ProCredit
HOLDING

Q3 2017
Quarterly Financial Report

Contents

1. BUSINESS DEVELOPMENT

in EUR million			
Statement of Financial Position	**30.09.2017**	**31.12.2016**	**Change in %**
Total assets	5,503.8	5,667.8	-2.9%
Customer loan portfolio	3,832.5	3,628.7	5.6%
Allowance for losses on customer loan portfolio	139.1	150.7	-7.7%
Customer deposits	3,479.2	3,475.1	0.1%
Total equity	657.4	654.3	0.5%
Statement of Profit or Loss	**01.01.-30.09.2017**	**01.01.-30.09.2016**	**Change in %**
Net interest income after allowances*	148.5	158.7	-6.4%
Net fee and commission income*	33.3	32.1	3.8%
Operating income*	187.1	192.3	-2.7%
Operating expenses*	140.1	144.5	-3.0%
Profit of the period from continuing operations*	36.5	36.6	-0.5%
Profit after tax	35.8	35.5	0.7%
Key performance indicators	**30.09.2017**	**30.09.2016**	**Change in pp**
Change in customer loan portfolio*	5.6%	0.6%	5.1 pp
Change in loan portfolio over EUR 30,000*	12.9%	7.7%	5.1 pp
Return on equity (ROE)**	7.1%	7.6%	-0.5 pp
Tier I Capital Ratio	13.3%	10.6%	2.7 pp
Additional indicators	**30.09.2017**	**30.09.2016**	**Change in pp**
Ratio of customer deposits to loan portfolio*	90.8%	93.7%	-2.9 pp
% of loans in arrears (PAR30)*	3.5%	4.7%	-1.2 pp
Ratio of allowances to loans in arrears (PAR30)*	103.0%	93.4%	9.6 pp
Net interest margin*/**	3.9%	4.8%	-0.9 pp
Cost-income ratio*	73.1%	69.1%	4.1 pp

* *The presentation contains only continuing operations for 2017 as well as for 2016, i.e. without Banco Pyme Los Andes ProCredit Bolivia, Banco ProCredit El Salvador, ProConfianza Mexico, and Banco ProCredit Nicaragua*

** *annualized*

Customer loan portfolio corresponds to the balance sheet category "Loans and advances to customers"

Balance sheet and income statement positions as well as other key figures for the ProCredit group

Course of business operations

The ProCredit banks are the "Hausbank" for small and medium-sized businesses (SMEs), to which we offer customised financial services. We aim to further expand our dealings with innovative and sustainable businesses. To our private clients we offer innovative financial services, with a focus on simple and transparent deposit products and account services as well as user-friendly electronic banking channels. Our clients are able to perform payment transactions around the clock in our modern self-service areas or using our online banking platform. Our client advisers focus on services that require more intensive consultation.

In the first nine months of the year, we continued to move forward with respect to the automation of our services. To this end, we adjusted the fees for our account services in most banks. We also reduced the number of branch offices and employees. These measures will improve the efficiency of our business operations, although they lead to one-off expenses in the short term.

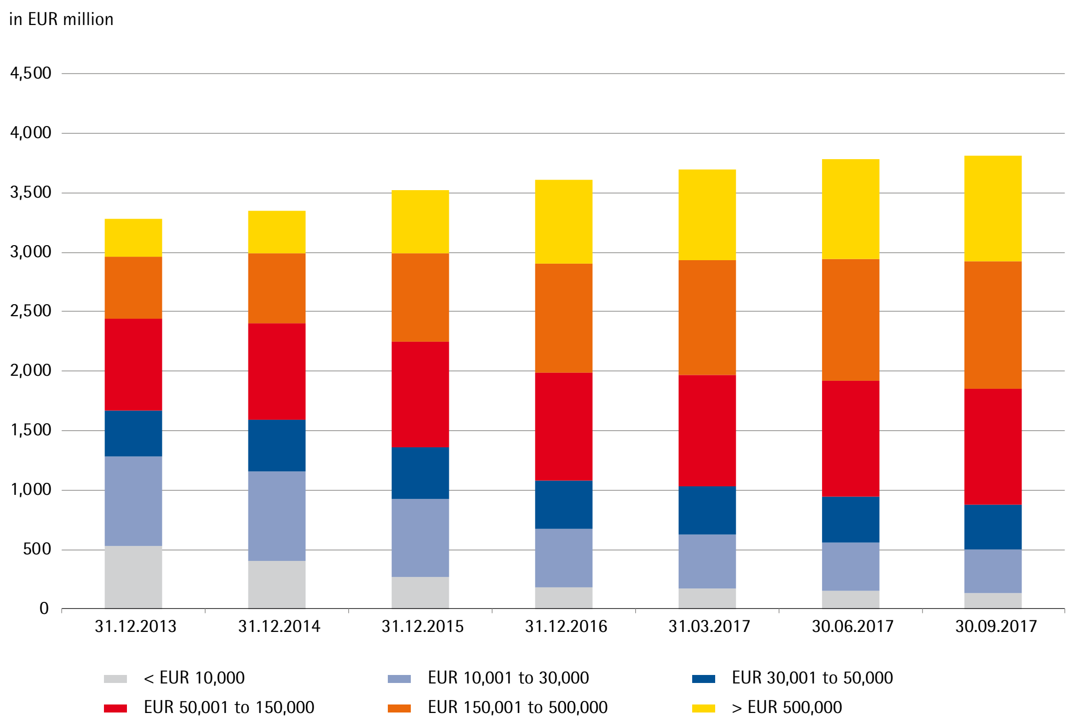
The course of the ProCredit group's business operations in the first nine months of 2017 was positive and exceeded our expectations with regard to loan portfolio growth. In the group's core segment of loans over EUR 30,000, we achieved growth of 12.9% compared to year-end 2016. The overall customer loan portfolio grew by 5.6%, impacted by the planned reduction of the portfolio of loans under EUR 30,000. The consolidated result for the group was EUR 35.8 million with a return on equity of 7.1%, which was in line with our expectations.

