

Q4 2016 Presentation



Built by Retailers for Retailers



Kenneth Nilsson
Chief Executive Officer
29 years at Resurs



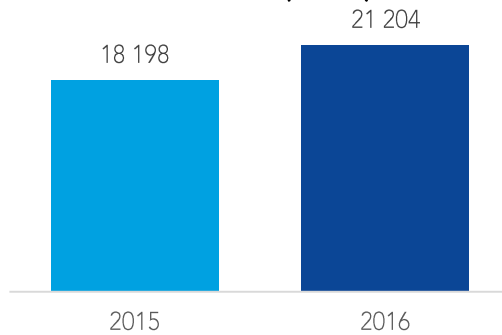
Peter Rosén
Chief Financial Officer
Joined in 2015

Strong end to 2016 - continued strong growth and launch of innovative solutions

- Continued strong lending

+17%

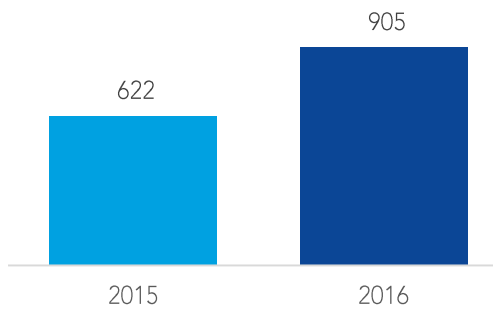
Loan Book Growth (MSEK)



- Increased result

+45%

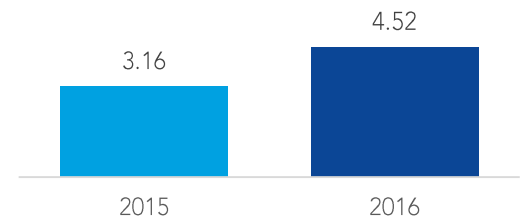
Net Income (MSEK)



- Earnings per share

4.52
SEK

Earnings per share (SEK)



Who we are...

We are retailers by heart and soul

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



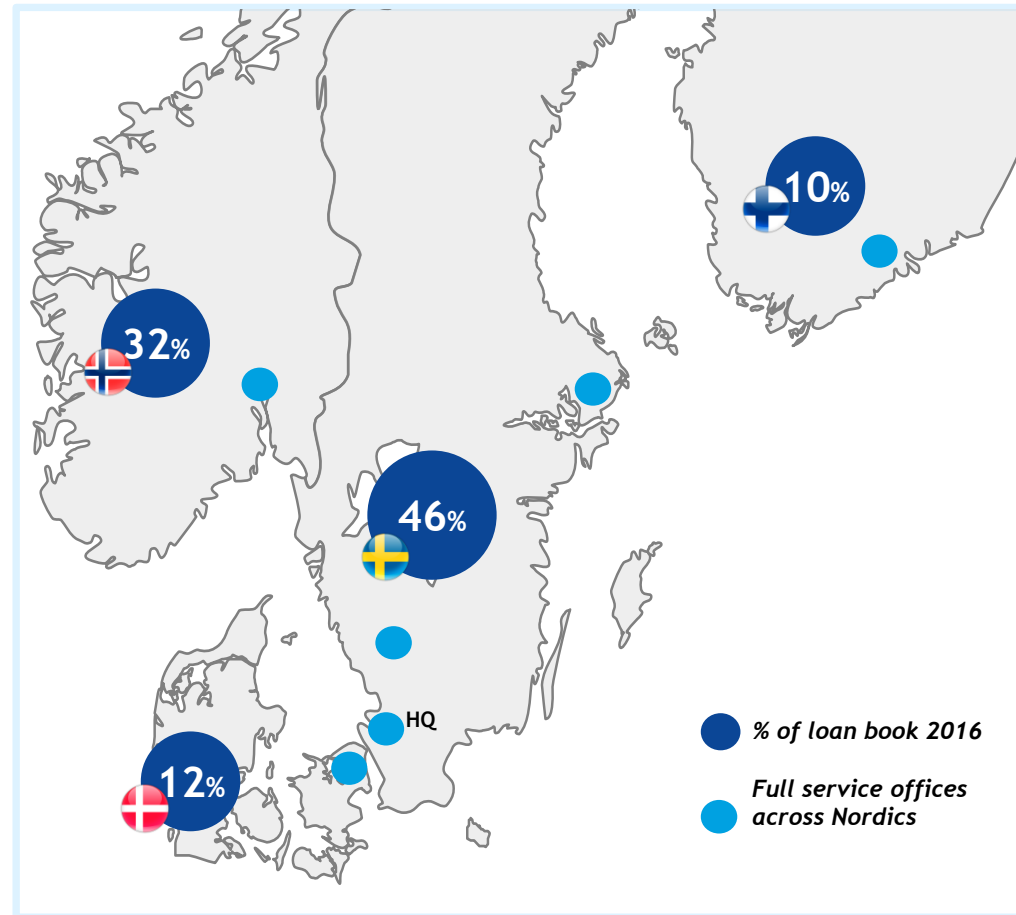
Strong Nordic footprint

A full pan-Nordic organization...

- ✓ Head office in Helsingborg and offices in all Nordic capitals
- ✓ Grown locally through organic growth acquisitions

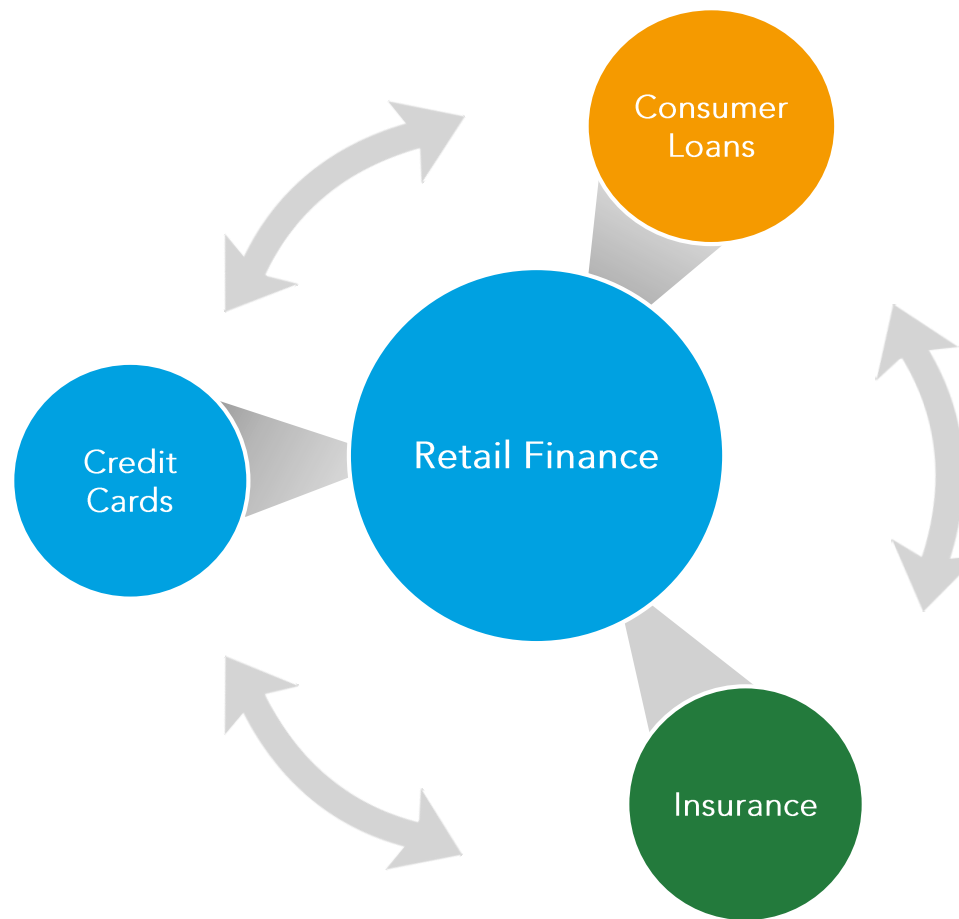


...with substantial volumes in all countries



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

*We Drive
Retail Sales*



*Retail Finance
feeds our growing
database with
Nordic consumers*

Integrated Business Model

Payment Solutions - continued strong performance

Increased sales

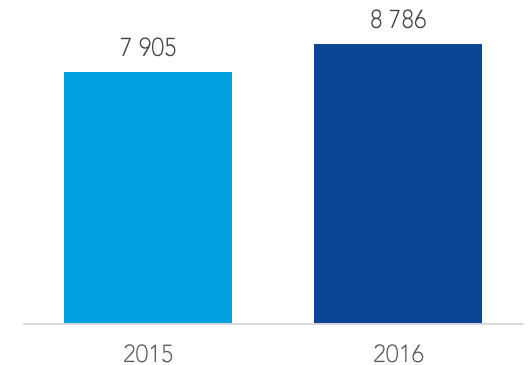
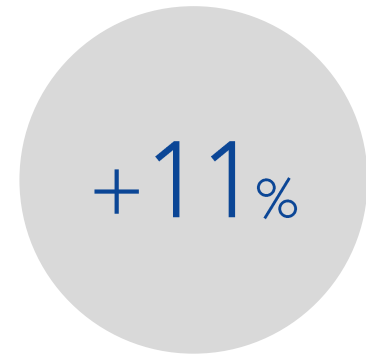
- Strong growth in lending mainly driven by increased sales via existing partners
- Continued focus on partnership development
- Supreme Card reached an all time high with 4 billion in annual turnover in Sweden

