

Fact book
2016

Q2

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This is Handelsbanken

Founded in 1871, Handelsbanken is one of the leading banks in the Nordic region, with more than 850 branches in 25 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 44 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	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Interest income	9,451	10,336	10,540	10,436	10,646	11,430	12,512	12,591
Interest expense	-2,643	-3,541	-3,569	-3,602	-3,627	-4,514	-5,629	-5,587
Net interest income	6,808	6,795	6,971	6,834	7,019	6,916	6,883	7,004
Net fee and commission income	2,280	2,170	2,343	2,308	2,359	2,310	2,228	2,133
Net gains/losses on financial transactions	523	1,162	1,503	226	451	428	264	389
Risk result - insurance	35	76	36	40	55	26	34	46
Other dividend income	222	3	2	1	275	3	2	0
Share of profit of associates	13	2	-11	18	9	1	22	2
Other income	41	35	65	34	53	61	123	56
Total income	9,922	10,243	10,909	9,461	10,221	9,745	9,556	9,630
Staff costs	-2,952	-3,668	-3,353	-2,953	-3,149	-3,126	-3,026	-2,943
Other expenses	-1,346	-1,303	-1,442	-1,197	-1,336	-1,228	-1,418	-1,166
Depreciation, amortisation and impairments of property, equipment and intangible assets	-119	-125	-112	-126	-122	-127	-108	-121
Total expenses	-4,417	-5,096	-4,907	-4,276	-4,607	-4,481	-4,552	-4,230
Profit before loan losses	5,505	5,147	6,002	5,185	5,614	5,264	5,004	5,400
Net loan losses	-229	-187	-475	-458	-359	-305	-697	-497
Gains/losses on disposal of property, equipment and intangible assets	1	7	6	4	1	-4	4	1
Operating profit	5,277	4,967	5,533	4,731	5,256	4,955	4,311	4,904
Taxes	-1,091	-929	-1,076	-1,028	-1,110	-1,063	-935	-1,022
Profit for the period from continuing operations	4,186	4,038	4,457	3,703	4,146	3,892	3,376	3,882
Profit for the period pertaining to discontinued operations, after tax	8	5	44	55	27	19	-34	17
Profit for the period	4,194	4,043	4,501	3,758	4,173	3,911	3,342	3,899
Attributable to								
Shareholders in Svenska Handelsbanken AB	4,194	4,042	4,501	3,757	4,173	3,911	3,342	3,899
Minority interest	0	1	0	1	0	0	0	0

Earnings per share

	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Profit for the year, attributable to shareholders in Svenska Handelsbanken AB	4,194	4,042	4,501	3,757	4,173	3,911	3,342	3,899
- of which interest expense on convertible subordinated loan after tax	-41	-46	-46	-46	-52	-55	-62	-49
Average number of outstanding shares, million	1,919.9	1,907.0	1,907.0	1,907.0	1,907.0	1,907.0	1,907.0	1,907.0
Average number of outstanding shares after dilution, million	1,976.2	1,972.7	1,972.9	1,973.4	1,974.0	1,971.9	1,972.5	1,972.9
Earnings per share, continuing operations, SEK	2.18	2.12	2.34	1.94	2.18	2.04	1.77	2.03
- after dilution	2.14	2.07	2.28	1.90	2.13	2.00	1.75	1.99
Earnings per share, discontinued operations, SEK	0.01	0.00	0.02	0.03	0.01	0.01	-0.02	0.01
- after dilution	0.01	0.00	0.02	0.03	0.01	0.01	-0.02	0.01
Earnings per share, total operations, SEK	2.19	2.12	2.36	1.97	2.19	2.05	1.75	2.04
- after dilution	2.15	2.07	2.30	1.93	2.14	2.01	1.73	2.00

A stock split 3:1 was carried out in May 2015. The comparison figures in the above table have been adjusted for the new number of shares.

Consolidated statement of other comprehensive income

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Profit for the period	4,194	4,043	4,501	3,758	4,173	3,911	3,342	3,899
Other comprehensive income								
Items that may not subsequently be reclassified to profit or loss								
Defined-benefit plans	-2,597	1,501	495	-2,382	-2,500	1,235	-440	-2,962
Taxes on items that cannot be reclassified into profit or loss	568	-328	-107	523	548	-276	96	651
Total items that may not subsequently be reclassified to profit or loss	-2,029	1,173	388	-1,859	-1,952	959	-344	-2,311
Items that can be reclassified into profit or loss								
Cash flow hedges	1,442	3,526	-1,691	2,792	-2,853	1,251	3,468	1,399
Available-for-sale instruments	529	-1,101	-947	196	18	1,415	455	-250
Translation differences for the period <i>of which hedging net investment in foreign operations</i>	1,063 -10	-1,018 -208	-2,034 -669	-879 -349	-596 -266	1,796 890	397 -364	1,218 334
Taxes on items that can be reclassified into profit or loss <i>of which cash flow hedges</i>	-316 -317	-672 -776	616 372	-544 -614	689 627	-546 -275	-740 -763	-328 -308
<i>of which available-for-sale instruments</i> <i>of which hedging net investment in foreign operations</i>	-1 2	58 46	97 147	-7 77	3 59	-75 -196	-57 80	54 -74
Total items that can be reclassified into profit or loss	2,718	735	-4,056	1,565	-2,742	3,916	3,580	2,039
Total other comprehensive income for the period	689	1,908	-3,668	-294	-4,694	4,875	3,236	-272
Total comprehensive income for the period	4,883	5,951	833	3,464	-521	8,786	6,578	3,627
Attributable to								
Shareholders in Svenska Handelsbanken AB	4,883	5,950	834	3,463	-521	8,786	6,578	3,627
Minority interest	0	1	-1	1	0	0	0	0

Handelsbanken Group - Key figures

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Return on equity, total operations *	14.2%	13.1%	14.8%	12.7%	14.5%	12.9%	11.4%	13.8%
Return on equity, continuing operations*	14.2%	13.1%	14.7%	12.5%	14.4%	12.8%	11.5%	13.7%
C/I ratio, continuing operations	44.5%	49.8%	45.0%	45.2%	45.1%	46.0%	47.6%	43.9%
C/I ratio, continuing operations, incl. loan losses	46.8%	51.6%	49.3%	50.0%	48.6%	49.1%	54.9%	49.1%
Adjusted equity per share, SEK	62.83	60.88	65.14	64.02	63.32	62.41	64.13	62.12
Common equity tier 1 ratio, CRD IV	23.0%	22.7%	21.2%	21.4%	21.3%	21.1%	20.4%	20.7%
Total capital ratio, CRD IV	28.9%	28.8%	27.2%	27.4%	28.4%	28.2%	25.6%	25.6%
Own funds in relation to capital requirement according to Basel I floor	142%	139%	137%	140%	149%	153%	138%	141%
Average number of employees, continuing operations	11,716	11,835	11,825	12,137	11,696	11,618	11,585	11,924
Number of branches in Sweden	463	463	463	463	463	463	463	462
Number of branches in Great Britain	204	200	197	195	187	180	178	173
Number of branches in Denmark	57	57	57	57	57	57	57	57
Number of branches in Finland	45	46	46	46	46	46	46	46
Number of branches in Norway	50	50	50	51	51	51	51	51
Number of branches in Netherlands	23	23	23	23	22	22	20	20
Number of branches in other countries	13	13	13	17	17	17	17	19
Total number of branches	855	852	849	852	843	836	832	828

* 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.

Calculation of key figures

Return on equity

= Profit for the period on a full-year basis in relation to average adjusted equity

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Equity	129,582	122,777	128,268	127,435	123,971	124,492	126,827	120,249
Adjustment defined benefit pension plans	2,317	288	1,461	1,849	-10	-1,962	-1,002	-1,347
Adjustment fair value reserve	-1,509	-981	-2,024	-2,874	-2,685	-2,664	-1,324	-926
Adjustment hedge reserve	-8,815	-7,690	-4,940	-6,259	-4,082	-6,306	-5,331	-2,626
Reversed weighted dividend	0	9,556	0	0	0	10,383	0	0
Total adjusted equity	121,575	123,951	122,765	120,151	117,195	123,942	119,170	115,350
Adjusted equity, average *	117,985	123,358	121,458	118,673	115,377	121,556	117,260	112,925
Adjustment for impact of conversions on adjusted equity, quarterly average	-961	0	-1	-1	-1	-1	-6	-5
Actual quarterly average of converted shares	856	0	1	1	1	0	6	6
Capital Markets's holdings of SHB shares, average	0	0	0	0	0	0	0	0
Adjusted equity, quarterly average	117,880	123,358	121,458	118,673	115,377	121,555	117,260	112,926
Profit for the period	4,194	4,043	4,501	3,758	4,173	3,911	3,342	3,899
Return on equity, total operations	14.2%	13.1%	14.8%	12.7%	14.5%	12.9%	11.4%	13.8%

* Opening balance for the period adjusted for weighted dividend.

Adjusted equity per share

= Total adjusted equity in relation to the number of outstanding shares after dilution

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Equity	129,582	122,777	128,268	127,435	123,971	124,492	126,827	120,249
Adjustment minority share	-5	-5	-4	-5	-4	-4	-3	-3
Adjustment hedge reserve	-8,815	-7,690	-4,940	-6,259	-4,082	-6,306	-5,331	-2,626
Outstanding convertible loan (included in subordinated liabilities item)	3,374	5,237	5,183	5,129	5,075	5,023	4,971	4,920
Total adjusted equity	124,136	120,319	128,507	126,300	124,960	123,205	126,464	122,540
Number of outstanding shares after dilution (millions)	1,976	1,976	1,973	1,973	1,973	1,974	1,972	1,973
Adjusted shareholders' equity per share, SEK	62.83	60.88	65.14	64.02	63.32	62.41	64.13	62.12

Loan loss ratio

= Loan losses on a full-year basis in relation to lending at the start of the year

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Loan losses	-229	-187	-475	-458	-359	-305	-697	-497
Loans to the public, at beginning of year	1,866,467	1,866,467	1,807,836	1,807,836	1,807,836	1,807,836	1,696,339	1,696,339
Loans to other credit institutions excl. banks, at beginning of year	26,941	26,941	45,606	45,606	45,606	45,606	36,521	36,521
Guarantees (loans), at beginning of year	9,750	9,750	10,335	10,335	10,335	10,335	8,371	8,371
Assets repossessed for protection of claims, carrying amount	460	460	488	488	488	488	477	477
Total lending at beginning of year	1,903,618	1,903,618	1,864,265	1,864,265	1,864,265	1,864,265	1,741,708	1,741,708
Loan loss ratio	-0.05%	-0.04%	-0.10%	-0.10%	-0.08%	-0.07%	-0.16%	-0.11%

One-offs and special items

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Benchmark effect in Stadshypotek	-29	35	-56	-36	5	-18	-15	33
Oktogonen (The Bank's profit-sharing system)			-438	-22	-199	-199	-246	-183
Performance-related remuneration	-25	-31	-20	-19	-39	-36	-46	-31
Fee to the Swedish Financial Supervisory Authority					-35			
Reallocations of the Bank's shareholdings (NFT)								
Capital gains from the sale of shares in SCA			1,207					
Capital gains from the sale of shares, MasterCard & VISA		827						
Provision for early retirement of staff		-700						
Dividend and capital gains from the sale of shares in VISA Europe	145							
Total	91	131	693	-77	-268	-253	-307	-181

Change in pension cost for defined benefit pensions (IAS 19) compared to the previous year	-57	-57	-49	-49	-49	-49	-3	-3
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Expansion costs for branches opened last 8 quarters	-95	-95	-110	-116	-110	-128	-134	-130
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Fees for the Resolution Fund etc.

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Swedish Resolution Fund								
Handelsbanken Sweden (NII)	-98	-106	-115	-111	-107	-105	-127	-100
Handelsbanken UK (NII)	-16	-17	-20	-18	-17	-16	-17	-14
Handelsbanken Denmark (NII)	-7	-8	-8	-8	-7	-8	-8	-7
Handelsbanken Finland (NII)	-10	-11	-8	-10	-10	-10	-11	-10
Handelsbanken Norway (NII)	-20	-21	-17	-20	-20	-19	-22	-19
Handelsbanken Netherlands (NII)	-2	-2	-3	-2	-1	-2	-2	-1
Handelsbanken Capital Markets (NII)	-18	-19	18	-14	-16	-15	-16	-14
Other (NII)	-65	-71	65	-63	-58	-59	-56	-51
Total fees for the Swedish Resolution Fund *	-236	-255	-88	-246	-236	-234	-259	-216

Swedish deposit guarantee

Handelsbanken Sweden (NII)	-63	-63	-58	-52	-61	-62	-58	-57
Handelsbanken UK (NII)	-5	-5	-4	-4	-5	-4	-2	-3
Handelsbanken Denmark (NII)	-4	-4	-4	-3	-3	-4	-2	-3
Handelsbanken Finland (NII)	-3	-3	-3	-3	-4	-3	-3	-3
Handelsbanken Norway (NII)	-5	-5	-7	-4	-5	-5	-6	-4
Handelsbanken Netherlands (NII)	0	0	0	-	0	0	0	0
Handelsbanken Capital Markets (NII)	-1	0	0	-	-1	0	0	-1
Other (NII)	-	-	-	-	-	-	-	-
Total fees for Swedish deposit guarantee	-81	-80	-76	-66	-79	-78	-71	-71

Danish deposit guarantee

Handelsbanken Denmark (NII)	-	-	-2	-3	-3	-3	-3	-3
Handelsbanken Denmark (expenses)	-	-	-	-	-	-	-	-
Total fees to Danish deposit guarantee	-	-	-2	-3	-3	-3	-3	-3

Norwegian deposit guarantee

Handelsbanken Norway (NII)	-1	-1	-1	-1	-1	-1	0	-1
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State fees outside home markets

Handelsbanken Capital Markets (NII)	-	0	0	0	0	0	0	0
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Total	-318	-336	-167	-316	-319	-316	-333	-291
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* The figures up to Q4 2015 refer to fees for the Swedish Stabilisation fund.

