Argenta Spaarbank

Financial results first half 2017

August 2017

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Key takeaways for Argenta Spaarbank

1H 2017

- Healthy financial performance 1H 2017 but with pressure on banking net interest income due to the effect of the continual low interest environment
  - Net profit of 77 million EUR[1] in 1H 2017, representing a ROE of 8.3%.
  - Solid business volumes: 2.1 billion EUR new mortgage loans[2] granted in 1H 2017 to the Belgian and Dutch households, down 10% yoy after a record 1H 2016. Belgian mortgage productions up +14% yoy and in the Netherlands down -31% yoy due to stronger competition. Retail mortgage loan production market shares at 5.8% for Belgium and 1.7% for the Netherlands[3].
  - Funds under management increased to 38.6 billion EUR of which 6.1 billion EUR related to investment products (+14% yoy). Funds fee income up 29% to 43 million EUR
  - Net interest margin at 1.39%, down 28 bps yoy on the back of continual low interest environment.
  - Important investment in renewal of ICT platforms and digitilisation increase the cost/income ratio for 1H 2017 to 61%.[4]
- Solid capital and liquidity position:
  - Fully loaded IRB CET 1 at 25.9%, TCR of 33.0%, both well in excess of the SREP requirement[5].
  - Robust liquidity position with LCR of 167% and NSFR of 145%.

(1) Adjusted for IFRIC21 (which requires full year bank levies to be recognised on 1 January). Non adjusted net profit is 54 million EUR
(2) New loans granted, excluding internal refinancing
(3) Mortgage loan production market shares as of 30/06/2017
(4) 48% excluding bank levies
(5) BIII fully loaded IRB solvency ratio

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Strategy and business profile

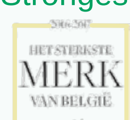
Simple and easy-to-understand retail business model

Market share[1]	
Deposits	0.7%
Mortgage loans	2.5%

Market share[1]	
Deposits	8.0%
Investment funds	3.3%
Mortgage loans	5.6%
Life insurance[2]	6.6%
Non-life insurance[2]	2.2%

- Integrated bank-insurance business model focussed on fruitful long term relationships with its retail clients, employees, tied agents, family shareholders and investors.
- Offering simple and transparent bank and insurance products and free of charge payment and custodial services.
- Broad reach through a strong network of independent agents in Belgium and third party distribution in the Netherlands, complemented by a user-friendly digital platform.
- Unrivalled levels of customer satisfaction, loyalty and brand strength:
  - Internal and external NPS surveys show top notch results.
  - Five consecutive times voted best bank of Belgium by Bankshopper.be and second best in 2016.

  - Strongest bank brand strength in Flanders in 2016.[3]



- Integrated operating model creating cost synergies and efficiencies.

(1) Portfolio market share as per end of June 2017, for investment funds and Dutch mortgage loans as per end of March 2017
(2) Premium collection / sales market share as per end of March 2017
(3) Study published by the Benchmark Company

1

Overview of key financial data

1H 2017

Argenta Group

Net result[2]	109.1 m
Return on Equity[2]	8.4%
Total assets	43.0 bn
Total equity	2.6 bn
Cost / Income[2,3]	55%
Total funds under mgmt	43.6 bn
CET 1 (BIII transitional)[4]	25.6%
CET 1 (BIII fully loaded)[4]	25.8%

Argenta Spaarbank[1]

Net result[2]	76.6 m
Return on Equity[2]	8.3%
Total assets	36.7 bn
Total equity	1.9 bn
Cost / Income[2,3]	61%
CET 1 (BIII transitional)[4]	25.7%
CET 1 (BIII fully loaded)[4]	25.9%

Argenta Assuranties[1]

Net result[2]	33.4 m
Return on Equity[2]	10.6%
Total assets	6.7 bn
Total equity	0.6 bn
Premium Life[5]	298 m
Premium Non-life	85 m
Solvency II	293%

Credit Rating

Standard & Poor's	
Short-term	A-2
Long-term	A-
Outlook	Stable

Note: all numbers are stated in EUR

(1) Consolidated

(2) Adjusted for IFRIC21 (which requires full year bank levies to be recognised on 1 January). Reported numbers for the group, bank and insurance are respectively 85m, 54m and 31m

(3) Cost / Income ratios excluding bank levies are 44% for Argenta Group and 48% for Argenta Spaarbank.

(4) BIII IRB solvency ratio

(5) Including universal life unit linked

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Financial objectives

1H 2017

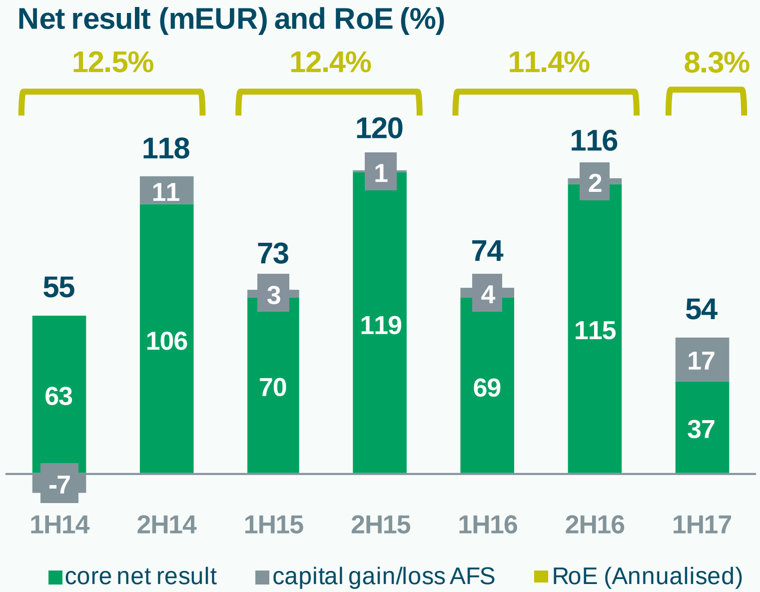
Argenta Spaarbank	FY 2016	1H 2017	Target
Return on Equity[1]	11.4%	8.3%	>8%
Leverage Ratio (fully loaded)	4.8%	4.8%	>4%
Cost / Income Ratio (excluding bank levies)	45%	48%	40%
CET 1 Ratio (BIII fully loaded)[2]	26.7%	25.9%	>18%
Total Capital Ratio (BIII fully loaded)[2]	34.1%	33.0%	>20%
Net Interest Margin (NIM)	1.64%	1.39%	>1.4%
NSFR	145%	145%	>120%
LCR	179%	167%	>125%

(1) Adjusted for IFRIC21 (which requires full year bank levies to be recognised on 1 January)
(2) BIII IRB solvency ratio

2

Net result down 27% due to pressure on NIM

1H 2017 Argenta Spaarbank



In millions of EUR	1H16	1H17	Δ
Net interest income	290	254	-36
Fee income	34	43	10
Commissions to agents	-64	-69	-5
Net financial result	3	18	16
Other operating income	23	19	-4
Total income	**284**	**265**	**-20**
Operating expenses	-188	-196	-8
Impairments	-1	3	5
Profit before tax	**95**	**72**	**-23**
Income tax expense	-21	-18	3
Net profit	**74**	**54**	**-20**
IFRIC21 adjustment	23	23	-1
Adjusted net profit	**97**	**77**	**-21**

- Core net result under pressure, net NII down 12% in continued low interest environment:
  - Assets reinvested at lower yields, average asset yield down ~30bps
  - Retail deposit funding at lower interest rates, but now at legal Belgian floor of 11 bp.
  - Further increase in mortgage production in Belgium supports interest income.
  - 29% growth in fee income to 43 million EUR (+10 million).
  - Operating expense up 4% as a result of investments in systems platforms supporting digitilisation.
  - Net profit supported by growth in mortgage portfolio and higher realised AFS gains (+11 million)
- Adjusted net result of 77 million EUR[1] and RoE at 8.3%.