Several new partners in 2016

- Examples:



Strong loan book growth

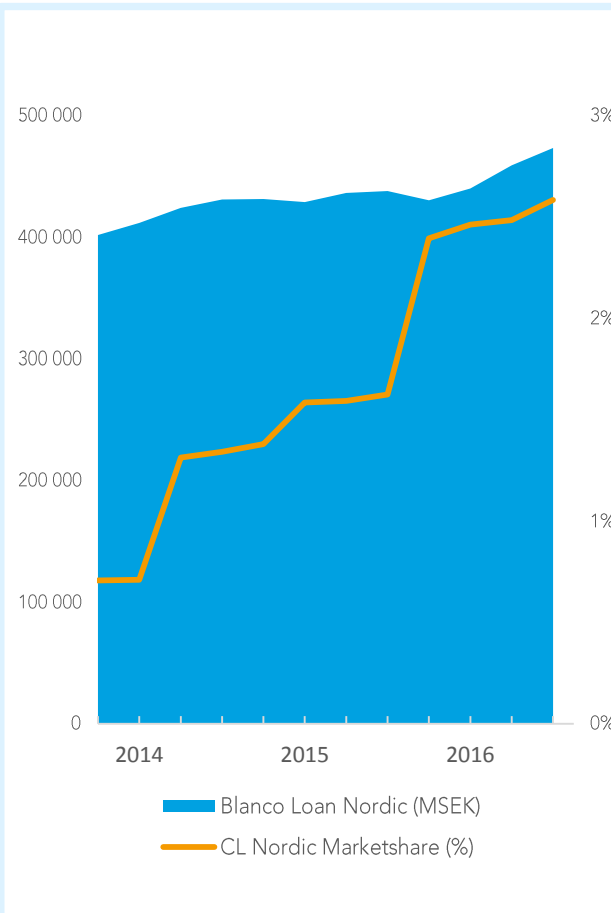


Consumer Loans - strongest quarter ever

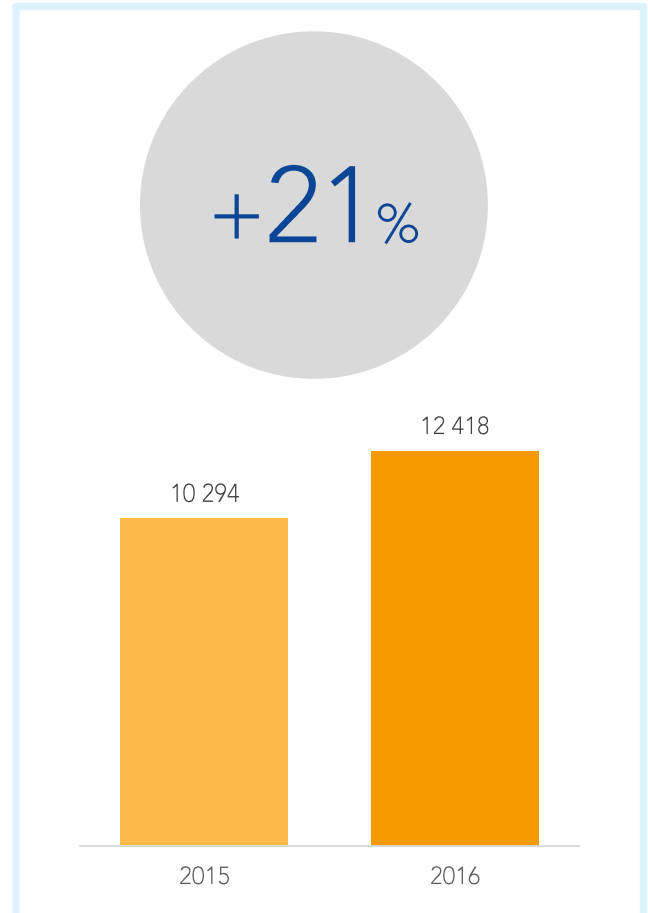
High activity in segment

- Strongest quarter ever
- Continued work to strengthen the competitive advantages of the business model, particularly with more sophisticated risk assessment of the customers generated in Payment Solutions
- We are growing faster than the market

Increasing market share



Strong loan book growth



Insurance - Growth in core business and finalised closure of the UK operations

Closure of unprofitable UK business

- Closing of the UK operations on 31 October.

The remaining costs of SEK 34 million affected the fourth quarter 2016

- Several existing partners extended their partnership with Solid, for example, Resia was launched online in the Nordic region and Ticket was launched online in Norway and Sweden

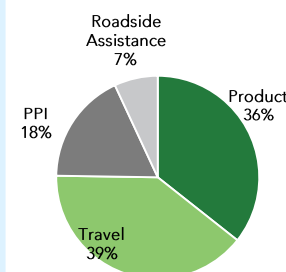
Several new partners in 2016

- Examples:

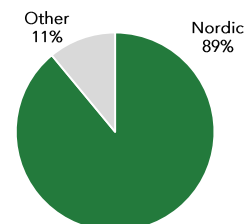
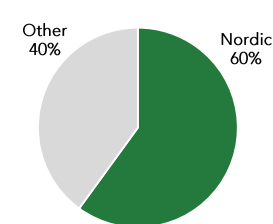
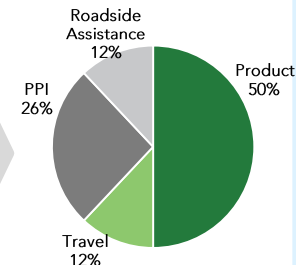


In one year, great transformation

GWP 2015Q4



GWP 2016Q4



Digital Application

Our new digital application is faster, easier and paperless. A simplified process for both our customers and partners.

- Digital application process with Mobile BankID
- Faster, easier and paperless
- More environmental friendly since SECCI will be uploaded on Resurs My Pages instead of printed on paper (5-7 pages)
- Live at all retailers in Sweden and Denmark. Ongoing implementation in Norway and Finland



We are at the forefront of adopting new technology



Resurs mobile wallet platform, based on innovative technology, in which we expect significant growth over the next few years.

