

# Investitionsbank Schleswig-Holstein (IB.SH)

## Full Rating Report

### Ratings

Long-Term IDR	AAA
Short-Term IDR	F1+
Support Rating	1

### Sovereign Risk

Long-Term Foreign-Currency IDR	AAA
Long-Term Local-Currency Rating	AAA

### Outlooks

Long-Term Foreign-Currency Rating	Stable
Sovereign Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Local-Currency IDR	Stable

### Financial Data

#### Investitionsbank Schleswig-Holstein (IB.SH)

Local GAAP	31 Dec 16	31 Dec 15
Total assets (EURm)	18,054	17,750
Total equity (EURm)	1,573	1,498
Gross loans (EURm)	10,570	10,516
Net income (EURm)	3	3
Operating ROAA (%)	0.4	0.4
Operating ROAE (%)	4.3	5.1
Impaired loans/gross loans (%)	1.5	1.5
Total capital ratio (%)	18.4	14.8
Common equity Tier 1 ratio (fully loaded, %)	17.3	13.6
Fitch Core Capital/risk-weighted assets (%)	18.2	17.8

### Related Research

[Fitch Affirms Germany at 'AAA'; Outlook Stable \(September 2017\)](#)

[Fitch Affirms 11 German Laender at 'AAA'; Outlook Stable \(May 2017\)](#)

[Fitch Affirms 6 German Development Banks at 'AAA'; Outlook Stable \(February 2017\)](#)

[State of Schleswig-Holstein \(September 2016\)](#)

[Germany - June 2017 Global Economic Outlook Forecast](#)

[Germany \(March 2017\)](#)

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### Key Rating Drivers

**Support Drives Ratings:** Investitionsbank Schleswig-Holstein's (IB.SH) ratings are based on the explicit support from its 100% owner, the federal state of Schleswig-Holstein (AAA/Stable). The bank's liabilities are fully covered by a direct and unlimited statutory guarantee from Schleswig-Holstein and the continuation of IB.SH as an economic entity is guaranteed through a maintenance obligation.

**Insolvency Protected by Law:** Fitch Ratings views state support for IB.SH as unaffected by the EU's Bank Recovery and Resolution Directive (BRRD) or the Single Resolution Mechanism (SRM) because local legislation applicable to IB.SH states that insolvency proceedings against the bank are inadmissible. Consequently, provisions regarding subordination of certain unsecured debt instruments to other senior unsecured liabilities do not apply.

**Broad Policy Role:** IB.SH conducts a broad range of promotional and development funding activities in its home region, outlined in the bank's governing law and statutes. IB.SH also takes on tasks on behalf of Schleswig-Holstein, such as the management and distribution of European structural and cohesion funds. IB.SH operates under the principle that its lending activities have to be sufficiently profitable to cover their cost.

**Stable Business Evolution:** IB.SH's moderate but steady business growth over recent years reflects demand for long-term financing given low interest rates. Strong demand resulted in new lending of EUR2.4 billion in 2016.

**Low Rates Affect Earnings:** IB.SH's operating profit has been stable over the past three years. However, declining interest income, its main revenue source, and lower expected new promotional business will intensify pressure on its profits despite low impairments and good cost discipline. Margins will stay tight as the bank passes its low funding cost on to borrowers.

**Capitalisation Strengthening:** IB.SH's capitalisation improved in 2016 as the bank increased its capital base by converting hidden reserves under German GAAP ("340f" reserves) into "340g" reserves (a fund for general banking risks) that are part of common equity Tier 1 (CET1) capital. Its end-2016 leverage ratio rose to 7.95% and its CET1 ratio to 17.3%.

**Stable Asset Quality:** IB.SH's loan quality is good as shown by a low gross impaired loan ratio of 1.5% at end-2016, adequate coverage and a conservatively managed securities portfolio.

**Funding Benefits from State Guarantee:** Due to its business model IB.SH is primarily wholesale-funded, mainly from national and international development banks. The explicit guarantee for its liabilities and their regulatory zero risk-weighting gives the bank privileged access to capital markets, facilitating the expansion of its senior unsecured refinancing. Liquidity is sound and underpinned by a large pool of unencumbered assets.

### Rating Sensitivities

**Support Unlikely to Change:** IB.SH's ratings are directly linked to that of Schleswig-Holstein and Germany. Consequently, any rating action relating to these, would also affect IB.SH's ratings.

**Change to Support Structure:** A change in Schleswig-Holstein's support propensity would have a profound impact on the bank's operations and funding access. Fitch views such a change as extremely unlikely, due to the strategic importance of the bank to the federal state.

State of Schleswig-Holstein

	31 Dec 16	31 Dec 15
Operating revenue (EURm)	11,161.5	10,379.5
Debt (EURm)	26,690.6	26,952.9
Operating balance/operating revenue (%)	12.5	12.3
Debt service/current revenue (%)	43.5	44.0
Debt/current balance (years)	33.2	42.8
Operating balance/interest paid (x)	2.4	2.0
Capital expenditure/total expenditure (%)	4.8	5.2
Surplus (deficit) before debt variation/total revenue (excluding new debt) (%)	4.0	1.4
Current balance/capital expenditure (%)	110.1	84.4

Source: State of Schleswig-Holstein and Fitch

- Three forms of explicit support from the state of SH
- Guarantor benefits from Germany's equalisation mechanism
- Insolvency protected by law

Support

Explicit Support from Schleswig-Holstein

The state of Schleswig-Holstein has provided a statutory guarantee for the obligations of IB.SH, as outlined in the "Investitionsbankgesetz" for IB.SH.<sup>1</sup> In addition, Schleswig-Holstein is committed to securing the economic viability of IB.SH through its institutional liability ("Anstaltslast") and ensures that its operations can continue in the event of financial difficulty. A statutory guarantor liability implies that Schleswig-Holstein is liable for IB.SH's obligations. In addition, Schleswig-Holstein grants a refinancing guarantee to IB-SH. The support mechanism is similar to that of other development banks in Germany.

The European Commission had to approve the state guarantee structure in line with EU state-aid rules. Under an agreement between the German federal government and the European Commission in 2002, German development banks can continue to receive state support for their development business as long as the bank's activity remains promotional and non-competitive. Fitch does not expect any changes to IB.SH's business activities or public-sector role.

