

8 NOVEMBER 2016
Q3 2016 Presentation



Built by Retailers for Retailers

Today's Presenters



Kenneth Nilsson
Chief Executive Officer
28 Years at Resurs



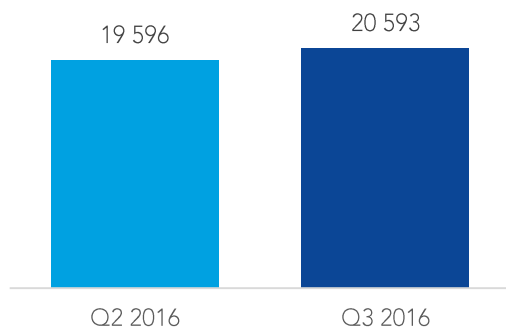
Peter Rosén
Chief Financial Officer
Joined in 2015

Our strong growth is continuing with partners and innovative solutions in focus

- Continued strong lending

+20%
annualised

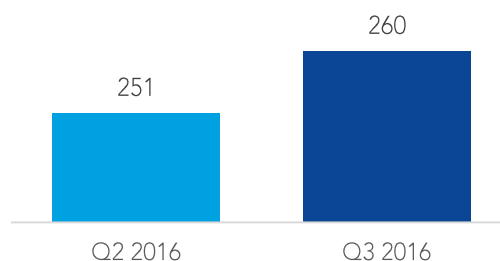
Loan Book Growth (MSEK)



- Increasing quarterly result

+4%

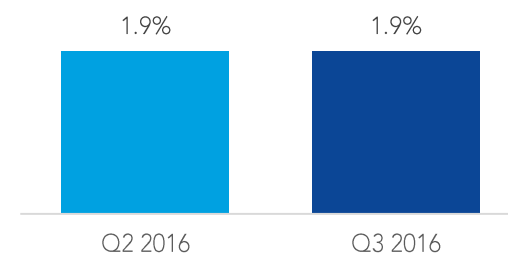
Net Income (excl. One-offs, net of tax) (MSEK)



- Stable Cost of Risk

0.0%
pts

Cost of Risk (%)



Focus on evolution of partnerships

Payment Solutions

- Strong growth in lending mainly driven by increased sales via existing partners
- Continued focus on partnership development
- Several new partnerships. Among them:

Verifone®

 **Med Group**

 **BIKE
& CO**

Consumer Loans

- Strongest quarter ever, good growth mainly driven by Sweden and Norway
- The growth is closely linked to activities where our customer database is processed

Insurance

- Discontinuation of unprofitable travel-insurance programmes in the UK
- Increase in premium earned within Roadside Assistance and Security

Who we are...

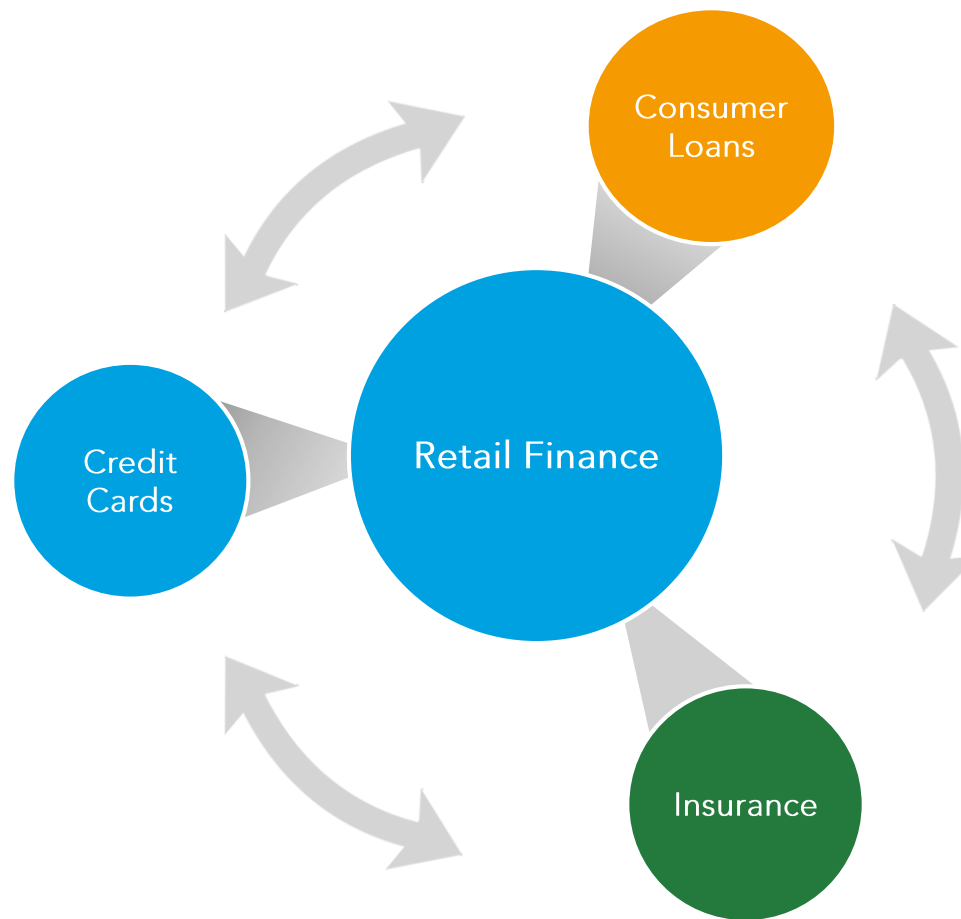
We are retailers by heart and soul

- ✓ Established in Sweden in 1977 based on the ambition to help retailers drive sales and create customer loyalty
- ✓ Partnership with 1,200 retailers with more than 35,000 stores including Bauhaus, Ellos, NetOnNet etc
- ✓ Resurs is a leading retail finance partner in the Nordic Region with 5 MM consumers in our data base