- Group your gift cards, loyalty cards and credit cards in one mobile app
- Efficient communication channel for our partners
- Apply for a credit card and sign with BankID, instant credit check
- During Q4 increased active customer base to c.106k users and increased partner base to c.165

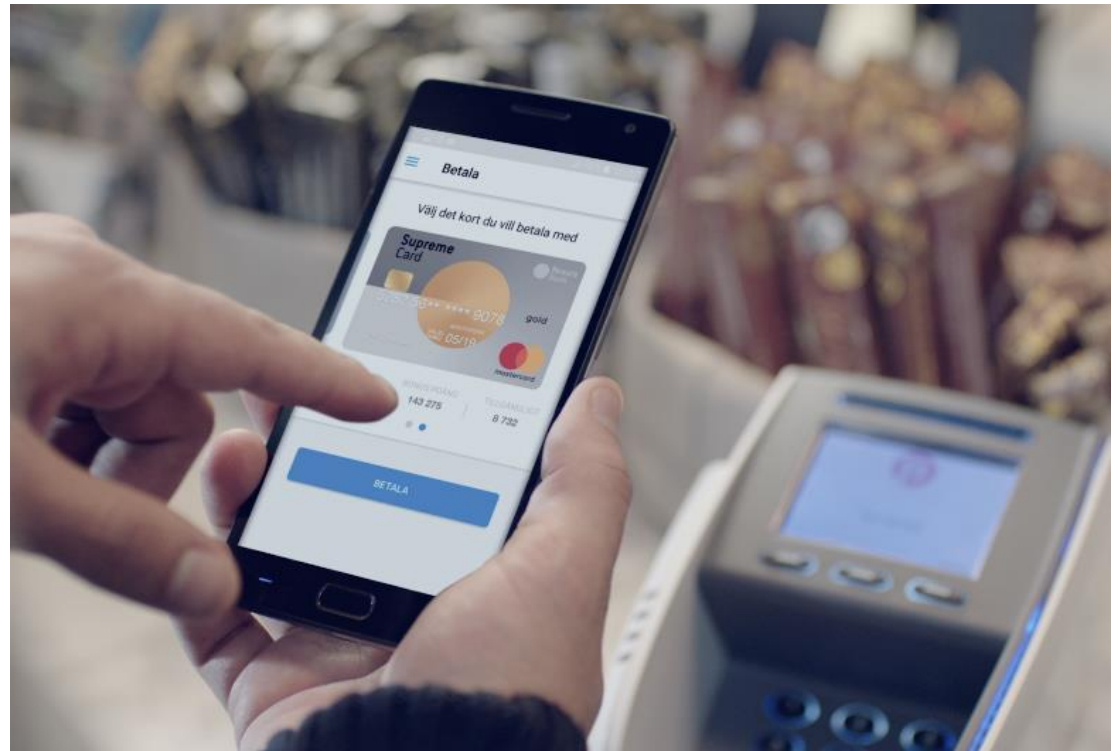


We are at the forefront of adopting new technology



Loyo Pay, our digital wallet, was launched in the Nordics. The future is here and we are technically ready, but there is some way to go before the market is ready for mobile payment.

- Loyo pay, one app for your total OMNI shopping
- Simple onboarding using BankID.
- All Resurs Bank issued MasterCards will automatically be downloaded to the app.
- We are using some hundred beta testers to help identify various issues and questions in the market
- We are also working actively with a number of stakeholders and organisations to drive development of digital services forward



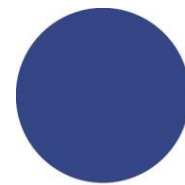
An eventful and fantastic year

2016 was an eventful and fantastic year in our history!

- We launched new digital services for our partners and customers, we initiated cooperation with several new partners and conducted a successful IPO
- Quarter after quarter we reported strong profitable growth and finished the fourth quarter with an all time high in certain areas. This proves the strength of our business model
- In 2017 will we continue to maintain focus on collaboration with partners and the development of customer-centric sales-promoting solutions



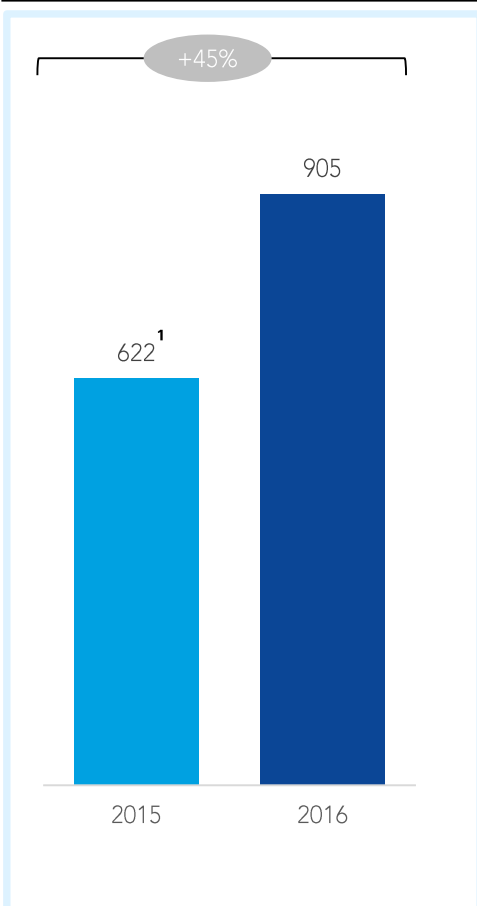
Q4 - In figures



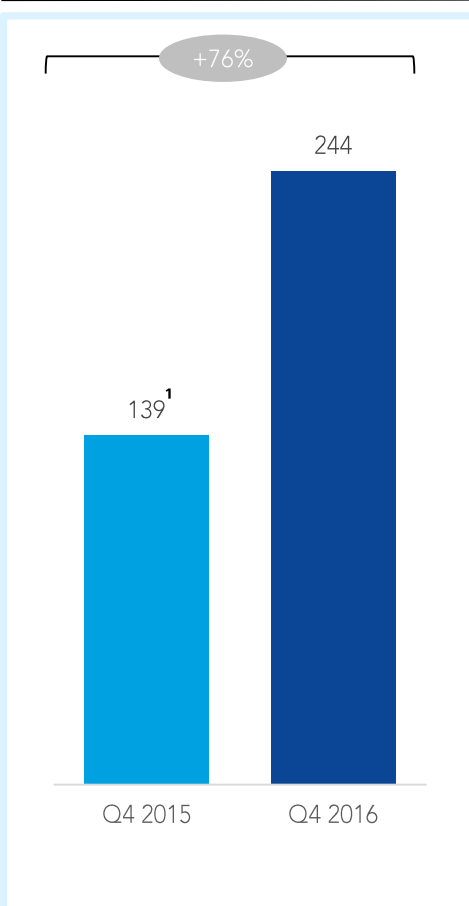
Resurs
Holding

Strong loan book growth and improved efficiency

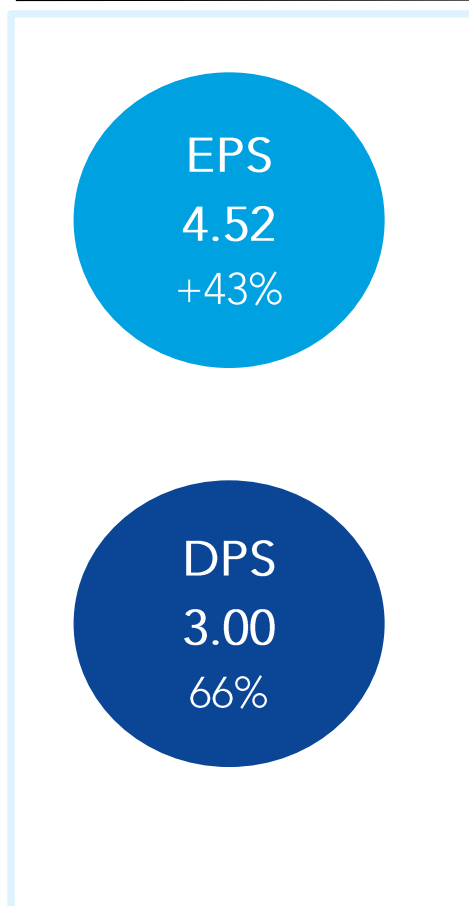
Net Income (MSEK)



Net Income (MSEK)



Share data (SEK)



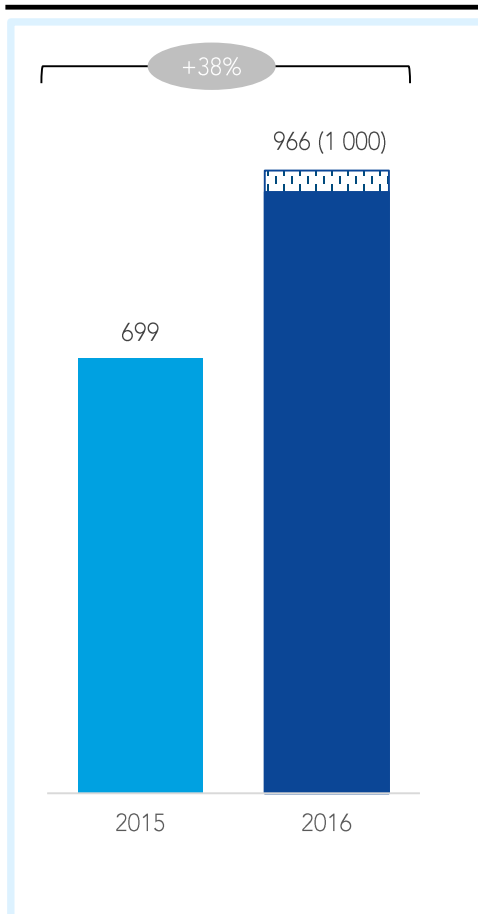
Highlights

- High net income driven by strong growth in loan book and overall improved margins
- Proposed dividend of 3 SEK per share or 66% of net income

