



## Interim Report **January—June 2017**

### 1 April—30 June 2017\*

- Lending to the public rose 14% to SEK 22,311 million
- Operating income increased 8% to SEK 766 million
- Operating profit increased by 10% to SEK 340 million
- Earnings per share rose 10% to SEK 1.32
- C/I before credit losses (excl. Insurance) was 42.1% (43.2%)
- The credit loss ratio was 1.8% (1.9%)

### 1 January—30 June 2017\*

- Lending to the public rose 14% to SEK 22,311 million
- Operating income increased 9% to SEK 1,514 million
- Operating profit increased by 18% to SEK 662 million
- Earnings per share rose 17% to SEK 2.55
- C/I before credit losses (excl. Insurance) was 42.4% (45.3%)
- The credit loss ratio was 1.8% (2.0%)

**“It is gratifying that we can end another strong quarter – the best in the Group’s history. Growth in lending in the second quarter of 2017 was 14 per cent, increasing to SEK 22.3 billion. Growth was driven by both banking segments and by all geographic markets.”**

*Kenneth Nilsson, CEO Resurs Holding AB*

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#### 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 approximately 5.5 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 second quarter of 2017, the Group had 742 employees and a loan portfolio of SEK 22.3 billion. Resurs is listed on Nasdaq Stockholm, Large Cap.

*\*Certain performance measures provided in this section have not been prepared in accordance with IFRS. Definitions of performance measures 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 30 June 2016 in terms of financial position, and to the year-earlier period in terms of profit/loss items.*

## STATEMENT BY THE CEO

## RECORD-BREAKING QUARTER WITH CONTINUED PROFITABLE GROWTH AND FASTER PACE OF DIGITISATION

It is gratifying that we can end another strong quarter – the best in the Group’s history. The growth in lending in the second quarter of 2017 was 14 per cent, increasing to SEK 22.3 billion. Growth was driven by both banking segments and by all geographic markets. The insurance operations also continued their positive performance. Profit after tax excluding nonrecurring costs increased 5 per cent to SEK 263 million, driven by sustained higher business volumes and strong control over both costs and credit losses. Our performance is continuing to surpass target expectations.

### Continued fast pace of digitisation

The quarter held many positive elements. In particular, we maintained a fast pace in the development of digital services and products and we are increasing our share of e-commerce customers.

Resurs is one of the most digitised niche banks in the Nordic region. We offer traditional e-commerce with check-out. We were also the first in the Nordic region to offer a converged wallet – an app for mobile payment in both traditional stores and e-commerce (Loyo Pay), which still only a few companies offer. We also launched Loyo Pay in Norway during the quarter and the roll-out of the service will continue with Finland later in the autumn. We are continuing to focus intently on innovation, which also led to increased investments in IT.

### Digitisation boosts sales for our retail finance partners

We are the market leader in retail finance and have digitised the entire credit application process for the Swedish, Danish and Norwegian market, with Finland soon to follow. We are also continuing to evaluate and develop automated processes (robotics) in our business support, and we are analysing other opportunities for digitising the operations as well.

We are continuing to launch digital services for the retail sector and during the quarter launched a service where customers themselves can use their mobile to apply for a loyalty card with credit for that retail chain. Everything automatically arranged and customers can go straight to the till and check out.

### Several new exciting customer agreements

We received additional confirmation during the quarter that our products, solutions and service are appreciated in the market when we secured new, attractive retail finance partners, including Bad och Värme with about 90 sanitary and heating stores in Sweden. We also won back Hylte Lantmän with an extended agreement for the Norwegian market. Just like the first quarter of 2017, we initiated collaborations with a number of e-commerce partners, for example, South East and Golfhandelen.no.

Overall, this means that we are growing faster than the market and we are thus continuing to capture market shares. At the same time, we are broadening the market and creating brand new growth opportunities by offering new solutions that we will continue to focus on over the next few quarters.

### SEVERAL NEW PARTNERS IN THE SECOND QUARTER

LENDING TO THE PUBLIC

**22,311** MSEK

LENDINGGROWTH

**+14%**



Kenneth Nilsson,  
CEO Resurs Holding AB

## PERFORMANCE MEASURES

SEKm unless otherwise specified	Apr–Jun 2017	Apr–Jun 2016	Change	Jan–Jun 2017	Jan–Jun 2016	Change	Jan–Dec 2016
Operating income	766	710	8%	1,514	1,386	9%	2,797
Operating profit	340	309	10%	662	562	18%	1,140
Net profit for the period	263	240	10%	510	436	17%	905
Net profit for the period, adjusted for nonrecurring costs*	263	251	5%	510	462	10%	966
Earnings per share, SEK	1.32	1.20	10%	2.55	2.18	17%	4.52
Earnings per share, adjusted for nonrecurring costs, SEK*	1.32	1.25	5%	2.55	2.31	10%	4.83
C/I before credit losses, %	42.8	43.7		43.1	45.9		45.8
C/I before credit losses (excl. Insurance), %*	42.1	43.2		42.4	45.3		44.7
Common Equity Tier 1 ratio, %	13.3	13.3		13.3	13.3		13.2
Total capital ratio, %	15.3	14.4		15.3	14.4		14.1
Lending to the public	22,311	19,596	14%	22,311	19,596	14%	21,204
NIM, %*	10.9	11.4		10.8	11.3		11.1
NBI margin, %*	13.1	14.0		13.1	13.8		13.6
Credit loss ratio, %*	1.8	1.9		1.8	2.0		1.9
Return on equity excl. intangible assets (RoTE), %*	24.6	26.9		24.6	25.1		24.3
Return on equity excl. intangible assets, adjusted for nonrecurring costs (RoTE), %*	24.6	27.9		24.6	26.6		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 performance measures 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\*

## SECOND QUARTER 2017, APRIL–JUNE

## Operating income

The Group's operating income increased by 8 per cent to SEK 766 million (710). The NBI margin for the banking operations was 13.1 per cent (14.0 per cent), which is within the Group's established mid-term financial target. The decline compared with the year earlier quarter was due to higher volumes with a slightly lower NBI margin, but higher profitability in total. Net interest income increased by 9 per cent to SEK 605 million (552), with interest income amounting to SEK 672 million (608) and interest expense to SEK -67 (-56). Fee & commission income amounted to SEK 58 million (55) and fee & commission expense to SEK -18 million (-12), resulting in a total net commission for the banking operations of SEK 41 million (43).



NET INTEREST INCOME

+ 9%

Premiums earned, net, in the insurance operations amounted to SEK 192 million (246), while claim costs fell to SEK -57 million (-95), 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. Excluding the unprofitable UK operations, premiums earned, net increased. Fee & commission expense in the insurance operations amounted to SEK -61 million (-88). In total, net insurance income increased by 18 per cent to SEK 74 million (63).

Net income from financial transactions was SEK 4 million (2). The change related to value fluctuations in investments in interest-bearing securities and shares and exchange-rate differences in assets, liabilities and derivatives in foreign currencies.

Other operating income amounted to SEK 42 million (51), primarily comprising remuneration from lending operations. A part payment of SEK 8 million was received for VISA shares in the year-earlier period.

### Operating expenses

The Group's expenses before credit losses totalled SEK -328 million (-310). The year-earlier quarter included a nonrecurring cost of SEK -14 million for the IPO. Year-on-year expenses 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) continued to decline and amounted to 42.1 per cent (43.2 per cent).

Credit losses totalled SEK -98 million (-91) and the credit loss ratio was 1.8 per cent (1.9 per cent) due to sustained growth in the loan portfolio and improved credit quality.

### Profit

Operating profit increased by 10 per cent to SEK 340 million (309). Net profit for the quarter amounted to SEK 263 million (240). Tax expense for the quarter amounted to SEK -77 million (-69).

## FIRST HALF OF 2017, JANUARY–JUNE

### Operating income and expenses

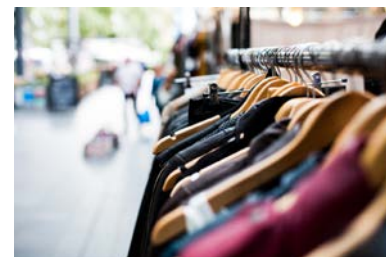
The Group's operating income increased by 9 per cent to SEK 1,514 million (1,386), primarily due to growth in lending. The NBI margin for the banking operations was 13.1 per cent (13.8 per cent), which is within the Group's mid-term financial target. The decline was due to higher volumes with a slightly lower NBI margin, but higher profitability in total. Net interest income rose by 10 per cent to SEK 1,180 million (1,074), with interest income amounting to SEK 1,308 million (1,187) and interest expense to SEK -128 million (-113). Fee & commission income amounted to SEK 131 million (115) and fee & commission expense to SEK -31 million (-25). This resulted in a total net commission for the banking operations of SEK 100 million (90), up 11 per cent.

The Group's expenses before credit losses totalled SEK -652 million (-636). A nonrecurring cost of SEK -34 million for the IPO impacted the preceding year. Viewed in relation to the operations' income, the cost level (excluding Insurance) continued to decline and amounted to 42.4 per cent (45.3 per cent).

Credit losses totalled SEK -201 million (-188) and the credit loss ratio was 1.8 per cent (2.0 per cent) due to sustained growth in the loan portfolio and improved credit quality.

### Profit

Operating profit increased by 18 per cent to SEK 662 million (562). Net profit for the period amounted to SEK 510 million (436). Tax expense for the period amounted to SEK -151 million (-126).



