AS KIT FINANCE EUROPE

Pillar III Disclosure

As of 31 December 2016

Contents

1. INTRODUCTION

This report represents a summary of the capital assessment and risk management process that was prepared for the year-end as of 31/12/2016. The Pillar 3 report complements the Annual Report with additional information, and is intended to be read in conjunction with the Annual Report, in particular the Annual Report sections entitled Risk Management, as well as the Notes to the Financial Statements.

The concept of three Pillars requires the following:

- Pillar I- to meet minimum regulatory capital requirement for credit, market, and operational risks;
- Pillar II- to meet the requirement for additional capital to cover the risks analyzed under Company's internal risk assessment and supervisory review process;
- Pillar III – to meet the market discipline enabled by disclosure, with regard to capital adequacy and risk management in order to allow stakeholders to understand the risk profile of the Company.

The standards set out in Basel III (2011) together with requirements of the Capital Requirement Directive (CRD IV, 2013/36/EU) and Capital Requirement Regulation (CRR, 575/2013) introduced much more stringent requirements to the capital adequacy assessment and the disclosure under Pillar III.

The rules in Articles 431 to 451 of CRR set out the provision for Pillar III disclosure. This must be done in accordance with a formal disclosure document. The report is available on the Company's web site and meets its obligations with respect to Pillar III.

The CRR rules provide that one or more of the required disclosures may be omitted if in the Company's view the information is immaterial, proprietary or confidential. Materiality is based on the criterion that the omission or misstatement of any information would be likely to change or influence the decision of a reader relying on that information. The information is proprietary, if it were shared, would undermine competitive position of the Company. Information is considered to be confidential where there are obligations binding the Company to confidentiality with its customers, suppliers and counterparties. Where a disclosure is considered to be immaterial, proprietary or confidential it would be stated in the document.

2. BACKGROUND

AS KIT Finance Europe founded in 2004, is a licensed European investment firm, operating within the framework of applicable European law. The Company is governed by the Estonian Securities Market Act and supervised by the Estonian Financial Supervision Authority. The Company specializes on provision of investment and ancillary services to retail clients, professional investors and institutions on the securities and commodities markets. The Company is a 100% subsidiary of Russian broker KIT Finance (JSC). The Company's head office is located in Tallinn, has a representative office in St. Petersburg, Russia, and a branch in Limassol, Cyprus.

The Company's core business is provision of direct market access (DMA) to main international stock exchanges as well as execution of OTC transactions. The Company also holds clients' money and securities. The trading book is operated to meet the regulatory requirements and for hedging purposes. The Company's major assets and liabilities are denominated in Euro, Russian Rubles and US Dollars.

