

Fact book
2014

Q4

Handelsbanken

Contents

■ This is Handelsbanken	3
■ Income statement	
○ Income statement – Handelsbanken Group	4
○ EPS - Earnings Per Share	4
○ Key figures	5
○ Consolidated statement of comprehensive income	5
○ One-offs and special items	6
○ Fees for the Stabilisation Fund, etc.	6
○ Exchange rates	7
○ Notes	
■ Net interest income	8
■ Net fee and commission income	8
■ Net gains/losses on financial transactions	9
■ Other administrative expenses	9
■ Loan losses	10
■ Impaired loans	10
■ Segment information	11
■ Branch operations in Sweden	12
■ Branch operations in Great Britain	13
■ Branch operations in Denmark	14
■ Branch operations in Finland	15
■ Branch operations in Norway	16
■ Branch operations in the Netherlands	17
■ Handelsbanken Capital Markets	18
■ Other	20
■ Balance sheet	21
■ Business volumes	22
○ Lending to the public	
■ By sector	22
■ Credit risk exposure	23
■ By country, end of period	24
○ Savings and deposits	
■ Assets under management	25
■ Deposits from the public by country	25
■ Own funds and capital requirement	27
■ Funding	31
■ Liquidity	35
■ Share and shareholders	38
■ Contacts and Financial calendar	40

This is Handelsbanken

Founded in 1871, Handelsbanken is one of the leading banks in the Nordic region, with more than 800 branches in 24 countries. The Bank regards Sweden, Denmark, Finland, Norway, Great Britain and the Netherlands as its domestic markets.

HANDELSBANKEN'S GOAL

Handelsbanken's financial goal is to have higher profitability than the average of its competitors through having more satisfied customers and lower costs (including loan losses) than its competitors. This goal has been reached every year since 1972, or for 43 consecutive years.

BUSINESS PHILOSOPHY

Decentralisation – the branch is the bank

The branches are fully responsible for all customer relationships, both corporate and private and regardless of size. For a credit to be granted it always has to be approved at the branch level. The branch manager is fully responsible for all business transactions with the customer.

Depending on the size of a credit, additional approvals may be required at regional and central level.

Focus on customers, not on products

The focus is always on the need of the individual customer and not on the sale of specific products. As a consequence, the bank does not perform any central marketing campaigns. The branch has the best knowledge of the local customer and marketing activities are therefore decided locally.

Not a mass market bank

Handelsbanken targets corporate and private customers with a better cash flow than average.

No sales targets

The business focus is always on profitability and never on volumes. As a consequence, the bank has no sales targets or market share goals.

No bonuses

Handelsbanken believes bonuses should be avoided in risk-taking operations, mainly because they risk providing the wrong incentives. Consequently, the bank has no bonus programme for any members of management or for any staff in the branch office operations, who all work on fixed salaries.

Fixed salaries, without bonuses, apply to all employees in the group except for a limited number of staff in the investment banking and asset management operations.

No budgets

The bank abolished budgets in 1972. In banking, where the ability to manage and minimize the risk is central, budgets or other longer term plans risks creating unwanted incentives and behaviour. Instead, the bank's decentralised organisation is focused on being flexible and quick in adapting to changes in the business environment.

Credit policy

The bank's credit policy is centralised and non-negotiable. It is the same in all markets and it remains unchanged over the business cycle.

Credit decisions should always be made based on the cash flow and repayment capacity of the customer. A weak or uncertain repayment capacity can never be offset by a high margin or by collateral. (*For more information, please see the bank's Pillar III report available at www.handelsbanken.se/ireng.*)

Low risk tolerance

The bank has a low risk tolerance and the business model is focused on underwriting and managing ultimate credit default risk at branch level. The aim is to minimise market risks and all other risks. Position taking is only accepted in client-driven transactions and within strictly defined limits.

The bank also aims at reducing macro risks in order to have a business model that is as independent as possible from the shifts in the business cycle.

Follow-up and business control

The need for follow-up and control increases with the degree of decentralisation. Consequently, the business control system is centralised and monitors profitability and business activity at individual branch office level.

Regional banks and other business segments are evaluated on return on equity. Branch offices are monitored on the cost/income ratio, including risk-weighted cost of capital, the true funding cost and actual loan losses.

Income statement

Income statement - Svenska Handelsbanken Group

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Interest income	12,512	12,591	12,926	12,870	13,573	13,569	13,544	13,777
Interest expense	-5,629	-5,587	-6,222	-6,217	-6,801	-6,886	-6,871	-7,236
Net interest income	6,883	7,004	6,704	6,653	6,772	6,683	6,673	6,541
Net fee and commission income	2,228	2,133	2,135	2,060	2,107	1,896	1,924	1,877
Net gains/losses on financial transactions	264	389	466	658	304	354	440	259
Risk result - insurance	34	46	43	42	35	30	26	51
Other dividend income	2	0	245	4	1	4	155	1
Share of profit of associates	22	2	5	-11	7	5	2	-5
Other income	123	56	49	75	52	37	20	76
Total income	9,556	9,630	9,647	9,481	9,278	9,009	9,240	8,800
Staff costs	-3,026	-2,943	-2,910	-2,887	-2,980	-2,845	-2,796	-2,783
Other administrative expenses	-1,418	-1,166	-1,267	-1,248	-1,411	-1,187	-1,304	-1,279
Depreciation, amortisation and impairments of property, equipment and intangible assets	-108	-121	-122	-111	-116	-125	-115	-120
Total expenses	-4,552	-4,230	-4,299	-4,246	-4,507	-4,157	-4,215	-4,182
Profit before loan losses	5,004	5,400	5,348	5,235	4,771	4,852	5,025	4,618
Net loan losses	-697	-497	-272	-315	-322	-284	-306	-283
Gains/losses on disposal of property, equipment and intangible assets	4	1	1	0	9	3	4	1
Operating profit	4,311	4,904	5,077	4,920	4,458	4,571	4,723	4,336
Taxes	-935	-1,022	-1,074	-1,038	-966	-997	-1,067	-885
Profit for the period from continuing operations	3,376	3,882	4,003	3,882	3,492	3,574	3,656	3,451
Profit for the period pertaining to discontinued operations, after tax	-34	17	31	27	35	33	39	15
Profit for the period	3,342	3,899	4,034	3,909	3,527	3,607	3,695	3,466
Attributable to								
Shareholders in Svenska Handelsbanken AB	3,342	3,899	4,033	3,909	3,527	3,607	3,695	3,466
Minority interest	0	0	1	0	0	0	0	0

Earnings per share

	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Profit for the year, attributable to shareholders in Svenska Handelsbanken AB	3,342	3,899	4,033	3,909	3,527	3,607	3,695	3,466
- of which interest expense on convertible subordinated loan after tax	-62	-49	-32	-27	-28	-27	-29	-35
Average number of outstanding shares, million	635.7	635.7	635.5	635.6	635.6	635.4	634.9	633.1
Average number of outstanding shares after dilution, million	657.5	657.6	649.8	647.5	647.6	647.7	647.6	647.3
Earnings per share, continuing operations, SEK	5.31	6.10	6.30	6.11	5.50	5.63	5.76	5.45
- after dilution	5.23	5.97	6.21	6.04	5.44	5.56	5.69	5.39
Earnings per share, discontinued operations, SEK	-0.05	0.03	0.05	0.04	0.05	0.05	0.06	0.02
- after dilution	-0.05	0.03	0.05	0.04	0.05	0.05	0.06	0.02
Earnings per share, total operations, SEK	5.26	6.13	6.35	6.15	5.55	5.68	5.82	5.47
- after dilution	5.18	6.00	6.26	6.08	5.49	5.61	5.75	5.41

Handelsbanken Group - Key figures

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Return on equity, total operations *	11.4%	13.8%	15.1%	14.1%	13.3%	14.2%	15.1%	13.8%
Return on equity, continuing operations*	11.5%	13.7%	15.0%	14.0%	13.2%	14.0%	14.9%	13.7%
C/I ratio, continuing operations	47.6%	43.9%	44.6%	44.8%	48.6%	46.1%	45.6%	47.5%
C/I ratio, continuing operations, incl. loan losses	54.9%	49.1%	47.4%	48.1%	52.0%	49.3%	48.9%	50.7%
Adjusted equity per share, SEK	192.40	186.37	182.69	170.64	177.71	169.01	162.81	157.20
Common equity tier 1 ratio, CRD IV	20.4%	20.7%	20.1%	19.5%	18.9%	18.8%	17.8%	17.5%
Total capital ratio, CRD IV	25.6%	25.6%	25.0%	24.5%	21.6%	21.6%	21.1%	21.0%
Own funds in relation to capital requirement according to Basel I floor	138.0%	141.0%	143.0%	141.0%	124.0%	125.0%	123.0%	126.0%
Average number of employees, continuing operations	11,585	11,924	11,626	11,633	11,585	11,825	11,361	11,242
Number of branches in Sweden	463	462	462	462	462	461	461	461
Number of branches in Great Britain	178	173	170	166	161	151	147	138
Number of branches in Denmark	57	57	57	57	56	55	55	55
Number of branches in Finland	46	46	46	45	45	45	45	45
Number of branches in Norway	51	51	50	49	49	49	49	49
Number of branches in Netherlands	20	20	18	18	18	16	15	15
Number of branches in Germany	5	7	7	7	7	7	7	7
Number of branches in other countries	12	12	12	12	12	12	12	12
Total number of branches	832	828	822	816	810	796	791	782

* When calculating return on equity, equity is adjusted for the impact of unrealised changes in the value of financial assets classified as "Available for Sale" and for cash flow hedges and revaluation effects on defined-benefit pension plans.

Consolidated statement of other comprehensive income

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Profit for the period	3,342	3,899	4,034	3,909	3,527	3,607	3,695	3,466
Other comprehensive income								
Items that may not subsequently be reclassified to profit or loss								
Defined-benefit plans	-440	-2,962	286	417	341	851	-933	1,143
Taxes on items that cannot be reclassified into profit or loss	96	651	-63	-92	-72	-188	204	-251
Total items that may not subsequently be reclassified to profit or loss	-344	-2,311	223	325	269	663	-729	892
Items that can be reclassified into profit or loss								
Cash flow hedges	3,468	1,399	2,596	1,309	-1,045	173	-2,192	-346
Available-for-sale instruments	455	-250	-58	148	175	308	-268	320
Translation differences for the period	397	1,218	2,421	1,888	1,942	-496	695	-1,378
<i>of which hedging net investment in foreign operations</i>	-364	334	1,210	1,378	1,266	238	-628	-109
Taxes on items that can be reclassified into profit or loss	-740	-328	-819	-614	-72	-149	681	54
<i>of which cash flow hedges</i>	-763	-308	-571	-282	224	-38	482	76
<i>of which available-for-sale instruments</i>	-57	54	18	-29	-17	-58	60	-46
<i>of which hedging net investment in foreign operations</i>	80	-74	-266	-303	-279	-53	139	24
Total items that can be reclassified into profit or loss	3,580	2,039	4,140	2,731	1,000	-164	-1,084	-1,350
Total other comprehensive income for the period	3,236	-272	4,363	3,056	1,269	499	-1,813	-458
Total comprehensive income for the period	6,578	3,627	8,397	6,965	4,796	4,106	1,882	3,008
Attributable to								
Shareholders in Svenska Handelsbanken AB	6,578	3,627	8,396	6,965	4,796	4,106	1,882	3,008
Minority interest	0	0	1	0	0	0	0	0

One-offs and special items

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Benchmark effect in Stadshypotek	-15	33	-35	-10	32	-26	-11	24
Oktagonen (The Bank's profit-sharing system)	-246	-183	-183	-183	-328	-256	-256	-256
Performance-related remuneration	-46	-31	-30	-33	-36	-32	-40	-28
Recalculation of the Bank's pension liability					46			
Other non-recurring staff cost					-24			
Reallocations of the Bank's shareholdings (NFT)				306				
Total	-307	-181	-248	80	-310	-314	-307	-260

Fees for the Stabilisation Fund etc.

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Swedish Stabilisation Fund								
Branch operations in Sweden (NII)	-126	-99	-114	-104	-105	-116	-86	-103
Branch operations in UK (NII)	-17	-14	-13	-13	-11	-11	-9	-10
Branch operations in Denmark (NII)	-8	-7	-7	-7	-6	-7	-6	-6
Branch operations in Finland (NII)	-11	-10	-10	-9	-9	-9	-8	-9
Branch operations in Norway (NII)	-22	-19	-20	-19	-18	-19	-17	-20
Branch operations in the Netherlands (NII)	-2	-1	-2	-2	-1	-1	-1	-1
Handelsbanken Capital Markets (NII)	-16	-14	-16	-16	-17	-18	-18	-21
Other (NII)	-57	-52	-50	-44	-42	-32	-36	-40
Total fees for the Swedish Stabilisation Fund	-259	-216	-232	-214	-209	-213	-181	-210
Swedish deposit guarantee								
Branch operations in Sweden (NII)	-58	-57	-58	-58	-55	-55	-55	-55
Branch operations in UK (NII)	-2	-3	-3	-3	-2	-2	-2	-2
Branch operations in Denmark (NII)	-2	-3	-3	-3	-3	-3	-3	-3
Branch operations in Finland (NII)	-3	-3	-3	-3	-3	-3	-3	-3
Branch operations in Norway (NII)	-6	-4	-5	-5	-5	-5	-5	-5
Branch operations in the Netherlands (NII)	0	0	0	0	0	0	0	0
Handelsbanken Capital Markets (NII)	0	-1	0	0	0	0	0	0
Other (NII)	-	-	-	-	-	-	-	-
Total fees for Swedish deposit guarantee	-71	-71	-72	-72	-68	-68	-68	-68
Danish deposit guarantee								
Branch operations in Denmark (NII)	-3	-3	-2	-3	-2	-2	-2	-2
Branch operations in Denmark (expenses)	-	-	-	-	-	-	-	-
Total fees to Danish deposit guarantee	-3	-3	-2	-3	-2	-2	-2	-2
Norwegian deposit guarantee								
Branch operations in Norway (NII)	-	-1	-2	-1	-1	-1	-1	-1
State fees outside home markets								
Handelsbanken Capital Markets (NII)	-	-	-	-	-1	-1	-1	-1
Total	-333	-291	-308	-290	-281	-285	-253	-282

