
**Q3**

## Interim Report **January–September 2016**

### 1 July–30 September 2016\*

- Lending to the public rose 43% to SEK 20,593 million, up slightly more than 5% compared with Q2 2016, resulting in annualised growth of approximately 20%
- Operating income increased by 29% to SEK 717 million
- Operating profit increased 37% to SEK 302 million, and 35% to SEK 337 million excl. nonrecurring costs
- Earnings per share rose 29% to SEK 1.12, and 32% to SEK 1.30 excl. nonrecurring costs
- C/I before credit losses (excl. Insurance) was 44.6% (45.6), and 39.4% (39.9) excl. nonrecurring costs
- The credit loss ratio was 1.9% (2.1)

### 1 January–30 September 2016\*

- Lending to the public rose 43% to SEK 20,593 million, up about 13% from the start of 2016, resulting in an annualised increase of approximately 18%
- Operating income increased 24% to SEK 2,103 million
- Operating profit increased 37% to SEK 864 million, and 36% to SEK 932 million excl. nonrecurring costs
- Earnings per share rose 34% to SEK 3.30, and 35% to SEK 3.61 excl. nonrecurring costs
- The Common Equity Tier 1 ratio was 13.6% (16.1) and the total capital ratio was 14.6% (17.3)
- C/I before credit losses (excl. Insurance) was 45.1% (47.2), and 41.6% (43.8) excl. nonrecurring costs
- The credit loss ratio was 1.9% (2.4)
- Return on equity excl. intangible assets, (RoTE) was 24.5% (23.1), and 26.6% (24.8) excl. nonrecurring costs.

**“Our strong growth continues – focus on partners and innovative solutions”**

*Kenneth Nilsson, CEO, Resurs*

### About Resurs Holding

The Resurs Group, which operates through the subsidiaries Resurs Bank and Solid Försäkringar, is the leader in retail finance in the Nordic region, offering payment solutions, consumer loans and niche insurance products. Since its start in 1977, Resurs has established collaborations with over 1,200 retail partners with approximately 35,000 stores and built a customer base of approximately 5 million private customers in the Nordics. Resurs Bank has had a bank charter since 2001 and is under the supervision of the Swedish Financial Supervisory Authority. The Resurs Group, with operations in Sweden, Denmark, Norway and Finland, had around 720 employees and a loan portfolio of more than SEK 20.6 billion at the end of the third quarter of 2016. Resurs has been listed on Nasdaq Stockholm since 29 April 2016.

*\*Certain performance measures provided in this section have not been prepared in accordance with IFRS. Definitions of key ratios are provided on page 30. The reasons for the use of alternative performance measures and reconciliation against information in the financial statements are provided on the website under “Financial information.”*

*The figures in parentheses refer to 30 September 2015 in terms of financial position, and to the year-earlier period in terms of profit/loss items.*

## STATEMENT BY THE CEO:

## Our strong growth continues — focus on partners and innovative solutions

### Strong growth in lending and earnings

Strong lending growth continued in the third quarter and our lending now exceeds SEK 20 billion. Growth was driven by both banking segments, Payment Solutions and Consumer Loans, where all of the Nordic countries contributed to the favourable trend. This resulted in annualised growth of 20 per cent, which means we are continuing to surpass our mid-term financial target of about 10 per cent. However, lending was positively impacted by currency effects of about 2 per cent compared with the second quarter. Earnings for the period were strong, up 36 per cent excluding nonrecurring costs, primarily driven by higher business volumes and improved net interest income. This was delivered in parallel with maintaining good control of risks and costs. During the period, we continued as planned to grow at a faster pace than the Nordic market.

### Focus on partner development

In Payment Solutions, we have continued to drive development efforts together with our retail finance partners. The findings of an external study of retail-sector growth in the Nordic region since 2011 showed that our larger retail finance partners reported significantly higher growth rates than the remainder of the market. This confirms the strength of our business model, which makes our partners' sales growing faster than the market in general. We have welcomed several new retail finance partners during the quarter and we look forward to working and growing together with them. Consumer Loans reported continued growth with the strongest quarter to date, where the largest increases were in Sweden and Norway. In Insurance, efforts have been ongoing for a while to close the unprofitable UK travel insurance operations, which are negatively impacting premium volumes.

### Historical reporting

In 2015, we submitted a report to the Swedish Financial Supervisory Authority regarding inaccurate historical reporting. During the quarter, a penalty fee of SEK 35 million was imposed on the bank. Under the agreement with our owner, Nordic Capital, we concurrently received an unconditional shareholders' contribution of SEK 15 million. Accordingly, this case is now closed and has been recognised as a nonrecurring cost in the financial statements.

### Sales-promoting solutions in digital and physical environments

Resurs aims to be at the forefront of developing sales-promoting solutions that work as an inherently natural part of our retail finance partners' and consumers' everyday lives, both digitally and in physical environments. For example, we are introducing a new service for our offline stores, "digital application," which allows the eradication of paper processing at our stores and means that all customers sign using their Mobile Bank ID. Moreover, customers who download our Loyo app, will find their customer loyalty card there just seconds later. Naturally, this means that customers' future store visits will also be digital, since customers can complete purchases using their mobile phone and Loyo. Implementation is ongoing in Sweden and a Nordic roll-out will take place in the next 12 months.

The third quarter again posted strong profitable growth. We will continue to maintain focus on collaboration with partners and the development of innovative customer-centric solutions.

## LENDING

SEK **20,593** million

## ANNUALISED LENDING GROWTH\*

**+20%**

## IMPROVED OPERATING PROFIT\*

**+36%**

**Kenneth Nilsson,**  
CEO, Resurs Holding AB

## Performance measures

<i>SEKm unless otherwise specified</i>	Jul-Sep 2016	Jul-Sep 2015	Change	Jan-Sep 2016	Jan-Sep 2015	Change	Jan-Dec 2015
<b>Group</b>							
Operating income	717	556	29%	2,103	1,693	24%	2,371
Operating profit	302	220	37%	864	630	37%	838
Net profit for the period	225	171	32%	661	483	37%	622
Net profit for the period, adjusted for nonrecurring costs*	260	193	35%	722	523	38%	699
Earnings per share, SEK	1.12	0.87	29%	3.30	2.46	34%	3.16
Earnings per share, adjusted for nonrecurring costs, SEK*	1.30	0.98	32%	3.61	2.66	35%	3.55
C/l before credit losses, %	44.8	46.8		45.5	47.8		48.8
C/l before credit losses (excl. Insurance), %*	44.6	45.6		45.1	47.2		48.1
Common Equity Tier 1 ratio, %	13.6	16.1		13.6	16.1		13.1
Total capital ratio, %	14.6	17.3		14.6	17.3		14.2
Lending to the public	20,593	14,445	43%	20,593	14,445	43%	18,198
NIM, %*	11.2	11.9		11.2	11.7		11.0
NBI margin, %*	13.5	14.7		13.6	14.8		13.8
Credit loss ratio, %*	1.9	2.1		1.9	2.4		2.3
Return on equity, excl. intangible assets, (RoTE), %*	23.4	23.3		24.5	23.1		21.4
Return on equity excl. intangible assets, adjusted for nonrecurring costs, (RoTE), %*	26.8	26.1		26.6	24.8		23.8

\* Certain performance measures used by management and analysts to assess the Group's performance are not prepared in accordance with International Financial Reporting Standards (IFRS). Management believes that these performance measures make it easier for investors to analyse the Group's performance. Definitions of key ratios are provided on page 30. The reasons for the use of alternative performance measures and reconciliation against information in the financial statements are provided on the website under "Financial information."

## Group results\*

### THIRD QUARTER, JULY—SEPTEMBER 2016

#### Operating income

The Group's operating income totalled SEK 717 million (556) during the third quarter, a 29 per cent year-on-year increase. This increase could be seen in both our banking segments and in all of our markets. Excluding the acquisition of yA Bank, which was consolidated in late October 2015, operating income amounted to SEK 596 million (556). Net interest income improved by a total of SEK 134 million. Interest income increased to SEK 627 million (473), excluding the acquisition of yA Bank interest income was SEK 498 million (473). Regarding interest income and credit losses compared with 2015, the Group-wide valuation method was adjusted for the Danish operations, which entailed lower interest income but also lower credit losses.

Fee & commission income amounted to SEK 57 million (57), of which credit-card income declined SEK 9 million due to lower compensation for card transactions following the implementation of EU directives, which was partially offset by lower costs in credit cards. Fee & commission expense increased to SEK -13 million (-10), yielding a lower net commission in the banking operations of SEK 45 million (47), primarily due to lower credit-card income.

Premium earned, net in the insurance operations amounted to SEK 219 million (315), while claim costs, recognised in the item insurance compensation, net, fell to SEK -84 million (-128). The reduction in premium earned is the result of the decision to discontinue the travel-insurance programme with low profitability in the UK. Fee &

INCOME

**+29%**

NET INTEREST INCOME

**SEK +134 million**

commission expense in the insurance operations declined to SEK -78 million (-123), yielding a net insurance of SEK 57 million (63). Net income from financial transactions for the period amounted to SEK 1 million (-17). The change relates to value fluctuations in investments in interest-bearing securities and shares as well as exchange-rate differences in assets, liabilities and derivatives in foreign currencies. Other operating income amounted to SEK 49 million (32).

## Operating expenses

The Group's expenses before credit losses totalled SEK -321 million (-260) during the quarter. Excluding the acquisition of yA Bank expenses totalled SEK -284 million (-260). The cost pertaining to the SEK 35 million penalty fee from the Swedish Financial Supervisory Authority was charged to the third quarter of 2016. As per agreement, the Group concurrently received an unconditional shareholders' contribution of SEK 15 million, which was recognised directly in equity. The corresponding year-earlier period included a SEK 30 million nonrecurring cost pertaining to the IPO. Viewed in relation to the operations' income, the cost level (excluding Insurance and nonrecurring costs) continued to decline and amounted to 39.4 per cent (39.9). Credit losses totalled SEK -94 million (-76) and the credit loss ratio was 1.9 per cent (2.1). The lower levels were due to higher credit quality and the adjustment in the Danish operation to the Group-wide valuation method.

## Profit

Operating profit for the quarter totalled SEK 302 million (220). A cost of SEK 35 million for the penalty fee from the Swedish Financial Supervisory Authority was charged to operating profit. Operating profit adjusted for nonrecurring costs was SEK 337 million (250), corresponding to an increase of 34.6 per cent. Net profit for the period amounted to SEK 225 million (171). The penalty fee from the Swedish Financial Supervisory Authority is not tax deductible and, accordingly, the percentage tax expense compared with the year-earlier period was higher.

## NINE MONTHS, JANUARY—SEPTEMBER 2016

### Operating income and expenses

The Group's operating income totalled SEK 2,103 million (1,693) during the period, up 24 per cent year-on-year. This increase could be seen in both our banking segments and in all of our markets. Excluding the acquisition of yA Bank, which was consolidated in late October 2015, operating income amounted to SEK 1,747 million (1,693).

The Group's expenses before credit losses totalled SEK -957 million (-809) during the period. Excluding the acquisition of yA Bank, expenses totalled SEK -851 million (-785). Comparative figures for the preceding year were adjusted for the nonrecurring cost of SEK 24 million for the acquisition of yA Bank. The main reason for the increased expenses in the first nine months of the year was the costs of SEK 34 million (30) related to the IPO and the SEK 35 million (-) penalty fee from the Swedish Financial Supervisory Authority.