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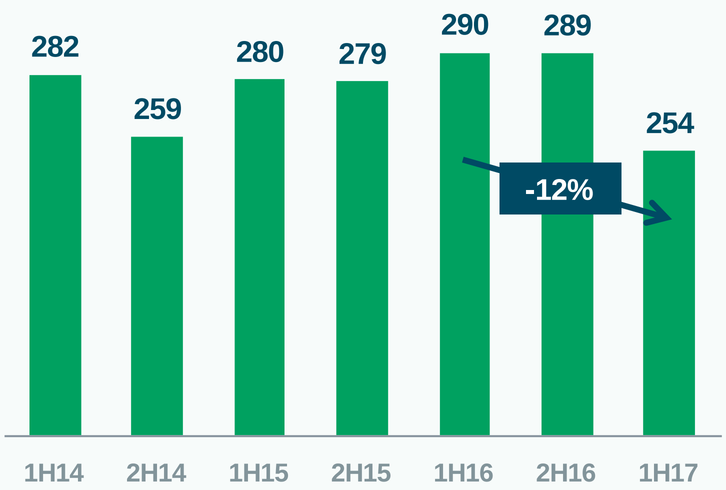
(1) Adjusted for IFRIC21 (which requires full year bank levies to be recognised on 1 January). Non adjusted net profit is 54 million EUR

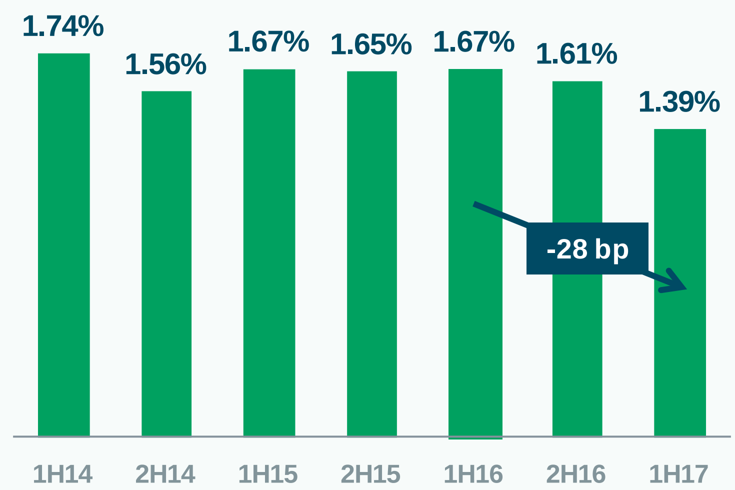
Net interest income under pressure

1H 2017 Argenta Spaarbank

Net interest income (mEur)



Net interest margin (%)



- Net interest income decreased in 1H 2017 to 254 million EUR (-12% yoy).
- Pressure on new loan margins on mortgages and lower reinvestment yields in the investment portfolio, partially offset by reduced rates on savings accounts and volume growth in mortgages.
- Net interest margin at 1.39%, 28 basis points below 1H 2016.

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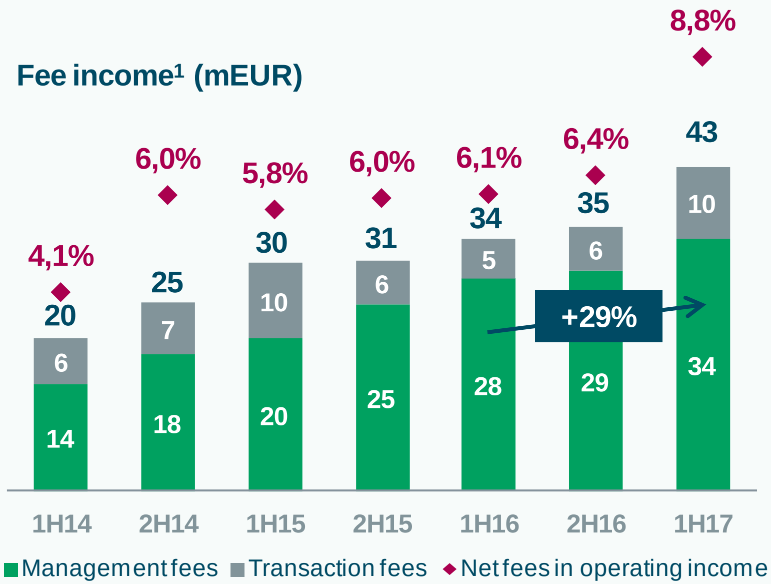
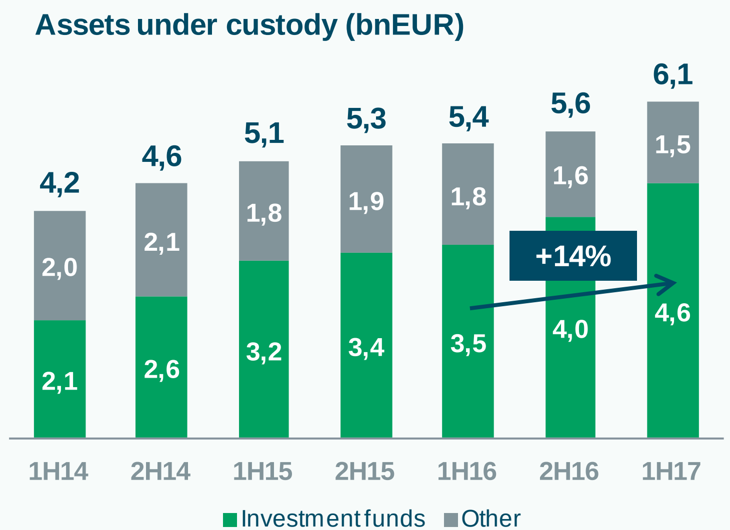
Continued growth in fund management

1H 2017 Argenta Spaarbank





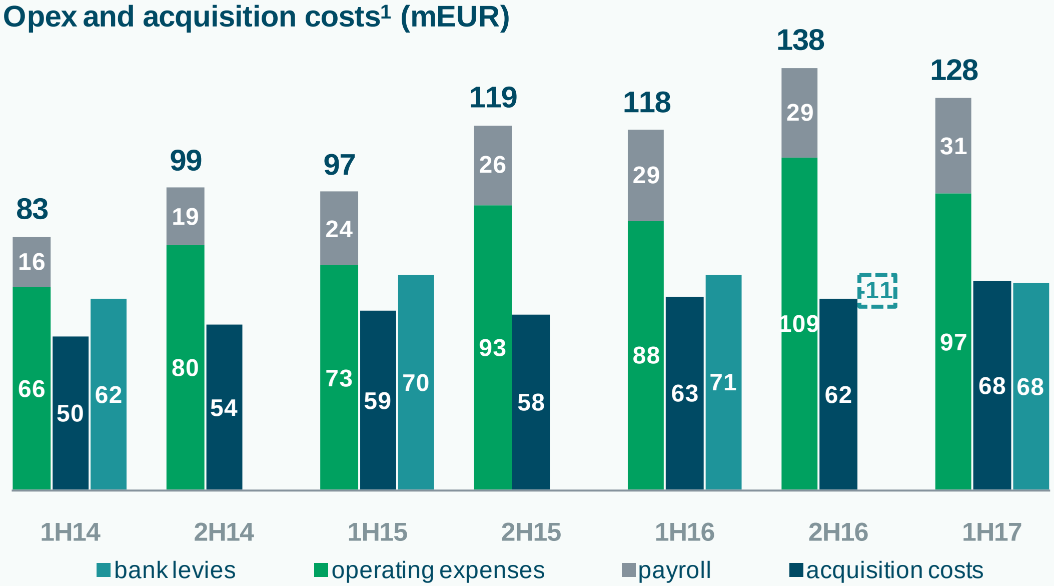
- Strategic focus on retail investment funds offered as an alternative to traditional savings products.
- Assets under Custody increased to 6.1 billion EUR (up 14%) with net inflows of 372 million EUR.
- Total fee income in 1H 2017 increased further to 43 million EUR, driven by higher management fees and transaction fees, contributing to 8.8% of operating income.
- Current market share of 3.3% indicates potential for further growth.

