

Fact book
2018

Q1

Handelsbanken

Contents

■ This is Handelsbanken	3
■ Income statement	
○ Income statement – Handelsbanken Group	4
○ EPS - Earnings Per Share	4
○ Consolidated statement of comprehensive income	5
○ Key figures	6
○ Calculation of key figures	7
○ One-offs and special items	8
○ Fees for the Stabilisation Fund, etc.	8
○ Exchange rates	9
○ Notes	
▪ Net interest income	10
▪ Net fee and commission income	10
▪ Net gains/losses on financial transactions	11
▪ Other expenses	11
▪ Loan losses	12
▪ Loan losses	12
■ Segment information	13
▪ Handelsbanken Sweden	14
▪ Handelsbanken UK	15
▪ Handelsbanken Denmark	16
▪ Handelsbanken Finland	17
▪ Handelsbanken Norway	18
▪ Handelsbanken Netherlands	19
▪ Handelsbanken Capital Markets	20
▪ Other	22
■ Balance sheet	23
■ Business volumes	24
○ Lending to the public	
▪ By sector	24
▪ Credit risk exposure	25
▪ By country, end of period	26
○ Savings and deposits	
▪ Assets under management	27
▪ Deposits and borrowing from the public by country	28
■ Own funds and capital requirement	29
■ Funding	33
■ Liquidity	37
■ Share and shareholders	40
■ Definitions and explanations	42
■ Contacts and Financial calendar	46

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 46 consecutive years.

BUSINESS PHILOSOPHY

Decentralisation – the branch is the bank

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

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

Focus on customers, not on products

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

Not a mass market bank

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

No sales targets

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

No bonuses

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

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

No budgets

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

Credit policy

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

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

Low risk tolerance

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

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

Follow-up and business control

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

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

Income statement

Income statement - Svenska Handelsbanken Group

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Interest income	11,106	10,853	10,631	10,398	10,210	10,220	9,943	9,451
Interest expense	-3,458	-3,076	-3,044	-3,077	-3,129	-2,921	-2,902	-2,643
Net interest income	7,648	7,777	7,587	7,321	7,081	7,299	7,041	6,808
Net fee and commission income	2,461	2,501	2,355	2,508	2,354	2,447	2,259	2,280
Net gains/losses on financial transactions	129	164	243	317	547	269	1,112	523
Risk result - insurance	41	34	19	53	36	6	25	35
Other dividend income	2	576	2	11	2	2	1	222
Share of profit of associates	-9	30	14	-3	-27	0	10	13
Other income	52	70	28	31	43	102	25	41
Total income	10,324	11,152	10,248	10,238	10,036	10,125	10,473	9,922
Staff costs	-3,217	-3,178	-3,134	-3,242	-2,918	-2,981	-2,941	-2,952
Other expenses	-1,625	-1,712	-1,337	-1,410	-1,430	-1,518	-1,234	-1,346
Depreciation, amortisation and impairment of property, equipment and intangible assets	-172	-184	-140	-145	-150	-114	-137	-119
Total expenses	-5,014	-5,074	-4,611	-4,797	-4,498	-4,613	-4,312	-4,417
Profit before loan losses	5,310	6,078	5,637	5,441	5,538	5,512	6,161	5,505
Net loan losses	-153	-1,084	-217	-186	-196	-832	-476	-229
Gains/losses on disposal of property, equipment and intangible assets	4	3	4	2	5	18	6	1
Operating profit	5,161	4,997	5,424	5,257	5,347	4,698	5,691	5,277
Taxes	-1,157	-1,235	-1,251	-1,201	-1,236	-1,254	-1,127	-1,091
Profit for the period from continuing operations	4,004	3,762	4,173	4,056	4,111	3,444	4,564	4,186
Profit for the period	4,004	3,762	4,173	4,056	4,111	3,444	4,564	4,194
Attributable to								
Shareholders in Svenska Handelsbanken AB	4,003	3,760	4,172	4,056	4,111	3,444	4,564	4,194
Minority interest	1	2	1	0	0	0	0	0

Earnings per share

	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Profit for the year, attributable to shareholders in Svenska Handelsbanken AB	4,003	3,760	4,172	4,056	4,111	3,444	4,564	4,194
- of which interest expense on convertible subordinated loan after tax	-25	-25	-25	-18	-31	-25	-27	-41
Average number of outstanding shares, million	1,944.2	1,944.2	1,944.2	1,944.2	1,944.2	1,943.4	1,937.6	1,919.9
Average number of outstanding shares after dilution, million	1,974.5	1,974.8	1,975.0	1,975.3	1,974.3	1,974.5	1,975.8	1,976.2
Earnings per share, SEK	2.06	1.93	2.15	2.09	2.11	1.77	2.36	2.19
- after dilution	2.04	1.92	2.13	2.06	2.10	1.76	2.32	2.15

Consolidated statement of other comprehensive income

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Profit for the period	4,004	3,762	4,173	4,056	4,111	3,444	4,564	4,194
Other comprehensive income								
Items that will not be reclassified to the income statement								
Defined benefit plans	-1,775	216	372	1,013	2,318	4,998	91	-2,597
Instruments measured at fair value through other comprehensive income - equity instruments	39							
Tax on items that will not be reclassified to income statement	389	-48	-82	-223	-511	-1,096	-20	568
<i>of which defined benefit pension plans</i>	<i>389</i>	<i>-48</i>	<i>-82</i>	<i>-223</i>	<i>-511</i>	<i>-1,096</i>	<i>-20</i>	<i>568</i>
Total items that will not be reclassified to the income statement	-1,347	168	290	790	1,807	3,902	71	-2,029
Items that may subsequently be reclassified to the income statement								
Cash flow hedges	-1,054	-1,038	-578	-1,070	336	-6,875	-1,238	1,442
Available-for-sale instruments		-552	24	21	37	-23	-565	529
Instruments measured at fair value through other comprehensive income - debt instruments	1							
Translation differences for the period	3,233	14	-76	-869	-1,310	168	970	1,063
<i>of which hedging net investment in foreign operations</i>	<i>-92</i>	<i>-386</i>	<i>-304</i>	<i>-24</i>	<i>-795</i>	<i>255</i>	<i>-179</i>	<i>-10</i>
Tax on items that may subsequently be reclassified to the income statement	252	299	216	230	99	1,457	364	-316
<i>of which cash flow hedges</i>	<i>232</i>	<i>228</i>	<i>135</i>	<i>228</i>	<i>-74</i>	<i>1,512</i>	<i>273</i>	<i>-317</i>
<i>of which available-for-sale instruments</i>		<i>-14</i>	<i>13</i>	<i>-2</i>	<i>-2</i>	<i>1</i>	<i>52</i>	<i>-1</i>
<i>of which hedging net investment in foreign operations</i>	<i>20</i>	<i>85</i>	<i>68</i>	<i>4</i>	<i>175</i>	<i>-56</i>	<i>39</i>	<i>2</i>
Total items that may subsequently be reclassified to the income statement	2,432	-1,277	-414	-1,688	-838	-5,273	-469	2,718
Total other comprehensive income for the period	1,085	-1,109	-124	-898	969	-1,371	-398	689
Total comprehensive income for the period	5,089	2,653	4,049	3,158	5,080	2,073	4,166	4,883
Attributable to								
Shareholders in Svenska Handelsbanken AB	5,089	2,653	4,049	3,158	5,080	2,073	4,166	4,883
Minority interest	0	0	0	0	0	0	0	0

Handelsbanken Group - Key figures

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Return on equity	11.7%	11.2%	12.9%	12.9%	12.4%	10.6%	14.7%	14.2%
C/l ratio	48.6%	45.5%	45.0%	46.9%	44.8%	45.6%	41.2%	44.5%
C/l ratio, incl. loan losses	50.0%	55.2%	47.1%	48.7%	46.8%	53.8%	45.7%	46.8%
Adjusted equity per share, SEK	68.23	72.90	71.12	68.82	66.77	69.28	65.49	62.83
Common equity tier 1 ratio, CRR	21.6%	22.7%	23.6%	23.4%	23.8%	25.1%	24.0%	23.0%
Total capital ratio, CRR	28.3%	28.3%	28.5%	29.0%	29.7%	31.4%	30.1%	28.9%
Average number of employees, continuing operations	12,066	11,956	12,102	11,687	11,584	11,615	11,859	11,716
Number of branches, Sweden	415	420	422	423	425	435	463	472
Number of branches, Great Britain	208	208	207	207	207	207	206	205
Number of branches in Denmark	57	57	57	57	57	57	57	57
Number of branches in Finland	45	45	45	45	45	45	45	45
Number of branches in Norway	49	49	49	49	49	50	50	50
Number of branches in the Netherlands	28	28	27	27	26	25	25	23
Number of branches in other countries	12	12	13	13	13	13	13	13
Total number of branches	814	819	820	821	822	832	859	865

Average number of employees

	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Sweden	7,108	7,082	7,218	6,892	6,846	6,888	7,108	7,011
UK	2,244	2,188	2,178	2,136	2,103	2,090	2,097	2,068
Norway	759	748	769	743	742	747	767	746
Denmark	660	654	652	649	655	660	677	677
Finland	639	633	638	620	600	598	620	622
The Netherlands	303	295	287	285	271	256	208	202
Total in home markets	11,713	11,600	11,742	11,325	11,217	11,239	11,477	11,326
Greater China (Incl. Hong Kong)	73	73	71	69	72	73	71	74
USA	66	67	68	67	66	66	69	68
Luxembourg	52	55	57	58	58	57	56	55
Germany	43	42	42	42	43	43	42	46
Poland	37	38	38	39	41	41	40	41
Singapore	35	34	36	37	37	40	40	38
Estonia	18	18	18	18	17	19	20	20
France	7	7	7	7	8	11	16	18
Latvia	7	7	7	7	6	7	8	8
Lithuania	6	6	5	5	5	5	5	5
Austria	-	-	1	3	4	4	5	4
Other countries (Representative office)	9	9	10	10	10	10	10	13
Total	12,066	11,956	12,102	11,687	11,584	11,615	11,859	11,716

Calculation of key figures

For definitions, please see page 42-44

Return on equity

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

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Equity	131,613	141,604	138,951	134,900	131,741	136,381	134,085	129,582
Adjustment defined benefit pension plans	-3,325	-4,711	-4,543	-4,253	-3,463	-1,656	2,246	2,317
Adjustment fair value reserve	-535	-499	-1,064	-1,028	-1,009	-974	-996	-1,509
Adjustment hedge reserve	168	-654	-1,464	-1,907	-2,749	-2,487	-7,850	-8,815
Reversed weighted dividend	11,056	0	0	0	9,080	0	0	0
Total adjusted equity	138,977	135,740	131,880	127,712	133,600	131,264	127,485	121,575
Adjusted equity, average *	137,359	133,810	129,796	126,116	132,432	129,375	124,530	117,985
Adjustment for impact of conversions on adjusted equity, quarterly average	0	-1	-1	-1	-1	-2,370	-2,090	-961
Actual quarterly average of converted shares	0	1	1	1	1	2,430	2,033	856
Capital Markets's holdings of SHB shares, average	0	0	0	0	0	0	0	0
Adjusted equity, quarterly average	137,359	133,810	129,796	126,116	132,432	129,435	124,473	117,880
Profit for the period	4,004	3,762	4,173	4,056	4,111	3,444	4,564	4,194
Return on equity, total operations	11.7%	11.2%	12.9%	12.9%	12.4%	10.6%	14.7%	14.2%

* Opening balance for the period adjusted for weighted dividend.

Adjusted equity per share

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

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Equity	131,613	141,604	138,951	134,900	131,741	136,381	134,085	129,582
Adjustment minority share	-13	-11	-9	-6	-6	-6	-6	-5
Adjustment hedge reserve	168	-654	-1,464	-1,907	-2,749	-2,487	-7,850	-8,815
Outstanding convertible loan (included in subordinated liabilities item)	3,038	3,006	2,974	2,942	2,911	2,882	3,073	3,374
Total adjusted equity	134,806	143,945	140,452	135,929	131,897	136,770	129,302	124,136
Number of outstanding shares after dilution (millions)	1,976	1,975	1,975	1,975	1,975	1,974	1,975	1,976
Adjusted shareholders' equity per share, SEK	68.23	72.90	71.12	68.82	66.77	69.28	65.49	62.83

One-offs and special items in Operating profit

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Special items								
Benchmark effect in Stadshypotek	-35	-6	44	-31	-8	37	-51	-29
Oktagonen (The Bank's profit-sharing system)	-233	-133	-149	-243	-243			
Performance-related remuneration	-9	-19	-7	-27	-20	-34	-12	-25
Total Special items	-277	-158	-112	-301	-271	3	-63	-54
One-offs								
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			
Dividend from VISA Sweden		576						
Changes in the pension plan in the UK operations	141							
Total One-offs	141	576			239		707	88
Total	-136	418	-112	-301	-32	3	644	34

Fees for the Resolution Fund etc.