Development of lending

During the first nine months of the year, our customer loan portfolio increased by EUR 203.8 million or 5.6%. This growth was significantly higher than in the same period of the previous year (09.2016: 0.6%).

This development was mainly the result of a significant increase in our core business. In the core segment of loans above EUR 30,000, we achieved growth of 12.9% or EUR 377.3 million in the first nine months of 2017. This represents a clear improvement compared to the 7.7% recorded for the first nine months of 2016.

The planned reduction of the portfolio of loans under EUR 30,000 was continued and is now almost complete. The volume of these smaller loans decreased by EUR 169.3 million. The withdrawal from lending to very small businesses with financing needs below EUR 30,000 is a consequence of the group's strategic focus on SMEs with good development and growth potential.



Customer loan portfolio development (outstanding amount, continuing operations)

In its lending activities, the ProCredit group focuses on business clients. Loans to businesses account for 90.8% of the customer loan portfolio, and 19.0% correspond to the agricultural sector. Loans to private clients account for 9.2% of the customer loan portfolio, with the majority being mortgage loans to purchase or renovate real estate or to improve its energy efficiency. Consumer loans are not in our focus, therefore they only represent a small part of the portfolio.

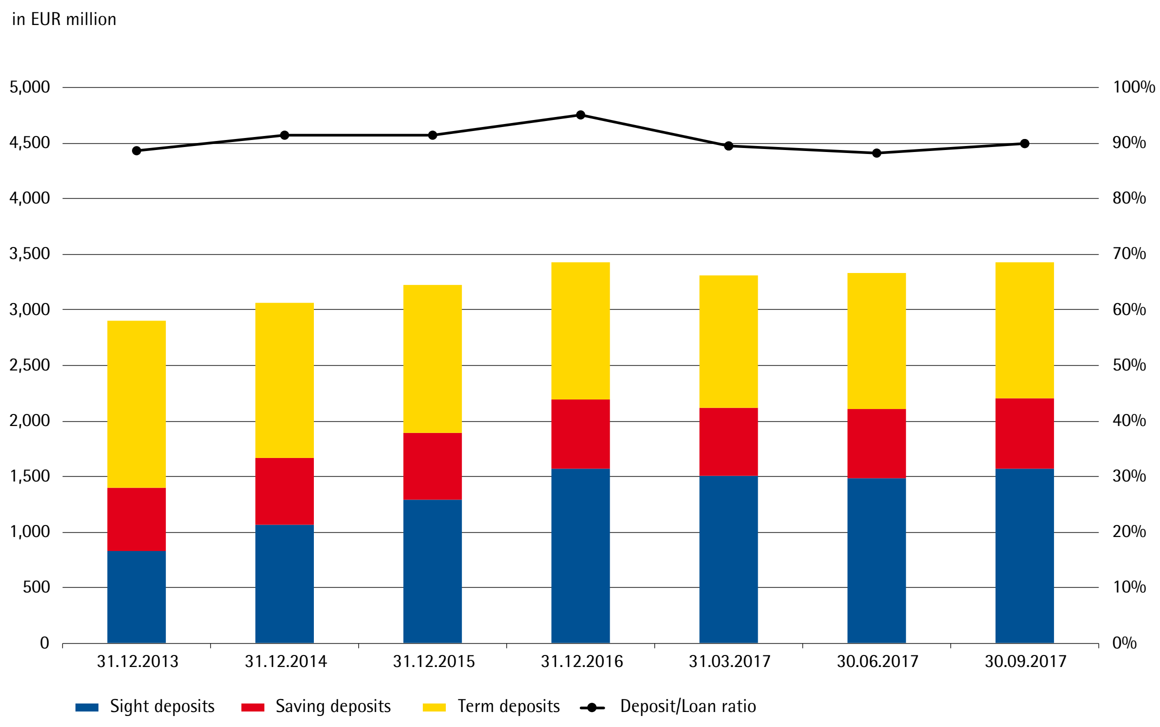
The loan portfolio of the ProCredit group continues to be highly diversified. The largest ten exposures represented only 1.8% of the group's total customer loan portfolio at the end of the first nine months of this year.