Focused Business Model - Retail Finance is at the core of what we do

*We Drive
Retail Sales*

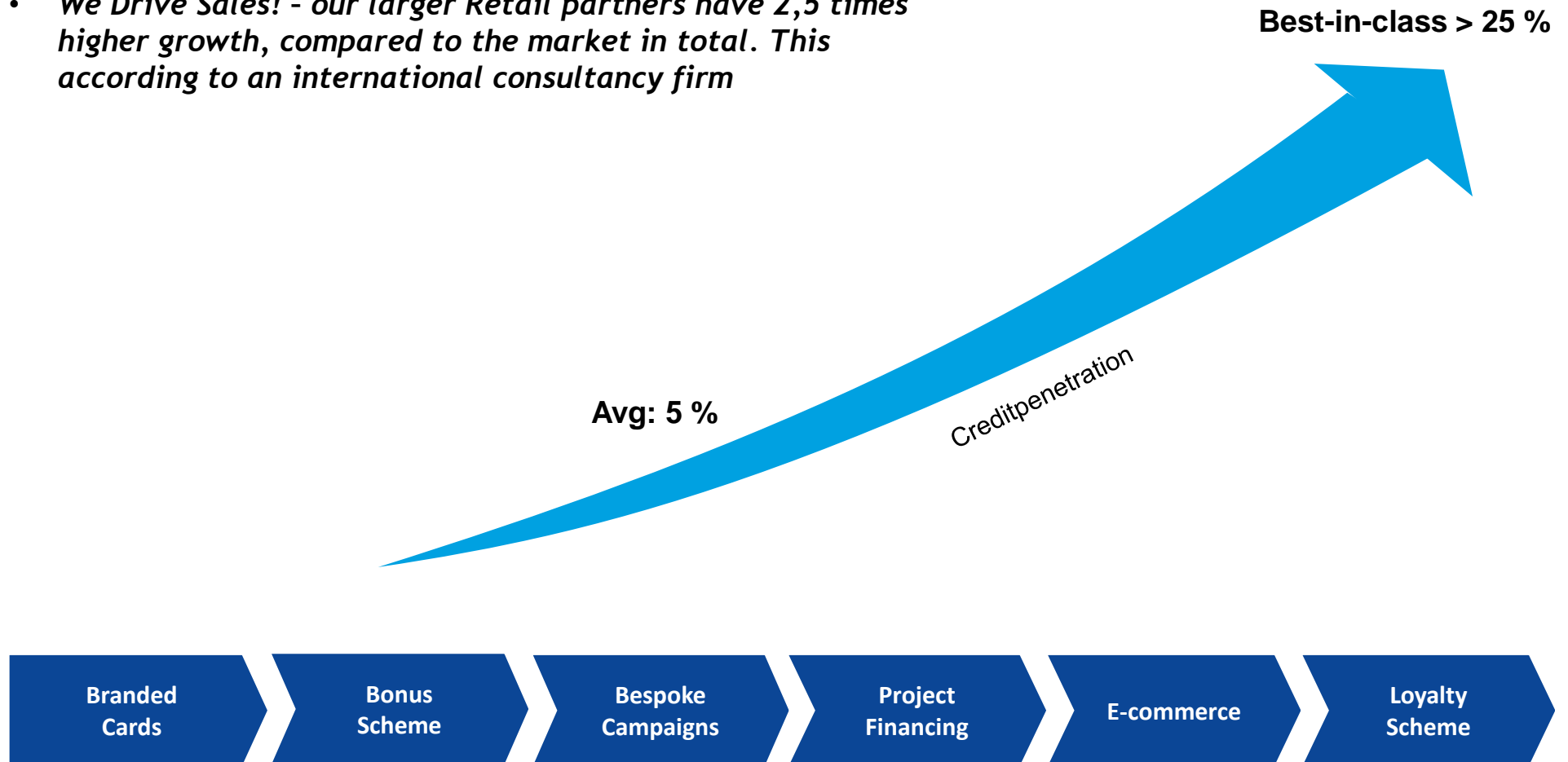


*Retail Finance
feeds our growing
database with
Nordic consumers*

Integrated Business Model

Retail finance - it is about conversion and penetration!

- *We understand the on- and offline process from a-z*
- *We Drive Sales! - our larger Retail partners have 2,5 times higher growth, compared to the market in total. This according to an international consultancy firm*



We are at the forefront of adapting new technology



Resurs mobile wallet platform, based on innovative technology where we expect significant growth over the next years

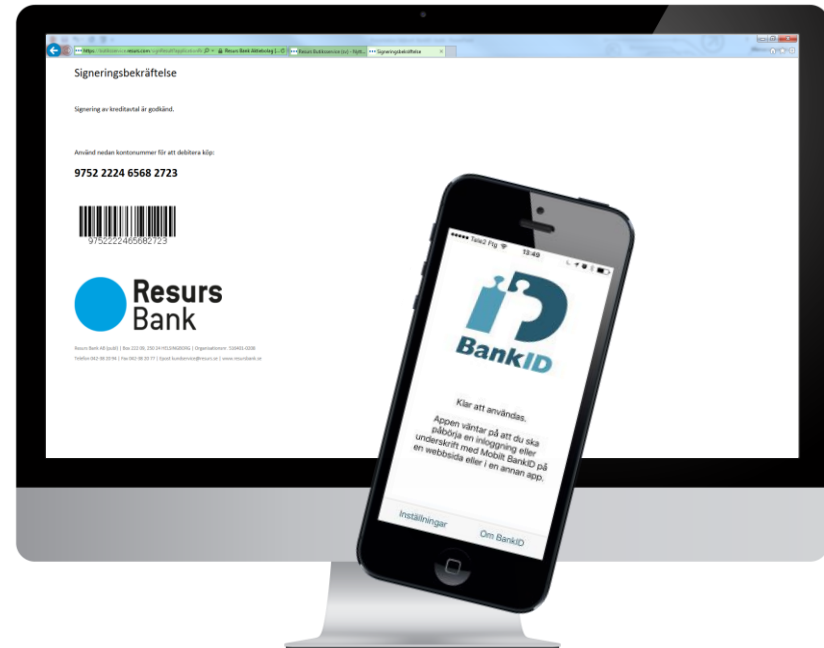
- Gather your gift cards, loyalty cards and credit cards in one mobile app
- Efficient communication channel for our partners
- Apply for a credit card and sign with BankID, instant credit check
- During Q3 increased active customer base to c.100k user and increased partner base to c.160



