



Interim report **January—March 2017**

1 January—31 March 2017*

- Lending to the public rose 16% to SEK 21,713 million
- Operating income increased by a total of 11% to SEK 748 million
- Operating profit increased by 27% to SEK 322 million
- Earnings per share rose 26% to SEK 1.24
- C/I before credit losses (excl. Insurance) was 42.7% (47.6)
- The credit loss ratio was 1.9% (2.1%)

“2017 began with a record-breaking quarter and sustained strong growth in all segments. The work on launching new and innovative digital solutions for our retail finance partners and customers is continuing at a fast pace.”

Kenneth Nilsson, CEO Resurs Holding AB

ABOUT RESURS HOLDING

Resurs Holding (Resurs), which operates through the subsidiaries Resurs Bank and Solid Försäkring, 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 Bank has established itself as a leading partner for sales-driven payment and loyalty solutions in retail and e-commerce, and Resurs has thus built a customer base of slightly more than 5 million private customers in the Nordics. Resurs Bank has had a banking licence since 2001 and is under the supervision of the Swedish Financial Supervisory Authority. The Resurs Group operates in Sweden, Denmark, Norway and Finland. At the end of the first quarter of 2017, the Group had 731 employees and a loan portfolio of SEK 21.7 billion. Resurs is listed on Nasdaq Stockholm.

* 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 using 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 31 March 2016 in terms of financial position, and to the year-earlier period in terms of profit/loss items.

STATEMENT BY THE CEO

SUSTAINED STRONG GROWTH AND FAST PACE IN DIGITALISATION

2017 began with a record-breaking quarter and sustained strong growth in all segments. The loan portfolio grew 16 per cent to SEK 21.7 billion. Growth was driven by both Payment Solutions and Consumer Loans and was noted in all geographical markets. Our insurance operations performed better year-on-year due to, for example, new partners and the discontinuation of the UK travel insurance operations. Profit after tax for the Group increased 17 per cent excluding nonrecurring costs to SEK 247 million, driven by higher business volumes and continued strong control over both costs and credit losses. Overall, this meant that our performance was a stable improvement on our targets.

In retail finance, some of the more recently won business led to volumes with slightly lower NBI margins. However, these volumes also have lower administration costs and higher credit quality, which had a positive total impact on profitability.

Launches of digital innovations continue

The work on launching new and innovative digital solutions for our retail finance partners and customers is continuing. We also secured additional retail finance partners during the quarter that will make use of our e-commerce check-out solution.

In the fourth quarter of 2016, Payment Solutions test launched a digitised credit application process, allowing customers to sign in-store credit applications using their Mobile BankID. The stores have no papers to process and customers can apply quickly and easily. The service is now available at all of our stores in Sweden and Denmark and more than 50 per cent of all new applications in Sweden are now made digitally. We are currently launching the service in Norway and Finland and expect the digital application to be available to all stores in these markets at the start of the second quarter. This is an important innovation that simplifies processes for both stores and customers. It is also a benefit to the environment since it eliminates the need for paper.

We also launched our Loyo Pay mobile app on a broad front during the quarter – it is the first mobile app to handle both e-commerce and offline payments in the same app. It was developed together with Mastercard and uses both near field communication (NFC) and Masterpass for e-commerce payments. We are the first to offer such a product in northern Europe.

We are now working with several interest groups in the retail sector to accelerate use and we welcome launches of similar products by our colleagues in the industry in the near future. Such moves would drive up interest for this type of innovation and benefit both the retail sector and customers.

40 years of innovative products

We turned 40 during the quarter. Over the years, we have spearheaded developments in the industry in many ways, particularly in recent years by continuously launching new digital products, such as Loyo Pay and digital applications.

We continue to see a fast pace in the development of new digital products and a number of highly attractive sales-promoting products will be launched in 2017.

LENDING

SEK **21,713** million

LENDING GROWTH

+16%

NET PROFIT AFTER TAX FOR THE QUARTER

(excl. nonrecurring costs)*

+17%

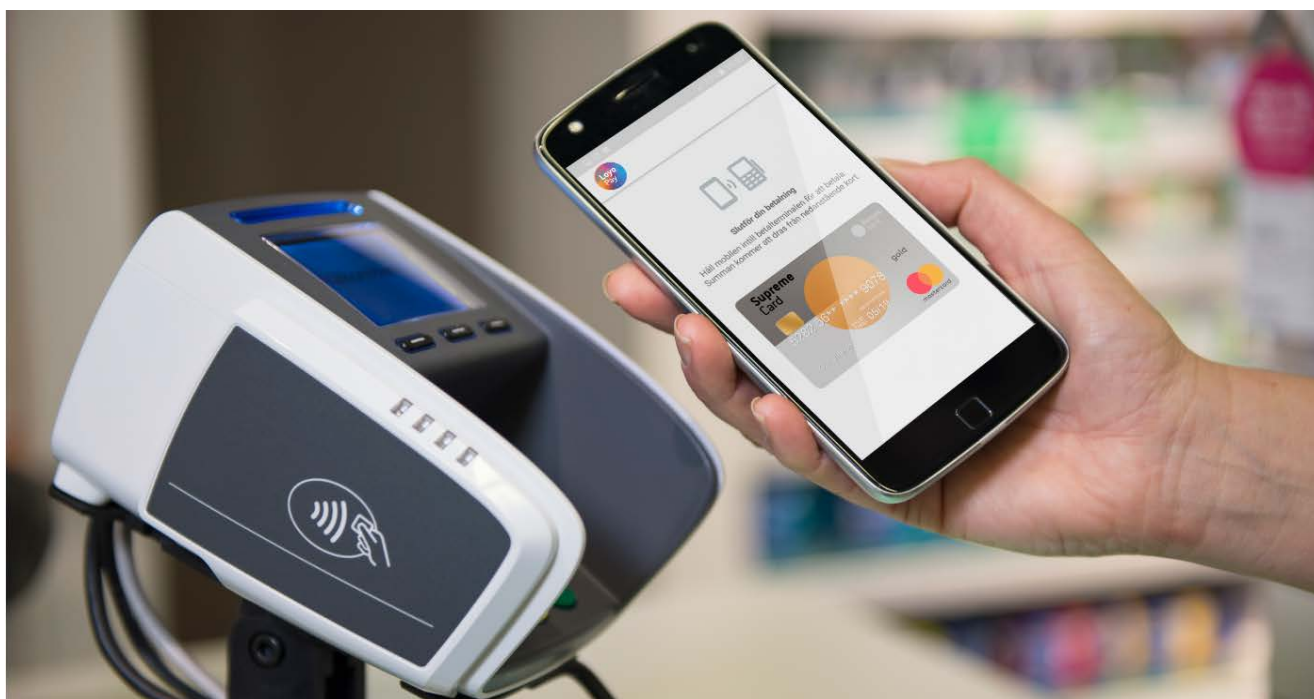


Kenneth Nilsson,
CEO, Resurs Holding AB

PERFORMANCE MEASURES

<i>SEKm unless otherwise specified</i>	Jan–Mar 2017	Jan–Mar 2016	Change	Jan–Dec 2016
Operating income	748	677	11%	2,797
Operating profit	322	253	27%	1,140
Net profit for the period	247	196	26%	905
Net profit for the period, adjusted for nonrecurring costs*	247	211	17%	966
Earnings per share, SEK	1.24	0.98	26%	4.52
Earnings per share, adjusted for nonrecurring costs, SEK*	1.24	1.06	17%	4.83
C/I before credit losses, %	43.3	48.2		45.8
C/I before credit losses (excl. Insurance), %*	42.7	47.6		44.7
Common Equity Tier 1 ratio, %	13.2	13.2		13.2
Total capital ratio, %	15.2	14.3		14.1
Lending to the public	21,713	18,760	16%	21,204
NIM, %*	10.7	11.2		11.1
NBI margin, %*	13.1	13.7		13.6
Credit loss ratio, %*	1.9	2.1		1.9
Return on equity, excl. intangible assets, (RoTE), %*	22.8	23.6		24.3
Return on equity, excl. intangible assets, adjusted for nonrecurring costs, (RoTE), %*	22.8	25.4		25.8

* Some 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 using alternative performance measures and reconciliation against information in the financial statements are provided on the website under "Financial information."



