

Factbook
2019

Q4

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This is Handelsbanken

Founded in 1871, Handelsbanken is one of the leading banks in the Nordic region. 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 47 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 executive 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	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Interest income	13,366	13,429	13,839	13,761	12,914	12,798	12,353	11,106
Interest expense	-5,276	-5,382	-5,775	-5,827	-5,042	-4,936	-4,449	-3,458
Net interest income	8,090	8,047	8,064	7,934	7,872	7,862	7,904	7,648
Net fee and commission income	2,766	2,724	2,695	2,512	2,611	2,624	2,551	2,461
Net gains/losses on financial transactions	413	271	355	260	303	186	290	129
Risk result - insurance	48	15	48	34	40	10	15	41
Other dividend income	20	0	84	9	201	3	12	2
Share of profit of associates	1	10	10	11	-3	10	2	-9
Other income	38	46	28	31	59	33	861	52
Total income	11,376	11,113	11,284	10,791	11,083	10,728	11,635	10,324
Staff costs	-3,405	-4,143	-3,485	-2,516	-3,464	-3,421	-3,363	-3,217
Other expenses	-1,729	-1,692	-1,608	-1,495	-1,889	-1,554	-1,644	-1,625
Depreciation, amortisation and impairment of property, equipment and intangible assets	-420	-447	-411	-392	-171	-181	-189	-172
Total expenses	-5,554	-6,282	-5,504	-4,403	-5,524	-5,156	-5,196	-5,014
Profit before credit losses	5,822	4,831	5,780	6,388	5,559	5,572	6,439	5,310
Net credit losses	-130	-192	-435	-288	-276	-230	-222	-153
Gains/losses on disposal of property, equipment and intangible assets	3	2	5	10	5	2	3	4
Operating profit	5,695	4,641	5,350	6,110	5,288	5,344	6,220	5,161
Taxes	-1,314	-1,070	-1,133	-1,354	-1,272	-1,238	-989	-1,157
Profit for the period	4,381	3,571	4,217	4,756	4,016	4,106	5,231	4,004
Attributable to								
Shareholders in Svenska Handelsbanken AB	4,380	3,570	4,217	4,755	4,015	4,105	5,231	4,003
Minority interest	1	1	0	1	1	1	0	1

Earnings per share

	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Profit for the year, attributable to shareholders in Svenska Handelsbanken AB	4,380	3,570	4,217	4,755	4,015	4,105	5,231	4,003
- of which interest expense on convertible subordinated loan after tax	0	-3	-11	-27	-26	-27	-26	-25
Average number of outstanding shares, million	1,978.6	1,957.1	1,947.1	1,944.2	1,944.2	1,944.2	1,944.2	1,944.2
Average number of outstanding shares after dilution, million	1,979.8	1,978.4	1,977.2	1,976.9	1,976.0	1,977.0	1,975.3	1,974.5
Earnings per share, SEK	2.21	1.82	2.17	2.45	2.07	2.11	2.69	2.06
- after dilution	2.21	1.81	2.14	2.42	2.05	2.09	2.66	2.04

Consolidated statement of other comprehensive income

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Profit for the period	4,381	3,571	4,217	4,756	4,016	4,106	5,231	4,004
Other comprehensive income								
Items that will not be reclassified to the income statement								
Defined benefit pension plans	2,986	263	1,015	-2	-3,805	1,645	-470	-1,775
Instruments measured at fair value through other comprehensive income - equity instruments	114	22						
Tax on items that will not be reclassified to income statement	-637	-57	-226	-11	851	-363	101	389
<i>of which defined benefit pension plans</i>	-634	-54	-220	-2	848	-362	102	389
<i>of which equity instruments measured at fair value through other comprehensive income</i>	-3	-3						
Total items that will not be reclassified to the income statement	2,463	228	869	143	-3,268	1,313	-313	-1,347
Items that may subsequently be reclassified to the income statement								
Cash flow hedges	-2,947	1,267	3,319	2,102	2,832	-1,709	699	-1,054
Available-for-sale instruments		-	-	-	-	-	-	-
Instruments measured at fair value through other comprehensive income - debt instruments	-3	-2						
Translation differences for the period	-865	550	-66	1,453	-3,345	-1,181	1,105	3,233
<i>of which hedging net investment in foreign operations</i>	-271	-474	193	-957	-178	-115	-465	-92
Tax on items that may subsequently be reclassified to the income statement	688	-169	-752	-247	-564	401	-51	252
<i>of which cash flow hedges</i>	630	-271	-710	-450	-613	376	-154	232
<i>of which available-for-sale instruments</i>				-	-	-	-	-
<i>of which debt instruments measured at fair value through other comprehensive income</i>	0	0	0	-2	3	0	0	0
<i>of which hedging net investment in foreign operations</i>	58	102	-42	205	46	25	103	20
Total items that may subsequently be reclassified to the income statement	-3,127	1,646	2,506	3,315	-1,089	-2,488	1,751	2,432
Total other comprehensive income for the period	-664	1,874	3,375	3,458	-4,357	-1,175	1,438	1,085
Total comprehensive income for the period	3,717	5,445	7,592	8,214	-341	2,931	6,669	5,089
Attributable to								
Shareholders in Svenska Handelsbanken AB	3,716	5,444	7,592	8,213	-342	2,930	6,668	5,089
Minority interest	1	1	0	1	1	1	1	0

Handelsbanken Group - Key figures

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Return on equity	11.8%	10.0%	12.3%	13.4%	11.6%	12.1%	16.0%	11.7%
C/I ratio	48.8%	56.5%	48.8%	40.8%	49.8%	48.1%	44.7%	48.6%
C/I ratio, incl. credit losses	50.0%	58.3%	52.6%	43.5%	52.3%	50.2%	46.6%	50.0%
Adjusted equity per share, SEK	78.60	75.56	73.38	70.82	72.90	73.51	71.30	68.23
Common equity tier 1 ratio, CRR	18.5%	17.4%	17.1%	16.4%	16.8%	21.7%	21.4%	21.6%
Total capital ratio, CRR	23.2%	22.1%	21.7%	20.8%	21.0%	27.1%	28.3%	28.3%
Average number of employees	12,546	12,771	12,481	12,394	12,359	12,583	12,219	12,066
Number of branches, Sweden	383	383	384	386	390	402	407	415
Number of branches, Great Britain	207	207	207	207	208	208	208	208
Number of branches in Norway	47	47	49	49	49	49	49	49
Number of branches in Denmark	56	56	56	56	56	56	57	57
Number of branches in Finland	36	36	36	36	36	40	45	45
Number of branches in the Netherlands	29	29	29	29	29	29	29	28
Number of branches in other countries	11	11	11	11	11	11	12	12
Total number of branches	769	769	772	774	779	795	807	814

Average number of employees

	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Sweden	7,354	7,568	7,349	7,305	7,311	7,464	7,240	7,108
UK	2,501	2,473	2,408	2,386	2,351	2,365	2,314	2,244
Norway	773	790	773	774	771	793	761	759
Denmark	641	648	656	657	656	655	665	660
Finland	617	630	623	599	602	643	655	639
The Netherlands	336	338	336	334	321	318	311	303
Total in home markets	12,222	12,447	12,145	12,055	12,012	12,238	11,946	11,713
Greater China (Incl. Hong Kong)	82	80	79	77	77	76	74	73
USA	59	60	64	65	65	65	67	66
Luxembourg	46	46	47	47	52	52	52	52
Germany	36	36	38	40	42	41	42	43
Poland	32	32	33	33	34	37	37	37
Singapore	29	28	31	32	32	32	33	35
Estonia	19	19	19	19	19	16	17	18
France	5	6	7	7	6	5	7	7
Latvia	5	5	5	5	5	6	7	7
Lithuania	5	5	5	5	6	6	6	6
Austria	-	-	-	-	-	-	-	-
Other countries (Representative office)	6	7	8	9	9	9	8	9
Total	12,546	12,771	12,481	12,394	12,359	12,583	12,296	12,066

Calculation of key figures

For definitions, please see page 42-45

Return on equity

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

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Equity	159,832	155,589	148,197	139,783	142,261	141,210	138,279	131,613
Adjustment defined benefit pension plans	-4,635	-2,283	-2,074	-1,279	-1,283	-4,240	-2,957	-3,325
Adjustment fair value reserve	-660	-552	-534	-456	-304	-624	-593	-540
Adjustment hedge reserve	-4,203	-6,520	-5,524	-2,915	-1,263	955	-377	168
Reversed weighted dividend	0	0	0	9,518	0	0	0	11,056
Total adjusted equity	150,334	146,234	140,065	144,651	139,411	137,301	134,352	138,972
Adjusted equity, average *	148,284	143,150	137,599	142,031	138,356	135,827	131,134	137,356
Adjustment for impact of conversions on adjusted equity, quarterly average	-2,913	-1,658	-337	0	0	0	0	0
Actual quarterly average of converted shares	3,048	1,205	280	0	0	0	0	0
Capital Markets's holdings of SHB shares, average	0	0	0	0	0	0	0	0
Adjusted equity, quarterly average	148,419	142,697	137,542	142,031	138,356	135,827	131,134	137,356
Profit for the period	4,381	3,571	4,217	4,756	4,016	4,106	5,231	4,004
Return on equity, total operations	11.8%	10.0%	12.3%	13.4%	11.6%	12.1%	16.0%	11.7%

* 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	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Equity	159,832	155,589	148,197	139,783	142,261	141,210	138,279	131,613
Adjustment minority share	-8	-8	-7	-13	-12	-11	-11	-13
Adjustment hedge reserve	-4,203	-6,520	-5,524	-2,915	-1,263	955	-377	168
Outstanding convertible loan (included in subordinated liabilities item)	2	542	2,508	3,169	3,136	3,103	3,070	3,038
Total adjusted equity	155,623	149,603	145,174	140,024	144,122	145,257	140,961	134,806
Number of outstanding shares after dilution (millions)	1,980	1,980	1,978	1,977	1,977	1,976	1,977	1,976
Adjusted shareholders' equity per share, SEK	78.60	75.56	73.38	70.82	72.90	73.51	71.30	68.23

Credit loss ratio

= Credit losses on loans to the public (expected and actual), net, annualised in relation to lending to the public at beginning of the year.

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Credit losses, net	-130	-192	-435	-288	-276	-230	-222	-153
of which other loans than loans to the public	-60	-4	-39	8	48	-1	20	-19
Credit losses on loans to the public	-70	-188	-396	-296	-324	-229	-242	-134
Total loans the public at beginning of year	2,189,092	2,189,092	2,189,092	2,189,092	2,065,761	2,065,761	2,065,761	2,065,761
Loan loss ratio	0.01%	0.03%	0.07%	0.05%	0.06%	0.04%	0.05%	0.03%

One-offs and special items in Operating profit

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Special items								
Oktogonen (the Bank's profit-sharing system)			2	827	-218	-201	-207	-233
Variable remuneration	-11	-15	-16	-16	-8	-18	-20	-9
Total special items	-11	-15	-14	811	-226	-219	-227	-242
Non-recurring items								
Restructuring costs		-900	-30					
Impairment of discontinued IT systems		-29						
Capital gains from the sale of shares in UC AB							837	
Changes in the pension plan in the UK operations								141
Dividend from VISA Sweden			55	0	198			
Transition to a defined contribution pension plan in the Norwegian operations					26			
Total non-recurring items		-929	25	0	224		837	141
Total	-11	-944	-39	815	-13	-218	635	-136

Fees for the Resolution Fund and deposit guarantee

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Swedish Resolution Fund								
Handelsbanken Sweden	-212	-212	-213	-210	-288	-286	-289	-284
Handelsbanken UK	-41	-41	-41	-40	-53	-53	-54	-53
Handelsbanken Norway	-46	-46	-47	-46	-66	-66	-66	-65
Handelsbanken Denmark	-17	-17	-17	-17	-24	-24	-24	-23
Handelsbanken Finland	-24	-23	-25	-22	-30	-30	-31	-30
Handelsbanken the Netherlands	-9	-8	-8	-8	-9	-9	-9	-9
Handelsbanken Capital Markets	-16	-17	-17	-17	-21	-21	-21	-21
Other	-99	-100	-102	-98	-132	-134	-134	-132
Total fees for the Swedish Resolution Fund	-464	-464	-470	-458	-623	-623	-628	-617
British Bank Levy								
Handelsbanken UK	-	-	5	-5	-	-	-	-
Swedish deposit guarantee								
Handelsbanken Sweden	-83	-57	-57	-57	-35	-60	-60	-60
Handelsbanken UK	-	-	-	-	-3	-5	-5	-6
Handelsbanken Norway	-7	-4	-4	-4	-3	-5	-5	-5
Handelsbanken Denmark	-4	-4	-4	-4	-2	-4	-4	-4
Handelsbanken Finland	-4	-3	-3	-3	-2	-3	-3	-3
Handelsbanken the Netherlands	-1	0	0	0	0	0	0	0
Handelsbanken Capital Markets	-1	0	0	0	0	0	0	0
Other	-	-	-	-	-	-	-	-
Total fees for Swedish deposit guarantee	-100	-68	-68	-68	-45	-77	-77	-78
British deposit guarantee *								
Handelsbanken UK	-	-	2	-2	-	-	-	-
Norwegian deposit guarantee								
Handelsbanken Norway	-2	-1	-1	-1	-1	-1	-1	0
Total	-566	-533	-532	-534	-669	-701	-706	-695

The fees are booked in the Net Interest Income.

* As of 1 December 2018, Handelsbanken's business operations in the UK are conducted through the wholly owned subsidiary Handelsbanken plc, and deposits from the public formerly covered by the Swedish deposit guarantee are therefore now covered by the UK deposit guarantee (FSCS). During a transitional period, the fee for the UK deposit guarantee will be covered by the fees paid previously by Handelsbanken to the Swedish National Debt Office.