Exchange rates

SEK, End of period (Balance sheet)	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	Change y/y	Change q/q
DKK	1.2735	1.2249	1.2279	1.1995	1.1937	7%	4%
EUR	9.4803	9.1183	9.1548	8.9552	8.9058	6%	4%
GBP	12.1128	11.7190	11.4332	10.8011	10.6623	14%	3%
NOK	1.0506	1.1256	1.0903	1.0844	1.0583	-1%	-7%
USD	7.7998	7.2278	6.7020	6.4888	6.4704	21%	8%

SEK, Average as from 1 Jan (Income statement)	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	Change y/y	Change q/q
DKK	1.2203	1.2119	1.1994	1.1868	1.1598	5%	1%
EUR	9.0968	9.0397	8.9506	8.8565	8.6496	5%	1%
GBP	11.2932	11.1443	10.8978	10.6992	10.1854	11%	1%
NOK	1.0896	1.0921	1.0813	1.0610	1.1090	-2%	0%
USD	6.8597	6.6767	6.5296	6.4639	6.5146	5%	3%

The effect of exchange rate movements - Branch office operations outside Sweden

Jan - Dec 2014 vs. same period last year

SEK m	GB	DK	FI	NO	NL	HCM	Total
Net interest income	282	77	61	-58	11	20	393
Net fee and commission income	23	17	19	-7	1	12	65
Net result of financial transactions	13	3	2	-1	0	2	19
Other income	1	1	0	0	0	3	5
Total income	319	98	82	-66	12	37	482
Staff costs	-126	-32	-20	13	-5	-21	-191
Other administrative expenses	-53	-19	-18	9	-4	-16	-101
Depreciation and amortisation	-4	-1	0	0	0	0	-5
Total expenses	-183	-52	-38	22	-9	-37	-297
Net loan losses	-26	-8	-14	3	0	1	-44
Operating profit	110	38	30	-41	3	1	141

Q4 2014 vs. previous quarter

SEK m	GB	DK	FI	NO	NL	HCM	Total
Net interest income	12	4	3	-24	1	2	-2
Net fee and commission income	1	1	1	-3	0	2	2
Net result of financial transactions	1	1	0	-1	0	0	1
Other income	0	0	0	0	0	1	1
Total income	14	6	4	-28	1	5	2
Staff costs	-5	-1	-1	5	0	-3	-5
Other administrative expenses	-2	-1	-1	4	0	-2	-2
Depreciation and amortisation	0	0	0	0	0	0	0
Total expenses	-7	-2	-2	9	0	-5	-7
Net loan losses	-1	-2	0	1	0	0	-2
Operating profit	6	2	2	-18	1	0	-7

Net interest income

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Interest income								
Loans to credit institutions and central banks	389	399	447	407	402	424	375	374
Loans to the public	11,695	12,370	12,623	12,592	13,102	13,114	13,205	13,193
Interest-bearing securities eligible as collateral with central banks	189	160	208	162	241	259	972	634
Interest-bearing securities	222	240	292	262	289	451	646	512
Derivative instruments	-160	-779	-771	-774	-594	-689	-719	-554
Other interest income	267	358	353	381	349	376	351	383
Total interest income	12,602	12,748	13,152	13,030	13,789	13,935	14,830	14,542
on financial transactions	90	157	226	160	216	366	1,286	765
Interest income according to income statement	12,512	12,591	12,926	12,870	13,573	13,569	13,544	13,777
Interest expense								
Due to credit institutions and central banks	-260	-282	-264	-227	-260	-284	-358	-385
Deposits and borrowing from the general public	-718	-856	-1,082	-1,030	-1,169	-1,113	-1,094	-1,232
Issued securities	-5,057	-5,170	-5,447	-5,559	-5,851	-5,735	-5,864	-5,687
Derivative instruments	1,118	1,332	1,177	1,211	1,002	924	997	668
Subordinated liabilities	-341	-318	-293	-331	-273	-292	-331	-318
Other interest expense	-411	-350	-394	-368	-368	-627	-1,314	-985
Total interest expense	-5,669	-5,644	-6,303	-6,304	-6,919	-7,127	-7,964	-7,939
Of which interest expense reported in Net gains/losses on financial transactions	-40	-57	-81	-87	-118	-241	-1,093	-703
Interest expense according to income statement	-5,629	-5,587	-6,222	-6,217	-6,801	-6,886	-6,871	-7,236
Net interest income	6,883	7,004	6,704	6,653	6,772	6,683	6,673	6,541

Net fee and commission income

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Brokerage and other securities commissions	261	222	293	328	312	250	321	306
Mutual funds	667	649	605	554	537	513	493	465
Custody and other asset management fees	139	136	130	135	124	111	108	84
Advisory services	73	51	62	49	68	35	71	104
Insurance	155	161	163	158	148	142	140	141
Payments	828	813	784	708	776	738	680	619
Loans and deposits	291	272	289	279	284	272	286	282
Guarantees	106	109	101	108	108	115	107	108
Other	128	117	113	106	127	108	110	101
Commission income	2,648	2,530	2,540	2,425	2,484	2,284	2,316	2,210
Securities	-49	-47	-60	-69	-47	-63	-60	-58
Payments	-345	-331	-323	-279	-310	-304	-308	-253
Other	-26	-19	-22	-17	-20	-21	-24	-22
Commission expense	-420	-397	-405	-365	-377	-388	-392	-333
Net fee and commission income	2,228	2,133	2,135	2,060	2,107	1,896	1,924	1,877

Net gains/losses on financial transactions

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Trading, derivatives, FX effect etc	-266	-230	-302	-157	33	441	941	634
Other financial instruments at fair value in profit/loss	588	529	627	533	184	-101	-494	-374
of which interest-bearing securities	551	534	638	536	177	-93	-472	-319
of which loans	37	-5	-11	-3	7	-8	-22	-55
Financial instruments at amortised cost	-65	50	159	16	85	32	27	-18
of which loans	158	149	209	95	156	97	101	62
of which liabilities	-223	-99	-50	-79	-71	-65	-74	-80
Financial instruments available for sale	-1	60	-3	313	17	9	13	-15
Hedge accounting	9	-19	-16	-45	-18	-11	-21	52
of which net gains/losses on fair value hedges	-2	-21	-21	-37	-24	-23	6	15
of which hedge ineffectiveness	11	2	5	-8	6	12	-27	37
Gains/losses on unbundled insurance contracts	-1	-1	1	-2	3	-16	-26	-20
Net gains/losses on financial transactions	264	389	466	658	304	354	440	259

Other administrative expenses

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Property and premises	-297	-291	-299	-287	-288	-268	-281	-281
External IT costs	-439	-376	-398	-410	-467	-394	-421	-422
Communication	-87	-83	-82	-97	-95	-85	-90	-99
Travel and marketing	-105	-65	-91	-78	-108	-75	-113	-82
Purchased services	-292	-218	-247	-238	-277	-227	-266	-261
Supplies	-63	-52	-39	-53	-58	-47	-51	-46
Other expenses	-135	-81	-111	-85	-118	-91	-82	-88
Other administrative expenses	-1,418	-1,166	-1,267	-1,248	-1,411	-1,187	-1,304	-1,279

Loan losses

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Specific provision for individually assessed loans								
Provision for the period	-619	-556	-238	-569	-412	-272	-291	-312
Reversal of previous provisions	50	53	-34	236	115	68	69	37
Total	-569	-503	-272	-333	-297	-204	-222	-275
Collective provisions								
Net provision for the period for individually assessed loans	53	26	-4	1	-10	2	-57	5
Net provision for the period for homogeneous loans	-2	0	1	4	4	8	3	0
Total	51	26	-3	5	-6	10	-54	5
Off-balance sheet items								
Losses on off-balance sheet items	-2	6	0	-6	-9	-	-	-
Reversal of previous losses on off-balance-sheet item	0	0	0	1	-	-	-	0
Change in collective provision for off-balance-sheet items	0	1	7	8	-7	-2	0	-1
Total	-2	7	7	3	-16	-2	0	-1
Write-offs								
Actual loan losses for the period	-604	-203	-709	-482	-352	-376	-311	-464
Utilised share of previous provisions	284	131	662	438	290	236	231	417
Recoveries	143	45	43	54	59	52	50	35
Total	-177	-27	-4	10	-3	-88	-30	-12
Net loan losses	-697	-497	-272	-315	-322	-284	-306	-283

Impaired loans

Impaired loans include all receivables for which not all the contracted cash flows will probably be fulfilled. The full amount of all receivables which give rise to a specific provision is included in impaired loans, including amounts which are covered by collateral. This means that the impaired loan reserve ratio is stated without taking into account collateral received. Thus this key figure can vary substantially between the quarters even though the accounting policies are unchanged.

SEK m	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Impaired loans	8,702	7,156	5,824	6,763	6,944	6,799	7,266	7,006
Specific provision for individually assessed loans	-3,734	-3,405	-2,980	-3,347	-3,454	-3,467	-3,589	-3,522
Provision for collectively assessed homogeneous groups of loans with limited value	-93	-88	-88	-88	-92	-94	-103	-113
Collective provisions	-284	-339	-364	-357	-357	-347	-350	-280
Impaired loans, net	4,591	3,324	2,392	2,971	3,041	2,891	3,224	3,091
Total impaired loans reserve ratio	47.2%	53.5%	58.9%	56.1%	56.2%	57.5%	55.6%	55.9%
Proportion of impaired loans, %	0.25%	0.18%	0.13%	0.17%	0.18%	0.17%	0.19%	0.18%
Impaired loans reserve ratio excl. collective provisions	44.0%	48.8%	52.7%	50.8%	51.1%	52.4%	50.8%	51.9%
Loan loss ratio as a % of loans, quarterly	0.16%	0.11%	0.06%	0.07%	0.07%	0.06%	0.07%	0.06%
Loans past due > 60 days	6,676	6,024	5,665	5,596	6,185	6,661	6,834	6,396
Loans past due > 60 days, which are not impaired	2,133	2,058	1,675	1,838	2,150	2,478	2,382	2,136

Segment information

Operating profit per segment, quarterly

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Branch operations in Sweden	3,113	3,019	3,056	2,792	3,063	3,184	3,121	2,982
Branch operations in UK	421	442	373	381	351	288	271	233
Branch operations in Denmark	-86	146	229	258	199	242	194	177
Branch operations in Finland	172	296	190	232	151	176	188	168
Branch operations in Norway	597	656	598	628	641	704	672	575
Branch operations in the Netherlands	20	23	21	27	17	23	15	18
Capital Markets	438	489	632	469	329	259	430	355
Other	-391	-168	-22	133	-316	-284	-168	-161
Eliminations	27	1	-	0	23	-21	0	-11
Operating profit, Group	4,311	4,904	5,077	4,920	4,458	4,571	4,723	4,336

Total income per segment

SEK m	Q4 2014	Q3 2014	Change	Q4 2013	Change	Full year 2014	Full year 2013	Change	Full year 2013
Branch operations in Sweden	5,115	5,065	1%	5,057	1%	20,134	20,257	-1%	20,257
Branch operations in UK	1,102	1,075	3%	847	30%	4,017	2,970	35%	2,970
Branch operations in Denmark	538	576	-7%	529	2%	2,132	1,963	9%	1,963
Branch operations in Finland	485	489	-1%	457	6%	1,916	1,676	14%	1,676
Branch operations in Norway	982	1,022	-4%	1,017	-3%	3,951	4,033	-2%	4,033
Branch operations in the Netherlands	81	81	0%	72	12%	316	254	24%	254
Branch office operations	8,303	8,308	0%	7,979	4%	32,466	31,153	4%	31,153
Handelsbanken Capital Markets	1,390	1,320	5%	1,338	4%	5,607	5,175	8%	5,175
Other	-97	-13		-27	-259%	291	44		44
Eliminations	-40	15		-12	-233%	-50	-45	-11%	-45
Total income	9,556	9,630	-1%	9,278	3%	38,314	36,327	5%	36,327

Total expenses per segment

SEK m	Q4 2014	Q3 2014	Change	Q4 2013	Change	Full year 2014	Full year 2013	Change	Full year 2013
Branch operations in Sweden	-1,902	-1,814	5%	-1,921	-1%	-7,497	-7,559	-1%	-7,559
Branch operations in UK	-598	-567	5%	-498	20%	-2,201	-1,660	33%	-1,660
Branch operations in Denmark	-288	-259	11%	-265	9%	-1,057	-990	7%	-990
Branch operations in Finland	-200	-183	9%	-185	8%	-749	-725	3%	-725
Branch operations in Norway	-344	-334	3%	-333	3%	-1,331	-1,272	5%	-1,272
Branch operations in the Netherlands	-61	-58	5%	-49	24%	-224	-174	29%	-174
Branch office operations	-3,393	-3,215	6%	-3,251	4%	-13,059	-12,380	5%	-12,380
Handelsbanken Capital Markets	-931	-846	10%	-995	-6%	-3,606	-3,737	-4%	-3,737
Other	-295	-155	90%	-296	0%	-740	-980	-24%	-980
Eliminations	67	-14		35	91%	78	36	117%	36
Total expenses	-4,552	-4,230	8%	-4,507	1%	-17,327	-17,061	2%	-17,061

Operating profit per segment

SEK m	Q4 2014	Q3 2014	Change	Q4 2013	Change	Full year 2014	Full year 2013	Change	Full year 2013
Branch operations in Sweden	3,113	3,019	3%	3,063	2%	11,980	12,350	-3%	12,350
Branch operations in UK	421	442	-5%	351	20%	1,617	1,143	41%	1,143
Branch operations in Denmark	-86	146		199		547	812	-33%	812
Branch operations in Finland	172	296	-42%	151	14%	890	683	30%	683
Branch operations in Norway	597	656	-9%	641	-7%	2,479	2,592	-4%	2,592
Branch operations in the Netherlands	20	23	-13%	17	18%	91	73	25%	73
Branch office operations	4,237	4,582	-8%	4,422	-4%	17,604	17,653	0%	17,653
Handelsbanken Capital Markets	438	489	-10%	329	33%	2,028	1,373	48%	1,373
Other	-391	-168	-133%	-316	-24%	-448	-929	52%	-929
Eliminations	27	1		23	17%	28	-9		-9
Operating profit	4,311	4,904	-12%	4,458	-3%	19,212	18,088	6%	18,088

