

Fact book
2017

Q3

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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	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Interest income	10,631	10,398	10,210	10,220	9,943	9,451	10,336	10,540
Interest expense	-3,044	-3,077	-3,129	-2,921	-2,902	-2,643	-3,541	-3,569
Net interest income	7,587	7,321	7,081	7,299	7,041	6,808	6,795	6,971
Net fee and commission income	2,355	2,508	2,354	2,447	2,259	2,280	2,170	2,343
Net gains/losses on financial transactions	243	317	547	269	1,112	523	1,162	1,503
Risk result - insurance	19	53	36	6	25	35	76	36
Other dividend income	2	11	2	2	1	222	3	2
Share of profit of associates	14	-3	-27	0	10	13	2	-11
Other income	28	31	43	102	25	41	35	65
Total income	10,248	10,238	10,036	10,125	10,473	9,922	10,243	10,909
Staff costs	-3,134	-3,242	-2,918	-2,981	-2,941	-2,952	-3,668	-3,353
Other expenses	-1,337	-1,410	-1,430	-1,518	-1,234	-1,346	-1,303	-1,442
Depreciation, amortisation and impairment of property, equipment and intangible assets	-140	-145	-150	-114	-137	-119	-125	-112
Total expenses	-4,611	-4,797	-4,498	-4,613	-4,312	-4,417	-5,096	-4,907
Profit before loan losses	5,637	5,441	5,538	5,512	6,161	5,505	5,147	6,002
Net loan losses	-217	-186	-196	-832	-476	-229	-187	-475
Gains/losses on disposal of property, equipment and intangible assets	4	2	5	18	6	1	7	6
Operating profit	5,424	5,257	5,347	4,698	5,691	5,277	4,967	5,533
Taxes	-1,251	-1,201	-1,236	-1,254	-1,127	-1,091	-929	-1,076
Profit for the period from continuing operations	4,173	4,056	4,111	3,444	4,564	4,186	4,038	4,457
Profit for the period pertaining to discontinued operations, after tax	-	-	-	-	-	8	5	44
Profit for the period	4,173	4,056	4,111	3,444	4,564	4,194	4,043	4,501
Attributable to								
Shareholders in Svenska Handelsbanken AB	4,172	4,056	4,111	3,444	4,564	4,194	4,042	4,501
Minority interest	1	0	0	0	0	0	1	0

Earnings per share

	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Profit for the year, attributable to shareholders in Svenska Handelsbanken AB	4,172	4,056	4,111	3,444	4,564	4,194	4,042	4,501
- of which interest expense on convertible subordinated loan after tax	-25	-18	-31	-25	-27	-41	-46	-46
Average number of outstanding shares, million	1,944.2	1,944.2	1,944.2	1,943.4	1,937.6	1,919.9	1,907.0	1,907.0
Average number of outstanding shares after dilution, million	1,975.0	1,975.3	1,974.3	1,974.5	1,975.8	1,976.2	1,972.7	1,972.9
Earnings per share, continuing operations, SEK	2.15	2.09	2.11	1.77	2.36	2.18	2.12	2.34
- after dilution	2.13	2.06	2.10	1.76	2.32	2.14	2.07	2.28
Earnings per share, discontinued operations, SEK	-	-	0.00	0.00	0.00	0.01	0.00	0.02
- after dilution	-	-	0.00	0.00	0.00	0.01	0.00	0.02
Earnings per share, total operations, SEK	2.15	2.09	2.11	1.77	2.36	2.19	2.12	2.36
- after dilution	2.13	2.06	2.10	1.76	2.32	2.15	2.07	2.30

Consolidated statement of other comprehensive income

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Profit for the period	4,173	4,056	4,111	3,444	4,564	4,194	4,043	4,501
Other comprehensive income								
Items that may not subsequently be reclassified to profit or loss								
Defined benefit plans	372	1,013	2,318	4,998	91	-2,597	1,501	495
Taxes on items that cannot be reclassified into profit or loss	-82	-223	-511	-1,096	-20	568	-328	-107
Total items that may not subsequently be reclassified to profit or loss	290	790	1,807	3,902	71	-2,029	1,173	388
Items that can be reclassified into profit or loss								
Cash flow hedges	-578	-1,070	336	-6,875	-1,238	1,442	3,526	-1,691
Available-for-sale instruments	24	21	37	-23	-565	529	-1,101	-947
Translation differences for the period <i>of which hedging net investment in foreign operations</i>	-76 -304	-869 -24	-1,310 -795	168 255	970 -179	1,063 -10	-1,018 -208	-2,034 -669
Taxes on items that can be reclassified into profit or loss <i>of which cash flow hedges</i>	216 135	230 228	99 -74	1,457 1,512	364 273	-316 -317	-672 -776	616 372
<i>of which available-for-sale instruments</i>	13	-2	-2	1	52	-1	58	97
<i>of which hedging net investment in foreign operations</i>	68	4	175	-56	39	2	46	147
Total items that can be reclassified into profit or loss	-414	-1,688	-838	-5,273	-469	2,718	735	-4,056
Total other comprehensive income for the period	-124	-898	969	-1,371	-398	689	1,908	-3,668
Total comprehensive income for the period	4,049	3,158	5,080	2,073	4,166	4,883	5,951	833
Attributable to								
Shareholders in Svenska Handelsbanken AB	4,049	3,158	5,080	2,073	4,166	4,883	5,950	834
Minority interest	0	0	0	0	0	0	1	-1

Handelsbanken Group - Key figures

	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Return on equity, total operations	12.9%	12.9%	12.4%	10.6%	14.7%	14.2%	13.1%	14.8%
Return on equity, continuing operations*	12.9%	12.9%	12.4%	10.6%	14.7%	14.2%	13.1%	14.7%
C/I ratio, continuing operations	45.0%	46.9%	44.8%	45.6%	41.2%	44.5%	49.8%	45.0%
C/I ratio, continuing operations, incl. loan losses	47.1%	48.7%	46.8%	53.8%	45.7%	46.8%	51.6%	49.3%
Adjusted equity per share, SEK	71.12	68.82	66.77	69.28	65.49	62.83	60.88	65.14
Common equity tier 1 ratio, CRR	23.6%	23.4%	23.8%	25.1%	24.0%	23.0%	22.7%	21.2%
Total capital ratio, CRR	28.5%	29.0%	29.7%	31.4%	30.1%	28.9%	28.8%	27.2%
Own funds in relation to capital requirement according to Basel I floor	144%	148%	149%	148%	144%	142%	139%	137%
Average number of employees, continuing operations	12,102	11,687	11,584	11,615	11,859	11,716	11,835	11,825
Number of branches, Sweden	422	423	425	435	463	472	473	474
Number of branches, Great Britain	207	207	207	207	206	205	201	198
Number of branches in Denmark	57	57	57	57	57	57	57	57
Number of branches in Finland	45	45	45	45	45	45	46	46
Number of branches in Norway	49	49	49	50	50	50	50	50
Number of branches in the Netherlands	27	27	26	25	25	23	23	23
Number of branches in other countries	13	13	13	13	13	13	13	13
Total number of branches	820	821	822	832	859	865	863	861

Average number of employees

	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Sweden	7,218	6,892	6,846	6,888	7,108	7,011	7,175	7,194
UK	2,178	2,136	2,103	2,090	2,097	2,068	2,022	1,993
Norway	769	743	742	747	767	746	752	754
Denmark	652	649	655	660	677	677	678	682
Finland	638	620	600	598	620	622	613	611
The Netherlands	287	285	271	256	208	202	196	188
Total in home markets	11,742	11,325	11,217	11,239	11,477	11,326	11,436	11,422
Greater China (Incl. Hong Kong)	71	69	72	73	71	74	73	73
USA	68	67	66	66	69	68	67	68
Luxembourg	57	58	58	57	56	55	59	59
Germany	42	42	43	43	42	46	50	51
Poland	38	39	41	41	40	41	43	42
Singapore	36	37	37	40	40	38	38	38
Estonia	18	18	17	19	20	20	20	18
France	7	7	8	11	16	18	17	19
Latvia	7	7	6	7	8	8	8	10
Lithuania	5	5	5	5	5	5	6	7
Austria	1	3	4	4	5	4	5	5
Other countries (Representative office)	10	10	10	10	10	13	13	13
Total	12,102	11,687	11,584	11,615	11,859	11,716	11,835	11,825

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	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Equity	138,951	134,900	131,741	136,381	134,085	129,582	122,777	128,268
Adjustment defined benefit pension plans	-4,543	-4,253	-3,463	-1,656	2,246	2,317	288	1,461
Adjustment fair value reserve	-1,064	-1,028	-1,009	-974	-996	-1,509	-981	-2,024
Adjustment hedge reserve	-1,464	-1,907	-2,749	-2,487	-7,850	-8,815	-7,690	-4,940
Reversed weighted dividend	0	0	9,080	0	0	0	9,556	0
Total adjusted equity	131,880	127,712	133,600	131,264	127,485	121,575	123,951	122,765
Adjusted equity, average *	129,796	126,116	132,432	129,375	124,530	117,985	123,358	121,458
Adjustment for impact of conversions on adjusted equity, quarterly average	-1	-1	-1	-2,370	-2,090	-961	0	-1
Actual quarterly average of converted shares	1	1	1	2,430	2,033	856	0	1
Capital Markets's holdings of SHB shares, average	0	0	0	0	0	0	0	0
Adjusted equity, quarterly average	129,796	126,116	132,432	129,435	124,473	117,880	123,358	121,458
Profit for the period	4,173	4,056	4,111	3,444	4,564	4,194	4,043	4,501
Return on equity, total operations	12.9%	12.9%	12.4%	10.6%	14.7%	14.2%	13.1%	14.8%

* Opening balance for the period adjusted for weighted dividend.

Adjusted equity per share

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

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Equity	138,951	134,900	131,741	136,381	134,085	129,582	122,777	128,268
Adjustment minority share	-9	-6	-6	-6	-6	-5	-5	-4
Adjustment hedge reserve	-1,464	-1,907	-2,749	-2,487	-7,850	-8,815	-7,690	-4,940
Outstanding convertible loan (included in subordinated liabilities item)	2,974	2,942	2,911	2,882	3,073	3,374	5,237	5,183
Total adjusted equity	140,452	135,929	131,897	136,770	129,302	124,136	120,319	128,507
Number of outstanding shares after dilution (millions)	1,975	1,975	1,975	1,974	1,975	1,976	1,976	1,973
Adjusted shareholders' equity per share, SEK	71.12	68.82	66.77	69.28	65.49	62.83	60.88	65.14

Loan loss ratio

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

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Loan losses	-217	-186	-196	-832	-476	-229	-187	-475
Loans to the public, at beginning of year	1,963,622	1,963,622	1,963,622	1,866,467	1,866,467	1,866,467	1,866,467	1,807,836
Loans to other credit institutions excl. banks, at beginning of year	8,413	8,413	8,413	26,941	26,941	26,941	26,941	45,606
Guarantees (loans), at beginning of year	9,643	9,643	9,643	9,750	9,750	9,750	9,750	10,335
Assets repossessed for protection of claims, carrying amount, at beginning of year	364	364	364	460	460	460	460	488
Total lending at beginning of year	1,982,042	1,982,042	1,982,042	1,903,618	1,903,618	1,903,618	1,903,618	1,864,265
Loan loss ratio	0.04%	0.04%	0.04%	0.17%	0.10%	0.05%	0.04%	0.10%

One-offs and special items in Operating profit

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Special items								
Benchmark effect in Stadshypotek	44	-31	-8	37	-51	-29	35	-56
Oktogonen (The Bank's profit-sharing system)	-149	-243	-243					-438
Performance-related remuneration	-7	-27	-20	-34	-12	-25	-31	-20
Total Special items	-112	-301	-271	3	-63	-54	4	-514
One-offs								
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 Industrivärden					764			
Transition to a defined contribution pension plan in the Norwegian operations			239					
Total One-offs			239		764	145	127	1,207
Total	-112	-301	-32	3	701	91	131	693

Fees for the Resolution Fund etc.

