

Fact book
2017

Q1

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This is Handelsbanken

Founded in 1871, Handelsbanken is one of the leading banks in the Nordic region, with more than 800 branches in more than 20 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 45 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	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Interest income	10,210	10,220	9,943	9,451	10,336	10,540	10,436	10,646
Interest expense	-3,129	-2,921	-2,902	-2,643	-3,541	-3,569	-3,602	-3,627
Net interest income	7,081	7,299	7,041	6,808	6,795	6,971	6,834	7,019
Net fee and commission income	2,354	2,447	2,259	2,280	2,170	2,343	2,308	2,359
Net gains/losses on financial transactions	547	269	1,112	523	1,162	1,503	226	451
Risk result - insurance	36	6	25	35	76	36	40	55
Other dividend income	2	2	1	222	3	2	1	275
Share of profit of associates	-27	0	10	13	2	-11	18	9
Other income	43	102	25	41	35	65	34	53
Total income	10,036	10,125	10,473	9,922	10,243	10,909	9,461	10,221
Staff costs	-2,918	-2,981	-2,941	-2,952	-3,668	-3,353	-2,953	-3,149
Other expenses	-1,430	-1,518	-1,234	-1,346	-1,303	-1,442	-1,197	-1,336
Depreciation, amortisation and impairment of property, equipment and intangible assets	-150	-114	-137	-119	-125	-112	-126	-122
Total expenses	-4,498	-4,613	-4,312	-4,417	-5,096	-4,907	-4,276	-4,607
Profit before loan losses	5,538	5,512	6,161	5,505	5,147	6,002	5,185	5,614
Net loan losses	-196	-832	-476	-229	-187	-475	-458	-359
Gains/losses on disposal of property, equipment and intangible assets	5	18	6	1	7	6	4	1
Operating profit	5,347	4,698	5,691	5,277	4,967	5,533	4,731	5,256
Taxes	-1,236	-1,254	-1,127	-1,091	-929	-1,076	-1,028	-1,110
Profit for the period from continuing operations	4,111	3,444	4,564	4,186	4,038	4,457	3,703	4,146
Profit for the period pertaining to discontinued operations, after tax	-	-	-	8	5	44	55	27
Profit for the period	4,111	3,444	4,564	4,194	4,043	4,501	3,758	4,173
Attributable to								
Shareholders in Svenska Handelsbanken AB	4,111	3,444	4,564	4,194	4,042	4,501	3,757	4,173
Minority interest	0	0	0	0	1	0	1	0

Earnings per share

	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Profit for the year, attributable to shareholders in Svenska Handelsbanken AB	4,111	3,444	4,564	4,194	4,042	4,501	3,757	4,173
- of which interest expense on convertible subordinated loan after tax	-31	-25	-27	-41	-46	-46	-46	-52
Average number of outstanding shares, million	1,944.2	1,943.4	1,937.6	1,919.9	1,907.0	1,907.0	1,907.0	1,907.0
Average number of outstanding shares after dilution, million	1,974.3	1,974.5	1,975.8	1,976.2	1,972.7	1,972.9	1,973.4	1,974.0
Earnings per share, continuing operations, SEK	2.11	1.77	2.36	2.18	2.12	2.34	1.94	2.18
- after dilution	2.10	1.76	2.32	2.14	2.07	2.28	1.90	2.13
Earnings per share, discontinued operations, SEK	-	-	0.00	0.01	0.00	0.02	0.03	0.01
- after dilution	-	-	0.00	0.01	0.00	0.02	0.03	0.01
Earnings per share, total operations, SEK	2.11	1.77	2.36	2.19	2.12	2.36	1.97	2.19
- after dilution	2.10	1.76	2.32	2.15	2.07	2.30	1.93	2.14

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	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Profit for the period	4,111	3,444	4,564	4,194	4,043	4,501	3,758	4,173
Other comprehensive income								
Items that may not subsequently be reclassified to profit or loss								
Defined benefit plans	2,318	4,998	91	-2,597	1,501	495	-2,382	-2,500
Taxes on items that cannot be reclassified into profit or loss	-511	-1,096	-20	568	-328	-107	523	548
Total items that may not subsequently be reclassified to profit or loss	1,807	3,902	71	-2,029	1,173	388	-1,859	-1,952
Items that can be reclassified into profit or loss								
Cash flow hedges	336	-6,875	-1,238	1,442	3,526	-1,691	2,792	-2,853
Available-for-sale instruments	37	-23	-565	529	-1,101	-947	196	18
Translation differences for the period <i>of which hedging net investment in foreign operations</i>	-1,310 -795	168 255	970 -179	1,063 -10	-1,018 -208	-2,034 -669	-879 -349	-596 -266
Taxes on items that can be reclassified into profit or loss <i>of which cash flow hedges</i> <i>of which available-for-sale instruments</i> <i>of which hedging net investment in foreign operations</i>	99 -74 -2 175	1,457 1,512 1 -56	364 273 52 39	-316 -317 -1 2	-672 -776 58 46	616 372 97 147	-544 -614 -7 77	689 627 3 59
Total items that can be reclassified into profit or loss	-838	-5,273	-469	2,718	735	-4,056	1,565	-2,742
Total other comprehensive income for the period	969	-1,371	-398	689	1,908	-3,668	-294	-4,694
Total comprehensive income for the period	5,080	2,073	4,166	4,883	5,951	833	3,464	-521
Attributable to								
Shareholders in Svenska Handelsbanken AB	5,080	2,073	4,166	4,883	5,950	834	3,463	-521
Minority interest	0	0	0	0	1	-1	1	0

Handelsbanken Group - Key figures

	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Return on equity, total operations	12.4%	10.6%	14.7%	14.2%	13.1%	14.8%	12.7%	14.5%
Return on equity, continuing operations*	12.4%	10.6%	14.7%	14.2%	13.1%	14.7%	12.5%	14.4%
C/I ratio, continuing operations	44.8%	45.6%	41.2%	44.5%	49.8%	45.0%	45.2%	45.1%
C/I ratio, continuing operations, incl. loan losses	46.8%	53.8%	45.7%	46.8%	51.6%	49.3%	50.0%	48.6%
Adjusted equity per share, SEK	66.77	69.28	65.49	62.83	60.88	65.14	64.02	63.32
Common equity tier 1 ratio, CRR	23.8%	25.1%	24.0%	23.0%	22.7%	21.2%	21.4%	21.3%
Total capital ratio, CRR	29.7%	31.4%	30.1%	28.9%	28.8%	27.2%	27.4%	28.4%
Own funds in relation to capital requirement according to Basel I floor	149%	148%	144%	142%	139%	137%	140%	149%
Average number of employees, continuing operations	11,584	11,615	11,859	11,716	11,835	11,825	12,137	11,696
Number of branches & meeting places, Sweden	425	435	463	472	473	474	474	474
Number of branches & meeting points, Great Britain	207	207	206	205	201	198	196	188
Number of branches in Denmark	57	57	57	57	57	57	57	57
Number of branches in Finland	45	45	45	45	46	46	46	46
Number of branches in Norway	49	50	50	50	50	50	51	51
Number of branches in the Netherlands	26	25	25	23	23	23	23	22
Number of branches in other countries	13	13	13	13	13	13	17	17
Total number of branches and meetingpoints	822	832	859	865	863	861	864	855

Average number of employees

	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Sweden	6,846	6,888	7,108	7,011	7,175	7,194	7,486	7,174
UK	2,103	2,090	2,097	2,068	2,022	1,993	1,959	1,863
Norway	742	747	767	746	752	754	783	765
Denmark	655	660	677	677	678	682	693	693
Finland	600	598	620	622	613	611	629	620
The Netherlands	271	256	208	202	196	188	174	164
Total in home markets	11,217	11,239	11,477	11,326	11,436	11,422	11,724	11,279
Greater China (Incl. Hong Kong)	72	73	71	74	73	73	73	72
USA	66	66	69	68	67	68	72	73
Luxembourg	58	57	56	55	59	59	60	63
Germany	43	43	42	46	50	51	53	54
Poland	41	41	40	41	43	42	42	42
Singapore	37	40	40	38	38	38	39	38
Estonia	17	19	20	20	20	18	18	18
France	8	11	16	18	17	19	21	22
Latvia	6	7	8	8	8	10	10	10
Lithuania	5	5	5	5	6	7	7	7
Austria	4	4	5	4	5	5	5	5
Other countries (Representative office)	10	10	10	13	13	13	13	13
Total	11,584	11,615	11,859	11,716	11,835	11,825	12,137	11,696

Calculation of key figures

For definitions, please see page 42-44

Return on equity

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

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Equity	131,741	136,381	134,085	129,582	122,777	128,268	127,435	123,971
Adjustment defined benefit pension plans	-3,463	-1,656	2,246	2,317	288	1,461	1,849	-10
Adjustment fair value reserve	-1,009	-974	-996	-1,509	-981	-2,024	-2,874	-2,685
Adjustment hedge reserve	-2,749	-2,487	-7,850	-8,815	-7,690	-4,940	-6,259	-4,082
Reversed weighted dividend	9,080	0	0	0	9,556	0	0	0
Total adjusted equity	133,600	131,264	127,485	121,575	123,951	122,765	120,151	117,195
Adjusted equity, average *	132,432	129,375	124,530	117,985	123,358	121,458	118,673	115,377
Adjustment for impact of conversions on adjusted equity, quarterly average	-1	-2,370	-2,090	-961	0	-1	-1	-1
Actual quarterly average of converted shares	1	2,430	2,033	856	0	1	1	1
Capital Markets's holdings of SHB shares, average	0	0	0	0	0	0	0	0
Adjusted equity, quarterly average	132,432	129,435	124,473	117,880	123,358	121,458	118,673	115,377
Profit for the period	4,111	3,444	4,564	4,194	4,043	4,501	3,758	4,173
Return on equity, total operations	12.4%	10.6%	14.7%	14.2%	13.1%	14.8%	12.7%	14.5%

* 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	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Equity	131,741	136,381	134,085	129,582	122,777	128,268	127,435	123,971
Adjustment minority share	-6	-6	-6	-5	-5	-4	-5	-4
Adjustment hedge reserve	-2,749	-2,487	-7,850	-8,815	-7,690	-4,940	-6,259	-4,082
Outstanding convertible loan (included in subordinated liabilities item)	2,911	2,882	3,073	3,374	5,237	5,183	5,129	5,075
Total adjusted equity	131,897	136,770	129,302	124,136	120,319	128,507	126,300	124,960
Number of outstanding shares after dilution (millions)	1,975	1,974	1,975	1,976	1,976	1,973	1,973	1,973
Adjusted shareholders' equity per share, SEK	66.77	69.28	65.49	62.83	60.88	65.14	64.02	63.32

Loan loss ratio

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

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Loan losses	-196	-832	-476	-229	-187	-475	-458	-359
Loans to the public, at beginning of year	1,963,622	1,866,467	1,866,467	1,866,467	1,866,467	1,807,836	1,807,836	1,807,836
Loans to other credit institutions excl. banks, at beginning of year	8,413	26,941	26,941	26,941	26,941	45,606	45,606	45,606
Guarantees (loans), at beginning of year	9,643	9,750	9,750	9,750	9,750	10,335	10,335	10,335
Assets repossessed for protection of claims, carrying amount, at beginning of year	364	460	460	460	460	488	488	488
Total lending at beginning of year	1,982,042	1,903,618	1,903,618	1,903,618	1,903,618	1,864,265	1,864,265	1,864,265
Loan loss ratio	0.04%	0.17%	0.10%	0.05%	0.04%	0.10%	0.10%	0.08%

One-offs and special items in Operating profit

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Special items								
Benchmark effect in Stadshypotek	-8	37	-51	-29	35	-56	-36	5
Oktagonen (The Bank's profit-sharing system)	-243					-438	-22	-199
Performance-related remuneration	-20	-34	-12	-25	-31	-20	-19	-39
Total Special items	-271	3	-63	-54	4	-514	-77	-233
One-offs								
Fee to the Swedish Financial Supervisory Authority								-35
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				
Capital gains from the sale of shares in Industrivären			764					
Transition to a defined contribution pension plan in the Norwegian operations	239							
Total One-offs	239		764	145	127	1,207		-35
Total	-32	3	701	91	131	693	-77	-268

Fees for the Resolution Fund etc.

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Swedish Resolution Fund								
Handelsbanken Sweden (NII)	-205	-100	-102	-98	-106	-115	-111	-107
Handelsbanken UK (NII)	-39	-19	-17	-16	-17	-20	-18	-17
Handelsbanken Denmark (NII)	-15	-7	-7	-7	-8	-8	-8	-7
Handelsbanken Finland (NII)	-24	-9	-11	-10	-11	-8	-10	-10
Handelsbanken Norway (NII)	-42	-15	-20	-20	-21	-17	-20	-20
Handelsbanken the Netherlands (NII)	-5	-2	-2	-2	-2	-3	-2	-1
Handelsbanken Capital Markets (NII)	-16	-9	-18	-18	-19	18	-14	-16
Other (NII)	-92	-79	-68	-65	-71	65	-63	-58
Total fees for the Swedish Resolution Fund *	-438	-240	-245	-236	-255	-88	-246	-236
Swedish deposit guarantee								
Handelsbanken Sweden (NII)	-69	-64	-63	-63	-63	-58	-52	-61
Handelsbanken UK (NII)	-6	-6	-5	-5	-5	-4	-4	-5
Handelsbanken Denmark (NII)	-4	-2	-4	-4	-4	-4	-3	-3
Handelsbanken Finland (NII)	-3	-3	-3	-3	-3	-3	-3	-4
Handelsbanken Norway (NII)	-6	-3	-5	-5	-5	-7	-4	-5
Handelsbanken the Netherlands (NII)	0	-1	0	0	0	0	-	0
Handelsbanken Capital Markets (NII)	0	0	0	-1	0	0	-	-1
Other (NII)	-	-	-	-	-	-	-	-
Total fees for Swedish deposit guarantee	-88	-79	-80	-81	-80	-76	-66	-79
Danish deposit guarantee								
Handelsbanken Denmark (NII)	-	-	-	-	-	-2	-3	-3
Total fees to Danish deposit guarantee	-	-	-	-	-	-2	-3	-3
Norwegian deposit guarantee								
Handelsbanken Norway (NII)	-1	-1	-1	-1	-1	-1	-1	-1
State fees outside home markets								
Handelsbanken Capital Markets (NII)	-	-	-	-	0	0	0	0
Total	-527	-320	-326	-318	-336	-167	-316	-319

* The figures up to Q4 2015 refer to fees for the Swedish Stabilisation fund.