Exchange rates

SEK, End of period (Balance sheet)	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	Change y/y	Change q/q
DKK	1.3996	1.4331	1.4159	1.3945	1.3731	2%	-2%
EUR	10.4547	10.7002	10.5685	10.4100	10.2530	2%	-2%
GBP	12.2435	12.0849	11.8034	12.0542	11.3565	8%	1%
NOK	1.0588	1.0813	1.0877	1.0754	1.0295	3%	-2%
USD	9.3392	9.8155	9.2841	9.2721	8.9501	4%	-5%

SEK, Average as from 1 Jan (Income statement)	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	Change y/y	Change q/q
DKK	1.4184	1.4157	1.4086	1.3959	1.3766	3%	0%
EUR	10.5900	10.5672	10.5156	10.4187	10.2587	3%	0%
GBP	12.0698	11.9666	12.0442	11.9483	11.5980	4%	1%
NOK	1.0749	1.0813	1.0806	1.0693	1.0691	1%	-1%
USD	9.4629	9.4073	9.3086	9.1751	8.6961	9%	1%

The effect of exchange rate movements - by Segment

Jan - Dec 2019 vs. same period last year

SEK m	GB	NO	DK	FI	NL	HCM	Other & elimin.	Group
Net interest income	214	19	49	38	21	16	40	397
Net fee and commission income	29	2	15	17	5	24	2	94
Net result of financial transactions	8	0	3	1	1	6	-13	6
Other income	0	0	0	1	0	3	1	5
Total income	251	21	67	57	27	49	30	502
Staff costs	-107	-5	-25	-15	-12	-30	-17	-211
Other administrative expenses	-64	-3	-16	-16	-6	-13	-3	-121
Depreciation and amortisation	-3	0	0	-1	-1	-1	-5	-11
Total expenses	-174	-8	-41	-32	-19	-44	-25	-343
Net loan losses	-5	-2	0	-6	0	0	0	-13
Operating profit	72	11	26	19	8	5	5	146

Q4 2019 vs. previous quarter

SEK m	GB	NO	DK	FI	NL	HCM	Other & elimin.	Group
Net interest income	70	-25	-1	-1	0	0	0	43
Net fee and commission income	9	-3	-1	0	0	0	0	5
Net result of financial transactions	2	0	0	0	0	0	0	2
Other income	0	0	0	0	0	0	0	0
Total income	81	-28	-2	-1	0	0	0	50
Staff costs	-28	6	1	0	0	0	-1	-22
Other administrative expenses	-20	3	0	0	0	0	1	-16
Depreciation and amortisation	-3	1	0	0	0	0	1	-1
Total expenses	-51	10	1	0	0	0	1	-39
Net loan losses	1	0	0	0	0	0	0	1
Operating profit	31	-18	-1	-1	0	0	1	12

Net interest income

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Interest income								
Loans to credit institutions and central banks	712	715	811	922	957	874	661	668
Loans to the public	11,323	11,200	11,147	10,775	10,578	10,523	10,427	9,941
Interest-bearing securities eligible as collateral with central banks	27	4	134	168	121	100	108	58
Bonds and other interest-bearing securities	101	125	150	144	148	200	244	219
Derivative instruments	708	856	1,166	1,354	691	703	535	-112
Other interest income	329	327	351	334	336	333	341	324
Total	13,200	13,227	13,759	13,697	12,831	12,733	12,316	11,098
<i>Interest income reported in Net gains/losses on financial transactions</i>	<i>-166</i>	<i>-202</i>	<i>-80</i>	<i>-64</i>	<i>-83</i>	<i>-65</i>	<i>-37</i>	<i>-8</i>
Total interest income	13,366	13,429	13,839	13,761	12,914	12,798	12,353	11,106
<i>of which interest income according to the effective interest method and interest on derivatives for hedging</i>	<i>13,299</i>	<i>13,370</i>	<i>13,638</i>	<i>13,491</i>	<i>12,708</i>	<i>12,559</i>	<i>12,128</i>	<i>10,946</i>
Interest expense								
Due to credit institutions and central banks	-153	-190	-238	-290	-272	-329	-377	-384
Deposits and borrowing from the public	-548	-526	-513	-570	-479	-511	-455	-369
Issued securities	-4,295	-4,875	-5,267	-5,585	-5,097	-4,846	-4,524	-3,991
Derivative instruments	632	1,143	1,154	1,511	1,971	1,836	1,986	2,277
Subordinated liabilities	-261	-334	-311	-376	-416	-387	-393	-347
Government fees	-566	-533	-532	-534	-669	-701	-706	-695
Other interest expenses	-41	-60	-61	-39	-127	-21	-88	-73
Total	-5,232	-5,375	-5,768	-5,883	-5,089	-4,959	-4,557	-3,582
<i>Interest expense reported in Net gains/losses on financial transactions</i>	<i>44</i>	<i>7</i>	<i>7</i>	<i>-56</i>	<i>-47</i>	<i>-23</i>	<i>-108</i>	<i>-124</i>
Total interest expense	-5,276	-5,382	-5,775	-5,827	-5,042	-4,936	-4,449	-3,458
<i>of which interest expense according to the effective interest method and interest on derivatives for hedging</i>	<i>-4,710</i>	<i>-4,849</i>	<i>-5,243</i>	<i>-5,293</i>	<i>-4,373</i>	<i>-4,235</i>	<i>-3,743</i>	<i>-2,763</i>
Net interest income	8,090	8,047	8,064	7,934	7,872	7,862	7,904	7,648

Net fee and commission income

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Brokerage and other securities commissions	154	138	162	171	168	164	177	181
Mutual funds	1,025	999	973	888	906	956	941	889
Custody and other asset management fees	310	292	293	256	273	279	246	245
Advisory services	53	52	75	75	70	29	53	62
Insurance	191	183	197	186	178	182	178	176
Payments	982	974	953	848	953	930	896	826
Loans and deposits	355	353	341	352	344	330	336	330
Guarantees	91	107	103	98	100	99	98	93
Other	143	129	132	128	132	115	123	125
Total fee and commission income	3,304	3,227	3,229	3,002	3,124	3,084	3,048	2,927
Securities	-61	-56	-58	-65	-56	-54	-53	-59
Payments	-455	-427	-452	-399	-433	-388	-425	-384
Other	-22	-20	-24	-26	-24	-18	-19	-23
Total fee and commission expenses	-538	-503	-534	-490	-513	-460	-497	-466
Net fee and commission income	2,766	2,724	2,695	2,512	2,611	2,624	2,551	2,461

Net gains/losses on financial transactions

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Amortised cost	68	56	47	38	49	48	50	33
<i>of which loans</i>	103	82	69	69	103	83	93	78
<i>of which interest-bearing securities</i>		0	0	0	0	0	0	0
<i>of which issued securities</i>	-35	-26	-22	-31	-54	-35	-43	-45
Fair value through other comprehensive income	0	0	-1	0	0	0	-	-
<i>of which expected credit losses</i>	0	0	-1	0	-1	0	-	-
Fair value through profit or loss, fair value option	-890	211	691	634	501	-624	116	-122
<i>of which interest-bearing securities</i>	-890	211	691	634	501	-624	116	-122
Fair value through profit or loss, mandatory including FX effects	1,341	16	-376	-428	-115	811	138	273
Hedge accounting	-65	-3	-6	16	-23	0	-1	-20
<i>of which net gains/losses on fair value hedges</i>	-63	-1	-5	20	-17	5	4	4
<i>of which cash flow hedge ineffectiveness</i>	-2	-2	-1	-4	-6	-5	-5	-24
Result from financial components in insurance contract	-41	-9	0	0	-109	-49	-13	-35
Total	413	271	355	260	303	186	290	129

Other expenses

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Property and premises*	-169	-154	-163	-170	-344	-326	-326	-314
External IT costs	-646	-556	-559	-527	-597	-507	-524	-563
Communication	-78	-77	-89	-90	-87	-80	-90	-87
Travel and marketing	-93	-57	-82	-67	-95	-56	-85	-69
Purchased services	-527	-498	-517	-459	-524	-387	-438	-411
Supplies	-49	-45	-44	-48	-54	-36	-42	-46
Other administrative expenses	-167	-305	-154	-134	-188	-162	-139	-135
Other expenses	-1,729	-1,692	-1,608	-1,495	-1,889	-1,554	-1,644	-1,625

Distribution of costs

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
UK & the Netherlands *	-1,034	-1,031	-1,049	-1,034	-1,046	-987	-987	-812
Development expenses	-492	-465	-476	-456	-509	-427	-471	-530
Preventing financial crime	-298	-325	-302	-230	-190	-144	-148	-133
Oktogonen, restructuring reserves and effects from changed pension plans	-	-929	-28	827	-192	-201	-207	-92
Currency effects	39	-	-	-	-	-	-	-
Other running costs	-3,769	-3,532	-3,649	-3,510	-3,587	-3,397	-3,383	-3,447
Total expenses	-5,554	-6,282	-5,504	-4,403	-5,524	-5,156	-5,196	-5,014

* excl. Development, preventing financial crime and currency effects

** excl. work to prevent financial crime

Development costs

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Development spend	-749	-590	-711	-680	-694	-521	-657	-654
of which staff costs	-338	-277	-321	-345	-315	-228	-290	-285
of which other costs	-411	-313	-390	-335	-379	-293	-367	-369
Capitalised costs	304	218	305	293	240	147	234	165
Development spend after capitalised costs	-445	-372	-406	-387	-454	-374	-423	-489
Amortisation and impairment	-105	-137	-109	-98	-80	-70	-65	-61
Development costs	-550	-509	-515	-485	-534	-444	-488	-550

Development spend - per category

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Regulatory compliance	-172	-136	-174	-178	-218	-163	-234	-266
Business development	-175	-159	-170	-198	-174	-100	-139	-130
Technical development	-332	-231	-295	-239	-228	-210	-213	-195
UK & The Netherlands	-68	-64	-72	-65	-74	-59	-66	-57
Other	-2	-	-	-	-	11	-5	-6
Total development spend	-749	-590	-711	-680	-694	-521	-657	-654

Credit losses

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Expected credit losses on balance sheet items								
The period's provision Stage 3	-230	-261	-656	-438	-108	-382	-426	-239
Reversal of Stage 3 provisions to Stage 1 or Stage 2	91	32	225	38	43	61	64	97
Total expected credit losses Stage 3	-139	-229	-431	-400	-65	-321	-362	-142
The period's net provision Stage 2	61	58	-4	14	-30	45	34	-16
The period's net provision Stage 1	-9	-15	-14	-10	-4	44	23	30
Total expected credit losses in Stage 1 and Stage 2	52	43	-18	4	-34	89	57	14
Total expected credit losses on balance sheet items	-87	-186	-449	-396	-99	-232	-305	-128
Expected credit losses on off-balance sheet items								
The period's net provision Stage 3	-63	-1	-43	-	41	-1	-4	-36
The period's net provision Stage 2	-2	-2	2	1	13	1	2	7
The period's net provision Stage 1	6	-5	1	7	2	0	22	9
Total expected credit losses on off-balance sheet items	-59	-8	-40	8	56	0	20	-20
Write-offs								
Actual credit losses for the period	-148	-138	-99	-116	-466	-136	-829	-1,629
Utilised share of previous provision Stage 3	117	110	84	110	193	107	815	1,596
Total write-offs	-31	-28	-15	-6	-273	-29	-14	-33
Recoveries	47	30	69	106	40	31	77	28
Net credit losses	-130	-192	-435	-288	-276	-230	-222	-153
<i>of which loans to the public</i>	<i>-70</i>	<i>-188</i>	<i>-396</i>	<i>-296</i>	<i>-324</i>	<i>-229</i>	<i>-242</i>	<i>-134</i>

Credit losses – Key ratios, loans to the public

	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Credit loss ratio as %, quarterly	0.01	0.03	0.07	0.05	0.06	0.04	0.05	0.03
Total credit loss reserve ratio, %	0.20	0.20	0.20	0.18	0.17	0.18	0.17	0.20
Credit loss reserve ratio Stage 1, %	0.02	0.02	0.02	0.01	0.01	0.01	0.02	0.02
Credit loss reserve ratio Stage 2, %	0.85	0.95	1.05	1.07	0.95	1.00	0.96	1.22
Credit loss reserve ratio Stage 3, %	42.65	44.69	44.20	36.46	38.00	39.54	39.23	40.19
Proportion of loans Stage 3, %	0.22	0.20	0.20	0.25	0.22	0.22	0.21	0.23

Operating profit per segment, quarterly

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Handelsbanken Sweden	3,323	3,297	3,095	3,096	3,255	3,471	3,385	3,211
Handelsbanken UK	747	641	649	653	654	650	626	711
Handelsbanken Norway	708	727	645	660	599	511	638	632
Handelsbanken Denmark	245	241	232	219	169	261	274	242
Handelsbanken Finland	229	293	257	236	129	201	143	215
Handelsbanken the Netherlands	92	74	63	71	64	75	72	69
Capital Markets	477	494	565	479	421	464	536	533
Other	-74	-1,069	-90	755	12	-301	579	-418
Adjustments & eliminations	-52	-57	-66	-59	-15	12	-33	-34
Operating profit, Group	5,695	4,641	5,350	6,110	5,288	5,344	6,220	5,161

Total income per segment

SEK m	Q4 2019	Q3 2019	Change	Q4 2018	Change	Full year 2019	Full year 2018	Change
Handelsbanken Sweden	5,631	5,580	1%	5,367	5%	22,192	21,664	2%
Handelsbanken UK	1,844	1,729	7%	1,711	8%	7,029	6,476	9%
Handelsbanken Norway	1,131	1,134	0%	1,094	3%	4,444	4,340	2%
Handelsbanken Denmark	576	583	-1%	578	0%	2,288	2,304	-1%
Handelsbanken Finland	509	532	-4%	475	7%	2,021	1,878	8%
Handelsbanken the Netherlands	274	244	12%	225	22%	986	858	15%
Handelsbanken Capital Markets	1,373	1,426	-4%	1,378	0%	5,760	5,333	8%
Other	38	-115		255	-85%	-156	917	
Adjustments & eliminations	-	-		-		-	-	
Total income	11,376	11,113	2%	11,083	3%	44,564	43,770	2%

Total expenses per segment

SEK m	Q4 2019	Q3 2019	Change	Q4 2018	Change	Full year 2019	Full year 2018	Change
Handelsbanken Sweden	-2,168	-2,053	6%	-2,052	6%	-8,318	-8,145	2%
Handelsbanken UK	-1,098	-1,110	-1%	-1,027	7%	-4,350	-3,709	17%
Handelsbanken Norway	-407	-390	4%	-384	6%	-1,611	-1,551	4%
Handelsbanken Denmark	-336	-349	-4%	-409	-18%	-1,360	-1,368	-1%
Handelsbanken Finland	-301	-269	12%	-274	10%	-1,108	-1,018	9%
Handelsbanken the Netherlands	-181	-169	7%	-162	12%	-683	-592	15%
Handelsbanken Capital Markets	-898	-930	-3%	-955	-6%	-3,754	-3,389	11%
Other	-113	-955	-88%	-246	-54%	-325	-1,048	-69%
Adjustments & eliminations	-52	-57	9%	-15	-247%	-234	-70	234%
Total expenses	-5,554	-6,282	-12%	-5,524	1%	-21,743	-20,890	4%