3. FREQUENCY OF DISCLOSURE AND BASIS FOR PREPARATION

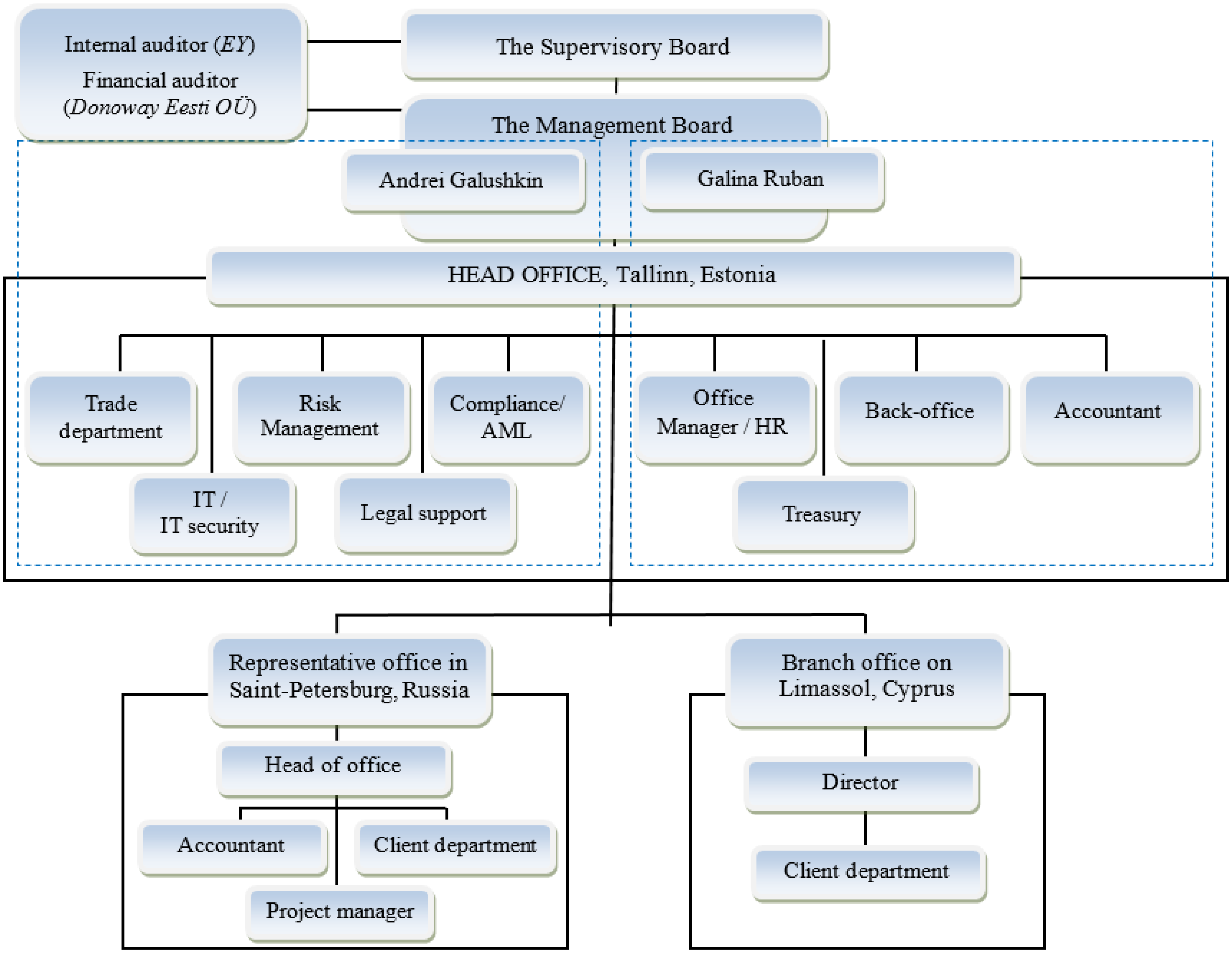
The Company prepares the Pillar III disclosure on the annual basis. Should there need to be a material changes to procedures of risk assessment as a result of changes in the Company's operations, risk management structure or other substantial changes the Management Board would not hesitate to review and update the Pillar III disclosure at any time.

The Pillar III disclosure has been prepared on a solo basis based on the audited accounting information for the year 2016. The Company does not foresee any material practical or legal impediment to the prompt transfer of own funds or repayment of liabilities to its parent.

In 2016 the Company did not undertake any securitization activity.

Certain statements in this disclosure are forward-looking statements, which involve a number of risks and uncertainties. Any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information due to a number of factors.

4. ORGANIZATIONAL STRUCTURE



5. RISK MANAGEMENT AND GOVERNANCE

5.1. Risk management

The Supervisory Board of the Company, taking into account the importance of the risk control mechanism of the Company, has established the Risk Management Policy and other related rules. The Policy ensures comprehensive control and governance procedures for the risks faced by the Company, in line with the risk appetite concept. The Company's risk management framework aims to create, implement and sustain adequate procedures designed to identify and manage all risks related to activities of the Company. The Policy is regularly reviewed and updated.

The risk management arrangements and procedures are approved by the Supervisory Board and considered as adequate with regard to the Company's profile and strategy and in line with the principle of proportionality.

The risk management process of the Company includes continuous and consistent identification, assessment, monitoring and analysis of the impact of risks faced by the Company in accordance with selected approaches and methods.

The following key principles form the basis of the overall risk management system:

-Risk awareness
-Concept of Risk Appetite
-Common standards used for risk assessments
-Application of single system of limits
-Reporting system
-IT support of the Risk management system
-Risk compliance

Risk management system of the Company is functioning on the strategic and executive levels. At the strategic level, the decisions are made by the Supervisory Board. The competency of the Supervisory Board includes, but not limited to, overall strategic management along with approval of risk management system, risk appetite, tolerance levels and other risk parameters of the Company necessary for achievement of strategic goals. The Supervisory Board, taking into account the regulatory requirements, the Company's strategy and financial results, and other risk factors, reviews the risk appetite and risk tolerance yearly. The Supervisory Board is also responsible for making decisions in case of exceeding the limits and tolerance levels.

At the executive level, Risk management-related decisions are made by the Management Board, Product and Risk Committee and risk management.

The Management Board is responsible for implementation of decisions of the Supervisory Board, overall management of the Company and organization of the risk management system. The Management Board is obliged to ensure that all necessary and sufficient procedures for identifying, measuring, managing, monitoring and reporting of risks faced by the Company are in line with the Risk Management Policy and involve Risk Management, Compliance and other divisions. The responsibilities of the Management Board also include the approval of limits and their distribution in accordance with the risk tolerance and risk appetite established by the Supervisory Board.