Branch operations in Sweden

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	3,931	3,986	3,914	3,903	4,032	4,063	4,143	4,061
Net fee and commission income	1,069	967	961	911	969	875	828	814
Net gains/losses on financial transactions	87	80	149	84	48	99	184	114
Other income	28	32	12	20	8	9	3	7
Total income	5,115	5,065	5,036	4,918	5,057	5,046	5,158	4,996
Staff costs	-853	-901	-832	-835	-809	-827	-818	-829
Other administrative expenses	-352	-315	-289	-265	-325	-261	-301	-300
Internal purchased and sold services	-677	-571	-764	-758	-765	-713	-762	-762
Depreciation, amortisation and impairments of property, equipment and intangible assets	-20	-27	-18	-20	-22	-20	-24	-21
Total expenses	-1,902	-1,814	-1,903	-1,878	-1,921	-1,821	-1,905	-1,912
Profit before loan losses	3,213	3,251	3,133	3,040	3,136	3,225	3,253	3,084
Net loan losses	-100	-232	-77	-248	-75	-44	-135	-103
Gains/losses on disposal of property, equipment and intangible assets	0	0	-	-	2	3	3	1
Operating profit	3,113	3,019	3,056	2,792	3,063	3,184	3,121	2,982
Profit allocation	247	246	240	197	348	179	191	158
Operating profit after profit allocation	3,360	3,265	3,296	2,989	3,411	3,363	3,312	3,140
Cost/income ratio, %	35.5	34.2	36.1	36.7	35.5	34.9	35.6	37.1
Loan loss ratio, %	0.04	0.08	0.03	0.09	0.03	0.02	0.05	0.04
Allocated capital	67,103	64,158	61,052	63,857	60,489	55,589	56,121	58,750
Return on allocated capital, %	15.6	15.9	16.8	14.6	17.6	18.9	18.4	16.7
Average number of employees	4,343	4,534	4,306	4,340	4,347	4,622	4,332	4,340
Number of branches	463	462	462	462	462	461	461	461

Business volumes, Branch operations in Sweden

Average volumes, SEK bn	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Loans to the public*								
Household	660	651	639	631	625	617	610	602
of which mortgage loans	606	597	588	580	572	564	556	548
Corporate	468	473	476	475	478	481	484	470
of which mortgage loans	268	270	267	260	255	251	246	239
Total	1,128	1,124	1,115	1,106	1,103	1,098	1,094	1,072
Deposits and borrowing from the public								
Household	245	241	236	231	227	222	217	213
Corporate	170	156	158	160	162	157	157	162
Total	415	397	394	391	389	379	374	375

* Excluding loans to the National Debt Office.

Branch operations in Great Britain

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	963	933	834	767	719	682	631	592
Net fee and commission income	96	89	83	76	73	73	42	25
Net gains/losses on financial transactions	40	45	37	36	51	25	21	23
Other income	3	8	4	3	4	0	6	3
Total income	1,102	1,075	958	882	847	780	700	643
Staff costs	-401	-393	-348	-329	-327	-271	-241	-220
Other administrative expenses	-105	-78	-79	-71	-75	-59	-53	-56
Internal purchased and sold services	-87	-94	-102	-96	-82	-82	-81	-72
Depreciation, amortisation and impairments of property, equipment and intangible assets	-5	-2	-6	-5	-14	-16	-4	-7
Total expenses	-598	-567	-535	-501	-498	-428	-379	-355
Profit before loan losses	504	508	423	381	349	352	321	288
Net loan losses	-86	-66	-51	0	2	-65	-50	-55
Gains/losses on disposal of property, equipment and intangible assets	3	0	1	0	0	1	0	0
Operating profit	421	442	373	381	351	288	271	233
Profit allocation	12	6	8	9	15	6	5	4
Operating profit after profit allocation	433	448	381	390	366	294	276	237
Cost/income ratio, %	53.7	52.5	55.4	56.2	57.8	54.5	53.8	54.9
Loan loss ratio, %	0.25	0.19	0.15	0.00	-0.01	0.22	0.17	0.19
Allocated capital	9,430	8,600	7,732	8,186	7,644	7,010	6,477	6,500
Return on allocated capital, %	14.4	16.2	15.4	14.9	15.0	13.1	13.3	11.4
Average number of employees	1,638	1,608	1,547	1,476	1,405	1,332	1,201	1,102
Number of branches	178	173	170	166	161	151	147	138

Branch office operations in Great Britain, in local currency

GBP m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	82.2	80.4	75.2	71.7	68.5	67.0	62.8	59.3
Net fee and commission income	8.2	7.7	7.4	7.1	7.1	7.2	4.1	2.5
Net gains/losses on financial transactions	3.4	3.9	3.4	3.4	4.8	2.5	2.2	2.3
Other income	0.3	0.6	0.4	0.3	0.4	0.1	0.5	0.3
Total income	94.1	92.6	86.4	82.5	80.8	76.8	69.6	64.4
Staff costs	-34.3	-33.9	-31.4	-30.7	-31.2	-26.6	-24.0	-22.1
Other administrative expenses	-9.1	-6.6	-7.2	-6.6	-7.1	-5.7	-5.4	-5.6
Internal purchased and sold services	-7.3	-8.0	-9.2	-9.0	-7.7	-8.2	-8.0	-7.2
Depreciation, amortisation and impairments of property, equipment and intangible assets	-0.3	-0.3	-0.5	-0.5	-1.5	-1.6	-0.3	-0.7
Total expenses	-51.0	-48.8	-48.3	-46.8	-47.5	-42.1	-37.7	-35.6
Profit before loan losses	43.1	43.8	38.1	35.7	33.3	34.7	31.9	28.8
Net loan losses	-7.5	-5.8	-4.7	0.0	0.4	-6.4	-5.0	-5.5
Operating profit	36.0	38.1	33.4	35.7	33.7	28.3	27.0	23.3
Profit allocation	1.1	0.5	0.7	0.8	1.4	0.6	0.5	0.4
Operating profit after profit allocation	37.1	38.6	34.1	36.5	35.1	28.9	27.5	23.7

Business volumes, UK

Average volumes, GBP m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Loans to the public								
Household	4,352	4,138	3,921	3,763	3,580	3,344	3,122	2,963
Corporate	9,587	9,144	8,924	8,782	8,677	8,509	8,317	8,021
Total	13,939	13,282	12,845	12,545	12,257	11,853	11,439	10,984
Deposits and borrowing from the public								
Household	1,454	1,335	1,222	1,032	821	779	605	548
Corporate	6,267	6,466	6,431	5,366	4,132	3,093	2,438	2,288
Total	7,721	7,801	7,653	6,398	4,953	3,872	3,043	2,836

Branch operations in Denmark

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	421	420	389	380	397	403	363	356
Net fee and commission income	99	84	107	95	92	74	82	81
Net gains/losses on financial transactions	15	68	8	25	35	29	25	8
Other income	3	4	8	6	5	4	4	5
Total income	538	576	512	506	529	510	474	450
Staff costs	-149	-148	-147	-140	-142	-137	-137	-130
Other administrative expenses	-53	-41	-44	-43	-49	-37	-43	-46
Internal purchased and sold services	-81	-65	-64	-63	-69	-61	-59	-63
Depreciation, amortisation and impairments of property, equipment and intangible assets	-5	-5	-5	-4	-5	-4	-4	-4
Total expenses	-288	-259	-260	-250	-265	-239	-243	-243
Profit before loan losses	250	317	252	256	264	271	231	207
Net loan losses	-336	-172	-23	2	-65	-29	-37	-30
Gains/losses on disposal of property, equipment and intangible assets	-	1	-	-	-	-	-	-
Operating profit	-86	146	229	258	199	242	194	177
Profit allocation	18	17	14	13	17	12	10	8
Operating profit after profit allocation	-68	163	243	271	216	254	204	185
Cost/income ratio, %	51.8	43.7	49.4	48.2	48.5	45.8	50.2	53.1
Loan loss ratio, %	1.85	0.95	0.13	-0.01	0.39	0.18	0.22	0.18
Allocated capital	6,008	5,648	5,172	5,564	5,348	5,447	4,985	5,268
Return on allocated capital, %	-3.5	9.0	14.7	15.2	12.6	14.6	12.7	10.9
Average number of employees	627	632	635	633	625	625	626	619
Number of branches	57	57	57	57	56	55	55	55

Branch office operations in Denmark, in local currency

DKK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	338	340	321	320	335	346	317	312
Net fee and commission income	80	67	89	80	77	64	71	71
Net gains/losses on financial transactions	11	56	7	21	30	25	22	7
Other income	2	3	6	5	4	3	4	4
Total income	431	466	423	426	446	438	414	394
Staff costs	-119	-120	-121	-118	-119	-117	-120	-114
Other administrative expenses	-43	-33	-36	-36	-42	-31	-38	-40
Internal purchased and sold services	-65	-53	-53	-53	-58	-52	-52	-55
Depreciation, amortisation and impairments of property, equipment and intangible assets	-4	-4	-4	-4	-5	-4	-3	-3
Total expenses	-231	-210	-214	-211	-224	-204	-213	-212
Profit before loan losses	200	256	209	215	222	234	201	182
Net loan losses	-274	-142	-20	2	-54	-26	-32	-27
Gains/losses on disposal of property, equipment and intangible assets	-	1	-	-	-	-	-	-
Operating profit	-74	115	189	217	168	208	169	155
Profit allocation	15	13	11	11	15	11	8	7
Operating profit after profit allocation	-59	128	200	228	183	219	177	162

Business volumes, Branch operations in Denmark

Average volumes, DKK bn	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Loans to the public								
Household	34.3	33.3	32.4	31.4	30.6	29.4	28.7	27.9
Corporate	28.7	28.2	28.2	28.0	27.9	29.8	31.5	30.7
Total	63.0	61.5	60.6	59.4	58.5	59.2	60.2	58.6
Deposits and borrowing from the public								
Household	10.2	10.1	10.0	9.4	9.3	9.2	9.2	8.9
Corporate	13.8	13.4	12.2	15.2	14.6	12.3	12.6	14.8
Total	24.0	23.5	22.2	24.6	23.9	21.5	21.8	23.7

Branch operations in Finland

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	348	357	340	344	337	315	294	273
Net fee and commission income	110	113	109	108	107	106	100	99
Net gains/losses on financial transactions	21	18	28	9	12	6	13	9
Other income	6	1	2	2	1	1	1	2
Total income	485	489	479	463	457	428	408	383
Staff costs	-97	-86	-83	-85	-85	-79	-84	-83
Other administrative expenses	-46	-39	-38	-35	-36	-35	-40	-34
Internal purchased and sold services	-55	-56	-60	-61	-62	-59	-60	-58
Depreciation, amortisation and impairments of property, equipment and intangible assets	-2	-2	-2	-2	-2	-2	-2	-4
Total expenses	-200	-183	-183	-183	-185	-175	-186	-179
Profit before loan losses	285	306	296	280	272	253	222	204
Net loan losses	-113	-10	-106	-48	-121	-77	-34	-36
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	0	0	-	-	-
Operating profit	172	296	190	232	151	176	188	168
Profit allocation	26	19	19	21	27	17	15	11
Operating profit after profit allocation	198	315	209	253	178	193	203	179
Cost/income ratio, %	39.1	36.0	36.7	37.8	38.2	39.3	44.0	45.4
Loan loss ratio, %	0.42	0.04	0.39	0.18	0.49	0.31	0.14	0.14
Allocated capital	6,545	6,033	5,717	6,204	6,121	6,288	5,371	5,854
Return on allocated capital, %	9.4	16.3	11.4	12.7	9.0	9.6	11.8	9.5
Average number of employees	483	506	500	486	485	502	496	477
Number of branches	46	46	46	45	45	45	45	45

Branch office operations in Finland, in local currency

EUR m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	37.6	38.6	37.6	38.9	38.1	36.3	34.3	32.2
Net fee and commission income	11.8	12.3	11.9	12.2	12.1	12.1	11.8	11.6
Net gains/losses on financial transactions	2.2	2.0	3.1	1.0	1.3	0.8	1.4	1.1
Other income	0.7	0.2	0.2	0.2	0.1	0.1	0.2	0.2
Total income	52.3	53.1	52.8	52.3	51.6	49.3	47.7	45.1
Staff costs	-10.5	-9.2	-9.1	-9.6	-9.6	-9.2	-9.7	-9.8
Other administrative expenses	-5.0	-4.2	-4.2	-4.0	-3.9	-4.1	-4.7	-4.0
Internal purchased and sold services	-5.9	-6.2	-6.6	-6.9	-7.2	-6.7	-7.0	-6.8
Depreciation, amortisation and impairments of property, equipment and intangible assets	-0.2	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2	-0.5
Total expenses	-21.6	-19.9	-20.1	-20.7	-20.9	-20.2	-21.6	-21.1
Profit before loan losses	30.7	33.2	32.7	31.6	30.7	29.1	26.1	24.0
Net loan losses	-12.4	-0.9	-11.7	-5.5	-13.9	-8.8	-4.1	-4.2
Operating profit	18.3	32.3	21.0	26.1	16.8	20.3	22.0	19.8
Profit allocation	2.8	2.0	2.1	2.3	3.2	1.9	1.8	1.3
Operating profit after profit allocation	21.1	34.3	23.1	28.4	20.0	22.2	23.8	21.1

Business volumes, Branch operations in Finland

Average volumes, EUR m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Loans to the public								
Household	3,924	3,851	3,811	3,787	3,773	3,736	3,667	3,598
Corporate	8,587	8,590	8,369	8,207	8,166	7,990	7,955	7,807
Total	12,511	12,441	12,180	11,994	11,939	11,726	11,622	11,405
Deposits and borrowing from the public								
Household	1,332	1,240	1,235	1,249	1,273	1,248	1,256	1,271
Corporate	3,405	3,426	3,119	3,043	2,457	1,597	1,457	1,546
Total	4,737	4,666	4,354	4,292	3,730	2,845	2,713	2,817

