

## ALTERNATIVE PERFORMANCE MEASURES RESURS HOLDING, INTERIM REPORT JUL-SEP 2018

Alternative Performance Measures (APM) are financial measures of historical or future financial performance, financial position or cash flows, other than a financial measure defined or specified in the applicable financial framework IFRS (International Financial Reporting Standards) or current capital adequacy rules.

Management believes that inclusion of these measures provides information to the readers that enable comparability between periods and they facilitate both management and analysts in the analysis and evaluation of the Group and its development.

The use and definitions of the different measures, together with a total reconciliation, are provided below. Other companies can define or calculate these measures in different ways. The Group's definitions remain unchanged compared with prior periods.

To increase transparency, management has chosen to also show the underlying measures, this so that calculation and reconciliation can be done in a good way.

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.

The Group also evaluate the operation 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 the use of equity. Further the Group also evaluate the operation with this measures by excluding nonrecurring costs and other nonrecurring items like share holder contribution, when applicable.

To be able to see the actual increase in Lending to the public the Group follow increases in local currency by excluding exchange rate differences in the measure Lending to the public.

One of the Group's financial target is that the Common Equity Tier 1 ratio should exceed 12.5%. In order to evaluate and compare the operations in the consolidated situation, alternative performance measures have been developed where the Common Equity Tier 1 ratio has been estimated to the lowest level of 12.5%.

Definitions of alternative performance measures can be found on the website under Financial data.

## RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

SEK thousand	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016
Interest income	779,868	777,564	703,401	706,608	671,714	671,840	636,658	635,348
Interest expense	-81,691	-80,686	-74,214	-71,782	-68,265	-67,324	-60,785	-62,945
Net interest income/expenses Insurance	2,666	3,956	2,999	3,065	3,719	2,910	3,645	3,595
<b>Net Interest Income/expenses excl. Insurance</b>	<b>695,511</b>	<b>692,922</b>	<b>626,188</b>	<b>631,761</b>	<b>599,730</b>	<b>601,606</b>	<b>572,228</b>	<b>568,808</b>
Total expenses before credit losses	-348,110	-366,171	-332,921	-323,499	-305,130	-328,188	-323,844	-322,829
whereof total expenses Insurance	-22,570	-25,023	-22,403	-21,782	-20,264	-25,107	-24,148	-21,120
Total operating income	880,818	867,635	805,535	807,859	769,112	765,995	748,379	693,420
whereof total income Insurance	49,895	47,618	42,739	42,133	39,019	45,707	47,332	4,027
<b>C/I before credit losses, %</b>	<b>39.5%</b>	<b>42.2%</b>	<b>41.3%</b>	<b>40.0%</b>	<b>39.7%</b>	<b>42.8%</b>	<b>43.3%</b>	<b>46.6%</b>
Total expenses before credit losses, excl. Insurance	-325,540	-341,148	-310,518	-301,717	-284,866	-303,081	-299,696	-301,709
Total operating income excl. Insurance	830,923	820,017	762,796	765,726	730,093	720,288	701,047	689,393
<b>C/I before credit losses (excl. Insurance), %</b>	<b>39.2%</b>	<b>41.6%</b>	<b>40.7%</b>	<b>39.4%</b>	<b>39.0%</b>	<b>42.1%</b>	<b>42.7%</b>	<b>43.8%</b>
Nonrecurring penalty från Swedish Financial Supervisory Authority	0	0	0	0	0	0	0	0
<b>Total Nonrecurring costs before tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total Nonrecurring costs after tax	0	0	0	0	0	0	0	0
Credit losses, net, excl. Insurance	-139,046	-127,819	-128,089	-112,910	-99,880	-97,787	-102,877	-94,884
Credit losses yearly, net, excl. Insurance	-556,184	-511,276	-512,356	-451,640	-399,520	-391,148	-411,508	-379,536
<b>Credit loss ratio, excl. Insurance</b>	<b>2.1%</b>	<b>2.0%</b>	<b>2.1%</b>	<b>1.9%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.9%</b>	<b>1.8%</b>
Operating profit/loss	393,662	373,645	344,525	371,450	364,102	340,020	321,658	275,707
Operating profit/loss, excl. Nonrecurring	393,662	373,645	344,525	371,450	364,102	340,020	321,658	275,707
Net profit for the period	305,687	288,714	265,166	289,305	280,467	263,153	247,108	244,274
Net profit for the period, excl. Nonrecurring costs	305,687	288,714	265,166	289,305	280,467	263,153	247,108	244,274
Opening balance Lending to the public			24,068,795	23,218,416	22,310,666	21,713,105	21,204,281	20,592,709
Opening balance Lending to the public, according to IFRS 9	26,625,900	25,134,034	23,647,823					
Lending to the public, gross	30,175,235	29,334,808	27,694,636	26,036,096	25,100,624	24,120,589	23,462,719	22,796,995
Provision for expected credit losses	-2,705,330	-2,708,908	-2,560,602	-1,967,301	-1,882,208	-1,809,923	-1,749,614	-1,592,714
<b>Lending to the public</b>	<b>27,469,905</b>	<b>26,625,900</b>	<b>25,134,034</b>	<b>24,068,795</b>	<b>23,218,416</b>	<b>22,310,666</b>	<b>21,713,105</b>	<b>21,204,281</b>
<b>Average Lending to the public</b>	<b>27,047,903</b>	<b>25,879,967</b>	<b>24,601,415</b>	<b>23,643,606</b>	<b>22,764,541</b>	<b>22,011,886</b>	<b>21,458,693</b>	<b>20,898,495</b>
NBI margin, %	12.3%	12.7%	12.5%	13.0%	12.8%	13.1%	13.1%	13.2%
Risk adjusted NBI margin, %	10.2%	10.7%	10.4%	11.0%	11.1%	11.3%	11.2%	11.4%
NIM, %	10.3%	10.7%	10.3%	10.7%	10.5%	10.9%	10.7%	10.9%
Increase Lending to the public, since the beginning of the year	3,822,082	2,978,077	1,486,211					
Exchange rate differences	877,149	1,055,692	699,695					
<b>Increase Lending to the public, excl. Exchange rate diff.</b>	<b>2,944,933</b>	<b>1,922,385</b>	<b>786,516</b>					