The company has set up a separate Products and Risks Committee. The aim of Products and Risks Committee is to organize and increase the efficiency of the process of implementing, maintaining and developing new products and services and to identify and analyze the risks associated with those products. The Product and Risk Committee reviews proposed limits for products, services and operations and if approved, makes recommendations to the Supervisory Board or management. The Products and Risks Committee meetings are not regular and organized whenever required.

The tasks of Risk management include:

-Identification, assessment, analysis, monitoring and control of all types of risks to which the Company is exposed;
-Control of limits and reporting of violations of established limits;
-Reporting and advising to the Management Board regularly and on demand;
-Development and update of policies, procedures and other internal documents on risk control;
-Development of methodologies of risk measurement and implementation of regulatory and local requirements.

To ensure continuous performance of the Company's functions the Incident Management Policy, the Business Continuity Policy, the Business Continuity and the Recovery plan were introduced. These policies and plans prescribe the actions to be taken and establish communication procedures in the event of different scenarios in order to ensure uninterrupted business performance. The risk management is responsible for the indicators control and reporting. The policies and plan are regularly reviewed and updated if required.

The systems used in the Company are able to distinguish positions clearly between the Trading Book and Banking Book so that the regulatory capital charges are properly calculated. The systems are equipped with control mechanisms to generate prudent and reliable reporting provided to the Management Board at least quarterly and whenever requested.

During 2016 risk related issues were discussed a different levels, including deficiencies in the risk management framework identified during the year’s internal audit, the Company’s capital adequacy ratio and changes in the regulatory framework.

5.2. Governance arrangements

The Supervisory Board consist of three Members and there are two Members of the Management Board. The Supervisory Board and the Management Board collectively have a wide range of experiences, backgrounds and knowledge to ensure that they are able to manage the Company adequately. Varied experiences and backgrounds include accounting, legal, banking, investments, risk management, etc.

Members of Supervisory Board and Member of Management Board meet the criteria set out in the Security market Act of Republic of Estonia.

Taking into account the size of the Company there is no separate Recruitment policy for the members of Supervisory Board and Management Board. The recruitment is performed at the Group (shareholder) level, considering among other factors the diversity of the skills and backgrounds.

5.3. Internal capital adequacy assessment process (ICAAP)

Conducting ICAAP, the Company uses its internal Policies and Procedures to analyze identified material risks, their measurements models, governance and mitigation technics. The ICAAP is linked to overall business planning and establish the strategy for maintaining appropriate capital levels.
The risk monitoring and reporting are continuous processes those are under regular control of the Management Board. The ICAAP assumptions, methodology and infrastructure are challenged at the highest level of organization. During the ICAAP, the Company requires to:
-identify and assess all material risks;

-maintain sufficient capital to face these risks;
-apply appropriate risk management techniques to supply enough capital in order to meet capital requirements.

All of the above insures that the interest of shareholders, concept of risk appetite and regulatory requirements are fulfilled to guarantee the stable Company position.

The ICAAP is used by FSA to assess Company performance in accordance with the parameters of the Supervisory Review and Evaluation Process (SREP), including among other things, capital adequacy, risk measurement models and risk governance. The FSA concluded in its latest SREP for 2015 that AS KIT Finance Europe is sufficiently capitalized.

6. REGULATORY CAPITAL REQUIREMENT

The regulatory capital requirements have evolved in the last few years with introduction of CRR and CRD, in terms of which risks are covered of the capital base components. The regulatory requirement is split into Pillar 1* (general minimum requirements for all institutions) and Pillar 2 requirements (based on an individual assessment of each institution).

In addition, the Company has to comply with Capital buffers requirements identified in Basel III reforms including capital conservation buffer, countercyclical capital buffer and systemic risk buffer.

- The capital conservation buffer as defined in Article 129 of CRD requires the company to hold additional Common Equity Tier 1 capital equal to 2,5 % of total risk exposure amount
- The systemic risk buffer as defined in Article 133 of CRD requires to maintain additional capital to cover the systemic risk, which in 2016 was set by the Bank of Estonia at 1% of total risk exposure amount.
- The countercyclical capital buffer is regulated by Article 135 of CRD. In 2016 the Bank of Estonia set the rate of 0%.

Regulatory Capital Requirements	***CET1***	***AT1***	***Tier 2***	***Total***
Minimum requirement	4.50%	1.50%	2.00%	8.00%
Capital conservation buffer	2.50%			2.50%
Systemic risk buffer	1.00%			1.00%
Countercyclical buffer	0.00%			0.00%
Total Pillar I	**8.00%**	**1.50%**	**2.00%**	**11.50%**

* the Pillar 1 is disclosed in the Annual report in more details.