Branch operations in Norway

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	851	886	859	843	902	918	905	849
Net fee and commission income	97	99	97	97	90	100	88	86
Net gains/losses on financial transactions	28	34	23	17	22	19	23	19
Other income	6	3	5	6	3	4	2	3
Total income	982	1,022	984	963	1,017	1,041	1,018	957
Staff costs	-183	-185	-174	-169	-161	-171	-159	-171
Other administrative expenses	-58	-45	-63	-53	-66	-53	-54	-59
Internal purchased and sold services	-100	-101	-99	-90	-104	-85	-93	-86
Depreciation, amortisation and impairments of property, equipment and intangible assets	-3	-3	-3	-2	-2	-3	-2	-3
Total expenses	-344	-334	-339	-314	-333	-312	-308	-319
Profit before loan losses	638	688	645	649	684	729	710	638
Net loan losses	-41	-32	-47	-21	-43	-25	-38	-63
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	0	0	0	-
Operating profit	597	656	598	628	641	704	672	575
Profit allocation	25	16	14	11	22	7	8	6
Operating profit after profit allocation	622	672	612	639	663	711	680	581
Cost/income ratio, %	34.2	32.2	34.0	32.2	32.1	29.8	30.0	33.1
Loan loss ratio, %	0.08	0.06	0.10	0.04	0.08	0.05	0.07	0.12
Allocated capital	13,181	12,421	11,532	12,761	12,123	11,900	11,583	12,689
Return on allocated capital, %	14.7	16.9	16.5	15.6	17.1	18.6	18.3	14.3
Average number of employees	672	689	663	663	655	654	648	644
Number of branches	51	51	50	49	49	49	49	49

Branch office operations in Norway, in local currency

NOK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	786	796	780	794	837	839	804	743
Net fee and commission income	89	89	88	92	83	92	78	75
Net gains/losses on financial transactions	26	31	21	16	21	18	20	16
Other income	6	3	5	6	3	3	2	3
Total income	907	919	894	908	944	952	904	837
Staff costs	-170	-165	-159	-159	-150	-157	-141	-150
Other administrative expenses	-54	-40	-57	-50	-61	-49	-48	-51
Internal purchased and sold services	-91	-93	-90	-85	-95	-78	-83	-76
Depreciation, amortisation and impairments of property, equipment and intangible assets	-3	-2	-3	-2	-3	-2	-2	-2
Total expenses	-318	-300	-309	-296	-309	-286	-274	-279
Profit before loan losses	589	619	585	612	635	666	630	558
Net loan losses	-38	-28	-44	-20	-39	-24	-34	-55
Operating profit	551	591	541	592	596	642	596	503
Profit allocation	23	14	12	11	21	6	7	5
Operating profit after profit allocation	574	605	553	603	617	648	603	508

Business volumes, Branch operations in Norway

Average volumes, NOK bn	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Loans to the public								
Household	77.9	76.6	75.8	75.0	74.2	72.4	71.2	70.3
Corporate	116.0	112.9	113.3	113.4	112.0	111.5	109.7	109.9
Total	193.9	189.5	189.1	188.4	186.2	183.9	180.9	180.2
Deposits and borrowing from the public								
Household	15.9	15.9	15.0	14.6	14.3	14.3	13.7	13.5
Corporate	49.9	49.8	45.1	43.7	39.5	31.7	32.4	38.7
Total	65.8	65.7	60.1	58.3	53.8	46.0	46.1	52.2

Branch operations in the Netherlands

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	73	73	67	70	66	61	53	50
Net fee and commission income	7	7	7	5	6	6	5	6
Net gains/losses on financial transactions	1	1	3	2	0	0	1	0
Other income	-	-	-	-	-	-	-	-
Total income	81	81	77	77	72	67	59	56
Staff costs	-32	-34	-32	-29	-26	-25	-23	-22
Other administrative expenses	-9	-7	-6	-6	-6	-5	-5	-5
Internal purchased and sold services	-20	-17	-15	-16	-17	-13	-15	-11
Depreciation, amortisation and impairments of property, equipment and intangible assets	-	-	-1	0	0	-1	0	0
Total expenses	-61	-58	-54	-51	-49	-44	-43	-38
Profit before loan losses	20	23	23	26	23	23	16	18
Net loan losses	-	-	-2	1	-6	0	-1	-
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	20	23	21	27	17	23	15	18
Profit allocation	1	1	1	5	1	0	1	2
Operating profit after profit allocation	21	24	22	32	18	23	16	20
Cost/income ratio, %	74.4	70.7	69.2	62.2	67.1	65.7	71.7	65.5
Loan loss ratio, %	-	-	0.04	-0.02	0.16	0.01	0.02	-
Allocated capital	897	859	742	865	818	805	739	745
Return on allocated capital, %	7.4	8.4	9.7	11.4	6.9	8.9	6.6	8.5
Average number of employees	141	135	128	120	110	103	100	95
Number of branches	20	20	18	18	18	16	15	15

Branch office operations in the Netherlands, in local currency

Euro m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	7.9	7.9	7.4	7.9	7.6	6.9	6.2	5.9
Net fee and commission income	0.7	0.8	0.8	0.5	0.6	0.8	0.6	0.6
Net gains/losses on financial transactions	0.2	-	0.3	0.3	0.2	0.0	0.0	0.0
Other income	-0.1	0.1	-	-	-	-	-	-
Total income	8.7	8.8	8.5	8.7	8.4	7.7	6.8	6.5
Staff costs	-3.5	-3.7	-3.5	-3.3	-2.9	-2.9	-2.7	-2.6
Other administrative expenses	-0.9	-0.7	-0.7	-0.7	-0.7	-0.7	-0.5	-0.5
Internal purchased and sold services	-2.1	-1.9	-1.7	-1.7	-1.9	-1.5	-1.8	-1.3
Depreciation, amortisation and impairments of property, equipment and intangible assets	-0.1	-	-0.1	-	-0.1	0.0	0.0	0.0
Total expenses	-6.6	-6.3	-6.0	-5.7	-5.6	-5.1	-5.0	-4.4
Profit before loan losses	2.1	2.5	2.5	3.0	2.8	2.6	1.8	2.1
Net loan losses	-	-	-0.2	0.1	-0.7	0.0	-0.1	-
Operating profit	2.1	2.5	2.3	3.1	2.1	2.6	1.7	2.1
Profit allocation	0.2	-	0.2	0.5	0.0	0.0	0.1	0.3
Operating profit after profit allocation	2.3	2.5	2.5	3.6	2.1	2.6	1.8	2.4

Business volumes, Branch operations in the Netherlands

Average volumes, EUR m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Loans to the public								
Household	824	760	682	625	567	515	442	389
Corporate	1,109	1,121	1,145	1,460	1,264	1,256	1,255	1,226
Total	1,933	1,881	1,827	2,085	1,831	1,771	1,697	1,615
Deposits and borrowing from the public								
Household	39	34	29	27	27	26	26	24
Corporate	1,007	1,099	1,067	960	1,264	836	935	639
Total	1,046	1,133	1,096	987	1,291	862	961	663

Handelsbanken Capital Markets

Handelsbanken Capital Markets

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	180	214	217	236	238	232	237	229
Net fee and commission income	740	749	779	773	789	674	792	753
Net gains/losses on financial transactions	431	307	442	357	271	242	331	229
Risk result - insurance	34	46	43	42	35	30	26	51
Other income	5	4	9	-1	5	9	-5	7
Total income	1,390	1,320	1,490	1,407	1,338	1,187	1,381	1,269
Staff costs	-628	-626	-633	-655	-643	-634	-642	-641
Other administrative expenses	-231	-192	-216	-220	-287	-206	-251	-225
Internal purchased and sold services	-50	-8	-17	-51	-52	-27	-32	-36
Depreciation, amortisation and impairments of property, equipment and intangible assets	-22	-20	-26	-11	-13	-17	-15	-16
Total expenses	-931	-846	-892	-937	-995	-884	-940	-918
Profit before loan losses	459	474	598	470	343	303	441	351
Net loan losses	-21	15	34	-1	-14	-44	-11	4
Operating profit	438	489	632	469	329	259	430	355
Profit allocation	-330	-304	-296	-256	-430	-221	-230	-189
Operating profit after profit allocation	108	185	336	213	-101	38	200	166
Loan loss ratio, %	0.15	-0.10	-0.24	0.01	0.07	0.22	0.06	-0.02
Cost/income ratio, %	87.8	83.3	74.7	81.4	109.6	91.5	81.7	85.0
Allocated capital	7,448	8,152	8,430	8,604	8,598	10,546	7,849	9,556
Return on allocated capital, %	4.5	7.1	12.4	7.7	-3.7	1.1	8.0	5.4
Average number of employees	1,809	1,889	1,900	1,940	1,956	2,007	1,985	1,992

Business volumes, Merchant Banking International

Average volumes, SEK bn	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Loans to the public								
Household	4.2	4.0	3.9	3.8	3.7	3.4	3.4	3.4
Corporate	41.1	41.0	41.5	42.6	43.8	44.8	46.4	46.5
Total	45.3	45.0	45.4	46.4	47.5	48.2	49.8	49.9
Deposits and borrowing from the public								
Household	3.0	3.1	2.4	2.3	2.4	2.3	2.4	2.4
Corporate	63.2	49.5	37.1	36.9	42.4	30.3	27.7	26.2
Total	66.2	52.6	39.5	39.2	44.8	32.6	30.1	28.6

Markets & Asset Management

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	7	8	4	4	7	9	12	11
Net fee and commission income	403	401	424	442	467	366	440	388
Net gains/losses on financial transactions	425	298	434	333	249	228	317	233
Other income	-6	-3	-9	-13	-3	-2	-14	-18
Total income	829	704	853	766	720	601	755	614
Staff costs	-268	-260	-263	-278	-284	-270	-280	-282
Other expenses	-232	-198	-230	-235	-280	-235	-251	-247
Total expenses	-500	-458	-493	-513	-564	-505	-531	-529
Profit before loan losses	329	246	360	253	156	96	224	85
Net loan losses	-	-	-	-	-	-	-	-
Operating profit	329	246	360	253	156	96	224	85
Operating profit after profit allocation	101	32	146	68	-66	-70	47	-57
Average number of employees	507	535	539	559	565	575	534	519

Merchant Banking International

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	179	190	195	213	217	204	197	198
Net fee and commission income	200	212	211	196	191	189	234	260
Net gains/losses on financial transactions	21	18	20	32	20	28	34	18
Other income	10	8	16	11	8	10	12	19
Total income	410	428	442	452	436	431	477	495
Staff costs	-199	-190	-197	-201	-193	-190	-202	-199
Other expenses	-140	-117	-116	-130	-148	-111	-114	-115
Total expenses	-339	-307	-313	-331	-341	-301	-316	-314
Profit before loan losses	71	121	129	121	95	130	161	181
Net loan losses	-21	15	34	-1	-14	-44	-11	4
Operating profit	50	136	163	120	81	86	150	185
Operating profit after profit allocation	-16	102	126	86	-72	74	124	172
Average number of employees	601	603	617	642	645	658	664	665
Number of branches	17	19	19	19	19	19	19	19

Pensions & Life

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Administration result	34	47	51	39	43	45	30	28
Risk result	34	46	43	42	35	30	26	51
Financial result	3	8	12	5	1	-17	-28	-21
<i>of which deferred capital contribution</i>	-1	-1	1	-2	3	-16	-26	-20
Other	-12	2	7	9	13	19	27	28
Operating profit	59	103	113	95	92	77	55	86
AUM, SEK bn, end of period	102	97	96	90	88	84	80	79
<i>of which unit-linked</i>	74	69	67	62	60	57	53	52
<i>of which portfolio bond</i>	18	18	18	17	17	16	16	16
Solvency ratio, end of period	7.2	7.5	7.6	7.7	7.9	7.6	7.3	6.5
Premiums paid, SEK m	2,992	2,587	3,284	2,521	2,485	2,127	3,312	2,448
<i>of which portfolio bond</i>	535	645	615	643	596	470	631	556
<i>of which unit-linked</i>	2,266	1,769	2,500	1,712	1,705	1,475	2,500	1,654
<i>of which occupational pensions</i>	548	557	588	461	412	404	402	343
New sales mutual funds & custody, Sweden, SEK m	388	322	453	471	377	293	494	396
Average number of employees	166	170	175	174	175	179	183	182

Other and Eliminations

Other

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	156	120	97	122	93	21	57	142
Net fee and commission income	10	25	-8	-5	-19	-12	-13	13
Net gains/losses on financial transactions	-359	-164	-224	128	-135	-66	-158	-143
Share of profit of associates	22	2	5	-11	7	5	2	-5
Other income	74	4	254	43	27	14	164	50
Total income	-97	-13	124	277	-27	-38	52	57
Staff costs	-710	-571	-661	-645	-810	-680	-692	-676
Other administrative expenses	-564	-449	-532	-555	-567	-531	-557	-554
Internal purchased and sold services	1,030	927	1,108	1,123	1,139			
Depreciation, amortisation and impairments of property, equipment and intangible assets	-51	-62	-61	-67	-58	-62	-64	-65
Total expenses	-295	-155	-146	-144	-296	-245	-221	-218
Profit before loan losses	-392	-168	-22	133	-323	-283	-169	-161
Net loan losses								
Gains/losses on disposal of property, equipment and intangible assets	1	0	0	0	7	-1	1	0
Operating profit	-391	-168	-22	133	-316	-284	-168	-161
Profit allocation	1	-1	-	0	0	0	0	0
Operating profit after profit allocation	-390	-169	-22	133	-316	-284	-168	-161
Average number of employees	1,872	1,931	1,947	1,975	2,002	1,980	1,973	1,973

Eliminations

SEK m	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Net interest income	-40	15	-13	-12	-12	-12	-10	-11
Net fee and commission income	-	-	-	-	-	-	-	-
Net gains/losses on financial transactions	-	-	-	-	-	-	-	-
Risk result - insurance	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-
Total income	-40	15	-13	-12	-12	-12	-10	-11
Staff costs	27	1	-	0	23	-21	0	-11
Other administrative expenses	-	-	-	-	-	-	-	-
Depreciation, amortisation and impairments of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Total expenses	67	-14	13	12	35	-9	10	-
Profit before loan losses	27	1	-	0	23	-21	0	-11
Net loan losses	-	-	-	-	-	-	-	-
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	27	1	0	0	23	-21	0	-11