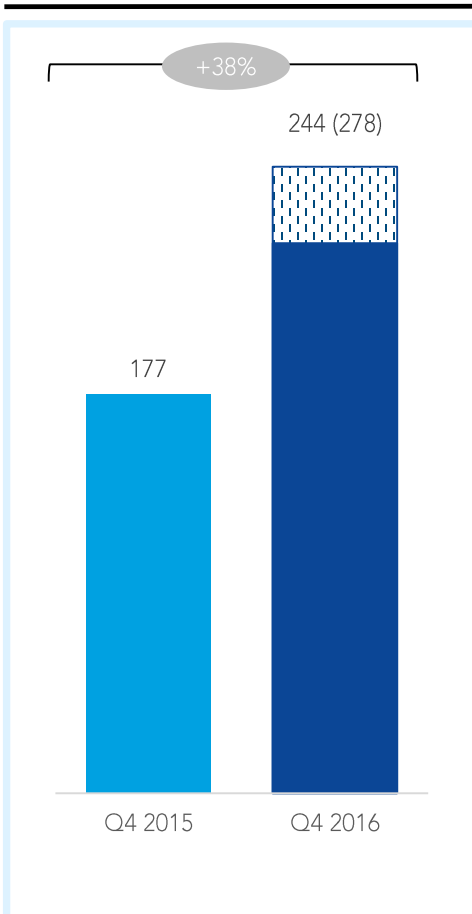
1. Reported 2015 numbers

Strong loan book growth and improved efficiency

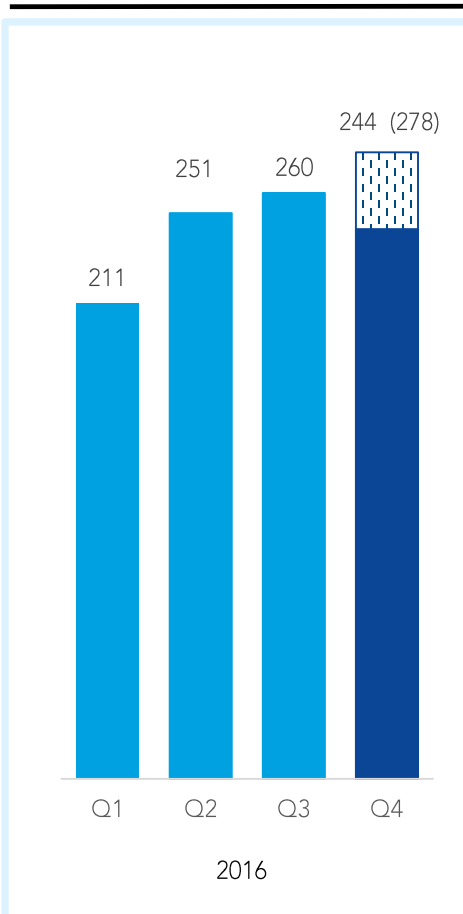
Net Income (excl. one-offs) (MSEK)



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



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

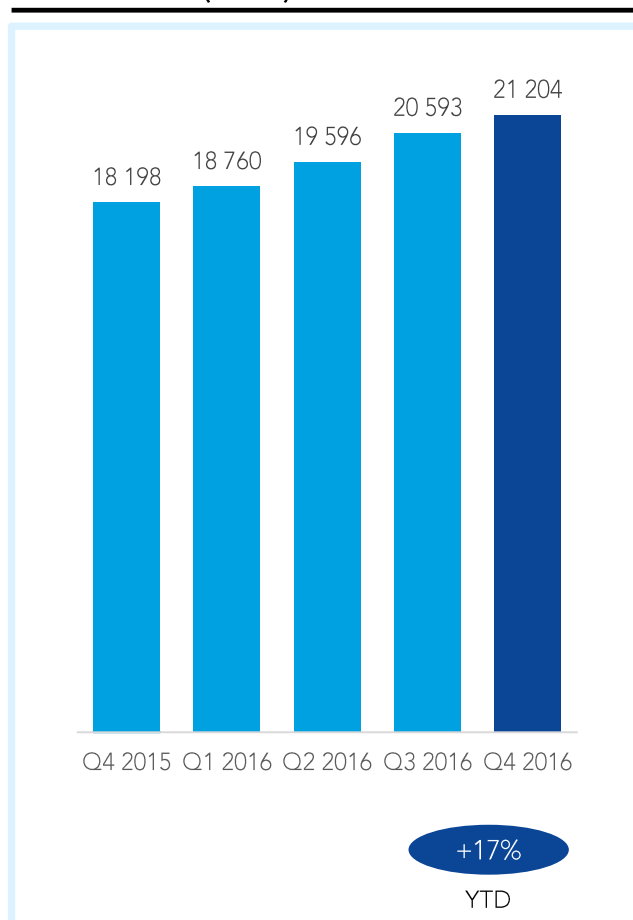


Highlights

- High net income driven by strong growth in loan book and overall improved margins
- Non recurring negative impact of 34 MSEK in Q4 2016 from close down of UK Travel within Insurance segment

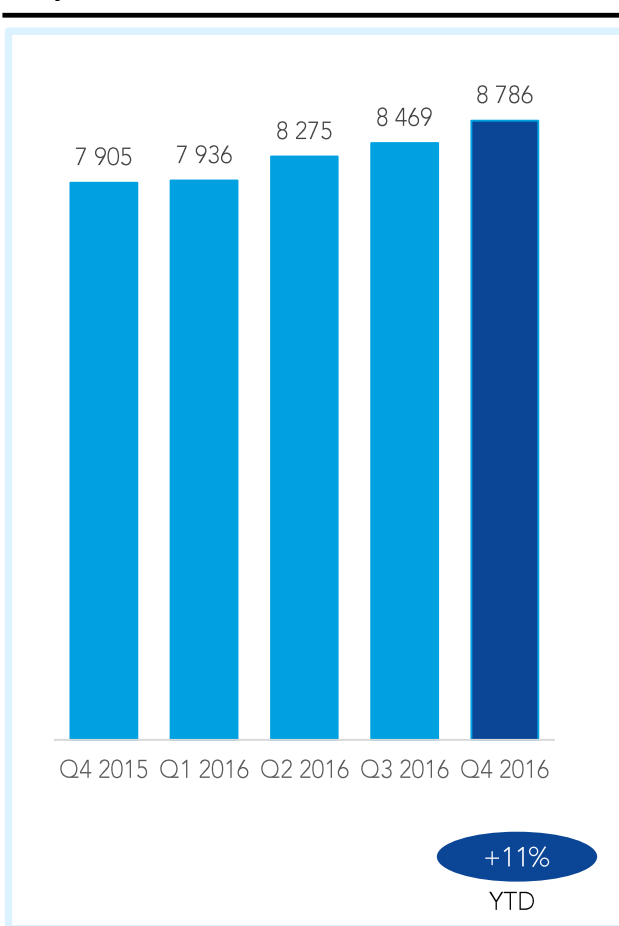
Strong growth in both Payment Solutions and Consumer Loans

Total Resurs (MSEK)