## Profit

Operating profit for the period totalled SEK 864 million (630) and was strengthened year-on-year primarily by the acquisition of yA Bank. IPO costs of SEK 34 million and a cost of SEK 35 million for the penalty fee from the Swedish Financial Supervisory Authority were charged to operating profit. Operating profit adjusted for nonrecurring costs was SEK 932 million (684), corresponding to an increase of 36.3 per cent. Net profit for the period amounted to SEK 661 million (483). The lowered tax rates in Norway and Denmark contributed to the slight decrease in the percentage tax expense compared with the year-earlier period. The penalty fee from the Swedish



C/I RATIO (excl. Insurance and nonrecurring costs)

**39.4%**

OPERATING PROFIT Q3 (excl. nonrecurring costs)

**SEK 337 million**

Financial Supervisory Authority is not tax deductible and, accordingly, the percentage tax expense rose.

## FINANCIAL POSITION PER 30 SEPTEMBER 2016

The Group had a strong financial position at 30 September 2016, with a capital base of SEK 3,351 million (2,763) for the consolidated situation, comprising the Parent Company Resurs Holding AB and Resurs Bank AB Group. The total capital ratio was 14.6 per cent (17.3) and the Common Equity Tier 1 ratio was 13.6 per cent (16.1). In conjunction with the Swedish Financial Supervisory Authority's decision to impose a penalty fee, as previously agreed, Cidron Semper Ltd. made an unconditional shareholders' contribution of SEK 15 million to Resurs Holding AB.

In the third quarter, the Group decided to hedge the net investment in yA Bank AS. The hedged item comprises the sum of the subsidiary's equity at the acquisition date, other contributions after the acquisition and deductions for dividends paid. The Group applies hedge accounting for this net investment. Exchange-rate differences attributable to currency hedges of investments in foreign subsidiaries are recognised in "Other comprehensive income" after taking into consideration deferred tax.

Lending to the public at 30 September 2016 totalled SEK 20,593 million (14,445), corresponding to a 42.6 per cent increase, excluding a currency effect the increase was 40.0 per cent. The increase was driven by both banking segments and by all the markets. Moreover, lending was positively impacted by currency effects, primarily in relation to the NOK. Excluding the acquisition of yA Bank, the increase was 10.8 per cent, in constant currencies 9.2 per cent.

In addition to capital from shareholders, the financing of the operations comprises deposits from the public, the bonds issued under the MTN programme and the securitisation of loan receivables (ABS financing). The Group pursues a strategy of actively working on these three sources of financing to meet the varying requirements of the operations over time and minimise the risk of imbalances between financing and lending.

Deposits from the public at 30 September 2016 totalled SEK 18,729 million (13,593), up 37.8 per cent as a result of the acquisition of yA Bank. Excluding yA Bank, lending increased 1.7 percent. Financing through issued securities totalled SEK 2,624 million (1,799).

Liquidity is healthy and the liquidity coverage ratio (LCR) was 154 per cent (105). The minimum statutory LCR ratio is 70 per cent, which will increase to 100 per cent by 2018. Lending to credit institutions at 30 September 2016 amounted to SEK 3,106 million (2,511). Holdings of treasury bills eligible for refinancing, as well as bonds and other interest-bearing securities totalled SEK 3,098 million (2,590).

Cash flow from operating activities increased during the first nine months of the year to SEK 273 million (-2,949). Cash flow from deposits increased during the period to SEK 1,828 million (-2,382) and the net change in investment assets totalled SEK -589 million (-511). Cash flow from investing activities for the first nine months totalled SEK -23 million (-35) and cash flow from financing activities was SEK 437 million (1,799). In the third quarter, bonds totalling SEK 400 million were issued under the MTN programme.

Intangible assets amounted to SEK 1,901 million (686), mainly due to the goodwill that arose in the acquisition of yA Bank in October of last year. In conjunction with the acquisition, a new share issue of SEK 1,250 million was completed.

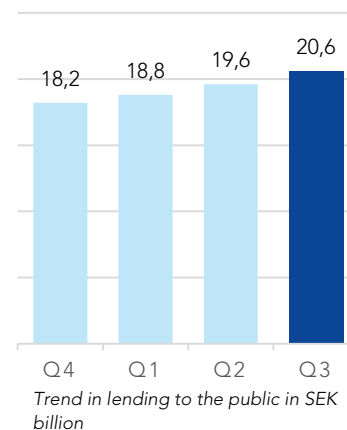
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### TOTAL CAPITAL RATIO

14.6%

### LENDING TO THE PUBLIC



### LIQUIDITY COVERAGE RATIO

154%



## SEGMENT REPORTING:

## Resurs Holding's three segments

Resurs Holding has divided its operations into three business segments – **Payment Solutions**, **Consumer Loans** and **Insurance** – based on the products and services offered.

The three segments differ in nature. **Payment Solutions** delivers finance, loyalty and payment solutions that drive retail sales for retailers across the Nordic region, as well as credit cards to the public. **Consumer Loans** focuses primarily on lending to consumers. **Insurance** includes wholly owned subsidiary Solid Försäkring, active within consumer insurance. During the first nine months of the year, the Payment Solutions segment accounted for 42 per cent of the Group's operating income, Consumer Loans for 52 per cent and Insurance for 6 per cent.



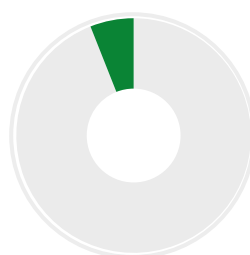
### PERCENTAGE OF OPERATING INCOME JAN–SEP 2016



Payment Solutions  
42%



Consumer Loans  
52%



Insurance  
6%



# Payment Solutions

Healthy volume increases in all Nordic countries

## THIRD QUARTER, JULY—SEPTEMBER 2016

Payment Solutions presented strong third quarter figures with healthy lending growth in Sweden and other Nordic countries, mainly driven by strong sales through existing partners. Sales were helped by the continued strength of retail sales for durables in our largest market, Sweden. During the quarter, the digital payment platform, Resurs Checkout, was launched with a number of partners in Sweden. Following the in June, successful launch of MasterPass in Norway, Resurs has now commenced implementation of the solution for Norwegian card customers. A number of new customer partnerships were established, including Verifone, MED Group Oy, Bike&co and Copenhagen Comfort Beds. Supreme Card had a positive quarter in which the initiatives implemented focused on internal channels and which, according to plan, increased the number of cards issued in Sweden.

Operating income totalled SEK 300 million (271) during the third quarter, up 11 per cent year-on-year, and was mainly driven by increased business volumes and higher net interest income. The NBI margin amounted to 14.3 per cent (14.9), and declined primarily due to the earlier EU decision to reduce interchange income in credit cards.

Operating income less credit losses totalled SEK 260 million (254), up 2 per cent year-on-year. Third quarter credit losses were higher in both absolute terms and as a percentage of lending volumes compared with the year-earlier period, which was due to the comparative period in 2015 including a positive nonrecurring effect from the adaptation of the Group-wide valuation method for the Danish operations.

## NINE MONTHS, JANUARY—SEPTEMBER 2016

Lending to the public at 30 September 2016 totalled SEK 8,469 million (7,330), a 16 per cent year-on-year increase. Excluding the acquisition of yA Bank, the increase was 8 per cent, in constant currencies 6 per cent, driven by increased volumes from new business partners and strong sales through existing partners.

Operating income for the period totalled SEK 885 million (815), a 9 per cent year-on-year increase, driven by higher business volumes and higher net interest income. The NBI margin amounted to 14.4 per cent (14.9), and declined primarily due to the earlier EU decision to reduce interchange income in credit cards.

Operating income less credit losses totalled SEK 767 million (727), up 5 per cent year-on-year. During the period, credit losses in absolute figures were higher year-on-year due to higher lending volumes and the above nonrecurring effect in the third quarter of 2015. Measured as a percentage of lending volumes, credit losses were lower year-on-year.

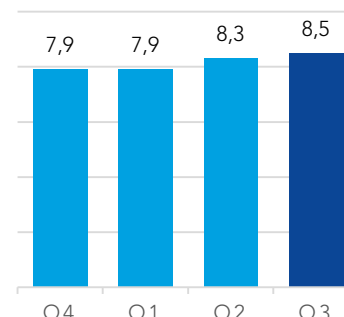


### ABOUT PAYMENT SOLUTIONS

The Payment Solutions segment comprises retail finance and credit cards. Within retail finance, Resurs is the leading partner for delivering finance, loyalty and payment solutions for more than 1,200 retail partners and e-commerce companies in the Nordic region.

Credit cards includes the Resurs credit cards (with Supreme Card being the foremost) as well as cards that enable retail finance partners to promote their own brands. Resurs currently has about 280,000 credit card customers in the Nordic market.

### LENDING TO THE PUBLIC



Trend in lending to the public in SEK billion

## Performance measures – Payment Solutions

SEKm	Jul-Sep 2016	Jul-Sep 2015	Change	Jan-Sep 2016	Jan-Sep 2015	Change	Jan-Dec 2015
Lending to the public at end of the period	8,469	7,330	16%	8,469	7,330	16%	7,905
Operating income	300	271	11%	885	815	9%	1,122
Operating income less credit losses	260	254	2%	767	727	5%	984
NBI margin, %	14.3	14.9		14.4	14.9		14.8
Credit loss ratio, %	1.9	0.9		1.9	1.6		1.8

## Consumer Loans

Strongest quarter to date with continued healthy growth in all markets

### THIRD QUARTER, JULY—SEPTEMBER 2016

Consumer Loans reported its strongest quarter to date at a Nordic level, mainly driven by the trend in Sweden and Norway. The favourable trend was largely attributable to activities processing our own customer database. During the quarter, focus continued to remain on developing and capturing gains in all available marketing channels. In parallel, efforts were ongoing with expanding the business toward new segments, for example customers with longer financing horizons, which increased the average size of loans. During the period, focus had remained on developing customer understanding in parallel with continued efforts to digitise and automate processes to thereby simplify for customers and increase internal efficiency.

Operating income totalled SEK 377 million (257) during the third quarter, a 47 per cent year-on-year increase due to higher volumes. Operating income less credit losses totalled SEK 324 million (198), up 63 per cent year-on-year.

The NBI margin amounted to 12.9 per cent (14.6). The decrease was due to the yA Bank portfolio having lower average interest rates than Resurs Bank's portfolio and the adjustment in the Danish operation to the Group-wide valuation method, which had a negative impact on the NBI margin and correspondingly a positive effect on credit losses. In absolute figures, credit losses were slightly lower than the preceding year and measured as a percentage of lending volumes, credit losses were significantly lower year-on-year due to an improved product mix in the portfolio from a credit perspective and the change in valuation method described above.

### NINE MONTHS, JANUARY—SEPTEMBER 2016

Lending to the public at 30 September 2016 totalled SEK 12,124 million (7,114), a 70 per cent year-on-year increase. Excluding the acquisition of yA Bank, the increase was 14 per cent, in constant currencies 12 per cent. Growth was mainly driven by a better response to our activities for existing customers and a broader product range.

