

## RESURS HOLDING, ANNUAL REPORT 2017, ALTERNATIVE PERFORMANCE MEASURES

Certain performance measures in this report 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. The reasons for the use of different performance measures, definitions and reconciliation of performance measures against information in the financial statements are provided below. Other companies can define or calculate these measures in different ways. The Group's definitions remain unchanged compared with prior periods.

### Performance measures for the banking operations (excluding Insurance)

Since the Group comprises both banking and insurance operations, we follow interest income minus interest expense, operating expenses and operating income and expenses before credit losses for the banking operations separately (meaning excluding Insurance) to provide better understanding of the earnings generation in the banking operations.

### Performance measures for the Group excluding nonrecurring costs related to the IPO

Nonrecurring costs arose in connection with the IPO. We follow operating profit and net profit for the period excluding nonrecurring costs related to the IPO in order to facilitate understanding of earnings generated by the Group excluding these nonrecurring costs.

### Performance measures for the Group excluding nonrecurring costs related to the penalty from the Swedish Financial Supervisory Authority

In 2015, we submitted a report to the Swedish Financial Supervisory Authority regarding inaccurate historical reporting. During the third quarter 2016, 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. In order to facilitate understanding of earnings generated by the Group excluding these nonrecurring costs.

### Increase in lending to the public excluding exchange-rate effects

We follow increases in local currency to see the actual increase in lending to the public.

### Average equity excluding intangible assets

We also evaluate our operations in relation to average equity excluding intangible assets, which comprises adjusted equity that is reduced by goodwill and other intangible assets. This measure is used to evaluate our use of equity.

## Reconciliation of alternative performance measures

SEK thousand	Jan-Dec 2017	Jan-Dec 2016
<b>Operating income excl. Insurance</b>		
Operating income	3,091,345	2,796,536
Operating income Insurance	174,191	125,468
<b>Operating income excl. Insurance</b>	<b>2,917,154</b>	<b>2,671,068</b>
<b>Net interest inc./exp. excl. Insurance</b>		
Interest income	2,686,820	2,449,066
Interest expense	-268,156	-236,813
Net interest income/expense Insurance	13,339	16,065
<b>Net interest inc./exp. excl. Insurance</b>	<b>2,405,325</b>	<b>2,196,188</b>
<b>Expenses before credit losses excl. Insurance</b>		
Expenses before credit losses	-1,280,661	-1,280,322
Expenses before credit losses Insurance	-91,301	-85,333
<b>Expenses before credit losses excl. Insurance</b>	<b>-1,189,360</b>	<b>-1,194,989</b>
<b>Operating profit/loss excl. nonrecurring costs</b>		
Operating profit/loss	1,397,230	1,139,521
Nonrecurring costs related to the IPO		-33,518
Nonrecurring penalty från Swedish Financial Supervisory Authority		-35,000
<b>Operating profit/loss excl. nonrecurring costs</b>	<b>1,397,230</b>	<b>1,208,039</b>

## Reconciliation of alternative performance measures

SEK thousand	Jan-Dec 2017	Jan-Dec 2016
<b>Net profit for the year excl. nonrecurring costs</b>		
Net profit for the year excl. nonrecurring costs	1,080,033	904,794
Nonrecurring costs related to the IPO		-26,144
Nonrecurring penalty från Swedish Financial Supervisory Authority		-35,000
<b>Net profit for the year excl. nonrecurring costs</b>	<b>1,080,033</b>	<b>965,938</b>
<b>Average equity excl. Intangible assets and adjusted non recurring costs and shareholders contribution</b>		
Average equity	6,143,996	5,551,666
Average intangible assets	1,881,137	1,834,555
<b>Average equity excl. intangible assets</b>	<b>4,262,859</b>	<b>3,717,111</b>
Average nonrecurring costs and shareholders' contribution		23,072
<b>Average equity excl. Intangible assets and adjusted non recurring costs and shareholders contribution</b>	<b>4,262,859</b>	<b>3,740,183</b>
Closing adjustment for Common Equity Tier 1 capital 12.5%	276,836	162,940
<b>Opening balance lending to the public</b>	<b>21,204,281</b>	<b>18,198,175</b>

SEK thousand	31 Dec 2016 31 Dec 2017	31 Dec 2015 31 Dec 2016
<b>Reconciliation of increase in lending to the public excluding exchange-rate effects</b>		
Increase lending to the public	2,864,514	3,006,106
FX effects	-206,148	733,352
<b>Increase in lending to the public excluding exchange-rate effects</b>	<b>3,070,662</b>	<b>2,272,754</b>