Operating profit per segment

SEK m	Q4 2019	Q3 2019	Change	Q4 2018	Change	Full year 2019	Full year 2018	Change
Handelsbanken Sweden	3,323	3,297	1%	3,255	2%	12,811	13,322	-4%
Handelsbanken UK	747	641	17%	654	14%	2,690	2,641	2%
Handelsbanken Norway	708	727	-3%	599	18%	2,740	2,380	15%
Handelsbanken Denmark	245	241	2%	169	45%	937	946	-1%
Handelsbanken Finland	229	293	-22%	129	78%	1,015	688	48%
Handelsbanken the Netherlands	92	74	24%	64	44%	300	280	7%
Handelsbanken Capital Markets	477	494	-3%	421	13%	2,015	1,954	3%
Other	-74	-1,069	93%	12		-478	-128	-273%
Adjustments & eliminations	-52	-57	9%	-15	-247%	-234	-70	-234%
Operating profit	5,695	4,641	23%	5,288	8%	21,796	22,013	-1%

Handelsbanken Sweden

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	4,349	4,369	4,429	4,356	4,239	4,232	4,276	4,241
Net fee and commission income	1,129	1,068	1,021	934	992	1,055	989	959
Net gains/losses on financial transactions	143	117	120	105	123	164	190	149
Other income	10	26	6	10	13	6	4	32
Total income	5,631	5,580	5,576	5,405	5,367	5,457	5,459	5,381
Staff costs	-856	-840	-858	-875	-820	-868	-858	-882
Other expenses	-281	-176	-134	-258	-265	-244	-271	-256
Internal purchased and sold services	-946	-967	-928	-902	-952	-863	-900	-901
Depreciation, amortisation and impairments of property, equipment and intangible assets	-85	-70	-129	-13	-15	-17	-16	-17
Total expenses	-2,168	-2,053	-2,049	-2,048	-2,052	-1,992	-2,045	-2,056
Profit before credit losses	3,463	3,527	3,527	3,357	3,315	3,465	3,414	3,325
Net credit losses	-142	-231	-434	-262	-61	5	-31	-115
Gains/losses on disposal of property, equipment and intangible assets	2	1	2	1	1	1	2	1
Operating profit	3,323	3,297	3,095	3,096	3,255	3,471	3,385	3,211
Profit allocation	513	531	506	462	462	491	487	443
Operating profit after profit allocation	3,836	3,828	3,601	3,558	3,717	3,962	3,872	3,654
Cost/income ratio, %	35.3	33.6	33.7	34.9	35.2	33.5	34.4	35.3
Credit loss ratio, %	0.03	0.07	0.13	0.08	0.03	0.00	0.01	
Credit loss ratio (IAS 39), %								0.00
Allocated capital	85,679	83,018	81,040	87,644	85,252	83,212	79,243	86,503
Return on allocated capital, %	14.1	14.5	14.0	12.7	13.6	14.9	15.2	13.2
Average number of employees	3,725	3,956	3,845	3,839	3,903	4,134	3,935	3,967
Number of branches	383	383	384	386	390	402	407	415

Business volumes, Handelsbanken Sweden

Average volumes, SEK bn	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Loans to the public*								
Household	870	863	855	848	842	832	824	812
of which mortgage loans	827	818	809	802	795	785	776	764
Companies	528	526	532	526	518	515	509	502
of which mortgage loans	338	333	327	318	310	303	298	293
Total	1,398	1,389	1,387	1,374	1,360	1,347	1,333	1,314
Deposits and borrowing from the public								
Household	386	381	372	360	357	351	343	334
Companies	284	280	272	251	252	242	243	243
Total	670	661	644	611	609	593	586	577

* Excluding loans to the National Debt Office.

Handelsbanken UK

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	1,558	1,490	1,508	1,473	1,466	1,419	1,388	1,282
Net fee and commission income	214	189	193	181	184	179	174	167
Net gains/losses on financial transactions	71	50	54	47	54	52	50	54
Other income	1	0	0	0	7	0	0	0
Total income	1,844	1,729	1,755	1,701	1,711	1,650	1,612	1,503
Staff costs	-620	-581	-596	-587	-546	-533	-528	-363
Other expenses	-228	-273	-221	-240	-256	-204	-213	-208
Internal purchased and sold services	-193	-187	-196	-182	-207	-204	-197	-178
Depreciation, amortisation and impairments of property, equipment and intangible assets	-57	-69	-91	-29	-18	-17	-19	-18
Total expenses	-1,098	-1,110	-1,104	-1,038	-1,027	-958	-957	-767
Profit before credit losses	746	619	651	663	684	692	655	736
Net credit losses	5	22	-2	-15	-30	-42	-28	-25
Gains/losses on disposal of property, equipment and intangible assets	-4	0	0	5	0	0	-1	0
Operating profit	747	641	649	653	654	650	626	711
Profit allocation	13	12	8	9	8	9	8	7
Operating profit after profit allocation	760	653	657	662	662	659	634	718
Cost/income ratio, %	59.1	63.8	62.6	60.7	59.7	57.7	59.1	50.8
Credit loss ratio, %	-0.01	-0.05	0.00	0.02	0.05	0.08	0.05	-
Credit loss ratio (IAS 39), %								
Allocated capital	17,293	16,462	16,059	14,980	14,881	14,324	14,058	13,573
Return on allocated capital, %	13.8	12.5	12.9	13.8	13.9	14.4	14.1	16.5
Average number of employees	2,419	2,390	2,326	2,307	2,265	2,274	2,228	2,155
Number of branches	207	207	207	207	208	208	208	208

Handelsbanken UK, in local currency

GBP m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	126.0	126.0	124.3	123.2	125.9	121.5	118.0	113.5
Net fee and commission income	17.3	16.0	15.9	15.2	15.8	15.4	14.7	14.8
Net gains/losses on financial transactions	5.7	4.2	4.5	3.9	4.6	4.5	4.2	4.8
Other income	0.0	0.1	0.0	0.0	0.6	0.0	0.0	0.0
Total income	149.0	146.3	144.7	142.3	146.9	141.4	136.9	133.1
Staff costs	-50.1	-49.2	-49.1	-49.1	-47.0	-45.7	-45.1	-32.1
Other expenses	-18.4	-23.1	-18.1	-20.1	-22.1	-17.4	-18.1	-18.4
Internal purchased and sold services	-15.5	-15.8	-16.3	-15.2	-17.7	-17.5	-16.7	-15.8
Depreciation, amortisation and impairments of property, equipment and intangible assets	-4.6	-5.8	-7.6	-2.4	-1.5	-1.5	-1.6	-1.6
Total expenses	-88.6	-93.9	-91.1	-86.8	-88.3	-82.1	-81.5	-67.9
Profit before credit losses	60.4	52.4	53.6	55.5	58.6	59.3	55.4	65.2
Net credit losses	0.4	1.9	-0.1	-1.3	-2.5	-3.6	-2.3	-2.3
Gains/losses on disposal of property, equipment and intangible assets	-0.4	0.0	0.0	0.4	0.0	0.0	-0.1	0.0
Operating profit	60.4	54.3	53.5	54.6	56.1	55.7	53.0	62.9
Profit allocation	1.2	1.0	0.6	0.8	0.7	0.9	0.6	0.6
Operating profit after profit allocation	61.6	55.3	54.1	55.4	56.8	56.6	53.6	63.5

Business volumes, Handelsbanken UK

Average volumes, GBP m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Loans to the public								
Household	6,744	6,627	6,648	6,676	6,654	6,606	6,501	6,416
Companies	14,789	14,861	14,724	14,449	14,231	13,870	13,610	13,247
Total	21,533	21,488	21,372	21,125	20,885	20,476	20,111	19,663
Deposits and borrowing from the public								
Household	5,017	4,786	4,698	4,645	4,868	4,726	4,519	4,336
Companies	11,084	10,747	10,116	9,961	9,940	9,091	8,971	8,851
Total	16,101	15,533	14,814	14,606	14,808	13,817	13,490	13,187

Handelsbanken Norway

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	1,019	1,008	973	957	972	969	969	922
Net fee and commission income	101	110	106	98	106	109	103	95
Net gains/losses on financial transactions	12	15	21	15	14	26	25	23
Other income	-1	1	8	1	2	1	3	1
Total income	1,131	1,134	1,108	1,071	1,094	1,105	1,100	1,041
Staff costs	-218	-223	-221	-222	-197	-221	-207	-199
Other expenses	-53	-34	-29	-74	-61	-74	-63	-52
Internal purchased and sold services	-113	-110	-115	-105	-121	-123	-102	-114
Depreciation, amortisation and impairments of property, equipment and intangible assets	-23	-23	-44	-4	-5	-4	-4	-4
Total expenses	-407	-390	-409	-405	-384	-422	-376	-369
Profit before credit losses	724	744	699	666	710	683	724	672
Net credit losses	-18	-18	-55	-8	-112	-172	-88	-41
Gains/losses on disposal of property, equipment and intangible assets	2	1	1	2	1	0	2	1
Operating profit	708	727	645	660	599	511	638	632
Profit allocation	41	32	27	24	39	28	33	27
Operating profit after profit allocation	749	759	672	684	638	539	671	659
Cost/income ratio, %	34.7	33.4	36.0	37.0	33.9	37.2	33.2	34.6
Credit loss ratio, %	0.04	0.03	0.01	0.01	0.18	0.28	0.14	-
Credit loss ratio (IAS 39), %								-
Allocated capital	20,281	18,849	18,404	17,407	17,769	17,533	16,092	16,696
Return on allocated capital, %	11.6	12.6	11.5	12.3	11.2	9.6	13.0	12.3
Average number of employees	692	710	697	698	697	719	689	683
Number of branches	47	47	49	49	49	49	49	49

Handelsbanken Norway, in local currency

NOK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	964	931	891	895	904	892	897	891
Net fee and commission income	96	101	97	92	99	99	96	92
Net gains/losses on financial transactions	11	14	19	14	14	24	23	22
Other income	0	1	7	1	2	1	3	1
Total income	1,071	1,047	1,014	1,002	1,019	1,016	1,019	1,006
Staff costs	-207	-206	-203	-207	-183	-205	-191	-192
Other expenses	-50	-32	-25	-70	-57	-68	-59	-50
Internal purchased and sold services	-108	-100	-106	-98	-113	-113	-94	-110
Depreciation, amortisation and impairments of property, equipment and intangible assets	-21	-22	-40	-4	-4	-4	-4	-4
Total expenses	-386	-360	-374	-379	-357	-390	-348	-356
Profit before credit losses	685	687	640	623	662	626	671	650
Net credit losses	-18	-16	-50	-8	-105	-160	-82	-40
Gains/losses on disposal of property, equipment and intangible assets	2	1	1	2	1	1	1	1
Operating profit	669	672	591	617	558	467	590	611
Profit allocation	39	29	24	23	36	27	30	26
Operating profit after profit allocation	708	701	615	640	594	494	620	637

Business volumes, Handelsbanken Norway

Average volumes, NOK bn	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Loans to the public								
Household	98.1	97.6	95.2	93.7	92.9	91.7	90.7	90.2
Companies	166.7	166.3	166.2	160.9	158.7	159.1	159.4	156.2
Total	264.8	263.9	261.4	254.6	251.6	250.8	250.1	246.4
Deposits and borrowing from the public								
Household	22.1	22.3	21.3	20.9	20.6	21.2	20.3	20.1
Companies	49.6	49.8	45.7	44.7	45.4	42.7	42.4	43.0
Total	71.7	72.1	67.0	65.6	66.0	63.9	62.7	63.1

Handelsbanken Denmark

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	413	427	414	412	423	437	438	415
Net fee and commission income	138	126	134	118	129	117	114	118
Net gains/losses on financial transactions	23	28	25	22	24	23	32	24
Other income	2	2	2	2	2	2	3	3
Total income	576	583	575	554	578	579	587	560
Staff costs	-190	-197	-191	-190	-234	-188	-180	-180
Other expenses	-34	-36	-25	-45	-79	-44	-49	-42
Internal purchased and sold services	-99	-105	-105	-94	-95	-89	-91	-89
Depreciation, amortisation and impairments of property, equipment and intangible assets	-13	-11	-23	-2	-1	-2	-2	-3
Total expenses	-336	-349	-344	-331	-409	-323	-322	-314
Profit before credit losses	240	234	231	223	169	256	265	246
Net credit losses	3	7	-1	-6	-2	4	9	-6
Gains/losses on disposal of property, equipment and intangible assets	2	0	2	2	2	1	0	2
Operating profit	245	241	232	219	169	261	274	242
Profit allocation	20	18	17	17	16	19	17	18
Operating profit after profit allocation	265	259	249	236	185	280	291	260
Cost/income ratio, %	56.4	58.1	58.1	58.0	68.9	54.0	53.3	54.3
Credit loss ratio, %	-0.02	-0.03	0.00	0.03	0.01	-0.02	-0.04	-
Credit loss ratio (IAS 39), %	-	-	-	-	-	-	-	-
Allocated capital	7,110	6,685	6,416	6,320	6,464	6,397	6,128	6,069
Return on allocated capital, %	11.7	12.2	12.2	11.7	9.0	13.7	14.8	13.4
Average number of employees	587	593	607	611	612	611	621	617
Number of branches	56	56	56	56	56	56	57	57

Handelsbanken Denmark, in local currency

DKK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	290	299	291	295	305	313	316	310
Net fee and commission income	96	88	95	84	93	84	82	88
Net gains/losses on financial transactions	16	20	16	17	18	15	23	19
Other income	2	1	2	1	2	2	2	2
Total income	404	408	404	397	418	414	423	419
Staff costs	-134	-138	-134	-136	-169	-135	-130	-134
Other expenses	-23	-25	-18	-32	-57	-31	-35	-32
Internal purchased and sold services	-70	-73	-73	-68	-69	-64	-65	-67
Depreciation, amortisation and impairments of property, equipment and intangible assets	-8	-8	-17	-1	-1	-1	-2	-2
Total expenses	-235	-244	-242	-237	-296	-231	-232	-235
Profit before credit losses	169	164	162	160	122	183	191	184
Net credit losses	2	5	0	-5	-1	2	7	-4
Gains/losses on disposal of property, equipment and intangible assets	1	0	1	2	2	1	-	1
Operating profit	172	169	163	157	123	186	198	181
Profit allocation	13	13	12	12	11	15	12	13
Operating profit after profit allocation	185	182	175	169	134	201	210	194