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Swedish Resolution Fund								
Handelsbanken Sweden (NII)	-203	-201	-205	-100	-102	-98	-106	-115
Handelsbanken UK (NII)	-39	-39	-39	-19	-17	-16	-17	-20
Handelsbanken Denmark (NII)	-15	-15	-15	-7	-7	-7	-8	-8
Handelsbanken Finland (NII)	-23	-23	-24	-9	-11	-10	-11	-8
Handelsbanken Norway (NII)	-41	-41	-42	-15	-20	-20	-21	-17
Handelsbanken the Netherlands (NII)	-5	-4	-5	-2	-2	-2	-2	-3
Handelsbanken Capital Markets (NII)	-19	-15	-16	-9	-18	-18	-19	18
Other (NII)	-90	-89	-92	-79	-68	-65	-71	65
Total fees for the Swedish Resolution Fund *	-435	-427	-438	-240	-245	-236	-255	-88
Swedish deposit guarantee								
Handelsbanken Sweden (NII)	-31	-69	-69	-64	-63	-63	-63	-58
Handelsbanken UK (NII)	-2	-6	-6	-6	-5	-5	-5	-4
Handelsbanken Denmark (NII)	-3	-4	-4	-2	-4	-4	-4	-4
Handelsbanken Finland (NII)	-2	-3	-3	-3	-3	-3	-3	-3
Handelsbanken Norway (NII)	-2	-6	-6	-3	-5	-5	-5	-7
Handelsbanken the Netherlands (NII)	0	0	0	-1	0	0	0	0
Handelsbanken Capital Markets (NII)	-1	0	0	0	0	-1	0	0
Other (NII)	-	-	-	-	-	-	-	-
Total fees for Swedish deposit guarantee	-41	-88	-88	-79	-80	-81	-80	-76
Danish deposit guarantee								
Handelsbanken Denmark (NII)	-	-	-	-	-	-	-	-2
Total fees to Danish deposit guarantee	-	-	-	-	-	-	-	-2
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
Total	-477	-516	-527	-320	-326	-318	-336	-167

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

Exchange rates

SEK, End of period (Balance sheet)	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	Change y/y	Change q/q
DKK	1.2972	1.2951	1.2828	1.2890	1.2928	0%	0%
EUR	9.6545	9.6308	9.5403	9.5830	9.6283	0%	0%
GBP	10.9393	10.9431	11.1309	11.1729	11.1535	-2%	0%
NOK	1.0259	1.0047	1.0392	1.0545	1.0739	-4%	2%
USD	8.1849	8.4337	8.9295	9.0751	8.5897	-5%	-3%

SEK, Average as from 1 Jan (Income statement)	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	Change y/y	Change q/q
DKK	1.2884	1.2901	1.2787	1.2723	1.2589	2%	0%
EUR	9.5823	9.5947	9.5075	9.4723	9.3753	2%	0%
GBP	10.9775	11.1524	11.0537	11.5685	11.6804	-6%	-2%
NOK	1.0380	1.0461	1.0577	1.0205	1.0004	4%	-1%
USD	8.6152	8.8658	8.9271	8.5654	8.4002	3%	-3%

The effect of exchange rate movements - Home markets outside Sweden

Jan - Sep 2017 vs. same period last year

SEK m	GB	DK	FI	NO	NL	HCM	Total
Net interest income	-196	29	20	86	7	6	-48
Net fee and commission income	-22	7	7	11	1	10	14
Net result of financial transactions	-8	2	1	2	0	4	1
Other income	0	0	0	3	0	0	3
Total income	-226	38	28	102	8	20	-30
Staff costs	86	-12	-6	-19	-3	-10	36
Other administrative expenses	38	-7	-7	-13	-2	-5	4
Depreciation and amortisation	2	0	0	0	0	0	2
Total expenses	126	-19	-13	-32	-5	-15	42
Net loan losses	5	-6	-1	-9	0	-1	-12
Operating profit	-95	13	14	61	3	4	0

Q3 2017 vs. previous quarter

SEK m	GB	DK	FI	NO	NL	HCM	Total
Net interest income	-63	-5	-4	-9	-2	-3	-86
Net fee and commission income	-8	-2	-2	-1	0	-4	-17
Net result of financial transactions	-2	0	0	0	0	-1	-3
Other income	0	0	0	0	0	0	0
Total income	-73	-7	-6	-10	-2	-8	-106
Staff costs	25	2	1	2	1	6	37
Other administrative expenses	14	1	2	1	1	1	20
Depreciation and amortisation	1	0	0	0	0	0	1
Total expenses	40	3	3	3	2	7	58
Net loan losses	1	1	0	1	0	0	3
Operating profit	-32	-3	-3	-6	0	-1	-45

Net interest income

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Interest income								
Loans to credit institutions and central banks	636	522	347	228	322	391	481	330
Loans to the public	9,654	9,750	9,695	9,962	9,800	9,759	9,812	9,971
Interest-bearing securities eligible as collateral with central banks	44	43	57	-99	101	109	118	126
Interest-bearing securities	150	164	176	191	167	232	193	172
Derivative instruments	-123	-380	-326	-331	-661	-1,218	-419	-253
Other interest income	321	359	320	346	331	329	311	345
Total interest income	10,682	10,458	10,269	10,297	10,060	9,602	10,496	10,691
on financial transactions	51	60	59	77	117	151	160	151
Interest income according to income statement	10,631	10,398	10,210	10,220	9,943	9,451	10,336	10,540
Interest expense								
Due to credit institutions and central banks	-338	-309	-299	-293	-250	-261	-282	-226
Deposits and borrowing from the general public	-439	-398	-294	-288	-349	-382	-404	-377
Issued securities	-3,726	-4,023	-4,157	-4,361	-4,405	-4,582	-4,392	-4,421
Derivative instruments	2,198	2,454	2,432	2,651	2,697	3,210	2,213	2,027
Subordinated liabilities	-351	-356	-360	-388	-373	-384	-389	-425
State fees	-477	-516	-527	-320	-326	-318	-336	-167
Other interest expense	-	-19	-28	-26	-58	-124	-71	-58
Total interest expense	-3,133	-3,167	-3,233	-3,025	-3,064	-2,841	-3,661	-3,647
Of which interest expense reported in Net gains/losses on financial transactions	-89	-90	-104	-104	-162	-198	-120	-78
Interest expense according to income statement	-3,044	-3,077	-3,129	-2,921	-2,902	-2,643	-3,541	-3,569
Net interest income	7,587	7,321	7,081	7,299	7,041	6,808	6,795	6,971

Net fee and commission income

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net fee and commission income								
Brokerage and other securities commissions	172	246	261	256	198	229	233	266
Mutual funds	869	895	849	835	776	717	695	743
Custody and other asset management fees	189	169	164	183	145	148	147	150
Advisory services	37	105	56	59	56	98	104	89
Insurance	167	168	160	163	162	151	158	155
Payments	857	847	760	857	815	795	718	852
Loans and deposits	301	308	301	309	293	290	280	296
Guarantees	93	99	97	107	108	108	99	108
Other	122	125	124	126	116	127	119	122
Total fee and commission income	2,807	2,962	2,772	2,895	2,669	2,663	2,553	2,781
Securities	-57	-70	-72	-74	-50	-70	-66	-59
Payments	-379	-368	-331	-355	-341	-293	-300	-359
Other	-16	-16	-15	-19	-19	-20	-17	-20
Total fee and commission expense	-452	-454	-418	-448	-410	-383	-383	-438
Net fee and commission income	2,355	2,508	2,354	2,447	2,259	2,280	2,170	2,343

Net gains/losses on financial transactions

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Trading, derivatives, FX effect etc	322	439	706	940	249	-90	-267	719
Other financial instruments at fair value in profit/loss	-98	-132	-139	-641	77	447	583	-416
of which interest-bearing securities	-90	-123	-129	-627	89	455	585	-346
of which loans	-8	-9	-10	-14	-12	-8	-2	-70
Financial instruments at amortised cost	58	32	13	29	61	56	36	-38
of which loans	91	86	84	114	119	127	86	94
of which liabilities	-33	-54	-71	-85	-58	-71	-50	-132
Financial instruments available for sale	-	4	2	4	769	89	827	1,192
Hedge accounting	-8	3	-10	-14	-25	36	0	93
of which net gains/losses on fair value hedges	1	6	-6	1	-21	10	2	72
Gains/losses on unbundled insurance contracts	-31	-29	-25	-49	-19	-15	-17	-47
Net gains/losses on financial transactions	243	317	547	269	1,112	523	1,162	1,503

Other expenses

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Property and premises	-294	-290	-318	-319	-304	-303	-308	-320
External IT costs	-454	-489	-478	-476	-394	-420	-408	-438
Communication	-71	-75	-84	-79	-73	-80	-85	-89
Travel and marketing	-59	-88	-68	-96	-57	-85	-68	-103
Purchased services	-300	-317	-318	-338	-259	-298	-264	-304
Supplies	-40	-38	-48	-43	-42	-43	-45	-47
Other administrative expenses	-119	-113	-116	-167	-105	-117	-125	-141
Other expenses	-1,337	-1,410	-1,430	-1,518	-1,234	-1,346	-1,303	-1,442

Loan losses

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Specific provision for individually assessed loans								
Provision for the period	-284	-165	-301	-826	-432	-297	-344	-494
Reversal of previous provisions	59	64	61	202	42	76	57	102
Total	-225	-101	-240	-624	-390	-221	-287	-392
Collective provisions								
Net provision for the period for individually assessed loans	-8	-67	6	-24	-41	-4	7	-15
Net provision for the period for homogeneous loans	-4	-3	1	0	-11	0	1	-7
Total	-12	-70	7	-24	-52	-4	8	-22
Off-balance-sheet items								
Losses on off-balance-sheet items	0	0	-1	-12	0	-2	-2	0
Reversal of previous losses on off-balance-sheet items	0	9	1	0	0	2	-	0
Change in collective provision for off-balance-sheet items	2	-9	12	-23	-8	-10	15	-6
Total	2	0	12	-35	-8	-10	13	-6
Write-offs								
Actual loan losses for the period	-106	-253	-410	-628	-198	-142	-1,215	-296
Utilised share of previous provisions	89	195	396	427	127	114	1,195	195
Recoveries	35	42	40	52	45	34	99	46
Total	18	-16	26	-149	-26	6	79	-55
Value change for the period	-	1	-1	-	-	-	-	-
Net loan losses	-217	-186	-196	-832	-476	-229	-187	-475

Impaired loans

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

SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Impaired loans	7,497	7,303	7,594	7,746	7,710	7,427	7,390	8,844
Specific provision for individually assessed loans	-3,942	-3,840	-3,985	-4,188	-3,972	-3,671	-3,517	-4,444
Provision for collectively assessed homogeneous groups of loans with limited value	-112	-108	-105	-107	-107	-94	-93	-94
Collective provisions for individually assessed loans	-415	-403	-340	-348	-310	-279	-272	-278
Impaired loans, net	3,028	2,952	3,164	3,103	3,321	3,383	3,508	4,028
Total impaired loans reserve ratio	59.6%	59.6%	58.3%	59.9%	56.9%	54.4%	52.5%	54.5%
Proportion of impaired loans	0.15%	0.15%	0.16%	0.16%	0.17%	0.17%	0.18%	0.21%
Impaired loans reserve ratio excl. collective provisions	54.1%	54.1%	53.9%	55.4%	52.9%	50.7%	48.8%	51.3%
Loan loss ratio as a % of loans, quarterly	0.04%	0.04%	0.04%	0.17%	0.10%	0.05%	0.04%	0.10%
Loans past due > 60 days	5,518	4,067	3,925	4,123	4,928	4,629	4,473	4,657
Loans past due > 60 days, which are not impaired	1,060	1,116	946	1,061	1,381	1,229	1,270	1,218

Segment information

Operating profit per segment, quarterly

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Sweden	3,658	3,429	3,148	3,291	3,832	3,132	2,317	2,779
Handelsbanken UK	480	599	521	472	518	568	536	559
Handelsbanken Denmark	237	226	270	-236	70	216	246	207
Handelsbanken Finland	211	189	213	236	211	225	183	238
Handelsbanken Norway	672	618	833	604	591	628	492	566
Handelsbanken the Netherlands	63	53	49	73	41	25	28	17
Capital Markets	294	441	501	272	298	417	365	316
Other	-130	-230	-122	215	199	127	854	831
Adjustments & eliminations	-61	-68	-66	-229	-69	-61	-54	20
Operating profit, Group	5,424	5,257	5,347	4,698	5,691	5,277	4,967	5,533

Total income per segment

SEK m	Q3 2017	Q2 2017	Change	Q3 2016	Change	Jan-Sep 2017	Jan-Sep 2016	Change	Full year 2016
Sweden	5,594	5,385	4%	5,147	9%	16,141	15,192	6%	20,524
Handelsbanken UK	1,351	1,376	-2%	1,239	9%	3,992	3,835	4%	5,155
Handelsbanken Denmark	544	576	-6%	540	1%	1,676	1,589	5%	2,155
Handelsbanken Finland	422	431	-2%	421	0%	1,276	1,292	-1%	1,734
Handelsbanken Norway	1,055	1,025	3%	984	7%	3,099	2,865	8%	3,931
Handelsbanken the Netherlands	180	172	5%	134	34%	512	341	50%	521
Handelsbanken Capital Markets	1,042	1,261	-17%	1,160	-10%	3,645	3,636	0%	4,772
Other	60	12	400%	848	-93%	181	1,888	-90%	1,971
Adjustments & eliminations	-	-	-	-	-	-	-	-	-
Total income	10,248	10,238	0%	10,473	-2%	30,522	30,638	0%	40,763

Total expenses per segment

SEK m	Q3 2017	Q2 2017	Change	Q3 2016	Change	Jan-Sep 2017	Jan-Sep 2016	Change	Full year 2016
Sweden	-1,894	-1,917	-1%	-1,188	59%	-5,765	-5,676	2%	-7,536
Handelsbanken UK	-723	-754	-4%	-701	3%	-2,208	-2,128	4%	-2,903
Handelsbanken Denmark	-286	-286	0%	-281	2%	-860	-825	4%	-1,150
Handelsbanken Finland	-217	-227	-4%	-194	12%	-657	-623	5%	-843
Handelsbanken Norway	-365	-351	4%	-320	14%	-856	-914	-6%	-1,269
Handelsbanken the Netherlands	-118	-121	-2%	-92	28%	-348	-247	41%	-354
Handelsbanken Capital Markets	-757	-831	-9%	-818	-7%	-2,354	-2,515	-6%	-3,371
Other	-190	-242	-21%	-649	-71%	-663	-713	-7%	-599
Adjustments & eliminations	-61	-68	10%	-69	12%	-195	-184	6%	-413
Total expenses	-4,611	-4,797	-4%	-4,312	7%	-13,906	-13,825	1%	-18,438

Operating profit per segment

SEK m	Q3 2017	Q2 2017	Change	Q3 2016	Change	Jan-Sep 2017	Jan-Sep 2016	Change	Full year 2016
Sweden	3,658	3,429	7%	3,832	-5%	10,235	9,281	10%	12,572
Handelsbanken UK	480	599	-20%	518	-7%	1,600	1,622	-1%	2,094
Handelsbanken Denmark	237	226	5%	70	239%	733	532	38%	296
Handelsbanken Finland	211	189	12%	211	0%	613	619	-1%	855
Handelsbanken Norway	672	618	9%	591	14%	2,123	1,711	24%	2,315
Handelsbanken the Netherlands	63	53	19%	41	54%	165	94	76%	167
Handelsbanken Capital Markets	294	441	-33%	298	-1%	1,236	1,080	14%	1,352
Other	-130	-230	43%	199	-482	-482	1,180	-	1,395
Adjustments & eliminations	-61	-68	10%	-69	12%	-195	-184	-6%	-413
Operating profit	5,424	5,257	3%	5,691	-5%	16,028	15,935	1%	20,633