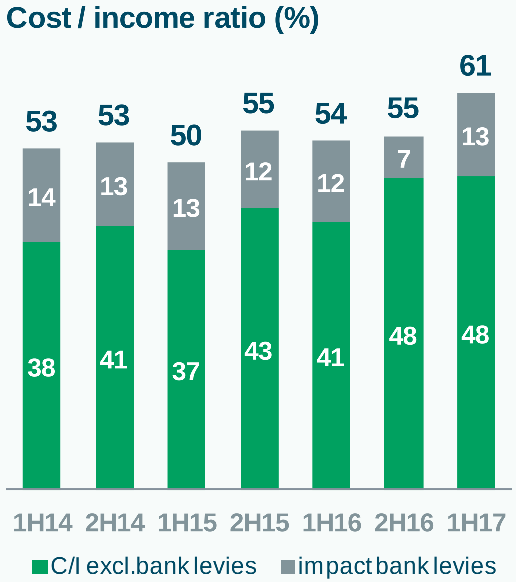
(1) Excluding commissions to agents.

2

Investing in the future

1H 2017 Argenta Spaarbank





- Continued investments in the core banking system to support further digitalisation efforts and professionalization of services increase staff and ICT expenses.
- Increasing acquisition costs driven by volume increase[1].
- 1H 2017 cost/income ratio at 48%, bank levies increase ratio to 61%.

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(1) Acquisition costs relate to commissions to the branch network for product distribution.

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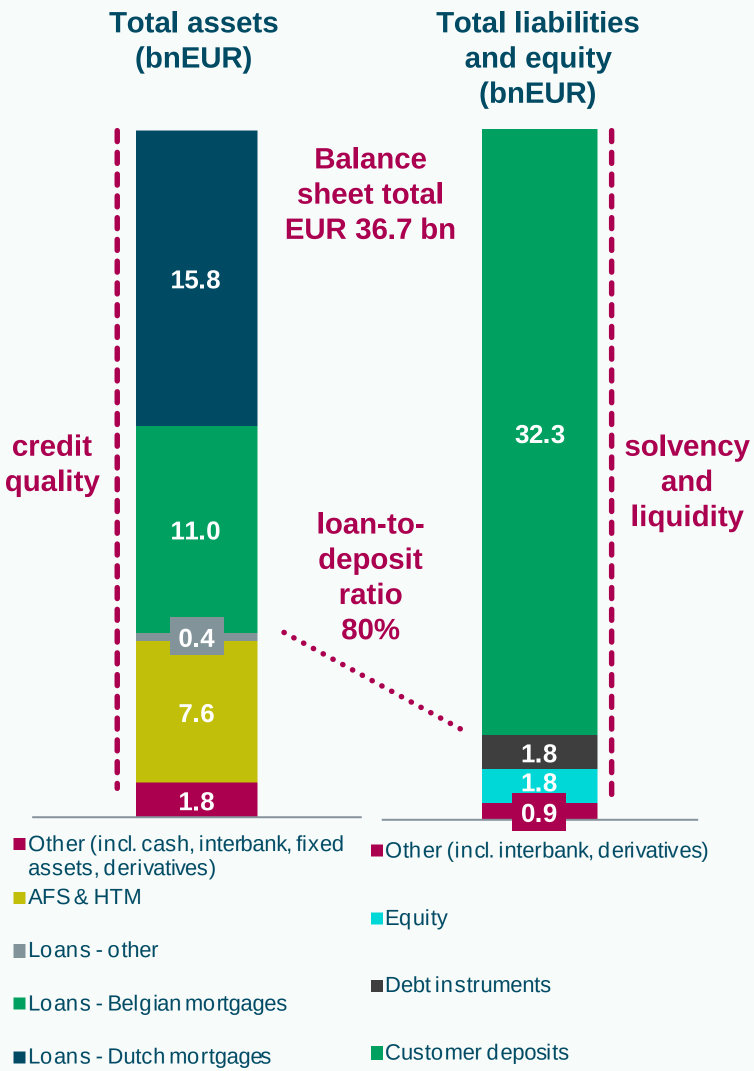
Balance sheet composition

1H 2017 Argenta Spaarbank



- Assets up 3% yoy to 36,7 bn
- Low-risk loan book up 6% yoy and consisting of prime retail mortgage loans in the Netherlands and Belgium.
- Well diversified and conservative investment portfolio with close to 98% investment grade, down 1 bn yoy.
- Strong retail funding profile with low loan-to-deposit ratio of 80%.

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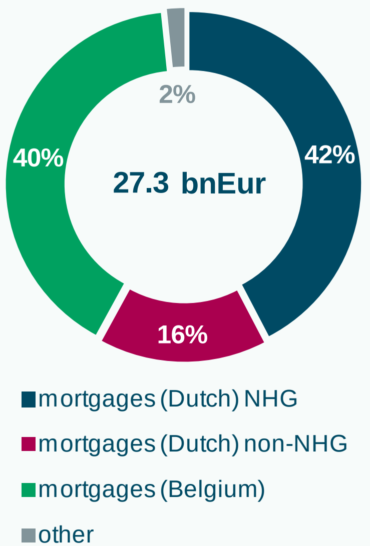
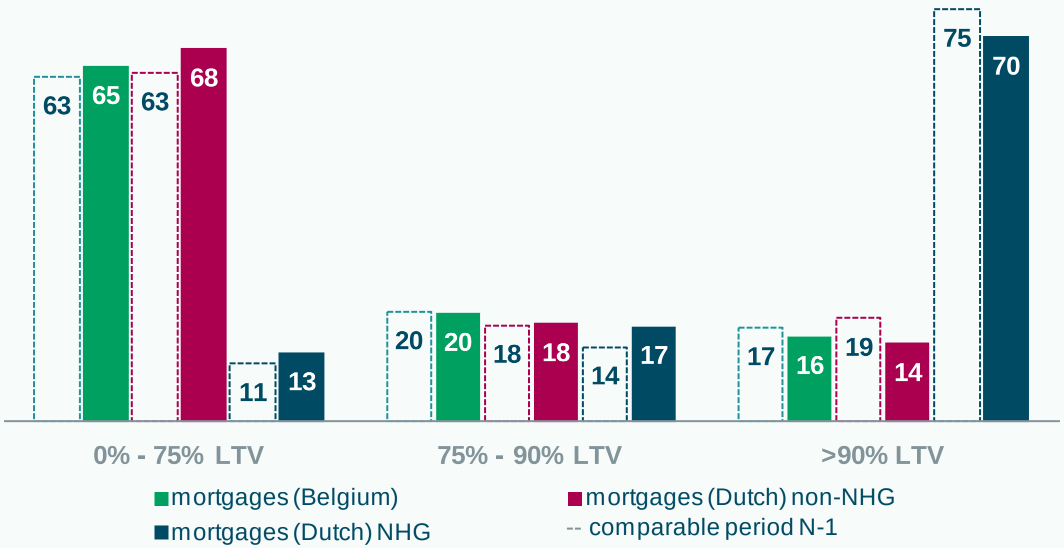
High-quality loan book

1H 2017 Argenta Spaarbank

Composition of loan book (%)



Indexed loan-to-value mortgage loan book (%)



- Residential mortgage loan portfolio in Belgium and the Netherlands compose 98% of total.
- Belgian portfolio consists of ~180k loans and Dutch portfolio consists of ~100k loans.
- 85% of the mortgage loan book has loan-to-value of less than 90% or has a Dutch State guarantee (NHG[1]).
- Total portfolio average LTV is at 74%.

