

Landwirtschaftliche Rentenbank

**Disclosure Report of Landwirtschaftliche Rentenbank
as of March 31, 2018**



rentenbank

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1. Scope of application

In accordance with the requirements under Part Eight of the CRR (Capital Requirements Regulation – Regulation (EU) No 575/2013) and CRD IV (Capital Requirements Directive IV – Directive 2013/36/EU), banks are required to prepare a disclosure report at least annually.

Pursuant to the requirements of European banking supervision, institutions whose consolidated total assets exceed EUR 30 billion should consider publishing certain information on a quarterly basis (EBA/GL/2016/11 of December 14, 2016). This disclosure report as of March 31, 2018 is published in line with these guidelines, taking into account the BaFin Circular 05/2015 (BA).

In its capacity as the parent company, Rentenbank prepares the disclosure report in aggregated form at Group level. The figures disclosed in this report are based on the regulatory scope of consolidation. The figures are determined in accordance with HGB accounting (*HGB, Handelsgesetzbuch – German Commercial Code*).

This report includes the quantitative information required to be disclosed in accordance with EBA/GL/2016/11 as of the reporting date on

- own funds
- capital ratios
- capital requirements
- leverage ratio

The figures presented in the disclosure report have been rounded in accordance with commercial principles. They may thus not add up to the totals provided due to rounding differences.

2. Own funds and capital requirements

2.1 Capital structure (Part Eight Article 437 CRR)

The Common Equity Tier 1 capital of Rentenbank Group comprises subscribed capital, retained earnings, and the fund for general banking risks pursuant to Section 340g HGB. Due to the elimination of intra-group profits or losses within the regulatory group, retained earnings and the fund for general banking risks were reduced correspondingly.

There are no Additional Tier 1 instruments.

Tier 2 capital consists of subordinated liabilities.

The composition of Rentenbank Group's regulatory own funds in accordance with Part Two CRR, the risk-weighted assets, and the resulting capital ratios are presented in the following table.

EUR million	Mar. 31, 2018	Dec. 31, 2017
Capital instruments		
Common Equity Tier 1 (CET1) capital before regulatory adjustments	4,323	4,221
Total regulatory adjustments to Common Equity Tier 1 (CET1) capital	-12	-15
Common Equity Tier 1 (CET1) capital	4,311	4,206
Additional Tier 1 (AT1) capital before regulatory adjustments	0	0
Total regulatory adjustments to Additional Tier 1 (AT1) capital	0	0
Additional Tier 1 (AT1) capital	0	0
Tier 1 capital (T1=CET1+AT1)	4,311	4,206
Tier 2 (T2) capital before regulatory adjustments	270	286
Total regulatory adjustments to Tier 2 (T2) capital	0	0
Tier 2 (T2) capital	270	286
Total capital (TC=T1+T2)	4,581	4,492
Total risk-weighted assets	15,170	15,137
Capital ratios		
Common Equity Tier 1 capital ratio (as a percentage of total risk exposure amount)	28.42	27.78
Tier 1 capital ratio (as a percentage of total risk exposure amount)	28.42	27.78
Total capital ratio (as a percentage of total risk exposure amount)	30.20	29.67

2.2 Capital requirements (Part Eight Article 438 CRR)

Rentenbank Group applies the Credit Risk Standardized Approach (CRSA) to determine the regulatory capital requirements for credit risk. Counterparty credit risk is determined using the mark-to-market method. The basic indicator approach is applied to operational risk. The standardized approach is used to determine credit valuation adjustment (CVA) risk.

The following table shows the risk-weighted assets as well as the capital requirements for credit risk, counterparty credit risk, operational risk, and CVA risk. The capital requirements amount to 8% of the risk-weighted assets and stand at EUR 1,214 million for Rentenbank Group as of March 31, 2018.

EUR million	Risk-weighted assets	Capital requirements	Risk-weighted assets	Capital requirements
	Mar. 31, 2018	Mar. 31, 2018	Dec. 31, 2017	Dec. 31, 2017
Credit risk standardized approach (CRSA) excl. CCR				
Central governments or central banks	0	0	0	0
Regional governments or local authorities	0	0	0	0
Public sector entities	0	0	0	0
Multilateral development banks	0	0	0	0
International organizations	0	0	0	0
Institutions	11.675	934	11.690	935
Corporates	2	0	2	0
Covered bonds	1.291	103	1.251	100
Investment funds	0	0	0	0
Equity	172	14	172	14
Other items	60	5	50	4
Risk exposure under the CRSA (excl. CCR)	13.200	1.056	13.165	1.053
Risk exposure to counterparty credit risk (CCR) mark-to-market method	589	47	577	46
Risk exposure to market risks	0	0	0	0
Risk exposure to operational risks	655	52	662	53
Risk exposure to CVA risk (credit valuation adjustment)	726	58	733	59
Total risk exposure	15.170	1.214	15.137	1.211

3. Leverage ratio (Part Eight Article 451 CRR)

The leverage ratio for Rentenbank Group is determined on the basis of the Commission Delegated Regulation (EU) 2015/62.

Rentenbank Group's Tier 1 capital, total exposure measure, and leverage ratio as of March 31, 2018 are presented in the table below. As of the reporting date, the leverage ratio was 4.96%.

EUR million	Mar. 31, 2018	Dec. 31, 2017
Equity and total risk exposures		
Tier 1 capital	4,311	4,206
Leverage ratio total exposure measure	86,897	86,155
Leverage ratio	4.96%	4.88%