

# Landwirtschaftliche Rentenbank

**Disclosure Report of Landwirtschaftliche Rentenbank  
as of September 30, 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 September 30, 2018 is published in line with these guidelines, taking into account the BaFin Circular 05/2015 (BA). In accordance with these provisions, the required disclosures are subject to different reporting frequencies.

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. Compared to the reporting date of the last disclosure report as of June 30, 2018, DSV Silo- und Verwaltungsgesellschaft, Frankfurt am Main, (DSV) is no longer included in the regulatory scope of consolidation. Due to the change in the business objective, the company is no longer a financial undertaking. The company was of minor importance. As a result, there are no significant changes in the regulatory key figures compared to the previous period. The figures are determined on the basis of HGB accounting (*HGB, Handelsgesetzbuch – German Commercial Code*).

The following report includes the quantitative information required to be disclosed 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. Blank rows or columns in the tables were hidden to improve readability.

Significant changes in the reporting period are described accordingly.

## 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.

The Tier 2 capital consists exclusively of subordinated liabilities.

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

Composition of regulatory own funds in EUR million

	Sept. 30, 2018	June 30, 2018
<b>Capital instruments</b>		
6 Common Equity Tier 1 (CET1) capital before regulatory adjustments	4,316	4,323
28 Total regulatory adjustments to Common Equity Tier 1 (CET1) capital	- 15	- 13
<b>29 Common Equity Tier 1 (CET1) capital</b>	<b>4,301</b>	<b>4,310</b>
36 Additional Tier 1 (AT1) capital before regulatory adjustments	0	0
43 Total regulatory adjustments to Additional Tier 1 (AT1) capital	0	0
<b>44 Additional Tier 1 (AT1) capital</b>	<b>0</b>	<b>0</b>
<b>45 Tier 1 capital (T1=CET1+AT1)</b>	<b>4,301</b>	<b>4,310</b>
51 Tier 2 (T2) capital before regulatory adjustments	229	250
57 Total regulatory adjustments to Tier 2 (T2) capital	0	0
<b>58 Total Tier 2 (T2) capital</b>	<b>229</b>	<b>250</b>
<b>59 Total capital (TC=T1+T2)</b>	<b>4,530</b>	<b>4,560</b>
<b>60 Total risk-weighted assets</b>	<b>14,476</b>	<b>15,198</b>
<b>Capital ratios</b>		
<b>61 Common Equity Tier 1 capital ratio (as a percentage of total risk exposure amount)</b>	<b>29.7</b>	<b>28.4</b>
<b>62 Tier 1 capital ratio (as a percentage of total risk exposure amount)</b>	<b>29.7</b>	<b>28.4</b>
<b>63 Total capital ratio (as a percentage of total risk exposure amount)</b>	<b>31.3</b>	<b>30.0</b>

Due to the change in the scope of consolidation, Common Equity Tier 1 capital before regulatory adjustments decreased by EUR 7 million to EUR 4,316 million.

## 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, and operational risk. The minimum capital requirements in accordance with the CRR amount to 8% of the risk-weighted assets and stand at EUR 1,158 million for Rentenbank Group as of September 30, 2018.

		RWAs		Capital requirements	
		Sept. 30, 2018	June 30, 2018	Sept. 30, 2018	
	1	<b>Credit risk (excluding CCR)</b>	12,570	13,153	1,006
Article 438(c)(d)	2	Of which the standardized approach	12,570	13,153	1,006
Article 107, Article 438(c)(d)	6	<b>Counterparty credit risk (CCR)</b>	1,251	1,390	100
Article 438(c)(d)	7	Of which mark-to-market	541	612	43
Article 438(c)(d)	12	Of which CVA	710	778	57
Article 438(e)	19	<b>Market risk</b>	0	0	0
	20	Of which the standardized approach	0	0	0
Article 438(f)	23	<b>Operational risk</b>	655	655	52
	24	Of which basic indicator approach	655	655	52
	29	<b>Total</b>	<b>14,476</b>	<b>15,198</b>	<b>1,158</b>

In order to fully meet the requirements of Article 438 CRR, the following table (as of September 30, 2018) is added to the differentiated presentation of RWAs in accordance with the provisions of EBA/GL/2016/11.

Art. 438 CRR - Overview of RWAs by exposure class

in EUR million

Exposure class	RWAs		Capital requirements
	Sept. 30, 2018	June 30, 2018	Sept. 30, 2018
Central governments or central banks	0	0	0
Regional governments or local authorities	0	0	0
Public sector entities	0	0	0
Multilateral development banks	0	0	0
International organizations	0	0	0
Institutions	11,143	11,605	892
Corporates	1	1	0
Covered bonds	1,194	1,305	96
Collective investments undertakings	0	0	0
Equity exposures	178	172	14
Other exposures	54	70	4
<b>Total standardized approach CRSA</b>	<b>12,570</b>	<b>13,153</b>	<b>1,006</b>

### 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 September 30, 2018 are presented in the table below. As of the reporting date, the leverage ratio was 4.98%.

Leverage ratio

in EUR million

	<b>Sept. 30, 2018</b>	<b>June 30, 2018</b>
<b>Equity and total risk exposures</b>		
Tier 1 capital	4,301	4,310
Leverage ratio total exposure measure	86,330	86,565
<b>Leverage ratio</b>	<b>4.98%</b>	<b>4.98%</b>