Exchange rates

SEK, End of period (Balance sheet)	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	Change y/y	Change q/q
DKK	1.2828	1.2890	1.2928	1.2675	1.2385	4%	0%
EUR	9.5403	9.5830	9.6283	9.4303	9.2267	3%	0%
GBP	11.1309	11.1729	11.1535	11.3964	11.6337	-4%	0%
NOK	1.0392	1.0545	1.0739	1.0129	0.9769	6%	-1%
USD	8.9295	9.0751	8.5897	8.4966	8.0962	10%	-2%

SEK, Average as from 1 Jan (Income statement)	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	Change y/y	Change q/q
DKK	1.2787	1.2723	1.2589	1.2485	1.2503	2%	1%
EUR	9.5075	9.4723	9.3753	9.3011	9.3279	2%	0%
GBP	11.0537	11.5685	11.6804	11.9436	12.0964	-9%	-4%
NOK	1.0577	1.0205	1.0004	0.9876	0.9797	8%	4%
USD	8.9271	8.5654	8.4002	8.3350	8.4591	6%	4%

The effect of exchange rate movements - Home markets outside Sweden

Jan - Mar 2017 vs. same period last year

SEK m	GB	DK	FI	NO	NL	HCM	Total
Net interest income	-95	9	6	57	2	3	-18
Net fee and commission income	-10	2	2	7	0	2	3
Net result of financial transactions	-4	1	0	2	0	1	0
Other income	0	0	0	0	0	0	0
Total income	-109	12	8	66	2	6	-15
Staff costs	41	-4	-2	-13	-1	-4	17
Other administrative expenses	17	-2	-2	-9	0	-1	3
Depreciation and amortisation	1	0	0	0	0	0	1
Total expenses	59	-6	-4	-22	-1	-5	21
Net loan losses	4	0	0	-8	0	0	-4
Operating profit	-46	6	4	36	1	1	2

Q1 2017 vs. previous quarter

SEK m	GB	DK	FI	NO	NL	HCM	Total
Net interest income	-16	-10	-6	-15	-3	-2	-52
Net fee and commission income	-2	-2	-3	-2	-1	-1	-11
Net result of financial transactions	-1	0	-1	-1	0	0	-3
Other income	0	0	0	0	0	0	0
Total income	-19	-12	-10	-18	-4	-3	-66
Staff costs	8	4	3	4	2	2	23
Other administrative expenses	4	3	3	3	1	2	16
Depreciation and amortisation	0	0	0	0	0	0	0
Total expenses	12	7	6	7	3	4	39
Net loan losses	1	12	0	2	0	0	15
Operating profit	-6	7	-4	-9	-1	1	-12

Net interest income

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Interest income								
Loans to credit institutions and central banks	347	228	322	391	481	330	333	323
Loans to the public	9,695	9,962	9,800	9,759	9,812	9,971	10,274	10,616
Interest-bearing securities eligible as collateral with central banks	57	-99	101	109	118	126	192	217
Interest-bearing securities	176	191	167	232	193	172	186	363
Derivative instruments	-326	-331	-661	-1,218	-419	-253	-645	-878
Other interest income	320	346	331	329	311	345	335	358
Total interest income	10,269	10,297	10,060	9,602	10,496	10,691	10,675	10,999
on financial transactions	59	77	117	151	160	151	239	353
Interest income according to income statement	10,210	10,220	9,943	9,451	10,336	10,540	10,436	10,646
Interest expense								
Due to credit institutions and central banks	-299	-293	-250	-261	-282	-226	-204	-237
Deposits and borrowing from the general public	-294	-288	-349	-382	-404	-377	-425	-484
Issued securities	-4,157	-4,361	-4,405	-4,582	-4,392	-4,421	-4,502	-4,408
Derivative instruments	2,432	2,651	2,697	3,210	2,213	2,027	2,238	2,268
Subordinated liabilities	-360	-388	-373	-384	-389	-425	-457	-438
Other interest expense	-555	-346	-384	-442	-407	-225	-428	-566
Total interest expense	-3,233	-3,025	-3,064	-2,841	-3,661	-3,647	-3,778	-3,865
Of which interest expense reported in Net gains/losses on financial transactions	-104	-104	-162	-198	-120	-78	-176	-238
Interest expense according to income statement	-3,129	-2,921	-2,902	-2,643	-3,541	-3,569	-3,602	-3,627
Net interest income	7,081	7,299	7,041	6,808	6,795	6,971	6,834	7,019

Net fee and commission income

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Brokerage and other securities commissions	261	256	198	229	233	266	212	271
Mutual funds	849	835	776	717	695	743	743	775
Custody and other asset management fees	164	183	145	148	147	150	147	156
Advisory services	56	59	56	98	104	89	96	91
Insurance	160	163	162	151	158	155	158	145
Payments	760	857	815	795	718	852	890	848
Loans and deposits	301	309	293	290	280	296	257	266
Guarantees	97	107	108	108	99	108	102	103
Other	124	126	116	127	119	122	117	118
Total fee and commission income	2,772	2,895	2,669	2,663	2,553	2,781	2,722	2,773
Securities	-72	-74	-50	-70	-66	-59	-51	-69
Payments	-331	-355	-341	-293	-300	-359	-347	-326
Other	-15	-19	-19	-20	-17	-20	-16	-19
Total fee and commission expense	-418	-448	-410	-383	-383	-438	-414	-414
Net fee and commission income	2,354	2,447	2,259	2,280	2,170	2,343	2,308	2,359

Net gains/losses on financial transactions

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Trading, derivatives, FX effect etc	706	940	249	-90	-267	719	32	1,212
Other financial instruments at fair value in profit/loss	-139	-641	77	447	583	-416	225	-775
of which interest-bearing securities	-129	-627	89	455	585	-346	241	-773
of which loans	-10	-14	-12	-8	-2	-70	-16	-2
Financial instruments at amortised cost	13	29	61	56	36	-38	53	47
of which loans	84	114	119	127	86	94	154	135
of which liabilities	-71	-85	-58	-71	-50	-132	-101	-88
Financial instruments available for sale	2	4	769	89	827	1,192	0	-5
Hedge accounting	-10	-14	-25	36	0	93	-48	-16
of which net gains/losses on fair value hedges	-6	1	-21	10	2	72	-49	-20
Gains/losses on unbundled insurance contracts	-25	-49	-19	-15	-17	-47	-36	-12
Net gains/losses on financial transactions	547	269	1,112	523	1,162	1,503	226	451

Other expenses

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Property and premises	-318	-319	-304	-303	-308	-320	-304	-314
External IT costs	-478	-476	-394	-420	-408	-438	-373	-421
Communication	-84	-79	-73	-80	-85	-89	-82	-83
Travel and marketing	-68	-96	-57	-85	-68	-103	-67	-93
Purchased services	-318	-338	-259	-298	-264	-304	-239	-249
Supplies	-48	-43	-42	-43	-45	-47	-45	-43
Other administrative expenses	-116	-167	-105	-117	-125	-141	-87	-133
Other expenses	-1,430	-1,518	-1,234	-1,346	-1,303	-1,442	-1,197	-1,336

Loan losses

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Specific provision for individually assessed loans								
Provision for the period	-301	-826	-432	-297	-344	-494	-499	-430
Reversal of previous provisions	61	202	42	76	57	102	114	61
Total	-240	-624	-390	-221	-287	-392	-385	-369
Collective provisions								
Net provision for the period for individually assessed loans	6	-24	-41	-4	7	-15	-38	15
Net provision for the period for homogeneous loans	1	0	-11	0	1	-7	6	0
Total	7	-24	-52	-4	8	-22	-32	15
Off-balance-sheet items								
Losses on off-balance-sheet items	-1	-12	0	-2	-2	0	0	0
Reversal of previous losses on off-balance-sheet items	1	0	0	2	-	0	-	-
Change in collective provision for off-balance-sheet items	12	-23	-8	-10	15	-6	-3	1
Total	12	-35	-8	-10	13	-6	-3	1
Write-offs								
Actual loan losses for the period	-410	-628	-198	-142	-1,215	-296	-235	-228
Utilised share of previous provisions	396	427	127	114	1,195	195	150	153
Recoveries	40	52	45	34	99	46	47	69
Total	26	-149	-26	6	79	-55	-38	-6
Value change for the period	-1	-	-	-	-	-	-	-
Net loan losses	-196	-832	-476	-229	-187	-475	-458	-359

Impaired loans

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

SEK m	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Impaired loans	7,594	7,746	7,710	7,427	7,390	8,844	8,863	8,979
Specific provision for individually assessed loans	-3,985	-4,188	-3,972	-3,671	-3,517	-4,444	-4,320	-4,077
Provision for collectively assessed homogeneous groups of loans with limited value	-105	-107	-107	-94	-93	-94	-88	-93
Collective provisions for individually assessed loans	-340	-348	-310	-279	-272	-278	-266	-230
Impaired loans, net	3,164	3,103	3,321	3,383	3,508	4,028	4,189	4,579
Total impaired loans reserve ratio	58.3%	59.9%	56.9%	54.4%	52.5%	54.5%	52.7%	49.0%
Proportion of impaired loans	0.16%	0.16%	0.17%	0.17%	0.18%	0.21%	0.22%	0.24%
Impaired loans reserve ratio excl. collective provisions	53.9%	55.4%	52.9%	50.7%	48.8%	51.3%	49.7%	46.4%
Loan loss ratio as a % of loans, quarterly	0.04%	0.17%	0.10%	0.05%	0.04%	0.10%	0.10%	0.08%
Loans past due > 60 days	3,925	4,123	4,928	4,629	4,473	4,657	5,286	5,737
Loans past due > 60 days, which are not impaired	946	1,061	1,381	1,229	1,270	1,218	1,504	1,853

Segment information

Operating profit per segment, quarterly

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Handelsbanken Sweden	3,148	3,291	3,832	3,132	2,317	2,779	3,006	3,102
Handelsbanken UK	521	472	518	568	536	559	561	610
Handelsbanken Denmark	270	-236	70	216	246	207	72	273
Handelsbanken Finland	213	236	211	225	183	238	251	211
Handelsbanken Norway	833	604	591	628	492	566	565	583
Handelsbanken the Netherlands	49	73	41	25	28	17	25	16
Capital Markets	501	272	298	417	365	316	335	399
Other	-122	215	199	127	854	831	-43	123
Adjustments & eliminations	-66	-229	-69	-61	-54	20	-41	-61
Operating profit, Group	5,347	4,698	5,691	5,277	4,967	5,533	4,731	5,256

Total income per segment

SEK m	Q1 2017	Q4 2016	Change	Q1 2016	Change	Jan-Mar 2017	Jan-Mar 2016	Change	Full year 2015
Handelsbanken Sweden	5,162	5,332	-3%	4,906	5%	5,162	4,906	5%	20,341
Handelsbanken UK	1,265	1,320	-4%	1,286	-2%	1,265	1,286	-2%	5,223
Handelsbanken Denmark	556	566	-2%	527	6%	556	527	6%	2,208
Handelsbanken Finland	423	442	-4%	427	-1%	423	427	-1%	1,831
Handelsbanken Norway	1,019	1,066	-4%	895	14%	1,019	895	14%	3,768
Handelsbanken the Netherlands	160	180	-11%	101	58%	160	101	58%	356
Handelsbanken Capital Markets	1,342	1,136	18%	1,197	12%	1,342	1,197	12%	5,006
Other	109	83	31%	904	-88%	109	904	-88%	1,603
Adjustments & eliminations	-	-	-	-	-	-	-	-	-
Total income	10,036	10,125	-1%	10,243	-2%	10,036	10,243	-2%	40,336

Total expenses per segment

SEK m	Q1 2017	Q4 2016	Change	Q1 2016	Change	Jan-Mar 2017	Jan-Mar 2016	Change	Full year 2015
Handelsbanken Sweden	-1,954	-1,860	5%	-2,564	-24%	-1,954	-2,564	-24%	-7,466
Handelsbanken UK	-731	-775	-6%	-712	3%	-731	-712	3%	-2,784
Handelsbanken Denmark	-288	-325	-11%	-275	5%	-288	-275	5%	-1,101
Handelsbanken Finland	-213	-220	-3%	-221	-4%	-213	-221	-4%	-788
Handelsbanken Norway	-140	-355	-61%	-300	-53%	-140	-300	-53%	-1,303
Handelsbanken the Netherlands	-109	-107	2%	-73	49%	-109	-73	49%	-282
Handelsbanken Capital Markets	-766	-856	-11%	-842	-9%	-766	-842	-9%	-3,469
Other	-231	114		-55	320%	-231	-55	320%	-954
Adjustments & eliminations	-66	-229	71%	-54	-22%	-66	-54	22%	-124
Total expenses	-4,498	-4,613	-2%	-5,096	-12%	-4,498	-5,096	-12%	-18,271

Operating profit per segment

SEK m	Q1 2017	Q4 2016	Change	Q1 2016	Change	Jan-Mar 2017	Jan-Mar 2016	Change	Full year 2015
Handelsbanken Sweden	3,148	3,291	-4%	2,317	36%	3,148	2,317	36%	12,110
Handelsbanken UK	521	472	10%	536	-3%	521	536	-3%	2,203
Handelsbanken Denmark	270	-236		246	10%	270	246	10%	816
Handelsbanken Finland	213	236	-10%	183	16%	213	183	16%	960
Handelsbanken Norway	833	604	38%	492	69%	833	492	69%	2,249
Handelsbanken the Netherlands	49	73	-33%	28	75%	49	28	75%	72
Handelsbanken Capital Markets	501	272	84%	365	37%	501	365	37%	1,533
Other	-122	215		854		-122	854		656
Adjustments & eliminations	-66	-229	71%	-54	-22%	-66	-54	-22%	-124
Operating profit	5,347	4,698	14%	4,967	8%	5,347	4,967	8%	20,475

Handelsbanken Sweden

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	3,946	4,018	3,929	3,813	3,759	3,775	3,717	3,900
Net fee and commission income	1,058	1,102	1,047	1,080	1,004	1,143	1,154	1,187
Net gains/losses on financial transactions	147	184	167	242	132	50	94	138
Other income	11	28	4	4	11	16	5	5
Total income	5,162	5,332	5,147	5,139	4,906	4,984	4,970	5,230
Staff costs	-856	-867	-278	-920	-1,606	-908	-910	-922
Other expenses	-279	-302	-261	-310	-280	-324	-266	-303
Internal purchased and sold services	-792	-680	-630	-677	-658	-636	-630	-646
Depreciation, amortisation and impairments of property, equipment and intangible assets	-27	-11	-19	-17	-20	-21	-22	-21
Total expenses	-1,954	-1,860	-1,188	-1,924	-2,564	-1,889	-1,828	-1,892
Profit before loan losses	3,208	3,472	3,959	3,215	2,342	3,095	3,142	3,338
Net loan losses	-60	-180	-128	-84	-24	-317	-136	-236
Gains/losses on disposal of property, equipment and intangible assets	0	-1	1	1	-1	1	0	0
Operating profit	3,148	3,291	3,832	3,132	2,317	2,779	3,006	3,102
Profit allocation	294	300	271	224	202	236	279	224
Operating profit after profit allocation	3,442	3,591	4,103	3,356	2,519	3,015	3,285	3,326
Cost/income ratio, %	35.8	33.0	21.9	35.9	50.2	36.2	34.8	34.7
Loan loss ratio, %	0.02	0.06	0.04	0.03	0.01	0.11	0.05	0.08
Allocated capital	78,736	77,800	72,997	68,642	74,375	71,894	68,490	65,768
Return on allocated capital, %	13.6	14.4	17.5	15.3	10.6	13.1	15.0	15.8
Average number of employees	4,006	4,109	4,352	4,300	4,412	4,427	4,713	4,385
Number of branches and meeting points	425	435	463	472	473	474	474	474

Business volumes, Handelsbanken Sweden

Average volumes, SEK bn	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Loans to the public*								
Household	765	757	748	736	721	709	693	680
of which mortgage loans	714	705	695	681	667	654	639	626
Corporate	479	473	479	481	482	478	475	476
of which mortgage loans	275	269	270	272	274	273	270	268
Total	1,244	1,230	1,227	1,217	1,203	1,187	1,168	1,156
Deposits and borrowing from the public								
Household	307	306	302	291	281	276	269	258
Corporate	217	209	199	200	197	199	194	193
Total	524	515	501	491	478	475	463	451

* Excluding loans to the National Debt Office.

