Interim report Nordax Group AB (publ)

JANUARY - SEPTEMBER 2015

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JANUARY - SEPTEMBER

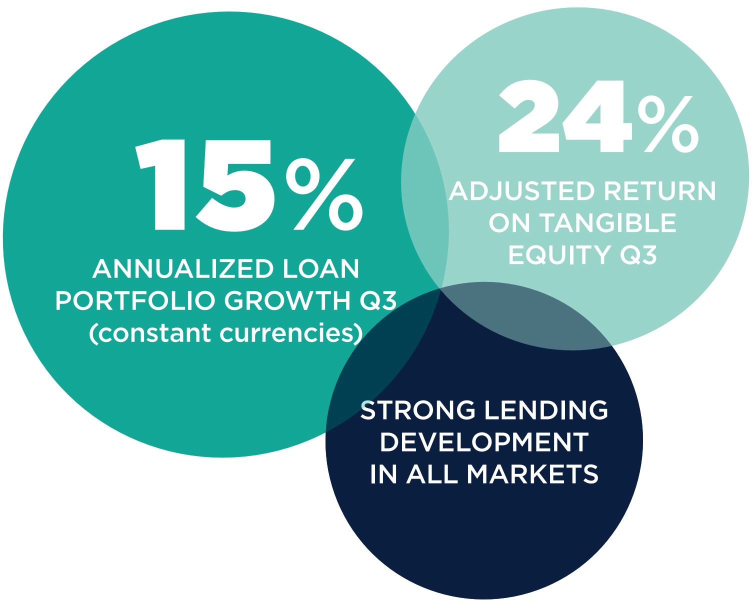
Numbers compared with January - September 2014

- Loan portfolio increased by 8.2% in constant currencies from year-end
- Net interest margin increased to 8.7% (8.2%)
- Adjusted[1] total operating income amounted to 689 MSEK (586). Total operating income amounted to 660 MSEK (598)
- Adjusted[1] cost to income ratio improved to 29.0% (29.6%)
- Adjusted[1] operating profit increased by 11.9% to 283 MSEK (253). Operating profit amounted to 170 MSEK (244)
- Adjusted[1] earnings per share were 1.99 SEK (1.51). Earnings per share were 1.19 (1.44) SEK

3rd QUARTER

Numbers compared with 3rd quarter 2014

- Loan portfolio increased by 3.7% in constant currencies compared to previous quarter
- Net interest margin increased to 9.2% (8.5%)
- Adjusted[1] total operating income amounted to 243 MSEK (211). Total operating income amounted to 226 MSEK (215)
- Adjusted[1] cost to income ratio improved to 29.0% (29.6%)
- Adjusted[1] operating profit amounted to 103 MSEK (107). Operating profit amounted to 83 MSEK (107)
- Adjusted[1] earnings per share were 0.73 SEK (0.62). Earnings per share were 0.58 (0.62) SEK



1 The adjusted numbers are presented in order to show the underlying performance of the business reflecting constant currencies and excluding non-recurring items primarily related to the IPO. A bridge between statutory and adjusted accounts can be found on page 36.

CEO COMMENTS

Strong growth in new lending

It is a pleasure to deliver our first full quarterly report as a listed company. We have gained great momentum in the business as the third quarter has progressed which makes me even more confident about the future.

New lending developed positively in the quarter and amounted to more than 1 billion SEK. In the third quarter we saw record high new lending, supported by outstanding volumes in September of 448 MSEK.

“In the third quarter we saw record high new lending”

New lending continued strongly in Norway and Finland with good net interest margins and good credit quality. Germany had as expected a strong lending quarter and we are pleased to see the growing contribution from this market. In the third quarter we further strengthened our position in large loans due to the successful launch of 40,000 euro loans in Finland and Germany in June. Finally, we are also happy to see a great impact from increased marketing activities in Sweden and September was our best month so far this year.

Our adjusted operating profit increased 11.9% in the nine-month period.

“Great impact from increased marketing activities in Sweden”

Our total net interest margin showed an extraordinary performance and improved to 9.2% in the quarter from 8.5% in the same quarter last year. The increase is mainly due to lower funding costs and strong margins on new lending.

The net credit loss level of 1.5% on a 12-month rolling basis was at an expected level and remained stable. We never compromise on the credit quality and our provisioning model is conservative.

Nordax protects the regulatory equity ratio which means that parts of the equity remains unhedged from currency volatility. The operating profit in the third quarter has been impacted by a weakening NOK, which declined from 1.04 to 0.99 versus SEK. This equates to a negative foreign exchange effect of 17 MSEK on the quarterly result. The foreign exchange movement also impacted the lending portfolio growth negatively by 147 MSEK. The SEK/NOK ratio changes frequently and as of 21 October the ratio is back to 1.02.

Our underlying performance confirms the strength of our business model and our customer offering. Nordax’s strengths are our focus on large consumer loans to financially strong customers, many effective marketing channels, diversified funding sources, the solid credit underwriting, and robust net interest margins.

Morten Falch
CEO

Nordax at a glance

Nordax is a leading niche bank in the Nordic region providing unsecured consumer loans and deposit accounts to more than one hundred thousand customers in Sweden, Norway, Finland, Denmark and Germany. Nordax employs about two hundred people, all working in its office in Stockholm. Nordax was founded by six entrepreneurs with extensive risk management experience. The underwriting process is Nordax's core competency; it is thorough, sound and data driven. Nordax's customers are financially stable people in the prime of life. As of September 30, 2015 lending to the general public amounted to SEK 10.6 billion and deposits amounted to SEK 6.3 billion. Nordax has been supervised by the Swedish Financial Supervisory Authority since 2004 and deposits are covered by the Swedish deposit guarantee scheme. Read more on www.nordaxgroup.com.

Key figures

KEY FIGURES	Q3 2015	Q3 2014	JAN-SEP 2015	JAN-SEP 2014	FY 2014
Income statement					
Adjusted total operating income, MSEK	243	211	689	586	805
Adjusted operating profit, MSEK	103	107	283	253	358
Total operating income, MSEK	226	215	660	598	803
Net interest margin, %	9.2	8.5	8.7	8.2	8.5
Profit before credit losses, MSEK	127	134	292	331	439
Operating profit, MSEK	83	107	170	244	325
Net profit, MSEK	64	83	132	190	254
Adjusted earnings per share, SEK	0.73	0.62	1.99	1.51	2.52
Earnings per share, SEK	0.58	0.62	1.19	1.44	2.29
Balance sheet					
Lending to the general public, MSEK	10,606	9,905	10,606	9,905	10,042
Deposits, MSEK	6,263	6,426	6,263	6,426	6,479
New lending volumes, MSEK	1,057	1,046	2,876	2,886	3,843
New lending volumes excluding FX effects, MSEK	1,060	1,040	2,886	2,840	3,779
KPI					
Common Equity Tier 1 capital ratio %	12.7	10.9	12.7	10.9	12.3
Total capital ratio %	14.7	12.5	14.7	12.5	13.9
Return on equity %	15.6	23.1	11.0	18.3	18.0
Net credit loss level (cost of risk) %	1.7	1.1	1.6	1.3	1.2
Net credit loss level %, 12m roll	1.5	1.4	1.5	1.4	1.2
Cost to income ratio %	43.8	37.7	55.8	44.6	45.3
Adjusted cost to income ratio %, 12m roll	29.0	29.6	29.0	29.6	29.4
Adjusted return on tangible equity %, 12m roll	24.1	24.3	24.1	24.3	25.6
Adjusted return on avarage net loans %, 12m roll	3.8	3.6	3.8	3.6	3.9
Exchange rates					
NOK Income statement (average)			1.01	1.12	1.05
NOK Balance sheet (at end of period)			0.99	1.12	1.05
EUR Income statement (average)			9.40	9.20	9.39
EUR Balance sheet (at end of period)			9.41	9.18	9.52
DKK Income statement (average)			1.26	1.24	1.26
DKK Balance sheet (at end of period)			1.26	1.23	1.28

Contents

January-September 2015

The report includes statutory accounts as well as certain numbers that have been adjusted in order to show the underlying performance of the business reflecting constant currencies and excluding non-recurring items primarily related to the IPO. Please refer to page 35 for definitions and page 36 for a bridge between statutory and adjusted accounts.

Adjusted operating profit increased 11.9% to 283 MSEK (253).

Total net interest income increased by 19.4% to 676 MSEK (566). The improvement is partly an effect of the growth in the lending portfolio and because new lending is originated with a higher net interest margin. The net interest margin increased by 0.5 percentage points to 8.7% compared to the same period last year.

Net profit from financial transactions amounted to -28 MSEK (21), a difference of 49 MSEK compared to the same period last year, predominately due to the currency impact on the regulatory equity held in the constant currencies. Nordax has open positions in currency in order to protect its capital adequacy ratio which has a corresponding impact on net profit from financial transactions.

Total operating income increased by 10.4% to 660 MSEK (598) mainly driven by the larger lending portfolio and higher net interest margin.

On a 12-month rolling basis the adjusted C/I-ratio continued to decrease and amounted to 29.0% (29.6%). In absolute terms, general administrative expenses increased by 19.5% to 190 MSEK (159).

Other operating expenses, where marketing cost represents the major part, decreased by 7.4% to 88 MSEK (95). The marketing efficiency, measured as marketing costs related to new lending, has remained strong despite the increased marketing activities in the third quarter.

Net credit losses developed as expected on a 12-months rolling basis and amounted to 1.5% (1.4%).

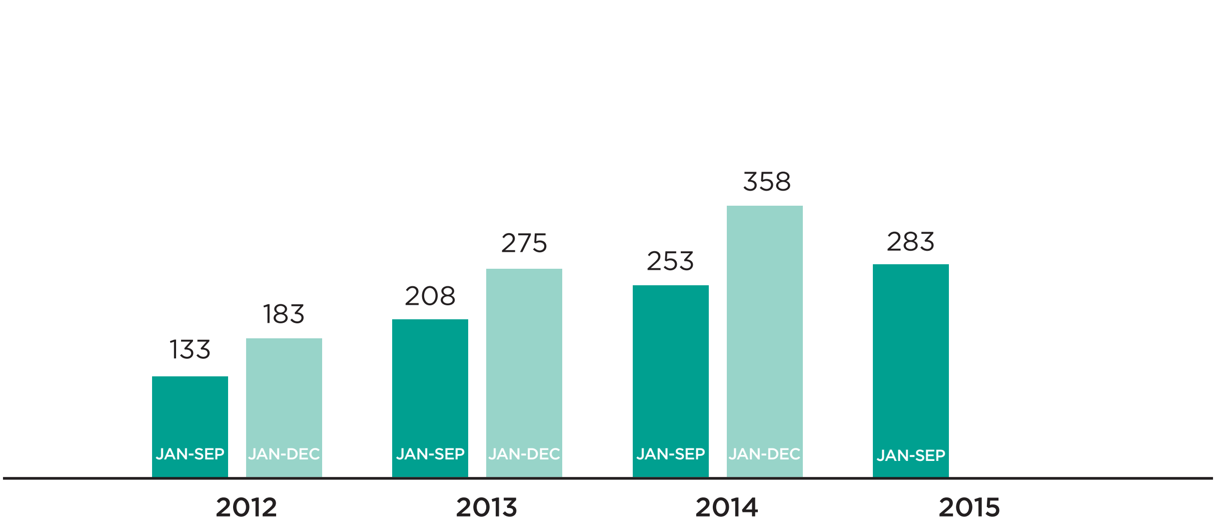
Tax in the period was 38 MSEK (54). The effective tax rate was 22% (22%).

