



AB SEB bankas

Capital Adequacy and Risk Management Report (Pillar 3)

30 June 2019

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Table 1. Capital adequacy overview

	30 Jun 2019	31 Mar 2019
Own funds		
Common Equity Tier 1 capital	640,559	642,303
Tier 1 capital	640,559	642,303
Total own funds	653,178	658,584
Own funds requirement		
Risk exposure amount	3,568,102	3,636,070
Expressed as own funds requirement	285,448	290,886
Common Equity Tier 1 capital ratio	18.0%	17.7%
Tier 1 capital ratio	18.0%	17.7%
Total capital ratio	18.3%	18.1%
Own funds in relation to own funds requirement	2.29	2.26
Regulatory Common Equity Tier 1 capital requirement including buffer ¹⁾	10.0%	9.0%
of which capital conservation buffer requirement	2.5%	2.5%
of which systemic risk buffer requirement	0.02%	0.02%
of which countercyclical capital buffer requirement	1.0%	0.5%
of which : Global Systemically Important Institutions (G-SII) or Other Systemically Important Institutions (O-SII) buffer	2.0%	2.0%
Common Equity Tier 1 capital available to meet buffer ²⁾	13.5%	13.2%
Leverage ratio		
Exposure measure for leverage ratio calculation	8,581,272	8,513,679
of which on balance sheet items	7,976,769	7,927,230
of which off balance sheet items	604,503	586,449
Leverage ratio	7.5%	7.5%

1) Includes only Pillar I general minimum capital requirements.

2) CET1 ratio less minimum capital requirement of 4.5% excluding buffers. In addition to the CET1 requirements there is a total capital requirement of additional 3.5%.

Table 2. Overview of risk exposure amounts

Breakdown by Risk Type	Risk Exposure Amount		Minimum own funds requirements
	30 Jun 2019	31 Mar 2019	30 Jun 2019
Credit risk (excluding counterparty credit risk) (CCR)	3,293,456	3,358,936	263,476
<i>of which standardised approach (SA)</i>	299,454	355,385	23,956
<i>of which foundation internal rating-based (F-IRB) approach</i>	2,515,393	2,536,708	201,231
<i>of which advanced internal rating-based (A-IRB) approach</i>	478,609	466,843	38,289
Counterparty credit risk	23,246	23,758	1,860
<i>of which Marked to market</i>	23,246	23,758	1,860
<i>of which CVA</i>	-	-	-
Settlement risk	-	-	-
Securitisation exposures in banking book	-	-	-
Market risk	72,800	62,388	5,824
<i>of which standardised approach</i>	72,800	62,388	5,824
Large exposures	-	-	-
Operational risk	178,600	190,988	14,288
<i>of which advanced measurement approach</i>	178,600	190,988	14,288
Amounts below the thresholds for deduction (subject to 250% risk weight) 1)	-	-	-
Floor adjustment	-	-	-
Total	3,568,102	3,636,070	285,448

Table 3. Own funds

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

	30 Jun 2019	31 Dec 2018
Common Equity Tier 1 (CET1) capital: instruments and reserves		
1 Capital instruments and the related share premium accounts	299,564	299,564
of which: share capital	299,564	299,564
2 Retained earnings	176,465	183,627
3 Accumulated other comprehensive income (and other reserves)	637	637
3a Funds for general banking risk	189,251	174,613
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	665,917	658,441
Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7 Additional value adjustments (negative amount)	(1,280)	(651)
8 Intangible assets (net of related tax liability) (negative amount)	(8,373)	(6,557)
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)	-	-
10	-	-
11 Fair value reserves related to gains or losses on cash flow hedges	-	-
12 Negative amounts resulting from the calculation of expected loss amounts	(15,238)	(13,913)
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	(282)	(336)
15 Defined-benefit pension fund assets (negative amount)	-	-
16 Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	-	-
Direct, indirect and synthetic 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)	-	-
Direct, indirect and synthetic 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)	-	-
18	-	-
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)	-	-
19	-	-
20 Empty Set in the EU	-	-
Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	-
20a	-	-
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)	-	-
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)	-	-
21	-	-
22 Amount exceeding the 15% threshold (negative amount)	-	-
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	-	-
23	-	-
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)	-	-
26b Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR	(185)	(472)
27 Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	-	-
28 Total regulatory adjustments to Common equity Tier 1 (CET1)	(25,358)	(21,929)
29 Common Equity Tier 1 (CET1) capital	640,559	636,512