(1) NHG (National Mortgage Guarantee) is a guarantee scheme by the Dutch government on residential mortgages

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Very low risk loan portfolio

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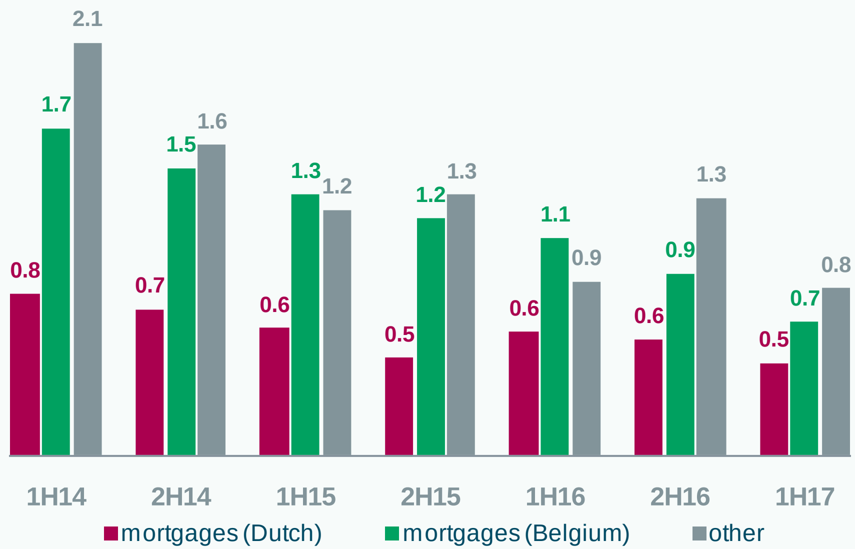
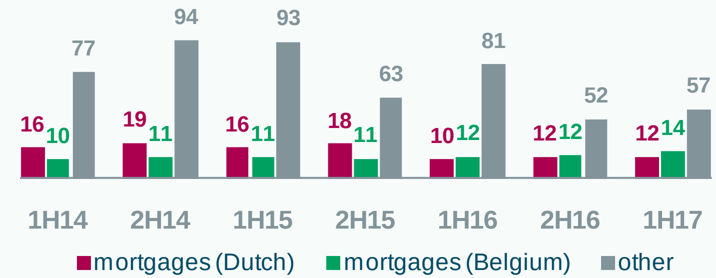
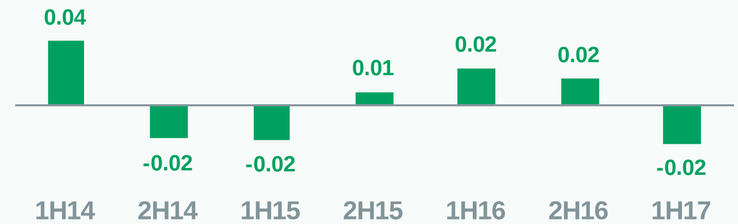
Non-performing loans ratio (%)



Coverage ratio (%)



Cost of risk (%)



- Non-performing loans ratio confirms high-quality of mortgage loan book and remains at historically low level. NPL% for Dutch portfolio normalised after technical increase per end 2016. Less than 1% of the mortgage loan book is non-performing.
- Average coverage ratio of 15% (up 2 points) as reflection of high quality of prime mortgage collateral.
- Cost of risk remains close to nil.

3

Liquid and low default investment portfolio

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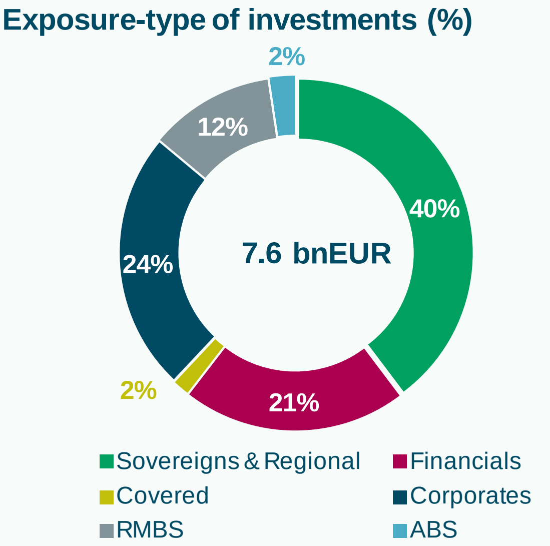

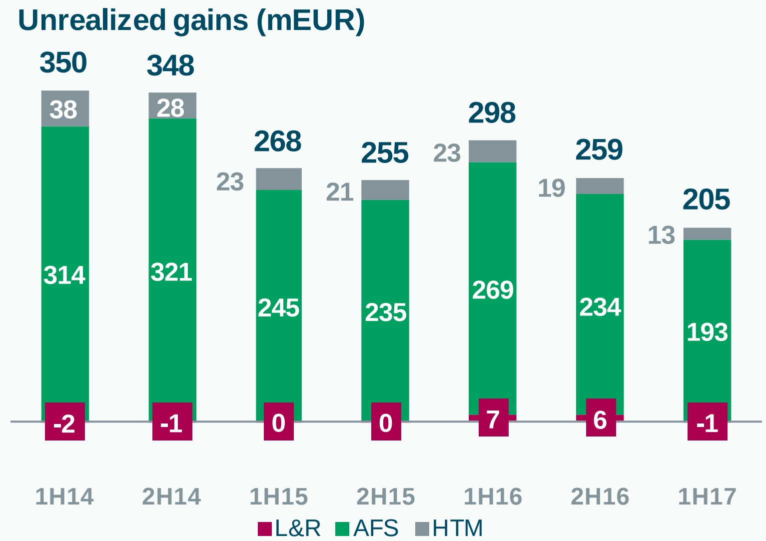

- Outstanding portfolio down 0.5 bn EUR to support mortgage portfolio growth.
- Conservative focus on sovereign and regional securities.
- No exposure to CDO, CLO, Alt-A, subprime.
- High quality of investments: 44% of the portfolio is rated AA and above and 99% of the portfolio is investment grade, unrealized capital gains 205 million EUR, down 93 million yoy due to maturity of securities and realisation of AFS in 1H 2017 of 17 million EUR.
- Exclusively euro-denominated with focus on European markets: 85% of portfolio in European Economic Area.

