEMBERS OF CONSOLIDATION GROUP, INCLUDED TO CAPITAL ADEQUACY CALCULATION**

AS SEB Pank  
AS SEB Lising Group  
AS SEB Varahaldus

**CAPITAL REQUIREMENTS AND BUFFERS**  
(millions of EUR)

Capital	Capital amount	Total risk exposure amount *	Base capital requirement	Surplus(+) Deficit(-) of base capital	Capital adequacy ratio	Capital conservation buffer	Systemic risk buffer	Capital requirements total, incl. buffers	Surplus(+) Deficit(-) of capital, incl. buffers				
	1	2	3	4=2×3	5=1-4	6=1/2	7	8=2×7	9	10=2×9	11= 3+7+9	12=2×11	13=1-12
<b>30.06.15</b>													
Total capital	840.9	2 193.3	8%	175.5	665.4	38.34%	2.5%	54.8	2%	43.9	12.5%	274.2	566.7
Tier 1 capital	840.9	2 193.3	6%	131.6	709.3	38.34%	2.5%	54.8	2%	43.9	10.5%	230.3	610.6
CET1 capital	840.9	2 193.3	4.5%	98.7	742.2	38.34%	2.5%	54.8	2%	43.9	9%	197.4	643.5
<b>31.12.14</b>													
Total capital	848.8	2 005.5	8%	160.4	688.4	42.32%	2.5%	50.1	2%	40.1	12.5%	250.7	598.1
Tier 1 capital	843.3	2 005.5	6%	120.3	723.0	42.04%	2.5%	50.1	2%	40.1	10.5%	210.6	632.7
CET1 capital	843.3	2 005.5	4.5%	90.2	753.1	42.04%	2.5%	50.1	2%	40.1	9%	180.5	662.8

\* Total risk exposure amount without additional risk exposure amount due to application of Basel I floor

**LEVERAGE RATIO**

	<b>30.06.15</b>	<b>31.12.14</b>
Exposure measure for leverage ratio calculation	6 098.4	6 131.5
of which on balance sheet items	5 055.2	5 182.2
of which off balance sheet items	1 043.2	949.3
Leverage ratio	13.8%	13,2%
Calculated as the simple arithmetic mean of the monthly leverage ratios over a quarter		

**4. Risk concentration**

(millions of EUR)	<b>30.06.15</b>	<b>31.12.14</b>	<b>30.06.14</b>
Total claims against persons associated with the credit institution's consolidation group	2.5	7.4	1.5
The share of claims of the persons associated with the credit institution's consolidation group in net own funds, %	0.29	0.87	0.20
Total of large exposure claims	325.0	283.0	274.6
The share of large exposure claims in net own funds, %	38.66	33.34	35.33
Number of large exposure customers	4	5	5

**5. Key figures**

(millions of EUR)	<b>30.06.15</b>	<b>31.12.14</b>	<b>30.06.14</b>
Net profit	37.8	79.4	38.6
Average equity	868.9	814.7	794.1
Return on equity (ROE), %	8.70	9.75	9.72
Average assets	5 120.7	4 812.9	4 690.4
Return on assets (ROA), %	1.48	1.65	1.65
Net interest income	40.6	86.4	43.0
Average interest earning assets	4 994.2	4 687.8	4 564.1
Net interest margin (NIM), %	1.63	1.84	1.88
Spread, %	1.58	1.78	1.82
Cost / Income ratio, %	43.6	41.7	42.6
Ratio of individually impaired loans, %	0.62	0.76	0.69

**Explanations**

Return on equity (ROE) = Net profit/Average equity \* 100

Average equity = (Equity of current year end + Equity of previous year end)/2

Return on assets (ROA) = Net profit/Average assets \* 100

Average assets = (Assets of current year end + Assets of previous year end)/2

Net interest margin (NIM) = Net interest income/Average interest earning assets \* 100

Yield on interest earning assets = Interest income/Average interest earning assets \* 100

Cost of interest bearing liabilities = Interest expenses/Average interest bearing liabilities \* 100

Spread = Yield on interest earning assets - Cost of interest bearing liabilities

Cost/Income Ratio = Total Operating Expenses/Total Income \* 100

Ratio of individually impaired loans = Individually impaired loans/Loans to customers and credit institutions\* 100

**Interest earning assets:**

Balances with central bank  
Loans and advances to credit institutions  
Loans and advances to customers  
Debt securities and other fixed income securities  
(all without accrued interests)