Operating income for the first half of the year totalled SEK 1,102 million (763), a 44 per cent year-on-year increase. Operating income less credit losses totalled SEK 937 million (596), up 57 per cent year-on-year.

The NBI margin amounted to 13.1 per cent (14.8). The decrease was due to the yA Bank portfolio having lower average interest rates than Resurs Bank's portfolio and the adjustment in the Danish operation to the Group-wide valuation method. In absolute figures, credit losses were slightly lower than the preceding year and measured as a percentage of lending volumes, credit losses were significantly lower year-on-year.

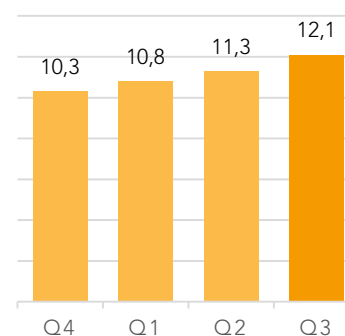


#### ABOUT CONSUMER LOANS

In the Consumer Loans segment, Resurs offers unsecured loans to consumers wishing to finance investments in their home, travels or other consumer goods.

Resurs also provides help in consolidating loans held by consumers with other banks, with the aim of reducing the consumer's monthly or interest expenses. Resurs currently holds approximately SEK 12 billion in outstanding consumer loans.

#### LENDING TO THE PUBLIC



Trend in lending to the public in SEK billion

### Performance measures – Consumer Loans

SEKm	Jul-Sep 2016	Jul-Sep 2015	Change	Jan-Sep 2016	Jan-Sep 2015	Change	Jan-Dec 2015
Lending to the public at end of the period	12,124	7,114	70%	12,124	7,114	70%	10,294
Operating income	377	257	47%	1,102	763	44%	1,100
Operating income less credit losses	324	198	63%	937	596	57%	863
NBI margin, %	12.9	14.6		13.1	14.8		13.0
Credit loss ratio, %	1.8	3.3		2.0	3.2		2.8



# Insurance

## Streamlining operations

### THIRD QUARTER, JULY—SEPTEMBER 2016

In the third quarter, Insurance continued to discontinue the unprofitable travel insurance operations in the UK. This means that net premium earned for the Insurance segment amounted to SEK 219 million (315). The 31-per-cent year-on-year decline was mainly related to the above discontinuation in the UK.

The bicycle insurance initiative had a positive sales impact, but despite the increase, premium earned on product insurance declined year-on-year. Premium earned on the Roadside Assistance and Security product groups increased.

The technical result from the Insurance business totalled SEK 11 million (18) for the quarter, down 39 per cent year-on-year. The fall compared with the year-earlier period was due to high claim costs related to the UK travel insurance business that is being discontinued. Operating income totalled SEK 40 million (29), a 39 per cent year-on-year increase and was mainly attributable to higher investment returns compared with the year-earlier period. Operating profit amounted to SEK 21 million (9).

The combined ratio for the quarter posted a year-on-year increase to 95.8 per cent (94.7). The decline was due to a higher operating costs ratio of 57.4 per cent (54) due to decreased premium earned. However, the claims ratio improved to 38.4 per cent (40.7).

### NINE MONTHS, JANUARY—SEPTEMBER 2016

Premium earned, net, for the Insurance segment amounted to SEK 710 million (875). The 19-per-cent year-on-year decline was due to the planned discontinuation of the unprofitable travel-insurance programmes in the UK.

The technical result from the Insurance business totalled SEK 41 million (45) for the period, down 9 per cent year-on-year. A positive year-on-year trend was reported for the Product and Security areas but claim costs pertaining to the UK travel insurance business impacted earnings. Operating income totalled SEK 121 million (117), up 3 per cent year-on-year. The increase was attributable to higher investment returns compared with the year-earlier period. Operating profit totalled SEK 57 million (53), an 8-per-cent increase compared with the year-earlier period, due to higher investment returns and lower operating expenses.

The combined ratio for the period improved further to 94.8 per cent (95.4), due to a lower claims ratio, which amounted to 37.7 per cent (41.2) for the period.



### ABOUT INSURANCE

Non-life insurance is offered within the Insurance segment under the Solid Försäkring brand. The segment's focus is on niche insurance, with the Nordic region as the main market.

Insurance products are divided into four groups: Travel Insurance, Security, Roadside Assistance and Product Insurance. The company, which partners with leading retail chains in various industries, has about 2.3 million customers in the Nordic region.

## Performance measures – Insurance

SEKm	Jul-Sep 2016	Jul-Sep 2015	Change	Jan-Sep 2016	Jan-Sep 2015	Change	Jan-Dec 2015
Premium earned, net	219	315	-31%	710	875	-19%	1,169
Operating income	40	29	39%	121	117	3%	152
Technical result	11	18	-39%	41	45	-9%	62
Operating profit	21	9	132%	57	53	8%	61
Combined ratio, %	95.8	94.7		94.8	95.4		95.3

# Significant events and press releases in 2016



## Events after the end of the period

Resurs Holdings' subsidiary Resurs Bank AB expanded and extended the existing ABS financing in October 2016. In the initial ABS financing that took place in June 2015, consumer loans amounting to a carrying amount of approximately SEK 1.8 billion were securitised. In October, the ABS financing was expanded to approximately SEK 2.7 billion and a new revolving period of 18 months initiated. For Resurs Bank, this means that external financing was expanded from SEK 1.4 billion to SEK 2.1 billion. This financing took place with the assistance of a leading international bank.

Resurs Holdings' Nomination Committee was appointed on 13 October and comprises its Chairman Robert Furuholm, for Nordic Capitals holding company Cidron Semper LTD, Martin Bengtsson for Waldakt AB, Staffan Ringvall for Handelsbanken Fonder, Ulrika Danielsson for the Second AP Fund and Resurs Holdings' Chairman Jan Samuelson.

## Historical reporting and compliance

The Swedish Financial Supervisory Authority (SFS) review of Resurs's historical reporting and compliance with capital adequacy, was concluded on 13 September 2016. The SFS imposed a SEK 35 million penalty on Resurs Holding's subsidiary Resurs Bank AB. Cidron Semper Ltd. has undertaken to indemnify the Group for any penalty fees imposed by the SFS in excess of SEK 20 million, whereby Cidron Semper Ltd. provided an unconditional shareholders' contribution of SEK 15 million to Resurs Holding AB on 20 September 2016.

## Resurs Bank issued senior unsecured bonds

On 25 August, Resurs Bank AB issued senior unsecured bonds in an amount of SEK 400 million in the Nordic market. The bonds have a three-year-tenor and are listed on Nasdaq Stockholm.

## Warrants

The Extraordinary General Meeting of Resurs on 17 April 2016 resolved to issue warrants as part of the incentive programme for management and employees. A total of 8,000,000 warrants were issued, of which 6,770,000 warrants were subscribed for and paid-up at 30 September 2016. Of these, the CEO and senior executives subscribed for 3,750,000 warrants. Further information about the warrants programme is available in the Q2 interim report on page 10 under the heading "Warrants."

In July, Resurs formed a wholly owned subsidiary, Resurs Förvaltning Norden AB, with the objective of managing the warrants issued in April and which have yet to be subscribed for or which have been bought back due to individual employees ending their employment at the Resurs Group.

## Resurs Holding AB listed on Nasdaq Stockholm

Resurs Holding AB was listed on Nasdaq Stockholm, Large Cap on 29 April. Interest in the offering was widespread among both Swedish and international institutional investors and among the Swedish general public.

## Synsam selected Resurs for its Nordic retail finance needs

In January, Resurs announced an expanded partnership with Synsam. After having collaborated with Resurs Bank in Finland since 2009, Synsam opted to expand its partnership to the entire Nordic region. The collaboration with Synsam also entails Resurs Bank adding yet another strong brand, Synsam's Danish chain Profil Optik, as a partner.

## Other information

### Risk and capital management

The Group's ability to manage risks and conduct effective capital planning is fundamental to its ability to be profitable. The business faces various forms of risk including credit risks, market risks, liquidity risks and operational risks. The Board has established operational policies with the aim of balancing the Group's risk taking, and to limit and control risks. All policies are updated as necessary and revised at least once annually. The Board and CEO are ultimately responsible for the Group's risk management. In general, there were no significant changes regarding risk and capital management during the period. A detailed description of the bank's risks, liquidity and capital management is presented in Note G2 Liquidity, Note G3 Capital Adequacy, and in the most recent annual report.

### Information on operations

Resurs Holding AB is a financial holding company. Operating activities are conducted in wholly owned subsidiaries Resurs Bank AB, with subsidiaries, and Solid Försäkrings AB. Resurs Bank AB conducts banking operations in the Nordic countries. Operations are primarily consumer-oriented and are licensed by the Swedish Financial Supervisory Authority. Consumer lending is subdivided into retail finance loans, consumer loans, MasterCard and Visa credit cards, and deposits. Retail finance loans are offered to finance both traditional in-store purchases and online purchases. Operations in Finland are conducted through branch office Resurs Bank AB Suomen sivuliike (Helsinki), operations in Norway through branch office Resurs Bank AB NUF (Oslo), and operations in Denmark through branch office Resurs Bank filial af Resurs Bank (Vallensbæk Strand). In Norway, operations are also conducted via subsidiary yA Bank since its acquisition in late October 2015.

Solid Försäkring provides non-life insurance products in Sweden, other Nordic countries and, to some extent, in other European countries. Solid Försäkring offers traditional speciality insurance.

### Employees

There were 724 full-time employees at the Group at 30 September 2016. This means an increase of one FTE from 30 June 2016 and 15 FTEs from the start of 2016. The increase was due to our continued Nordic expansion focusing on business and sales development.



NUMBER OF EMPLOYEES

**724**

## Information about the Resurs share

Resurs Holding's share has been listed on Nasdaq Stockholm, Large Cap since Friday 29 April 2016. The final price paid for the Resurs share at the end of the period was SEK 52.75.

The ten largest shareholders with direct ownership on 30 September 2016 were:

Cidron Semper Ltd (Nordic Capital)	34.9%
Waldakt (fam. Bengtsson)	28.6%
Swedbank Robur Fonder	8.6%
Handelsbanken fonder	3.9%
Second AP Fund	3.2%
Didner & Gerge Fonder	1.4%
AFA Försäkring	1.4%
Catella Fonder	1.2%
Skandia Fonder	0.9%
Livförsäkringsbolaget Skandia	0.8%
<b>Total</b>	<b>84.7%</b>



## Financial targets

The Group's mid-term financial targets include:

- **Annual growth** in the lending portfolio of about 10%.
- **An NBI margin** excl. Insurance in line with recent years. (about 13%–15% in 2013–2015)
- **A credit loss ratio** in line with levels of recent years. (about 2%–3% in 2013–2015)
- **Improve cost/revenue ratio** for Resurs Bank to about 40%.
- **A Common Equity Tier 1 ratio** above 12.5% and a total capital ratio above 14.5%.
- **Achieve a return on total equity (RoTE)** of about 30%, based on a Common Equity Tier 1 ratio of 12.5%.
- **Pay out at least** 50% of net profit for the year to shareholders.