C/I RATIO (excl. Insurance)

**42.1%**

OPERATING PROFIT Q2

**+10%**

## FINANCIAL POSITION AT 30 JUNE 2017

At 30 June 2017, the Group's financial position was strong, with a capital base of SEK 3,754 million (3,220) in the consolidated situation, comprising the Parent Company Resurs Holding AB, and the Resurs Bank AB Group. The total capital ratio was 15.3 per cent (14.4 per cent) and the Common Equity Tier 1 ratio was 13.3 per cent (13.3 per cent).

At 30 June 2017, lending to the public totalled SEK 22,311 million (19,596), representing a 14 per cent increase, and a 13 per cent increase excluding currency effects. The increase was driven by both banking segments and by all geographic markets.

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 with various sources of financing in order to use the most suitable source of financing at any time and to create highly diversified financing in the long term.

Deposits from the public at 30 June 2017 fell 2 per cent to SEK 17,981 million (18,388), which is in line with the strategy of highly diversified financing. Financing through issued securities totalled SEK 4,698 million (2,203).

Liquidity remained healthy and the liquidity coverage ratio (LCR) was 183 per cent (149 per cent) in the consolidated situation. There has been a minimum statutory LCR ratio of 80 per cent since 2017 that will increase to 100 per cent from 2018. Lending to credit institutions at 30 June 2017 amounted to SEK 3,019 million (3,401). Holdings of treasury and other bills eligible for refinancing, as well as bonds and other interest-bearing securities, totalled SEK 2,793 million (2,540).

Cash flow from operating activities amounted to SEK -1,298 million (1,007) for the first six months of the year. Cash flow from deposits amounted to SEK -405 million (1,748) and the net change in investment assets totalled SEK -52 million (-66). Cash flow from investing activities for the period totalled SEK -31 million (-12) and cash flow from financing activities was SEK 1,097 million (22). Bonds totalling SEK 1,700 million have been issued under Resurs Bank's MTN programme since the start of the year, of which SEK 300 million pertained to subordinated Tier 2 bonds. Resurs Holding paid a dividend of SEK 600 million during the period.

Intangible assets amounted to SEK 1,848 million (1,839), mainly comprising the goodwill that arose in the acquisition of yA Bank in 2015.

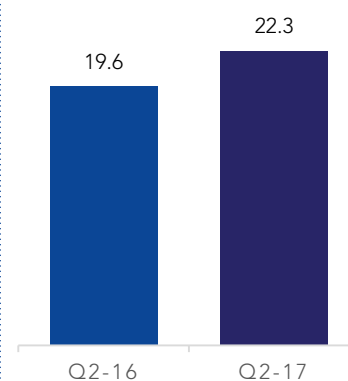
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### TOTAL CAPITAL RATIO

**15.3%**

### LENDING TO THE PUBLIC



*Trend in lending to the public in SEK billion.*

### LIQUIDITY COVERAGE RATIO

**183%**

## SEGMENT REPORTING

## RESURS HOLDING'S THREE SEGMENTS

Resurs Holding has 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 half 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-JUN 2017



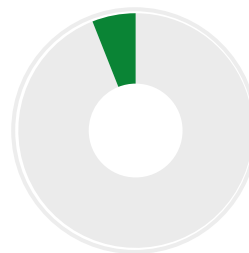
Payment Solutions

41%



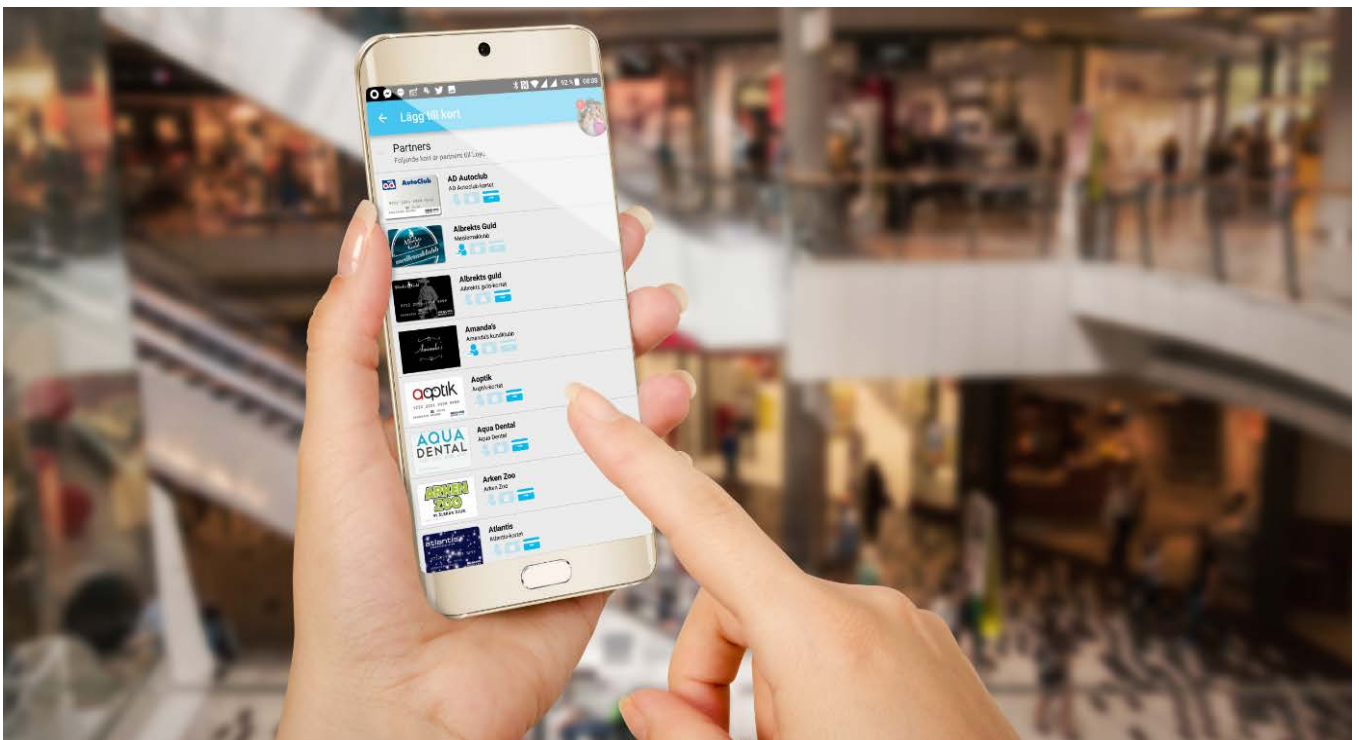
Consumer Loans

53%



Insurance

6%



## PAYMENT SOLUTIONS

Strong quarter – high activity in digital offering

### SECOND QUARTER 2017, APRIL–JUNE

Payment Solutions reported a strong performance for the quarter. Retail finance noted a positive trend and record-breaking sales in a couple of markets. Credit cards also displayed strong growth.

Activity in the market was generally high and the segment was successful, having secured several new retail finance partners, such as Bad och Värme with about 90 sanitary and heating stores in Sweden. The segment also won back Hylte Lantmän with an extended agreement for the Norwegian market. During the quarter, the segment also initiated collaborations with a number of new e-commerce partners, for example, with South East and Golfhandelen.no.

The segment launched a series of innovations during the quarter, such as a service whereby customers themselves can use their mobile to apply for a loyalty card with credit for that retail chain. Customers order a credit application form via text message. Customers sign the form using Mobile BankID and receive a response immediately, and can then go to the till and pay. This service is quick, simple and secure since customers do everything themselves and do not need to wait for assistance in the store. The store saves time and can focus on sales instead of administering credit applications.

In-store digital credit applications, digital signing, has already been launched in Sweden and Denmark and was launched in several stores in Norway during the quarter. The aim is to launch digital signing in Finland in the near future. The Loyo Pay app has now been launched in Sweden and in Norway. The aim is to launch the app in Finland during the year and then in Denmark.

Operating income increased by 7 per cent to SEK 315 million (295) due to higher business volumes from both new and existing retail finance partners. Operating income less credit losses also rose by 7 per cent to SEK 281 million (263). The NBI margin was 14.4 per cent (14.5 per cent).

Credit losses in absolute terms followed the growth in lending and were stable year-on-year, measured as a percentage of lending volumes.

### FIRST HALF OF 2017, JANUARY–JUNE

At 30 June 2017, lending to the public rose by 7 per cent to SEK 8,816 million (8,275), driven by higher sales and new lending in all markets.

Operating income increased by 6 per cent to SEK 622 million (584) due to higher business volumes from both new and existing retail finance partners. Operating income less credit losses rose by 9 per cent to SEK 553 million (507). The NBI margin amounted to 14.1 per cent (14.4 per cent), with the decline attributable to higher volumes in new retail finance partnerships with a slightly lower NBI margin, but higher profitability in total.

