

# Landwirtschaftliche Rentenbank

Disclosure Report for  
Landwirtschaftliche Rentenbank as of  
31 March 2019



rentenbank

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## 1. Scope of application

Banks are required to produce a disclosure report at least once a year due to the requirements in accordance with Part 8 of the CRR (Capital Requirements Regulation – Regulation (EU) No 575/2013) and the CRD IV (Capital Requirements Directive IV – Directive 2013/36/EU).

In line with the provisions of the European Banking Authority (EBA), institutions whose consolidated total assets exceed EUR 30 billion should consider producing a quarterly disclosure of specific information (EBA/GL/2016/11 dated 4 August 2017). This disclosure report as of 31 March 2019 is being published in keeping with these guidelines and in consideration of the BaFin circular 05/2015 (BA).

Rentenbank produces the disclosure report in an aggregated format at group level in its role as the top level institution. The figures shown in this report are taken from the group of companies consolidated for regulatory purposes. The calculation of the figures is made using accounting methods in keeping with the German Commercial Code (*Handelsgesetzbuch HGB*).

The report below contains information on:

- Own funds
- Capital ratios
- Capital requirements
- Leverage ratio

The figures shown in the Disclosure Report were rounded according to standard commercial practice. In the summation, there may therefore be differences which are due to rounding. Lines or columns without content in the tables were blanked out for legibility.

There were no significant changes in the period under review (Q1 2019).

## 2. Own funds and capital requirements

### 2.1 Composition of own funds (Part 8 Article 437 CRR)

Rentenbank Group's common equity Tier 1 capital is comprised of subscribed capital, retained earnings and the fund for general banking risks according to Section 340g HGB.

There are no instruments for additional Tier 1 capital. Consequently, the capital requirements (common equity Tier 1 capital and additional Tier 1 capital) have to be fully met with common equity Tier 1 capital.

Tier 2 capital exclusively consists of subordinated liabilities.

The following table shows the composition of Rentenbank Group's regulatory own funds, the risk-weighted assets (RWA) as well as the capital ratios.

**Table 1: Composition of regulatory own funds**

	Mar. 31, 2019 EUR million	Dec. 31, 2018 EUR million	
<b>Capital instruments and risk-weighted assets</b>			
6	Common Equity Tier 1 (CET 1) capital before regulatory adjustments	4,410	4,315
28	Total regulatory adjustments to Common Equity Tier 1 (CET1) overall	- 16	- 17
<b>29</b>	<b>Common Equity Tier 1 capital (CET1)</b>	<b>4,394</b>	<b>4,298</b>
<b>44</b>	<b>Additional Tier 1 capital (AT1)</b>	<b>0</b>	<b>0</b>
<b>45</b>	<b>Tier 1 capital (T1 = CET1 + AT1)</b>	<b>4,394</b>	<b>4,298</b>
51	Tier 2 capital (T2) before regulatory adjustments	196	214
<b>58</b>	<b>Tier 2 capital (T2)</b>	<b>196</b>	<b>214</b>
<b>59</b>	<b>Total capital (TC = T1 + T2)</b>	<b>4,590</b>	<b>4,512</b>
<b>60</b>	<b>Total risk-weighted assets</b>	<b>14,464</b>	<b>14,475</b>
<b>Capital ratios</b>			
<b>61</b>	<b>Common Equity Tier 1 (as a percentage of total risk exposure amount)</b>	<b>30.4</b>	<b>29.7</b>
<b>62</b>	<b>Tier 1 (as a percentage of total risk exposure amount)</b>	<b>30.4</b>	<b>29.7</b>
<b>63</b>	<b>Total capital (as a percentage of total risk exposure amount)</b>	<b>31.7</b>	<b>31.2</b>

## 2.2 Capital requirements (Part 8 Article 438 CRR)

The regulatory capital requirements for credit risks are determined for Rentenbank Group by applying the Credit Risk Standardized Approach (CRSA). The counterparty credit risk is calculated using the mark-to-market method. The calculation of the risk for the credit valuation adjustment (CVA risk) is carried out

using the standardized approach. The basic indicator approach is applied to operational risk.

The following table shows the risk-weighted assets (RWA) and the capital requirements. The requirements for minimum own funds amount to 8 % of the risk-weighted assets in accordance with CRR and were at EUR 1,157 million for Rentenbank Group on 31 March 2019.

**Table 2: EU OV1<sup>1</sup> – Overview of RWA**

		RWAs		Capital requirements	
		Mar. 31, 2019 EUR million	Dec. 31, 2018 EUR million	Mar. 31, 2019 EUR million	
	1	<b>Credit risk (excluding CCR)</b>	12,592	12,591	1,007
Article 438(c)(d)	2	Of which in the standardized approach	12,592	12,591	1,007
Article 107, Article 438(c)(d)	6	<b>CCR</b>	1,301	1,229	104
Article 438(c)(d)	7	Of which using mark to market	531	515	42
Article 438(c)(d)	12	Of which CVA	770	714	62
Article 438(e)	19	<b>Market risk</b>	0	0	0
	20	Of which in the standardized approach	0	0	0
Article 438(f)	23	<b>Operational risk</b>	571	655	46
	24	Of which within the basic indicator approach	571	655	46
	29	<b>Total</b>	<b>14,464</b>	<b>14,475</b>	<b>1,157</b>

**Table 3: Risk-weighted assets – breakdown by exposure class according to Article 438 (c) CRR**

Exposure class	RWAs		Capital requirements
	Mar. 31, 2019 EUR million	Dec. 31, 2018 EUR million	Mar. 31, 2019 EUR million
Central governments or central banks	0	0	0
Regional governments and local authorities	0	0	0
Public sector entities	0	0	0
Multilateral development banks	0	0	0
International Organizations	0	0	0
Institutions	10,954	11,044	876
Corporates	2	1	0
Covered bonds	1,391	1,301	111
Collective investment undertakings	0	0	0
Equity exposures	182	181	15
Other items	63	64	5
<b>Overall standardized approach CRSA (excluding CCR)</b>	<b>12,592</b>	<b>12,591</b>	<b>1,007</b>

<sup>1</sup>Tables designated according to EBA/GL/2016/11

### 3. Leverage ratio (Part 8 Article 451 CRR)

The calculation of the leverage ratio for Rentenbank Group is based on delegated regulation (EU) 2015/62.

Rentenbank Group's Tier 1 capital, overall risk exposure measure and leverage ratio as of 31 March 2019 are illustrated below. The leverage ratio was at 4.92 % on the reporting date.

**Table 4: Leverage ratio**

		Mar. 31, 2019 EUR million	Dec. 31, 2018 EUR million
	<b>Capital and size of overall risk exposure</b>		
20	Tier 1 capital	4,394	4,298
21	Leverage ratio total exposure measure	89,260	86,280
<b>22</b>	<b>Leverage ratio</b>	<b>4.92</b>	<b>4.98</b>

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