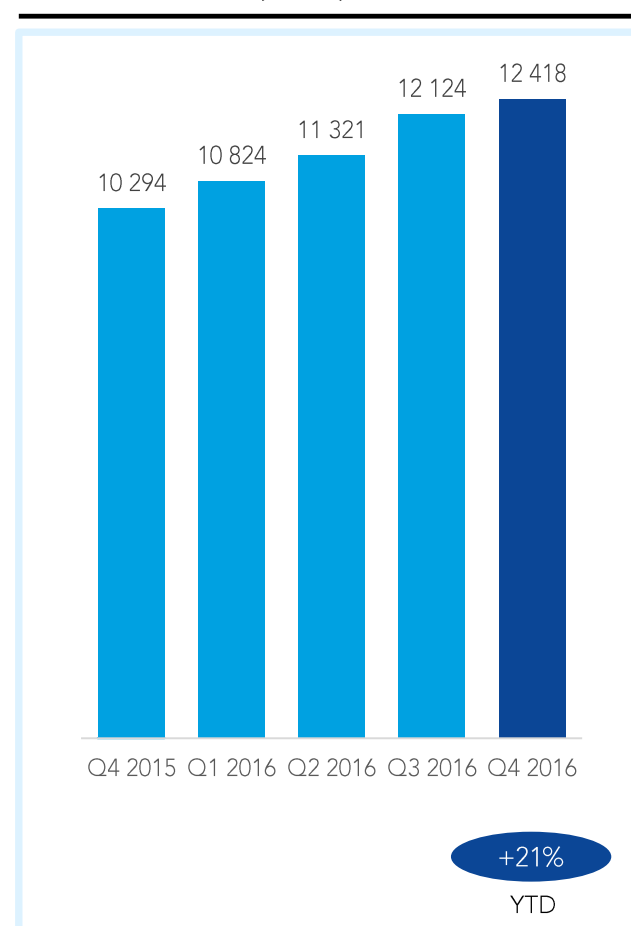
- Both segments and all markets show growth
- Positive FX effect drives loan book further

Payment Solutions (MSEK)



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

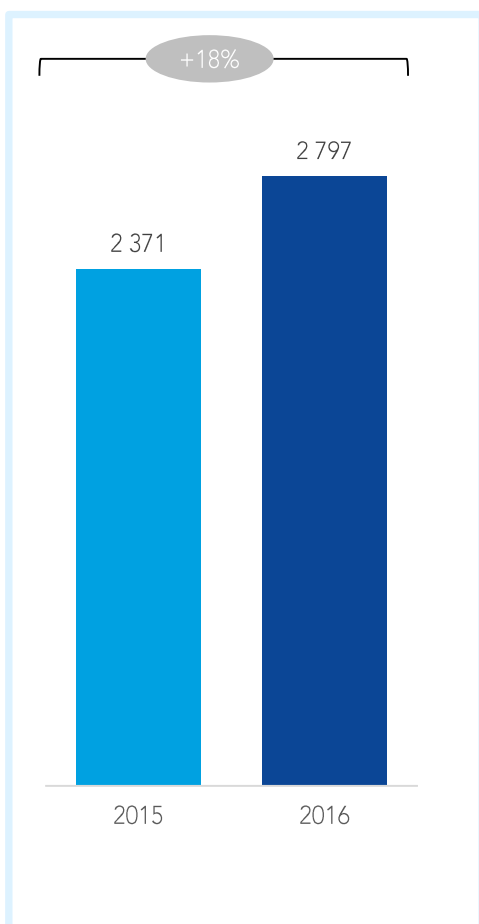
Consumer Loans (MSEK)



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

Margin evolution

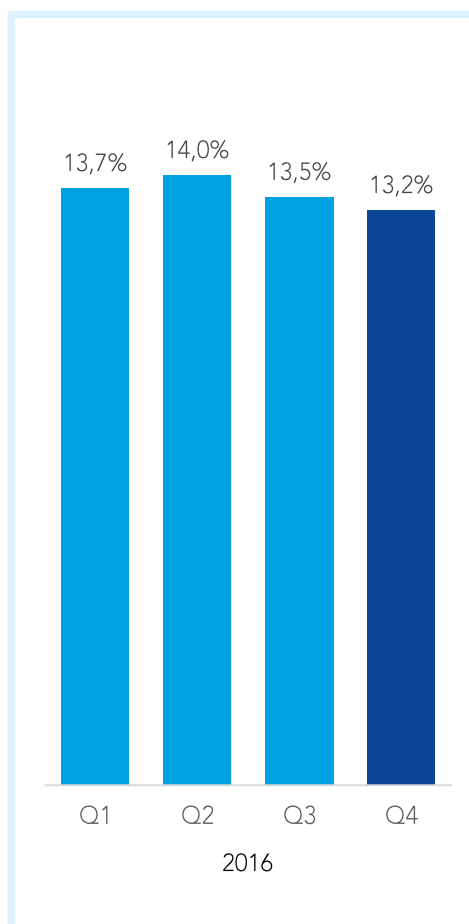
Operating Income (MSEK)



Net Banking Income Margin (%)¹



Net Banking Income Margin (%)¹



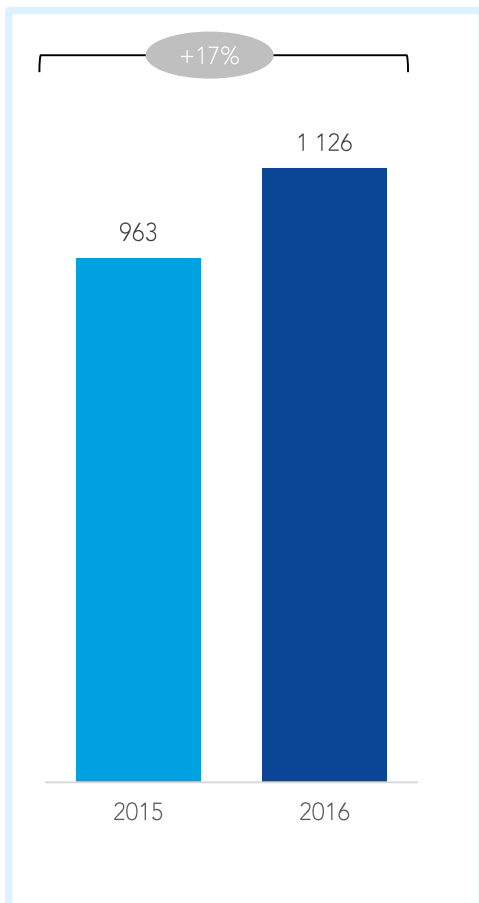
Highlights

- Strong increase in operating income following on the growth of loan book
- Negative Q4 2016 effect of 34 MSEK from close down of UK Travel within Insurance segment
- Net banking income margin down somewhat – e.g. on the back of lower interchange income
- The somewhat lower margin is more than offset by lower CoR

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

Evolution of operating expenses

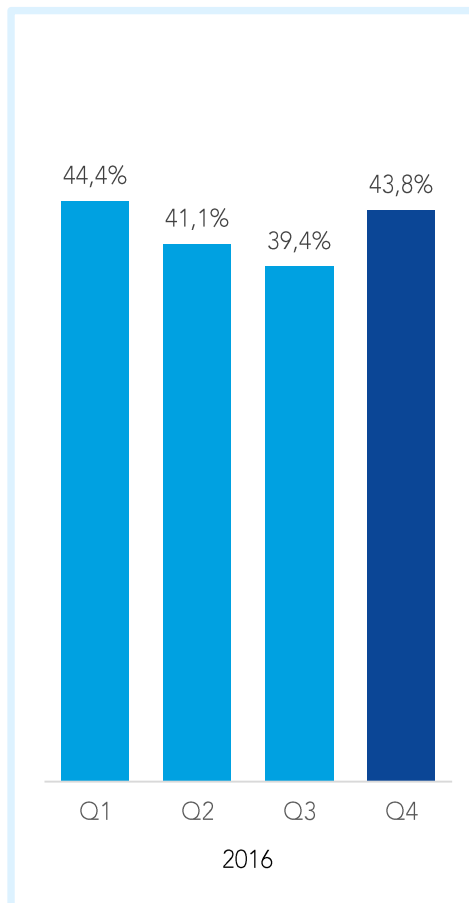
Operating expenses (excl. One-offs and insurance) (MSEK)



Cost income ratio (excl. One-offs and insurance) (%)



Cost income ratio (excl. One-offs and insurance) (%)



Highlights

- The cost income ratio improves on the back of scalable business model

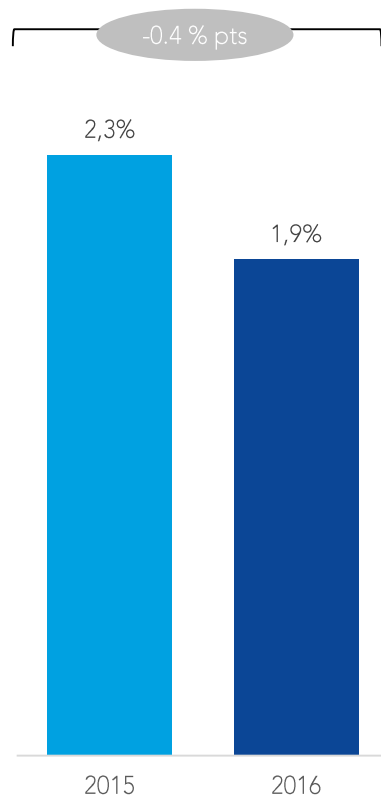
Note: IPO cost of SEK20m reduced in Q1 2016, SEK14m in Q2 2016. and FSA fine SEK35m in Q3 2016.