Handelsbanken Sweden

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	4,301	4,076	3,946	4,018	3,929	3,813	3,759	3,775
Net fee and commission income	1,113	1,117	1,058	1,102	1,047	1,080	1,004	1,143
Net gains/losses on financial transactions	173	176	147	184	167	242	132	50
Other income	7	16	11	28	4	4	11	16
Total income	5,594	5,385	5,162	5,332	5,147	5,139	4,906	4,984
Staff costs	-876	-848	-856	-867	-278	-920	-1,606	-908
Other expenses	-268	-279	-279	-302	-261	-310	-280	-324
Internal purchased and sold services	-732	-773	-792	-680	-630	-677	-658	-636
Depreciation, amortisation and impairments of property, equipment and intangible assets	-18	-17	-27	-11	-19	-17	-20	-21
Total expenses	-1,894	-1,917	-1,954	-1,860	-1,188	-1,924	-2,564	-1,889
Profit before loan losses	3,700	3,468	3,208	3,472	3,959	3,215	2,342	3,095
Net loan losses	-42	-39	-60	-180	-128	-84	-24	-317
Gains/losses on disposal of property, equipment and intangible assets	0	0	0	-1	1	1	-1	1
Operating profit	3,658	3,429	3,148	3,291	3,832	3,132	2,317	2,779
Profit allocation	322	330	294	300	271	224	202	236
Operating profit after profit allocation	3,980	3,759	3,442	3,591	4,103	3,356	2,519	3,015
Cost/income ratio, %	32.0	33.5	35.8	33.0	21.9	35.9	50.2	36.2
Loan loss ratio, %	0.01	0.01	0.02	0.06	0.04	0.03	0.01	0.11
Allocated capital	78,083	74,464	78,736	77,800	72,997	68,642	74,375	71,894
Return on allocated capital, %	15.9	15.7	13.6	14.4	17.5	15.3	10.6	13.1
Average number of employees	4,232	3,990	4,006	4,109	4,352	4,300	4,412	4,427
Number of branches	422	423	425	435	463	472	473	474

Business volumes, Handelsbanken Sweden

Average volumes, SEK bn	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Loans to the public*								
Household	788	775	765	757	748	736	721	709
of which mortgage loans	738	725	714	705	695	681	667	654
Corporate	491	486	479	473	479	481	482	478
of which mortgage loans	285	280	275	269	270	272	274	273
Total	1,279	1,261	1,244	1,230	1,227	1,217	1,203	1,187
Deposits and borrowing from the public								
Household	325	316	307	306	302	291	281	276
Corporate	232	229	217	209	200	200	197	199
Total	557	545	524	515	502	491	478	475

* Excluding loans to the National Debt Office.

Handelsbanken UK

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	1,157	1,178	1,079	1,111	1,085	1,102	1,116	1,193
Net fee and commission income	147	150	140	147	121	132	119	130
Net gains/losses on financial transactions	46	48	46	59	34	76	50	47
Other income	1	0	0	3	-1	0	1	2
Total income	1,351	1,376	1,265	1,320	1,239	1,310	1,286	1,372
Staff costs	-452	-461	-453	-470	-444	-462	-473	-480
Other expenses	-117	-126	-112	-143	-109	-105	-106	-135
Internal purchased and sold services	-139	-151	-150	-151	-137	-137	-120	-129
Depreciation, amortisation and impairments of property, equipment and intangible assets	-15	-16	-16	-11	-11	-11	-13	-11
Total expenses	-723	-754	-731	-775	-701	-715	-712	-755
Profit before loan losses	628	622	534	545	538	595	574	617
Net loan losses	-148	-23	-12	-73	-20	-26	-41	-57
Gains/losses on disposal of property, equipment and intangible assets	0	0	-1	0	0	-1	3	-1
Operating profit	480	599	521	472	518	568	536	559
Profit allocation	9	7	8	9	11	7	8	9
Operating profit after profit allocation	489	606	529	481	529	575	544	568
Cost/income ratio, %	53.2	54.5	57.4	58.3	56.1	54.3	55.0	54.7
Loan loss ratio, %	0.30	0.05	0.02	0.15	0.04	0.05	0.08	0.13
Allocated capital	12,519	12,144	12,914	11,426	10,582	10,263	10,911	10,452
Return on allocated capital, %	12.2	15.6	12.8	13.1	15.6	17.5	15.6	17.0
Average number of employees	2,073	2,022	1,991	1,980	1,987	1,957	1,912	1,883
Number of branches	207	207	207	207	206	205	201	198

Handelsbanken UK, in local currency

GBP m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	108.6	104.8	97.6	98.7	97.1	93.4	92.3	92.5
Net fee and commission income	13.9	13.3	12.7	13.1	10.8	11.2	9.8	10.2
Net gains/losses on financial transactions	4.3	4.2	4.2	5.2	3.1	6.5	4.1	3.6
Other income	0.0	0.1	0.0	0.2	0.0	0.0	0.1	0.1
Total income	126.8	122.4	114.5	117.2	111.0	111.1	106.3	106.4
Staff costs	-42.4	-41.0	-41.0	-41.8	-39.7	-39.2	-39.1	-37.3
Other expenses	-11.1	-11.2	-10.1	-12.8	-9.6	-8.9	-8.8	-10.4
Internal purchased and sold services	-13.1	-13.4	-13.6	-13.2	-12.4	-11.5	-10.0	-10.2
Depreciation, amortisation and impairments of property, equipment and intangible assets	-1.4	-1.4	-1.5	-1.0	-1.0	-1.0	-1.0	-0.8
Total expenses	-68.0	-67.0	-66.2	-68.8	-62.7	-60.6	-58.9	-58.7
Profit before loan losses	58.8	55.4	48.3	48.4	48.3	50.5	47.4	47.7
Net loan losses	-13.4	-2.1	-1.1	-6.3	-1.9	-2.2	-3.4	-4.4
Gains/losses on disposal of property, equipment and intangible assets	0.0	-0.1	0.0	0.0	0.0	-0.1	0.3	0.0
Operating profit	45.4	53.2	47.2	42.1	46.4	48.2	44.3	43.3
Profit allocation	0.8	0.7	0.7	0.8	1.0	0.5	0.7	0.7
Operating profit after profit allocation	46.2	53.9	47.9	42.9	47.4	48.7	45.0	44.0

Business volumes, Handelsbanken UK

Average volumes, GBP m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Loans to the public								
Household	6,210	6,073	5,916	5,754	5,609	5,456	5,288	5,094
Corporate	12,411	12,050	11,719	11,418	11,196	10,847	10,566	10,357
Total	18,621	18,123	17,635	17,172	16,805	16,303	15,854	15,451
Deposits and borrowing from the public								
Household	3,965	3,603	3,297	3,039	2,751	2,425	2,060	1,948
Corporate	9,113	8,490	7,840	7,550	7,526	7,051	6,744	6,744
Total	13,078	12,093	11,137	10,589	10,277	9,476	8,804	8,692

Handelsbanken Denmark

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	433	425	417	447	425	405	409	418
Net fee and commission income	89	121	108	95	93	93	98	102
Net gains/losses on financial transactions	18	29	24	21	19	18	17	24
Other income	4	1	7	3	3	6	3	3
Total income	544	576	556	566	540	522	527	547
Staff costs	-166	-163	-166	-177	-164	-155	-159	-160
Other expenses	-33	-36	-39	-66	-43	-41	-44	-46
Internal purchased and sold services	-84	-83	-80	-78	-71	-69	-69	-70
Depreciation, amortisation and impairments of property, equipment and intangible assets	-3	-4	-3	-4	-3	-4	-3	-6
Total expenses	-286	-286	-288	-325	-281	-269	-275	-282
Profit before loan losses	258	290	268	241	259	253	252	265
Net loan losses	-24	-66	-4	-478	-194	-38	-6	-63
Gains/losses on disposal of property, equipment and intangible assets	3	2	6	1	5	1	0	5
Operating profit	237	226	270	-236	70	216	246	207
Profit allocation	21	24	24	22	26	18	19	19
Operating profit after profit allocation	258	250	294	-214	96	234	265	226
Cost/income ratio, %	50.6	47.7	49.7	55.3	49.6	49.8	50.4	49.8
Loan loss ratio, %	0.10	0.27	0.02	2.26	0.92	0.18	0.03	0.31
Allocated capital	5,708	5,535	6,382	6,221	6,412	6,146	6,023	6,219
Return on allocated capital, %	14.0	14.1	14.4	-10.7	4.6	11.9	13.7	11.3
Average number of employees	608	605	611	617	627	626	626	630
Number of branches	57	57	57	57	57	57	57	57

Handelsbanken Denmark, in local currency

DKK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	337	327	326	340	333	325	327	335
Net fee and commission income	69	93	85	73	72	75	78	81
Net gains/losses on financial transactions	14	22	19	16	15	15	13	19
Other income	3	1	5	3	2	4	3	3
Total income	423	443	435	432	422	419	421	438
Staff costs	-130	-125	-130	-136	-127	-125	-127	-128
Other expenses	-26	-28	-30	-50	-34	-33	-35	-37
Internal purchased and sold services	-65	-65	-62	-60	-55	-56	-55	-57
Depreciation, amortisation and impairments of property, equipment and intangible assets	-1	-3	-3	-3	-3	-2	-3	-5
Total expenses	-222	-221	-225	-249	-219	-216	-220	-227
Profit before loan losses	201	222	210	183	203	203	201	211
Net loan losses	-16	-53	-3	-374	-154	-31	-4	-50
Gains/losses on disposal of property, equipment and intangible assets	3	2	4	1	3	1	0	5
Operating profit	188	171	211	-190	52	173	197	166
Profit allocation	15	19	19	17	20	15	15	15
Operating profit after profit allocation	203	190	230	-173	72	188	212	181

Business volumes, Handelsbanken Denmark

Average volumes, DKK bn	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Loans to the public								
Household	44.3	43.8	43.4	42.5	41.3	40.1	39.1	37.9
Corporate	27.6	28.8	29.6	29.0	28.7	28.8	28.7	28.2
Total	71.9	72.6	73.0	71.5	70.0	68.9	67.8	66.1
Deposits and borrowing from the public								
Household	13.1	12.9	12.2	12.4	12.1	12.0	11.3	11.5
Corporate	19.8	18.6	18.5	16.2	15.7	13.5	17.1	16.7
Total	32.9	31.5	30.7	28.6	27.8	25.5	28.4	28.2

Handelsbanken Finland

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	301	291	292	302	304	294	318	345
Net fee and commission income	110	121	113	116	108	102	93	93
Net gains/losses on financial transactions	7	13	14	21	8	45	13	12
Other income	4	6	4	3	1	3	3	7
Total income	422	431	423	442	421	444	427	457
Staff costs	-95	-100	-94	-101	-94	-95	-90	-90
Other expenses	-46	-44	-42	-53	-37	-50	-70	-46
Internal purchased and sold services	-72	-78	-73	-62	-59	-60	-58	-66
Depreciation, amortisation and impairments of property, equipment and intangible assets	-4	-5	-4	-4	-4	-3	-3	-4
Total expenses	-217	-227	-213	-220	-194	-208	-221	-206
Profit before loan losses	205	204	210	222	227	236	206	251
Net loan losses	6	-15	3	14	-16	-11	-23	-13
Gains/losses on disposal of property, equipment and intangible assets	0	0	-	0	0	0	0	0
Operating profit	211	189	213	236	211	225	183	238
Profit allocation	37	38	32	38	31	30	32	32
Operating profit after profit allocation	248	227	245	274	242	255	215	270
Cost/income ratio, %	47.3	48.4	46.8	45.8	42.9	43.9	48.1	42.1
Loan loss ratio, %	-0.02	0.05	-0.01	-0.05	0.05	0.04	0.08	0.04
Allocated capital	5,526	5,283	6,169	6,252	5,937	5,568	5,970	6,186
Return on allocated capital, %	14.0	13.4	12.4	13.7	12.7	14.3	11.2	13.6
Average number of employees	519	505	482	482	500	496	489	491
Number of branches	45	45	45	45	45	45	46	46

Handelsbanken Finland, in local currency

EUR m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	31.5	30.0	30.7	30.9	31.9	31.7	34.1	37.1
Net fee and commission income	11.4	12.7	11.8	11.9	11.3	11.1	9.9	10.0
Net gains/losses on financial transactions	0.8	1.4	1.4	2.1	0.8	4.9	1.4	1.2
Other income	0.5	0.5	0.5	0.3	0.1	0.3	0.3	0.8
Total income	44.2	44.6	44.4	45.2	44.1	48.0	45.7	49.1
Staff costs	-9.9	-10.4	-9.9	-10.3	-9.9	-10.2	-9.6	-9.8
Other expenses	-4.8	-4.4	-4.5	-5.3	-3.9	-5.4	-7.5	-4.9
Internal purchased and sold services	-7.4	-8.1	-7.7	-6.4	-6.1	-6.6	-6.2	-7.0
Depreciation, amortisation and impairments of property, equipment and intangible assets	-0.6	-0.6	-0.4	-0.4	-0.4	-0.4	-0.3	-0.3
Total expenses	-22.7	-23.5	-22.5	-22.4	-20.3	-22.6	-23.6	-22.0
Profit before loan losses	21.5	21.1	21.9	22.8	23.8	25.4	22.1	27.1
Net loan losses	0.6	-1.6	0.4	1.5	-1.7	-1.1	-2.5	-1.5
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	22.1	19.5	22.3	24.3	22.1	24.3	19.6	25.6
Profit allocation	3.9	4.0	3.3	3.9	3.2	3.2	3.5	3.4
Operating profit after profit allocation	26.0	23.5	25.6	28.2	25.3	27.5	23.1	29.0

