



Interim Report January—June 2018

1 April—30 June 2018*

- Lending to the public rose 19% to SEK 26,626 million
- Operating income increased 13% to SEK 868 million
- Operating profit increased 10% to SEK 374 million
- Earnings per share rose 10% to SEK 1.44
- C/I before credit losses (excl. Insurance) was 41.6% (42.1%)
- The credit loss ratio was 2.0% (1.8%)

1 January—30 June 2018*

- Lending to the public rose 19% to SEK 26,626 million
- Operating income increased 10% to SEK 1,673 million
- Operating profit increased 9% to SEK 718 million
- Earnings per share rose 9% to SEK 2.77
- C/I before credit losses (excl. Insurance) was 41.2% (42.4%)
- The credit loss ratio was 2.0% (1.8%)
- The Board proposes a dividend of SEK 1.65 per share for the half-year, up 10% compared with the half-year dividend in the autumn of 2017.

"We are continuing to grow faster than the market in all countries. And we are also growing profitably; operating profit for the quarter increased 10 per cent to SEK 374 million."

Kenneth Nilsson, CEO Resurs Holding AB

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 5.7 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 2018, the Group had 819 employees and a loan portfolio of SEK 26.6 billion. Resurs is listed on Nasdaq Stockholm.

* Certain performance measures provided in this section have not been prepared in accordance with IFRS or the capital adequacy rules, meaning that they are alternative performance measures. Calculations and reconciliation against information in the financial statements of these performance measures are provided on the website under "Financial information." Definitions of performance measures are provided on page 31. The figures in parentheses refer to 30 June 2017 in terms of financial position, and to the year-earlier period in terms of profit/loss items.

STATEMENT BY THE CEO

CONTINUED STRONG TREND IN BOTH GROWTH AND PROFITABILITY

This is our tenth interim report since Resurs Holding was listed on 29 April 2016. It is also the tenth consecutive report in which we have delivered on or above our financial targets. Lending rose 19 per cent to SEK 26.6 billion. This strong growth was driven by both the banking segment and all geographic markets and is well in line with our financial target of lending growth of more than 10 per cent.

We are continuing to grow faster than the market in all countries and thus continuing to successively increase our market shares. We are also growing profitably; operating profit for the quarter increased 10 per cent to SEK 374 million.

Continued focus on digitisation

We are continuing to develop products and solutions to help our retail finance partners meet customers' changed purchasing patterns and drive sales. We launched Resurs Checkout also in physical stores during the quarter with excellent results and our retail finance partners showed widespread interest in this service.

For most of our customers, the mobile telephone has become the most important digital platform. For this reason, we are developing the "Resurs Bank" app featuring a user-friendly interface for customers to use all of our services themselves. The aim is that the app will be launched in Sweden in the third quarter of 2018 and then be rolled out in our other markets.

We launched our proprietary credit engine in Sweden during the quarter, which quickly generated positive results for our customers and thus also our growth. The credit engine offers a simpler and more automated application process for customers and provides us with better conditions to analyse and enhance the efficiency of credit lending. It has already been launched in Finland and Norway with positive results. The credit engine also enhances internal efficiency since we can handle a higher number of applications without needing to increase staffing levels.

Brand initiatives and several new retail finance partners

We initiated work on further strengthening the Resurs brand in 2017. We want to raise awareness about Resurs and what we stand for. The first tangible result is our updated website that was launched in Sweden during the quarter and we will increase our media presence towards the end of the summer. These brand initiatives were charged to expenses in the quarter.

We received additional confirmation during the quarter that our products, solutions and service are appreciated in the market when we initiated collaborations with several new retail finance partners, both physical stores such as all of Beijer Bygg's stores in Sweden and pure e-commerce players such as Ellos's new brand Homeroom. More than 30 per cent of our sales in retail finance in the first half of 2018 were from e-commerce.

GDPR and PSD2 completed

During the quarter, we completed our work on two important regulatory projects, GDPR and PSD2, which aim to strengthen consumer protection and privacy. We are positive to the new legislation and have adapted our operations to the new regulations. Now that the projects have been completed, resources have been freed up to continue to develop innovative products and services that create value for our customers and retail finance partners.

Overall, the second quarter represented a very positive continuation to 2018 with strong profitable growth. We are gradually becoming larger and stronger in a continuously growing market – and we look forward to continuing to capture market shares in the second half of 2018.