Balance sheet

Balance sheet - Svenska Handelsbanken Group

SEK m	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Assets								
Cash and balances with central banks	454,532	399,457	417,306	367,464	334,794	345,109	211,274	219,746
Other loans to central banks	51,047	37,394	59,780	42,941	35,160	34,403	34,327	40,312
Interest-bearing securities eligible as collateral with central banks	78,219	74,287	56,610	61,782	57,451	63,245	54,996	56,866
Loans to other credit institutions	70,339	70,959	76,519	58,295	62,898	72,984	71,693	87,206
Loans to the public	1,807,836	1,781,421	1,765,160	1,727,011	1,696,339	1,682,552	1,685,665	1,655,041
Value change of interest-hedged item in portfolio hedge	70	82	90	95	96	2,143	2,396	2,702
Bonds and other interest-bearing securities	63,725	63,563	53,057	59,175	64,125	63,947	65,575	72,049
Shares	46,546	37,655	41,870	48,345	48,595	41,929	38,698	35,488
Investments in associates	286	268	263	267	272	278	277	219
Assets where the customer bears the value change risk	94,763	90,569	88,879	83,246	80,930	77,496	73,199	71,552
Derivative instruments	116,124	94,379	78,068	68,435	69,961	74,627	90,141	101,865
Reinsurance assets	6	4	4	4	4	1	1	1
Intangible assets	8,132	8,001	7,968	7,890	7,835	7,716	7,747	7,162
Property and equipment	2,239	2,208	2,266	2,187	2,205	2,114	2,183	2,156
Current tax assets	115	1,316	692	360	405	785	387	365
Deferred tax assets	389	330	309	243	269	407	480	362
Net pension assets	-	-	2,385	2,134	1,733	1,907	1,043	1,964
Assets held for sale	1,196	1,238	1,166	1,294	1,247	1,159	1,084	985
Other assets	14,321	31,381	21,800	37,892	13,262	32,460	37,144	21,044
Prepaid expenses and accrued income	6,791	6,299	6,099	6,780	7,140	6,705	7,013	8,250
Total assets	2,816,676	2,700,811	2,680,291	2,575,840	2,484,721	2,511,967	2,385,323	2,385,335
Liabilities and equity								
Due to credit institutions	200,074	201,737	205,649	173,675	171,624	169,761	197,223	213,004
Deposits and borrowing from the public	1,022,267	933,952	943,151	867,225	825,205	807,630	636,776	642,314
Liabilities where the customer bears the value change risk	94,864	90,611	88,942	83,294	80,977	77,559	73,228	71,572
Issued securities	1,212,613	1,183,993	1,174,512	1,173,702	1,150,641	1,180,015	1,209,644	1,158,140
Derivative instruments	62,878	61,171	52,253	61,555	61,529	71,564	73,086	92,369
Short positions	20,648	16,854	19,644	21,001	22,845	18,371	20,098	29,040
Insurance liabilities	663	656	646	1,304	622	632	672	679
Current tax liabilities	957	1,005	648	343	831	1,069	928	1,389
Deferred tax liabilities	9,209	8,822	8,903	7,999	7,413	7,568	7,363	8,027
Provisions	68	64	112	117	141	123	110	111
Net pension liabilities	1,480	595	-	-	-	-	-	-
Liabilities related to assets held for sale	580	567	589	575	539	537	549	442
Other liabilities	14,578	28,262	18,710	29,977	13,189	31,303	24,139	24,725
Accrued expenses and deferred income	18,681	22,729	20,143	20,730	21,861	23,412	19,977	23,184
Subordinated liabilities	30,289	29,544	29,575	26,523	15,965	15,911	19,139	19,973
Total liabilities	2,689,849	2,580,562	2,563,477	2,468,020	2,373,382	2,405,455	2,282,932	2,284,969
Minority interest	3	3	3	2	2	2	2	2
Share capital	2,956	2,956	2,956	2,956	2,956	2,955	2,955	2,951
Share premium	3,203	3,203	3,444	2,847	2,843	2,813	2,798	2,659
Reserves	12,220	8,984	9,256	4,893	1,837	568	69	1,882
Retained earnings	93,262	93,262	93,213	93,213	89,406	89,406	89,406	89,406
Profit for the period, attributable to shareholders in Svenska Handelsbanken AB	15,183	11,841	7,942	3,909	14,295	10,768	7,161	3,466
Total equity	126,827	120,249	116,814	107,820	111,339	106,512	102,391	100,366
Total liabilities and equity	2,816,676	2,700,811	2,680,291	2,575,840	2,484,721	2,511,967	2,385,323	2,385,335

Business volumes – Lending to the public

CREDIT POLICY

Credit process

- The credit process always starts at the branch with customer responsibility.
- In the case of large credits, decisions are made at regional and central level (the Board).
- All credits must be recommended by the branch with customer responsibility.
- The local branch's regular contact with its customers enables the branch to quickly identify any problems and take action.
- If necessary, the branch receives support from the regional head office and central units.

Basic guidelines

- The assessment starts with the borrower's repayment capacity
- Weak repayment capacity can never be offset by collateral or high margins
- Quality requirements must never be neglected in favour of large volume
- Credits must normally be adequately secured

Loans to the public by sector

Loans net	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
SEK m, end of period								
Private individuals	851,653	837,066	821,614	800,648	787,705	771,159	762,461	744,776
<i>of which mortgage loans in Stadshypotek</i>	683,961	673,764	663,995	651,777	642,405	631,153	624,732	612,349
<i>of which other mortgage loans</i>	98,962	89,251	85,048	80,075	77,350	73,246	71,214	66,525
<i>of which other loans to private individuals</i>	68,730	74,050	72,570	68,795	67,950	66,760	66,515	65,902
Housing co-operative associations	153,037	149,813	147,355	143,213	140,287	136,935	135,420	131,788
<i>of which mortgage loans in Stadshypotek</i>	136,739	134,963	133,281	130,894	128,515	125,020	123,521	119,955
Property management, Note 1	484,788	484,745	472,707	463,410	461,332	447,619	445,340	432,559
Manufacturing	37,782	40,440	41,697	42,319	38,534	40,100	42,888	42,953
Retail	27,393	28,937	27,778	29,701	31,208	32,516	33,754	32,964
Hotels and restaurants	8,274	7,501	7,760	7,728	7,372	7,470	7,871	7,885
Shipping, passenger & goods transport by sea	11,816	13,976	14,010	13,855	14,310	14,925	16,528	17,049
Other transport and communication	20,145	19,786	30,366	28,762	26,892	27,672	29,129	29,717
Construction	15,111	15,819	14,657	14,042	12,179	13,331	13,653	13,475
Electricity, gas, water	24,864	23,381	23,075	23,081	23,576	23,181	22,586	23,633
Agriculture, hunting and forestry	10,687	10,542	9,994	9,442	8,340	9,261	9,397	9,020
Other service industry	20,199	20,512	21,477	19,562	22,895	24,474	25,182	24,646
Holding companies, insurance companies, funds etc.	71,758	66,325	56,145	58,939	72,703	84,680	88,045	92,138
State & municipalities	35,627	26,764	32,624	28,664	20,935	20,743	18,311	21,502
Other corporate lending	34,986	36,153	44,265	44,002	28,428	28,833	35,450	31,216
Total loans to the public, before taking into account collective provisions	1,808,120	1,781,760	1,765,524	1,727,368	1,696,696	1,682,899	1,686,015	1,655,321
Collective provisions	-284	-339	-364	-357	-357	-347	-350	-280
Total loans to the public	1,807,836	1,781,421	1,765,160	1,727,011	1,696,339	1,682,552	1,685,665	1,655,041

Specification of Loans to the public after deduction of provisions - Property management

SEK m, end of period	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Lending in Sweden								
State-owned property companies	5,684	7,373	7,373	7,673	7,798	8,448	7,800	8,063
Municipal-owned property companies	16,926	16,529	15,983	16,269	15,430	15,747	15,428	14,729
Residential property companies	87,778	86,746	86,851	85,577	73,556	74,834	73,499	74,248
<i>of which mortgage loans in Stadshypotek</i>	<i>70,367</i>	<i>69,617</i>	<i>69,970</i>	<i>69,141</i>	<i>57,725</i>	<i>58,076</i>	<i>56,708</i>	<i>55,759</i>
Other property companies	131,605	140,320	138,255	140,223	151,300	145,173	147,122	146,276
<i>of which mortgage loans in Stadshypotek</i>	<i>64,387</i>	<i>71,415</i>	<i>70,929</i>	<i>67,403</i>	<i>75,966</i>	<i>65,120</i>	<i>64,711</i>	<i>63,105</i>
Total lending in Sweden	241,993	250,968	248,462	249,742	248,084	244,202	243,849	243,316
Lending outside Sweden								
Denmark	14,319	13,209	12,294	11,824	11,991	11,496	11,658	10,623
Finland	27,455	24,431	24,336	23,067	23,612	22,303	21,510	19,340
Norway	79,816	81,224	79,381	78,479	76,397	76,517	78,706	75,662
Great Britain	101,897	96,882	90,817	82,783	81,060	77,170	73,830	68,811
The Netherlands	11,423	10,376	9,809					
Other countries	7,885	7,655	7,608	7,599	7,555	7,250	7,447	14,807
Total lending outside Sweden	242,795	233,777	224,245	213,668	213,248	203,417	201,491	189,243
Total lending - Property management	484,788	484,745	472,707	463,410	461,332	447,619	445,340	432,559

Credit risk exposure

SEK m	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Loans to the public	1,807,836	1,781,421	1,765,160	1,727,011	1,696,339	1,682,552	1,685,665	1,655,041
<i>of which reverse repos</i>	<i>23,858</i>	<i>14,372</i>	<i>19,418</i>	<i>18,539</i>	<i>15,711</i>	<i>22,932</i>	<i>24,284</i>	<i>16,056</i>
Loans to other credit institutions	70,339	70,959	76,519	58,295	62,898	72,984	71,693	87,206
<i>of which reverse repos</i>	<i>42,138</i>	<i>42,019</i>	<i>37,497</i>	<i>30,436</i>	<i>33,874</i>	<i>38,562</i>	<i>42,463</i>	<i>53,826</i>
Unutilised part of granted overdraft facilities *	102,778	106,122	91,754	91,538	99,660	98,937	98,862	99,885
Committed loan offers	271,001	263,807	263,690	258,152	246,518	247,486	247,482	240,965
Other commitments	14,134	6,761	11,696	9,552	9,046	16,248	10,637	21,851
Guarantees, credits	10,335	9,733	9,472	8,390	8,371	9,002	10,145	10,364
Guarantees, other	60,033	59,882	60,754	58,838	58,568	58,623	59,186	56,416
Letters of credit	5,369	5,453	5,260	5,702	7,190	7,559	8,187	9,609
Derivative instruments **	116,124	94,379	78,068	68,435	69,961	74,627	90,141	101,865
Interest-bearing securities eligible as collateral with central banks	78,219	74,287	56,610	61,782	57,451	63,245	54,996	56,866
Bonds and other interest-bearing securities	63,725	63,563	53,057	59,175	64,125	63,947	65,575	72,049
Total	2,599,893	2,536,367	2,472,040	2,406,870	2,380,127	2,395,210	2,402,569	2,412,117

* As of 2014, unutilised overdraft facilities which the counterparty does not have at its disposal at the time of recognition are not included and therefore do not give rise to a capital requirement. The comparative figures have been restated.

** Refers to the total of positive market values.

Credit risk exposure by country

SEK m	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Sweden	1,678,996	1,640,845	1,614,833	1,586,526	1,598,668	1,629,561	1,646,730	1,675,137
Great Britain	213,029	198,636	185,162	170,951	164,682	155,575	148,134	137,072
Denmark	111,380	111,050	105,936	102,175	100,369	97,296	96,771	87,469
Finland	145,796	137,223	141,458	132,741	128,894	123,121	125,073	116,793
Norway	264,284	270,723	263,983	261,489	253,563	252,522	257,074	252,375
Germany	13,564	13,395	13,452	13,450	13,539	15,489	16,415	17,123
The Netherlands	26,023	24,421	25,312	22,903	22,860	21,476	21,340	19,420
Poland	3,549	3,634	3,609	3,546	3,495	3,368	3,429	3,189
Other countries	143,271	136,440	122,096	113,091	116,969	119,598	108,844	124,040
Total	2,599,893	2,536,367	2,475,841	2,406,870	2,403,039	2,418,006	2,423,810	2,432,618

Loans to the public - by country*

SEK bn, end of period	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Branch operations in Sweden	1,126	1,128	1,121	1,109	1,101	1,100	1,096	1,089
Branch operations in UK	170	161	149	137	132	125	119	110
Branch operations in Denmark	80	79	76	74	72	70	73	68
Branch operations in Finland	118	111	115	108	107	103	103	96
Branch operations in Norway	204	214	208	204	198	197	202	200
Branch operations in the Netherlands	19	17	17	15	18	15	15	14
Merchant Banking International	45	43	45	45	45	46	48	48
Other	27	21	23	24	18	25	28	22
Total	1,789	1,774	1,753	1,715	1,691	1,681	1,683	1,647

* Excluding loans to the National Debt Office.

Loans to households - by country

SEK bn, end of period	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Branch operations in Sweden	664	656	648	635	627	620	614	604
Branch operations in UK	54	50	46	42	39	36	33	30
Branch operations in Denmark	45	42	41	38	38	35	34	32
Branch operations in Finland	35	34	35	34	34	33	33	30
Branch operations in Norway	84	88	85	83	81	79	81	80
Branch operations in the Netherlands	8	7	6	6	5	5	4	4
Merchant Banking International	4	4	4	4	4	3	3	3
Other	2	2	0	0	-1	0	1	2
Total	896	883	865	842	827	811	803	785

Corporate lending - by country*

SEK bn, end of period	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Branch operations in Sweden	462	472	473	473	475	479	482	485
Branch operations in UK	116	111	103	95	92	89	86	81
Branch operations in Denmark	35	37	35	35	34	35	38	37
Branch operations in Finland	83	77	80	74	74	70	71	66
Branch operations in Norway	120	126	123	121	117	117	121	119
Branch operations in the Netherlands	11	10	11	9	13	10	11	10
Merchant Banking International	41	39	41	41	41	43	45	45
Other	25	19	22	25	18	27	26	19
Total	893	891	888	873	864	870	880	862

* Excluding loans to the National Debt Office.