**Interest bearing liabilities:**

Due to credit institutions  
Due to customers  
(all without accrued interests)

**Total Operating Expenses:**

Personnel expenses  
Other expenses  
Depreciation, amortisation and impairment of tangible and intangible assets

**Total Income:**

Net interest income  
Net fee and commission income  
Net income from foreign exchange  
Gains less losses from financial assets at fair value through profit or loss  
Income from dividends  
Gains less losses from investment securities  
Share of profit of associates  
Other income

### III. Consolidated financial statements

#### 1. Consolidated income statement

(millions of EUR)

	Note	2015		2014	
		6 months	QII	6 months	QII
<i>Interest and similar income</i>	3	46.0	22.6	50.4	25.8
<i>Interest expenses and similar charges</i>	4	-5.4	-2.5	-7.4	-3.6
Net Interest Income		40.6	20.1	43.0	22.2
<i>Fee and commission income</i>	5	30.8	15.5	28.1	14.3
<i>Fee and commission expense</i>	6	-8.2	-4.3	-7.6	-4.0
Net fee and commission income		22.6	11.2	20.5	10.3
Net income from foreign exchange		2.6	1.3	2.3	1.2
Gains less losses from financial assets at fair value through profit or loss		0.5	0.2	0.5	0.6
Gains less losses from investment securities		-0.6	-0.1	-1.6	-1.1
Other income		0.4	0.2	0.3	0.1
Personnel expenses		-18.6	-9.2	-16.4	-8.4
Other expenses		-8.5	-4.2	-9.7	-5.0
Depreciation, amortisation and impairment of tangible and intangible assets		-1.8	-0.8	-1.6	-0.8
<b>Profit before impairment losses on loans and advances</b>		<b>37.2</b>	<b>18.7</b>	<b>37.3</b>	<b>19.1</b>
Impairment losses on loans and advances	7	2.8	-0.1	1.3	-0.5
<b>Profit before income tax</b>		<b>40.0</b>	<b>18.6</b>	<b>38.6</b>	<b>18.6</b>
Income tax		-2.2	0.0	0.0	0.0
<b>Net profit</b>		<b>37.8</b>	<b>18.6</b>	<b>38.6</b>	<b>18.6</b>
Profit attributable to the sole equity holder		37.8	18.6	38.6	18.6

#### 2. Consolidated statement of comprehensive income

(millions of EUR)

	2015		2014	
	6 months	QII	6 months	QII
<b>Net profit</b>	<b>37.8</b>	<b>18.6</b>	<b>38.6</b>	<b>18.6</b>
<b>Other comprehensive income/expense</b>				
Items that may subsequently be reclassified to the income statement:				
Revaluation of available-for-sale financial assets	0.2	-0.1	0.2	0.1
<b>Total other comprehensive income/expense</b>	<b>0.2</b>	<b>-0.1</b>	<b>0.2</b>	<b>0.1</b>
<b>Total comprehensive income</b>	<b>38.0</b>	<b>18.5</b>	<b>38.8</b>	<b>18.7</b>
<b>Sole equity holder of the parent entity (total)</b>	<b>38.0</b>	<b>18.5</b>	<b>38.8</b>	<b>18.7</b>
-Total comprehensive income from continued operations	38.0	18.5	38.8	18.7

**3. Consolidated statement of financial position**

(millions of EUR)

	<b>30.06.15</b>	<b>31.12.14</b>
<b>ASSETS</b>		
Cash	40.0	43.4
Balances with central bank	170.0	940.0
Loans and advances to credit institutions	778.8	53.0
Loans and advances to customers	3 990.0	3 963.4
Financial assets held for trading	22.6	28.7
Financial assets designated at fair value through profit or loss at inception	0.0	102.2
Available-for-sale financial assets	5.7	5.2
Other assets	38.9	34.8
Investments in associates	0.8	0.8
Intangible assets	2.2	1.1
Property, plant and equipment	9.5	10.2
<b>TOTAL ASSETS</b>	<b>5 058.5</b>	<b>5 182.8</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Due to credit institutions	888.6	1 033.5
Due to customers	3 192.2	3 188.7
Other liabilities	71.6	78.0
Financial liabilities at fair value through profit or loss	22.8	27.5
Provisions	0.3	0.3
<b>Total Liabilities</b>	<b>4 175.5</b>	<b>4 328.0</b>
Share capital	42.5	42.5
Share premium	86.3	86.3
Other reserves	20.3	20.1
Retained earnings	733.9	705.9
<b>Total shareholders' equity</b>	<b>883.0</b>	<b>854.8</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>5 058.5</b>	<b>5 182.8</b>