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

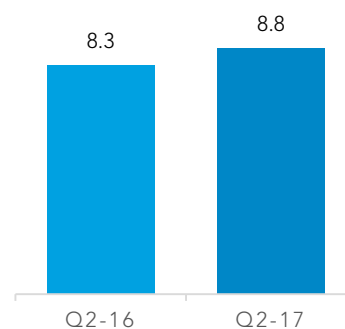


#### ABOUT PAYMENT SOLUTIONS

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	Apr–Jun 2017	Apr–Jun 2016	Change	Jan–Jun 2017	Jan–Jun 2016	Change	Jan–Dec 2016
Lending to the public at end of the period	8,816	8,275	7%	8,816	8,275	7%	8,786
Operating income	315	295	7%	622	584	6%	1,185
Operating income less credit losses	281	263	7%	553	507	9%	1,026
NBI margin, %	14.4	14.5		14.1	14.4		14.2
Credit loss ratio, %	1.5	1.5		1.6	1.9		1.9

## CONSUMER LOANS

New record-breaking quarter with strong increase in sales in own channels

### SECOND QUARTER 2017, APRIL–JUNE

Consumer Loans reported a favourable increase in sales and posted its strongest quarter to date. The performance in Sweden remained strong and sales in own channels to our own customer base increased significantly. The trend in Norway remained positive despite many new competitors.

In Finland, sales increased sharply, primarily towards the end of the quarter. Meaning after the launch of the new technical platform, which creates a simpler and more automated application process for customers and increases opportunities for analysing and enhancing the efficiency of credit lending. It is gratifying that the platform has already started to generate effects. In Denmark, the segment directed an offering to new customers outside our database for the first time in the past quarter. The initial results were very positive.

Customer satisfaction continued to improve during the quarter. The percentage of customers awarding us a maximum score of ten (on a scale of one to ten) rose markedly to 32 per cent. The segment believes that the launch of "My Credit Rating" on the website will further boost customer satisfaction. "My Credit Rating" is a unique function in Sweden where customers can log in to the website to see the parameters used by Resurs to assess their credit score and see what their rating is.

Operating income increased by 8 per cent in the quarter to SEK 408 million (378). Operating income less credit losses also rose by 8 per cent to SEK 344 million (319).

The NBI margin was 12.3 per cent (13.7 per cent). The decline was primarily due to yA Bank and the Swedish portfolio reporting the largest volume of lending growth, which both have slightly lower average interest rates than portfolios in other markets.

Credit losses in absolute terms were slightly higher year-on-year as a direct result of higher lending volumes. Measured as a percentage of lending volumes, credit losses were lower year-on-year at 1.9 per cent (2.1 per cent), which was due to improved credit quality in the portfolio.

### FIRST HALF OF 2017, JANUARY–JUNE

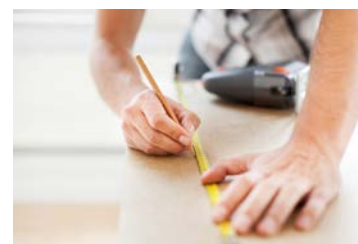
At 30 June 2017, lending to the public increased by 19 per cent to SEK 13,495 million (11,321). Percentage growth was strongest in Denmark, while Sweden and Norway continued to increase the most in absolute terms.

Operating income increased by 11 per cent to SEK 803 million (724). Operating income less credit losses rose by 9 per cent to SEK 671 million (613). The NBI margin was 12.4 per cent (13.4 per cent).

Credit losses in absolute terms were slightly higher year-on-year, and as a percentage of lending volumes were lower year-on-year, at 2.0 per cent (2.1 per cent).

### PERFORMANCE MEASURES – CONSUMER LOANS

SEKm	Apr–Jun 2017	Apr–Jun 2016	Change	Jan–Jun 2017	Jan–Jun 2016	Change	Jan–Dec 2016
Lending to the public at end of the period	13,495	11,321	19%	13,495	11,321	19%	12,418
Operating income	408	378	8%	803	724	11%	1,492
Operating income less credit losses	344	319	8%	671	613	9%	1,274
NBI margin, %	12.3	13.7		12.4	13.4		13.1
Credit loss ratio, %	1.9	2.1		2.0	2.1		1.9

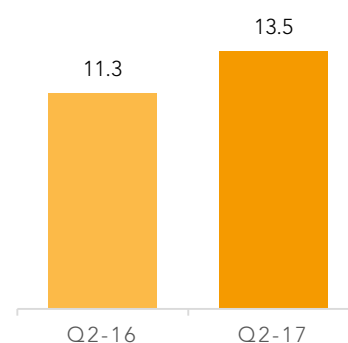


#### ABOUT CONSUMER LOANS

In the Consumer Loans segment, Resurs offers unsecured loans to consumers who want to finance investments 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 13.5 billion in outstanding consumer loans.

#### LENDING TO THE PUBLIC



Trend in lending to the public in SEK billion.



## INSURANCE

Continued favourable performance and agreement with yA Bank in Norway

### SECOND QUARTER 2017, APRIL–JUNE

Insurance's existing partners continued to perform positively in the second quarter and collaborations with new partners were initiated. For example, an agreement was signed with Synsam that will strengthen the segment's Nordic presence.

The segment also entered into an agreement with Norwegian company yA Bank in the quarter, which Resurs Bank acquired at the end of 2015. The agreement is for the mediation of payment protection insurance and came into effect on 1 July 2017. The deal will represent a significant share of the segment's operations in Norway.

The establishment of branches in Norway and Finland was completed during the quarter and were opened on 1 April. The branches were launched to facilitate growth in these markets.

Total premiums earned for the segment declined by 22 per cent to SEK 192 million (246). The decline was the result of the discontinuation of the unprofitable travel-insurance programme in the UK. Excluding the UK operations, total premiums earned increased by 6 per cent to SEK 190 million (180). All product lines increased year-on-year. Mainly insurance products in the Motor and Travel business lines continued to performed strongly. In the Product line, bicycles and product insurances in the Norwegian market reported strong growth.

Operating income increased 17 per cent to SEK 46 million (39), mainly due to an improved claims ratio of 29.5 per cent (38.7 per cent) and an increase in net income from financial transactions.

The technical result amounted to SEK 16 million (16) and was in line with the preceding year. Operating profit increased 9 per cent to SEK 21 million (19) and the combined ratio fell to 92.6 per cent (94.1 per cent).

### FIRST HALF OF 2017, JANUARY–JUNE

Premiums earned declined by 18 per cent to SEK 403 million (491). The decline was the result of the discontinuation of the unprofitable travel-insurance programme in the UK. Excluding the UK operations, premiums earned increased by 7 per cent to SEK 391 million (365).

Operating income for the period rose 15 per cent to SEK 93 million (81). Net income from financial transactions rose by SEK 7 million year-on-year, while interest income fell by just under SEK 2 million due to the generally weaker interest-rate scenario.

The technical result amounted to SEK 31 million (31) and was in line with the preceding year. Operating income increased by 20 per cent to SEK 44 million (36). The total combined ratio improved, declining to 93.0 per cent (94.4 per cent), primarily due to the significant improvement in the claims ratio to 30.8 per cent (37.4 per cent).

### PERFORMANCE MEASURES – INSURANCE

SEKm	Apr–Jun 2017	Apr–Jun 2016	Change	Jan–Jun 2017	Jan–Jun 2016	Change	Jan–Dec 2016
Premiums earned, net	192	246	-22%	403	491	-18%	909
Operating income	46	39	17%	93	81	15%	125
Technical result	16	16	0%	31	31	0%	29
Operating profit	21	19	9%	44	36	20%	40
Combined ratio, %	92.6	94.1		93.0	94.4		98.4

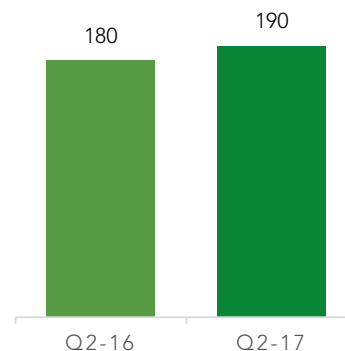


#### ABOUT INSURANCE

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

## SIGNIFICANT EVENTS

### JANUARY–JUNE 2017

#### Digital text message applications - quick and easy for consumers to apply for credit themselves via Resurs Bank

In June 2017, Resurs Bank launched digital text message applications that simplify credit purchases for consumers and retailers. The service was launched in Denmark in the second quarter and in Sweden in the summer of 2017. It is scheduled for launch in Norway and Finland in the autumn.

#### Resolution on dividends in Resurs Holding

The Annual General Meeting held on 28 April 2017 resolved on a dividend of SEK 3.00 per share, representing earnings per share of 66 per cent. The total dividend amounted to SEK 600 million. The Resurs share was traded ex rights from 2 May 2017. The record date was 3 May 2017 and the dividend was paid on 8 May 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

There were no significant events after the end of the period.

SOME OF RESURS'S NEW  
RETAIL FINANCE PARTNERS  
IN 2017

**STIGA**

**RengasDuo**

**Tripmonster**

**flygstolen.se**

**AudioNova**

**BILTEMA**

**interoptik**

**PAAPI**

**etsykkkel.no**

**HEAD**

**AMAZING BRANDS**

**SOUTH EAST**

**GOLFHANDELEN.NO**

**HYLTE**  
JAKT & LANTMAN

**STB-Butikken**

**Bad & Värme**

**askås**

**MOVESGOOD**

## 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 have been 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 branch office Resurs Bank AB Suomen sivuliike (Helsinki), operations in Denmark through branch office Resurs Bank filial af Resurs Bank (Vallensbæk Strand) and operations in Norway through branch office Resurs Bank AB NUF (Oslo), and also via Resurs Bank's subsidiary yA Bank AS.

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. During the year, Solid Försäkring transferred operations to the branches in Norway and Finland, which commenced on 1 April.

