



mirabank

Partner of the Best

DISCLOSURE OF DATA AND INFORMATION
Mirabank a.d. Beograd
as at 30 June 2017

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1. INTRODUCTION AND BASIC INFORMATION ABOUT THE BANK

The founder of Mirabank a.d. Beograd (hereinafter: the Bank) is Duingraaf Financial Investments B.V., Kabelweg 37, 1014BA Amsterdam, Holland (hereinafter: the Founder), obtained preliminary approval for the establishment of the Bank in line with EB Decision No. 32, issued by the Executive Board of the National Bank of Serbia on 18 August 2014.

With NBS EB Decision No. 58 of 16 December 2014, the National Bank of Serbia gave its consent to the Bank to commence operations.

Upon receiving approval of the National Bank of Serbia on the Bank's Founding Assembly Act (Decision on the Appointment of the President and Members of the Board of Directors, Decision on the Appointment of the President and Members of the Executive Board of the Bank, Decision on the Adoption of the Statute of the Bank, Decision on the Issue of the First Shares of the Bank, Decision on the Adoption of the Bank Strategy and Business Policy), the Bank was thereby registered in the Business Entities Register - Companies in line with Decision BD 8779/2015 of 5 February 2015, issued by the Business Registers Agency.

Neither the Bank's Founder nor the Bank are part of a banking group. The Bank's founding capital amounts to EUR 15 million in the RSD equivalent and the conversion of capital was performed on 6 April 2015 when an account belonging to the Bank was opened with the National Bank of Serbia, upon which the Bank began operations via said account and began to complete payment operations. At the same time, the Bank began to engage in the reporting process with the National Bank of Serbia. On 11 May 2016, upon registering with the Central Securities Depository and Clearing House, an increase of the Bank's capital was executed through the issuance of 11 issues in the amount of 1,840,500 ordinary shares with a nominal value of RSD 1,000 per share, upon which the Bank's total share capital (with the founding issue in the amount of RSD 1,790,700 thousand) amounted to a total of RSD 3,631,200 thousand.

The Bank is seated in Belgrade, at ul. Španskih boraca br. 1, Novi Beograd (in English: 1 Španskih boraca Street, New Belgrade), and the Bank conducts its business via one branch located within the territory of the Republic of Serbia at the same address.

The Bank's Identification No. is 21080608. The Bank's Tax Identification No. is 108851504.

In accordance with the Law on Banks (Banking Act) and the Decision on Disclosure of Data and Information by Banks, the Bank hereby publishes this Report which contains all of the data and information prescribed by said Decision for the period of 1 January to 30 June 2017.

The Report herein has been published on the Bank's website (<http://www.mirabankserbia.com/>).

Disclosure relates solely to the Bank's data.

Mirjana Garapic Zakanyi
Member of the Executive Committee

Dr. Ilinca Rosetti
President of the Executive Committee

2. QUANTITATIVE INFORMATION

2.1. BANK CAPITAL

The total capital of the Bank consists of **Tier 1 Capital** and **Tier 2 Capital**.

The Bank's **Tier 1 Capital** consists of: the *nominal value of paid-in shares* (excluding cumulative preference shares) in the amount of RSD 3,631,200 thousand reduced by: *losses in the previous year* in the amount of RSD 704,472 thousand, *losses in the current year* in the amount of RSD 227,802 thousand, *unrealised losses based on securities available for sale, intangible assets* in the amount of RSD 227,930 thousand and *required reserves for estimated losses* on balance sheet assets and off-balance sheet items of the Bank in the amount of RSD 154,085 thousand.

Tier 2 Capital consists of subordinated liabilities of the Bank in the amount of RSD 1,208,486 thousand.

Table 1a below provides data and information on matching the Bank's capital positions from the balance sheet with the Bank's capital positions from the Capital Report drafted in accordance with the decision which governs reporting on the Bank's capital adequacy, as at 30 June 2017.