7. OWN FOUNDS

The company has a simple capital structure. All Capital resources of the Company could be characterized as CET1 items in the meaning of Regulation 575/2013 and are divided as follows:

Tier 1 Capital structure	**2016**
Share Capital	1 612 710
Reserves	161 271
Retained Earnings	14 837 078
Intangible Assets (-)	-2 388
Tier 1 Capital	**16 608 671**

Additional disclosures on the calculation of own funds according to implementing technical standards as laid down in the Commission Implementing Regulation (EU) No 1423/2013 are available in Annex 1 to this report.

8. MINIMUM REGULATORY CAPITAL REQUIREMENT

The Company follows the Standardized Approach to estimate the Pillar 1 for Credit and Market Risk capital requirements, and the Basic Indicator Approach for the calculation of Operational Risk capital requirements. The table below Pillar 1 own funds requirements of the Company as at 31 December 2016 are shown in the table below:

	PILLAR I
	Regulatory Capital Requirement
Credit Risk	40 598
Market Risk	909 965
Operational Risk	552 694
Capital conservation buffer 2.5%	469 768
Systemic risk buffer 1%	183 112
Total Capital Requirement	**2 156 137**

9. MATERIAL RISKS

9.1. Credit Risk

9.1.1. Overview of Credit Risk

Credit risk relates to the possibility that an unexpected change in a client/counterparty's creditworthiness may generate a corresponding unexpected change in the market value of the associated credit exposure. The financial performance of the Company could be distorted by the adverse changes in the credit quality of borrowers or any economic deterioration, which could affect the value of collateral.

The management of Credit Risk, including Counterparty Credit Risk, is the primary responsibility of the Risk Management. The Management Board together with Risk Management are responsible for establishing policies and procedures which identify, analyze, evaluate, treat and monitor risks during the course of business. The Management Board is also responsible for the establishment of limits on the amount of risk accepted in relation to a borrower or groups of borrowers. The procedure for regular risk management reporting are also in place to enable in-time actions and risks mitigations if required by the Management Board.

The Company has established a number of methodologies and techniques for managing and monitoring Credit Risk and Counterparty Credit Risk. The methodologies are reviewed annually by the Risk Manager and are updated as and when necessary.

Taking into account the nature of the Company's business the credit risk is mainly inherent to marginal loans provided to clients. The Company lends cash for trading to the clients against collateral composed of eligible assets. Typically, the marginal loans are provided against liquid collateral for the period of one day that could be extended. All securities that are qualified as collateral are tested against the criteria developed by Risk Management and approved by the Management Board. The criteria include market parameters such as liquidity, daily traded volumes and daily price change as well as issuers' credit quality. Based on those criteria each security is assigned a risk rate. Risk management uses IT solutions and analytical tools to continuously monitor clients' margin requirements to minimize the credit risk.

Most of the transactions entered by the Company or its clients are settled and cleared by the Central Clearing Counterparties, main part of OTC transactions are settled on a delivery-versus-payment basis. Therefore, the delays in settlements and associated risks are minimized. The Company tests the creditability of counterparties regularly and sets out the limits on operations with them.

The credit risks on short terms deposits is minimized by anticipating continuous monitoring of financial stability of banks and brokers where the Company has deposits and diversification investments.

To determine the capital requirements for credit risk the Company uses standardized approach and applies comprehensive method to the collateral valuation for credit risk mitigation.

9.1.2. Nominated External Credit Assessment Institutions (ECAI) for the application of the Standardized Approach

Under the Standardized approach the Company uses Fitch, Standard and Poor's and Moody's Investor Service ratings as follow:

- if only one credit assessment is available from a nominated ECAI for a rated item, that credit assessment is used to determine the risk weight for that item;

- if two credit assessments are available from nominated ECAIs and the two correspond to different weights for a rated item, the higher risk weight is assigned;

- if more than two credit assessments are available from nominated ECAIs for a rated item, the two assessments generating the two lowest risk weights are referred to. If the two lowest risk weights are different, the higher risk weight is assigned. If the two lowest risk weights are the same, that risk weight is assigned

The use of above method complies with the requirements of the CRR, and is used consistently for all exposures in a specific asset class.

9.1.3. Past due and Impaired

The Company defines loans and receivables as non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, loans and receivables are measured at their amortized cost (cost less any principal repayments and any reduction for impairment) using the effective interest rate method.