The ProCredit group cooperates closely with European institutions such as the EIB and EIF. The agreement with the EIF for the InnovFin guarantee programme, which facilitates lending to innovative SMEs and small MidCaps in South Eastern and Eastern Europe through the provision of guarantees, is especially noteworthy. Thanks to a EUR 450 million expansion of the programme in June 2017, a total amount of EUR 820 million is available to support the development of such businesses.

Deposits and other banking services

Customer deposits are our most important source of funding. The volume of customer deposits amounted to EUR 3.5 billion at the end of September 2017, which is similar to the previous year's figure. The ratio of customer deposits to the loan portfolio stood at 90.8% as at 30 September 2017.

After the successful automation of cash transactions via our self-service areas, this year we are working more intensively on increasing the use of our online-banking services. In particular, we targeted middle and high-income clients interested in modern, innovative banking services. This enabled us to further optimise our outlet network this year and allows our client advisers to keep a strong focus on acquiring and advising clients. In the course of this restructuring, there was a reduction in the number of clients with smaller deposit volumes, but the decrease in volume was offset by additional deposits from business clients and institutional investors.



Customer deposits development (continuing operations)

2. MATERIAL EVENTS

In Q3 2017 all shares in Banco ProCredit Nicaragua were sold. The sale resulted in a total of EUR -3.3 million and includes a reclassification of the currency translation reserve of EUR -3.4 million.

3. FINANCIAL POSITION AND FINANCIAL PERFORMANCE

The financial position and financial performance of the group remain solid and in line with expectations.

The consolidated result for the ProCredit group in the first nine months of 2017 was EUR 35.8 million, which represented a return on equity of 7.1%. The consolidated result and the result for continuing business operations are on a par with the previous year's level, although it should be noted that the previous year's result includes a positive extraordinary effect. In the current financial year, falling interest margins were largely offset by lower risk provisioning expenses, an improvement in other operating income and lower operating expenses.

The development of the consolidated financial position was above all influenced by the strong growth of the customer loan portfolio, a reduction of the surplus liquidity which had been recorded at year-end and the sale of Banco ProCredit Nicaragua. The capital adequacy of the ProCredit group is stable. The Common Equity Tier 1 capital ratio (CET1 fully loaded) was 13.3% as at 30 September 2017.

Assets

Assets decreased by EUR 163.9 million. Our customer loan portfolio increased by EUR 203.8 million or 5.6% compared to year-end 2016, ending the period at EUR 3.8 billion. This growth includes negative currency effects, especially from the depreciation of the US dollar in the current business year. The increase of the customer loan portfolio was above all financed through the surplus liquidity from the end of the year. The volume of liquid assets was consequently reduced by EUR 181.6 million to EUR 1.3 billion. In addition, assets were reduced by EUR 173.0 million due to the sale of Banco ProCredit Nicaragua.

Liabilities

The decrease in liabilities to international financial institutions and to banks was offset by the issuance of debt securities. In addition, liabilities were reduced as a result of the sale of Banco ProCredit Nicaragua.

At the end of the third quarter, customer deposits stood at EUR 3.5 billion and remained stable as compared to the end of the previous year. Deposits from business clients showed strong growth, while the deposits of private clients decreased as expected due to the closure of business units.

The equity of the ProCredit group had increased by EUR 3.1 million as at 30 September 2017 and amounted to EUR 657.4 million as at the same date. This change was largely based on the profit of the period (EUR 35.8 million) less dividend payments (EUR 20.3 million) and a reduction in the translation reserve (EUR 10.6 million).