Exchange rates

SEK, End of period (Balance sheet)	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	Change y/y	Change q/q
DKK	1.2675	1.2385	1.2295	1.2618	1.2381	2%	2%
EUR	9.4303	9.2267	9.1745	9.4128	9.2368	2%	2%
GBP	11.3964	11.6337	12.4468	12.7626	12.9941	-12%	-2%
NOK	1.0129	0.9769	0.9606	0.9872	1.0528	-4%	4%
USD	8.4966	8.0962	8.4015	8.4196	8.2573	3%	5%

SEK, Average as from 1 Jan (Income statement)	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	Change y/y	Change q/q
DKK	1.2485	1.2503	1.2545	1.2568	1.2528	0%	0%
EUR	9.3011	9.3279	9.3569	9.3734	9.3412	0%	0%
GBP	11.9436	12.0964	12.8998	12.8979	12.7639	-6%	-1%
NOK	0.9876	0.9797	1.0470	1.0636	1.0805	-9%	1%
USD	8.3350	8.4591	8.4396	8.4190	8.3834	-1%	-1%

The effect of exchange rate movements - Home markets outside Sweden

Jan - Jun 2016 vs. same period last year

SEK m	GB	DK	FI	NO	NL	HCM	Total
Net interest income	-139	-3	-3	-133	-1	-2	-281
Net fee and commission income	-13	-1	-1	-18	0	-1	-34
Net result of financial transactions	-6	0	0	-2	0	-1	-9
Other income	0	0	0	-1	0	0	-1
Total income	-158	-4	-4	-154	-1	-4	-325
Staff costs	60	1	1	32	0	3	97
Other administrative expenses	23	1	1	21	0	1	47
Depreciation and amortisation	1	0	0	1	0	0	2
Total expenses	84	2	2	54	0	4	146
Net loan losses	7	0	0	11	0	0	18
Operating profit	-67	-2	-2	-89	-1	0	-161

Q2 2016 vs. previous quarter

SEK m	GB	DK	FI	NO	NL	HCM	Total
Net interest income	-27	-1	-2	12	-1	-1	-20
Net fee and commission income	-3	0	-1	1	0	-1	-4
Net result of financial transactions	-1	0	0	0	0	0	-1
Other income	0	0	0	0	0	0	0
Total income	-31	-1	-3	13	-1	-2	-25
Staff costs	12	0	1	-3	0	1	11
Other administrative expenses	5	0	1	-2	0	1	5
Depreciation and amortisation	0	0	0	0	0	0	0
Total expenses	17	0	2	-5	0	2	16
Net loan losses	1	0	0	-2	0	0	-1
Operating profit	-13	-1	-1	6	-1	0	-10

Net interest income

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Interest income								
Loans to credit institutions and central banks	391	481	330	333	323	370	389	399
Loans to the public	9,759	9,812	9,971	10,274	10,616	11,102	11,695	12,370
Interest-bearing securities eligible as collateral with central banks	109	118	126	192	217	116	189	160
Interest-bearing securities	232	193	172	186	363	194	222	240
Derivative instruments	-1,218	-419	-253	-645	-878	-610	-160	-779
Other interest income	329	311	345	335	358	339	267	358
Total interest income	9,602	10,496	10,691	10,675	10,999	11,511	12,602	12,748
on financial transactions	151	160	151	239	353	81	90	157
Interest income according to income statement	9,451	10,336	10,540	10,436	10,646	11,430	12,512	12,591
Interest expense								
Due to credit institutions and central banks	-261	-282	-226	-204	-237	-241	-260	-282
Deposits and borrowing from the general public	-382	-404	-377	-425	-484	-595	-718	-856
Issued securities	-4,582	-4,392	-4,421	-4,502	-4,408	-4,835	-5,057	-5,170
Derivative instruments	3,210	2,213	2,027	2,238	2,268	1,831	1,118	1,332
Subordinated liabilities	-384	-389	-425	-457	-438	-375	-341	-318
Other interest expense	-442	-407	-225	-428	-566	-355	-411	-350
Total interest expense	-2,841	-3,661	-3,647	-3,778	-3,865	-4,570	-5,669	-5,644
Of which interest expense reported in Net gains/losses on financial transactions	-198	-120	-78	-176	-238	-56	-40	-57
Interest expense according to income statement	-2,643	-3,541	-3,569	-3,602	-3,627	-4,514	-5,629	-5,587
Net interest income	6,808	6,795	6,971	6,834	7,019	6,916	6,883	7,004

Net fee and commission income

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Brokerage and other securities commissions	229	233	266	212	271	322	261	222
Mutual funds	717	695	743	743	775	726	667	649
Custody and other asset management fees	148	147	150	147	156	147	139	136
Advisory services	98	104	89	96	91	50	73	51
Insurance	151	158	155	158	145	181	155	161
Payments	795	718	852	890	848	774	828	813
Loans and deposits	290	280	296	257	266	277	291	272
Guarantees	108	99	108	102	103	108	106	109
Other	127	119	122	117	118	114	128	117
Commission income	2,663	2,553	2,781	2,722	2,773	2,699	2,648	2,530
Securities	-70	-66	-59	-51	-69	-65	-49	-47
Payments	-293	-300	-359	-347	-326	-305	-345	-331
Other	-20	-17	-20	-16	-19	-19	-26	-19
Commission expense	-383	-383	-438	-414	-414	-389	-420	-397
Net fee and commission income	2,280	2,170	2,343	2,308	2,359	2,310	2,228	2,133

Net gains/losses on financial transactions

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Trading, derivatives, FX effect etc	-90	-267	719	32	1,212	2	-266	-230
Other financial instruments at fair value in profit/loss	447	583	-416	225	-775	469	588	529
of which interest-bearing securities	455	585	-346	241	-773	477	551	534
of which loans	-8	-2	-70	-16	-2	-8	37	-5
Financial instruments at amortised cost	56	36	-38	53	47	-9	-65	50
of which loans	127	86	94	154	135	99	158	149
of which liabilities	-71	-50	-132	-101	-88	-108	-223	-99
Financial instruments available for sale	89	827	1,192	0	-5	16	-1	60
Hedge accounting	36	0	93	-48	-16	-50	9	-19
of which net gains/losses on fair value hedges	10	2	72	-49	-20	-56	-2	-21
Gains/losses on unbundled insurance contracts	-15	-17	-47	-36	-12	0	-1	-1
Net gains/losses on financial transactions	523	1,162	1,503	226	451	428	264	389

Other expenses

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Property and premises	-303	-308	-320	-304	-314	-305	-297	-291
External IT costs	-420	-408	-438	-373	-421	-391	-439	-376
Communication	-80	-85	-89	-82	-83	-88	-87	-83
Travel and marketing	-85	-68	-103	-67	-93	-72	-105	-65
Purchased services	-298	-264	-304	-239	-249	-235	-292	-218
Supplies	-43	-45	-47	-45	-43	-47	-63	-52
Other expenses	-117	-125	-141	-87	-133	-90	-135	-81
Other expenses	-1,346	-1,303	-1,442	-1,197	-1,336	-1,228	-1,418	-1,166

Loan losses

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Specific provision for individually assessed loans								
Provision for the period	-297	-344	-494	-499	-430	-409	-619	-556
Reversal of previous provisions	76	57	102	114	61	95	50	53
Total	-221	-287	-392	-385	-369	-314	-569	-503
Collective provisions								
Net provision for the period for individually assessed loans	-4	7	-15	-38	15	38	53	26
Net provision for the period for homogeneous loans	0	1	-7	6	0	-2	-2	0
Total	-4	8	-22	-32	15	36	51	26
Off-balance sheet items								
Losses on off-balance sheet items	-2	-2	0	0	0	0	-2	6
Reversal of previous losses on off-balance-sheet items	2	-	0	-	-	-	0	0
Change in collective provision for off-balance-sheet items	-10	15	-6	-3	1	-25	0	1
Total	-10	13	-6	-3	1	-25	-2	7
Write-offs								
Actual loan losses for the period	-142	-1,215	-296	-235	-228	-205	-604	-203
Utilised share of previous provisions	114	1,195	195	150	153	161	284	131
Recoveries	34	99	46	47	69	42	143	45
Total	6	79	-55	-38	-6	-2	-177	-27
Net loan losses	-229	-187	-475	-458	-359	-305	-697	-497

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	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Impaired loans	7,427	7,390	8,844	8,863	8,979	8,903	8,702	7,156
Specific provision for individually assessed loans	-3,671	-3,517	-4,444	-4,320	-4,077	-3,888	-3,734	-3,405
Provision for collectively assessed homogeneous groups of loans with limited value	-94	-93	-94	-88	-93	-93	-93	-88
Collective provisions for individually assessed loans	-279	-272	-278	-266	-230	-246	-284	-339
Impaired loans, net	3,383	3,508	4,028	4,189	4,579	4,676	4,591	3,324
Total impaired loans reserve ratio	54.4%	52.5%	54.5%	52.7%	49.0%	47.5%	47.2%	53.5%
Proportion of impaired loans	0.17%	0.18%	0.21%	0.22%	0.24%	0.25%	0.25%	0.18%
Impaired loans reserve ratio excl. collective provisions	50.7%	48.8%	51.3%	49.7%	46.4%	44.7%	44.0%	48.8%
Loan loss ratio as a % of loans, quarterly	0.05%	0.04%	0.10%	0.10%	0.08%	0.07%	0.16%	0.11%
Loans past due > 60 days	4,629	4,473	4,657	5,286	5,737	6,389	6,676	6,024
Loans past due > 60 days, which are not impaired	1,229	1,270	1,218	1,504	1,853	1,989	2,133	2,058

Segment information

Operating profit per segment, quarterly

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Handelsbanken Sweden	3,132	2,317	2,779	3,006	3,102	3,223	3,149	3,069
Handelsbanken UK	568	536	559	561	610	473	421	442
Handelsbanken Denmark	216	246	207	72	273	264	-86	146
Handelsbanken Finland	225	183	238	251	211	260	172	296
Handelsbanken Norway	628	492	566	565	583	535	597	656
Handelsbanken Netherlands	25	28	17	25	16	14	20	23
Capital Markets	417	365	316	335	399	483	402	439
O her	127	854	831	-43	123	-255	-391	-168
Adjustments & eliminations	-61	-54	20	-41	-61	-42	27	1
Operating profit, Group	5,277	4,967	5,533	4,731	5,256	4,955	4,311	4,904

Total income per segment

SEK m	Q2 2016	Q1 2016	Change	Q2 2015	Change	Jan-Jun 2016	Jan-Jun 2015	Change	Full year 2015
Handelsbanken Sweden	5,139	4,906	5%	5,230	-2%	10,045	10,387	-3%	20,341
Handelsbanken UK	1,310	1,286	2%	1,301	1%	2,596	2,512	3%	5,223
Handelsbanken Denmark	522	527	-1%	565	-8%	1,049	1,130	-7%	2,208
Handelsbanken Finland	444	427	4%	462	-4%	871	932	-7%	1,831
Handelsbanken Norway	986	895	10%	963	2%	1,881	1,930	-3%	3,768
Handelsbanken Netherlands	106	101	5%	87	22%	207	169	22%	356
Handelsbanken Capital Markets	1,279	1,197	7%	1,279	0%	2,476	2,638	-6%	5,006
O her	136	904	-85%	334	-59%	1,040	268	288%	1,603
Adjustments & eliminations	-	-	-	-	-	-	-	-	-
Total income	9,922	10,243	-3%	10,221	-3%	20,165	19,966	1%	40,336

Total expenses per segment

SEK m	Q2 2016	Q1 2016	Change	Q2 2015	Change	Jan-Jun 2016	Jan-Jun 2015	Change	Full year 2015
Handelsbanken Sweden	-1,924	-2,564	-25%	-1,892	2%	-4,488	-3,749	20%	-7,466
Handelsbanken UK	-715	-712	0%	-676	6%	-1,427	-1,318	8%	-2,784
Handelsbanken Denmark	-269	-275	-2%	-272	-1%	-544	-549	-1%	-1,101
Handelsbanken Finland	-208	-221	-6%	-200	4%	-429	-396	8%	-788
Handelsbanken Norway	-294	-300	-2%	-336	-13%	-594	-673	-12%	-1,303
Handelsbanken Netherlands	-82	-73	12%	-68	21%	-155	-136	14%	-282
Handelsbanken Capital Markets	-855	-842	2%	-884	-3%	-1,697	-1,757	-3%	-3,469
O her	-9	-55	-84%	-218	-96%	-64	-407	-84%	-954
Adjustments & eliminations	-61	-54	-13%	-61	0%	-115	-103	12%	-124
Total expenses	-4,417	-5,096	-13%	-4,607	-4%	-9,513	-9,088	5%	-18,271

Operating profit per segment

SEK m	Q2 2016	Q1 2016	Change	Q2 2015	Change	Jan-Jun 2016	Jan-Jun 2015	Change	Full year 2015
Handelsbanken Sweden	3,132	2,317	35%	3,102	1%	5,449	6,325	-14%	12,110
Handelsbanken UK	568	536	6%	610	-7%	1,104	1,083	2%	2,203
Handelsbanken Denmark	216	246	-12%	273	-21%	462	537	-14%	816
Handelsbanken Finland	225	183	23%	211	7%	408	471	-13%	960
Handelsbanken Norway	628	492	28%	583	8%	1,120	1,118	0%	2,249
Handelsbanken Netherlands	25	28	-11%	16	56%	53	30	77%	72
Handelsbanken Capital Markets	417	365	14%	399	5%	782	882	-11%	1,533
O her	127	854	-85%	123	3%	981	-132	-6%	656
Adjustments & eliminations	-61	-54	-13%	-61	0%	-115	-103	-12%	-124
Operating profit	5,277	4,967	6%	5,256	0%	10,244	10,211	0%	20,475

Handelsbanken Sweden

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	3,813	3,759	3,775	3,717	3,900	3,886	3,968	4,025
Net fee and commission income	1,080	1,004	1,143	1,154	1,187	1,135	1,077	975
Net gains/losses on financial transactions	242	132	50	94	138	101	88	82
Other income	4	11	16	5	5	35	29	31
Total income	5,139	4,906	4,984	4,970	5,230	5,157	5,162	5,113
Staff costs	-920	-1,606	-908	-910	-922	-880	-858	-904
Other expenses	-310	-280	-324	-266	-303	-270	-353	-315
Internal purchased and sold services	-677	-658	-636	-630	-646	-683	-682	-577
Depreciation, amortisation and impairments of property, equipment and intangible assets	-17	-20	-21	-22	-21	-24	-20	-27
Total expenses	-1,924	-2,564	-1,889	-1,828	-1,892	-1,857	-1,913	-1,823
Profit before loan losses	3,215	2,342	3,095	3,142	3,338	3,300	3,249	3,290
Net loan losses	-84	-24	-317	-136	-236	-74	-100	-221
Gains/losses on disposal of property, equipment and intangible assets	1	-1	1	0	0	-3	0	0
Operating profit	3,132	2,317	2,779	3,006	3,102	3,223	3,149	3,069
Profit allocation	224	202	236	279	224	196	267	262
Operating profit after profit allocation	3,356	2,519	3,015	3,285	3,326	3,419	3,416	3,331
Cost/income ratio, %	35.9	50.2	36.2	34.8	34.7	34.7	35.2	33.9
Loan loss ratio, %	0.03	0.01	0.11	0.05	0.08	0.03	0.04	0.08
Allocated capital	68,642	74,375	71,894	68,490	65,768	71,297	69,165	65,853
Return on allocated capital, %	15.3	10.6	13.1	15.0	15.8	15.0	15.4	15.8
Average number of employees	4,300	4,412	4,427	4,713	4,385	4,348	4,355	4,545
Number of branches	463	463	463	463	463	463	463	462

Business volumes, Handelsbanken Sweden

Average volumes, SEK bn	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Loans to the public*								
Household	736	721	709	693	680	668	660	651
of which mortgage loans	681	667	654	639	626	615	606	597
Corporate	481	482	478	475	476	478	477	483
of which mortgage loans	272	274	273	270	268	269	268	270
Total	1,217	1,203	1,187	1,168	1,156	1,146	1,137	1,134
Deposits and borrowing from the public								
Household	291	281	276	269	258	248	245	241
Corporate	200	197	199	194	193	187	176	160
Total	491	478	475	463	451	435	421	401

* Excluding loans to the National Debt Office.