**4. Consolidated cash flow statement**

(millions of EUR)

	<b>2015</b>	<b>2014</b>
	<b>6 months</b>	<b>6 months</b>
<b>I. Cash flows from operating activities</b>		
Interest received	46.1	50.0
Interest paid	-5.0	-6.5
Fee and commission received	30.8	28.1
Fee and commission paid	-8.2	-7.6
Net trading income and other operating income	3.4	1.1
Personnel expenses and other operating expenses	-26.8	-25.2
Income tax paid	-2.2	0.0
<b>Cash flows from operating activities before changes in the operating assets and liabilities</b>	<b>38.1</b>	<b>39.9</b>
<b>Changes in operating assets:</b>		
Loans and advances to credit institutions and mandatory reserve in central bank	-7.9	10.3
Loans and advances to customers	-24.3	-67.1
Other assets	8.8	0.2
<b>Changes of operating liabilities:</b>		
Due to credit institutions	-152.3	286.5
Due to customers	3.9	167.9
Other liabilities	-4.5	0.7
<b>Cash flow from (used in) operating activities</b>	<b>-138.2</b>	<b>438.4</b>
<b>II. Cash flows from investing activities</b>		
Purchase of investment properties, tangible and intangible assets	-2.4	-2.4
<b>Cash flow from (used in) investing activities</b>	<b>-2.8</b>	<b>-2.3</b>
<b>III. Cash flows from financing activities</b>		
Dividends paid	-10.0	0.0
<b>Cash used in financing activities</b>	<b>-10.0</b>	<b>0.0</b>
<b>Net decrease/increase in cash and cash equivalents</b>	<b>-151.0</b>	<b>436.1</b>
<b>Cash and cash equivalents at the beginning of period</b>	<b>1 105.0</b>	<b>501.6</b>
Effect of exchange rate changes on cash and cash equivalents	0.0	0.0
<b>Cash and cash equivalents at the end of period</b>	<b>954.0</b>	<b>937.7</b>
<b>Cash and cash equivalents includes:</b>	<b>30.06.15</b>	<b>30.06.14</b>
Cash on hand	40.0	39.6
Balances with the central bank without mandatory reserve	135.8	38.3
Liquid deposits in other credit institutions	778.2	659.3
Trading portfolio and liquidity securities	0.0	200.5
	<b>954.0</b>	<b>937.7</b>

**5. Changes in consolidated shareholders' equity**

(millions of EUR)

	Share Share capital	Share premium	Reserves	Retained profit	Total shareholders'
<b>Year beginning 01.01.2014</b>	<b>42.5</b>	<b>86.3</b>	<b>19.8</b>	<b>626.0</b>	<b>774.6</b>
Other	0.0	0.0	0.0	0.2	<b>0.2</b>
Net profit	0.0	0.0	0.0	38.6	<b>38.6</b>
Other comprehensive income:					
Net change in available-for-sale financial assets	0.0	0.0	0.2	0.0	<b>0.2</b>
Total other comprehensive income	0.0	0.0	0.2	0.0	<b>0.2</b>
<b>Total comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>38.6</b>	<b>38.8</b>
<b>Final balance 30.06.2014</b>	<b>42.5</b>	<b>86.3</b>	<b>20.0</b>	<b>664.8</b>	<b>813.6</b>
<b>Year beginning 01.01.2015</b>	<b>42.5</b>	<b>86.3</b>	<b>20.1</b>	<b>705.9</b>	<b>854.8</b>
Dividend paid	0.0	0.0	0.0	-10.0	<b>-10.0</b>
Other	0.0	0.0	0.0	0.2	<b>0.2</b>
Net profit	0.0	0.0	0.0	37.8	<b>37.8</b>
Other comprehensive income:					
Net change in available-for-sale financial assets	0.0	0.0	0.2	0.0	<b>0.2</b>
Total other comprehensive income	0.0	0.0	0.2	0.0	<b>0.2</b>
<b>Total comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>37.8</b>	<b>38.0</b>
<b>Final balance 30.06.2015</b>	<b>42.5</b>	<b>86.3</b>	<b>20.3</b>	<b>733.9</b>	<b>883.0</b>