Business volumes, Handelsbanken Denmark

Average volumes, DKK bn	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Loans to the public								
Household	47.3	47.8	47.8	47.4	46.9	46.5	46.2	46.0
Companies	30.5	30.7	30.3	29.2	28.5	29.4	29.5	28.9
Total	77.8	78.5	78.1	76.6	75.4	75.9	75.7	74.9
Deposits and borrowing from the public								
Household	16.2	15.7	15.4	14.8	14.5	14.1	13.8	13.2
Companies	20.7	21.0	17.7	21.2	18.9	21.5	18.5	21.4
Total	36.9	36.7	33.1	36.0	33.4	35.6	32.3	34.6

Handelsbanken Finland

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	351	366	332	337	334	336	332	313
Net fee and commission income	146	152	141	133	132	124	124	122
Net gains/losses on financial transactions	9	9	14	14	6	9	17	13
Other income	3	5	2	7	3	6	3	4
Total income	509	532	489	491	475	475	476	452
Staff costs	-111	-110	-115	-110	-115	-110	-108	-104
Other expenses	-56	-42	-38	-57	-57	-41	-52	-45
Internal purchased and sold services	-116	-99	-101	-83	-97	-92	-87	-89
Depreciation, amortisation and impairments of property, equipment and intangible assets	-18	-18	-30	-4	-5	-6	-5	-5
Total expenses	-301	-269	-284	-254	-274	-249	-252	-243
Profit before credit losses	208	263	205	237	201	226	224	209
Net credit losses	21	31	52	-1	-72	-25	-81	6
Gains/losses on disposal of property, equipment and intangible assets	0	-1	0	0	0	0	0	0
Operating profit	229	293	257	236	129	201	143	215
Profit allocation	45	47	42	41	40	47	56	40
Operating profit after profit allocation	274	340	299	277	169	248	199	255
Cost/income ratio, %	54.3	46.5	53.5	47.7	53.2	47.7	47.4	49.4
Credit loss ratio, %	-0.18	-0.08	-0.12	0.01	0.34	0.08	0.28	-
Credit loss ratio (IAS 39), %								-
Allocated capital	7,481	7,170	6,782	6,738	6,687	6,435	6,356	6,722
Return on allocated capital, %	11.5	14.9	13.9	12.8	7.9	12.0	9.8	11.8
Average number of employees	501	514	514	496	487	525	537	523
Number of branches	36	36	36	36	36	40	45	45

Handelsbanken Finland, in local currency

EUR m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	32.9	34.4	31.3	32.3	32.3	32.2	32.2	31.4
Net fee and commission income	13.7	14.2	13.3	12.8	12.7	12.0	12.0	12.2
Net gains/losses on financial transactions	0.8	0.8	1.4	1.3	0.6	0.9	1.5	1.4
Other income	0.3	0.4	0.2	0.7	0.4	0.5	0.3	0.4
Total income	47.7	49.8	46.2	47.1	46.0	45.6	46.0	45.4
Staff costs	-10.4	-10.3	-10.8	-10.6	-11.1	-10.6	-10.4	-10.5
Other expenses	-5.2	-3.9	-3.6	-5.5	-5.5	-4.0	-5.0	-4.5
Internal purchased and sold services	-10.9	-9.3	-9.6	-7.9	-9.3	-8.8	-8.5	-8.9
Depreciation, amortisation and impairments of property, equipment and intangible assets	-1.7	-1.6	-2.9	-0.4	-0.5	-0.5	-0.5	-0.5
Total expenses	-28.2	-25.1	-26.9	-24.4	-26.4	-23.9	-24.4	-24.4
Profit before credit losses	19.5	24.7	19.3	22.7	19.6	21.7	21.6	21.0
Net credit losses	2.0	2.8	5.0	-0.1	-7.0	-2.5	-7.9	0.6
Gains/losses on disposal of property, equipment and intangible assets	-0.1	0.0	0.0	0.0	-0.1	0.1	0.0	0.0
Operating profit	21.4	27.5	24.3	22.6	12.5	19.3	13.7	21.6
Profit allocation	4.3	4.5	3.8	4.0	3.8	4.5	5.5	4.0
Operating profit after profit allocation	25.7	32.0	28.1	26.6	16.3	23.8	19.2	25.6

Business volumes, Handelsbanken Finland

Average volumes, EUR m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Loans to the public								
Household	4,346	4,352	4,336	4,303	4,277	4,215	4,083	4,125
Companies	9,690	9,557	9,528	9,375	9,292	9,274	9,066	8,879
Total	14,036	13,909	13,864	13,678	13,569	13,489	13,149	13,004
Deposits and borrowing from the public								
Household	1,745	1,729	1,703	1,652	1,625	1,611	1,569	1,511
Companies	3,375	2,931	2,558	2,750	2,947	2,696	2,617	3,006
Total	5,120	4,660	4,261	4,402	4,572	4,307	4,186	4,517

Handelsbanken the Netherlands

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	212	206	196	186	176	174	168	157
Net fee and commission income	42	35	36	38	39	39	43	39
Net gains/losses on financial transactions	23	3	3	8	9	6	5	1
Share of profit of associates								
Other income	-3	0	0	1	1	0	1	0
Total income	274	244	235	233	225	219	217	197
Staff costs	-99	-99	-102	-100	-91	-90	-90	-84
Other expenses	-28	-19	-13	-26	-35	-23	-24	-21
Internal purchased and sold services	-39	-36	-37	-30	-31	-28	-26	-32
Depreciation, amortisation and impairments of property, equipment and intangible assets	-15	-15	-20	-5	-5	-4	-5	-3
Total expenses	-181	-169	-172	-161	-162	-145	-145	-140
Profit before credit losses	93	75	63	72	63	74	72	57
Net credit losses	-1	-1	0	-1	1	1	0	12
Gains/losses on disposal of property, equipment and intangible assets	-	-	0	-	-	-	-	-
Operating profit	92	74	63	71	64	75	72	69
Profit allocation	1	1	-1	1	0	1	1	0
Operating profit after profit allocation	93	75	62	72	64	76	73	69
Cost/income ratio, %	65.8	69.0	73.5	68.8	72.0	65.9	66.5	71.1
Credit loss ratio, %	0.01	0.01	0.00	0.01	-0.01	-0.01	0.00	-
Credit loss ratio (IAS 39), %								-
Allocated capital	2,198	2,066	1,936	1,892	1,823	1,742	1,658	1,624
Return on allocated capital, %	13.4	11.3	10.2	11.8	11.1	13.5	13.7	13.4
Average number of employees	313	315	319	319	307	305	298	291
Number of branches	29	29	29	29	29	29	29	28

Handelsbanken in the Netherlands, in local currency

Euro m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	20.0	19.3	18.5	17.8	17.1	16.7	16.2	15.8
Net fee and commission income	4.0	3.3	3.4	3.6	3.7	3.7	4.2	3.9
Net gains/losses on financial transactions	2.2	0.2	0.3	0.8	0.9	0.6	0.5	0.1
Other income	-0.4	0.1	-	0.1	0.1	0.0	0.1	0.0
Total income	25.8	22.9	22.2	22.3	21.8	21.0	21.0	19.8
Staff costs	-9.3	-9.3	-9.6	-9.6	-8.8	-8.6	-8.8	-8.4
Other expenses	-2.6	-1.8	-1.3	-2.4	-3.4	-2.2	-2.3	-2.1
Internal purchased and sold services	-3.7	-3.3	-3.5	-2.9	-3.0	-2.7	-2.6	-3.1
Depreciation, amortisation and impairments of property, equipment and intangible assets	-1.4	-1.4	-1.9	-0.5	-0.4	-0.4	-0.4	-0.4
Total expenses	-17.0	-15.8	-16.3	-15.4	-15.6	-13.9	-14.1	-14.0
Profit before credit losses	8.8	7.1	5.9	6.9	6.2	7.1	6.9	5.8
Net credit losses	-0.1	-0.1	0.0	-0.1	0.0	0.1	0.0	1.2
Gains/losses on disposal of property, equipment and intangible assets	0.0	-	0.0	-	0.0	0.0	0.0	-
Operating profit	8.7	7.0	5.9	6.8	6.2	7.2	6.9	7.0
Profit allocation	0.1	0.0	0.0	0.1	0.1	0.1	0.1	0.0
Operating profit after profit allocation	8.8	7.0	5.9	6.9	6.3	7.3	7.0	7.0

Business volumes, Handelsbanken the Netherlands

Average volumes, EUR m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Loans to the public								
Household	3,072	2,985	2,854	2,751	2,599	2,456	2,339	2,218
Companies	2,195	2,157	2,116	1,961	1,969	2,054	2,042	1,997
Total	5,267	5,142	4,970	4,712	4,568	4,510	4,381	4,215
Deposits and borrowing from the public								
Household	217	208	192	171	147	136	127	118
Companies	1,239	1,057	1,208	1,095	1,044	955	956	1,077
Total	1,456	1,265	1,400	1,266	1,191	1,091	1,083	1,195

Handelsbanken Capital Markets

Handelsbanken Capital Markets

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	109	109	106	113	98	112	120	110
Net fee and commission income	996	1,045	1,070	1,011	1,031	991	995	951
Net gains/losses on financial transactions	216	255	324	249	201	129	251	221
Risk result - insurance	48	15	48	34	40	10	15	41
Other income	4	2	3	3	8	9	-3	3
Total income	1,373	1,426	1,551	1,410	1,378	1,251	1,378	1,326
Staff costs	-408	-446	-478	-463	-446	-436	-460	-449
Other expenses	-162	-159	-183	-192	-246	-174	-191	-170
Internal purchased and sold services	-307	-309	-288	-274	-257	-168	-181	-183
Depreciation, amortisation and impairments of property, equipment and intangible assets	-21	-16	-41	-7	-6	-8	-7	-7
Total expenses	-898	-930	-990	-936	-955	-786	-839	-809
Profit before credit losses	475	496	561	474	423	465	539	517
Net credit losses	2	-2	4	5	-2	-1	-3	16
Gains/losses on disposal of property, equipment and intangible assets	0		0	0	0	0	0	0
Operating profit	477	494	565	479	421	464	536	533
Profit allocation	-633	-641	-599	-554	-565	-595	-602	-535
Operating profit after profit allocation	-156	-147	-34	-75	-144	-131	-66	-2
Cost/income ratio, %	121.4	118.5	104.0	109.3	117.5	119.8	108.1	102.3
Credit loss ratio, %	-0.02	-0.01	-0.02	-0.03	-0.01	0.01	0.02	
Credit loss ratio (IAS 39), %								-
Allocated capital	6,192	5,814	4,497	4,431	4,425	4,708	4,385	4,552
Return on allocated capital, %	-8.0	-7.9	-2.4	-5.3	-10.1	-8.8	-4.7	-0.1
Average number of employees	959	994	997	1,011	1,047	1,079	1,083	1,094

Business volumes, Handelsbanken International

Average volumes, SEK bn	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Loans to the public								
Household	7.5	7.2	7.2	7.0	6.9	6.8	6.6	6.2
Companies	21.7	22.5	21.8	23.4	24.3	24.7	25.9	25.6
Total	29.2	29.7	29.0	30.4	31.2	31.5	32.5	31.8
Deposits and borrowing from the public								
Household	8.9	8.0	7.4	6.5	5.8	4.9	4.6	4.1
Companies	56.7	58.2	52.0	53.4	51.7	53.0	62.0	54.5
Total	65.6	66.2	59.4	59.9	57.5	57.9	66.6	58.6

Handelsbanken Liv

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Statutory Profit/loss, according to the alternative income statement								
Administration result	253	260	239	227	247	248	238	220
Risk result	48	15	48	34	40	10	15	41
Financial result	-47	-19	2	5	-110	-50	-14	-38
<i>of which deferred capital contribution</i>	-41	-9	0	0	-109	-49	-14	-34
Other	46	38	36	34	31	43	40	39
Operating profit	300	294	325	300	208	251	279	262
AUM, SEK bn, end of period	176	168	163	155	139	155	150	142
<i>of which unit-linked</i>	139	132	127	121	107	120	116	109
<i>of which portfolio bond</i>	30	29	28	27	25	27	27	24
Premiums paid, SEK m	4,852	4,524	5,784	4,780	4,117	3,464	5,772	4,380
of which portfolio bond	1,234	1,553	1,700	1,597	1,573	1,084	2,419	1,553
of which unit-linked	3,488	2,809	3,923	3,020	2,424	2,233	3,209	2,678
of which occupational pensions	817	800	802	803	765	719	697	717
New sales mutual funds & custody, Sweden, SEK m	966	937	1,373	1,183	916	582	1,588	803

Other and Adjustments & eliminations

Other

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	79	72	106	100	164	183	213	208
Net fee and commission income	-	-1	-6	-1	-2	10	9	10
Net gains/losses on financial transactions	-84	-206	-206	-200	-128	-223	-280	-356
Share of profit of associates	1	10	10	11	-3	10	2	-9
Other income	42	10	91	16	224	12	862	11
Total income	38	-115	-5	-74	255	-8	806	-136
Staff costs	-851	-1,590	-858	90	-1,000	-959	-913	-936
Other expenses	-887	-953	-965	-603	-890	-750	-781	-831
Internal purchased and sold services	1,813	1,813	1,770	1,670	1,760	1,567	1,584	1,586
Depreciation, amortisation and impairments of property, equipment and intangible assets	-188	-225	-33	-328	-116	-151	-117	-101
Total expenses	-113	-955	-86	829	-246	-293	-227	-282
Profit before credit losses	-75	-1,070	-91	755	9	-301	579	-418
Net credit losses								
Gains/losses on disposal of property, equipment and intangible assets	1	1	0	0	1	0	0	0
Operating profit	-74	-1,069	-90	755	12	-301	579	-418
Profit allocation								
Operating profit after profit allocation	-74	-1,069	-90	755	12	-301	579	-418
Average number of employees	3,350	3,299	3,176	3,113	3,041	2,936	2,829	2,736

Adjustments & eliminations

SEK m	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Net interest income	-	-	-	-	-	-	-	-
Net fee and commission income	-	-	-	-	-	-	-	-
Net gains/losses on financial transactions	-	-	-	-	-	-	-	-
Risk result - insurance	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-
Total income	-	-	-	-	-	-	-	-
Staff costs	-52	-57	-66	-59	-15	-16	-19	-20
Other expenses	-	-	-	-	-	-	-	-
Depreciation, amortisation and impairments of property, equipment and intangible assets	-	-	-	-	-	28	-14	-14
Total expenses	-52	-57	-66	-59	-15	12	-33	-34
Profit before credit losses	-52	-57	-66	-59	-15	12	-33	-34
Net credit losses	-	-	-	-	-	-	-	-
Gains/losses on disposal of property, equipment and intangible assets	-	-	-	-	-	-	-	-
Operating profit	-52	-57	-66	-59	-15	12	-33	-34