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Swedish Resolution Fund								
Handelsbanken Sweden (NII)	-284	-203	-203	-201	-205	-100	-102	-98
Handelsbanken UK (NII)	-53	-37	-39	-39	-39	-19	-17	-16
Handelsbanken Denmark (NII)	-23	-14	-15	-15	-15	-7	-7	-7
Handelsbanken Finland (NII)	-30	-20	-23	-23	-24	-9	-11	-10
Handelsbanken Norway (NII)	-65	-45	-41	-41	-42	-15	-20	-20
Handelsbanken the Netherlands (NII)	-9	-4	-5	-4	-5	-2	-2	-2
Handelsbanken Capital Markets (NII)	-21	-15	-19	-15	-16	-9	-18	-18
Other (NII)	-132	-92	-90	-89	-92	-79	-68	-65
Total fees for the Swedish Resolution Fund	-617	-430	-435	-427	-438	-240	-245	-236
Swedish deposit guarantee								
Handelsbanken Sweden (NII)	-60	-56	-31	-69	-69	-64	-63	-63
Handelsbanken UK (NII)	-6	-5	-2	-6	-6	-6	-5	-5
Handelsbanken Denmark (NII)	-4	-4	-3	-4	-4	-2	-4	-4
Handelsbanken Finland (NII)	-3	-3	-2	-3	-3	-3	-3	-3
Handelsbanken Norway (NII)	-5	-4	-2	-6	-6	-3	-5	-5
Handelsbanken the Netherlands (NII)	0	0	0	0	0	-1	0	0
Handelsbanken Capital Markets (NII)	0	0	-1	0	0	0	0	-1
Other (NII)	-	-	-	-	-	-	-	-
Total fees for Swedish deposit guarantee	-78	-72	-41	-88	-88	-79	-80	-81
Norwegian deposit guarantee								
Handelsbanken Norway (NII)	-	-2	-1	-1	-1	-1	-1	-1
Total	-695	-504	-477	-516	-527	-320	-326	-318

Exchange rates

SEK, End of period (Balance sheet)	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	Change y/y	Change q/q
DKK	1.3799	1.3217	1.2972	1.2951	1.2828	8%	4%
EUR	10.2840	9.8408	9.6545	9.6308	9.5403	8%	5%
GBP	11.7514	11.0920	10.9393	10.9431	11.1309	6%	6%
NOK	1.0619	1.0008	1.0259	1.0047	1.0392	2%	6%
USD	8.3587	8.2051	8.1849	8.4337	8.9295	-6%	2%

SEK, Average as from 1 Jan (Income statement)	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	Change y/y	Change q/q
DKK	1.3391	1.2953	1.2884	1.2901	1.2787	5%	3%
EUR	9.9708	9.6352	9.5823	9.5947	9.5075	5%	3%
GBP	11.2914	10.9918	10.9775	11.1524	11.0537	2%	3%
NOK	1.0350	1.0333	1.0380	1.0461	1.0577	-2%	0%
USD	8.1126	8.5405	8.6152	8.8658	8.9271	-9%	-5%

The effect of exchange rate movements - Home markets outside Sweden

Jan - Mar 2018 vs. same period last year							
SEK m	GB	DK	FI	NO	NL	HCM	Total
Net interest income	23	20	15	-18	6	2	48
Net fee and commission income	3	5	6	-2	2	3	17
Net result of financial transactions	1	1	1	0	0	0	3
Other income	0	0	0	0	0	0	0
Total income	27	26	22	-20	8	5	68
Staff costs	-10	-8	-5	0	-3	-1	-27
Other administrative expenses	-5	-5	-5	3	-2	-4	-18
Depreciation and amortisation	0	0	0	0	0	0	0
Total expenses	-15	-13	-10	3	-5	-5	-45
Net loan losses	0	0	1	2	0	2	5
Operating profit	12	13	13	-15	3	2	28

Q1 2018 vs. previous quarter							
SEK m	GB	DK	FI	NO	NL	HCM	Total
Net interest income	28	11	7	1	5	2	54
Net fee and commission income	4	4	4	0	2	3	17
Net result of financial transactions	2	1	1	0	0	0	4
Other income	0	0	0	0	0	0	0
Total income	34	16	12	1	7	5	75
Staff costs	-17	-7	-5	-1	-3	-2	-35
Other administrative expenses	-9	-4	-4	0	-2	-3	-22
Depreciation and amortisation	0	0	0	0	0	0	0
Total expenses	-26	-11	-9	-1	-5	-5	-57
Net loan losses	-16	-13	-3	0	0	0	-32
Operating profit	-8	-8	0	0	2	0	-14

Net interest income

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Interest income								
Loans to credit institutions and central banks	668	635	636	522	347	228	322	391
Loans to the public	9,941	9,820	9,654	9,750	9,695	9,962	9,800	9,759
Interest-bearing securities eligible as collateral with central banks	58	44	44	43	57	-99	101	109
Bonds and other interest-bearing securities	219	186	150	164	176	191	167	232
Derivative instruments	-112	-120	-123	-380	-326	-331	-661	-1,218
Other interest income	324	342	321	359	320	346	331	329
Total interest income	11,098	10,907	10,682	10,458	10,269	10,297	10,060	9,602
<i>of which interest income reported in Net gains/losses on financial transactions</i>	<i>-8</i>	<i>54</i>	<i>51</i>	<i>60</i>	<i>59</i>	<i>77</i>	<i>117</i>	<i>151</i>
Interest income according to income statement	11,106	10,853	10,631	10,398	10,210	10,220	9,943	9,451
<i>of which interest income according to the effective interest method</i>	<i>11,058</i>	<i>10,863</i>	<i>10,639</i>	<i>10,679</i>	<i>10,425</i>	<i>10,464</i>	<i>10,520</i>	<i>10,546</i>
Interest expense								
Due to credit institutions and central banks	-384	-335	-338	-309	-299	-293	-250	-261
Deposits and borrowing from the general public	-369	-414	-439	-398	-294	-288	-349	-382
Issued securities	-3,991	-3,826	-3,726	-4,023	-4,157	-4,361	-4,405	-4,582
Derivative instruments	2,277	2,294	2,198	2,454	2,432	2,651	2,697	3,210
Subordinated liabilities	-347	-344	-351	-356	-360	-388	-373	-384
State fees	-695	-504	-477	-516	-527	-320	-326	-318
Other interest expense	-73	-59	-	-19	-28	-26	-58	-124
Total interest expense	-3,582	-3,188	-3,133	-3,167	-3,233	-3,025	-3,064	-2,841
<i>of which interest expense reported in Net gains/losses on financial transactions</i>	<i>-124</i>	<i>-112</i>	<i>-89</i>	<i>-90</i>	<i>-104</i>	<i>-104</i>	<i>-162</i>	<i>-198</i>
Interest expense according to income statement	-3,458	-3,076	-3,044	-3,077	-3,129	-2,921	-2,902	-2,643
Net interest income	7,648	7,777	7,587	7,321	7,081	7,299	7,041	6,808

Net fee and commission income

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Brokerage and other securities commissions	181	207	172	246	261	256	198	229
Mutual funds	889	946	869	895	849	835	776	717
Custody and other asset management fees	245	200	189	169	164	183	145	148
Advisory services	62	36	37	105	56	59	56	98
Insurance	176	169	167	168	160	163	162	151
Payments	826	895	857	847	760	857	815	795
Loans and deposits	330	328	301	308	301	309	293	290
Guarantees	93	92	93	99	97	107	108	108
Other	125	125	122	125	124	126	116	127
Total fee and commission income	2,927	2,998	2,807	2,962	2,772	2,895	2,669	2,663
Securities	-59	-65	-57	-70	-72	-74	-50	-70
Payments	-384	-413	-379	-368	-331	-355	-341	-293
Other	-23	-19	-16	-16	-15	-19	-19	-20
Total fee and commission expense	-466	-497	-452	-454	-418	-448	-410	-383
Net fee and commission income	2,461	2,501	2,355	2,508	2,354	2,447	2,259	2,280

Net gains/losses on financial transactions

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Trading, derivatives, FX effect etc		347	322	439	706	940	249	-90
Financial instruments at fair value through profit or loss, mandatory including FX effects	273							
Other financial instruments at fair value through profit/loss		-184	-98	-132	-139	-641	77	447
<i>of which interest-bearing securities</i>		-182	-90	-123	-129	-627	89	455
<i>of which loans</i>		-2	-8	-9	-10	-14	-12	-8
Financial instruments at fair value through profit or loss, fair value option	-122							
Financial instruments at amortised cost	33	53	58	32	13	29	61	56
<i>of which loans</i>	78	111	91	86	84	114	119	127
<i>of which interest-bearing securities</i>	-							
<i>of which issued securities</i>	-45	-58	-33	-54	-71	-85	-58	-71
Financial instruments available for sale		2		4	2	4	769	89
Financial instrument at fair value through other comprehensive income	-							
Hedge accounting	-20	-14	-8	3	-10	-14	-25	36
<i>of which net gains/losses on fair value hedges</i>	4	-8	1	6	-6	1	-21	10
<i>of which cash flow hedge ineffectiveness</i>	-24	-6	-9	-3	-4	-15	-4	26
Gains/losses on unbundled insurance contracts	-35	-40	-31	-29	-25	-49	-19	-15
Total	129	164	243	317	547	269	1,112	523

Other expenses

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Property and premises	-314	-333	-294	-290	-318	-319	-304	-303
External IT costs	-563	-514	-454	-489	-478	-476	-394	-420
Communication	-87	-79	-71	-75	-84	-79	-73	-80
Travel and marketing	-69	-102	-59	-88	-68	-96	-57	-85
Purchased services	-411	-471	-300	-317	-318	-338	-259	-298
Supplies	-46	-52	-40	-38	-48	-43	-42	-43
Other administrative expenses	-135	-161	-119	-113	-116	-167	-105	-117
Other expenses	-1,625	-1,712	-1,337	-1,410	-1,430	-1,518	-1,234	-1,346

Loan losses

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Provision Stage 3								
The period's provision Stage 3	-239							
Reversal of Stage 3 provisions to Stage 1 or Stage 2	97							
Total	-142							
Provision Stage 1 and Stage 2								
The period's net provision Stage 2	-16							
The period's net provision Stage 1	30							
Total	14							
Provision off-balance-sheet items								
The period's net provision Stage 3	-36							
The period's net provision Stage 2	7							
The period's net provision Stage 1	9							
Total	-20							
Write-offs								
Actual loan losses for the period	-1,629							
Utilised share of previous provision Stage 3	1,596							
Total	-33							
Recoveries	28							
Net loan losses	-153	-1,084	-217	-186	-196	-832	-476	-229
<i>of which loans to the public</i>	<i>-134</i>							

Loan losses – Key ratios

	31 Mar 2018
Loan loss ratio, % of loans to the public, acc	0.03
Total loan loss reserve ratio loans to the public, %	0.20
Loan loss reserve ratio Stage 1 loans to the public, %	0.02
Loan loss reserve ratio Stage 2 loans to the public, %	1.22
Loan loss reserve ratio Stage 3 loans to the public, %	40.19
Proportion of loans to the public Stage 3, %	0.23

Segment information

Operating profit per segment, quarterly

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Sweden	3,208	3,505	3,658	3,429	3,148	3,291	3,832	3,132
Handelsbanken UK	711	16	480	599	521	472	518	568
Handelsbanken Denmark	242	-105	237	226	270	-236	70	216
Handelsbanken Finland	215	167	211	189	213	236	211	225
Handelsbanken Norway	632	670	672	618	833	604	591	628
Handelsbanken the Netherlands	69	87	63	53	49	73	41	25
Capital Markets	529	306	294	441	501	272	298	417
Other	-411	405	-130	-230	-122	215	199	127
Adjustments & eliminations	-34	-54	-61	-68	-66	-229	-69	-61
Operating profit, Group	5,161	4,997	5,424	5,257	5,347	4,698	5,691	5,277

Total income per segment

SEK m	Q1 2018	Q4 2017	Change	Q1 2017	Change	Jan-Mar 2018	Jan-Mar 2017	Change	Full year 2017
Sweden	5,381	5,699	-6%	5,162	4%	5,381	5,162	4%	21,840
Handelsbanken UK	1,503	1,399	7%	1,265	19%	1,503	1,265	19%	5,391
Handelsbanken Denmark	560	581	-4%	556	1%	560	556	1%	2,257
Handelsbanken Finland	452	459	-2%	423	7%	452	423	7%	1,735
Handelsbanken Norway	1,041	1,081	-4%	1,019	2%	1,041	1,019	2%	4,180
Handelsbanken the Netherlands	197	223	-12%	160	23%	197	160	23%	735
Handelsbanken Capital Markets	1,328	1,148	16%	1,342	-1%	1,328	1,342	-1%	4,793
Other	-138	562		109		-138	109		743
Adjustments & eliminations	-	-		-		-	-		-
Total income	10,324	11,152	-7%	10,036	3%	10,324	10,036	3%	41,674

Total expenses per segment

SEK m	Q1 2018	Q4 2017	Change	Q1 2017	Change	Jan-Mar 2018	Jan-Mar 2017	Change	Full year 2017
Sweden	-2,059	-2,127	-3%	-1,954	5%	-2,059	-1,954	5%	-7,892
Handelsbanken UK	-767	-827	-7%	-731	5%	-767	-731	5%	-3,035
Handelsbanken Denmark	-314	-316	-1%	-288	9%	-314	-288	9%	-1,176
Handelsbanken Finland	-243	-241	1%	-213	14%	-243	-213	14%	-898
Handelsbanken Norway	-369	-375	-2%	-140	164%	-369	-140	164%	-1,231
Handelsbanken the Netherlands	-140	-137	2%	-109	28%	-140	-109	28%	-485
Handelsbanken Capital Markets	-815	-840	-3%	-766	6%	-815	-766	6%	-3,194
Other	-273	-157	74%	-231	18%	-273	-231	18%	-820
Adjustments & eliminations	-34	-54	37%	-66	48%	-34	-66	-48%	-249
Total expenses	-5,014	-5,074	-1%	-4,498	11%	-5,014	-4,498	11%	-18,980

Operating profit per segment

SEK m	Q1 2018	Q4 2017	Change	Q1 2017	Change	Jan-Mar 2018	Jan-Mar 2017	Change	Full year 2017
Sweden	3,208	3,505	-8%	3,148	2%	3,208	3,148	2%	13,740
Handelsbanken UK	711	16		521	36%	711	521	36%	1,616
Handelsbanken Denmark	242	-105		270	-10%	242	270	-10%	628
Handelsbanken Finland	215	167	29%	213	1%	215	213	1%	780
Handelsbanken Norway	632	670	-6%	833	-24%	632	833	-24%	2,793
Handelsbanken the Netherlands	69	87	-21%	49	41%	69	49	41%	252
Handelsbanken Capital Markets	529	306	73%	501	6%	529	501	6%	1,542
Other	-411	405		-122	-237%	-411	-122	-237%	-77
Adjustments & eliminations	-34	-54	37%	-66	48%	-34	-66	48%	-249
Operating profit	5,161	4,997	3%	5,347	-3%	5,161	5,347	-3%	21,025

Handelsbanken Sweden

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	4,241	4,371	4,301	4,076	3,946	4,018	3,929	3,813
Net fee and commission income	959	1,146	1,113	1,117	1,058	1,102	1,047	1,080
Net gains/losses on financial transactions	149	167	173	176	147	184	167	242
Other income	32	15	7	16	11	28	4	4
Total income	5,381	5,699	5,594	5,385	5,162	5,332	5,147	5,139
Staff costs	-901	-885	-876	-848	-856	-867	-278	-920
Other expenses	-273	-354	-268	-279	-279	-302	-261	-310
Internal purchased and sold services	-868	-871	-732	-773	-792	-680	-630	-677
Depreciation, amortisation and impairments of property, equipment and intangible assets	-17	-17	-18	-17	-27	-11	-19	-17
Total expenses	-2,059	-2,127	-1,894	-1,917	-1,954	-1,860	-1,188	-1,924
Profit before loan losses	3,322	3,572	3,700	3,468	3,208	3,472	3,959	3,215
Net loan losses	-115	-69	-42	-39	-60	-180	-128	-84
Gains/losses on disposal of property, equipment and intangible assets	1	2	0	0	0	-1	1	1
Operating profit	3,208	3,505	3,658	3,429	3,148	3,291	3,832	3,132
Profit allocation	443	311	322	330	294	300	271	224
Operating profit after profit allocation	3,651	3,816	3,980	3,759	3,442	3,591	4,103	3,356
Cost/income ratio, %	35.4	35.4	32.0	33.5	35.8	33.0	21.9	35.9
Loan loss ratio (IFRS 9), %	0.04							
Loan loss ratio (IAS 39), %		0.02	0.01	0.01	0.02	0.06	0.04	0.03
Allocated capital	82,804	79,964	78,083	74,464	78,736	77,800	72,997	68,642
Return on allocated capital, %	13.8	14.9	15.9	15.7	13.6	14.4	17.5	15.3
Average number of employees	4,057	4,084	4,232	3,990	4,006	4,109	4,352	4,300
Number of branches	415	420	422	423	425	435	463	472

Business volumes, Handelsbanken Sweden

Average volumes, SEK bn	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Loans to the public*								
Household	812	801	788	775	765	757	748	736
of which mortgage loans	764	752	738	725	714	705	695	681
Corporate	502	497	491	486	479	473	479	481
of which mortgage loans	293	290	285	280	275	269	270	272
Total	1,314	1,298	1,279	1,261	1,244	1,230	1,227	1,217
Deposits and borrowing from the public								
Household	334	333	325	316	307	306	302	291
Corporate	243	239	232	229	217	209	200	200
Total	577	572	557	545	524	515	502	491

* Excluding loans to the National Debt Office.