Business volumes – Savings and deposits

Assets under management, Handelsbanken Group

SEK bn, end of period	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Mutual funds, excl. PPM and Unit-linked	247	236	230	213	199	185	177	177
PPM	18	16	16	15	14	12	12	12
Unit-linked insurance	74	69	67	62	60	57	53	52
<i>of which external mutual funds</i>	-2	-2	-2	-2	-2	-2	-1	-2
Total mutual funds	337	319	311	288	271	252	241	239
Structured products	22	23	22	24	25	25	26	27
Portfolio bond insurance	18	18	18	17	17	16	16	16
<i>of which in mutual funds and structured products</i>	-6	-7	-6	-5	-5	-5	-4	-4
Traditional insurance	10	10	10	10	11	11	11	11
<i>of which in mutual funds and structured products</i>	-1	-1	-1	-	-	0	0	0
Institutional *	182	176	172	154	140	124	119	105
<i>of which in mutual funds and structured products</i>	-82	-77	-76	-67	-59	-53	-53	-54
Handelsbanken's pensions foundations	61	58	59	58	58	54	52	53
<i>of which in mutual funds and structured products</i>	-8	-7	-8	-6	-6	-6	-6	-5
Total assets under management, excl. securities in custody	533	512	501	473	452	418	402	388
Securities in custody, excl. mutual funds	293	273	274	269	256	239	237	242

* Including the whole volume managed by Heartwood, of which own funds SEK 16 bn.

Deposits and borrowing from the public - by country

SEK bn, end of period	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Branch operations in Sweden	433	401	402	391	394	385	380	375
Branch operations in UK	89	86	92	71	58	45	34	27
Branch operations in Denmark	30	29	26	24	28	26	25	22
Branch operations in Finland	39	41	41	41	34	28	24	22
Branch operations in Norway	71	76	66	65	59	52	49	53
Branch operations in the Netherlands	8	8	10	9	6	11	8	7
Handelsbanken Capital Markets	68	59	46	36	43	40	25	33
Other	284	235	260	230	202	221	92	102
Total	1,022	934	943	867	825	808	637	642

Deposits and borrowing from households - by country

SEK bn, end of period	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Branch operations in Sweden	250	245	245	234	233	228	228	219
Branch operations in UK	19	16	15	12	9	8	7	6
Branch operations in Denmark	13	12	12	12	12	11	11	11
Branch operations in Finland	13	12	11	11	11	11	11	11
Branch operations in Norway	17	18	17	16	15	15	16	15
Branch operations in the Netherlands	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.2
Handelsbanken Capital Markets	3	3	3	2	2	2	2	2
Other	4	5	6	4	4	4	5	5
Total	319	311	309	291	287	280	281	268

Deposits and borrowing from corporates - by country

SEK bn, end of period	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Branch operations in Sweden	183	156	157	157	161	157	152	156
Branch operations in UK	70	70	77	58	49	36	27	22
Branch operations in Denmark	17	17	14	13	16	15	14	11
Branch operations in Finland	26	29	30	30	23	17	13	12
Branch operations in Norway	54	58	49	49	44	37	33	38
Branch operations in the Netherlands	8	8	10	9	6	11	7	7
Handelsbanken Capital Markets	65	56	43	34	41	38	23	31
Other	280	230	254	226	197	216	87	97
Total	704	623	634	576	538	528	356	374

Own funds and capital requirement

Own funds CRD IV *

SEK m	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
TIER 1 CAPITAL								
Equity, Group	126,827	120,249	116,814	107,820	111,339	106,512	102,391	100,366
Accrued unpaid dividend last year	-	-	-	-	-	-	-	-
Accrued dividend current year**	-11,124	-6,059	-4,085	-1,904	-10,485	-5,123	-3,415	-1,707
Result from unconsolidated entities	-733	-556	-335	-180	-680	-326	-227	-174
Equity not part of the consolidated situation	598	570	421	1,031	1,727	1,842	1,829	1,843
Minority interests	-3	-3	-3	-2	-2	-2	-2	-2
Equity (consolidated entities)	115,565	114,201	112,812	106,765	101,899	102,903	100,576	100,326
Deducted items								
Goodwill and other intangible assets	-8,123	-7,991	-7,958	-7,883	-7,835	-8,164	-8,136	-7,533
Value adjustments (fair value)	-1	-1	-1	-1	-67	-7	-14	-12
Special deduction for IRB institutions	-2,103	-2,226	-2,228	-2,216	-1,986	-1,750	-1,852	-2,222
Positions in securitisation	-	-	-	-492	-490	-486	-512	-496
Net pension assets	-	-	-13	-47	-	-	-	-174
Own shares	-466	-	-	-	-	-	-	-
Adjustments in accordance with stability filter								
Cash flow hedges	-5,331	-2,626	-1,535	490	1,518	696	831	-879
Unrealised accumulated gains, shares	-1,457	-1,070	-1,280	-1,323	-	-	-	-
Common equity tier 1 capital, gross	98,084	100,287	99,797	95,293	93,039	93,192	90,893	89,010
Threshold deductions								
Capital contributions to unconsolidated financial entities >10% CET1	-	-	-	-	-	-	-	-
Deferred tax assets >10% CET1	-	-	-	-	-	-	-	-
Amount of capital contributions and deferred tax assets >15%	-	-	-	-	-	-	-	-
Common equity tier 1 capital	98,084	100,287	99,797	95,293	93,039	93,192	90,893	89,010
Additional tier 1 instruments	8,043	7,874	7,896	7,746	10,602	10,577	10,685	11,617
Total tier 1 capital	106,127	108,161	107,693	103,039	103,641	103,769	101,578	100,627
TIER 2 CAPITAL								
Subordinated loans	17,860	17,427	17,588	17,393	3,882	4,313	7,362	7,231
Deducted items								
Tier 2 contribution in unconsolidated financial entities	-1,129	-1,129	-1,129	-1,129	-1,129	-1,129	-1,129	-1,129
Total tier 2 capital	16,731	16,298	16,459	16,264	2,753	3,184	6,233	6,102
Total own funds	122,858	124,459	124,152	119,303	106,394	106,953	107,811	106,729

* The historic comparison figures for 2013 in the table refer to CRD IV and are estimates based on the Bank's interpretation of the regulations at the respective reporting date and assuming full implementation of the regulations.

** The amount as at 30 June 2014 assumes that Handelsbanken receives the consent of the Swedish Financial Supervisory Authority to calculate the deduction for dividends based on historical ordinary dividends, i.e. excluding extraordinary dividends. The Supervisory Authority has not yet made a decision on this matter. If the deduction was instead based on the total dividend, common equity tier 1 capital would be reduced by SEK 1,776m.

Capital adequacy analysis *

	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Common equity tier 1 ratio, CRD IV	20.4%	20.7%	20.1%	19.5%	18.9%	18.8%	17.8%	17.5%
Tier 1 ratio, CRD IV	22.1%	22.3%	21.7%	21.1%	21.0%	21.0%	19.9%	19.8%
Total capital ratio, CRD IV	25.6%	25.6%	25.0%	24.5%	21.6%	21.6%	21.1%	21.0%
Own funds in relation to capital requirement according to Basel I floor	138%	141%	143%	141%	124%	125%	123%	126%

* The historic ratios for 2013 refer to CRD IV and are estimates based on the Bank's interpretation of the regulations at the respective reporting date and assuming full implementation of the regulations.

Capital requirement

SEK m	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Credit risk according to standardised approach	5,575	5,632	5,992	5,731	4,225	4,089	3,885	3,690
Credit risk according to IRB approach	26,944	27,261	28,161	27,729	28,015	28,385	29,555	29,342
Market risks	939	1,027	696	700	770	711	988	1,089
Credit value adjustment risk (CVA)	534	462	476	434	0	0	0	0
Operational risk	4,439	4,439	4,439	4,439	4,246	4,246	4,246	4,246
Total capital requirement	38,431	38,821	39,764	39,033	37,256	37,431	38,674	38,367
Adjustment according to Basel I floor	51,975	51,218	48,893	46,859	44,039	43,363	42,957	41,990
Capital requirement, Basel I floor	90,406	90,039	88,657	85,892	81,295	80,794	81,631	80,357
Total own funds, Basel I floor	124,961	126,686	126,380	121,519	100,406	101,360	102,210	101,117

Capital requirement market risks

SEK m	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013
Position risk in the trading book	927	1,018	686	691	756	701	978
Interest rate risk	908	1,003	667	675	745	690	956
<i>of which general risk</i>	566	644	459	441	493	466	568
<i>of which specific risk</i>	338	354	202	228	252	224	387
<i>of which positions in securitisation instruments</i>	0	0	0	0	0	0	1
<i>of which non-delta risk</i>	4	5	6	6	-	-	-
Equity price risk	19	15	19	16	11	11	22
<i>of which general risk</i>	3	2	3	4	3	4	6
<i>of which specific risk</i>	7	4	8	8	6	6	16
<i>of which mutual funds</i>	1	1	1	1	2	1	0
<i>of which non-delta risk</i>	8	8	7	3	-	-	-
Exchange rate risk	-	-	-	-	-	-	-
<i>of which non-delta risk</i>	-	-	-	-	-	-	-
Commodities risk	8	9	10	9	14	10	10
<i>of which non-delta risk</i>	0	0	0	1	-	-	-
Settlement risk	4	0	0	0	0	-	-
Total capital requirement for market risks	939	1,027	696	700	770	711	988

Credit risks IRB approach

Exposure after credit risk protection (EAD)

SEK m	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Corporates	958,861	948,059	939,822	918,852	915,218	924,820	936,194	934,564
<i>of which repos and securities loans</i>	14,060	6,364	7,973	8,629	8,376	13,584	12,448	9,442
<i>of which other loans foundation approach</i>	142,047	131,010	149,720	143,513	140,425	149,831	158,771	341,322
<i>of which other loans advanced approach</i>	802,754	810,685	782,129	766,710	766,417	761,405	764,975	583,800
<i>of which large companies</i>	149,446	159,265	150,042	146,069	153,810			
<i>of which medium-sized companies</i>	74,041	74,166	72,817	72,598	72,305	71,289	72,976	72,345
<i>of which property companies</i>	428,314	428,940	413,632	406,876	401,705	396,055	393,260	381,033
<i>of which housing co-operative associations</i>	150,952	148,314	145,638	141,167	138,597	135,455	133,969	130,422
Households	867,447	859,420	846,126	830,431	818,080	806,941	801,857	783,232
Private individuals	839,719	831,634	817,811	802,201	789,722	778,483	772,908	754,875
<i>of which property loans</i>	756,225	743,724	731,626	717,143	705,004	693,925	688,534	672,548
<i>of which other loans</i>	83,494	87,910	86,185	85,058	84,718	84,558	84,374	82,327
Small companies	27,728	27,786	28,315	28,230	28,358	28,458	28,949	28,357
Institutions	134,409	120,336	123,566	99,045	100,503	102,976	109,811	134,499
<i>of which repos and securities loans</i>	51,433	56,066	53,033	48,384	48,863	55,991	55,018	83,847
<i>of which other loans</i>	82,976	64,270	70,534	50,661	51,640	46,985	54,793	50,652
Equity exposures	6,102	6,508	6,491	6,581	5,693	5,509	5,227	5,464
Exposures without a counterparty	2,239	2,207	2,266	2,187	2,204	2,499	2,467	2,321
Securitisation positions	269	289	319	854	878	890	944	987
<i>of which Traditional securitisation</i>	269	289	319	854	878	890	944	987
<i>of which Synthetic securitisation</i>	-	-	-	-	-	-	-	-
Total IRB approach	1,969,327	1,936,819	1,918,590	1,857,950	1,842,576	1,843,635	1,856,500	1,861,067
<i>of which repos and securities loans</i>	65,493	62,430	61,006	57,013	57,239	69,575	67,466	93,289
<i>of which other loans foundation approach</i>	233,633	204,284	229,329	203,796	200,840	205,714	222,202	420,746
<i>of which other loans advanced approach</i>	1,670,201	1,670,105	1,628,255	1,597,141	1,584,497	1,568,346	1,566,832	1,347,032

Average risk weight, %

	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Corporates	24.1	24.6	25.6	26.1	28.4	28.6	29.7	29.9
of which repos	0.4	0.9	0.8	0.7	0.5	0.4	0.4	0.3
of which other loans basic method	32.8	34.7	33.3	33.6	35.8	35.6	36.7	42.9
of which other loans advanced method	22.9	23.1	24.4	25.0	27.4	27.8	28.8	22.7
of which large companies	48.6	46.9	51.5	51.4	52.5			
of which medium-sized companies	45.5	48.7	48.9	51.2	57.4	59.3	60.3	60.4
of which property companies	16.8	16.5	17.4	18.2	20.0	20.2	20.7	21.2
of which housing co-operative associations	3.7	3.8	3.9	4.0	5.2	5.5	5.7	6.1
Households	8.0	8.0	8.0					
Private individuals	7.3	7.4	7.4	7.5	7.3	7.4	7.4	7.4
of which property lending	5.6	5.4	5.4	5.5	5.2	5.2	5.2	5.3
of which other lending	23.2	24.1	23.9	24.2	24.6	25.5	25.5	24.2
Small companies	27.5	27.4	27.3	28.2	35.3	35.6	35.9	37.1
Institutions	12.4	14.0	17.5	16.6	11.9	11.4	11.9	8.7
of which repos	1.3	1.8	3.6	3.4	0.8	0.6	0.6	0.6
of which other lending	19.3	24.6	27.9	29.1	22.3	24.1	23.3	22.1
Equity exposures	296.8	302.0	301.8	301.2	143.6	142.2	143.7	140.3
Exposures without a counterparty	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Securitisation positions	8.8	8.0	8.1	3.2	3.1	3.1	3.2	3.5
of which Traditional securitisation	8.8	8.0	8.1	3.2	3.1	3.1	3.2	3.5
of which Synthetic securitisation	-	-	-	-	-	-	-	-
Total IRB approach	17.1	17.6	18.3	18.7	19.0	15.5	16.2	16.2
of which repos and securities lending	1.1	1.7	3.2	3.0	0.7	0.6	0.6	0.6
of which other loans basic method	35.5	40.7	39.4	41.7	36.0	36.5	36.4	39.8
of which other loans advanced method	15.2	15.3	16.0	16.3	17.5	17.8	18.4	14.7