Balance sheet

Balance sheet - Svenska Handelsbanken Group

SEK m	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Assets								
Cash and balances with central banks	327,958	314,002	271,300	352,142	317,217	357,440	375,243	276,999
Other loans to central banks	19,547	46,867	27,249	39,899	33,557	48,428	61,104	99,545
Interest-bearing securities eligible as collateral with central banks	103,387	152,409	177,062	148,563	122,260	145,589	141,828	103,579
Loans to other credit institutions	17,939	35,204	33,573	50,175	22,137	35,722	36,985	35,475
Loans to the public	2,292,603	2,296,264	2,276,983	2,258,016	2,189,092	2,193,712	2,194,038	2,143,107
Value change of interest-hedged item in portfolio hedge	25	30	34	35	33	31	37	36
Bonds and other interest-bearing securities	42,640	55,726	56,498	59,374	50,729	56,571	62,009	59,175
Shares	21,390	18,472	17,939	13,124	13,821	13,881	13,462	19,093
Investments in associates	285	285	276	268	259	263	254	289
Assets where the customer bears the value change risk	174,988	166,512	161,103	152,779	136,346	152,042	147,265	138,442
Derivative instruments	41,545	67,973	51,377	57,763	58,041	52,615	67,016	59,069
Reinsurance assets	11	12	12	12	12	14	14	14
Intangible assets	11,185	11,091	10,974	10,749	10,455	10,390	10,397	10,161
Property and equipment	6,645	6,716	6,482	6,392	2,229	2,243	2,289	2,252
Current tax assets	53	2,719	1,635	711	617	2,252	2,823	2,141
Deferred tax assets	693	1,241	1,122	1,200	1,044	376	445	355
Net pension assets	654	-	-	-	-	1,084	-	-
Assets held for sale	1	-	-	-	19	18	20	-
Other assets	6,167	9,773	8,160	15,043	16,880	11,416	15,334	10,420
Prepaid expenses and accrued income	1,951	2,974	3,732	3,943	3,426	3,149	3,790	3,424
Total assets	3,069,667	3,188,270	3,105,511	3,170,188	2,978,174	3,087,236	3,134,353	2,963,576
Liabilities and equity								
Due to credit institutions	147,989	210,506	192,494	196,941	194,082	194,657	211,927	193,642
Deposits and borrowing from the public	1,117,825	1,157,242	1,105,365	1,119,830	1,008,487	1,099,384	1,126,480	1,065,678
Liabilities where the customer bears the value change risk	174,988	166,512	161,104	152,779	136,346	152,040	147,264	138,448
Issued securities	1,384,961	1,405,904	1,402,604	1,449,392	1,394,647	1,393,819	1,406,806	1,331,913
Derivative instruments	20,642	15,094	15,497	15,849	17,360	19,137	21,960	25,902
Short positions	1,856	4,271	8,055	10,888	6,163	7,081	10,594	7,559
Insurance liabilities	578	570	579	568	542	546	552	1,165
Current tax liabilities	1,284	2,841	2,204	1,577	1,118	2,174	1,444	789
Deferred tax liabilities	5,634	7,421	7,081	6,187	5,786	5,959	5,942	6,247
Provisions	1,141	1,168	302	222	222	239	258	268
Net pension liabilities	-	1,864	2,182	3,236	3,226	-	525	11
Other liabilities	14,038	18,376	18,663	31,074	12,984	16,351	15,398	13,791
Accrued expenses and deferred income	3,353	3,605	3,511	4,274	3,865	3,812	3,777	4,929
Subordinated liabilities	35,546	37,307	37,673	37,588	51,085	50,827	43,147	41,621
Total liabilities	2,909,835	3,032,681	2,957,314	3,030,405	2,835,913	2,946,026	2,996,074	2,831,963
Minority interest	8	8	7	13	12	11	11	13
Share capital	3,069	3,060	3,024	3,013	3,013	3,013	3,013	3,013
Share premium	8,758	8,225	6,292	5,629	5,629	5,629	5,629	5,629
Reserves	13,141	13,805	11,931	8,556	5,098	9,455	10,629	9,192
Retained earnings	117,934	117,949	117,971	117,817	111,155	109,763	109,763	109,763
Profit for the period, attributable to shareholders in Svenska Handelsbanken AB	16,922	12,542	8,972	4,755	17,354	13,339	9,234	4,003
Total equity	159,832	155,589	148,197	139,783	142,261	141,210	138,279	131,613
Total liabilities and equity	3,069,667	3,188,270	3,105,511	3,170,188	2,978,174	3,087,236	3,134,353	2,963,576

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.

Average volume - Loans to the public

SEK bn	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Loans to the public, average volume quarterly	2,310	2,291	2,292	2,244	2,212	2,199	2,176	2,110
Loans to the public, average volume YTD	2,284	2,275	2,268	2,244	2,174	2,162	2,143	2,110

Loans to the public by sector

Loans net	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
SEK m, end of period								
Private individuals	1,151,979	1,145,301	1,134,387	1,120,477	1,097,903	1,097,813	1,092,599	1,071,696
<i>of which mortgage loans in Stadshypotek</i>	939,072	929,347	920,839	908,320	896,812	890,903	884,818	870,033
<i>of which other mortgage loans</i>	164,830	170,499	160,015	157,678	149,977	151,703	151,727	137,753
<i>of which other loans to private individuals</i>	48,077	45,455	53,533	54,479	51,114	55,207	56,054	63,910
Housing co-operative associations	245,261	243,274	241,723	237,051	229,411	226,241	223,473	214,851
<i>of which mortgage loans in Stadshypotek</i>	210,783	205,052	203,158	198,145	192,510	188,895	186,133	179,357
Property management, Note 1	646,754	644,603	636,647	628,096	598,002	602,079	604,178	591,767
Manufacturing	29,199	27,503	28,336	27,939	27,153	26,870	32,319	27,518
Retail	28,597	27,497	26,008	26,807	22,089	23,011	22,332	21,636
Hotels and restaurants	8,841	8,892	8,664	8,815	8,975	9,028	8,729	8,869
Shipping, passenger & goods transport by sea	6,392	6,807	6,793	6,739	6,980	8,219	8,914	8,374
Other transport and communication	10,634	13,821	13,983	15,248	14,439	14,797	15,382	16,409
Construction	19,121	20,752	20,963	21,922	21,296	22,931	23,484	21,525
Electricity, gas, water	19,435	19,766	19,875	20,794	20,498	21,829	22,547	22,540
Agriculture, hunting and forestry	19,203	17,902	15,561	16,935	15,706	15,462	14,736	13,576
Other service industry	20,324	21,583	21,183	23,628	23,833	23,550	23,397	22,561
Holding companies, insurance companies, funds etc.	58,100	60,635	73,499	78,567	75,503	74,052	67,451	69,459
State & municipalities	9,936	10,134	10,057	12,801	10,874	12,449	11,807	12,562
<i>of which loans to the National Debt Office</i>	-	-	-	2,155	120	364	160	328
Other corporate lending	18,827	27,794	19,304	12,197	16,430	15,381	22,690	19,764
Total loans to the public	2,292,603	2,296,264	2,276,983	2,258,016	2,189,092	2,193,712	2,194,038	2,143,107

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

SEK m, end of period	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Lending in Sweden								
State-owned property companies	6,339	6,336	6,340	5,071	5,066	4,045	4,045	4,350
Municipal-owned property companies	7,291	7,542	7,697	7,758	7,971	8,149	8,450	8,648
Residential property companies	119,507	116,785	113,025	113,583	111,620	108,080	107,603	106,716
<i>of which mortgage loans in Stadshypotek</i>	<i>106,484</i>	<i>103,942</i>	<i>100,593</i>	<i>99,473</i>	<i>97,333</i>	<i>94,910</i>	<i>94,195</i>	<i>93,130</i>
Other property companies	125,189	125,729	130,796	128,280	126,923	126,687	127,129	125,848
<i>of which mortgage loans in Stadshypotek</i>	<i>61,649</i>	<i>61,198</i>	<i>62,064</i>	<i>57,769</i>	<i>56,308</i>	<i>54,772</i>	<i>53,550</i>	<i>52,628</i>
Total lending in Sweden	258,326	256,392	257,858	254,692	251,580	246,961	247,227	245,562
Lending outside Sweden								
Great Britain	153,096	151,293	146,311	148,064	136,950	139,148	139,535	136,624
Norway	125,524	126,453	125,727	121,875	111,646	117,865	118,879	112,914
Denmark	22,978	23,484	22,783	22,650	20,731	20,692	21,190	20,600
Finland	44,707	45,218	43,902	42,651	41,188	41,611	41,297	40,441
The Netherlands	37,706	37,096	35,529	33,715	31,449	31,986	31,115	30,055
Other countries	4,417	4,667	4,537	4,449	4,458	3,816	4,935	5,571
Total lending outside Sweden	388,428	388,211	378,789	373,404	346,422	355,118	356,951	346,205
Total lending - Property management	646,754	644,603	636,647	628,096	598,002	602,079	604,178	591,767

Credit risk exposure

SEK m	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Cash and balances with central banks	327,958	314,002	271,300	352,142	317,217	357,440	375,243	276,999
Other loans to central banks	19,547	46,867	27,249	39,899	33,557	48,428	61,104	99,545
Loans to the public	2,292,603	2,296,264	2,276,983	2,258,016	2,189,092	2,193,712	2,194,038	2,143,107
<i>of which reverse repos</i>	<i>10,438</i>	<i>11,638</i>	<i>10,096</i>	<i>8,128</i>	<i>9,049</i>	<i>8,645</i>	<i>8,726</i>	<i>6,698</i>
Loans to other credit institutions	17,939	35,204	33,573	50,175	22,137	35,722	36,985	35,475
<i>of which reverse repos</i>	<i>0</i>	<i>4,102</i>	<i>5,334</i>	<i>13,562</i>	<i>2,756</i>	<i>9,353</i>	<i>11,116</i>	<i>11,032</i>
Interest-bearing securities eligible as collateral with central banks	103,387	152,409	177,062	148,563	122,260	145,589	141,828	103,579
Bonds and other interest-bearing securities	42,640	55,726	56,498	59,374	50,729	56,571	62,009	59,175
Derivative instruments*	41,545	67,973	51,377	57,763	58,041	52,615	67,016	59,069
Contingent liabilities	95,186	94,658	95,958	98,441	92,939	89,952	89,404	88,634
Commitments	439,667	464,455	458,288	467,662	458,772	463,080	459,482	457,688
Total	3,380,472	3,527,558	3,448,288	3,532,035	3,344,744	3,443,109	3,487,109	3,323,271

* Refers to the total of positive market values.

Credit risk exposure by country

SEK m	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Sweden	1,950,622	2,014,270	2,004,885	1,977,272	1,903,911	1,931,555	1,927,853	1,900,265
Great Britain	401,087	399,704	391,977	399,228	364,780	383,045	380,447	350,125
Norway	373,790	372,182	370,114	368,373	327,510	346,766	359,949	348,963
Denmark	156,671	175,484	165,949	178,231	158,720	162,393	172,811	169,561
Finland	290,973	307,408	273,061	299,074	308,921	288,042	288,589	290,116
The Netherlands	72,876	72,272	68,018	69,078	57,802	62,027	66,106	53,106
Other countries	134,453	186,238	174,284	240,779	223,100	269,281	291,354	211,135
Total	3,380,472	3,527,558	3,448,288	3,532,035	3,344,744	3,443,109	3,487,109	3,323,271

Loans to the public - by segment *

SEK bn, end of period	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Handelsbanken Sweden	1,397	1,391	1,389	1,382	1,365	1,351	1,346	1,325
Handelsbanken UK	263	256	248	253	235	238	238	233
Handelsbanken Norway	283	287	286	278	258	274	277	262
Handelsbanken Denmark	110	114	113	112	106	107	107	105
Handelsbanken Finland	147	150	147	144	139	140	140	136
Handelsbanken the Netherlands	57	56	53	50	48	47	46	45
Handelsbanken International	23	30	29	30	30	31	32	31
Other	13	12	12	7	8	6	7	6
Total	2,293	2,296	2,277	2,256	2,189	2,193	2,194	2,143

* Excluding loans to the National Debt Office.

Loans to households - by segment

SEK bn, end of period	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Handelsbanken Sweden	874	868	862	853	845	839	832	819
<i>of which Stadshypotek</i>	<i>833</i>	<i>823</i>	<i>815</i>	<i>806</i>	<i>800</i>	<i>790</i>	<i>782</i>	<i>771</i>
Handelsbanken UK	86	80	78	80	76	77	77	76
Handelsbanken Norway	106	107	105	102	96	101	101	95
Handelsbanken Denmark	66	68	68	67	65	65	65	64
Handelsbanken Finland	46	47	46	45	44	44	44	43
Handelsbanken the Netherlands	33	33	31	29	28	26	25	24
Handelsbanken International	7	7	7	7	7	7	7	6
Other	1	1	2	1	1	-1	0	2
Total	1,218	1,211	1,199	1,183	1,162	1,158	1,151	1,129

Loans to Companies - by segment *

SEK bn, end of period	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Handelsbanken Sweden	523	523	527	529	520	512	514	506
<i>of which Stadshypotek</i>	<i>342</i>	<i>335</i>	<i>331</i>	<i>322</i>	<i>316</i>	<i>306</i>	<i>303</i>	<i>296</i>
Handelsbanken UK	177	176	170	173	159	161	161	157
Handelsbanken Norway	177	180	181	176	162	173	176	167
Handelsbanken Denmark	44	46	45	45	41	42	42	41
Handelsbanken Finland	101	103	101	99	95	96	96	93
Handelsbanken the Netherlands	24	23	22	21	20	21	21	21
Handelsbanken International	16	23	22	23	23	24	25	25
Other	12	11	11	6	8	6	8	4
Total	1,074	1,085	1,078	1,073	1,027	1,035	1,043	1,014

* Excluding loans to the National Debt Office.