Handelsbanken UK

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	1,282	1,245	1,157	1,178	1,079	1,111	1,085	1,102
Net fee and commission income	167	165	147	150	140	147	121	132
Net gains/losses on financial transactions	54	-13	46	48	46	59	34	76
Other income	0	2	1	0	0	3	-1	0
Total income	1,503	1,399	1,351	1,376	1,265	1,320	1,239	1,310
Staff costs	-363	-462	-452	-461	-453	-470	-444	-462
Other expenses	-208	-194	-117	-126	-112	-143	-109	-105
Internal purchased and sold services	-178	-155	-139	-151	-150	-151	-137	-137
Depreciation, amortisation and impairments of property, equipment and intangible assets	-18	-16	-15	-16	-16	-11	-11	-11
Total expenses	-767	-827	-723	-754	-731	-775	-701	-715
Profit before loan losses	736	572	628	622	534	545	538	595
Net loan losses	-25	-556	-148	-23	-12	-73	-20	-26
Gains/losses on disposal of property, equipment and intangible assets	0	0	0	0	-1	0	0	-1
Operating profit	711	16	480	599	521	472	518	568
Profit allocation	7	11	9	7	8	9	11	7
Operating profit after profit allocation	718	27	489	606	529	481	529	575
Cost/income ratio, %	50.8	58.7	53.2	54.5	57.4	58.3	56.1	54.3
Loan loss ratio (IFRS 9), %	0.05							
Loan loss ratio (IAS 39), %		1.13	0.30	0.05	0.02	0.15	0.04	0.05
Allocated capital	12,894	13,106	12,519	12,144	12,914	11,426	10,582	10,263
Return on allocated capital, %	17.4	0.6	12.2	15.6	12.8	13.1	15.6	17.5
Average number of employees	2,155	2,093	2,073	2,022	1,991	1,980	1,987	1,957
Number of branches	208	208	207	207	207	207	206	205

Handelsbanken UK, in local currency

GBP m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	113.5	112.8	108.6	104.8	97.6	98.7	97.1	93.4
Net fee and commission income	14.8	14.8	13.9	13.3	12.7	13.1	10.8	11.2
Net gains/losses on financial transactions	4.8	-1.2	4.3	4.2	4.2	5.2	3.1	6.5
Other income	0.0	0.3	0.0	0.1	0.0	0.2	0.0	0.0
Total income	133.1	126.7	126.8	122.4	114.5	117.2	111.0	111.1
Staff costs	-32.1	-41.9	-42.4	-41.0	-41.0	-41.8	-39.7	-39.2
Other expenses	-18.4	-17.6	-11.1	-11.2	-10.1	-12.8	-9.6	-8.9
Internal purchased and sold services	-15.8	-14.0	-13.1	-13.4	-13.6	-13.2	-12.4	-11.5
Depreciation, amortisation and impairments of property, equipment and intangible assets	-1.6	-1.4	-1.4	-1.4	-1.5	-1.0	-1.0	-1.0
Total expenses	-67.9	-74.9	-68.0	-67.0	-66.2	-68.8	-62.7	-60.6
Profit before loan losses	65.2	51.8	58.8	55.4	48.3	48.4	48.3	50.5
Net loan losses	-2.3	-50.6	-13.4	-2.1	-1.1	-6.3	-1.9	-2.2
Gains/losses on disposal of property, equipment and intangible assets	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	-0.1
Operating profit	62.9	1.2	45.4	53.2	47.2	42.1	46.4	48.2
Profit allocation	0.6	1.0	0.8	0.7	0.7	0.8	1.0	0.5
Operating profit after profit allocation	63.5	2.2	46.2	53.9	47.9	42.9	47.4	48.7

Business volumes, Handelsbanken UK

Average volumes, GBP m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Loans to the public								
Household	6,416	6,311	6,210	6,073	5,916	5,754	5,609	5,456
Corporate	13,247	12,874	12,411	12,050	11,719	11,418	11,196	10,847
Total	19,663	19,185	18,621	18,123	17,635	17,172	16,805	16,303
Deposits and borrowing from the public								
Household	4,336	4,232	3,965	3,603	3,297	3,039	2,751	2,425
Corporate	8,851	9,174	9,113	8,490	7,840	7,550	7,526	7,051
Total	13,187	13,406	13,078	12,093	11,137	10,589	10,277	9,476

Handelsbanken Denmark

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	415	439	433	425	417	447	425	405
Net fee and commission income	118	115	89	121	108	95	93	93
Net gains/losses on financial transactions	24	24	18	29	24	21	19	18
Other income	3	3	4	1	7	3	3	6
Total income	560	581	544	576	556	566	540	522
Staff costs	-180	-174	-166	-163	-166	-177	-164	-155
Other expenses	-42	-51	-33	-36	-39	-66	-43	-41
Internal purchased and sold services	-89	-88	-84	-83	-80	-78	-71	-69
Depreciation, amortisation and impairments of property, equipment and intangible assets	-3	-3	-3	-4	-3	-4	-3	-4
Total expenses	-314	-316	-286	-286	-288	-325	-281	-269
Profit before loan losses	246	265	258	290	268	241	259	253
Net loan losses	-6	-372	-24	-66	-4	-478	-194	-38
Gains/losses on disposal of property, equipment and intangible assets	2	2	3	2	6	1	5	1
Operating profit	242	-105	237	226	270	-236	70	216
Profit allocation	18	25	21	24	24	22	26	18
Operating profit after profit allocation	260	-80	258	250	294	-214	96	234
Cost/income ratio, %	54.3	52.1	50.6	47.7	49.7	55.3	49.6	49.8
Loan loss ratio (IFRS 9), %	0.02							
Loan loss ratio (IAS 39), %		1.53	0.10	0.27	0.02	2.26	0.92	0.18
Allocated capital	5,794	5,711	5,708	5,535	6,382	6,221	6,412	6,146
Return on allocated capital, %	14.0	-4.3	14.0	14.1	14.4	-10.7	4.6	11.9
Average number of employees	617	609	608	605	611	617	627	626
Number of branches	57	57	57	57	57	57	57	57

Handelsbanken Denmark, in local currency

DKK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	310	333	337	327	326	340	333	325
Net fee and commission income	88	88	69	93	85	73	72	75
Net gains/losses on financial transactions	19	18	14	22	19	16	15	15
Other income	2	2	3	1	5	3	2	4
Total income	419	441	423	443	435	432	422	419
Staff costs	-134	-130	-130	-125	-130	-136	-127	-125
Other expenses	-32	-39	-26	-28	-30	-50	-34	-33
Internal purchased and sold services	-67	-67	-65	-65	-62	-60	-55	-56
Depreciation, amortisation and impairments of property, equipment and intangible assets	-2	-3	-1	-3	-3	-3	-3	-2
Total expenses	-235	-239	-222	-221	-225	-249	-219	-216
Profit before loan losses	184	202	201	222	210	183	203	203
Net loan losses	-4	-291	-16	-53	-3	-374	-154	-31
Gains/losses on disposal of property, equipment and intangible assets	1	1	3	2	4	1	3	1
Operating profit	181	-88	188	171	211	-190	52	173
Profit allocation	13	20	15	19	19	17	20	15
Operating profit after profit allocation	194	-68	203	190	230	-173	72	188

Business volumes, Handelsbanken Denmark

Average volumes, DKK bn	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Loans to the public								
Household	46.0	45.1	44.3	43.8	43.4	42.5	41.3	40.1
Corporate	28.9	28.7	27.6	28.8	29.6	29.0	28.7	28.8
Total	74.9	73.8	71.9	72.6	73.0	71.5	70.0	68.9
Deposits and borrowing from the public								
Household	13.2	13.3	13.1	12.9	12.2	12.4	12.1	12.0
Corporate	21.4	19.3	19.8	18.6	18.5	16.2	15.7	13.5
Total	34.6	32.6	32.9	31.5	30.7	28.6	27.8	25.5

Handelsbanken Finland

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	313	319	301	291	292	302	304	294
Net fee and commission income	122	118	110	121	113	116	108	102
Net gains/losses on financial transactions	13	18	7	13	14	21	8	45
Other income	4	4	4	6	4	3	1	3
Total income	452	459	422	431	423	442	421	444
Staff costs	-104	-107	-95	-100	-94	-101	-94	-95
Other expenses	-45	-48	-46	-44	-42	-53	-37	-50
Internal purchased and sold services	-89	-80	-72	-78	-73	-62	-59	-60
Depreciation, amortisation and impairments of property, equipment and intangible assets	-5	-6	-4	-5	-4	-4	-4	-3
Total expenses	-243	-241	-217	-227	-213	-220	-194	-208
Profit before loan losses	209	218	205	204	210	222	227	236
Net loan losses	6	-51	6	-15	3	14	-16	-11
Gains/losses on disposal of property, equipment and intangible assets	0	0	0	0	-	0	0	0
Operating profit	215	167	211	189	213	236	211	225
Profit allocation	40	43	37	38	32	38	31	30
Operating profit after profit allocation	255	210	248	227	245	274	242	255
Cost/income ratio, %	49.4	48.0	47.3	48.4	46.8	45.8	42.9	43.9
Loan loss ratio (IFRS 9), %	-0.12							
Loan loss ratio (IAS 39), %		0.16	-0.02	0.05	-0.01	-0.05	0.05	0.04
Allocated capital	6,456	5,646	5,526	5,283	6,169	6,252	5,937	5,568
Return on allocated capital, %	12.3	11.6	14.0	13.4	12.4	13.7	12.7	14.3
Average number of employees	523	519	519	505	482	482	500	496
Number of branches	45	45	45	45	45	45	45	45

Handelsbanken Finland, in local currency

EUR m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	31.4	32.7	31.5	30.0	30.7	30.9	31.9	31.7
Net fee and commission income	12.2	12.1	11.4	12.7	11.8	11.9	11.3	11.1
Net gains/losses on financial transactions	1.4	1.8	0.8	1.4	1.4	2.1	0.8	4.9
Other income	0.4	0.4	0.5	0.5	0.5	0.3	0.1	0.3
Total income	45.4	47.0	44.2	44.6	44.4	45.2	44.1	48.0
Staff costs	-10.5	-10.9	-9.9	-10.4	-9.9	-10.3	-9.9	-10.2
Other expenses	-4.5	-5.1	-4.8	-4.4	-4.5	-5.3	-3.9	-5.4
Internal purchased and sold services	-8.9	-8.1	-7.4	-8.1	-7.7	-6.4	-6.1	-6.6
Depreciation, amortisation and impairments of property, equipment and intangible assets	-0.5	-0.5	-0.6	-0.6	-0.4	-0.4	-0.4	-0.4
Total expenses	-24.4	-24.6	-22.7	-23.5	-22.5	-22.4	-20.3	-22.6
Profit before loan losses	21.0	22.4	21.5	21.1	21.9	22.8	23.8	25.4
Net loan losses	0.6	-5.3	0.6	-1.6	0.4	1.5	-1.7	-1.1
Gains/losses on disposal of property, equipment and intangible assets	0.0	-0.1	0.0	0.0	-	0.0	0.0	0.0
Operating profit	21.6	17.0	22.1	19.5	22.3	24.3	22.1	24.3
Profit allocation	4.0	4.4	3.9	4.0	3.3	3.9	3.2	3.2
Operating profit after profit allocation	25.6	21.4	26.0	23.5	25.6	28.2	25.3	27.5

Business volumes, Handelsbanken Finland

Average volumes, EUR m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Loans to the public								
Household	4,125	4,107	4,058	4,053	4,024	3,997	3,998	3,952
Corporate	8,879	8,901	8,858	9,061	8,922	8,822	8,747	8,733
Total	13,004	13,008	12,916	13,114	12,946	12,819	12,745	12,685
Deposits and borrowing from the public								
Household	1,511	1,569	1,547	1,642	1,625	1,508	1,485	1,432
Corporate	3,006	2,698	2,658	2,556	2,771	2,211	1,933	1,766
Total	4,517	4,267	4,205	4,198	4,396	3,719	3,418	3,198