Handelsbanken UK

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	1,102	1,116	1,193	1,180	1,140	1,057	963	933
Net fee and commission income	132	119	130	114	105	103	96	89
Net gains/losses on financial transactions	76	50	47	44	54	49	40	45
Other income	-	1	2	1	2	2	3	8
Total income	1,310	1,286	1,372	1,339	1,301	1,211	1,102	1,075
Staff costs	-462	-473	-480	-482	-463	-445	-401	-393
Other expenses	-105	-106	-135	-104	-99	-91	-105	-78
Internal purchased and sold services	-137	-120	-129	-116	-109	-101	-87	-94
Depreciation, amortisation and impairments of property, equipment and intangible assets	-11	-13	-11	-9	-5	-5	-5	-2
Total expenses	-715	-712	-755	-711	-676	-642	-598	-567
Profit before loan losses	595	574	617	628	625	569	504	508
Net loan losses	-26	-41	-57	-65	-7	-95	-86	-66
Gains/losses on disposal of property, equipment and intangible assets	-1	3	-1	-2	-8	-1	3	0
Operating profit	568	536	559	561	610	473	421	442
Profit allocation	7	8	9	8	8	9	12	6
Operating profit after profit allocation	575	544	568	569	618	482	433	448
Cost/income ratio, %	54.3	55.0	54.7	52.8	51.6	52.6	53.7	52.5
Loan loss ratio, %	0.05	0.08	0.13	0.15	0.02	0.22	0.25	0.19
Allocated capital	10,263	10,911	10,452	10,723	10,527	9,798	9,430	8,600
Return on allocated capital, %	17.5	15.6	17.0	16.5	18.3	15.3	14.4	16.2
Average number of employees	1,957	1,912	1,883	1,850	1,755	1,689	1,638	1,608
Number of branches	204	200	197	195	187	180	178	173

Handelsbanken UK, in local currency

GBP m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	93.4	92.3	92.5	89.7	88.4	83.7	82.2	80.4
Net fee and commission income	11.2	9.8	10.2	8.6	8.2	8.1	8.2	7.7
Net gains/losses on financial transactions	6.5	4.1	3.6	3.3	4.1	4.0	3.4	3.9
Other income	0.0	0.1	0.1	0.1	0.2	0.1	0.3	0.6
Total income	111.1	106.3	106.4	101.7	100.9	95.9	94.1	92.6
Staff costs	-39.2	-39.1	-37.3	-36.6	-35.9	-35.2	-34.3	-33.9
Other expenses	-8.9	-8.8	-10.4	-7.9	-7.7	-7.2	-9.1	-6.6
Internal purchased and sold services	-11.5	-10.0	-10.2	-8.8	-8.3	-8.1	-7.3	-8.0
Depreciation, amortisation and impairments of property, equipment and intangible assets	-1.0	-1.0	-0.8	-0.7	-0.4	-0.4	-0.3	-0.3
Total expenses	-60.6	-58.9	-58.7	-54.0	-52.3	-50.9	-51.0	-48.8
Profit before loan losses	50.5	47.4	47.7	47.7	48.6	45.0	43.1	43.8
Net loan losses	-2.2	-3.4	-4.4	-4.9	-0.5	-7.5	-7.5	-5.8
Gains/losses on disposal of property, equipment and intangible assets	-0.1	0.3	0.0	-0.2	-0.6	-0.1	0.4	0.1
Operating profit	48.2	44.3	43.3	42.6	47.5	37.4	36.0	38.1
Profit allocation	0.5	0.7	0.7	0.6	0.6	0.7	1.1	0.5
Operating profit after profit allocation	48.7	45.0	44.0	43.2	48.1	38.1	37.1	38.6

Business volumes, Handelsbanken UK

Average volumes, GBP m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Loans to the public								
Household	5,456	5,288	5,094	4,900	4,709	4,532	4,352	4,138
Corporate	10,847	10,566	10,357	10,136	9,913	9,697	9,587	9,144
Total	16,303	15,854	15,451	15,036	14,622	14,229	13,939	13,282
Deposits and borrowing from the public								
Household	2,425	2,060	1,948	1,832	1,681	1,526	1,454	1,335
Corporate	7,051	6,744	6,744	6,828	6,628	6,105	6,267	6,466
Total	9,476	8,804	8,692	8,660	8,309	7,631	7,721	7,801

Handelsbanken Denmark

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	405	409	418	417	424	419	421	420
Net fee and commission income	93	98	102	92	114	128	99	84
Net gains/losses on financial transactions	18	17	24	18	22	13	15	68
Other income	6	3	3	4	5	5	3	4
Total income	522	527	547	531	565	565	538	576
Staff costs	-155	-159	-160	-162	-152	-155	-149	-148
Other expenses	-41	-44	-46	-42	-44	-46	-53	-41
Internal purchased and sold services	-69	-69	-70	-64	-73	-72	-81	-65
Depreciation, amor isation and impairments of property, equipment and intangible assets	-4	-3	-6	-2	-3	-4	-5	-5
Total expenses	-269	-275	-282	-270	-272	-277	-288	-259
Profit before loan losses	253	252	265	261	293	288	250	317
Net loan losses	-38	-6	-63	-190	-22	-24	-336	-172
Gains/losses on disposal of property, equipment and intangible assets	1	0	5	1	2	0	0	1
Operating profit	216	246	207	72	273	264	-86	146
Profit allocation	18	19	19	18	17	18	18	17
Operating profit after profit allocation	234	265	226	90	290	282	-68	163
Cost/income ratio, %	49.8	50.4	49.8	49.2	46.7	47.5	51.8	43.7
Loan loss ratio, %	0.18	0.03	0.31	0.94	0.11	0.12	1.85	0.95
Allocated capital	6,146	6,023	6,219	6,281	6,387	5,951	6,008	5,648
Return on allocated capital, %	11.9	13.7	11.3	4.5	14.1	14.8	-3.5	9.0
Average number of employees	626	626	630	640	630	625	627	632
Number of branches	57	57	57	57	57	57	57	57

Handelsbanken Denmark, in local currency

DKK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	325	327	335	329	341	332	338	340
Net fee and commission income	75	78	81	73	91	102	80	67
Net gains/losses on financial transactions	15	13	19	15	17	11	11	56
Other income	4	3	3	3	4	4	2	3
Total income	419	421	438	420	453	449	431	466
Staff costs	-125	-127	-128	-128	-122	-123	-119	-120
Other expenses	-33	-35	-37	-33	-36	-36	-43	-33
Internal purchased and sold services	-56	-55	-57	-51	-58	-57	-65	-53
Depreciation, amor isation and impairments of property, equipment and intangible assets	-2	-3	-5	-1	-2	-4	-4	-4
Total expenses	-216	-220	-227	-213	-218	-220	-231	-210
Profit before loan losses	203	201	211	207	235	229	200	256
Net loan losses	-31	-4	-50	-152	-17	-19	-274	-142
Gains/losses on disposal of property, equipment and intangible assets	1	0	5	1	1	0	0	1
Operating profit	173	197	166	56	219	210	-74	115
Profit allocation	15	15	15	14	14	14	15	13
Operating profit after profit allocation	188	212	181	70	233	224	-59	128

Business volumes, Handelsbanken Denmark

Average volumes, DKK bn	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Loans to the public								
Household	40.1	39.1	37.9	37.0	36.3	35.6	34.3	33.3
Corporate	28.8	28.7	28.2	29.9	30.3	27.3	28.7	28.2
Total	68.9	67.8	66.1	66.9	66.6	62.9	63.0	61.5
Deposits and borrowing from the public								
Household	12.0	11.3	11.5	11.5	11.3	10.1	10.2	10.1
Corporate	13.5	17.1	16.7	18.4	16.6	15.7	13.8	13.4
Total	25.5	28.4	28.2	29.9	27.9	25.8	24.0	23.5

Handelsbanken Finland

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	294	318	345	333	341	342	348	357
Net fee and commission income	102	93	93	96	98	100	110	113
Net gains/losses on financial transactions	45	13	12	10	16	22	21	18
Other income	3	3	7	3	7	6	6	1
Total income	444	427	457	442	462	470	485	489
Staff costs	-95	-90	-90	-92	-94	-93	-97	-86
Other expenses	-50	-70	-46	-35	-42	-38	-46	-39
Internal purchased and sold services	-60	-58	-66	-57	-61	-63	-55	-56
Depreciation, amortisation and impairments of property, equipment and intangible assets	-3	-3	-4	-2	-3	-2	-2	-2
Total expenses	-208	-221	-206	-186	-200	-196	-200	-183
Profit before loan losses	236	206	251	256	262	274	285	306
Net loan losses	-11	-23	-13	-5	-51	-14	-113	-10
Gains/losses on disposal of property, equipment and intangible assets	0	0	0	0	0	-	0	-
Operating profit	225	183	238	251	211	260	172	296
Profit allocation	30	32	32	26	27	25	26	19
Operating profit after profit allocation	255	215	270	277	238	285	198	315
Cost/income ratio, %	43.9	48.1	42.1	39.7	40.9	39.6	39.1	36.0
Loan loss ratio, %	0.04	0.08	0.04	0.02	0.17	0.05	0.42	0.04
Allocated capital	5,568	5,970	6,186	6,014	5,983	5,995	6,545	6,033
Return on allocated capital, %	14.3	11.2	13.6	14.4	12.4	14.8	9.4	16.3
Average number of employees	496	489	491	508	502	481	483	506
Number of branches	45	46	46	46	46	46	46	46

Handelsbanken Finland, in local currency

EUR m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	31.7	34.1	37.1	35.3	36.7	36.4	37.6	38.6
Net fee and commission income	11.1	9.9	10.0	10.2	10.6	10.6	11.8	12.3
Net gains/losses on financial transactions	4.9	1.4	1.2	1.2	1.7	2.3	2.2	2.0
Other income	0.3	0.3	0.8	0.2	0.6	0.8	0.7	0.2
Total income	48.0	45.7	49.1	46.9	49.6	50.1	52.3	53.1
Staff costs	-10.2	-9.6	-9.8	-9.7	-10.0	-10.0	-10.5	-9.2
Other expenses	-5.4	-7.5	-4.9	-3.7	-4.5	-4.1	-5.0	-4.2
Internal purchased and sold services	-6.6	-6.2	-7.0	-6.1	-6.7	-6.6	-5.9	-6.2
Depreciation, amortisation and impairments of property, equipment and intangible assets	-0.4	-0.3	-0.3	-0.3	-0.3	-0.2	-0.2	-0.3
Total expenses	-22.6	-23.6	-22.0	-19.8	-21.5	-20.9	-21.6	-19.9
Profit before loan losses	25.4	22.1	27.1	27.1	28.1	29.2	30.7	33.2
Net loan losses	-1.1	-2.5	-1.5	-0.5	-5.4	-1.5	-12.4	-0.9
Gains/losses on disposal of property, equipment and intangible assets	0.0	0.0	0.0	0.0	0.0	-	0.0	-
Operating profit	24.3	19.6	25.6	26.6	22.7	27.7	18.3	32.3
Profit allocation	3.2	3.5	3.4	2.8	2.9	2.7	2.8	2.0
Operating profit after profit allocation	27.5	23.1	29.0	29.4	25.6	30.4	21.1	34.3

Business volumes, Handelsbanken Finland

Average volumes, EUR m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Loans to the public								
Household	3,952	3,952	3,962	3,959	3,948	3,918	3,924	3,851
Corporate	8,733	8,742	8,657	8,556	8,558	8,704	8,587	8,590
Total	12,685	12,694	12,619	12,515	12,506	12,622	12,511	12,441
Deposits and borrowing from the public								
Household	1,432	1,381	1,363	1,386	1,366	1,353	1,332	1,240
Corporate	1,766	2,052	1,886	2,205	2,384	2,431	3,405	3,426
Total	3,198	3,433	3,249	3,591	3,750	3,784	4,737	4,666

Handelsbanken Norway

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	797	769	788	785	840	835	851	886
Net fee and commission income	91	84	89	103	103	100	97	99
Net gains/losses on financial transactions	30	38	22	29	14	29	28	34
Other income	68	4	14	8	6	3	6	3
Total income	986	895	913	925	963	967	982	1,022
Staff costs	-158	-163	-169	-177	-183	-184	-183	-185
Other expenses	-50	-48	-52	-48	-54	-53	-58	-45
Internal purchased and sold services	-90	-86	-93	-85	-95	-97	-100	-101
Depreciation, amortisation and impairments of property, equipment and intangible assets	4	-3	-3	-3	-4	-3	-3	-3
Total expenses	-294	-300	-317	-313	-336	-337	-344	-334
Profit before loan losses	692	595	596	612	627	630	638	688
Net loan losses	-64	-103	-30	-53	-44	-95	-41	-32
Gains/losses on disposal of property, equipment and intangible assets	0	0	0	6	-	-	-	-
Operating profit	628	492	566	565	583	535	597	656
Profit allocation	16	23	20	14	15	8	25	16
Operating profit after profit allocation	644	515	586	579	598	543	622	672
Cost/income ratio, %	29.3	32.7	34.0	33.3	34.4	34.6	34.2	32.2
Loan loss ratio, %	0.12	0.20	0.06	0.10	0.09	0.19	0.08	0.06
Allocated capital	12,870	13,383	12,966	13,007	12,858	13,901	13,181	12,421
Return on allocated capital, %	15.6	12.0	14.1	13.9	14.5	12.2	14.7	16.9
Average number of employees	658	665	666	691	673	673	672	689
Number of branches	50	50	50	51	51	51	51	51