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Robust solvency position

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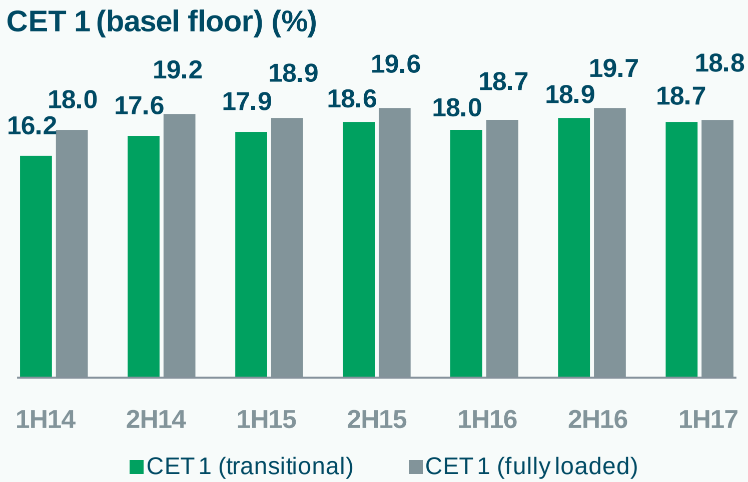

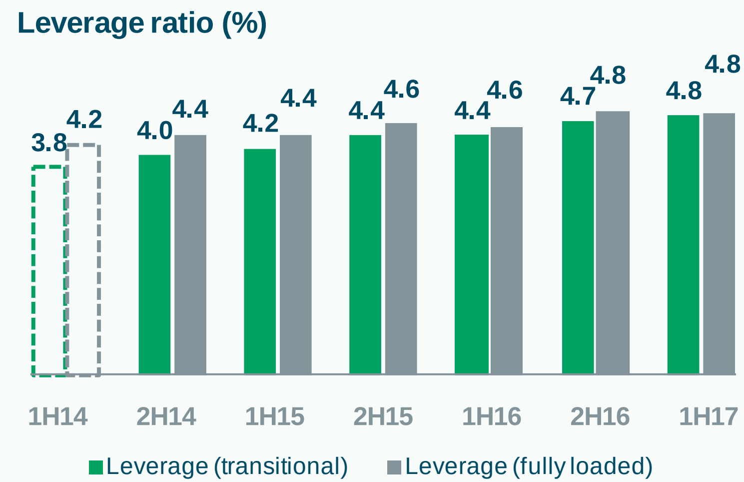

- CET 1 (basel floor) ratio remains strong:
  - BIII transitional: 18.7%.
  - BIII fully loaded: 18.8%.
  - Conservative dividend and profit reservation policy main driver of strong and stable solvency position.
- Leverage ratio stable[1]:
  - BIII transitional: 4.8%.
  - BIII fully loaded: 4.8%.

(1) Based on CRR legislation which was adapted in 2H 2014

SREP requirement

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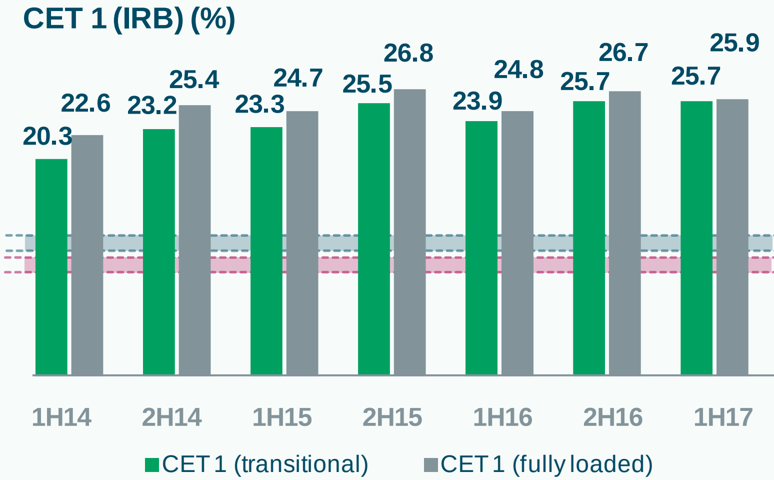
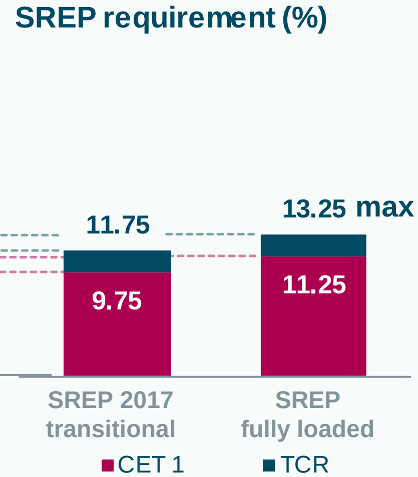
1H 2017 Argenta Spaarbank





- CET 1 (IRB) ratio well above SREP requirement:
  - BIII transitional: 25.7%.
  - BIII fully loaded: 25.9%.
- SREP fully loaded TCR requirement already covered by available CET 1.
- TCR (IRB) of 32.8% (BIII transitional) and 33.0% (BIII fully loaded).

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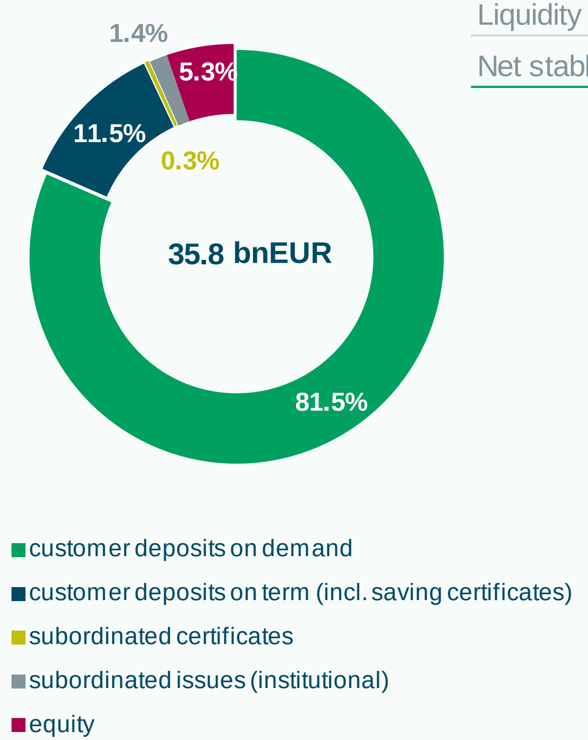
Funding and liquidity position

1H 2017 Argenta Spaarbank

Funding mix (%)



In %	1H14	2H14	1H15	2H15	1H16	2H16	1H17
Liquidity coverage ratio[1]	223	182	181	180	168	179	167
Net stable funding ratio[2]	150	145	146	144	142	145	145

- Strong liquidity position, well above regulatory limits, for both LCR and NSFR.
- Loan-to-deposit ratio stands at 80%.
- Stable deposit funding base mainly consisting of retail savings deposits.

(1) Basel III
(2) Basel III until 1H 2015, thereafter according to EU Delegated Act

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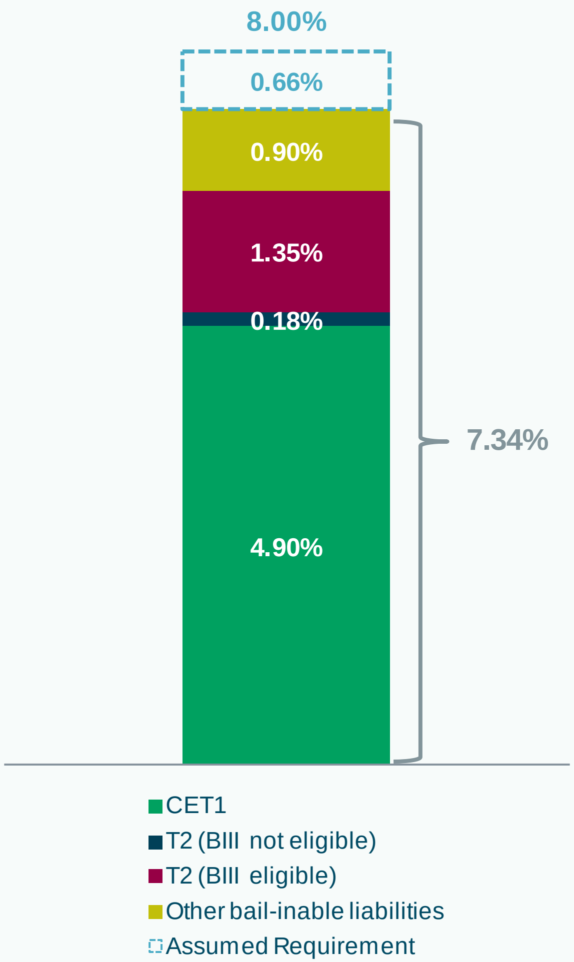
MREL update