Evolution of credit losses

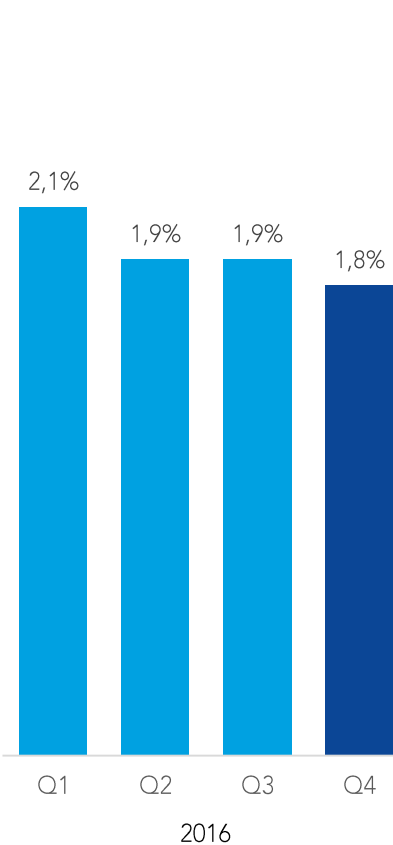
Credit losses, net (MSEK)



Cost of Risk (%)



Cost of Risk (%)

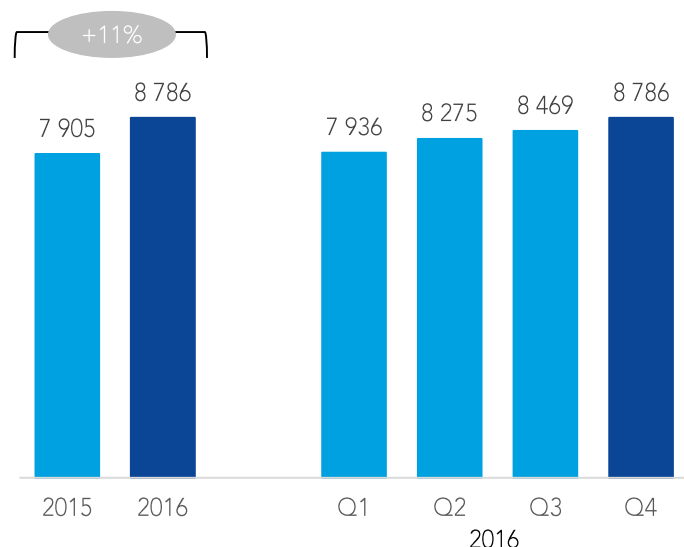


Highlights

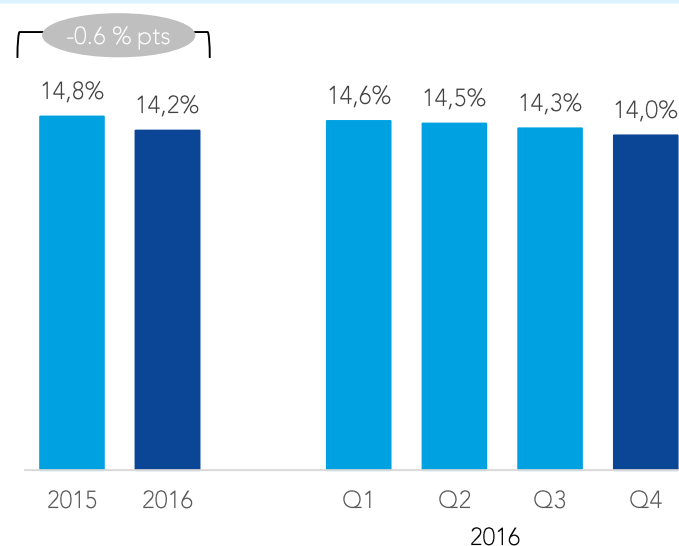
- The cost of risk continues to improve on the back of improved credit quality

Payment Solutions

Loan Book (MSEK)



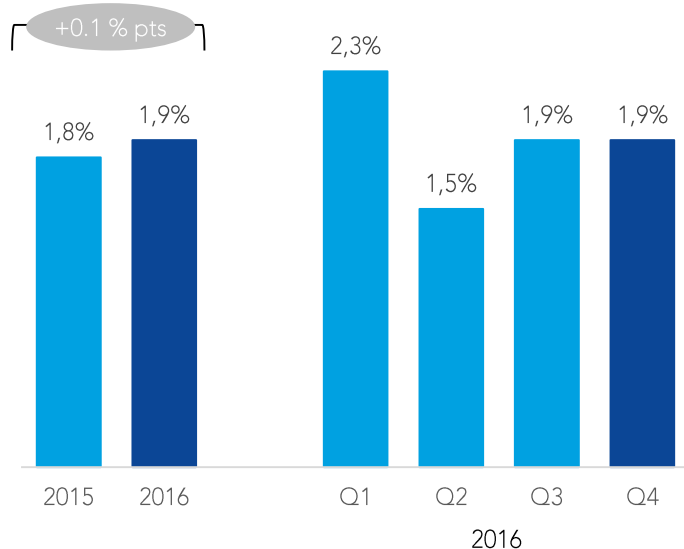
Net Banking Income Margin (%)



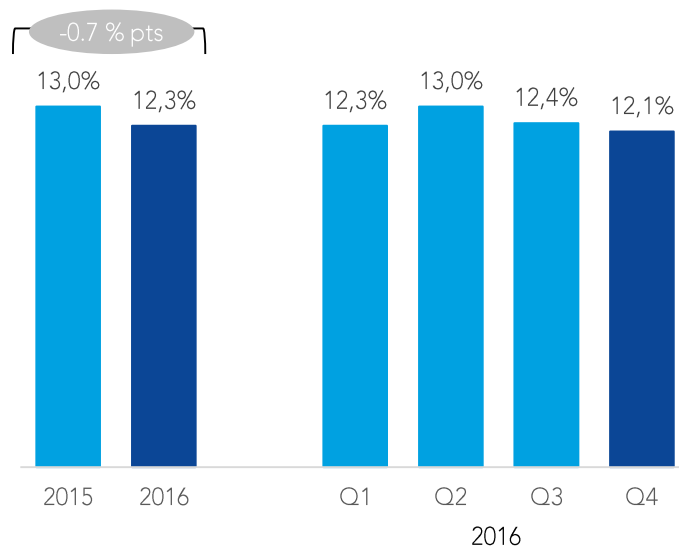
Highlights

- Strong growth of loan book driven by increased sales with existing partners but also new partners added
- The net banking income margin decrease affected by lower interchange income and customer mix
- Stable cost of risk

Cost of Risk (%)

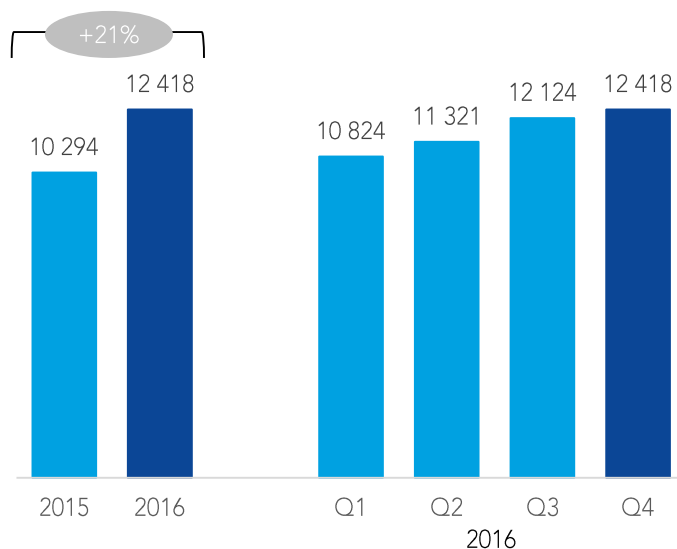


Risk adjusted Net Banking Income Margin (%)