Handelsbanken Norway, in local currency

NOK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	801	785	789	763	774	776	786	796
Net fee and commission income	92	85	89	100	95	93	89	89
Net gains/losses on financial transactions	30	39	23	27	13	27	26	31
Other income	69	4	12	9	5	3	6	3
Total income	992	913	913	899	887	899	907	919
Staff costs	-159	-166	-169	-172	-169	-171	-170	-165
Other expenses	-51	-49	-51	-47	-49	-50	-54	-40
Internal purchased and sold services	-90	-88	-92	-84	-87	-90	-91	-93
Depreciation, amortisation and impairments of property, equipment and intangible assets	4	-3	-4	-3	-3	-3	-3	-2
Total expenses	-296	-306	-316	-306	-308	-314	-318	-300
Profit before loan losses	696	607	597	593	579	585	589	619
Net loan losses	-64	-105	-32	-51	-41	-88	-38	-28
Gains/losses on disposal of property, equipment and intangible assets	0	0	1	5	-	-	-	-
Operating profit	632	502	566	547	538	497	551	591
Profit allocation	17	23	20	14	13	8	23	14
Operating profit after profit allocation	649	525	586	561	551	505	574	605

Business volumes, Handelsbanken Norway

Average volumes, NOK bn	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Loans to the public								
Household	85.3	84.3	83.4	82.0	80.5	79.5	77.9	76.6
Corporate	142.7	139.4	127.1	120.3	118.2	116.3	116.0	112.9
Total	228.0	223.7	210.5	202.3	198.7	195.8	193.9	189.5
Deposits and borrowing from the public								
Household	19.1	18.6	17.8	17.9	17.1	16.6	15.9	15.9
Corporate	44.2	40.8	47.4	47.2	54.6	55.5	49.9	49.8
Total	63.3	59.4	65.2	65.1	71.7	72.1	65.8	65.7

Handelsbanken Netherlands

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	100	95	88	84	81	75	73	73
Net fee and commission income	6	5	5	6	5	7	7	7
Net gains/losses on financial transactions	0	1	1	3	1	0	1	1
Other income	-	-	-	-	-	-	-	-
Total income	106	101	94	93	87	82	81	81
Staff costs	-45	-44	-43	-41	-36	-38	-32	-34
Other expenses	-16	-8	-11	-8	-10	-8	-9	-7
Internal purchased and sold services	-19	-20	-22	-19	-21	-22	-20	-17
Depreciation, amortisation and impairments of property, equipment and intangible assets	-2	-1	-1	-1	-1	0	0	0
Total expenses	-82	-73	-77	-69	-68	-68	-61	-58
Profit before loan losses	24	28	17	24	19	14	20	23
Net loan losses	1	0	0	1	-3	0	0	-
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	25	28	17	25	16	14	20	23
Profit allocation	2	0	0	0	0	0	1	1
Operating profit after profit allocation	27	28	17	25	16	14	21	24
Cost/income ratio, %	75.9	72.3	81.9	74.2	78.2	82.9	74.4	70.7
Loan loss ratio, %	-0.02	0.00	0.00	-0.02	0.06	0.00	0.00	0.00
Allocated capital	956	921	851	906	846	893	897	859
Return on allocated capital, %	8.6	9.8	6.4	8.5	5.8	4.9	7.4	8.4
Average number of employees	188	181	175	162	153	145	141	135
Number of branches	23	23	23	23	22	22	20	20

Handelsbanken in the Netherlands, in local currency

Euro m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	10.8	10.2	9.5	8.9	8.7	8.0	7.9	7.9
Net fee and commission income	0.6	0.6	0.5	0.6	0.5	0.8	0.7	0.8
Net gains/losses on financial transactions	0.0	0.1	0.1	0.3	0.1	0.0	0.2	0.0
Other income	-	-	-	-	-	-	-0.1	0.1
Total income	11.4	10.9	10.1	9.8	9.3	8.8	8.7	8.8
Staff costs	-4.9	-4.7	-4.6	-4.3	-3.9	-4.0	-3.5	-3.7
Other expenses	-1.7	-0.9	-1.2	-0.9	-1.0	-0.9	-0.9	-0.7
Internal purchased and sold services	-2.0	-2.2	-2.3	-2.0	-2.3	-2.4	-2.1	-1.9
Depreciation, amortisation and impairments of property, equipment and intangible assets	-0.2	-0.1	-0.1	-0.1	-0.1	0.0	-0.1	0.0
Total expenses	-8.8	-7.9	-8.2	-7.3	-7.3	-7.3	-6.6	-6.3
Profit before loan losses	2.6	3.0	1.9	2.5	2.0	1.5	2.1	2.5
Net loan losses	0.1	0.0	0.0	0.1	-0.3	0.0	0.0	0.0
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	2.7	3.0	1.9	2.6	1.7	1.5	2.1	2.5
Profit allocation	0.2	0.0	0.0	0.0	0.0	0.0	0.2	-
Operating profit after profit allocation	2.9	3.0	1.9	2.6	1.7	1.5	2.3	2.5

Business volumes, Handelsbanken Netherlands

Average volumes, EUR m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Loans to the public								
Household	1,367	1,238	1,141	1,067	980	900	824	760
Corporate	1,397	1,273	1,233	1,117	1,132	1,116	1,109	1,121
Total	2,764	2,511	2,374	2,184	2,112	2,016	1,933	1,881
Deposits and borrowing from the public								
Household	58	53	47	48	47	48	39	34
Corporate	440	408	600	703	698	811	1,007	1,099
Total	498	461	647	751	745	859	1,046	1,133

Handelsbanken Capital Markets

Handelsbanken Capital Markets

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	134	137	187	143	148	163	143	175
Net fee and commission income	771	742	758	734	744	736	732	741
Net gains/losses on financial transactions	338	240	214	249	330	433	430	305
Risk result - insurance	35	76	36	40	55	26	34	46
Other income	1	2	4	3	2	1	4	5
Total income	1,279	1,197	1,199	1,169	1,279	1,359	1,343	1,272
Staff costs	-597	-610	-590	-596	-629	-632	-623	-623
Other expenses	-217	-212	-228	-198	-215	-216	-230	-192
Internal purchased and sold services	-22	0	-46	-12	-22	-6	-45	-2
Depreciation, amortisation and impairments of property, equipment and intangible assets	-19	-20	-24	-18	-18	-19	-22	-20
Total expenses	-855	-842	-888	-824	-884	-873	-920	-837
Profit before loan losses	424	355	311	345	395	486	423	435
Net loan losses	-7	10	5	-10	4	-3	-21	4
Operating profit	417	365	316	335	399	483	402	439
Profit allocation	-297	-284	-317	-345	-291	-256	-350	-320
Operating profit after profit allocation	120	81	-1	-10	108	227	52	119
Cost/income ratio, %	87.1	92.2	100.7	100.0	89.5	79.1	92.6	87.9
Loan loss ratio, %	0.06	-0.08	-0.04	0.07	-0.03	0.02	0.18	-0.13
Allocated capital	5,038	4,981	5,671	5,183	5,572	6,243	5,386	6,457
Return on allocated capital, %	7.5	5.0	-0.1	-0.6	6.1	11.4	3.0	5.7
Average number of employees	1,681	1,720	1,737	1,785	1,761	1,783	1,797	1,878

Business volumes, Handelsbanken International

Average volumes, SEK bn	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Loans to the public								
Household	4.9	4.9	4.9	4.7	4.6	4.4	4.2	4.0
Corporate	30.1	30.4	30.3	29.4	28.1	30.5	28.9	28.4
Total	35.0	35.3	35.2	34.1	32.7	34.9	33.1	32.4
Deposits and borrowing from the public								
Household	3.7	2.8	3.1	3.8	3.6	3.1	3.0	3.1
Corporate	44.5	37.9	43.5	48.6	57.6	62.5	56.7	45.8
Total	48.2	40.7	46.6	52.4	61.2	65.6	59.7	48.9

Markets & Asset Management

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	6	2	41	3	13	11	8	10
Net fee and commission income	548	521	538	524	544	496	521	534
Net gains/losses on financial transactions	333	253	232	277	308	420	425	298
Other income	-3	1	0	0	0	0	1	0
Total income	884	777	811	804	865	927	955	842
Staff costs	-304	-309	-288	-298	-322	-313	-321	-308
Other expenses	-240	-240	-261	-223	-254	-227	-261	-226
Total expenses	-544	-549	-549	-521	-576	-540	-582	-534
Profit before loan losses	340	228	262	283	289	387	373	308
Net loan losses	-	-	-	-	-	-	-	-
Operating profit	340	228	262	283	289	387	373	308
Operating profit after profit allocation	115	11	7	14	50	174	54	42
Average number of employees	571	575	598	605	595	596	598	632

Pension & Life, International and Business Support

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	128	135	146	140	135	152	135	165
Net fee and commission income	223	221	220	210	200	240	211	207
Net gains/losses on financial transactions	5	-13	-18	-28	22	13	5	7
Other income	39	77	40	43	57	27	37	51
Total income	395	420	388	365	414	432	388	430
Staff costs	-293	-301	-302	-298	-307	-319	-302	-315
Other expenses	-18	8	-37	-5	-1	-14	-36	12
Total expenses	-311	-293	-339	-303	-308	-333	-338	-303
Profit before loan losses	84	127	49	62	106	99	50	127
Net loan losses	-7	10	5	-10	4	-3	-21	4
Operating profit	77	137	54	52	110	96	29	131
Operating profit after profit allocation	5	70	-8	-24	58	53	-2	77
Average number of employees	1,110	1,145	1,139	1,180	1,166	1,187	1,199	1,246
Number of branches	13	13	13	17	17	17	17	19

Handelsbanken Liv

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Statutory Profit/loss, according to the alternative income statement								
Administration result	182	172	157	178	174	153	114	154
Risk result	35	76	36	40	55	26	34	46
Financial result	-15	-17	-49	-36	-28	16	3	8
<i>of which deferred capital contribution</i>	-15	-17	-47	-36	-12	0	-1	-1
Other	35	25	39	30	51	28	26	35
Operating profit	237	256	183	212	252	223	177	243
AUM, SEK bn, end of period	111	109	111	106	112	113	102	97
<i>of which unit-linked</i>	83	81	82	78	82	83	74	69
<i>of which portfolio bond</i>	20	20	19	19	20	20	18	18
Premiums paid, SEK m	3,818	3,313	2,835	2,840	4,417	4,253	2,992	2,587
of which portfolio bond	1,086	1,235	803	653	976	1,459	535	645
of which unit-linked	2,583	1,928	1,883	2,021	3,279	2,627	2,266	1,769
of which occupational pensions	459	469	468	497	561	452	548	557
New sales mutual funds & custody, Sweden, SEK m	757	892	591	518	900	920	388	322

Other and Adjustments & eliminations

Other

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	163	192	177	175	145	139	156	120
Net fee and commission income	5	25	23	9	3	1	10	25
Net gains/losses on financial transactions	-226	671	1,133	-221	-124	-219	-359	-164
Share of profit of associates	13	2	-11	18	9	1	22	2
Other income	181	14	21	11	301	12	74	4
Total income	136	904	1,343	-8	334	-66	-97	-13
Staff costs	-459	-469	-933	-452	-609	-657	-710	-571
Other expenses	-557	-535	-600	-496	-569	-506	-564	-449
Internal purchased and sold services	1,074	1,011	1,062	983	1,027	1,044		
Depreciation, amortisation and impairments of property, equipment and intangible assets	-67	-62	-42	-69	-67	-70	-51	-62
Total expenses	-9	-55	-513	-34	-218	-189	-295	-155
Profit before loan losses	127	849	830	-42	116	-255	-392	-168
Net loan losses								
Gains/losses on disposal of property, equipment and intangible assets	0	5	1	-1	7	-	1	0
Operating profit	127	854	831	-43	123	-255	-391	-168
Profit allocation	0	0	1	0	0	0	1	-1
Operating profit after profit allocation	127	854	832	-43	123	-255	-390	-169
Average number of employees	1,810	1,830	1,816	1,788	1,837	1,874	1,872	1,931

Adjustments & eliminations

SEK m	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Net interest income	-	-	-	-	-	-	-40	15
Net fee and commission income	-	-	-	-	-	-	-	-
Net gains/losses on financial transactions	-	-	-	-	-	-	-	-
Risk result - insurance	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-
Total income	-	-	-	-	-	-	-40	15
Staff costs	-61	-54	20	-41	-61	-42	27	1
Other expenses	-	-	-	-	-	-	-	-
Depreciation, amortisation and impairments of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Total expenses	-61	-54	20	-41	-61	-42	67	-14
Profit before loan losses	-61	-54	20	-41	-61	-42	27	1
Net loan losses	-	-	-	-	-	-	-	-
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	-61	-54	20	-41	-61	-42	27	1