LENDING

SEK 26,626 million

LENDING GROWTH

+19%

OPERATING PROFIT Q2

+10%



Kenneth Nilsson,
CEO Resurs Holding AB

PERFORMANCE MEASURES

SEKm unless otherwise specified	Apr–Jun 2018	Apr–Jun 2017	Change	Jan–Jun 2018	Jan–Jun 2017	Change	Jan–Dec 2017
Operating income	868	766	13%	1,673	1,514	10%	3,091
Operating profit*	374	340	10%	718	662	9%	1,397
Net profit for the period	289	263	10%	554	510	9%	1,080
Earnings per share, SEK	1.44	1.32	10%	2.77	2.55	9%	5.40
C/I before credit losses, %*	42.2	42.8		41.8	43.1		41.4
C/I before credit losses (excl. Insurance), %*	41.6	42.1		41.2	42.4		40.8
Common Equity Tier 1 ratio, %	13.8	13.3		13.8	13.3		13.6
Total capital ratio, %	15.4	15.3		15.4	15.3		15.5
Lending to the public	26,626	22,311	19%	26,626	22,311	19%	24,069
NIM, %*	10.7	10.9		10.5	10.8		10.6
Risk-adjusted NBI margin, %*	10.7	11.3		10.6	11.2		11.1
NBI margin, %*	12.7	13.1		12.6	13.1		12.9
Credit loss ratio, %*	2.0	1.8		2.0	1.8		1.8
Return on equity excl. intangible assets (RoTE), %*	27.5	24.6		27.3	24.6		25.3
Return on equity excl. intangible assets, given a Common Equity Tier 1 ratio of 12.5 per cent and deducted dividend from the capital base, (RoTE), %*	33.4	29.6		32.6	29.0		30.3

* Alternative performance measures are performance measures used by management and analysts to assess the Group's performance and are not defined in International Financial Reporting Standards (IFRS) or in the capital adequacy rules. Management believes that the performance measures make it easier for investors to analyse the Group's performance. Calculations and reconciliation against information in the financial statements of the performance measures are provided on the website under "Financial information." Definitions of all performance measures are provided on page 31.

GROUP RESULTS*

SECOND QUARTER 2018, APRIL — JUNE

Operating income

The Group's operating income increased 13 per cent to SEK 868 million (766). Net interest income increased 15 per cent to SEK 697 million (605), with interest income amounting to SEK 778 million (672) and interest expense to SEK -81 million (-67). Fee & commission income amounted to SEK 53 million (58) and fee & commission expense to SEK -14 million (-18), yielding a total net commission for the banking operations of SEK 39 million (41).

Premium earned, net, in the insurance operations rose 7 per cent to SEK 204 million (192), while claim costs were SEK -57 million (-57), which is recognised in the item insurance compensation, net. Fee & commission expense in the insurance operations



NET INTEREST INCOME

+ 15%

amounted to SEK -54 million (-61). In total, net insurance income increased to SEK 94 million (74).

Net expense from financial transactions amounted to SEK -5 million (4), primarily comprising changes in value of investments in interest-bearing securities, equities and exchange-rate differences. Other operating income, mainly comprising remuneration from lending operations, amounted to SEK 42 million (42).

Operating expenses

The Group's expenses before credit losses increased 12 per cent to SEK -366 million (-328). Personnel expenses rose SEK 17 million to SEK -157 million (-140) year-on-year, mainly as a result of the recruitment of new employees in IT, Marketing and Business Support. General administrative costs excluding personnel expenses increased SEK 17 million to SEK -148 million (-131), mainly as a result of market initiatives. Other operating expenses totalled SEK -49 million (-49). Viewed in relation to the operations' income, the cost level (excluding Insurance) continued to improve and amounted to 41.6 per cent (42.1 per cent).

Credit losses totalled SEK -128 million (-98) and the credit loss ratio was 2.0 per cent (1.8 per cent). The increase was mainly the result of the strong lending growth and according to the new accounting standard IFRS 9, all credits are reserved directly when they are recognised in the balance sheet. The risk-adjusted NBI margin was 10.7 per cent (11.3 per cent), which is within the framework of the Group's financial target of 10 to 12 per cent.

Profit

Operating profit increased 10 per cent to SEK 374 million (340). Net profit for the quarter amounted to SEK 289 million (263). Tax expense for the period amounted to SEK -85 million (-77).



OPERATING PROFIT Q2

+10%

FIRST HALF OF 2018, JANUARY — JUNE

Operating income and expenses

The Group's operating income increased 10 per cent to SEK 1,673 million (1,514), primarily due to growth in lending. Net interest income increased 12 per cent to SEK 1,326 million (1,180), with interest income amounting to SEK 1,481 million (1,308) and interest expense to SEK -155 million (-128). Fee & commission income amounted to SEK 107 million (131) and fee & commission expense to SEK -27 million (-31). This resulted in a total net commission for the banking operations of SEK 80 million (100).

The Group's expenses before credit losses totalled SEK -699 million (-652). Viewed in relation to the operations' income, the cost level (excluding Insurance) continued to improve and amounted to 41.2 per cent (42.4 per cent) for the first half of the year.