Table 1a

PI-UPK

**Data on matching the capital positions from the balance sheet with items from the PI-KAP form
Breakdown of elements in the balance sheet**

(in RSD 000)

Item Designation	Position Title	Balance Sheet	Reference
A	ASSETS		
A.I	Cash and assets with the central bank	1,786,930	
A.II	Pledged financial assets	-	
A.III	Financial assets led by fair value through the income statement intended for trade	40	
A.IV	Financial assets initially led by fair value through the income statement	-	
A.V	Financial assets available for sale	1,244,732	
A.VI	Financial assets held to maturity	-	
A.VII	Loans and receivables from banks and other financial organisations	3,590,361	
A.VIII	Loans and receivables from clients	2,021,124	
A.IX	Change in fair value of hedged items	-	
A.X	Receivables arising from hedging derivatives	-	
A.XI	Investments in associated companies and joint ventures	-	
A.XII	Investments in subsidiaries	-	
A.XIII	Intangible assets	227,930	b
A.XIV	Property, plant and equipment	132,126	
A.XV	Investment property	-	
A.XVI	Current tax assets	-	
A.XVII	Deferred tax assets	-	
A.XVIII	Non-current assets held for sale and discontinued operations	-	
A.XIX	Other assets	14,093	
A.XX	TOTAL ASSETS (EDP items from 0001 to 0019 in the consolidated balance sheet)	9,017,336	

Table 1a (continued)

Item Designation	Position Title	Balance Sheet	Reference
P	LIABILITIES		
PO	LIABILITIES		
PO.I	Financial liabilities led by fair value through the income statement intended for trade	12,931	
PO.II	Financial liabilities initially led by fair value through the income statement	-	
PO.III	Liabilities arising from hedging derivatives	-	
PO.IV	Deposits and other liabilities to banks, other financial organisations and the central bank	40,758	
PO.V	Deposits and other liabilities to other clients	5,002,617	
PO.VI	Change in fair value of hedged items	-	
PO.VII	Own securities issued and other borrowings	-	
PO.VIII	Subordinated liabilities	1,208,733	
	of which subordinated liabilities included in the bank's Tier 2 Capital	1,208,486	d
PO.IX	Provisions	6,907	
PO.X	Liabilities under assets held for sale and discontinued operations	-	
PO.XI	Current tax liabilities	-	
PO.XII	Deferred tax liabilities	14,710	
PO.XIII	Other liabilities	24,959	
PO.XIV	TOTAL LIABILITIES (EDP items from 0401 to 0413 in the consolidated balance sheet)	6,311,615	
	CAPITAL		
PO.XV	Share Capital	3,631,200	
	of which: shares and other capital instruments which fulfil the terms of item 8 of the DCA	3,631,200	a
PO.XVI	Own shares	-	
PO.XVII	Profit	-	
PO.XVIII	Loss	932,274	
	of which losses from previous years	704,472	c
	of which losses from the current year	227,802	c
PO.XIX	Reserves	7,191	
	of which positive revaluation reserves created on the basis of effects of changes in fair value of fixed assets, securities and other assets which are, in accordance with IFRS/IAS, credited to these reserves	7,191	
PO.XX	Unrealised losses	396	
	of which unrealised losses on securities available for sale	396	c
PO.XXII	TOTAL CAPITAL (adding and/or subtracting the following EDP items from consolidated balance sheet items: 0415 - 0416 + 0417 - 0418 + 0419 - 0420 + 0421) ≥ 0	2,705,721	
PO.XXIII	TOTAL CAPITAL SHORTFALL (adding and/or subtracting the following EDP items from consolidated balance sheet items: 0415 - 0416 + 0417 - 0418 + 0419 - 0420 + 0421) < 0	-	
PO.XXIV	TOTAL LIABILITIES (the result of adding and/or subtracting the following EDP items from consolidated balance sheet items: 0414 + 0422 - 0423)	9,017,336	
V.P.	OFF-BALANCE SHEET ITEMS		
V.P.A.	Off-balance sheet assets	4,303,776	
V.P.P.	Off-balance sheet liabilities	4,303,776	

Data re Bank Capital
Matching the items in the decomposed balance sheet and items in the PI-KAP form

(in RSD 000)