Handelsbanken Norway

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	922	953	930	898	885	933	856	797
Net fee and commission income	95	104	101	102	103	107	99	91
Net gains/losses on financial transactions	23	21	23	19	27	21	25	30
Other income	1	3	1	6	4	5	4	68
Total income	1,041	1,081	1,055	1,025	1,019	1,066	984	986
Staff costs	-199	-192	-201	-192	15	-180	-175	-158
Other expenses	-52	-62	-54	-53	-54	-62	-46	-50
Internal purchased and sold services	-114	-118	-106	-103	-97	-107	-96	-90
Depreciation, amortisation and impairments of property, equipment and intangible assets	-4	-3	-4	-3	-4	-6	-3	4
Total expenses	-369	-375	-365	-351	-140	-355	-320	-294
Profit before loan losses	672	706	690	674	879	711	664	692
Net loan losses	-41	-36	-19	-56	-46	-107	-73	-64
Gains/losses on disposal of property, equipment and intangible assets	1	0	1	0	0	0	0	0
Operating profit	632	670	672	618	833	604	591	628
Profit allocation	27	26	20	23	21	30	22	16
Operating profit after profit allocation	659	696	692	641	854	634	613	644
Cost/income ratio, %	34.6	33.9	34.0	33.5	13.5	32.4	31.8	29.3
Loan loss ratio (IFRS 9), %	0.07							
Loan loss ratio (IAS 39), %		0.06	0.03	0.09	0.08	0.20	0.14	0.12
Allocated capital	15,680	15,837	15,407	15,521	16,808	15,883	14,441	12,870
Return on allocated capital, %	13.1	13.7	14.0	12.9	15.9	12.4	13.2	15.6
Average number of employees	683	673	692	662	662	667	681	658
Number of branches	49	49	49	49	49	50	50	50

Handelsbanken Norway, in local currency

NOK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	891	934	909	868	837	867	835	801
Net fee and commission income	92	102	99	98	98	98	98	92
Net gains/losses on financial transactions	22	20	23	19	25	19	24	30
Other income	1	4	1	5	4	3	3	69
Total income	1,006	1,060	1,032	990	964	987	960	992
Staff costs	-192	-188	-195	-183	14	-167	-171	-159
Other expenses	-50	-61	-53	-51	-51	-58	-44	-51
Internal purchased and sold services	-110	-115	-104	-99	-92	-98	-95	-90
Depreciation, amortisation and impairments of property, equipment and intangible assets	-4	-3	-4	-4	-3	-6	-3	4
Total expenses	-356	-367	-356	-337	-132	-329	-313	-296
Profit before loan losses	650	693	676	653	832	658	647	696
Net loan losses	-40	-35	-19	-54	-44	-100	-71	-64
Gains/losses on disposal of property, equipment and intangible assets	1	1	0	0	0	0	0	0
Operating profit	611	659	657	599	788	558	576	632
Profit allocation	26	24	20	22	20	28	21	17
Operating profit after profit allocation	637	683	677	621	808	586	597	649

Business volumes, Handelsbanken Norway

Average volumes, NOK bn	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Loans to the public								
Household	90.2	89.7	88.8	88.4	88.0	87.6	86.4	85.3
Corporate	156.2	151.9	149.7	148.7	145.8	146.1	144.3	142.7
Total	246.4	241.6	238.5	237.1	233.8	233.7	230.7	228.0
Deposits and borrowing from the public								
Household	20.1	20.1	20.3	19.7	19.6	19.7	20.0	19.1
Corporate	43.0	48.3	51.4	49.0	48.8	54.2	45.8	44.2
Total	63.1	68.4	71.7	68.7	68.4	73.9	65.8	63.3

Handelsbanken the Netherlands

	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
SEK m								
Net interest income	157	155	142	135	125	126	117	100
Net fee and commission income	39	55	35	33	32	49	15	6
Net gains/losses on financial transactions	1	13	2	3	2	2	2	0
Share of profit of associates	-	0	0	1	1	2	0	-
Other income	0	0	1	0	0	1	0	-
Total income	197	223	180	172	160	180	134	106
Staff costs	-84	-76	-72	-74	-67	-65	-56	-45
Other expenses	-21	-27	-20	-20	-18	-16	-20	-16
Internal purchased and sold services	-32	-29	-23	-24	-22	-24	-14	-19
Depreciation, amortisation and impairments of property, equipment and intangible assets	-3	-5	-3	-3	-2	-2	-2	-2
Total expenses	-140	-137	-118	-121	-109	-107	-92	-82
Profit before loan losses	57	86	62	51	51	73	42	24
Net loan losses	12	1	1	2	-2	0	-1	1
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	69	87	63	53	49	73	41	25
Profit allocation	0	1	0	2	0	1	0	2
Operating profit after profit allocation	69	88	63	55	49	74	41	27
Cost/income ratio, %	71.1	61.2	65.6	69.5	68.1	59.1	68.7	75.9
Loan loss ratio (IFRS 9), %	-0.12							
Loan loss ratio (IAS 39), %		-0.01	-0.01	-0.02	0.02	0.00	0.02	-0.02
Allocated capital	1,558	1,465	1,443	1,375	1,276	1,251	1,131	956
Return on allocated capital, %	13.9	18.8	13.7	12.4	12.0	18.6	11.2	8.6
Average number of employees	291	283	275	274	259	245	198	188
Number of branches	28	28	27	27	26	25	25	23

Handelsbanken in the Netherlands, in local currency

	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Euro m								
Net interest income	15.8	15.8	14.9	14.0	13.1	12.9	12.3	10.8
Net fee and commission income	3.9	5.7	3.6	3.4	3.4	5.1	1.6	0.6
Net gains/losses on financial transactions	0.1	1.4	0.2	0.3	0.2	0.4	0.2	0.0
Other income	0.0	0.0	0.1	0.1	0.1	0.3	0.0	-
Total income	19.8	22.9	18.8	17.8	16.8	18.7	14.1	11.4
Staff costs	-8.4	-7.8	-7.5	-7.6	-7.1	-6.8	-5.8	-4.9
Other expenses	-2.1	-2.9	-2.0	-2.1	-1.9	-1.6	-2.1	-1.7
Internal purchased and sold services	-3.1	-2.9	-2.4	-2.7	-2.1	-2.3	-1.6	-2.0
Depreciation, amortisation and impairments of property, equipment and intangible assets	-0.4	-0.4	-0.4	-0.2	-0.3	-0.3	-0.2	-0.2
Total expenses	-14.0	-14.0	-12.3	-12.6	-11.4	-11.0	-9.7	-8.8
Profit before loan losses	5.8	8.9	6.5	5.2	5.4	7.7	4.4	2.6
Net loan losses	1.2	0.1	0.1	0.2	-0.2	0.0	-0.1	0.1
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	7.0	9.0	6.6	5.4	5.2	7.7	4.3	2.7
Profit allocation	0.0	0.2	0.0	-0.1	0.3	0.1	0.0	0.2
Operating profit after profit allocation	7.0	9.2	6.6	5.3	5.5	7.8	4.3	2.9

Business volumes, Handelsbanken the Netherlands

	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Average volumes, EUR m								
Loans to the public								
Household	2,218	2,136	2,027	1,891	1,780	1,629	1,502	1,367
Corporate	1,997	1,803	1,697	1,717	1,695	1,667	1,741	1,397
Total	4,215	3,939	3,724	3,608	3,475	3,296	3,243	2,764
Deposits and borrowing from the public								
Household	118	109	92	84	78	73	65	58
Corporate	1,077	749	710	727	768	455	378	440
Total	1,195	858	802	811	846	528	443	498

Handelsbanken Capital Markets

Handelsbanken Capital Markets

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	110	116	120	118	118	151	135	134
Net fee and commission income	952	789	744	859	782	815	753	771
Net gains/losses on financial transactions	221	195	157	228	399	162	244	338
Risk result - insurance	41	34	19	53	36	6	25	35
Other income	4	14	2	3	7	2	3	1
Total income	1,328	1,148	1,042	1,261	1,342	1,136	1,160	1,279
Staff costs	-570	-568	-541	-588	-544	-581	-580	-597
Other expenses	-229	-273	-201	-225	-223	-239	-203	-217
Internal purchased and sold services	12	23	6	4	19	-17	-17	-22
Depreciation, amortisation and impairments of property, equipment and intangible assets	-28	-22	-21	-22	-18	-19	-18	-19
Total expenses	-815	-840	-757	-831	-766	-856	-818	-855
Profit before loan losses	513	308	285	430	576	280	342	424
Net loan losses	16	-1	9	11	-75	-8	-44	-7
Operating profit	529	306	294	441	501	272	298	417
Profit allocation	-535	-417	-409	-424	-379	-400	-361	-297
Operating profit after profit allocation	-6	-111	-115	17	122	-128	-63	120
Cost/income ratio, %	102.8	114.9	119.6	99.3	79.5	116.3	102.4	87.1
Loan loss ratio (IFRS 9), %	-0.1							
Loan loss ratio (IAS 39), %		0.01	-0.08	-0.10	0.67	0.07	0.37	0.06
Allocated capital	4,342	4,314	4,163	4,478	4,972	5,033	4,807	5,038
Return on allocated capital, %	-0.4	-8.1	-8.6	1.1	7.7	-8.0	-4.1	7.5
Average number of employees	1,577	1,591	1,638	1,627	1,643	1,636	1,674	1,681

Business volumes, Handelsbanken International

Average volumes, SEK bn	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Loans to the public								
Household	6.2	5.9	5.6	5.5	5.4	5.4	5.1	4.9
Corporate	25.6	25.5	24.4	26.5	29.9	31.7	30.2	30.1
Total	31.8	31.4	30.0	32.0	35.3	37.1	35.3	35.0
Deposits and borrowing from the public								
Household	4.1	4.4	4.6	3.8	3.6	3.6	3.8	3.7
Corporate	54.5	70.0	69.1	53.9	36.7	45.8	44.8	44.2
Total	58.6	74.4	73.7	57.7	40.3	49.4	48.6	47.9

Markets & Asset Management

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	7	12	-8	18	12	16	3	6
Net fee and commission income	626	529	425	607	538	565	524	548
Net gains/losses on financial transactions	230	216	173	235	406	181	249	333
Other income	2	10	3	0	1	1	3	-3
Total income	865	767	593	860	957	763	779	884
Staff costs	-255	-261	-236	-283	-251	-277	-239	-304
Other expenses	-233	-234	-128	-249	-256	-256	-298	-240
Total expenses	-488	-495	-364	-532	-507	-533	-537	-544
Profit before loan losses	377	272	229	328	450	230	242	340
Net loan losses	0	-	-	-	-	-	-	-
Operating profit	377	272	229	328	450	230	242	340
Operating profit after profit allocation	0	-34	-55	16	170	-72	-22	115
Average number of employees	435	447	467	488	504	496	541	571

Pension & Life, International and Business Support

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	103	104	128	100	106	135	132	128
Net fee and commission income	326	260	319	252	244	250	229	223
Net gains/losses on financial transactions	-9	-21	-16	-7	-7	-19	-5	5
Other income	43	38	18	56	42	7	25	39
Total income	463	381	449	401	385	373	381	395
Staff costs	-315	-307	-305	-305	-293	-304	-341	-293
Other expenses	-12	-38	-88	6	34	-19	60	-18
Total expenses	-327	-345	-393	-299	-259	-323	-281	-311
Profit before loan losses	136	36	56	102	126	50	100	84
Net loan losses	16	-1	9	11	-75	-8	-44	-7
Operating profit	152	35	65	113	51	42	56	77
Operating profit after profit allocation	-6	-76	-60	1	-48	-56	-41	5
Average number of employees	1,142	1,144	1,171	1,139	1,139	1,140	1,133	1,110
Number of branches	12	12	13	13	13	13	13	13

Handelsbanken Liv

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Statutory Profit/loss, according to the alternative income statement								
Administration result	220	219	235	228	224	211	204	182
Risk result	41	35	18	53	36	6	25	35
Financial result	-38	-42	-31	-29	-27	-49	-20	-15
<i>of which deferred capital contribution</i>	-34	-40	-32	-29	-25	-49	-19	-15
Other	39	33	39	43	34	46	40	35
Operating profit	262	245	261	295	267	214	249	237
AUM, SEK bn, end of period	142	139	136	133	128	123	120	111
<i>of which unit-linked</i>	109	107	104	101	97	93	90	83
<i>of which portfolio bond</i>	24	24	24	23	22	21	21	20
Premiums paid, SEK m	4,380	3,466	3,600	4,806	3,528	2,991	2,938	3,818
of which portfolio bond	1,553	971	1,406	1,513	1,145	959	909	1,086
of which unit-linked	2,678	2,369	2,044	3,148	2,237	1,891	1,877	2,583
of which occupational pensions	717	598	688	639	571	558	600	459
New sales mutual funds & custody, Sweden, SEK m	803	723	687	951	836	593	444	757

Other and Adjustments & eliminations

Other

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	208	179	203	200	219	211	190	163
Net fee and commission income	9	9	16	5	18	16	23	5
Net gains/losses on financial transactions	-356	-261	-183	-199	-112	-201	613	-226
Share of profit of associates	-9	30	14	-4	-28	-2	10	13
Other income	10	605	10	10	12	59	12	181
Total income	-138	562	60	12	109	83	848	136
Staff costs	-796	-674	-683	-763	-698	-323	-1,084	-459
Other expenses	-755	-703	-598	-627	-663	-637	-515	-557
Internal purchased and sold services	1,358	1,318	1,150	1,208	1,195	1,119		
Depreciation, amortisation and impairments of property, equipment and intangible assets	-80	-98	-59	-60	-65	-45	-74	-67
Total expenses	-273	-157	-190	-242	-231	114	-649	-9
Profit before loan losses	-411	405	-130	-230	-122	197	199	127
Net loan losses								
Gains/losses on disposal of property, equipment and intangible assets	0	0	0	0	0	18	0	0
Operating profit	-411	405	-130	-230	-122	215	199	127
Profit allocation	-	-	-	-	-	-	-	-
Operating profit after profit allocation	-411	405	-130	-230	-122	215	199	127
Average number of employees	2,163	2,103	2,065	2,003	1,930	1,879	1,840	1,810

Adjustments & eliminations

SEK m	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Net interest income	-	-	-	-	-	-	-	-
Net fee and commission income	-	-	-	-	-	-	-	-
Net gains/losses on financial transactions	-	-	-	-	-	-	-	-
Risk result - insurance	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-
Total income	-	-	-	-	-	-	-	-
Staff costs	-20	-40	-48	-53	-55	-217	-66	-61
Other expenses	-	-	-	-	-	-	-	-
Depreciation, amortisation and impairments of property, equipment and intangible assets	-14	-14	-13	-15	-11	-12	-3	-
Total expenses	-34	-54	-61	-68	-66	-229	-69	-61
Profit before loan losses	-34	-54	-61	-68	-66	-229	-69	-61
Net loan losses	-	-	-	-	-	-	-	-
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	-34	-54	-61	-68	-66	-229	-69	-61