Business volumes, Handelsbanken Finland

Average volumes, EUR m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Loans to the public								
Household	4,058	4,053	4,024	3,997	3,998	3,952	3,952	3,962
Corporate	8,858	9,061	8,922	8,822	8,747	8,733	8,742	8,657
Total	12,916	13,114	12,946	12,819	12,745	12,685	12,694	12,619
Deposits and borrowing from the public								
Household	1,547	1,642	1,625	1,508	1,485	1,432	1,381	1,363
Corporate	2,658	2,556	2,771	2,211	1,933	1,766	2,052	1,886
Total	4,205	4,198	4,396	3,719	3,418	3,198	3,433	3,249

Handelsbanken Norway

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	930	898	885	933	856	797	769	788
Net fee and commission income	101	102	103	107	99	91	84	89
Net gains/losses on financial transactions	23	19	27	21	25	30	38	22
Other income	1	6	4	5	4	68	4	14
Total income	1,055	1,025	1,019	1,066	984	986	895	913
Staff costs	-201	-192	15	-180	-175	-158	-163	-169
Other expenses	-54	-53	-54	-62	-46	-50	-48	-52
Internal purchased and sold services	-106	-103	-97	-107	-96	-90	-86	-93
Depreciation, amortisation and impairments of property, equipment and intangible assets	-4	-3	-4	-6	-3	4	-3	-3
Total expenses	-365	-351	-140	-355	-320	-294	-300	-317
Profit before loan losses	690	674	879	711	664	692	595	596
Net loan losses	-19	-56	-46	-107	-73	-64	-103	-30
Gains/losses on disposal of property, equipment and intangible assets	1	0	0	0	0	0	0	0
Operating profit	672	618	833	604	591	628	492	566
Profit allocation	20	23	21	30	22	16	23	20
Operating profit after profit allocation	692	641	854	634	613	644	515	586
Cost/income ratio, %	34.0	33.5	13.5	32.4	31.8	29.3	32.7	34.0
Loan loss ratio, %	0.03	0.09	0.08	0.20	0.14	0.12	0.20	0.06
Allocated capital	15,407	15,521	16,808	15,883	14,441	12,870	13,383	12,966
Return on allocated capital, %	14.0	12.9	15.9	12.4	13.2	15.6	12.0	14.1
Average number of employees	692	662	662	667	681	658	665	666
Number of branches	49	49	49	50	50	50	50	50

Handelsbanken Norway, in local currency

NOK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	909	868	837	867	835	801	785	789
Net fee and commission income	99	98	98	98	98	92	85	89
Net gains/losses on financial transactions	23	19	25	19	24	30	39	23
Other income	1	5	4	3	3	69	4	12
Total income	1,032	990	964	987	960	992	913	913
Staff costs	-195	-183	14	-167	-171	-159	-166	-169
Other expenses	-53	-51	-51	-58	-44	-51	-49	-51
Internal purchased and sold services	-104	-99	-92	-98	-95	-90	-88	-92
Depreciation, amortisation and impairments of property, equipment and intangible assets	-4	-4	-3	-6	-3	4	-3	-4
Total expenses	-356	-337	-132	-329	-313	-296	-306	-316
Profit before loan losses	676	653	832	658	647	696	607	597
Net loan losses	-19	-54	-44	-100	-71	-64	-105	-32
Gains/losses on disposal of property, equipment and intangible assets	0	0	0	0	0	0	0	1
Operating profit	657	599	788	558	576	632	502	566
Profit allocation	20	22	20	28	21	17	23	20
Operating profit after profit allocation	677	621	808	586	597	649	525	586

Business volumes, Handelsbanken Norway

Average volumes, NOK bn	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Loans to the public								
Household	88.8	88.4	88.0	87.6	86.4	85.3	84.3	83.4
Corporate	149.7	148.7	145.8	146.1	144.3	142.7	139.4	127.1
Total	238.5	237.1	233.8	233.7	230.7	228.0	223.7	210.5
Deposits and borrowing from the public								
Household	20.3	19.7	19.6	19.7	20.0	19.1	18.6	17.8
Corporate	51.4	49.0	48.8	54.2	45.8	44.2	40.8	47.4
Total	71.7	68.7	68.4	73.9	65.8	63.3	59.4	65.2

Handelsbanken the Netherlands

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	142	135	125	126	117	100	95	88
Net fee and commission income	35	33	32	49	15	6	5	5
Net gains/losses on financial transactions	2	3	2	2	2	0	1	1
Share of profit of associates	0	1	1	2	0	-	-	-
Other income	1	0	0	1	0	-	-	-
Total income	180	172	160	180	134	106	101	94
Staff costs	-72	-74	-67	-65	-56	-45	-44	-43
Other expenses	-20	-20	-18	-16	-20	-16	-8	-11
Internal purchased and sold services	-23	-24	-22	-24	-14	-19	-20	-22
Depreciation, amortisation and impairments of property, equipment and intangible assets	-3	-3	-2	-2	-2	-2	-1	-1
Total expenses	-118	-121	-109	-107	-92	-82	-73	-77
Profit before loan losses	62	51	51	73	42	24	28	17
Net loan losses	1	2	-2	0	-1	1	0	0
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	63	53	49	73	41	25	28	17
Profit allocation	0	2	0	1	0	2	0	0
Operating profit after profit allocation	63	55	49	74	41	27	28	17
Cost/income ratio, %	65.6	69.5	68.1	59.1	68.7	75.9	72.3	81.9
Loan loss ratio, %	-0.01	-0.02	0.02	0.00	0.02	-0.02	0.00	0.00
Allocated capital	1,443	1,375	1,276	1,251	1,131	956	921	851
Return on allocated capital, %	13.7	12.4	12.0	18.6	11.2	8.6	9.8	6.4
Average number of employees	275	274	259	245	198	188	181	175
Number of branches	27	27	26	25	25	23	23	23

Handelsbanken in the Netherlands, in local currency

Euro m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	14.9	14.0	13.1	12.9	12.3	10.8	10.2	9.5
Net fee and commission income	3.6	3.4	3.4	5.1	1.6	0.6	0.6	0.5
Net gains/losses on financial transactions	0.2	0.3	0.2	0.4	0.2	0.0	0.1	0.1
Other income	0.1	0.1	0.1	0.3	0.0	-	-	-
Total income	18.8	17.8	16.8	18.7	14.1	11.4	10.9	10.1
Staff costs	-7.5	-7.6	-7.1	-6.8	-5.8	-4.9	-4.7	-4.6
Other expenses	-2.0	-2.1	-1.9	-1.6	-2.1	-1.7	-0.9	-1.2
Internal purchased and sold services	-2.4	-2.7	-2.1	-2.3	-1.6	-2.0	-2.2	-2.3
Depreciation, amortisation and impairments of property, equipment and intangible assets	-0.4	-0.2	-0.3	-0.3	-0.2	-0.2	-0.1	-0.1
Total expenses	-12.3	-12.6	-11.4	-11.0	-9.7	-8.8	-7.9	-8.2
Profit before loan losses	6.5	5.2	5.4	7.7	4.4	2.6	3.0	1.9
Net loan losses	0.1	0.2	-0.2	0.0	-0.1	0.1	0.0	0.0
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	6.6	5.4	5.2	7.7	4.3	2.7	3.0	1.9
Profit allocation	0.0	-0.1	0.3	0.1	0.0	0.2	0.0	0.0
Operating profit after profit allocation	6.6	5.3	5.5	7.8	4.3	2.9	3.0	1.9

Business volumes, Handelsbanken the Netherlands

Average volumes, EUR m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Loans to the public								
Household	2,027	1,891	1,780	1,629	1,502	1,367	1,238	1,141
Corporate	1,697	1,717	1,695	1,667	1,741	1,397	1,273	1,233
Total	3,724	3,608	3,475	3,296	3,243	2,764	2,511	2,374
Deposits and borrowing from the public								
Household	92	84	78	73	65	58	53	47
Corporate	710	727	768	455	378	440	408	600
Total	802	811	846	528	443	498	461	647

Handelsbanken Capital Markets

Handelsbanken Capital Markets

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	120	118	118	151	135	134	137	187
Net fee and commission income	744	859	782	815	753	771	742	758
Net gains/losses on financial transactions	157	228	399	162	244	338	240	214
Risk result - insurance	19	53	36	6	25	35	76	36
Other income	2	3	7	2	3	1	2	4
Total income	1,042	1,261	1,342	1,136	1,160	1,279	1,197	1,199
Staff costs	-541	-588	-544	-581	-580	-597	-610	-590
Other expenses	-201	-225	-223	-239	-203	-217	-212	-228
Internal purchased and sold services	6	4	19	-17	-17	-22	0	-46
Depreciation, amortisation and impairments of property, equipment and intangible assets	-21	-22	-18	-19	-18	-19	-20	-24
Total expenses	-757	-831	-766	-856	-818	-855	-842	-888
Profit before loan losses	285	430	576	280	342	424	355	311
Net loan losses	9	11	-75	-8	-44	-7	10	5
Operating profit	294	441	501	272	298	417	365	316
Profit allocation	-409	-424	-379	-400	-361	-297	-284	-317
Operating profit after profit allocation	-115	17	122	-128	-63	120	81	-1
Cost/income ratio, %	119.6	99.3	79.5	116.3	102.4	87.1	92.2	100.7
Loan loss ratio, %	-0.08	-0.10	0.67	0.07	0.37	0.06	-0.08	-0.04
Allocated capital	4,163	4,478	4,972	5,033	4,807	5,038	4,981	5,671
Return on allocated capital, %	-8.6	1.1	7.7	-8.0	-4.1	7.5	5.0	-0.1
Average number of employees	1,638	1,627	1,643	1,636	1,674	1,681	1,720	1,737

Business volumes, Handelsbanken International

Average volumes, SEK bn	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Loans to the public								
Household	5.6	5.5	5.4	5.4	5.1	4.9	4.9	4.9
Corporate	24.4	26.5	29.9	31.7	30.2	30.1	30.4	30.3
Total	30.0	32.0	35.3	37.1	35.3	35.0	35.3	35.2
Deposits and borrowing from the public								
Household	4.6	3.8	3.6	3.6	3.8	3.7	2.8	3.1
Corporate	69.1	53.9	36.7	45.8	44.8	44.2	37.6	43.5
Total	73.7	57.7	40.3	49.4	48.6	47.9	40.4	46.6

Markets & Asset Management

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	-8	18	12	16	3	6	2	41
Net fee and commission income	425	607	538	565	524	548	521	538
Net gains/losses on financial transactions	173	235	406	181	249	333	253	232
Other income	3	0	1	1	3	-3	1	0
Total income	593	860	957	763	779	884	777	811
Staff costs	-236	-283	-251	-277	-239	-304	-309	-288
Other expenses	-128	-249	-256	-256	-298	-240	-240	-261
Total expenses	-364	-532	-507	-533	-537	-544	-549	-549
Profit before loan losses	229	328	450	230	242	340	228	262
Net loan losses	-	-	-	-	-	-	-	-
Operating profit	229	328	450	230	242	340	228	262
Operating profit after profit allocation	-55	16	170	-72	-22	115	11	7
Average number of employees	467	488	504	496	541	571	575	598

Pension & Life, International and Business Support

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	128	100	106	135	132	128	135	146
Net fee and commission income	319	252	244	250	229	223	221	220
Net gains/losses on financial transactions	-16	-7	-7	-19	-5	5	-13	-18
Other income	18	56	42	7	25	39	77	40
Total income	449	401	385	373	381	395	420	388
Staff costs	-305	-305	-293	-304	-341	-293	-301	-302
Other expenses	-88	6	34	-19	60	-18	8	-37
Total expenses	-393	-299	-259	-323	-281	-311	-293	-339
Profit before loan losses	56	102	126	50	100	84	127	49
Net loan losses	9	11	-75	-8	-44	-7	10	5
Operating profit	65	113	51	42	56	77	137	54
Operating profit after profit allocation	-60	1	-48	-56	-41	5	70	-8
Average number of employees	1,171	1,139	1,139	1,140	1,133	1,110	1,145	1,139
Number of branches	13	13	13	13	13	13	13	13

Handelsbanken Liv

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Statutory Profit/loss, according to the alternative income statement								
Administration result	235	228	224	211	204	182	172	157
Risk result	18	53	36	6	25	35	76	36
Financial result	-31	-29	-27	-49	-20	-15	-17	-49
<i>of which deferred capital contribution</i>	-32	-29	-25	-49	-19	-15	-17	-47
Other	39	43	34	46	40	35	25	39
Operating profit	261	295	267	214	249	237	256	183
AUM, SEK bn, end of period	136	133	128	123	120	111	109	111
<i>of which unit-linked</i>	104	101	97	93	90	83	81	82
<i>of which portfolio bond</i>	24	23	22	21	21	20	20	19
Premiums paid, SEK m	3,600	4,806	3,528	2,991	2,938	3,818	3,313	2,835
of which portfolio bond	1,406	1,513	1,145	959	909	1,086	1,235	803
of which unit-linked	2,044	3,148	2,237	1,891	1,877	2,583	1,928	1,883
of which occupational pensions	688	639	571	558	600	459	469	468
New sales mutual funds & custody, Sweden, SEK m	687	951	836	593	444	757	892	591