The CET1 ratio had increased to 13.3% as at 30 September 2017. This resulted mainly from an increase in Tier 1 capital after taking into account profits from the fourth quarter of 2016 and the first two quarters of 2017, less the change in reserve from currency translation. Furthermore, the increase in capital ratios is due to a reduction in risk-weighted assets resulting from the sale of Banco ProCredit Nicaragua and a reduction in the amount of operational risk.

in EUR million	30.09.2017	31.12.2016
Common equity (net of deductions)	594	574
Additional Tier 1 (net of deductions)	0	0
Tier 2 capital	131	150
Total capital	725	724
RWA total	4,451	4,603
o/w Credit risk	3,443	3,446
o/w Market risk (currency risk)	458	462
o/w Operational risk	549	694
o/w CVA risk	1	1
Common equity Tier 1 capital ratio	13.3%	12.5%
Total capital ratio	16.3%	15.7%
leverage ratio (CRR)	10.5%	9.9%
CET1 capital ratio (fully loaded)	13.3%	12.4%
Total capital ratio (fully loaded)	16.2%	15.4%
Leverage ratio (fully loaded)	10.5%	9.8%

Own Funds and Capital Ratios as well as Risk-weighted assets

Result of operations

The consolidated result for the ProCredit group was EUR 35.8 million at the end of the quarter, which is in line with our expectations. The result from continuing business operations amounted to EUR 36.5 million, similar to the previous year's level. The consolidated result for the current period includes extraordinary effects, although the net impact of these was negligible. The previous year's result includes extraordinary income due to the merger of Visa Europe and Visa Inc. in the amount of EUR 4.2 million. Income from continuing operations in the third quarter of 2017 amounted to EUR 15.7 million, an increase of EUR 4.4 million compared to the second quarter of 2017.

The result from continuing business operations is presented in greater detail below.

Net interest income decreased by 12.8% compared to the previous year, ending the period at EUR 153.0 million. Lower global interest rates and our strategic withdrawal from the segment of loans below EUR 30,000 contributed to this development. In the third quarter of 2017, net interest income decreased only slightly compared with the first two quarters. A further decline in average interest rates was largely offset by strong overall portfolio growth.

A reduction of EUR 12.3 million was achieved in provisioning expenses compared to the first nine months of 2016. This was due to higher recoveries of written-off loans and to an improvement in portfolio quality and the resulting decrease in provisioning expenses. The PAR30 coverage ratio increased by 9.6 percentage points in the current financial year, ending the period at 103.0%.

Non-interest income came mainly from fees and commissions. Net commission income increased as a result of the adjustment of fees for account maintenance services. The other operating result includes various positive extraordinary effects.

Personnel and administrative expenses were reduced in the current business year by EUR 4.3 million relative to the previous year, although one-off expenses resulted from the closure of 135 business units. Operating expenses in the third quarter were EUR 2.3 million lower than in the first quarter and EUR 3.0 million lower than in the second quarter. The one-off expenses from the closure of business units are distributed across all quarters. We expect further restructuring measures and therefore additional one-off expenses.

The cost/income ratio is still relatively high at 73.1%. We plan to improve the cost/income ratio through efficiency-enhancing measures, a positive development in net interest income on the basis of strong portfolio growth, and an increase in net commission income. In the third quarter, a positive development was already recorded. The cost/income ratio decreased to 69.3% in this quarter, down 7.1 percentage points from 76.4% in the second quarter of 2017.

4. RISK REPORTING

The ProCredit group has procedures for risk management that are appropriately structured given the nature, scope, complexity and risk content of the group's business activities as well as its business and risk strategy orientation. The group's overall risk profile is adequate and stable, while the group's risk-bearing capacity and stress resistance have always been maintained. The disclosures in the Management Report 2016 remain fundamentally valid.

Counterparty default risk is the ProCredit group's most significant risk. We divide this category of risk into counterparty default risk from customer business, counterparty risk (including issuer risk) and country risk. Within this context, the customer loan portfolio accounts for the largest share of the portfolio.

The consistent focus on SMEs led to positive development with respect to portfolio quality. As at 30 September 2017 PAR30 stood at 3.5%, lower than the level recorded at year-end 2016 (3.9%) and significantly lower in comparison to the third quarter of the previous year (4.7%). In addition, the share of restructured loans[1] decreased to 0.8%.

in '000 EUR As at September 30, 2017	Loan portfolio	Allowance for impairment	PAR30 as % of loan portfolio	PAR30 Coverage ratio	PAR90 as % of loan portfolio	Restructured loans in % of loan portfolio	Net write-offs as % of loan portfolio	Impaired loans in % of loan portfolio
Germany	88,504	-716	-	-	-	0.0%	0.1%	-
South Eastern Europe	2,698,521	-94,225	3.4%	103.3%	2.8%	0.8%	0.2%	5.1%
Eastern Europe	801,727	-32,077	2.8%	142.5%	2.4%	0.8%	0.3%	5.4%
South America	243,706	-12,043	8.7%	56.5%	7.5%	1.3%	0.2%	10.8%
Total	**3,832,458**	**-139,061**	**3.5%**	**103.0%**	**2.9%**	**0.8%**	**0.2%**	**5.4%**