GROUP RESULTS*

FIRST QUARTER 2017, JANUARY—MARCH

Operating income

The Group's operating income totalled SEK 748 million (677), up 11 per cent year-on-year primarily due to growth in lending. The NBI margin for the banking operations was 13.1 per cent (13.7), which is within the Group's mid-term financial target. The decline was due to increased volumes in new retail finance partnerships with a slightly lower NBI margin but with improved profitability. Net interest income increased by 10 per cent to SEK 576 million (522), with interest income rising 10 per cent and interest expense 7 per cent. Fee & commission income amounted to SEK 72 million (60) and fee & commission expense to SEK -13 million (-13). This resulted in a total net commission for the banking operations of SEK 59 million (47), up 25 per cent.

Premiums earned, net, in the insurance operations amounted to SEK 210 million (245), while claim costs fell to SEK -67 million (-89), which is recognised in the item insurance compensation, net. The decline was the result of the discontinuation of the travel-insurance programme in the UK in 2016. Fee & commission expense in the insurance operations amounted to SEK -70 million (-92) and in total net insurance increased 14 per cent to SEK 73 million (64).

Net expense from financial transactions amounted to SEK -1 million (-5). 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 42 million (49), which primarily comprises remuneration from lending operations.

Operating expenses

The Group's expenses before credit losses totalled SEK -324 million (-326) during the quarter. The year-earlier period included a nonrecurring cost of SEK -20 million for the IPO. Year-on-year expenses excluding nonrecurring costs increased in absolute terms as a result of intensified marketing activities and higher investments in IT. Viewed in relation to the operations' income, the cost level (excluding Insurance and nonrecurring costs) continued to decline and amounted to 42.7 per cent (44.4).

Credit losses totalled SEK -103 million (-98) and the credit loss ratio was 1.9 per cent (2.1), due to the continued improved credit quality of the portfolio.

Profit

Operating profit amounted to SEK 322 million (253), up 27 per cent. Net profit for the quarter amounted to SEK 247 million (196). Tax expense for the quarter amounted to SEK 75 million (57).



NET INTEREST INCOME

+ 10%

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

42.7%

OPERATING PROFIT Q1

+27%

FINANCIAL POSITION AT 31 MARCH 2017

At 31 March 2017, the Group's financial position was strong, with a capital base of SEK 3,676 million (3,074) in the consolidated situation, comprising the Parent Company Resurs Holding AB, and the Resurs Bank AB Group. The total capital ratio was 15.2 per cent (14.3) and the Common Equity Tier 1 ratio was 13.2 per cent (13.2). On 17 January 2017, Resurs Bank issued ten-year subordinated Tier 2 bonds of SEK 300 million under the framework of Resurs Bank's MTN programme. There is the option of prematurely redeeming the bonds after five years.

At 31 March 2017, lending to the public totalled SEK 21,713 million (18,760), representing a 16 per cent increase, and a 13 per cent increase excluding currency effects. The increase was derived from both the banking segments and all markets. Moreover, lending was positively impacted by currency effects, primarily in relation to the NOK.

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 sources of financing in order to use the most suitable source of financing at any time.

Deposits from the public at 31 March 2017 totalled SEK 17,705 million (16,662), up 6 per cent. Financing through issued securities totalled SEK 4,110 million (2,191).

Liquidity remained healthy and the liquidity coverage ratio (LCR) was 182 per cent (151) in the consolidated situation. The minimum statutory LCR ratio is 70 per cent, which will increase to 100 per cent by 2018. Lending to credit institutions amounted to SEK 3,436 million (2,397) at 31 March 2017. Holdings of treasury and other bills eligible for refinancing, as well as bonds and other interest-bearing securities, totalled SEK 2,559 million (2,287).

Cash flow from operating activities amounted to SEK -937 million (42) during the first quarter. Cash flow from deposits amounted to SEK -852 million (140) and the net change in investment assets totalled SEK 199 million (165). Cash flow from investing activities for the period totalled SEK -14 million (-5) and cash flow from financing activities was SEK 1,098 million (0). In the first quarter, bonds totalling SEK 1,100 million were issued under Resurs Bank's MTN programme, of which SEK 300 million pertained to subordinated Tier 2 bonds.

Intangible assets amounted to SEK 1,873 million (1,810), mainly due to the goodwill that arose in the acquisition of yA Bank in 2015.

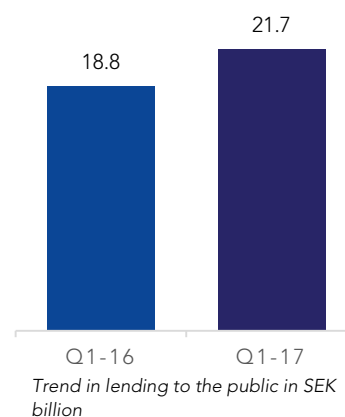
**Certain performance measures provided in this section have not been prepared in accordance with IFRS. Definitions of key ratios are provided on page 30. The reasons for using alternative performance measures and reconciliation against information in the financial statements are provided on the website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



TOTAL CAPITAL RATIO

15.2%

LENDING TO THE PUBLIC



LIQUIDITY COVERAGE RATIO

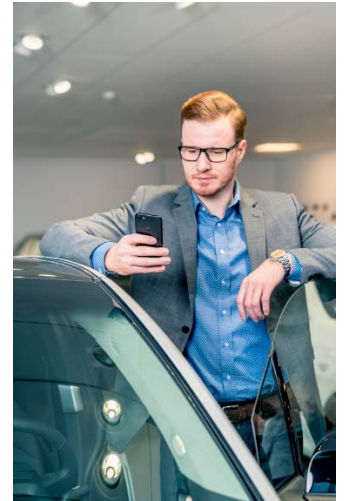
182%

SEGMENT REPORTING

RESURS HOLDINGS' THREE SEGMENTS

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

Payment Solutions delivers finance, payment and loyalty solutions that drive retail sales, as well as credit cards to the public. Consumer Loans focuses primarily on lending to consumers. Insurance includes the wholly owned subsidiary Solid Försäkring, active within consumer insurance. In the first quarter of 2017, Payment Solutions accounted for 41 per cent of the Group's operating income, while Consumer Loans and Insurance accounted for 53 and 6 per cent, respectively.



PERCENTAGE OF OPERATING INCOME JAN—MAR 2017



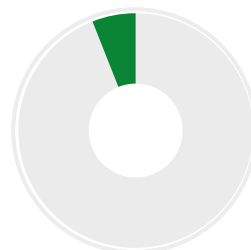
Payment Solutions

41%



Consumer Loans

53%



Insurance

6%



PAYMENT SOLUTIONS

New retail finance partners and digitisation build growth

FIRST QUARTER, JANUARY—MARCH

During the first quarter, Payment Solutions initiated several partnerships with new retail finance partners, while existing partnerships progressed positively. Partnerships with, for example, the lawnmower and garden machinery manufacturer Stiga and Amazing Brands were initiated in the Swedish market. In Norway, Biltema and optician chain Interoptik became new partners, while in the Finnish market car repair chain Rengas Duo became a new strong partner.

Following a test launch in the fourth quarter of 2016, a new digital credit application process was implemented with all retail finance partners in Sweden and Denmark during the first quarter, meaning completely paperless credit-application processing for both retail finance partners and customers. The digital solution will also be implemented in Norway and Finland during the second quarter.

A new marketing concept for Supreme Card was introduced at the end of March. The card's reward programme was also further enhanced, which should ultimately boost the segment's profitability.