Balance sheet

Balance sheet - Svenska Handelsbanken Group

SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Assets								
Cash and balances with central banks	501,744	463,957	202,630	452,271	447,289	498,865	454,532	399,457
Other loans to central banks	81,267	43,790	34,118	74,145	106,646	31,529	51,047	37,394
Interest-bearing securities eligible as collateral with central banks	117,753	95,474	74,777	102,824	73,071	68,064	78,219	74,287
Loans to other credit institutions	48,479	47,442	49,656	63,130	87,250	79,633	70,339	70,959
Loans to the public	1,937,155	1,902,479	1,866,467	1,855,311	1,851,432	1,826,323	1,807,836	1,781,421
Value change of interest-hedged item in portfolio hedge	45	36	27	40	42	42	70	82
Bonds and other interest-bearing securities	46,223	53,856	44,513	62,017	56,502	64,830	63,725	63,563
Shares	52,541	39,318	30,387	61,462	73,395	66,793	46,546	37,655
Investments in associates	257	248	245	257	303	300	286	268
Assets where the customer bears the value change risk	107,004	104,316	105,146	100,539	105,786	106,851	94,763	90,569
Derivative instruments	92,381	73,885	85,347	98,674	91,099	127,267	116,124	94,379
Reinsurance assets	10	10	10	6	6	6	6	4
Intangible assets	8,450	8,304	8,254	8,230	8,192	8,145	8,132	8,001
Property and equipment	2,264	2,262	2,348	2,336	2,179	2,171	2,239	2,208
Current tax assets	1,575	588	143	1,064	558	100	115	1,316
Deferred tax assets	1,979	1,262	1,489	1,503	921	396	389	330
Net pension assets	-	-	-	-	-	-	-	-
Assets held for sale	-	1,671	1,442	1,512	1,393	1,291	1,196	1,238
Other assets	25,810	12,106	8,887	52,405	23,664	29,284	14,321	31,381
Prepaid expenses and accrued income	5,708	5,839	6,247	5,895	6,081	7,129	6,791	6,299
Total assets	3,030,645	2,856,843	2,522,133	2,943,621	2,935,809	2,919,019	2,816,676	2,700,811
Liabilities and equity								
Due to credit institutions	207,312	192,902	163,770	222,941	218,571	220,675	200,074	201,737
Deposits and borrowing from the public	1,134,500	1,042,076	753,855	1,049,202	1,093,551	1,055,140	1,022,267	933,952
Liabilities where the customer bears the value change risk	107,054	104,392	105,225	100,617	105,848	106,896	94,864	90,611
Issued securities	1,320,083	1,258,169	1,245,367	1,258,088	1,214,721	1,206,189	1,212,613	1,183,993
Derivative instruments	37,283	44,302	40,592	46,252	54,533	73,441	62,878	61,171
Short positions	8,581	10,181	2,416	21,027	20,421	21,338	20,648	16,854
Insurance liabilities	591	603	607	616	628	675	663	656
Current tax liabilities	1,008	460	996	1,358	842	764	957	1,005
Deferred tax liabilities	10,006	9,578	8,844	9,762	9,191	9,930	9,209	8,822
Provisions	773	796	113	99	98	91	68	64
Net pension liabilities	6,544	3,824	5,314	5,282	2,899	337	1,480	595
Liabilities related to assets held for sale	-	843	759	746	713	682	580	567
Other liabilities	18,817	12,527	14,206	41,220	30,962	37,615	14,578	28,262
Accrued expenses and deferred income	15,608	19,427	17,585	18,615	19,149	20,442	18,681	22,729
Subordinated liabilities	32,903	33,986	34,216	40,361	39,711	40,312	30,289	29,544
Total liabilities	2,901,063	2,734,066	2,393,865	2,816,186	2,811,838	2,794,527	2,689,849	2,580,562
Minority interest	5	5	4	5	4	4	3	3
Share capital	3,001	2,956	2,956	2,956	2,956	2,956	2,956	2,956
Share premium	5,081	3,204	3,204	3,204	3,204	3,204	3,203	3,203
Reserves	11,037	10,348	8,440	12,107	12,401	17,095	12,220	8,984
Retained earnings	102,222	102,222	97,322	97,322	97,322	97,322	93,262	93,262
Profit for the period, attributable to shareholders in Svenska Handelsbanken AB	8,236	4,042	16,342	11,841	8,084	3,911	15,183	11,841
Total equity	129,582	122,777	128,268	127,435	123,971	124,492	126,827	120,249
Total liabilities and equity	3,030,645	2,856,843	2,522,133	2,943,621	2,935,809	2,919,019	2,816,676	2,700,811

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	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
SEK m, end of period								
Private individuals	949,129	925,114	911,762	895,445	882,123	866,036	851,653	837,066
<i>of which mortgage loans in Stadshypotek</i>	<i>771,987</i>	<i>749,851</i>	<i>736,737</i>	<i>720,243</i>	<i>708,134</i>	<i>693,007</i>	<i>683,961</i>	<i>673,764</i>
<i>of which other mortgage loans</i>	<i>117,379</i>	<i>114,867</i>	<i>107,445</i>	<i>107,600</i>	<i>105,804</i>	<i>103,598</i>	<i>98,962</i>	<i>89,251</i>
<i>of which other loans to private individuals</i>	<i>59,763</i>	<i>60,396</i>	<i>67,580</i>	<i>67,602</i>	<i>68,185</i>	<i>69,431</i>	<i>68,730</i>	<i>74,050</i>
Housing co-operative associations	178,746	174,547	169,575	164,010	160,368	156,195	153,037	149,813
<i>of which mortgage loans in Stadshypotek</i>	<i>152,507</i>	<i>150,913</i>	<i>148,057</i>	<i>143,983</i>	<i>141,527</i>	<i>138,308</i>	<i>136,739</i>	<i>134,963</i>
Property management, Note 1	533,445	518,058	510,611	500,822	496,023	493,320	484,788	484,745
Manufacturing	31,990	31,268	31,998	35,498	36,145	36,873	37,782	40,440
Retail	24,229	24,327	23,969	25,926	25,367	25,950	27,393	28,937
Hotels and restaurants	8,619	8,819	8,951	8,865	9,308	8,947	8,274	7,501
Shipping, passenger & goods transport by sea	9,200	9,300	9,811	10,750	10,964	12,089	11,816	13,976
Other transport and communication	14,485	13,334	11,135	10,726	15,174	15,834	20,145	19,786
Construction	16,511	16,009	15,408	17,021	15,324	15,682	15,111	15,819
Electricity, gas, water	24,070	26,670	26,508	25,213	25,420	25,023	24,864	23,381
Agriculture, hunting and forestry	12,344	11,335	11,303	11,107	11,387	11,025	10,687	10,542
Other service industry	20,839	20,336	19,723	19,757	19,973	20,167	20,199	20,512
Holding companies, insurance companies, funds etc.	68,525	73,205	70,897	76,499	72,350	75,896	71,758	66,325
State & municipalities	16,180	18,982	22,452	24,555	34,601	26,858	35,627	26,764
Other corporate lending	29,122	31,447	22,642	29,383	37,135	36,674	34,986	36,153
Total loans to the public, before taking into account collective provisions	1,937,434	1,902,751	1,866,745	1,855,577	1,851,662	1,826,569	1,808,120	1,781,760
Collective provisions	-279	-272	-278	-266	-230	-246	-284	-339
Total loans to the public	1,937,155	1,902,479	1,866,467	1,855,311	1,851,432	1,826,323	1,807,836	1,781,421

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

SEK m, end of period	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Lending in Sweden								
State-owned property companies	5,040	5,040	5,042	5,041	5,181	5,231	5,684	7,373
Municipal-owned property companies	9,890	11,025	12,242	13,920	14,589	16,959	16,926	16,529
Residential property companies	93,243	93,468	91,449	87,349	86,117	86,151	87,778	86,746
<i>of which mortgage loans in Stadshypotek</i>	<i>77,872</i>	<i>77,688</i>	<i>77,363</i>	<i>71,905</i>	<i>70,178</i>	<i>69,598</i>	<i>70,367</i>	<i>69,617</i>
Other property companies	136,648	136,938	136,262	136,982	133,628	132,715	131,605	140,320
<i>of which mortgage loans in Stadshypotek</i>	<i>58,361</i>	<i>59,838</i>	<i>61,986</i>	<i>65,427</i>	<i>66,572</i>	<i>64,622</i>	<i>64,387</i>	<i>71,415</i>
Total lending in Sweden	244,821	246,471	244,995	243,292	239,515	241,056	241,993	250,968
Lending outside Sweden								
Denmark	16,726	16,299	13,727	14,307	13,906	14,105	14,319	13,209
Finland	32,117	28,708	28,682	28,045	27,507	27,676	27,455	24,431
Norway	99,509	91,472	85,729	78,617	81,569	82,659	79,816	81,224
Great Britain	110,629	111,147	115,261	115,567	115,138	109,623	101,897	96,882
The Netherlands	20,935	16,051	14,539	13,496	11,854	11,334	11,423	10,376
Other countries	8,708	7,910	7,678	7,498	6,534	6,867	7,885	7,655
Total lending outside Sweden	288,624	271,587	265,616	257,530	256,508	252,264	242,795	233,777
Total lending - Property management	533,445	518,058	510,611	500,822	496,023	493,320	484,788	484,745

Credit risk exposure

SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Loans to the public	1,937,155	1,902,479	1,866,467	1,855,311	1,851,432	1,826,323	1,807,836	1,781,421
<i>of which reverse repos</i>	<i>11,360</i>	<i>14,279</i>	<i>7,742</i>	<i>15,803</i>	<i>16,428</i>	<i>20,799</i>	<i>23,858</i>	<i>14,372</i>
Loans to other credit institutions	48,479	47,442	49,656	63,130	87,250	79,633	70,339	70,959
<i>of which reverse repos</i>	<i>19,330</i>	<i>20,592</i>	<i>23,394</i>	<i>36,719</i>	<i>48,227</i>	<i>48,719</i>	<i>42,138</i>	<i>42,019</i>
Unutilised part of granted overdraft facilities	130,525	127,904	129,216	125,876	107,218	101,604	102,778	106,122
Committed loan offers	268,866	257,692	267,200	266,098	279,578	268,801	271,001	263,807
Other commitments	25,999	31,167	24,441	27,959	23,201	23,472	14,134	6,761
Guarantees, credits	10,440	9,209	9,750	8,682	10,632	10,262	10,335	9,733
Guarantees, other	63,551	60,672	61,274	61,588	59,694	61,813	60,033	59,882
Letters of credit	4,468	4,470	6,433	5,322	6,815	7,474	5,369	5,453
Derivative instruments*	92,381	73,885	85,347	98,674	91,099	127,267	116,124	94,379
Interest-bearing securities eligible as collateral with central banks	117,753	95,474	74,777	102,824	73,071	68,064	78,219	74,287
Bonds and other interest-bearing securities	46,223	53,856	44,513	62,017	56,502	64,830	63,725	63,563
Total	2,745,840	2,664,250	2,619,074	2,677,481	2,646,492	2,639,543	2,599,893	2,536,367

* Refers to the total of positive market values.

Credit risk exposure by country

SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Sweden	1,764,419	1,721,052	1,676,054	1,721,177	1,672,841	1,682,746	1,678,996	1,640,845
Great Britain	236,586	236,303	247,000	247,151	242,448	232,106	213,029	198,636
Denmark	115,758	110,259	107,472	111,200	117,961	114,223	111,380	111,050
Finland	153,295	145,638	144,656	148,411	145,220	143,850	145,796	137,223
Norway	297,666	282,159	267,697	259,705	278,868	270,172	264,284	270,723
The Netherlands	38,398	32,459	29,837	28,572	26,914	25,917	26,023	24,421
Other countries	139,718	136,380	146,358	161,265	162,240	170,529	160,384	153,469
Total	2,745,840	2,664,250	2,619,074	2,677,481	2,646,492	2,639,543	2,599,893	2,536,367

Loans to the public - by country *

SEK bn, end of period	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Handelsbanken Sweden	1,224	1,206	1,193	1,176	1,159	1,152	1,137	1,137
Handelsbanken UK	188	189	194	195	192	185	170	161
Handelsbanken Denmark	90	87	84	85	83	80	80	79
Handelsbanken Finland	118	115	115	116	114	113	118	111
Handelsbanken Norway	233	220	210	203	211	210	204	214
Handelsbanken Netherlands	30	24	22	21	20	19	19	17
Handelsbanken International	36	35	35	35	32	33	33	32
Other	16	23	11	21	26	28	28	23
Total	1,935	1,899	1,863	1,851	1,837	1,820	1,789	1,774

* Excluding loans to the National Debt Office.

Loans to households - by country

SEK bn, end of period	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Handelsbanken Sweden	745	728	714	701	689	674	664	656
<i>of which mortgages</i>	690	673	662	646	633	620	611	601
Handelsbanken UK	63	63	64	64	62	59	54	50
Handelsbanken Denmark	52	49	48	47	45	45	45	42
Handelsbanken Finland	35	35	35	36	35	35	35	34
Handelsbanken Norway	87	83	81	82	86	86	84	88
Handelsbanken Netherlands	14	12	11	10	10	9	8	7
Handelsbanken International	5	5	5	5	5	5	4	4
Other	2	2	2	1	2	1	2	2
Total	1,003	977	960	946	933	914	896	883

Corporate lending - by country *

SEK bn, end of period	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Handelsbanken Sweden	479	478	478	475	470	478	473	481
<i>of which mortgages</i>	270	272	275	271	269	267	268	270
Handelsbanken UK	125	126	130	131	130	126	116	111
Handelsbanken Denmark	38	38	36	38	38	35	35	37
Handelsbanken Finland	83	80	80	80	79	78	83	77
Handelsbanken Norway	146	137	129	121	125	124	120	126
Handelsbanken Netherlands	16	12	11	11	10	10	11	10
Handelsbanken International	31	30	30	30	27	28	29	28
Other	14	21	9	19	25	27	25	21
Total	932	922	903	905	904	906	893	891

* Excluding loans to the National Debt Office.

Business volumes – Savings and deposits

Assets under management, Handelsbanken Group

SEK bn, end of period	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Mutual funds, excl. PPM and Unit-linked	284	282	282	270	272	277	247	236
PPM	22	21	22	19	21	21	18	16
Unit-linked insurance	83	80	82	78	82	83	74	69
<i>of which external mutual funds</i>	-2	-2	-2	-2	-2	-2	-2	-2
Total mutual funds	387	381	384	365	373	379	337	319
Structured products	17	18	18	21	21	22	22	23
Portfolio bond insurance	20	20	19	19	20	20	18	18
<i>of which in mutual funds and structured products</i>	-7	-7	-7	-7	-8	-7	-6	-7
Traditional insurance	9	9	9	9	9	10	10	10
<i>of which in mutual funds and structured products</i>	-	0	-1	0	-1	-1	-1	-1
Discretionary and Institutional assets, excl. insurance	182	184	178	165	202	204	182	176
<i>of which in mutual funds and structured products</i>	-117	-117	-105	-97	-92	-93	-82	-77
Total assets under management, excl. securities in custody	491	488	495	475	524	534	480	461
Securities in custody, excl. mutual funds	305	304	308	299	301	321	293	273
Securities in custody, foundations associated with Handelsbanken	57	58	60	60	64	69	61	58

* Including the whole volume managed by Heartwood, of which SEK 18 bn in Heartwoods own funds.

