



2014 EU-wide Stress Test

Bank Name	DE - Hypo Real Estate Holding AG
LEI Code	52990082YOVOZIC8QX60

2014 EU-wide Stress Test Summary Adverse Scenario

DE - Hypo Real Estate Holding AG	
Actual figures as of 31 December 2013	
	mln EUR, %
Operating profit before impairments	196
Impairment losses on financial and non-financial assets in the banking book	49
Common Equity Tier 1 capital ⁽¹⁾	4,049
Total Risk Exposure ⁽¹⁾	24,484
Common Equity Tier 1 ratio, % ⁽¹⁾	16.5%
Outcome of the adverse scenario as of 31 December 2016	
	mln EUR, %
3 yr cumulative operating profit before impairments	241
3 yr cumulative impairment losses on financial and non-financial assets in the banking book	402
3 yr cumulative losses from the stress in the trading book	19
Valuation losses due to sovereign shock after tax and prudential filters	303
Common Equity Tier 1 capital ⁽¹⁾	2,702
Total Risk Exposure ⁽¹⁾	25,070
Common Equity Tier 1 ratio, % ⁽¹⁾	10.8%
Memorandum items	
	mln EUR
Common EU wide CET1 Threshold (5.5%)	1,379
Total amount of instruments with mandatory conversion into ordinary shares upon a fixed date in the 2014 -2016 period (cumulative conversions) ⁽²⁾	0
Total Additional Tier 1 and Tier 2 instruments eligible as regulatory capital under the CRR provisions that convert into Common Equity Tier 1 or are written down upon a trigger event ⁽³⁾	0
Of which: eligible instruments whose trigger is above CET1 capital ratio in the adverse scenario ⁽³⁾	0

⁽¹⁾ According to CRR/CRD4 definition transitional arrangements as per reporting date. Figures as of 31/12/2013 computed as of first day of application: 01/01/2014.

⁽²⁾ Conversions not considered for CET1 computation

⁽³⁾ Excluding instruments with mandatory conversion into ordinary shares upon a fixed date in the 2014 -2016 period

2014 EU-wide Stress Test Summary Baseline Scenario

DE - Hypo Real Estate Holding AG	
Actual figures as of 31 December 2013	
	mln EUR, %
Operating profit before impairments	196
Impairment losses on financial and non-financial assets in the banking book	49
Common Equity Tier 1 capital ⁽¹⁾	4,049
Total Risk Exposure ⁽¹⁾	24,484
Common Equity Tier 1 ratio, % ⁽¹⁾	16.5%
Outcome of the baseline scenario as of 31 December 2016	
	mln EUR, %
3 yr cumulative operating profit before impairments	414
3 yr cumulative impairment losses on financial and non-financial assets in the banking book	79
3 yr cumulative losses from the stress in the trading book	8
Common Equity Tier 1 capital ⁽¹⁾	3,333
Total Risk Exposure ⁽¹⁾	15,723
Common Equity Tier 1 ratio, % ⁽¹⁾	21.2%
Memorandum items	
	mln EUR
Common EU wide CET1 Threshold (8.0%)	1,258

⁽¹⁾ According to CRR/CRD4 definition transitional arrangements as per reporting date. Figures as of 31/12/2013 computed as of first day of application: 01/01/2014.

2014 EU-wide Stress Test

P&L

(mln EUR)

	31/12/2013	Baseline Scenario			Adverse Scenario		
		31/12/2014	31/12/2015	31/12/2016	31/12/2014	31/12/2015	31/12/2016
Net interest income	265	375	415	359	325	358	303
Net trading income		-10	-8	-8	-16	-12	-10
of which trading losses from stress scenarios		-4	-2	-2	-10	-6	-4
Other operating income	218	8	-4	-16	8	-4	-16
Operating profit before impairments	196	141	170	103	86	110	45
Impairment of financial assets (-)	-49	36	-55	-60	-79	-186	-137
Impairment of financial assets other than instruments designated at fair value through P&L (-)	-49	36	-55	-60	-79	-186	-137
Impairment Financial assets designated at fair value through P&L (-)	0	0	0	0	0	0	0
Impairment on non financial assets (-)	0	0	0	0	0	0	0
Operating profit after impairments from stress scenarios	147	176	115	43	7	-76	-92
Other Income and expenses	0	0	0	0	0	0	0
Pre-Tax profit	147	176	115	43	7	-76	-92
Tax	51	-53	-34	-13	-2	2	0
Net income	198	123	80	30	5	-74	-92
Attributable to owners of the parent	198	123	80	30	5	-74	-92
of which carried over to capital through retained earnings	198	123	80	30	5	-74	-92
of which distributed as dividends	0	0	0	0	0	0	0

In the figures above, the original (official published) 2013 P&L figures may have been adjusted as part of the ECB Comprehensive Assessment join-up calculation.