Net profit decreased in the nine-month period to 132 MSEK (190) negatively impacted by the IPO cost of 75 MSEK in the second quarter and currency effects of -29 MSEK (12).

Adjusted return on tangible equity was stable at 24.1% (24.3%). Average return on average net loans amounted to 3.8% (3.6%).

Adjusted earnings per share increased by 32% to 1.99 SEK (1.51).

ADJUSTED OPERATING PROFIT 2012-2015, MSEK



Third quarter 2015

Adjusted operating profit amounted to 103 MSEK (107).

Total net interest income increased by 17.6% to 240 MSEK (204). The net interest margin increased by 0.7 percentage points to 9.2% compared to the same quarter last year. The improvement is partly an effect of the growth in the lending portfolio and because new lending is originated with a higher net interest margin. In the fourth quarter, reduced funding costs will be transferred to customers as part of the structural interest margin hedge.

Net profit from financial transactions amounted to -17 MSEK (8). This was caused by NOK partially offset by EUR.

Total operating income increased by 5.1% to 226 MSEK (215) mainly driven by the larger lending portfolio and higher net interest margin.

The adjusted cost/income ratio increased somewhat to 29.0% compared to 28.9% in the previous quarter due to an increase in general administrative expenses which grew by 24.0% to 62 MSEK (50).

Other operating expenses increased by 18.5% to 32 MSEK (27) as an effect of increased marketing activities. Despite increased marketing activities, the market efficiency, measured as marketing costs divided by new lending, remained strong in the quarter.

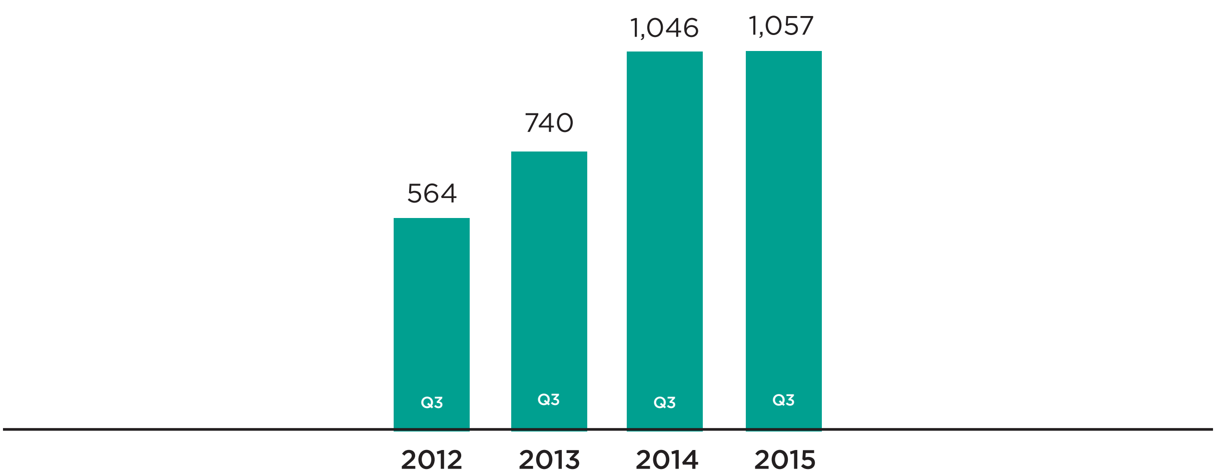
The net credit loss level was 1.7% which is generally in line with expectations. Note that credit losses in the third quarter 2014 were better than expected. Credit risk performance is kept well below the long-term target of 2% through the cycle.

Tax in the period was 19 MSEK (24). The effective tax rate was 23% (22%).

Net profit was 64 MSEK (83) in the quarter.

Adjusted earnings per share increased by 18% to 0.73 SEK (0.62).

NEW LENDING Q3 2012-2015, MSEK



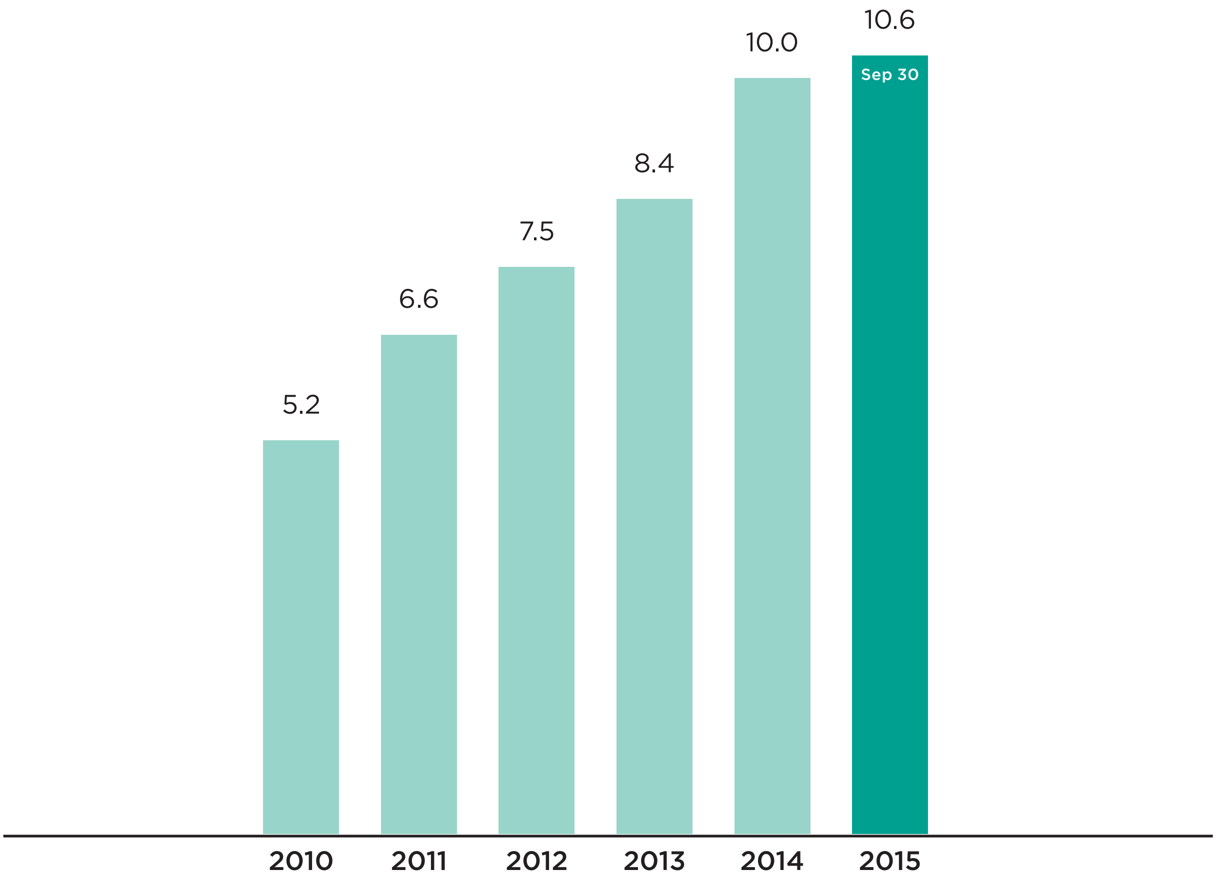
Lending volumes

New lending came in as expected in the nine-month period and amounted to 2,886 (2,840) MSEK in constant currency. The loan portfolio has grown by 564 MSEK or 5.6% to 10,606 MSEK (10,042) in the nine-month period. In constant currencies, the loan portfolio has grown by 8.2% or 823 MSEK since year-end 2014.

In the third quarter, new lending was record-high and amounted to 1,060 MSEK (1,040) in constant currency. The third quarter 2014 was the second best quarter ever. In constant currencies, the loan portfolio has grown by 3.7% or 385 MSEK in the quarter. This represents an annualized growth rate of 15%.

	Q3 vs. Q2	YTD	2014
Portfolio growth, MSEK	238	564	1,649
of which FX effects, MSEK	-147	-259	60
Growth excluding FX effects, %	3.7	8.20	18.9

LENDING PORTFOLIO DEVELOPMENT 2010-2015 IN BILLION SEK



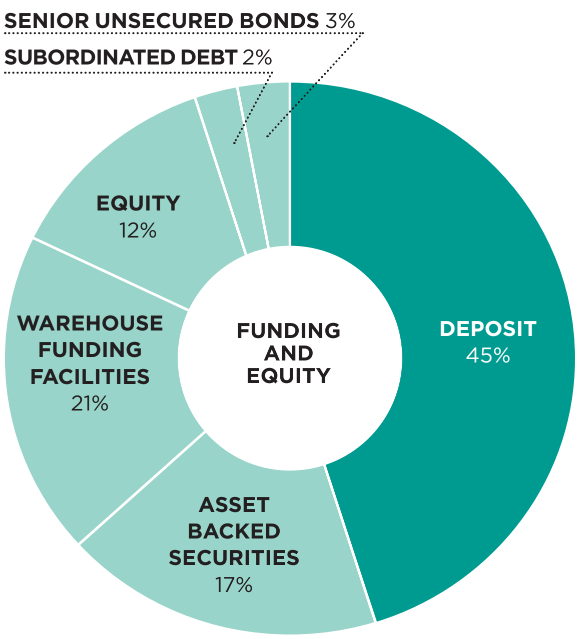
Funding

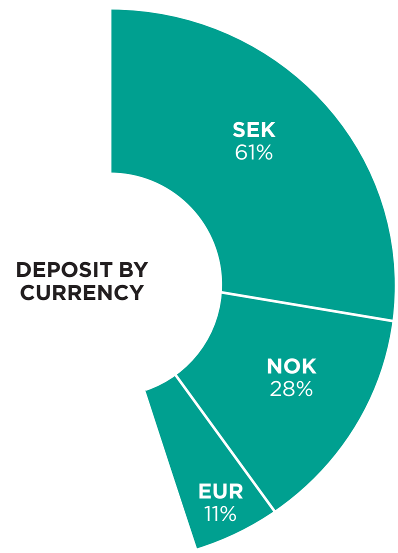
One of Nordax's key strengths is its diversified funding sources. Nordax is funded through asset backed securities, senior unsecured bonds, warehouse funding facilities provided by international banks in addition to deposits. Nordax offers attractive, competitive deposits rates to its customers in three different markets and currencies. Deposits are used as a complement to Nordax's other financing sources.