Credit losses totalled SEK -256 million (-201) and the credit loss ratio was 2.0 per cent (1.8 per cent). The increase was mainly the result of the strong lending growth and according to the new accounting standard IFRS 9, all credits are reserved directly when they are recognised in the balance sheet. The risk-adjusted NBI margin was 10.6 per cent (11.2 per cent), which is within the framework of the Group's financial target of 10 to 12 per cent.

Profit

Operating profit increased 9 per cent to SEK 718 million (662). Net profit for the period amounted to SEK 554 million (510). Tax expense for the period amounted to SEK -164 million (-151).

OPERATING PROFIT FOR THE PERIOD

SEK 718 million

FINANCIAL POSITION AT 30 JUNE 2018*

Comparative figures for this section refer to year-end 2017, except for cash flow for which comparative figures refer to the same period in the preceding year.

On 30 June 2018, the Group's financial position was strong, with a capital base of SEK 4,198 million (3,905) in the consolidated situation, comprising the Parent Company, Resurs Holding, and the Resurs Bank Group. At the end of the period, Solid Försäkring paid SEK 130 million in dividends to Resurs Holding, which strengthened the capital base of the consolidated situation. The total capital ratio was 15.4 per cent (15.5 per cent) and the Common Equity Tier 1 ratio was 13.8 per cent (13.6 per cent).

Lending to the public at 30 June 2018 amounted to SEK 26,626 million (24,069). The restated comparative figure (according to Note G2) on 1 January 2018 was SEK 23,648 million, which entails an increase of 13 per cent for the period and 8 per cent excluding currency effects. Lending to the public at 30 June 2017 totalled SEK 22,311 million, which included IFRS 9 effects entailing a 19 per cent annual increase and a 15 per cent annual increase excluding currency effects. This strong growth was driven by both the banking segment and all markets and is well in line with the Group's financial target of lending growth of more than 10 per cent.

In addition to capital from shareholders, the operations are financed by deposits from the public, the issued MTN bonds and the securitisation of certain loan receivables (ABS financing). The Group's strategy is to actively work with various sources of financing in order to use the most suitable source of financing at any time and to create diversified financing in the long term.

Deposits from the public on 30 June 2018 rose 9 per cent to SEK 19,712 million (18,033). Financing through issued securities totalled SEK 7,203 million (5,597). Liquidity remained healthy and the liquidity coverage ratio (LCR) was 206 per cent (201 per cent) in the consolidated situation. The minimum statutory LCR ratio is 100 per cent. Lending to credit institutions at 30 June 2018 amounted to SEK 3,157 million (2,794). Holdings of treasury and other bills eligible for refinancing, as well as bonds and other interest-bearing securities, totalled SEK 2,807 million (2,578).

Cash flow from operating activities amounted to SEK -796 million (-1,298) for the year. Cash flow from deposits amounted to SEK 1,119 million (-405) and the net change in investment assets totalled SEK -133 million (-52). Cash flow from investing activities for the period totalled SEK -89 million (-31) and cash flow from financing activities was SEK 1,152 million (1,097). Bonds outstanding under Resurs Bank's MTN programme have been expanded by SEK 700 million since year-end and ABS financing has been expanded by SEK 800 million.

Intangible assets amounted to SEK 2,036 million (1,877), and primarily comprise the goodwill that arose in the acquisition of Finaref in 2014 and yA Bank in 2015.

Dividends

The Board of Directors intends to convene an Extraordinary General Meeting that is expected to be held on 5 October 2018 in Helsingborg, Sweden. The Board intends to propose a motion to the Extraordinary General Meeting regarding the payment of dividends of SEK 1.65 per share. The total proposed dividend for resolution by the Extraordinary General Meeting amounts to SEK 330 million and corresponds to the amount reserved in the capital base during the first half-year. The Board's aim is to pay dividends every half-year and the proposed dividend follows this plan.

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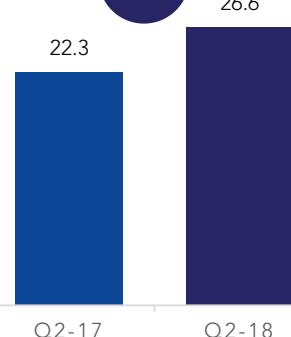


TOTAL CAPITAL RATIO

15.4%

LENDING TO THE PUBLIC

+19%



Trend in lending to the public in SEK billion

LIQUIDITY COVERAGE RATIO

206%

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 2018, Payment Solutions accounted for 41 per cent of the Group's operating income, while Consumer Loans and Insurance accounted for 54 and 5 per cent, respectively.