### Employees

There were 742 full-time employees within the Group at 30 June 2017, up 11 since 31 March and up 14 since the end of 2016. The increase was mainly the result of the recruitment of new employees in IT.

### Capital Market Day 2017

Resurs Holding will arrange a Capital Market Day on Monday, 27 November 2017 in Stockholm. A formal invitation with a complete programme and information on how to register will be sent out in September 2017.



### NUMBER OF EMPLOYEES

# 742

## 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 52.30.



The ten largest shareholders with direct ownership on 30 June 2017 were:	Share capital
Waldakt (fam. Bengtsson)	28.6%
Cidron Semper Ltd (Nordic Capital)	26.2%
Swedbank Robur Fonder	9.3%
Andra AP-fonden	3.2%
Handelsbanken Fonder	2.7%
Livförsäkringsbolaget Skandia	1.6%
AFA Försäkring	1.6%
Didner & George Fonder	1.4%
Avanza Pension	1.4%
Catea Group	1.1%
<b>Total</b>	<b>77.1%</b>

## Financial targets

Performance measures	Mid-term targets	Jan-Jun 2017
Annual lending growth	about 10%	13.9%
NBI margin, excl. Insurance	about 13-15%	13.1%
Credit loss ratio	about 2-3%	1.8%
C/I before credit losses excl. Insurance and adjusted for nonrecurring costs	about 40%	42.4%
Common Equity Tier 1 ratio	over 12.5%	13.3%
Total capital ratio	over 14.5%	15.3%
Return on tangible equity (RoTE) adjusted for nonrecurring costs <sup>1)</sup>	about 30%	29.0%
Dividend	at least 50% of profit for the year	n/a

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

## Financial calendar

- 31 October 2017 Interim report for Jan-Sep 2017

NEXT REPORT

**31** OCTOBER

## THE BOARD'S ATTESTATION

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, 7 August 2017.

Kenneth Nilsson, CEO

Board of Directors,

Jan Samuelson, Chairman of the board

Martin Bengtsson

Mariana Burenstam Linder

Fredrik Carlsson

Anders Dahlvig

Christian Frick

Lars Nordstrand

Marita Odélius Engström

## SUMMARY FINANCIAL STATEMENTS — GROUP

### Condensed income statement

SEK thousand	Note	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Interest income	G5	671,840	608,073	1,308,498	1,186,757	2,449,066
Interest expense	G5	-67,324	-55,910	-128,109	-112,522	-236,813
Fee & commission income		58,315	55,106	130,628	114,970	225,482
Fee & commission expense, banking operations		-17,530	-12,221	-30,918	-25,050	-49,370
Premium earned, net	G6	191,783	245,732	401,897	490,496	907,204
Insurance compensation, net	G7	-56,672	-95,193	-123,844	-183,995	-349,584
Fee & commission expense, insurance operations		-60,892	-87,762	-130,805	-179,777	-340,775
Net income/expense from financial transactions		4,340	2,254	3,153	-2,866	-958
Profit/loss from participations in Group companies			-1,678		-1,678	-1,678
Other operating income	G8	42,135	51,216	83,874	99,898	193,962
<b>Total operating income</b>		<b>765,995</b>	<b>709,617</b>	<b>1,514,374</b>	<b>1,386,233</b>	<b>2,796,536</b>
General administrative expenses	G9	-270,731	-261,867	-538,359	-539,848	-1,081,596
Depreciation, amortisation and impairment of non-current assets		-8,727	-7,363	-17,312	-14,667	-31,272
Other operating expenses		-48,730	-40,594	-96,361	-81,643	-167,454
<b>Total expenses before credit losses</b>		<b>-328,188</b>	<b>-309,824</b>	<b>-652,032</b>	<b>-636,158</b>	<b>-1,280,322</b>
<b>Earnings before credit losses</b>		<b>437,807</b>	<b>399,793</b>	<b>862,342</b>	<b>750,075</b>	<b>1,516,214</b>
Credit losses, net	G10	-97,787	-90,532	-200,664	-188,140	-376,693
<b>Operating profit/loss</b>		<b>340,020</b>	<b>309,261</b>	<b>661,678</b>	<b>561,935</b>	<b>1,139,521</b>
Income tax expense		-76,867	-69,377	-151,417	-126,286	-234,727
<b>Net profit for the period</b>		<b>263,153</b>	<b>239,884</b>	<b>510,261</b>	<b>435,649</b>	<b>904,794</b>
<b>Attributable to Resurs Holding AB shareholders</b>		<b>263,153</b>	<b>239,884</b>	<b>510,261</b>	<b>435,649</b>	<b>904,794</b>
Basic and diluted earnings per share, SEK	G15	1.32	1.20	2.55	2.18	4.52

### Condensed statement of comprehensive income

SEK thousand	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
<b>Net profit for the period</b>	<b>263,153</b>	<b>239,884</b>	<b>510,261</b>	<b>435,649</b>	<b>904,794</b>
<b>Other comprehensive income that will be reclassified to profit/loss</b>					
Translation differences for the period, foreign operations	-63,276	47,644	-87,413	85,644	166,293
Hedge accounting	17,458		21,018		-17,910
Hedge accounting - tax	-3,841		-4,624		3,940
<b>Comprehensive income for the period</b>	<b>213,494</b>	<b>287,528</b>	<b>439,242</b>	<b>521,293</b>	<b>1,057,117</b>
<b>Attributable to Resurs Holding AB shareholders</b>	<b>213,494</b>	<b>287,528</b>	<b>439,242</b>	<b>521,293</b>	<b>1,057,117</b>

## Condensed statement of financial position

SEK thousand	Note	30 Jun 2017	30 Jun 2016	31 Dec 2016
<b>Assets</b>				
Cash and balances at central banks		61,985	53,658	56,173
Treasury and other bills eligible for refinancing		841,401	900,615	892,068
Lending to credit institutions		3,018,932	3,400,667	3,294,955
Lending to the public	G11	22,310,666	19,596,456	21,204,281
Bonds and other interest-bearing securities		1,951,337	1,639,262	1,886,004
Subordinated debt		34,635	23,337	32,491
Shares and participating interests		62,153	37,591	65,858
Intangible assets		1,847,564	1,838,818	1,885,106
Property, plant & equipment		43,390	37,716	42,079
Reinsurers' share in technical provisions		6,250	16,616	7,734
Other assets		190,060	204,767	219,143
Prepaid expenses and accrued income		227,096	243,981	227,495
<b>TOTAL ASSETS</b>		<b>30,595,469</b>	<b>27,993,484</b>	<b>29,813,387</b>
<b>Liabilities, provisions and equity</b>				
<b>Liabilities and provisions</b>				
Liabilities to credit institutions			18,476	1,700
Deposits and borrowing from the public		17,981,212	18,388,300	18,617,943
Other liabilities		963,221	1,059,045	1,115,641
Accrued expenses and deferred income		252,641	265,189	150,811
Technical provisions		415,265	462,496	462,853
Other provisions		6,494	9,175	6,988
Issued securities		4,698,305	2,202,540	3,316,130
Subordinated debt		340,396	40,324	42,160
<b>Total liabilities and provisions</b>		<b>24,657,534</b>	<b>22,445,545</b>	<b>23,714,226</b>
<b>Equity</b>				
Share capital		1,000	1,000	1,000
Other paid-in capital		2,088,142	2,073,210	2,088,610
Translation reserve		5,047	9,387	76,066
Retained earnings incl. profit for the period		3,843,746	3,464,342	3,933,485
<b>Total equity</b>		<b>5,937,935</b>	<b>5,547,939</b>	<b>6,099,161</b>
<b>TOTAL LIABILITIES, PROVISIONS AND EQUITY</b>		<b>30,595,469</b>	<b>27,993,484</b>	<b>29,813,387</b>

See Note G12 for information on pledged assets and commitments.

## Condensed statement of changes in equity

SEK thousand	Share capital	Other paid-in capital	Translation reserve	Retained earnings incl. profit for the period	Total equity
<b>Initial equity at 1 January 2016</b>	1,000	2,050,734	-76,257	3,028,691	5,004,168
<i>Owner transactions</i>					
Option premium received		22,477			22,477
Net profit for the period				435,650	435,650
Other comprehensive income for the period			85,644		85,644
<b>Equity at 30 June 2016</b>	1,000	2,073,211	9,387	3,464,341	5,547,939
<b>Initial equity at 1 January 2016</b>	1,000	2,050,734	-76,257	3,028,691	5,004,168
<i>Owner transactions</i>					
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
<b>Equity at 31 December 2016</b>	1,000	2,088,610	76,066	3,933,485	6,099,161
<b>Initial equity at 1 January 2017</b>	1,000	2,088,610	76,066	3,933,485	6,099,161
<i>Owner transactions</i>					
Option premium received/repurchased		-468			-468
Dividend paid				-600,000	-600,000
Net profit for the period				510,261	510,261
Other comprehensive income for the period			-71,019		-71,019
<b>Equity at 30 June 2017</b>	1,000	2,088,142	5,047	3,843,746	5,937,935

All equity is attributable to Parent Company shareholders.