**6. Contingent assets and liabilities and commitments**

(millions of EUR)

30.06.15	Contract amount		Balance value	
	Assets	Liabilities	Assets	Liabilities
<b>1. Irrevocable and revocable transactions</b>	<b>64.6</b>	<b>1 029.7</b>	<b>0.0</b>	<b>0.0</b>
1.1. Guarantees and other similar off-balance sheet irrevocable liabilities and claims	59.6	302.1	0.0	0.0
<i>incl. financial guarantees</i>	57.8	138.2	0.0	0.0
1.2. Loan commitments	5.0	727.6	0.0	0.0
<b>2. Derivatives</b>	<b>602.8</b>	<b>602.4</b>	<b>22.6</b>	<b>22.8</b>
2.1. Currency related derivatives	278.1	278.0	1.2	1.0
2.2. Interest related derivatives	314.0	314.0	20.2	20.4
2.3. Equity related derivatives*	10.7	10.4	1.2	1.4
	<b>667.4</b>	<b>1 632.1</b>	<b>22.6</b>	<b>22.8</b>
31.12.14	Contract amount		Balance value	
	Assets	Liabilities	Assets	Liabilities
<b>1. Irrevocable and revocable transactions</b>	<b>5.8</b>	<b>931.8</b>	<b>0.0</b>	<b>0.0</b>
1.1. Guarantees and other similar off-balance sheet irrevocable liabilities and claims	0.8	240.5	0.0	0.0
<i>incl. financial guarantees</i>	0.0	80.3	0.0	0.0
1.2. Loan commitments	5.0	691.3	0.0	0.0
<b>2. Derivatives</b>	<b>959.0</b>	<b>956.8</b>	<b>28.7</b>	<b>27.6</b>
2.1. Currency related derivatives	629.8	627.8	3.4	1.4
2.2. Interest related derivatives	316.1	316.1	24.0	24.5
2.3. Equity related derivatives*	13.1	12.9	1.3	1.7
	<b>964.8</b>	<b>1 888.6</b>	<b>28.7</b>	<b>27.6</b>

\* Derivative transactions are executed to cover the client's position and the derivative risks are not taken to own portfolio. All risks arising from these transactions are fully mitigated with parent company. The equity option prices are calculated using for all input data (e.g. underlying prices or volumes) either independently sourced input (e.g. the underlying prices) or an independent price verification is performed on the next day to compare the values to independently sourced market data (e.g. for volumes).

Pursuant to the Law of Obligations Act, the operating lease agreements, concluded by AS SEB Liising are partially related to a contingent liability, the likelihood and the amount of which cannot be reliably determined. According to the management of the company, based on the previous practice, realisation of the obligation is unlikely.



**Note 1**

**Accounting principles**

The interim report of AS SEB Pank Group for Quarter II 2015 has been prepared in conformity with International Accounting Standard IAS 34 "Interim Financial Reporting" and the disclosure requirements, established by Eesti Pank.

The accounting principles, used in the interim report of AS SEB Pank Group for Quarter II 2015 are in conformity with the accounting principles used in the annual report for the year ended on 31 December 2014.

**Note 2****Fair value of financial assets and liabilities**

(millions of EUR)

**A) Financial instruments measured at fair value**

	30.06.15				31.12.14			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit and loss</b>								
<b>Financial assets held for trading</b>	<b>0.1</b>	<b>22.5</b>	<b>0.0</b>	<b>22.6</b>	<b>0.3</b>	<b>28.5</b>	<b>0.0</b>	<b>28.8</b>
Derivatives	0.0	22.5	0.0	22.5	0.2*	28.5	0.0	28.7
<b>Financial assets designated at fair value through profit or loss at inception</b>								
<b>inception</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>102.2</b>	<b>0.0</b>	<b>0.0</b>	<b>102.2</b>
Debt securities	0.0	0.0	0.0	0.0	102.2	0.0	0.0	102.2
<b>Available for sale financial assets</b>	<b>5.6</b>	<b>0.0</b>	<b>0.1</b>	<b>5.7</b>	<b>5.1</b>	<b>0.0</b>	<b>0.1</b>	<b>5.2</b>
Investment securities - equity	5.6	0.0	0.1	5.7	5.1	0.0	0.1	5.2
<b>TOTAL ASSETS</b>	<b>5.7</b>	<b>22.5</b>	<b>0.1</b>	<b>28.3</b>	<b>107.6</b>	<b>28.5</b>	<b>0.1</b>	<b>136.2</b>
<b>Financial liabilities at fair value through profit and loss</b>								
Financial liabilities held for trading	0.0	22.8	0.0	22.8	0.1*	27.4	0.0	27.5
<b>TOTAL LIABILITIES</b>	<b>0.0</b>	<b>22.8</b>	<b>0.0</b>	<b>22.8</b>	<b>0.1</b>	<b>27.4</b>	<b>0.0</b>	<b>27.5</b>