Handelsbanken UK

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	1,079	1,111	1,085	1,102	1,116	1,193	1,180	1,140
Net fee and commission income	140	147	121	132	119	130	114	105
Net gains/losses on financial transactions	46	59	34	76	50	47	44	54
Other income	0	3	-1	0	1	2	1	2
Total income	1,265	1,320	1,239	1,310	1,286	1,372	1,339	1,301
Staff costs	-453	-470	-444	-462	-473	-480	-482	-463
Other expenses	-112	-143	-109	-105	-106	-135	-104	-99
Internal purchased and sold services	-150	-151	-137	-137	-120	-129	-116	-109
Depreciation, amortisation and impairments of property, equipment and intangible assets	-16	-11	-11	-11	-13	-11	-9	-5
Total expenses	-731	-775	-701	-715	-712	-755	-711	-676
Profit before loan losses	534	545	538	595	574	617	628	625
Net loan losses	-12	-73	-20	-26	-41	-57	-65	-7
Gains/losses on disposal of property, equipment and intangible assets	-1	0	0	-1	3	-1	-2	-8
Operating profit	521	472	518	568	536	559	561	610
Profit allocation	8	9	11	7	8	9	8	8
Operating profit after profit allocation	529	481	529	575	544	568	569	618
Cost/income ratio, %	57.4	58.3	56.1	54.3	55.0	54.7	52.8	51.6
Loan loss ratio, %	0.02	0.15	0.04	0.05	0.08	0.13	0.15	0.02
Allocated capital	12,914	11,426	10,582	10,263	10,911	10,452	10,723	10,527
Return on allocated capital, %	12.8	13.1	15.6	17.5	15.6	17.0	16.5	18.3
Average number of employees	1,991	1,980	1,987	1,957	1,912	1,883	1,850	1,755
Number of branches and meeting points	207	207	206	205	201	198	196	188

Handelsbanken UK, in local currency

GBP m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	97.6	98.7	97.1	93.4	92.3	92.5	89.7	88.4
Net fee and commission income	12.7	13.1	10.8	11.2	9.8	10.2	8.6	8.2
Net gains/losses on financial transactions	4.2	5.2	3.1	6.5	4.1	3.6	3.3	4.1
Other income	0.0	0.2	0.0	0.0	0.1	0.1	0.1	0.2
Total income	114.5	117.2	111.0	111.1	106.3	106.4	101.7	100.9
Staff costs	-41.0	-41.8	-39.7	-39.2	-39.1	-37.3	-36.6	-35.9
Other expenses	-10.1	-12.8	-9.6	-8.9	-8.8	-10.4	-7.9	-7.7
Internal purchased and sold services	-13.6	-13.2	-12.4	-11.5	-10.0	-10.2	-8.8	-8.3
Depreciation, amortisation and impairments of property, equipment and intangible assets	-1.5	-1.0	-1.0	-1.0	-1.0	-0.8	-0.7	-0.4
Total expenses	-66.2	-68.8	-62.7	-60.6	-58.9	-58.7	-54.0	-52.3
Profit before loan losses	48.3	48.4	48.3	50.5	47.4	47.7	47.7	48.6
Net loan losses	-1.1	-6.3	-1.9	-2.2	-3.4	-4.4	-4.9	-0.5
Gains/losses on disposal of property, equipment and intangible assets	0.0	0.0	0.0	-0.1	0.3	0.0	-0.2	-0.6
Operating profit	47.2	42.1	46.4	48.2	44.3	43.3	42.6	47.5
Profit allocation	0.7	0.8	1.0	0.5	0.7	0.7	0.6	0.6
Operating profit after profit allocation	47.9	42.9	47.4	48.7	45.0	44.0	43.2	48.1

Business volumes, Handelsbanken UK

Average volumes, GBP m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Loans to the public								
Household	5,916	5,754	5,609	5,456	5,288	5,094	4,900	4,709
Corporate	11,719	11,418	11,196	10,847	10,566	10,357	10,136	9,913
Total	17,635	17,172	16,805	16,303	15,854	15,451	15,036	14,622
Deposits and borrowing from the public								
Household	3,297	3,039	2,751	2,425	2,060	1,948	1,832	1,681
Corporate	7,840	7,550	7,526	7,051	6,744	6,744	6,828	6,628
Total	11,137	10,589	10,277	9,476	8,804	8,692	8,660	8,309

Handelsbanken Denmark

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	417	447	425	405	409	418	417	424
Net fee and commission income	108	95	93	93	98	102	92	114
Net gains/losses on financial transactions	24	21	19	18	17	24	18	22
Other income	7	3	3	6	3	3	4	5
Total income	556	566	540	522	527	547	531	565
Staff costs	-166	-177	-164	-155	-159	-160	-162	-152
Other expenses	-39	-66	-43	-41	-44	-46	-42	-44
Internal purchased and sold services	-80	-78	-71	-69	-69	-70	-64	-73
Depreciation, amortisation and impairments of property, equipment and intangible assets	-3	-4	-3	-4	-3	-6	-2	-3
Total expenses	-288	-325	-281	-269	-275	-282	-270	-272
Profit before loan losses	268	241	259	253	252	265	261	293
Net loan losses	-4	-478	-194	-38	-6	-63	-190	-22
Gains/losses on disposal of property, equipment and intangible assets	6	1	5	1	0	5	1	2
Operating profit	270	-236	70	216	246	207	72	273
Profit allocation	24	22	26	18	19	19	18	17
Operating profit after profit allocation	294	-214	96	234	265	226	90	290
Cost/income ratio, %	49.7	55.3	49.6	49.8	50.4	49.8	49.2	46.7
Loan loss ratio, %	0.02	2.26	0.92	0.18	0.03	0.31	0.94	0.11
Allocated capital	6,382	6,221	6,412	6,146	6,023	6,219	6,281	6,387
Return on allocated capital, %	14.4	-10.7	4.6	11.9	13.7	11.3	4.5	14.1
Average number of employees	611	617	627	626	626	630	640	630
Number of branches	57	57	57	57	57	57	57	57

Handelsbanken Denmark, in local currency

DKK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	326	340	333	325	327	335	329	341
Net fee and commission income	85	73	72	75	78	81	73	91
Net gains/losses on financial transactions	19	16	15	15	13	19	15	17
Other income	5	3	2	4	3	3	3	4
Total income	435	432	422	419	421	438	420	453
Staff costs	-130	-136	-127	-125	-127	-128	-128	-122
Other expenses	-30	-50	-34	-33	-35	-37	-33	-36
Internal purchased and sold services	-62	-60	-55	-56	-55	-57	-51	-58
Depreciation, amortisation and impairments of property, equipment and intangible assets	-3	-3	-3	-2	-3	-5	-1	-2
Total expenses	-225	-249	-219	-216	-220	-227	-213	-218
Profit before loan losses	210	183	203	203	201	211	207	235
Net loan losses	-3	-374	-154	-31	-4	-50	-152	-17
Gains/losses on disposal of property, equipment and intangible assets	4	1	3	1	0	5	1	1
Operating profit	211	-190	52	173	197	166	56	219
Profit allocation	19	17	20	15	15	15	14	14
Operating profit after profit allocation	230	-173	72	188	212	181	70	233

Business volumes, Handelsbanken Denmark

Average volumes, DKK bn	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Loans to the public								
Household	43.4	42.5	41.3	40.1	39.1	37.9	37.0	36.3
Corporate	29.6	29.0	28.7	28.8	28.7	28.2	29.9	30.3
Total	73.0	71.5	70.0	68.9	67.8	66.1	66.9	66.6
Deposits and borrowing from the public								
Household	12.2	12.4	12.1	12.0	11.3	11.5	11.5	11.3
Corporate	18.5	16.2	15.7	13.5	17.1	16.7	18.4	16.6
Total	30.7	28.6	27.8	25.5	28.4	28.2	29.9	27.9

Handelsbanken Finland

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	292	302	304	294	318	345	333	341
Net fee and commission income	113	116	108	102	93	93	96	98
Net gains/losses on financial transactions	14	21	8	45	13	12	10	16
Other income	4	3	1	3	3	7	3	7
Total income	423	442	421	444	427	457	442	462
Staff costs	-94	-101	-94	-95	-90	-90	-92	-94
Other expenses	-42	-53	-37	-50	-70	-46	-35	-42
Internal purchased and sold services	-73	-62	-59	-60	-58	-66	-57	-61
Depreciation, amortisation and impairments of property, equipment and intangible assets	-4	-4	-4	-3	-3	-4	-2	-3
Total expenses	-213	-220	-194	-208	-221	-206	-186	-200
Profit before loan losses	210	222	227	236	206	251	256	262
Net loan losses	3	14	-16	-11	-23	-13	-5	-51
Gains/losses on disposal of property, equipment and intangible assets	-	0	0	0	0	0	0	0
Operating profit	213	236	211	225	183	238	251	211
Profit allocation	32	38	31	30	32	32	26	27
Operating profit after profit allocation	245	274	242	255	215	270	277	238
Cost/income ratio, %	46.8	45.8	42.9	43.9	48.1	42.1	39.7	40.9
Loan loss ratio, %	-0.01	-0.05	0.05	0.04	0.08	0.04	0.02	0.17
Allocated capital	6,169	6,252	5,937	5,568	5,970	6,186	6,014	5,983
Return on allocated capital, %	12.4	13.7	12.7	14.3	11.2	13.6	14.4	12.4
Average number of employees	482	482	500	496	489	491	508	502
Number of branches	45	45	45	45	46	46	46	46

Handelsbanken Finland, in local currency

EUR m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	30.7	30.9	31.9	31.7	34.1	37.1	35.3	36.7
Net fee and commission income	11.8	11.9	11.3	11.1	9.9	10.0	10.2	10.6
Net gains/losses on financial transactions	1.4	2.1	0.8	4.9	1.4	1.2	1.2	1.7
Other income	0.5	0.3	0.1	0.3	0.3	0.8	0.2	0.6
Total income	44.4	45.2	44.1	48.0	45.7	49.1	46.9	49.6
Staff costs	-9.9	-10.3	-9.9	-10.2	-9.6	-9.8	-9.7	-10.0
Other expenses	-4.5	-5.3	-3.9	-5.4	-7.5	-4.9	-3.7	-4.5
Internal purchased and sold services	-7.7	-6.4	-6.1	-6.6	-6.2	-7.0	-6.1	-6.7
Depreciation, amortisation and impairments of property, equipment and intangible assets	-0.4	-0.4	-0.4	-0.4	-0.3	-0.3	-0.3	-0.3
Total expenses	-22.5	-22.4	-20.3	-22.6	-23.6	-22.0	-19.8	-21.5
Profit before loan losses	21.9	22.8	23.8	25.4	22.1	27.1	27.1	28.1
Net loan losses	0.4	1.5	-1.7	-1.1	-2.5	-1.5	-0.5	-5.4
Gains/losses on disposal of property, equipment and intangible assets	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating profit	22.3	24.3	22.1	24.3	19.6	25.6	26.6	22.7
Profit allocation	3.3	3.9	3.2	3.2	3.5	3.4	2.8	2.9
Operating profit after profit allocation	25.6	28.2	25.3	27.5	23.1	29.0	29.4	25.6

Business volumes, Handelsbanken Finland

Average volumes, EUR m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Loans to the public								
Household	4,024	3,997	3,998	3,952	3,952	3,962	3,959	3,948
Corporate	8,922	8,822	8,747	8,733	8,742	8,657	8,556	8,558
Total	12,946	12,819	12,745	12,685	12,694	12,619	12,515	12,506
Deposits and borrowing from the public								
Household	1,625	1,508	1,485	1,432	1,381	1,363	1,386	1,366
Corporate	2,771	2,211	1,933	1,766	2,052	1,886	2,205	2,384
Total	4,396	3,719	3,418	3,198	3,433	3,249	3,591	3,750

Handelsbanken Norway

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	885	933	856	797	769	788	785	840
Net fee and commission income	103	107	99	91	84	89	103	103
Net gains/losses on financial transactions	27	21	25	30	38	22	29	14
Other income	4	5	4	68	4	14	8	6
Total income	1,019	1,066	984	986	895	913	925	963
Staff costs	15	-180	-175	-158	-163	-169	-177	-183
Other expenses	-54	-62	-46	-50	-48	-52	-48	-54
Internal purchased and sold services	-97	-107	-96	-90	-86	-93	-85	-95
Depreciation, amortisation and impairments of property, equipment and intangible assets	-4	-6	-3	4	-3	-3	-3	-4
Total expenses	-140	-355	-320	-294	-300	-317	-313	-336
Profit before loan losses	879	711	664	692	595	596	612	627
Net loan losses	-46	-107	-73	-64	-103	-30	-53	-44
Gains/losses on disposal of property, equipment and intangible assets	0	0	0	0	0	0	6	-
Operating profit	833	604	591	628	492	566	565	583
Profit allocation	21	30	22	16	23	20	14	15
Operating profit after profit allocation	854	634	613	644	515	586	579	598
Cost/income ratio, %	13.5	32.4	31.8	29.3	32.7	34.0	33.3	34.4
Loan loss ratio, %	0.08	0.20	0.14	0.12	0.20	0.06	0.10	0.09
Allocated capital	16,808	15,883	14,441	12,870	13,383	12,966	13,007	12,858
Return on allocated capital, %	15.9	12.4	13.2	15.6	12.0	14.1	13.9	14.5
Average number of employees	662	667	681	658	665	666	691	673
Number of branches	49	50	50	50	50	50	51	51