2014 EU-wide Stress Test

RWA (mln EUR)	Baseline Scenario				Adverse Scenario		
	as of 31/12/2013	as of 31/12/2014	as of 31/12/2015	as of 31/12/2016	as of 31/12/2014	as of 31/12/2015	as of 31/12/2016
Risk exposure amount for credit risk	23,198	17,195	15,387	14,642	23,791	24,298	23,989
Risk exposure amount Securitisation and re-securitisations	683	2	2	2	3	3	4
Risk exposure amount Other credit risk	22,514	17,193	15,385	14,639	23,788	24,295	23,985
Risk exposure amount for market risk	158	158	158	158	158	158	158
Risk exposure amount for operational risk	1,128	923	923	923	923	923	923
Transitional floors for Risk exposure amount	0	0	0	0	0	0	0
AQR adjustments (for SSM countries only)	0	0	0	0	0	0	0
Total Risk exposure amount	24,484	18,276	16,468	15,723	24,872	25,379	25,070

2014 EU-wide Stress Test
Capital

		Baseline Scenario				Adverse Scenario			COREP CODE	REGULATION	
(mln EUR)	CRR / CRDIV DEFINITION OF CAPITAL	As of 31/12/2013	As of 31/12/2014	As of 31/12/2015	As of 31/12/2016	As of 31/12/2014	As of 31/12/2015	As of 31/12/2016			
OWN FUNDS	A	OWN FUNDS	5,377	3,318	3,356	3,333	3,085	2,931	2,702	CA1 (1)	Articles 4(118) and 72 of CRR
	A.1	COMMON EQUITY TIER 1 CAPITAL (net of deductions and after applying transitional adjustments)	4,049	3,318	3,356	3,333	3,085	2,931	2,702	CA1 (1.1.1)	Article 50 of CRR
	A.1.1	Capital instruments eligible as CET1 Capital (including share premium and net own capital instruments)	10,758	9,956	9,956	9,956	9,956	9,956	9,956	CA1 (1.1.1.1)	Articles 36(1) points (a) and (b), 27 to 29, 36(1) point (f) and 42 of CRR
	A.1.1.1	Of which: CET1 instruments subscribed by Government	3,200	3,200	3,200	3,200	3,200	3,200	3,200	-	-
	A.1.2	Retained earnings	-4,466	-6,343	-6,262	-6,232	-6,461	-6,535	-6,627	CA1 (1.1.1.2)	Articles 26(1) point (c), 26(2) and 36 (1) points (a) and (f) of CRR
	A.1.3	Accumulated other comprehensive income	-161	2	2	-2	-362	-241	-249	CA1 (1.1.1.3)	Articles 4(100), 24(1) point (d) and 36 (1) point (f) of CRR
	A.1.3.1	Of which: arising from unrealised gains/losses from Sovereign exposure in AFS portfolio	-261	-261	-261	-261	-609	-494	-505	-	-
	A.1.3.2	Of which: arising from unrealised gains/losses from the rest of AFS portfolio	-101	41	41	37	25	31	34	-	-
	A.1.4	Other Reserves	0	0	0	0	0	0	0	CA1 (1.1.1.4)	Articles 4(117) and 26(1) point (e) of CRR
	A.1.5	Funds for general banking risk	0	0	0	0	0	0	0	CA1 (1.1.1.5)	Articles 4(112), 26(1) point (f) and 36 (1) point (f) of CRR
	A.1.6	Minority interest given recognition in CET1 capital	0	0	0	0	0	0	0	CA1 (1.1.1.7)	Article 84 of CRR
	A.1.7	Adjustments to CET1 due to prudential filters excluding those from unrealised gains/losses from AFS portfolio	-407	-328	-328	-327	-315	-322	-327	CA1 (1.1.1.9)	Articles 32 to 35 of and 36 (1) point (f) of CRR
	A.1.8	Adjustments to CET1 due to prudential filters from unrealised gains/losses from Sovereign Exposure in AFS portfolio	209	209	157	104	487	297	202	-	-
	A.1.9	(-) Intangible assets (including Goodwill)	-40	-31	-31	-31	-31	-31	-31	CA1 (1.1.1.10 + 1.1.1.11)	Articles 4(113), 36(1) point (b) and 37 of CRR, Articles 4(115), 36(1) point (b) and 37 point (a) of CRR
	A.1.10	(-) DTAs that rely on future profitability and do not arise from temporary differences net of associated DTLS	-1	0	0	0	-2	0	0	CA1 (1.1.1.12)	Articles 36(1) point (c) and 38 of CRR
	A.1.11	(-) IRB shortfall of credit risk adjustments to expected losses	-109	-124	-125	-125	-163	-180	-211	CA1 (1.1.1.13)	Articles 36(1) point (d), 40 and 159 of CRR
	A.1.12	(-) Defined benefit pension fund assets	-12	-9	-9	-9	-9	-9	-9	CA1 (1.1.1.14)	Articles 4(109), 36(1) point (e) and 41 of CRR
	A.1.13	(-) Reciprocal cross holdings in CET1 Capital	0	0	0	0	0	0	0	CA1 (1.1.1.15)	Articles 4(122), 36(1) point (g) and 44 of CRR
	A.1.14	(-) Excess deduction from AT1 items over AT1 Capital	0	0	0	0	0	0	0	CA1 (1.1.1.16)	Article 36(1) point (j) of CRR