PERCENTAGE OF OPERATING INCOME JAN–JUN 2018



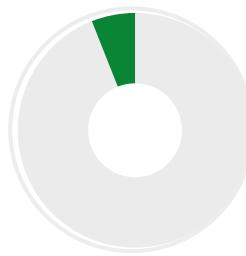
Payment Solutions

41%



Consumer Loans

54%



Insurance

5%



PAYMENT SOLUTIONS

Strong growth and new Nordic retail finance partners

SECOND QUARTER 2018, APRIL – JUNE

Payment Solutions reported sustained strong growth in the quarter. The retail sector is growing and becoming more and more digital. More than 30 per cent of the segment's sales for the quarter were from e-commerce. Resurs Checkout was launched in physical stores during the quarter, with excellent results and widespread interest. Resurs Checkout is an integrated payment solution that allows consumers to seamlessly move between retail finance partners' physical stores and their e-commerce store.

The trend in digital applications in physical stores was stable in the quarter. The degree of use in Sweden, where the most progress has been made, was about 75 per cent. The segment believes that about this share of customers have a mobile BankID, which shows that traditional solutions are still in demand. Resurs has quick and easy solutions to meet both needs.

During the quarter, the segment successfully gained new retail finance partners both online and in physical stores. Collaborations in Sweden started with companies including all Beijer Bygg stores and Ellos's new brand Homeroom. The partnership with Akademikliniken was expanded to also include Norway. An agreement was also signed in Norway with Dekkpartner and more than 30 workshops. Partnerships in Finland include the country's largest veterinary chain Omaeläinklinika, with 13 clinics.

Sales of Supreme Cards continued to perform positively in all countries. More than half of all Supreme Cards sold during the quarter were from inbound calls, which led to lower acquisition costs.

Operating income totalled SEK 354 million (315), up 13 per cent year-on-year, primarily related to increased business volumes.

Operating income less credit losses amounted to SEK 305 million (281). The risk-adjusted NBI margin was 12.5 per cent (12.8 per cent). The decline was due to the credit loss ratio increasing as a result of the strong growth and according to the new accounting standard IFRS 9, all credits are reserved directly when they are recognised in the balance sheet.

FIRST HALF OF 2018, JANUARY – JUNE

On 30 June 2018, lending to the public increased 14 per cent to SEK 10,045 million (8,816), a 10 per cent increase in local currencies. Growth was mainly driven by higher volumes from existing retail finance partners in all markets. Operating income totaled SEK 691 million (622), up 11 per cent year-on-year, primarily related to increased business volumes.

Operating income less credit losses amounted to SEK 585 million (553). The risk-adjusted NBI margin was 12.1 per cent (12.6 per cent). The decline was due to the credit loss ratio increasing as a result of the strong growth and according to the new accounting standard IFRS 9, all credits are reserved directly when they are recognised in the balance sheet.

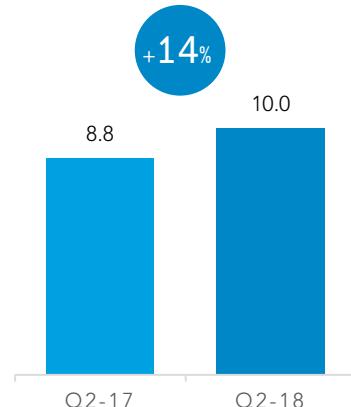


ABOUT PAYMENT SOLUTIONS

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 includes the Resurs credit cards (with Supreme Card being the foremost) as well as cards that enable retail finance partners to promote their own brands.

LENDING TO THE PUBLIC



Trend in lending to the public in SEK billion

PERFORMANCE MEASURES — PAYMENT SOLUTIONS

SEKm unless otherwise specified	Apr–Jun 2018	Apr–Jun 2017	Change	Jan–Jun 2018	Jan–Jun 2017	Change	Jan–Dec 2017
Lending to the public at end of the period	10,045	8,816	14%	10,045	8,816	14%	9,419
Operating income	354	315	13%	691	622	11%	1,268
Operating income less credit losses	305	281	9%	585	553	6%	1,115
Risk-adjusted NBI margin, %	12.5	12.8		12.1	12.6		12.2
Credit loss ratio, %	2.0	1.5		2.2	1.6		1.7

CONSUMER LOANS

Continued strong profitable growth

SECOND QUARTER 2018, APRIL—JUNE

Consumer Loans noted another strong quarter. The strongest trend in absolute terms continued to be reported in Sweden and Norway, while Denmark increased the most measured in per cent. Finland continued to increase strongly and achieved new sales levels, while the possible credit limit for customers was raised to EUR 40,000 in the first quarter.

Resurs launched an updated website during the quarter with a developed digital application. The new online application has several new digital functions, for example, the option for customers to upload supplementary information, e-signing payment power of attorney and quicker responses from Resurs to the customer. Price is an important factor to customers when selecting a brand, as is the speed of the application process.