Bail-in capacity Argenta Spaarbank

MREL estimation



- The combined evolution of eligible liabilities for bail-in and total balance sheet result in an indicative compliance ratio of 7,34%, coming from 7,29%.
- Final MREL requirement still to be defined by SRB.
- Assumed target MREL ratio of 8% equals 2.9 billion EUR bail-in requirement, of which 2.7 billion euro or 7.34% of balance sheet is completed.
- Depending on the final decision by the SRB of the minimum requirements and the eligibility of the 'other' liabilities , the remaining gap at June 2017 would be between 250 and 700 million.
- Achievement of the remaining MREL requirement will be filled through organic growth of CET 1 and complementary issuance of MREL eligible debt securities.

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Wrap up

1H 2017 Argenta Spaarbank

- Strong and resilient business model with unique client loyalty and brand scores, with the strategy towards digitilisation intensified.
- As expected, interest rate margins decreased 28bp due to the persistent low interest rate environment. This impact is expected to continue in the second half of 2017 and later.
- Financial performance in the first half of 2017 was impacted by the continued low interest rate environment, supported by growth of the mortgage portfolio, increase in fee income, and higher realisation of AFS gains.
  Net profit down 20 million yoy to 77 million EUR[1] but still generating 8,3% ROE[1].
- Growth of fee income as a result of the ongoing diversification of revenue sources, and now counting for 9% of operating income.
- Conservative credit standards maintained, supporting high quality loan portfolio and liquidity portfolio.
- Very strong solvency, funding and liquidity position.

(1) Adjusted for IFRIC21 (which requires full year bank levies to be recognised on 1 January). Non adjusted net profit is 54 million EUR

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Overview

Group structure

- Appendix 1: Organization chart

Additional financial information

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Glossary

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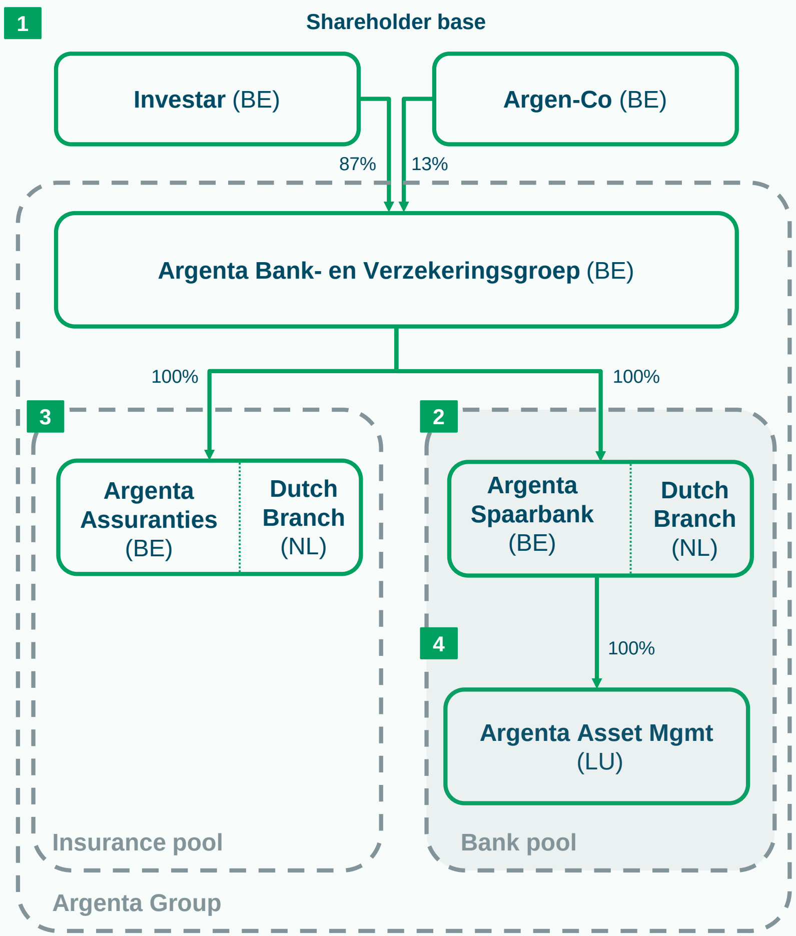
Appendix 1

Group structure: full-fledged retail bank-insurer



A transparant group structure

1 Stable family shareholder base Investar (holding company of founding family) and Argen-Co (cooperative capital held by employees and clients).

2 Banking operations in Belgium and the Netherlands.

3 Insurance operations in Belgium and the Netherlands.

4 Asset Management operation incorporated in Luxembourg.

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Appendix 2

Balance sheet – Assets Argenta Spaarbank

In millions of EUR	6M 2016	FY 2016	6M 2017	▲FY-6M
Cash and cash equivalents	**518**	**906**	**1,252**	**347**
Loans and receivables	**25,648**	**26,522**	**27,267**	**746**
o.w. to credit institutions	56	0	14	14
o.w. to customers	25,592	26,522	27,253	731
Financial assets	**8,651**	**8,114**	**7,602**	**-512**
o.w. at-fair-value-through-P&L	9	9	9	0
o.w. available-for-sale	8,221	7,679	7,132	-547
o.w. held-to-maturity	421	426	461	36
Derivatives incl. hedge adjustment	**522**	**360**	**260**	**-99**
Other assets	**351**	**255**	**303**	**48**
Total assets	**35,689**	**36,156**	**36,685**	**529**

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Appendix 3

Balance sheet – Liabilities Argenta Spaarbank

In millions of EUR	6M 2016	FY 2016	6M 2017	▲FY-6M
Deposits from central banks	**0**	**0**	**0**	**0**
Financial liabilities	**32,914**	**33,488**	**34,044**	**557**
o.w. at-fair-value-through-P&L	0	0	0	0
o.w. credit institutions	1	1	96	95
o.w. customer deposits	30,875	31,615	32,286	671
o.w. savings certificates	1,281	1,210	1,049	-162
o.w. subordinated liabilities	758	660	613	-48
Derivatives	**734**	**558**	**417**	**-141**
Other liabilities	**296**	**270**	**340**	**70**
Total liabilities	**33,944**	**34,315**	**34,801**	**486**

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Appendix 4

Balance sheet – Equity Argenta Spaarbank

In millions of EUR	6M 2016	FY 2016	6M 2017	▲FY-6M
Core equity	**1,667**	**1,766**	**1,820**	**54**
Paid-in share capital	616	662	662	0
Retained earnings	977	914	1,104	190
Profit of current period	74	190	54	-136
Gains and losses not recognised in the income statement	**79**	**75**	**64**	**-11**
Reserve available-for-sale	95	89	76	-13
Reserve cash flow hedge	-16	-14	-12	2
Minority interests	**0**	**0**	**0**	**0**
Total equity	**1,746**	**1,841**	**1,884**	**43**