## Financial calendar

- **7 Feb 2017** Year-end report for Jan–Dec 2016
- **5 Apr 2017** 2016 Annual Report
- **28 Apr 2017** 2017 AGM
- **9 May 2017** Interim report for Jan–Mar 2017
- **8 Aug 2017** Interim report for Jan–Jun 2017
- **31 Oct 2017** Interim report for Jan–Sep 2017

NEXT REPORT:

**7** FEBRUARY



# The Board's assurance

The Board of Directors and the CEO certify that this interim report provides a fair review of the Group's and the Parent Company's operations, financial position and results and describes the significant risks and uncertainties faced by the Parent Company and Group companies.

This interim report has been subject to review by the company's auditors.

Helsingborg, 7 November 2016

Kenneth Nilsson, CEO

Board of Directors

Jan Samuelson, Chairman of the Board

Martin Bengtsson

Mariana Burenstam Linder

Fredrik Carlsson

Anders Dahlvig

Christian Frick

Lars Nordstrand

Marita Odélius Engström

David Samuelson

# Summary financial statements - Group

## Condensed income statement

SEK thousand	Note	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Interest income	G5	626,961	473,328	1,813,718	1,422,762	1,994,686
Interest expense	G5	-61,348	-41,930	-173,870	-161,083	-212,607
Fee & commission income		57,414	56,623	172,384	170,630	231,848
Fee & commission expense, banking operations		-12,787	-9,982	-37,837	-27,898	-38,785
Premium earned, net	G6	218,982	314,953	709,478	873,220	1,167,017
Insurance compensation, net	G7	-84,142	-128,469	-268,137	-360,193	-505,002
Fee & commission expense, insurance operations		-77,504	-123,105	-257,281	-335,337	-419,783
Net income/expense from financial transactions		759	-17,327	-2,107	-19,306	-35,092
Profit/loss from participations in Group companies		0	-140	-1,678	-140	-140
Other operating income	G8	48,548	32,421	148,446	130,769	188,927
<b>Total operating income</b>		<b>716,883</b>	<b>556,372</b>	<b>2,103,116</b>	<b>1,693,424</b>	<b>2,371,069</b>
General administrative expenses	G9	-277,540	-222,428	-817,388	-689,195	-989,505
Depreciation, amortisation and impairment of non-current assets		-8,388	-3,956	-23,055	-10,575	-16,496
Other operating expenses		-35,407	-33,949	-117,050	-109,196	-151,986
<b>Total expenses before credit losses</b>		<b>-321,335</b>	<b>-260,333</b>	<b>-957,493</b>	<b>-808,966</b>	<b>-1,157,987</b>
<b>EARNINGS BEFORE CREDIT LOSSES</b>		<b>395,548</b>	<b>296,039</b>	<b>1,145,623</b>	<b>884,458</b>	<b>1,213,082</b>
Credit losses, net	G10	-93,669	-75,604	-281,809	-253,973	-374,863
<b>OPERATING PROFIT/LOSS</b>		<b>301,879</b>	<b>220,435</b>	<b>863,814</b>	<b>630,485</b>	<b>838,219</b>
Income tax expense		-77,008	-49,655	-203,294	-147,372	-216,010
<b>NET PROFIT FOR THE PERIOD</b>		<b>224,871</b>	<b>170,780</b>	<b>660,520</b>	<b>483,113</b>	<b>622,209</b>
Attributable to Resurs Holding AB shareholders		224,871	170,780	660,520	483,113	622,209
Basic and diluted earnings per share, SEK	G15	1.12	0.87	3.30	2.46	3.16

## Condensed statement of comprehensive income

SEK thousand	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Net profit for the period	224,871	170,780	660,520	483,113	622,209
<b>Other comprehensive income that will be reclassified to profit/loss</b>					
Translation differences for the period, foreign operations	101,565	366	187,209	-22,521	-132,416
Cash flow hedges	-21,843	-51,436	-21,843	-51,436	
Cash flow hedges - tax	4,805	11,316	4,805	11,316	
<b>Comprehensive income for the period</b>	<b>309,398</b>	<b>131,026</b>	<b>830,691</b>	<b>420,472</b>	<b>489,793</b>
Attributable to Resurs Holding AB shareholders	309,398	131,026	830,691	420,472	489,793

## Condensed statement of financial position

SEK thousand	Note	30 Sep 2016	30 Sep 2015	31 Dec 2015
<b>Assets</b>				
Cash and balances at central banks		56,740		50,761
Treasury and other bills eligible for refinancing		884,289	962,486	956,725
Lending to credit institutions		3,105,790	2,511,271	2,351,285
Lending to the public	<b>G11</b>	20,592,709	14,444,838	18,198,175
Bonds and other interest-bearing securities		2,213,284	1,627,138	1,477,206
Subordinated debt		32,692	26,013	25,015
Shares and participating interests		52,619	29,667	32,903
Intangible assets		1,900,606	686,249	1,784,003
Property, plant & equipment		43,929	33,119	37,132
Reinsurers' share in technical provisions		11,605	27,028	24,685
Other assets		177,133	289,021	377,728
Prepaid expenses and accrued income		249,370	270,396	249,802
<b>TOTAL ASSETS</b>		<b>29,320,766</b>	<b>20,907,226</b>	<b>25,565,420</b>
<b>Liabilities, provisions and equity</b>				
<b>Liabilities and provisions</b>				
Liabilities to credit institutions			19,040	141,260
Deposits and borrowing from the public		18,729,434	13,593,160	16,433,531
Other liabilities		1,290,102	981,066	1,038,501
Accrued expenses and deferred income		291,839	294,002	185,482
Technical provisions		460,440	527,596	534,237
Other provisions		9,661	8,514	8,675
Issued securities		2,624,347	1,799,000	2,181,340
Subordinated debt		42,608		38,224
<b>Total liabilities and provisions</b>		<b>23,448,431</b>	<b>17,222,378</b>	<b>20,561,250</b>
<b>Equity</b>				
Share capital		1,000	126	1,000
Other paid-in capital		2,088,210	800,753	2,050,734
Translation reserve		110,951	33,638	-76,257
Hedging reserve		-17,038	-40,120	0
Retained earnings incl. profit for the period		3,689,213	2,890,451	3,028,693
<b>Total equity</b>		<b>5,872,336</b>	<b>3,684,848</b>	<b>5,004,170</b>
<b>TOTAL LIABILITIES, PROVISIONS AND EQUITY</b>		<b>29,320,767</b>	<b>20,907,226</b>	<b>25,565,420</b>

See Note G12 for information on pledged assets and commitments.

## Condensed statement of changes in equity

SEK thousand	Share capital	Other paid-in capital	Translation reserve	Hedging reserve	Retained earnings incl. profit for the period	Total equity
<b>Initial equity at January 2015</b>	126	800,753	56,159	0	2,407,338	3,264,376
Owner transactions						0
Net profit for the period					483,113	483,113
Other comprehensive income for the period			-22,521	-40,120		-62,641
<b>Equity at 30 September 2015</b>	126	800,753	33,638	-40,120	2,890,451	3,684,848
<b>Initial equity at January 2015</b>	126	800,753	56,159	0	2,407,338	3,264,376
Owner transactions						
New share issue	18	1,249,981				1,249,999
Bonus issue	856				-856	0
Net profit for the period					622,209	622,209
Other comprehensive income for the period			-132,416	0		-132,416
<b>Equity at 31 December 2015</b>	1,000	2,050,734	-76,257	0	3,028,691	5,004,168
<b>Initial equity at January 2016</b>	1,000	2,050,734	-76,257	0	3,028,691	5,004,168
Owner transactions						
Unconditional shareholder's contribution		15,000				15,000
Option premium received		22,476				22,476
Net profit for the period					660,520	660,520
Other comprehensive income for the period			187,209	-17,038		170,171
<b>Equity at 30 September 2016</b>	1,000	2,088,210	110,952	-17,038	3,689,211	5,872,335

All equity is attributable to Parent Company shareholders



## Cash flow statement (indirect method)

SEK thousand	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Operating profit	863,814	630,485	838,219
- of which, interest received	1,798,083	1,874,919	1,995,140
- of which, interest paid	-44,894	-48,740	-207,890
Adjustments for non-cash items in operating profit	339,880	349,036	400,802
Tax paid	-145,882	-188,015	-229,482
<b>Cash flow from operating activities before changes in operating assets and liabilities</b>	<b>1,057,812</b>	<b>791,506</b>	<b>1,009,539</b>
<b>Changes in operating assets and liabilities</b>			
Lending to the public	-1,800,198	-873,455	-1,533,113
Other assets	35,075	-27,278	37,160
Liabilities to credit institutions	-141,260	18,014	140,134
Deposits and borrowing from the public	1,828,357	-2,381,805	-2,615,158
Acquisition of investment assets	-1,463,331	-2,020,038	-2,231,585
Disposal of investment assets	874,013	1,508,926	2,201,246
Other liabilities	-117,182	34,687	1,359
<b>Cash flow from operating activities</b>	<b>273,286</b>	<b>-2,949,443</b>	<b>-2,990,418</b>
<b>Investing activities</b>			
Acquisition of fixed assets	-23,286	-35,957	-50,146
Disposal of fixed assets	3,172	1,260	1,319
Acquisition of subsidiaries			-1,277,649
Disposal of subsidiaries	-2,538		
<b>Cash flow from investing activities</b>	<b>-22,652</b>	<b>-34,697</b>	<b>-1,326,476</b>
<b>Financing activities</b>			
New share issue			1,249,981
Unconditional shareholder's contribution received	15,000		
Issued securities	400,000	1,799,000	1,799,100
Option premium received	22,476		
<b>Cash flow from financing activities</b>	<b>437,476</b>	<b>1,799,000</b>	<b>3,049,081</b>
<b>Cash flow for the year</b>	<b>688,110</b>	<b>-1,185,140</b>	<b>-1,267,813</b>
Cash & cash equivalents at beginning of the year	2,402,046	3,695,094	3,695,094
Exchange difference	72,374	1,317	-25,235
<b>Cash &amp; cash equivalents at end of the period</b>	<b>3,162,530</b>	<b>2,511,271</b>	<b>2,402,046</b>
<b>Adjustment for non-cash items in operating profit</b>			
Credit losses	281,809	253,973	374,863
Depreciation and impairment of property, plant & equipment	23,055	10,575	16,496
Profit/loss tangible assets	-440		
Profit/loss from participations in associated companies	1,678		
Profit/loss on investment assets	-17,517	10,223	18,891
Change in provisions	-73,647	-23,647	-18,566
Adjustment to interest paid/received	105,830	104,596	15,201
Currency effects	19,927	-6,684	-6,083
Other items that do not affect liquidity	-815		
	<b>339,880</b>	<b>349,036</b>	<b>400,802</b>

Liquid assets are comprised of 'Lending to credit institutions' and 'Cash and balances at central banks'.

# Notes to the condensed financial statements

## G1. Accounting principles

Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and with applicable provisions of the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and the Swedish Financial Supervisory Authority's regulations and general guidelines on Annual Reports in Credit Institutions and Securities Companies (FFFS 2008:25), as well as the Swedish Financial Reporting Board's recommendation RFR1, Supplementary Accounting Rules for Corporate Groups. The Resurs Group's accounting principles are presented in more detail in the latest annual report. No new IFRS or IFRIC interpretations, effective as from 1 January 2016, have had any material impact on the Group.