Balance sheet

Balance sheet - Svenska Handelsbanken Group

SEK m	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Assets								
Cash and balances with central banks	276,999	226,314	377,821	436,848	387,092	199,362	353,680	501,744
Other loans to central banks	99,545	38,920	111,008	52,718	79,245	25,527	103,113	81,267
Interest-bearing securities eligible as collateral with central banks	103,579	129,006	112,339	119,603	97,262	97,205	119,532	117,753
Loans to other credit institutions	35,475	20,250	30,742	33,526	34,542	31,347	41,410	48,479
Loans to the public	2,143,107	2,065,761	2,040,589	2,011,455	1,991,434	1,963,622	1,965,649	1,937,155
Value change of interest-hedged item in portfolio hedge	36	36	36	33	31	35	51	45
Bonds and other interest-bearing securities	59,175	49,601	61,996	61,243	65,436	63,909	53,855	46,223
Shares	19,093	14,052	20,885	21,353	23,397	20,412	35,964	52,541
Investments in associates	289	297	217	212	218	255	259	257
Assets where the customer bears the value change risk	138,442	135,617	132,381	128,870	123,595	118,646	115,532	107,004
Derivative instruments	59,069	56,070	56,913	61,940	73,111	82,633	78,688	92,381
Reinsurance assets	14	14	9	9	9	9	10	10
Intangible assets	10,161	9,861	9,670	9,579	9,460	9,393	9,293	8,450
Property and equipment	2,252	2,238	2,404	2,353	2,363	2,387	2,323	2,264
Current tax assets	2,141	242	2,217	1,379	518	38	2,409	1,575
Deferred tax assets	355	399	394	436	534	962	1,978	1,979
Net pension assets	-	1,239	1,615	1,368	379	-	-	-
Assets held for sale	-	-	1	3	3	1	2	-
Other assets	10,420	10,715	13,565	12,302	29,034	5,615	19,496	25,810
Prepaid expenses and accrued income	3,424	6,345	6,253	5,864	5,266	6,222	5,691	5,708
Total assets	2,963,576	2,766,977	2,981,055	2,961,094	2,922,929	2,627,580	2,908,935	3,030,645
Liabilities and equity								
Due to credit institutions	193,642	174,820	205,355	202,681	205,971	178,781	205,274	207,312
Deposits and borrowing from the public	1,065,678	941,967	1,112,138	1,120,291	1,049,699	829,336	1,009,427	1,134,500
Liabilities where the customer bears the value change risk	138,448	135,617	132,488	128,962	123,653	118,745	115,600	107,054
Issued securities	1,331,913	1,276,595	1,279,283	1,264,536	1,295,668	1,261,765	1,315,684	1,320,083
Derivative instruments	25,902	24,876	30,147	31,654	24,297	31,738	33,296	37,283
Short positions	7,559	2,072	10,081	7,876	11,753	1,572	11,441	8,581
Insurance liabilities	1,165	549	554	562	599	574	583	591
Current tax liabilities	789	394	2,147	1,388	809	514	1,657	1,008
Deferred tax liabilities	6,247	6,853	7,560	7,749	7,842	7,875	9,788	10,006
Provisions	268	153	298	426	615	731	734	773
Net pension liabilities	11	-	-	-	-	2,161	6,547	6,544
Liabilities related to assets held for sale	-	-	-	-	-	-	-	-
Other liabilities	13,791	15,863	15,828	13,851	21,684	9,427	16,452	18,817
Accrued expenses and deferred income	4,929	12,718	13,665	13,436	15,399	14,580	15,359	15,608
Subordinated liabilities	41,621	32,896	32,560	32,782	33,199	33,400	33,008	32,903
Total liabilities	2,831,963	2,625,373	2,842,104	2,826,194	2,791,188	2,491,199	2,774,850	2,901,063
Minority interest	13	11	9	6	6	6	6	5
Share capital	3,013	3,013	3,013	3,013	3,013	3,013	3,008	3,001
Share premium	5,629	5,629	5,629	5,629	5,629	5,628	5,410	5,081
Reserves	9,192	8,106	9,215	9,339	10,237	9,268	10,639	11,037
Retained earnings	109,763	108,746	108,746	108,746	108,745	102,222	102,222	102,222
Profit for the period, attributable to shareholders in Svenska Handelsbanken AB	4,003	16,099	12,339	8,167	4,111	16,244	12,800	8,236
Total equity	131,613	141,604	138,951	134,900	131,741	136,381	134,085	129,582
Total liabilities and equity	2,963,576	2,766,977	2,981,055	2,961,094	2,922,929	2,627,580	2,908,935	3,030,645

Business volumes – Lending to the public

CREDIT POLICY

Credit process

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

Basic guidelines

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

Loans to the public by sector

Loans net	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
SEK m, end of period								
Private individuals	1,071,696	1,039,928	1,025,852	1,008,417	993,567	981,895	969,723	949,129
<i>of which mortgage loans in Stadshypotek</i>	<i>870,033</i>	<i>850,923</i>	<i>835,632</i>	<i>821,195</i>	<i>807,870</i>	<i>800,059</i>	<i>788,838</i>	<i>771,987</i>
<i>of which other mortgage loans</i>	<i>137,753</i>	<i>128,595</i>	<i>126,122</i>	<i>122,724</i>	<i>121,979</i>	<i>119,975</i>	<i>119,872</i>	<i>117,379</i>
<i>of which other loans to private individuals</i>	<i>63,910</i>	<i>60,410</i>	<i>64,098</i>	<i>64,498</i>	<i>63,718</i>	<i>61,861</i>	<i>61,013</i>	<i>59,763</i>
Housing co-operative associations	214,851	205,966	200,524	195,264	190,917	186,996	182,501	178,746
<i>of which mortgage loans in Stadshypotek</i>	<i>179,357</i>	<i>172,253</i>	<i>168,070</i>	<i>163,870</i>	<i>159,579</i>	<i>156,823</i>	<i>154,492</i>	<i>152,507</i>
Property management, Note 1	591,767	564,667	554,230	547,999	542,581	539,503	537,654	533,445
Manufacturing	27,518	26,922	27,499	25,449	27,479	27,111	28,483	31,990
Retail	21,636	21,081	22,655	23,588	23,405	21,677	23,943	24,229
Hotels and restaurants	8,869	8,334	8,902	8,444	8,392	8,484	8,724	8,619
Shipping, passenger & goods transport by sea	8,374	7,174	6,938	7,486	8,235	8,131	8,974	9,200
Other transport and communication	16,409	16,063	17,238	15,425	14,927	14,578	14,675	14,485
Construction	21,525	19,519	19,873	18,450	19,066	17,942	18,001	16,511
Electricity, gas, water	22,540	21,912	23,979	23,974	24,504	25,185	24,447	24,070
Agriculture, hunting and forestry	13,576	13,018	12,446	11,716	11,567	11,696	12,492	12,344
Other service industry	22,561	21,993	18,342	18,724	19,000	19,495	21,115	20,839
Holding companies, insurance companies, funds etc.	69,459	67,556	68,814	72,200	71,057	66,414	64,761	68,525
State & municipalities	12,562	13,611	13,197	13,361	15,967	15,891	18,659	16,180
Other corporate lending	19,764	18,480	20,515	21,361	21,110	18,972	31,807	29,122
Total loans to the public, before taking into account collective provisions	2,143,107	2,066,224	2,041,004	2,011,858	1,991,774	1,963,970	1,965,959	1,937,434
Collective provisions		-463	-415	-403	-340	-348	-310	-279
Total loans to the public	2,143,107	2,065,761	2,040,589	2,011,455	1,991,434	1,963,622	1,965,649	1,937,155

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

SEK m, end of period	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Lending in Sweden								
State-owned property companies	4,350	4,329	4,329	4,427	4,228	3,228	3,630	5,040
Municipal-owned property companies	8,648	8,874	8,934	8,999	9,561	9,771	9,792	9,890
Residential property companies	106,716	105,994	102,838	101,682	100,131	99,572	93,412	93,243
<i>of which mortgage loans in Stadshypotek</i>	<i>93,130</i>	<i>92,260</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>
Other property companies	125,848	125,098	129,077	127,959	124,864	127,448	131,743	136,648
<i>of which mortgage loans in Stadshypotek</i>	<i>52,628</i>	<i>52,930</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>
Total lending in Sweden	245,562	244,295	245,178	243,067	238,784	240,019	238,577	244,821
Lending outside Sweden								
Denmark	20,600	20,297	20,724	20,169	19,476	19,637	17,736	16,726
Finland	40,441	37,298	35,586	35,944	34,316	33,887	33,094	32,117
Norway	112,914	104,219	103,386	101,167	102,822	103,659	107,813	99,509
Great Britain	136,624	125,504	118,806	116,268	115,677	111,511	109,312	110,629
The Netherlands	30,055	27,628	25,884	24,635	23,949	23,194	21,970	20,935
Other countries	5,571	5,426	4,666	6,749	7,557	7,596	9,152	8,708
Total lending outside Sweden	325,605	320,372	309,052	304,932	303,797	299,484	299,077	288,624
Total lending - Property management	571,167	564,667	554,230	547,999	542,581	539,503	537,654	533,445

Credit risk exposure

SEK m	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Loans to the public	2,143,107	2,065,761	2,040,589	2,011,455	1,991,434	1,963,622	1,965,649	1,937,155
<i>of which reverse repos</i>	<i>6,698</i>	<i>6,607</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>
Loans to other credit institutions	35,475	20,250	30,742	33,526	34,542	31,347	41,410	48,479
<i>of which reverse repos</i>	<i>11,032</i>	<i>1,338</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>
Interest-bearing securities eligible as collateral with c ₁	103,579	129,006	112,339	119,603	97,262	97,205	119,532	117,753
Bonds and other interest-bearing securities	59,175	49,601	61,996	61,243	65,436	63,909	53,855	46,223
Derivative instruments*	59,069	56,070	56,913	61,940	73,111	82,633	78,688	92,381
Contingent liabilities	88,634	75,666	75,666	75,293	80,481	78,530	82,361	78,459
<i>of which guarantees, credits</i>	<i>9,729</i>	<i>10,177</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>of which guarantees, other</i>	<i>72,274</i>	<i>57,878</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>of which letters of credit</i>	<i>6,631</i>	<i>7,611</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>
Other commitments	457,688	443,383	439,836	441,532	427,927	425,267	431,564	425,390
<i>of which unutilised part of granted overdraft facilities</i>	<i>129,845</i>	<i>131,121</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>of which loan commitments</i>	<i>299,383</i>	<i>290,643</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>of which other</i>	<i>28,460</i>	<i>21,619</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>
Total	2,946,727	2,839,737	2,818,081	2,804,592	2,770,193	2,742,513	2,773,059	2,745,840
Cash and balances with central banks	276,999	226,314	377,821	436,848	387,092	199,362	353,680	501,744
Other loans to central banks	99,545	38,920	111,008	52,718	79,245	25,527	103,113	81,267
Total	3,323,271	3,104,971	3,306,910	3,294,158	3,236,530	2,967,402	3,229,852	3,328,851

* Refers to the total of positive market values.

Credit risk exposure by country

SEK m	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Sweden	1,900,265	1,827,830	1,886,604	1,805,480	1,808,377	1,747,065	1,837,267	1,813,309
Great Britain	350,125	354,400	359,425	348,415	341,880	306,840	284,762	313,178
Norway	348,963	315,786	322,225	335,810	332,345	323,009	336,680	302,702
Denmark	169,561	156,471	150,745	150,712	150,633	142,986	150,599	148,084
Finland	290,116	248,210	260,341	272,680	267,295	252,486	280,480	227,103
The Netherlands	53,106	46,917	44,721	43,106	40,467	40,115	41,338	38,776
Other countries	211,135	155,357	282,849	337,955	295,533	154,901	298,726	485,699
Total	3,323,271	3,104,971	3,306,910	3,294,158	3,236,530	2,967,402	3,229,852	3,328,851

Loans to the public - by country *

SEK bn, end of period	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Handelsbanken Sweden	1,325	1,303	1,292	1,276	1,250	1,231	1,227	1,224
Handelsbanken UK	233	213	207	200	200	193	190	188
Handelsbanken Denmark	105	99	95	95	94	96	93	90
Handelsbanken Finland	136	124	123	123	122	120	121	118
Handelsbanken Norway	262	245	245	240	243	245	249	233
Handelsbanken the Netherlands	45	40	37	35	34	32	31	30
Handelsbanken International	31	31	30	30	32	35	36	36
Other	6	9	11	12	14	10	16	16
Total	2,143	2,064	2,040	2,010	1,989	1,963	1,963	1,935

* Excluding loans to the National Debt Office.

Loans to households - by country

SEK bn, end of period	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Handelsbanken Sweden	819	806	796	785	770	760	754	745
<i>of which Stadshypotek</i>	771	759	745	733	719	710	700	690
Handelsbanken UK	76	70	69	67	67	65	64	63
Handelsbanken Denmark	64	61	58	57	56	56	55	52
Handelsbanken Finland	43	38	37	37	36	36	37	35
Handelsbanken Norway	95	90	91	89	92	93	93	87
Handelsbanken the Netherlands	24	21	20	19	18	16	15	14
Handelsbanken International	6	6	6	6	5	5	5	5
Other	2	4	3	2	3	3	2	2
Total	1,129	1,095	1,080	1,062	1,047	1,034	1,025	1,003

Corporate lending - by country *

SEK bn, end of period	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Handelsbanken Sweden	506	497	496	491	480	471	473	479
<i>of which Stadshypotek</i>	296	292	288	284	278	273	268	270
Handelsbanken UK	157	143	138	133	133	128	126	125
Handelsbanken Denmark	41	38	37	38	38	40	38	38
Handelsbanken Finland	93	86	86	86	86	84	84	83
Handelsbanken Norway	167	155	154	151	151	152	156	146
Handelsbanken the Netherlands	21	19	17	16	16	16	16	16
Handelsbanken International	25	25	24	24	27	30	31	31
Other	4	5	8	10	11	7	14	14
Total	1,014	968	960	949	942	929	938	932

* Excluding loans to the National Debt Office.