Appendix 5

Income statement Argenta Spaarbank

In millions of EUR	1H 2016	2H 2016	1H 2017	▲1H-1H
Net interest income	**290**	**289**	**254**	**-36**
Net commissions and fees	**-31**	**-28**	**-26**	**5**
Net gains and losses	**3**	**4**	**18**	**16**
o.w. availble-for-sale	7	2	17	11
o.w. other	-4	1	1	5
Other net operating income	**23**	**23**	**19**	**-4**
Total income	**284**	**287**	**265**	**-20**
Operating expenses	**-188**	**-127**	**-196**	**-8**
Operating profit	**96**	**160**	**69**	**-27**
Impairments	**-1**	**-2**	**3**	**5**
o.w. loans and receivables	-3	-2	3	6
o.w. other	1	0	0	-1
Non-current assets held for sale	**0**	**-4**	**0**	**0**
Profit before tax	**95**	**155**	**72**	**-23**
Income tax expense	**-21**	**-38**	**-18**	**3**
Net profit	**74**	**116**	**54**	**-20**

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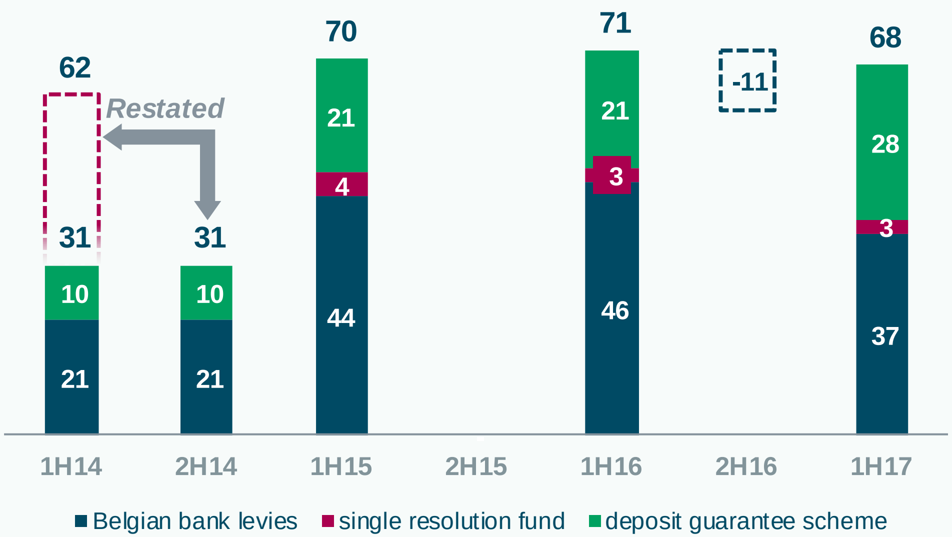
Appendix 6

Impact IFRIC 21 Bank levies Argenta Spaarbank

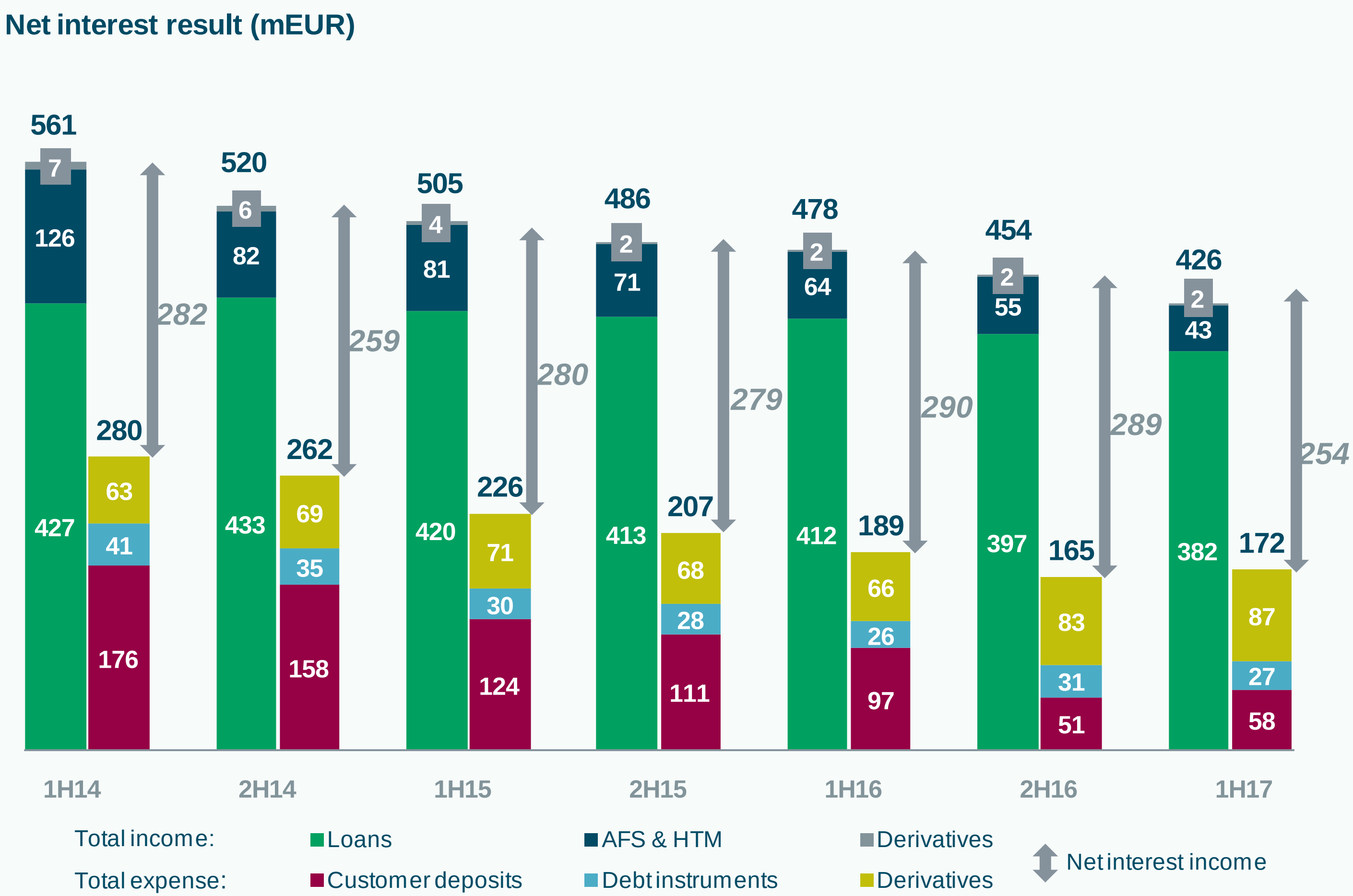
- IFRIC 21 (Levies) was approved by the European Union in June 2014 and became effective on 1 January 2015. The main consequence of IFRIC 21 is that most bank levies have to be recognised in advance.
- Advance recognition adversely impacts the result for the first half year. The net result of the half year is adjusted for amortization of the bank levies.
- Reform of Belgian bank levies in 2016 decreases the levy expense with 11 million EUR, to a total of 60 million EUR for FY 2016.