The nominal amounts of funding were: 2,436 MSEK (3,110) in asset backed securities, 482 MSEK (500) in senior unsecured bonds and 2,933 MSEK (2,274) in warehouse funding facilities provided by international banks and 6,261 MSEK (6,460) in deposits from the public.

At the end of the quarter, Nordax had a liquidity coverage ratio of 7.04 (8.40) and net stable funding ratio of 1.30 (1.46) according to Basel III. The liquidity reserve amounted to 2,607 MSEK (3,246). Of these investments 52% (51%) were in Nordic banks, 16% (19%) in Swedish covered bonds and 33% (30%) in Swedish municipality papers. All investments had credit ratings ranging from AAA to A+, with an average of AA except 25 MSEK in exposure to Avanza Bank AB.

Lending to credit institutions, which equals cash at bank, was reduced in the nine-month period by 281 MSEK to 1,931 MSEK (2,212) of which 660 MSEK (699) was pledged cash holdings for the funding structure and the rest was cash liquidity. Total assets of September 30, 2015 amounted to 14,155 MSEK (14,190).





Capital

At the end of the quarter, the total capital ratio of 14.7% (13.9%) was in excess of the regulatory minimum of 8.0% (8.0%).

Total Common Equity Tier 1 capital ratio was 12.7% (12.3%). Total Common Equity Tier 1 Capital requirement including buffer requirement is 7.7% (7.0%).

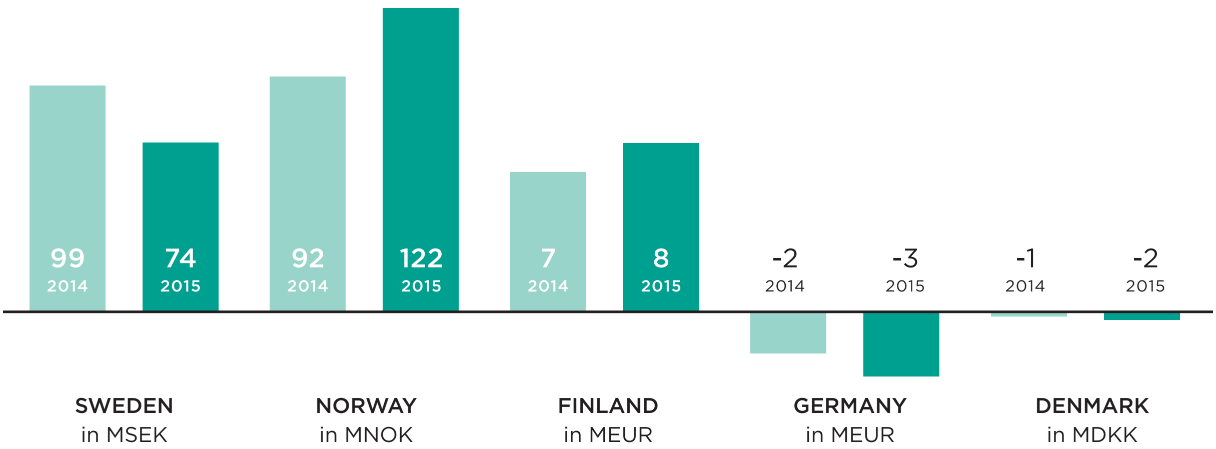
This is constituted by Common Equity Tier 1 Minimum Requirement of 4.5%, Capital Conservation Buffer of 2.5% (2.5%) and 0.72% for the Countercyclical Capital Buffer. The countercyclical buffer was introduced in September and is derived as a weighted average of the required level for each country portfolio.

RISK EXPOSURE AND CAPITAL RATIOS ACCORDING TO BASEL III	SEP 30 2015	SEP 30 2014	DEC 31 2014
Risk exposure amount, MSEK	10,451	9,559	10,046
Common Equity Tier 1 capital ratio %	12.7	10.9	12.3
Tier 1 capital ratio %	12.7	10.9	12.3
Total capital ratio %	14.7	12.5	13.9
Leverage ratio %	9.6	7.7	8.9

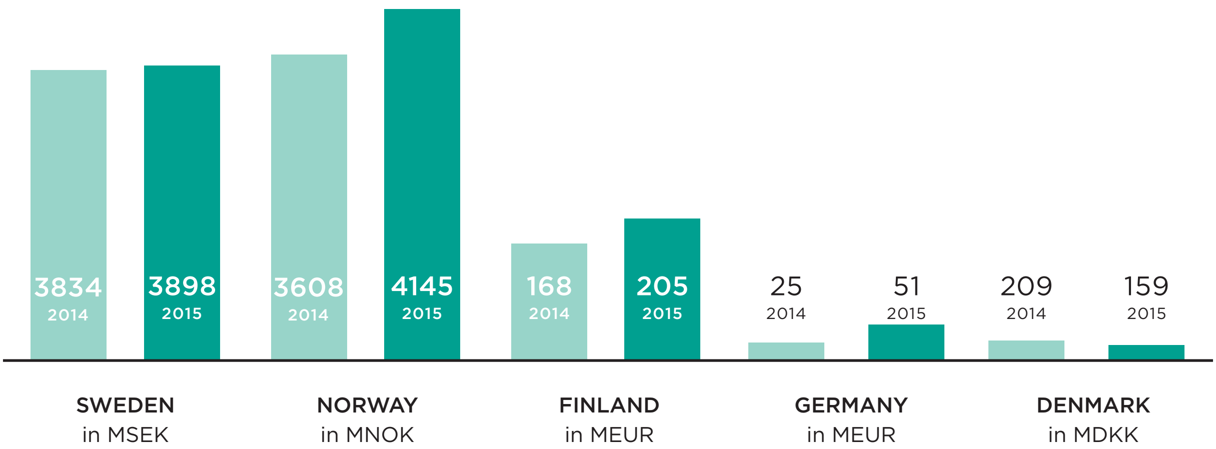
Market segment overview Q3

BY COUNTRY	SWEDEN Q3	NORWAY Q3	FINLAND Q3	GERMANY Q3	DENMARK Q3	TOTAL Q3
Total net interest income, MSEK	80	100	51	8	1	240
Net interest margin %	8.2	9.7	11.0	7.4	2.0	9.2
Net credit losses, MSEK	-12	-17	-9	-5	-1	-44
Net credit loss level (cost of risk) %	1.2	1.7	1.9	4.6	2.0	1.7
Operating profit, MSEK	23	44	26	-10	0	83
Lending, end of period, MSEK	3,898	4,104	1,926	478	200	10,606
New lending volume, MSEK	305	449	189	114	-	1,057
New lending volume excluding FX effects, MSEK	305	460	184	111	-	1,060
Deposits, MSEK	3,781	1,763	719	-	-	6,263

OPERATING PROFIT JANUARY-SEPTEMBER IN MILLION LOCAL CURRENCY



LENDING PORTFOLIO END OF THIRD QUARTER 2015 IN MILLION LOCAL CURRENCY



Sweden

SWEDEN	Q3 2015	Q3 2014	%	JAN-SEP 2015	JAN-SEP 2014	%	FY 2014
Total net interest income, MSEK	80	76	5.3	228	213	7.0	289
Net interest margin %	8.2	8.1		7.8	7.7		7.8
Net credit losses, MSEK	-12	-8	50.0	-39	-29	34.5	-31
Net credit loss level (cost of risk) %	1.2	0.9		1.3	1.0		0.8
Operating profit, MSEK	23	43	-46.5	74	99	-25.3	137
Lending, end of period, MSEK	3,898	3,834	1.7	3,898	3,834	1.7	3,880
New lending volumes, MSEK	305	374	-18.4	850	1,007	-15.6	1,317

	Q3 vs. Q2	YTD	2014
Portfolio growth, MSEK	37	18	340

In Sweden, marketing activities were increased and further refined in the quarter. In September, new lending was record high. The growth driver was the effective use of direct marketing as well as the broker channel which also showed improved performance.

New lending was 305 MSEK in the third quarter compared to 260 MSEK in the previous quarter. New lending was 146 MSEK in September. The loan portfolio amounted to 3,898 MSEK which is an increase of 18 MSEK in the year and 37 MSEK compared to the previous quarter.

The net interest margin was stable in the nine-month period at 7.8% (7.7%). In the quarter, the net interest margin increased to 8.2% (8.1%).

Net credit losses amounted to 1.3% (1.0%) in the nine-month period.

Operating profit amounted to 74 MSEK (99) in the nine-month period. The difference was driven by exceptionally low cost in the third quarter 2014 and slightly higher net credit losses in 2015.

Norway

NORWAY	Q3 2015	Q3 2014	%	JAN-SEP 2015	JAN-SEP 2014	%	FY 2014
Total net interest income, MSEK	100	83	20.5	277	231	19.9	320
Net interest margin %	9.7	8.5		9.2	8.4		8.8
Net credit losses, MSEK	-17	-11	54.5	-46	-36	27.8	-49
Net credit loss level (cost of risk) %	1.7	1.1		1.5	1.3		1.4
Operating profit, MSEK	44	47	-6.4	123	103	19.4	140
Lending, end of period, MSEK	4,104	4,041	1.6	4,104	4,041	1.6	3,934
New lending volumes, MSEK	449	425	5.6	1,261	1,194	5.6	1,605
New lending volumes excluding FX effects, MSEK	460	418	10.0	1,256	1,153	8.9	1,559

	Q3 vs. Q2	YTD	2014
Portfolio growth, MSEK	-14	170	627
of which FX effects, MSEK	-192	-236	-57
Growth excluding FX effects, %	4.32	10.32	20.7

New lending was 1,261 MSEK in the nine-month period. The loan portfolio amounted to 4,104 MSEK which is an increase of 170 MSEK or 10% in the year in constant currency. Compared to the previous quarter the loan portfolio decreased by 14 MSEK. Excluding currency impact the loan portfolio grew by 4%.

The net interest margin increased in the nine-month period to 9.2% (8.4%). In the quarter, the net interest margin increased to 9.7% (8.5%) reflecting higher net interest margins on new loans. However, lower funding costs will be passed over to loan customers during the fourth quarter, which means that the high net interest margin will decrease somewhat.

Net credit losses amounted to 1.5% (1.3%) due to random variation within expected range.

Operating profit increased in the nine-month period by 19.4% to 123 MSEK (103) despite currency headwind but with positive impact from portfolio growth and higher net interest margin.

In the quarter, extra attention has been paid to the macro-economic development and especially the Stavanger area which is depending on the oil industry. The Norwegian credit risk performance remained stable despite the macro-economic development. Nordax targets financially strong customers who have an annual income above national average with an average age of 47 years.