The Loyo Pay mobile app and payment solution was fully launched for android users during the first quarter. It is the first mobile payment product in northern Europe that can be used for both e-commerce and in physical stores. The product is a collaboration with Mastercard and makes use of the latest NFC technology for easy in-store payments.

Lending to the public amounted SEK 8,672 million (7,936) at 31 March 2017, a 9 per cent year-on-year increase. This increase was primarily driven by strong sales through new retail finance partners and continued strong demand in the segment.

Operating income totalled SEK 307 million (290), up 6 per cent year-on-year, mostly driven by higher remuneration from retail finance partners. Operating income less credit losses amounted to SEK 272 million (244), up 12 per cent year-on-year.

The NBI margin was 14.1 per cent (14.6) for the quarter. In retail finance, some of the more recently won business led to volumes with slightly lower NBI margins. However, these volumes also have lower administration costs and higher credit quality, which had a positive total impact on profitability.

Credit losses, both in absolute terms and as a percentage of lending volumes, were lower year-on-year as a result of continued improvements in the credit quality of the portfolio.

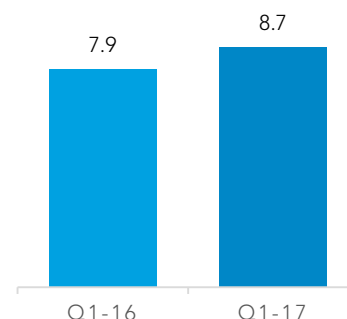


ABOUT PAYMENT SOLUTIONS

The Payment Solutions segment is comprised of retail finance and credit cards. Within retail finance, Resurs is the leading partner for sales-driving finance, payment and loyalty solutions in the Nordic region.

Credit Cards comprises Resurs's proprietary credit cards (of which Supreme Card is the best known), and co-branded credit cards for retail finance partners. 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	Jan–Mar 2017	Jan–Mar 2016	Change	Jan–Dec 2016
Lending to the public at end of the period	8,672	7,936	9%	8,786
Operating income	307	290	6%	1,185
Operating income less credit losses	272	244	12%	1,026
NBI margin, %	14.1	14.6		14.2
Credit loss ratio, %	1.6	2.3		1.9

CONSUMER LOANS

Continued strong growth

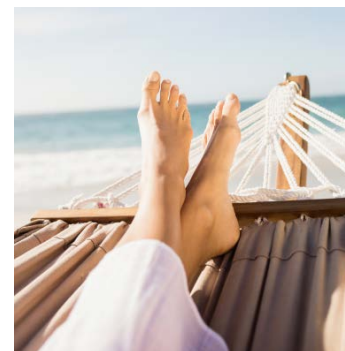
FIRST QUARTER 2017, JANUARY-MARCH

Consumer Loans reported another record-breaking quarter. Lending grew a total of about 20 per cent year-on-year to SEK 13,041 million (10,824). The highest percentage of growth for Resurs Bank was noted in Denmark. Sweden and Norway also performed well, while Finland was in line with the preceding year. yA Bank continued to report very healthy growth and made a positive contribution to the performance of the segment in the quarter.

A new technology platform was launched in Finland that simplified and automatizes the application process for customers and enables more structured analyses and use of customer data to further enhance the efficiency of credit lending. The next step is to migrate the remaining loan products in Finland, which is scheduled to take place in the second quarter of 2017. The platform will then gradually be rolled out to other geographical markets.

Operating income totalled SEK 396 million (346), up 14 per cent year-on-year due to higher volumes. Operating income less credit losses totalled SEK 328 million (294), a year-on-year increase of 11 per cent. Credit losses in absolute terms increased during the period as a result of growth in the loan portfolio, but were stable in relation to lending.

The NBI margin was 12.4 per cent (13.1). The decline was primarily due to yA Bank and the Swedish portfolio reporting higher volumes of lending growth, which both have slightly lower average interest rates than portfolios in other markets.

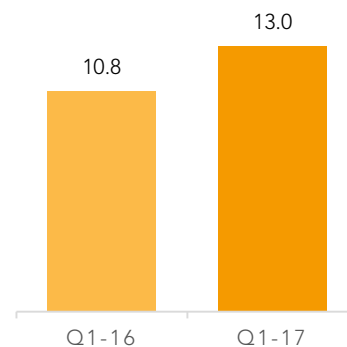


ABOUT CONSUMER LOANS

In the Consumer Loans segment, Resurs offers unsecured loans to consumers who want to finance investments for example in their homes, holidays or other consumption.

Resurs also provides help in consolidating loans held by consumers with other banks, with the aim of reducing the consumer's interest expense. Resurs currently holds approximately SEK 13 billion in outstanding consumer loans.

LENDING TO THE PUBLIC



Trend in lending to the public in SEK billion

PERFORMANCE MEASURES — CONSUMER LOANS

SEKm	Jan–Mar 2017	Jan–Mar 2016	Change	Jan–Dec 2016
Lending to the public at end of the period	13,041	10,824	20%	12,418
Operating income	396	346	14%	1,492
Operating income less credit losses	328	294	11%	1,274
NBI margin, %	12.4	13.1		13.1
Credit loss ratio, %	2.1	2.0		1.9

INSURANCE

Stable foundation for Nordic growth

FIRST QUARTER 2017, JANUARY — MARCH

Insurance's existing partner base continued to perform positively, and additional collaborations with new partners began during the first quarter. The partnership with electronic chain Expert, which is already a partner in Norway and Finland, was further developed since Expert is establishing e-commerce in Sweden under the Power brand. In the Danish market, a new partnership was launched with optician chain Optik Team, with the contract signed in the fourth quarter of 2016. Work continued on increasing the profitability of existing partners, for example, by adjusting premiums and expanding insurable product categories. Preparations have been made in the successful area of bicycles ahead of the biking season.

Preparations also continued during the quarter on establishing branches in Norway and Finland to aid the segment's growth in these countries.

Premiums earned totalled SEK 210 million (245), a year-on-year decrease of 14 per cent. The decline was the result of the discontinuation of the travel-insurance programme in the UK in 2016. Excluding the UK operations, the segment's total premiums earned increased to SEK 201 million (185), a year-on-year increase of slightly more than 8 per cent. Mainly insurance products in the Motor and Travel business lines performed strongly during the quarter. Bicycles reported continued healthy profitability in the Product line.

Operating income for the period rose 13 per cent to SEK 47 million (42). Net income from financial transactions increased year-on-year due to equities and bonds.

The technical result rose 7 per cent to SEK 16 million (15) year-on-year. This increase was due to the sustained strong performance of the partner base in the Nordics and the discontinuation of the travel insurance programme in the UK.

Operating profit increased 32 per cent to SEK 23 million (18) and the combined ratio for the quarter improved to 93.3 per cent (94.7).

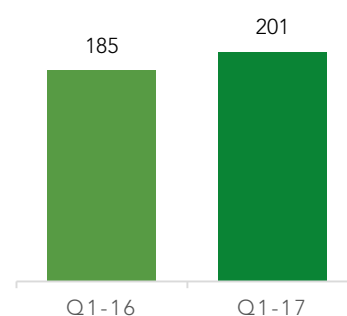


ABOUT INSURANCE

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

Insurance products are divided into four business lines: Travel, Security, Motor and Product. The company partners with leading retail chains in various sectors, and has about 2.3 million customers across the Nordic region.

PREMIUMS EARNED, NET*



* Trend in premiums earned, net, in SEKm, excluding the UK operations

PERFORMANCE MEASURES — INSURANCE

SEKm	Jan–Mar 2017	Jan–Mar 2016	Change	Jan–Dec 2016
Premiums earned, net	210	245	-14%	909
Operating income	47	42	13%	125
Technical result	16	15	7%	29
Operating profit/loss	23	18	32%	40
Combined ratio, %	93.3	94.7		98.4

SIGNIFICANT EVENTS

JANUARY—MARCH 2017

Resurs Bank launched Loyo Pay – the first app for mobile payments in both stores and online

The test version of Loyo Pay was released in November 2016 and the service was fully launched in March 2017. Resurs Bank thus became the first bank to offer its customers a digital payment service that can be used in all sales channels.