Digital Application

Our digital application process not only reduce stress at our retailers, it's also a more environmental friendly credit application

- Digital application process with Mobile BankID
- More environmental friendly since SECCI will be uploaded on Resurs My Pages instead of printed on paper (5-7 pages).
- Implementation in Sweden starting autumnn 2016, rest of Nordic region from mid 2017.



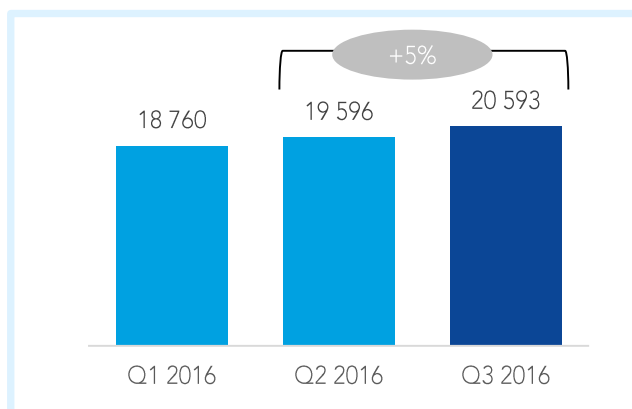
Q3 - In figures
*Excluding one-off costs related to IPO,
yA Bank acquisition and FSA fine*



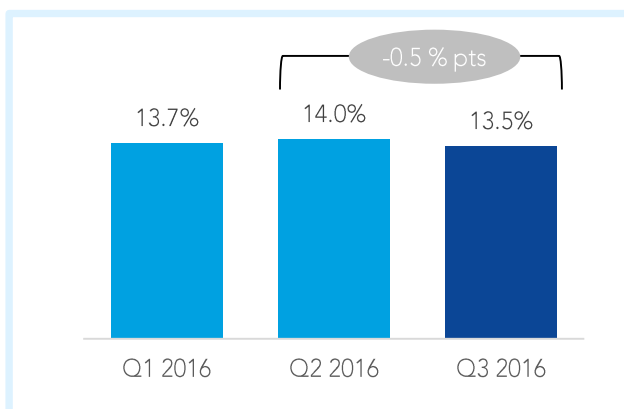
Overview of financial performance

Continued strong loan book growth and increase of net income

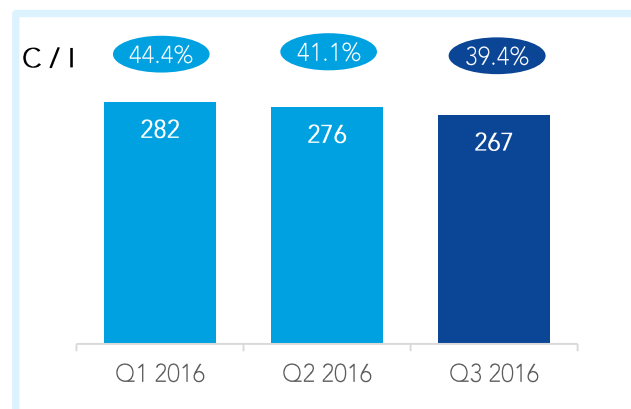
Loan Book Growth (MSEK)



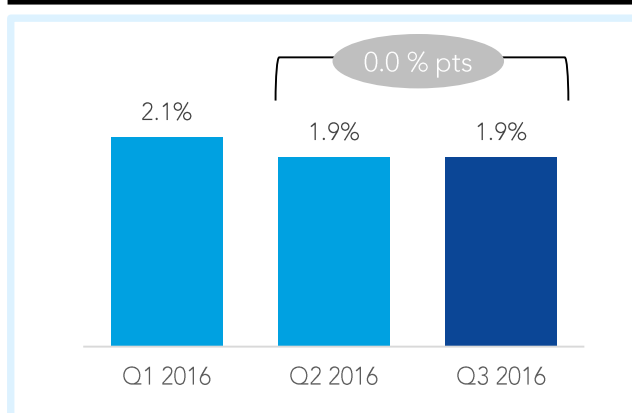
Net Banking Income Margin (%)¹



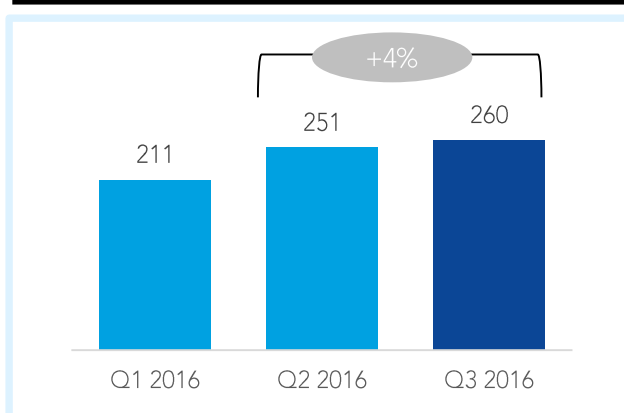
Opex (excl. one-offs) (MSEK)