Deposits and borrowing from the public - by country

SEK bn, end of period	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Handelsbanken Sweden	500	481	470	463	465	443	443	407
Handelsbanken UK	111	103	102	110	107	98	89	86
Handelsbanken Denmark	34	30	31	38	35	27	30	29
Handelsbanken Finland	29	30	30	31	36	31	39	41
Handelsbanken Norway	62	61	57	57	67	81	71	76
Handelsbanken Netherlands	3	6	3	6	6	6	8	8
Handelsbanken International	45	44	25	48	58	64	58	52
Other	351	288	36	296	321	306	284	235
Total	1,135	1,042	754	1,049	1,094	1,055	1,022	934

Deposits and borrowing from households - by country

SEK bn, end of period	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Handelsbanken Sweden	305	288	280	275	271	253	250	245
Handelsbanken UK	30	25	26	24	23	20	19	16
Handelsbanken Denmark	15	14	14	14	14	12	13	12
Handelsbanken Finland	14	13	13	13	13	12	13	12
Handelsbanken Norway	20	18	18	17	19	18	17	18
Handelsbanken Netherlands	0.6	0.5	0.5	0.5	0.5	0.5	0.4	0.3
Handelsbanken International	4	4	3	4	4	3	3	3
O her	3	3	2	4	5	5	4	5
Total	392	365	356	351	349	324	319	311

Deposits and borrowing from corporates - by country

SEK bn, end of period	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Handelsbanken Sweden	195	193	191	188	194	190	193	162
Handelsbanken UK	81	78	76	86	84	78	70	70
Handelsbanken Denmark	19	16	17	24	21	15	17	17
Handelsbanken Finland	15	17	17	18	23	19	26	29
Handelsbanken Norway	42	43	39	40	48	63	54	58
Handelsbanken Netherlands	2	5	2	5	5	5	8	8
Handelsbanken International	41	40	22	44	54	61	55	49
O her	348	285	34	293	316	301	280	230
Total	743	677	398	698	745	731	704	623

Own funds and capital requirement

Own funds CRD IV

SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
TIER 1 CAPITAL								
Equity, Group	129,582	122,777	128,268	127,435	123,971	124,492	126,827	120,249
Accrued unpaid dividend last year	-	-	-	-	-	-	-	-
Accrued dividend current year	-4,118	-2,021	-11,442	-8,657	-6,084	-2,718	-11,124	-6,059
Result from unconsolidated entities	34	-202	-748	-597	-433	-202	-733	-556
Adjustment of group equity	3,518	1,731	172	135	97	58	598	570
Minority interests	-5	-5	-4	-5	-4	-4	-3	-3
Equity (consolidated entities)	129,011	122,280	116,246	118,311	117,547	121,626	115,565	114,201
Deducted items								
Goodwill and other intangible assets	-8,433	-8,293	-8,246	-8,223	-8,184	-8,136	-8,123	-7,991
Value adjustments (fair value)	-685	-665	-553	-534	-430	-351	-1	-1
Special deduction for IRB institutions	-1,543	-1,452	-1,395	-1,577	-1,668	-2,132	-2,103	-2,226
Positions in securitisation	-	-	-	-	-	-	-	-
Net pension assets	-	-	-	-	-	-	-	-
Own shares	-529	-556	-577	-595	-462	-500	-466	-
Adjustments in accordance with stability filter								
Cash flow hedges	-8,815	-7,690	-4,940	-6,259	-4,082	-6,306	-5,331	-2,626
Unrealised accumulated gains, shares	-	-	-	-	-	-	-1,457	-1,070
Common equity tier 1 capital, gross	109,006	103,624	100,535	101,123	102,721	104,201	98,084	100,287
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	109,006	103,624	100,535	101,123	102,721	104,201	98,084	100,287
Additional tier 1 instruments	12,045	11,570	11,933	11,955	17,766	18,317	8,043	7,874
Total tier 1 capital	121,051	115,194	112,468	113,078	120,487	122,518	106,127	108,161
TIER 2 CAPITAL								
Subordinated loans	17,135	17,111	17,150	17,622	17,275	17,455	17,860	17,427
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	16,006	15,982	16,021	16,493	16,146	16,326	16,731	16,298
Total own funds	137,057	131,176	128,489	129,571	136,633	138,844	122,858	124,459

* 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.

Available Distributable Items (ADI)

SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015
Available Distributable Items (ADI)	109,006	103,624	100,535	89,515	90,291	104,201
Deducted dividend	4,118	2,021	11,442	3,787	2,501	2,718
Minimum capital requirement	-21,352	-20,525	-21,291	-20,500	-20,820	-22,184
Capital conservation buffer	-11,862	-11,403	-11,828	-11,389	-11,566	-12,324
Countercyclical capital buffer	-4,269	-2,728	-2,827	-2,818	-504	0
Systemic risk buffer	-14,235	-13,683	-14,194	-	-	-14,789
Total Available Distributable Items	61,406	57,306	61,837	58,595	59,902	57,622

The numbers are calculated both for the consolidated situation and the parent company. The ADI equals the lower of the two numbers.

Capital adequacy analysis

	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Common equity tier 1 ratio, CRD IV	23.0%	22.7%	21.2%	21.4%	21.3%	21.1%	20.4%	20.7%
Tier 1 ratio, CRD IV	25.5%	25.3%	23.8%	23.9%	25.0%	24.9%	22.1%	22.3%
Total capital ratio, CRD IV	28.9%	28.8%	27.2%	27.4%	28.4%	28.2%	25.6%	25.6%
Own funds in relation to capital requirement according to Basel I floor	142%	139%	137%	140%	149%	153%	138%	141%

Capital requirement

SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Credit risk according to standardised approach	6,186	5,949	6,433	6,127	5,906	5,960	5,575	5,632
Credit risk according to IRB approach	25,603	24,360	25,225	25,608	26,394	27,152	26,944	27,261
Market risks	711	796	825	849	968	1,054	939	1,027
Credit value adjustment risk (CVA)	645	568	713	645	567	617	534	462
Operational risk	4,815	4,815	4,655	4,655	4,655	4,655	4,439	4,439
Total capital requirement	37,960	36,488	37,851	37,884	38,490	39,438	38,431	38,821
Adjustment according to Basel I floor	59,499	58,870	56,982	55,659	54,309	52,771	51,975	51,218
Capital requirement, Basel I floor	97,459	95,358	94,833	93,543	92,799	92,209	90,406	90,039
Total own funds, Basel I floor	138,600	132,628	129,884	131,148	138,301	140,976	124,961	126,686

Capital requirement market risks

SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Position risk in the trading book	703	789	819	844	963	1,045	927	1,018
Interest rate risk	694	778	804	826	946	1,033	908	1,003
<i>of which general risk</i>	534	598	512	489	603	704	566	644
<i>of which specific risk</i>	158	179	290	335	341	327	338	354
<i>of which positions in securitisation instruments</i>	-	-	-	-	-	0	0	0
<i>of which non-delta risk</i>	2	1	2	2	2	2	4	5
Equity price risk	9	11	15	18	17	12	19	15
<i>of which general risk</i>	1	1	1	3	2	2	3	2
<i>of which specific risk</i>	3	4	4	7	5	5	7	4
<i>of which mutual funds</i>	1	1	2	0	1	0	1	1
<i>of which non-delta risk</i>	4	5	8	8	9	5	8	8
Exchange rate risk	-	-	-	-	-	-	-	-
<i>of which non-delta risk</i>	-	-	-	-	-	-	-	-
Commodities risk	8	7	6	5	5	8	8	9
<i>of which non-delta risk</i>	0	0	0	0	0	0	0	0
Settlement risk	0	0	0	0	0	1	4	0
Total capital requirement for market risks	711	796	825	849	968	1,054	939	1,027

Credit risks IRB approach

Exposure amount								
SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Corporates	846,280	827,328	821,795	819,465	811,894	817,121	805,093	796,945
Corporate lending	807,327	795,311	796,198	784,060	782,191	775,906	766,963	771,795
<i>of which other loans foundation approach *</i>	125,156	120,994	124,939	125,062	117,231	111,821	115,162	109,424
<i>of which other loans advanced approach *</i>	682,171	674,317	671,259	658,998	664,960	664,085	651,801	662,371
<i>of which large companies</i>	137,163	137,862	137,749	137,548	144,899	147,773	149,446	159,265
<i>of which medium-sized companies</i>	77,698	75,268	76,639	76,627	76,664	76,425	74,041	74,166
<i>of which property companies</i>	467,310	461,187	456,871	444,823	443,397	439,887	428,314	428,940
Couterparty risk	38,953	32,017	25,597	35,405	29,703	41,215	38,130	25,150
Housing co-operative associations	179,807	175,518	170,587	165,197	161,566	156,785	153,768	151,114
Households	957,893	930,869	918,324	906,016	895,842	877,351	867,447	859,420
Private individuals	930,268	903,907	891,487	878,808	868,620	849,954	839,719	831,634
<i>of which property loans</i>	849,302	825,270	810,312	796,954	785,267	766,964	756,225	743,724
<i>of which other loans</i>	80,966	78,637	81,175	81,854	83,353	82,990	83,494	87,910
Small companies	27,625	26,962	26,837	27,208	27,222	27,397	27,728	27,786
Institutions	118,989	101,166	117,263	133,181	150,101	152,016	134,409	120,336
Lending to institutions	17,370	17,179	19,203	17,466	33,633	20,241	19,638	20,104
Couterparty risk	101,619	83,987	98,060	115,715	116,468	131,775	114,771	100,232
<i>of which repos and securities loans</i>	33,206	32,894	31,143	45,654	57,694	62,231	51,433	56,066
<i>of which derivatives</i>	68,413	51,093	66,917	70,061	58,774	69,544	63,338	44,166
Equity exposures	5,420	5,046	5,229	8,133	8,176	7,785	6,102	6,508
<i>of which listed shares</i>	4,090	4,220	4,418	7,291	7,139	7,232	5,584	5,532
<i>of which other shares</i>	1,330	826	811	842	1,037	553	518	976
Exposures without a counterparty	2,264	2,261	2,348	2,336	2,179	2,170	2,239	2,207
Securitisation positions	23	24	28	31	34	242	269	289
Total IRB approach	2,110,676	2,042,212	2,035,574	2,034,359	2,029,792	2,013,470	1,969,327	1,936,819

Risk-weighted exposure amount

SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Corporates	205,130	198,346	204,181	201,053	206,485	221,403	224,842	227,291
Corporate lending	199,669	193,624	199,470	195,536	201,417	213,949	217,646	222,027
<i>of which other loans foundation approach *</i>	38,484	36,953	37,805	37,662	37,014	36,789	39,184	40,021
<i>of which other loans advanced approach *</i>	161,185	156,671	161,665	157,874	164,403	177,160	178,462	182,006
<i>of which large companies</i>	63,008	59,851	61,130	57,055	63,126	70,516	72,577	75,111
<i>of which medium-sized companies</i>	32,544	31,570	32,888	35,025	34,411	34,773	33,723	36,120
<i>of which property companies</i>	65,634	65,250	67,647	65,794	66,866	71,872	72,162	70,775
Couterparty risk	5,461	4,722	4,711	5,517	5,068	7,454	7,196	5,264
Housing co-operative associations	6,904	6,439	6,248	6,035	6,052	5,723	5,897	5,903
Households	71,701	66,476	66,245	66,909	67,137	68,553	69,012	68,845
Private individuals	64,283	58,972	58,841	59,699	59,761	61,052	61,380	61,222
<i>of which property loans</i>	47,020	43,965	43,517	43,693	43,539	42,382	42,051	40,019
<i>of which other loans</i>	17,263	15,007	15,324	16,006	16,222	18,670	19,329	21,203
Small companies	7,418	7,504	7,404	7,210	7,376	7,501	7,632	7,623
Institutions	17,258	15,686	20,471	19,506	23,531	18,506	16,671	16,836
Lending to institutions	5,664	5,749	6,767	6,180	11,352	6,180	6,327	7,438
Couterparty risk	11,594	9,937	13,704	13,326	12,179	12,326	10,344	9,398
<i>of which repos and securities loans</i>	795	766	424	1,369	772	1,348	661	1,022
<i>of which derivatives</i>	10,799	9,171	13,280	11,957	11,407	10,978	9,683	8,376
Equity exposures	16,782	15,296	15,815	24,260	24,539	23,019	18,110	19,652
<i>of which listed shares</i>	11,860	12,239	12,811	21,145	20,703	20,973	16,195	16,042
<i>of which other shares</i>	4,922	3,057	3,004	3,115	3,836	2,046	1,915	3,610
Exposures without a counterparty	2,264	2,261	2,348	2,336	2,179	2,171	2,239	2,208
Securitisation positions	2	2	2	2	3	21	24	23
Total IRB approach	320,041	304,506	315,310	320,101	329,926	339,396	336,795	340,758

* The foundation approach refers to the IRB Approach without own estimates of LGD and CF. The advanced approach refers to the IRB Approach with own estimates of LGD and CF.