	A.1.15	(-) Deductions related to assets which can alternatively be subject to a 1.250% risk weight	0	0	0	0	0	0	0	CA1 (1.1.1.17 to 1.1.1.21)	Articles 4(26), 36(1) point (k) (i) and 89 to 91 of CRR, Articles 36(1) point (k) (ii), 243(1) point (b), 244(1) point (b) and 258 of CRR, Articles 36(1) point (k) (iii) and 379(3) of CRR, Articles 36(1) point (k) (iv) and 379(3) of CRR
A.1.15.1	Of which: from securitisation positions (-)	0	0	0	0	0	0	0	CA1 (1.1.1.18.1)	Articles 36(1) point (k) (i), 243(1) point (b), 244(1) point (b) and 258 of CRR	
A.1.16	(-) Holdings of CET1 capital instruments of financial sector entities where the institution does not have a significant investment	0	0	0	0	0	0	0	CA1 (1.1.1.22)	Articles 4(27), 36(1) point (h); 43 to 46, 49 (2) and (3) and 79 of CRR	
A.1.17	(-) Deductible DTAs that rely on future profitability and arise from temporary differences	0	0	0	0	0	0	0	CA1 (1.1.1.23)	Articles 36(1) point (c) and 38; Articles 48(1) point (a) and 48(2) of CRR	
A.1.18	(-) Holdings of CET1 capital instruments of financial sector entities where the institution has a significant investment	0	0	0	0	0	0	0	CA1 (1.1.1.24)	Articles 4(27); 36(1) point (i); 43, 45; 47; 48(1) point (b); 49(1) to (3) and 79 of CRR	
A.1.19	(-) Amount exceeding the 17.65% threshold	0	0	0	0	0	0	0	CA1 (1.1.1.25)	Article 470 of CRR	
A.1.20	Transitional adjustments	278	-14	-4	-2	-14	-4	-2	CA1 (1.1.1.6 + 1.1.8 + 1.1.26)	-	
A.1.20.1	Transitional adjustments due to grandfathered CET1 Capital instruments (+/-)	0	0	0	0	0	0	0	CA1 (1.1.1.6)	Articles 483(1) to (3), and 484 to 487 of CRR	
A.1.20.2	Transitional adjustments due to additional minority interests (+/-)	0	0	0	0	0	0	0	CA1 (1.1.1.8)	Articles 479 and 480 of CRR	
A.1.20.3	Other transitional adjustments to CET1 Capital excl. adjustments for Sovereign exposure in AFS (+/-)	278	-14	-4	-2	-14	-4	-2	CA1 (1.1.1.26)	Articles 469 to 472, 478 and 481 of CRR	
A.2	ADDITIONAL TIER 1 CAPITAL (net of deductions and after transitional adjustments)	529	0	0	0	0	0	0	CA1 (1.1.2)	Article 61 of CRR	
A.2.1	Of which: (+) Other existing support government measures	0	0	0	0	0	0	0	-	-	
A.3	TIER 1 CAPITAL (net of deductions and after transitional adjustments)	4,578	3,318	3,356	3,333	3,085	2,931	2,702	CA1 (1.1)	Article 25 of CRR	
A.4	TIER 2 CAPITAL (net of deductions and after transitional adjustments)	799	0	0	0	0	0	0	CA1 (1.2)	Article 71 of CRR	
OWN FUNDS REQUIREMENTS	B	TOTAL RISK EXPOSURE AMOUNT	24,484	18,276	16,468	15,723	24,872	25,379	25,070	CA2 (1)	Articles 92(1), 95, 96 and 98 of CRR
	B.1	of which: stemming from exposures that fall below the 10% / 15% limits for CET1 deduction (+)	9								
	B.2	of which: stemming from from CVA capital requirements (+)	1,681								
	B.3	of which: stemming from higher asset correlation parameter against exposures to large financial institutions under IRB the IRB approaches to credit risk (+)	443								
	B.4	of which: stemming from the application of the supporting factor to increase lending to SMEs (-)	0								
	B.5	of which: stemming from the effect of exposures that were previously part of Risk Exposure amount and receive a deduction treatment under CRR/CRDIV (-)	0								
B.6	of which: others subject to the discretion of National Competent Authorities	0									
CAPITAL RATIOS (%) - Transitional period	C.1	Common Equity Tier 1 Capital ratio	16.54%	18.16%	20.38%	21.20%	12.40%	11.55%	10.78%	CA3 (1)	-
	C.2	Tier 1 Capital ratio	18.70%	18.16%	20.38%	21.20%	12.40%	11.55%	10.78%	CA3 (3)	-
	C.3	Total Capital ratio	21.96%	18.16%	20.38%	21.20%	12.40%	11.55%	10.78%	CA3 (5)	-
D	Common Equity Tier 1 Capital Threshold		1,462	1,317	1,258	1,368	1,396	1,379			
Memorandum items	E	Total amount of instruments with mandatory conversion into ordinary shares upon a fixed date in the 2014 -2016 period (cumulative conversions) (1)		0	0	0	0	0	0		
	F	Total Additional Tier 1 and Tier 2 instruments eligible as regulatory capital under the CRR provisions that convert into Common Equity Tier 1 or are written down upon a trigger event (2)					0	0	0		
	F.1	Of which: eligible instruments whose trigger is above CET1 capital ratio in the adverse scenario (2)					0	0	0		
	G	Fully Loaded Common Equity Tier 1 Capital ratio (3)				21.21%			10.78%		