Table 3. Own funds (continued)

	30 Jun 2019	31 Dec 2018
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	-	-
Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-	-
33	-	-
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	-	-
34	-	-
35 of which: instruments issued by subsidiaries subject to phase out	-	-
36 Additional Tier 1 (AT1) capital before regulatory adjustments	-	-
Additional Tier 1 (AT1) capital: regulatory adjustments		
37 Direct and indirect holdings by an institution of own AT1 Instruments (negative amount)	-	-
Direct, indirect and synthetic 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)	-	-
38	-	-
Direct, indirect and synthetic holdings of the AT1 instruments 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)	-	-
39	-	-
Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)	-	-
40	-	-
41 Empty Set in the EU	-	-
42 Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)	-	-
43 Total regulatory adjustments to Additional Tier 1 (AT1) capital	-	-
44 Additional Tier 1 (AT1) capital	-	-
45 Tier 1 capital (T1 = CET1 + AT1)	640,559	636,512
Tier 2 (T2) capital: instruments and provisions		
46 Capital instruments and the related share premium accounts	-	-
Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	-	-
47	-	-
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	-	-
48	-	-
49 of which: instruments issued by subsidiaries subject to phase out	-	-
50 Credit risk adjustments	12,619	13,039
51 Tier 2 (T2) capital before regulatory adjustments	12,619	13,039
Tier 2 (T2) capital: regulatory adjustments		
Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	-
52	-	-
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)	-	-
53	-	-
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)	-	-
54	-	-
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)	-	-
55	-	-
56 Empty Set in the EU	-	-
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	-	-
58 Tier 2 (T2) capital	12,619	13,039

Table 3. Own funds (continued)

	30 Jun 2019	31 Dec 2018
59 Total capital (TC = T1 + T2)	653,178	649,551
60 Total risk weighted assets	3,568,102	3,467,778
Capital ratios and buffers		
61 Common Equity Tier 1 (as a percentage of risk exposure amount)	18.0%	18.4%
62 Tier 1 (as a percentage of risk exposure amount)	18.0%	18.4%
63 Total capital (as a percentage of risk exposure amount)	18.3%	18.7%
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%	9.5%
65 of which : capital conservation buffer requirements	2.5%	2.5%
66 of which : countercyclical buffer requirements	1.0%	0.5%
67 of which : systemic risk buffer requirements	0.02%	0.02%
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)	13.5%	13.9%
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)	-	-
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	-	-
78 Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	12,619	13,039
79 Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	12,619	13,039
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

1	Issuer	AB SEB bankas, reg.No 125277981
	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	LT0000101347
2	placement)	
3	Governing law(s) of the instrument	Law on Companies of Republic of Lithuania
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 & 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)	EUR 299,6 million
9	Nominal amount of instrument	EUR 299,6 million
9a	Issue price	par value EUR 19.4
9b	Redemption price	N/A
10	Accounting classification	Shareholders' equity
11	Original date of issuance	29-Nov-1990
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	Not related
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	Non-cumulative or cumulative	Non-cumulative
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

N/A inserted if the question is not applicable.

Table 5. Leverage ratio

Disclosure according to EU Regulation 2016/200

	30 Jun 2019
Summary reconciliation of accounting assets and leverage ratio exposures	Applicable amount
1 Total assets as per published financial statements	7,984,975
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	16,460
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)	604,503
(Adjustment for intragroup exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(7) of Regulation (EU) No 575/2013)	-
(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	(24,666)
8 Leverage ratio total exposure measure	8,581,272

Table 5. Leverage ratio (continued)