The credit engine was launched in Sweden directly to Resurs's own customers at the start of the quarter and for agents at the end of the quarter. The credit engine initially resulted in a rapid positive effect in terms of both volume and price. The credit engine also enhances internal efficiency since Resurs can handle a higher number of applications with the same staffing levels. The credit engine has already been launched in Finland and Norway with positive results and will be launched in Denmark in the next few quarters. The credit engine provides better conditions for analysing and enhancing the efficiency of credit lending, meaning that the credit limit could be raised from SEK 300,000 to 400,000 in Sweden, which also had positive effects during the quarter.

Operating income increased 16 per cent year-on-year to SEK 474 million (408). The increase was mainly related to higher business volumes.

Operating income less credit losses rose 15 per cent to SEK 395 million (344), and the risk-adjusted NBI margin amounted to 9.8 per cent (10.4 per cent). The decline was primarily due to the mix effect and lower margins in yA Bank.

FIRST HALF OF 2018, JANUARY—JUNE

On 30 June 2018, lending to the public increased 23 per cent to SEK 16,581 million (13,495), an 18 per cent increase in local currencies. Operating income increased 13 per cent in the period to SEK 908 million (803).

Operating income less credit losses rose 13 per cent to SEK 758 million (671), and the risk-adjusted NBI margin amounted to 9.8 per cent (10.4 per cent). The decline was primarily due to the mix effect and lower margins in yA Bank.

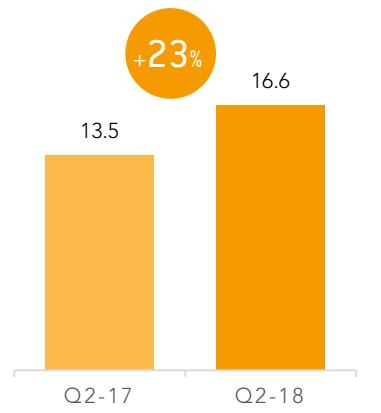


ABOUT CONSUMER LOANS

Consumer Loans customers are offered unsecured loans, also known as consumer loans. Consumer loans are normally used to finance larger purchases, extend existing loans or to finance general consumption.

Consumer Loans also helps consumers to consolidate their loans with other banks, in order to reduce their monthly payments or interest expense. Resurs currently holds approximately SEK 16.6 billion in outstanding consumer loans.

LENDING TO THE PUBLIC



Trend in lending to the public in SEK billion

PERFORMANCE MEASURES — CONSUMER LOANS

SEKm unless otherwise specified	Apr–Jun 2018	Apr–Jun 2017	Change	Jan–Jun 2018	Jan–Jun 2017	Change	Jan–Dec 2017
Lending to the public at end of the period	16,581	13,495	23%	16,581	13,495	23%	14,650
Operating income	474	408	16%	908	803	13%	1,656
Operating income less credit losses	395	344	15%	758	671	13%	1,397
Risk-adjusted NBI margin, %	9.8	10.4		9.8	10.4		10.3
Credit loss ratio, %	1.9	1.9		1.9	2.0		1.9

INSURANCE

Continued strong growth and new and developed partnerships

SECOND QUARTER 2018, APRIL–JUNE

Insurance reported strong growth in the second quarter with both new and extended partnerships. The collaboration with Synsam was expanded during the period to also include Denmark. Insurance has had a partnership with Synsam in Sweden, Norway and Finland since 2017 and the agreement period with these countries was extended when the partnership was expanded to include Denmark.

Insurance signed an agreement with Chubb Nordics to broker children's and accident insurance. The collaboration broadens the segment's product range and creates more business opportunities through cross-selling to Resurs's own customer database.

The work on digitising the customer meeting to strengthen communication with consumers continued. A new digital marketing tool was launched in the quarter that enables cost-efficient and automated communication with customers.

Premium earned, net, increased 7 per cent to SEK 205 million (192) in the second quarter. This increase was primarily due to the Security product line. Operating income increased 4 per cent in the quarter to SEK 48 million (46). Interest income rose SEK 1 million compared with the year-earlier quarter. Net income from financial transactions declined to SEK 1 million (5).

The technical result increased 19 per cent to SEK 19 million (16) year-on-year, mainly due to increased profitability in the Travel and Security business lines.

Operating profit increased 10 per cent to SEK 23 million (21) year-on-year. The total combined ratio improved to 91.3 per cent (92.6 per cent), primarily due to the claims ratio continuing to perform positively and fell to 27.7 per cent (29.5 per cent).

FIRST HALF OF 2018, JANUARY–JUNE

Premium earned, net, increased 1 per cent compared with the first six months of 2017 to SEK 405 million (403). Operating income for the period fell 3 per cent to SEK 90 million (93). Net expense from financial transactions declined due to lower market values for both the equities and bond portfolio and amounted to SEK -1 million (11).