\*Fair value of spot derivatives

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges but also instruments quoted by market participants.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). The sources of input parameters like Euro yield curve or counterparty credit risk are Bloomberg and Thomson Reuters.

Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components.

**Reconciliation of Level 3 Items**

	<b>Available-for-sale financial assets</b>	
	<b>Investment securities - equity</b>	<b>Total</b>
<b>At 1 January 2014</b>	<b>0.1</b>	<b>0.1</b>
<b>At 31 December 2014</b>	<b>0.1</b>	<b>0.1</b>
Total losses for the period included in profit or loss for assets/liabilities held at 31.12.14	0.0	0.0
<b>At 1 January 2015</b>	<b>0.1</b>	<b>0.1</b>
<b>At 31 June 2015</b>	<b>0.1</b>	<b>0.1</b>
Total losses for the period included in profit or loss for assets/liabilities held at 30.06.15	0.0	0.0

**B) Financial instruments not measured at fair value**

	<b>30.06.15</b>		<b>31.12.14</b>	
	<b>Carrying value</b>	<b>Fair value, Level 3</b>	<b>Carrying value</b>	<b>Fair value, Level 3</b>
<b>ASSETS</b>				
Loans and advances to credit institutions	778.8	778.8	53.0	53.0
Loans and advances to customers	3 990.0	3 867.0	3 963.4	3 870.3
<i>Loans to Corporates</i>	2 030.7	2 038.3	2 054.5	2 053.5
<i>Loans to households</i>	1 959.3	1 828.7	1 908.9	1 816.8
Other assets	38.9	38.9	34.8	34.8
<b>TOTAL ASSETS</b>	<b>4 807.7</b>	<b>4 684.7</b>	<b>4 051.2</b>	<b>3 958.1</b>
<b>LIABILITIES</b>				
Due to credit institutions	888.6	887.6	1 033.5	1 032.4
Due to customers	3 192.2	3 194.6	3 188.7	3 191.8
<i>Due to Corporates</i>	1 806.3	1 808.4	1 843.6	1 846.5
<i>Due to households</i>	1 385.9	1 386.2	1 345.1	1 345.4
Other financial liabilities	71.6	71.6	78.0	78.0
Subordinated loans	0.0	0.0	0.0	0.0
<b>TOTAL LIABILITIES</b>	<b>4 152.4</b>	<b>4 153.8</b>	<b>4 300.2</b>	<b>4 302.2</b>

AS SEB Pank conducts assessment of fair value of financial assets and liabilities which are not presented in the Group's statement of financial position at their fair value. All finance instruments not measured at fair value specified at Level 3 in hierarchy of valuation of fair value, because of using unobservable inputs.

When calculating fair value for floating interest rate loans and for fixed-interest rate lending, future cash flows are discounted based on the market interest curve, which has been adjusted for applicable margins of new lending. Similarly have been calculated also fixed-interest rate deposits, floating interest rate and fixed-interest rate balances due to credit institutions.

As of reporting date fair value of loans and advances to customers was 3.08% (31.12.2014: 2.35%) lower than the carrying amount. Fair value of balances due to credit institutions was 0.12% lower (31.12.2014: 0.11% lower) than the carrying amount. Fair value of balances due to customers was 0.07% higher (31.12.2014: 0.1% higher) than the carrying amount.