Capital requirement

SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Corporates	16,410	15,869	16,334	16,084	16,519	17,712	17,987	18,183
Corporate lending	15,974	15,490	15,957	15,643	16,114	17,116	17,411	17,762
<i>of which other loans foundation approach *</i>	3,079	2,956	3,024	3,013	2,961	2,943	3,134	3,202
<i>of which other loans advanced approach *</i>	12,895	12,534	12,933	12,630	13,153	14,173	14,277	14,560
<i>of which large companies</i>	5,041	4,788	4,890	4,564	5,051	5,641	5,806	6,008
<i>of which medium-sized companies</i>	2,603	2,526	2,631	2,802	2,753	2,782	2,698	2,890
<i>of which property companies</i>	5,251	5,220	5,412	5,264	5,349	5,750	5,773	5,662
Counterparty risk	436	379	377	441	405	596	576	421
Housing co-operative associations	552	515	500	483	484	458	472	472
Households	5,736	5,318	5,300	5,353	5,371	5,484	5,521	5,508
Private individuals	5,143	4,718	4,707	4,776	4,781	4,884	4,910	4,898
<i>of which property lending</i>	3,762	3,517	3,481	3,495	3,483	3,391	3,364	3,202
<i>of which other lending</i>	1,381	1,201	1,226	1,281	1,298	1,493	1,546	1,696
Small companies	593	600	593	577	590	600	611	610
Institutions	1,381	1,255	1,638	1,560	1,883	1,480	1,334	1,347
Lending to institutions	453	460	541	493	908	494	506	595
Counterparty risk	928	795	1,096	1,067	975	986	828	752
<i>of which repos and securities loans</i>	64	61	34	110	62	108	53	82
<i>of which derivatives</i>	864	734	1,062	957	913	878	775	670
Equity exposures	1,343	1,223	1,265	1,941	1,963	1,842	1,449	1,572
<i>of which listed shares</i>	949	979	1,025	1,692	1,656	1,678	1,296	1,283
<i>of which other shares</i>	394	244	240	249	307	164	153	289
Exposures without a counterparty	181	180	188	187	174	174	179	177
Securitisation positions	0	0	0	0	0	2	2	2
Total IRB approach	25,603	24,360	25,225	25,608	26,394	27,152	26,944	27,261

Average risk weight, %

SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Corporates	24.2	24.0	24.8	24.5	25.4	27.1	27.9	28.5
Corporate lending	24.7	24.3	25.1	24.9	25.8	27.6	28.0	28.8
<i>of which other loans foundation approach *</i>	30.7	30.5	30.3	30.1	31.6	32.9	34.0	36.6
<i>of which other loans advanced approach *</i>	23.6	23.2	24.1	24.0	24.7	26.7	27.4	27.4
<i>of which large companies</i>	45.9	43.4	44.4	41.5	43.6	47.7	48.6	47.2
<i>of which medium-sized companies</i>	41.9	41.9	42.9	45.7	44.9	45.5	45.5	48.7
<i>of which property companies</i>	14.0	14.1	14.8	14.8	15.1	16.3	16.8	16.5
Counterparty risk	14.0	14.7	18.4	15.6	17.1	18.1	18.9	20.9
Housing co-operative associations	3.8	3.7	3.7	3.7	3.7	3.7	3.8	3.9
Households	7.5	7.1	7.2	7.4	7.5	7.8	8.0	8.0
Private individuals	6.9	6.5	6.6	6.8	6.9	7.2	7.3	7.4
<i>of which property lending</i>	5.5	5.3	5.4	5.5	5.5	5.5	5.6	5.4
<i>of which other lending</i>	21.3	19.1	18.9	19.6	19.5	22.5	23.2	24.1
Small companies	26.9	27.8	27.6	26.5	27.1	27.4	27.5	27.4
Institutions	14.5	15.5	17.5	14.6	15.7	12.2	12.4	14.0
Lending to institutions	32.6	33.5	35.2	35.4	33.8	30.5	32.2	37.0
Counterparty risk	11.4	11.8	14.0	11.5	10.5	9.4	9.0	9.4
<i>of which repos and securities loans</i>	2.4	2.3	1.4	3.0	1.3	2.2	1.3	1.8
<i>of which derivatives</i>	15.8	17.9	19.8	17.1	19.4	15.8	15.3	19.0
Equity exposures	309.6	303.1	302.4	298.3	300.1	295.7	296.8	302.0
<i>of which listed shares</i>	290.0	290.0	290.0	290.0	290.0	290.0	290.0	290.0
<i>of which other shares</i>	370.0	370.0	370.0	370.0	370.0	370.0	370.0	370.0
Exposures without a counterparty	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Securitisation positions	7.4	7.4	7.4	7.4	7.4	8.8	8.8	8.0
Total IRB approach	15.2	14.9	15.5	15.7	16.3	16.9	17.1	17.6

* The foundation approach refers to the IRB Approach without own estimates of LGD and CF. The advanced approach refers to the IRB Approach with own estimates of LGD and CF.

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 June 30, 2016 – The Group

Programme (in millions)	Currency	Programme size	Utilised amount	Countervalue SEK m
ECP*	EUR	15,000	5,090	48,000
ECP (Stadshypotek)*	EUR	4,000	32	302
French Commercial Paper	EUR	7,500	1,344	12,674
Swedish Commercial Paper	SEK	25,000	1,500	1,500
Swedish Commercial Paper (Stadshypotek)	SEK	90,000	0	0
USCP	USD	15,000	8,858	75,262
AMTN	AUD	5,000	1,275	8,041
AMTCN (Stadshypotek)	AUD	5,000	750	4,730
EMTN*	USD	50,000	21,852	185,666
EMTCN (Stadshypotek)*	EUR	20,000	10,659	100,517
US 144A/3(a)(2)	USD	20,000	11,650	98,985
Stadshypotek US 144A	USD	15,000	3,750	31,862
Samurai	JPY	400,000	192,300	15,883
MTN*	SEK	100,000	13,796	13,796
General funding >1 Y*	USD	15,000	2,799	23,782
Extendible Notes	USD	15,000	104	884
Total				621,884
Total programme (or limited) amounts, SEK m		1,854,160		
Unutilised amount, SEK m		1,232,276		
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

30 June 2016							
SEK bn	2016	2017	2018	2019	2020	2021	2022-
Senior bonds	25	58	38	49	47	34	32
Covered bonds	46	107	193	84	72	52	39
Extendible notes (X-notes)	1						
Total	72	165	231	133	119	86	71

Long-term funding

SEK bn	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Issued during the quarter								
Senior bonds	6	21	12	18	1	1	1	6
Covered bonds	44	49	50	27	38	24	47	24
Total bonds	50	70	62	45	39	25	48	30
Extendible notes								
Total issued	50	70	62	45	39	25	48	30
Matured during the quarter								
	-11	-54	-68	-27	-16	-43	-21	-2
Net	39	16	-6	18	23	-18	27	28

During the second quarter of 2016, the issued bond volume was SEK 50 billion, with SEK 6 billion in senior unsecured bonds. Maturing bond volume during the quarter was SEK 11 billion. Except for issuance of covered bonds in the Swedish, Norwegian and Euro markets, the bank has also issued senior bonds in GBP.

The volume of so called CD's (Certificates of Deposit) in USD amounted to USD 25.3 billion at the 30 of June 2016. 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

August 2015	JPY 59 bn 5Y FXD YOS +1 bps
August 2015	JPY 4.6 bn 10Y FXD YOS +12 bps
August 2015	JPY 3.0 bn 5Y FRN YL +5 bps
September 2015	USD 1.25 bn 5Y FXD T+98 bps
September 2015	USD 250 m 5Y FRN 3m \$L+93 bps
November 2015	EUR 1.25 m 5Y FXD Covered bond MS +12 bps
December 2015	EUR 1.25 m 7Y FXD MS +70 bps
January 2016	GBP 250 m 6Y FXD G +110 bps
February 2016	EUR 1.25 m 7Y FXD Covered bond MS +19 bps
February 2016	AUD 500 m 5Y FXD BBSW +150bps
February 2016	AUD 125 m 10Y FXD BBSW +156bps
March 2016	USD 1.5 bn 5Y FXD T+110 bps
March 2016	USD 250 m 5Y FRN 3m \$L+115 bps
June 2016	EUR 1 bn 6Y FXD Covered bond MS +3 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 eight outstanding benchmark loans, which mature between 2016 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 27%. The ratio of non encumbered assets to unsecured wholesale funding was 235% at the end of the second quarter compared to 234% at the end of the first quarter and 242% one year ago.

Non-Encumbered Assets (NEA)

30 June 2016		
SEK bn	NEA	Accumulated coverage ratio in % of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio	739	80%
Mortgage loans	444	128%
Other household lending	191	149%
Property company lending lowest risk class (1-3)	258	177%
Other corporate lending lowest risk class (1-3)	162	194%
Loans to credit institutions lowest risk class (1-3)	42	199%
Other corporate lending	230	224%
Other assets	100	235%
Total non-encumbered assets (NEA)	2,166	235%
Encumbered assets without underlying liabilities**	61	
Encumbered assets with underlying liabilities	804	
Total assets, Group	3,031	

31 December 2015		
SEK bn	NEA	Accumulated coverage ratio in % of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio	352	42%
Mortgage loans	453	96%
Other household lending	203	120%
Property company lending lowest risk class (1-3)	238	148%
Other corporate lending lowest risk class (1-3)	150	166%
Loans to credit institutions lowest risk class (1-3)	46	171%
Other corporate lending	228	198%
Other assets	39	203%
Total non-encumbered assets (NEA)	1,709	203%
Encumbered assets without underlying liabilities**	57	
Encumbered assets with underlying liabilities	756	
Total assets, Group	2,522	

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

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

Assets pledged

30 June 2016								
SEK m	Central bank funding	Payment systems/ securities settlement	Repos	Covered bonds	Derivatives	Securities loans	Leases	Insurance agreements
Cash		1,626		5,000	6,866			3,087
Government instruments and bonds		38,427	4,510		2,780			6,660
Loans to the public		3,916		665,444			10,241	
Equities						12,355		522
Other								103,531
Total		43,969	4,510	670,444	9,646	12,355	10,241	113,800

Assets pledged according to CSA agreements for outstanding derivatives since 1 January 2012: Max: 19,030 Min: 5,160 Average: 10,681

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 OC (over-collateralization – extra assets in addition to those which are needed to cover the issued bonds). Derivatives comprise cash and bonds 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 58% constitutes mortgage lending in Stadshypotek.

Cover Pool Data, Sweden

SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Stadshypotek total lending to the public in Sweden	959 874	944 891	936 504	916 432	901 819	886 542	878 943	870 272
Assets available for Cover Pool	885 148	871 766	859 398	818 000	804 302	800 230	786 304	782 947
Assets utilized for Cover Pool	635 616	629 118	600 025	603 410	590 722	577 939	600 850	605 387
WA Max-LTV Cover Pool, as defined by ASCB	51,1%	54,0%	53,6%	49,6%	49,5%	49,2%	49,3%	49,5%
LTV-mid	25,8%	27,3%	27,1%	25,0%	24,9%	24,9%	25,0%	25,1%
LTV-distribution								
0-10%	24,8%	23,4%	23,5%	23,9%	24,2%	24,0%	23,9%	23,9%
10-20%	20,9%	19,9%	20,1%	20,9%	20,9%	21,0%	20,9%	20,9%
20-30%	17,2%	16,8%	16,8%	18,0%	17,9%	18,1%	18,1%	17,9%
30-40%	13,8%	13,7%	13,7%	15,1%	15,0%	15,2%	15,2%	15,1%
40-50%	10,5%	10,8%	10,8%	12,4%	12,3%	12,3%	12,3%	12,4%
50-60%	7,3%	8,2%	8,0%	9,8%	9,8%	9,5%	9,5%	9,6%
60-70%	4,3%	5,5%	5,4%	0,0%	0,0%	0,0%	0,0%	0,2%
70-75%	1,2%	1,7%	1,7%	0,0%	0,0%	0,0%	0,0%	0,1%
WA loan size, SEK	640 800	637 100	625 700	586 600	569 100	644 500	638 600	643 300
WA seasoning of Cover Pool, months*	90	42	42	41	42	41	41	40
Interest index distribution								
Floating	49,8%	47,0%	45,0%	50,0%	49,0%	52,0%	50,0%	48,0%
Fixed rate	50,2%	53,0%	55,0%	50,0%	51,0%	48,0%	50,0%	52,0%

* As of Q2 2016 calculated from the date of granting of the loan instead of from the most recent reset date.

Liquidity

The total liquidity reserve as at 30 June, 2016 still exceeded SEK 800 billion. Balances with central banks and banks, as well as securities that are eligible as collateral with central banks, totalled SEK 739 billion (see table below). In addition, there was an unutilised issue amount for covered bonds and other liquidity-creating measures.

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

Market value					
SEK m	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Cash and balances with and other lending to central banks	582,590	506,949	236,359	525,421	552,266
Balances with banks and the National Debt Office, overnight	1,807	3,618	1,180	983	30,860
Securities issued by governments and public entities	104,133	83,145	63,136	77,799	41,209
Covered bonds	50,101	52,096	50,096	54,230	48,093
Securities issued by non-financial companies	614	782	637	1,094	1,727
Securities issued by financial companies	142	102	233	978	847
Total	739,387	646,692	351,641	660,505	675,002
<i>of which in SEK</i>	<i>160,997</i>	<i>116,992</i>	<i>89,695</i>	<i>131,728</i>	<i>124,675</i>
<i>of which in EUR</i>	<i>83,698</i>	<i>70,363</i>	<i>55,471</i>	<i>84,111</i>	<i>76,119</i>
<i>of which in USD</i>	<i>366,669</i>	<i>348,004</i>	<i>114,702</i>	<i>360,074</i>	<i>351,298</i>
<i>of which in other currencies</i>	<i>128,023</i>	<i>111,333</i>	<i>91,773</i>	<i>84,592</i>	<i>122,910</i>

30 June 2016					
Market value, SEK m	SEK	EUR	USD	Other	Total
Cash and balances with and other lending to central banks	48,673	74,496	343,473	115,948	582,590
Balances with other banks and the National Debt Office, overnight	0	61	496	1,250	1,807
Securities issued by governments	72,941	6,501	18,594	-	98,036
Securities issued by municipalities and other public entities	1,663	283	4,106	45	6,097
Covered bonds, external issuers	34,729	2,198	-	10,678	47,605
Own covered bonds	2,496	-	-	-	2,496
Securities issued by non-financial companies	488	27	-	99	614
Securities issued by financial companies	7	132	-	3	142
Total	160,997	83,698	366,669	128,023	739,387

Liquidity Coverage Ratio (LCR)

Liquidity Coverage Ratio (LCR), %	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
EUR	181	134	161	265	151
USD	121	161	429	127	126
Total*	139	151	137	141	117

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

MATURITY ANALYSIS

Maturities for financial assets and liabilities

30 June 2016 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	583,011	-	-	-	-	-	-	583,011
central banks	117,753	-	-	-	-	-	-	117,753
Bonds and other interest-bearing securities	46,223	-	-	-	-	-	-	46,223
Loans to credit institutions	41,924	2,153	993	16	619	2,774	-	48,479
-of which reverse repos	19,330	-	-	-	-	-	-	19,330
Loans to the public	51,418	243,758	177,905	164,809	357,262	942,003	-	1,937,155
-of which reverse repos	11,360	-	-	-	-	-	-	11,360
Other	74,318	-	-	-	-	-	223,706	298,024
-of which shares and participating interests	52,541	-	-	-	-	-	-	52,541
-of which claims on investment banking settlements	21,777	-	-	-	-	-	-	21,777
Total	914,647	245,911	178,898	164,825	357,881	944,777	223,706	3,030,645
Due to credit institutions	94,944	80,502	3,313	4,907	16	5,214	18,416	207,312
-of which repos	912	-	-	-	-	-	-	912
-of which deposits from central banks	16,231	65,783	1,971	-	-	-	1,908	85,893
Deposits and borrowing from the public	334,913	39,349	6,378	831	2,825	5,732	744,472	1,134,500
-of which repos	4,522	-	-	-	-	-	-	4,522
Issued securities	122,800	328,628	166,836	190,452	411,825	99,542	-	1,320,083
-of which covered bonds	-	46,290	97,129	122,967	284,489	51,445	-	602,320
-of which certificates and other securities with original maturity of less than one year	108,915	252,196	38,500	-	-	-	-	399,611
original maturity of more than one year	13,885	30,142	31,207	67,485	127,336	48,097	-	318,152
Subordinated liabilities	-	553	-	2,952	29,398	-	-	32,903
Other	18,521	-	-	-	-	-	317,326	335,847
-of which short positions	8,581	-	-	-	-	-	-	8,581
-of which investment banking settlement debts	9,940	-	-	-	-	-	-	9,940
Total	571,178	449,032	176,527	199,142	444,064	110,488	1,080,214	3,030,645

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 securities included.