In the third quarter, the Group decided to hedge the net investment in yA Bank AS. The hedged item comprises the sum of the subsidiary's equity at the acquisition date, other contributions after the acquisition and deductions for dividends paid. The Group applies hedge accounting for this net investment.

Exchange-rate differences attributable to currency hedges of investments in foreign subsidiaries are recognised in "Other comprehensive income" after taking into consideration deferred tax.

The Parent Company has prepared its interim report in accordance with the requirements for interim reports in the Annual Accounts Act (AAA) and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities. The same accounting and valuation policies were applied as in the latest annual report

Notes not directly related to the statement of income, comprehensive income, financial position, changes in equity or cash flow: Note G1 Accounting principles, Note G2 Liquidity - Consolidated situation, Note G3 Capital adequacy, Note G4 Segments, Note G13 Related-party transactions, and Note G14 Financial instruments.

The interim information on pages 2-33 comprises an integrated component of this financial report

## G2. Liquidity - Consolidated situation

Liquidity risk is the risk that the bank will be unable to discharge its payment obligations on the due date without borrowing at unfavourable rates. The consolidated situation, comprised of the Parent Company Resurs Holding AB and the Resurs Bank AB Group, must maintain a liquidity reserve and have access to an unutilised liquidity margin in the event of irregular or unexpected liquidity flows.

The Group's liquidity risk is managed through policies that specify limits, responsibilities and monitoring and include a contingency plan. The contingency plan includes, among other things, risk indicators and action plans. The Group's liquidity risk is controlled and audited by independent functions.

Liquidity is monitored on a daily basis and the main liquidity risk is deemed to arise in the event multiple depositors simultaneously withdraw their deposited funds. An internal model is used to set minimum requirements for the size of the liquidity reserve, calculated based on deposit size, the proportion covered by deposit insurance and relationship to depositors. The model also takes into account the future maturities of issued securities. The Board of Directors has stipulate that the liquidity reserve may never fall below SEK 1,000 million. Apart from the liquidity reserve requirement, there is also an intraday liquidity requirement of at least 4 per cent of deposits from the public, a minimum of SEK 600 million. Operations are also governed and controlled by other liquidity requirements.

The liquidity reserve, totalling SEK 1,742 million (1,634), is in accordance with Swedish Financial Supervisory Authority regulations on liquidity risk management (FFFS 2010:7 and applicable amendments thereto) for the consolidated situation. Accordingly, assets are segregated, unutilised and of high quality. The liquidity reserve largely comprises assets with the highest credit quality rating.

In addition to the liquidity reserve, the consolidated situation has other liquid assets primarily comprised of cash balances with other banks. These assets are of high credit quality and total SEK 3,977 million (2,877) for the consolidated situation. Accordingly, total liquidity amounted to SEK 5,718 million (4,492). Total liquidity corresponded to 30 per cent of deposits from the public. The Group also has unutilised credit facilities of SEK 553 million. Resurs Bank will not extend the tenor for SEK 500 million of these unutilised credit facilities and the agreement will extend to not later than 31 January 2017.

The Liquidity Coverage Ratio (LCR) for the consolidated situation is reported on a monthly basis to the authorities. The ratio shows the ratio between high qualitative assets and net outflow during a stressed period of 30 days. As at 30 september 2016, the ratio for the consolidated situation is 154 per cent (105). There has been a minimum statutory LCR ratio of 70 per cent since 2016; this will increase to 100 per cent by 2018.

All valuations of interest-bearing securities were made at market values that take into account accrued interest.

## Financing

A core component of financing efforts is maintaining a well-diversified financing structure with access to several sources of financing. Access to a number of sources of financing means that it is possible to use the most appropriate source of financing at any particular time.

The main type of financing for the consolidated situation comprises deposits from the public. The largest share of deposits is in Sweden, but deposits are also offered in Norway via yA Bank. Deposits, which are analysed on a regular basis, totalled SEK 18,853 million (13,710), SEK 13,950 million of which was in Sweden, and the equivalent of SEK 4,903 million was in Norway. The loans to the public/deposits from the public ratio for the consolidated situation is 109 per cent (105).

Resurs Bank produced a base prospectus in order to issue bonds, with a programme that amounts to SEK 3 billion. A total of SEK 800 million in senior unsecured bonds (MTN) have been issued within the programme. In Norway, outside the framework of the programme, yA Bank issued NOK 400 million in senior unsecured bonds.

Resurs Bank completed a securitisation of loan receivables, a form of structured financing, referred to as Asset Backed Securities (ABS). In an initial transaction on 12 June 2015 loan receivables amounting to a carrying amount of approximately SEK 1.8 billion were transferred from Resurs Bank to the wholly owned subsidiary Resurs Consumer Loans 1 Limited. The acquisition of loan receivables by Resurs Consumer Loans was financed by an international financial institution. Resurs Bank has, for a period of 18 months (revolving period), the right to continue the sale of certain additional loan receivables to Resurs Consumer Loans. Resurs Bank and Resurs Consumer Loans have provided security for the assets that form part of the securitisation. At the balance sheet date the external ABS financing in the Group amounted to SEK 1.4 billion.

## Summary of liquidity – consolidated situation

### Liquidity reserve as per FFFS 2010:7 definition

SEK thousand	30 Sep 2016	30 Sep 2015	31 Dec 2015
Securities issued by sovereigns	75,992	74,691	71,471
Securities issued by municipalities	645,701	696,721	696,441
Lending to credit institutions	245,000		100,000
Bonds and other interest-bearing securities	774,858	862,997	762,714
<b>Summary Liquidity reserve as per FFFS 2010:7</b>	<b>1,741,551</b>	<b>1,634,409</b>	<b>1,630,626</b>
<b>Other liquidity portfolio</b>			
Cash and balances at central banks	56,740		50,761
Lending to credit institutions	2,721,364	2,397,614	2,195,048
Bonds and other interest-bearing securities	1,198,773	478,902	420,026
<b>Total other liquidity portfolio</b>	<b>3,976,877</b>	<b>2,876,516</b>	<b>2,665,835</b>
Less loans to credit institutions		-19,040	-141,260
<b>Total liquidity portfolio</b>	<b>5,718,428</b>	<b>4,491,885</b>	<b>4,155,201</b>
<b>Other liquidity-creating measures</b>			
Unutilised credit facilities	553,260	490,565	535,506

In evaluating liquid assets for LCR reporting, the following assessment of liquid asset quality is made before each value judgement in accordance with the EU Commission's delegated regulation (EU) 575/2013.

### Liquidity Coverage Ratio (LCR) – Liquid assets

SEK thousand	30 Sep 2016	30 Sep 2015	31 Dec 2015
Liquid assets, Level 1	1,070,269	1,014,352	1,133,390
Liquid assets, Level 2	338,360	300,343	125,960
<b>Total liquid assets</b>	<b>1,408,629</b>	<b>1,314,695</b>	<b>1,259,350</b>
<b>LCR measure</b>	<b>154%</b>	<b>105%</b>	<b>142%</b>

Stress tests are carried out on a regular basis to ensure that there is liquidity in place for circumstances that deviate from normal conditions. One recurring stress test is significant outflows of deposits from the public.

Additional information on the Group's management of liquidity risks is available in the Group's 2015 annual report.

### G3. Capital adequacy

Capital requirements are calculated in accordance with the European Parliament and Council Regulation EU 575/2013 (CRR), the Swedish Capital Buffer Act (2014:966) and the law implementing the Buffer Act (2014:967), and the Swedish Financial Supervisory Authority's regulations (FFFS 2014:12) on regulatory requirements and capital buffers. The rules for calculating capital requirements encompass the consolidated situation, comprising the Parent Company Resurs Holding AB and Resurs Bank AB Group.

The capital requirement calculation below must be composed of the statutory minimum capital requirement for credit risk, market risk and operational risk. The capital requirement for capital buffers is also described below under 'Capital ratios and capital buffers.'

The combined buffer requirement for the consolidated situation comprises a capital conservation buffer requirement and a countercyclical capital buffer requirement. The capital conservation buffer requirement amounted to 2.5 per cent of risk-weighted assets. The countercyclical capital buffer requirement is weighted according to geographical requirements, which amounts to 1.5 per cent of risk-weighted assets for Norwegian and Swedish exposures.

From 19 March 2017, the countercyclical capital buffer

requirement will increase to 2 per cent for Swedish exposures. A systemic risk buffer of 3 per cent is included in the capital requirement for the Norwegian subsidiary at an individual level, however, it is not included in the combined buffer requirement for the consolidated situation.

When calculating capital requirements for credit risks and credit valuation adjustments (CVA), the consolidated situation uses the standardised method. In the standardised method for credit risks, the consolidated situation risk weights its asset items in 17 different exposure classes. There may be different risk weights in each exposure class. The total risk-weighted exposure amount is multiplied by 8 per cent to obtain the minimum capital requirement for credit risks.

Operational risks are calculated using the standardised approach. Under the basic indicator method, the capital requirement for operational risks is 15 per cent of the income indicator (i.e., average operating income over the past three years).

#### Consolidated situation

##### Capital base

SEK thousand	30 Sep 2016	30 Sep 2015	31 Dec 2015
<b>Tier 1 capital</b>			
<b>Common Equity Tier 1 capital</b>			
Equity	4,695,418	2,737,043	3,917,271
Net profit for the year	612,614	442,057	571,062
Less:			
Estimated dividend	-306,307		
Shares in subsidiaries	-100		
Intangible assets	-1,864,636	-651,843	-1,744,585
Deferred tax asset	-9,054	-1,970	-8,484
Further value adjustments	-2,695	-2,190	-2,114
Cash flow hedges, net after tax		40,120	
<b>Total Common Equity Tier 1 capital</b>	<b>3,125,240</b>	<b>2,563,217</b>	<b>2,733,150</b>
<b>Tier 2 capital</b>			
Dated subordinated loans	225,850	200,000	238,224
<b>Total Tier 2 capital</b>	<b>225,850</b>	<b>200,000</b>	<b>238,224</b>
<b>Total capital base</b>	<b>3,351,090</b>	<b>2,763,217</b>	<b>2,971,374</b>



## Capital requirement

SEK thousand	30 Sep 2016		30 Sep 2015		31 Dec 2015	
	Risk-weighted exposure amount	Capital requirement <sup>1)</sup>	Risk-weighted exposure amount	Capital requirement <sup>1)</sup>	Risk-weighted exposure amount	Capital requirement <sup>1)</sup>
Exposures to institutions	163,335	13,067	1,213	97	79,143	6,331
Exposures to corporates	332,177	26,574	347,124	27,770	268,657	21,493
Retail exposures	14,185,734	1,134,856	9,872,491	789,799	12,576,412	1,006,113
Exposures in default	1,456,186	116,495	1,119,551	89,564	1,236,739	98,939
Exposures in the form of covered bonds	77,400	6,192	86,203	6,896	76,149	6,092
Exposures to institutions and companies with short-term credit rating	610,384	48,831	719,705	57,576	376,030	30,082
Exposures in the form of units or shares in collective investment undertakings (funds)	168,982	13,519			92,664	7,413
Equity exposures	80,049	6,404	79,000	6,320	91,445	7,316
Other items	177,107	14,169	238,294	19,064	304,720	24,378
<b>Total credit risks</b>	<b>17,251,354</b>	<b>1,380,107</b>	<b>12,463,581</b>	<b>997,086</b>	<b>15,101,959</b>	<b>1,208,157</b>
<b>Credit valuation adjustment risk</b>	<b>11,656</b>	<b>933</b>	<b>5,575</b>	<b>446</b>	<b>10,850</b>	<b>868</b>
<b>Market risk</b>						
Foreign exchange risk	1,372,334	109,787			1,447,452	115,796
<b>Operational risk</b>	<b>4,375,273</b>	<b>350,022</b>	<b>3,477,113</b>	<b>278,169</b>	<b>4,375,273</b>	<b>350,022</b>
<b>Total</b>	<b>23,010,617</b>	<b>1,840,849</b>	<b>15,946,269</b>	<b>1,275,701</b>	<b>20,935,534</b>	<b>1,674,843</b>

<sup>1)</sup> Capital requirement information is provided for exposure classes that have exposures.