Item No.	Position Title	Amount	Data source in accordance with references from step 2
	Common Equity Tier 1 Capital (CET 1): elements		
1	CET1 instruments and related share premiums	3,631,200	
1.1.	<i>of which: shares and other capital instruments which fulfil the terms of item 8 of the DCA</i>	3,631,200	a
1.2.	<i>of which: related share premiums for instruments in item 1.1., i.e. amount paid-in above the nominal value of these instruments</i>	-	
2	Profit from previous years free of any future liabilities, to be allocated to CET1 according to the decision of the Bank's General Assembly	-	
3	Profit from the current year or profit from the previous year which the Bank's General Assembly has not yet taken a decision to allocate to CET1 which fulfils the conditions in item 10, paragraphs 2 and 3 for inclusion in CET 1	-	
4	Revaluation reserves and other unrealised gains	-	
5	Reserves from profit and other Bank reserves, excluding reserves for general banking risks	-	
6	Reserves for general banking risks	-	
7	Non-controlling participation (minority participation) recognised in CET1**	-	
8	CET1 prior to regulatory adjustment and deductible items (sum of 1 to 7)	3,631,200	
	CET1: regulatory adjustment and deductible items		
9	Additional value adjustments (-)	-	
10	Intangible assets, including goodwill (reduced by the amount of deferred tax liabilities) (-)	(227,930)	b
11	Deferred tax assets dependent on the future profitability of the bank, with the exception of those which arise from temporary differences reduced by related tax liabilities if all of the conditions in item 14, paragraph 1 of the DCA have been met (-)	-	
12	Fair value reserves in relation to gains and losses based on protection instruments for cash flow risk for financial instruments not measured at fair value, including projected cash flows	-	
13	IRB approach: negative amount of the difference in calculation in line with item 134 of the DCA (-)	-	
14	Increase of capital which is the result of exposure securitisation (-)	-	
15	Gains or loss on bank liabilities measured at fair value due to changes to the bank's credit rating	-	
16	Assets in a defined benefit pension fund in the bank's balance sheet (-)	-	
17	Direct, indirect and synthetic investments of the bank in its CET1 instruments, including its CET1 instruments the bank is obliged or may be obliged to repurchase on the basis of contractual obligations (-)	-	
18	Direct, indirect and synthetic investments in the CET1 instruments of entities in the financial sector which have mutual investments in the bank, made in order to show a higher amount of bank capital (-)	-	
19	Applicable amount of direct, indirect and synthetic investments of the bank in the CET1 instruments of entities in the financial sector in which the bank does not have significant investments (-)	-	
20	Applicable amount of direct, indirect and synthetic investments of the bank in the CET1 instruments of entities in the financial sector in which the bank has significant investments (-)	-	
21	Exposure amount which fulfils conditions for the application of a risk weight of 1.250%, the bank decides to deduct from the CET1 instead of applying this weight	-	
21.1.	<i>of which: participation in entities not part of the financial sector in amounts over 10% of the capital of said entities, i.e. participation which allows for the ability to effectively exercise influence over the management of a legal entity or over the business policy of such a legal entity (-)</i>	-	
21.2.	<i>of which: securitisation positions (-)</i>	-	
21.3.	<i>of which: free deliveries (-)</i>	-	
22	Deferred tax assets dependent on the future profitability of the bank which arise from temporary differences (amounts over 10% of the CET1 of the bank from item 21, paragraph 2, reduced by the amount of related tax liabilities if all of the conditions of item 14, paragraph 1 of the DCA have been met (-)	-	
23	Aggregate deferred tax assets and investments in entities from the financial sector in which the bank has significant investments from item 21, paragraph 1 of the DCA, which exceeds the limit in item 21, paragraph 3 of the DCA (-)	-	
23.1.	<i>of which: Direct, indirect and synthetic investments in the CET1 instruments of entities from the financial sector in which the bank has significant investments</i>	-	
23.2.	<i>of which: Deferred tax assets which arise from temporary differences</i>	-	
24	Loss in the current and previous years, as well as unrealised losses (-)	(932,670)	c

Table 1 b (continued)