The technical result increased 29 per cent to SEK 40 million (31) year-on-year, mainly due to increased profitability in the Travel and Security business lines.

Operating profit fell 2 per cent to SEK 43 million (44) year-on-year, which was primarily attributable to the negative performance in the finance operations. The total combined ratio improved to 90.8 per cent (93.0 per cent), primarily due to the improved claims ratio, which amounted to 27.7 per cent (30.8 per cent).

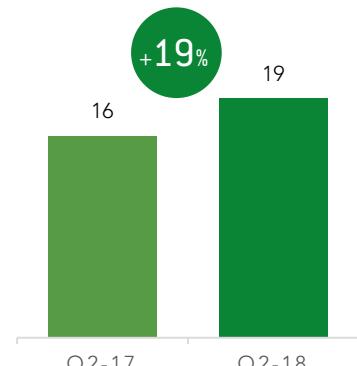


ABOUT INSURANCE

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.

TECHNICAL RESULT



Trend in technical result in SEKm

PERFORMANCE MEASURES — INSURANCE

SEKm unless otherwise specified	Apr–Jun 2018	Apr–Jun 2017	Change	Jan–Jun 2018	Jan–Jun 2017	Change	Jan–Dec 2017
Premium earned, net	205	192	7%	405	403	1%	800
Operating income	48	46	4%	90	93	-3%	174
Technical result	19	16	19%	40	31	29%	74
Operating profit	23	21	10%	43	44	-2%	83
Combined ratio, %	91.3	92.6		90.8	93.0		91.8

SIGNIFICANT EVENTS

JANUARY–JUNE 2018

Resolution on dividends in Resurs Holding and buyback authorisation

The Annual General Meeting held on 27 April 2018 resolved on a dividend of SEK 1.80 per share, totalling SEK 360 million. Including the dividend of SEK 1.50 paid on 3 November 2017, the 2017 dividend amounts to SEK 3.30, which amounts to 61 per cent of earnings per share, a total of SEK 660 million. The Resurs share was traded ex rights from 30 April 2018. The record date was 2 May 2018 and the dividend was paid on 7 May 2018. The Board intends to continue paying semi-annual dividends, and plans to convene an Extraordinary General Meeting on 5 October 2018.

The Meeting also resolved to authorise the Board to acquire own shares on the stock exchange for the period until the next Annual General Meeting. The authorisation to buy back shares encompasses up to 5 per cent of the shares in the company.

Resurs Bank intends to carry out an intra-Group cross-border merger with yA Bank AS

The Boards of Resurs Bank and yA Bank decided in April 2018 to approve a joint merger plan and merger statement for a cross-border merger between the companies. The merger is expected to be completed not later than 31 December 2018. The proposed merger enables more efficient utilisation of internal resources and transfer of knowledge, a broader range of products under the Resurs brand and optimised capital and liquidity utilisation within the Resurs Group.

The implementation of the merger entails that the regulatory capital requirement is lowered by 0.6 percentage points due to the lower buffer requirement, in absolute terms this corresponds to SEK 160 million. At the same time, the capital ratio was strengthened by 0.3 percentage points due to the decline in currency exposure, corresponding to SEK 70 million.

Resurs Bank expanded and extended ABS financing

The ABS financing was expanded in January 2018, and a new 18-month revolving period commenced. For Resurs Bank, this means that external financing increased from SEK 2.1 billion to SEK 2.9 billion.

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 2018

Magasin

 **BEIJER**
BYGGMATERIAL

 **memira**
ögontekniker

Coronaria

Jaktia

Sony Centre

 **XL MØBLER**
TID TIL FORANDRING

norrgavel

 **BIKE MASTERS**

 **DE ROSA**
— SINCE 1953 —

 **Parkett.no**

 **DEKK**
PARTNER

 **home room**

 **Omaeläin**
klinika

 **ak**
akademikliniken

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 were 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 G3 Liquidity, Note G4 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 the 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, other European countries. Solid Försäkring offers traditional speciality insurance. Solid Försäkring conducts operations in Norway, Finland and Switzerland via branches. Cross-border operations are conducted in other markets.

Employees

There were 819 full-time employees within the Group on 30 June 2018, up 65 since 31 March 2018 due to the recruitment of temporary staff for the summer. Compared with 30 June 2017, the increase was 14 people, mainly a result of the recruitment of new employees in IT, Marketing and Business Support.

NUMBER OF EMPLOYEES

819

Capital Market Day 2018

Resurs Holding will arrange a Capital Market Day for investors, analysts and the media on Wednesday, 21 November 2018. A formal invitation with a programme and information on how to register will be sent out in September 2018.

