

## Overview of original own funds across Europe

Country	Capital	Reserves	Interim profit	Funds for general banking risks	Reduction of ordinary share capital contingent on prior supervisory approval
Austria	Yes	Yes	Yes	Yes	n.a.
Belgium	Yes	Yes	Only on consolidated basis	Yes	No
Cyprus	Yes	Yes	Yes	No, because of applying IFRS	No formal approval but prior discussion
Czech Republic	Yes	Yes	Yes	No, because of applying IFRS	n.a.
Denmark	Yes	Yes	Yes	No	No
Estonia	Yes	Yes	Yes	No, not allowed by accounting regulations. Formed general fund are treated as "other instruments with capital nature"	n.a.
Finland	Yes	Yes	Yes	No	No
France	Yes	Yes	Yes	Yes, for institutions other than those subject to IFRS	No formal approval, but prior discussion
Germany	Yes	Yes	Yes	Yes for institutions other than those subject to IFRS	No
Greece	Yes	Yes	Yes	Yes, for institutions other than those subject to IFRS	No formal approval, but prior discussion
Hungary	Yes	Yes	Yes	Yes- Hungary recognises here general risk provisions up to 1,25% of Risk Weighted Assets, but intend to revise its regulation in order to qualify general risk provision as Additional own funds	Yes, indirectly
Ireland	Yes	Yes	Yes	Not allowed.	No formal approval, but prior discussion
Italy	Yes	Yes	Yes	No	Yes
Latvia	Yes	Yes	Yes	Yes	No
Lithuania	Yes	Yes	Interim profits and loss are included in Tier2	Yes	Yes
Luxembourg	Yes	Yes	Yes	Yes, for institutions other than those subject to IFRS	No formal approval, but prior discussion
Malta	Yes	Yes	Yes	Classified as Tier2 capital	Yes
Netherlands	Yes	Yes	Yes	Yes, for institutions other than those subject to IFRS.	Yes
Norway	Yes	Yes	Yes	No. In Norway from 2005 the IFRS standards on impairment was implemented for all the institutions and these allowances for impairment (made according to IAS 39) do not cover general banking risks, as did neither the previous regulation on provisions.	Yes
Poland	Yes	Yes	Yes	Yes, Classified as Tier2 capital	n.a.
Portugal	Yes	Yes	Yes	Yes, for institutions other than those subject to IFRS	Yes

Slovakia	Yes	Yes	No	No	n.a.
Slovenia	Yes	Yes	Yes	No, because of applying IFRS	No, but prior notification is necessary: the institution shall notify the Bank of Slovenia on changes in the structure of capital that exceed 10% (e.g. increase or decrease in subscribed capital, changes in components of capital and similar) at least one month prior to the notice to shareholders that a general meeting will be convened to adopt the planned decision regarding change in capital
Spain	Yes	Yes	Credit institutions: yes, but only for 31 December's profits and until the time of the distribution of such profits Investment firms: yes	Yes, but only for the amount within the balance sheet and, thus, eligible, at the entry into force of IAS rules	yes, approval of the modification of articles of association
Sweden	Yes	Yes	Yes	Yes, but only on consolidated basis, since domestic make such provisions	No
United Kingdom	Yes	Yes	Yes	No	No formal approval, but prior discussion