Other and Adjustments & eliminations

Other

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	203	200	219	211	190	163	192	177
Net fee and commission income	16	5	18	16	23	5	25	23
Net gains/losses on financial transactions	-183	-199	-112	-201	613	-226	671	1,133
Share of profit of associates	14	-4	-28	-2	10	13	2	-11
Other income	10	10	12	59	12	181	14	21
Total income	60	12	109	83	848	136	904	1,343
Staff costs	-683	-763	-698	-323	-1,084	-459	-469	-933
Other expenses	-598	-627	-663	-637	-515	-557	-535	-600
Internal purchased and sold services	1,150	1,208	1,195	1,119	1,024	1,074		
Depreciation, amortisation and impairments of property, equipment and intangible assets	-59	-60	-65	-45	-74	-67	-62	-42
Total expenses	-190	-242	-231	114	-649	-9	-55	-513
Profit before loan losses	-130	-230	-122	197	199	127	849	830
Net loan losses								
Gains/losses on disposal of property, equipment and intangible assets	0	0	0	18	0	0	5	1
Operating profit	-130	-230	-122	215	199	127	854	831
Profit allocation	-	-	-	-	-	-	-	1
Operating profit after profit allocation	-130	-230	-122	215	199	127	854	832
Average number of employees	2,065	2,003	1,930	1,879	1,840	1,810	1,830	1,816

Adjustments & eliminations

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Net interest income	-	-	-	-	-	-	-	-
Net fee and commission income	-	-	-	-	-	-	-	-
Net gains/losses on financial transactions	-	-	-	-	-	-	-	-
Risk result - insurance	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-
Total income	-	-	-	-	-	-	-	-
Staff costs	-48	-53	-55	-217	-66	-61	-54	20
Other expenses	-	-	-	-	-	-	-	-
Depreciation, amortisation and impairments of property, equipment and intangible assets	-13	-15	-11	-12	-3	-	-	-
Total expenses	-61	-68	-66	-229	-69	-61	-54	20
Profit before loan losses	-61	-68	-66	-229	-69	-61	-54	20
Net loan losses	-	-	-	-	-	-	-	-
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	-61	-68	-66	-229	-69	-61	-54	20

Balance sheet

Balance sheet - Svenska Handelsbanken Group

SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Assets								
Cash and balances with central banks	377,821	436,848	387,092	199,362	353,680	501,744	463,957	202,630
Other loans to central banks	111,008	52,718	79,245	25,527	103,113	81,267	43,790	34,118
Interest-bearing securities eligible as collateral with central banks	112,339	119,603	97,262	97,205	119,532	117,753	95,474	74,777
Loans to other credit institutions	30,742	33,526	34,542	31,347	41,410	48,479	47,442	49,656
Loans to the public	2,040,589	2,011,455	1,991,434	1,963,622	1,965,649	1,937,155	1,902,479	1,866,467
Value change of interest-hedged item in portfolio hedge	36	33	31	35	51	45	36	27
Bonds and other interest-bearing securities	61,996	61,243	65,436	63,909	53,855	46,223	53,856	44,513
Shares	20,885	21,353	23,397	20,412	35,964	52,541	39,318	30,387
Investments in associates	217	212	218	255	259	257	248	245
Assets where the customer bears the value change risk	132,381	128,870	123,595	118,646	115,532	107,004	104,316	105,146
Derivative instruments	56,913	61,940	73,111	82,633	78,688	92,381	73,885	85,347
Reinsurance assets	9	9	9	9	10	10	10	10
Intangible assets	9,670	9,579	9,460	9,393	9,293	8,450	8,304	8,254
Property and equipment	2,404	2,353	2,363	2,387	2,323	2,264	2,262	2,348
Current tax assets	2,217	1,379	518	38	2,409	1,575	588	143
Deferred tax assets	394	436	534	962	1,978	1,979	1,262	1,489
Net pension assets	1,615	1,368	379	-	-	-	-	-
Assets held for sale	1	3	3	1	2	-	1,671	1,442
Other assets	13,565	12,302	29,034	5,615	19,496	25,810	12,106	8,887
Prepaid expenses and accrued income	6,253	5,864	5,266	6,222	5,691	5,708	5,839	6,247
Total assets	2,981,055	2,961,094	2,922,929	2,627,580	2,908,935	3,030,645	2,856,843	2,522,133
Liabilities and equity								
Due to credit institutions	205,355	202,681	205,971	178,781	205,274	207,312	192,902	163,770
Deposits and borrowing from the public	1,112,138	1,120,291	1,049,699	829,336	1,009,427	1,134,500	1,042,076	753,855
Liabilities where the customer bears the value change risk	132,488	128,962	123,653	118,745	115,600	107,054	104,392	105,225
Issued securities	1,279,283	1,264,536	1,295,668	1,261,765	1,315,684	1,320,083	1,258,169	1,245,367
Derivative instruments	30,147	31,654	24,297	31,738	33,296	37,283	44,302	40,592
Short positions	10,081	7,876	11,753	1,572	11,441	8,581	10,181	2,416
Insurance liabilities	554	562	599	574	583	591	603	607
Current tax liabilities	2,147	1,388	809	514	1,657	1,008	460	996
Deferred tax liabilities	7,560	7,749	7,842	7,875	9,788	10,006	9,578	8,844
Provisions	298	426	615	731	734	773	796	113
Net pension liabilities	-	-	-	2,161	6,547	6,544	3,824	5,314
Liabilities related to assets held for sale	-	-	-	-	-	-	843	759
Other liabilities	15,828	13,851	21,684	9,427	16,452	18,817	12,527	14,206
Accrued expenses and deferred income	13,665	13,436	15,399	14,580	15,359	15,608	19,427	17,585
Subordinated liabilities	32,560	32,782	33,199	33,400	33,008	32,903	33,986	34,216
Total liabilities	2,842,104	2,826,194	2,791,188	2,491,199	2,774,850	2,901,063	2,734,066	2,393,865
Minority interest	9	6	6	6	6	5	5	4
Share capital	3,013	3,013	3,013	3,013	3,008	3,001	2,956	2,956
Share premium	5,629	5,629	5,629	5,628	5,410	5,081	3,204	3,204
Reserves	9,215	9,339	10,237	9,268	10,639	11,037	10,348	8,440
Retained earnings	108,746	108,746	108,745	102,222	102,222	102,222	102,222	97,322
Profit for the period, attributable to shareholders in Svenska Handelsbanken AB	12,339	8,167	4,111	16,244	12,800	8,236	4,042	16,342
Total equity	138,951	134,900	131,741	136,381	134,085	129,582	122,777	128,268
Total liabilities and equity	2,981,055	2,961,094	2,922,929	2,627,580	2,908,935	3,030,645	2,856,843	2,522,133

Business volumes – Lending to the public

CREDIT POLICY

Credit process

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

Basic guidelines

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

Loans to the public by sector

Loans net	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
SEK m, end of period								
Private individuals	1,025,852	1,008,417	993,567	981,895	969,723	949,129	925,114	911,762
<i>of which mortgage loans in Stadshypotek</i>	835,632	821,195	807,870	800,059	788,838	771,987	749,851	736,737
<i>of which other mortgage loans</i>	126,122	122,724	121,979	119,975	119,872	117,379	114,867	107,445
<i>of which other loans to private individuals</i>	64,098	64,498	63,718	61,861	61,013	59,763	60,396	67,580
Housing co-operative associations	200,524	195,264	190,917	186,996	182,501	178,746	174,547	169,575
<i>of which mortgage loans in Stadshypotek</i>	168,070	163,870	159,579	156,823	154,492	152,507	150,913	148,057
Property management, Note 1	554,230	547,999	542,581	539,503	537,654	533,445	518,058	510,611
Manufacturing	27,499	25,449	27,479	27,111	28,483	31,990	31,268	31,998
Retail	22,655	23,588	23,405	21,677	23,943	24,229	24,327	23,969
Hotels and restaurants	8,902	8,444	8,392	8,484	8,724	8,619	8,819	8,951
Shipping, passenger & goods transport by sea	6,938	7,486	8,235	8,131	8,974	9,200	9,300	9,811
Other transport and communication	17,238	15,425	14,927	14,578	14,675	14,485	13,334	11,135
Construction	19,873	18,450	19,066	17,942	18,001	16,511	16,009	15,408
Electricity, gas, water	23,979	23,974	24,504	25,185	24,447	24,070	26,670	26,508
Agriculture, hunting and forestry	12,446	11,716	11,567	11,696	12,492	12,344	11,335	11,303
Other service industry	18,342	18,724	19,000	19,495	21,115	20,839	20,336	19,723
Holding companies, insurance companies, funds etc.	68,814	72,200	71,057	66,414	64,761	68,525	73,205	70,897
State & municipalities	13,197	13,361	15,967	15,891	18,659	16,180	18,982	22,452
Other corporate lending	20,515	21,361	21,110	18,972	31,807	29,122	31,447	22,642
Total loans to the public, before taking into account collective provisions	2,041,004	2,011,858	1,991,774	1,963,970	1,965,959	1,937,434	1,902,751	1,866,745
Collective provisions	-415	-403	-340	-348	-310	-279	-272	-278
Total loans to the public	2,040,589	2,011,455	1,991,434	1,963,622	1,965,649	1,937,155	1,902,479	1,866,467

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

SEK m, end of period	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Lending in Sweden								
State-owned property companies	4,329	4,427	4,228	3,228	3,630	5,040	5,040	5,042
Municipal-owned property companies	8,934	8,999	9,561	9,771	9,792	9,890	11,025	12,242
Residential property companies	102,838	101,682	100,131	99,572	93,412	93,243	93,468	91,449
<i>of which mortgage loans in Stadshypotek</i>	<i>89,624</i>	<i>88,507</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>
Other property companies	129,077	127,959	124,864	127,448	131,743	136,648	136,938	136,262
<i>of which mortgage loans in Stadshypotek</i>	<i>54,628</i>	<i>55,092</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>
Total lending in Sweden	245,178	243,067	238,784	240,019	238,577	244,821	246,471	244,995
Lending outside Sweden								
Denmark	20,724	20,169	19,476	19,637	17,736	16,726	16,299	13,727
Finland	35,586	35,944	34,316	33,887	33,094	32,117	28,708	28,682
Norway	103,386	101,167	102,822	103,659	107,813	99,509	91,472	85,729
Great Britain	118,806	116,268	115,677	111,511	109,312	110,629	111,147	115,261
The Netherlands	25,884	24,635	23,949	23,194	21,970	20,935	16,051	14,539
Other countries	4,666	6,749	7,557	7,596	9,152	8,708	7,910	7,678
Total lending outside Sweden	309,052	304,932	303,797	299,484	299,077	288,624	271,587	265,616
Total lending - Property management	554,230	547,999	542,581	539,503	537,654	533,445	518,058	510,611

Credit risk exposure

SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Loans to the public	2,040,589	2,011,455	1,991,434	1,963,622	1,965,649	1,937,155	1,902,479	1,866,467
<i>of which reverse repos</i>	<i>7,126</i>	<i>8,322</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>
Loans to other credit institutions	30,742	33,526	34,542	31,347	41,410	48,479	47,442	49,656
<i>of which reverse repos</i>	<i>5,738</i>	<i>11,175</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>
Interest-bearing securities eligible as collateral with c	112,339	119,603	97,262	97,205	119,532	117,753	95,474	74,777
Bonds and other interest-bearing securities	61,996	61,243	65,436	63,909	53,855	46,223	53,856	44,513
Derivative instruments*	56,913	61,940	73,111	82,633	78,688	92,381	73,885	85,347
Contingent liabilities	75,666	75,293	80,481	78,530	82,361	78,459	74,351	77,457
<i>of which guarantees, credits</i>	<i>9,936</i>	<i>10,088</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>of which guarantees, other</i>	<i>59,119</i>	<i>58,620</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>of which letters of credit</i>	<i>6,611</i>	<i>6,585</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>
Other commitments	439,836	441,532	427,927	425,267	431,564	425,390	416,763	420,857
<i>of which unutilised part of granted overdraft facilities</i>	<i>130,647</i>	<i>131,721</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>of which loan commitments</i>	<i>286,953</i>	<i>290,250</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>of which other</i>	<i>22,236</i>	<i>19,561</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>
Total	2,818,081	2,804,592	2,770,193	2,742,513	2,773,059	2,745,840	2,664,250	2,619,074
Cash and balances with central banks	377,821	436,848	387,092	199,362	353,680	501,744	463,957	202,630
Other loans to central banks	111,008	52,718	79,245	25,527	103,113	81,267	43,790	34,118
Total	3,306,910	3,294,158	3,236,530	2,967,402	3,229,852	3,328,851	3,171,997	2,855,822

* Refers to the total of positive market values.

Credit risk exposure by country

SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Sweden	1,886,604	1,805,480	1,808,377	1,747,065	1,837,267	1,813,309	1,738,495	1,692,226
Great Britain	359,425	348,415	341,880	306,840	284,762	313,178	295,181	302,902
Norway	322,225	335,810	332,345	323,009	336,680	302,702	296,502	275,901
Denmark	150,745	150,712	150,633	142,986	150,599	148,084	136,506	123,238
Finland	260,341	272,680	267,295	252,486	280,480	227,103	206,108	189,479
The Netherlands	44,721	43,106	40,467	40,115	41,338	38,776	32,836	30,214
Other countries	282,849	337,955	295,533	154,901	298,726	485,699	466,369	241,862
Total	3,306,910	3,294,158	3,236,530	2,967,402	3,229,852	3,328,851	3,171,997	2,855,822

Loans to the public - by country *

SEK bn, end of period	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Handelsbanken Sweden	1,292	1,276	1,250	1,231	1,227	1,224	1,206	1,193
Handelsbanken UK	207	200	200	193	190	188	189	194
Handelsbanken Denmark	95	95	94	96	93	90	87	84
Handelsbanken Finland	123	123	122	120	121	118	115	115
Handelsbanken Norway	245	240	243	245	249	233	220	210
Handelsbanken the Netherlands	37	35	34	32	31	30	24	22
Handelsbanken International	30	30	32	35	36	36	35	35
Other	11	12	14	10	16	16	23	11
Total	2,040	2,010	1,989	1,963	1,963	1,935	1,899	1,863

* Excluding loans to the National Debt Office.