## Cash flow statement (indirect method)

SEK thousand	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Operating profit	661,678	561,935	1,139,521
- of which, interest received	1,308,561	1,171,024	2,448,835
- of which, interest paid	-42,632	-28,629	-236,636
Adjustments for non-cash items in operating profit	253,831	198,202	341,606
Tax paid	-243,002	-122,144	-170,355
<b>Cash flow from operating activities before changes in operating assets and liabilities</b>	<b>672,507</b>	<b>637,993</b>	<b>1,310,772</b>
<b>Changes in operating assets and liabilities</b>			
Lending to the public	-1,560,967	-1,155,038	-2,605,972
Other assets	60,976	84,882	-142,152
Liabilities to credit institutions	-1,700	-122,784	-139,560
Deposits and borrowing from the public	-405,238	1,747,776	1,786,924
Acquisition of investment assets	-604,719	-660,571	-1,682,620
Divestment of investment assets	552,715	594,236	1,385,556
Other liabilities	-11,972	-119,271	-126,206
<b>Cash flow from operating activities</b>	<b>-1,298,398</b>	<b>1,007,223</b>	<b>-213,258</b>
<b>Investing activities</b>			
Acquisition of non-current assets	-31,608	-11,526	-26,640
Divestment of non-current assets	1,017	2,254	3,672
Divestment of subsidiaries - net liquidity impact		-2,538	-2,538
<b>Cash flow from investing activities</b>	<b>-30,591</b>	<b>-11,810</b>	<b>-25,506</b>
<b>Financing activities</b>			
Dividend paid	-600,000		
Unconditional shareholder's contribution received			15,000
Issued securities	1,397,150		1,094,600
Option premium received/repurchased	-468	22,476	22,886
Subordinated debt	300,000		
<b>Cash flow from financing activities</b>	<b>1,096,682</b>	<b>22,476</b>	<b>1,132,486</b>
<b>Cash flow for the period</b>	<b>-232,307</b>	<b>1,017,889</b>	<b>893,722</b>
Cash & cash equivalents at beginning of the year	3,351,128	2,402,046	2,402,046
Exchange difference	-37,904	34,390	55,360
<b>Cash &amp; cash equivalents at end of the period</b>	<b>3,080,917</b>	<b>3,454,325</b>	<b>3,351,128</b>
<b>Adjustment for non-cash items in operating profit</b>			
Credit losses	200,664	188,140	376,693
Depreciation and impairment of property, plant & equipment	17,312	14,667	31,272
Profit/loss tangible assets	-164	-218	-650
Profit/loss from participations in associated companies		1,678	1,678
Profit/loss on investment assets	-22,699	-12,872	-28,085
Change in provisions	-47,873	-71,642	-73,720
Adjustment to interest paid/received	82,783	64,359	3,483
Currency effects	21,147	13,886	29,331
Other items that do not affect liquidity	2,661	204	1,604
	<b>253,831</b>	<b>198,202</b>	<b>341,606</b>

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

# NOTES TO THE CONDENSED FINANCIAL STATEMENTS

## G1. Accounting principles

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

## G2. Liquidity - Consolidated situation

Liquidity risk includes the risk of not being able to meet liquidity commitments without significantly higher costs. 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 1,693 million (1,744), is in accordance with Swedish Financial Supervisory Authority regulations on liquidity risk management (FFFS 2010:7 and applicable amendments thereto) for the consolidated situation.

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 Group continued to work intensively on preparing implementation during the first six months of the year. The management 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. Work on developing macrovariables was prioritised in the second quarter. The Group 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 expected to lead to some increased volatility in the credit loss line of the income statement. The effect of the implementation on the capital base cannot be assessed yet since the European Commission's proposal that the effect on the capital base is to be phased in over five years has not yet been adopted. IFRS 9 takes effect on 1 January 2018.

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

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 3,620 million (3,727) for the consolidated situation. Accordingly, total liquidity amounted to SEK 5,312 million (5,470). Total liquidity corresponded to 29 per cent (30) of deposits from the public. The Group also has unutilised credit facilities of SEK 50 million (550).

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 30 June 2017, the ratio for the consolidated situation is 183 per cent (149). 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 - Consolidated situation

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 18,072 million (18,511), SEK 12,719 million (14,022) of which was in Sweden, and the equivalent of SEK 5,353 million (4,489) was in Norway. The lending to the public/deposits from the public ratio for the consolidated situation is 123 per cent (106).

Resurs Bank has a funding programme for issuing bonds, the programme amounts to SEK 5 billion. Within the programme, Resurs Bank has been working successfully to issue bonds on a regular basis and sees itself as an established issuer on the market. A total of SEK 2,500 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 30 June 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

SEK thousand	30 Jun 2017	30 Jun 2016	31 Dec 2016
<b>Liquidity reserve as per FFFS 2010:7 definition</b>			
Securities issued by sovereigns	48,394	73,513	74,412
Securities issued by municipalities	662,862	645,164	668,086
Lending to credit institutions	78,000	207,000	148,000
Bonds and other interest-bearing securities	903,515	817,897	849,458
<b>Summary Liquidity reserve as per FFFS 2010:7</b>	<b>1,692,771</b>	<b>1,743,574</b>	<b>1,739,956</b>
<b>Other liquidity portfolio</b>			
Cash and balances at central banks	61,985	53,658	56,173
Lending to credit institutions	2,770,681	3,124,443	2,979,000
Bonds and other interest-bearing securities	786,900	548,819	792,071
<b>Total other liquidity portfolio</b>	<b>3,619,566</b>	<b>3,726,920</b>	<b>3,827,244</b>
<b>Total liquidity portfolio</b>	<b>5,312,337</b>	<b>5,470,494</b>	<b>5,567,200</b>
<b>Other liquidity-creating measures</b>			
Unutilised credit facilities	50,495	550,405	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	30 Jun 2017	30 Jun 2016	31 Dec 2016
Liquid assets, Level 1	1,061,443	1,080,210	1,090,651
Liquid assets, Level 2	565,856	404,176	486,546
<b>Total liquid assets</b>	<b>1,627,299</b>	<b>1,484,386</b>	<b>1,577,197</b>
<b>LCR measure</b>	<b>183%</b>	<b>149%</b>	<b>181%</b>

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

Additional information on the Group's management of liquidity risks is available in the Group's 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	30 Jun 2017	30 Jun 2016	31 Dec 2016
<b>Tier 1 capital</b>			
<b>Common Equity Tier 1 capital</b>			
Equity	4,911,349	4,595,935	4,677,988
Net profit for the year	474,992	404,795	904,011
Less:			
Foreseeable dividend	-300,000	-202,398	-600,000
Shares in subsidiaries	-100		-100
Intangible assets	-1,814,914	-1,801,697	-1,850,269
Deferred tax asset	-4,418	-7,932	-4,374
Additional value adjustments	-2,470	-2,084	-2,452
<b>Total Common Equity Tier 1 capital</b>	<b>3,264,439</b>	<b>2,986,619</b>	<b>3,124,804</b>
<b>Tier 2 capital</b>			
Dated subordinated loans	489,840	233,643	215,325
<b>Total Tier 2 capital</b>	<b>489,840</b>	<b>233,643</b>	<b>215,325</b>
<b>Total capital base</b>	<b>3,754,279</b>	<b>3,220,262</b>	<b>3,340,129</b>

## Capital requirement

SEK thousand	30 Jun 2017		30 Jun 2016		31 Dec 2016	
	Risk-weighted exposure amount	Capital requirement <sup>1)</sup>	Risk-weighted exposure amount	Capital requirement <sup>1)</sup>	Risk-weighted exposure amount	Capital requirement <sup>1)</sup>
Exposures to institutions	164,190	13,135	187,082	14,967	139,876	11,190
Exposures to corporates	247,672	19,814	250,751	20,060	230,782	18,463
Retail exposures	15,335,962	1,226,877	13,476,593	1,078,127	14,598,673	1,167,894
Exposures in default	1,627,792	130,223	1,384,715	110,777	1,519,823	121,586
Exposures in the form of covered bonds	93,366	7,469	81,575	6,526	84,854	6,788
Exposures to institutions and companies with short-term credit rating	401,097	32,088	525,227	42,018	481,123	38,490
Exposures in the form of units or shares in collective investment undertakings (funds)	138,430	11,074	100,790	8,063	171,965	13,757
Equity exposures	79,986	6,399	79,993	6,399	80,038	6,403
Other items	241,044	19,284	165,538	13,243	261,575	20,926
<b>Total credit risks</b>	<b>18,329,539</b>	<b>1,466,363</b>	<b>16,252,264</b>	<b>1,300,180</b>	<b>17,568,709</b>	<b>1,405,497</b>
<b>Credit valuation adjustment risk</b>	<b>13,273</b>	<b>1,062</b>	<b>10,831</b>	<b>866</b>	<b>13,511</b>	<b>1,081</b>
<b>Market risk</b>						
Currency risk	1,429,072	114,326	1,795,322	143,626	1,392,562	111,405
<b>Operational risk</b>	<b>4,720,126</b>	<b>377,610</b>	<b>4,375,273</b>	<b>350,022</b>	<b>4,720,126</b>	<b>377,610</b>
<b>Total</b>	<b>24,492,010</b>	<b>1,959,361</b>	<b>22,433,690</b>	<b>1,794,694</b>	<b>23,694,908</b>	<b>1,895,593</b>

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

In addition to the treatment of Pillar 1 risks above, 1.2 % of the consolidated situation's risk-weighted assets are allocated for Pillar 2 requirements as at 30 June 2017.