In addition to the risks described above in Pillar 1, the consolidated situation reserved 1 per cent of its risk-weight assets for the requirements under Pillar 2 on 30 September 2016.

Capital ratio and capital buffers	30 Sep 2016	30 Sep 2015	31 Dec 2015
Common Equity Tier 1 ratio, %	13.6	16.1	13.1
Tier 1 ratio, %	13.6	16.1	13.1
Total capital ratio, %	14.6	17.3	14.2
Common Equity Tier 1 capital requirement incl. buffer requirement, %	8.2	7.7	7.8
- of which, capital conservation buffer requirement, %	2.5	2.5	2.5
- of which, countercyclical buffer requirement, %	1.2	0.7	0.8
Common Equity Tier 1 capital available for use as buffer, %	6.6	9.3	6.2

Resurs Bank has an application at the Swedish Financial Supervisory Authority which is not yet treated to exempt capital adequacy requirements calculation of the consolidated situation for the currency exposure in NOK of goodwill, which arose with the acquisition of yA Bank

## G4. Segment reporting

The Group CEO is the chief operating decision maker for the Group. Management has established segments based on the information that is dealt with by the Board of Directors and used as supporting information for allocating resources and evaluating results. The Group CEO assesses the performance of Payment Solutions, Consumer Loans and Insurance.

The Group CEO evaluates segment development based on net operating income less credit losses. The Insurance segment is evaluated at the operating profit/loss level, as this is part of the segment's responsibility. Segment reporting is based on the same principles as those used for the consolidated accounts.

### Jul-Sep 2016

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	234,980	389,246	4,202	-1,467	626,961
Interest expense	-21,150	-41,665	0	1,467	-61,348
Fee & commission income	60,227	26,606	0	-29,419	57,414
Fee & commission expense, banking operations	-12,780	-7	0		-12,787
Premium earned, net			219,141	-159	218,982
Insurance compensation, net			-84,142		-84,142
Fee & commission expense, insurance operations			-106,923	29,419	-77,504
Net income/expense from financial transactions	-3,322	-4,087	8,168		759
Profit/loss from participations in Group companies	0	0	0		0
Other operating income	42,293	7,386	-30	-1,101	48,548
<b>Total operating income</b>	<b>300,248</b>	<b>377,479</b>	<b>40,417</b>	<b>-1,260</b>	<b>716,883</b>
<i>of which, internal</i>	<i>15,150</i>	<i>13,903</i>	<i>-27,793</i>	<i>-1,260</i>	<i>0</i>
Credit losses, net	-40,414	-53,255			-93,669
<b>Operating income less credit losses</b>	<b>259,834</b>	<b>324,224</b>	<b>40,417</b>	<b>-1,260</b>	<b>623,214</b>
Expenses excl. credit losses <sup>1)</sup>			-19,551		
<b>Operating profit, Insurance <sup>2)</sup></b>			<b>20,866</b>		

### Jul-Sep 2015

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	207,385	262,633	5,017	-1,707	473,328
Interest expense	-24,171	-19,466		1,707	-41,930
Fee & commission income	68,872	16,173		-28,422	56,623
Fee & commission expense, banking operations	-9,979	-3			-9,982
Premium earned, net			315,482	-529	314,953
Insurance compensation, net			-128,469		-128,469
Fee & commission expense, insurance operations			-151,414	28,309	-123,105
Net income/expense from financial transactions	-3,471	-2,856	-11,000		-17,327
Profit/loss from participations in Group companies	-66	-60	-14		-140
Other operating income	32,115	760	-454		32,421
<b>Total operating income</b>	<b>270,685</b>	<b>257,181</b>	<b>29,148</b>	<b>-642</b>	<b>556,372</b>
<i>of which, internal</i>	<i>11,839</i>	<i>14,876</i>	<i>-26,073</i>	<i>-642</i>	<i>0</i>
Credit losses, net	-16,757	-58,847			-75,604
<b>Operating income less credit losses</b>	<b>253,928</b>	<b>198,334</b>	<b>29,148</b>	<b>-642</b>	<b>480,768</b>
Expenses excl. credit losses <sup>1)</sup>			-20,164		
<b>Operating profit, Insurance <sup>2)</sup></b>			<b>8,984</b>		

## Jan-Sep 2016

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	685,588	1,120,338	12,474	-4,682	1,813,718
Interest expense	-60,302	-118,246	-4	4,682	-173,870
Fee & commission income	181,801	78,491		-87,908	172,384
Fee & commission expense, banking operations	-37,831	-6			-37,837
Premium earned, net			710,494	-1,016	709,478
Insurance compensation, net			-268,137		-268,137
Fee & commission expense, insurance operations			-345,189	87,908	-257,281
Net income/expense from financial transactions	-6,734	-7,257	11,884		-2,107
Profit/loss from participations in Group companies	-854	-824			-1,678
Other operating income	122,884	29,190	-82	-3,546	148,446
<b>Total operating income</b>	<b>884,552</b>	<b>1,101,686</b>	<b>121,441</b>	<b>-4,562</b>	<b>2,103,116</b>
<i>of which, internal</i>	45,436	41,336	-82,210	-4,562	0
Credit losses, net	-117,348	-164,461			-281,809
<b>Operating income less credit losses</b>	<b>767,204</b>	<b>937,225</b>	<b>121,441</b>	<b>-4,562</b>	<b>1,821,307</b>
Expenses excl. credit losses <sup>1)</sup>			-64,214		
<b>Operating profit, Insurance <sup>2)</sup></b>			<b>57,227</b>		

## Jan-Sep 2015

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	645,047	766,794	16,443	-5,522	1,422,762
Interest expense	-99,201	-67,400	-4	5,522	-161,083
Fee & commission income	203,416	44,425		-77,211	170,630
Fee & commission expense, banking operations	-27,895	-3			-27,898
Premium earned, net			874,722	-1,502	873,220
Insurance compensation, net			-360,193		-360,193
Fee & commission expense, insurance operations			-412,435	77,098	-335,337
Net income/expense from financial transactions	-10,031	-8,238	-1,037		-19,306
Profit/loss from participations in Group companies	-66	-60	-14		-140
Other operating income	103,762	27,046	-39		130,769
<b>Total operating income</b>	<b>815,032</b>	<b>762,564</b>	<b>117,443</b>	<b>-1,615</b>	<b>1,693,424</b>
<i>of which, internal</i>	36,451	35,238	-70,074	-1,615	0
Credit losses, net	-87,761	-166,212			-253,973
<b>Operating income less credit losses</b>	<b>727,271</b>	<b>596,352</b>	<b>117,443</b>	<b>-1,615</b>	<b>1,439,451</b>
Expenses excl. credit losses <sup>1)</sup>			-64,655		
<b>Operating profit, Insurance <sup>2)</sup></b>			<b>52,788</b>		

## Jan-Dec 2015

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	866,319	1,114,249	21,312	-7,194	1,994,686
Interest expense	-112,379	-107,410	-12	7,194	-212,607
Fee & commission income	271,178	66,158		-105,488	231,848
Fee & commission expense, banking operations	-38,765	-20			-38,785
Premium earned, net			1,168,646	-1,629	1,167,017
Insurance compensation, net			-505,002		-505,002
Fee & commission expense, insurance operations			-524,539	104,756	-419,783
Net income/expense from financial transactions	-14,925	-12,226	-7,941		-35,092
Profit/loss from participations in Group companies	-66	-60	-14		-140
Other operating income	150,392	38,844	-309		188,927
<b>Total operating income</b>	<b>1,121,755</b>	<b>1,099,535</b>	<b>152,141</b>	<b>-2,361</b>	<b>2,371,069</b>
<i>of which, internal</i>	48,332	49,962	-95,933	-2,361	0
Credit losses, net	-138,203	-236,660			-374,863
<b>Operating income less credit losses</b>	<b>983,551</b>	<b>862,875</b>	<b>152,141</b>	<b>-2,361</b>	<b>1,996,206</b>
Expenses excl. credit losses <sup>1)</sup>			-91,158		
<b>Operating profit, Insurance <sup>2)</sup></b>			<b>60,983</b>		

<sup>1)</sup> Reconciliation of 'Expenses excl. credit losses' against income statement

SEK thousand	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
<b>As per segment reporting</b>					
Expenses excl. credit losses as regards Insurance segment	-19,551	-20,164	-64,214	-64,655	-91,158
<b>Not broken down by segment</b>					
Expenses excl. credit losses as regards banking operations	-301,785	-240,169	-893,280	-744,311	-1,066,829
<b>Total</b>	<b>-321,335</b>	<b>-260,333</b>	<b>-957,493</b>	<b>-808,966</b>	<b>-1,157,987</b>
<b>As per income statement</b>					
General administrative expenses	-277,540	-222,428	-817,388	-689,195	-989,505
Depreciation, amortisation and impairment of tangible and intangible assets	-8,388	-3,956	-23,055	-10,575	-16,496
Other operating expenses	-35,407	-33,949	-117,050	-109,196	-151,986
<b>Total</b>	<b>-321,335</b>	<b>-260,333</b>	<b>-957,493</b>	<b>-808,966</b>	<b>-1,157,987</b>

<sup>2)</sup> Reconciliation of 'Operating profit' against income statement

SEK thousand	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
<b>As per segment reporting</b>					
Operating profit, Insurance	20,866	8,984	57,227	52,788	60,983
<b>Not broken down by segment</b>					
Operating profit as regards banking operations	281,013	211,451	806,587	577,697	777,236
<b>Total</b>	<b>301,879</b>	<b>220,435</b>	<b>863,814</b>	<b>630,485</b>	<b>838,219</b>
<b>As per income statement</b>					
Operating profit	301,879	220,435	863,814	630,485	838,219
<b>Total</b>	<b>301,879</b>	<b>220,435</b>	<b>863,814</b>	<b>630,485</b>	<b>838,219</b>

## Assets

Assets monitored by the Group CEO refer to 'Lending to the public'.