Business volumes – Savings and deposits

Assets under management, Handelsbanken Group

SEK bn, end of period	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Mutual funds, excl. PPM and Unit-linked	373	362	354	340	332	314	299	284
PPM	33	32	30	29	28	26	24	22
Unit-linked insurance	110	107	104	102	97	93	90	83
<i>of which external mutual funds</i>	-3	-3	-3	-3	-3	-2	-2	-2
Total mutual funds	513	498	485	468	454	431	411	387
Structured products	12	13	14	15	16	17	17	17
Portfolio bond insurance	24	24	24	23	22	21	21	20
<i>of which in mutual funds and structured products</i>	-10	-10	-9	-9	-8	-8	-8	-7
Traditional insurance	8	8	8	8	8	8	8	9
<i>of which in mutual funds and structured products</i>	-1	-1	-1	-1	-1	-1	-1	0
Discretionary and Institutional assets, excl. insurance	229	224	221	216	216	207	206	178
<i>of which in mutual funds and structured products</i>	-148	-144	-143	-138	-134	-127	-119	-117
Total assets under management, excl. securities in custody	627	612	599	582	573	548	535	487
Securities in custody, excl. mutual funds	340	344	355	357	347	332	326	309
Securities in custody, excl. mutual funds, foundations associated with Handelsbanken	51	53	55	56	56	52	46	44

* Including the whole volume managed by Heartwood, of which SEK 28 bn in Heartwoods mutual funds.

Assets in mutual funds per country

SEK bn, end of period	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016
Sweden	446	440	427	416	401	382
Denmark	18	18	17	17	16	14
Finland	13	11	11	10	10	10
Norway	25	22	22	20	18	17
The Netherlands	6	6	6	6	6	6
Other countries and eliminations	5	1	2	-1	3	3
Total mutual funds	513	498	485	468	454	431
Great Britain (Heartwood)	28	26	24	23	22	21
Total	541	524	509	491	476	452

Net savings in the Bank's mutual funds

SEK bn	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016
Sweden	4.4	5.9	5.3	5.8	5.0	4.4
Denmark	0.7	0.1	0.1	0.8	1.3	0.4
Finland	1.2	-0.2	0.3	0.3	-0.6	0.4
Norway	0.8	0.9	0.6	1.8	1.0	0.8
The Netherlands	0.0	0.0	0.0	0.0	0.0	0.0
Other countries and eliminations	-0.1	-0.3	0.4	-1.6	1.2	-0.6
Total mutual funds	7.0	6.4	6.7	7.1	7.9	5.5
Great Britain (Heartwood)	0.8	0.9	0.7	1.3	0.6	0.9
Total	7.8	7.3	7.4	8.4	8.5	6.4

Deposits and borrowing from the public - by country

SEK bn, end of period	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Handelsbanken Sweden	590	569	567	560	561	508	512	500
Handelsbanken UK	153	146	142	136	126	117	111	111
Handelsbanken Denmark	40	41	39	44	34	37	35	34
Handelsbanken Finland	46	41	43	40	39	36	33	29
Handelsbanken Norway	65	60	68	66	72	65	79	62
Handelsbanken the Netherlands	13	7	8	7	9	3	7	3
Handelsbanken International	63	43	78	63	50	31	54	45
Other	96	35	167	203	159	32	179	351
Total	1,066	942	1,112	1,120	1,050	829	1,009	1,135

Deposits and borrowing from households - by country

SEK bn, end of period	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Handelsbanken Sweden	344	336	335	328	314	309	308	305
Handelsbanken UK	52	48	45	41	38	37	31	30
Handelsbanken Denmark	18	17	17	17	16	16	16	15
Handelsbanken Finland	16	15	16	15	14	14	14	14
Handelsbanken Norway	21	20	21	21	20	21	21	20
Handelsbanken the Netherlands	1.3	1.1	1.0	0.9	0.8	0.8	0.7	0.6
Handelsbanken International	4	4	5	4	4	4	4	4
Other	3	4	3	3	3	2	4	3
Total	459	445	443	430	410	404	399	392

Deposits and borrowing from corporates - by country

SEK bn, end of period	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Handelsbanken Sweden	245	233	232	232	247	199	204	195
Handelsbanken UK	101	98	97	95	88	80	80	81
Handelsbanken Denmark	22	24	22	27	18	21	19	19
Handelsbanken Finland	30	26	27	25	25	22	19	15
Handelsbanken Norway	44	40	47	45	52	44	58	42
Handelsbanken the Netherlands	12	6	7	6	8	2	6	2
Handelsbanken International	59	39	73	59	46	27	50	41
Other	93	31	164	200	156	30	175	348
Total	606	497	669	690	640	425	611	743

Own funds and capital requirement

Own funds CRR

SEK m	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
TIER 1 CAPITAL								
Equity, Group	131,613	141,604	138,951	134,900	131,741	136,381	134,085	129,582
Accrued unpaid dividend previous year	-	-	-	-	-	-	-	-
Accrued dividend current year	-3,620	-14,581	-7,759	-5,127	-2,595	-9,721	-6,400	-4,118
Adjustment of Group result	-210	-820	-629	-429	-195	3,829	-162	34
Adjustment of Group equity	2,529	3,337	3,311	3,289	3,267	-593	3,532	3,518
Minority interests	-13	-11	-9	-6	-6	-6	-6	-5
Equity (consolidated entities)	130,299	129,529	133,865	132,627	132,212	129,890	131,049	129,011
Deducted items								
Goodwill and other intangible assets	-10,091	-9,787	-9,599	-9,513	-9,409	-9,355	-9,268	-8,433
Value adjustments (fair value)	-386	-409	-426	-477	-633	-645	-637	-685
Negative amounts resulting from the calculation of expected loss amounts	-1,748	-2,357	-2,246	-2,272	-2,270	-1,527	-1,567	-1,543
Positions in securitisation	-	-	-	-	-	-	-	-
Net pension assets	-	-	-	-	-	-	-	-
Own shares	-551	-569	-619	-607	-622	-636	-593	-529
Adjustments in accordance with stability filter								
Cash flow hedges	168	-654	-1,464	-1,907	-2,749	-2,487	-7,850	-8,815
Unrealised accumulated gains, shares	-	-	-	-	-	-	-	-
Common equity tier 1 capital, gross	117,691	115,753	119,511	117,851	116,529	115,240	111,134	109,006
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	117,691	115,753	119,511	117,851	116,529	115,240	111,134	109,006
Additional tier 1 instruments	11,934	11,746	11,718	12,011	12,598	12,768	12,156	12,045
Total tier 1 capital	129,625	127,499	131,229	129,862	129,127	128,008	123,290	121,051
TIER 2 CAPITAL								
Subordinated loans	26,096	17,745	14,469	17,431	17,293	17,354	17,392	17,135
Positive amounts resulting from the calculation of expected loss amounts	37							
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	25,004	16,616	13,340	16,302	16,164	16,225	16,263	16,006
Total own funds	154,629	144,115	144,569	146,164	145,291	144,233	139,553	137,057

Available Distributable Items (ADI)

SEK m	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Available Distributable Items (ADI)	102,457	115,753	101,971	101,639	116,529	115,240	96,742	109,006
Deducted dividend	624	14,581	3,420	2,482	2,595	9,721	5,020	4,118
Minimum capital requirement	-27,466	-22,906	-21,141	-20,990	-22,026	-20,645	-20,001	-21,352
Capital conservation buffer	-15,259	-12,726	-11,745	-11,661	-12,236	-11,470	-11,112	-11,862
Countercyclical capital buffer	-8,168	-6,121	-5,477	-5,415	-5,524	-4,039	-4,162	-4,269
Systemic risk buffer	0	-15,271	0	0	-14,684	-13,764	0	-14,235
Total Available Distributable Items	52,188	73,310	67,028	66,055	64,654	75,043	66,487	61,406

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	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Credit risk according to standardised approach	88,502	83,833	82,243	82,608	79,126	80,896	79,204	77,323
Credit risk according to IRB Approach	375,609	348,386	345,377	344,497	329,180	299,370	305,951	320,041
Market risk	11,978	10,310	12,437	10,004	11,705	10,910	10,216	8,890
Credit valuation adjustment risk (CVA)	5,877	4,890	5,743	5,477	7,832	7,429	8,122	8,064
Operational risk	63,932	61,613	61,613	61,613	61,613	60,182	60,182	60,182
Total risk exposure amount	545,898	509,032	507,413	504,199	489,456	458,787	463,675	474,500
Common equity tier 1 capital	117,691	115,753	119,511	117,851	116,529	115,240	111,134	109,006
Common equity tier 1 ratio, CRR	21.6%	22.7%	23.6%	23.4%	23.8%	25.1%	24.0%	23.0%

Capital adequacy analysis

	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Common equity tier 1 ratio, CRR	21.6%	22.7%	23.6%	23.4%	23.8%	25.1%	24.0%	23.0%
Tier 1 ratio, CRR	23.7%	25.0%	25.9%	25.8%	26.4%	27.9%	26.6%	25.5%
Total capital ratio, CRR	28.3%	28.3%	28.5%	29.0%	29.7%	31.4%	30.1%	28.9%
Own funds in relation to capital requirement according to Basel I floor		142%	144%	148%	149%	148%	144%	142%

Capital requirement

SEK m	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Credit risk according to standardised approach	7,080	6,707	6,579	6,609	6,330	6,472	6,336	6,186
Credit risk according to IRB Approach	30,049	27,871	27,630	27,560	26,334	23,950	24,476	25,603
Total capital requirement for market risks	958	825	995	800	936	873	817	711
Credit valuation adjustment risk (CVA)	470	391	460	438	627	594	650	645
Operational risk	5,115	4,929	4,929	4,929	4,929	4,815	4,815	4,815
Total capital requirement	43,672	40,723	40,593	40,336	39,156	36,704	37,094	37,960
Adjustment according to Basel I floor		62,125	61,403	60,239	59,790	61,531	61,134	59,499
Capital requirement, Basel I floor		102,848	101,996	100,575	98,946	98,235	98,228	97,459
Total own funds, Basel I floor		146,472	146,815	148,436	147,561	145,760	141,120	138,600

Capital requirement market risks

SEK m	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Outright products								
Interest rate risk	937	808	973	784	916	854	800	692
<i>of which general risk</i>	698	572	649	497	616	598	651	534
<i>of which specific risk</i>	239	236	324	287	300	256	149	158
Equity price risk	9	9	6	6	6	4	5	5
<i>of which general risk</i>	3	3	1	1	2	1	1	1
<i>of which specific risk</i>	6	6	5	4	4	3	4	3
<i>of which mutual funds</i>	0	0	0	1	0	0	0	1
Exchange rate risk	-	-	-	-	-	-	-	-
Commodities risk	8	5	10	7	8	9	7	8
Options								
Scenario approach	4	3	6	3	6	6	5	6
<i>of which interest rate risk</i>	0	0	1	0	1	1	1	2
<i>of which equity risk</i>	4	3	5	3	5	5	4	4
<i>of which foreign exchange risk</i>	-	-	-	-	-	-	-	-
<i>of which commodity risk</i>	0	0	0	0	0	0	0	0
Securitisation (specific risk)	-	-	-	-	-	-	-	-
Settlement risk	0	0	0	0	-	0	0	0
Total capital requirement for market risks	958	825	995	800	936	873	817	711

Credit risks IRB approach

Exposure amount								
SEK m	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Sovereign and central banks	474,366	357,719	586,231	581,859				
Corporate	894,483	852,845	845,155	840,765	834,609	821,000	839,228	846,280
Corporate lending	871,623	835,665	823,026	818,366	807,818	798,330	810,827	807,327
<i>of which other loans foundation approach *</i>	116,290	109,608	107,830	109,110	107,315	116,048	121,732	125,156
<i>of which other loans advanced approach *</i>	755,333	726,057	715,196	709,256	700,503	682,282	689,095	682,171
<i>of which large companies</i>	158,459	152,189	147,880	149,881	148,270	126,774	139,070	137,163
<i>of which medium-sized companies</i>	83,805	80,590	81,358	78,803	78,917	81,640	78,575	77,698
<i>of which property companies</i>	513,069	493,278	485,958	480,572	473,316	473,868	471,450	467,310
Counterparty risk	22,860	17,180	22,129	22,399	26,791	22,670	28,401	38,953
Housing co-operative associations	203,522	195,265	191,056	186,293	181,339	187,897	183,160	179,807
Retail	1,048,003	1,026,668	1,015,343	1,000,376	990,618	982,270	975,181	957,893
Private individuals	1,022,925	1,001,733	989,914	974,568	964,069	955,346	947,847	930,268
<i>of which property loans</i>	946,488	925,491	912,824	897,973	883,931	874,253	865,890	849,302
<i>of which other loans</i>	76,437	76,242	77,090	76,595	80,138	81,093	81,957	80,966
Small companies	25,078	24,935	25,429	25,808	26,549	26,924	27,334	27,625
Institutions	87,550	72,223	74,545	86,065	103,285	105,185	106,414	118,989
Lending to institutions	17,679	16,332	15,048	15,523	17,498	20,066	15,985	17,370
Counterparty risk	69,871	55,891	59,497	70,542	85,787	85,119	90,429	101,619
<i>of which repos and securities loans</i>	22,733	7,667	14,707	18,069	18,505	14,070	27,810	33,206
<i>of which derivatives</i>	47,138	48,224	44,790	52,473	67,282	71,049	62,619	68,413
Equity exposures	1,541	1,512	2,362	2,128	1,389	1,340	1,352	5,420
<i>of which listed shares</i>	4	661	981	766	-	-	-	4,090
<i>of which other shares</i>	1,537	851	1,381	1,362	1,389	1,340	1,352	1,330
Non credit-obligation assets	2,251	2,238	2,404	2,353	2,363	2,387	2,323	2,264
Securitisation positions	21	20	20	21	22	22	22	23
Total IRB Approach	2,711,737	2,508,490	2,717,116	2,699,860	2,113,625	2,100,101	2,107,680	2,110,676