[1] *Restructured loans with less than 30 days in arrears as of September 30, 2017.*

in '000 EUR **As at December 31, 2016**	**Loan portfolio**	**Allowance for impair-ment**	**PAR30 as % of loan portfolio**	**PAR30 Coverage ratio**	**PAR90 as % of loan portfolio**	**Restructured loans in % of loan portfolio**	**Net write-offs as % of loan portfolio**	**Impaired loans in % of loan portfolio**
Germany	78,306	-656	-	-	-	0.0%	3.0%	-
South Eastern Europe	2,534,854	-101,442	3.8%	105.6%	3.2%	1.2%	0.5%	6.1%
Eastern Europe	708,669	-32,962	3.3%	140.0%	3.0%	1.4%	1.6%	6.3%
South America	306,872	-15,591	7.5%	67.8%	6.5%	1.1%	0.3%	9.8%
Total	**3,628,700**	**-150,651**	**3.9%**	**105.6%**	**3.4%**	**1.2%**	**0.7%**	**6.3%**

in '000 EUR **As at September 30, 2016**	**Loan portfolio**	**Allowance for impair-ment**	**PAR30 as % of loan portfolio**	**PAR30 Coverage ratio**	**PAR90 as % of loan portfolio**	**Restructured loans in % of loan portfolio**	**Net write-offs as % of loan portfolio**	**Impaired loans in % of loan portfolio**
Germany	74,697	-665	-	-	-	0.0%	0.0%	-
South Eastern Europe	2,491,308	-106,253	4.4%	96.2%	3.6%	1.2%	0.3%	7.4%
Eastern Europe	703,414	-34,465	4.6%	106.5%	3.8%	1.9%	0.9%	8.5%
South America	295,348	-16,562	8.9%	63.0%	7.7%	0.9%	0.2%	10.9%
Total	**3,564,766**	**-157,945**	**4.7%**	**93.4%**	**3.9%**	**1.3%**	**0.4%**	**7.7%**

Allowance for losses on loans and advances

In addition to counterparty default risk, foreign currency risk, interest rate risk, liquidity and refinancing risk, operational risk, business risk and model risk are significant for the ProCredit group. There have been no significant changes with regard to these types of risk, so that the statements made in the Management Report for 2016 continue to apply.

5. SEGMENT REPORTING

The development in the geographic segments South Eastern Europe, Eastern Europe and South America are presented below. The Germany segment mainly comprises the activities of ProCredit Holding and ProCredit Bank Germany and is not presented separately. The Germany segment, ProCredit Holding takes the main responsibility for performing support functions for the ProCredit banks.

in '000 EUR	01.01.-30.09.2017	01.01.-30.09.2016
South Eastern Europe	37,730	43,485
Eastern Europe	18,097	15,235
South America	-3,310	-1,901
Germany*	-16,067	-20,173
Discontinued Operations**	-654	-1,114
Profit of the period	**35,796**	**35,532**

** Segment Germany includes Consolidation effects*
*** Banco Pyme Los Andes ProCredit Bolivia, Banco ProCredit El Salvador, ProConfianza Mexico, and Banco ProCredit Nicaragua are shown as discontinued operations*

a. South Eastern Europe

in EUR million			
Statement of Financial Position	**30.09.2017**	**31.12.2016**	**Change in %**
Customer loan portfolio	2,698.5	2,534.9	6.5%
Customer deposits	2,463.6	2,457.3	0.3%
Statement of Profit or Loss	**01.01.-30.09.2017**	**01.01.-30.09.2016**	**Change in %**
Net interest income after allowances	99.1	107.2	-7.6%
Net fee and commission income	22.7	21.7	4.7%
Operating expenses	78.6	81.4	-3.4%
Profit after tax	37.7	43.5	-13.2%
Key performance indicators	**30.09.2017**	**30.09.2016**	**Change in pp**
Change in customer loan portfolio	6.5%	1.4%	5.0 pp
Change in loan portfolio over EUR 30,000	12.9%	7.7%	5.2 pp
Return on equity (ROE)*	10.9%	13.2%	-2.3 pp
Additional indicators	**30.09.2017**	**30.09.2016**	**Change in pp**
Ratio of customer deposits to loan portfolio	91.3%	97.1%	-5.8 pp
% of loans in arrears (PAR30)	3.4%	4.4%	-1.1 pp
Ratio of allowances to loans in arrears (PAR30)	103.3%	96.2%	7.1 pp
Net interest margin*	3.7%	4.5%	-0.8 pp
Cost-income ratio	64.7%	59.0%	5.7 pp