## Lending to the public

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Total Group
2015-09-30	7,330,389	7,114,449		14,444,838
2015-12-31	7,904,650	10,293,525		18,198,175
2016-09-30	8,468,932	12,123,777		20,592,709

## G5. Net interest income/expense

SEK thousand	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
<b>Interest income</b>					
Lending to credit institutions	751	0	2,106	706	1,480
Lending to the public, net	618,723	469,854	1,793,230	1,409,128	1,976,916
Interest-bearing securities	7,487	3,474	18,382	12,928	16,290
<b>Total interest income, net</b>	<b>626,961</b>	<b>473,328</b>	<b>1,813,718</b>	<b>1,422,762</b>	<b>1,994,686</b>
<b>Interest expense</b>					
Liabilities to credit institutions	-2,385	-2,663	-7,271	-6,045	-8,174
Deposits and borrowing from the public	-49,184	-30,569	-137,641	-139,401	-182,987
Interest expense, issued securities	-8,982	-9,234	-26,661	-13,177	-22,771
Other liabilities	-797	536	-2,297	-2,460	1,325
<b>Total interest expense</b>	<b>-61,348</b>	<b>-41,930</b>	<b>-173,870</b>	<b>-161,083</b>	<b>-212,607</b>
<b>Net interest income/expense</b>	<b>565,613</b>	<b>431,398</b>	<b>1,639,848</b>	<b>1,261,679</b>	<b>1,782,079</b>

## G6. Premium earned, net

SEK thousand	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Premium earned	230,943	311,929	694,981	857,206	1,159,861
Premiums for specified reinsurance	-7,484	-41,654	-20,230	-63,501	-71,248
Change in provision for unearned premiums and unexpired risks	-2,991	17,796	44,208	60,314	66,838
Reinsurers' share in change in provision for unearned premiums and unexpired risks	-1,486	26,882	-9,481	19,201	11,566
<b>Total premium earned, net</b>	<b>218,982</b>	<b>314,953</b>	<b>709,478</b>	<b>873,220</b>	<b>1,167,017</b>

## G7. Insurance compensation, net

SEK thousand	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Claims paid, gross	-91,884	-111,676	-299,843	-312,225	-435,798
Less reinsurance share	2,812	2,193	8,687	8,033	12,364
<b>Total claims paid, net</b>	<b>-89,072</b>	<b>-109,483</b>	<b>-291,156</b>	<b>-304,192</b>	<b>-423,434</b>
Change in provision for losses incurred and reported, gross	14,272	-11,309	27,559	-22,228	-44,428
Less reinsurance share	-3,049	-409	-2,377	1,736	7,573
<b>Total change in provision for losses incurred and reported, net</b>	<b>11,223</b>	<b>-11,718</b>	<b>25,182</b>	<b>-20,492</b>	<b>-36,855</b>
Change in provision for losses incurred but not reported (IBNR), gross	-1,853	-1,472	13,068	-18,341	-18,759
<b>Total change in provision for losses incurred but not reported (IBNR), net</b>	<b>-1,853</b>	<b>-1,472</b>	<b>13,068</b>	<b>-18,341</b>	<b>-18,759</b>
Operating expenses for claims adjustment, gross	-4,511	-6,223	-15,537	-17,595	-26,505
Less reinsurance share	71	427	306	427	551
<b>Total operating expenses for claims adjustment, net</b>	<b>-4,440</b>	<b>-5,796</b>	<b>-15,231</b>	<b>-17,168</b>	<b>-25,954</b>
<b>Total insurance compensation, net</b>	<b>-84,142</b>	<b>-128,469</b>	<b>-268,137</b>	<b>-360,193</b>	<b>-505,002</b>

## G8. Other operating income

SEK thousand	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Other income, lending to the public	41,052	31,706	126,065	107,772	143,910
Other operating income	7,496	715	22,381	22,997	45,017
<b>Total operating income</b>	<b>48,548</b>	<b>32,421</b>	<b>148,446</b>	<b>130,769</b>	<b>188,927</b>

## G9. General administrative expenses

SEK thousand	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Personnel expenses	-114,951	-94,186	-363,685	-298,136	-414,989
Postage, communication and notification expenses	-35,429	-31,106	-109,537	-96,494	-134,301
IT expenses	-38,789	-28,428	-114,357	-81,160	-122,905
Cost of premises	-9,414	-7,337	-26,520	-19,885	-29,231
Consultant expenses	-21,665	-32,938	-95,021	-90,054	-150,672
Other	-57,292	-28,433	-108,268	-103,466	-137,407
<b>Total general administrative expenses</b>	<b>-277,540</b>	<b>-222,428</b>	<b>-817,388</b>	<b>-689,195</b>	<b>-989,505</b>

## G10. Credit losses

SEK thousand	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
<b>Individually assessed loan receivables</b>					
Write-offs of stated losses for the period	-712	-44	-1,647	-3,313	-3,281
Recoveries of previously stated credit losses	14	19	159	714	909
Transfers/reversal of provision for credit losses	-3,456	531	-3,632	3,863	2,822
<b>Net result of individually assessed loan receivables for the period</b>	<b>-4,154</b>	<b>506</b>	<b>-5,120</b>	<b>1,264</b>	<b>450</b>
<b>Collectively assessed homogeneous groups of loan receivables with limited value and similar credit risk</b>					
Write-offs of stated losses for the period	-46,470	-135,781	-118,808	-233,066	-303,656
Recoveries of previously stated credit losses	8,198	6,750	26,414	13,069	15,901
Transfers/reversal of provision for credit losses	-51,243	52,921	-184,295	-35,240	-87,558
<b>Net cost of collectively assessed homogeneous groups of loan receivables</b>	<b>-89,515</b>	<b>-76,110</b>	<b>-276,689</b>	<b>-255,237</b>	<b>-375,313</b>
<b>Net cost of credit losses for the period</b>	<b>-93,669</b>	<b>-75,604</b>	<b>-281,809</b>	<b>-253,973</b>	<b>-374,863</b>

## G11. Lending to the public and doubtful receivables

SEK thousand	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Retail sector	21,826,591	15,264,410	19,177,433
Corporate sector	315,618	341,375	343,401
<b>Total lending to the public</b>	<b>22,142,209</b>	<b>15,605,785</b>	<b>19,520,834</b>
Less provision for anticipated credit losses	-1,549,500	-1,160,947	-1,322,659
<b>Total net lending to the public</b>	<b>20,592,709</b>	<b>14,444,838</b>	<b>18,198,175</b>
<b>Doubtful receivables</b>			
Gross doubtful receivables for which interest is not entered as income until payment is made	2,867,673	2,157,958	2,481,575
Provision for anticipated credit losses	-1,549,500	-1,160,947	-1,322,659
<b>Doubtful receivables, net</b>	<b>1,318,173</b>	<b>997,011</b>	<b>1,158,916</b>



## G12. Pledged assets, contingent liabilities and commitments

SEK thousand	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
<b>Collateral pledged for own liabilities</b>			
Lending to credit institutions	285,800	140,000	90,000
Lending to the public <sup>1)</sup>	1,786,550	1,780,523	1,780,232
Assets for which policyholders have priority rights	607,104	646,709	610,875
Floating charges	500,000	500,000	500,000
<b>Total collateral pledged for own liabilities</b>	<b>3,179,454</b>	<b>3,067,232</b>	<b>2,981,107</b>
<b>Contingent liabilities</b>			
Restricted bank deposits <sup>2)</sup>	24,124	18,345	34,025
Guarantees	644	514	644
<b>Total contingent liabilities</b>	<b>24,768</b>	<b>18,859</b>	<b>34,669</b>
<b>Other commitments</b>			
Unutilised credit facilities granted	24,955,319	21,700,737	23,981,937

<sup>1)</sup> Refers to securitisation

<sup>2)</sup> As at 30 september 2016, SEK 22,154,000 in reserve requirement account at the Bank of Finland and SEK 1,970,000 in tax account at Norwegian bank DNB.

## G13. Related-party transactions

Resurs Holding AB, corporate identity number 556898-2291, is owned at 30 September 2016 to 34.93 per cent by Cidron Semper Ltd and 28.58 per cent by Waldakt AB. Of the remaining owners, no single owner holds 20 per cent or more.

There have not been any significant changes to key persons since publication of the 2015 annual report.

Companies with controlling or significant influence through direct or indirect ownership of the Resurs Group also have controlling or significant influence of Ellos Group AB, SIBA AB

and NetonNet AB, with which the Resurs Group conducted significant transactions during the period. Normal business transactions conducted during the period between the Resurs Group and these related companies are presented below. The Parent Company only conducted transactions with Group companies.

Transaction costs in the table refer to market-rate compensation for the negotiation of credit to related companies' customers.

SEK thousand	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Processing fees	-118,320	-128,525	-365,936	-402,687	-526,872
Interest expense – deposits and borrowing from the public	-2,832	-953	-4,301	-4,863	-5,516
Fee & commission income	10,738	9,890	30,157	31,388	41,427
Fee & commission expense	-15,726	-18,567	-52,565	-54,904	-67,480
General administrative expenses	-10,096	-11,100	-24,666	-33,083	-44,119
Other assets	12,740	12,711	12,740	12,711	11,342
Deposits and borrowing from the public	-1,306,211	-625,601	-1,306,211	-625,601	-492,866
Other liabilities	-89,498	-92,229	-89,498	-92,229	-85,023

## G14. Financial instruments

SEK thousand	30 Sep 2016		30 Sep 2015		31 Dec 2015	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
<b>Assets</b>						
Cash and balances at central banks	56,740	56,740			50,761	50,761
Treasury and other bills eligible for refinancing	884,289	884,289	962,486	962,486	956,725	956,725
Lending to credit institutions	3,105,790	3,105,790	2,511,271	2,511,271	2,351,285	2,351,285
Lending to the public	20,592,709	20,592,709	14,444,838	14,444,838	18,198,175	18,198,175
Bonds	2,213,284	2,213,284	1,627,138	1,627,138	1,477,206	1,477,206
Subordinated loans	32,692	32,692	26,013	26,013	25,015	25,015
Shares and participating interests	52,619	52,619	29,667	29,667	32,903	32,903
Derivatives	2,490	2,490	80,940	80,940	170,682	170,682
Other assets	134,138	134,138	23,260	23,260	183,818	183,818
Accrued income	33,698	33,698	34,778	34,778	28,375	28,375
<b>Total financial assets</b>	<b>27,108,449</b>	<b>27,108,449</b>	<b>19,740,391</b>	<b>19,740,391</b>	<b>23,474,945</b>	<b>23,474,945</b>
Intangible assets	1,900,606		686,249		1,784,003	
Tangible assets	43,929		33,119		37,132	
Other non-financial assets	267,782		447,467		269,340	
<b>Total assets</b>	<b>29,320,766</b>		<b>20,907,226</b>		<b>25,565,420</b>	

	30 Sep 2016		30 Sep 2015		31 Dec 2015	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
<b>Liabilities</b>						
Liabilities to credit institutions	0	0	19,040	19,040	141,260	141,260
Deposits and borrowing from the public	18,729,434	18,733,888	13,593,160	13,596,090	16,433,531	16,434,337
Derivatives	225,206	225,206	69,823	69,823	3,147	3,147
Other liabilities	595,891	595,891	644,237	644,237	613,181	613,181
Accrued expenses	244,823	244,823	213,971	213,971	90,105	90,105
Issued securities	2,624,347	2,631,852	1,799,000	1,802,492	2,181,340	2,188,422
Subordinated debt	42,608	42,225			38,224	38,641
<b>Total financial liabilities</b>	<b>22,462,309</b>	<b>22,473,885</b>	<b>16,339,231</b>	<b>16,345,653</b>	<b>19,500,788</b>	<b>19,509,093</b>
Provisions	9,661		8,514		8,675	
Other non-financial liabilities	976,460		874,633		1,051,787	
Equity	5,872,336		3,684,848		5,004,170	
<b>Total equity and liabilities</b>	<b>29,320,766</b>		<b>20,907,226</b>		<b>25,565,420</b>	

For current receivables, current liabilities and variable-rate loans and deposits, the carrying amount reflects the fair value.