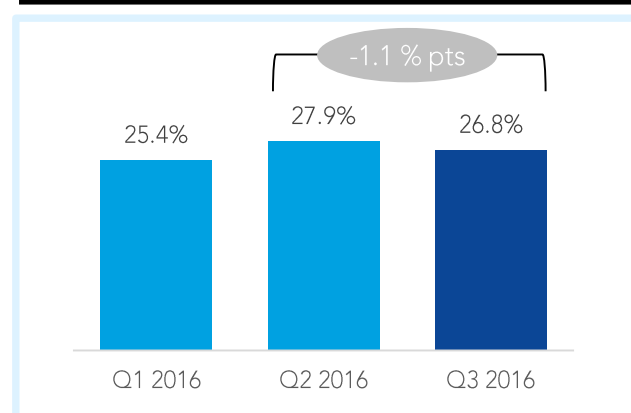
Cost of Risk (%)



Net Income (excl. one-offs, net of tax) (MSEK)



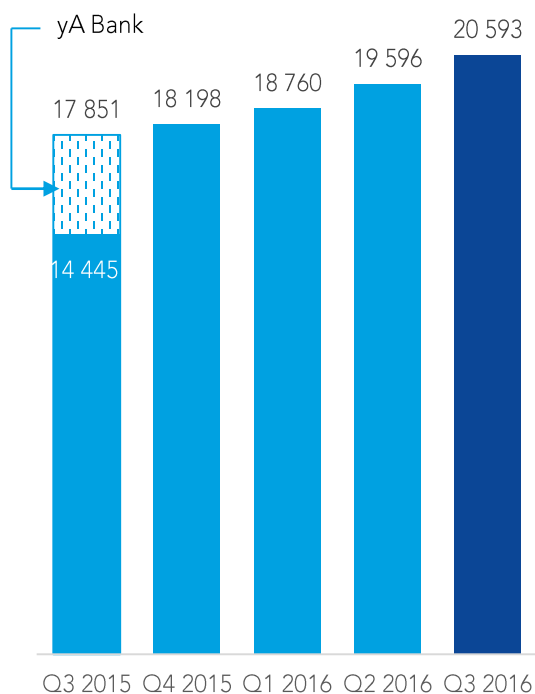
RoTE (excl. one-offs, net of tax) (%)



1. NBI for bank calculated as group operating income less reported insurance segment operating income

Strong growth in both Payment Solutions and Consumer Loans

Total Resurs (MSEK)



+15%pf

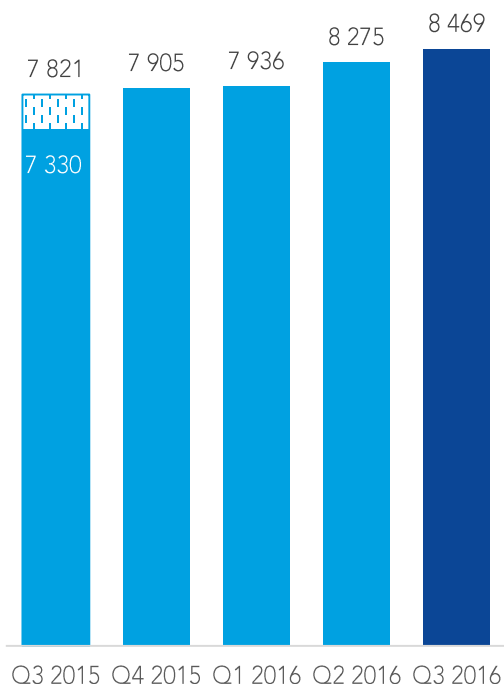
YoY

+18%

YTD (ann)

- Both segments and all markets show growth
- Positive FX effect drives loan book further

Payment Solutions (MSEK)



+8%pf

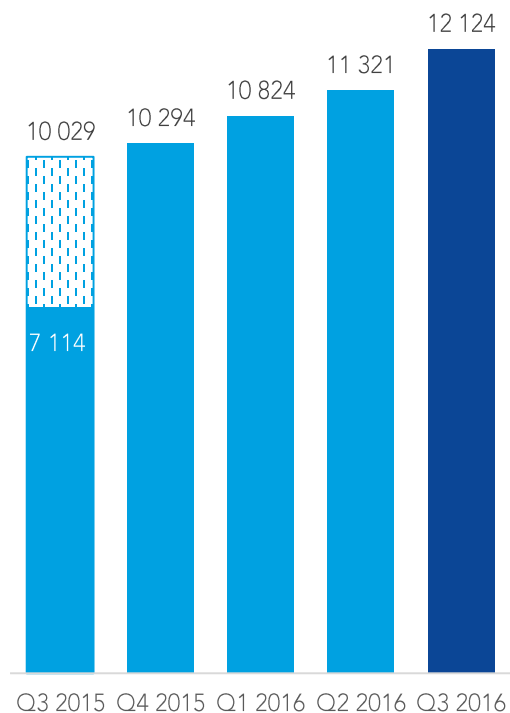
YoY

+10%

YTD (ann)

- Positive contribution from all markets
- Increased sales with our partners, both with existing and new partners
- Continued growth of credit card

Consumer Loans (MSEK)