Capital requirement

	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
SEK m								
Corporates	18,459	18,655	19,242	19,204	20,824	21,196	22,273	22,319
of which repos	5	5	5	5	3	4	4	3
of which other loans basic method	3,728	3,640	3,992	3,860	4,023	4,264	4,657	11,713
of which other loans advanced method	14,726	15,010	15,245	15,339	16,798	16,928	17,612	10,603
of which large companies	5,806	6,008	6,185	6,003	6,458			
of which medium-sized companies	2,698	2,890	2,849	2,971	3,323	3,385	3,519	3,495
of which property companies	5,773	5,662	5,759	5,914	6,435	6,392	6,515	6,467
of which housing co-operative associations	449	450	452	451	582	598	610	641
Households	5,521	5,508	5,440	5,448	5,405	5,425	5,436	5,287
Private individuals	4,910	4,898	4,821	4,812	4,604	4,615	4,604	4,445
of which property lending	3,364	3,202	3,172	3,167	2,934	2,892	2,880	2,850
of which other lending	1,546	1,696	1,648	1,645	1,670	1,723	1,724	1,595
Small companies	611	610	619	636	801	810	832	842
Institutions	1,334	1,347	1,729	1,314	954	936	1,046	934
of which repos	53	82	153	133	31	28	26	40
of which other lending	1,281	1,265	1,575	1,181	923	908	1,020	894
Equity exposures	1,449	1,572	1,567	1,586	654	627	601	613
Exposures without a counterparty	179	177	181	175	176	200	197	186
Securitisation positions	2	2	2	2	2	2	2	3
of which Traditional securitisation	2	2	2	2	2	2	2	3
of which Synthetic securitisation	-	-	-	-	-	-	-	-
Total IRB approach	26,944	27,261	28,161	27,729	28,015	28,386	29,555	29,342
of which repos and securities lending	57	87	158	138	34	32	30	43
of which other loans basic method	6,639	6,656	7,318	6,803	5,778	6,001	6,477	13,409
of which other loans advanced method	20,247	20,518	20,685	20,788	22,203	22,353	23,048	15,890

Funding

Handelsbanken is a regular issuer in both the domestic and international markets of short- as well as long-term debt. The objective is to have a well diversified funding structure in terms of currency, market and product. The Central Treasury Department has the overall responsibility for the Group's liquidity and funding. Both the maturity structure of the funding and the liquidity position are monitored closely.

Short-term funding is mainly raised through commercial paper programmes in Sweden, Europe and the United States, both in the name of Svenska Handelsbanken and Stadshypotek. These programmes are supplemented by borrowing in the international interbank market.

Long-term funding is, among other things, raised through issuance of covered bonds in the name of Stadshypotek, mainly in Swedish kronor in the domestic market, and utilisation of other available funding programmes of the bank.

In order to ensure flexibility and efficient access to the various markets, a number of funding programmes have been established. They constitute the framework for the Group's funding operations.

The Bank is aiming at having a well-balanced funding mix between covered and senior, unsecured bonds.

Funding programmes as of December 31, 2014 – The Group

Programme (in millions)	Programme size	Currency	Unutilised amount	Countervalue SEK m	Latest issue
ECP *	5,000	EUR	3,095	29,342	Dec-14
ECP (Stadshypotek) *	4,000	EUR	3,117	29,550	Oct-14
EMTCN (Stadshypotek) *	20,000	EUR	8,552	81,075	Nov-14
French Commercial Paper	7,500	EUR	6,693	63,452	Nov-14
MTN *	100,000	SEK	82,375	82,375	Dec-14
Swedish Commercial Paper	25,000	SEK	25,000	25,000	Mar-14
Swedish Commercial Paper (Stadshypotek)	90,000	SEK	90,000	90,000	Jun-13
EMTN *	50,000	USD	26,068	203,324	Mar-14
Extendible Notes	15,000	USD	7,924	61,805	May-14
Stadshypotek US 144A	15,000	USD	12,250	95,547	May-13
US 144A / 3(a)(2)	20,000	USD	10,600	82,677	Jun-14
USCP	15,000	USD	8,314	64,847	Dec-14
General funding >1 Y*	15,000	USD	14,200	110,756	May-14
AUD MTN	5,000	AUD	4,350	27,783	Apr-14
Stadshypotek AUD Covered Bond Programme	5,000	AUD	4,250	27,144	Oct-12
Samurai	400,000	JPY	274,500	17,881	Sep-14
Total				1,092,558	
Total programme (or limited) amounts, SEK m	1,664,922				
Unutilised amount, SEK m	1,092,558				
Available amount	66%				

* Under these programmes it is possible to issue in other currencies than the original programme currency. Currency conversion takes place at the time of issue.

Maturity profile

31 December 2014							
SEK bn	2015	2016	2017	2018	2019	2020	2021-
Senior bonds	20	53	48	31	43	25	31
Covered bonds	132	103	102	117	56	24	17
Extendible notes (X-notes)	49	6					
Total	201	162	150	148	99	49	48

Long-term funding

SEK bn	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Q4 2013	Q3 2013	Q2 2013	Q1 2013
Issued during the quarter								
Senior bonds	1	6	16	6	7	33	7	21
Covered bonds	47	24	37	36	39	39	51	44
Total bonds	48	30	53	42	46	72	58	65
Extendible notes							14	26
Total issued	48	30	53	42	46	72	72	91
Matured during the quarter								
	-21	-2	-71	-23	-25	-95	-10	-19
Net	27	28	-18	19	21	-23	62	72

During the fourth quarter of 2014, the issued bond volume was SEK 48 billion, with SEK 1 billion in senior unsecured bonds. The bank was active in the Euro market with issuance of covered bonds. During the fourth quarter, maturing bond volume was SEK 21 billion.

The volume of so called CD's (Certificates of Deposit) in USD amounted to USD 20.5 billion at the 31 of December 2014. This volume is to a large extent placed with the Federal Reserve and constitutes a part of the Bank's total liquidity reserve.

Selection of international issues during last 12 months

January 2014	EUR 1.5 bn Tier 2 10NC5 Subordinated +143 bps
February 2014	CHF 350 m 5Y FXD +15 bps
March 2014	EUR 1.25 bn 5Y FXD Covered bond +5bps
April 2014	AUD 450m 5Y FXD BBSW +95bps
April 2014	AUD 200m 5Y FRN BBSW +95bps
June 2014	USD 1 bn 5Y FXD T+57 bps
June 2014	USD 400 m 5Y FRN 3m \$L +49 bps
August 2014	JPY 5.9 bn 10Y FXD YOS +2 bps
August 2014	JPY 45.8 bn 5Y FXD YOS +2 bps
August 2014	JPY 10.4 bn 5Y FRN YL +9 bps
August 2014	JPY 9 bn 3Y FXD YOS +0 bps
August 2014	JPY 3.9 bn 3Y FRN YL +6 bps
November 2014	EUR 1.25 bn 7Y FXD Covered bond -2 bps

More than half of Stadshypotek's funding consists of covered bonds issued in the Swedish domestic covered bond market. This market is the core funding source for Stadshypotek.

The Swedish market is one of the largest covered bond markets in Europe. Bonds are issued on-tap on a continuous basis in a few benchmarks per issuer. Stadshypotek has nine outstanding benchmark loans, which mature between 2015 and 2022. These loans are arranged by five market makers and are non-callable bullet bonds with a fixed annual coupon. Only a small number of separate bond loans are issued, with respective final maturity dates set at intervals of about nine months. Concentrating large volumes into a small number of loans in this manner achieves good market liquidity.

At the end of the quarter, the non-domestic share of the outstanding covered bonds was 25%. The ratio of non encumbered assets to unsecured wholesale funding has continued to increase during 2014 and was 237% at the end of the year compared to 221% one year ago.

Non-Encumbered Assets (NEA)

31 December 2014		
SEK bn	NEA	Accumulated coverage ratio in % of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio	648	77%
Mortgage loans	400	125%
Other household lending	151	142%
Property company lending lowest risk class (1-3)	221	169%
Other corporate lending lowest risk class (1-3)	169	189%
Loans to credit institutions lowest risk class (1-3)	63	196%
Other corporate lending	223	223%
Other assets	117	237%
Total non-encumbered assets (NEA)	1,992	237%
Encumbered assets without underlying liabilities**	57	
Encumbered assets with underlying liabilities	768	
Total assets, Group	2,817	

31 December 2013		
SEK bn	NEA	Accumulated coverage ratio in % of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio	460	60%
Mortgage loans	340	105%
Other household lending	130	122%
Property company lending lowest risk class (1-3)	203	149%
Other corporate lending lowest risk class (1-3)	168	171%
Loans to credit institutions lowest risk class (1-3)	68	179%
Other corporate lending	224	209%
Other assets	96	221%
Total non-encumbered assets (NEA)	1,689	221%
Encumbered assets without underlying liabilities**	57	
Encumbered assets with underlying liabilities	739	
Total assets, Group	2,485	

* Issued short and long non-secured funding and due to credit institutions

** Over-collateralisation in cover pool (OC).

Assets pledged

31 December 2014								
SEK m	Central bank funding	Payment systems/ securities settlement	Repos	Covered bonds	Derivatives	Securities loans	Leases	Insurance agreements
Cash		10,088		5,000	13,061			5,380
Government instruments and bonds		43,664	196		1,985			7,896
Loans to the public		3,702		623,244			12,290	
Equities						4,983		1,091
Other								92,829
Total		57,454	196	628,244	15,046	4,983	12,290	107,196

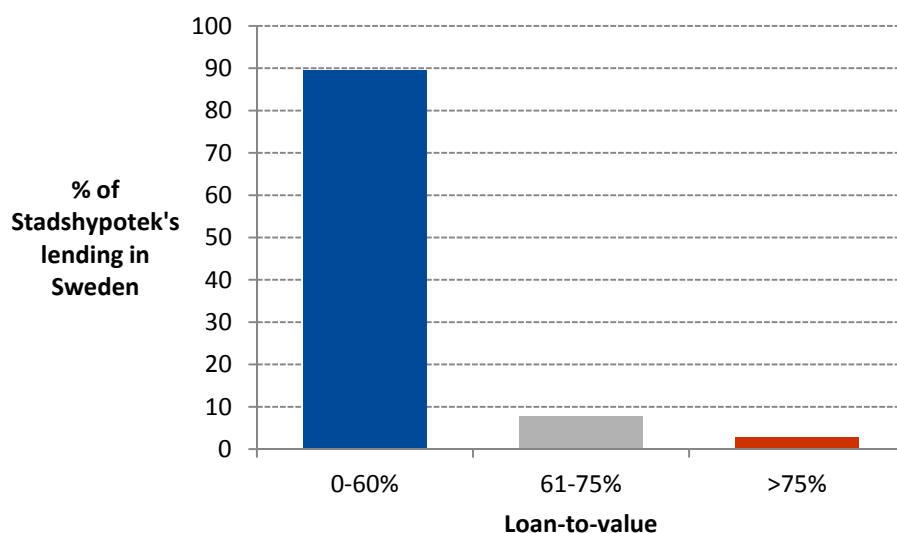
Assets pledged according to CSA agreements for outstanding derivatives since 1 January 2012: Max: 16,951 Min: 5,160 Average: 9,249

The column "Payment systems/securities settlement" refers to securities provided as collateral with central banks for the Bank's undertakings within the payment systems and collateral for securities settlement. Repos refer to securities sold under binding repurchase agreements and which are reported in the balance sheet. Covered bonds mainly consist of loans to the public which are included in the registered cover pool in favour of holdings of covered bonds issued by Stadshypotek. The amount also includes the part of the cover pool which is not utilised. Derivatives comprise cash provided as a pledge due to the Bank's outstanding undertakings under derivative contracts. Securities loans comprise securities which have been lent and also securities provided as a pledge for the Bank's overall undertakings under securities loan agreements. Leases comprise leased assets which have been pledged in favour of a third party. The assets are reported under loans to the public in the balance sheet. Insurance agreements comprise registered assets in the insurance operations and endowment insurance pledged in favour of employees or former employees.

STADSHYPOTEK

Of the total lending to the public in the Handelsbanken Group about 57% constitutes mortgage lending in Stadshypotek.

Loan-to-values in Stadshypotek's credit portfolio are low, see graph below.



Cover Pool Data, Sweden

SEK m	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Stadshypotek total lending to the public in Sweden	878,943	870,272	862,096	845,804	833,614	819,113	809,115	795,254
Assets available for Cover Pool	786,304	782,947	774,004	765,958	745,954	737,694	729,063	720,142
Assets utilized for Cover Pool	600,850	605,387	599,748	607,192	604,316	603,144	610,110	604,954
WA Max-LTV Cover Pool, as defined by ASCB								
LTV-mid	49.3%	49.5%	49.2%	49.5%	49.6%	49.3%	47.0%	47.0%
LTV-mid	25.0%	25.1%	25.0%	25.1%	25.1%	25.0%	23.5%	23.5%
LTV-distribution								
0-10%	23.9%	23.9%	23.9%	23.9%	24.1%	23.9%	26.8%	26.9%
10-20%	20.9%	20.9%	21.0%	20.9%	20.9%	20.9%	22.0%	22.0%
20-30%	18.1%	17.9%	18.2%	18.1%	18.0%	18.0%	17.8%	17.7%
30-40%	15.2%	15.1%	15.2%	15.3%	15.1%	15.2%	14.1%	14.1%
40-50%	12.3%	12.4%	12.4%	12.4%	12.3%	12.3%	10.9%	11.0%
50-60%	9.5%	9.6%	9.4%	9.5%	9.4%	9.5%	8.2%	8.1%
60-70%	0.0%	0.2%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%
70-75%	0.0%	0.1%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%
WA loan size, SEK	638,600	643,300	661,500	649,400	614,400	597,400	567,900	587,600
WA seasoning of Cover Pool, months	41	40	40	40	39	39	39	38
Interest index distribution								
Floating	50%	48%	48%	46%	42%	41%	40%	31%
Fixed rate	50%	52%	52%	54%	58%	59%	60%	69%

Liquidity

The total liquidity reserve as at 31 December, 2014 still exceeded SEK 800 billion. Balances with central banks and banks, as well as securities that are eligible as collateral with central banks, totaled SEK 648 billion (see table below). In addition, there was an unutilised issue amount for covered bonds and other liquidity-creating measures. The liquidity reserve covers the Bank's liquidity requirement for over two years, even if access to new funding in the markets were to disappear at the same time as 10% of the deposits would leave the Bank.

