



AB SEB bankas

Capital Adequacy and Risk Management Report (Pillar 3)

30 June 2018

Table 1. Capital adequacy overview

	30 Jun 2018	31 Dec 2017
Own funds		
Common Equity Tier 1 capital	636,404	647,260
Tier 1 capital	636,404	647,260
Total own funds	647,520	656,935
Own funds requirement		
Risk exposure amount	3,467,857	3,288,180
Expressed as own funds requirement	277,429	263,054
Common Equity Tier 1 capital ratio	18.4%	19.7%
Tier 1 capital ratio	18.4%	19.7%
Total capital ratio	18.7%	20.0%
Own funds in relation to own funds requirement	2.33	2.50
Regulatory Common Equity Tier 1 capital requirement including buffer ¹⁾	9.0%	9.0%
of which capital conservation buffer requirement	2.5%	2.5%
of which countercyclical capital buffer requirement	0%	0%
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⁾	13.9%	15.2%
Leverage ratio		
Exposure measure for leverage ratio calculation	8,057,296	8,458,033
of which on balance sheet items	7,482,368	7,752,681
of which off balance sheet items	574,928	705,352
Leverage ratio	7.9%	7.7%

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 2018	31 Dec 2017	30 Jun 2018
Credit risk (excluding counterparty credit risk) (CCR)	3,220,385	3,032,173	257,631
<i>of which standardised approach (SA)</i>	351,851	263,108	28,148
<i>of which foundation internal rating-based (F-IRB) approach</i>	2,378,091	2,289,020	190,247
<i>of which advanced internal rating-based (A-IRB) approach</i>	490,443	480,045	39,235
Counterparty credit risk	22,059	22,331	1,765
<i>of which Marked to market</i>	22,059	22,331	1,765
<i>of which CVA</i>	-	-	-
Settlement risk	-	-	-
Securitisation exposures in banking book	-	-	-
Market risk	47,588	55,288	3,807
<i>of which standardised approach</i>	47,588	55,288	3,807
Large exposures	-	-	-
Operational risk	177,825	178,388	14,226
<i>of which advanced measurement approach</i>	177,825	178,388	14,226
Amounts below the thresholds for deduction (subject to 250% risk weight) 1)	-	-	-
Floor adjustment	-	-	-
Total	3,467,857	3,288,180	277,429

Table 3. Transitional own funds

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

	30 Jun 2018	31 Dec 2017
Common Equity Tier 1 (CET1) capital: instruments and reserves		
1 Capital instruments and the related share premium accounts	299,564	299,564
of which: ordinary shares	299,564	299,564
2 Retained earnings	183,627	212,446
Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	637	1,734
3a Funds for general banking risk	174,613	159,391
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	658,441	673,135
Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7 Additional value adjustments (negative amount)	- 264	- 414
8 Intangible assets (net of related tax liability) (negative amount)	- 4,321	- 4,646
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)	- 1,682	- 7,651
11 Fair value reserves related to gains or losses on cash flow hedges	-	-
12 Negative amounts resulting from the calculation of expected loss amounts	- 15,063	- 10,699
13 Any increase in equity that results from securitised assets (negative amount)	-	-
Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	- 336	- 1,860
15 Defined-benefit pension fund assets (negative amount)	-	-
16 Direct and indirect holdings by an institution of own CET1 instruments (negative amount)	-	-
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 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)	-	-
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 Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	-	-
20a of which: qualifying holdings outside the financial sector (negative amount)	-	-
20b of which: securitisation positions (negative amount)	-	-
20c 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)	-	-
22 Amount exceeding the 17,65% 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	-	-
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	-	-
26b Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR	- 371	- 605
Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	-	-
27	-	-
28 Total regulatory adjustments to Common equity Tier 1 (CET1)	- 22,037	- 25,875
29 Common Equity Tier 1 (CET1) capital	636,404	647,260

Table 3. Transitional own funds (continued)