Item No.	Position Title	Amount	Data source in accordance with references from step 2
25	Amount of tax in relation to CET1 elements which may be foreseen during the calculation of capital, unless the bank had previously adjusted the amount of CET1 elements to an amount in which these taxes reduce the amount to which the CET1 elements may be used to cover risks or losses (-)	-	
26	The amount by which the deductible items of the Additional Tier 1 Capital of the bank exceed the amount of Additional Tier 1 Capital of the bank (-)	-	
27	Amount of required reserve for estimated losses on balance sheet assets and off-balance sheet items of the bank	(154,085)	
28	Total regulatory adjustment and deductible items from CET1 (sum of 9 to 27)	(1,314,685)	
29	Common Equity Tier 1 Capital (difference between 8 and 28)	2,316,515	
	Additional Tier 1 Capital: elements		
30	Shares and other capital instruments which fulfil the conditions of item 23 in the DCA and related share premiums	-	
31	Tier 1 Capital instruments issued by subsidiaries which are recognised in Additional Tier 1 Capital**	-	
32	Additional Tier 1 Capital before deductible items (30+31)	-	
	Additional Tier 1 Capital: deductible items		
33	Direct, indirect and synthetic investments of the bank in its Additional Tier 1 Capital instruments, including instruments that the bank is obliged to repurchase on the basis of existing contractual obligations (-)	-	
34	Direct, indirect and synthetic investments in the Additional Tier 1 Capital instruments of entities within the financial sector which have mutual investments in the bank, which are made in order to show a higher amount of bank capital (-)	-	
35	Applicable amount of direct, indirect and synthetic investments in the Additional Tier 1 Capital instruments of entities in the financial sector in which the bank does not have significant investments (-)	-	
36	Direct, indirect and synthetic investments of the bank in the Additional Tier 1 Capital instruments of entities in the financial sector in which the bank does not have significant investments, excluding positions based on underwriting held for five business days or less (-)	-	
37	The amount by which the deductible items of the Tier 2 Capital of the bank exceed the amount of Tier 2 Capital of the bank (-)	-	
38	Total deductible items from Tier 2 Capital (sum of 33 to 37)	-	
39	Additional Tier 1 Capital (difference between 32 and 38)	-	
40	Tier 1 Capital (sum of 29 and 39)	2,316,515	
	Tier 2 Capital: elements		
41	Shares and other Tier 2 Capital instruments and subordinate liabilities, which fulfil the conditions of item 28 of the DCA and related share premiums with instruments	1,208,486	d
42	Capital instruments issued by subsidiaries which are recognised in Tier 2 Capital**	-	
43	Credit risk adjustments which fulfil the conditions for inclusion in Tier 2 Capital	-	
44	Tier 2 Capital before deductible items (sum of 41 to 43)	1,208,486	
	Tier 2 Capital: deductible items		
45	Direct, indirect and synthetic investments of the bank in its Tier 2 Capital instruments and subordinated liabilities, including instruments the bank is obliged to repurchase on the basis of existing contractual obligations (-)	-	
46	Direct, indirect and synthetic investments in the Tier 2 Capital instruments of entities in the financial sector which have mutual investments in the bank, made in order to show a higher amount of bank capital (-)	-	
47	Applicable amount of direct, indirect and synthetic investments in the Tier 2 Capital instruments and subordinated liabilities of entities in the financial sector in which the bank does not have significant investments (-)	-	
48	Direct, indirect and synthetic investments of the bank in the Additional Tier 1 Capital instruments and subordinated liabilities of entities in the financial sector in which the bank has significant investments, excluding positions based on underwriting held for five business days or less (-)	-	
49	Total deductible items from Tier 2 Capital (sum of 45 to 48)	-	
50	Tier 2 Capital (difference between 44 and 49)	1,208,486	
51	Total Capital (sum of 40 and 50)	3,525,001	
52	Total Risk-Weighted Assets	3,767,545	
	Capital Adequacy Ratio and Capital Buffers		
53	Common Equity Tier 1 Capital Adequacy Ratio of the Bank (%)	61.49%	
54	Tier 1 Capital Adequacy Ratio of the Bank (%)	61.49%	
55	Capital Adequacy Ratio of the Bank (%)	93.56%	
56	Total requirements for capital buffers (%)***	3.69%	
57	CET1 available to cover capital buffers (%)****	56.99%	

* "DCA" - Decision on Capital Adequacy of Banks.