Handelsbanken Norway, in local currency

NOK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	837	867	835	801	785	789	763	774
Net fee and commission income	98	98	98	92	85	89	100	95
Net gains/losses on financial transactions	25	19	24	30	39	23	27	13
Other income	4	3	3	69	4	12	9	5
Total income	964	987	960	992	913	913	899	887
Staff costs	14	-167	-171	-159	-166	-169	-172	-169
Other expenses	-51	-58	-44	-51	-49	-51	-47	-49
Internal purchased and sold services	-92	-98	-95	-90	-88	-92	-84	-87
Depreciation, amortisation and impairments of property, equipment and intangible assets	-3	-6	-3	4	-3	-4	-3	-3
Total expenses	-132	-329	-313	-296	-306	-316	-306	-308
Profit before loan losses	832	658	647	696	607	597	593	579
Net loan losses	-44	-100	-71	-64	-105	-32	-51	-41
Gains/losses on disposal of property, equipment and intangible assets	0	0	0	0	0	1	5	-
Operating profit	788	558	576	632	502	566	547	538
Profit allocation	20	28	21	17	23	20	14	13
Operating profit after profit allocation	808	586	597	649	525	586	561	551

Business volumes, Handelsbanken Norway

Average volumes, NOK bn	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Loans to the public								
Household	88.0	87.6	86.4	85.3	84.3	83.4	82.0	80.5
Corporate	145.8	146.1	144.3	142.7	139.4	127.1	120.3	118.2
Total	233.8	233.7	230.7	228.0	223.7	210.5	202.3	198.7
Deposits and borrowing from the public								
Household	19.6	19.7	20.0	19.1	18.6	17.8	17.9	17.1
Corporate	48.8	54.2	45.8	44.2	40.8	47.4	47.2	54.6
Total	68.4	73.9	65.8	63.3	59.4	65.2	65.1	71.7

Handelsbanken the Netherlands

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	125	126	117	100	95	88	84	81
Net fee and commission income	32	49	15	6	5	5	6	5
Net gains/losses on financial transactions	2	2	2	0	1	1	3	1
Share of profits associated companies	1	2	0	-	-	-	-	-
Other income	0	1	0	-	-	-	-	-
Total income	160	180	134	106	101	94	93	87
Staff costs	-67	-65	-56	-45	-44	-43	-41	-36
Other expenses	-18	-16	-20	-16	-8	-11	-8	-10
Internal purchased and sold services	-22	-24	-14	-19	-20	-22	-19	-21
Depreciation, amortisation and impairments of property, equipment and intangible assets	-2	-2	-2	-2	-1	-1	-1	-1
Total expenses	-109	-107	-92	-82	-73	-77	-69	-68
Profit before loan losses	51	73	42	24	28	17	24	19
Net loan losses	-2	0	-1	1	0	0	1	-3
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	49	73	41	25	28	17	25	16
Profit allocation	0	1	0	2	0	0	0	0
Operating profit after profit allocation	49	74	41	27	28	17	25	16
Cost/income ratio, %	68.1	59.1	68.7	75.9	72.3	81.9	74.2	78.2
Loan loss ratio, %	0.02	0.00	0.02	-0.02	0.00	0.00	-0.02	0.06
Allocated capital	1,276	1,251	1,131	956	921	851	906	846
Return on allocated capital, %	12.0	18.6	11.2	8.6	9.8	6.4	8.5	5.8
Average number of employees	259	245	198	188	181	175	162	153
Number of branches	26	25	25	23	23	23	23	22

Handelsbanken in the Netherlands, in local currency

Euro m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	13.1	12.9	12.3	10.8	10.2	9.5	8.9	8.7
Net fee and commission income	3.4	5.1	1.6	0.6	0.6	0.5	0.6	0.5
Net gains/losses on financial transactions	0.2	0.4	0.2	0.0	0.1	0.1	0.3	0.1
Other income	0.1	0.3	0.0	-	-	-	-	-
Total income	16.8	18.7	14.1	11.4	10.9	10.1	9.8	9.3
Staff costs	-7.1	-6.8	-5.8	-4.9	-4.7	-4.6	-4.3	-3.9
Other expenses	-1.9	-1.6	-2.1	-1.7	-0.9	-1.2	-0.9	-1.0
Internal purchased and sold services	-2.1	-2.3	-1.6	-2.0	-2.2	-2.3	-2.0	-2.3
Depreciation, amortisation and impairments of property, equipment and intangible assets	-0.3	-0.3	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1
Total expenses	-11.4	-11.0	-9.7	-8.8	-7.9	-8.2	-7.3	-7.3
Profit before loan losses	5.4	7.7	4.4	2.6	3.0	1.9	2.5	2.0
Net loan losses	-0.2	0.0	-0.1	0.1	0.0	0.0	0.1	-0.3
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	5.2	7.7	4.3	2.7	3.0	1.9	2.6	1.7
Profit allocation	0.3	0.1	0.0	0.2	0.0	0.0	0.0	0.0
Operating profit after profit allocation	5.5	7.8	4.3	2.9	3.0	1.9	2.6	1.7

Business volumes, Handelsbanken the Netherlands

Average volumes, EUR m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Loans to the public								
Household	1,780	1,629	1,502	1,367	1,238	1,141	1,067	980
Corporate	1,695	1,667	1,741	1,397	1,273	1,233	1,117	1,132
Total	3,475	3,296	3,243	2,764	2,511	2,374	2,184	2,112
Deposits and borrowing from the public								
Household	78	73	65	58	53	47	48	47
Corporate	768	455	378	440	408	600	703	698
Total	846	528	443	498	461	647	751	745

Handelsbanken Capital Markets

Handelsbanken Capital Markets

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	118	151	135	134	137	187	143	148
Net fee and commission income	782	815	753	771	742	758	734	744
Net gains/losses on financial transactions	399	162	244	338	240	214	249	330
Risk result - insurance	36	6	25	35	76	36	40	55
Other income	7	2	3	1	2	4	3	2
Total income	1,342	1,136	1,160	1,279	1,197	1,199	1,169	1,279
Staff costs	-544	-581	-580	-597	-610	-590	-596	-629
Other expenses	-223	-239	-203	-217	-212	-228	-198	-215
Internal purchased and sold services	19	-17	-17	-22	0	-46	-12	-22
Depreciation, amortisation and impairments of property, equipment and intangible assets	-18	-19	-18	-19	-20	-24	-18	-18
Total expenses	-766	-856	-818	-855	-842	-888	-824	-884
Profit before loan losses	576	280	342	424	355	311	345	395
Net loan losses	-75	-8	-44	-7	10	5	-10	4
Operating profit	501	272	298	417	365	316	335	399
Profit allocation	-379	-400	-361	-297	-284	-317	-345	-291
Operating profit after profit allocation	122	-128	-63	120	81	-1	-10	108
Cost/income ratio, %	79.5	116.3	102.4	87.1	92.2	100.7	100.0	89.5
Loan loss ratio, %	0.67	0.07	0.37	0.06	-0.08	-0.04	0.07	-0.03
Allocated capital	4,972	5,033	4,807	5,038	4,981	5,671	5,183	5,572
Return on allocated capital, %	7.7	-8.0	-4.1	7.5	5.0	-0.1	-0.6	6.1
Average number of employees	1,643	1,636	1,674	1,681	1,720	1,737	1,785	1,761

Business volumes, Handelsbanken International

Average volumes, SEK bn	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Loans to the public								
Household	5.4	5.4	5.1	4.9	4.9	4.9	4.7	4.6
Corporate	29.9	31.7	30.2	30.1	30.4	30.3	29.4	28.1
Total	35.3	37.1	35.3	35.0	35.3	35.2	34.1	32.7
Deposits and borrowing from the public								
Household	3.6	3.6	3.8	3.7	2.8	3.1	3.8	3.6
Corporate	37.4	46.5	45.3	44.5	37.9	43.5	48.6	57.6
Total	41.0	50.1	49.1	48.2	40.7	46.6	52.4	61.2

Markets & Asset Management

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	12	16	3	6	2	41	3	13
Net fee and commission income	538	565	524	548	521	538	524	544
Net gains/losses on financial transactions	406	181	249	333	253	232	277	308
Other income	1	1	3	-3	1	0	0	0
Total income	957	763	779	884	777	811	804	865
Staff costs	-251	-277	-239	-304	-309	-288	-298	-322
Other expenses	-256	-256	-298	-240	-240	-261	-223	-254
Total expenses	-507	-533	-537	-544	-549	-549	-521	-576
Profit before loan losses	450	230	242	340	228	262	283	289
Net loan losses	-	-	-	-	-	-	-	-
Operating profit	450	230	242	340	228	262	283	289
Operating profit after profit allocation	170	-72	-22	115	11	7	14	50
Average number of employees	504	496	541	571	575	598	605	595

Pension & Life, International and Business Support

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	106	135	132	128	135	146	140	135
Net fee and commission income	244	250	229	223	221	220	210	200
Net gains/losses on financial transactions	-7	-19	-5	5	-13	-18	-28	22
Other income	42	7	25	39	77	40	43	57
Total income	385	373	381	395	420	388	365	414
Staff costs	-293	-304	-341	-293	-301	-302	-298	-307
Other expenses	34	-19	60	-18	8	-37	-5	-1
Total expenses	-259	-323	-281	-311	-293	-339	-303	-308
Profit before loan losses	126	50	100	84	127	49	62	106
Net loan losses	-75	-8	-44	-7	10	5	-10	4
Operating profit	51	42	56	77	137	54	52	110
Operating profit after profit allocation	-48	-56	-41	5	70	-8	-24	58
Average number of employees	1,139	1,140	1,133	1,110	1,145	1,139	1,180	1,166
Number of branches	13	13	13	13	13	13	17	17

Handelsbanken Liv

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Statutory Profit/loss, according to the alternative income statement								
Administration result	224	211	204	182	172	157	178	174
Risk result	36	6	25	35	76	36	40	55
Financial result	-27	-49	-20	-15	-17	-49	-36	-28
<i>of which deferred capital contribution</i>	-25	-49	-19	-15	-17	-47	-36	-12
Other	34	46	40	35	25	39	30	51
Operating profit	267	214	249	237	256	183	212	252
AUM, SEK bn, end of period	128	123	120	111	109	111	106	112
<i>of which unit-linked</i>	97	93	90	83	81	82	78	82
<i>of which portfolio bond</i>	22	21	21	20	20	19	19	20
Premiums paid, SEK m	3,528	2,991	2,938	3,818	3,313	2,835	2,840	4,417
of which portfolio bond	1,145	959	909	1,086	1,235	803	653	976
of which unit-linked	2,237	1,891	1,877	2,583	1,928	1,883	2,021	3,279
of which occupational pensions	571	558	600	459	469	468	497	561
New sales mutual funds & custody, Sweden, SEK m	836	593	444	757	892	591	518	900

Other and Adjustments & eliminations

Other

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	219	211	190	163	192	177	175	145
Net fee and commission income	18	16	23	5	25	23	9	3
Net gains/losses on financial transactions	-112	-201	613	-226	671	1,133	-221	-124
Share of profit of associates	-28	-2	10	13	2	-11	18	9
Other income	12	59	12	181	14	21	11	301
Total income	109	83	848	136	904	1,343	-8	334
Staff costs	-698	-323	-1,084	-459	-469	-933	-452	-609
Other expenses	-663	-637	-515	-557	-535	-600	-496	-569
Internal purchased and sold services	1,195	1,119	1,024	1,074	1,011	1,062		
Depreciation, amortisation and impairments of property, equipment and intangible assets	-65	-45	-74	-67	-62	-42	-69	-67
Total expenses	-231	114	-649	-9	-55	-513	-34	-218
Profit before loan losses	-122	197	199	127	849	830	-42	116
Net loan losses								
Gains/losses on disposal of property, equipment and intangible assets	0	18	0	0	5	1	-1	7
Operating profit	-122	215	199	127	854	831	-43	123
Profit allocation	-	-	-	-	-	1	0	0
Operating profit after profit allocation	-122	215	199	127	854	832	-43	123
Average number of employees	1,930	1,879	1,840	1,810	1,830	1,816	1,788	1,837

Adjustments & eliminations

SEK m	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Net interest income	-	-	-	-	-	-	-	-
Net fee and commission income	-	-	-	-	-	-	-	-
Net gains/losses on financial transactions	-	-	-	-	-	-	-	-
Risk result - insurance	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-
Total income	-	-	-	-	-	-	-	-
Staff costs	-55	-217	-66	-61	-54	20	-41	-61
Other expenses	-	-	-	-	-	-	-	-
Depreciation, amortisation and impairments of property, equipment and intangible assets	-11	-12	-3	-	-	-	-	-
Total expenses	-66	-229	-69	-61	-54	20	-41	-61
Profit before loan losses	-66	-229	-69	-61	-54	20	-41	-61
Net loan losses	-	-	-	-	-	-	-	-
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	-66	-229	-69	-61	-54	20	-41	-61