Ratings Based on Germany's Solidarity System

The ratings of the state of Schleswig-Holstein reflect the stability and sustainability of the solidarity system for German federal states, known as Laender. Under the German constitution, the Laender are jointly responsible for supporting a federal state in financial distress. The Laender share equal responsibilities and must be able financially to fulfil their constitutional duties while exercising their right of autonomy. The German federal government (the Bund) and all other federal members have to support a state if it experiences extreme budgetary hardship. Fitch assesses all 16 Laender to have 'AAA' creditworthiness, driven by the stability of the solidarity system.

SH has a record of providing support to entities it owns, including in 2009, when, together with the state of Hamburg, it injected EUR3 billion in common equity into HSH Nordbank and assumed a EUR10 billion guarantee for the bank's assets.

Banking Union Does not Affect Support

The implementation of the BRRD or the SRM into German legislation<sup>2</sup> did not affect IB.SH's guarantees and therefore state support for IB.SH and IB.SH's IDR. In July 2016, the local legislation<sup>3</sup> was amended to ensure that IB.SH cannot be subject to insolvency procedures. We believe this exempts the bank from resolution, meaning the bank can only be dissolved by law. Accordingly, provisions regarding subordination of certain unsecured debt instruments to other senior unsecured liabilities (as stated in article 46f of the German Banking Act) do not apply to the bank.

Operating Environment

Regional Economy and Development Policies Drive Policy Mandate

Germany's development banks are strategically important for the German economy and deeply entrenched in the domestic financial system. The aggregated balance sheet of German development banks (both regional and federal) represented about 12% of banking sector assets at end-2016.

<sup>1</sup> Under Article 4 of the Investitionsbankgesetz the state of Schleswig-Holstein guarantees all obligation of IB.SH in respect of loans extended to IB.SH, as well as credits extended to third parties in as much as they are expressly guaranteed by IB.SH.

<sup>2</sup> Through the Recovery and Resolution Act (Gesetz zur Sanierung und Abwicklung von Instituten und Finanzgruppen (Sanierungs- und Abwicklungsgesetz – SAG) in 2014 and the Abwicklungsmechanismusgesetz, legislation on adjusting the national banking resolution law to the Single Resolution Mechanism and the European requirements on the bank levy in 2015.

<sup>3</sup> See 50-52 of the Landesverwaltungsgesetz.

Related Criteria

Global Bank Rating Criteria (November 2016)

In line with its mandate, the operating environment for IB.SH is largely defined by the region’s economic and development policies, identified areas of promotion and underlying economic dynamics. In addition, regulatory or structural changes could have an impact on IB.SH’s business model.

Schleswig-Holstein’s has a smaller industrial base than some larger federal states, which are home to Germany’s large listed corporates. Schleswig Holstein’s economy grew by 1.4% in real terms in 2016, largely driven by its service industry. However, the state’s GDP growth rate was significantly below the nationwide average of 1.9% owing to a decline in such sectors as manufacturing, chemistry or construction.

*Strategically Important to Schleswig-Holstein*

In our view, IB.SH’s is of strategic importance to Schleswig-Holstein because it provides long-term financing for development projects. IB.SH’s relative importance is also underlined by the size of the bank’s balance sheet relative to the GDP of its home state, which was more than 20% at end-2016.

Schleswig-Holstein’s regional government changed after elections in May 2017, but IB.SH does not expect any change in its policy mandate and the consistency in its business under the new government. The expectation of an unchanged mandate is underpinned by the fact that the chairman of IB.SH’s supervisory board has remained in place throughout the government transition.

Like all federal states in Germany, Schleswig-Holstein will have to run its budgets without taking on new debt from 2020. The state is still subject to a strict consolidation path during 2011-2019 to comply with the new legislation, despite recent improvements in its fiscal performance and a small reduction in direct debt in 2016. This means that IB-SH is largely reliant on running and funding its promotional activities independently.

**EU Proposal Could Exempt IB.SH from the CRD-CRR Regulatory Framework**

In November 2016, the European Commission issued a proposal that would empower the Commission to exempt specific institutions or categories of institutions, including public-sector development banks, from the EU Capital Requirements Directive (CRD) IV, provided that they comply with clearly defined criteria (total assets below EUR30 billion and total assets less than 20% of the member state’s GDP).

IB.SH will continue to be obligated to comply with all regulatory requirements in full, at least until revised legislation is enacted and implemented into national law. This is likely to take several years.

**Company Profile**

**Clear Policy Mandate**

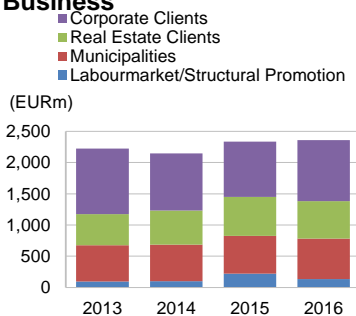
IB.SH is a public law financial institution established in 2003. The bank’s governing law (the Investitionsbank Act) specifies its policy role as a development institution with a mandate to support the state on its public obligations and those of interest to the public.

IB.SH is organised along four customer segments – corporate, real estate, municipal customers and labour market/structural promotion. The corporate customer segment includes business passed through from Kreditanstalt fuer Wiederaufbau and Landwirtschaftliche Rentenbank, as well as the refinancing business with banks and savings institutions.

The bank’s main role is to provide promotional long-term funding for areas including alternative energy, energy-efficiency, affordable housing and digital transformation as well as financing of start-up SMEs.

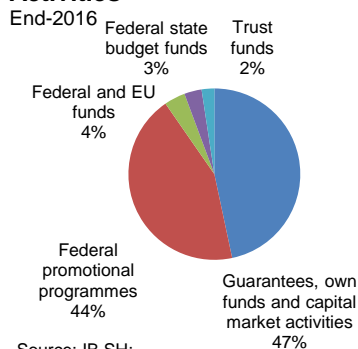
IB.SH holds a small portfolio of strategic shareholdings (EUR123.7 million at end-2016) to carry out its development objectives. It also offers advisory and related services on promotional

**Development of Promotional Business**



Source: IB.SH

**Funding of Promotional Activities**



Source: IB.SH; rounded data

issues for which it earns a fee. IB.SH is based in Kiel and has three offices outside its headquarters, all of which are in Schleswig-Holstein.