** annualized*

Balance sheet and income statement positions as well as other key figures for the South Eastern Europe segment

The South Eastern Europe segment is the group's largest segment, accounting for 70.4% of the group's customer loan portfolio. The segment's customer loan portfolio rose by EUR 163.7 million to EUR 2.7 billion in the first three quarters. Growth was particularly strong in our banks in Bulgaria and Serbia, with other countries also recording strong growth rates. The loan portfolio of less than EUR 30,000 was further reduced, which is why growth in the core segment of more than EUR 30,000 was 12.9%, or EUR 259.2 million, higher than overall growth.

Customer deposits at the end of the third quarter stood at EUR 2.5 billion and are at year-end levels. Business customer deposits showed strong growth, while private customer deposits declined as expected as a result of the closure of branch offices.

Profit after tax decreased by 13.2%, mainly due to the extraordinary income in the previous year's result from the merger of Visa Europe and Visa Inc.

The net interest margin decreased by 0.8 percentage points compared with the previous year due to strategic and market factors. The decline in interest income was partially offset by the decrease in interest expenses.

The share of overdue loans (PAR30) is 3.4% in the South Eastern European ProCredit banks and was reduced significantly by 1.1 percentage points compared to the previous year. As a result, it was possible to significantly reduce expenses for loan loss provisions. The PAR30 risk coverage ratio rose by 7.1 percentage points to 103.3% at the end of the third quarter.

Operating expenses were reduced by EUR 2.8 million compared to the same period of the previous year. This is mainly attributable to the reduction in the branch network and the number of employees and the resulting cost savings.

b. Eastern Europe

in EUR million			
Statement of Financial Position	**30.09.2017**	**31.12.2016**	**Change in %**
Customer loan portfolio	801.7	708.7	13.1%
Customer deposits	650.3	698.2	-6.9%
Statement of Profit or Loss	**01.01.-30.09.2017**	**01.01.-30.09.2016**	**Change in %**
Net interest income after allowances	35.6	35.4	0.7%
Net fee and commission income	6.6	6.4	2.0%
Operating expenses	23.7	25.3	-6.3%
Profit after tax	18.1	15.2	18.8%
Key performance indicators	**30.09.2017**	**30.09.2016**	**Change in pp**
Change in customer loan portfolio	13.1%	3.2%	9.9 pp
Change in loan portfolio over EUR 30,000	17.0%	11.2%	5.7 pp
Return on equity (ROE)*	16.9%	16.8%	0.0 pp
Additional indicators	**30.09.2017**	**30.09.2016**	**Change in pp**
Ratio of customer deposits to loan portfolio	81.1%	88.7%	-7.6 pp
% of loans in arrears (PAR30)	2.8%	4.6%	-1.8 pp
Ratio of allowances to loans in arrears (PAR30)	142.5%	106.5%	36.1 pp
Net interest margin*	5.1%	6.2%	-1.0 pp
Cost-income ratio	46.6%	47.3%	-0.6 pp

* *annualized*

Balance sheet and income statement positions as well as other key figures for the Eastern Europe segment

The Eastern Europe segment accounts for 20.9% of the group's customer loan portfolio. The customer loan portfolio growth in this segment was above average and amounted to EUR 93.1 million or 13.1% in the first three quarters. All banks in the region recorded positive growth. The growth of the banks in Ukraine and Georgia was negatively impacted by currency effects, in particular the depreciation of the US dollar during the course of the financial year.

Growth of EUR 110.5 million or 17.0% was achieved in the core segment of loans of EUR 30,000, above all by ProCredit Bank Ukraine.

Customer deposits in the Eastern Europe segment decreased by EUR 47.9 million or 6.9%, mainly due to the development at ProCredit Bank Georgia.

The decline in the net interest margin due to strategic and market factors was relatively strong at 1.0 percentage points compared with the same period of the previous year. This development was mainly influenced by ProCredit Bank Georgia. The decline in margins was largely offset by strong portfolio growth and a reduction in loan loss provisions. Thanks to an increase in non-interest income and a reduction in operating expenses, the profit after tax amounted to EUR 18.1 million, which represents an increase of 18.8% over the figure for the same period of the previous year.

The share of overdue loans (PAR30) was reduced significantly by 1.8 percentage points to 2.8%. All banks in the region recorded an improvement in their portfolio quality.

Due to the significant improvement in portfolio quality, loan loss provisions were reduced by EUR 3.7 million.