Balance sheet

Balance sheet - Svenska Handelsbanken Group

SEK m	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Assets								
Cash and balances with central banks	387,092	199,362	353,680	501,744	463,957	202,630	452,271	447,289
Other loans to central banks	79,245	25,527	103,113	81,267	43,790	34,118	74,145	106,646
Interest-bearing securities eligible as collateral with central banks	97,262	97,205	119,532	117,753	95,474	74,777	102,824	73,071
Loans to other credit institutions	34,542	31,347	41,410	48,479	47,442	49,656	63,130	87,250
Loans to the public	1,991,434	1,963,622	1,965,649	1,937,155	1,902,479	1,866,467	1,855,311	1,851,432
Value change of interest-hedged item in portfolio hedge	31	35	51	45	36	27	40	42
Bonds and other interest-bearing securities	65,436	63,909	53,855	46,223	53,856	44,513	62,017	56,502
Shares	23,397	20,412	35,964	52,541	39,318	30,387	61,462	73,395
Investments in associates	218	255	259	257	248	245	257	303
Assets where the customer bears the value change risk	123,595	118,646	115,532	107,004	104,316	105,146	100,539	105,786
Derivative instruments	73,111	82,633	78,688	92,381	73,885	85,347	98,674	91,099
Reinsurance assets	9	9	10	10	10	10	6	6
Intangible assets	9,460	9,393	9,293	8,450	8,304	8,254	8,230	8,192
Property and equipment	2,363	2,387	2,323	2,264	2,262	2,348	2,336	2,179
Current tax assets	518	38	2,409	1,575	588	143	1,064	558
Deferred tax assets	534	962	1,978	1,979	1,262	1,489	1,503	921
Net pension assets	379	-	-	-	-	-	-	-
Assets held for sale	3	1	2	-	1,671	1,442	1,512	1,393
Other assets	29,034	5,615	19,496	25,810	12,106	8,887	52,405	23,664
Prepaid expenses and accrued income	5,266	6,222	5,691	5,708	5,839	6,247	5,895	6,081
Total assets	2,922,929	2,627,580	2,908,935	3,030,645	2,856,843	2,522,133	2,943,621	2,935,809
Liabilities and equity								
Due to credit institutions	205,971	178,781	205,274	207,312	192,902	163,770	222,941	218,571
Deposits and borrowing from the public	1,049,699	829,336	1,009,427	1,134,500	1,042,076	753,855	1,049,202	1,093,551
Liabilities where the customer bears the value change risk	123,653	118,745	115,600	107,054	104,392	105,225	100,617	105,848
Issued securities	1,295,668	1,261,765	1,315,684	1,320,083	1,258,169	1,245,367	1,258,088	1,214,721
Derivative instruments	24,297	31,738	33,296	37,283	44,302	40,592	46,252	54,533
Short positions	11,753	1,572	11,441	8,581	10,181	2,416	21,027	20,421
Insurance liabilities	599	574	583	591	603	607	616	628
Current tax liabilities	809	514	1,657	1,008	460	996	1,358	842
Deferred tax liabilities	7,842	7,875	9,788	10,006	9,578	8,844	9,762	9,191
Provisions	615	731	734	773	796	113	99	98
Net pension liabilities	-	2,161	6,547	6,544	3,824	5,314	5,282	2,899
Liabilities related to assets held for sale	-	-	-	-	843	759	746	713
Other liabilities	21,684	9,427	16,452	18,817	12,527	14,206	41,220	30,962
Accrued expenses and deferred income	15,399	14,580	15,359	15,608	19,427	17,585	18,615	19,149
Subordinated liabilities	33,199	33,400	33,008	32,903	33,986	34,216	40,361	39,711
Total liabilities	2,791,188	2,491,199	2,774,850	2,901,063	2,734,066	2,393,865	2,816,186	2,811,838
Minority interest	6	6	6	5	5	4	5	4
Share capital	3,013	3,013	3,008	3,001	2,956	2,956	2,956	2,956
Share premium	5,629	5,628	5,410	5,081	3,204	3,204	3,204	3,204
Reserves	10,237	9,268	10,639	11,037	10,348	8,440	12,107	12,401
Retained earnings	108,745	102,222	102,222	102,222	102,222	97,322	97,322	97,322
Profit for the period, attributable to shareholders in Svenska Handelsbanken AB	4,111	16,244	12,800	8,236	4,042	16,342	11,841	8,084
Total equity	131,741	136,381	134,085	129,582	122,777	128,268	127,435	123,971
Total liabilities and equity	2,922,929	2,627,580	2,908,935	3,030,645	2,856,843	2,522,133	2,943,621	2,935,809

Business volumes – Lending to the public

CREDIT POLICY

Credit process

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

Basic guidelines

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

Loans to the public by sector

Loans net	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
SEK m, end of period								
Private individuals	993,567	981,895	969,723	949,129	925,114	911,762	895,445	882,123
<i>of which mortgage loans in Stadshypotek</i>	<i>807,870</i>	<i>800,059</i>	<i>788,838</i>	<i>771,987</i>	<i>749,851</i>	<i>736,737</i>	<i>720,243</i>	<i>708,134</i>
<i>of which other mortgage loans</i>	<i>121,979</i>	<i>119,975</i>	<i>119,872</i>	<i>117,379</i>	<i>114,867</i>	<i>107,445</i>	<i>107,600</i>	<i>105,804</i>
<i>of which other loans to private individuals</i>	<i>63,718</i>	<i>61,861</i>	<i>61,013</i>	<i>59,763</i>	<i>60,396</i>	<i>67,580</i>	<i>67,602</i>	<i>68,185</i>
Housing co-operative associations	190,917	186,996	182,501	178,746	174,547	169,575	164,010	160,368
<i>of which mortgage loans in Stadshypotek</i>	<i>159,579</i>	<i>156,823</i>	<i>154,492</i>	<i>152,507</i>	<i>150,913</i>	<i>148,057</i>	<i>143,983</i>	<i>141,527</i>
Property management, Note 1	542,581	539,503	537,654	533,445	518,058	510,611	500,822	496,023
Manufacturing	27,479	27,111	28,483	31,990	31,268	31,998	35,498	36,145
Retail	23,405	21,677	23,943	24,229	24,327	23,969	25,926	25,367
Hotels and restaurants	8,392	8,484	8,724	8,619	8,819	8,951	8,865	9,308
Shipping, passenger & goods transport by sea	8,235	8,131	8,974	9,200	9,300	9,811	10,750	10,964
Other transport and communication	14,927	14,578	14,675	14,485	13,334	11,135	10,726	15,174
Construction	19,066	17,942	18,001	16,511	16,009	15,408	17,021	15,324
Electricity, gas, water	24,504	25,185	24,447	24,070	26,670	26,508	25,213	25,420
Agriculture, hunting and forestry	11,567	11,696	12,492	12,344	11,335	11,303	11,107	11,387
Other service industry	19,000	19,495	21,115	20,839	20,336	19,723	19,757	19,973
Holding companies, insurance companies, funds etc.	71,057	66,414	64,761	68,525	73,205	70,897	76,499	72,350
State & municipalities	15,967	15,891	18,659	16,180	18,982	22,452	24,555	34,601
Other corporate lending	21,110	18,972	31,807	29,122	31,447	22,642	29,383	37,135
Total loans to the public, before taking into account collective provisions	1,991,774	1,963,970	1,965,959	1,937,434	1,902,751	1,866,745	1,855,577	1,851,662
Collective provisions	-340	-348	-310	-279	-272	-278	-266	-230
Total loans to the public	1,991,434	1,963,622	1,965,649	1,937,155	1,902,479	1,866,467	1,855,311	1,851,432

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

SEK m, end of period	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Lending in Sweden								
State-owned property companies	4,228	3,228	3,630	5,040	5,040	5,042	5,041	5,181
Municipal-owned property companies	9,561	9,771	9,792	9,890	11,025	12,242	13,920	14,589
Residential property companies	100,131	99,572	93,412	93,243	93,468	91,449	87,349	86,117
<i>of which mortgage loans in Stadshypotek</i>	<i>87,030</i>	<i>85,133</i>	<i>78,029</i>	<i>77,872</i>	<i>77,688</i>	<i>77,363</i>	<i>71,905</i>	<i>70,178</i>
Other property companies	124,864	127,448	131,743	136,648	136,938	136,262	136,982	133,628
<i>of which mortgage loans in Stadshypotek</i>	<i>53,366</i>	<i>52,923</i>	<i>56,911</i>	<i>58,361</i>	<i>59,838</i>	<i>61,986</i>	<i>65,427</i>	<i>66,572</i>
Total lending in Sweden	238,784	240,019	238,577	244,821	246,471	244,995	243,292	239,515
Lending outside Sweden								
Denmark	19,476	19,637	17,736	16,726	16,299	13,727	14,307	13,906
Finland	34,316	33,887	33,094	32,117	28,708	28,682	28,045	27,507
Norway	102,822	103,659	107,813	99,509	91,472	85,729	78,617	81,569
Great Britain	115,677	111,511	109,312	110,629	111,147	115,261	115,567	115,138
The Netherlands	23,949	23,194	21,970	20,935	16,051	14,539	13,496	11,854
Other countries	7,557	7,596	9,152	8,708	7,910	7,678	7,498	6,534
Total lending outside Sweden	303,797	299,484	299,077	288,624	271,587	265,616	257,530	256,508
Total lending - Property management	542,581	539,503	537,654	533,445	518,058	510,611	500,822	496,023

Credit risk exposure

SEK m	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Loans to the public	1,991,434	1,963,622	1,965,649	1,937,155	1,902,479	1,866,467	1,855,311	1,851,432
<i>of which reverse repos</i>	<i>11,182</i>	<i>7,493</i>	<i>14,041</i>	<i>11,360</i>	<i>14,279</i>	<i>7,742</i>	<i>15,803</i>	<i>16,428</i>
Loans to other credit institutions	34,542	31,347	41,410	48,479	47,442	49,656	63,130	87,250
<i>of which reverse repos</i>	<i>10,805</i>	<i>4,088</i>	<i>16,984</i>	<i>19,330</i>	<i>20,592</i>	<i>23,394</i>	<i>36,719</i>	<i>48,227</i>
Interest-bearing securities eligible as collateral with c	97,262	97,205	119,532	117,753	95,474	74,777	102,824	73,071
Bonds and other interest-bearing securities	65,436	63,909	53,855	46,223	53,856	44,513	62,017	56,502
Derivative instruments*	73,111	82,633	78,688	92,381	73,885	85,347	98,674	91,099
Contingent liabilities	80,481	78,530	82,361	78,459	74,351	77,457	75,592	77,141
<i>of which guarantees, credits</i>	<i>9,839</i>	<i>9,643</i>	<i>10,110</i>	<i>10,440</i>	<i>9,209</i>	<i>9,750</i>	<i>8,682</i>	<i>10,632</i>
<i>of which guarantees, other</i>	<i>64,512</i>	<i>63,108</i>	<i>67,122</i>	<i>63,551</i>	<i>60,672</i>	<i>61,274</i>	<i>61,588</i>	<i>59,694</i>
<i>of which letters of credit</i>	<i>6,130</i>	<i>5,779</i>	<i>5,129</i>	<i>4,468</i>	<i>4,470</i>	<i>6,433</i>	<i>5,322</i>	<i>6,815</i>
Other commitments	427,927	425,267	431,564	425,390	416,763	420,857	419,933	409,997
<i>of which unutilised part of granted overdraft facilities</i>	<i>132,366</i>	<i>128,967</i>	<i>128,930</i>	<i>130,525</i>	<i>127,904</i>	<i>129,216</i>	<i>125,876</i>	<i>107,218</i>
<i>of which loan commitments</i>	<i>273,876</i>	<i>272,729</i>	<i>274,810</i>	<i>268,866</i>	<i>257,692</i>	<i>267,200</i>	<i>266,098</i>	<i>279,578</i>
<i>of which other</i>	<i>21,685</i>	<i>23,571</i>	<i>27,824</i>	<i>25,999</i>	<i>31,167</i>	<i>24,441</i>	<i>27,959</i>	<i>23,201</i>
Total	2,770,193	2,742,513	2,773,059	2,745,840	2,664,250	2,619,074	2,677,481	2,646,492
Cash and balances with central banks	387,092	199,362	353,680	501,744	463,957	202,630	452,271	447,289
Other loans to central banks	79,245	25,527	103,113	81,267	43,790	34,118	74,145	106,646
Total	3,236,530	2,967,402	3,229,852	3,328,851	3,171,997	2,855,822	3,203,897	3,200,427

* Refers to the total of positive market values.

Credit risk exposure by country

SEK m	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Sweden	1,808,377	1,747,065	1,837,267	1,813,309	1,738,495	1,692,226	1,766,227	1,731,632
Great Britain	341,880	306,840	284,762	313,178	295,181	302,902	281,766	289,991
Norway	332,345	323,009	336,680	302,702	296,502	275,901	269,475	299,889
Denmark	150,633	142,986	150,599	148,084	136,506	123,238	136,933	146,758
Finland	267,295	252,486	280,480	227,103	206,108	189,479	211,723	203,580
The Netherlands	40,467	40,115	41,338	38,776	32,836	30,214	37,562	33,463
Other countries	295,533	154,901	298,726	485,699	466,369	241,862	500,211	495,114
Total	3,236,530	2,967,402	3,229,852	3,328,851	3,171,997	2,855,822	3,203,897	3,200,427

Loans to the public - by country *

SEK bn, end of period	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Handelsbanken Sweden	1,250	1,231	1,227	1,224	1,206	1,193	1,176	1,159
Handelsbanken UK	200	193	190	188	189	194	195	192
Handelsbanken Denmark	94	96	93	90	87	84	85	83
Handelsbanken Finland	122	120	121	118	115	115	116	114
Handelsbanken Norway	243	245	249	233	220	210	203	211
Handelsbanken the Netherlands	34	32	31	30	24	22	21	20
Handelsbanken International	32	35	36	36	35	35	35	32
Other	14	10	16	16	23	11	21	26
Total	1,989	1,963	1,963	1,935	1,899	1,863	1,851	1,837

* Excluding loans to the National Debt Office.

Loans to households - by country

SEK bn, end of period	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Handelsbanken Sweden	770	760	754	745	728	714	701	689
<i>of which mortgages</i>	719	710	700	690	673	662	646	633
Handelsbanken UK	67	65	64	63	63	64	64	62
Handelsbanken Denmark	56	56	55	52	49	48	47	45
Handelsbanken Finland	36	36	37	35	35	35	36	35
Handelsbanken Norway	92	93	93	87	83	81	82	86
Handelsbanken the Netherlands	18	16	15	14	12	11	10	10
Handelsbanken International	5	5	5	5	5	5	5	5
Other	3	3	2	2	2	2	1	2
Total	1,047	1,034	1,025	1,003	977	960	946	933

Corporate lending - by country *

SEK bn, end of period	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Handelsbanken Sweden	480	471	473	479	478	478	475	470
<i>of which mortgages</i>	278	273	268	270	272	275	271	269
Handelsbanken UK	133	128	126	125	126	130	131	130
Handelsbanken Denmark	38	40	38	38	38	36	38	38
Handelsbanken Finland	86	84	84	83	80	80	80	79
Handelsbanken Norway	151	152	156	146	137	129	121	125
Handelsbanken the Netherlands	16	16	16	16	12	11	11	10
Handelsbanken International	27	30	31	31	30	30	30	27
Other	11	7	14	14	21	9	19	25
Total	942	929	938	932	922	903	905	904

* Excluding loans to the National Debt Office.