** To be completed by the ultimate parent company, obliged to calculate the banking group's capital based on the data from the consolidated financial statements, in accordance with the decision on consolidated supervision of a banking group.

*** As a percentage of risk-weighted assets.

**** Calculated as Common Equity Tier 1 capital of the bank (expressed as percentage of risk-weighted assets), less Common Equity Tier 1 capital of the bank used to maintain the Common Equity Tier 1 capital ratio referred to in Section 3, paragraph 3, item 1) of the DCA, the Tier 1 capital ratio referred to in Section 3, paragraph 3, item 2) of the DCA and the total capital ratio referred to in Section 3, paragraph 3, item 3) of the DCA.

Table 2 below shows the basic features of all the elements included in the calculation of Bank's Capital as at 30 June 2017

Table 2

PI-FIKAP




Data on the main features of financial instruments included in the calculation of the Bank's Capital

Item No.	Instrument Features	Description
1.	Issuer	Duingraaf Financial Investments B.V., Kabelweg 37, 1014BA Amsterdam, Holland
1.1.	Unique identifier (e.g. CUSIP, ISIN or Bloomberg ID for private placements)	ISIN: RSMIRAE27626
	<i>Treatment in line with regulations</i>	-
2.	Treatment in line with the Decision on the Capital Adequacy of Banks	Common Equity Tier 1 Capital instruments
3.	Individual / (sub)consolidated / individual and (sub)consolidated level of the inclusion of the instrument in the capital at the Group level	-
4.	Type of instrument	Ordinary shares
5.	Amount recognised for the purpose of calculating regulatory capital (in RSD thousands, as at the last reporting date)	Amount recognised for regulatory purposes does not differ from the one obtained at the issuance of the instrument
6.	Nominal value of the instrument	The total nominal value of shares amounts to RSD 1,790,700,000 ((1,790,700,000+1,840,500)*1,000= RSD 3,631,200,000)
6.1.	Issue price	-
6.2.	Repurchase price	-
7.	Accounting classification	Share Capital
8.	Initial date of issuance	The founding capital of the Bank amounts to EUR 15,000,000 in the RSD equivalent and the conversion of capital was performed on 6 April 2015 when an account belonging to the Bank was opened with the National Bank of Serbia. On 11 May 2016, upon registering with the Central Securities Depository and Clearing House, an increase of the Bank's capital was executed through the issuance of II issues in the amount of 1,840,500 ordinary shares with a nominal value of RSD 1,000 per share, upon which the Bank's total share capital (with the founding issue in the amount of RSD 1,790,700 thousand) amounted to a total of RSD 3,631,200 thousand.
9.	Perpetual or dated instrument	No maturity
9.1.	Original maturity	No maturity
10.	Repurchasing option on behalf of the issuer with the prior consent of the competent body	No
10.1.	First date of call option activation, conditional date of call option activation and repurchasing value	-
10.2.	Subsequent dates of call option activation (if applicable)	-
	<i>Coupons/dividends</i>	-
11.	Fixed or variable dividends/coupons	-
12.	Coupon rate and any related index	-
13.	Existence of a dividend stopper	-
14.1.	Full, partial or no discretion regarding the time of payment of dividends/coupons	-
14.2.	Full, partial or no discretion regarding the amount of dividends/coupons	-

15.	Step up option or other incentive to repurchase	-
16.	Non-cumulative or cumulative dividends/coupons	-
17.	Convertible or non-convertible instrument	Non-convertible
18.	If convertible, terms under which conversion may take place	-
19.	If it is convertible, specify if it is partially or fully convertible	-
20.	If it is convertible, rate of conversion	-
21.	If it is convertible, mandatory or voluntary conversion	-
22.	If it is convertible, specify instrument to which it is converted	-
23.	If it is convertible, the issuer of the instrument to which it is converted	-
24.	Possible write down	No
25.	If there is a write down option, specify terms under which the write down may take place	-
26.	If there is a write down option, specify if it is partial or full	-
27.	If there is a write down option, is it permanent or temporary	-
28.	If the write down is temporary, specify terms of re-recognition	-
29.	Type of an instrument which will be paid off directly before bankruptcy, i.e. liquidation of said instrument	-
30.	Noncompliant transitioned features	-
31.	If yes, specify noncompliant features	-