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

30 June 2016 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	343,532	-	-	-	-	-	-	343,532
Bonds and other interest-bearing securities	30,485	-	-	-	-	-	-	30,485
Loans to credit institutions	30,548	1,169	385	-	534	2,538	-	35,174
Loans to the public	4,387	6,094	6,296	2,693	6,862	1,627	-	27,959
Other, including derivatives	91,929	126,673	15,546	26,621	101,160	3,744	18,354	384,027
Total assets	500,881	133,936	22,227	29,314	108,556	7,909	18,354	821,177
Due to credit institutions	15,785	24,219	929	-	-	-	152	41,085
Deposits and borrowing from the public	313,860	5,902	129	-	96	-	17,979	337,966
Issued securities	98,221	178,161	36,795	33,255	85,285	289	-	432,006
Subordinated liabilities	-	-	-	-	10,094	-	-	10,094
Other, including derivatives	-	-	-	-	-	-	-	-
Total liabilities	427,866	208,282	37,853	33,255	95,475	289	18,131	821,151

Maturities for assets and liabilities in EUR

30 June 2016 SEK m	Up to 1 mths	1 - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspec. maturity	Total
Cash and balances with central banks	74,558	-	-	-	-	-	-	74,558
Bonds and other interest-bearing securities	8,551	-	-	-	-	-	-	8,551
Loans to credit institutions	6,892	135	7	15	62	135	-	7,246
Loans to the public	6,391	17,650	14,649	21,919	59,111	68,614	-	188,334
Other, including derivatives	8,866	16,859	23,535	33,433	38,205	55,852	-	176,750
Total assets	105,258	34,644	38,191	55,367	97,378	124,601	0	455,439
Due to credit institutions	45,936	30,436	-	-	16	214	1,506	78,108
Deposits and borrowing from the public	8,572	10,776	498	-	2	-	58,904	78,752
Issued securities	13,533	47,530	27,974	34,610	50,120	69,178	-	242,945
Subordinated liabilities	-	-	-	-	14,099	-	-	14,099
Other, including derivatives	-	15,335	-	-	2,473	-	23,526	41,334
Total liabilities	68,041	104,077	28,472	34,610	66,710	69,392	83,936	455,238

Maturities for assets and liabilities in SEK

30 June 2016 SEK m	Up to 1 mths	1 - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspec. maturity	Total
Cash and balances with central banks	48,879	-	-	-	-	-	-	48,879
Bonds and other interest-bearing securities	121,044	-	-	-	-	-	-	121,044
Loans to credit institutions	861	183	452	-	-	0	-	1,496
Loans to the public	27,690	160,770	116,046	81,660	161,781	673,331	-	1,221,278
Total assets	198,474	160,953	116,498	81,660	161,781	673,331	-	1,392,697
Due to credit institutions	12,282	4,478	165	4,943	-	5,044	13,624	40,536
Deposits and borrowing from the public	11,353	6,730	5,031	741	2,706	5,702	468,099	500,362
Issued securities	1,944	46,852	83,256	102,492	226,653	13,439	-	474,636
Subordinated liabilities	-	538	-	2,873	5,299	-	-	8,710
Other, including derivatives	72,457	83,541	17,109	21,376	66,926	32,639	74,967	369,015
Total liabilities	98,036	142,139	105,561	132,425	301,584	56,824	556,690	1,393,259

Share and shareholders

The Handelsbanken share

	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015	31 Mar 2015	31 Dec 2014	30 Sep 2014
Market capitalisation, end of period, SEK bn	197	197	215	229	231	247	233	216
Share price ordinary class A, end of period, SEK	101.80	103.30	112.90	119.90	121.00	129.77	122.20	113.17
Ordinary dividend, SEK	-	-	4.50	-	-	-	4.17	-
Total dividend	-	-	6.00	-	-	-	5.83	-
Number of converted shares	28,800,955	-	3,614	-	4,475	10,836	-	24,129
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	1,935,847,037	1,907,046,082	1,907,046,082	1,907,042,468	1,907,042,468	1,907,037,993	1,907,027,157	1,907,027,157
Number of outstanding shares after dilution, end of period	1,975,789,501	1,976,193,169	1,972,745,117	1,972,887,071	1,973,425,509	1,974,008,668	1,971,862,552	1,972,501,884
Average number of shares converted during the period	12,852,916	-	17,236	15,311	12,841	2,529	89,772	87,411
Average holdings of own shares (repurchased and holdings in trading book)	-	-	-	-	-	-	-	-
Average number of outstanding shares	1,919,898,998	1,907,027,157	1,907,044,393	1,907,042,468	1,907,039,998	1,907,029,686	1,907,027,157	1,907,024,796
- after dilution	1,976,193,169	1,972,726,192	1,972,887,071	1,973,425,509	1,974,008,668	1,971,862,552	1,972,501,884	1,972,942,104

A stock split 3:1 was carried out in May. The comparison figures in the above table have been adjusted for the new number of shares.

Share information

Name	SHB A
ISIN	SE0007100599
Currency	SEK
Market name	OMX STO Equities
Reuters	SHBa.ST
Bloomberg	SHBA SS

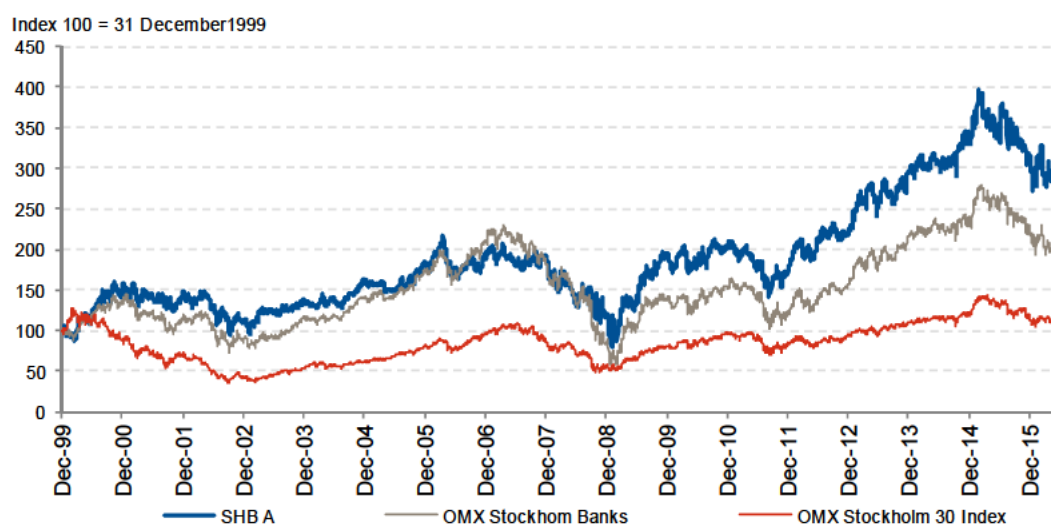
Dividend

The record day for the dividend was Friday, 18 March 2016, which means that the Handelsbanken share was traded ex-dividend on Thursday, 17 March 2016.

Stock split 3:1

As previously announced, Svenska Handelsbanken's annual general meeting resolved to implement a 3:1 split of the company's stock. First day of trading after the split was the 19 May 2015.

Share performance, since 31 Dec 1999



The largest Swedish shareholders

The largest Swedish shareholders			
as at 30 June 2016	Number of shares	% of votes	% of capital
Oktogonen Foundation	195,604,716	10.3	10.1
Industrivärden	194,623,948	10.2	10.1
Swedbank Robur funds	73,527,073	3.9	3.8
Lundberg-gruppen	50,296,000	2.6	2.6
Alecta	40,469,000	2.1	2.1
Handelsbanken funds	28,984,500	1.5	1.5
AMF and funds	25,929,115	1.4	1.3
Didner & Gerge funds	16,045,178	0.8	0.8
1st National Swedish Pension Fund	15,572,875	0.8	0.8
3rd National Swedish Pension Fund	13,386,943	0.7	0.7
J. Wallanders & T. Hedelius stiftelse, T. Browaldhs stiftelse	12,300,000	0.6	0.6
4th National Swedish Pension Fund	11,929,839	0.6	0.6
SPP Funds	11,846,908	0.6	0.6
SEB Funds	11,009,010	0.6	0.6
Folksam	9,732,543	0.5	0.5

Definitions

ALTERNATIVE PERFORMANCE MEASURES

Alternative Performance Measures (APMs) are financial measures of historical and future performance, financial position or cash flow that are neither defined in IFRS nor the capital requirement regulations. Handelsbanken uses APMs to describe the performance of the operations and to increase comparability between periods. These need not be comparable with similar key figures (performance measures) presented by other companies.

ADJUSTED EQUITY PER SHARE

Equity at the end of the year reduced by the equity effect of cash flow hedges and the minority share of equity. Adjusted equity is then divided by the number of ordinary shares at the year-end reduced by buybacks. Where applicable, the dilution effect is taken into account.

C/I RATIO

Total expenses in relation to total income.

EARNINGS PER SHARE

The profit for the year attributable to holders of ordinary shares divided by the average number of outstanding shares. Where applicable, the dilution effect is taken into account.

LOAN LOSS RATIO

Loan losses and changes in value of repossessed property in relation to loans to the public and credit institutions (excluding banks), and also repossessed property and credit guarantees at the beginning of the year.

IMPAIRED LOANS

Loans are classified as impaired loans if contracted cash flows are not likely to be fulfilled. The full amount of all claims which give rise to a specific provision are included in impaired loans even if parts are covered by collateral.

IMPAIRED LOANS RESERVE RATIO EXCLUDING COLLECTIVE PROVISIONS

Total provisions excluding collective provisions in relation to gross impaired loans.

NON-RECURRING ITEMS

Non-recurring items are items which Handelsbanken deems to be of a one-off nature, with the purpose of facilitating a comparison of the Bank's underlying results between periods.

P/E RATIO

The share price at year-end divided by earnings per share.

PROPORTION OF IMPAIRED LOANS

Net impaired loans in relation to total loans to the public and credit institutions (excluding banks). Impaired loans are reported without deduction for the collateral that is security for the claim.

RETURN ON EQUITY

The year's profit in relation to average equity. Average equity is adjusted for value changes on financial assets classified as available for sale, derivatives in cash flow hedges, revaluation effects from defined-benefit pension plans and a weighted average of new share issues, dividends and repurchase of own shares.

TOTAL RETURN

The total of the year's change in share price and paid dividend per share divided by the share price at the end of the previous year.

TOTAL IMPAIRED LOANS RESERVE RATIO

Total provisions in relation to gross impaired loans.

KEY FIGURES DEFINED IN THE CAPITAL REQUIREMENT REGULATIONS

ADDITIONAL TIER 1 CAPITAL

Additional tier 1 capital comprises perpetual subordinated loans which meet the requirements stated in Regulation (EU) No 575/2013 and can therefore be included in the tier 1 capital.

COMMON EQUITY TIER 1 CAPITAL

Common equity tier 1 capital is one of the components of own funds and mainly comprises equity. Deductions are made for, inter alia, dividends generated, goodwill and other intangible assets, and also the difference between an expected loss and provisions made for probable loan losses.

COMMON EQUITY TIER 1 RATIO

Common equity tier 1 capital in relation to risk-weighted assets.

COMMON EQUITY TIER 1 RATIO AVAILABLE FOR USE AS A BUFFER

The common equity tier 1 ratio after a deduction for the part of common equity tier 1 capital required to comply with all formal capital requirements.

LEVERAGE RATIO

Tier 1 capital in relation to total assets, including certain off-balance-sheet items recalculated with conversion factors defined in the standardised approach and regulatory adjustments from own funds.

LIQUIDITY COVERAGE RATIO (LCR)

High-quality liquid assets in relation to an estimated net outflow of liquidity over a period of 30 days.

OWN FUNDS/TOTAL CAPITAL

Own funds are the sum of tier 1 and tier 2 capital.

RISK-WEIGHTED ASSETS

Total risk exposure amount. The statutory capital requirement is based on this.

TIER 1 CAPITAL

Common equity tier 1 capital including additional tier 1 capital.

TIER 1 RATIO

Tier 1 capital in relation to risk-weighted assets.

TIER 2 CAPITAL

Tier 2 capital is one of the components of own funds, and mainly consists of perpetual subordinated loans which fulfil the requirements stated in Regulation (EU) No 575/2103 to be included as tier 2 capital.

TOTAL CAPITAL RATIO

Total own funds for capital adequacy purposes in relation to risk-weighted assets.

Contacts and Financial calendar

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Financial calendar:

2016

9 February 2016	Highlights of Annual report 2015
16 March 2016	Annual General Meeting
20 April 2016	Interim report January – March 2016
15 July 2016	Interim report January – June 2016
19 October 2016	Interim report January – September 2016

2017

8 February 2017	Highlights of Annual report 2016
29 March 2017	Annual General Meeting
26 April 2017	Interim report January – March 2017
18 July 2017	Interim report January – June 2017
18 October 2017	Interim report January – September 2017

Handelsbanken