+21%pf

YoY

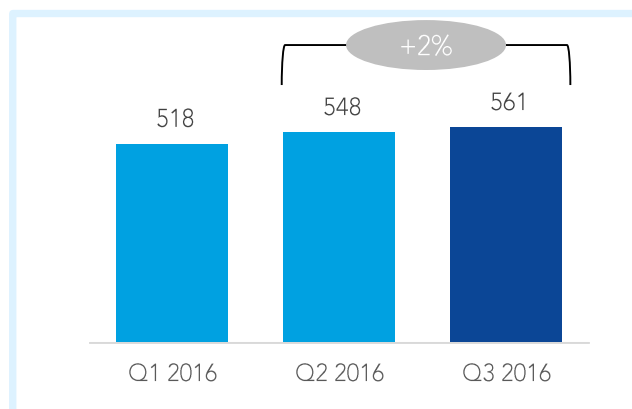
+24%

YTD (ann)

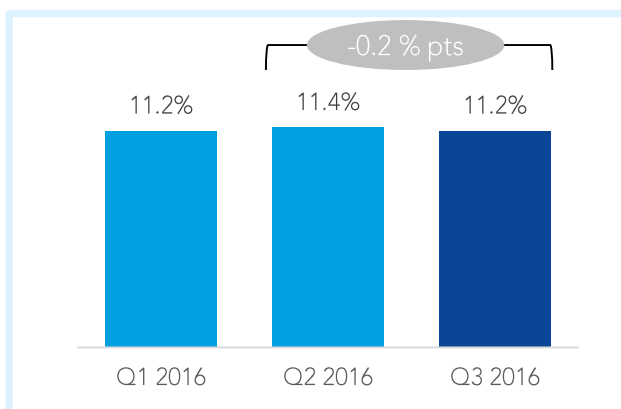
- Positive contribution from all markets, primarily Sweden and Norway
- Market activities and product offerings drive growth

Good growth in net interest income and net banking income

Net Interest Income (MSEK)



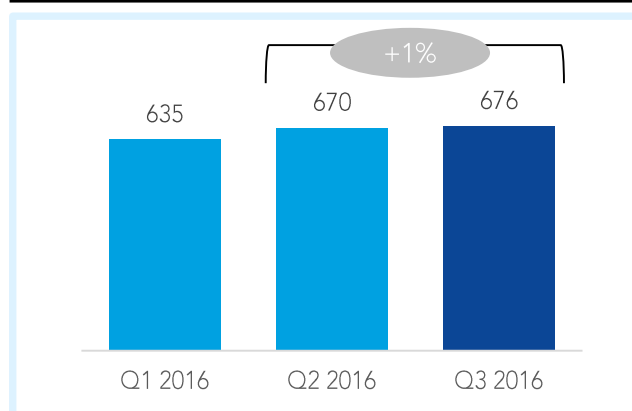
Net Interest Margin (%)



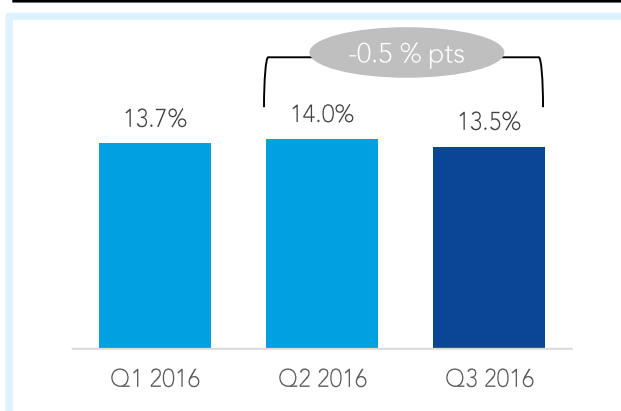
Highlights

- Net interest income Q3 2016 vs. Q2 2016 +2% at somewhat lower NIM
 - NIM primarily affected negatively by seasonality
- Net banking income Q3 2016 vs. Q2 2016 +1% at lower NIBM
 - Lower NBIM following on NIM development and finance net

Net Banking Income (MSEK)



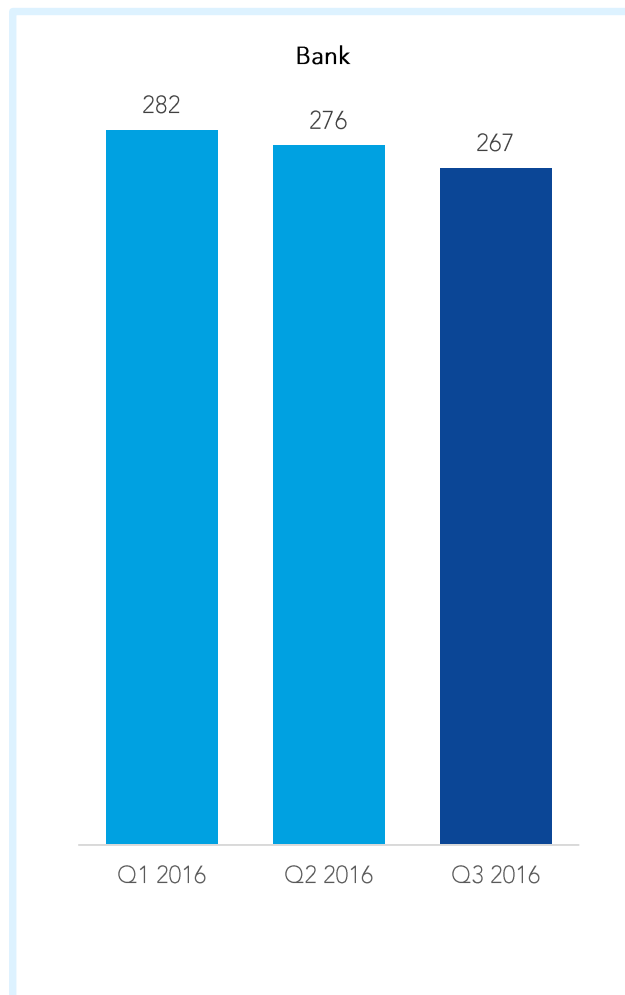
Net Banking Income Margin (%)