Finland

FINLAND	Q3 2015	Q3 2014	%	JAN-SEP 2015	JAN-SEP 2014	%	FY 2014
Total net interest income, MSEK	51	39	30.8	144	106	35.8	149
Net interest margin %	11.0	10.5		10.6	10.4		10.4
Net credit losses, MSEK	-9	-4	125.0	-23.0	-14	64.3	-17
Net credit loss level (cost of risk) %	1.9	1.1		1.7	1.4		1.2
Operating profit, MSEK	26	26	0	79	61	29.5	86
Lending, end of period, MSEK	1,926	1,542	24.9	1,926	1,542	24.9	1,688
New lending volumes, MSEK	189	184	2.7	513	508	1.0	677
New lending volumes excluding FX effects, MSEK	184	184	0	524	501	4.6	662

	Q3 vs. Q2	YTD	2014
Portfolio growth, MSEK	129	238	509
of which FX effects, MSEK	34	-17	88
Growth excluding FX effects, %	5.29	15.11	35.7

Also Finland continued its stable development with maintained performance in all marketing channels. The increased maximum size of offered loans to 40,000 EUR has had a positive impact on new lending.

New lending was 513 MSEK in the nine-month period. The loan portfolio amounted to 1,926 MSEK which is an increase of 238 MSEK or 15% in the year in constant currency. Compared to the previous quarter the loan portfolio increased by 129 MSEK. Excluding currency impact the loan portfolio grew by 5%.

The net interest margin was stable in the nine-month period at 10.6% (10.4%). In the quarter, the net interest margin increased to 11.0% (10.5%) reflecting higher interest rates on new loans.

Net credit losses amounted to 1.7% (1.4%).

Operating profit increased by 29.5% to 79 MSEK (61) compared to the first nine months 2014, positively impacted by portfolio growth.

Germany

GERMANY	Q3 2015	Q3 2014	%	JAN-SEP 2015	JAN-SEP 2014	%	FY 2014
Total net interest income, MSEK	8	3	166.7	20	8	150.0	12
Net interest margin %	7.4	5.9		7.0	7.0		6.8
Net credit losses, MSEK	-5	-1	400.0	-11	-2	450.0	-4
Net credit loss level (cost of risk) %	4.6	2.0		3.8	1.8		2.2
Operating profit, MSEK	-10	-8	25.0	-27	-18	50.0	-29
Lending, end of period, MSEK	478	231	106.9	478	231	106.9	294
New lending volumes, MSEK	114	63	81.0	252	177	42.4	244
New lending volumes excluding FX effects, MSEK	111	64	73.4	257	179	43.6	241

	Q3 vs. Q2	YTD	2014
Portfolio growth, MSEK	95	184	224
of which FX effects, MSEK	8	-2	14
Growth excluding FX effects, %	22.72	63.27	400.0

New lending was 252 MSEK in the nine-month period. The loan portfolio amounted to 478 MSEK which is an increase of 184 MSEK or 63% in the year in constant currency. Compared to the previous quarter the loan portfolio increased by 95 MSEK. Excluding currency impact the loan portfolio grew by 23%. New lending has been positively impacted by the increased maximum size of offered loans to 40,000 EUR.

The net interest margin was stable in the nine-month period at 7.0% (7.0%). In the quarter, the net interest margin increased to 7.4% (5.9%). On new lending, the net interest margin was in line with the group average.

Nordax started operations in 2012 in Germany and is still building expertise. The German market provides untapped potential for Nordax. New lending has developed in a stable and controlled way. In the quarter there were some early positive signs when it comes to recoveries of written off loans which are an important element in the business model. The net credit loss level amounted to 3.8% (1.8%) in the nine-month period. In the previous quarter the net credit loss level was 4.5%. Provisioning is conservative and the high reserve levels are expected to decrease when recovery patterns have been established on these loans. In Germany, the provision rate is 90% compared to 63% for Nordax's total portfolio.

Operating profit was -27 MSEK (-18) in the nine-month period reflecting the fact that Germany is still in an investment phase. The operating loss is a result of marketing costs of 21 MSEK and the above mentioned provisioning related to risk.

Denmark

DENMARK	Q3 2015	Q3 2014	%	JAN-SEP 2015	JAN-SEP 2014	%	FY 2014
Total net interest income, MSEK	1	4	-75.0	7	9	-22.0	11
Net interest margin %	2.0	6.0		4.0	4.5		4.1
Net credit losses, MSEK	-1	-3	-66.7	-3	-6	-50.0	-13
Net credit loss level (cost of risk) %	2.0	4.5		1.8	2.9		4.8
Operating profit, MSEK	0	0	0	-3	-1	200.0	-10
Lending, end of period, MSEK	200	257	-22.2	200	257	-22.2	246
New lending volume, MSEK	-	-	-	-	-	-	-
New lending volume excluding FX effects, MSEK	-	-	-	-	-	-	-

	Q3 vs. Q2	YTD	2014
Portfolio growth, MSEK	-9	-46	-51
of which FX effects, MSEK	3	-4	16
Growth excluding FX effects, %	-5.74	-17.07	-22.6

A strategic decision to halt new loan volumes in Denmark was taken in 2008 and as a consequence the Danish loan portfolio is decreasing. The portfolio amortization is developing according to plan.

Other information

ANNUAL GENERAL SHAREHOLDERS' MEETING 2016

The Annual General Shareholders' Meeting 2016 will take place on Wednesday May 11, 2016, at 5.30pm in Bryggarsalen, Norrtullsgatan 12N, Stockholm.

Shareholders who would like a matter to be included in the notice of meeting must submit the request to the board of directors no later than Wednesday, March 23, 2016. The request should be sent via e-mail to ir@nordax.se or sent by post to Nordax Group, Att: Investor Relations, Box 23124, 104 35 Stockholm.

RISKS AND UNCERTAINTIES

The Group is exposed to both credit risk and to other financial risks such as market risks including foreign exchange risk, interest rate risk in fair value measurement, interest rate risk in cash flow and price risk as well as liquidity risk. The Group is also exposed to IT and operational risks. The Group's overall risk and capital policy details the risk framework as well as risk management roles and responsibilities for the Group. The Group's risk profile as well as related risk, liquidity and capital management is described in Nordax Group Holding's Annual Report for 2014 and Risk Management and Capital Adequacy Report.

INTERNAL CONTROL

The Group has established independent functions for risk control and compliance in accordance with the Swedish Financial Supervisory Authority's Regulations and General Guidelines regarding governance, risk management and control at credit institutions (FFFS 2014:1) as well as the European Banking Authority's guidelines on internal control (GL 44). These functions report directly to the Board of Directors and CEO. The evaluation of the organisation as regards, among other things, the internal control, is carried out with the assistance of the internal audit function, which is outsourced to Mazars SET. It has not been deemed cost effective to internally establish an internal auditing organisation, based on the size and the complexity of the Group. Furthermore, allowing an external auditing firm to conduct the internal audit provides the Group with the opportunity to benefit from that external auditing firm's expertise knowledge in various areas, and potential alternative solutions within areas important to the operations, gained from other audit assignments undertaken by the external auditing firm.

ACCOUNTING PRINCIPLES

This quarterly report has been prepared according to IAS 34, Interim Financial Reporting. The consolidated accounts for the Nordax Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, together with the Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), the Swedish Financial Accounting Standards Council's recommendation RFR 1, Supplementary Accounting Regulations for Groups as well as the Swedish Financial Supervisory Authority's regulations and guidelines FFFS 2008:25. The Parent Company's report has been prepared in accordance with the Annual Accounts Act (1995:1554) and the Swedish Financial Accounting Standards Council's recommendation RFR 2, Accounting for legal entities. In all material aspects, the Group's and the Parent Company's accounting policies, basis for calculations and presentations are unchanged in comparison with the 2014 Annual Report.

EVENTS AFTER CLOSING OF THE REPORTING PERIOD

On October 9, the composition of the Nomination Committee was announced. The members of the Nomination Committee are: Andrew Rich, representing Vision Capital Partners VII LP and Vision Capital Partners VII A LP (chairman), Hans Hedström, representing Carnegie Fonder and Ulrika Danielson, representing Andra AP-fonden.

On October 15, Vice Chairman Arne Bernroth was appointed Chairman in Nordax Group by the Board of Directors. He succeeded Richard Pym who, in conjunction with the IPO, declared his intention to step down from the position as Chairman. Richard Pym remains on the Board of Nordax Group as Non-Executive Director.

Board of Directors' affirmation

The Board of Directors declares that the interim report January-September 2015 provides a fair overview of the Parent Company's and the Group's operations, their financial positions and results and describe material risks and uncertainties facing the Parent Company and the Group.

Stockholm October 22, 2015

Arne Bernroth
Chairman

Christian A. Beck
Non-Executive Director

Katarina Bonde
Non-Executive Director

Daryl Cohen
Non-Executive Director

Morten Falch
CEO, Executive Director

Hans Larsson
Non-Executive Director

Richard Pym
Non-Executive Director

Andrew Rich
Non-Executive Director

Synnöve Trygg
Non-Executive Director

Report of Review of Interim Financial Information

INTRODUCTION
We have reviewed the condensed interim financial information (interim report) of Nordax Group AB (publ) (corporate identity number 556993-2485) as of 30 September 2015 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies for the Group, and for the parent company in accordance with the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW
We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION
Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies for the Group, and for the parent company in accordance with the Swedish Annual Accounts Act.

Stockholm October 22, 2015
Öhrlings PricewaterhouseCoopers AB

Helena Kaiser de Carolis
Authorized Public Accountant

Contact

For more information, please contact

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ase.lindskog@nordax.se

Conference call

Media, analysts and investors are welcome to take part in a conference call on October 22 at 9.00am CET. CEO Morten Falch, CFO Camilla Wirth and deputy CEO/COO Jacob Lundblad will present the results. After the presentation there will be a Q&A session.