Resurs Bank issued subordinated Tier 2 bonds of SEK 300 million

On 17 January 2017, Resurs Bank issued subordinated Tier 2 bonds of SEK 300 million. These subordinated bonds were issued under Resurs Bank's MTN programme and have a tenor of ten years. There is the option of prematurely redeeming the bonds after five years.

AFTER THE END OF THE PERIOD

Approved dividends in Resurs Holding

The Annual General Meeting held on 28 April 2017 resolved on a dividend of SEK 3.00 per share, corresponding to 66% of earnings per share. The total dividend amounts to SEK 600 million. The Resurs share was traded without dividend rights from 2 May 2017. The record date was 3 May 2017 and the dividend was paid on 8 May 2017.



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 more 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 the branch office Resurs Bank AB Suomen siviiliike (Helsinki), operations in Norway through the branch office Resurs Bank AB NUF (Oslo), and operations in Denmark through the branch office Resurs Bank filial af Resurs Bank (Vallensbæk Strand). In Norway, operations are also conducted via subsidiary yA Bank AS 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 731 full-time working employees within the Group at 31 March 2017, up three since the end of 2016. The increase was due to new recruitments in IT, while the number of personnel declined in Admin & Operation.



NUMBER OF EMPLOYEES

731



Information about the Resurs share

Resurs Holding's share is listed on Nasdaq Stockholm, Large Cap. The final price paid for the Resurs share at the end of the period was SEK 52.40.

The ten largest shareholders with direct ownership on 31 March 2017 were:	Share capital
Waldakt (fam. Bengtsson)	28.6%
Cidron Semper Ltd (Nordic Capital)	26.2%
Swedbank Robur Fonder	9.6%
Andra AP-fonden	3.2%
Handelsbanken Fonder	2.9%
Livförsäkringsbolaget Skandia	1.6%
Didner & Gerge Fonder	1.4%
Avanza Pension	1.2%
Norges Bank	1.1%
Skandia Fonder	1.1%
Total	76.9%

Financial targets

Performance measures	Mid-term targets	Outcome Q1
Annual lending growth	about 10%	16%
NBI margin, excl. Insurance	about 13-15%	13.1%
Credit loss ratio	about 2-3%	1.9%
C/I ratio before credit losses, excl. Insurance and adjusted for nonrecurring costs	about 40%	42.7%
Common Equity Tier 1 ratio	over 12,5%	13.2%
Total capital ratio	over 14,5%	15.2%
Return on tangible equity (RoTE) adjusted for nonrecurring costs ¹⁾	about 30%	28.3%
Dividend	at least 50% of profit for the year	n/a

1) Adjusted for Common Equity Tier 1 of 12.5 per cent, the approved dividends in the preceding year and dividends deducted from the capital base for the current year.

Financial calendar

- **8 August 2017** Interim report for Jan–Jun 2017
- **31 October 2017** Interim report for Jan-Sep 2017

NEXT REPORT

8 AUGUST

THE BOARD'S ASSURANCE

This interim report has not been audited.

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.

Helsingborg, 8 May 2017.

Kenneth Nilsson, CEO

The 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

SUMMARY FINANCIAL STATEMENTS — GROUP

Condensed income statement

SEK thousand	Note	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Interest income	G5	636,658	578,684	2,449,066
Interest expense	G5	-60,785	-56,612	-236,813
Fee & commission income		72,313	59,864	225,482
Fee & commission expense, banking operations		-13,388	-12,829	-49,370
Premium earned, net	G6	210,114	244,764	907,204
Insurance compensation, net	G7	-67,172	-88,802	-349,584
Fee & commission expense, insurance operations		-69,913	-92,015	-340,775
Net income/expense from financial transactions		-1,187	-5,120	-958
Profit/loss from participations in Group companies				-1,678
Other operating income	G8	41,739	48,682	193,962
Total operating income		748,379	676,616	2,796,536
General administrative expenses	G9	-267,628	-277,981	-1,081,596
Depreciation, amortisation and impairment of non-current assets		-8,585	-7,304	-31,272
Other operating expenses		-47,631	-41,049	-167,454
Total expenses before credit losses		-323,844	-326,334	-1,280,322
EARNINGS BEFORE CREDIT LOSSES		424,535	350,282	1,516,214
Credit losses, net	G10	-102,877	-97,608	-376,693
OPERATING PROFIT/LOSS		321,658	252,674	1,139,521
Income tax expense		-74,550	-56,909	-234,727
NET PROFIT FOR THE PERIOD		247,108	195,765	904,794
Attributable to Resurs Holding AB shareholders		247,108	195,765	904,794
Basic and diluted earnings per share, SEK	G15	1.24	0.98	4.52

Condensed statement of comprehensive income

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Net profit for the period	247,108	195,765	904,794
Other comprehensive income that will be reclassified to profit/loss			
Translation differences for the period, foreign operations	-24,137	38,000	166,293
Cash flow hedges	3,560		-17,910
Cash flow hedges - tax	-783		3,940
Comprehensive income for the period	225,748	233,765	1,057,117
Attributable to Resurs Holding AB shareholders	225,748	233,765	1,057,117

Condensed statement of financial position

SEK thousand	Note	31 Mar 2017	31 Mar 2016	31 Dec 2016
Assets				
Cash and balances at central banks		55,528	52,134	56,173
Treasury and other bills eligible for refinancing		870,445	900,642	892,068
Lending to credit institutions		3,435,510	2,397,057	3,294,955
Lending to the public	G11	21,713,105	18,760,263	21,204,281
Bonds and other interest-bearing securities		1,688,950	1,386,200	1,886,004
Subordinated debt		33,306	22,773	32,491
Shares and participating interests		70,949	33,071	65,858
Intangible assets		1,872,890	1,810,125	1,885,106
Property, plant & equipment		45,529	37,495	42,079
Reinsurers' share in technical provisions		6,086	22,014	7,734
Other assets		194,153	230,146	219,143
Prepaid expenses and accrued income		228,429	243,484	227,495
TOTAL ASSETS		30,214,880	25,895,404	29,813,387
Liabilities, provisions and equity				
Liabilities and provisions				
Liabilities to credit institutions		35,300	46,435	1,700
Deposits and borrowing from the public		17,705,087	16,662,487	18,617,943
Other liabilities		1,056,171	969,876	1,115,641
Accrued expenses and deferred income		202,666	246,661	150,811
Technical provisions		431,463	492,610	462,853
Other provisions		6,968	8,912	6,988
Issued securities		4,110,336	2,191,280	3,316,130
Subordinated debt		341,648	39,208	42,160
Total liabilities and provisions		23,889,639	20,657,469	23,714,226
Equity				
Share capital		1,000	1,000	1,000
Other paid-in capital		2,088,941	2,050,734	2,088,610
Translation reserve		54,706	-38,258	76,066
Retained earnings incl. profit for the period		4,180,594	3,224,459	3,933,485
Total equity		6,325,241	5,237,935	6,099,161
TOTAL LIABILITIES, PROVISIONS AND EQUITY		30,214,880	25,895,404	29,813,387

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	Retained earnings incl. profit for the period	Total equity
Initial equity at January 2016	1,000	2,050,734	-76,257	3,028,691	5,004,168
Owner transactions					
Net profit for the period				195,767	195,767
Other comprehensive income for the period			38,000		38,000
Equity at 31 March 2016	1,000	2,050,734	-38,257	3,224,458	5,237,935
Initial equity at January 2016	1,000	2,050,734	-76,257	3,028,691	5,004,168
Owner transactions					
Unconditional shareholder's contribution		15,000			15,000
Option premium received		22,876			22,876
Net profit for the period				904,794	904,794
Other comprehensive income for the period			152,323		152,323
Equity at 31 December 2016	1,000	2,088,610	76,066	3,933,485	6,099,161
Initial equity at January 2017	1,000	2,088,610	76,066	3,933,485	6,099,161
Owner transactions					
Option premium received		331			331
Net profit for the period				247,108	247,108
Other comprehensive income for the period			-21,360		-21,360
Equity at 31 March 2017	1,000	2,088,941	54,706	4,180,593	6,325,240

All equity is attributable to Parent Company shareholders.