Loans to households - by country

SEK bn, end of period	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Handelsbanken Sweden	796	785	770	760	754	745	728	714
<i>of which mortgages</i>	745	733	719	710	700	690	673	662
Handelsbanken UK	69	67	67	65	64	63	63	64
Handelsbanken Denmark	58	57	56	56	55	52	49	48
Handelsbanken Finland	37	37	36	36	37	35	35	35
Handelsbanken Norway	91	89	92	93	93	87	83	81
Handelsbanken the Netherlands	20	19	18	16	15	14	12	11
Handelsbanken International	6	6	5	5	5	5	5	5
Other	3	2	3	3	2	2	2	2
Total	1,080	1,062	1,047	1,034	1,025	1,003	977	960

Corporate lending - by country *

SEK bn, end of period	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Handelsbanken Sweden	496	491	480	471	473	479	478	478
<i>of which mortgages</i>	288	284	278	273	268	270	272	275
Handelsbanken UK	138	133	133	128	126	125	126	130
Handelsbanken Denmark	37	38	38	40	38	38	38	36
Handelsbanken Finland	86	86	86	84	84	83	80	80
Handelsbanken Norway	154	151	151	152	156	146	137	129
Handelsbanken the Netherlands	17	16	16	16	16	16	12	11
Handelsbanken International	24	24	27	30	31	31	30	30
Other	8	10	11	7	14	14	21	9
Total	960	949	942	929	938	932	922	903

* Excluding loans to the National Debt Office.

Business volumes – Savings and deposits

Assets under management, Handelsbanken Group

SEK bn, end of period	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Mutual funds, excl. PPM and Unit-linked	354	340	326	308	299	284	282	282
PPM	30	29	29	26	24	22	21	22
Unit-linked insurance	104	102	97	93	90	83	80	82
<i>of which external mutual funds</i>	-3	-3	-3	-2	-2	-2	-2	-2
Total mutual funds	485	468	449	425	411	387	381	384
Structured products	14	15	16	17	17	17	18	18
Portfolio bond insurance	24	23	22	21	21	20	20	19
<i>of which in mutual funds and structured products</i>	-9	-9	-8	-8	-8	-7	-7	-7
Traditional insurance	8	8	8	8	8	9	9	9
<i>of which in mutual funds and structured products</i>	-1	-1	-1	-1	-1	0	0	-1
Discretionary and Institutional assets, excl. insurance	221	216	216	207	206	178	180	174
<i>of which in mutual funds and structured products</i>	-143	-138	-134	-127	-119	-117	-117	-105
Total assets under management, excl. securities in custody	599	582	568	542	535	487	484	491
Securities in custody, excl. mutual funds	355	357	347	332	326	309	308	312
Securities in custody, excl. mutual funds, foundations associated with Handelsbanken	55	56	56	52	46	44	45	53

* Including the whole volume managed by Heartwood, of which SEK 24 bn in Heartwoods mutual funds.

Deposits and borrowing from the public - by country

SEK bn, end of period	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Handelsbanken Sweden	567	560	561	508	512	500	481	470
Handelsbanken UK	142	136	126	117	111	111	103	102
Handelsbanken Denmark	39	44	34	37	35	34	30	31
Handelsbanken Finland	43	40	39	36	33	29	30	30
Handelsbanken Norway	68	66	72	65	79	62	61	57
Handelsbanken the Netherlands	8	7	9	3	7	3	6	3
Handelsbanken International	78	63	50	31	54	45	44	25
Other	167	203	159	32	179	351	288	36
Total	1,112	1,120	1,050	829	1,009	1,135	1,042	754

Deposits and borrowing from households - by country

SEK bn, end of period	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Handelsbanken Sweden	335	328	314	309	308	305	288	280
Handelsbanken UK	45	41	38	37	31	30	25	26
Handelsbanken Denmark	17	17	16	16	16	15	14	14
Handelsbanken Finland	16	15	14	14	14	14	13	13
Handelsbanken Norway	21	21	20	21	21	20	18	18
Handelsbanken the Netherlands	1.0	0.9	0.8	0.8	0.7	0.6	0.5	0.5
Handelsbanken International	5	4	4	4	4	4	4	3
Other	3	3	3	2	4	3	3	2
Total	443	430	410	404	399	392	365	356

Deposits and borrowing from corporates - by country

SEK bn, end of period	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Handelsbanken Sweden	232	232	247	199	204	195	193	191
Handelsbanken UK	97	95	88	80	80	81	78	76
Handelsbanken Denmark	22	27	18	21	19	19	16	17
Handelsbanken Finland	27	25	25	22	19	15	17	17
Handelsbanken Norway	47	45	52	44	58	42	43	39
Handelsbanken the Netherlands	7	6	8	2	6	2	5	2
Handelsbanken International	73	59	46	27	50	41	40	22
Other	164	200	156	30	175	348	285	34
Total	669	690	640	425	611	743	677	398

Own funds and capital requirement

Own funds CRR

SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
TIER 1 CAPITAL								
Equity, Group	138,951	134,900	131,741	136,381	134,085	129,582	122,777	128,268
Accrued unpaid dividend last year	-	-	-	-	-	-	-	-
Accrued dividend current year	-7,759	-5,127	-2,595	-9,721	-6,400	-4,118	-2,021	-11,442
Adjustment of Group result	-629	-429	-195	3,829	-162	34	-202	-748
Adjustment of Group equity	3,311	3,289	3,267	-593	3,532	3,518	1,731	172
Minority interests	-9	-6	-6	-6	-6	-5	-5	-4
Equity (consolidated entities)	133,865	132,627	132,212	129,890	131,049	129,011	122,280	116,246
Deducted items								
Goodwill and other intangible assets	-9,599	-9,513	-9,409	-9,355	-9,268	-8,433	-8,293	-8,246
Value adjustments (fair value)	-426	-477	-633	-645	-637	-685	-665	-553
Special deduction for IRB institutions	-2,246	-2,272	-2,270	-1,527	-1,567	-1,543	-1,452	-1,395
Positions in securitisation	-	-	-	-	-	-	-	-
Net pension assets	-	-	-	-	-	-	-	-
Own shares	-619	-607	-622	-636	-593	-529	-556	-577
Adjustments in accordance with stability filter								
Cash flow hedges	-1,464	-1,907	-2,749	-2,487	-7,850	-8,815	-7,690	-4,940
Unrealised accumulated gains, shares	-	-	-	-	-	-	-	-
Common equity tier 1 capital, gross	119,511	117,851	116,529	115,240	111,134	109,006	103,624	100,535
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	119,511	117,851	116,529	115,240	111,134	109,006	103,624	100,535
Additional tier 1 instruments	11,718	12,011	12,598	12,768	12,156	12,045	11,570	11,933
Total tier 1 capital	131,229	129,862	129,127	128,008	123,290	121,051	115,194	112,468
TIER 2 CAPITAL								
Subordinated loans	14,469	17,431	17,293	17,354	17,392	17,135	17,111	17,150
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	13,340	16,302	16,164	16,225	16,263	16,006	15,982	16,021
Total own funds	144,569	146,164	145,291	144,233	139,553	137,057	131,176	128,489

Available Distributable Items (ADI)

SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Available Distributable Items (ADI)	101,971	101,639	116,529	115,240	96,742	109,006	103,624	100,535
Deducted dividend	3,420	2,482	2,595	9,721	5,020	4,118	2,021	11,442
Minimum capital requirement	-21,141	-20,990	-22,026	-20,645	-20,001	-21,352	-20,525	-21,291
Capital conservation buffer	-11,745	-11,661	-12,236	-11,470	-11,112	-11,862	-11,403	-11,828
Countercyclical capital buffer	-5,477	-5,415	-5,524	-4,039	-4,162	-4,269	-2,728	-2,827
Systemic risk buffer	0	0	-14,684	-13,764	0	-14,235	-13,683	-14,194
Total Available Distributable Items	67,028	66,055	64,654	75,043	66,487	61,406	57,306	61,837

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

SEK m	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Credit risk according to standardised approach	82,243	82,608	79,126	80,896	79,204	77,323	74,358	80,406
Credit risk according to IRB Approach	345,377	344,497	329,180	299,370	305,951	320,041	304,506	315,310
Market risk	12,437	10,004	11,705	10,910	10,216	8,890	9,954	10,318
Credit valuation adjustment risk (CVA)	5,743	5,477	7,832	7,429	8,122	8,064	7,104	8,911
Operational risk	61,613	61,613	61,613	60,182	60,182	60,182	60,182	58,187
Total risk exposure amount	507,413	504,199	489,456	458,787	463,675	474,500	456,104	473,132
Common equity tier 1 capital	119,511	117,851	116,529	115,240	111,134	109,006	103,624	100,535
Common equity tier 1 ratio, CRR	23.6%	23.4%	23.8%	25.1%	24.0%	23.0%	22.7%	21.2%

Capital adequacy analysis

	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Common equity tier 1 ratio, CRR	23.6%	23.4%	23.8%	25.1%	24.0%	23.0%	22.7%	21.2%
Tier 1 ratio, CRR	25.9%	25.8%	26.4%	27.9%	26.6%	25.5%	25.3%	23.8%
Total capital ratio, CRR	28.5%	29.0%	29.7%	31.4%	30.1%	28.9%	28.8%	27.2%
Own funds in relation to capital requirement according to Basel I floor	144%	148%	149%	148%	144%	142%	139%	137%

Capital requirement

SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Credit risk according to standardised approach	6,579	6,609	6,330	6,472	6,336	6,186	5,949	6,433
Credit risk according to IRB Approach	27,630	27,560	26,334	23,950	24,476	25,603	24,360	25,225
Market risks	995	800	936	873	817	711	796	825
Credit valuation adjustment risk (CVA)	460	438	627	594	650	645	568	713
Operational risk	4,929	4,929	4,929	4,815	4,815	4,815	4,815	4,655
Total capital requirement	40,593	40,336	39,156	36,704	37,094	37,960	36,488	37,851
Adjustment according to Basel I floor	61,403	60,239	59,790	61,531	61,134	59,499	58,870	56,982
Capital requirement, Basel I floor	101,996	100,575	98,946	98,235	98,228	97,459	95,358	94,833
Total own funds, Basel I floor	146,815	148,436	147,561	145,760	141,120	138,600	132,628	129,884

Capital requirement market risks

SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Position risk in the trading book	985	793	928	864	810	703	789	819
Interest rate risk	974	784	917	855	801	694	778	804
of which general risk	649	497	616	598	651	534	598	512
of which specific risk	324	287	300	256	149	158	179	290
of which positions in securitisation instruments	-	-	-	-	-	-	-	-
of which non-delta risk	1	0	1	1	1	2	1	2
Equity price risk	11	9	11	9	9	9	11	15
of which general risk	1	1	2	1	1	1	1	1
of which specific risk	5	4	4	3	4	3	4	4
of which mutual funds	0	1	0	0	0	1	1	2
of which non-delta risk	5	3	5	5	4	4	5	8
Exchange rate risk	-	-	-	-	-	-	-	-
of which non-delta risk	-	-	-	-	-	-	-	-
Commodities risk	10	7	8	9	7	8	7	6
of which non-delta risk	0	0	0	0	0	0	0	0
Settlement risk	0	0	0	0	0	0	0	0
Total capital requirement for market risks	995	800	936	873	817	711	796	825

Credit risks IRB approach

Exposure amount								
SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Sovereign and central banks	586,231	581,859						
Corporate	845,155	840,765	834,609	821,000	839,228	846,280	827,328	821,795
Corporate lending	823,026	818,366	807,818	798,330	810,827	807,327	795,311	796,198
<i>of which other loans foundation approach *</i>	107,830	109,110	107,315	116,048	121,732	125,156	120,994	124,939
<i>of which other loans advanced approach *</i>	715,196	709,256	700,503	682,282	689,095	682,171	674,317	671,259
<i>of which large companies</i>	147,880	149,881	148,270	126,774	139,070	137,163	137,862	137,749
<i>of which medium-sized companies</i>	81,358	78,803	78,917	81,640	78,575	77,698	75,268	76,639
<i>of which property companies</i>	485,958	480,572	473,316	473,868	471,450	467,310	461,187	456,871
Counterparty risk	22,129	22,399	26,791	22,670	28,401	38,953	32,017	25,597
Housing co-operative associations	191,056	186,293	181,339	187,897	183,160	179,807	175,518	170,587
Retail	1,015,343	1,000,376	990,618	982,270	975,181	957,893	930,869	918,324
Private individuals	989,914	974,568	964,069	955,346	947,847	930,268	903,907	891,487
<i>of which property loans</i>	912,824	897,973	883,931	874,253	865,890	849,302	825,270	810,312
<i>of which other loans</i>	77,090	76,595	80,138	81,093	81,957	80,966	78,637	81,175
Small companies	25,429	25,808	26,549	26,924	27,334	27,625	26,962	26,837
Institutions	74,545	86,065	103,285	105,185	106,414	118,989	101,166	117,263
Lending to institutions	15,048	15,523	17,498	20,066	15,985	17,370	17,179	19,203
Counterparty risk	59,497	70,542	85,787	85,119	90,429	101,619	83,987	98,060
<i>of which repos and securities loans</i>	14,707	18,069	18,505	14,070	27,810	33,206	32,894	31,143
<i>of which derivatives</i>	44,790	52,473	67,282	71,049	62,619	68,413	51,093	66,917
Equity exposures	2,362	2,128	1,389	1,340	1,352	5,420	5,046	5,229
<i>of which listed shares</i>	981	766	-	-	-	4,090	4,220	4,418
<i>of which other shares</i>	1,381	1,362	1,389	1,340	1,352	1,330	826	811
Non credit-obligation assets	2,404	2,353	2,363	2,387	2,323	2,264	2,261	2,348
Securitisations positions	20	21	22	22	22	23	24	28
Total IRB Approach	2,717,116	2,699,860	2,113,625	2,100,101	2,107,680	2,110,676	2,042,212	2,035,574

