

RESURS HOLDING, INTERIM REPORT JANUARY-SEPTEMBER 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	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Operating income excl. Insurance					
Operating income	769,112	716,883	2,283,486	2,103,116	2,796,536
Operating income Insurance	39,019	40,416	132,058	121,440	125,468
Operating income excl. Insurance	730,093	676,467	2,151,428	1,981,676	2,671,068
Net interest inc./exp. excl. Insurance					
Interest income	671,714	626,961	1,980,212	1,813,718	2,449,066
Interest expense	-68,265	-61,348	-196,374	-173,870	-236,813
Net interest income/expense Insurance	3,719	4,202	10,274	12,470	16,065
Net interest inc./exp. excl. Insurance	599,730	561,411	1,773,564	1,627,378	2,196,188
Expenses before credit losses excl. Insurance					
Expenses before credit losses	-305,130	-321,335	-957,162	-957,493	-1,280,322
Expenses before credit losses Insurance	-20,264	-19,551	-69,519	-64,214	-85,333
Expenses before credit losses excl. Insurance	-284,866	-301,784	-887,643	-893,279	-1,194,989
Operating profit/loss excl. nonrecurring costs					
Operating profit/loss	364,102	301,879	1,025,780	863,814	1,139,521
Nonrecurring costs related to the IPO				-33,518	-33,518
Nonrecurring penalty från Swedish Financial Supervisory Authority		-35,000		-35,000	-35,000
Operating profit/loss excl. nonrecurring costs	364,102	336,879	1,025,780	932,332	1,208,039

Reconciliation of alternative performance measures

SEK thousand	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Net profit for the period excl. nonrecurring costs					
Net profit for the period	280,467	224,871	790,728	660,520	904,794
Nonrecurring costs related to the IPO				-26,144	-26,144
Nonrecurring penalty från Swedish Financial Supervisory Authority		-35,000		-35,000	-35,000
Net profit for the period excl. nonrecurring costs	280,467	259,871	790,728	721,664	965,938
Average equity excl. Intangible assets and adjusted non recurring costs and shareholders contribution					
Average equity	6,085,344	5,710,138	6,165,957	5,438,253	5,551,666
Average intangible assets	1,859,474	1,869,712	1,878,245	1,842,305	1,834,555
Average equity excl. intangible assets	4,225,870	3,840,426	4,287,712	3,595,948	3,717,111
Average nonrecurring costs and shareholders' contribution	0	36,144	0	23,072	23,072
Average equity excl. Intangible assets and adjusted non recurring costs and shareholders contribution	4,225,870	3,876,570	4,287,712	3,619,020	3,740,183
Closing adjustment for Common Equity Tier 1 capital 12.5%	351,069	181,713	351,069	181,713	162,940
Opening balance lending to the public	22,310,666	19,596,456	21,204,281	18,198,175	18,198,175

SEK thousand	30 Sep 2016- 30 Sep 2017	31 Dec 2015- 31 Dec 2016
Reconciliation of increase in lending to the public excluding exchange-rate effects		
Increase lending to the public	2,625,707	3,006,106
FX effects	-302,436	733,352
Increase in lending to the public excluding exchange-rate effects	2,928,143	2,272,754