

Publication of information on capital adequacy

In accordance with the Financial Supervisory Authority (FFFS 2014: 12) Avanza Bank AB 556573-5668 publishes periodic information on capital adequacy.

Figures reported in this section refer to the minimum capital requirements under Pillar 1 and capital requirement under Pillar 2, according to the capital adequacy regulations applying from time to time. On 1 January 2014, the European Capital Requirements Regulation (CRR) came into force.

Avanza Bank AB, SEK m	2016-03-31	2015-12-31
Own funds		
Equity	820	759
Assumed/Proposed dividend	-201	-170
Equity (adjusted for assumed/proposed dividend)	619	589
Intangible assets	-21	-15
Deferred taxes	-1	-1
Common equity tier 1 capital	597	573
Subordinated bond	84	76
Tier 2 capital	84	76
Total own funds	681	649
Capital requirement		
Credit risk according to standardised approach	256	227
Market risk	0	0
Settlement risk	0	0
Operational risk	79	79
Capital requirement	335	306
Risk exposure amounts		
Credit risk according to standardised approach	3 202	2 834
of which Institutions (risk weight 20 %)	555	340
of which Corporates (risk weight 100 %)	27	27
of which Households (risk weight 75 %)	156	163
of which Collateral in real estate (risk weight 35 %)	1 010	952
of which Covered bonds (risk weight 10 %)	1 213	1 103
of which Other items (risk weight 100 %)	241	249
Market risk	1	1
Settlement risk	0	0
Operational risk	989	989
Total risk exposure requirement	4 192	3 824
Capital ratios and buffers		
Common equity tier 1 ratio	14,2%	15,0%
Tier 1 ratio	14,2%	15,0%
Total capital ratio	16,2%	17,0%
Capital base in relation to capital requirement	2,03	2,12
Institution-specific buffer requirement	3,5%	3,5%
of which capital conservation buffer requirement	2,5%	2,5%
of which countercyclical buffer requirement	1,0%	1,0%
Total capital requirement including buffer requirement	11,5%	11,5%
Common equity tier 1 capital available for use as a buffer	9,7%	10,5%
Capital surplus after buffer requirement remaining to cover additional Pillar 2 requirements	199	209
Additional requirement with reference to Pillar 2	11	11
Capital surplus after buffer requirement and Pillar 2	188	198

Information is only provided regarding the buffer requirements which have come into force.

This information is published in Swedish and English. In the event of any difference between the English version and the Swedish original, the Swedish version shall prevail.

Publication of information on capital adequacy and liquidity for Avanzas consolidated situation

In accordance with the Financial Supervisory Authority (FFFS 2014: 12) Avanzas consolidated situation publishes periodic information on capital adequacy.

Figures reported in this section refer to the minimum capital requirements under Pillar 1 and capital requirement under Pillar 2, according to the capital adequacy regulations applying from time to time. On 1 January 2014, the European Capital Requirements Regulation (CRR) came into force.

The consolidated situation includes Avanza Bank Holding AB (publ) and the subsidiaries Avanza Bank AB and Avanza Fonder AB.

Consolidated situation, SEK m	2016-03-31	2015-12-31
Own funds		
Shareholders' equity, the Group	1 224	1 126
Assumed/Proposed dividend	-308	-308
Eget kapital som inte ingår i den konsoliderade situationen	-168	-100
Equity, consolidated situation (adjusted for assumed/proposed dividend)	748	718
Intangible assets	-44	-38
Deferred taxes	-2	-1
Avanza Bank Holding AB:s holding of Försäkringsaktiebolaget Avanza Pension	-39	-39
Common equity tier 1 capital	663	640
Subordinated bond	83	78
Tier 2 capital	83	78
Total own funds	746	718
Capital requirement		
Credit risk according to standardised approach	253	234
Market risk	0	0
Settlement risk	0	0
Operational risk	80	80
Capital requirement	333	314
Risk exposure amounts		
Credit risk according to standardised approach	3 161	2 929
of which Institutions (risk weight 20 %)	555	340
of which Corporates (risk weight 100 %)	27	27
of which Households (risk weight 75 %)	155	163
of which Collateral in real estate (risk weight 35 %)	1 010	952
of which Covered bonds (risk weight 10 %)	1 213	1 103
of which Other items (risk weight 100 %)	201	344
Market risk	1	1
Settlement risk	0	0
Operational risk	995	995
Total risk exposure requirement	4 157	3 925
Capital ratios and buffers		
Common equity tier 1 ratio	15,9%	16,3%
Tier 1 ratio	15,9%	16,3%
Total capital ratio	17,9%	18,3%
Capital base in relation to capital requirement	2,24	2,29
Institution-specific buffer requirement	3,5%	3,5%
of which capital conservation buffer requirement	2,5%	2,5%
of which countercyclical buffer requirement	1,0%	1,0%
Total capital requirement including buffer requirement	11,5%	11,5%
Common equity tier 1 capital available for use as a buffer	11,4%	11,8%
Capital surplus after buffer requirement remaining to cover additional Pillar 2 requirements	268	267
Additional requirement with reference to Pillar 2	11	11
Capital surplus after buffer requirement and Pillar 2	257	256

Information is only provided regarding the buffer requirements which have come into force.

Information about liquidity risks for Avanzas consolidated situation, SEK m as of 2016-03-31

Publication of periodic information on the liquidity in accordance with the Financial Supervisory Authority FFFS 2010:7. It is a question of information to be provided at least four times a year according to FFFS 2010:7.

Good current liquidity requires liquidity on the assets side of the Balance Sheet.

The assets primarily comprise treasury bills eligible for refinancing, loans to credit institutions, mortgage-backed securities and lending against collateral in listed securities. These securities can, under the terms of agreements with the customers, be pledged as security for Avanza Bank's own financing.

	Total	SEK	EUR	USD	Other currencies
Loans to credit institutions , amount to balance in other institutions on the following day (Counterparts are Swedish government and major nordic credit institutions)	2 702	2 489	54	128	31
Bonds , swedish mortgage-backed securities and swedish government bonds	12 222	12 222	-	-	-
Liquidity reserve	14 924	14 711	54	128	31
Liquidity reserve/Deposits by the public (excluding client funds)	66%				
Loans to the public/Deposits by the public (excluding client funds)	32%				

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Capital requirement for the financial conglomerate

SEK m

2016-03-31

Capital base

Shareholders' equity, the Group	1 224
Less profits that have not been subject to audit	-98
Determined dividend	-308

Shareholders' equity, financial conglomerate **818**

Additional

Solvency capital (NPV)	1 226
Subordinated bond	83

Less

Intangible assets	-44
Deferred tax	-2

Total capital base **2 081**

Capital base per sector

Capital base for regulated units within the insurance sector	1 427
Capital base for regulated units within the banking and securities sector	654

Total capital base **2 081**

Capital requirement per sector

Capital requirement for regulated units within the insurance sector	793
Capital requirement for regulated units within the banking and securities sector	495
of which additional buffer requirement	146
of which additional requirement with reference to Pillar 2	11

Total capital requirement **1 288**

Capital surplus **793**

Capital base/Capital requirement **1,62**

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