Cash flow statement (indirect method)

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Operating profit	321,658	252,674	1,139,521
- of which, interest received	635,535	577,043	2,448,835
- of which, interest paid	-19,165	-16,813	-236,636
Adjustments for non-cash items in operating profit	123,379	94,001	341,606
Tax paid	-66,566	-27,603	-170,355
Cash flow from operating activities before changes in operating assets and liabilities	378,471	319,072	1,310,772
Changes in operating assets and liabilities			
Lending to the public	-715,468	-479,893	-2,605,972
Other assets	40,620	93,292	-142,152
Liabilities to credit institutions	33,600	-94,825	-139,560
Deposits and borrowing from the public	-852,130	140,367	1,786,924
Acquisition of investment assets	-136,995	-372,074	-1,682,620
Divestment of investment assets	336,465	537,058	1,385,556
Other liabilities	-21,238	-101,278	-126,206
Cash flow from operating activities	-936,675	41,719	-213,258
Investing activities			
Acquisition of non-current assets	-14,525	-5,327	-26,640
Divestment of non-current assets	297	110	3,672
Divestment of subsidiaries - net liquidity impact			-2,538
Cash flow from investing activities	-14,228	-5,217	-25,506
Financing activities			
Unconditional shareholder's contribution received			15,000
Issued securities	798,050		1,094,600
Option premium received	331		22,886
Subordinated debt	300,000		
Cash flow from financing activities	1,098,381	0	1,132,486
Cash flow for the period	147,478	36,502	893,722
Cash & cash equivalents at beginning of the year	3,351,128	2,402,046	2,402,046
Exchange difference	-7,568	10,643	55,360
Cash & cash equivalents at end of the period	3,491,038	2,449,191	3,351,128
Adjustment for non-cash items in operating profit			
Credit losses	102,877	97,608	376,693
Depreciation and impairment of property, plant & equipment	8,585	7,304	31,272
Profit/loss tangible assets	-155		-650
Profit/loss from participations in associated companies			1,678
Profit/loss on investment assets	-11,638	-4,984	-28,085
Change in provisions	-31,345	-41,578	-73,720
Adjustment to interest paid/received	41,284	38,158	3,483
Currency effects	12,495	-2,507	29,331
Other items that do not affect liquidity	1,276		1,604
	123,379	94,001	341,606

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 year-end 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 2017, have had any material impact on the Group.

The Parent Company has prepared its year-end report in accordance with the requirements for year-end 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.

IFRS 9 introduces a new model for calculating the credit loss reserve based on expected credit losses, as opposed to the current model based on credit loss events that have occurred. The impairment model includes a three-stage model based on changes in the credit quality of financial assets. Under this three-stage model, assets are divided into three different categories depending on how credit risk has changed since the asset was initially recognised in the balance sheet.

Category 1 encompasses assets for which the credit risk has not increased significantly, category 2 encompasses assets for which the credit risk has increased significantly, while category 3 encompasses defaulted assets. The credit loss provision for assets is governed by the category to which the assets belong. Reserves are made under category 1 for expected credit losses within 12 months, while reserves for category 2 and 3 are made for expected credit losses under the full lifetime of the assets. The bank continued to work intensively on preparing implementation during the past quarter. The bank believes that it has made significant progress in its work on both developing the underlying calculation models and accompanying structures required for implementing the future accounting standard. The bank believes that credit loss reserves will increase at the same time as equity will decrease when the new accounting standard is implemented, primarily as a result of assets being included in the calculation of the credit loss reserve without any elevated credit risk. The regulations are also not expected to lead to any increased volatility in the credit loss line of the income statement. IFRS 9 takes effect on 1 January 2018.

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 highly 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 amount of the liquidity reserve, calculated based on deposit volumes, the proportion covered by deposit insurance and relationship to depositors. The model also takes into account the future maturities of issued securities. The Board has stipulated that the liquidity reserve may never fall below SEK 1,200 million. Apart from the liquidity reserve, there is an intraday liquidity requirement of at least 4 per cent of deposits from the public, or a minimum SEK 600 million. There are also other liquidity requirements regulating and controlling the business.

The liquidity reserve, totalling SEK 1,740 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 3,728 million (2,575) for the consolidated situation. Accordingly, total liquidity amounted to SEK 5,468 million (4,209). Total liquidity corresponded to 31 per cent (25) of deposits from the public. The Group also has unutilised credit facilities of SEK 52 million (495).

Liquidity Coverage Ratio (LCR) for the consolidated situation is reported to the authorities on a monthly basis. The LCR shows the ratio between high qualitative assets and net outflow during a 30-day stressed period. As at 31 March 2017, the ratio for the consolidated situation is 182 per cent (151). There has been a minimum statutory LCR ratio of 80 per cent since 2017; 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 remains deposits from the public. The largest share of deposits is in Sweden, but deposits are also offered in Norway by yA Bank. Deposits, which are analysed on a regular basis, totalled SEK 17,796 million (16,805), SEK 12,894 million (13,169) of which was in Sweden, and the equivalent of SEK 4,902 million (3,636) was in Norway. The lending to the public/deposits from the public ratio for the consolidated situation is 122 per cent (112).

Resurs Bank produced a base prospectus in order to issue bonds, with a programme that amounts to SEK 3 billion. A total of SEK 1,900 million (400) of senior unsecured bonds (MTN) have been issued within the programme.

In Norway, outside the framework of the programme, yA Bank issued NOK 400 million (400) in senior unsecured bonds and subordinated debt NOK 40 million (40).

Resurs Bank previously completed a securitisation of loan receivables, a form of structured financing, referred to as Asset Backed Securities (ABS). This took place by transferring loan receivables to Resurs Bank's wholly owned subsidiaries Resurs Consumer Loans 1 Limited. This type of financing was expanded on 21 October 2016, and at 31 March 2017 a total of approximately SEK 2.7 billion in loan receivables had been transferred to Resurs Consumer Loans. 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 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 financing amounted to SEK 2.1 billion (1.4) of the ABS financing.

Summary of liquidity – consolidated situation

Liquidity reserve as per FFFS 2010:7 definition

SEK thousand	31 Mar 2017	31 Mar 2016	31 Dec 2016
Securities issued by sovereigns	73,971	73,133	74,412
Securities issued by municipalities	667,149	640,998	668,086
Lending to credit institutions	98,000	257,000	148,000
Bonds and other interest-bearing securities	901,276	663,153	849,458
Summary Liquidity reserve as per FFFS 2010:7	1,740,396	1,634,284	1,739,956
Other liquidity portfolio			
Cash and balances at central banks	55,528	52,134	56,173
Lending to credit institutions	3,177,863	2,088,846	2,979,000
Bonds and other interest-bearing securities	494,690	433,672	792,071
Total other liquidity portfolio	3,728,081	2,574,652	3,827,244
Total liquidity portfolio	5,468,477	4,208,936	5,567,200
Other liquidity-creating measures			
Unutilised credit facilities	52,060	494,555	552,700

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.

SEK thousand	31 Mar 2017	31 Mar 2016	31 Dec 2016
Liquid assets, Level 1	1,034,483	982,995	1,090,651
Liquid assets, Level 2	539,711	346,743	486,546
Total liquid assets	1,574,194	1,329,738	1,577,197
LCR measure	182%	151%	181%

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 2016 annual report.