SEK thousand	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016
Equity	6,468,022	6,184,542	6,210,113	6,188,830	6,232,753	5,937,935	6,325,241	6,099,161
Intangible assets	2,028,646	2,036,369	1,964,867	1,877,167	1,871,384	1,847,564	1,872,890	1,885,106
<b>Equity excl. Intangible assets</b>	<b>4,439,376</b>	<b>4,148,173</b>	<b>4,245,246</b>	<b>4,311,663</b>	<b>4,361,369</b>	<b>4,090,371</b>	<b>4,452,351</b>	<b>4,214,055</b>
Dividend (proposed and foreseeable)	495,000	330,000	525,000	360,000	450,000	300,000	750,000	600,000
<b>Equity excl. Intangible assets excl. Nonrecurring costs, adjusted for 12.5% Common Equity Tier 1 ratio, adjusted for proposed dividend previous year and dividend current year.</b>	<b>3,530,977</b>	<b>3,459,407</b>	<b>3,393,586</b>	<b>3,617,564</b>	<b>3,577,367</b>	<b>3,558,643</b>	<b>3,486,983</b>	<b>3,477,854</b>
Shareholder contribution								
Average Nonrecurring costs incl. Shareholder contribution								46,144
Average Equity	6,326,282	6,197,328	6,030,101	6,210,792	6,085,344	6,131,588	6,212,201	5,985,749
Average Intangible assets	2,032,508	2,000,618	1,921,017	1,874,276	1,859,474	1,860,227	1,878,998	1,892,856
<b>Average Equity excl. Intangible assets</b>	<b>4,293,775</b>	<b>4,196,710</b>	<b>4,109,084</b>	<b>4,336,516</b>	<b>4,225,870</b>	<b>4,271,361</b>	<b>4,333,203</b>	<b>4,092,893</b>
<b>Average Equity excl. Intangible assets and Nonrecurring costs and Shareholder contribution</b>	<b>4,293,775</b>	<b>4,196,710</b>	<b>4,109,084</b>	<b>4,336,516</b>	<b>4,225,870</b>	<b>4,271,361</b>	<b>4,333,203</b>	<b>4,139,037</b>
Return on equity excl. Intangible assets, (RoTE), %	28.5%	27.5%	25.8%	26.7%	26.5%	24.6%	22.8%	23.9%
Return on equity excl. Intangible assets, (RoTE), excl. Nonrecurring costs, %	28.5%	27.5%	25.8%	26.7%	26.5%	24.6%	22.8%	23.6%
<b>Return on Equity excl. Intangible assets excl. Nonrecurring costs, adjusted for 12.5% Common Equity Tier 1 ratio, adjusted for proposed dividend previous year and dividend deducted current year.</b>	<b>34.6%</b>	<b>33.4%</b>	<b>31.3%</b>	<b>32.0%</b>	<b>31.4%</b>	<b>29.6%</b>	<b>28.3%</b>	<b>28.1%</b>
Total Tier 1 capital	3,841,696	3,754,486	3,523,556	3,431,848	3,369,426	3,264,439	3,193,764	3,124,804
Tier 2 capital	4,274,290	4,198,046	3,970,622	3,905,079	3,853,510	3,754,279	3,676,046	3,340,129
Total riskweighted exposure and total capital requirement	27,932,370	27,232,333	26,035,165	25,166,936	24,146,858	24,492,010	24,114,110	23,694,908
<b>Common Equity Tier 1 ratio, %</b>	<b>13.8%</b>	<b>13.8%</b>	<b>13.5%</b>	<b>13.6%</b>	<b>14.0%</b>	<b>13.3%</b>	<b>13.2%</b>	<b>13.2%</b>
<b>Adjustment for Common Equity Tier 1 ratio 12.5%</b>	<b>350,150</b>	<b>350,444</b>	<b>269,160</b>	<b>276,836</b>	<b>351,069</b>	<b>195,936</b>	<b>179,500</b>	<b>162,940</b>
SEK thousand	30 sep 2017-30 sep 2018	30 Jun 2017-30 Jun 2018	31 mar 2017-31 mar 2018	31 dec 2016-31 dec 2017	30 sep 2016-30 sep 2017	30 Jun 2016-30 Jun 2017	31 mar 2016-31 mar 2017	31 dec 2015-31 dec 2016
Increase Lending to the public, year on year	4,251,489	4,315,234	3,420,929	2,864,514	2,625,707	2,714,210	2,952,842	3,006,106
Exchange rate differences	863,931	1,017,476	258,415	-206,148	-302,436	131,853	497,247	733,352
<b>Increase Lending to the public, year on year, excl. Exchange rate differences</b>	<b>3,387,558</b>	<b>3,297,758</b>	<b>3,162,514</b>	<b>3,070,662</b>	<b>2,928,143</b>	<b>2,582,357</b>	<b>2,455,595</b>	<b>2,272,754</b>