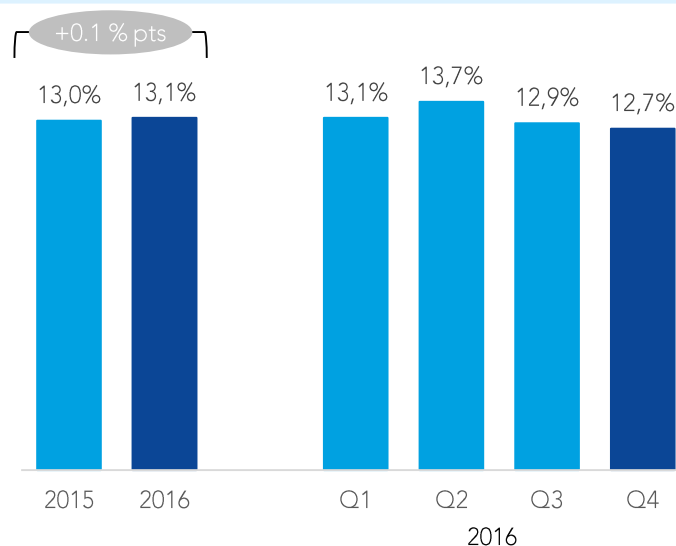


Consumer Loans

Loan Book (MSEK)



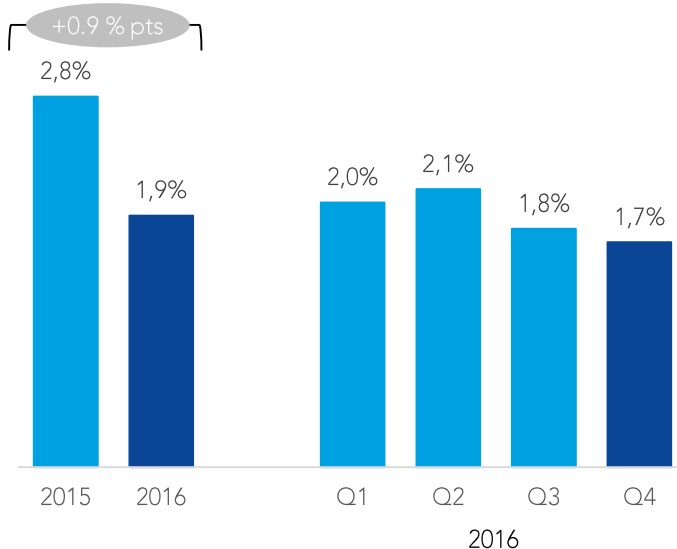
Net Banking Income Margin (%)



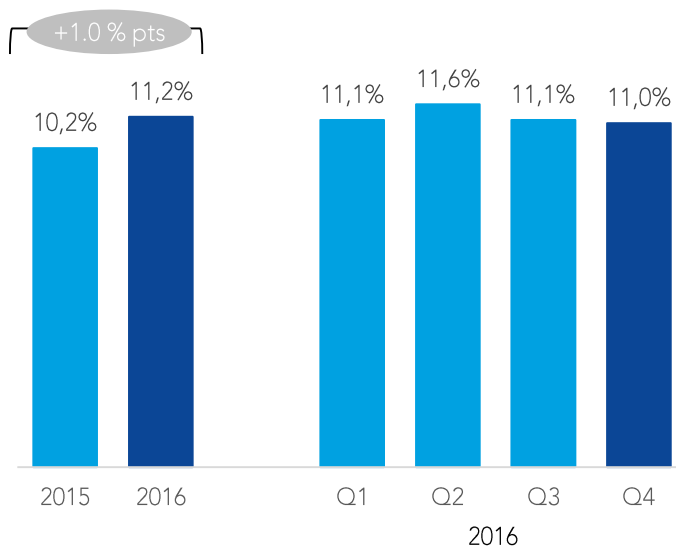
Highlights

- Strong growth in loan book
- Stable net banking income margin
- Improved cost of risk
- Risk adjusted net banking income margin improves

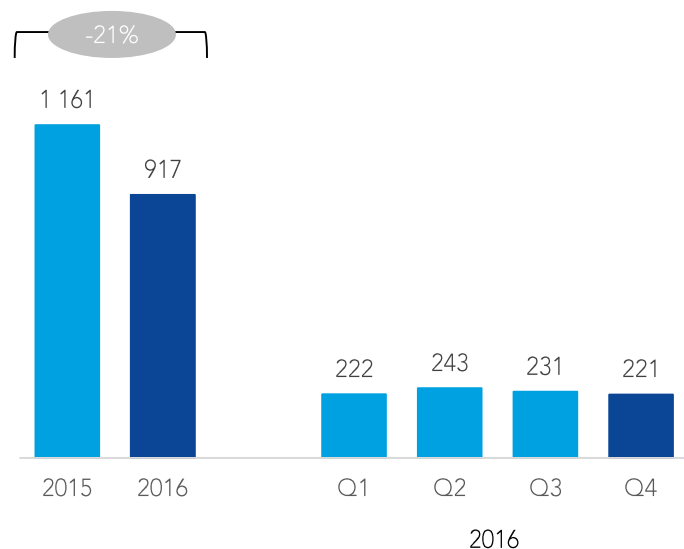
Cost of Risk (%)



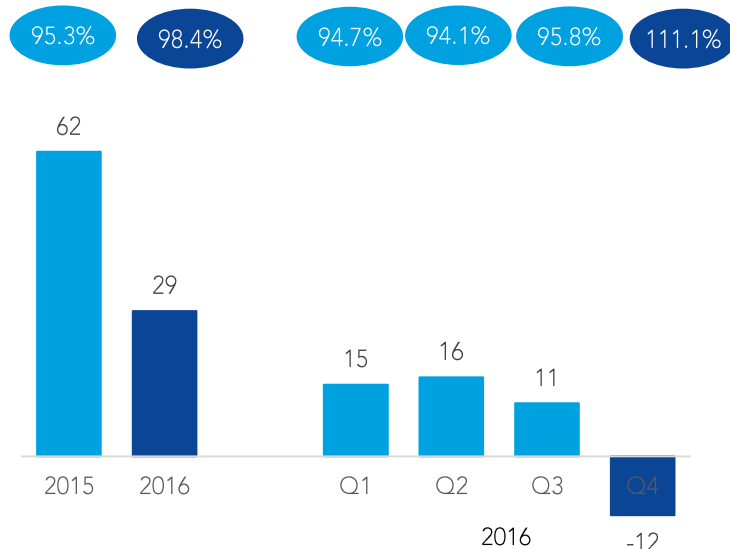
Risk adjusted Net Banking Income Margin (%)



Gross Written Premium (MSEK)



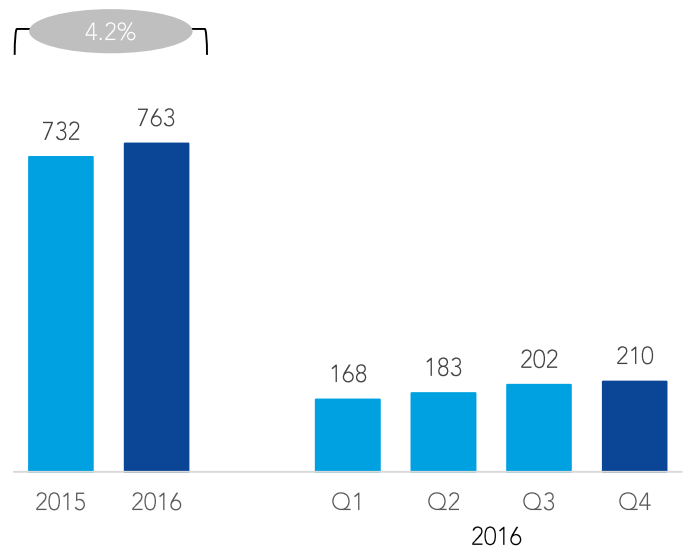
Technical Result (MSEK) and Combined Ratio (%)