## Capital ratio and capital buffers

	30 Jun 2017	30 Jun 2016	31 Dec 2016
Common Equity Tier 1 ratio, %	13.3	13.3	13.2
Tier 1 ratio, %	13.3	13.3	13.2
Total capital ratio, %	15.3	14.4	14.1
Common Equity Tier 1 capital requirement incl. buffer requirement, %	8.5	8.2	8.2
- of which, capital conservation buffer requirement, %	2.5	2.5	2.5
- of which, countercyclical buffer requirement, %	1.5	1.2	1.2
Common Equity Tier 1 capital available for use as buffer, %	7.3	6.4	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.

## Leverage ratio

SEK thousand	30 Jun 2017	30 Jun 2016	31 Dec 2016
Tier 1 capital	3,264,439	2,986,619	3,124,804
Leverage ratio exposure	30,637,729	27,686,634	29,657,595
Leverage ration, %	10.7	10.8	10.5

## 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, net. 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.

### Apr-Jun 2017

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	251,437	418,909	2,959	-1,465	671,840
Interest expense	-23,166	-45,574	-49	1,465	-67,324
Fee & commission income	67,929	27,141		-36,755	58,315
Fee & commission expense, banking operations	-17,530				-17,530
Premium earned, net			192,203	-420	191,783
Insurance compensation, net			-56,672		-56,672
Fee & commission expense, insurance operations			-97,647	36,755	-60,892
Net income/expense from financial transactions	-1,430	861	4,909		4,340
Profit/loss from participations in Group companies					0
Other operating income	37,305	6,195	4	-1,369	42,135
<b>Total operating income</b>	<b>314,545</b>	<b>407,532</b>	<b>45,707</b>	<b>-1,789</b>	<b>765,995</b>
of which, internal	18,671	17,988	-34,870	-1,789	0
Credit losses, net	-33,871	-63,916			-97,787
<b>Operating income less credit losses</b>	<b>280,674</b>	<b>343,616</b>	<b>45,707</b>	<b>-1,789</b>	<b>668,208</b>
Expenses excl. credit losses <sup>1)</sup>			-25,107		
<b>Operating profit, Insurance <sup>2)</sup></b>			<b>20,600</b>		

### Apr-Jun 2016

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	227,182	378,675	3,763	-1,547	608,073
Interest expense	-19,392	-38,061	-4	1,547	-55,910
Fee & commission income	59,928	24,718		-29,540	55,106
Fee & commission expense, banking operations	-12,224	3			-12,221
Premium earned, net			246,162	-430	245,732
Insurance compensation, net			-95,193		-95,193
Fee & commission expense, insurance operations			-117,302	29,540	-87,762
Net income/expense from financial transactions	196	252	1,806		2,254
Profit/loss from participations in Group companies	-854	-824			-1,678
Other operating income	39,703	13,143	-89	-1,541	51,216
<b>Total operating income</b>	<b>294,539</b>	<b>377,906</b>	<b>39,143</b>	<b>-1,971</b>	<b>709,617</b>
of which, internal	15,314	14,220	-27,563	-1,971	0
Credit losses, net	-31,365	-59,167			-90,532
<b>Operating income less credit losses</b>	<b>263,174</b>	<b>318,739</b>	<b>39,143</b>	<b>-1,971</b>	<b>619,085</b>
Expenses excl. credit losses <sup>1)</sup>			-20,284		
<b>Operating profit, Insurance <sup>2)</sup></b>			<b>18,859</b>		

## Jan-Jun 2017

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	489,259	815,504	6,637	-2,902	1,308,498
Interest expense	-44,835	-86,094	-82	2,902	-128,109
Fee & commission income	144,298	58,786		-72,456	130,628
Fee & commission expense, banking operations	-30,918				-30,918
Premium earned, net			402,696	-799	401,897
Insurance compensation, net			-123,844		-123,844
Fee & commission expense, insurance operations			-203,261	72,456	-130,805
Net income/expense from financial transactions	-6,403	-1,329	10,885		3,153
Profit/loss from participations in Group companies					0
Other operating income	70,351	16,252	8	-2,737	83,874
<b>Total operating income</b>	<b>621,752</b>	<b>803,119</b>	<b>93,039</b>	<b>-3,536</b>	<b>1,514,374</b>
of which, internal	36,954	35,337	-68,755	-3,536	0
Credit losses, net	-68,732	-131,932			-200,664
<b>Operating income less credit losses</b>	<b>553,020</b>	<b>671,187</b>	<b>93,039</b>	<b>-3,536</b>	<b>1,313,710</b>
Expenses excl. credit losses <sup>1)</sup>			-49,255		
<b>Operating profit, Insurance <sup>2)</sup></b>			<b>43,784</b>		

## Jan-Jun 2016

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	450,608	731,092	8,272	-3,215	1,186,757
Interest expense	-39,152	-76,581	-4	3,215	-112,522
Fee & commission income	121,574	51,885		-58,489	114,970
Fee & commission expense, banking operations	-25,051	1			-25,050
Premium earned, net			491,353	-857	490,496
Insurance compensation, net			-183,995		-183,995
Fee & commission expense, insurance operations			-238,266	58,489	-179,777
Net income/expense from financial transactions	-3,412	-3,170	3,716		-2,866
Profit/loss from participations in Group companies	-854	-824			-1,678
Other operating income	80,591	21,804	-52	-2,445	99,898
<b>Total operating income</b>	<b>584,304</b>	<b>724,207</b>	<b>81,024</b>	<b>-3,302</b>	<b>1,386,233</b>
of which, internal	30,286	27,433	-54,417	-3,302	0
Credit losses, net	-76,934	-111,206			-188,140
<b>Operating income less credit losses</b>	<b>507,370</b>	<b>613,001</b>	<b>81,024</b>	<b>-3,302</b>	<b>1,198,093</b>
Expenses excl. credit losses <sup>1)</sup>			-44,663		
<b>Operating profit, Insurance <sup>2)</sup></b>			<b>36,361</b>		

## 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
<b>Total operating income</b>	<b>1,185,492</b>	<b>1,491,953</b>	<b>125,468</b>	<b>-6,377</b>	<b>2,796,536</b>
<i>of which, internal</i>	<i>65,484</i>	<i>56,758</i>	<i>-115,865</i>	<i>-6,377</i>	<i>0</i>
Credit losses, net	-159,092	-217,601			-376,693
<b>Operating income less credit losses</b>	<b>1,026,399</b>	<b>1,274,352</b>	<b>125,468</b>	<b>-6,377</b>	<b>2,419,843</b>
Expenses excl. credit losses <sup>1)</sup>			-85,333		
<b>Operating profit, Insurance <sup>2)</sup></b>			<b>40,135</b>		

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

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

SEK thousand	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
<b>As per segment reporting</b>					
Expenses excl. credit losses as regards Insurance segment	-25,107	-20,284	-49,255	-44,663	-85,333
<b>Not broken down by segment</b>					
Expenses excl. credit losses as regards banking operations	-303,081	-289,540	-602,777	-591,495	-1,194,989
<b>Total</b>	<b>-328,188</b>	<b>-309,824</b>	<b>-652,032</b>	<b>-636,158</b>	<b>-1,280,322</b>
<b>As per income statement</b>					
General administrative expenses	-270,731	-261,867	-538,359	-539,848	-1,081,596
Depreciation, amortisation and impairment of tangible and intangible assets	-8,727	-7,363	-17,312	-14,667	-31,272
Other operating expenses	-48,730	-40,594	-96,361	-81,643	-167,454
<b>Total</b>	<b>-328,188</b>	<b>-309,824</b>	<b>-652,032</b>	<b>-636,158</b>	<b>-1,280,322</b>

SEK thousand	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
<b>As per segment reporting</b>					
Operating profit, Insurance	20,600	18,859	43,784	36,361	40,135
<b>Not broken down by segment</b>					
Operating profit as regards banking operations	319,420	290,402	617,894	525,574	1,099,386
<b>Total</b>	<b>340,020</b>	<b>309,261</b>	<b>661,678</b>	<b>561,935</b>	<b>1,139,521</b>
<b>As per income statement</b>					
Operating profit	340,020	309,261	661,678	561,935	1,139,521
<b>Total</b>	<b>340,020</b>	<b>309,261</b>	<b>661,678</b>	<b>561,935</b>	<b>1,139,521</b>

## Assets

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

## Lending to the public

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Total Group
30 Jun 2016	8,275,072	11,321,384		19,596,456
31 Dec 2016	8,785,938	12,418,343		21,204,281
30 Jun 2017	8,815,888	13,494,778		22,310,666



## G5. Net interest income/expense

SEK thousand	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
<b>Interest income</b>					
Lending to credit institutions	801	604	1,344	1,355	2,976
Lending to the public	669,407	602,417	1,303,311	1,174,507	2,435,729
Interest-bearing securities	1,632	5,052	3,843	10,895	10,361
<b>Total interest income</b>	<b>671,840</b>	<b>608,073</b>	<b>1,308,498</b>	<b>1,186,757</b>	<b>2,449,066</b>
<b>Interest expense</b>					
Liabilities to credit institutions	-4,884	-2,703	-2,975	-4,886	-9,592
Deposits and borrowing from the public	-50,988	-43,286	-101,332	-88,457	-189,046
Interest expense, issued securities <sup>1)</sup>	-10,677	-9,013	-22,371	-17,679	-35,016
Other liabilities	-775	-908	-1,431	-1,500	-3,159
<b>Total interest expense</b>	<b>-67,324</b>	<b>-55,910</b>	<b>-128,109</b>	<b>-112,522</b>	<b>-236,813</b>
<b>Net interest income/expense</b>	<b>604,516</b>	<b>552,163</b>	<b>1,180,389</b>	<b>1,074,235</b>	<b>2,212,253</b>

<sup>1)</sup> Of which SEK -5,3 million (0) refer to non-deductible interest for subordinated debt for the period January-June 2017.