2.2. CAPITAL REQUIREMENTS AND THE CAPITAL ADEQUACY RATIO

In accordance with the Decision on the Capital Adequacy of Banks, the Bank calculates the minimal capital requirements for the following risks:

-  Credit risk risk - by applying the standardised approach;
-  FX risk - by applying the standardised approach;
-  operational risk - by applying the basic indicator approach;

and maintains capital adequacy in accordance with the regulatory requirements at a level above:

- 4.5% for the Common Equity Tier 1 Capital ratio,
- 6.0% for the Tier 1 Capital ratio and
- 8.0% for the Capital ratio

Table 3 below shows data on total capital requirements and the capital adequacy ratio of the Bank as at 30 June 2017

Table 3

PI-AKB

Data on total capital requirements and the capital adequacy ratio

(in RSD 000)

Item No.	Title	Amount
I	CAPITAL	3,525,001
1.	TOTAL COMMON EQUITY TIER 1 CAPITAL	2,316,515
2.	TOTAL ADDITIONAL TIER 1 CAPITAL	-
3.	TOTAL TIER 2 CAPITAL	1,208,486
II	CAPITAL REQUIREMENTS	
1.	CAPITAL REQUIREMENT FOR CREDIT RISK, COUNTERPARTY RISK, RISK OF PURCHASED RETAIL RECEIVABLES AND SETTLEMENT/DELIVERY RISK ON THE BASIS OF FREE DELIVERIES	289,654
1.1.	Standardised Approach (SA)	3,620,673
1.1.1.	<i>Exposures to governments and central banks</i>	493,026
1.1.2.	<i>Exposures towards territorial autonomies, and units of local government</i>	-
1.1.3.	<i>Exposures towards public administrative bodies</i>	-
1.1.4.	<i>Exposures towards international development banks</i>	-
1.1.5.	<i>Exposures towards international organisations</i>	-
1.1.6.	<i>Exposures towards banks</i>	308,285
1.1.7.	<i>Exposures towards corporates</i>	1,919,268