Due to the restructuring of the branch network, operating expenses fell by EUR 1.6 million compared with the previous year.

c. South America

in EUR million			
Statement of Financial Position	**30.09.2017**	**31.12.2016**	**Change in %**
Customer loan portfolio	243.7	306.9	-20.6%
Customer deposits	160.7	205.4	-21.8%
Statement of Profit or Loss	**01.01.-30.09.2017**	**01.01.-30.09.2016**	**Change in %**
Net interest income after allowances*	16.8	18.4	-9.1%
Net fee and commission income*	-0.1	-0.1	-12.9%
Operating expenses*	19.8	21.1	-6.0%
Profit after tax*	-3.3	-1.9	74.1%
Key performance indicators	**30.09.2017**	**30.09.2016**	**Change in pp**
Change in customer loan portfolio*	-20.6%	-9.3%	-11.3 pp
Change in loan portfolio over EUR 30,000*	-3.3%	4.8%	-8.1 pp
Return on equity (ROE)*/**	-6.9%	-4.0%	-2.9 pp
Additional indicators	**30.09.2017**	**30.09.2016**	**Change in pp**
Ratio of customer deposits to loan portfolio	65.9%	56.9%	9.1 pp
% of loans in arrears (PAR30)*	8.7%	8.9%	-0.2 pp
Ratio of allowances to loans in arrears (PAR30)*	56.5%	63.0%	-6.5 pp
Net interest margin*/**	4.7%	5.3%	-0.6 pp
Cost-income ratio*	126.4%	108.3%	18.1 pp

* *The presentation contains only continuing operations for 2017 as well as for 2016, i.e. without Banco Pyme Los Andes ProCredit Bolivia, Banco ProCredit El Salvador, ProConfianza Mexico, and Banco ProCredit Nicaragua*

** *annualized*

Balance sheet and income statement positions as well as other key figures for the South America segment

The banks in Ecuador and Colombia are brought in line with the strategic focus. The process, which has lasted longer in this case than for the Eastern European banks, has had a negative impact on earnings. The decline in the customer loan portfolio is mainly due to the withdrawal from the segment of loans of less than EUR 30,000 and the depreciation of the US dollar since the beginning of the year. Positive growth in local currency in the core segment of loans above EUR 30,000 could not compensate for the strong negative currency effects.

The reduction in the interest margin associated with the strategic realignment amounted to 0.6 percentage points and, in combination with the negative currency effects, led to a EUR 1.7 million decline in net interest income after provisioning, or -9.1%. This effect could not be fully offset by lower operating expenses, as the restructuring of the branch network entailed one-off expenses.

6. OUTLOOK

Based on the information available at the time of publication, we assume that the statements made in the Interim Report of 30 June 2017 about the opportunities, risks and forecasts remain valid.

7. SUPPLEMENTAL REPORT

At the beginning of November 2017, all shares in Banco ProCredit El Salvador, which were classified as held for sale, were sold. The result from the sale of the company amounts to approximately EUR 4 million and includes a profit of approximately EUR 2 million from the reclassification of the foreign currency translation reserve.

In October 2017, a guarantee agreement was signed with the EIB and the EIF under the EU4Business Initiative. The Guarantee Programme, which provides a facility of EUR 100 million, supports the granting of loans to small and medium-sized enterprises in Georgia, Moldova and Ukraine.

8. SELECTED FINANCIAL INFORMATION

Consolidated Statement of Profit or Loss

in '000 EUR	01.01.-30.09.2017	01.01.-30.09.2016
Interest and similar income	215,888	249,017
Interest and similar expenses	62,858	73,457
Net interest income	**153,030**	**175,560**
Allowance for losses on loans and advances to customers	4,526	16,834
Net interest income after allowances	**148,504**	**158,726**
Fee and commission income	44,934	43,409
Fee and commission expenses	11,629	11,333
Net fee and commission income	**33,304**	**32,076**
Result from foreign exchange transactions	8,291	7,864
Net result from financial instruments at fair value through profit or loss	-565	-703
Net result from available-for-sale financial assets	126	4,593
Net other operating income	-2,537	-10,209
Operating income	**187,123**	**192,346**
Personnel expenses	64,361	66,071
Administrative expenses	75,780	78,396
Operating expenses	**140,141**	**144,467**
Profit before tax	**46,982**	**47,879**
Income tax expenses	10,532	11,233
Profit of the period from continuing operations	**36,450**	**36,646**
Profit of the period from discontinued operations	-654	-1,114
Profit of the period	**35,796**	**35,532**
Profit attributable to ProCredit shareholders	34,582	34,354
from continuing operations	*35,236*	*35,502*
from discontinued operations	*-654*	*-1,148*
Profit attributable to non-controlling interests	1,214	1,178
from continuing operations	*1,214*	*1,144*
from discontinued operations	*0*	*35*
Earnings per share* in EUR	0.65	0.68
from continuing operations	*0.66*	*0.70*
from discontinued operations	*-0.01*	*-0.02*