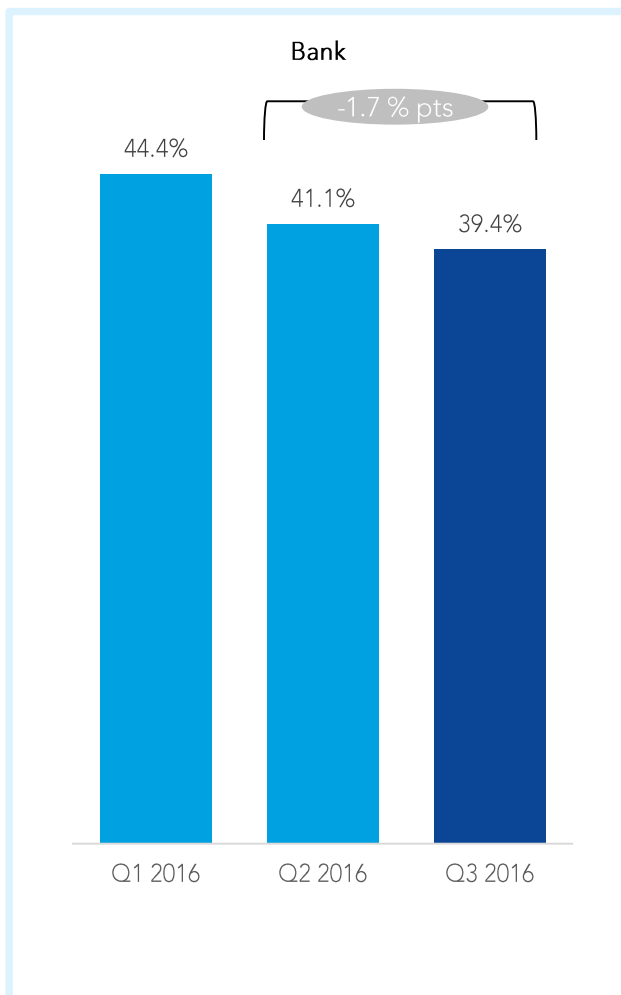
Evolution of operating expenses

Improved cost income ratios

Operating expenses (excl. one-offs) (MSEK)



Cost Income Ratio (excl. one-offs) (%)



Highlights

- Operating expenses in Q3 below Q2 driven by seasonality
- Cost income ratios continue to improve QoQ

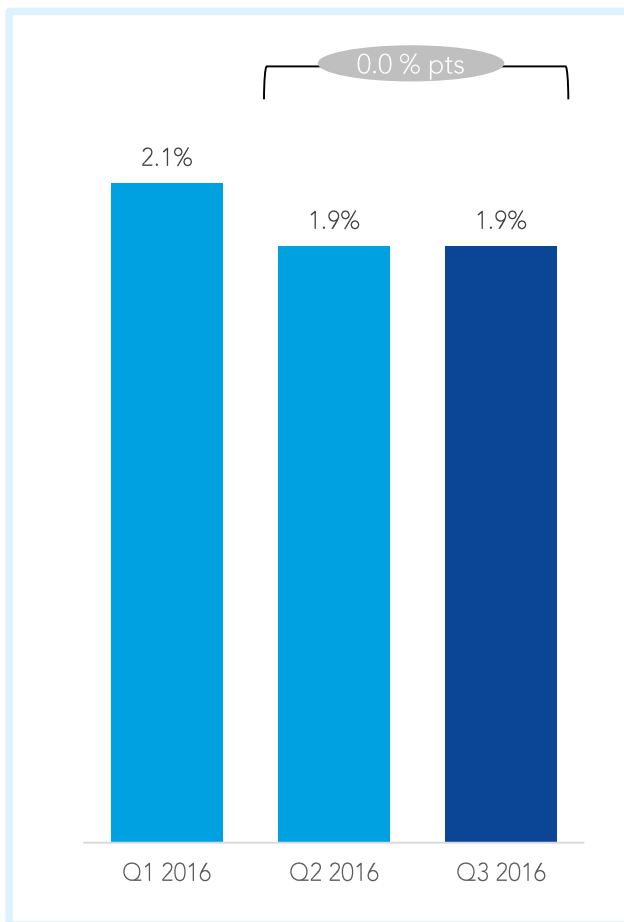
Note: IPO cost of SEK20m reduced in Q1 2016 and SEK14m in Q2 2016.

Maintained low cost of risk

Credit Losses (MSEK)



Cost of Risk (%)