The loans and receivables become past due when a counterparty has failed to make a payment when contractually due. During the year there were no past due balances within trading securities, repurchase receivables, due from banks. The total amount of past due receivables from the clients amounted to 400 euro.

Where it is probable that the Company is unable to recover a loan or receivable in accordance with the agreed terms and conditions, the item is considered impaired and an impairment loss is recognized. The amount of an impairment loss is the difference between the asset's carrying amount and recoverable amount. The recoverable amount of a receivable is the amount of its estimated future cash flows, discounted by applying a market interest rate charged from similar debtors. The recoverability of receivables is estimated on an individual basis, taking into account the information available on the debtor's creditworthiness. Impairment losses are recognized as an expense in the period in which they are incurred. Doubtful receivables are written down to their recoverable amount. Irrecoverable receivables are written off the balance sheet. The Company made provisions for impairment in the amount of 30 933 euro, more information is available in the annual report.

9.1.4. Exposure Value and Capital Requirement

The value of exposure is calculated at fair value according International Financial standards. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Country	***Retail/ institution***	***Original exposure pre conversion factors (eur)***	***Exposure value after CRM (eur)***	***Risk weighted exposure amount (eur)***	***Capital requirement (eur)***
EU	*Retail*	58 297	0	0	0
	Institution	2 007 093	2 007 085	404 090	32 327
	Corporates	41 314	4	4	0.32
CIS	*Retail*	*8 869 819*	*1 294*	*970*	*78*
	Corporates	*232 095*	*19 505*	*19 505*	*1 560*
USA	*Institution*	*414 130*	*414 130*	*82 826*	*6 626*
Other	*Retail*	57	0	0	0
	Corporates	7 706 138	72	72	6
		19 328 942	***2 442 090***	***507 467***	***40 598***

9.2. Market Risk

The market risk may result in potential loss with the realization of negative consequences on FX-rates, stock quotes or interest rates. The major source of the market risk is the open foreign exchange position. The total regulatory capital requirement to cover the market risk as of 31/12/2016 was 909 965 euro, and 895 149 euro were attributed to the foreign exchange risk.

Management of market risk is responsibility of the Members of the Board and the Risk manager. The Company established methodologies for limit setting to control the exposures to the market risk.

The Value at Risk ("VaR") and stress testing scenarios are in place for quantitative risk measurement and management.

The Management Board, in close cooperation with the Risk manager, review the information reported, taking corrective actions to mitigate risk if and when necessary.

9.2.1. Foreign Exchange Risk

The foreign exchange risk is the risk of changes of the exchange rates that would have an adverse effect on the value of the assets and liabilities nominated in currencies other when euro. The Company has large open positions mainly nominated in Russian rubles and US dollars to enable provision of marginal loans. The open FX-position is managed on the consolidated basis and risk mitigation technics are used for the Group's open FX-position. The overall Group risk appetite for the foreign exchange open position risk is low. The amount of own founds required to cover the foreign exchange risk is equal to 895 149 euro.

9.2.2. The Market Risk in the own portfolio.

In order to comply with regulatory requirements for liquid assets, the Investment Company owns a conservative portfolio of liquid instruments. Taking into account the quality of assets and the volume of the portfolio, no significant risks of changes in value arise. As of 31.12.2016, the risk position was EUR 185 194 and the regulatory capital requirement was 14 816 euro.

9.3. Operational Risk

9.3.1. Regulatory capital requirement for operational risk

Operational risk could realize as a result of inadequate or unauthorized actions of personnel, failures of IT systems, inconsistency of internal processes with the nature and scale of activities, and as a result of external influences on the Company's operations.

The Company calculates the own funds requirement for operational risk according to Basic Indicator Approach. Under the Basic Indicator Approach (BIA) this is 15% of the Company's average operating income of the relevant indicator based on the last three twelve-monthly observations at the end of the financial year.

31.12.2016	***EUR***
Average operating income over the last 3 years	3 684 629
BIA Coefficient	15%
Capital requirement under Pillar I	**552 694**

9.4. Liquidity

The Company's balance sheet is rather liquid – represented by cash, liquid securities, short-term loans on the asset side and by CET1 capital assets on the liabilities side. Additionally, the Company thoroughly reviews its off-balance sheet commitments because they expose the Company to contingent liquidity risk.

9.4.1. Regulatory requirements

According to Part six of CRR, the Company is required to hold liquid assets. The sum of the values of those assets should cover the liquidity outflows less the liquidity inflows under stressed conditions to ensure that the Company maintains levels of liquidity buffers, which are adequate to face any possible imbalance between liquidity inflows and outflows under gravely stressed conditions over a period of thirty days. During times of stress, the Company may use its liquid assets to cover the net liquidity outflows.