IB.SH's new business increased moderately to EUR2.4 billion in 2016, slightly above the EUR2.2 billion yearly average seen in the previous five years. As in the previous year, the corporate segment was the largest contributor with a share of 41% of new business in 2016 (38% in 2015).

**Management and Strategy**

**Corporate Governance Framework Sets Strategic Guidelines**

IB.SH's corporate governance framework is underpinned by its legal framework (including statutes), which clearly sets out its strategic objectives as well as outlining permissible activities. The close co-operation between the bank and its owners, and its role in managing and distributing federal and European funds means that the bank's day-to-day operations are subject to close supervision by the state but is also reviewed regularly by European, federal and state audit offices.

As a non-trading institution, the bank is supervised by the German financial regulator BaFin. IB.SH is not considered to be a systemically relevant financial institution in Germany based on its balance sheet and risk profile. IB.SH is managed by a two-member board, which is the minimum requirement for financial institutions. The management is supervised by a large 12-member supervisory board with four delegate employee members. Most are representatives of its owners but do not all have banking experience, which could constrain the board's effectiveness.

*Primary Objective Is Independence from Owner Contributions*

IB.SH's main objective is to manage the bank in a sustainable way through recurring earnings and limited loss provisions that avoids having to rely on contributions from its owners. All existing or new promotional activities are subject to an assessment of their economic feasibility. This cost-covering principle also applies to the transfer of new tasks to IB.SH by the government of Schleswig-Holstein, which means that it would need to contribute to potentially non-cost-covering activities.

As a result, IB.SH's earnings have to cover operational expenses of its promotional activities, including loan-loss provisions, write-offs and expected losses, and generate the capital needed to adhere to increasingly stringent regulatory and internal capital requirements. This explains the company's focus on risk management, controlled treasury activities and cost containment.

*Strategic Assessment Conducted in 2017*

IB.SH's board assessed the viability and sustainability of the bank's business model, particularly in light of low interest rates and of regulatory challenges, including a stress scenario. Based on the outcome of this assessment, we believe that IB.SH will seek to continue its business strategy, which includes moderate growth in line with its earnings and risk-absorbing capacity.

**Risk Appetite**

**Conservative Risk Profile, Adequate Risk-Management Tool**

IB.SH's risk profile is characterised by its policy role and its strategic objectives. IB.SH has defined limits for each risk category and limit utilisation is typically low, with the exception of exposure to market risk in the banking book as this is an important earnings driver for IB.SH. We believe that IB.SH's risk-management tools are adequate for the activities undertaken.

**Market Risk Exposure Confined to Banking Book**

Interest-rate risk is IB.SH's only material market risk and arises particularly through maturity mismatches driven by its lending activities. IB.SH does not actively seek to take on currency, equities or other market price risks. Derivatives are only used for hedging interest-rate risks in

the banking book and treasury activities are only accounted for either in the banking book or liquidity reserve. IB.SH's small portfolio of strategic holdings (0.7% of its balance sheet) is part of its banking book.

Interest rate in the banking book is measured through sensitivity analysis. At end-2016, a 200bp parallel upward shift of the yield curve would have had a negative impact of EUR186 million on the present value of the banking book. Although this is well below the 20% regulatory threshold for market risk in relation to regulatory capital, Fitch considers it relatively high and moderately above its German peers at equal to 11.8 % of IB.SH's Fitch Core Capital.

**Financial Profile**

IB.SH's financial profile reflects its policy role. Asset quality is robust, operating profitability has remained stable albeit low and capitalisation solid. Liquidity remains conservatively managed.

Fitch does not assign Viability Ratings to Germany's development banks because their operations are largely determined by their policy roles and they have limited commercial operations. Therefore, IB.SH's policy role has a high influence on its "standalone" profile.

**Asset Quality**

*Low Impaired Loans*

IB.SH lending business is regional. Corporate lending and lending for owner-occupied or multi-family housing is exclusively within Schleswig-Holstein. IB.SH's portfolio of development activities was EUR15.2 billion at end-2016 and consisted mainly of exposures to German municipals and domestic financial institutions. IB.SH's asset quality is robust considering the higher level of direct lending compared with pass-through loans, where the final borrower's main bank assumes the credit risk (i.e. where IB.SH lends to that bank). Its residential lending portfolio is granular, with the exception of real-estate lending for multi-family housing, which includes some larger gross exposures leading to some concentration risk.

IB.SH's non-performing loans relate primarily to corporate lending exposures and loans to larger real-estate projects. Similar to peers, IB.SH's customer receivables include a relatively large share of less-risky municipal financing. Overdue and provisioned loans<sup>4</sup> remained stable at 1.5% of gross loans at end-2016 (1.5% at end-2015), which is low by European standards and in line with strong banks in Germany. The quality of this loan portfolio underpins our view that IB.SH has a good understanding of the credit quality of its borrowers. Reserve coverage, including general loan-loss provisions, was 67% of gross impaired loans at end-2016, which is higher than commercial banks in Germany, which typically range from 40% to 60% (excluding collateral).

*High-Quality Securities Portfolio*

IB.SH's securities portfolio amounted to EUR3.7 billion at end-1Q17. It is almost exclusively investment grade, with more than 60% of issues rated 'AA-' or higher. The portfolio rating improved further in 2016 and 1Q17 reflecting the bank's conservative management approach. It is reasonably diversified with a focus on financial institutions and foreign issuers, which combined make up about 65% of the portfolio.

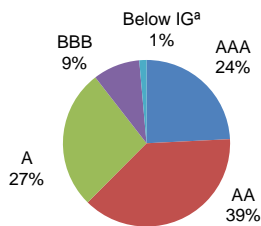
**Earnings and Profitability**

**Stable Earnings**

IB.SH's stable business model is reflected in its earnings. The bank reports under German GAAP, which leads to smoother reported earnings as it excludes some fair value changes from its income statement. The bank is not required to focus exclusively on profit maximisation but management has set itself clear targets on operating income, primarily to fund its risk provisions out of current income.