**Note 3****Interest and similar income**

(millions of EUR)

	2015		2014	
	6 months	QII	6 months	QII
Loans	38.2	19.0	41.5	20.9
Leasing	6.9	3.4	6.6	3.4
Deposits with other banks	0.3	0.2	0.5	0.2
Fixed income securities	0.6	0.0	1.8	1.3
	<b>46.0</b>	<b>22.6</b>	<b>50.4</b>	<b>25.8</b>

**Note 4****Interest expenses and similar charges**

(millions of EUR)

	2015		2014	
	6 months	QII	6 months	QII
Credit institutions	-2.6	-1.2	-3.7	-1.9
Time and other saving deposits	-1.1	-0.5	-1.7	-0.8
Demand deposits	-1.6	-0.8	-1.9	-0.9
Other	-0.1	0.0	-0.1	0.0
	<b>-5.4</b>	<b>-2.5</b>	<b>-7.4</b>	<b>-3.6</b>

**Note 5****Fee and commission income**

(millions of EUR)

	2015		2014	
	6 months	QII	6 months	QII
Payment cards related commissions	11.9	6.2	11.6	6.1
Securities market services *	5.6	2.8	5.0	2.4
Transaction fees	2.7	1.4	2.8	1.5
Credit contracts**	2.4	1.2	2.1	1.1
Insurance brokerage fees	1.5	0.8	1.3	0.7
Other settlement fees	2.2	1.1	2.0	1.0
Income from leasing agreements (full service)	0.4	0.2	0.5	0.2
Income from electronic channels	0.7	0.3	0.7	0.3
Cash handling fees	0.4	0.2	0.5	0.3
Commodity futures fees	0.4	0.0	0.0	0.0
Other	2.6	1.3	1.6	0.7
	<b>30.8</b>	<b>15.5</b>	<b>28.1</b>	<b>14.3</b>

\* Securities market services includes asset management fees of investment funds and securities portfolios, custody services, advisory fees and other with securities transactions related fees.

\*\* Credit contracts include loan, leasing, letter of credit and guarantee contracts, which are short-term and do not constitute interest income, but are of administrative nature for arrangement or reorganisation of credits.

**Note 6****Fee and commission expense**

(millions of EUR)

	2015		2014	
	6 months	QII	6 months	QII
Payment cards related commissions	-5.4	-2.9	-5.0	-2.6
Cash collecting fees	-0.6	-0.3	-0.6	-0.3
Expenses to leasing agreements (full service)	-0.4	-0.2	-0.4	-0.2
Securities market services	-0.8	-0.4	-0.6	-0.3
Transaction fees	-0.6	-0.3	-0.5	-0.3
Other	-0.4	-0.2	-0.5	-0.3
	<b>-8.2</b>	<b>-4.3</b>	<b>-7.6</b>	<b>-4.0</b>

**Note 7****Impairment losses on loans and advances**

(millions of EUR)

	2015		2014	
	6 months	QII	6 months	QII
<b>Impairment losses</b>	<b>2.8</b>	<b>-0.1</b>	<b>1.3</b>	<b>-0.5</b>
impairment losses of reporting period	-0.9	-0.8	-2.3	-1.8
recoveries from write-offs	0.5	0.3	0.3	0.2
decreasing of impairment losses of previous period	3.2	0.4	3.3	1.1
	<b>2.8</b>	<b>-0.1</b>	<b>1.3</b>	<b>-0.5</b>

**Note 8****Allowances on loans and advances**

(millions of EUR)

	30.06.15	31.12.14
	<b>At the beginning of period (January, 1)</b>	<b>44.4</b>
Allowances of reporting period	0.9	5.1
Decreasing of allowances of previous period	-3.2	-5.9
Loans and advances written off	-2.7	-8.6
<b>At the end of period</b>	<b>39.4</b>	<b>44.4</b>
Recoveries from write-offs	0.5	0.6

**Note 9****Loans and advances to customers by remaining maturity**

(millions of EUR)

	Less than 3 months	3-12 months	1-5 years	5-10 years	Over 10 years	Total
	<b>30.06.15</b>	248.3	702.4	1 695.3	498.9	845.1
<b>31.12.14</b>	282.9	586.4	1 768.6	492.5	833.0	<b>3 963.4</b>

**Note 10****Geographic concentration of financial assets and liabilities**

(millions of EUR)