The stock of liquid assets should be available at any time to meet the liquidity outflows.

To meet the regulatory requirements the Company hold corporate bonds of Apple Inc. The fair value this portfolio as of 31/12/2016 was 1 634 691 euro, which is approximately 10% of total assets.

The liquidity coverage ratio as of the end of 2016 was 183% and exceeded the regulatory minimum.

	31.12.2016
Liquid assets (15% haircuts)	1 389 488
Outflow of funds	3 798 971
Inflow of funds (max 75% of outflow)	2 849 228
Net outflow of liquid funds	949 743
The liquidity coverage capital requirement	**759 794**
Liquidity Coverage Ratio	**183%**

10. LEVERAGE

The leverage ratio is calculated according to Part seven Article 429, as well as the transitional provision of Article 499 of CRR as an institution's capital measure divided by that institution's total exposure measure and shall be expressed as a percentage. The Tier 1 capital is the same under both conditions of Article 499(1) (a) and (b) therefore the Company does not have any transitional provisions other than the intangible assets.

The Company does not use large amounts of borrowed funds and therefore the value of Leverage Ratio is well above the regulatory minimum.

	As of 31/12/2016
Leverage Ratio Exposure Value	19 145 398
Assets belonging to the trading book	1 634 691
Asset amount deducted	-2 388
Total Leverage Ratio exposure	20 777 701
Tier 1 capital	16 608 671
Leverage Ratio	**79.94%**

11. REMUNERATION POLICY AND PRACTICE

The Remuneration Policies were adopted by the Company in line with regulatory requirements of the European Union, Republic of Estonia and the KIT Finance Group's internal practice. These Policies define the basic principles of salaries and remuneration and are based on the sound and effective risk management. The Remuneration Policies are integrated into the Company governance structure and ensure that employees are awarded appropriately to their efforts.

The following types of bonuses are provided in the Remuneration Policy:

- Bonuses based on the Company's or department performance;
- Bonuses for special tasks reduced on operation errors;
- Sales related premiums.

The Company adopted the Key Performance Indicators approach to ensure the congruence of the Company's goals and employees efforts. Based on this approach every employee has set of performance indicators chosen by respective Managers and receives a semi-annual appraisal review. Managers are required to give the appraisal of subordinates' performance semi-annually and conduct a performance dialogue. This allow to ensure that the individual has performed in accordance with the requirements of their job description and to review past goals to establish if these have been met and to what level. At the end of the review process, goals are agreed for the coming period and logged on the individual's appraisal sheet for the coming period. Based on the ratings allocated by Managers the percentage value is assigned and will be applied to the current basic salary.

The size of the remuneration found is calculated to allow the payment of bonuses based on the results of the reporting period. All bonuses are paid twice a year

There are also 7 individuals who are Remuneration Code Staff, included 2 directors, and 5 other persons undertaking significant-influence functions (SIF).

Taking in to account the size of the Company the Supervisory board performs functions of the Remuneration Committee

There are no compensations provided to the Supervisory Board Members upon expiry of powers. The Members of the Management Board and the Supervisory Board do not hold the stock option. None of the employees has received remuneration in excess of 1 million euros. For the previous year there were no severance payments and remuneration deferred during the year.

The information about remunerations paid in 2016 year is available in the Annual report. Taking into account the small number of employees more detailed information is considered to be confidential due to obligations binding the Company to confidentiality with its employees.

ANNEX 1

Transitional own funds disclosure				
Common Equity Tier 1 capital: instruments and reserves		**At 31 June 2014 (DKK millions)**	**(B) REGULATION (EU) No 575/2013 ARTICLE REFERENCE**	**(C) AMOUNTS SUBJECT TO PRE-REGULATION (EU) No 575/2013 TREATMENT OR PRESCRIBED RESIDUAL AMOUNT OF REGULATION (EU) 575/2013**
1	Capital instruments and the related share premium accounts	1 612 710	26 (1), 27, 28, 29, EBA list 26 (3)	1 612 710
	of which: Instrument type 1	-	EBA list 26 (3)	-
	of which: Instrument type 2	-	EBA list 26 (3)	
	of which: Instrument type 3	-	EBA list 26 (3)	
2	Retained earnings	14 837 078	26 (1) (c)	14 837 078
3	Accumulated other comprehensive income (and any other reserves)	161 271	26 (1)	161 271
3a	Funds for general banking risk		26 (1) (f)	
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1		486 (2)	
	Public sector capital injections grandfathered until 1 January 2018		483 (2)	
5	Minority interests (amount allowed in consolidated CET1)		84, 479, 480	-
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	26 (2)	-
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	16 611 059		16 611 059
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)		34, 105	
8	Intangible assets (net of related tax liability) (negative amount)	-2 388	36 (1) (b), 37, 472 (4)	-2 388
9	Empty set in the EU			
10	Deferred tax assets that rely on future profitability excluding those arising from temporary difference (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)		36 (1) (c), 38, 472 (5)	
11	Fair value reserves related to gains or losses on cash flow hedges		33 (a)	