Leverage ratio common disclosure	CRR leverage ratio exposures
On-balance sheet exposures (excluding derivatives and SFTs)	
1 On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	7,910,261
2 (Asset amounts deducted in determining Tier 1 capital)	(25,173)
Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	7,885,088
Derivative exposures	
4 Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	75,871
5 Add-on amounts for PFE associated with all derivatives transactions (mark- to-market method)	15,810
EU-5a Exposure determined under Original Exposure Method	-
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)	91,681
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	-
Derogation for SFTs: Counterparty credit risk exposure in accordance with Articles 429b(4) and 222 of Regulation (EU) No 575/2013	-
EU-14a Agent transaction exposures	-
15 (Exempted CCP leg of client-cleared SFT exposure)	-
EU-15a Total securities financing transaction exposures (sum of lines 12 to 15a)	-
Other off-balance sheet exposures	
17 Off-balance sheet exposures at gross notional amount	1,316,125
18 (Adjustments for conversion to credit equivalent amounts)	(711,622)
19 Other off-balance sheet exposures (sum of lines 17 and 18)	604,503
Exempted exposures in accordance with Article 429(7) and (14) of Regulation (EU) No 575/2013 (on and off balance sheet)	
(Intragroup exposures (solo basis) exempted in accordance with Article 429(7) of Regulation (EU) No 575/2013 (on and off balance sheet))	
EU-19a (Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet))	-
EU-19b Capital and total exposure measure	
20 Tier 1 capital	640,559
21 Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	8,581,272
Leverage ratio	
22 Leverage ratio	7.5%
Choice on transitional arrangements and amount of derecognised fiduciary items	
	Transitional
EU-23 Choice on transitional arrangements for the definition of the capital measure	
EU-24 Amount of derecognised fiduciary items in accordance with Article 429(11) of Regulation (EU) No 575/2013	-

Table 5. Leverage ratio (continued)

Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)		CRR leverage ratio exposures
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	-
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	7,895,621
EU-4	Covered bonds	-
EU-5	Exposures treated as sovereigns	1,163,754
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	-
EU-7	Institutions	586,571
EU-8	Secured by mortgages of immovable properties	4,235,559
EU-9	Retail exposures	252,316
EU-10	Corporate	1,358,365
EU-11	Exposures in default	73,682
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	225,374

Table 6. Credit risk mitigation techniques

	Exposures unsecured - Carrying amount	Exposures secured - Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
30 Jun 2019					
Total loans	2,897,229	4,422,375	3,959,246	463,129	-
Total debt securities	352,758	-	-	116,017	-
Total exposures	3,249,987	4,422,375	3,959,246	579,146	-
Of which defaulted	26,580	51,254	45,108	6,146	-

	Exposures unsecured - Carrying amount	Exposures secured - Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
31 Dec 2018					
Total loans	2,915,832	4,338,326	3,959,831	378,495	-
Total debt securities	307,702	-	-	-	-
Total exposures	3,223,534	4,338,326	3,959,831	378,495	-
Of which defaulted	29,532	56,019	49,337	6,682	-

Table 7. Credit quality of exposures by exposure class and instrument

	Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period 2019 H1	Net values a+b-c-d
	Defaulted exposures	Non-defaulted exposures					
30 Jun 2019							
Central governments or central banks	-	-	-	-	-	-	-
Institutions	-	80,502	-	-	-	7	80,502
Corporates	74,114	4,498,594	40,102	-	181,117	1,368	4,532,606
of which large corporates	8,115	1,717,778	5,633	-	43,877	124	1,720,260
of which SME corporates	49,205	2,693,884	26,749	-	101,703	1,244	2,716,340
of which Specialised Lending	16,794	86,932	7,720	-	35,537	-	96,006
Retail exposures	59,038	2,667,234	22,676	-	130,659	280	2,703,596
of which secured by real estate property	55,708	2,564,120	20,530	-	91,969	202	2,599,298
of which retail SME	1,946	36,072	1,129	-	9,789	16	36,889
of which other retail exposures	1,384	67,042	1,017	-	28,901	62	67,409
Total IRB approach	133,152	7,246,330	62,778	-	311,776	1,655	7,316,704
Central governments or central banks	-	1,109,211	-	-	-	-	1,109,211
Other exposures	2,016	774,123	1,211	-	1,463	84	774,928
Total Standardised approach	2,016	1,883,334	1,211	-	1,463	84	1,884,139
Total	135,168	9,129,664	63,989	-	313,239	1,739	9,200,843
Of which: Loans	134,977	7,246,592	61,965	-	313,239	1,739	7,319,604
Of which: Debt securities	-	352,758	-	-	-	-	352,758
Of which: Off-balance-sheet exposures	191	1,315,934	2,024	-	-	-	1,314,101

	Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period 2018 H2	Net values a+b-c-d
	Defaulted exposures	Non-defaulted exposures					
31 Dec 2018							
Central governments or central banks	-	-	-	-	-	-	-
Institutions	-	79,084	-	-	-	1	79,084
Corporates	86,227	4,471,432	46,644	-	183,567	1,077	4,511,015
of which large corporates	7,268	1,537,548	5,672	-	42,284	104	1,539,144
of which SME corporates	51,444	2,796,699	27,535	-	104,707	973	2,820,608
of which Specialised Lending	27,515	137,185	13,437	-	36,576	-	151,263
Retail exposures	64,179	2,602,333	23,541	-	131,832	276	2,642,971
of which secured by real estate property	61,311	2,493,926	21,450	-	90,088	191	2,533,787
of which retail SME	1,496	40,718	888	-	9,834	20	41,326
of which other retail exposures	1,372	67,689	1,203	-	31,910	65	67,858
Total IRB approach	150,406	7,152,849	70,185	-	315,399	1,354	7,233,070
Central governments or central banks	-	1,154,205	-	-	-	-	1,154,205
Other exposures	2,213	547,892	1,302	-	1,469	67	548,803
Total Standardised approach	2,213	1,702,097	1,302	-	1,469	67	1,703,008
Total	152,619	8,854,946	71,487	-	316,868	1,421	8,936,078
Of which: Loans	144,653	7,174,030	64,525	-	316,868	1,421	7,254,158
Of which: Debt securities	-	307,702	-	-	-	-	307,702
Of which: Off-balance-sheet exposures	7,966	1,177,853	6,962	-	-	-	1,178,857

Table 8. Credit quality of exposures by industry

	Gross carrying values of		c	d	e	f	g
	a	b					
30 Jun 2019	Defaulted exposures	Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period 2019 H1	Net values a+b-c-d
Banks	-	1,071,919	5	-	-	-	1,071,915
Finance and insurance	1	35,152	2	-	33	4	35,151
Wholesale and retail	7,667	1,424,098	4,982	-	22,271	150	1,426,783
Transportation	6,408	627,998	5,655	-	7,534	71	628,751
Shipping	-	5,873	1,415	-	10,432	-	4,458
Business and household services	2,840	309,957	644	-	6,575	20	312,153
Construction	8,395	127,906	3,132	-	149,559	1,046	133,169
Manufacturing	27,718	626,355	19,175	-	13,464	58	634,898
Agriculture, forestry and fishing	2,686	245,989	813	-	400	31	247,862
Mining, oil and gas extraction	120	15,838	39	-	2	2	15,919
Electricity, water and gas supply	-	402,239	82	-	2,099	6	402,157
Commercial real estate management	22,921	837,759	6,389	-	34,848	24	854,290
Residential real estate management	-	-	-	-	-	-	-
Public Administration	-	352,759	-	-	-	-	352,759
Household mortgage	54,162	2,497,664	19,679	-	65,848	185	2,532,146
Other	2,250	548,159	1,976	-	174	142	548,433
Total	135,168	9,129,665	63,989	-	313,239	1,739	9,200,844

	Gross carrying values of		c	d	e	f	g
	a	b					
31 Dec 2018	Defaulted exposures	Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period 2018 H2	Net values a+b-c-d
Banks	-	991,331	9	-	-	-	991,322
Finance and insurance	1	26,846	2	-	33	4	26,845
Wholesale and retail	8,506	1,434,756	4,831	-	22,270	149	1,438,431
Transportation	6,563	570,001	5,713	-	7,531	93	570,851
Shipping	8,744	5,846	6,732	-	10,612	-	7,858
Business and household services	3,066	425,086	808	-	6,577	49	427,344
Construction	10,037	176,185	3,315	-	149,575	421	182,907
Manufacturing	27,768	498,942	19,698	-	13,580	154	507,012
Agriculture, forestry and fishing	2,562	305,076	926	-	399	215	306,712
Mining, oil and gas extraction	-	15,470	6	-	2	3	15,464
Electricity, water and gas supply	-	361,335	102	-	2,099	21	361,233
Commercial real estate management	22,869	824,144	6,720	-	34,681	20	840,293
Residential real estate management	-	-	-	-	-	-	-
Public Administration	-	307,702	-	-	-	-	307,702
Household mortgage	60,247	2,425,084	20,508	-	69,335	168	2,464,823
Other	2,256	487,142	2,117	-	174	124	487,281
Total	152,619	8,854,946	71,487	-	316,868	1,421	8,936,078

Table 9. Credit quality of exposures by geography

	a	b	c	d	e	f	g
	Gross carrying values of						
30 Jun 2019	Defaulted exposures	Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period 2019 H1	Net values a+b-c-d
Lithuania	133,081	8,474,597	62,023	-	312,577	1,719	8,545,655
Other countries*	2,087	655,068	1,966	-	662	20	655,189
Total	135,168	9,129,665	63,989	-	313,239	1,739	9,200,844

	a	b	c	d	e	f	g
	Gross carrying values of						
31 Dec 2018	Defaulted exposures	Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period 2018 H2	Net values a+b-c-d
Lithuania	141,712	8,429,120	64,147	-	315,185	1,390	8,506,685
Other countries*	10,907	425,826	7,340	-	1,683	31	429,393
Total	152,619	8,854,946	71,487	-	316,868	1,421	8,936,078

* Other countries for both periods mainly comprise Sweden, Estonia, United Kingdom and China.