Business volumes – Savings and deposits

Assets under management, Handelsbanken Group

SEK bn, end of period	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Mutual funds, excl. PPM and Unit-linked	458	424	414	400	365	401	387	373
PPM	44	41	41	38	33	36	35	33
Unit-linked insurance	139	132	127	122	107	120	116	110
<i>of which external mutual funds</i>	-2	-2	-2	-2	-2	-3	-4	-3
Total mutual funds	639	595	580	558	503	554	534	513
Structured products	7	7	7	8	9	9	10	12
Portfolio bond insurance	30	29	28	27	25	27	27	24
<i>of which in mutual funds and structured products</i>	-13	-11	-11	-11	-10	-11	-11	-10
Traditional insurance	7	7	7	7	8	8	8	8
<i>of which in mutual funds and structured products</i>	-7	-1	-1	-1	-1	-1	-1	-1
Discretionary and Institutional assets, excl. insurance*	284	253	259	254	233	241	236	229
<i>of which in mutual funds and structured products</i>	-180	-154	-163	-162	-148	-157	-152	-148
Total assets under management, excl. securities in custody	767	725	706	680	619	670	651	627
Securities in custody, excl. mutual funds	417	389	380	365	333	363	346	340
Securities in custody, excl. mutual funds, foundations associated with Handelsbanken	50	49	52	52	47	55	50	51

* Including the whole volume managed by Heartwood, of which SEK 36 bn in Heartwoods mutual funds.

Assets in mutual funds per country

SEK bn, end of period	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Sweden	564	524	508	487	440	484	467	446
Norway	29	28	27	27	25	29	27	25
Denmark	21	20	20	19	18	20	19	18
Finland	19	18	17	16	14	14	13	13
The Netherlands	5	5	5	6	6	6	6	6
Other countries and eliminations	1	0	3	3	0	1	2	5
Total mutual funds	639	595	580	558	503	554	534	513
Great Britain (Heartwood)	36	33	32	32	29	30	30	28
Total	675	628	612	590	532	584	564	541

Net savings in the Bank's mutual funds

SEK bn	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Sweden	14.9	6.6	3.4	2.4	-0.5	6.1	3.0	4.4
Norway	0.9	0.5	-1.3	0.6	-0.2	1.1	0.3	0.8
Denmark	-0.3	-0.2	0.2	0.1	0.5	0.1	0.1	0.7
Finland	0.5	0.2	0.8	-0.2	3.8	1.0	-0.6	1.2
The Netherlands	0.2	-0.4	-0.4	-0.4	-1.6	0.0	0.0	0.0
Other countries and eliminations	-0.2	0.2	-0.1	0.3	1.0	0.0	0.1	-0.1
Total mutual funds	16.0	6.9	2.6	2.8	3.0	8.3	2.9	7.0
Great Britain (Heartwood)	0.8	0.1	0.3	0.2	0.5	0.4	0.9	0.8
Total	16.8	7.0	2.9	3.0	3.5	8.7	3.8	7.8

Deposits and borrowing from the public - by segment

SEK bn, end of period	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Handelsbanken Sweden	659	670	658	634	606	607	595	590
Handelsbanken UK	200	187	175	174	169	159	162	153
Handelsbanken Norway	78	76	75	72	64	67	69	65
Handelsbanken Denmark	49	55	48	44	46	45	51	40
Handelsbanken Finland	50	53	46	44	48	45	45	46
Handelsbanken the Netherlands	14	14	11	15	7	10	12	13
Handelsbanken International	46	71	54	68	47	64	58	63
Other	22	30	39	69	22	102	134	96
Total	1,118	1,157	1,105	1,120	1,008	1,099	1,126	1,066

Deposits and borrowing from households - by segment

SEK bn, end of period	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Handelsbanken Sweden	386	390	387	370	362	360	356	344
Handelsbanken UK	66	58	56	55	56	56	56	52
Handelsbanken Norway	24	24	25	23	21	23	24	21
Handelsbanken Denmark	23	22	22	20	20	19	20	18
Handelsbanken Finland	18	19	18	17	17	17	17	16
Handelsbanken the Netherlands	2.3	2.4	2.2	2.0	1.7	1.5	1.5	1.3
Handelsbanken International	9	9	7	7	6	6	5	4
Other	3	3	3	3	3	2	1	3
Total	531	527	520	497	486	485	481	459

Deposits and borrowing from Companies - by segment

SEK bn, end of period	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Handelsbanken Sweden	273	281	271	264	244	247	238	245
Handelsbanken UK	134	129	119	119	113	103	106	101
Handelsbanken Norway	54	52	50	49	43	44	45	44
Handelsbanken Denmark	26	33	26	24	26	26	31	22
Handelsbanken Finland	32	34	28	27	31	28	28	30
Handelsbanken the Netherlands	12	12	9	13	5	8	10	12
Handelsbanken International	37	62	47	61	41	58	53	59
Other	19	27	36	66	19	100	133	93
Total	587	630	585	622	522	615	644	606

Own funds and capital requirement

Own funds CRR

SEK m	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
TIER 1 CAPITAL								
Equity, Group	159,832	155,589	148,197	139,783	142,261	141,210	138,279	131,613
Accrued unpaid dividend previous year	-	-	-	-	-	-	-	-
Accrued dividend current year	-10,890	-8,711	-6,232	-3,129	-10,693	-12,104	-8,389	-3,620
Adjustment of Group result	-208	31	265	-250	-779	-657	-444	-210
Adjustment of Group equity	1,854	1,863	1,880	1,877	2,616	2,582	2,549	2,529
Minority interests	-8	-8	-7	-13	-12	-11	-11	-13
Equity (consolidated entities)	150,580	148,764	144,103	138,268	133,393	131,020	131,984	130,299
Deducted items								
Goodwill and other intangible assets	-11,119	-11,036	-10,922	-10,685	-10,390	-10,323	-10,328	-10,091
Value adjustments (fair value)	-399	-392	-434	-417	-375	-397	-385	-386
Negative amounts resulting from the calculation of expected loss amounts	-1,581	-1,881	-1,937	-2,088	-2,047	-1,907	-1,974	-1,748
Positions in securitisation	-20	-22	-22	-	-	-	-	-
Net pension assets	-	-	-	-	-	-	-	-
Own shares	-527	-474	-478	-504	-508	-565	-516	-551
Adjustments in accordance with stability filter								
Cash flow hedges	-4,203	-6,520	-5,524	-2,915	-1,263	956	-377	168
Unrealised accumulated gains, shares	-	-	-	-	-	-	-	-
Common equity tier 1 capital, gross	132,731	128,439	124,786	121,659	118,810	118,784	118,404	117,691
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	132,731	128,439	124,786	121,659	118,810	118,784	118,404	117,691
Additional tier 1 instruments	15,819	16,618	15,712	15,690	12,653	12,599	12,685	11,934
Total tier 1 capital	148,550	145,057	140,498	137,349	131,463	131,383	131,089	129,625
TIER 2 CAPITAL								
Subordinated loans	18,639	19,003	18,803	18,563	18,325	18,415	26,495	26,096
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	17,510	17,874	17,674	17,434	17,196	17,286	25,366	25,004
Total own funds	166,060	162,931	158,172	154,783	148,659	148,669	156,455	154,629

Available Distributable Items (ADI)

SEK m	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Available Distributable Items (ADI)	132,731	128,439	124,786	121,659	118,810	102,197	103,093	102,457
Deducted dividend	10,890	8,711	6,232	3,129	10,693	3,805	2,611	624
Minimum capital requirement	-32,241	-33,173	-32,814	-33,460	-31,841	-27,632	-27,986	-27,466
Capital conservation buffer	-17,912	-18,429	-18,230	-18,589	-17,689	-15,351	-15,548	-15,259
Countercyclical capital buffer	-13,639	-13,588	-11,196	-11,452	-10,764	-8,534	-8,709	-8,168
Systemic risk buffer	-21,494	-22,115	-21,876	-22,307	-21,227	-	0	0
Total Available Distributable Items	58,335	49,845	46,902	38,980	47,982	54,485	53,462	52,188

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	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Credit risk according to standardised approach	86,748	85,395	86,616	92,828	87,451	90,106	91,877	88,502
Credit risk according to IRB approach	377,701	398,071	394,595	401,231	378,089	376,834	378,236	375,609
Risk weight floor Swedish mortgage loans	173,604	171,428	166,742	165,008	163,123			
Market risk	8,272	10,732	9,398	12,502	9,765	10,835	13,906	11,978
Credit valuation adjustment risk (CVA)	4,114	5,522	5,824	5,974	5,219	6,270	5,811	5,877
Operational risk	66,023	66,023	66,023	66,023	63,932	63,932	63,932	63,932
Total risk exposure amount	716,462	737,171	729,198	743,566	707,579	547,977	553,762	545,898
Common equity tier 1 capital	132,731	128,439	124,786	121,659	118,810	118,784	118,404	117,691
Common equity tier 1 ratio, CRR	18.5%	17.4%	17.1%	16.4%	16.8%	21.7%	21.4%	21.6%

Capital adequacy analysis

	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Common equity tier 1 ratio, CRR	18.5%	17.4%	17.1%	16.4%	16.8%	21.7%	21.4%	21.6%
Tier 1 ratio, CRR	20.7%	19.7%	19.3%	18.5%	18.6%	24.0%	23.7%	23.7%
Total capital ratio, CRR	23.2%	22.1%	21.7%	20.8%	21.0%	27.1%	28.3%	28.3%

Capital requirement

SEK m	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Credit risk according to standardised approach	6,940	6,832	6,929	7,426	6,996	7,208	7,350	7,080
Credit risk according to IRB approach	30,216	31,846	31,568	32,098	30,247	30,147	30,259	30,049
Risk weight floor Swedish mortgage loans	13,888	13,714	13,339	13,201	13,050			
Total capital requirement for market risks	662	859	752	1,000	781	867	1,112	958
Credit valuation adjustment risk (CVA)	329	441	466	478	417	501	465	470
Operational risk	5,282	5,282	5,282	5,282	5,115	5,115	5,115	5,115
Combined buffer requirement	53,061	54,149	51,317	52,373	49,681	36,966	37,410	
Total capital requirement	110,378	113,123	109,653	111,858	106,287	80,804	81,711	43,672

Capital requirement market risks

SEK m	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Outright products								
Interest rate risk	651	847	736	981	764	846	1,086	937
<i>of which general risk</i>	554	674	564	682	631	706	827	698
<i>of which specific risk</i>	97	173	172	299	133	140	259	239
Equity price risk	3	3	6	5	7	8	10	9
<i>of which general risk</i>	1	1	2	2	2	3	4	3
<i>of which specific risk</i>	2	2	4	3	5	5	6	6
<i>of which mutual funds</i>	0	0	0	0	0	0	0	0
Exchange rate risk	-	-	-	-	-	-	-	-
Commodities risk	4	6	6	9	7	8	12	8
Options								
Scenario approach	3	3	4	5	3	5	4	4
<i>of which interest rate risk</i>	0	0	0	0	0	0	0	0
<i>of which equity risk</i>	3	3	4	5	3	5	4	4
<i>of which exchange rate risk</i>	-	-	-	-	-	-	-	-
<i>of which commodity risk</i>	-	0	0	0	0	0	0	0
Securitisation (specific risk)	-	-	-	-	-	-	-	-
Settlement risk	1	0	0	0	0	-	0	0
Total capital requirement for market risks	662	859	752	1,000	781	867	1,112	958

Credit risks IRB approach

Exposure amount

SEK m	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Sovereign and central banks	426,414	447,234	385,973	480,690	436,476	497,192	532,880	474,366
Corporate	909,304	934,653	941,899	947,601	899,041	912,003	920,459	894,483
Corporate lending	900,795	919,836	918,436	924,650	888,991	891,885	898,228	871,623
<i>of which other loans foundation approach *</i>	110,550	120,536	122,076	122,837	125,126	125,052	122,266	116,290
<i>of which other loans advanced approach *</i>	790,245	799,300	796,360	801,813	763,865	766,833	775,962	755,333
<i>of which large companies</i>	140,751	150,052	151,741	165,532	154,297	156,110	163,283	158,459
<i>of which medium-sized companies</i>	91,926	91,278	87,339	87,072	85,130	86,392	85,723	83,805
<i>of which property companies</i>	557,568	557,970	557,278	549,209	524,438	524,332	526,957	513,069
Counterparty risk	8,509	14,817	23,463	22,951	10,050	20,118	22,231	22,860
Housing co-operative associations	235,554	232,899	230,683	224,339	216,026	212,173	208,464	203,522
Retail	1,119,800	1,120,458	1,109,019	1,092,785	1,079,337	1,077,788	1,068,240	1,048,003
Private individuals	1,095,928	1,095,989	1,084,444	1,068,132	1,054,730	1,052,545	1,043,446	1,022,925
<i>of which property loans</i>	1,046,593	1,043,207	1,021,554	1,005,596	991,558	988,538	979,538	946,488
<i>of which other loans</i>	49,335	52,782	62,890	62,536	63,172	64,007	63,908	76,437
Small companies	23,872	24,469	24,575	24,653	24,607	25,243	24,794	25,078
Institutions	57,663	87,084	91,493	112,495	78,120	93,033	96,451	87,550
Lending to institutions	16,554	19,538	15,800	26,927	17,559	16,620	19,319	17,679
Counterparty risk	41,109	67,546	75,693	85,568	60,561	76,413	77,132	69,871
Equity exposures	3,028	2,486	2,420	2,293	2,121	2,811	1,294	1,541
Non credit-obligation assets	6,946	7,010	6,767	6,681	2,239	2,243	2,288	2,251
Securitisation positions	-	-	0	23	22	22	22	21
Total IRB approach	2,758,709	2,831,824	2,768,254	2,866,907	2,713,382	2,797,265	2,830,098	2,711,737

Risk-weighted exposure amount

SEK m	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Sovereign and central banks	7,098	7,563	6,896	7,946	7,694	8,454	8,992	8,578
Corporates	246,710	258,968	257,608	262,237	250,750	252,880	258,984	257,520
Corporate lending	244,106	254,904	254,084	259,038	247,764	250,027	255,474	254,083
<i>of which other loans foundation approach *</i>	33,651	36,905	37,370	37,325	37,526	36,863	37,014	35,167
<i>of which other loans advanced approach *</i>	210,455	217,999	216,714	221,713	210,238	213,164	218,460	218,916
<i>of which large companies</i>	51,641	55,156	53,869	59,204	57,241	59,088	62,834	63,434
<i>of which medium-sized companies</i>	37,399	39,697	38,748	38,363	37,275	38,299	37,899	38,264
<i>of which property companies</i>	121,415	123,146	124,097	124,146	115,722	115,777	117,727	117,218
Counterparty risk	2,604	4,064	3,524	3,199	2,986	2,853	3,510	3,437
Housing co-operative associations	9,806	10,673	11,485	10,992	9,902	10,208	10,171	10,650
Households	82,406	86,865	87,367	85,683	85,185	77,893	77,427	74,416
Private individuals	74,659	77,813	79,741	78,189	77,746	70,514	70,122	67,504
<i>of which property loans</i>	63,871	64,991	64,458	63,011	62,459	56,465	56,249	52,562
<i>of which other loans</i>	10,788	12,822	15,283	15,178	15,287	14,049	13,873	14,942
Small companies	7,747	9,052	7,626	7,494	7,438	7,379	7,305	6,912
Institutions	14,436	18,289	16,043	19,564	14,858	15,632	15,562	16,475
Lending to institutions	5,920	7,212	5,571	9,016	5,640	4,810	6,102	5,666
Counterparty risk	8,516	11,077	10,472	10,548	9,218	10,822	9,460	10,809
Equity exposures	10,299	8,703	8,428	8,025	7,410	9,473	4,788	5,697
<i>of which listed shares</i>	3,274	1,791	1,908	1,664	1,581	3,359	-	12
<i>of which other shares</i>	7,025	6,912	6,520	6,361	5,829	6,114	4,788	5,685
Exposures without a counterparty	6,946	7,010	6,767	6,681	2,239	2,243	2,288	2,251
Securitisation positions	-	-	0	103	51	51	24	22
Total IRB approach	377,701	398,071	394,594	401,231	378,089	376,834	378,236	375,609
Risk weight floor Swedish mortgages**	173,604	171,428	166,743	165,008	163,123			
Total IRB approach with effect of risk weight floor								
Swedish mortgages	551,305	569,499	561,337	566,239	541,212			

* 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.