Business volumes – Savings and deposits

Assets under management, Handelsbanken Group

SEK bn, end of period	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Mutual funds, excl. PPM and Unit-linked	326	308	299	284	282	282	270	272
PPM	29	26	24	22	21	22	19	21
Unit-linked insurance	97	93	90	83	80	82	78	82
<i>of which external mutual funds</i>	-3	-2	-2	-2	-2	-2	-2	-2
Total mutual funds	449	425	411	387	381	384	365	373
Structured products	16	17	17	17	18	18	21	21
Portfolio bond insurance	22	21	21	20	20	19	19	20
<i>of which in mutual funds and structured products</i>	-8	-8	-8	-7	-7	-7	-7	-8
Traditional insurance	8	8	8	9	9	9	9	9
<i>of which in mutual funds and structured products</i>	-1	-1	-1	0	0	-1	0	-1
Discretionary and Institutional assets, excl. insurance	216	207	206	178	180	174	161	198
<i>of which in mutual funds and structured products</i>	-134	-127	-119	-117	-117	-105	-97	-92
Total assets under management, excl. securities in custody	568	542	535	487	484	491	471	520
Securities in custody, excl. mutual funds	347	332	326	309	308	312	303	306
Securities in custody, excl. mutual funds, foundations associated with Handelsbanken	56	52	46	44	45	53	53	57

* Including the whole volume managed by Heartwood and Optimix, of which SEK 22 bn in Heartwoods mutual funds and SEK 12 bn in Optimix' mutual funds.

Deposits and borrowing from the public - by country

SEK bn, end of period	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Handelsbanken Sweden	561	508	512	500	481	470	463	465
Handelsbanken UK	126	117	111	111	103	102	110	107
Handelsbanken Denmark	34	37	35	34	30	31	38	35
Handelsbanken Finland	39	36	33	29	30	30	31	36
Handelsbanken Norway	72	65	79	62	61	57	57	67
Handelsbanken the Netherlands	9	3	7	3	6	3	6	6
Handelsbanken International	50	31	54	45	44	25	48	58
Other	159	32	179	351	288	36	296	321
Total	1,050	829	1,009	1,135	1,042	754	1,049	1,094

Deposits and borrowing from households - by country

SEK bn, end of period	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Handelsbanken Sweden	314	309	308	305	288	280	275	271
Handelsbanken UK	38	37	31	30	25	26	24	23
Handelsbanken Denmark	16	16	16	15	14	14	14	14
Handelsbanken Finland	14	14	14	14	13	13	13	13
Handelsbanken Norway	20	21	21	20	18	18	17	19
Handelsbanken the Netherlands	0.8	0.8	0.7	0.6	0.5	0.5	0.5	0.5
Handelsbanken International	4	4	4	4	4	3	4	4
Other	3	2	4	3	3	2	4	5
Total	410	404	399	392	365	356	351	349

Deposits and borrowing from corporates - by country

SEK bn, end of period	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Handelsbanken Sweden	247	199	204	195	193	191	188	194
Handelsbanken UK	88	80	80	81	78	76	86	84
Handelsbanken Denmark	18	21	19	19	16	17	24	21
Handelsbanken Finland	25	22	19	15	17	17	18	23
Handelsbanken Norway	52	44	58	42	43	39	40	48
Handelsbanken the Netherlands	8	2	6	2	5	2	5	5
Handelsbanken International	46	27	50	41	40	22	44	54
Other	156	30	175	348	285	34	293	316
Total	640	425	611	743	677	398	698	745

Own funds and capital requirement

Own funds CRR

SEK m	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
TIER 1 CAPITAL								
Equity, Group	131,741	136,381	134,085	129,582	122,777	128,268	127,435	123,971
Accrued unpaid dividend last year	-	-	-	-	-	-	-	-
Accrued dividend current year	-2,595	-9,721	-6,400	-4,118	-2,021	-11,442	-8,657	-6,084
Adjustment of Group result	-195	3,829	-162	34	-202	-748	-597	-433
Adjustment of Group equity	3,267	-593	3,532	3,518	1,731	172	135	97
Minority interests	-6	-6	-6	-5	-5	-4	-5	-4
Equity (consolidated entities)	132,212	129,890	131,049	129,011	122,280	116,246	118,311	117,547
Deducted items								
Goodwill and other intangible assets	-9,409	-9,355	-9,268	-8,433	-8,293	-8,246	-8,223	-8,184
Value adjustments (fair value)	-633	-645	-637	-685	-665	-553	-534	-430
Special deduction for IRB institutions	-2,270	-1,527	-1,567	-1,543	-1,452	-1,395	-1,577	-1,668
Positions in securitisation	-	-	-	-	-	-	-	-
Net pension assets	-	-	-	-	-	-	-	-
Own shares	-622	-636	-593	-529	-556	-577	-595	-462
Adjustments in accordance with stability filter								
Cash flow hedges	-2,749	-2,487	-7,850	-8,815	-7,690	-4,940	-6,259	-4,082
Unrealised accumulated gains, shares	-	-	-	-	-	-	-	-
Common equity tier 1 capital, gross	116,529	115,240	111,134	109,006	103,624	100,535	101,123	102,721
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	116,529	115,240	111,134	109,006	103,624	100,535	101,123	102,721
Additional tier 1 instruments	12,598	12,768	12,156	12,045	11,570	11,933	11,955	17,766
Total tier 1 capital	129,127	128,008	123,290	121,051	115,194	112,468	113,078	120,487
TIER 2 CAPITAL								
Subordinated loans	17,293	17,354	17,392	17,135	17,111	17,150	17,622	17,275
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	16,164	16,225	16,263	16,006	15,982	16,021	16,493	16,146
Total own funds	145,291	144,233	139,553	137,057	131,176	128,489	129,571	136,633

Available Distributable Items (ADI)

SEK m	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Available Distributable Items (ADI)	116,529	115,240	96,742	109,006	103,624	100,535	89,515	90,291
Deducted dividend	2,595	9,721	5,020	4,118	2,021	11,442	3,787	2,501
Minimum capital requirement	-22,026	-20,645	-20,001	-21,352	-20,525	-21,291	-20,500	-20,820
Capital conservation buffer	-12,236	-11,470	-11,112	-11,862	-11,403	-11,828	-11,389	-11,566
Countercyclical capital buffer	-5,524	-4,039	-4,162	-4,269	-2,728	-2,827	-2,818	-504
Systemic risk buffer	-14,684	-13,764	0	-14,235	-13,683	-14,194	-	-
Total Available Distributable Items	64,654	75,043	66,487	61,406	57,306	61,837	58,595	59,902

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

Common equity tier 1 ratio, CRR

= Common Equity Tier 1 capital in relation to Risk Exposure Amount

	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
SEK m								
Credit risk according to standardised approach	79,126	80,896	79,204	77,323	74,358	80,406	76,583	73,825
Credit risk according to IRB Approach	329,180	299,370	305,951	320,041	304,506	315,310	320,101	329,926
Market risk	11,705	10,910	10,216	8,890	9,954	10,318	10,612	12,110
Credit valuation adjustment risk (CVA)	7,832	7,429	8,122	8,064	7,104	8,911	8,056	7,086
Operational risk	61,613	60,182	60,182	60,182	60,182	58,187	58,187	58,187
Total risk exposure amount	489,456	458,787	463,675	474,500	456,104	473,132	473,539	481,134
Common equity tier 1 capital	116,529	115,240	111,134	109,006	103,624	100,535	101,123	102,721
Common equity tier 1 ratio, CRR	23.8%	25.1%	24.0%	23.0%	22.7%	21.2%	21.4%	21.3%

Capital adequacy analysis

	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Common equity tier 1 ratio, CRR	23.8%	25.1%	24.0%	23.0%	22.7%	21.2%	21.4%	21.3%
Tier 1 ratio, CRR	26.4%	27.9%	26.6%	25.5%	25.3%	23.8%	23.9%	25.0%
Total capital ratio, CRR	29.7%	31.4%	30.1%	28.9%	28.8%	27.2%	27.4%	28.4%
Own funds in relation to capital requirement according to Basel I floor	149%	148%	144%	142%	139%	137%	140%	149%

Capital requirement

	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
SEK m								
Credit risk according to standardised approach	6,330	6,472	6,336	6,186	5,949	6,433	6,127	5,906
Credit risk according to IRB Approach	26,334	23,950	24,476	25,603	24,360	25,225	25,608	26,394
Market risks	936	873	817	711	796	825	849	968
Credit valuation adjustment risk (CVA)	627	594	650	645	568	713	645	567
Operational risk	4,929	4,815	4,815	4,815	4,815	4,655	4,655	4,655
Total capital requirement	39,156	36,704	37,094	37,960	36,488	37,851	37,884	38,490
Adjustment according to Basel I floor	59,790	61,531	61,134	59,499	58,870	56,982	55,659	54,309
Capital requirement, Basel I floor	98,946	98,235	98,228	97,459	95,358	94,833	93,543	92,799
Total own funds, Basel I floor	147,561	145,760	141,120	138,600	132,628	129,884	131,148	138,301

Capital requirement market risks

	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
SEK m								
Position risk in the trading book	928	864	810	703	789	819	844	963
Interest rate risk	917	855	801	694	778	804	826	946
<i>of which general risk</i>	616	598	651	534	598	512	489	603
<i>of which specific risk</i>	300	256	149	158	179	290	335	341
<i>of which positions in securitisation instruments</i>	-	-	-	-	-	-	-	-
<i>of which non-delta risk</i>	1	1	1	2	1	2	2	2
Equity price risk	11	9	9	9	11	15	18	17
<i>of which general risk</i>	2	1	1	1	1	1	3	2
<i>of which specific risk</i>	4	3	4	3	4	4	7	5
<i>of which mutual funds</i>	0	0	0	1	1	2	0	1
<i>of which non-delta risk</i>	5	5	4	4	5	8	8	9
Exchange rate risk	-	-	-	-	-	-	-	-
<i>of which non-delta risk</i>	-	-	-	-	-	-	-	-
Commodities risk	8	9	7	8	7	6	5	5
<i>of which non-delta risk</i>	0	0	0	0	0	0	0	0
Settlement risk	0	0	0	0	0	0	0	0
Total capital requirement for market risks	936	873	817	711	796	825	849	968

Credit risks IRB approach

Exposure amount								
SEK m	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Corporate	834,609	821,000	839,228	846,280	827,328	821,795	819,465	811,894
Corporate lending	807,818	798,330	810,827	807,327	795,311	796,198	784,060	782,191
<i>of which other loans foundation approach *</i>	107,315	116,048	121,732	125,156	120,994	124,939	125,062	117,231
<i>of which other loans advanced approach *</i>	700,503	682,282	689,095	682,171	674,317	671,259	658,998	664,960
<i>of which large companies</i>	148,270	126,774	139,070	137,163	137,862	137,749	137,548	144,899
<i>of which medium-sized companies</i>	78,917	81,640	78,575	77,698	75,268	76,639	76,627	76,664
<i>of which property companies</i>	473,316	473,868	471,450	467,310	461,187	456,871	444,823	443,397
Counterparty risk	26,791	22,670	28,401	38,953	32,017	25,597	35,405	29,703
Housing co-operative associations	181,339	187,897	183,160	179,807	175,518	170,587	165,197	161,566
Retail	990,618	982,270	975,181	957,893	930,869	918,324	906,016	895,842
Private individuals	964,069	955,346	947,847	930,268	903,907	891,487	878,808	868,620
<i>of which property loans</i>	883,931	874,253	865,890	849,302	825,270	810,312	796,954	785,267
<i>of which other loans</i>	80,138	81,093	81,957	80,966	78,637	81,175	81,854	83,353
Small companies	26,549	26,924	27,334	27,625	26,962	26,837	27,208	27,222
Institutions	103,285	105,185	106,414	118,989	101,166	117,263	133,181	150,101
Lending to institutions	17,498	20,066	15,985	17,370	17,179	19,203	17,466	33,633
Counterparty risk	85,787	85,119	90,429	101,619	83,987	98,060	115,715	116,468
<i>of which repos and securities loans</i>	18,505	14,070	27,810	33,206	32,894	31,143	45,654	57,694
<i>of which derivatives</i>	67,282	71,049	62,619	68,413	51,093	66,917	70,061	58,774
Equity exposures	1,389	1,340	1,352	5,420	5,046	5,229	8,133	8,176
<i>of which listed shares</i>	-	-	-	4,090	4,220	4,418	7,291	7,139
<i>of which other shares</i>	1,389	1,340	1,352	1,330	826	811	842	1,037
Non credit-obligation assets	2,363	2,387	2,323	2,264	2,261	2,348	2,336	2,179
Securitisation positions	22	22	22	23	24	28	31	34
Total IRB Approach	2,113,625	2,100,101	2,107,680	2,110,676	2,042,212	2,035,574	2,034,359	2,029,792

Risk-weighted exposure amount								
SEK m	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Corporates	222,058	194,650	202,371	205,130	198,346	204,181	201,053	206,485
Corporate lending	218,014	190,709	197,569	199,669	193,624	199,470	195,536	201,417
<i>of which other loans foundation approach *</i>	28,684	35,946	36,719	38,484	36,953	37,805	37,662	37,014
<i>of which other loans advanced approach *</i>	189,330	154,763	160,850	161,185	156,671	161,665	157,874	164,403
<i>of which large companies</i>	53,222	57,176	63,228	63,008	59,851	61,130	57,055	63,126
<i>of which medium-sized companies</i>	36,516	32,486	31,333	32,544	31,570	32,888	35,025	34,411
<i>of which property companies</i>	99,592	65,101	66,289	65,634	65,250	67,647	65,794	66,866
Counterparty risk	4,044	3,941	4,802	5,461	4,722	4,711	5,517	5,068
Housing co-operative associations	8,591	7,555	7,062	6,904	6,439	6,248	6,035	6,052
Households	72,965	72,398	72,933	71,701	66,476	66,245	66,909	67,137
Private individuals	65,812	65,258	65,599	64,283	58,972	58,841	59,699	59,761
<i>of which property loans</i>	48,827	48,178	48,064	47,020	43,965	43,517	43,693	43,539
<i>of which other loans</i>	16,985	17,080	17,535	17,263	15,007	15,324	16,006	16,222
Small companies	7,153	7,140	7,334	7,418	7,504	7,404	7,210	7,376
Institutions	18,041	17,397	16,256	17,258	15,686	20,471	19,506	23,531
Lending to institutions	5,959	6,175	5,047	5,664	5,749	6,767	6,180	11,352
Counterparty risk	12,082	11,222	11,209	11,594	9,937	13,704	13,326	12,179
<i>of which repos and securities loans</i>	378	631	559	795	766	424	1,369	772
<i>of which derivatives</i>	11,704	10,591	10,650	10,799	9,171	13,280	11,957	11,407
Equity exposures	5,139	4,959	5,004	16,782	15,296	15,815	24,260	24,539
<i>of which listed shares</i>	-	-	-	11,860	12,239	12,811	21,145	20,703
<i>of which other shares</i>	5,139	4,959	5,004	4,922	3,057	3,004	3,115	3,836
Exposures without a counterparty	2,363	2,387	2,323	2,264	2,261	2,348	2,336	2,179
Securitisation positions	23	24	2	2	2	2	2	3
Total IRB approach	329,180	299,370	305,951	320,041	304,506	315,310	320,101	329,926