	30 Jun 2018	31 Dec 2017
Additional Tier 1 (AT1) capital: instruments		
30		
31		
32		
33		
34		
35		
36		
Additional Tier 1 (AT1) capital: regulatory adjustments		
37		
38		
39		
40		
41		
41a		
41b		
41c		
42		
43		
44		
45	636,404	647,260
Tier 2 (T2) capital: instruments and provisions		
46		
47		
48		
49		
50	11,116	9,456
51	11,116	9,456
Tier 2 (T2) capital: regulatory adjustments		
52		
53		
54		
54a		

Table 3. Transitional own funds (continued)

	30 Jun 2018	31 Dec 2017
54b of which holdings existing before 1 January 2013 and subject to transitional arrangements	-	-
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 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)	-	-
56 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	-	-
56a 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	-	-
56b Amounts to be deducted from or added to Tier 2 capital with regard to additional filters and deductions required pre- CRR	-	219
56c Total regulatory adjustments to Tier 2 (T2) capital	-	219
57 Tier 2 (T2) capital	11,116	9,675
58 Total capital (TC = T1 + T2)	647,520	656,935
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)	-	-
60 Total risk weighted assets	3,467,857	3,288,180
Capital ratios and buffers		
61 Common Equity Tier 1 (as a percentage of risk exposure amount)	18.4%	19.7%
62 Tier 1 (as a percentage of risk exposure amount)	18.4%	19.7%
63 Total capital (as a percentage of risk exposure amount)	18.7%	20.0%
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)	9.0%	9.0%
64 of which : capital conservation buffer requirements	2.5%	2.5%
65 of which : countercyclical buffer requirements	0.0%	0.0%
66 of which : systemic risk buffer requirements	-	-
67 of which : Global Systemically Important Institutions (G-SII) or Other Systemically Important Institutions (O-SII) buffer	2.0%	2.0%
67a Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	13.9%	15.2%
68		
Amounts below the thresholds for deduction (before risk weighting)		
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)	-	-
72 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)	-	-
73 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)	1,682	7,651
75		
Applicable caps on the inclusion of provisions in Tier 2		
Credit risk adjustments included in T2 in respect of exposures subject to standardized approach (prior to the application of the cap)	-	-
76		
77 Cap on inclusion of credit risk adjustments in T2 under standardised approach	-	-
Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	11,116	9,456
78		
79 Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	11,116	9,456
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 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	-
81		
82 Current cap on AT1 instruments subject to phase out arrangements Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	-
83		
84 Current cap on T2 instruments subject to phase out arrangements Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	-
85		

Table 4. Capital instruments' main features

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

30 Jun 2018		
1	Issuer	AB SEB bankas, reg.No 125277981
	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	LT0000101347
2	Governing law(s) of the instrument	Law on Companies of Republic of Lithuania
3	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 2018
Summary reconciliation of accounting assets and leverage ratio exposures	Applicable amount
1 Total assets as per published financial statements	7,446,450
Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation	-
2 (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)	-
3 Adjustments for derivative financial instruments	55,055
4 Adjustment for securities financing transactions (SFTs)	-
5 Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	574,928
6 (Adjustment for intragroup exposures excluded from the leverage ratio total exposure measure in accordance with Article 429(7) of Regulation (EU) No 575/2013)	-
7 (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	19,137
8 Leverage ratio total exposure measure	8,057,296