Risk-weighted exposure amount								
SEK m	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Sovereign and central banks	8,578	7,474	9,799	9,659				
Corporates	257,520	237,107	228,919	230,800	222,058	194,650	202,371	205,130
Corporate lending	254,083	233,707	225,363	226,639	218,014	190,709	197,569	199,669
<i>of which other loans foundation approach *</i>	35,167	32,467	29,053	30,858	28,684	35,946	36,719	38,484
<i>of which other loans advanced approach *</i>	218,916	201,240	196,310	195,781	189,330	154,763	160,850	161,185
<i>of which large companies</i>	63,434	58,176	55,072	55,131	53,222	57,176	63,228	63,008
<i>of which medium-sized companies</i>	38,264	37,839	38,401	37,042	36,516	32,486	31,333	32,544
<i>of which property companies</i>	117,218	105,225	102,837	103,608	99,592	65,101	66,289	65,634
Counterparty risk	3,437	3,400	3,556	4,161	4,044	3,941	4,802	5,461
Housing co-operative associations	10,650	9,974	10,164	8,871	8,591	7,555	7,062	6,904
Households	74,416	72,574	71,397	71,523	72,965	72,398	72,933	71,701
Private individuals	67,504	65,742	64,535	64,412	65,812	65,258	65,599	64,283
<i>of which property loans</i>	52,562	51,092	50,386	50,295	48,827	48,178	48,064	47,020
<i>of which other loans</i>	14,942	14,650	14,149	14,117	16,985	17,080	17,535	17,263
Small companies	6,912	6,832	6,862	7,111	7,153	7,140	7,334	7,418
Institutions	16,475	13,929	14,717	14,007	18,041	17,397	16,256	17,258
Lending to institutions	5,666	5,232	4,895	5,128	5,959	6,175	5,047	5,664
Counterparty risk	10,809	8,697	9,822	8,879	12,082	11,222	11,209	11,594
<i>of which repos and securities loans</i>	652	173	317	312	378	631	559	795
<i>of which derivatives</i>	10,157	8,524	9,506	8,567	11,704	10,591	10,650	10,799
Equity exposures	5,697	5,068	7,956	7,262	5,139	4,959	5,004	16,782
<i>of which listed shares</i>	12	1,916	2,844	2,220	-	-	-	11,860
<i>of which other shares</i>	5,685	3,152	5,112	5,042	5,139	4,959	5,004	4,922
Exposures without a counterparty	2,251	2,238	2,404	2,353	2,363	2,387	2,323	2,264
Securitisation positions	22	22	21	22	23	24	2	2
Total IRB approach	375,609	348,386	345,377	344,497	329,180	299,370	305,951	320,041

* 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

	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
SEK m								
Sovereign and central banks	686	598	784	772				
Corporates	20,601	18,969	18,314	18,464	17,765	15,572	16,190	16,410
Corporate lending	20,326	18,697	18,030	18,131	17,441	15,257	15,806	15,974
<i>of which other loans foundation approach *</i>	2,813	2,598	2,325	2,469	2,295	2,876	2,938	3,079
<i>of which other loans advanced approach *</i>	17,513	16,099	15,705	15,662	15,146	12,381	12,868	12,895
<i>of which large companies</i>	5,075	4,654	4,406	4,411	4,258	4,574	5,058	5,041
<i>of which medium-sized companies</i>	3,061	3,027	3,072	2,963	2,921	2,599	2,507	2,603
<i>of which property companies</i>	9,377	8,418	8,227	8,288	7,967	5,208	5,303	5,251
Couterparty risk	275	272	284	333	324	315	384	436
Housing co-operative associations	853	798	813	710	687	604	565	552
Households	5,953	5,806	5,712	5,722	5,837	5,792	5,835	5,736
Private individuals	5,400	5,259	5,163	5,153	5,265	5,221	5,248	5,143
<i>of which property lending</i>	4,205	4,087	4,031	4,024	3,906	3,854	3,845	3,762
<i>of which other lending</i>	1,195	1,172	1,132	1,129	1,359	1,367	1,403	1,381
Small companies	553	547	549	569	572	571	587	593
Institutions	1,318	1,114	1,177	1,121	1,443	1,392	1,300	1,381
Lending to institutions	453	418	392	410	477	494	404	453
Couterparty risk	865	696	786	710	966	898	897	928
<i>of which repos and securities loans</i>	52	14	25	25	30	50	45	64
<i>of which derivatives</i>	813	682	760	685	936	848	852	864
Equity exposures	456	405	636	581	411	397	400	1,343
<i>of which listed shares</i>	1	153	227	178	-	-	-	949
<i>of which other shares</i>	455	252	409	403	411	397	400	394
Exposures without a counterparty	180	179	192	188	189	191	186	181
Securitisation positions	2	2	2	2	2	2	0	0
Total IRB approach	30,049	27,871	27,630	27,560	26,334	23,950	24,476	25,603

Average risk weight, %

	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
SEK m								
Sovereign and central banks	1.8	2.1	1.7	1.7				
Corporates	28.8	27.8	27.1	27.5	26.6	23.7	24.1	24.2
Corporate lending	29.2	28.0	27.4	27.7	27.0	23.9	24.4	24.7
<i>of which other loans foundation approach *</i>	30.2	29.6	26.9	28.3	26.7	31.0	30.2	30.7
<i>of which other loans advanced approach *</i>	29.0	27.7	27.4	27.6	27.0	22.7	23.3	23.6
<i>of which large companies</i>	40.0	38.2	37.2	36.8	35.9	45.1	45.5	45.9
<i>of which medium-sized companies</i>	45.7	47.0	47.2	47.0	46.3	39.8	39.9	41.9
<i>of which property companies</i>	22.8	21.3	21.2	21.6	21.0	13.7	14.1	14.0
Couterparty risk	15.0	19.8	16.1	18.6	15.1	17.4	16.9	14.0
Housing co-operative associations	5.2	5.1	5.3	4.8	4.7	4.0	3.9	3.8
Households	7.1	7.1	7.0	7.1	7.4	7.4	7.5	7.5
Private individuals	6.6	6.6	6.5	6.6	6.8	6.8	6.9	6.9
<i>of which property lending</i>	5.6	5.5	5.5	5.6	5.5	5.5	5.6	5.5
<i>of which other lending</i>	19.5	19.2	18.4	18.4	21.2	21.1	21.4	21.3
Small companies	27.6	27.4	27.0	27.6	26.9	26.5	26.8	26.9
Institutions	18.8	19.3	19.7	16.3	17.5	16.5	15.3	14.5
Lending to institutions	32.1	32.0	32.5	33.0	34.1	30.8	31.6	32.6
Couterparty risk	15.5	15.6	16.5	12.6	14.1	13.2	12.4	11.4
<i>of which repos and securities loans</i>	2.9	2.3	2.2	1.7	2.0	4.5	2.0	2.4
<i>of which derivatives</i>	21.5	17.7	21.2	16.3	17.4	14.9	17.0	15.8
Equity exposures	369.8	335.1	336.8	341.2	370.0	370.0	370.0	309.6
<i>of which listed shares</i>	290.0	290.0	290.0	290.0	-	-	-	290.0
<i>of which other shares</i>	370.0	370.0	370.0	370.0	370.0	370.0	370.0	370.0
Exposures without a counterparty	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Securitisation positions	100.0	106.0	106.0	106.0	106.0	105.9	7.4	7.4
Total IRB approach	13.9	13.9	12.7	12.8	15.6	14.3	14.5	15.2

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

Funding

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

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

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

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

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

Funding

SEK m (carrying amount)	31 Mar 2018	Of which up to 12 mths	Other maturities	Unspec. maturity
Deposits and borrowing from the public	1,065,678	114,094	9,360	942,224
Due to credit institutions	193,642	159,414	9,732	24,496
Issued securities	1,331,913	614,598	717,315	
<i>of which Bonds</i>	865,448			
<i>of which covered bonds (Stadshypotek)</i>	620,798			
<i>of which other bonds</i>	244,650			
<i>of which Certificates</i>	466,465			
<i>of which Certificate of deposits (CD:s)</i>	306,536			
<i>of which Commercial paper (CP:s)</i>	156,475			
Total	2,591,233	888,106	736,407	966,720
Subordinated liabilities	41,621			
Equity	131,613			
Total funding	2,764,467			

During the first quarter of 2018, the issued bond volume was SEK 69 billion. The volume of issued covered bonds was SEK 53 billion, 8 billion of senior bonds and subordinated loans SEK 8 billion. Maturing bond volume during the quarter was SEK 17 billion. The volume of so called CD's (Certificates of Deposit) in USD amounted to USD 30.5 billion at the 31 of March 2018.

Long-term funding

SEK bn	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Issued during the quarter								
Senior bonds	8	0	12		10		23	6
Covered bonds	53	51	22	18	47	19	36	44
Subordinated loans	8	3						
Total bonds	69	54	34	18	57	19	59	50
Extendible notes								
Total issued	69	54	34	18	57	19	59	50
Maturing during the quarter	-80	-18	-28	-69	-37	-5	-65	-11
Net	-11	36	6	-51	20	14	-6	39

Maturity profile

31 March 2018	2018	2019	2020	2021	2022	2023	2024-
Senior bonds	24	61	48	44	45	59	26
Covered bonds	104	115	98	128	68	59	26
Total	128	176	146	172	113	118	52

Funding programmes as of March 31, 2018 – The Group

Programme (in millions)	Currency	Programme size	Utilised amount	Countervalue SEK m
ECP*	EUR	15,000	8,436	86,756
ECP (Stadshypotek)*	EUR	4,000	-	-
French Commercial Paper	EUR	7,500	4,813	49,492
Swedish Commercial Paper	SEK	25,000	100	100
Swedish Commercial Paper (Stadshypotek)	SEK	90,000	-	-
USCP	USD	15,000	2,301	19,233
AMTN	AUD	5,000	1,275	8,169
AMTCN (Stadshypotek)	AUD	5,000	-	-
EMTN*	USD	50,000	18,751	156,734
EMTCN (Stadshypotek)*	EUR	20,000	11,987	123,274
US 144A/3(a)(2)	USD	20,000	11,150	93,200
Stadshypotek US 144A	USD	15,000	5,000	41,793
Samurai	JPY	400,000	147,800	11,586
MTN*	SEK	100,000	9,235	9,235
General funding >1 Y*	USD	15,000	3,541	29,598
Extendible Notes	USD	15,000	-	-
Total				629,170
Total programme (or limited) amounts, SEK m		1,875,266		
Unutilised amount, SEK m		1,246,096		
Available amount		66%		

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

Selection of international issues during last 12 months

Aug 2017	USD 1 000 m 3Y FXD T+55 bps
Aug 2017	USD 500 m 3Y FRN 3m\$L +36 bps
Oct 2017	EUR 500 m 10Y FXD Covered bond MS -5 bps
Nov 2017	EUR 750 m 7Y FXD Covered bond MS -8
Jan 2018	GBP 750m 5Y FRN Covered bond 3M£ +22 bps
Fed 2018	EUR 750 m Tier 2 10NC5 Subordinated MS +80 bps
Mar 2018	EUR 750 m 5Y FXD Senior MS + 12 bps

Non-Encumbered Assets (NEA)

31 March 2018		
SEK bn	NEA	Accumulated coverage ratio in % of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio	526	58%
Mortgage loans	580	122%
Other household lending	200	144%
Property company lending lowest risk class (1-3)	295	177%
Other corporate lending lowest risk class (1-3)	149	193%
Loans to credit institutions lowest risk class (1-3)	21	196%
Other corporate lending	265	225%
Other assets	26	228%
Total non-encumbered assets (NEA)	2,062	228%
Encumbered assets without underlying liabilities**	60	
Encumbered assets with underlying liabilities	839	
Total assets, Group	2,961	

31 December 2017		
SEK bn	NEA	Accumulated coverage ratio in % of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio	444	53%
Mortgage loans	549	118%
Other household lending	190	141%
Property company lending lowest risk class (1-3)	276	174%
Other corporate lending lowest risk class (1-3)	141	191%
Loans to credit institutions lowest risk class (1-3)	19	193%
Other corporate lending	248	223%
Other assets	9	224%
Total non-encumbered assets (NEA)	1,876	224%
Encumbered assets without underlying liabilities**	61	
Encumbered assets with underlying liabilities	830	
Total assets, Group	2,767	

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

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

Assets pledged

31 March 2018	Central bank funding	Payment systems/ securities settlement	Repos	Covered bonds	Derivatives	Securities loans	Leases	Insurance agreements
Cash		2,429		5,000	6,211			3,496
Government instruments and bonds		52,610	8,472		2,005	415		6,471
Loans to the public		2,279		655,503			9,466	
Equities						8,897		547
Other								134,746
Total		57,318	8,472	660,503	8,216	9,312	9,466	145,260

Assets pledged according to CSA agreements for outstanding derivatives since 1 January 2012: Max: 50,676 Min: 5,160 Average: 12,017

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 228% at the end of the first quarter compared to 224% at the end of the previous quarter and 227% one year ago.

Covered Bonds, outstanding issues

SEK bn (nominal amount)	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Swedish cover pool	560	567	547	528	558	562	550	564
<i>of which issues in SEK</i>	413	433	417	397	436	425	413	429
<i>of which issues in other currencies</i>	147	134	130	131	122	137	137	135
Norwegian cover pool	25	25	24	23	24	29	29	27
<i>of which issues in NOK</i>	25	25	24	23	24	29	29	27
Finnish cover pool	15	17	10	10	10	5		
<i>of which issues in EUR</i>	15	17	10	10	10	5		
Total	585	609	580	561	582	596	579	591

Cover Pool Data, Sweden

SEK m	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Stadshypotek total lending to the public in Sweden	1,066,629	1,051,541	1,033,062	1,017,891	996,758	983,160	967,739	959,874
Assets available for Cover Pool	989,217	967,320	952,522	938,560	926,050	902,862	895,299	885,148
Assets utilized for Cover Pool	610,509	618,744	596,654	586,719	629,441	626,458	616,378	635,616
Substitute Assets, cash on a locked account	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
WA Max-LTV Cover Pool, as defined by ASCB	54.1%	53.8%	51.5%	50.7%	51.1%	50.0%	51.3%	51.1%
LTV-distribution								
0-10%	22.8%	22.9%	24.8%	25.4%	24.9%	25.5%	24.8%	24.8%
10-20%	19.7%	19.8%	20.5%	20.9%	20.8%	21.3%	20.9%	20.9%
20-30%	17.0%	17.1%	16.9%	17.0%	17.1%	17.4%	17.2%	17.2%
30-40%	14.3%	14.4%	13.8%	13.6%	13.8%	13.7%	13.7%	13.8%
40-50%	11.4%	11.4%	10.7%	10.4%	10.6%	10.2%	10.4%	10.5%
50-60%	8.1%	8.0%	7.4%	7.2%	7.3%	6.9%	7.3%	7.3%
60-70%	5.1%	5.0%	4.5%	4.3%	4.3%	4.0%	4.5%	4.3%
70-75%	1.5%	1.4%	1.3%	1.3%	1.2%	1.1%	1.3%	1.2%
WA loan size, SEK	638,000	634,500	630,600	624,300	644,900	647,500	642,700	640,800
WA seasoning of Cover Pool, months	62	61	64	64	62	64	64	62
Interest index distribution								
Floating	53.0%	55.0%	48.0%	46.7%	52.0%	47.0%	45.9%	49.8%
Fixed rate	47.0%	45.0%	52.0%	53.3%	48.0%	53.0%	54.2%	50.2%