<sup>4</sup> Amount of overdue loans and problem loans are per the bank's Regulatory Transparency Report.

**Asset Quality Securities Portfolio**  
End-1Q17



<sup>a</sup> Below investment grade  
Source: IB.SH

**Capital**

(EURm)	2016	2015	2014
Share capital	100	100	100
Capital reserves	1,022	1,010	997
Retained earnings	34	34	34
340g reserves	339	-	-
Deductions	-3	-2	-2
CET1 capital	1,492	1,142	1,129
CET capital ratio (%)	17.3	13.6	17.7
Supplementary capital	98	98	225
Total capital	1,589	1,240	1,354
Total capital ratio (%)	18.4	14.8	16.4

Source: IB.SH, Fitch

**Treasury Activities Important for Interest Income**

Interest income is by far the most important source of revenues with only a small proportion of fee income. Net interest income, which includes revenue from treasury activities, declined by 2.2% in 2016 as low interest rates put pressure on treasury earnings. Nevertheless, pre-impairment operating profit improved to EUR68.2 million in 2016, from EUR65 million in 2015. This improvement was driven by a one-off change in the valuation of pension liabilities (moving to a 10- from a seven-year average underlying interest rate).

IB.SH's management expects a moderately lower result in 2017 due to lower net interest income as well as a lower volume of expected new business.

**Capitalisation and Leverage****Solid Buffer to Regulatory Requirements**

IB.SH increased its CET1 capital ratio from 13.6% at end-2015 to 17.3% at end-2016 and we expect it to rise further in 2017 due to profit retention, a further addition to "340g" reserves based on the assumption of stable risk-weighted assets (RWAs). In 2H16, the bank started to increase its capital base by converting hidden reserves under German GAAP ("340f" reserves) into "340g" reserves (fund for general banking risks) that are recognised as part of common equity Tier 1 capital. IB.SH reported a solid regulatory leverage ratio of 7.95% at end-2016.

We believe that IB.SH's capitalisation provides a solid buffer to current and expected future regulatory requirements, but the bank relies on internal capital generation to maintain sound capitalisation as it cannot raise fresh capital in the market.

IB.SH uses the standard approach to calculate its RWAs for all of its assets. Accordingly risk-weighted capital ratios are more conservative than many other banks that make use of internal ratings-based approaches.

**Funding and Liquidity****Unsecured Debt Issuer**

IB.SH is reliant on wholesale funding due to its business model. Funding is mainly provided by national and international development banks and is primarily related to the bank's promotional activities. Supported by a regulatory zero risk-weighting, IB.SH started issuing unsecured debt in 2014. We expect IB.SH to tap the capital markets at least once a year, which also was the case in 2017, typically issuing between EUR250 million and EUR500 million a year.

**Conservative Liquidity Management, Large Portfolio of Unencumbered Assets**

IB.SH's liquidity is strong and underpinned by IB.SH's statutory guarantor liability and the refinancing guarantee provided by its owner. Nevertheless, the bank manages its liquidity conservatively. At end-2016, IB-SH held a large portfolio of unencumbered assets of about EUR1.8 billion, which is almost all ECB eligible and could cover daily unsecured money-market maturities as well as any cumulative cash-flow gaps over a 12-month horizon. IB.SH's liquidity coverage ratio calculated under the delegated act was 196.5% at end-2016. IB.SH conducts regular stress testing on its liquidity position and has a liquidity contingency plan in case of any shortage.

**Debt Ratings**

The ratings of IB.SH's three senior unsecured issues are rated 'AAA', in line with IB.SH's IDR.

Investitionsbank Schleswig-Holstein (IB.SH)