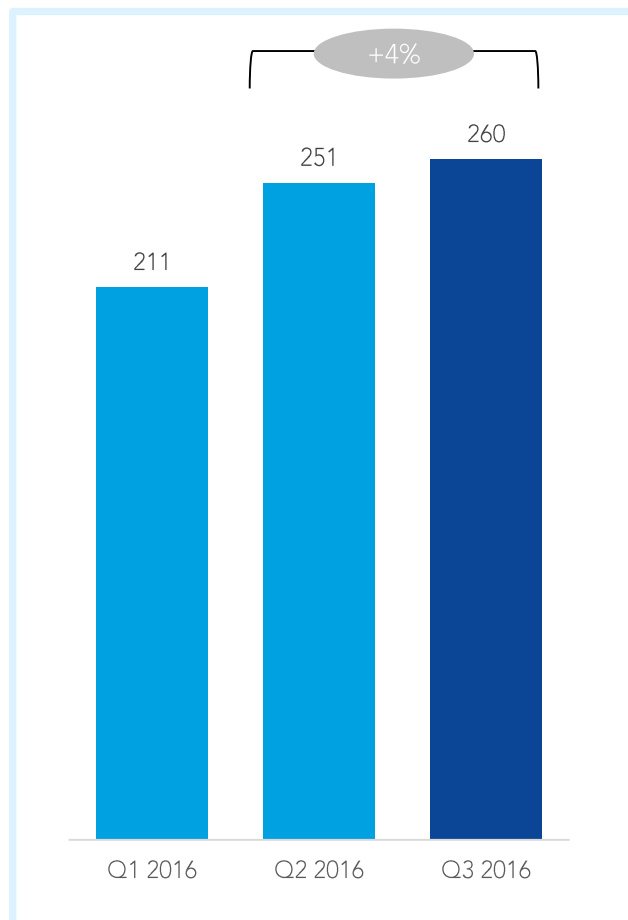


Highlights

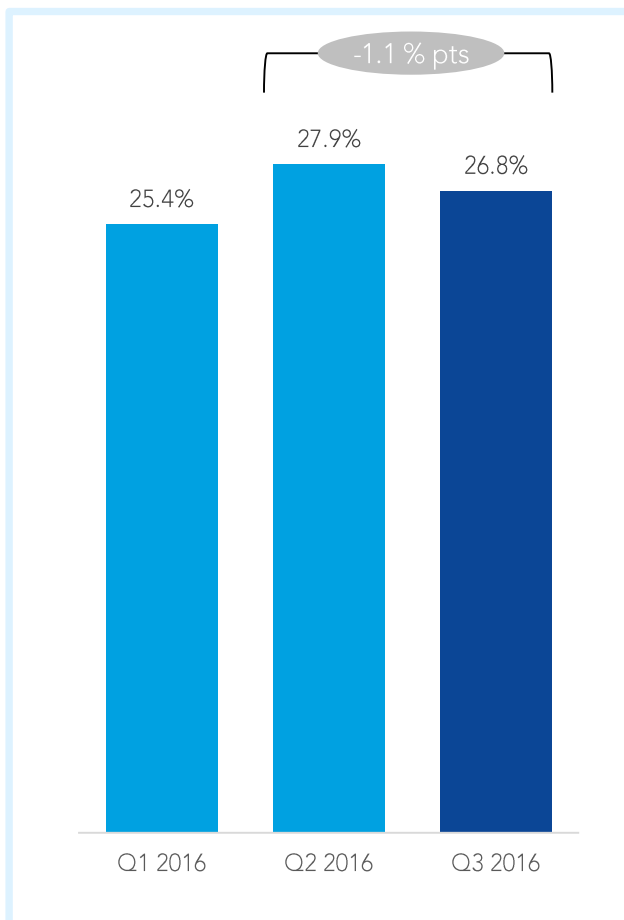
- Cost of risk maintained at low levels

Strong growth of net income and RoTE

Net Income (excl. one-offs) (MSEK)



RoTE Ratio (excl. one-offs) (%)

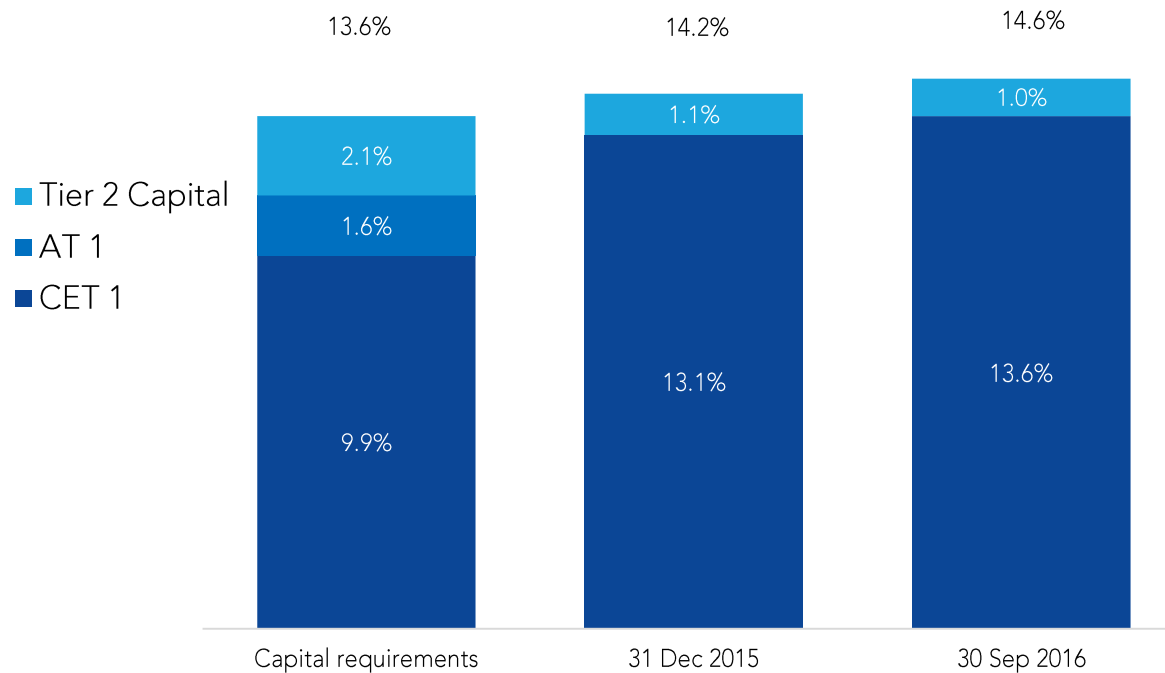


Highlights

- Strong net income growth of 4%
- High RoTE 26.8% at CET1 13.6%
 - Higher CET1 level compared to Q2
 - RoTE 28.5% at target CET1 12.5%