## G6. Premium earned, net

SEK thousand	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Premium earned	196,154	242,573	390,483	464,038	915,306
Premiums for specified reinsurance	-6,201	-5,613	-11,871	-12,746	-28,040
Change in provision for unearned premiums and unexpired risks	2,779	12,351	25,877	47,199	28,853
Reinsurers' share in change in provision for unearned premiums and unexpired risks	-949	-3,579	-2,592	-7,995	-8,915
<b>Total premium earned, net</b>	<b>191,783</b>	<b>245,732</b>	<b>401,897</b>	<b>490,496</b>	<b>907,204</b>

## G7. Insurance compensation, net

SEK thousand	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Claims paid, gross	-65,240	-112,833	-136,036	-207,959	-385,312
Less reinsurance share	2,138	2,842	4,467	5,875	11,134
<b>Total claims paid, net</b>	<b>-63,102</b>	<b>-109,991</b>	<b>-131,569</b>	<b>-202,084</b>	<b>-374,178</b>
Change in provision for losses incurred and reported, gross	8,931	16,927	15,639	13,287	37,629
Less reinsurance share	1,124	-1,651	1,124	672	-6,817
<b>Total change in provision for losses incurred and reported, net</b>	<b>10,055</b>	<b>15,276</b>	<b>16,763</b>	<b>13,959</b>	<b>30,812</b>
Change in provision for losses incurred but not reported (IBNR), gross	1,250	4,899	1,185	14,921	13,881
<b>Total change in provision for losses incurred but not reported (IBNR), net</b>	<b>1,250</b>	<b>4,899</b>	<b>1,185</b>	<b>14,921</b>	<b>13,881</b>
Operating expenses for claims adjustment, gross	-4,955	-5,553	-10,427	-11,026	-20,535
Less reinsurance share	80	176	204	235	436
<b>Total operating expenses for claims adjustment, net</b>	<b>-4,875</b>	<b>-5,377</b>	<b>-10,223</b>	<b>-10,791</b>	<b>-20,099</b>
<b>Total insurance compensation, net</b>	<b>-56,672</b>	<b>-95,193</b>	<b>-123,844</b>	<b>-183,995</b>	<b>-349,584</b>

## G8. Other operating income

SEK thousand	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Other income, lending to the public	36,687	41,240	76,366	85,013	167,175
Other operating income	5,448	9,976	7,508	14,885	26,787
<b>Total operating income</b>	<b>42,135</b>	<b>51,216</b>	<b>83,874</b>	<b>99,898</b>	<b>193,962</b>

## G9. General administrative expenses

SEK thousand	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Personnel expenses	-140,274	-124,418	-266,664	-248,734	-491,137
Postage, communication and notification expenses	-35,675	-36,058	-72,338	-74,108	-148,809
IT expenses	-44,150	-34,492	-85,729	-75,568	-154,886
Cost of premises	-10,372	-8,333	-19,933	-17,106	-34,840
Consultant expenses	-10,633	-35,060	-38,469	-73,356	-119,293
Other	-29,627	-23,506	-55,226	-50,976	-132,631
<b>Total general administrative expenses</b>	<b>-270,731</b>	<b>-261,867</b>	<b>-538,359</b>	<b>-539,848</b>	<b>-1,081,596</b>

## G10. Credit losses

SEK thousand	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
<b>Individually assessed loan receivables</b>					
Write-offs of stated credit losses for the period	-436	-536	-996	-935	-3,470
Recoveries of previously confirmed credit losses	665	4	672	145	406
Transfers/reversal of provision for credit losses	-2,650	76	-2,905	-176	-2,939
<b>Net result of individually assessed loan receivables for the period</b>	<b>-2,421</b>	<b>-456</b>	<b>-3,229</b>	<b>-966</b>	<b>-6,003</b>
<b>Collectively assessed homogeneous groups of loan receivables with limited value and similar credit risk</b>					
Write-offs of stated credit losses for the period	-31,181	-41,711	-55,361	-72,338	-166,011
Recoveries of previously confirmed credit losses	3,686	10,210	9,312	18,216	37,926
Transfers/reversal of provision for credit losses	-67,871	-58,575	-151,386	-133,052	-242,605
<b>Net cost of collectively assessed homogeneous groups of loan receivables</b>	<b>-95,366</b>	<b>-90,076</b>	<b>-197,435</b>	<b>-187,174</b>	<b>-370,690</b>
<b>Net cost of credit losses for the period</b>	<b>-97,787</b>	<b>-90,532</b>	<b>-200,664</b>	<b>-188,140</b>	<b>-376,693</b>

## G11. Lending to the public and doubtful receivables

SEK thousand	30 Jun 2017	30 Jun 2016	31 Dec 2016
Retail sector	23,786,872	20,726,240	22,488,706
Corporate sector	333,717	343,474	308,289
<b>Total lending to the public</b>	<b>24,120,589</b>	<b>21,069,714</b>	<b>22,796,995</b>
Less provision for anticipated credit losses	-1,809,923	-1,473,258	-1,592,714
<b>Total net lending to the public</b>	<b>22,310,666</b>	<b>19,596,456</b>	<b>21,204,281</b>
<b>Doubtful receivables</b>			
Gross doubtful receivables for which interest is not entered as income until payment is made	3,351,511	2,703,777	3,028,008
Provision for anticipated credit losses	-1,809,923	-1,473,258	-1,592,714
<b>Doubtful receivables, net</b>	<b>1,541,588</b>	<b>1,230,519</b>	<b>1,435,294</b>

## G12. Pledged assets, contingent liabilities and commitments

SEK thousand	30 Jun 2017	30 Jun 2016	31 Dec 2016
<b>Collateral pledged for own liabilities</b>			
Lending to credit institutions	156,486	206,600	90,000
Lending to the public <sup>1)</sup>	2,653,177	1,778,518	2,644,300
Assets for which policyholders have priority rights <sup>2)</sup>	543,074	471,658	512,067
Floating charges		500,000	500,000
Restricted bank deposits <sup>3)</sup>	23,294	21,888	24,966
<b>Total collateral pledged for own liabilities</b>	<b>3,376,031</b>	<b>2,978,664</b>	<b>3,771,333</b>
<b>Contingent liabilities</b>			
Guarantees	1,043	644	480
<b>Total contingent liabilities</b>	<b>1,043</b>	<b>644</b>	<b>480</b>
<b>Other commitments</b>			
Unutilised credit facilities granted	25,956,762	24,212,489	25,202,908

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

<sup>2)</sup> Policy holder's rights consists of assets covered by the policyholder privilege SEK 952,088 thousand (917,538) and technical provisions, net SEK -409,014 thousand (445,880).

<sup>3)</sup> As at 30 June 2017, SEK 22,244 thousand (19,775) in reserve requirement account at the Bank of Finland and SEK 842 thousand (1,427) in tax account at Norwegian bank DNB.

## G13. Related-party transactions

Resurs Holding AB, corporate identity number 556898-2291, is owned at 30 June 2017 to 28.6 per cent by Waldakt AB and 26.2 per cent by Cidron Semper Ltd (Nordic Capital). 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	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Processing fees	-114,026	-123,012	-230,368	-247,616	-488,204
Interest expense – deposits and borrowing from the public	-1,501	-698	-3,122	-1,356	-5,907
Fee & commission income	9,206	9,584	18,365	19,419	40,070
Fee & commission expense	-12,324	-18,391	-24,565	-36,839	-62,125
General administrative expenses	-5,733	-5,431	-11,705	-14,570	-33,775

SEK thousand	30 Jun 2017	30 Jun 2016	31 Dec 2016
Other assets	5,543	4,459	12,878
Deposits and borrowing from the public	-1,106,624	-1,321,686	-1,159,454
Other liabilities	-77,192	-90,977	-88,765

### Transactions with key persons

SEK thousand	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Interest expense – deposits and borrowing from the public	-102	-83	-216	-113	-380

SEK thousand	30 jun 2017	30 jun 2016	31 dec 2016
Deposits and borrowing from the public	-77,206	-105,859	-91,941

## G14. Financial instruments

SEK thousand	30 Jun 2017		30 Jun 2016		31 Dec 2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Assets</b>						
Cash and balances at central banks	61,985	61,985	53,658	53,658	56,173	56,173
Treasury and other bills eligible for refinancing	841,401	841,401	900,615	900,615	892,068	892,068
Lending to credit institutions	3,018,932	3,018,932	3,400,667	3,400,667	3,294,955	3,294,955
Lending to the public	22,310,666	22,830,957	19,596,456	20,128,952	21,204,281	21,722,227
Bonds	1,951,337	1,951,337	1,639,262	1,639,262	1,886,004	1,886,004
Subordinated loans	34,635	34,635	23,337	23,337	32,491	32,491
Shares and participating interests	62,153	62,153	37,591	37,591	65,858	65,858
Derivatives	64,975	64,975	7,342	7,342	69,902	69,902
Derivatives instruments hedge accounting	3,108	3,108				
Other assets	88,173	88,173	160,357	160,357	123,419	123,419
Accrued income	33,237	33,237	33,763	33,763	26,459	26,459
<b>Total financial assets</b>	<b>28,470,602</b>	<b>28,990,893</b>	<b>25,853,048</b>	<b>26,385,544</b>	<b>27,651,610</b>	<b>28,169,556</b>
Intangible assets	1,847,564		1,838,818		1,885,106	
Tangible assets	43,390		37,716		42,079	
Other non-financial assets	233,913		263,902		234,592	
<b>Total assets</b>	<b>30,595,469</b>		<b>27,993,484</b>		<b>29,813,387</b>	