* 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	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Corporates	17,765	15,572	16,190	16,410	15,869	16,334	16,084	16,519
Corporate lending	17,441	15,257	15,806	15,974	15,490	15,957	15,643	16,114
<i>of which other loans foundation approach *</i>	2,295	2,876	2,938	3,079	2,956	3,024	3,013	2,961
<i>of which other loans advanced approach *</i>	15,146	12,381	12,868	12,895	12,534	12,933	12,630	13,153
<i>of which large companies</i>	4,258	4,574	5,058	5,041	4,788	4,890	4,564	5,051
<i>of which medium-sized companies</i>	2,921	2,599	2,507	2,603	2,526	2,631	2,802	2,753
<i>of which property companies</i>	7,967	5,208	5,303	5,251	5,220	5,412	5,264	5,349
Couterparty risk	324	315	384	436	379	377	441	405
Housing co-operative associations	687	604	565	552	515	500	483	484
Households	5,837	5,792	5,835	5,736	5,318	5,300	5,353	5,371
Private individuals	5,265	5,221	5,248	5,143	4,718	4,707	4,776	4,781
<i>of which property lending</i>	3,906	3,854	3,845	3,762	3,517	3,481	3,495	3,483
<i>of which other lending</i>	1,359	1,367	1,403	1,381	1,201	1,226	1,281	1,298
Small companies	572	571	587	593	600	593	577	590
Institutions	1,443	1,392	1,300	1,381	1,255	1,638	1,560	1,883
Lending to institutions	477	494	404	453	460	541	493	908
Couterparty risk	966	898	897	928	795	1,096	1,067	975
<i>of which repos and securities loans</i>	30	50	45	64	61	34	110	62
<i>of which derivatives</i>	936	848	852	864	734	1,062	957	913
Equity exposures	411	397	400	1,343	1,223	1,265	1,941	1,963
<i>of which listed shares</i>	-	-	-	949	979	1,025	1,692	1,656
<i>of which other shares</i>	411	397	400	394	244	240	249	307
Exposures without a counterparty	189	191	186	181	180	188	187	174
Securitisation positions	2	2	0	0	0	0	0	0
Total IRB approach	26,334	23,950	24,476	25,603	24,360	25,225	25,608	26,394

Average risk weight, %								
SEK m	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Corporates	26.6	23.7	24.1	24.2	24.0	24.8	24.5	25.4
Corporate lending	27.0	23.9	24.4	24.7	24.3	25.1	24.9	25.8
<i>of which other loans foundation approach *</i>	26.7	31.0	30.2	30.7	30.5	30.3	30.1	31.6
<i>of which other loans advanced approach *</i>	27.0	22.7	23.3	23.6	23.2	24.1	24.0	24.7
<i>of which large companies</i>	35.9	45.1	45.5	45.9	43.4	44.4	41.5	43.6
<i>of which medium-sized companies</i>	46.3	39.8	39.9	41.9	41.9	42.9	45.7	44.9
<i>of which property companies</i>	21.0	13.7	14.1	14.0	14.1	14.8	14.8	15.1
Couterparty risk	15.1	17.4	16.9	14.0	14.7	18.4	15.6	17.1
Housing co-operative associations	4.7	4.0	3.9	3.8	3.7	3.7	3.7	3.7
Households	7.4	7.4	7.5	7.5	7.1	7.2	7.4	7.5
Private individuals	6.8	6.8	6.9	6.9	6.5	6.6	6.8	6.9
<i>of which property lending</i>	5.5	5.5	5.6	5.5	5.3	5.4	5.5	5.5
<i>of which other lending</i>	21.2	21.1	21.4	21.3	19.1	18.9	19.6	19.5
Small companies	26.9	26.5	26.8	26.9	27.8	27.6	26.5	27.1
Institutions	17.5	16.5	15.3	14.5	15.5	17.5	14.6	15.7
Lending to institutions	34.1	30.8	31.6	32.6	33.5	35.2	35.4	33.8
Couterparty risk	14.1	13.2	12.4	11.4	11.8	14.0	11.5	10.5
<i>of which repos and securities loans</i>	2.0	4.5	2.0	2.4	2.3	1.4	3.0	1.3
<i>of which derivatives</i>	17.4	14.9	17.0	15.8	17.9	19.8	17.1	19.4
Equity exposures	370.0	370.0	370.0	309.6	303.1	302.4	298.3	300.1
<i>of which listed shares</i>	-	-	-	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	106.0	105.9	7.4	7.4	7.4	7.4	7.4	7.4
Total IRB approach	15.6	14.3	14.5	15.2	14.9	15.5	15.7	16.3

* 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. 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

SEK m (Carrying amount)	31 Mar 2017	of which up to 12 mths	Other maturities	Unspec. maturity
Deposits and borrowing from the public	1,049,699	183,239	9,046	857,414
Due to credit institutions	205,971	176,937	9,820	19,214
Issued securities	1,295,668	589,206	706,462	
<i>of which Bonds</i>	898,678			
<i>of which covered bonds (Stadshypotek)</i>	620,682			
<i>of which other bonds</i>	277,996			
<i>of which Certificates</i>	396,990			
<i>of which Certificate of deposits (CD:s)</i>	285,555			
<i>of which Commercial paper (CP:s)</i>	105,331			
Total	2,551,338	949,382	725,328	876,628
Subordinated liabilities	33,199			
Equity	131,741			
Total funding	2,716,278			

During the first quarter of 2017, the issued bond volume was SEK 57 billion. SEK 10 billion were senior unsecured and SEK 47 billion covered bonds. Maturing bond volume during the quarter was SEK 37 billion. The volume of so called CD's (Certificates of Deposit) in USD amounted to USD 24.3 billion at the 31 of March 2017.

Long-term funding

SEK bn	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Issued during the quarter								
Senior bonds	10	0	23	6	21	12	18	1
Covered bonds	47	19	36	44	49	50	27	38
Total bonds	57	19	59	50	70	62	45	39
Extendible notes								
Total issued	57	19	59	50	70	62	45	39
Maturing during the quarter	-37	-5	-65	-11	-54	-68	-27	-16
Net	20	14	-6	39	16	-6	18	23

Maturity profile

31 March 2017							
SEK bn	2017	2018	2019	2020	2021	2022	2023-
Senior bonds	45	38	64	48	45	41	4
Covered bonds	68	192	114	83	84	40	24
Total	113	230	178	131	129	81	28

Funding programmes as of March 31, 2017 – The Group

Programme (in millions)	Currency	Programme size	Utilised amount	Countervalue SEK m
ECP*	EUR	15,000	4,551	43,418
ECP (Stadshypotek)*	EUR	4,000	0	0
Franska certifikat	EUR	7,500	1,588	15,150
Svenska certifikat	SEK	25,000	0	0
Svenska certifikat (Stadshypotek)	SEK	90,000	0	0
USCP	USD	15,000	5,031	44,924
AMTN	AUD	5,000	1,275	8,696
AMTCN (Stadshypotek)	AUD	5,000	750	5,115
EMTN*	USD	50,000	20,982	187,359
EMTCN (Stadshypotek)*	EUR	20,000	10,002	95,422
US 144A/3(a)(2)	USD	20,000	11,900	106,261
Stadshypotek US 144A	USD	15,000	5,000	44,647
Samurai	JPY	400,000	160,700	12,852
MTN*	SEK	100,000	12,755	12,755
Övrig funding >1 år*	USD	15,000	2,996	26,753
Extendible Notes	USD	15,000	3	27
Total				603,379
Total programme (or limited) amounts, SEK m		1,919,652		
Unutilised amount, SEK m		1,316,273		
Available amount		69%		

* 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.

Selection of international issues during last 12 months

June 2016	EUR 1 bn 6Y FXD Covered bond MS +3 bps
August 2016	USD 1 bn 5Y FXD T+78 bps
August 2016	USD 1 bn 3Y FXD T+68 bps
August 2016	USD 500 m 3Y FRN 3m \$L+49 bps
September 2016	EUR 500 m 10Y FXD Covered bond MS +0 bps
February 2017	EUR 500 m 7Y FXD Covered bond MS -1 bps
February 2017	EUR 1 bn 5Y FXD MS +20 bps
March 2017	USD 1 250 m 5Y FXD Covered bond T+48 bps

Non-Encumbered Assets (NEA)

31 March 2017		
SEK bn	NEA	Accumulated coverage ratio in % of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio	621	70%
Mortgage loans	490	125%
Other household lending	185	146%
Property company lending lowest risk class (1-3)	263	175%
Other corporate lending lowest risk class (1-3)	152	192%
Loans to credit institutions lowest risk class (1-3)	30	196%
Other corporate lending	243	223%
Other assets	33	227%
Total non-encumbered assets (NEA)	2,017	227%
Encumbered assets without underlying liabilities**	61	
Encumbered assets with underlying liabilities	845	
Total assets, Group	2,923	

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

31 March 2017								
SEK m	Central bank funding	Payment systems/ securities settlement	Repos	Covered bonds	Derivatives	Securities loans	Leases	Insurance agreements
Cash		2,267		5,000	5,275			2,997
Government instruments and bonds		66,314	6,356		2,697	249		6,771
Loans to the public		3,770		665,943			9,923	
Equities						7,596		627
Other								120,512
Total		72,351	6,356	670,943	7,972	7,845	9,923	130,907

Assets pledged according to CSA agreements for outstanding derivatives since 1 January 2012: Max: 19,030 Min: 5,160 Average: 10,861

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.

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 2017 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.

Stadshypotek also issue covered bonds on the Norwegian market, and since 2016 also on the Euro market with assets in the new Finnish cover pool. Assets in the Swedish pool are also used for issuance on the Euro, USD and other markets.

At the end of the quarter, the non-domestic share of the outstanding covered bonds was 25%. The ratio of non-encumbered assets to unsecured wholesale funding was 227% at the end of the first quarter compared to 210% at the end of the previous quarter and 234% one year ago.

Covered Bonds, outstanding issues

	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
SEK bn (nominal amount)						
Swedish cover pool	558	562	550	564	552	530
<i>of which issues in SEK</i>	436	425	413	429	416	400
<i>of which issues in other currencies</i>	122	137	137	135	136	130
Norwegian cover pool	24	29	29	27	22	16
<i>of which issues in NOK</i>	24	29	29	27	22	16
Finnish cover pool	10					
<i>of which issues in EUR</i>	10					
Total	582	596	579	591	574	546

Cover Pool Data, Sweden

	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
SEK m								
Stadshypotek total lending to the public in Sweden	996,758	983,160	967,739	959,874	944,891	936,504	916,432	901,819
Assets available for Cover Pool	926,050	902,862	895,299	885,148	871,766	859,398	818,000	804,302
Assets utilized for Cover Pool	629,441	626,458	616,378	635,616	629,118	600,025	603,410	590,722
WA Max-LTV Cover Pool, as defined by ASCB	51.1%	50.0%	51.3%	51.1%	54.0%	53.6%	49.6%	49.5%
LTV-mid	25.8%	25.2%	25.9%	25.8%	27.3%	27.1%	25.0%	24.9%
LTV-distribution								
0-10%	24.9%	25.5%	24.8%	24.8%	23.4%	23.5%	23.9%	24.2%
10-20%	20.8%	21.3%	20.9%	20.9%	19.9%	20.1%	20.9%	20.9%
20-30%	17.1%	17.4%	17.2%	17.2%	16.8%	16.8%	18.0%	17.9%
30-40%	13.8%	13.7%	13.7%	13.8%	13.7%	13.7%	15.1%	15.0%
40-50%	10.6%	10.2%	10.4%	10.5%	10.8%	10.8%	12.4%	12.3%
50-60%	7.3%	6.9%	7.3%	7.3%	8.2%	8.0%	9.8%	9.8%
60-70%	4.3%	4.0%	4.5%	4.3%	5.5%	5.4%	0.0%	0.0%
70-75%	1.2%	1.1%	1.3%	1.2%	1.7%	1.7%	0.0%	0.0%
WA loan size, SEK	644,900	647,500	642,700	640,800	637,100	625,700	586,600	569,100
WA seasoning of Cover Pool, months*	92	93	92	90	42	42	41	42
Interest index distribution								
Floating	52.0%	47.0%	45.9%	49.8%	47.0%	45.0%	50.0%	49.0%
Fixed rate	48.0%	53.0%	54.2%	50.2%	53.0%	55.0%	50.0%	51.0%

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

Liquidity

The Bank has a strong liquidity position. Balances with central banks and banks, as well as securities that are eligible as collateral with central banks, totaled SEK 621 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	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016
Cash and balances with and other lending to central banks	465,038	224,533	456,491	582,590	506,949
Balances with banks and the National Debt Office, overnight	2,301	7,712	803	1,807	3,618
Securities issued by governments and public entities	99,652	96,217	106,938	104,133	83,145
Covered bonds	53,093	53,647	53,458	50,101	52,096
Securities issued by non-financial companies	287	27	797	614	782
Securities issued by financial companies	301	124	242	142	102
Total	620,672	382,260	618,729	739,387	646,692
<i>of which in SEK</i>	<i>151,277</i>	<i>126,241</i>	<i>192,224</i>	<i>160,997</i>	<i>116,992</i>
<i>of which in EUR</i>	<i>123,353</i>	<i>108,380</i>	<i>135,707</i>	<i>83,698</i>	<i>70,363</i>
<i>of which in USD</i>	<i>195,289</i>	<i>47,449</i>	<i>179,920</i>	<i>366,669</i>	<i>348,004</i>
<i>of which in other currencies</i>	<i>150,753</i>	<i>100,190</i>	<i>110,878</i>	<i>128,023</i>	<i>111,333</i>

31 March 2017					
Market value, SEK m	SEK	EUR	USD	Other	Total
Cash and balances with and other lending to central banks	39,891	114,611	169,159	141,377	465,038
Balances with other banks and the National Debt Office, overnight	2,138	17	34	112	2,301
Securities issued by governments	63,734	6,669	19,726	-	90,129
Securities issued by municipalities and other public entities	3,091	-	6,370	62	9,523
Covered bonds, external issuers	40,120	1,734	-	9,142	50,996
Own covered bonds	2,097	-	-	-	2,097
Securities issued by non-financial companies	161	126	-	-	287
Securities issued by financial companies	45	196	-	60	301
Total	151,277	123,353	195,289	150,753	620,672

Liquidity Coverage Ratio (LCR)