G3. Capital adequacy - Consolidated situation

Capital requirements are calculated in accordance with European Parliament and Council Regulation EU 575/2013 (CRR) and Directive 2013/36 EU (CRD IV). The Directive was incorporated via the Swedish Capital Buffers Act (2014:966), and the Swedish Financial Supervisory Authority's (SFSA) regulations regarding prudential requirements and capital buffers (FFFS 2014:12). The capital requirement calculation below comprises the statutory minimum capital requirement for credit risk, credit valuation adjustment risk, market risk and operational risk.

The regulatory consolidation (known as "consolidated situation") comprises the Resurs Bank AB Group and its Parent Company Resurs Holding AB.

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 amounts to 2.5 per cent of the risk-weighted assets. The countercyclical capital buffer requirement is weighted according to geographical requirements, which amounts to 2 per cent of the risk-weighted assets for Swedish exposures and for Norwegian exposures 1.5 per cent of the risk-weighted assets.

The countercyclical capital buffer requirement will increase to 2 per cent for Norwegian exposures from 31 December 2017. A 3-per cent systemic risk buffer is included in the capital requirement for the Norwegian subsidiary at an individual level, although not in the combined buffer requirement for the consolidated situation. The Group currently does not need to take into account a buffer requirement for its other business areas in Denmark and Finland.

The consolidated situation calculates the capital requirement for credit risk, credit valuation adjustment risk, market risk and operational risk. Credit risk is calculated by applying the standardised method under which the asset items of the consolidated situation are weighted and divided between 17 different exposure classes. The total risk-weighted exposure amount is multiplied by 8 per cent to obtain the minimum capital requirement for credit risk. The basic indicator method is used to calculate the capital requirement for operational risk. Under this method, the capital requirement for operational risks is 15 per cent of the income indicator (meaning average operating income for the past three years).

Capital base

SEK thousand	31 Mar 2017	31 Mar 2016	31 Dec 2016
Tier 1 capital			
Common Equity Tier 1 capital			
Equity	4,960,954	4,526,493	4,677,988
Net profit for the year	228,620	180,470	904,011
Less:			
Foreseeable dividend	-150,000	-90,235	-600,000
Shares in subsidiaries	-100		-100
Intangible assets	-1,839,146	-1,771,856	-1,850,269
Deferred tax asset	-4,363	-8,221	-4,374
Additional value adjustments	-2,201	-1,841	-2,452
Cash flow hedges - net after tax			
Total Common Equity Tier 1 capital	3,193,764	2,834,810	3,124,804
Tier 2 capital			
Dated subordinated loans	482,282	239,208	215,325
Total Tier 2 capital	482,282	239,208	215,325
Total capital base	3,676,046	3,074,018	3,340,129

Capital requirement

SEK thousand	31 Mar 2017		31 Mar 2016		31 Dec 2016	
	Risk-weighted exposure amount	Capital requirement ¹⁾	Risk-weighted exposure amount	Capital requirement ¹⁾	Risk-weighted exposure amount	Capital requirement ¹⁾
Exposures to institutions	123,467	9,877	58,827	4,706	139,876	11,190
Exposures to corporates	207,751	16,620	234,054	18,724	230,782	18,463
Retail exposures	14,933,853	1,194,708	12,995,252	1,039,620	14,598,673	1,167,894
Exposures in default	1,605,596	128,448	1,290,044	103,203	1,519,823	121,586
Exposures in the form of covered bonds	93,142	7,451	66,157	5,293	84,854	6,788
Exposures to institutions and companies with short-term credit rating	527,315	42,185	406,465	32,517	481,123	38,490
Exposures in the form of units or shares in collective investment undertakings (funds)	83,861	6,709	94,323	7,546	171,965	13,757
Equity exposures	80,017	6,401	91,471	7,318	80,038	6,403
Other items	275,230	22,018	181,253	14,500	261,575	20,926
Total credit risks	17,930,232	1,434,417	15,417,846	1,233,427	17,568,709	1,405,497
Credit valuation adjustment risk	16,652	1,332	5,196	416	13,511	1,081
Market risk						
Currency risk	1,447,100	115,768	1,650,974	132,078	1,392,562	111,405
Operational risk	4,720,126	377,610	4,375,273	350,022	4,720,126	377,610
Total	24,114,110	1,929,127	21,449,289	1,715,943	23,694,908	1,895,593

¹⁾ Capital requirement information is provided for exposure classes that have exposures.

Capital ratio and capital buffers

	31 Mar 2017	31 Mar 2016	31 Dec 2016
Common Equity Tier 1 ratio, %	13.2	13.2	13.2
Tier 1 ratio, %	13.2	13.2	13.2
Total capital ratio, %	15.2	14.3	14.1
Common Equity Tier 1 capital requirement incl. buffer requirement, %	8.5	7.8	8.2
- of which, capital conservation buffer requirement, %	2.5	2.5	2.5
- of which, countercyclical buffer requirement, %	1.5	0.8	1.2
Common Equity Tier 1 capital available for use as buffer, %	7.2	6.3	6.1

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 financial statements.

Jan-Mar 2017

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	237,822	396,595	3,678	-1,437	636,658
Interest expense	-21,669	-40,520	-33	1,437	-60,785
Fee & commission income	76,369	31,645		-35,701	72,313
Fee & commission expense, banking operations	-13,388				-13,388
Premium earned, net			210,493	-379	210,114
Insurance compensation, net			-67,172		-67,172
Fee & commission expense, insurance operations			-105,614	35,701	-69,913
Net income/expense from financial transactions	-4,973	-2,190	5,976		-1,187
Profit/loss from participations in Group companies					0
Other operating income	33,046	10,057	4	-1,368	41,739
Total operating income	307,207	395,587	47,332	-1,747	748,379
of which, internal	18,283	17,349	-33,885	-1,747	0
Credit losses, net	-34,861	-68,016			-102,877
Operating income less credit losses	272,346	327,571	47,332	-1,747	645,502
Expenses excl. credit losses ¹⁾			-24,148		
Operating profit, Insurance ²⁾			23,184		

Jan-Mar 2016

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	223,426	352,417	4,509	-1,668	578,684
Interest expense	-19,760	-38,520		1,668	-56,612
Fee & commission income	61,646	27,167		-28,949	59,864
Fee & commission expense, banking operations	-12,827	-2			-12,829
Premium earned, net			245,191	-427	244,764
Insurance compensation, net			-88,802		-88,802
Fee & commission expense, insurance operations			-120,964	28,949	-92,015
Net income/expense from financial transactions	-3,608	-3,422	1,910		-5,120
Profit/loss from participations in Group companies					0
Other operating income	40,888	8,661	37	-904	48,682
Total operating income	289,765	346,301	41,881	-1,331	676,616
<i>of which, internal</i>	20,274	7,911	-26,854	-1,331	0
Credit losses, net	-45,569	-52,039			-97,608
Operating income less credit losses	244,196	294,262	41,881	-1,331	579,008
Expenses excl. credit losses ¹⁾			-24,379		
Operating profit, Insurance ²⁾			17,502		

Jan-Dec 2016

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	921,043	1,518,093	16,103	-6,173	2,449,066
Interest expense	-82,820	-160,128	-38	6,173	-236,813
Fee & commission income	247,466	101,460		-123,444	225,482
Fee & commission expense, banking operations	-49,364	-6			-49,370
Premium earned, net			908,610	-1,406	907,204
Insurance compensation, net			-349,584		-349,584
Fee & commission expense, insurance operations			-464,219	123,444	-340,775
Net income/expense from financial transactions	-12,214	-3,420	14,676		-958
Profit/loss from participations in Group companies	-854	-824			-1,678
Other operating income	162,235	36,778	-80	-4,971	193,962
Total operating income	1,185,493	1,491,953	125,468	-6,377	2,796,536
<i>of which, internal</i>	65,484	56,758	-115,865	-6,377	0
Credit losses, net	-159,092	-217,601			-376,693
Operating income less credit losses	1,026,400	1,274,352	125,468	-6,377	2,419,843
Expenses excl. credit losses ¹⁾			-85,333		
Operating profit, Insurance ²⁾			40,135		

¹⁾ Reconciliation of 'Expenses excl. credit losses' against income statement.