Income Statement

	31 Dec 2016			31 Dec 2015			31 Dec 2014			31 Dec 2013		
	Year End USDm	Year End EURm	As % of Earning Assets	Year End EURm	As % of Earning Assets	Year End EURm	As % of Earning Assets	Year End EURm	As % of Earning Assets	Year End EURm	As % of Earning Assets	
	Audited - Unqualified	Audited - Unqualified		Audited - Unqualified		Audited - Unqualified		Audited - Unqualified		Audited - Unqualified		
1. Interest Income on Loans	466.1	442.2	2.47	468.3	2.64	508.0	2.88	520.9	3.01			
2. Other Interest Income	67.4	63.9	0.36	68.9	0.39	78.2	0.44	81.6	0.47			
3. Dividend Income	10.1	9.6	0.05	8.6	0.05	8.2	0.05	10.8	0.06			
<b>4. Gross Interest and Dividend Income</b>	<b>543.6</b>	<b>515.7</b>	<b>2.88</b>	<b>545.8</b>	<b>3.08</b>	<b>594.4</b>	<b>3.38</b>	<b>613.3</b>	<b>3.54</b>			
5. Interest Expense on Customer Deposits	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
6. Other Interest Expense	425.4	403.6	2.25	429.9	2.42	485.9	2.76	506.7	2.92			
<b>7. Total Interest Expense</b>	<b>425.4</b>	<b>403.6</b>	<b>2.25</b>	<b>429.9</b>	<b>2.42</b>	<b>485.9</b>	<b>2.76</b>	<b>506.7</b>	<b>2.92</b>			
<b>8. Net Interest Income</b>	<b>118.2</b>	<b>112.1</b>	<b>0.63</b>	<b>115.9</b>	<b>0.65</b>	<b>108.5</b>	<b>0.62</b>	<b>106.6</b>	<b>0.62</b>			
9. Net Gains (Losses) on Trading and Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
10. Net Gains (Losses) on Other Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
11. Net Gains (Losses) on Assets at FV through Income Statement	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
12. Net Insurance Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
13. Net Fees and Commissions	2.1	2.0	0.01	2.2	0.01	4.2	0.02	4.5	0.03			
14. Other Operating Income	16.0	15.2	0.08	12.1	0.07	9.9	0.06	11.8	0.07			
<b>15. Total Non-Interest Operating Income</b>	<b>18.1</b>	<b>17.2</b>	<b>0.10</b>	<b>14.3</b>	<b>0.08</b>	<b>14.1</b>	<b>0.08</b>	<b>16.3</b>	<b>0.09</b>			
16. Personnel Expenses	38.9	36.9	0.21	42.8	0.24	38.9	0.22	34.7	0.20			
17. Other Operating Expenses	25.5	24.2	0.13	22.4	0.13	26.0	0.15	34.3	0.20			
<b>18. Total Non-Interest Expenses</b>	<b>64.4</b>	<b>61.1</b>	<b>0.34</b>	<b>65.2</b>	<b>0.37</b>	<b>64.9</b>	<b>0.37</b>	<b>69.0</b>	<b>0.40</b>			
19. Equity-accounted Profit/ Loss - Operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
<b>20. Pre-Impairment Operating Profit</b>	<b>71.9</b>	<b>68.2</b>	<b>0.38</b>	<b>65.0</b>	<b>0.37</b>	<b>57.7</b>	<b>0.33</b>	<b>53.9</b>	<b>0.31</b>			
21. Loan Impairment Charge	2.6	2.5	0.01	(2.5)	(0.01)	(6.2)	(0.04)	5.9	0.03			
22. Securities and Other Credit Impairment Charges	0.0	0.0	0.00	0.0	0.00	(0.3)	(0.00)	(11.0)	(0.06)			
<b>23. Operating Profit</b>	<b>69.3</b>	<b>65.7</b>	<b>0.37</b>	<b>67.5</b>	<b>0.38</b>	<b>64.2</b>	<b>0.36</b>	<b>59.0</b>	<b>0.34</b>			
24. Equity-accounted Profit/ Loss - Non-operating	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
25. Non-recurring Income	0.0	0.0	0.00	n.a.	-	n.a.	-	0.0	0.00			
26. Non-recurring Expense	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00			
27. Change in Fair Value of Own Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
28. Other Non-operating Income and Expenses	(65.8)	(62.4)	(0.35)	(64.5)	(0.36)	(61.1)	(0.35)	(55.8)	(0.32)			
<b>29. Pre-tax Profit</b>	<b>3.5</b>	<b>3.3</b>	<b>0.02</b>	<b>3.0</b>	<b>0.02</b>	<b>3.1</b>	<b>0.02</b>	<b>3.2</b>	<b>0.02</b>			
30. Tax expense	0.3	0.3	0.00	0.0	0.00	0.1	0.00	0.2	0.00			
31. Profit/Loss from Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
<b>32. Net Income</b>	<b>3.2</b>	<b>3.0</b>	<b>0.02</b>	<b>3.0</b>	<b>0.02</b>	<b>3.0</b>	<b>0.02</b>	<b>3.0</b>	<b>0.02</b>			
33. Change in Value of AFS Investments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
34. Revaluation of Fixed Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
35. Currency Translation Differences	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
36. Remaining OCI Gains/(losses)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
<b>37. Fitch Comprehensive Income</b>	<b>3.2</b>	<b>3.0</b>	<b>0.02</b>	<b>3.0</b>	<b>0.02</b>	<b>3.0</b>	<b>0.02</b>	<b>3.0</b>	<b>0.02</b>			
38. Memo: Profit Allocation to Non-controlling Interests	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
39. Memo: Net Income after Allocation to Non-controlling Interests	3.2	3.0	0.02	3.0	0.02	3.0	0.02	3.0	0.02			
40. Memo: Common Dividends Relating to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
41. Memo: Preferred Dividends Related to the Period	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			

Exchange rate

USD1 = EUR0.9487

USD1 = EUR0.9185

USD1 = EUR0.8237

USD1 = EUR0.7251

Investitionsbank Schleswig-Holstein (IB.SH)