12	Negative amounts resulting from the calculation of expected loss amounts		36 (1) (d), 40, 159, 472 (6)	
13	Any increase in equity that results from securitized assets (negative amount)		32 (1)	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing		33 (1) (b) (c)	
15	Defined-benefit pension fund assets (negative amount)		36 (1) (e), 41, 472 (7)	
16	Direct and indirect holdings by an institution of own CET1 instruments (negative amount)		36 (1) (f), 42, 472 (8)	
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)		36 (1) (g), 44, 472 (9)	
18	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		36 (1) (h), 43, 45, 46, 49 (2) (3), 79, 472 (10)	
19	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)		36 (1) (i), 43, 45, 47, 48 (1) (b), 49 (1) to (3), 79, 470, 472 (11)	
20	Empty set in the EU			
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative		36 (1) (k)	-
20b	of which: qualifying holdings outside the financial sector (negative amount)		36 (1) (k) (i), 89 to 91	
20c	of which: securitization positions (negative amount)		36 (1) (k) (ii) 243 (1) (b) 244 (1) (b) 258	-
20d	of which: free deliveries (negative amount)		36 (1) (k) (iii), 379 (3)	

21	Deferred tax assets arising from temporary difference (amount above 10 % threshold , net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)		36 (1) (c), 38, 48 (1) (a), 470, 472 (5)	
22	Amount exceeding the 15% threshold (negative amount)		48 (1)	
23	of which: direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities		36 (1) (i), 48 (1) (b), 470, 472 (11)	
24	Empty set in the EU			
25	of which: deferred tax assets arising from temporary difference		36 (1) (c), 38, 48 (1) (a), 470, 472 (5)	
25a	Losses for the current financial year (negative amount)		36 (1) (a), 472 (3)	
25b	Foreseeable tax charges relating to CET1 items (negative amount)		36 (1) (l)	
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment			
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468			
26b	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR		481	
27	Qualifying AT1 deductions that exceeds the AT1 capital of the institution (negative amount)		36 (1) (j)	
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	-2 388		-2 388
29	**Common Equity Tier 1 (CET1) capital**	16 608 671		16 608 671
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	-	51, 52	-
31	of which: classified as equity under applicable accounting standards	-		-
32	of which: classified as liabilities under applicable accounting standards	-		-
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	-	486 (3)	-

	Public sector capital injections grandfathered until 1 January 2018	-	483 (3)	-
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interest not included in row 5) issued by subsidiaries and held by third parties	-	85, 86, 480	-
35	of which: instruments issued by subsidiaries subject to phase-out		486 (3)	-
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	-		-
Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct and indirect holdings by an institution of own AT1 instruments (negative amount)	-	52 (1) (b), 56 (a), 57, 475 (2)	-
38	Holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution (negative amount)	-	56 (b), 58, 475 (3)	-
39	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	56 (c), 59, 60, 79, 475 (4)	-
40	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	56 (d), 59, 79, 475 (4)	-
41	Regulatory adjustments applied to Additional Tier 1 capital in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase-out as prescribed in Regulation (EU) No 585/2013 (i.e. CRR residual amounts)	-		-
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	-	472, 473(3)(a), 472 (4), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a), 472 (11) (a)	-

41b	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013	-	477, 477 (3), 477 (4) (a)	-
41c	Amounts to be deducted from added to Additional Tier 1 capital with regard to additional filters and deductions required pre-CRR	-	467, 468, 481	-
42	Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)	-	56 (e)	-
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	-		-
44	**Additional Tier 1 (AT1) capital**	-		-
45	**Tier 1 capital (T1 = CET1 + AT1)**	16 608 671		16 608 671
Tier 2 (T2) capital: instruments and provisions				
46	Capital instruments and the related share premium accounts	-	62, 63	-
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	-	486 (4)	
	Public sector capital injections grandfathered until 1 january 2018	-	483 (4)	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interest and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third party	-	87, 88, 480	-
49	of which: instruments issued by subsidiaries subject to phase-out	-	486 (4)	-
50	Credit risk adjustments	-	62 (c) & (d)	-
51	**Tier 2 (T2) capital before regulatory adjustment**	-		-
Tier 2 (T2) capital: regulatory adjustments				
52	Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	63 (b) (i), 66 (a), 67, 477 (2)	-
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institutions designed to inflate artificially the own funds of the institution (negative amount)	-	66 (b), 68, 477 (3)	-