²⁾ Reconciliation of 'Operating profit' against income statement.

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
As per segment reporting			
Expenses excl. credit losses as regards Insurance segment	-24,148	-24,379	-85,333
Not broken down by segment			
Expenses excl. credit losses as regards banking operations	-299,696	-301,955	-1,194,989
Total	-323,844	-326,334	-1,280,322
As per income statement			
General administrative expenses	-267,628	-277,981	-1,081,596
Depreciation, amortisation and impairment of tangible and intangible assets	-8,585	-7,304	-31,272
Other operating expenses	-47,631	-41,049	-167,454
Total	-323,844	-326,334	-1,280,322

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
As per segment reporting			
Operating profit, Insurance	23,184	17,502	40,135
Not broken down by segment			
Operating profit as regards banking operations	298,474	235,172	1,099,386
Total	321,658	252,674	1,139,521
As per income statement			
Operating profit	321,658	252,674	1,139,521
Total	321,658	252,674	1,139,521

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
31/03/2016	7,936,411	10,823,852		18,760,263
31/12/2016	8,785,938	12,418,343		21,204,281
31/03/2017	8,672,415	13,040,690		21,713,105

G5. Net interest income/expense

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Interest income			
Lending to credit institutions	543	751	2,976
Lending to the public, net	633,904	572,090	2,435,729
Interest-bearing securities	2,211	5,843	10,361
Total interest income, net	636,658	578,684	2,449,066
Interest expense			
Liabilities to credit institutions ¹⁾	1,909	-2,183	-9,592
Deposits and borrowing from the public	-50,344	-45,171	-189,046
Interest expense, issued securities ²⁾	-11,694	-8,666	-35,016
Other liabilities	-656	-592	-3,159
Total interest expense	-60,785	-56,612	-236,813
Net interest income/expense	575,873	522,072	2,212,253

¹⁾Positive as reserve resolved.

²⁾Of which SEK -2,3 million refer to non-deductible interest for subordinated debt.

G6. Premium earned, net

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Premium earned	194,329	221,465	915,306
Premiums for specified reinsurance	-5,670	-7,133	-28,040
Change in provision for unearned premiums and unexpired risks	23,098	34,848	28,853
Reinsurers' share in change in provision for unearned premiums and unexpired risks	-1,643	-4,416	-8,915
Total premium earned, net	210,114	244,764	907,204

G7. Insurance compensation, net

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Claims paid, gross	-70,796	-95,126	-385,312
Less reinsurance share	2,329	3,033	11,134
Total claims paid, net	-68,467	-92,093	-374,178
Change in provision for losses incurred and reported, gross	6,708	-3,640	37,629
Less reinsurance share		2,323	-6,817
Total change in provision for losses incurred and reported, net	6,708	-1,317	30,812
Change in provision for losses incurred but not reported (IBNR), gross	-65	10,022	13,881
Total change in provision for losses incurred but not reported (IBNR), net	-65	10,022	13,881
Operating expenses for claims adjustment, gross	-5,472	-5,473	-20,535
Less reinsurance share	124	59	436
Total operating expenses for claims adjustment, net	-5,348	-5,414	-20,099
Total insurance compensation, net	-67,172	-88,802	-349,584

G8. Other operating income

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Other income, lending to the public	39,679	43,773	167,175
Other operating income	2,060	4,909	26,787
Total operating income	41,739	48,682	193,962

G9. General administrative expenses

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Personnel expenses	-126,390	-124,316	-491,137
Postage, communication and notification expenses	-36,663	-38,050	-148,809
IT expenses	-41,579	-41,076	-154,886
Cost of premises	-9,561	-8,773	-34,840
Consultant expenses	-27,836	-38,296	-119,293
Other	-25,599	-27,470	-132,631
Total general administrative expenses	-267,628	-277,981	-1,081,596

G10. Credit losses

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Individually assessed loan receivables			
Write-offs of stated losses for the period	-560	-399	-3,470
Recoveries of previously confirmed credit losses	7	141	406
Transfers/reversal of provision for credit losses	-255	-252	-2,939
Net result of individually assessed loan receivables for the period	-808	-510	-6,003
Collectively assessed homogeneous groups of loan receivables with limited value and similar credit risk			
Write-offs of stated losses for the period	-24,180	-30,627	-166,011
Recoveries of previously confirmed credit losses	5,626	8,006	37,926
Transfers/reversal of provision for credit losses	-83,515	-74,477	-242,605
Net cost of collectively assessed homogeneous groups of loan receivables	-102,069	-97,098	-370,690
Net cost of credit losses for the period	-102,877	-97,608	-376,693

G11. Lending to the public and doubtful receivables

SEK thousand	31 Mar 2017	31 Mar 2016	31 Dec 2016
Retail sector	23,169,633	19,856,883	22,488,706
Corporate sector	293,086	310,200	308,289
Total lending to the public	23,462,719	20,167,083	22,796,995
Less provision for anticipated credit losses	-1,749,614	-1,406,820	-1,592,714
Total net lending to the public	21,713,105	18,760,263	21,204,281
Doubtful receivables			
Gross doubtful receivables for which interest is not entered as income until payment is made	3,249,788	2,563,904	3,028,008
Provision for anticipated credit losses	-1,749,614	-1,406,820	-1,592,714
Doubtful receivables, net	1,500,174	1,157,084	1,435,294

G12. Pledged assets, contingent liabilities and commitments

SEK thousand	31 Mar 2017	31 Mar 2016	31 Dec 2016
Collateral pledged for own liabilities			
Lending to credit institutions	90,000	90,000	90,000
Lending to the public ¹⁾	2,645,436	1,788,434	2,644,300
Assets for which policyholders have priority rights ²⁾	553,861	463,979	512,067
Floating charges		500,000	500,000
Restricted bank deposits ³⁾	25,922	22,706	24,966
Total collateral pledged for own liabilities	3,315,219	2,865,119	3,771,333
Contingent liabilities			
Guarantees	480	644	480
Total contingent liabilities	480	644	480
Other commitments			
Unutilised credit facilities granted	25,615,791	24,787,989	25,202,908

¹⁾ Refers to securitisation

²⁾ Policy holder's rights consists of assets covered by the policyholder privilege SEK 979,239 thousand (934,574) and technical provisions, net SEK -425,378 thousand (-470,596).

³⁾ As at 31 March 2017, SEK 21,954 thousand (19,390) in reserve requirement account at the Bank of Finland and SEK 3,287 thousand (2,488) in tax account at Norwegian bank DNB.

G13. Related-party transactions

Resurs Holding AB, corporate identity number 556898-2291, is owned at 31 March 2017 to 28.6 per cent by Waldakt AB and 26.2 per cent by Cidron Semper Ltd. 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 2016 annual report. Companies with 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.