(1) Conversions not considered for CET1 computation
(2) Excluding instruments included in E
(3) Memorandum item based on a fully implemented CRR/CRDIV definition of Common Equity Tier 1 capital including 60% of unrealised gains/losses from Sovereign Exposure in AFS portfolio

2014 EU-wide Stress Test - Restructuring scenarios

Effects of mandatory restructuring plans publicly announced before 31 December 2013 and formally agreed with the European Commission.					
	Baseline scenario		Adverse scenario		Narrative description of the transactions. (type, date of completion/commitment, portfolios, subsidiaries, branches)
	CET1 impact	Risk exposure amount impact	CET1 impact	Risk exposure amount impact	
(mln EUR)					
2013	0	0			
2014	-705	-7,132	-664	-11,488	Sale of DEPFA in 2014 and run down of non-strategic portfolios (Budget Finance and Value Portfolio) where no new business is allowed according to the restructuring plan.
2015	162	299	225	-1,232	
2016	126	189	179	-613	
Total	-417	-6,644	-260	-13,333	



2014 EU-wide Stress Test

Outcome of the Stress Test based on the Restructuring plan for banks whose plan was formally agreed with the European Commission after 31 December 2013

(mln EUR)	Baseline scenario				Adverse scenario		
	As of 31/12/2013	As of 31/12/2014	As of 31/12/2015	As of 31/12/2016	As of 31/12/2014	As of 31/12/2015	As of 31/12/2016
COMMON EQUITY TIER 1 CAPITAL (net of deductions and after applying transitional adjustments)							
TOTAL RISK EXPOSURE AMOUNT							
COMMON EQUITY TIER 1 RATIO							

2014 EU-wide Stress Test

Major Capital Measures from 1 January to 30 September 2014

Major Capital Measures Impacting Tier 1 and Tier 2 Eligible Capital from 1 January 2014 to 30 September 2014

Issuance of CET 1 Instruments	Impact on Common Equity Tier 1 Million EUR
Raising of capital instruments eligible as CET1 capital (+)	0
Repayment of CET1 capital, buybacks (-)	0
Conversion to CET1 of hybrid instruments becoming effective between 1 January and 30 September 2014 (+)	0

Net issuance of Additional Tier 1 and T2 Instruments	Impact on Additional Tier 1 and Tier 2 Million EUR
Net issuance of Additional Tier 1 and T2 Instruments with a trigger at or above bank's post stress test CET1 ratio in the adverse scenario during the stress test horizon (+/-)	0
Net issuance of Additional Tier 1 and T2 Instrument with a trigger below bank's post stress test CET1 ratio in the adverse scenario during the stress test horizon (+/-)	0

Losses	Million EUR
Realized fines/litigation costs from 1 January to 30 September 2014 (net of provisions) (-)	0
Other material losses and provisions from 1 January to 30 September 2014 (-)	0