Call-in numbers:
Sweden: +46 8 566 426 63
UK: +44 203 428 14 02
US: +1 646 502 51 17

Link to audiocast:
http://cloud.magneetto.com/wonderland/2015_1022_Q3/view

You can also follow the presentation on
https://www.nordaxgroup.com/en/investors/financial-reports/presentations/

Financial calendar 2016

February 10	Year-end report
April 6	Annual report posted
April 28, 7.30am	Interim report January-March
May 11, 5.30pm	Annual General Shareholders' Meeting, Bryggarsalen, Norrtullsgatan 12N, Stockholm
July 15, 7.30am	Interim report January-June
October 26, 7.30am	Interim report January-September

More information: www.nordaxgroup.com

Consolidated income statement

GROUP All amounts in MSEK	Note	JUL-SEP 2015	APR-JUN 2015	JUL-SEP 2014	JAN-SEP 2015	JAN-SEP 2014	JAN-DEC 2014
Operating income							
Interest income	7	317	315	313	939	882	1,196
Interest expense	7	-77	-92	-109	-263	-316	-415
Total net interest income		**240**	**223**	**204**	**676**	**566**	**781**
Commission income	7	3	4	3	12	11	15
Net profit from financial transactions	7	-17	-11	8	-28	21	7
Other operating income	7	0	0	0	0	0	0
Total operating income		**226**	**216**	**215**	**660**	**598**	**803**
Operating expenses							
General administrative expenses	7	-62	-68	-50	-190	-159	-224
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	7	-5	-5	-4	-15	-13	-18
Other operating expenses	7	-32	-22	-27	-88	-95	-122
Non-recurring items	7, 8	0	-75		-75	0	
Total operating expenses		**-99**	**-170**	**-81**	**-368**	**-267**	**-364**
Profit before credit losses		**127**	**46**	**134**	**292**	**331**	**439**
Net credit losses	2, 7	-44	-33	-27	-122	-87	-114
Operating profit		**83**	**13**	**107**	**170**	**244**	**325**
Tax on profit for the period		-19	-3	-24	-38	-54	-71
NET PROFIT FOR THE PERIOD/ COMPREHENSIVE INCOME		**64**	**10**	**83**	**132**	**190**	**254**
Attributable to:							
The Parent Company's shareholders		64	10	68	132	160	254
Non-controlling interest		0	0	15	0	30	0
Earnings per share, SEK		0.58	0.08	0.62	1.19	1.44	2.29
Diluted earnings per share, SEK		0.58	0.08	0.62	1.19	1.44	2.29
Average number of shares		110,945,598	110,945,598	110,945,598	110,945,598	110,945,598	110,945,598

Consolidated statement of financial position

GROUP All amounts in MSEK	Note	30 SEPTEMBER 2015	31 DECEMBER 2014
ASSETS			
Lending to credit institutions	5, 6	1,931	2,212
Lending to the general public	2, 4, 5, 6, 7	10,606	10,042
Bonds and other fixed income securities	5, 6	1,262	1585
Property, plant and equipment		15	7
Intangible assets		314	316
Current tax receivables		8	0
Other assets		5	18
Prepaid expenses and accrued income		14	10
Total assets		**14,155**	**14,190**
LIABILITIES, PROVISIONS AND EQUITY			
Liabilities			
Liabilities to credit institutions	5, 6	2,926	2,259
Deposits from the public	5, 6	6,263	6,479
Issued securities	5, 6	2,902	3,581
Current tax liability		0	16
Deferred tax liability		27	29
Other liabilities		25	25
Accrued expenses and deferred income		97	64
Subordinated liabilities		245	199
Total liabilities		**12,485**	**12,652**
Equity			
Share capital		111	1
Other contributed capital		736	846
Retained earnings, incl. net profit for the year		823	691
Total equity		**1,670**	**1,538**
TOTAL LIABILITIES, PROVISIONS AND EQUITY		**14,155**	**14,190**
Memorandum items			
Pledged assets for own liabilities	9	9,648	9,180
Contingent liabilities		None	None

Statement of cash flows

GROUP All amounts in MSEK	JAN-SEP 2015	JAN-SEP 2014	JAN-DEC 2014
Operating activities			
Operating profit	170	244	325
Adjustment for non-cash items:			
Tax paid	-64	-49	-63
Depreciation, amortisation & impairment of tangible & intangible assets	15	13	15
Change in operating assets and liabilities			
Decrease/Increase in lending to the public	-564	-1,512	-1,649
Decrease/Increase in other assets	9	-5	-5
Decrease/Increase in deposits from the public	-216	1,673	1,726
Decrease/Increase in other liabilities	33	14	25
Cash flow from operating activities	**-617**	**378**	**374**
Investing activities			
Purchase of equipment	-21	-1	0
Investment in bonds and other interest-bearing securities	-2,506	-2,777	-3,797
Maturity of bonds and other interest-bearing securities	2,829	1,862	2,762
Cash flow from investing activities	**302**	**-916**	**-1,035**
Financing activities			
Decrease/Increase in liability to credit institutions	667	-630	-55
Decrease/Increase in issued securities	-679	1,608	1,322
Decrease/Increase in subordinated liabilities	46	1	1
Change in non-controlling interests	-	-	-3
Cash flow from financing activities	**34**	**979**	**1,265**
Cash flow for the period	**-281**	**441**	**604**
Cash and cash equivalents at beginning of period	**2,212**	**1,608**	**1,608**
Cash and cash equivalents at end of period	**1,931**	**2,055**	**2,212**

Cash and cash equivalents are defined as treasury bills eligible for use as collateral and lending to credit institutions. Pledged cash and cash equivalents according to note 9 are available for Nordax in relation to monthly settlements of financial agreements and are as a consequence hereof defined as cash and cash equivalents.

Statement of changes in equity

GROUP	Restricted equity	Non-restricted equity			Total
All amounts in MSEK	Share capital	Other contri-buted capital	Retained earnings	Non-control-ling interests	
OPENING BALANCE, 1 JANUARY 2014	**1**	**846**	**118**	**322**	**1,287**
Comprehensive income					
Net profit for the period			160	30	190
Total comprehensive income			**160**	**30**	**190**
Transactions with shareholders					
Change in non-controlling interests			218	-218	0
Total transactions with shareholders			**218**	**-218**	**0**
CLOSING BALANCE, 30 SEPTEMBER 2014	**1**	**846**	**496**	**134**	**1,477**
OPENING BALANCE, 1 JANUARY 2014	**1**	**846**	**118**	**322**	**1,287**
Comprehensive income					
Net profit for the year			254		254
Total comprehensive income			**254**	**-**	**254**
Transactions with shareholders					
Change in non-controlling interests			319	-322	-3
Total transactions with shareholders			**319**	**-322**	**-3**
CLOSING BALANCE, 31 DECEMBER 2014	**1**	**846**	**691**	**-**	**1,538**
OPENING BALANCE, 1 JANUARY 2015	**1**	**846**	**691**	**-**	**1,538**
Comprehensive income					
Net profit for the period			132	-	132
Total comprehensive income			**132**		**132**
Transactions with shareholders					
Group reorganisation (see note 1)	110	-110	-	-	0
Total transactions with shareholders	**110**	**-110**	**-**	**-**	**0**
CLOSING BALANCE, 30 SEPTEMBER 2015	**111**	**736**	**823**	**-**	**1,670**

Notes

Note 1 General information

Nordax Group AB (publ) (Corporate Identity Number 556993-2485), with its registered office in Stockholm, is the parent company of a group that includes the subsidiary Nordax Group Holding AB. In its turn, Nordax Group Holding AB owns companies whose business includes owning companies and managing shares in companies whose main operations consist of lending to private individuals in the Nordic region.

Information on the consolidated situation
The top company in the consolidated situation is Nordax Group AB (publ). The following companies are included in the consolidated financial statements for the group of financial companies in accordance with full IFRS and in the group-based financial statements for calculation of capital requirements: Nordax Group AB (publ), Nelson Luxco Sarl, Nordax Group Holding AB, Nordax Holding AB, Nordax Bank AB (publ), Nordax Finans AS, PMO Sverige OY, Nordax Nordic AB (publ), Nordax Sverige AB, Nordax Sverige 3 AB (publ), Nordax Sverige 4 AB (publ), Nordax Nordic 2 AB and Nordax Nordic 3 AB (publ).

Nordax Group AB (publ) acquired as of May 11 2015, through a share exchange, Nelson Luxco Sarl which was the former ultimate parent company for the Nordax Group. The transaction was purely a share exchange under common control and is considered to be a pure reorganisation. Since this is a reorganisation under common control, and it was carried out through a share exchange Nordax Group AB (publ) cannot be considered the accounting acquirer. Accordingly, the consolidated financial statements prepared as a continuation of the previous Nordax Group.

Note 2 Credit risk

Financial risk factors
Through its operations, the Group is exposed to both credit risks and other financial risks, market risk (including currency risk, interest-rate risk at fair value, interest-rate risk in cash flow and price risk) and liquidity risk. The Group's overall risk management policy focuses on managing credit risks which have been taken intentionally and minimising the potentially adverse effects of unpredictability in the financial markets. The Group employs derivative instruments to hedge certain risk exposure.

Risk management is handled primarily by a credit department and a central Treasury department in accordance with policies determined by the Board of Directors. The Treasury department identifies, evaluates and hedges financial risks in close co-operation with the Group's operational units. The Board draws up written policies both for overall risk management and for specific areas, such as credit risk, foreign-currency risk, interest-rate risk, use of derivative and non-derivative financial instruments and investment of surplus liquidity. Risk management is supervised by the risk control function which reports to the Board of Directors in accordance with FFFS 2014:1.

(i) Credit risks in general
Lending activities are based on policies adopted by the Board of Directors. All loans are assessed in a separate, centrally located department in the Group.

As consumer loans are provided without physical collateral, credit assessment is an important element. To obtain a loan, the customer and submitted application documents must fulfil a number of policy rules such as minimum income, minimum age, maximum debt burden ratio, no bad debt etc. Decisions on loans are based on creditworthiness, which is determined using a model for calculating the probability that a borrower will be able to adhere to the concluded agreements ("credit scoring"). A customer's credit score determines, for instance, how much he or she will be able to borrow. In addition, the credit decision is based on an affordability calculation to ensure the customer has the ability to repay the loan. The affordability calculation considers the customer's income, cost of housing, cost of loans and living expenses. In cases where it is not possible to obtain income and debt information from credit reference agencies the customer is required to submit further information in addition to the application documents, such as a salary specification and tax return, to confirm his or her stated income and debts. This information is used to assess the customer's financial situation, for instance by calculating the customer's indebtedness and a "left to live on" amount.

Credit risks in other counterparty relationships, such as derivatives and financial investments, are regulated by a policy adopted by the Board of Directors. Collateral agreements are used to limit counterparty risks in derivative contracts.

(ii) Measurement of credit risk
The credit risk in the portfolio is measured against the specified targets on an ongoing basis. The measurements are based partly on how loans perform over time, how old the individual loans are ("vintage") and the maturity of the overall portfolio. Measurements are made depending on the risk that a loan will fall into arrears and whether it has been impaired.

Continuous measurements are also made on a segment basis. The applicable credit regulations and scoring models are followed up continuously to ensure the effectiveness of applied regulations and models. The results of these measurements are used as a basis for any adjustments to credit regulations and scoring models.

(iii) Risk management and risk control
The Group's continued operations depend on its ability to manage and control credit risk. Great emphasis is placed on establishing procedures to deal with this. Among other things, reporting takes place at least monthly to the management team and the Board of Directors. Credit risk reporting is also a standing agenda item at each Board meeting. The risk control and compliance unit performs regular checks to ensure that loans are issued in accordance with the instructions adopted by the Board. Under the instructions, any deviations must be reported to the Board. When the Group has received loans from external parties, these parties also perform regular and extensive credit risk assessments.