SEK thousand	30 Jun 2017		30 Jun 2016		31 Dec 2016	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Liabilities</b>						
Liabilities to credit institutions			18,476	18,476	1,700	1,700
Deposits and borrowing from the public	17,981,212	17,982,076	18,388,300	18,392,677	18,617,943	18,621,424
Derivatives	50,500	50,500	108,972	108,972	49,628	49,628
Derivatives instruments hedge accounting					17,910	17,910
Other liabilities	535,391	535,391	526,895	526,895	563,797	563,797
Accrued expenses	224,855	224,855	216,300	216,300	109,965	109,965
Issued securities	4,698,305	4,728,241	2,202,540	2,212,837	3,316,130	3,347,833
Subordinated debt	340,396	352,935	40,324	40,405	42,160	42,168
<b>Total financial liabilities</b>	<b>23,830,659</b>	<b>23,873,998</b>	<b>21,501,807</b>	<b>21,516,562</b>	<b>22,719,233</b>	<b>22,754,425</b>
Provisions	6,494		9,175		6,988	
Other non-financial liabilities	820,381		934,563		988,005	
Equity	5,937,935		5,547,939		6,099,161	
<b>Total equity and liabilities</b>	<b>30,595,469</b>		<b>27,993,484</b>		<b>29,813,387</b>	

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

**Financial assets at fair value**

SEK thousand	30 Jun 2017			30 Jun 2016			31 Dec 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets at fair value through profit or loss:</b>									
Treasury and other bills eligible for refinancing	841,401			900,615			892,068		
Bonds and other interest-bearing securities	1,951,337			1,639,262			1,886,004		
Subordinated loans	34,635			23,337			32,491		
Shares and participating interests	61,166		987	36,597		994	64,819		1,039
Derivatives		64,975			7,342			69,902	
<b>Total</b>	<b>2,888,539</b>	<b>64,975</b>	<b>987</b>	<b>2,599,811</b>	<b>7,342</b>	<b>994</b>	<b>2,875,382</b>	<b>69,902</b>	<b>1,039</b>
<b>Financial liabilities at fair value through profit or loss:</b>									
Derivatives		-50,500			-108,972			-49,628	
<b>Total</b>	<b>0</b>	<b>-50,500</b>	<b>0</b>	<b>0</b>	<b>-108,972</b>	<b>0</b>	<b>0</b>	<b>-49,628</b>	<b>0</b>

**Determination of fair value of financial instruments****Level 1**

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

**Level 2**

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

**Level 3**

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

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

Derivatives are entered into under ISDA agreements. The amounts are not offset in the balance sheet. The majority of derivatives at 30 June 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 68 million (7), while liabilities total SEK 51 million (109). Collateral corresponding to SEK 16 million was provided and SEK 3 million was received that had a net effect of SEK 13 million on loans to credit institutions (last year, the banking group provided collateral corresponding to SEK 117 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 - June 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.

	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Net profit for the period, SEK thousand	263,153	239,884	510,261	435,649	904,794
Average number of outstanding shares during the period	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
Earnings per share, SEK	1.32	1.20	2.55	2.18	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 G3.

### 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.

### Total capital ratio, %

Total capital in relation to risk-weighted amount as per the Swedish Financial Supervisory Authority's directive; see Note G3.

## PARENT COMPANY

### Income statement

SEK thousand	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
Net sales	3,341	4,955	7,453	9,547	23,762
<b>Total operating income</b>	<b>3,341</b>	<b>4,955</b>	<b>7,453</b>	<b>9,547</b>	<b>23,762</b>
Personnel expenses	-4,069	-3,734	-9,043	-5,787	-15,174
Other external expenses	-9,185	-16,239	-13,665	-39,967	-52,138
Depreciation, amortisation and impairment of non-current assets	-58	-58	-116	-139	-255
<b>Total operating expenses</b>	<b>-13,312</b>	<b>-20,031</b>	<b>-22,824</b>	<b>-45,893</b>	<b>-67,567</b>
<b>OPERATING PROFIT</b>	<b>-9,971</b>	<b>-15,076</b>	<b>-15,371</b>	<b>-36,346</b>	<b>-43,805</b>
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	-164	-6	-295	-6	-289
<b>Total profit/loss from financial items</b>	<b>-165</b>	<b>-6</b>	<b>-295</b>	<b>-5</b>	<b>499,726</b>
<b>Profit/loss after financial items</b>	<b>-10,136</b>	<b>-15,082</b>	<b>-15,666</b>	<b>-36,351</b>	<b>455,921</b>
Appropriations					43,932
Tax on profit for the period	2,221	3,318	3,582	7,997	-980
<b>NET PROFIT FOR THE PERIOD</b>	<b>-7,915</b>	<b>-11,764</b>	<b>-12,084</b>	<b>-28,354</b>	<b>498,873</b>

### Statement of comprehensive income

SEK thousand	Apr-Jun 2017	Apr-Jun 2016	Jan-Jun 2017	Jan-Jun 2016	Jan-Dec 2016
<b>Net profit for the period</b>	<b>-7,915</b>	<b>-11,764</b>	<b>-12,084</b>	<b>-28,354</b>	<b>498,873</b>
Other comprehensive income that will be reclassified to profit or loss					
<b>Comprehensive income for the period</b>	<b>-7,915</b>	<b>-11,764</b>	<b>-12,084</b>	<b>-28,354</b>	<b>498,873</b>
<b>Attributable to Resurs Holding AB shareholders</b>	<b>-7,915</b>	<b>-11,764</b>	<b>-12,084</b>	<b>-28,354</b>	<b>498,873</b>

## Balance sheet

SEK thousand	30 jun 2017	30 jun 2016	31 dec 2016
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant & equipment	217	449	333
<b>Financial assets</b>			
Participations in Group companies	2,053,390	2,053,290	2,053,390
<b>Total non-current assets</b>	<b>2,053,607</b>	<b>2,053,739</b>	<b>2,053,723</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Receivables from Group companies	2,596	1,698	545,840
Current tax assets	5,583	11,201	1,094
Other current receivables	1,723	1,229	365
Prepaid expenses and accrued income	715	536	412
<b>Total current receivables</b>	<b>10,617</b>	<b>14,664</b>	<b>547,711</b>
Cash and bank balances	19,824	96,310	94,333
<b>Total current assets</b>	<b>30,441</b>	<b>110,974</b>	<b>642,044</b>
<b>TOTAL ASSETS</b>	<b>2,084,048</b>	<b>2,164,713</b>	<b>2,695,767</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	1,000	1,000	1,000
<b>Non-restricted equity</b>			
Share premium reserve	2,073,934	2,073,210	2,073,620
Profit or loss brought forward	11,679	97,806	112,806
Net profit for the period	-12,084	-28,354	498,873
<b>TOTAL EQUITY</b>	<b>2,074,529</b>	<b>2,143,662</b>	<b>2,686,299</b>
<b>Current liabilities</b>			
Trade payables	2,276	6,937	3,194
Liabilities to group companies	343		108
Other current liabilities	656	518	507
Other provisions	198	98	144
Accrued expenses and deferred income	6,046	13,498	5,515
<b>Total current liabilities</b>	<b>9,519</b>	<b>21,051</b>	<b>9,468</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,084,048</b>	<b>2,164,713</b>	<b>2,695,767</b>



## Statement of changes in equity

SEK thousand	Share capital	Share premium reserve	Retained earnings	Profit/loss for the period	Total equity
<b>Initial equity at 1 January 2016</b>	<b>1,000</b>	<b>2,050,734</b>	<b>98,107</b>	<b>-301</b>	<b>2,149,540</b>
<i>Owner transactions</i>					
Option premium received		22,476			22,476
Appropriation of profits according to resolution by Annual General Meeting			-301	301	0
Net profit for the period				-28,354	-28,354
<b>Equity at 30 June 2016</b>	<b>1,000</b>	<b>2,073,210</b>	<b>97,806</b>	<b>-28,354</b>	<b>2,143,662</b>
<b>Initial equity at 1 January 2016</b>	<b>1,000</b>	<b>2,050,734</b>	<b>98,107</b>	<b>-301</b>	<b>2,149,540</b>
<i>Owner transactions</i>					
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
<b>Equity at 31 December 2016</b>	<b>1,000</b>	<b>2,073,620</b>	<b>112,806</b>	<b>498,873</b>	<b>2,686,299</b>
<b>Initial equity at 1 January 2017</b>	<b>1,000</b>	<b>2,073,620</b>	<b>112,806</b>	<b>498,873</b>	<b>2,686,299</b>
<i>Owner transactions</i>					
Option premium received/repurchased		314			314
Appropriation of profits according to resolution by Annual General Meeting			498,873	-498,873	0
Dividend paid			-600,000		-600,000
Net profit for the period				-12,084	-12,084
<b>Equity at 30 June 2017</b>	<b>1,000</b>	<b>2,073,934</b>	<b>11,679</b>	<b>-12,084</b>	<b>2,074,529</b>

## Pledged assets, contingent liabilities and commitments

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

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