## Financial assets at fair value

SEK thousand	30 Sep 2016			30 Sep 2015			31 Dec 2015		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets at fair value through profit or loss:</b>									
Treasury and other bills eligible for refinancing	884,289			962,486			956,725		
Bonds and other interest-bearing securities	2,213,284			1,627,138			1,477,206		
Subordinated loans	32,692			26,013			25,015		
Shares and participating interests	51,569		1,050	29,667			31,948		955
Derivatives		2,490			80,940			170,682	
<b>Total</b>	<b>3,181,834</b>	<b>2,490</b>	<b>1,050</b>	<b>2,645,304</b>	<b>80,940</b>	<b>0</b>	<b>2,490,894</b>	<b>170,682</b>	<b>955</b>
<b>Financial liabilities at fair value through profit or loss:</b>									
Derivates		-225,206			-69,823			-3,147	
<b>Total</b>	<b>0</b>	<b>-225,206</b>	<b>0</b>	<b>0</b>	<b>-69,823</b>	<b>0</b>	<b>0</b>	<b>-3,147</b>	<b>0</b>

## Determination of fair value of financial instruments

## Level 1

Listed prices (unadjusted) on active markets for identical assets or liabilities.

## Level 2

Inputs that are observable for the asset or liability other than listed prices included in Level 1, either directly (i.e., as price quotations) or indirectly (i.e., derived from price quotations).

## Level 3

Inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs).

## Financial assets and liabilities that are offset or subject to netting agreements

Derivatives are entered into under ISDA agreements. The amounts are not offset in the balance sheet.

The majority of derivatives at 30 September 2016 are covered by ISDA Credit Support Annex; accordingly, collateral is obtained and provided in the form of bank deposits between the parties.

Assets for derivative agreements total SEK 2 million (81), while liabilities total SEK 225 million (70). Collateral corresponding to SEK 196 million has been provided and is reported under 'lending to credit institutions' (last year, the banking group provided collateral corresponding to SEK 17 million).

## G15. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to Parent Company shareholders by the weighted average number of ordinary shares outstanding during the period.

During the January - September 2016 period, there were a total of 200,000,000 shares with a quotient value of SEK 0.005.

There was an average of 196,278,820 outstanding shares for the January - September 2015 period.

A bonus issue of 8,557,512 shares as well as the 20:1 share split that was conducted during the fourth quarter of 2015 were taken into account when calculating the number of shares. Accordingly, the average number of outstanding shares for the January - September 2015 period increased from 1,256,429 to 196,278,820.

During the second quarter, a total of 8,000,000 warrants were issued for a value of approximately SEK 27 million. Issued warrants had no dilutive effect.

	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Net profit for the period, SEK thousand	224,871	170,780	660,520	483,113	622,209
Average number of outstanding shares during the period	200,000,000	196,278,820	200,000,000	196,278,820	197,135,201
Earnings per share	1.12	0.87	3.30	2.46	3.16

## Definitions and key ratios

### C/I before credit losses

Expenses before credit losses in relation to operating income.

### C/I before credit losses (excl. Insurance), %

Expenses before credit losses exclusive of the Insurance segment in relation to operating income exclusive of the Insurance segment.

### Capital base

The sum of Tier 1 capital and Tier 2 capital.

### Claims ratio, %

Insurance compensation in relation to premium earned.

### Combined ratio, %

The sum of insurance compensation and operating expenses as a percentage of premium earned.

### Common Equity Tier 1 ratio, %

Common Tier 1 capital in relation to risk-weighted amount as per the Swedish Financial Supervisory Authority's directive; see Note 3.

### Credit loss ratio, %

Net credit losses in relation to the average balance of loans to the public.

### Earnings per share, SEK

Net income attributable to shareholders in relation to average number of shares.

### NBI margin, %

Operating income exclusive of the Insurance segment in relation to the average balance of loans to the public.

### NIM, %

Interest income less interest expense exclusive of the Insurance segment in relation to the average balance of loans to the public.

### Operating costs ratio, %

Operating costs as a percentage of premium earned.

### Premium earned, net

Premium earned, net is calculated as the sum of premium income and the change in unearned premiums after deduction of reinsurers' share. Premium earned, net refers to revenue received by an insurance company for providing insurance coverage during a specific period.

### Return on equity excl. intangible assets, (RoTE), %

Net profit for the period as a percentage of average equity less intangible assets.

### Technical result

Premium earned, net minus claims- and operation expenses net including allocated investment return transferred from non-technical account and other technical income.

### Tier 1 capital

The sum of Common Equity Tier 1 capital and other Tier 1 capital.

### Tier 2 capital

Mainly subordinated loans that cannot be counted as Tier 1 capital contributions.

### Total capital ratio, %

Total capital in relation to risk-weighted amount as per the Swedish Financial Supervisory Authority's directive; see Note 3.

# Parent Company

## Income statement

SEK thousand	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
Net sales	9,188	2,502	18,735	8,309	18,502
<b>Total operating income</b>	<b>9,188</b>	<b>2,502</b>	<b>18,735</b>	<b>8,309</b>	<b>18,502</b>
Personnel expenses	-2,925	-1,028	-8,712	-4,138	-7,297
Other external expenses	-9,241	-31,696	-49,208	-36,172	-74,969
Depreciation, amortisation and impairment of non-current assets	-58	-93	-197	-295	-388
<b>Total expenses</b>	<b>-12,224</b>	<b>-32,817</b>	<b>-58,117</b>	<b>-40,605</b>	<b>-82,654</b>
<b>OPERATING PROFIT</b>	<b>-3,036</b>	<b>-30,315</b>	<b>-39,382</b>	<b>-32,296</b>	<b>-64,152</b>
Earnings from participations in Group companies		2,674		2,674	2,674
Other interest income and similar profit/loss items			1		1
Interest expense and similar profit/loss items		-1	-6	-8	-8
<b>Total profit/loss from financial items</b>	<b>0</b>	<b>2,673</b>	<b>-5</b>	<b>2,666</b>	<b>2,667</b>
<b>Profit/loss after financial items</b>	<b>-3,036</b>	<b>-27,642</b>	<b>-39,387</b>	<b>-29,630</b>	<b>-61,485</b>
Appropriations					61,184
Tax on profit for the period	-182	6,518	7,815	6,518	
<b>NET PROFIT FOR THE PERIOD</b>	<b>-3,218</b>	<b>-21,124</b>	<b>-31,572</b>	<b>-23,112</b>	<b>-301</b>

## Comprehensive income statement

SEK thousand	Jul-Sep 2016	Jul-Sep 2015	Jan-Sep 2016	Jan-Sep 2015	Jan-Dec 2015
<b>Net profit for the period</b>	<b>-3,218</b>	<b>-21,124</b>	<b>-31,572</b>	<b>-23,112</b>	<b>-301</b>
Other comprehensive income that will be reclassified to profit or loss					
<b>Comprehensive income for the period</b>	<b>-3,218</b>	<b>-21,124</b>	<b>-31,572</b>	<b>-23,112</b>	<b>-301</b>

## Condensed balance sheet

SEK thousand	30 Sep 2016	30 Sep 2015	31 Dec 2015
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant & equipment	391	681	588
<b>Financial assets</b>			
Participations in Group companies	2,053,390	878,290	2,053,290
<b>Total non-current assets</b>	<b>2,053,781</b>	<b>878,971</b>	<b>2,053,878</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Receivables from Group companies	6,481	5,451	62,172
Current tax assets	11,585	8,048	1,541
Other current receivables	2	400	4,302
Prepaid expenses and accrued income	464	511	483
<b>Total current receivables</b>	<b>18,532</b>	<b>14,410</b>	<b>68,498</b>
<b>Cash and bank balances</b>	<b>93,821</b>	<b>20,069</b>	<b>77,978</b>
<b>Total current assets</b>	<b>112,353</b>	<b>34,479</b>	<b>146,476</b>
<b>TOTAL ASSETS</b>	<b>2,166,134</b>	<b>913,450</b>	<b>2,200,354</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	1,000	126	1,000
<b>Non-restricted equity</b>			
Share premium reserve	2,073,210	717,976	2,050,734
Profit or loss brought forward	112,806	181,740	98,106
Net profit for the period	-31,572	-23,112	-301
<b>TOTAL EQUITY</b>	<b>2,155,444</b>	<b>876,730</b>	<b>2,149,539</b>
<b>Untaxed reserves</b>		2,700	
<b>Current liabilities</b>			
Trade payables	1,048	5,013	19,751
Other current liabilities	500	410	247
Other provisions	125		44
Accrued expenses and deferred income	9,017	28,597	30,773
<b>Total current liabilities</b>	<b>10,690</b>	<b>34,020</b>	<b>50,815</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,166,134</b>	<b>913,450</b>	<b>2,200,354</b>
<b>Memorandum items</b>			
Pledged assets	-	-	-
Other pledged assets	-	-	-
Contingent liabilities	-	-	-



## Condensed statement of changes in equity

SEK thousand	Share capital	Other paid-in capital	Translation reserve	Retained earnings incl. profit for the period	Total equity
<b>Initial equity at January 2015</b>	126	717,976	181,935	-196	899,841
Owner transactions					0
Appropriation of profits according to resolution by Annual			-196	196	0
Net profit for the period				-23,112	-23,112
<b>Equity at 30 September 2015</b>	126	717,976	181,739	-23,112	876,729
<b>Initial equity at January 2015</b>	126	717,976	181,935	-196	899,841
Owner transactions					
New share issue	18	1,249,982			1,250,000
Bonus issue	856		-856		0
Off issue		82,776	-82,776		0
Appropriation of profits according to resolution by Annual			-196	196	0
Net profit for the period				-301	-301
<b>Equity at 31 December 2015</b>	1,000	2,050,734	98,107	-301	2,149,540
<b>Initial equity at January 2016</b>	1,000	2,050,734	98,107	-301	2,149,540
Owner transactions					
Unconditional shareholder's contribution			15,000		15,000
Option premium received		22,476			22,476
Appropriation of profits according to resolution by Annual					
General Meeting			-301	301	0
Net profit for the period				-31,572	-31,572
<b>Equity at 30 September 2016</b>	1,000	2,073,210	112,806	-31,572	2,155,444

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This information is such information that Resurs Holding AB is required to disclose pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication by the abovementioned contact person on 8 November 2016 at 8:00 a.m. CET.

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

## Auditors' report of review of interim financial information

Resurs Holding AB, corporate identity number 556898-2291

### Introduction

We have reviewed the condensed interim report for Resurs Holding AB as at September 30, 2016 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and for the parent company in accordance with the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies regarding the group, and in accordance with the Swedish Annual Accounts Act regarding the parent company.

Helsingborg, November 7, 2016

Ernst & Young AB

Niklas Paulsson  
Authorized Public Accountant