Breakdown of bank levies (mEUR)



Appendix 7

Net interest income composition



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Appendix 8

Regulatory capital Argenta Spaarbank

In millions of EUR	Transitional FY 2016	Transitional 6M 2017	Fully loaded FY 2016	Fully loaded 6M 2017
Total equity (excl. minority interest)	**1,841**	**1,884**	**1,841**	**1,884**
Part of interim profit not eligible	**0**	**-17**	**0**	**-17**
Prudential filters	**1**	**-2**	**-4**	**-3**
Items to deduct	**-108**	**-54**	**-38**	**-39**
Other intangible assets	-38	-39	-38	-39
Transitional (available-for-sale)	-71	-15	0	0
Common equity Tier 1 (Basel I floor)	**1,734**	**1,811**	**1,800**	**1,824**
For IRB, shortfall of credit risk adjustments to expected losses	-8	-13	-8	-13
Common equity Tier 1 (IRB)	**1,727**	**1,798**	**1,792**	**1,811**
Tier 2 instruments	**496**	**497**	**496**	**497**
Tier 2 (BIII eligible)	496	497	496	497
Transitional (grandfathered T2)	0	0	0	0
Total regulatory capital (Basel I floor)	**2,231**	**2,307**	**2,296**	**2,321**
Total regulatory capital (IRB)	**2,223**	**2,294**	**2,288**	**2,308**

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Appendix 9

Regulatory risk exposures Argenta Spaarbank

In millions of EUR	2016	6M 2017
Central and regional governments	0	0
Public sector	0	0
Institutions	271	233
Corporates	1,361	1,508
Securitisations	406	422
Retail	78	87
Covered by mortgage	6,759	7,164
Other	278	290
Risk weighted assets (Basel I floor)	**9,154**	**9,704**
Central and regional governments	83	93
Public sector	18	47
Institutions	788	630
Corporates	921	1,103
Securitisations	136	137
Retail	78	87
Covered by mortgage	3,467	3,615
Operational risk	979	979
Other	249	301
Risk weighted assets (IRB)	**6,719**	**6,992**

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Appendix 10

Solvency ratios Argenta Spaarbank

In millions of EUR and %	Transitional FY 2016	Transitional 6M 2017	Fully loaded FY 2016	Fully loaded 6M 2017
Basel floor				
Common Equity Tier 1	1,734	1,811	1,800	1,824
Tier 2 instruments	496	497	496	497
Risk Weighted assets	9,154	9,704	9,154	9,704
CET 1	**18.9%**	**18.7%**	**19.7%**	**18.8%**
TCR	**24.4%**	**23.8%**	**25.1%**	**23.9%**
Internal Rating Based				
Regulatory capital	1,727	1,798	1,792	1,811
Tier 2 instruments	496	497	496	497
Risk Weighted assets	6,719	6,992	6,719	6,992
CET 1	**25.7%**	**25.7%**	**26.7%**	**25.9%**
TCR	**33.1%**	**32.8%**	**34.1%**	**33.0%**

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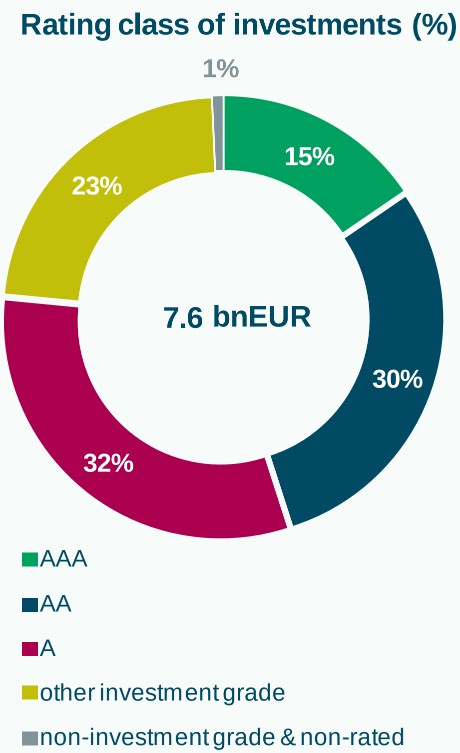
Appendix 11

Investments 1H 2017



Investments per country	%
Belgium	34,8%
Netherlands	17,9%
France	7,4%
Spain	5,2%
Ireland	4,8%
United States	4,1%
Sweden	3,1%
Luxembourg	3,1%
UK	2,9%
Germany	2,5%
Poland	2,1%
Czech Republic	1,9%
Canada	1,8%
Austria	1,3%
Slovenia	0,9%
Other (13 ctp's)	6,0%

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Glossary (1/2)

ABS	Asset-backed security
AFS	Available for sale
Argenta Assuranties	Consolidation scope of the legal entities Argenta Assuranties (parent) and Argenta-Life Nederland (subsidiary).
Argenta Group	Consolidation scope of the legal entities Argenta Bank- en Verzekeringsgroep (parent) and Argenta Spaarbank, Argenta Asset Management, Argenta Assuranties, Argenta-Life Nederland (subsidiaries).
Argenta Spaarbank	Consolidation scope of the legal entities Argenta Spaarbank (parent) and Argenta Asset Management (subsidiary).
Assets under Custody or AuC	Client investment products held on custody accounts.
BIII	Basel 3
Combined ratio	[technical insurance charges + acquisition costs + operating expenses] / [earned premiums] (after reinsurance)
Common Equity Tier 1 ratio or CET 1	[common equity tier 1 capital] / [total weighted risks]
Cost of Risk or CoR	[net changes in specific and portfolio-based impairments for credit risks] / [average outstanding loan portfolio]
Cost/income or C/I	[operating expenses of the period] / [financial and operational result of the period] Operating expenses include administration expenses, depreciation and provisions. Financial and operational result includes net interest income, dividend income, net income from commissions and fees, realised gains and losses on financial assets and liabilities not measured at fair value in the income statement, gains and losses on financial assets and liabilities held for trading, gains and losses from hedge accounting, gains and losses on derecognition of assets other than held for sale and other net operating income. The numerator is adjusted for (exceptional) items which distort the P&L during a particular period in order to provide a better insight into the underlying business trends. Adjustments relate to bank levies which are included pro rata and hence spread over all halves of the year instead of being recognised upfront (as required by IFRIC21).
Cost/income or C/I exl. Bank levies	[operating expenses of the period - bank levies of the period] / [financial and operational result of the period]
Coverage ratio	[total specific impairment provision for non-performing loans] / [total outstanding non-performing loans]
CRR	Capital Requirements Regulation
SREP	Supervisory Review and Evaluation Process performed by the European Central Bank

Glossary (2/2)

HTM	Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments that an entity intends and is able to hold to maturity and that do not meet the definition of loans and receivables and are not designated on initial recognition as assets at fair value through profit or loss or as available for sale. Held-to-maturity investments are measured at amortised cost.
IFRIC	International Financial Reporting Interpretations Committee
Leverage Ratio or LR	[regulatory available tier-1 capital] / [total exposure measures]. The exposure measure is the total of non-risk-weighted on and off-balance sheet items, based on accounting data. The risk reducing effect of collateral, guarantees or netting is not taken into account, except for repos and derivatives. This ratio supplements the risk-based requirements (CAD) with a simple, non-risk-based backstop measure
Liquidity Coverage Ratio or LCR	[stock of high quality liquid assets] / [total net cash outflow over the next 30 calendar days].
Loan-to-deposit or LTD	[loans-and-receivables] / [customer deposits and customer debt certifcates]
MREL	Minimum requirement for own funds and eligible liabilities
Net interest income or NII	[revenues generated by interest-bearing assets] - [cost of servicing (interest-burdened) liabilities]
Net interest margin or NIM	[net interest income of the period] / [average total assets of the period] Total assets are used as a proxy for the total interest-bearing assets.
Net stable funding ratio or NSFR	[available amount of stable funding] / [required amount of stable funding]
NFCI	Net Fee and Commission Income
NHG	Nationale Hypotheek Garantie (National Mortgage Guarantee) is a guarantee scheme by the Dutch government on residential mortgages
Non-performing loans ratio or NPL ratio	[total outstanding non-performing loans] / [total outstanding loans]
O-SII	Other systemic important institutions
Return on equity or RoE	[net profit of the period] / [equity at the beginning of the period]
RMBS	Residential mortgage-backed security
Tier 2	Tier 2 capital is the secondary component of bank capital, in addition to Tier 1 capital
Total Capital ratio or TCR	[common equity tier 1 capital + additional tier 1 instruments + tier 2 instruments] / [total weighted risks]

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