30.06.15	Cash, balances with central bank, loans and advances to credit institutions				Loans and advances to customers	Securities	Other assets	Total assets	Due to credit institutions			Total liabilities	Contingent liabilities
	Due to credit institutions	Due to customers	Other liabilities										
Sweden	708.2	0.5	2.1	0.7	711.5	798.9	21.1	21.6	841.6	1.3			
Estonia	210.4	3 971.0	27.0	47.5	4 255.9	18.1	2 747.3	72.2	2 837.6	1 014.1			
United Kingdom	35.8	1.3	0.0	0.0	37.1	1.2	34.2	0.2	35.6	0.0			
Russia	1.5	0.4	0.0	-0.1	1.8	0.5	36.3	0.0	36.8	0.1			
Germany	4.6	0.2	0.0	0.0	4.8	9.4	3.4	0.0	12.8	5.0			
United States	0.4	0.2	0.0	0.0	0.6	1.0	46.9	0.0	47.9	0.0			
Canada	0.0	0.0	0.0	0.0	0.0	0.0	1.2	0.0	1.2	0.0			
Japan	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.0	0.4	0.0			
Finland	0.4	0.9	0.0	0.0	1.3	0.0	10.5	0.0	10.5	3.4			
Latvia	7.9	8.7	0.0	1.0	17.6	57.6	2.1	0.0	59.7	0.5			
Lithuania	1.7	0.0	0.0	0.3	2.0	0.4	3.0	0.0	3.4	0.0			
Luxembourg	5.6	0.0	0.0	0.3	5.9	0.3	0.1	0.0	0.4	0.0			
Netherlands	0.0	0.0	0.0	0.0	0.0	0.0	5.5	0.0	5.5	0.0			
Other Western Europe	9.2	6.5	0.0	0.3	16.0	1.2	33.2	0.2	34.6	2.4			
Other Eastern Europe	3.1	0.0	0.0	0.0	3.1	0.0	6.5	0.0	6.5	0.0			
Other countries	0.0	0.3	0.0	0.6	0.9	0.0	240.5	0.5	241.0	2.9			
	<b>988.8</b>	<b>3 990.0</b>	<b>29.1</b>	<b>50.6</b>	<b>5 058.5</b>	<b>888.6</b>	<b>3 192.2</b>	<b>94.7</b>	<b>4 175.5</b>	<b>1 029.7</b>			

31.12.14	Cash, balances with central bank, loans and advances to credit institutions				Loans and advances to customers	Securities	Other assets	Total assets	Due to credit institutions			Total liabilities	Contingent liabilities
	Due to credit institutions	Due to customers	Other liabilities										
Sweden	21.9	0.6	3.2	0.9	26.6	888.4	12.6	25.5	926.5	1.5			
Estonia	984.2	3 943.5	31.5	41.2	5 000.4	19.5	2 751.3	78.7	2 849.5	912.8			
United Kingdom	0.9	1.5	0.0	0.1	2.5	1.6	37.7	0.3	39.6	1.6			
Russia	2.0	0.3	0.0	0.0	2.3	3.6	47.0	0.0	50.6	0.1			
Germany	3.9	0.1	102.2	0.0	106.2	11.4	3.4	0.0	14.8	5.0			
United States	2.2	0.2	0.0	0.0	2.4	0.6	42.9	0.0	43.5	0.0			
Canada	0.0	0.0	0.0	0.0	0.0	0.0	1.6	0.0	1.6	0.0			
Japan	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.0	0.3	0.0			
Finland	0.0	0.8	0.0	0.6	1.4	0.0	9.3	0.6	9.9	4.7			
Latvia	2.4	9.0	0.0	1.8	13.2	104.2	2.6	0.0	106.8	0.5			
Lithuania	5.0	0.0	0.0	0.3	5.3	1.2	5.6	0.1	6.9	0.0			
Luxembourg	4.9	0.0	0.0	0.3	5.2	1.0	0.0	0.0	1.0	0.0			
Netherlands	0.0	0.0	0.0	0.0	0.0	0.0	2.9	0.0	2.9	0.0			
Other Western Europe	7.3	7.1	0.0	0.4	14.8	1.9	33.4	0.1	35.4	2.9			
Other Eastern Europe	1.7	0.0	0.0	0.0	1.7	0.0	6.8	0.0	6.8	0.0			
Other countries	0.0	0.3	0.0	0.5	0.8	0.1	231.3	0.5	231.9	2.7			
	<b>1 036.4</b>	<b>3 963.4</b>	<b>136.9</b>	<b>46.1</b>	<b>5 182.8</b>	<b>1 033.5</b>	<b>3 188.7</b>	<b>105.8</b>	<b>4 328.0</b>	<b>931.8</b>			

Contingent liabilities include here guarantees and pledges, loan commitments, revocable transactions, stand-by loans, other revocable transactions and are presented in contract amount of contingent liabilities. Securities include here financial assets held for trading, financial assets designated at fair value through profit or loss, available-for-sale financial assets, investments in associates.