Risk-weighted exposure amount								
SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Sovereign and central banks	9,799	9,659						
Corporates	228,919	230,800	222,058	194,650	202,371	205,130	198,346	204,181
Corporate lending	225,363	226,639	218,014	190,709	197,569	199,669	193,624	199,470
<i>of which other loans foundation approach *</i>	29,053	30,858	28,684	35,946	36,719	38,484	36,953	37,805
<i>of which other loans advanced approach *</i>	196,310	195,781	189,330	154,763	160,850	161,185	156,671	161,665
<i>of which large companies</i>	55,072	55,131	53,222	57,176	63,228	63,008	59,851	61,130
<i>of which medium-sized companies</i>	38,401	37,042	36,516	32,486	31,333	32,544	31,570	32,888
<i>of which property companies</i>	102,837	103,608	99,592	65,101	66,289	65,634	65,250	67,647
Counterparty risk	3,556	4,161	4,044	3,941	4,802	5,461	4,722	4,711
Housing co-operative associations	10,164	8,871	8,591	7,555	7,062	6,904	6,439	6,248
Households	71,397	71,523	72,965	72,398	72,933	71,701	66,476	66,245
Private individuals	64,535	64,412	65,812	65,258	65,599	64,283	58,972	58,841
<i>of which property loans</i>	50,386	50,295	48,827	48,178	48,064	47,020	43,965	43,517
<i>of which other loans</i>	14,149	14,117	16,985	17,080	17,535	17,263	15,007	15,324
Small companies	6,862	7,111	7,153	7,140	7,334	7,418	7,504	7,404
Institutions	14,717	14,007	18,041	17,397	16,256	17,258	15,686	20,471
Lending to institutions	4,895	5,128	5,959	6,175	5,047	5,664	5,749	6,767
Counterparty risk	9,822	8,879	12,082	11,222	11,209	11,594	9,937	13,704
<i>of which repos and securities loans</i>	317	312	378	631	559	795	766	424
<i>of which derivatives</i>	9,506	8,567	11,704	10,591	10,650	10,799	9,171	13,280
Equity exposures	7,956	7,262	5,139	4,959	5,004	16,782	15,296	15,815
<i>of which listed shares</i>	2,844	2,220	-	-	-	11,860	12,239	12,811
<i>of which other shares</i>	5,112	5,042	5,139	4,959	5,004	4,922	3,057	3,004
Exposures without a counterparty	2,404	2,353	2,363	2,387	2,323	2,264	2,261	2,348
Securitisations positions	21	22	23	24	2	2	2	2
Total IRB approach	345,377	344,497	329,180	299,370	305,951	320,041	304,506	315,310

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

Capital requirement

SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Sovereign and central banks	784	772						
Corporates	18,314	18,464	17,765	15,572	16,190	16,410	15,869	16,334
Corporate lending	18,030	18,131	17,441	15,257	15,806	15,974	15,490	15,957
<i>of which other loans foundation approach *</i>	2,325	2,469	2,295	2,876	2,938	3,079	2,956	3,024
<i>of which other loans advanced approach *</i>	15,705	15,662	15,146	12,381	12,868	12,895	12,534	12,933
<i>of which large companies</i>	4,406	4,411	4,258	4,574	5,058	5,041	4,788	4,890
<i>of which medium-sized companies</i>	3,072	2,963	2,921	2,599	2,507	2,603	2,526	2,631
<i>of which property companies</i>	8,227	8,288	7,967	5,208	5,303	5,251	5,220	5,412
Couterparty risk	284	333	324	315	384	436	379	377
Housing co-operative associations	813	710	687	604	565	552	515	500
Households	5,712	5,722	5,837	5,792	5,835	5,736	5,318	5,300
Private individuals	5,163	5,153	5,265	5,221	5,248	5,143	4,718	4,707
<i>of which property lending</i>	4,031	4,024	3,906	3,854	3,845	3,762	3,517	3,481
<i>of which other lending</i>	1,132	1,129	1,359	1,367	1,403	1,381	1,201	1,226
Small companies	549	569	572	571	587	593	600	593
Institutions	1,177	1,121	1,443	1,392	1,300	1,381	1,255	1,638
Lending to institutions	392	410	477	494	404	453	460	541
Couterparty risk	786	710	966	898	897	928	795	1,096
<i>of which repos and securities loans</i>	25	25	30	50	45	64	61	34
<i>of which derivatives</i>	760	685	936	848	852	864	734	1,062
Equity exposures	636	581	411	397	400	1,343	1,223	1,265
<i>of which listed shares</i>	227	178	-	-	-	949	979	1,025
<i>of which other shares</i>	409	403	411	397	400	394	244	240
Exposures without a counterparty	192	188	189	191	186	181	180	188
Securitisation positions	2	2	2	2	0	0	0	0
Total IRB approach	27,630	27,560	26,334	23,950	24,476	25,603	24,360	25,225

Average risk weight, %

SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Sovereign and central banks	1.7	1.7						
Corporates	27.1	27.5	26.6	23.7	24.1	24.2	24.0	24.8
Corporate lending	27.4	27.7	27.0	23.9	24.4	24.7	24.3	25.1
<i>of which other loans foundation approach *</i>	26.9	28.3	26.7	31.0	30.2	30.7	30.5	30.3
<i>of which other loans advanced approach *</i>	27.4	27.6	27.0	22.7	23.3	23.6	23.2	24.1
<i>of which large companies</i>	37.2	36.8	35.9	45.1	45.5	45.9	43.4	44.4
<i>of which medium-sized companies</i>	47.2	47.0	46.3	39.8	39.9	41.9	41.9	42.9
<i>of which property companies</i>	21.2	21.6	21.0	13.7	14.1	14.0	14.1	14.8
Couterparty risk	16.1	18.6	15.1	17.4	16.9	14.0	14.7	18.4
Housing co-operative associations	5.3	4.8	4.7	4.0	3.9	3.8	3.7	3.7
Households	7.0	7.1	7.4	7.4	7.5	7.5	7.1	7.2
Private individuals	6.5	6.6	6.8	6.8	6.9	6.9	6.5	6.6
<i>of which property lending</i>	5.5	5.6	5.5	5.5	5.6	5.5	5.3	5.4
<i>of which other lending</i>	18.4	18.4	21.2	21.1	21.4	21.3	19.1	18.9
Small companies	27.0	27.6	26.9	26.5	26.8	26.9	27.8	27.6
Institutions	19.7	16.3	17.5	16.5	15.3	14.5	15.5	17.5
Lending to institutions	32.5	33.0	34.1	30.8	31.6	32.6	33.5	35.2
Couterparty risk	16.5	12.6	14.1	13.2	12.4	11.4	11.8	14.0
<i>of which repos and securities loans</i>	2.2	1.7	2.0	4.5	2.0	2.4	2.3	1.4
<i>of which derivatives</i>	21.2	16.3	17.4	14.9	17.0	15.8	17.9	19.8
Equity exposures	336.8	341.2	370.0	370.0	370.0	309.6	303.1	302.4
<i>of which listed shares</i>	290	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	106.0	106.0	105.9	7.4	7.4	7.4	7.4
Total IRB approach	12.7	12.8	15.6	14.3	14.5	15.2	14.9	15.5

* 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)	30 Sep 2017	of which up to 12 mths	Other maturities	Unspec. maturity
Deposits and borrowing from the public	1,112,138	211,561	8,925	891,652
Due to credit institutions	205,355	168,795	9,589	26,971
Issued securities	1,279,283	583,263	696,020	
<i>of which Bonds</i>	837,033			
<i>of which covered bonds (Stadshypotek)</i>	597,609			
<i>of which other bonds</i>	239,424			
<i>of which Certificates</i>	442,250			
<i>of which Certificate of deposits (CD:s)</i>	296,483			
<i>of which Commercial paper (CP:s)</i>	140,867			
Total	2,596,776	963,619	714,534	918,623
Subordinated liabilities	32,560			
Equity	138,951			
Total funding	2,768,287			

During the third quarter of 2017, the issued bond volume was SEK 34 billion. The volume of issued covered bonds was SEK 22 billion and senior bonds SEK 12 billion. Maturing bond volume during the quarter was SEK 28 billion. The volume of so called CD's (Certificates of Deposit) in USD amounted to USD 26.6 billion at the 30 of September 2017.

Long-term funding

SEK bn	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016	Q4 2015
Issued during the quarter								
Senior bonds	12		10		23	6	21	12
Covered bonds	22	18	47	19	36	44	49	50
Total bonds	34	18	57	19	59	50	70	62
Extendible notes								
Total issued	34	18	57	19	59	50	70	62
Maturing during the quarter	-28	-69	-37	-5	-65	-11	-54	-68
Net	6	-51	20	14	-6	39	16	-6

Maturity profile

30 September 2017							
SEK bn	2017	2018	2019	2020	2021	2022	2023-
Senior bonds	1	38	60	58	43	42	1
Covered bonds	12	193	113	83	103	59	12
Total	13	231	173	141	146	101	13

Funding programmes as of September 30, 2017 – The Group

Programme (in millions)	Currency	Programme size	Utilised amount	Countervalue SEK m
ECP*	EUR	15,000	5,828	56,266
ECP (Stadshypotek)*	EUR	4,000	-	-
French Commercial Paper	EUR	7,500	3,340	32,246
Swedish Commercial Paper	SEK	25,000	-	-
Swedish Commercial Paper (Stadshypotek)	SEK	90,000	-	-
USCP	USD	15,000	6,168	50,485
AMTN	AUD	5,000	1,275	8,162
AMTCN (Stadshypotek)	AUD	5,000	750	4,801
EMTN*	USD	50,000	17,535	143,522
EMTCN (Stadshypotek)*	EUR	20,000	10,002	96,564
US 144A/3(a)(2)	USD	20,000	12,150	99,447
Stadshypotek US 144A	USD	15,000	5,000	40,925
Samurai	JPY	400,000	147,800	10,735
MTN*	SEK	100,000	10,506	10,506
General funding >1 Y*	USD	15,000	3,606	29,515
Extendible Notes	USD	15,000	-	-
Total				583,174
Total programme (or limited) amounts, SEK m		1,821,041		
Unutilised amount, SEK m		1,237,867		
Available amount		68%		

* 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

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
Aug 2017	USD 1 000 m 3Y FXD T+55 bps
Aug 2017	USD 500 m 3Y FRN 3m\$L +36 bps

Non-Encumbered Assets (NEA)

30 September 2017		
SEK bn	NEA	Accumulated coverage ratio in % of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio	652	73%
Mortgage loans	567	136%
Other household lending	187	157%
Property company lending lowest risk class (1-3)	270	187%
Other corporate lending lowest risk class (1-3)	147	204%
Loans to credit institutions lowest risk class (1-3)	27	207%
Other corporate lending	246	234%
Other assets	18	236%
Total non-encumbered assets (NEA)	2,114	236%
Encumbered assets without underlying liabilities**	58	
Encumbered assets with underlying liabilities	809	
Total assets, Group	2,981	

31 December 2016		
SEK bn	NEA	Accumulated coverage ratio in % of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio	382	46%
Mortgage loans	470	102%
Other household lending	182	124%
Property company lending lowest risk class (1-3)	260	155%
Other corporate lending lowest risk class (1-3)	144	172%
Loans to credit institutions lowest risk class (1-3)	32	176%
Other corporate lending	241	205%
Other assets	44	210%
Total non-encumbered assets (NEA)	1,755	210%
Encumbered assets without underlying liabilities**	61	
Encumbered assets with underlying liabilities	812	
Total assets, Group	2,628	

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

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

Assets pledged

30 September 2017								
SEK m	Central bank funding	Payment systems/ securities settlement	Repos	Covered bonds	Derivatives	Securities loans	Leases	Insurance agreements
Cash		2,303		5,000	7,960			3,633
Government instruments and bonds		47,205	6,477		2,473	500		6,461
Loans to the public		4,137		633,228			9,716	
Equities						8,048		567
Other								128,959
Total		53,645	6,477	638,228	10,433	8,548	9,716	139,620

Assets pledged according to CSA agreements for outstanding derivatives since 1 January 2012: Max: 50,676 Min: 5,159 Average: 11,904

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 just below 60% 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 seven outstanding benchmark loans, which mature between 2018 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 29%. The ratio of non-encumbered assets to unsecured wholesale funding was 236% at the end of the third quarter compared to 236% at the end of the previous quarter and 236% one year ago.