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

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

Market value					
SEK m	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017
Cash and balances with and other lending to central banks	376,513	265,234	488,559	489,210	465,038
Balances with banks and the National Debt Office, overnight	603	2,041	2,086	1,555	2,301
Securities issued by governments and public entities	101,672	132,385	114,761	123,699	99,652
Covered bonds	46,647	44,249	46,387	48,011	53,093
Securities issued by non-financial companies	302	141	262	934	287
Securities issued by financial companies	434	275	277	106	301
Total	526,171	444,325	652,332	663,515	620,672
<i>of which in SEK</i>	<i>152,986</i>	<i>142,452</i>	<i>197,104</i>	<i>135,228</i>	<i>151,277</i>
<i>of which in EUR</i>	<i>125,582</i>	<i>94,685</i>	<i>107,857</i>	<i>122,095</i>	<i>123,353</i>
<i>of which in USD</i>	<i>117,281</i>	<i>74,168</i>	<i>196,348</i>	<i>246,228</i>	<i>195,289</i>
<i>of which in other currencies</i>	<i>130,322</i>	<i>133,020</i>	<i>151,023</i>	<i>159,964</i>	<i>150,753</i>

31 March 2018					
Market value, SEK m	SEK	EUR	USD	Other	Total
Cash and balances with and other lending to central banks	50,136	116,110	90,896	119,371	376,513
Balances with other banks and the National Debt Office, overnight	329	14	16	244	603
Securities issued by governments	65,569	7,135	21,339	-	94,043
Securities issued by municipalities and other public entities	2,557	-	5,030	42	7,629
Covered bonds, external issuers	33,488	1,851	-	7,289	42,628
Own covered bonds	668	36	-	3,315	4,019
Securities issued by non-financial companies	219	70	-	13	302
Securities issued by financial companies	20	366	-	48	434
Total	152,986	125,582	117,281	130,322	526,171

Liquidity - key ratios

%	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016
Liquidity coverage ratio (LCR), %	142	139	148	136	169	142
Net stable funding ratio (NSFR), %	102	102	104	106	106	102

MATURITY ANALYSIS

Maturities for financial assets and liabilities

31 March 2018	Up to 30 days	31 days - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspec. maturity	Total
Assets								
Cash and balances with central banks	376,513	-	-	-	-	-	-	376,513
Interest-bearing securities eligible as collateral with central banks	103,271	-	-	-	-	-	-	103,271
Bonds and other interest-bearing securities	58,692	-	-	-	-	-	-	58,692
Loans to credit institutions	29,664	1,373	454	163	1,304	2,447	5	35,410
-of which reverse repos	11,032	-	-	-	-	-	-	11,032
Loans to the public	55,096	236,304	200,194	187,634	405,046	1,055,688	-	2,139,962
-of which reverse repos	6,698	-	-	-	-	-	-	6,698
Other	24,140	-	-	-	-	-	225,588	249,728
-of which shares and participating interests	19,093	-	-	-	-	-	-	19,093
-of which claims on investment banking settlements	5,047	-	-	-	-	-	-	5,047
Total	647,376	237,677	200,648	187,797	406,350	1,058,135	225,593	2,963,576
Liabilities								
Due to credit institutions	107,784	46,322	5,308	4,320	501	4,690	24,496	193,421
-of which repos	157	-	-	-	-	-	-	157
-of which deposits from central banks	53,727	14,224	-	-	-	-	2,964	70,915
Deposits and borrowing from the public	81,076	27,355	5,663	650	2,224	5,533	942,224	1,064,725
-of which repos	4,202	-	-	-	-	-	-	4,202
Issued securities	47,427	364,092	203,079	173,032	466,549	69,424	-	1,323,603
-of which covered bonds	-	31,019	81,005	118,519	318,744	65,483	-	614,770
-of which certificates and other securities with original maturity of less than one year	44,996	294,555	57,832	-	-	-	-	397,383
-of which senior bonds and other securities with original maturity of more than one year	2,431	38,518	64,242	54,513	147,805	3,941	-	311,450
Subordinated liabilities	-	-	17,694	3,175	20,597	-	-	41,466
Other	11,921	-	-	-	-	-	328,440	340,361
-of which short positions	7,559	-	-	-	-	-	-	7,559
-of which investment banking settlement debts	4,362	-	-	-	-	-	-	4,362
Total	248,208	437,769	231,744	181,177	489,871	79,647	1,295,160	2,963,576

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

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

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

Maturities for assets and liabilities in USD

31 March 2018	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	90,905	-	-	-	-	-	-	90,905
Bonds and other interest-bearing securities	28,768	-	-	-	-	-	-	28,768
Loans to credit institutions	18,600	472	6	60	998	2,378	0	22,514
Loans to the public	4,165	10,679	1,068	648	10,327	1,104	-	27,991
Other, including derivatives	60,653	152,052	31,034	40,447	81,037	2,107	1,079	368,409
Total assets	203,091	163,203	32,108	41,155	92,362	5,589	1,079	538,587
Due to credit institutions	15,290	10,724	291	-	-	-	190	26,495
Deposits and borrowing from the public	59,586	2,605	1,185	29	-	-	26,909	90,314
Issued securities	33,088	191,426	67,660	49,819	67,265	-	-	409,258
Subordinated liabilities	-	-	-	-	9,928	-	-	9,928
Other, including derivatives	-	-	-	-	-	-	-	0
Total liabilities	107,964	204,755	69,136	49,848	77,193	-	27,099	535,994

Maturities for assets and liabilities in EUR

31 March 2018	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	116,155	-	-	-	-	-	-	116,155
Bonds and other interest-bearing securities	9,571	-	-	-	-	-	-	9,571
Loans to credit institutions	6,666	31	87	-	288	22	0	7,094
Loans to the public	7,487	20,579	13,176	21,005	69,656	89,087	-	220,990
Other, including derivatives	17,265	61,002	10,194	11,721	113,548	7,641	-	221,371
Total assets	157,144	81,612	23,457	32,726	183,492	96,750	0	575,181
Due to credit institutions	59,158	14,660	3,673	6	240	178	1,440	79,355
Deposits and borrowing from the public	2,986	5,516	941	0	-	-	112,146	121,589
Issued securities	10,137	97,758	42,071	16,228	127,830	24,510	-	318,534
Subordinated liabilities	-	-	15,344	-	7,672	-	-	23,016
Other, including derivatives	-	-	-	-	-	-	30,650	30,650
Total liabilities	72,281	117,934	62,029	16,234	135,742	24,688	144,236	573,145

Maturities for assets and liabilities in SEK

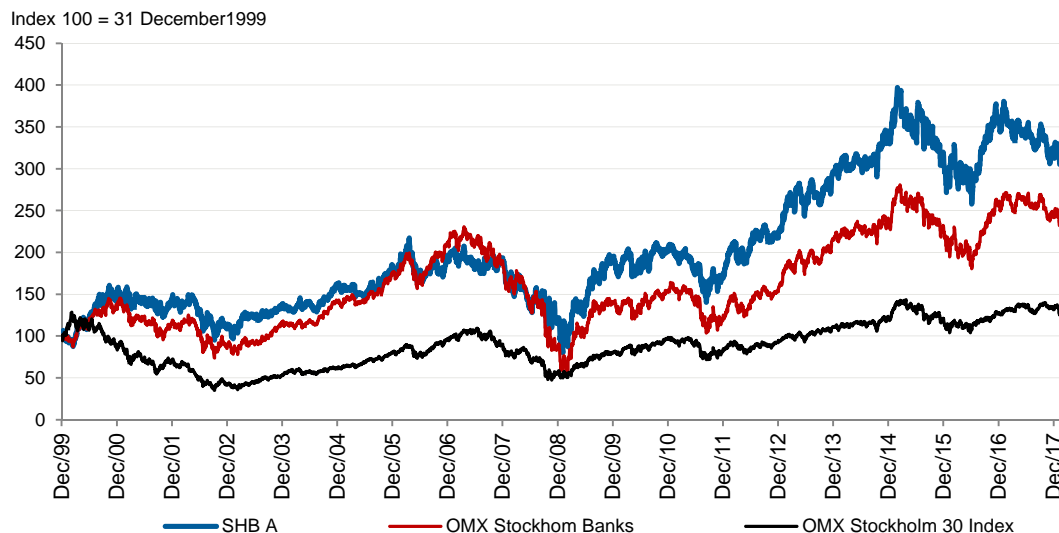
31 March 2018	Up to 1 mths	1 - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspec. maturity	Total
Cash and balances with central banks	50,139	-	-	-	-	-	-	50,139
Bonds and other interest-bearing securities	119,920	-	-	-	-	-	-	119,920
Loans to credit institutions	2,644	159	9	103	-	-	-	2,915
Loans to the public	24,882	141,884	130,531	93,119	179,288	727,932	-	1,297,636
Total assets	197,584	142,043	130,540	93,222	179,288	727,932	-	1,470,609
Due to credit institutions	22,693	17,603	171	4,314	251	4,356	18,394	67,782
Deposits and borrowing from the public	10,235	4,744	3,302	599	2,208	5,533	564,884	591,505
Issued securities	590	8,670	86,382	90,462	226,255	37,638	-	449,997
Subordinated liabilities	-	-	2,350	3,175	2,997	-	-	8,522
Other, including derivatives	37,740	108,819	10,479	37,775	92,962	7,420	58,755	353,950
Total liabilities	71,258	139,836	102,684	136,325	324,673	54,947	642,033	1,471,756

Share and shareholders

The Handelsbanken share

	31 Mar 2018	31 Dec 2017	30 Sep 2017	30 Jun 2017	31 Mar 2017	31 Dec 2016	30 Sep 2016	30 Jun 2016
Market capitalisation, end of period, SEK bn	203	218	239	234	239	246	229	197
Share price SHB class A, end of period, SEK	104.20	112.20	122.90	120.60	122.90	126.60	117.90	101.80
Ordinary dividend, SEK	-	5.50	-	-	-	5.00	-	-
Total dividend	-	7.50	-	-	-	5.00	-	-
Number of converted shares	-	-	-	-	22,151	3,294,729	5,009,634	28,800,955
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	1,944,173,551	1,944,173,551	1,944,151,400	1,940,856,671	1,935,847,037
Number of outstanding shares after dilution, end of period	1,975,753,103	1,974,525,521	1,974,776,264	1,975,025,212	1,975,278,248	1,974,290,244	1,974,528,804	1,975,789,501
Average number of shares converted during the period	-	22,151	22,151	22,151	17,718	36,343,029	30,547,119	12,852,916
Average holdings of own shares (repurchased and holdings in trading book)	-	-	-	-	-	-	-	-
Average number of outstanding shares	1,944,151,400	1,944,173,551	1,944,173,551	1,944,173,551	1,944,169,118	1,943,389,111	1,937,593,201	1,919,898,998
- after dilution	1,974,503,370	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

Share performance, since 31 Dec 1999



The largest Swedish shareholders

The largest Swedish shareholders			
31 March 2018	Number of shares	% of votes	% of capital
Industrivärden	198,923,948	10.4	10.2
Oktogonen Foundation	197,772,046	10.3	10.2
Lundberg-gruppen	62,575,000	3.3	3.2
Swedbank Robur funds	54,189,993	2.8	2.8
Alecta	44,769,000	2.3	2.3
Handelsbanken funds	34,255,508	1.8	1.8
Didner & Gerge funds	29,620,178	1.5	1.5
AFA Insurance	14,035,921	0.7	0.7
SEB funds	13,996,565	0.7	0.7
3rd National Swedish Pension Fund	13,659,801	0.7	0.7
SPP Fonder	12,309,542	0.6	0.6
J. Wallanders & T. Hedelius stiftelse, T. Browaldhs stiftelse	12,300,000	0.6	0.6
Folksam	10,386,689	0.5	0.5
Avanza Funds	8,445,106	0.4	0.4
4th National Swedish Pension Fund	6,702,012	0.4	0.3

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 (IAS 39)

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.

LOAN LOSS RATIO (IFRS 9)

Losses on loans to the public in relation to loans to the public at the beginning of the year.

LOAN LOSS RESERVE RATIO STAGE 1 LOANS TO THE PUBLIC (IFRS 9)

Provisions Stage 1 loans to the public in relation to gross loans to the public Stage 1.

LOAN LOSS RESERVE RATIO STAGE 2 LOANS TO THE PUBLIC (IFRS 9)

Provisions Stage 2 loans to the public in relation to gross loans to the public Stage 2.

LOAN LOSS RESERVE RATIO STAGE 3 LOANS TO THE PUBLIC (IFRS 9)

Provisions Stage 3 loans to the public in relation to gross loans to the public Stage 3.

IMPAIRED LOANS (IAS 39)

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 (IAS 39)

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 (IAS 39)

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.

PROPORTION OF LOANS TO THE PUBLIC STAGE 3 (IFRS 9)

Net loans to the public Stage 3 in relation to gross loans to the public.

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 for the last four quarters 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 (IAS 39)

Total provisions in relation to gross impaired loans.

TOTAL LOAN LOSS RESERVE RATIO LOANS TO THE PUBLIC (IFRS 9)

Total provisions loans to the public in relation to gross loans to the public.

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 addition to the general requirements, the supervisory authority may add institution-specific requirements in accordance with second pillar of the regulations.

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. In this context, credit risk means that if a given counterparty's creditworthiness weakens, the balance sheet values of all derivative transactions with this counterparty with a positive market value decrease – and thus the Bank's equity decreases. To factor in this risk in the capital adequacy, the credit valuation adjustment risk has been introduced as part of the capital adequacy regulations.

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. Amounts for off-balance-sheet items 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

For further information please contact:

Lars Höglund, Head of Debt Investor Relations

Tel: +46 8 701 5170, laho01@handelsbanken.se

Lars Kenneth Dahlqvist, Investor Relations officer

Phone: +46 8 701 1018, lada01@handelsbanken.se

Peter Grabe, Investor Relations officer

Phone: +46 8 701 1167, pegr08@handelsbanken.se

Andreas Skogelid, Investor Relations officer

Phone: +46 8 701 5680, ansk03@handelsbanken.se

Elizabeth Kräbring, Investor Relations coordinator

Phone: +46 8 701 5663, elkr02@handelsbanken.se

Financial calendar:

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

2019

6 February 2019

Highlights of Annual report 2018

27 March 2019

Annual General Meeting

17 April 2019

Interim report January – March 2019

17 July 2019

Interim report January – June 2019

23 October 2019

Interim report January – September 2019

Handelsbanken