**Note 11****Concentration of financial assets and liabilities by industry sector**

(millions of EUR)

	In the statement of financial position		Contingent liabilities
	Cash and loans to central bank, credit institutions and customers	Securities	
<b>30.06.15</b>			
Finance	1 011.0	5.6	17.5
Real estate	704.1	0.1	14.9
Industry	318.6	0.0	194.0
Agriculture, fishing, forestry	187.7	0.0	13.6
Trading	183.7	0.0	164.2
Transport	150.3	0.0	38.1
Energy, gas and steam plants	97.2	0.0	78.1
Administration and assistance	85.2	0.0	66.6
Government and state defence	78.9	0.0	226.9
Construction	45.9	0.0	78.1
Information and telecommunication	45.8	0.8	5.9
Health services, social work	43.2	0.0	6.2
Hotels, restaurants	32.7	0.0	0.8
Education	15.1	0.0	5.8
Other government and social services	14.9	0.0	10.5
Professional, science and technical work	10.6	0.0	3.9
Art, show business, leisure	9.1	0.0	2.2
Water supply, canalisation, waste management	8.2	0.0	6.2
Mining	2.5	0.0	1.1
Individuals	1 973.5	0.0	0.1
Derivatives	0.0	22.6	95.0
Allowances	-39.4	-	-
	<b>4 978.8</b>	<b>29.1</b>	<b>1 029.7</b>

31.12.14	In the statement of financial position		Contingent liabilities
	Cash and loans to central bank, credit institutions and customers	Securities	
Finance	1 062.2	5.2	20.4
Real estate	728.1	0.1	17.3
Industry	339.1	0.0	143.8
Agriculture, fishing, forestry	196.4	0.0	20.3
Transport	180.1	0.0	34.4
Trading	175.6	0.0	147.0
Government and state defence	91.5	102.3	214.1
Energy, gas and steam plants	89.9	0.0	75.0
Administration and assistance	84.5	0.0	55.0
Construction	46.7	0.0	80.7
Information and telecommunication	45.1	0.0	5.3
Health services, social work	42.6	0.0	7.8
Hotels, restaurants	32.3	0.0	0.8
Education	16.4	0.0	8.8
Art, show business, leisure	11.1	0.0	3.4
Professional, science and technical work	10.9	0.0	4.0
Water supply, canalisation, waste management	7.9	0.0	6.6
Mining	1.9	0.0	2.6
Other government and social services	20.5	0.6	8.2
Individuals	1 861.4	0.0	76.3
Derivatives	0.0	28.7	0.0
Allowances	-44.4	-	-
	<b>4 999.8</b>	<b>136.9</b>	<b>931.8</b>



**Note 12****Related parties**

(millions of EUR)

	<u>30.06.15</u>	<u>31.12.14</u>
Loans and advances to members of Management Board of credit institution and internal audit manager, also their confidants and commercial undertakings, controlled jointly or severally by the mentioned persons	2.4	7.2
Contingent liabilities to members of Management Board of credit institution and internal audit manager, also their confidants and commercial undertakings, controlled jointly or severally by the mentioned persons (credit lines and commitments to extend credit)	0.1	0.2
Deposits of members of management board of credit institution and internal audit manager, also their confidants and commercial undertakings, controlled jointly or severally by the mentioned persons	3.6	1.4
Loans and advances to parent company	749.7	32.3
Due to parent company	820.2	913.8
Contingent assets and commitments to parent company	38.8	38.7
Contingent liabilities and commitments to parent company	0.3	0.4
Loans and advances to enterprises of parent company's consolidation group	12.0	6.0
Due to enterprises of parent company's consolidation group	42.5	86.6
Contingent assets and commitments to enterprises of parent company's consolidation group	3.5	3.5
Contingent liabilities and commitments to enterprises of parent company's consolidation group	0.9	1.0

Interest rates of the loans given to related parties do not differ materially from interest rates of the loans to customers. Transactions with related parties have been based on market terms.

Related parties are:

- parent company, sole equity holder Skandinaviska Enskilda Banken AB (publ),
- subsidiaries of parent company,
- associates of parent company,
- associates of the Group,
- members of Management Board of credit institution and internal audit manager, also their confidants and commercial undertakings, controlled jointly or severally by the mentioned persons.