1.1.8.	Retail exposures	2,256
1.1.9.	<i>Exposures secured on real estate collateral</i>	290,127
1.1.10.	<i>Exposures already in default</i>	17
1.1.11.	<i>High-risk exposures</i>	-
1.1.12.	<i>Exposures in the form of covered bonds</i>	-
1.1.13.	<i>Exposures in the form of securitisation positions</i>	-
1.1.14.	<i>Exposures to banks and corporates with short term credit ratings</i>	-
1.1.15.	<i>Exposures in the form of open-end investment funds</i>	-
1.1.16.	<i>Equity exposures</i>	-
1.1.17.	<i>Other exposures</i>	607,694
1.2.	Internal Ratings Based Approach (IRB)	
1.2.1.	<i>Exposures to governments and central banks</i>	-
1.2.2.	<i>Exposures towards banks</i>	-
1.2.3.	<i>Exposures towards corporates</i>	-
1.2.4.	Retail exposures	-
1.2.4.1.	<i>of which: Retail exposures secured by real estate collateral</i>	-
1.2.4.2.	<i>of which: Qualifying revolving retail exposures</i>	-
1.2.4.3.	<i>of which: Exposures to SMEs belonging to this exposure class</i>	-
1.2.5.	Equity exposures	-
1.2.5.1.	Applied approach:	-
1.2.5.1.1.	<i>Simple Risk Weight Approach</i>	-
1.2.5.1.2.	<i>PD/LGD Approach</i>	-
1.2.5.1.3.	<i>Internal Models Approach</i>	-
1.2.5.2.	Types of equity exposures	-
1.2.5.2.1.	<i>Exchange traded equity exposures</i>	-
1.2.5.2.2.	<i>Non-exchange traded equity exposures in sufficiently diversified portfolios</i>	-
1.2.5.2.3.	<i>Other equity exposures</i>	-
1.2.5.2.4.	<i>Equity exposures to which the bank applies the Standardised Approach to credit risk</i>	-
1.2.6.	Exposures in the form of securitisation positions	-
1.2.7.	Exposures to other assets	-
2	CAPITAL REQUIREMENT FOR SETTLEMENT/DELIVERY RISK ON THE BASIS OF UNSETTLED TRANSACTIONS	-
3	CAPITAL REQUIREMENT FOR MARKET RISKS	-
3.1.	Capital requirements for price, foreign exchange and commodity risks calculated under standardised approaches	-
3.1.1.	Capital requirements for price risk arising from debt securities	-
	<i>capital requirements for price risk arising from securitisation positions</i>	-
3.1.2.	Capital requirements for price risk arising from equity securities	-
3.1.3.	Additional capital requirements for large exposures from the trading book	-
3.1.4.	Capital requirement for foreign exchange risk	-
3.1.5.	Capital requirements for commodity risk	-
3.2.	Capital requirements for price, foreign exchange and commodity risks calculated under the Internal Models Approach	-
4	CAPITAL REQUIREMENTS FOR OPERATIONAL RISK	11,632
4.1.	Capital requirements for operational risk calculated under the Basic Indicator Approach	11,632
4.2.	Capital requirements for operational risk calculated under the Standardised/Alternative Standardised Approach	-
4.3.	Capital requirements for operational risk calculated under the Advanced Approach	-
5.	CAPITAL REQUIREMENT FOR RISK ON THE BASIS OF EXPOSURE TO CREDIT EXPOSURE ADJUSTMENT RISK	117
III	COMMON EQUITY TIER 1 CAPITAL ADEQUACY RATIO (%)	61.49%
IV	TIER 1 CAPITAL ADEQUACY RATIO (%)	61.49%
V	CAPITAL ADEQUACY RATIO (%)	93.56%

2.3. LEVERAGE RATIO

In line with the Drafting the Leverage Ratio Report Methodology, the Bank calculates this ratio as a Tier 1 Capital ratio, which is calculated as the sum of the CET1 and Additional Tier 1 Capital, and the amount of exposure of the Bank and is expressed as a percentage. The leverage ratio appears for the first time with the introduction of the Basel III Standard as an additional indicator of the Bank's operations which is not based on the level of risk assets.

As at 30 June 2017, the leverage ratio amounted to 23.98%.

Table 4 shows the leverage ratio, as well as the total exposure and amount of the Tier 1 Capital as at 30 June 2017.

Table 4 – Leverage Ratio

(in RSD 000)

Total amount of exposure for the needs of calculating the leverage ratio	9,658,911
Tier 1 Capital in accordance with the decision which governs the capital adequacy of banks	2,316,515
Leverage Ratio	23.98%

2.4. APPLICATION OF CREDIT RISK MITIGATION TECHNIQUES

The Decision on Capital Adequacy defines what constitutes as an eligible credit protection instruments, and are: cash, securities and commodities purchased, borrowed or received as collateral for repo transactions and borrowing-and-lending transactions with securities or commodities.

The following table presents exposures covered by credit risk mitigation instruments per exposure class as at 30 June 2017:

Table 5 - Exposures covered by credit risk mitigation instruments per exposure class

(in RSD 000)

Exposure Class	Funded Credit Protection		Unfunded credit protection
	amount of exposure covered by financial assets	amount of exposure covered by other material protection instruments	
Governments and central banks	-	-	-
Territorial autonomies and units of local government	-	-	-
Public administrative bodies	-	-	-
International development banks	-	-	-
International organisations	-	-	-
Banks	-	-	-
Companies	19,216		



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Private individuals	-	-	-
High-risk exposures	-	-	-
Covered bonds	-	-	-
Banks and companies with short term credit ratings	-	-	-
Investments in open investment funds	-	-	-
Equity exposures	-	-	-
Other investments	-	-	-
Total	19,216	-	-