(iv) Principles for credit risk provisions
Principles for credit risk provisions are indicated in the annual report for Nordax Group Holding AB for 2014, Note 2 and Note 7. When the value of a loan receivable has declined, the carrying amount is written down to the recoverable amount, which is defined as the estimated future cash flow discounted the effective interest rate of the loan receivable when fully performing. Management uses estimates based on historical credit losses for assets with the same credit risk and attributes as those in the loan portfolio. The methods and assumptions used to forecast future cash flows are reviewed regularly to reduce the difference between estimated and actual losses.

Provisions are calculated for loans with an individually identified loss event (individually identified loss event is understood to mean receivables due more than 180 days), and group provision for receivables measured as a group (due 1 – 180 days) is based on an established model. The criteria for determining whether a loss has occurred are delays in the payment of principal and interest.

GROUP All amounts in MSEK	JUL-SEP 2015	APR-JUN 2015	JUL-SEP 2014	JAN-SEP 2015	JAN-SEP 2014	JAN-DEC 2014
Credit losses						
Write-offs for the period pertaining to actual credit losses	-10	-11	-4	-26	-15	-15
Gross value of new receivables during the period due more than 180 days	-98	-90	-83	-281	-238	-312
Payments received during the period pertaining to loans due more than 180 days	45	51	43	138	118	163
Adjustment to recoverable value pertaining to receivables due more than 180 days	20	18	15	58	50	63
Total provision for loans with individually identified loss event[1]	-33	-21	-25	-85	-70	-86
Group provision for receivables valued as a group[2]	-1	-1	2	-11	-2	-13
Credit losses for the period	**-44**	**-33**	**-27**	**-122**	**-87**	**-114**

1 Loans with individually identified loss event refers to loans that are more than 180 days past due.
2 Receivables valued as a group refers to loans between one and 180 days past due.

Note 3 Lending to the general public

GROUP September 30, 2015	Sweden	Norway	Denmark	Finland	Germany	TOTAL	Allocation of provision past due receivables	
Not yet payable	3,581	3,750	166	1,658	467	9,622		
30 days past due	46	99	5	89	7	246	-21	9%
60 days past due	23	36	4	33	3	99	-20	20%
90 days past due	15	19	4	13	3	54	-19	36%
120-150 days past due	23	24	2	19	3	71	-35	50%
More than 180 days past due	559	514	300	277	10	1,660	-1,051	63%
Total past due	**666**	**692**	**315**	**431**	**26**	**2,130**	**-1,146**	**54%**
Total	**4,247**	**4,442**	**481**	**2,089**	**493**	**11,752**		
Provision[1]	-349	-338	-281	-163	-15	-1,146		
Total lending to the general public	**3,898**	**4,104**	**200**	**1,926**	**478**	**10,606**		

GROUP December 31, 2014	Sweden	Norway	Denmark	Finland	Germany	TOTAL	Allocation of provision past due receivables	
Not yet payable	3,586	3,598	209	1,458	289	9,139		
30 days past due	45	86	8	77	3	220	-18	8%
60 days past due	23	32	4	27	2	89	-19	21%
90 days past due	13	21	6	10	1	51	-17	33%
120-150 days past due	26	20	3	14	2	65	-33	51%
More than 180 days past due	489	495	298	238	2	1,522	-957	63%
Total past due	**596**	**654**	**319**	**366**	**10**	**1,947**	**-1,044**	**54%**
Total	**4,182**	**4,252**	**528**	**1,824**	**299**	**11,086**		
Provision[1]	-302	-318	-282	-136	-5	-1,044		
Total lending to the general public	**3,880**	**3,934**	**246**	**1,688**	**294**	**10,042**		

[1] Provision for receivables which are more than 180 days past due are assessed individually and total MSEK -1,051 (-957). The group provision is MSEK -95 (-87). The difference between the provision recognised above and credit losses as indicated in the income statement is due to exchange rate effects, which are accounted for under Net profit from financial transactions.

When a loan becomes more than 180 days past due the carrying amount is written down to the recoverable amount, which is defined as the estimated future cash flow discounted by the initial effective interest rate for the instrument at the time of impairment. Expected recoveries are assumed to be generated up to 13 years from the date on which the receivable becomes more than 180 days past due. The methods and assumptions used to forecast future cash flows are reviewed regularly to reduce the difference between estimated and actual losses. The senior management uses estimates based on historical data and forecasts for longer periods where there are no own historical data.

Note 4 Capital adequacy analyses

Capital adequacy information in this document refers to information whose disclosure is provided for in Chapter 6, Sections 3-4 of the Regulations and general recommendations (FFFS 2008:25) on the annual accounts of credit institutions and securities companies (investment firms) and which refers to information in the General recommendations on capital adequacy and risk management (FFFS 2014:12) of the Swedish Financial Supervisory Authority. From the first quarter of 2014 a capital adequacy analysis for the consolidated situation is reported. Other information required under FFFS 2014:12 is provided on the Company's website, www.nordaxgroup.com.

Information on the consolidated situation
The top company in the consolidated situation is Nordax Group AB (publ). The following companies are included in the consolidated financial statements for the group of financial companies in accordance with full IFRS and in the group-based financial statements for calculation of capital requirements: Nordax Group AB (publ), Nelson Luxco Sarl, Nordax Group Holding AB, Nordax Holding AB, Nordax Bank AB (publ), Nordax Finans AS, PMO Sverige OY, Nordax Nordic AB (publ), Nordax Sverige AB, Nordax Sverige 3 AB (publ), Nordax Sverige 4 AB (publ), Nordax Nordic 2 AB and Nordax Nordic 3 AB (publ).

	Consolidated situation	
All amounts in MSEK	30 September 2015	31 December 2014
OWN FUNDS		
Common Equity Tier 1 capital	1,644	1,537
Deduction from own funds	-312	-304
Total Common Equity Tier 1 capital	**1,332**	**1,233**
Tier 2 capital	209	159
Net own funds	**1,541**	**1,393**
Risk exposure amount for credit risk	8,588	8,234
Risk exposure amount for market risk	591	541
Risk exposure amount for operational risks	1,272	1,271
Total risk exposure amount	**10,451**	**10,046**
Common Equity Tier 1 capital ratio	12.74%	12.28%
Tier 1 capital ratio	12.74%	12.28%
Total capital ratio	14.74%	13.87%
Capital adequacy ratio (own funds / capital requirement)	1.84	1.73
Total Common Equity Tier 1 capital requirement including buffer requirement	7.72%	7.00%
- of which, capital conservation buffer requirement	2.50%	2.50%
- of which, countercyclical capital buffers	0.72%	-
Common Equity Tier 1 capital available for use as buffer[1]	8.24%	7.78%
Specification of risk exposure amount[2]		
Institutional exposures	388	444
Covered bonds	41	60
Household exposures	7,472	7,085
Unregulated items	643	597
Other items	44	48
Total risk exposure amount for credit risk, Standardised Approach	**8,588**	**8,234**
Exchange rate risk	591	541
Total risk exposure amount for market risk	591	541
Basic Indicator Approach	1,272	1,271
Total risk exposure amount for operational risks	**1,272**	**1,271**
LEVERAGE RATIO		
Exposure measure for calculating leverage ratio	13,856	13,893
Leverage ratio	**9.61%**	**8.88%**

[1] Common Equity Tier 1 capital ratio 12.74% less the statutory minimum requirement of 4.5% excluding the buffer requirement. A total capital requirement of a further 3.22% of wich capital conservation buffer of 2.5% and 0.72% for the countercyclical capital buffers is also applicable.

[2] The capital requirement is 8% of the risk exposure amount pursuant to Regulation (EU) No 575/2013 (CRR).

Internal capital requirement

As of 30 September 2015 the internal capital assessment for Nordax consolidated situation amounted to 83 MSEK (67 at year-end) in addition to regular capital requirements. The internal capital requirement is assessed using Nordax internal models for economic capital and is not fully comparable to the estimated capital requirement published by the Swedish Financial Supervisory Authority due to differences in assumptions and methodologies.

Information on liquidity risk pursuant to FFFS 2014:12

The Group defines liquidity risk as the risk of failing to fulfil payment obligations at maturity without a significant increase in the cost of obtaining means of payment. The Group uses asset-backed borrowing in which parts of the Group's asset portfolios are pledged as collateral for the loans. The Group's long-term strategy is to match lending assets with the maturities of liabilities. The strategy is aimed at achieving a diversified funding platform comprising equity, subordinated debt, asset backed securities ("ABS"), bank warehouse funding facilities, deposits from the general public and senior unsecured bonds.

The goal is to use funding sources which:

- Provide a high degree of matching, of currencies and interest period as well as maturities, between assets and liabilities.
- Offer diversification in terms of markets, investors, instruments, maturities, currencies, counterparties and geography.
- Carry a low liquidity risk and offer a high possibility of refinancing at maturity, as evidenced by price stability, regularity of issuance and a broad investor base.
- Provide access to relatively large volumes, to meet the funding requirements for a growing balance sheet.

The Group has an independent function for liquidity risk control. The function reports directly to the Board and CEO. Liquidity is measured on a daily basis and reported to the Company's management. Liquidity risk is reported to the Board of Directors at each board meetings.

Cash flows expected to result from the liquidation of all assets, liabilities and off-balance sheet items are calculated. Key ratios from the balance sheet (such as the cash ratio, loan-to-deposit ratio, liquidity coverage ratio, net stable funding ratio and deposit usage) are calculated and monitored over time to illustrate the financial structure and the Group's liquidity risk. Liquidity risk is measured monthly for different scenarios and events (such as less favourable advance rates and changed cash flows) and illustrated separately and in combination.

The contingency plan specifies a clear division of responsibilities and contains instructions for how the Group should respond in a liquidity crisis situation. The plan specifies appropriate actions for managing the consequences of different crisis situations and contains definitions of events which trigger and escalate the contingency plan. The contingency plan has been tested and updated. At 30 September 2015, Nordax had a liquidity coverage ratio (EBA definition) of 7.04 (8.40) and a net stable funding ratio of 1.30 (1.46) according to the definition of the Basel Committee, which has not yet been adopted.

Nordax had a liquidity reserve at 30 September 2015 of MSEK 2.607 (3.246). Of these investments, 52 (51) per cent was in Nordic banks, 16 (19) per cent in Swedish covered bonds and 33 (30) per cent in Swedish municipal papers. All investments had credit ratings ranging from AAA to A+ from Standard & Poor's, with an average rating of AA (except 25 MSEK in exposure to Avanza Bank AB). The average maturity was 55 (68) days. All bank holdings are accessible and all securities are repo-able with central banks.

At 30 September 2015 Nordax's sources of funding comprised MSEK 2.436 (3.110) in funding through the asset-backed securities market (securitised), MSEK 482 (500) in senior unsecured bonds, MSEK 2.933 (2.274) in warehouse funding facilities provided by international banks in addition to MSEK 6.261 (6.460) in Deposits from the general public. The figures refer to the nominal amounts.