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)	7,390,610
2 (Asset amounts deducted in determining Tier 1 capital)	21,666
Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	7,368,944
Derivative exposures	
4 Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	59,041
5 Add-on amounts for PFE associated with all derivatives transactions (mark- to-market method)	54,383
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)	113,424
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	-
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)	-
Other off-balance sheet exposures	
17 Off-balance sheet exposures at gross notional amount	1,227,405
18 (Adjustments for conversion to credit equivalent amounts)	652,477
19 Other off-balance sheet exposures (sum of lines 17 and 18)	574,928
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	636,404
21 Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	8,057,296
Leverage ratio	
22 Leverage ratio	7.9%
Choice on transitional arrangements and amount of derecognised fiduciary items	
EU-23 Choice on transitional arrangements for the definition of the capital measure	Transitional
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:	7,371,569
EU-4 Covered bonds	-
EU-5 Exposures treated as sovereigns	461,301
EU-6 Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	-
EU-7 Institutions	1,116,712
EU-8 Secured by mortgages of immovable properties	3,895,727
EU-9 Retail exposures	242,289
EU-10 Corporate	1,377,571
EU-11 Exposures in default	87,175
EU-12 Other exposures (eg equity, securitisations, and other non-credit obligation assets)	190,794

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 2018					
Total loans	2,460,621	4,437,311	3,648,171	789,140	-
Total debt securities	283,494	-	-	-	-
Total exposures	2,744,115	4,437,311	3,648,171	789,140	-
Of which defaulted	32,074	60,392	52,320	8,072	-

	Exposures unsecured - Carrying amount	Exposures secured - Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
31 Dec 2017					
Total loans	2,887,086	4,178,117	3,674,375	503,742	-
Total debt securities	368,929	-	-	-	-
Total exposures	3,256,015	4,178,117	3,674,375	503,742	-
Of which defaulted	34,647	64,978	55,668	9,310	-

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

	a		c	d	e	f	g
	Defaulted exposures	Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values a+b-c-d
30 Jun 2018							
Central governments or central banks	-	-	-	-	-	-	-
Institutions	-	58,918	10	-	-	-	58,908
Corporates	86,645	4,567,204	44,876	-	184,401	1,242	4,608,973
of which large corporates	7,268	1,785,602	11,003	-	46,405	1,400	1,781,867
of which SME corporates	50,361	2,649,431	20,474	-	101,499	164	2,679,318
of which Specialised Lending	29,016	132,171	13,399	-	36,497	2,478	147,788
Retail exposures	70,090	2,496,185	25,249	-	131,360	445	2,541,026
of which secured by real estate property	67,018	2,386,218	22,894	-	89,175	487	2,430,342
of which retail SME	1,607	44,090	995	-	9,922	9	44,702
of which other retail exposures	1,465	65,877	1,360	-	32,263	33	65,982
Total IRB approach	156,735	7,122,307	70,135	-	315,761	797	7,208,907
Central governments or central banks	-	358,376	-	-	-	-	358,376
Other exposures	3,007	1,016,335	1,106	-	1,503	115	1,018,236
Total Standardised approach	3,007	1,374,711	1,106	-	1,503	115	1,376,612
Total	159,742	8,497,018	71,241	-	317,264	912	8,585,519
Of which: Loans	151,787	6,810,781	64,636	-	317,264	912	6,897,932
Of which: Debt securities	-	283,494	-	-	-	-	283,494
Of which: Off-balance-sheet exposures	7,955	1,219,450	6,605	-	-	-	1,220,800

	a		c	d	e	f	g
	Defaulted exposures	Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values a+b-c-d
31 Dec 2017							
Central governments or central banks	-	-	-	-	-	-	-
Institutions	-	74,834	-	-	-	-	74,834
Corporates	86,703	4,485,208	47,396	-	183,189	3,297	4,524,515
of which large corporates	7,268	1,432,732	8,510	-	37,465	370	1,431,490
of which SME corporates	50,818	2,862,196	26,951	-	106,757	1,240	2,886,063
of which Specialised Lending	28,617	190,280	11,935	-	38,967	1,687	206,962
Retail exposures	73,770	2,414,561	26,349	-	133,721	676	2,461,982
of which secured by real estate property	69,313	2,305,285	23,150	-	92,095	251	2,351,448
of which retail SME	2,079	45,821	713	-	8,999	425	47,187
of which other retail exposures	2,378	63,455	2,486	-	32,627	-	63,347
Total IRB approach	160,473	6,974,603	73,745	-	316,910	3,973	7,061,331
Central governments or central banks	-	1,481,773	-	-	-	-	1,481,773
Other exposures	3,509	622,674	1,983	-	1,539	-	624,200
Total Standardised approach	3,509	2,104,447	1,983	-	1,539	-	2,105,973
Total	163,982	9,079,050	75,728	-	318,449	3,973	9,167,304
Of which: Loans	156,008	6,977,667	68,472	-	318,449	3,973	7,065,203
Of which: Debt securities	-	368,929	-	-	-	-	368,929
Of which: Off-balance-sheet exposures	7,974	1,527,209	7,256	-	-	-	1,527,927