Related-party transactions, significant influence

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Processing fees	-116,342	-124,604	-488,204
Interest expense – deposits and borrowing from the public	-1,621	-658	-5,907
Fee & commission income	9,159	9,835	40,070
Fee & commission expense	-12,241	-18,448	-62,125
General administrative expenses	-5,972	-9,139	-33,775

SEK thousand	31 Mar 2017	31 Mar 2016	31 Dec 2016
Other assets	5,201	3,249	12,878
Deposits and borrowing from the public	-962,212	-464,897	-1,159,454
Other liabilities	-80,495	-90,620	-88,765

Transactions with key persons

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Interest expense – deposits and borrowing from the public	-114	-30	-380

SEK thousand	31 Mar 2017	31 Mar 2016	31 Dec 2016
Deposits and borrowing from the public	-67,026	-18,592	-91,941

G14. Financial instruments

SEK thousand	31 Mar 2017		31 Mar 2016		31 Dec 2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Assets						
Cash and balances at central banks	55,528	55,528	52,134	52,134	56,173	56,173
Treasury and other bills eligible for refinancing	870,445	870,445	900,642	900,642	892,068	892,068
Lending to credit institutions	3,435,510	3,435,510	2,397,057	2,397,057	3,294,955	3,294,955
Lending to the public	21,713,105	22,283,423	18,760,263	19,297,827	21,204,281	21,722,227
Bonds	1,688,950	1,688,950	1,386,200	1,386,200	1,886,004	1,886,004
Subordinated loans	33,306	33,306	22,773	22,773	32,491	32,491
Shares and participating interests	70,949	70,949	33,071	33,071	65,858	65,858
Derivatives	65,023	65,023	42,839	42,839	69,902	69,902
Other assets	100,069	100,069	23,231	23,231	123,419	123,419
Accrued income	28,171	28,171	29,860	29,860	26,459	26,459
Total financial assets	28,061,056	28,631,374	23,648,070	24,185,634	27,651,610	28,169,556
Intangible assets	1,872,890		1,810,125		1,885,106	
Tangible assets	45,529		37,495		42,079	
Other non-financial assets	235,405		399,714		234,592	
Total assets	30,214,880		25,895,404		29,813,387	

	31 Mar 2017		31 Mar 2016		31 Dec 2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities						
Liabilities to credit institutions	35,300	35,300	46,435	46,435	1,700	1,700
Deposits and borrowing from the public	17,705,087	17,705,926	16,662,487	16,665,383	18,617,943	18,621,424
Derivatives	34,280	34,280	19,592	19,592	67,538	67,538
Other liabilities	551,747	551,747	531,568	531,568	563,797	563,797
Accrued expenses	175,498	175,498	148,420	148,420	109,965	109,965
Issued securities	4,110,335	4,138,209	2,191,280	2,202,600	3,316,130	3,347,833
Subordinated debt	341,648	345,495	39,208	39,216	42,160	42,168
Total financial liabilities	22,953,895	22,986,455	19,638,990	19,653,214	22,719,233	22,754,425
Provisions	6,968		8,912		6,988	
Other non-financial liabilities	928,776		1,009,567		988,005	
Equity	6,325,241		5,237,935		6,099,161	
Total equity and liabilities	30,214,880		25,895,404		29,813,387	

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	31 Mar 2017			31 Mar 2016			31 Dec 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss:									
Treasury and other bills eligible for refinancing	870,445			900,642			892,068		
Bonds and other interest-bearing securities	1,688,950			1,386,200			1,886,004		
Subordinated loans	33,306			22,773			32,491		
Shares and participating interests	69,931		1,018	33,071			64,819		1,039
Derivatives		65,023			42,839			69,902	
Total	2,662,632	65,023	1,018	2,342,686	42,839	0	2,875,382	69,902	1,039
Financial liabilities at fair value through profit or loss:									
Derivates		-34,280			-19,592			-67,538	
Total	0	-34,280	0	0	-19,592	0	0	-67,538	0

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 31 March 2017 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 65 million (43), while liabilities total SEK 34 million (20). Collateral corresponding to SEK 35 million was received and have been reported as liabilities to credit institutions (last year, the banking group received 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 second quarter of 2016, a total of 8,000,000 warrants were issued for a value of approximately SEK 27 million. Issued warrants had no dilutive effect.

During the January - March 2017 period, there were a total of 200,000,000 shares with a quotient value of SEK 0.005. The average number of outstanding shares has been unchanged from Q1 2016 and also the quotient value.

	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Net profit for the period, SEK thousand	247,108	195,765	904,794
Average number of outstanding shares during the period	200,000,000	200,000,000	200,000,000
Earnings per share, SEK	1.24	0.98	4.52

DEFINITIONS

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	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Net sales	4,112	4,592	23,762
Total operating income	4,112	4,592	23,762
Personnel expenses	-4,974	-2,053	-15,174
Other external expenses	-4,480	-23,728	-52,138
Depreciation, amortisation and impairment of non-current assets	-58	-81	-255
Total expenses	-9,512	-25,862	-67,567
OPERATING PROFIT	-5,400	-21,270	-43,805
Earnings from participations in Group companies			500,000
Other interest income and similar profit/loss items	1	1	15
Interest expense and similar profit/loss items	-131		-289
Total profit/loss from financial items	-130	1	499,726
Profit/loss after financial items	-5,530	-21,269	455,921
Appropriations			43,932
Tax on profit for the period	1,361	4,679	-980
NET PROFIT FOR THE PERIOD	-4,169	-16,590	498,873

Statement of comprehensive income

SEK thousand	Jan-Mar 2017	Jan-Mar 2016	Jan-Dec 2016
Net profit for the period	-4,169	-16,590	498,873
Other comprehensive income that will be reclassified to profit			
Comprehensive income for the period	-4,169	-16,590	498,873

Statement of financial position

SEK thousand	31 Mar 2017	31 Mar 2016	31 Dec 2016
Assets			
Non-current assets			
Property, plant & equipment	275	507	333
Financial assets			
Participations in Group companies	2,053,390	2,053,290	2,053,390
Total non-current assets	2,053,665	2,053,797	2,053,723
Current assets			
Current receivables			
Receivables from Group companies	546,284	60,009	545,840
Current tax assets	2,827	7,317	1,094
Other current receivables	419	534	365
Prepaid expenses and accrued income	2,201	503	412
Total current receivables	551,731	68,363	547,711
Cash and bank balances	86,406	56,468	94,333
Total current assets	638,137	124,831	642,044
TOTAL ASSETS	2,691,802	2,178,628	2,695,767
Equity and liabilities			
Equity			
Restricted equity			
Share capital	1,000	1,000	1,000
Non-restricted equity			
Share premium reserve	2,073,934	2,050,734	2,073,620
Profit or loss brought forward	611,679	97,806	112,806
Net profit for the period	-4,169	-16,590	498,873
TOTAL EQUITY	2,682,444	2,132,950	2,686,299
Untaxed reserves			
Current liabilities			
Trade payables	1,930	1,920	3,194
Liabilities to group companies	335		108
Other current liabilities	614	248	507
Other provisions	171	71	144
Accrued expenses and deferred income	6,308	43,439	5,515
Total current liabilities	9,358	45,678	9,468
TOTAL EQUITY AND LIABILITIES	2,691,802	2,178,628	2,695,767

Statement of changes in equity

SEK thousand	Share capital	Share premium reserve	Retained earnings	Profit/loss for the period	Total equity
Initial equity at January 2016	1,000	2,050,734	98,107	-301	2,149,540
Owner transactions					0
Net profit previous year			-301	301	0
Net profit for the period				-16,590	-16,590
Equity at 31 March 2016	1,000	2,050,734	97,806	-16,590	2,132,950
Initial equity at January 2016	1,000	2,050,734	98,107	-301	2,149,540
Owner transactions					
Unconditional shareholder's contribution			15,000		15,000
Option premium received		22,886			22,886
Appropriation of profits according to resolution by Annual General Meeting			-301	301	0
Net profit for the period				498,873	498,873
Equity at 31 December 2016	1,000	2,073,620	112,806	498,873	2,686,299
Initial equity at January 2017	1,000	2,073,620	112,806	498,873	2,686,299
Owner transactions					
Option premium received		314			314
Net profit previous year			498,873	-498,873	0
Net profit for the period				-4,169	-4,169
Equity at 31 March 2017	1,000	2,073,934	611,679	-4,169	2,682,444

Pledged assets, contingent liabilities and commitments

The company has no pledged assets. According to the Board's assessment, the company has no contingent liabilities.

Significant events after the end of the period

At the Annual General Meeting on 28 April 2017, a dividend of SEK 3.00 per share was decided, representing earnings per share of 66 per cent. The total dividend amounts to SEK 600 million. The Resurs share was traded without dividends from 2 May 2017. The record date was on 3 May 2017 and the dividend was paid on 8 May 2017.

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