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 57.60.



The ten largest shareholders with direct ownership on 30 June 2018 were:	Percentage of share capital
Waldakt AB (Bengtsson family)	28.8%
Cidron Semper S.A.R.L (Nordic Capital)	17.4%
Swedbank Robur Fonder	9.2%
Handelsbanken Fonder	2.8%
Andra AP Fonden	2.7%
SEB Fonder	1.8%
Avanza Pension	1.5%
Vanguard	1.3%
Catea Group	1.2%
AFA Försäkring	1.2%
Total	67.7%

Financial targets

Financial targets	Mid-term targets	Jan-Jun 2018
Annual lending growth	more than 10%	19%
Risk-adjusted NBI margin excl. Insurance	about 10 to 12%	10.6%
C/I before credit losses excl. Insurance and adjusted for nonrecurring costs	under 40%	41.2%
Common Equity Tier 1 ratio	more than 12,5%	13.8%
Total capital ratio	more than 15%	15.4%
Return on tangible equity (RoTE) adjusted for nonrecurring costs ¹⁾	about 30%	32.6%
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

- **5 October 2018** Planned Extraordinary General Meeting
- **6 November 2018** Interim report for January–September 2018
- **21 November 2018** Capital Market Day 2018

NEXT REPORT:

6 NOVEMBER

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, 23 July 2018.

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

Mikael Wintzell

SUMMARY FINANCIAL STATEMENTS — GROUP

Condensed income statement

SEK thousand	Note	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Interest income	G6	777,564	671,840	1,480,965	1,308,498	2,686,820
Interest expense	G6	-80,686	-67,324	-154,900	-128,109	-268,156
Fee & commission income		53,045	58,315	106,908	130,628	233,945
Fee & commission expense, banking operations		-13,864	-17,530	-26,528	-30,918	-63,130
Premium earned, net	G7	204,479	191,783	404,411	401,897	798,339
Insurance compensation, net	G8	-56,819	-56,672	-112,405	-123,844	-248,738
Fee & commission expense, insurance operations		-53,626	-60,892	-111,048	-130,805	-226,423
Net income/expense from financial transactions		-4,824	4,340	-17,676	3,153	-8,969
Other operating income	G9	42,366	42,135	103,443	83,874	187,657
Total operating income		867,635	765,995	1,673,170	1,514,374	3,091,345
General administrative expenses	G10	-305,045	-270,731	-586,492	-538,359	-1,065,752
Depreciation, amortisation and impairment of non-current assets		-11,766	-8,727	-21,920	-17,312	-35,283
Other operating expenses		-49,360	-48,730	-90,680	-96,361	-179,626
Total expenses before credit losses		-366,171	-328,188	-699,092	-652,032	-1,280,661
Earnings before credit losses		501,464	437,807	974,078	862,342	1,810,684
Credit losses, net	G11	-127,819	-97,787	-255,908	-200,664	-413,454
Operating profit/loss		373,645	340,020	718,170	661,678	1,397,230
Income tax expense		-84,931	-76,867	-164,290	-151,417	-317,197
Net profit for the period		288,714	263,153	553,880	510,261	1,080,033
Attributable to Resurs Holding AB shareholders		288,714	263,153	553,880	510,261	1,080,033
Basic and diluted earnings per share, SEK	G17	1.44	1.32	2.77	2.55	5.40

Condensed statement of comprehensive income

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Net profit for the period	288,714	263,153	553,880	510,261	1,080,033
Other comprehensive income that will be classified to profit/loss					
Translation differences for the period, foreign operations	80,925	-63,276	209,912	-87,413	-107,179
Hedge accounting ¹⁾	-44,830	17,458	-87,377	21,018	21,693
Hedge accounting - tax ¹⁾	9,863	-3,841	19,223	-4,624	-4,772
Comprehensive income for the period	334,672	213,494	695,638	439,242	989,775
Attributable to Resurs Holding AB shareholders	334,672	213,494	695,638	439,242	989,775

¹⁾ Refers to a hedge of a net investment in a foreign subsidiary and consists of equity at the time for acquisition, given capital contributions and profit since the acquisition. Goodwill are not subject to hedge accounting. Fair value changes of the hedging instruments impact taxable earnings and, in the Group, this tax effect is recognised in Comprehensive income for the period.