Table 8. Credit quality of exposures by industry

	a		c	d	e	f	g
	Defaulted exposures	Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values a+b-c-d
30 Jun 2018							
Banks	-	677,482	4	-	-	3	677,478
Finance and insurance	1	30,098	9	-	33	1	30,090
Wholesale and retail	10,716	1,594,239	4,419	-	22,272	693	1,600,536
Transportation	6,681	502,218	5,697	-	7,529	752	503,202
Shipping	8,591	5,574	6,349	-	10,614	1,416	7,816
Business and household services	4,221	354,648	1,296	-	6,577	86	357,573
Construction	11,615	188,918	3,538	-	149,694	266	196,995
Manufacturing	29,060	472,333	18,177	-	12,677	1,854	483,216
Agriculture, forestry and fishing	1,303	262,083	648	-	398	4	262,738
Mining, oil and gas extraction	-	14,233	5	-	2	2	14,228
Electricity, water and gas supply	-	471,072	89	-	2,099	116	470,983
Commercial real estate management	18,976	824,272	6,841	-	34,342	23	836,407
Residential real estate management	-	-	-	-	-	-	-
Public Administration	-	283,494	-	-	-	-	283,494
Household mortgage	66,313	2,315,350	22,015	-	70,852	422	2,359,648
Other	2,265	501,004	2,154	-	175	56	501,115
Total	159,742	8,497,018	71,241	-	317,264	912	8,585,519

	a		c	d	e	f	g
	Defaulted exposures	Non-defaulted exposures	Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values a+b-c-d
31 Dec 2017							
Banks	-	1,330,471	-	-	-	-	1,330,471
Finance and insurance	1	20,172	1	-	33	-	20,172
Wholesale and retail	12,577	1,387,123	6,951	-	22,383	553	1,392,749
Transportation	8,974	404,842	6,364	-	7,532	402	407,452
Shipping	8,351	5,647	7,962	-	10,751	949	6,036
Business and household services	4,348	305,887	167	-	6,585	31	310,068
Construction	11,880	197,921	4,838	-	149,832	833	204,963
Manufacturing	25,750	507,968	16,653	-	12,773	796	517,065
Agriculture, forestry and fishing	742	248,668	622	-	398	-	248,788
Mining, oil and gas extraction	-	13,671	1	-	2	-	13,670
Electricity, water and gas supply	-	660,456	131	-	2,099	-	660,325
Commercial real estate management	19,447	866,752	5,829	-	34,342	158	880,370
Residential real estate management	-	-	-	-	-	-	-
Public Administration	-	368,929	-	-	-	-	368,929
Household mortgage	68,756	2,237,832	23,404	-	71,546	251	2,283,184
Other	3,156	522,711	2,805	-	173	-	523,062
Total	163,982	9,079,050	75,728	-	318,449	3,973	9,167,304

Table 9. Credit quality of exposures by geography

	a		c	d	e	f	g
	Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values a+b-c-d
30 Jun 2018	Defaulted exposures	Non-defaulted exposures					
Lithuania	149,162	7,677,549	64,413	-	315,688	835	7,762,298
Other countries*	10,580	819,469	6,828	-	1,576	1,747	823,221
Total	159,742	8,497,018	71,241	-	317,264	912	8,585,519

	a		c	d	e	f	g
	Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values a+b-c-d
31 Dec 2017	Defaulted exposures	Non-defaulted exposures					
Lithuania	154,380	8,661,820	67,495	-	316,873	3,024	8,748,705
Other countries*	9,602	417,230	8,233	-	1,576	949	418,599
Total	163,982	9,079,050	75,728	-	318,449	3,973	9,167,304

* Other countries for both years mainly comprise Sweden, Great Britain and China.