Liquidity coverage ratio (LCR), %	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
EUR	178	136	178	181	134	161	265	151
USD	236	322	164	121	161	429	127	126
Total*	148	126	162	139	151	137	141	117

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

Net stable funding ratio (NSFR)

%	31 Mar 2017	31 Dec 2016
Net stable funding ratio (NSFR), %	106	102

MATURITY ANALYSIS

Maturities for financial assets and liabilities

31 March 2017 SEK m	Up to 1 mth	1 - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspec. maturity	Total
Assets								
Cash and balances with central banks	466,337	-	-	-	-	-	-	466,337
Interest-bearing securities eligible as collateral with central banks	97,262	-	-	-	-	-	-	97,262
Bonds and other interest-bearing securities	65,436	-	-	-	-	-	-	65,436
Loans to credit institutions	27,271	1,903	1,447	16	1,666	2,239	-	34,542
-of which reverse repos	10,805	-	-	-	-	-	-	10,805
Loans to the public	58,026	233,684	185,200	176,042	358,819	979,663	-	1,991,434
-of which reverse repos	11,182	-	-	-	-	-	-	11,182
Other	49,194	-	-	-	-	-	218,724	267,918
-of which shares and participating interests	23,397	-	-	-	-	-	-	23,397
-of which claims on investment banking settlements	25,797	-	-	-	-	-	-	25,797
Total	763,526	235,587	186,647	176,058	360,485	981,902	218,724	2,922,929
Liabilities								
Due to credit institutions	108,120	63,281	5,536	4,504	296	5,020	19,214	205,971
-of which repos	1,003	-	-	-	-	-	-	1,003
-of which deposits from central banks	31,968	46,431	741	-	-	-	2,152	81,292
Deposits and borrowing from the public	139,301	37,648	6,290	901	2,675	5,470	857,414	1,049,699
-of which repos	4,861	-	-	-	-	-	-	4,861
Issued securities	68,167	382,268	138,771	180,425	430,923	95,114	-	1,295,668
-of which covered bonds	-	56,980	94,796	116,013	279,406	64,391	-	611,586
-of which certificates and other securities with original maturity of less than one year	56,279	284,585	21,813	-	-	-	-	362,677
-of which senior bonds and other securities with original maturity of more than one year	11,888	40,703	22,162	64,412	151,517	30,723	-	321,405
Subordinated liabilities	-	-	2,968	16,485	13,746	-	-	33,199
Other	16,569	-	-	-	-	-	321,823	338,392
-of which short positions	11,753	-	-	-	-	-	-	11,753
-of which investment banking settlement debts	4,816	-	-	-	-	-	-	4,816
Total	332,157	483,197	153,565	202,315	447,640	105,604	1,198,451	2,922,929

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

31 March 2017 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	169,162	-	-	-	-	-	-	169,162
Bonds and other interest-bearing securities	30,673	-	-	-	-	-	-	30,673
Loans to credit institutions	17,644	805	401	-	1,409	1,904	-	22,163
Loans to the public	2,423	11,942	2,056	2,678	7,917	585	-	27,601
Other, including derivatives	55,747	124,071	16,199	42,705	109,427	14,809	1,752	364,710
Total assets	275,649	136,818	18,656	45,383	118,753	17,298	1,752	614,309
Due to credit institutions	10,613	21,593	1,035	-	-	-	684	33,925
Deposits and borrowing from the public	120,871	6,195	47	32	46	-	18,693	145,884
Issued securities	37,069	206,531	29,858	43,210	95,981	11,159	-	423,808
Subordinated liabilities	-	-	-	-	10,646	-	-	10,646
Other, including derivatives	-	-	-	-	-	-	-	0
Total liabilities	168,553	234,319	30,940	43,242	106,673	11,159	19,377	614,263

Maturities for assets and liabilities in EUR

31 March 2017 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	114,712	-	-	-	-	-	-	114,712
Bonds and other interest-bearing securities	9,032	-	-	-	-	-	-	9,032
Loans to credit institutions	5,165	663	10	18	151	164	-	6,171
Loans to the public	6,713	21,048	11,570	19,915	59,297	72,567	-	191,110
Other, including derivatives	1,256	17,396	-	23,989	68,108	32,770	-	143,519
Total assets	136,878	39,107	11,580	43,922	127,556	105,501	-	464,544
Due to credit institutions	51,176	17,063	2,937	-	290	185	1,567	73,218
Deposits and borrowing from the public	3,696	3,045	2,004	30	-	-	105,365	114,140
Issued securities	7,421	58,735	10,271	23,308	84,160	53,938	-	237,833
Subordinated liabilities	-	-	-	14,293	-	-	-	14,293
Other, including derivatives	-	-	713	-	-	-	24,207	24,920
Total liabilities	62,293	78,843	15,925	37,631	84,450	54,123	131,139	464,404

Maturities for assets and liabilities in SEK

31 March 2017 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	41,001	-	-	-	-	-	-	41,001
Bonds and other interest-bearing securities	118,620	-	-	-	-	-	-	118,620
Loans to credit institutions	2,013	219	0	-	-	50	-	2,282
Loans to the public	31,479	141,016	119,759	93,314	161,139	695,346	-	1,242,053
Total assets	193,113	141,235	119,759	93,314	161,139	695,396	-	1,403,956
Due to credit institutions	19,471	7,150	211	4,724	-	5,067	13,827	50,450
Deposits and borrowing from the public	13,702	5,812	3,960	818	2,614	5,459	505,257	537,622
Issued securities	579	60,681	90,240	100,021	206,978	17,115	-	475,614
Subordinated liabilities	-	-	2,905	2,277	3,078	-	-	8,260
Other, including derivatives	41,991	58,559	2,030	32,602	89,134	32,541	76,247	333,104
Total liabilities	75,743	132,202	99,346	140,442	301,804	60,182	595,331	1,405,050

Share and shareholders

The Handelsbanken share

	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015	30 Sep 2015	30 Jun 2015
Market capitalisation, end of period, SEK bn	239	246	229	197	197	215	229	231
Share price SHB class A, end of period, SEK	122.90	126.60	117.90	101.80	103.30	112.90	119.90	121.00
Ordinary dividend, SEK	-	5.00	-	-	-	4.50	-	-
Total dividend	-	5.00	-	-	-	6.00	-	-
Number of converted shares	22,151	3,294,729	5,009,634	28,800,955	-	3,614	-	4,475
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	1,944,173,551	1,944,151,400	1,940,856,671	1,935,847,037	1,907,046,082	1,907,046,082	1,907,042,468	1,907,042,468
Number of outstanding shares after dilution, end of period	1,975,278,248	1,974,290,244	1,974,528,804	1,975,789,501	1,976,193,169	1,972,745,117	1,972,887,071	1,973,425,509
Average number of shares converted during the period	17,718	36,343,029	30,547,119	12,852,916	-	17,236	15,311	12,841
Average holdings of own shares (repurchased and holdings in trading book)	-	-	-	-	-	-	-	-
Average number of outstanding shares	1,944,169,118	1,943,389,111	1,937,593,201	1,919,898,998	1,907,027,157	1,907,044,393	1,907,042,468	1,907,039,998
- after dilution	1,974,290,244	1,974,528,804	1,975,789,501	1,976,193,169	1,972,726,192	1,972,887,071	1,973,425,509	1,974,008,668

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.

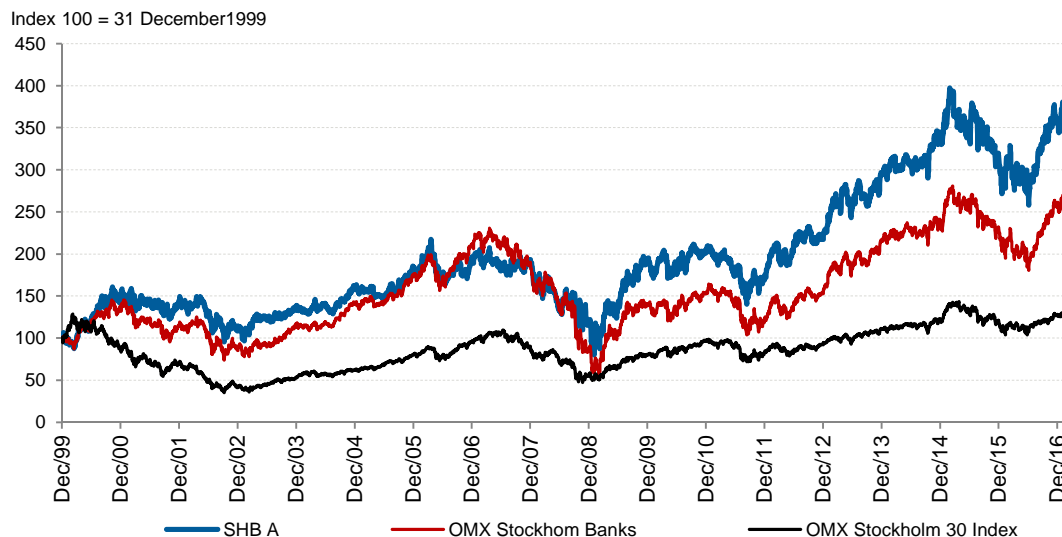
Dividend

The Annual General Meeting (AGM) resolved that the record day for the dividend would be 31 March 2017, which means that Handelsbanken's shares was traded ex-dividend on 30 March 2017.

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 31 March 2017	Number of shares	% of votes	% of capital
Oktogonen Foundation	195,872,046	10.2	10.1
Industrivärden	194,923,948	10.2	10.0
Swedbank Robur funds	57,918,873	3.0	3.0
Lundberg-gruppen	55,575,000	2.9	2.9
Alecta	41,269,000	2.2	2.1
Handelsbanken funds	26,132,371	1.4	1.3
AMF and funds	20,431,378	1.1	1.1
Didner & Gerge funds	14,370,178	0.8	0.7
3rd National Swedish Pension Fund	12,561,278	0.7	0.6
J. Wallanders & T. Hedelius stiftelse, T. Browaldhs stiftelse	12,300,000	0.6	0.6
SEB Funds	12,147,427	0.6	0.6
SPP Funds	11,724,744	0.6	0.6
Folksam	9,890,013	0.5	0.5
4th National Swedish Pension Fund	7,942,643	0.4	0.4
Avanza Funds	7,928,713	0.4	0.4

Definitions and explanations

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 requirements regulation. 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. Reconciliations of certain performance measures are published in the Fact Book which is available at handelsbanken.se/ireng.

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. In segment reporting, profit allocation is included in 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.

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 ALLOCATED CAPITAL

The segment's operating profit after profit allocation, calculated using a tax rate of 22 per cent, in relation to the average capital allocated quarterly during the year.

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

CAPITAL REQUIREMENT

The statutory capital requirement means that an institution which is subject to CRR must have a common equity tier 1 ratio of at least 4.5 per cent, a tier 1 ratio of at least 6 per cent and a total capital ratio of at least 8 per cent. This means that own funds for the respective ratio must be at least the stated percentage of the risk exposure amount. For definitions of the respective own funds amounts, see Common equity tier 1 capital, Tier 1 capital and Total capital. In this calculation, own funds are reduced by the net of EL (expected loss) minus provisions.

CREDIT CONVERSION FACTOR

The factor that is used when calculating the exposure amount for unutilised overdraft facilities, committed loan offers, guarantees and other off-balance-sheet commitments.

CREDIT VALUATION ADJUSTMENT RISK

Credit valuation adjustment risk (CVA) measures the risk that the market value of a derivative will decrease as a result of the creditworthiness of the counterparty weakening. The credit valuation adjustment is a component in the regulations for valuation of derivatives. The adjustment in the value is based on the counterparty's creditworthiness. An exposure to a counterparty with poorer creditworthiness must have a lower carrying amount than the corresponding exposure to a counterparty with better creditworthiness. Credit risk in this context means that if a given counterparty's creditworthiness deteriorates, then the value in the balance sheet of all derivative transactions with a positive market value with this counterparty immediately decreases, thus reducing the Bank's equity. To take account of this risk in the capital adequacy, credit valuation adjustment risk has been introduced as part of the capital requirements directive.

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 total risk exposure amount.

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.

EXPOSURE AMOUNT

Exposure amount (exposure at default) is the amount which is subject to capital adequacy requirements. It is calculated inclusive of interest and fees. Off-balance-sheet amounts are recalculated with the credit conversion factor (CCF). For derivatives, the exposure amount is calculated as positive MTM (mark-to-market) plus value change risk, i.e. the nominal amount multiplied by the upward adjustment factor.

EXPOSURE VALUE

Exposure value is the same as exposure amount. The exposure value concept is used in the standardised approach for credit risk.

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 EXPOSURE AMOUNT

The capital requirement in accordance with CRR is multiplied by 12.5. Risk exposure amount is used in conjunction with market risk and operational risk.

RISK WEIGHT

A measure to describe the level of risk an exposure is expected to have according to the capital requirements regulation.

RISK-WEIGHTED EXPOSURE AMOUNT

Exposure amount multiplied by risk weight. Risk-weighted exposure amount is used in conjunction with credit risk and counterparty risk.

TIER 1 CAPITAL

Common equity tier 1 capital including additional tier 1 capital.

TIER 1 RATIO

Tier 1 capital in relation to total risk exposure amount.

ADDITIONAL TIER 1 CAPITAL

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

TIER 2 CAPITAL

Tier 2 capital is one of the components of own funds, and mainly consists of subordinated loans which fulfil the requirements stated in Regulation (EU) No 575/2013 to be included as tier 2 capital.

TOTAL CAPITAL RATIO

Total capital in relation to total risk exposure amount.

TOTAL RISK EXPOSURE AMOUNT

Total risk exposure amount is the sum of risk exposure amount and risk-weighted exposure amount.

EXPLANATIONS**BENCHMARK EFFECT**

The benchmark effect refers to differences between the interest-fixing periods of lending and funding that result when Stadshypotek's issues mature at nine-month intervals while new lending to customers occurs daily. The effect varies from quarter to quarter but approaches zero over the long term.

NON-RECURRING ITEMS

Non-recurring items are items which Handelsbanken deems to be of a one-off nature. These are specified in Handelsbanken's Fact Book, which is available at www.handelsbanken.se/ireng.

RISK RESULT

A concept used in the Bank's insurance operations. The year's risk result is the difference between the fees the company charges to cover the insurance risks (mortality, life expectancy, disability and accident) and the actual cost of the insurance events.

SPECIAL ITEMS

Special items are items which tend to vary between financial reporting periods, such as provisions to the Oktogonen profit-sharing foundation, and which Handelsbanken has specified in detail to facilitate comparison of financial performance.

Contacts and Financial calendar

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Financial calendar:

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

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