Stable capital position

Capital structure, %



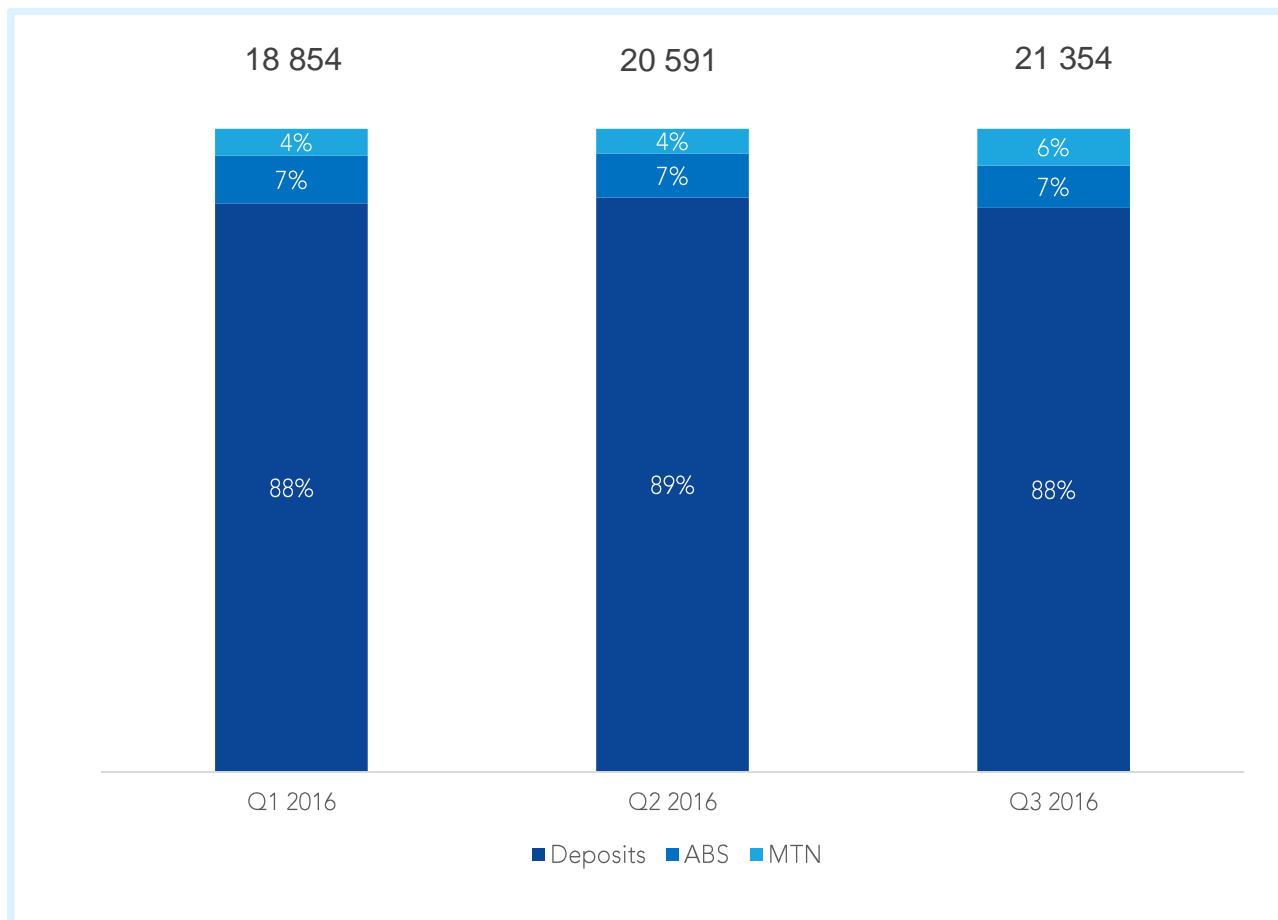
Highlights

- Strong CET1 ratio of 13.6% with a comfortable buffer vs. capital requirements of 9.9% and target CET1 of 12.5%
- Reflects 50% pay-out ratio

Continued diversification

Funding excluding Equity (Total in MSEK)

Highlights



- Diversified funding with MTN and ABS
 - Q3 saw increase of 400 MSEK within the MTN program
 - Continued diversification with both MTN and ABS as shown in October with 700 MSEK increase of ABS

Medium Term Financial Targets - Recent Performance

Metric	Target	Q3
Organic Loan Growth	~ 10% p.a.	Strong Q3 with annualized 20% growth QoQ
NBI Margin (Bank)	In line with recent performance (c. 13% – 15% in 2013-2015)	Q3 of 13.5%
Cost/Income (Bank)	~ 40% in the medium term	Further Q3 improvement to 39.4 %
Cost of Risk	In line with recent performance (c. 2% – 3% in 2013-2015)	Q3 at low level of 1.9%
RoTE	~ 30% in the medium term (Based on Capital Employed at 12.5% CET1 Ratio)	26.8% at CET 13.6% / 28.5% at CET1 12.5%
Payout Ratio	> 50%	50% of YTD Q3 2016 Net income provisioned for as dividend in CET1 calculation
CET1/Total Capital Ratio	>12.5% CET1 14.5% Total Capital	13.6% CET1 14.6% Total Capital

Strategy & Going forward



Resurs has a well defined strategy for growth

Strong Q3 performance

- Continued strong lending growth + 20% annualised
- Quarterly result +4%
- E-volution of our partnerships creates loyalty, sales and efficiency to all
- Implementation of digital application starting autumn 2016

Clear Growth Strategy

We will keep focus and grow organically in the Nordics through our scalable captive business model.

This includes four main growth areas

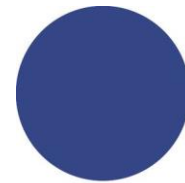
Strengthen existing collaborations to increase credit penetration

Add new partners to existing partner base

Increase cross sales within existing data base

Continue strong product innovation

Thank you



Resurs
Holding

Next report: 7th February 2017