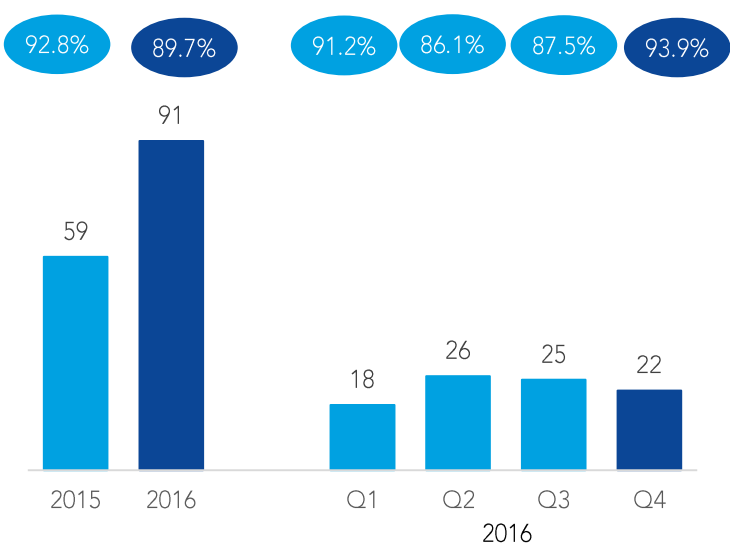
Highlights

- 2016 negatively impacted by unprofitable UK Travel business
- UK Travel has been closed down
- Underlying business shows good growth and high increase in result

Gross Written Premium (MSEK), ex UK Travel

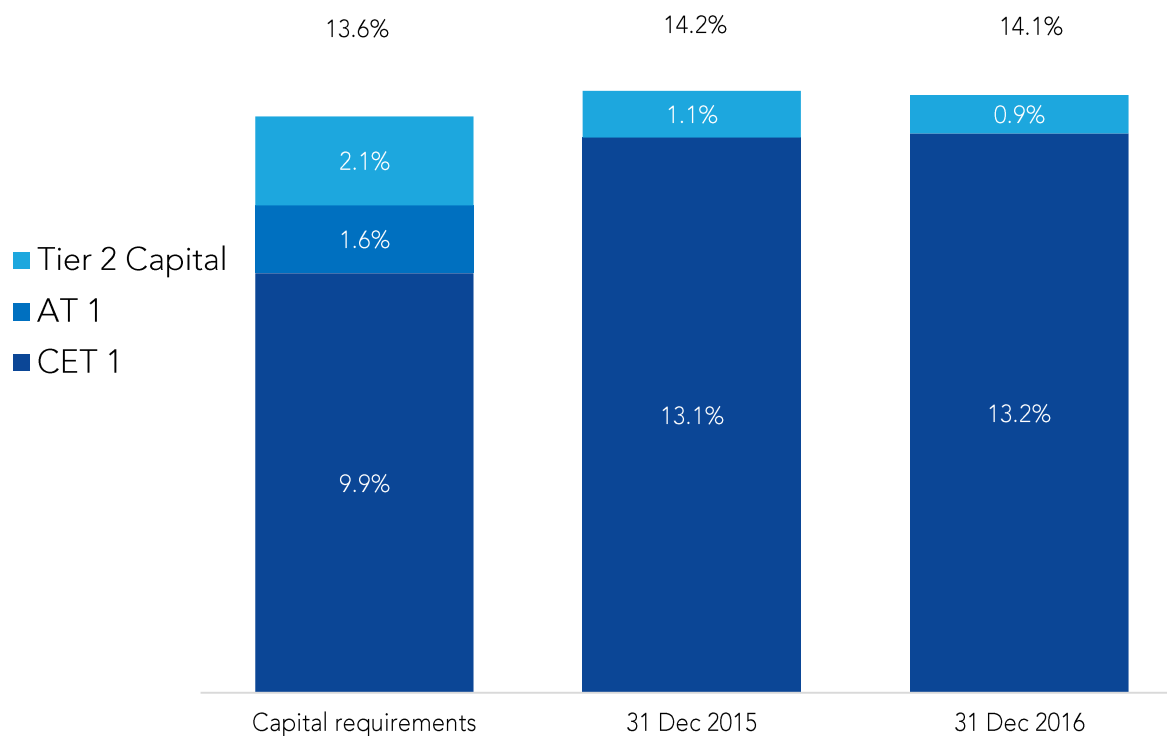


Technical Result (MSEK) and Combined Ratio (%), ex UK Travel



Capital position

Capital structure, %

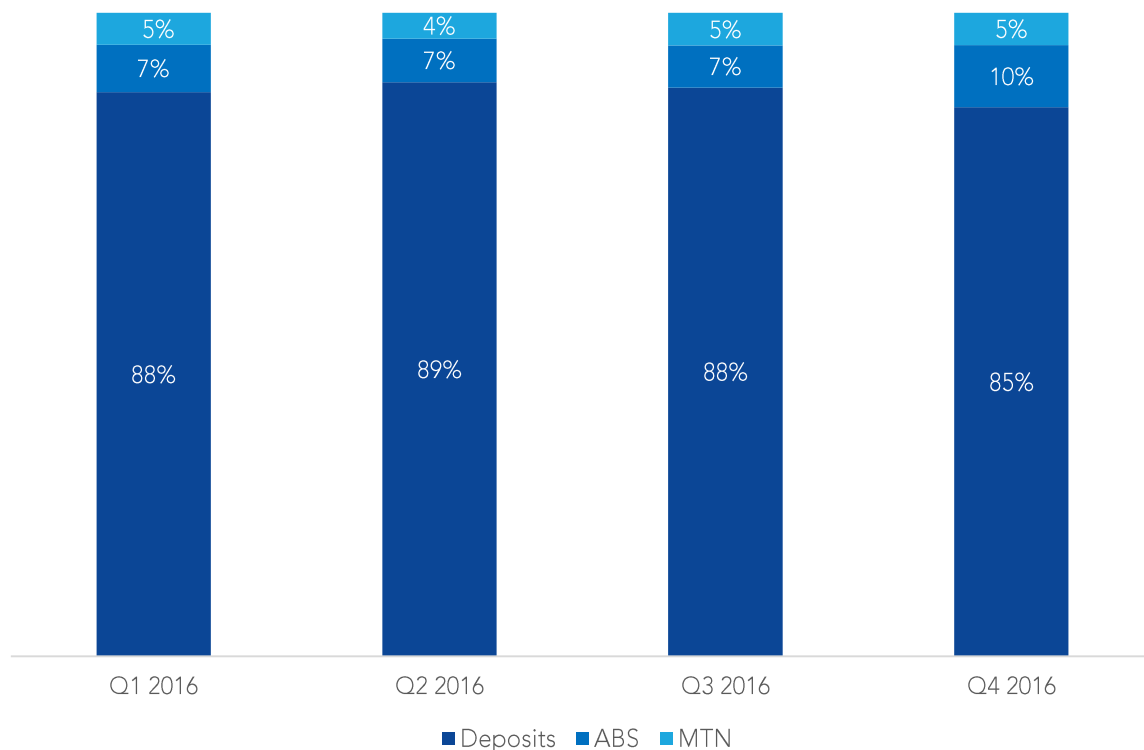


Highlights

- Strong CET1 ratio of 13.2% with a comfortable buffer vs. capital requirements of 9.9% and target CET1 of 12.5%
- Reflects 66% pay-out ratio

Continued diversification

Funding excluding Equity (Total in MSEK)



Highlights

- Further diversified funding with MTN and ABS
 - 2016 saw an increase of 400 MSEK within the MTN program
 - 2016 saw an increase of 700 MSEK of ABS

Medium Term Financial Targets - Recent Performance

Metric	Target	Q4	FY 2016
Organic Loan Growth	~ 10% p.a.	17% (ann.)	17% growth
NBI Margin (Bank)	In line with recent performance (c. 13% – 15% in 2013-2015)	13.2%	13.6%
Cost/Income (Bank)	~ 40% in the medium term	43.8 %	42.2 %
Cost of Risk	In line with recent performance (c. 2% – 3% in 2013-2015)	1.8%	1.9%
RoTE	~ 30% in the medium term (Based on Capital Employed at 12.5% CET1 Ratio)	23.6% at CET 13.2%	25.8% at CET 13.2% 27.0% at CET1 12.5%
Payout Ratio	> 50%	66% of 2016 Net income provisioned for as dividend in CET1 calculation	
CET1/Total Capital Ratio	>12.5% CET1 14.5% Total Capital	13.2% CET1 14.1% Total Capital	