Balance Sheet

	31 Dec 2016			31 Dec 2015			31 Dec 2014			31 Dec 2013		
	Year End USDm	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	
<b>Assets</b>												
<b>A. Loans</b>												
1. Residential Mortgage Loans	0.3	0.3	0.00	0.6	0.00	0.6	0.00	0.8	0.00			
2. Other Mortgage Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
3. Other Consumer/ Retail Loans	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
4. Corporate & Commercial Loans	3,872.9	3,674.2	20.35	3,887.9	21.90	4,094.7	23.22	3,766.7	21.72			
5. Other Loans	7,267.9	6,895.1	38.19	6,627.5	37.34	6,008.7	34.08	5,770.4	33.28			
6. Less: Reserves for Impaired Loans	108.6	103.0	0.57	104.0	0.59	119.9	0.68	128.7	0.74			
<b>7. Net Loans</b>	<b>11,032.6</b>	<b>10,466.6</b>	<b>57.97</b>	<b>10,412.0</b>	<b>58.66</b>	<b>9,984.1</b>	<b>56.63</b>	<b>9,409.2</b>	<b>54.27</b>			
<b>8. Gross Loans</b>	<b>11,141.1</b>	<b>10,569.6</b>	<b>58.54</b>	<b>10,516.0</b>	<b>59.25</b>	<b>10,104.0</b>	<b>57.31</b>	<b>9,537.9</b>	<b>55.01</b>			
9. Memo: Impaired Loans included above	161.4	153.1	0.85	155.9	0.88	173.4	0.98	222.5	1.28			
10. Memo: Loans at Fair Value included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
<b>B. Other Earning Assets</b>												
1. Loans and Advances to Banks	4,685.6	4,445.2	24.62	4,305.2	24.26	4,398.2	24.95	4,482.7	25.85			
2. Reverse Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
3. Trading Securities and at FV through Income	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
4. Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
5. Available for Sale Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
6. Held to Maturity Securities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
7. Equity Investments in Associates	130.4	123.7	0.69	123.7	0.70	123.7	0.70	123.7	0.71			
8. Other Securities	3,051.0	2,894.5	16.03	2,894.5	16.31	3,105.4	17.61	3,311.8	19.10			
<b>9. Total Securities</b>	<b>3,181.4</b>	<b>3,018.2</b>	<b>16.72</b>	<b>3,018.2</b>	<b>17.00</b>	<b>3,229.1</b>	<b>18.32</b>	<b>3,435.5</b>	<b>19.81</b>			
10. Memo: Government Securities included Above	792.0	751.4	4.16	536.7	3.02	956.3	5.42	1,032.2	5.95			
11. Memo: Total Securities Pledged	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
12. Investments in Property	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
13. Insurance Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
14. Other Earning Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
<b>15. Total Earning Assets</b>	<b>18,899.5</b>	<b>17,930.0</b>	<b>99.31</b>	<b>17,735.4</b>	<b>99.92</b>	<b>17,611.4</b>	<b>99.89</b>	<b>17,327.4</b>	<b>99.93</b>			
<b>C. Non-Earning Assets</b>												
1. Cash and Due From Banks	3.6	3.4	0.02	0.6	0.00	5.3	0.03	1.8	0.01			
2. Memo: Mandatory Reserves included above	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
3. Foreclosed Real Estate	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
4. Fixed Assets	7.8	7.4	0.04	7.4	0.04	7.6	0.04	7.9	0.05			
5. Goodwill	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
6. Other Intangibles	3.2	3.0	0.02	1.8	0.01	1.2	0.01	1.0	0.01			
7. Current Tax Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
8. Deferred Tax Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
9. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
10. Other Assets	116.1	110.1	0.61	4.4	0.02	5.2	0.03	1.2	0.01			
<b>11. Total Assets</b>	<b>19,030.1</b>	<b>18,053.9</b>	<b>100.00</b>	<b>17,749.6</b>	<b>100.00</b>	<b>17,630.7</b>	<b>100.00</b>	<b>17,339.3</b>	<b>100.00</b>			
<b>Liabilities and Equity</b>												
<b>D. Interest-Bearing Liabilities</b>												
1. Customer Deposits - Current	388.6	368.7	2.04	479.9	2.70	385.3	2.19	192.5	1.11			
2. Customer Deposits - Savings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
3. Customer Deposits - Term	1,654.1	1,569.2	8.69	1,569.3	8.84	1,627.5	9.23	1,609.1	9.28			
<b>4. Total Customer Deposits</b>	<b>2,042.7</b>	<b>1,937.9</b>	<b>10.73</b>	<b>2,049.2</b>	<b>11.55</b>	<b>2,012.8</b>	<b>11.42</b>	<b>1,801.6</b>	<b>10.39</b>			
5. Deposits from Banks	12,501.8	11,860.5	65.69	11,913.9	67.12	12,671.3	71.87	13,084.4	75.46			
6. Repos and Cash Collateral	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
7. Commercial Paper and Short-term Borrowings	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
<b>8. Total Money Market and Short-term Funding</b>	<b>14,544.5</b>	<b>13,798.4</b>	<b>76.43</b>	<b>13,963.1</b>	<b>78.67</b>	<b>14,684.1</b>	<b>83.29</b>	<b>14,886.0</b>	<b>85.85</b>			
9. Senior Unsecured Debt (original maturity > 1 year)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
10. Subordinated Borrowing	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
11. Covered Bonds	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
12. Other Long-term Funding	1,582.8	1,501.6	8.32	1,242.3	7.00	759.5	4.31	278.8	1.61			
<b>13. Total LT Funding (original maturity &gt; 1 year)</b>	<b>1,582.8</b>	<b>1,501.6</b>	<b>8.32</b>	<b>1,242.3</b>	<b>7.00</b>	<b>759.5</b>	<b>4.31</b>	<b>278.8</b>	<b>1.61</b>			
14. Derivatives	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
15. Trading Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
<b>16. Total Funding</b>	<b>16,127.3</b>	<b>15,300.0</b>	<b>84.75</b>	<b>15,205.4</b>	<b>85.67</b>	<b>15,443.6</b>	<b>87.59</b>	<b>15,164.8</b>	<b>87.46</b>			
<b>E. Non-Interest Bearing Liabilities</b>												
1. Fair Value Portion of Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
2. Credit impairment reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
3. Reserves for Pensions and Other	1,024.5	971.9	5.38	977.4	5.51	970.8	5.51	964.0	5.56			
4. Current Tax Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
5. Deferred Tax Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
6. Other Deferred Liabilities	171.8	163.0	0.90	29.7	0.17	33.7	0.19	39.7	0.23			
7. Discontinued Operations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
8. Insurance Liabilities	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
9. Other Liabilities	48.5	46.0	0.25	39.1	0.22	35.9	0.20	36.7	0.21			
<b>10. Total Liabilities</b>	<b>17,372.1</b>	<b>16,480.9</b>	<b>91.29</b>	<b>16,251.6</b>	<b>91.56</b>	<b>16,484.0</b>	<b>93.50</b>	<b>16,205.2</b>	<b>93.46</b>			
<b>F. Hybrid Capital</b>												
1. Pref. Shares and Hybrid Capital accounted for as Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	0.0	0.00			
2. Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
<b>G. Equity</b>												
1. Common Equity	1,658.1	1,573.0	8.71	1,498.0	8.44	1,146.7	6.50	1,134.1	6.54			
2. Non-controlling Interest	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
3. Securities Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
4. Foreign Exchange Revaluation Reserves	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
5. Fixed Asset Revaluations and Other Accumulated OCI	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-			
<b>6. Total Equity</b>	<b>1,658.1</b>	<b>1,573.0</b>	<b>8.71</b>	<b>1,498.0</b>	<b>8.44</b>	<b>1,146.7</b>	<b>6.50</b>	<b>1,134.1</b>	<b>6.54</b>			
<b>7. Total Liabilities and Equity</b>	<b>19,030.1</b>	<b>18,053.9</b>	<b>100.00</b>	<b>17,749.6</b>	<b>100.00</b>	<b>17,630.7</b>	<b>100.00</b>	<b>17,339.3</b>	<b>100.00</b>			
8. Memo: Fitch Core Capital	1,654.9	1,570.0	8.70	1,496.2	8.43	1,145.5	6.50	1,133.1	6.53			