Note 5 Classification of financial assets and liabilities

GROUP

September 30, 2015	Financial instruments carried at fair value through profit or loss		Investments held to maturity	Loans and receivables	Other financial liabilities	Total
	Held for trading	Designated at initial recognition				
Assets						
Lending to credit institutions				1,931		1,931
Lending to the general public				10,606		10,606
Bonds and other fixed income securities		1,262				1,262
Total assets		**1,262**		**12,537**		**13,799**
Liabilities						
Liabilities to credit institutions					2,926	2,926
Deposits from the public					6,263	6,263
Issued securities					2,902	2,902
Derivatives	3					3
Subordinated liabilities					245	245
Total liabilities	**3**				**12,336**	**12,339**

GROUP

December 31, 2014	Financial instruments carried at fair value through profit or loss		Investments held to maturity	Loans and receivables	Other financial liabilities	Total
	Held for trading	Designated at initial recognition				
Assets						
Lending to credit institutions				2,212		2,212
Lending to the general public				10,042		10,042
Bonds and other fixed income securities		1,585				1,585
Total assets		**1,585**		**12,254**		**13,839**
Liabilities						
Liabilities to credit institutions					2,259	2,259
Deposits from the public					6,479	6,479
Issued securities					3,581	3,581
Derivatives	4					4
Subordinated liabilities					199	199
Total liabilities	**4**				**12,518**	**12,522**

Trade receivables, trade payables and prepaid/accrued interest are not included in the classification above, but have been reported as Loans and receivables or Other financial liabilities, as these are not material.

Note 6 Fair values of financial assets and liabilities

GROUP

September 30, 2015	Carrying amount	Fair value	Fair value gain (+)/fair value loss (-)
Assets			
Lending to credit institutions[1]	1,931	1,931	
Lending to the general public[2]	10,606	12,910	2,304
Bonds and other fixed income securities	1,262	1,262	
Total assets	**13,799**	**16,103**	**2,304**
Liabilities			
Liabilities to credit institutions[1]	2,926	2,926	
Deposits from the public[1]	6,263	6,263	
Issued securities	2,902	2,921	19
Derivatives	3	3	
Subordinated liabilities[3]	245	252	7
Total liabilities	**12,339**	**12,365**	**26**

GROUP

December 31, 2014	Carrying amount	Fair value	Fair value gain (+)/fair value loss (-)
Assets			
Lending to credit institutions[1]	2,212	2,212	
Lending to the general public[2]	10,042	12,302	2,260
Bonds and other fixed income securities	1,585	1,585	
Total assets	**13,839**	**16,098**	**2,260**
Liabilities			
Liabilities to credit institutions[1]	2,259	2,259	
Deposits from the public[1]	6,479	6,479	
Issued securities	3,581	3,593	12
Derivatives	4	4	
Subordinated liabilities[3]	199	199	
Total liabilities	**12,522**	**12,533**	**12**

1 Fair value is deemed to be the same as the carrying amount, as these are of a short-term nature.
2 The measurement includes significant non-observable inputs and belongs to Level 3. The present value of future discounted cash flows are expected to be larger than the amortised cost according to the accounts.
3 Fair value data for issued securities and debenture loans belong to Level 2, as the inputs for measurement are based directly or indirectly on quoted prices.

Calculation of fair value

The fair values of financial instruments which are traded in an active market (such as financial instruments held for trading and available-for-sale financial instruments) are based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices from an exchange, broker, industry group, pricing service or regulatory authority are easily and regularly available, and these prices represent actual and regularly occurring arm's length market transactions. The quoted market price used for the Group's financial assets is the current bid price. These instruments belong to Level 1.

The fair values of financial instruments which are not traded in an active market are determined with the help of valuation techniques. Market data is used as far as possible when such data is available. If all significant inputs required for the fair value measurement of an instrument are observable the instrument belongs to Level 2.

In cases where one or several significant inputs are not based on observable market information the instrument is classified as Level 3.

The table below shows financial instruments carried at fair value based on the classification in the fair value hierarchy. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted market prices included in Level 1 that are observable for the asset or li ability, either directly in the form of quoted prices or indirectly, i.e. derived from quoted prices (Level 2).
- Inputs for the asset or liability which are not based on observable market data (non-observable inputs) (Level 3)

In 2015, no transfers between levels were made.

GROUP

September 30, 2015	Level 1	Level 2	Level 3	Total
Assets				
Bonds and other fixed income securities	1,262			1,262
Total assets	**1,262**			**1,262**
Liabilities				
Derivatives		3		3
Total liabilities		**3**		**3**

GROUP

December 31, 2014	Level 1	Level 2	Level 3	Total
Assets				
Bonds and other fixed income securities	1,585			1,585
Total assets	**1,585**			**1,585**
Liabilities				
Derivatives		4		4
Total liabilities		**4**		**4**

Note 7 Operating segments

Segment information is presented based on the chief operating decision-maker's perspective, and the segments are identified based on the internal reporting to the CEO, who is identified as the chief operating decision-maker. Nordax has the following operating segments: Sweden, Norway, Finland, Denmark and Germany, which reflects Nordax' lending portfolio. Profit/loss that cannot be attributed to a segment is allocated using distribution keys according to internal principles that the Management believes provide a fair allocation to the segments. The chief operating decision-maker will primarily apply to the performance concept of operating profit/loss. Impairment test of goodwill is made on a yearly basis in conjunction with the annual report and management's assessment is that it will not be materially impacted when goodwill is reported per segment as of 2015.

2014				2015			
Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	**Jul-Sep**	Oct-Dec

July-September 2015	Sweden	Norway	Denmark	Finland	Germany	TOTAL
Income statement						
Interest income[1]	104	137	3	62	11	**317**
Interest expenses	-24	-37	-2	-11	-3	**-77**
Total net interest income	**80**	**100**	**1**	**51**	**8**	**240**
Commission income	2	1	-	0	-	**3**
Depreciation and amortisation of tangible and intangible assets	-3	-1	0	-1	0	**-5**
Operating expenses[2]	-37	-27	0	-9	-5	**-78**
Non-recurring items[3]	0	0	0	0	0	**0**
Marketing costs[2]	-7	-13	0	-6	-7	**-33**
Profit before credit losses	**35**	**61**	**1**	**35**	**-5**	**127**
Net credit losses	-12	-17	-1	-9	-5	**-44**
Operating profit/loss	**23**	**44**	**0**	**26**	**-10**	**83**
BALANCE SHEET						
Lending to the general public	**3,898**	**4,104**	**200**	**1,926**	**478**	**10,606**

2014				2015			
Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	**Apr-Jun**	Jul-Sep	Oct-Dec

April-June 2015	Sweden	Norway	Denmark	Finland	Germany	TOTAL
Income statement						
Interest income[1]	104	139	4	59	9	**315**
Interest expenses	-28	-48	-1	-12	-2	**-92**
Total net interest income	**76**	**91**	**3**	**47**	**7**	**223**
Commission income	1	2	-	1	-	**4**
Depreciation and amortisation of tangible and intangible assets	-1	-1	0	-2	-1	**-5**
Operating expenses[2]	-33	-25	-5	-9	-4	**-76**
Non-recurring items[3]						**-75**
Marketing costs[2]	-5	-9	0	-5	-6	**-25**
Profit before credit losses	**38**	**57**	**-3**	**33**	**-5**	**46**
Net credit losses	-9	-13	0	-7	-4	**-33**
Operating profit/loss	**29**	**44**	**-3**	**26**	**-9**	**13**
BALANCE SHEET						
Lending to the general public	**3,861**	**4,118**	**209**	**1,797**	**383**	**10,368**

Jan-Mar	Apr-Jun	**Jul-Sep**	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
2014				2015			

July-September 2014	Sweden	Norway	Denmark	Finland	Germany	TOTAL
Income statement						
Interest income[1]	117	136	5	50	5	**313**
Interest expenses	-41	-53	-1	-12	-2	**-109**
Total net interest income	**76**	**83**	**4**	**39**	**3**	**204**
Commission income	2	2	0	-1	0	**3**
Depreciation and amortisation of tangible and intangible assets	-2	-2	0	0	0	**-4**
Operating expenses[2]	-19	-14	-1	-5	-6	**-45**
Marketing costs[2]	-6	-10	0	-4	-4	**-24**
Profit before credit losses	**51**	**58**	**3**	**30**	**-7**	**134**
Net credit losses	-8	-11	-3	-4	-1	**-27**
Operating profit/loss	**43**	**47**	**0**	**26**	**-8**	**107**
BALANCE SHEET						
Lending to the general public	**3,834**	**4,041**	**257**	**1,542**	**231**	**9,905**

Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	**Jan-Sep**			Oct-Dec
2014				2015			

January-September 2015	Sweden	Norway	Denmark	Finland	Germany	TOTAL
Income statement						
Interest income[1]	313	409	11	178	28	**939**
Interest expenses	-85	-132	-4	-34	-8	**-263**
Total net interest income	**228**	**277**	**7**	**144**	**20**	**676**
Commission income	6	5	-	1	-	**12**
Depreciation and amortisation of tangible and intangible assets	-7	-4	0	-2	-1	**-15**
Operating expenses[2]	-96	-76	-7	-24	-14	**-217**
Non-recurring items[3]						**-75**
Marketing costs[2]	-17	-34	0	-17	-21	**-89**
Profit before credit losses	**113**	**169**	**0**	**102**	**-16**	**292**
Net credit losses	-39	-46	-3	-23	-11	**-122**
Operating profit/loss	**74**	**123**	**-3**	**79**	**-27**	**170**
BALANCE SHEET						
Lending to the general public	**3,898**	**4,104**	**200**	**1,926**	**478**	**10,606**

Jan-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
2014		2015			

January-September 2014	Sweden	Norway	Denmark	Finland	Germany	TOTAL
Income statement						
Interest income[1]	341	379	15	135	11	**882**
Interest expenses	-128	-148	-6	-30	-3	**-316**
Total net interest income	**213**	**231**	**9**	**106**	**8**	**566**
Commission income	6	5	0	0	0	**11**
Depreciation and amortisation of tangible and intangible assets	-6	-5	0	-2	-1	**-13**
Operating expenses[2]	-69	-58	-4	-18	-9	**-158**
Marketing costs[2]	-17	-33	0	-13	-14	**-77**
Profit before credit losses	**128**	**139**	**5**	**75**	**-16**	**331**
Net credit losses	-29	-36	-6	-14	-2	**-87**
Operating profit/loss	**99**	**103**	**-1**	**61**	**-18**	**244**
BALANCE SHEET						
Lending to the general public	**3,834**	**4,041**	**257**	**1,542**	**231**	**9,905**

Jan-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
2014	2015			

January-December 2014	Sweden	Norway	Denmark	Finland	Germany	TOTAL
Income statement						
Interest income[1]	453	517	19	189	18	**1,196**
Interest expenses	-164	-197	-8	-40	-6	**-415**
Total net interest income	**289**	**320**	**11**	**149**	**12**	**781**
Commission income	9	6	0	0	-	**15**
Depreciation and amortisation of tangible and intangible assets	-8	-5	-1	-2	-1	**-18**
Operating expenses[2]	-103	-90	-6	-28	-15	**-243**
Marketing costs[2]	-18	-41	-	-16	-21	**-96**
Profit before credit losses	**168**	**189**	**3**	**103**	**-25**	**439**
Net credit losses	-31	-49	-13	-17	-4	**-114**
Operating profit/loss	**137**	**140**	**-10**	**86**	**-29**	**325**
BALANCE SHEET						
Lending to the general public	**3,880**	**3,934**	**246**	**1,688**	**294**	**10,042**

1 Interest income refers to income from external customers.
2 Operating expenses consist of net profit/loss from financial transactions, other operating income, general administrative expenses and the portion of other operating expenses that does not relate to marketing (which are reported separately).
3 Non-recurring items refer to expenses arising in conjunction with the publication of the prospectus and the listing of the Nordax share on the Nasdaq Stockholm exchange.