* *Basic earnings per share were identical to diluted earnings per share*

Consolidated Statement of Other Comprehensive Income

in '000 EUR	01.01.-30.09.2017	01.01.-30.09.2016
Profit of the period	**35,796**	**35,532**
Items that will not be reclassified to profit or loss		
Change in revaluation reserve from remeasurements of post employment benefits*	0	-583
Change in deferred tax from remeasurements of post employment benefits*	0	103
Items that are or may be reclassified to profit or loss		
Change in revaluation reserve from available-for-sale financial assets	233	-3,479
Reclasified to profit or loss	*37*	*-4,155*
Change in value not recognised in profit or loss	*196*	*676*
Change in deferred tax on revaluation reserve from available-for-sale financial assets	-25	388
Change in translation reserve	-9,051	-795
Reclasified to profit or loss	*3,373*	*1,399*
Change in value not recognised in profit or loss	*-12,424*	*-2,194*
Other comprehensive income of the period, net of tax continuing operations	**-8,844**	**-4,365**
Other comprehensive income of the period, net of tax discontinued operations	**-1,591**	**-2,351**
Total comprehensive income of the period	**25,361**	**28,816**
Profit attributable to ProCredit shareholders	23,680	24,160
from continuing operations	*25,878*	*27,610*
from discontinued operations	*-2,198*	*-3,451*
Profit attributable to non-controlling interests	1,681	4,656
from continuing operations	*1,728*	*4,670*
from discontinued operations	*-47*	*-14*

** Recognition of remeasurements of post employment benefits according to IAS 19 are omitted due to insignifcance for the group*

Consolidated Statement of Financial Position

in '000 EUR	30.09.2017	31.12.2016
Assets		
Cash and cash equivalents	899,820	937,307
Loans and advances to banks	208,011	286,673
Financial assets at fair value through profit or loss	311	243
Available-for-sale financial assets	184,325	249,757
Loans and advances to customers	3,832,458	3,628,700
Allowance for losses on loans and advances to customers	-139,061	-150,651
Property, plant and equipment	142,762	157,336
Investment properties	3,618	1,918
Intangible assets	21,314	21,446
Current tax assets	4,605	4,101
Deferred tax assets	5,565	6,411
Other assets	59,126	63,136
Assets held for sale	280,976	461,398
Total assets	**5,503,829**	**5,667,776**
Liabilities		
Liabilities to banks	306,781	317,592
Financial liabilities at fair value through profit or loss	575	1,367
Liabilities to customers	3,479,221	3,475,099
Liabilities to international financial institutions	476,978	499,263
Debt securities	179,555	143,745
Other liabilities	17,256	18,735
Provisions	14,348	15,775
Current tax liabilities	1,833	1,452
Deferred tax liabilities	1,251	1,900
Subordinated debt	141,344	171,024
Liabilities related to assets held for sale	227,250	367,551
Total liabilities	**4,846,391**	**5,013,504**
Equity		
Subscribed capital	267,720	267,720
Capital reserve	115,253	115,253
Legal reserve	136	136
Retained earnings	340,073	325,020
Translation reserve	-73,222	-62,112
Revaluation reserve	226	19
Equity attributable to ProCredit shareholders	**650,187**	**646,035**
Non-controlling interests	7,252	8,237
Total equity	**657,438**	**654,272**
Total equity and liabilities	**5,503,829**	**5,667,776**

9. ADDITIONAL INFORMATION

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Forward-looking statements and forecasts

This report contains forward-looking statements. Forward-looking statements are statements that do not describe past events; they include statements on the assumptions and expectations of ProCredit Holding as well as the underlying assumptions. These statements are based on the plans, estimates and forecasts currently available to the Management of ProCredit Holding. Forward-looking statements therefore pertain solely to the date on which they are made. ProCredit Holding undertakes no obligation to update these statements in the event of new information or future events. Forward-looking statements naturally involve risks and uncertainties. A number of important factors can contribute to the fact that actual results may differ materially from forward-looking statements. These factors could include major disruptions in the Eurozone, a significant change in foreign trade or monetary policy, a worsening of the interest rate margin or pronounced exchange rate fluctuations. Should any of these factors arise, the impact could be manifested in decreased loan portfolio growth and an increase in past-due loans, and thus result in lower profitability.

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