Exchange rate

USD1 = EUR0.9487

USD1 = EUR0.9185

USD1 = EUR0.8237

USD1 = EUR0.7251



**Investitionsbank Schleswig-Holstein (IB.SH)**

**Summary Analytics**

	31 Dec 2016	31 Dec 2015	31 Dec 2014	31 Dec 2013
	Year End	Year End	Year End	Year End
<b>A. Interest Ratios</b>				
1. Interest Income on Loans/ Average Gross Loans	4.19	4.54	5.21	5.45
2. Interest Expense on Customer Deposits/ Average Customer Deposits	n.a.	n.a.	n.a.	n.a.
3. Interest Income/ Average Earning Assets	2.89	3.09	3.40	3.58
4. Interest Expense/ Average Interest-bearing Liabilities	2.65	2.81	3.17	3.38
5. Net Interest Income/ Average Earning Assets	0.63	0.66	0.62	0.62
6. Net Int. Inc Less Loan Impairment Charges/ Av. Earning Assets	0.61	0.67	0.66	0.59
7. Net Interest Inc Less Preferred Stock Dividend/ Average Earning Assets	0.63	0.66	0.62	0.62
<b>B. Other Operating Profitability Ratios</b>				
1. Non-Interest Income/ Gross Revenues	13.30	10.98	11.50	13.26
2. Non-Interest Expense/ Gross Revenues	47.25	50.08	52.94	56.14
3. Non-Interest Expense/ Average Assets	0.34	0.37	0.37	0.40
4. Pre-impairment Op. Profit/ Average Equity	4.44	4.92	5.06	4.78
5. Pre-impairment Op. Profit/ Average Total Assets	0.38	0.37	0.33	0.31
6. Loans and securities impairment charges/ Pre-impairment Op. Profit	3.67	(3.85)	(11.27)	(9.46)
7. Operating Profit/ Average Equity	4.28	5.10	5.63	5.24
8. Operating Profit/ Average Total Assets	0.37	0.38	0.37	0.34
9. Operating Profit / Risk Weighted Assets	0.76	0.80	0.77	0.79
<b>C. Other Profitability Ratios</b>				
1. Net Income/ Average Total Equity	0.20	0.23	0.26	0.27
2. Net Income/ Average Total Assets	0.02	0.02	0.02	0.02
3. Fitch Comprehensive Income/ Average Total Equity	0.20	0.23	0.26	0.27
4. Fitch Comprehensive Income/ Average Total Assets	0.02	0.02	0.02	0.02
5. Taxes/ Pre-tax Profit	9.09	0.00	3.23	6.25
6. Net Income/ Risk Weighted Assets	0.03	0.04	0.04	0.04
<b>D. Capitalization</b>				
1. FCC/FCC-Adjusted Risk Weighted Assets	18.18	17.81	13.78	15.26
2. Tangible Common Equity/ Tangible Assets	8.70	8.43	6.50	6.54
3. Tier 1 Regulatory Capital Ratio	17.27	13.59	13.71	14.93
4. Total Regulatory Capital Ratio	18.40	14.75	16.44	18.29
5. Common Equity Tier 1 Capital Ratio	17.27	13.59	13.71	14.93
6. Equity/ Total Assets	8.71	8.44	6.50	6.54
7. Cash Dividends Paid & Declared/ Net Income	n.a.	n.a.	n.a.	n.a.
8. Internal Capital Generation	0.19	0.20	0.26	0.26
<b>E. Loan Quality</b>				
1. Growth of Total Assets	1.71	0.67	1.68	2.14
2. Growth of Gross Loans	0.51	4.08	5.94	(0.36)
3. Impaired Loans/ Gross Loans	1.45	1.48	1.72	2.33
4. Reserves for Impaired Loans/ Gross Loans	0.97	0.99	1.19	1.35
5. Reserves for Impaired Loans/ Impaired Loans	67.28	66.71	69.15	57.84
6. Impaired loans less Reserves for Impaired Loans/ Fitch Core Capital	3.19	3.47	4.67	8.28
7. Impaired Loans less Reserves for Impaired Loans/ Equity	3.18	3.46	4.67	8.27
8. Loan Impairment Charges/ Average Gross Loans	0.02	(0.02)	(0.06)	0.06
9. Net Charge-offs/ Average Gross Loans	n.a.	n.a.	n.a.	0.15
10. Impaired Loans + Foreclosed Assets/ Gross Loans + Foreclosed Assets	1.45	1.48	1.72	2.33
<b>F. Funding and Liquidity</b>				
1. Loans/ Customer Deposits	545.42	513.18	501.99	529.41
2. Interbank Assets/ Interbank Liabilities	37.48	36.14	34.71	34.26
3. Customer Deposits/ Total Funding (excluding derivatives)	12.67	13.48	13.03	11.88
4. Liquidity Coverage Ratio	n.a.	n.a.	n.a.	n.a.
5. Net Stable Funding Ratio	n.a.	n.a.	n.a.	n.a.