Note 8 Non-recurring items

Non-recurring items of 75 MSEK refer to events and transactions which have an impact on profit of such magnitude that it is prudent to highlight these when the financial performance of the period is compared with earlier periods. Non-recurring items refer to expenses arising in conjunction with the publication of the prospectus and the listing of the Nordax share on the Nasdaq Stockholm exchange.

Note 9 Pledged assets

GROUP All amounts in MSEK	**30 SEPTEMBER** 2015	**31 DECEMBER** 2014
Pledged assets for own liabilities		
Lending to the general public	8,989	8,481
Lending to credit institutions	660	699
Total	**9,648**	**9,180**

Note 10 Transactions with related parties

In connection with the reorganization within the Nordax group in May 2015, certain shareholders received advanced consideration of SEK 1.8 million (-) for their transferred shares in Nordax Group Holding AB in form of loan notes issued by Nordax Group AB (publ). The loan notes were issued on arm's length terms and were repaid together with accrued interest on 21 May 2015.

A monitoring fee of SEK 0.08 MSEK of which 0.07 fee and 0.01 costs (Q2 14 monitoring fee of 0.08 MSEK of which 0.07 fee and 0.01 costs) has been paid to related company Vision Capital LLP from Nordax Group Holding AB.

Otherwise, the Group has not had any transactions with related parties.

Note 11 Events after closing of the reporting period

On October 9, the composition of the Nomination Committee was announced. The members of the Nomination Committee are: Andrew Rich, representing Vision Capital Partners VII LP and Vision Capital Partners VII A LP (chairman), Hans Hedström, representing Carnegie Fonder and Ulrika Danielson, representing Andra AP-fonden.

On October 15, Vice Chairman Arne Bernroth was appointed Chairman in Nordax Group by the Board of Directors. He succeeded Richard Pym who, in conjunction with the IPO, declared his intention to step down from the position as Chairman. Richard Pym remains on the Board of Nordax Group as Non-Executive Director.

Parent Company income statement

THE PARENT COMPANY All amounts in MSEK	JUL-SEP 2015	APR-JUN 2015	JUL-SEP 2014	JAN-SEP 2015	JAN-SEP 2014	JAN-DEC 2014
Operating expenses						
Personnel expenses	-2	-	-	-2	-	-
Other external expenses	-0	-75	-	-75	-	-
Total operating expenses	**-2**	**-75**	**-**	**-77**	**-**	**-**
Operating profit	**-2**	**-75**	**-**	**-77**	**-**	**-**
Profit/loss from financial investments						
Group contributions	-	-	-	-	-	-
Interest and similar expenses	-	-	-	-	-	-
Profit/loss from financial investments	**0**	**0**	**-**	**0**	**-**	**-**
Profit/loss after financial items	**-2**	**-75**	**-**	**-77**	**-**	**-**
Tax on profit for the period	-	-	-	-	-	-
NET PROFIT FOR THE PERIOD/COMPREHENSIVE INCOME	**-2**	**-75**	**-**	**-77**	**-**	**-**

Parent Company statement of financial position

THE PARENT COMPANY All amounts in MSEK	30 SEPTEMBER 2015
ASSETS	
Financial assets	
Shares in Group companies	4,970
Total financial assets	**4,970**
Total non-current assets	**4,970**
Current receivables	
Receivables from Group companies	0
Total current receivables	**0**
Cash and bank balances	3
Total current assets	**3**
TOTAL ASSETS	**4,973**
EQUITY, PROVISIONS AND LIABILITIES	
Equity	
Share capital	111
Share premium reserve	4,859
Retained earnings, incl. net profit for the year	-77
Total equity	**4,893**
Liabilities	
Current liabilities	
Accrued expenses and deferred income	1
Liabilities to Group companies	79
Total current liabilities	**80**
Total liabilities	**80**
TOTAL EQUITY, PROVISIONS AND LIABILITIES	**4,973**
Memorandum items	
Pledged assets for own liabilities	None
Contingent liabilities	None

Statement of changes in equity, parent company

THE PARENT COMPANY	Restricted equity	Non-restricted equity		Total
All amounts in MSEK	Share capital	Other contributed capital	Retained earnings	
OPENING BALANCE, 2 MARCH 2015	**1**	-	-	**1**
Comprehensive income				
Net profit for the period			-77	-77
Total comprehensive income			**-77**	**-77**
Transactions with shareholders				
Group reorganisation	110	4,859	0	4,969
Total transactions with shareholders	110	4,859	0	4,969
CLOSING BALANCE, 30 SEPTEMBER 2015	**111**	**4,859**	**-77**	**4,893**

The share capital consists of 110,945,598 ordinary shares of the same share class and with a quota value of SEK 1. All shares have equal voting rights.

Definitions

Adjusted operating income
Total operating income excluding foreign exchange gains/losses. Adjusted operating income is a non-IFRS-EU financial measure.

Adjusted cost to income ratio (C/I ratio)
Adjusted operating expenses excluding marketing costs as a percentage of adjusted operating income. Adjusted cost to income ratio is presented on a 12-month rolling basis.

Adjusted operating expenses
Total operating expenses excluding amortization of acquired intangible assets and non-recurring items. Adjusted operating expenses are a non-IFRS-EU financial measure.

Adjusted operating profit
Operating profit excluding amortization of acquired intangible assets, foreign exchange gains/losses and non-recurring items. Adjusted operating profit is a non-IFRS-EU financial measure.

Adjusted profit
Profit excluding amortization of acquired intangible assets, foreign exchange gains/losses and non-recurring items as well as the tax effect thereof. Adjusted profit is a non-IFRS-EU financial measure.

Adjusted return on average net loans
Adjusted operating profit as a percentage of average loan portfolio. Return on average net loans is presented on a 12-month rolling basis.

Adjusted return on tangible equity
Adjusted net profit in relation to average tangible equity on a 12-month rolling basis.

Average loan portfolio
The average of lending to the general public at the beginning of the period and lending to the general public at the end of the period.

Common Equity Tier 1 capital
Shareholders' equity excluding proposed dividend, deferred tax assets, intangible assets and certain other regulatory adjustments defined in Regulation (EU) No 575/2013 (CRR).

Common Equity Tier 1 capital ratio
Common Equity Tier 1 capital as a percentage of risk exposure amount.

Cost of risk
Net credit losses as a percentage of average loan portfolio. Cost of risk for the three months ended March 31, 2015 and 2014 is presented on an annualized basis.

Credit loss level
Net credit losses as a percentage of the average lending to the general public.

Earnings per share
Net profit attributable to shareholders in relation to the average number of shares.

Leverage ratio
Tier 1 capital as a percentage of total assets including off balance sheet items with conversion factors according to the standardised approach.

Liquidity Coverage Ratio (LCR)
High-quality liquid assets in relation to the estimated net cash outflows over the next 30 calendar days, as defined by Swedish regulations (the SFSA's code FFFS 2012:6).

Liquidity reserve
A separate reserve of high quality liquid assets that can be used to secure the company's short-term ability to pay for loss or reduced access to commonly available sources of funding.

Non-IFRS-EU-financial measures
Measures, which are unaudited, and used by management to monitor the underlying performance of Nordax's business and operations.

Own funds
The sum of Tier 1 and Tier 2 capital.

Return on equity
Net profit attributable to shareholders in relation to average shareholders' equity.

Risk exposure amount
Total assets and off balance sheet items, weighted in accordance with capital adequacy regulation for credit and market risks. The operational risks are measured and added as risk exposure amount. Risk exposure amounts are only defined for the consolidated situation.

Tangible equity
Shareholders' equity less intangible assets.

Tier 1 capital ratio
Tier 1 capital as a percentage of risk exposure amount.

Tier 1 capital
Common Equity Tier 1 capital plus qualiFYing forms of subordinated loans.

Tier 2 capital
Mainly subordinated loans not qualiFYing as Tier 1 capital contribution.

Total capital ratio
Total own funds as a percentage of risk exposure amount.

Bridge statutory to adjusted accounts

BRIDGE STATUTORY TO ADJUSTED ACCOUNTS All amounts in MSEK	**JUL-SEP** 2015	**APR-JUN** 2015	**JUL-SEP** 2014	**JAN-SEP** 2015	**JAN-SEP** 2014	**JAN-DEC** 2014
Total operating income statutory accounts	226	216	215	660	598	803
Foreign exchange gain/loss	17	11	-4	29	-12	2
Adjusted total operating income	**243**	**227**	**211**	**689**	**586**	**805**
Total operating expenses statutory accounts	**99**	**170**	**81**	**368**	**267**	**364**
Non-recurring items	0	-72	-1	-74	-12	-18
Amortization of acquired intangible assets	-3	-4	-3	-10	-9	-13
Adjusted total operating expenses	96	94	77	284	246	333
Marketing expenses	-33	-25	-24	-89	-77	-96
Adjusted total operating expenses excluding marketing costs	63	69	53	195	169	237
Net credit losses (as reported)	**-44**	-33	-27	**-122**	-87	-114
Operating profit statutory accounts	**83**	**13**	**107**	**170**	**244**	**325**
Non-recurring items	0	72	1	74	12	18
Foreign exchange gain/loss	17	11	-4	29	-12	2
Amortization of acquired intangible assets	3	4	3	10	9	13
Adjusted operating profit	**103**	**100**	**107**	**283**	**253**	**358**
Tangible equity	**1,356**	**1,289**	**1,156**	**1,356**	**1,156**	**1,222**
Shareholders' equity	1,670	1,606	1,476	1,670	1,476	1,538
Intangible assets	-314	-317	-320	-314	-320	-316
Adjusted return on tangible equity (last 12 months)	**24.1%**	**26.0%**	**24.3%**	**24.1%**	**24.3%**	**25.6%**