Table 10. Ageing of past due exposures

	a	b	c	d	e	f
	Gross carrying values					
30 Jun 2019	≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year
Loans	297,886	22,472	8,335	15,615	10,220	69,930
Debt securities	-	-	-	-	-	-
Total exposures	297,886	22,472	8,335	15,615	10,220	69,930

	a	b	c	d	e	f
	Gross carrying values					
31 Dec 2018	≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year
Loans	197,396	16,767	11,266	9,302	9,233	33,361
Debt securities	-	-	-	-	-	-
Total exposures	197,396	16,767	11,266	9,302	9,233	33,361

Table 11. Non-performing and forborne exposures

	a	b	c	d	e	f	g	h		j	k	l		m
	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	Of which forborne exposures	
Of which defaulted				Of which impaired	Of which forborne	Of which forborne	Of which forborne							
30 Jun 2019														
Debt securities	352,758	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	7,381,569	15,448	45,370	142,500	134,977	135,464	82,078	- 4,725	- 325	- 57,240	- 31,637	80,429	93,084	
Off-balance-sheet exposures	1,316,125	-	-	209	191	-	-	- 1,991	-	- 33	-	-	-	

	a	b	c	d	e	f	g	h		j	k	l		m
	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	Of which forborne exposures	
Of which defaulted				Of which impaired	Of which forborne	Of which forborne	Of which forborne							
31 Dec 2018														
Debt securities	307,702	-	-	-	-	-	-	-	-	-	-	-	-	
Loans and advances	7,318,683	8,534	60,098	153,017	144,653	145,559	86,842	- 5,309	- 620	- 59,216	- 32,095	87,738	110,495	
Off-balance-sheet exposures	1,185,819	-	-	7,980	7,966	-	-	- 1,998	-	- 4,964	-	-	-	

Table 12. Changes in stock of general and specific risk adjustments

	a	b
	Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
2019 H1		
Opening balance	64,525	-
Increases due to amounts set aside for estimated loan losses during the period	1,739	-
Decreases due to amounts reversed for estimated loan losses during the period	(1,206)	-
Decreases due to amounts taken against accumulated credit risk adjustments	(9,338)	-
Transfers between credit risk adjustments	6195	-
Impact of exchange rate differences	-	-
Business combinations, including acquisitions and disposals of subsidiaries	-	-
Other adjustments	50	-
Closing balance	61,965	-
Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	(822)	-
Specific credit risk adjustments directly recorded to the statement of profit or loss	-	-

	a	b
	Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
2018 H2		
Opening balance	64,636	-
Increases due to amounts set aside for estimated loan losses during the period	1,421	-
Decreases due to amounts reversed for estimated loan losses during the period	(1,446)	-
Decreases due to amounts taken against accumulated credit risk adjustments	(3,637)	-
Transfers between credit risk adjustments	3,469	-
Impact of exchange rate differences	-	-
Business combinations, including acquisitions and disposals of subsidiaries	-	-
Other adjustments	82	-
Closing balance	64,525	-
Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	(1,061)	-
Specific credit risk adjustments directly recorded to the statement of profit or loss	-	-

Table 13. Changes in stock of defaulted and impaired loans and debt securities

2019 H1	Gross carrying value defaulted exposures
Opening balance	144,653
Loans and debt securities that have defaulted or impaired since the last reporting period	10,363
Returned to non-defaulted status	(14,250)
Amounts written off	(1,850)
Other changes	(3,939)
Closing balance	134,977

2018 H2	Gross carrying value defaulted exposures
Opening balance	151,789
Loans and debt securities that have defaulted or impaired since the last reporting period	17,194
Returned to non-defaulted status	(16,402)
Amounts written off	(3,637)
Other changes	(4,291)
Closing balance	144,653