Balances with central banks and banks, and securities holdings in the liquidity reserve

Market value					
SEK m	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013
Cash and balances with and other lending to central banks	503,842	435,189	475,622	408,519	368,351
Balances with banks and the National Debt Office, overnight	15,467	8,531	24,022	11,809	2,182
Securities issued by governments and public entities	66,273	56,729	39,647	51,225	42,746
Covered bonds	60,623	53,298	33,934	43,340	43,318
Securities issued by non-financial companies	1,855	566	1,376	1,757	976
Securities issued by financial companies	269	687	3,554	1,942	2,505
Total	648,329	555,000	578,155	518,592	460,078
<i>of which in SEK</i>	<i>104,832</i>	<i>75,411</i>	<i>80,252</i>	<i>90,448</i>	<i>56,378</i>
<i>of which in EUR</i>	<i>93,087</i>	<i>95,251</i>	<i>100,032</i>	<i>68,143</i>	<i>59,496</i>
<i>of which in USD</i>	<i>329,059</i>	<i>279,796</i>	<i>285,902</i>	<i>277,388</i>	<i>250,024</i>
<i>of which in other currencies</i>	<i>121,351</i>	<i>104,542</i>	<i>111,969</i>	<i>82,613</i>	<i>94,180</i>

31 December 2014					
Market value, SEK m	SEK	EUR	USD	Other	Total
Cash and balances with and other lending to central banks	5,797	81,766	312,770	103,509	503,842
Balances with other banks and the National Debt Office, overnight	13,697	254	343	1,173	15,467
Securities issued by governments	38,470	7,743	15,946	3,785	65,944
Securities issued by municipalities and other public entities	158	-	-	171	329
Covered bonds, external issuers	36,765	2,710	-	11,263	50,738
Own covered bonds	8,398	86	-	1,401	9,885
Securities issued by non-financial companies	1,423	432	-	-	1,855
Securities issued by financial companies	124	96	-	49	269
Total	104,832	93,087	329,059	121,351	648,329

Liquidity Coverage Ratio (LCR)

Liquidity Coverage Ratio (LCR), %	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013
EUR	154	143	190	122	110
USD	137	175	127	158	170
Total*	140	133	149	152	128

* In accordance with the Swedish Financial Supervisory Authority's directive FFFS 2012:6.

MATURITY ANALYSIS

Maturities for financial assets and liabilities

31 December 2014 SEK m	Up to 1 mth	1 - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspec. maturity	Total
Cash and balances with central banks	505,579	-	-	-	-	-	-	505,579
central banks	78,219	-	-	-	-	-	-	78,219
Bonds and other interest-bearing securities	63,725	-	-	-	-	-	-	63,725
Loans to credit institutions	27,915	36,955	762	221	448	4,038	-	70,339
-of which reverse repos	9,574	32,564	-	-	-	-	-	42,138
Loans to the public	94,200	216,696	146,558	161,988	327,885	860,509	-	1,807,836
-of which reverse repos	23,858	-	-	-	-	-	-	23,858
Other	55,897	-	-	-	-	-	235,081	290,978
-of which shares and participating interests	46,546	-	-	-	-	-	-	46,546
-of which claims on investment banking settlements	9,351	-	-	-	-	-	-	9,351
Total	825,535	253,651	147,320	162,209	328,333	864,547	235,081	2,816,676
Due to credit institutions	108,024	58,555	781	5,102	21	5,036	22,555	200,074
-of which repos	88	-	-	-	-	-	-	88
-of which deposits from central banks	45,631	47,362	116	-	-	-	3,948	97,057
Deposits and borrowing from the public	237,129	54,785	14,658	1,645	2,757	7,661	703,632	1,022,267
-of which repos	168	-	-	-	-	-	-	168
Issued securities	79,501	300,169	149,828	169,634	412,799	100,682	-	1,212,613
-of which covered bonds	3,210	53,240	78,274	104,775	279,283	41,915	-	560,697
-of which certificates and other securities with original maturity of less than one year	72,114	238,876	46,844	-	-	-	-	357,834
-of which senior bonds and other securities with original maturity of more than one year	4,177	8,053	24,710	64,859	133,516	58,767	-	294,082
Subordinated liabilities	-	-	4,634	2,456	22,244	955	-	30,289
Other	28,608	-	-	-	-	-	322,825	351,433
-of which short positions	20,648	-	-	-	-	-	-	20,648
-of which investment banking settlement debts	7,960	-	-	-	-	-	-	7,960
Total	453,262	413,509	169,901	178,837	437,821	114,334	1,049,012	2,816,676

The table shows holdings of bonds and other interest-bearing securities in the time intervals in which they can be converted to liquidity if they are pledged as collateral or sold. This means that the table does not reflect the actual maturities for the included securities.

In "Other", assets and liabilities are reported as maturing in the time intervals that correspond to the contractual maturity dates, taking into account contractual amortisation plans.

Sight deposits are reported under "Unspecified maturity". "Other" includes market values in derivative transactions.

Maturities for assets and liabilities in USD

31 December 2014 SEK m	Up to 1 mth	1 - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspecified maturity	Total
Cash and balances with central banks	312,782	-	-	-	-	-	-	312,782
Bonds and other interest-bearing securities	28,631	-	-	-	-	-	-	28,631
Loans to credit institutions	16,297	35,126	185	6	354	2,903	-	54,871
Loans to the public	4,139	3,534	1,634	3,545	11,676	2,114	-	26,642
Other, including derivatives	40,800	132,158	3,643	16,069	66,580	7,086	-	266,336
Total assets	402,649	170,818	5,462	19,620	78,610	12,103	-	689,262
Due to credit institutions	39,856	16,258	115	-	-	-	183	56,412
Deposits and borrowing from the public	232,558	4,440	1	-	59	-	12,827	249,885
Issued securities	44,518	168,103	47,828	33,197	69,556	8,391	-	371,593
Subordinated liabilities	-	-	-	-	117	-	-	117
Other, including derivatives	-	-	-	-	-	-	11,532	11,532
Total liabilities	316,932	188,801	47,944	33,197	69,732	8,391	24,542	689,539

Maturities for assets and liabilities in EUR

31 December 2014 SEK m	Up to 1 mths	1 - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspecified maturity	Total
Cash and balances with central banks	81,932	-	-	-	-	-	-	81,932
Bonds and other interest-bearing securities	10,552	-	-	-	-	-	-	10,552
Loans to credit institutions	9,272	147	83	218	90	265	-	10,075
Loans to the public	8,400	17,623	11,147	23,701	52,645	64,486	-	178,002
Other, including derivatives	7,413	18,173	13,929	24,155	69,405	48,555	-	181,630
Total assets	117,569	35,943	25,159	48,074	122,140	113,306	-	462,191
Due to credit institutions	36,675	31,835	-	4	22	207	2,610	71,353
Deposits and borrowing from the public	3,164	12,988	4,441	145	31	-	99,299	120,068
Issued securities	12,588	45,164	17,734	24,274	78,965	58,106	-	236,831
Subordinated liabilities	-	-	4,722	-	14,165	-	-	18,887
Other, including derivatives	-	-	-	-	-	-	14,995	14,995
Total liabilities	52,427	89,987	26,897	24,423	93,183	58,313	116,904	462,134

Maturities for assets and liabilities in SEK

31 December 2014 SEK m	Up to 1 mths	1 - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspecified maturity	Total
Cash and balances with central banks	7,149	-	-	-	-	-	-	7,149
Bonds and other interest-bearing securities	95,964	-	-	-	-	-	-	95,964
Loans to credit institutions	739	980	0	-	-	-	-	1,719
Loans to the public	68,604	147,319	103,986	87,053	151,057	606,758	-	1,164,777
Total assets	172,456	148,299	103,986	87,053	151,057	606,758	-	1,269,609
Due to credit institutions	4,226	477	165	5,645	-	5,353	16,574	32,440
Deposits and borrowing from the public	9,284	13,325	7,395	1,344	2,526	7,561	402,598	444,033
Issued securities	115	44,172	83,225	91,703	221,377	18,672	-	459,264
Subordinated liabilities	-	-	-	2,344	7,964	-	-	10,308
Other, including derivatives	39,004	96,830	1,633	23,904	62,729	24,077	75,409	323,586
Total liabilities	52,629	154,804	92,418	124,940	294,596	55,663	494,581	1,269,631

Share and shareholders

The Handelsbanken share

	31 Dec 2014	30 Sep 2014	30 Jun 2014	31 Mar 2014	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013
Market capitalisation, SEK bn	233	216	208	206	201	175	171	177
Share price ordinary class A, SEK	366.60	339.50	327.10	324.80	316.00	274.90	269.20	278.50
Ordinary dividend, SEK	-	-	-	-	11.50	-	-	-
Total dividend	-	-	-	-	16.50	-	-	-
Number of converted shares	-	8,043	2,940	18,941	173,428	82,160	792,428	1,790,667
Number of repurchased shares	-	-	-	-	-	-	-	-
Holding of own shares in trading book, end of period	-	-	-	-	-	-	-	-
Number of outstanding shares after repurchases and deduction for trading book, end of period	635,675,719	635,675,719	635,667,676	635,664,736	635,645,795	635,472,367	635,390,207	634,597,779
Number of outstanding shares after dilution, end of period	657,287,517	657,500,628	657,648,638	647,937,156	647,601,239	647,601,244	647,719,618	647,835,385
Average number of shares converted during the year	29,924	29,137	20,699	5,873	2,761,416	2,642,647	2,411,947	714,286
Average holdings of own shares (repurchased and holdings in trading book)	-	-	124,324	73,587	10,079	-	280,221	374,600
Average number of outstanding shares	635,675,719	635,674,932	635,542,170	635,578,081	635,558,449	635,449,759	634,938,838	633,146,798
- after dilution	657,500,628	657,648,368	649,774,633	647,527,652	647,591,165	647,719,618	647,555,164	647,316,445

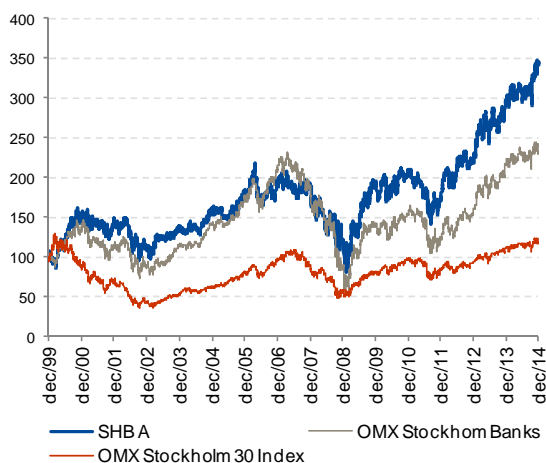
Share information

Name	SHB A
ISIN	SE0000193120
Currency	SEK
Market name	OMX STO Equities
Reuters	SHBa.ST
Bloomberg	SHBA SS

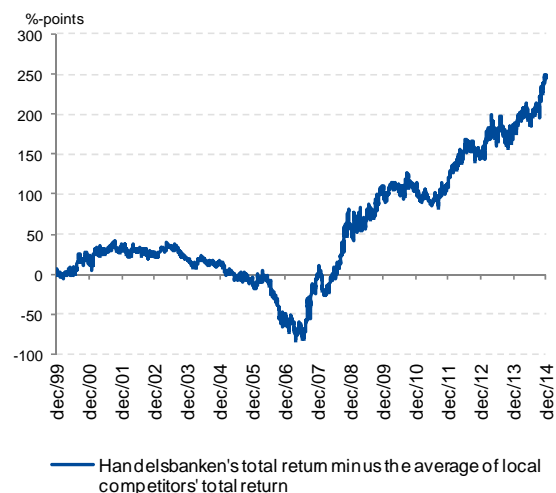
Dividend

The Board proposes that the record day for the dividend be Friday, 27 March 2015, which means that the Handelsbanken share will be traded ex-dividend on Thursday, 26 March 2015

Share performance, 31 Dec 1999 – 31 Dec 2014



Total return vs. other Swedish banks



The largest Swedish shareholders

The largest Swedish shareholders			
as at 31 December 2014	Number of shares	% of votes	% of capital
Industrivärden	64,661,679	10.3	10.2
Oktogonen Foundation	64,451,572	10.3	10.1
Lundbergs, etc	14,932,000	2.4	2.3
Swedbank Robur funds	13,159,493	2.1	2.1
Alecta	12,882,000	2.1	2.0
AMF and funds	10,771,804	1.7	1.7
Handelsbanken funds	7,800,695	1.2	1.2
SEB funds	6,467,816	1.0	1.0
4th National Swedish Pension Fund	5,264,392	0.8	0.8
J. Wallanders & T. Hedelius Stiftelse, T. Browaldhs Stiftelse	4,100,000	0.7	0.6
3rd National Swedish Pension Fund	3,980,314	0.6	0.6
SPP funds	3,693,879	0.6	0.6
Didner & Gerge funds	3,519,098	0.6	0.6
Skandia	3,484,228	0.6	0.5
Folksam	3,307,232	0.5	0.5

Contacts and Financial calendar

For further information please contact:

Mikael Hallåker, Head of Investor Relations
Phone: +46 8 701 2995, miha11@handelsbanken.se

Lars Höglund, Head of Debt Investor Relations
Tel: +46 8 701 5170, laho01@handelsbanken.se

Lars Kenneth Dahlqvist, Investor Relations officer
Phone: +46 8 701 1018, lada01@handelsbanken.se

Martin Blåvarg, Investor Relations officer
Tel: +46 8 701 1135, mabl14@handelsbanken.se

Peter Grabe, Investor Relations officer
Phone: +46 8 701 1167, pegr08@handelsbanken.se

Elizabeth Kräbring, Investor Relations coordinator
Phone: +46 8 701 5663, elkr02@handelsbanken.se

Financial calendar:

2015

4 February 2015	Highlights of Annual report 2014
25 March 2015	Annual General Meeting
29 April 2015	Interim report January – March 2015
21 July 2015	Interim report January – June 2015
21 October 2015	Interim report January – September 2015

Handelsbanken