** The exposure amount which is affected by the rules for risk weight floor, Swedish mortgage loans is SEK 835,928m at 31 December 2019.

Capital requirement

SEK m	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Sovereign and central banks	568	605	552	636	616	676	719	686
Corporates	19,737	20,718	20,609	20,979	20,060	20,230	20,719	20,601
Corporate lending	19,529	20,393	20,327	20,723	19,821	20,002	20,438	20,326
<i>of which other loans foundation approach *</i>	2,693	2,953	2,990	2,986	3,002	2,949	2,961	2,813
<i>of which other loans advanced approach *</i>	16,836	17,440	17,337	17,737	16,819	17,053	17,477	17,513
<i>of which large companies</i>	4,131	4,412	4,309	4,736	4,579	4,727	5,027	5,075
<i>of which medium-sized companies</i>	2,992	3,176	3,100	3,069	2,982	3,064	3,032	3,061
<i>of which property companies</i>	9,713	9,852	9,928	9,932	9,258	9,262	9,418	9,377
Counterparty risk	208	325	282	256	239	228	281	275
Housing co-operative associations	783	854	920	879	791	818	814	853
Households	6,593	6,949	6,989	6,855	6,815	6,231	6,194	5,953
Private individuals	5,973	6,225	6,379	6,255	6,220	5,641	5,610	5,400
<i>of which property lending</i>	5,110	5,199	5,157	5,041	4,997	4,517	4,500	4,205
<i>of which other lending</i>	863	1,026	1,223	1,214	1,223	1,124	1,110	1,195
Small companies	620	724	610	600	595	590	584	553
Institutions	1,155	1,463	1,283	1,565	1,189	1,251	1,245	1,318
Lending to institutions	474	577	446	721	452	385	488	453
Counterparty risk	681	886	838	844	737	866	757	865
Equity exposures	824	696	674	642	593	758	383	456
<i>of which listed shares</i>	262	143	153	133	126	269	-	1
<i>of which other shares</i>	562	553	521	509	467	489	383	455
Exposures without a counterparty	556	561	541	534	179	179	183	180
Securitisation positions	-	-	0	8	4	4	2	2
Total IRB approach	30,216	31,846	31,568	32,098	30,247	30,147	30,259	30,049
Risk weight floor Swedish mortgages**	13,888	13,714	13,339	13,201	13,050			
Total IRB approach with effect of risk weight floor Swedish mortgages	44,104	45,560	44,907	45,299	43,297			

Average risk weight, %

	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Sovereign and central banks	1.7	1.7	1.8	1.7	1.8	1.7	1.7	1.8
Corporates	27.1	27.7	27.3	27.7	27.9	27.7	28.1	28.8
Corporate lending	27.1	27.7	27.7	28.0	27.9	28.0	28.4	29.2
<i>of which other loans foundation approach *</i>	30.4	30.6	30.6	30.4	30.0	29.5	30.3	30.2
<i>of which other loans advanced approach *</i>	26.6	27.3	27.2	27.7	27.5	27.8	28.2	29.0
<i>of which large companies</i>	36.7	36.8	35.5	35.8	37.1	37.9	38.5	40.0
<i>of which medium-sized companies</i>	40.7	43.5	44.4	44.1	43.8	44.3	44.2	45.7
<i>of which property companies</i>	21.8	22.1	22.3	22.6	22.1	22.1	22.3	22.8
Counterparty risk	30.6	27.4	15.0	13.9	29.7	14.2	15.8	15.0
Housing co-operative associations	4.2	4.6	5.0	4.9	4.6	4.8	4.9	5.2
Households	7.4	7.8	7.9	7.8	7.9	7.2	7.2	7.1
Private individuals	6.8	7.1	7.4	7.3	7.4	6.7	6.7	6.6
<i>of which property lending</i>	6.1	6.2	6.3	6.3	6.3	5.7	5.7	5.6
<i>of which other lending</i>	21.9	24.3	24.3	24.3	24.2	21.9	21.7	19.5
Small companies	32.5	37.0	31.0	30.4	30.2	29.2	29.5	27.6
Institutions	25.0	21.0	17.5	17.4	19.0	16.8	16.1	18.8
Lending to institutions	35.8	36.9	35.3	33.5	32.1	28.9	31.6	32.1
Counterparty risk	20.7	16.4	13.8	12.3	15.2	14.2	12.3	15.5
Equity exposures	340.2	350.1	348.3	350.0	349.4	337.0	370.0	369.8
<i>of which listed shares</i>	290.0	290.0	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	0.0	0.0	0.0	450.5	229.2	229.2	106.0	100.0
Total IRB approach	13.7	14.1	14.3	14.0	13.9	13.5	13.4	13.9
Risk weight floor Swedish mortgages**								
Total IRB approach with effect of risk weight floor Swedish mortgages	20.0	20.1	20.3	19.8	19.9	13.5	13.4	13.9

* 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.

** The exposure amount which is affected by the rules for risk weight floor, Swedish mortgage loans is SEK 835,928m at 31 December 2019.

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 Group 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.

The market funding of Handelsbanken plc is primarily managed via Group Treasury. Handelsbanken plc issues CD:s (Certificates of Deposit) in GBP.

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 Dec 2019	Of which up to 12 mths	Other maturities	Unspec. maturity
Deposits and borrowing from the public	1,117,825	34,053	7,939	1,075,833
Due to credit institutions	147,989	118,426	4,632	24,931
Issued securities	1,384,961	644,231	740,730	0
<i>of which Bonds</i>	<i>886,354</i>			
<i>of which covered bonds (Stadshypotek)</i>	<i>634,565</i>			
<i>of which senior non-preferred</i>	<i>7,597</i>			
<i>of which other bonds</i>	<i>251,789</i>			
<i>of which Certificates</i>	<i>498,607</i>			
<i>of which Certificate of deposits (CD:s)</i>	<i>282,591</i>			
<i>of which Commercial paper (CP:s)</i>	<i>215,053</i>			
Total	2,650,775	796,710	753,301	1,100,764
Subordinated liabilities	35,546			
Equity	159,832			
Total funding	2,846,153			

During the fourth quarter of 2019, the issued bond volume was SEK 24 billion, of which the volume of issued covered bonds was SEK 24 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 26.4 billion at the 30 of September 2019.

Long-term funding

SEK bn	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018
Issued during the quarter								
Senior bonds		9	17	2	15	12	35	8
Covered bonds	24	23	41	56	36	39	33	53
Subordinated loans				5		8		8
Total issued	24	32	58	63	51	59	68	69
Matured during the quarter	-17	-56	-45	-43	-57	-6	-43	-80
Net	7	-24	13	20	-6	53	25	-11

Maturity profile

31 December 2019 SEK bn	2020	2021	2022	2023	2024	2025-
Senior bonds	67	69	54	36	11	15
Covered bonds	79	161	111	89	118	56
Total	146	230	165	125	129	70

International issues during last 12 months

Feb 2019	USD 500m AT1 PNC5 Subordinated, Coupong 6.25%
Mar 2019	EUR 1 250m 7Y FXD Covered bond MS +7bps
Mar 2019	NOK 5 000m 5Y FRN Covered bond 3M Nibor+29bps
Apr 2019	GBP 300m 4.5Y FXD Senior L+59bps
May 2019	AUD 500m 3Y FXD Senior BBSW+70 bps
Jun 2019	EUR 1 000m 5y FXD Senior MS+30 bps
Aug 2019	EUR 750m 7y FXD Senior non-preferred MS+50bps

Non-Encumbered Assets (NEA)

31 December 2019		
SEK bn	NEA	Accumulated coverage ratio in % of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio***	494	55%
Mortgage loans	699	132%
Other household lending	201	155%
Property company lending lowest risk class (1-3)	299	188%
Other corporate lending lowest risk class (1-3)	145	204%
Loans to credit institutions lowest risk class (1-3)	15	206%
Other corporate lending	289	238%
Other assets	0	238%
Total non-encumbered assets (NEA)	2,142	238%
Encumbered assets without underlying liabilities**	61	
Encumbered assets with underlying liabilities	867	
Total assets, Group	3,070	

31 December 2018		
SEK bn	NEA	Accumulated coverage ratio in % of unsecured funding*
Holdings with central banks and securities in the liquidity portfolio***	582	60%
Mortgage loans	645	127%
Other household lending	184	146%
Property company lending lowest risk class (1-3)	288	176%
Other corporate lending lowest risk class (1-3)	151	192%
Loans to credit institutions lowest risk class (1-3)	16	194%
Other corporate lending	214	216%
Other assets	0	216%
Total non-encumbered assets (NEA)	2,080	216%
Encumbered assets without underlying liabilities**	60	
Encumbered assets with underlying liabilities	838	
Total assets, Group	2,978	

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

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

*** Relates to eligible as collateral value in central banks.

Assets pledged

31 December 2019	Central bank funding	Payment systems/ securities settlement	Repos	Covered bonds	Derivatives	Securities loans	Leases	Insurance agreements
SEK m								
Cash	-	3,691	-	5,000	7,172	-	-	3,760
Government instruments and bonds	-	40,730	5,811	-	2,650	-	-	-
Loans to the public	-	-	-	670,012	-	-	5,581	-
Equities	-	-	-	-	185	7,051	-	6,714
Other	-	-	-	-	-	-	-	169,933
Total	-	44,421	5,811	675,012	9,822	7,147	5,581	180,407

Assets pledged according to CSA agreements for outstanding derivatives since 1 January 2012: Max: 50,676 Min: 5,160 Average: 11,120.

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

About 70% of Stadshypotek's funding consists of covered bonds issued in the Swedish domestic covered bond market. This market is the core funding source for Stadshypotek.

The Swedish market is one of the largest covered bond markets in Europe. Bonds are issued on-tap on a continuous basis in a few benchmarks per issuer. Stadshypotek has eight outstanding benchmark loans, which mature between 2020 and 2028. 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 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 27%. The ratio of non-encumbered assets to unsecured wholesale funding was 238% at the end of the third quarter compared to 216 at the end of 2018.

Covered Bonds, outstanding issues

SEK bn (nominal amount)	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Swedish cover pool	572	578	594	585	556	580	560	560
of which issues in SEK	450	439	458	434	421	445	429	413
of which issues in other currencies	122	139	136	151	135	135	133	147
Norwegian cover pool	25	26	26	30	24	26	26	25
of which issues in NOK	25	26	26	30	24	26	26	25
Finnish cover pool	17	17	17	17	16	17	17	15
of which issues in EUR	17	17	17	17	16	17	17	15
Total	614	621	637	615	596	623	603	585

Cover Pool Data, Sweden

SEK m	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Stadshypotek total lending to the public in Sweden	1,174,773	1,157,365	1,146,050	1,127,602	1,115,985	1,095,281	1,084,397	1,066,629
Assets available for Cover Pool	1,073,220	1,063,524	1,049,728	1,039,620	1,015,275	1,014,365	1,000,775	989,217
Assets utilized for Cover Pool	623,660	630,936	648,366	638,353	606,294	633,114	611,145	610,509
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	 54.8%	 56.1%	 55.9%	 55.6%	 53.1%	 54.6%	 53.2%	 54.1%
LTV-distribution								
0-10%	21.9%	21.1%	21.1%	21.6%	24.0%	22.6%	23.8%	22.8%
10-20%	19.7%	19.4%	19.4%	19.4%	19.9%	19.6%	19.9%	19.7%
20-30%	17.3%	17.2%	17.2%	17.1%	16.7%	16.9%	16.8%	17.0%
30-40%	14.6%	14.7%	14.7%	14.6%	13.9%	14.3%	14.0%	14.3%
40-50%	11.6%	11.9%	11.9%	11.7%	11.0%	11.5%	11.1%	11.4%
50-60%	8.2%	8.6%	8.6%	8.5%	7.9%	8.3%	7.9%	8.1%
60-70%	5.1%	5.4%	5.4%	5.4%	5.0%	5.3%	5.0%	5.1%
70-75%	1.6%	1.7%	1.7%	1.7%	1.6%	1.6%	1.5%	1.5%
 WA loan size, SEK	 664,000	 659,800	 660,100	 653,900	 651,800	 660,800	 646,900	 638,000
WA seasoning of Cover Pool, months	66	65	64	64	65	63	64	62
Interest index distribution								
Floating	46%	49%	51%	51%	48%	54%	49%	53%
Fixed rate	54%	51%	49%	49%	52%	46%	51%	47%