Table 10. Ageing of past due exposures

	a	c				d	e	f
	Gross carrying values							
30 Jun 2018	≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year		
Loans	277,275	21,149	13,822	10,588	9,454	77,634		
Debt securities	-	-	-	-	-	-		
Total exposures	277,275	21,149	13,822	10,588	9,454	77,634		

	a	c				d	e	f
	Gross carrying values							
31 Dec 2017	≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year		
Loans	273,813	13,326	13,084	14,501	8,483	79,117		
Debt securities	-	-	-	-	-	-		
Total exposures	273,813	13,326	13,084	14,501	8,483	79,117		

Table 11. Non-performing and forborne exposures

	a	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	Of which defaulted	Of which impaired	Of which forborne	On performing exposures	On non-performing exposures		Of which forborne	Of which forborne	On non-performing exposures
30 Jun 2018													
Debt securities	283,494	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	6,962,568	9,701	62,357	168,414	151,787	152,260	95,737	- 5,085	- 873	- 59,551	- 30,814	100,335	117,615
Off-balance-sheet exposures	1,227,405	-	-	7,964	7,955	-	-	- 1,936	-	- 4,669	-	-	-
31 Dec 2017													
Debt securities	368,929	-	-	-	-	-	-	-	-	-	-	-	-
Loans and advances	7,133,675	12,514	50,639	188,457	156,008	84,526	114,475	-10,889	- 641	- 57,583	- 31,452	120,151	121,478
Off-balance-sheet exposures	1,535,183	-	27	7,979	7,974	-	-	- 2,808	-	- 4,448	-	-	-

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

	Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
30 Jun 2018		
Opening balance*	- 72,581	-
Increases due to amounts set aside for estimated loan losses during the period	- 1,170	-
Decreases due to amounts reversed for estimated loan losses during the period	1,843	-
Decreases due to amounts taken against accumulated credit risk adjustments	352	-
Transfers between credit risk adjustments	-	-
Impact of exchange rate differences	- 236	-
Business combinations, including acquisitions and disposals of subsidiaries	-	-
Other adjustments	551	-
Closing balance	- 71,241	-
Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	925	-
Specific credit risk adjustments directly recorded to the statement of profit or loss	-	-

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

	Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
31 Dec 2017		
Opening balance	- 92,444	-
Increases due to amounts set aside for estimated loan losses during the period	- 3,973	-
Decreases due to amounts reversed for estimated loan losses during the period	17,059	-
Decreases due to amounts taken against accumulated credit risk adjustments	9,969	-
Transfers between credit risk adjustments	-	-
Impact of exchange rate differences	-	-
Business combinations, including acquisitions and disposals of subsidiaries	-	-
Other adjustments	917	-
Closing balance	- 68,472	-
Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	4,262	-
Specific credit risk adjustments directly recorded to the statement of profit or loss	- 11,352	-

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

	Gross carrying value defaulted exposures
30 Jun 2018	
Opening balance	156,008
Loans and debt securities that have defaulted or impaired since the last reporting period	14,810
Returned to non-defaulted status	- 13,412
Amounts written off	527
Other changes	- 6,145
Closing balance	151,788
31 Dec 2017	
Opening balance	231,165
Loans and debt securities that have defaulted or impaired since the last reporting period	24,295
Returned to non-defaulted status	- 84,094
Amounts written off	- 11,708
Other changes	- 3,650
Closing balance	156,008