## Investitionsbank Schleswig-Holstein (IB.SH)

### Reference Data

	31 Dec 2016			31 Dec 2015		31 Dec 2014		31 Dec 2013	
	Year End USDm	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets	Year End EURm	As % of Assets
<b>A. Off-Balance Sheet Items</b>									
1. Managed Securitised Assets Reported Off-Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
2. Other off-balance sheet exposure to securitizations	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Guarantees	482.3	457.6	2.53	543.4	3.06	593.9	3.37	659.8	3.81
4. Acceptances and documentary credits reported off-balance sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Committed Credit Lines	750.4	711.9	3.94	500.7	2.82	547.3	3.10	637.8	3.68
7. Other Off-Balance Sheet items	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
8. Total Assets under Management	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
<b>B. Average Balance Sheet</b>									
Average Loans	11,112.9	10,542.8	58.40	10,310.0	58.09	9,751.7	55.31	9,555.1	55.11
Average Earning Assets	18,797.0	17,832.7	98.77	17,673.4	99.57	17,469.4	99.09	17,139.6	98.85
Average Assets	18,869.8	17,901.8	99.16	17,690.2	99.67	17,485.0	99.17	17,157.9	98.95
Average Managed Securitised Assets (OBS)	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Average Interest-Bearing Liabilities	16,077.5	15,252.7	84.48	15,324.5	86.34	15,304.2	86.80	14,988.9	86.44
Average Common equity	1,618.5	1,535.5	8.51	1,322.4	7.45	1,140.4	6.47	1,126.9	6.50
Average Equity	1,618.5	1,535.5	8.51	1,322.4	7.45	1,140.4	6.47	1,126.9	6.50
Average Customer Deposits	2,101.4	1,993.6	11.04	2,031.0	11.44	1,907.2	10.82	1,602.5	9.24
<b>C. Maturities</b>									
<b>Asset Maturities:</b>									
Loans & Advances < 3 months	229.6	217.8	1.21	302.0	1.70	251.5	1.43	234.1	1.35
Loans & Advances 3 - 12 Months	497.0	471.5	2.61	557.8	3.14	670.4	3.80	409.7	2.36
Loans and Advances 1 - 5 Years	2,625.1	2,490.4	13.79	2,197.2	12.38	2,093.5	11.87	1,913.9	11.04
Loans & Advances > 5 years	7,680.9	7,286.9	40.36	7,355.0	41.44	6,968.7	39.53	6,851.5	39.51
Debt Securities < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities 3 - 12 Months	356.8	338.5	1.87	599.9	3.38	831.2	4.71	520.7	3.00
Debt Securities 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Debt Securities > 5 Years	2,683.8	2,546.1	14.10	2,284.7	12.87	2,264.2	12.84	2,781.2	16.04
Loans & Advances to Banks < 3 Months	317.2	300.9	1.67	270.5	1.52	177.5	1.01	290.9	1.68
Loans & Advances to Banks 3 - 12 Months	426.1	404.2	2.24	373.5	2.10	374.9	2.13	301.8	1.74
Loans & Advances to Banks 1 - 5 Years	1,508.5	1,431.1	7.93	1,318.2	7.43	1,369.5	7.77	1,399.8	8.07
Loans & Advances to Banks > 5 Years	2,322.4	2,203.3	12.20	2,238.7	12.61	2,245.1	12.73	2,296.1	13.24
<b>Liability Maturities:</b>									
Retail Deposits < 3 months	53.7	50.9	0.28	14.7	0.08	58.5	0.33	46.5	0.27
Retail Deposits 3 - 12 Months	108.4	102.8	0.57	43.9	0.25	147.6	0.84	77.6	0.45
Retail Deposits 1 - 5 Years	328.2	311.4	1.72	133.0	0.75	13.0	0.07	81.0	0.47
Retail Deposits > 5 Years	1,163.8	1,104.1	6.12	1,377.7	7.76	1,408.4	7.99	1,404.0	8.10
Other Deposits < 3 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 3 - 12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits 1 - 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Other Deposits > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Deposits from Banks < 3 Months	1,593.2	1,511.5	8.37	1,244.0	7.01	812.2	4.61	1,661.0	9.58
Deposits from Banks 3 - 12 Months	861.0	816.8	4.52	1,298.8	7.32	1,598.7	9.07	1,214.4	7.00
Deposits from Banks 1 - 5 Years	3,537.1	3,355.6	18.59	4,032.0	22.72	4,848.8	27.50	5,261.8	30.35
Deposits from Banks > 5 Years	6,225.3	5,905.9	32.71	5,338.3	30.08	5,116.7	29.02	4,815.1	27.77
Senior Debt Maturing < 3 months	1.7	1.6	0.01	13.1	0.07	10.8	0.06	12.1	0.07
Senior Debt Maturing 3-12 Months	0.0	0.0	0.00	9.8	0.06	9.0	0.05	8.3	0.05
Senior Debt Maturing 1 - 5 Years	1,054.1	1,000.0	5.54	580.9	3.27	575.2	3.26	78.0	0.45
Senior Debt Maturing > 5 Years	527.0	500.0	2.77	638.5	3.60	164.5	0.93	180.4	1.04
Total Senior Debt on Balance Sheet	1,582.8	1,501.6	8.32	1,242.3	7.00	759.5	4.31	278.8	1.61
Fair Value Portion of Senior Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing < 3 months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 3-12 Months	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing 1- 5 Year	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Subordinated Debt Maturing > 5 Years	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Total Subordinated Debt on Balance Sheet	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
Fair Value Portion of Subordinated Debt	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
<b>D. Risk Weighted Assets</b>									
1. Risk Weighted Assets	9,101.9	8,635.0	47.83	8,402.0	47.34	8,312.9	47.15	7,424.8	42.82
2. Fitch Core Capital Adjustments for Insurance and Securitisation Risk Weighted Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Fitch Core Capital Adjusted Risk Weighted Assets	9,101.9	8,635.0	47.83	8,402.0	47.34	8,312.9	47.15	7,424.8	42.82
4. Other Fitch Adjustments to Risk Weighted Assets	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
5. Fitch Adjusted Risk Weighted Assets	9,101.9	8,635.0	47.83	8,402.0	47.34	8,312.9	47.15	7,424.8	42.82
<b>E. Equity Reconciliation</b>									
1. Equity	1,658.1	1,573.0	8.71	1,498.0	8.44	1,146.7	6.50	1,134.1	6.54
2. Add: Pref. Shares and Hybrid Capital accounted for as Equity	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
3. Add: Other Adjustments	n.a.	n.a.	-	n.a.	-	n.a.	-	n.a.	-
4. Published Equity	1,658.1	1,573.0	8.71	1,498.0	8.44	1,146.7	6.50	1,134.1	6.54
<b>F. Fitch Core Capital Reconciliation</b>									
1. Total Equity as reported (including non-controlling interests)	1,658.1	1,573.0	8.71	1,498.0	8.44	1,146.7	6.50	1,134.1	6.54
2. Fair value effect incl in own debt/borrowings at fv on the B/S- CC only	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
3. Non-loss-absorbing non-controlling interests	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
4. Goodwill	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
5. Other intangibles	3.2	3.0	0.02	1.8	0.01	1.2	0.01	1.0	0.01
6. Deferred tax assets deduction	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
7. Net asset value of insurance subsidiaries	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
8. First loss tranches of off-balance sheet securitizations	0.0	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00
<b>9. Fitch Core Capital</b>	<b>1,654.9</b>	<b>1,570.0</b>	<b>8.70</b>	<b>1,496.2</b>	<b>8.43</b>	<b>1,145.5</b>	<b>6.50</b>	<b>1,133.1</b>	<b>6.53</b>

Exchange Rate

USD1 = EUR0.9487

USD1 = EUR0.9185

USD1 = EUR0.8237

USD1 = EUR0.7251

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