54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above 10 % threshold and net of eligible short positions) (negative amount)	-	66 (c), 69, 70, 79, 477 (4)	-
54a	Of which new holdings not subject to transitional arrangements	-		-
54b	Of which holdings existing before 1 January 2013 and subject to transitional arrangements	-		-
55	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amounts)	-	66 (d), 69, 79, 477 (4)	-
56	Regulatory adjustments applied to tier 2 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)	-		-
56a	Residual amounts deducted from Tier 2 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	-	472, 472(3)(a), 472 (4), 472 (6), 472 (8), 472 (9), 472 (10) (a), 472 (11) (a)	-
56b	Residual amounts deducted from Tier 2 capital with regard to deduction from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013	-	475, 475 (2) (a), 475 (3), 475 (4) (a)	-
56c	Amounts to be deducted from or added to Tier 2 capital with regard to additional filters and deductions required pre- CRR	-	467, 468, 481	-
57	**Total regulatory adjustments to Tier 2 (T2) capital**	-		-
58	**Tier 2 (T2) capital**	-		-
59	**Total capital (TC = T1 + T2)**	16 608 671		16 608 671
59a	Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amount)	-		-

	Of which:… items not deducted from CET1 (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Deferred tax assets that rely on future profitability net of related tax liability, indirect holdings of own CET1, etc.)	-	472, 472 (5), 472 (8) (b), 472 (10) (b), 472 (11) (b)	-
	Of which:…items not deducted from AT1 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Reciprocal cross holdings in T2 instruments, direct holdings of non-significant investments in the capital of other financial sector entities, etc.)	-	475, 475 (2) (b), 475 (2) ©, 475 (4) (b)	-
	Items not deducted from T2 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Indirect holdings of own T2 instruments, indirect holdings of non-significant investments in the capital of other financial sector entities, indirect holdings of significant investments in the capital of other financial sector entities etc.)		477, 477 (2) (b), 477 (2) (c), 477 (4) (b)	
60	**Total risk-weighted assets**	-		-
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of total risk exposure amount	75.07%	92 (2) (a), 465	75.07%
62	Tier 1 (as a percentage of total risk exposure amount	75.07%	92 (2) (b), 465	75.07%
63	Total capital (as a percentage of total risk exposure amount	75.07%	92 (2) (c)	75.07%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements plus a systemic risk buffer, plus systemically important institution buffer expressed as a percentage of total risk exposure amount)	8.00%	CRD 128, 129, 140	8.00%
65	of which: capital conservation buffer requirement	2.50%		2.50%
66	of which: countercyclical buffer requirement	0.00%		0.00%
67	of which: systemic risk buffer requirement	1.00%		1.00%
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	n/a	CRD 131	n/a

68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	70.57%	CRD 128	70.57%
69	[non-relevant in EU regulation]			
70	[non-relevant in EU regulation]			
71	[non-relevant in EU regulation]			
Amounts below the thresholds for deduction (before risk-weighting)				
72	Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions	-	36 (1) (h), 45, 46, 472 (10) 56 (c), 59, 60, 475 (4), 66 (c), 69, 70, 477 (4)	-
73	Direct and indirect holdings of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions	-	36 (1) (i), 45, 48, 470, 472 (11)	-
74	Empty set in the EU			
75	Deferred tax assets arising from temporary difference (amount below 10 % threshold , net of related tax liability where the conditions in Article 38 (3) are met)	-	36 (1) (c), 38, 48, 470, 472 (5)	-
Applicable caps on the inclusion of provisions in Tier 2				
76	Credit risk adjustments included in T2 in respect of exposures subject to standardized approach (prior to the application of the cap)	-	62	-
77	Cap on inclusion of credit risk adjustments in T2 under standardized approach	-	62	-
78	Credit risk adjustments included in T2 in respect of exposures subject to internal rating-based approach (prior to the application of the cap)	-	62	-
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	-	62	-
Capital instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)				
80	- Current cap on CET1 instruments subject to phase-out arrangements	-	484 (3), 486 (2) & (5)	-
81	- Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	-	484 (3), 486 (2) & (5)	-
82	- Current cap on AT1 instruments subject to phase-out arrangements	-	484 (4), 486 (3) & (5)	-

83	- Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-	484 (4), 486 (3) & (5)	-
84	- Current cap on T2 instruments subject to phase-out arrangements	-	484 (5), 486 (4) & (5)	-
85	- Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	-	484 (5), 486 (4) & (5)	-