Covered Bonds, outstanding issues

	30 Sep 2017	30 Jun 2017	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	547	528	558	562	550	564	552	530
<i>of which issues in SEK</i>	417	397	436	425	413	429	416	400
<i>of which issues in other currencies</i>	130	131	122	137	137	135	136	130
Norwegian cover pool	24	23	24	29	29	27	22	16
<i>of which issues in NOK</i>	24	23	24	29	29	27	22	16
Finnish cover pool	10	10	10	5				
<i>of which issues in EUR</i>	10	10	10	5				
Total	580	561	582	596	579	591	574	546

Cover Pool Data, Sweden

	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
SEK m								
Stadshypotek total lending to the public in Sweden	1,033,062	1,017,891	996,758	983,160	967,739	959,874	944,891	936,504
Assets available for Cover Pool	952,522	938,560	926,050	902,862	895,299	885,148	871,766	859,398
Assets utilized for Cover Pool	596,654	586,719	629,441	626,458	616,378	635,616	629,118	600,025
WA Max-LTV Cover Pool, as defined by ASCB	51.5%	50.7%	51.1%	50.0%	51.3%	51.1%	54.0%	53.6%
LTV-mid	26.0%	25.6%	25.8%	25.2%	25.9%	25.8%	27.3%	27.1%
LTV-distribution								
0-10%	24.8%	25.4%	24.9%	25.5%	24.8%	24.8%	23.4%	23.5%
10-20%	20.5%	20.9%	20.8%	21.3%	20.9%	20.9%	19.9%	20.1%
20-30%	16.9%	17.0%	17.1%	17.4%	17.2%	17.2%	16.8%	16.8%
30-40%	13.8%	13.6%	13.8%	13.7%	13.7%	13.8%	13.7%	13.7%
40-50%	10.7%	10.4%	10.6%	10.2%	10.4%	10.5%	10.8%	10.8%
50-60%	7.4%	7.2%	7.3%	6.9%	7.3%	7.3%	8.2%	8.0%
60-70%	4.5%	4.3%	4.3%	4.0%	4.5%	4.3%	5.5%	5.4%
70-75%	1.3%	1.3%	1.2%	1.1%	1.3%	1.2%	1.7%	1.7%
WA loan size, SEK	630,600	624,300	644,900	647,500	642,700	640,800	637,100	625,700
WA seasoning of Cover Pool, months	64	64	62	64	64	62	42	42
Interest index distribution								
Floating	48.0%	46.7%	52.0%	47.0%	45.9%	49.8%	47.0%	45.0%
Fixed rate	52.0%	53.3%	48.0%	53.0%	54.2%	50.2%	53.0%	55.0%

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 652 billion (see table below). In addition, there was an unutilised issue amount for covered bonds and other liquidity-creating measures.

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

Market value					
SEK m	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016
Cash and balances with and other lending to central banks	488,559	489,210	465,038	224,533	456,491
Balances with banks and the National Debt Office, overnight	2,086	1,555	2,301	7,712	803
Securities issued by governments and public entities	114,761	123,699	99,652	96,217	106,938
Covered bonds	46,387	48,011	53,093	53,647	53,458
Securities issued by non-financial companies	262	934	287	27	797
Securities issued by financial companies	277	106	301	124	242
Total	652,332	663,515	620,672	382,260	618,729
<i>of which in SEK</i>	<i>197,104</i>	<i>135,228</i>	<i>151,277</i>	<i>126,241</i>	<i>192,224</i>
<i>of which in EUR</i>	<i>107,857</i>	<i>122,095</i>	<i>123,353</i>	<i>108,380</i>	<i>135,707</i>
<i>of which in USD</i>	<i>196,348</i>	<i>246,228</i>	<i>195,289</i>	<i>47,449</i>	<i>179,920</i>
<i>of which in other currencies</i>	<i>151,023</i>	<i>159,964</i>	<i>150,753</i>	<i>100,190</i>	<i>110,878</i>

30 September 2017					
Market value, SEK m	SEK	EUR	USD	Other	Total
Cash and balances with and other lending to central banks	76,433	99,057	170,943	142,126	488,559
Balances with other banks and the National Debt Office, overnight	1,876	14	26	170	2,086
Securities issued by governments	79,723	6,761	20,072	-	106,556
Securities issued by municipalities and other public entities	2,872	-	5,307	26	8,205
Covered bonds, external issuers	35,019	1,941	-	8,593	45,553
Own covered bonds	834	-	-	-	834
Securities issued by non-financial companies	252	10	-	-	262
Securities issued by financial companies	95	74	-	108	277
Total	197,104	107,857	196,348	151,023	652,332

Liquidity Coverage Ratio (LCR)

Liquidity coverage ratio (LCR), %	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
EUR	139	132	178	136	178	181	134	161
USD	225	177	236	322	164	121	161	429
Total*	126	120	148	126	162	139	151	137

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

Net stable funding ratio (NSFR)

%	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016
Net stable funding ratio (NSFR), %	104	106	106	102

MATURITY ANALYSIS

Maturities for financial assets and liabilities

30 September 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	488,829	-	-	-	-	-	-	488,829
Interest-bearing securities eligible as collateral with central banks	112,339	-	-	-	-	-	-	112,339
Bonds and other interest-bearing securities	61,995	-	-	-	-	-	-	61,995
Loans to credit institutions	24,468	1,587	742	285	1,411	2,249	-	30,742
-of which reverse repos	5,738	-	-	-	-	-	-	5,738
Loans to the public	56,688	242,442	164,496	183,018	381,302	1,012,643	-	2,040,589
-of which reverse repos	7,126	-	-	-	-	-	-	7,126
Other	30,891	-	-	-	-	-	215,670	246,561
-of which shares and participating interests	20,885	-	-	-	-	-	-	20,885
-of which claims on investment banking settlements	10,006	-	-	-	-	-	-	10,006
Total	775,210	244,029	165,238	183,303	382,713	1,014,892	215,670	2,981,055
Liabilities								
Due to credit institutions	104,595	61,042	3,158	4,547	237	4,805	26,971	205,355
-of which repos	-	-	-	-	-	-	-	0
-of which deposits from central banks	36,854	31,573	1,108	-	-	-	1,438	70,973
Deposits and borrowing from the public	165,268	42,583	3,710	904	432	7,589	891,652	1,112,138
-of which repos	286	-	-	-	-	-	-	286
Issued securities	76,136	377,633	129,494	257,306	392,778	45,936	-	1,279,283
-of which covered bonds	4,867	87,406	29,555	180,832	260,694	24,451	-	587,805
-of which certificates and other securities with original maturity of less than one year	70,975	269,637	59,942	-	-	-	-	400,554
-of which senior bonds and other securities with original maturity of more than one year	294	20,590	39,997	76,474	132,084	21,485	-	290,924
Subordinated liabilities	2,933	-	-	19,876	9,751	-	-	32,560
Other	16,185	-	-	-	-	-	335,534	351,719
-of which short positions	10,081	-	-	-	-	-	-	10,081
-of which investment banking settlement debts	6,104	-	-	-	-	-	-	6,104
Total	365,117	481,258	136,362	282,633	403,198	58,330	1,254,157	2,981,055

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

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

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

Maturities for assets and liabilities in USD

30 September 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	170,946	-	-	-	-	-	-	170,946
Bonds and other interest-bearing securities	28,570	-	-	-	-	-	-	28,570
Loans to credit institutions	11,394	1,180	26	180	1,166	2,102	-	16,048
Loans to the public	4,183	7,035	4,456	1,644	8,142	1,396	-	26,856
Other, including derivatives	98,266	128,459	20,095	44,316	99,087	2,378	-	392,601
Total assets	313,359	136,674	24,577	46,140	108,395	5,876	-	635,021
Due to credit institutions	16,480	16,583	-	32	-	-	166	33,261
Deposits and borrowing from the public	146,557	14,779	64	23	37	-	16,041	177,501
Issued securities	29,252	178,979	63,125	52,172	86,745	-	-	410,273
Subordinated liabilities	-	-	-	-	9,751	-	-	9,751
Other, including derivatives	-	-	-	-	-	-	4,232	4,232
Total liabilities	192,289	210,341	63,189	52,227	96,533	-	20,439	635,018

Maturities for assets and liabilities in EUR

30 September 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	99,111	-	-	-	-	-	-	99,111
Bonds and other interest-bearing securities	9,075	-	-	-	-	-	-	9,075
Loans to credit institutions	7,401	67	15	-	195	65	-	7,743
Loans to the public	6,674	14,802	14,067	18,781	62,447	76,791	-	193,562
Other, including derivatives	2,151	32,774	24,319	13,757	72,566	17,500	-	163,067
Total assets	124,412	47,643	38,401	32,538	135,208	94,356	-	472,558
Due to credit institutions	45,669	15,443	1,856	52	237	180	1,602	65,039
Deposits and borrowing from the public	13,514	5,526	680	0	-	-	91,977	111,697
Issued securities	15,054	54,495	48,363	16,830	89,671	35,213	-	259,626
Subordinated liabilities	-	-	-	14,469	-	-	-	14,469
Other, including derivatives	-	-	-	-	-	-	21,647	21,647
Total liabilities	74,237	75,464	50,899	31,351	89,908	35,393	115,226	472,478

Maturities for assets and liabilities in SEK

30 September 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	76,519	-	-	-	-	-	-	76,519
Bonds and other interest-bearing securities	132,650	-	-	-	-	-	-	132,650
Loans to credit institutions	3,542	10	0	105	-	0	-	3,657
Loans to the public	28,370	151,926	107,121	96,731	178,317	717,415	-	1,279,880
Total assets	241,081	151,936	107,121	96,836	178,317	717,415	-	1,492,706
Due to credit institutions	31,873	18,267	143	4,464	-	4,625	22,366	81,738
Deposits and borrowing from the public	5,199	5,617	2,915	856	386	7,521	535,970	558,464
Issued securities	280	87,862	9,182	170,569	182,635	3,456	-	453,984
Subordinated liabilities	2,933	-	-	5,407	-	-	-	8,340
Other, including derivatives	78,314	78,764	25,520	31,824	85,864	12,159	78,215	390,660
Total liabilities	118,599	190,510	37,760	213,120	268,885	27,761	636,551	1,493,186

Share and shareholders

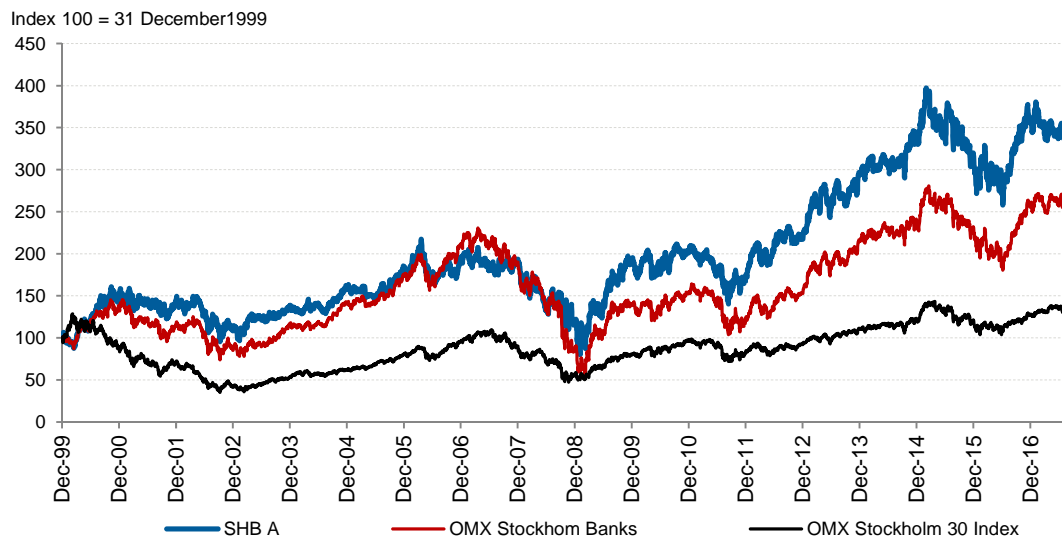
The Handelsbanken share

	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016	31 Mar 2016	31 Dec 2015
Market capitalisation, end of period, SEK bn	239	234	239	246	229	197	197	215
Share price SHB class A, end of period, SEK	122.90	120.60	122.90	126.60	117.90	101.80	103.30	112.90
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
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	1,944,173,551	1,944,173,551	1,944,151,400	1,940,856,671	1,935,847,037	1,907,046,082	1,907,046,082
Number of outstanding shares after dilution, end of period	1,974,776,264	1,975,025,212	1,975,278,248	1,974,290,244	1,974,528,804	1,975,789,501	1,976,193,169	1,972,745,117
Average number of shares converted during the period	22,151	22,151	17,718	36,343,029	30,547,119	12,852,916	-	17,236
Average holdings of own shares (repurchased and holdings in trading book)	-	-	-	-	-	-	-	-
Average number of outstanding shares	1,944,173,551	1,944,173,551	1,944,169,118	1,943,389,111	1,937,593,201	1,919,898,998	1,907,027,157	1,907,044,393
- after dilution	1,975,025,212	1,975,278,248	1,974,290,244	1,974,528,804	1,975,789,501	1,976,193,169	1,972,726,192	1,972,887,071

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.

Share performance, since 31 Dec 1999



The largest Swedish shareholders

The largest Swedish shareholders			
30 September 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
Lundberg-gruppen	58,575,000	3.1	3.0
Swedbank Robur funds	54,229,881	2.8	2.8
Alecta	41,269,000	2.2	2.1
Handelsbanken funds	21,493,498	1.1	1.1
Didner & Gerge funds	17,370,178	0.9	0.9
3rd National Swedish Pension Fund	13,891,278	0.7	0.7
SEB funds	13,155,321	0.7	0.7
SPP funds	12,538,141	0.7	0.6
J. Wallanders & T. Hedelius stiftelse, T. Browaldhs stiftelse	12,300,000	0.6	0.6
AMF and funds	12,030,090	0.6	0.6
Folksam	10,441,684	0.5	0.5
Avanza Funds	8,323,800	0.4	0.4
4th National Swedish Pension Fund	8,068,582	0.4	0.4

Definitions and explanations

ALTERNATIVE PERFORMANCE MEASURES

The Bank's financial reports contain alternative performance measures which Handelsbanken considers to provide valuable information to the reader, since they are used by senior management for internal financial control and follow-up of performance and also for comparison between reporting periods.

Alternative Performance Measures (APMs) are financial measures of performance, financial position or cash flow that are neither defined in IFRS nor the capital requirement regulations. These need not be comparable with similar key figures (performance measures) presented by other companies.

ADJUSTED EQUITY PER SHARE

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

C/I RATIO

Total expenses in relation to total income. 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

2018

7 February 2018	Highlights of Annual report 2017
21 March 2018	Annual General Meeting
25 April 2018	Interim report January – March 2018
18 July 2018	Interim report January – June 2018
24 October 2018	Interim report January – September 2018

Handelsbanken