Liquidity

Balances with central banks and securities holdings in the liquidity reserve

	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018
Market value, SEK m					
Level 1 assets	480,236	556,338	509,424	580,629	504,480
Cash and balances with central banks	346,206	318,301	297,576	391,127	350,679
Securities issued or guaranteed by sovereigns, central banks, MDBs and international organisations	97,778	181,846	167,132	143,286	117,120
Securities issued by municipalities and PSEs	1,012	1,922	1,034	1,002	482
Extremely high quality covered bonds	35,240	54,269	43,682	45,214	36,199
Level 2 assets	7,916	8,240	8,840	8,105	7,167
Level 2A assets	7,891	8,184	8,711	7,964	7,084
Securities issued or guaranteed by sovereigns, central banks, municipalities and PSEs	1,739	1,681	1,232	592	4
High quality covered bonds	6,152	6,501	7,477	7,372	7,080
Corporate debt securities (lowest rating AA-)	-	2	2	-	-
Level 2B assets	25	56	129	141	83
Asset-backed securities	-	-	-	-	-
High quality covered bonds	-	-	-	-	-
Corporate debt securities (rated A+ to BBB-)	25	56	129	141	83
Shares (major stock index)	-	-	-	-	-
Total liquid assets	488,152	564,578	518,264	588,734	511,647
of which in SEK	168,639	187,295	200,666	157,472	128,606
of which in EUR	122,635	138,009	103,118	136,112	140,937
of which in USD	63,156	102,373	93,125	149,682	137,142
of which in other currencies	133,722	136,901	121,355	145,468	104,962

30 September 2019					
Market value, SEK m	SEK	EUR	USD	Other	Total
Level 1 assets	167,449	121,485	59,355	131,947	480,236
Cash and balances with central banks	46,552	114,519	57,959	127,176	346,206
Securities issued or guaranteed by sovereigns, central banks, MDBs and international organisations	90,042	6,338	1,396	2	97,778
Securities issued by municipalities and PSEs	1,012	-	-	-	1,012
Extremely high quality covered bonds	29,843	628	-	4,769	35,240
Level 2 assets	1,190	1,150	3,801	1,775	7,916
Level 2A assets	1,190	1,125	3,801	1,775	7,891
Securities issued or guaranteed by sovereigns, central banks, municipalities and PSEs	-	-	-	1,739	1,739
High quality covered bonds	1,190	1,125	3,801	36	6,152
Corporate debt securities (lowest rating AA-)	-	-	-	-	-
Level 2B assets	-	25	-	-	25
Asset-backed securities	-	-	-	-	-
High quality covered bonds	-	-	-	-	-
Corporate debt securities (rated A+ to BBB-)	-	25	-	-	25
Shares (major stock index)	-	-	-	-	-
Total liquid assets	168,639	122,635	63,156	133,722	488,152

Liquidity - key ratios

%	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Liquidity coverage ratio (LCR), %	147	149	143	157	146	161	146	142
Net stable funding ratio (NSFR)*, %	113	112	109	103	104	103	103	102

* As of June 2019 according to CRR2

MATURITY ANALYSIS

Maturities for financial assets and liabilities

31 December 2019 SEK m	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	347,430	-	-	-	-	-	-	347,430
central banks *	103,170	-	-	-	-	-	-	103,170
Bonds and other interest-bearing securities *	42,428	-	-	-	-	-	-	42,428
Loans to credit institutions	11,402	1,678	100	520	1,216	2,976	-	17,892
of which reverse repos	-	-	-	-	-	-	-	0
Loans to the public	56,586	272,518	191,440	203,842	434,787	1,130,264	-	2,289,437
of which reverse repos	10,438	-	-	-	-	-	-	10,438
Other **	24,442	-	-	-	-	-	244,868	269,310
of which shares and participating interests	21,390	-	-	-	-	-	-	21,390
of which claims on investment banking settlements	3,052	-	-	-	-	-	-	3,052
Total	585,458	274,196	191,540	204,362	436,003	1,133,240	244,868	3,069,667
Liabilities								
Due to credit institutions ***	87,243	26,259	4,924	3,334	326	1,012	24,931	148,029
of which repos	-	-	-	-	-	-	-	0
of which deposits from central banks	39,949	12,747	-	-	-	-	26	52,722
Deposits and borrowing from the public ***	2,136	27,819	4,098	503	339	6,576	1,075,833	1,117,304
of which repos	0	-	-	-	-	-	-	0
Issued securities	52,457	357,707	234,067	235,151	428,314	71,618	-	1,379,314
of which covered bonds	-	58,734	20,665	163,144	320,866	56,354	-	619,763
of which bank certificates (CD:s) with original maturity of less than one year	34,147	162,338	83,732	-	-	-	-	280,217
of which corporate certificates (CP:s) with original maturity of less than one year	13,689	111,462	33,200	-	-	-	-	158,351
of which senior bonds and other securities with original maturity of more than one year	4,621	25,173	96,470	72,007	107,448	15,264	-	320,983
Subordinated liabilities	-	2	-	11,477	23,135	-	-	34,614
Other **	4,760	-	-	-	-	-	385,646	390,406
of which short positions	1,856	-	-	-	-	-	-	1,856
of which investment banking settlement debts	2,904	-	-	-	-	-	-	2,904
Total	146,596	411,787	243,089	250,465	452,114	79,206	1,486,410	3,069,667

* 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.

** "Other" includes market values in derivative transactions.

*** Sight deposits are reported under "Unspecified maturity".

Maturities for assets and liabilities in USD

31 December 2019 SEK m	Up to 1 mth	1 - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspec. maturity	Total
Cash and balances with central banks	58,025	-	-	-	-	-	-	58,025
Bonds and other interest-bearing securities	5,208	-	-	-	-	-	-	5,208
Loans to credit institutions	2,768	415	88	231	887	2,621	-	7,010
Loans to the public	1,755	5,752	1,991	1,499	9,374	403	-	20,774
Other, including derivatives	62,944	236,998	29,616	46,603	29,174	3,115	-	408,450
Total assets	130,700	243,165	31,695	48,333	39,435	6,139	-	499,467
Due to credit institutions	2,149	5,736	-	-	-	-	545	8,430
Deposits and borrowing from the public	407	3,692	285	-	-	-	16,916	21,300
Issued securities	26,749	202,666	142,441	51,212	25,156	1,863	-	450,087
Subordinated liabilities	-	-	-	11,477	4,782	-	-	16,259
Other, including derivatives	-	-	-	-	-	-	1,158	1,158
Total liabilities	29,305	212,094	142,726	62,689	29,938	1,863	18,619	497,234

Maturities for assets and liabilities in EUR

31 December 2019 SEK m	Up to 1 mths	1 - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspec. maturity	Total
Cash and balances with central banks	114,630	-	-	-	-	-	-	114,630
Bonds and other interest-bearing securities	10,261	-	-	-	-	-	-	10,261
Loans to credit institutions	4,746	451	2	137	214	4	-	5,554
Loans to the public	7,650	21,422	16,564	21,391	71,707	104,437	-	243,171
Other, including derivatives	10,498	4,910	47,199	33,218	90,835	32,054	-	218,714
Total assets	147,785	26,783	63,765	54,746	162,756	136,495	-	592,330
Due to credit institutions	64,227	17,837	4,364	-	-	-	2,627	89,055
Deposits and borrowing from the public	1,409	1,888	1,099	-	-	-	116,798	121,194
Issued securities	20,341	72,174	67,148	41,087	95,565	47,645	-	343,960
Subordinated liabilities	-	-	-	-	15,414	-	-	15,414
Other, including derivatives	-	-	-	-	-	-	21,180	21,180
Total liabilities	85,977	91,899	72,611	41,087	110,979	47,645	140,605	590,803

Maturities for assets and liabilities in SEK

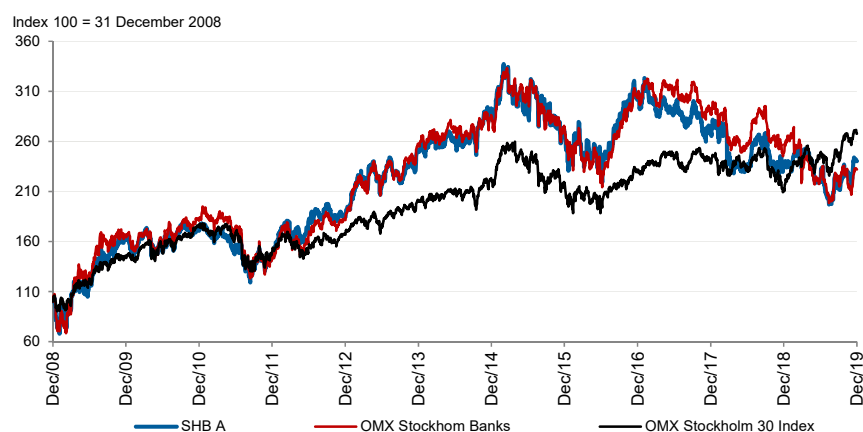
31 December 2019 SEK m	Up to 1 mths	1 - 6 mths	6 - 12 mths	1 - 2 yrs	2 - 5 yrs	5 yrs -	Unspec. maturity	Total
Cash and balances with central banks	46,554	-	-	-	-	-	-	46,554
Bonds and other interest-bearing securities	123,859	-	-	-	-	-	-	123,859
Loans to credit institutions	2,102	8	-	144	-	-	-	2,254
Loans to the public	29,227	159,306	114,941	102,715	187,300	776,749	-	1,370,238
Total assets	201,742	159,314	114,941	102,859	187,300	776,749	-	1,542,905
Due to credit institutions	14,793	346	560	3,261	313	695	18,052	38,020
Deposits and borrowing from the public	319	4,356	2,120	456	303	6,108	635,505	649,167
Issued securities	580	47,200	11,509	134,063	253,976	20,571	-	467,899
Subordinated liabilities	-	2	-	-	2,922	-	-	2,924
Other, including derivatives	31,094	131,800	11,592	28,997	61,520	28,324	92,161	385,488
Total liabilities	46,786	183,704	25,781	166,777	319,034	55,698	745,718	1,543,498

Share and shareholders

The Handelsbanken share

	31 Dec 2019	30 Sep 2019	30 Jun 2019	31 Mar 2019	31 Dec 2018	30 Sep 2018	30 Jun 2018	31 Mar 2018
Market capitalisation, end of period, SEK bn	200	182	179	191	191	218	194	203
Share price SHB class A, end of period, SEK	100.90	92.18	91.88	98.10	98.30	112.25	99.56	104.20
Ordinary dividend, SEK	5.50	-	-	-	5.50	-	-	-
Total dividend	5.50	-	-	-	5.50	-	-	-
Number of converted shares	6,096,967	22,815,619	6,940,748	-	-	-	1,609	-
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	1,980,028,494	1,973,931,527	1,951,115,908	1,944,175,160	1,944,175,160	1,944,175,160	1,944,175,160	1,944,173,551
Number of outstanding shares after dilution, end of period	1,980,045,524	1,979,823,260	1,978,421,423	1,977,200,315	1,976,884,889	1,976,024,661	1,976,962,335	1,975,753,103
Average number of shares converted during the period	34,381,337	12,911,686	2,883,789	-	1,609	1,609	831	-
Average holdings of own shares (repurchased and holdings in trading book)	-	-	-	-	-	-	-	-
Average number of outstanding shares	1,978,556,497	1,957,086,846	1,947,058,949	1,944,175,160	1,944,175,160	1,944,175,160	1,944,174,382	1,944,151,400
- after dilution	1,979,823,260	1,978,421,423	1,977,200,315	1,976,884,889	1,976,024,661	1,976,962,335	1,975,314,735	1,974,503,370

Share performance, since 31 Dec 2008



The largest Swedish shareholders

31 December 2019	Number of shares	% of votes	% of capital
Industrivärden	204,900,000	10.5	10.3
Oktagonen Foundation	201,225,141	10.3	10.2
Lundberg-gruppen	72,075,000	3.7	3.6
Handelsbanken funds	47,454,653	2.4	2.4
Swedbank Robur funds	40,528,572	2.1	2.0
Alecta	23,044,000	1.2	1.2
Didner & Gerge funds	15,191,365	0.8	0.8
3rd National Swedish Pension Fund	13,945,547	0.7	0.7
Folksam	13,706,986	0.7	0.7
SPP funds	13,620,508	0.7	0.7
J. Wallanders & T. Hedelius stiftelse, T. Browaldhs stiftelse	13,000,000	0.7	0.7
SEB funds	11,844,555	0.6	0.6
AFA Försäkring	10,138,320	0.5	0.5
Avanza Funds	9,672,393	0.5	0.5
1st National Swedish Pension Fund	9,618,657	0.5	0.5

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.

CREDIT LOSS RATIO

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

IMPAIRED LOANS

Loans are classified as impaired loans if contracted cash flows are not likely to be fulfilled. The full amount of all claims which give rise to a specific provision is included in impaired loans even if parts are covered by collateral.

INTEREST RATE MARGIN

Net interest income for the period calculated for the full year, in relation to average total assets.

RESERVE RATIO EXCLUDING COLLECTIVE PROVISIONS

Total provisions excluding collective provisions in relation to gross impaired loans.

P/E RATIO

The share price at year-end divided by earnings per share.

PROPORTION OF LOANS IN STAGE 3

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

RESERVE RATIO STAGE 1

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

RESERVE RATIO STAGE 2

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

RESERVE RATIO STAGE 3

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

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 RESERVE RATIO LOANS

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

KEY FIGURES DEFINED IN THE CAPITAL REQUIREMENT REGULATIONS**CAPITAL REQUIREMENTS**

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 Pillar 2 of the regulations.

CREDIT CONVERSION FACTOR (CCF)

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 (CVA)

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 weaker 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 dividends generated, goodwill and other intangible assets, and also the difference between an expected loss and provisions made for probable credit 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 ASSETS

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 adequacy regulations.

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 perpetual 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 a sub-component of the capital base and mainly comprises subordinated loans which meet the requirements stated in Regulation (EU) No 575/2013 and can therefore be included in the 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 borrowing that result when Stadshypotek's issues mature at nine-month intervals while new lending to customers occurs daily. The effect varies from quarter to quarter but approaches zero over the long term.

NON-RECURRING ITEMS

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

RISK RESULT

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

SPECIAL ITEMS

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

Contacts and Financial calendar

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Financial calendar:

2020

5 February 2020

Highlights of Annual report 2019

25 March 2020

Annual General Meeting

22 April 2020

Interim report January – March 2020

15 July 2020

Interim report January – June 2020

21 October 2020

Interim report January – September 2020

2021

3 February 2021

Highlights of Annual report 2020

24 March 2021

Annual General Meeting

21 April 2021

Interim report January – March 2021

16 July 2021

Interim report January – June 2021

20 October 2021

Interim report January – September 2021

Handelsbanken