Condensed statement of financial position

SEK thousand	Note	30 Jun 2018	1 Jan 2018 revaluated 1)	31 dec 2017	30 jun 2017
Assets					
Cash and balances at central banks		67,760	61,539	61,539	61,985
Treasury and other bills eligible for refinancing		728,699	842,731	842,731	841,401
Lending to credit institutions		3,156,890	2,794,283	2,794,283	3,018,932
Lending to the public	G12	26,625,900	23,647,823	24,068,795	22,310,666
Bonds and other interest-bearing securities		2,078,402	1,735,266	1,735,266	1,951,337
Subordinated debt		37,450	35,902	35,902	34,635
Shares and participating interests		69,506	76,368	76,368	62,153
Intangible assets		2,036,369	1,877,167	1,877,167	1,847,564
Property, plant & equipment		60,343	39,954	39,954	43,390
Reinsurers' share in technical provisions		4,278	5,688	5,688	6,250
Other assets		218,799	269,344	169,404	190,060
Prepaid expenses and accrued income		263,203	224,175	224,175	227,096
TOTAL ASSETS		35,347,599	31,610,240	31,931,272	30,595,469
Liabilities, provisions and equity					
Liabilities and provisions					
Deposits and borrowing from the public		19,711,944	18,033,013	18,033,013	17,981,212
Other liabilities		1,108,692	1,155,573	1,155,573	963,221
Accrued expenses and deferred income		274,948	154,467	154,467	252,641
Technical provisions		492,124	455,123	455,123	415,265
Other provisions	G13	28,734	24,660	6,951	6,494
Issued securities		7,202,607	5,597,271	5,597,271	4,698,305
Subordinated debt		344,008	340,044	340,044	340,396
Total liabilities and provisions		29,163,057	25,760,151	25,742,442	24,657,534
Equity					
Share capital		1,000	1,000	1,000	1,000
Other paid-in capital		2,087,319	2,088,504	2,088,504	2,088,142
Translation reserve		127,566	-14,192	-14,192	5,047
Retained earnings incl. profit for the period		3,968,657	3,774,777	4,113,518	3,843,746
Total equity		6,184,542	5,850,089	6,188,830	5,937,935
TOTAL LIABILITIES, PROVISIONS AND EQUITY		35,347,599	31,610,240	31,931,272	30,595,469

¹⁾ Revaluation of Lending to the public, Other assets and Other provisions have been made as of 1 January 2018 due to IFRS 9. For additional information see Note G2.

See Note G14 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
Initial equity at 1 January 2017	1,000	2,088,610	76,066	3,933,485	6,099,161
Owner transactions					
Option premium received/repurchased		-468			-468
Dividends paid				-600,000	-600,000
Net profit for the period				510,261	510,261
Other comprehensive income for the period			-71,019		-71,019
Equity at 30 June 2017	1,000	2,088,142	5,047	3,843,746	5,937,935
Initial equity at 1 January 2017	1,000	2,088,610	76,066	3,933,485	6,099,161
Owner transactions					
Option premium received/repurchased		-106			-106
Dividends paid				-600,000	-600,000
Dividends according to Extraordinary General Meeting				-300,000	-300,000
Net profit for the period				1,080,033	1,080,033
Other comprehensive income for the period			-90,258		-90,258
Equity at 31 December 2017	1,000	2,088,504	-14,192	4,113,518	6,188,830
Initial equity at 1 January 2018 according to IAS 39	1,000	2,088,504	-14,192	4,113,518	6,188,830
Impact of revaluation of credit loss reserves due to IFRS 9 implementation				-438,681	-438,681
Impact of revaluation of credit loss reserves due to IFRS 9 implementation - tax effect				99,940	99,940
Equity at 1 January 2018 according to IFRS 9, adjusted	1,000	2,088,504	-14,192	3,774,777	5,850,089
Initial equity at 1 January 2018	1,000	2,088,504	-14,192	3,774,777	5,850,089
Owner transactions					
Option premium received/repurchased		-1,185			-1,185
Dividends paid				-360,000	-360,000
Net profit for the period				553,880	553,880
Other comprehensive income for the period			141,758		141,758
Equity at 30 June 2018	1,000	2,087,319	127,566	3,968,657	6,184,542

All equity is attributable to Parent Company shareholders.

Cash flow statement (indirect method)

SEK thousand	Jan-Jun 2018	Jan-Dec 2017	Jan-Jun 2017
Operating activities			
Operating profit	718,170	1,397,230	661,678
- of which, interest received	1,478,176	2,685,979	1,308,561
- of which, interest paid	-53,107	-266,765	-42,632
Adjustments for non-cash items in operating profit	462,754	459,128	253,831
Tax paid	-277,606	-356,251	-243,002
Cash flow from operating activities before changes in operating assets and liabilities	903,318	1,500,107	672,507
Changes in operating assets and liabilities			
Lending to the public	-2,125,210	-3,520,949	-1,560,967
Other assets	-749,111	-170,045	60,976
Liabilities to credit institutions		-1,700	-1,700
Deposits and borrowing from the public	1,119,037	-316,281	-405,238
Acquisition of investment assets	-686,947	-1,110,747	-604,719
Divestment of investment assets	553,927	1,262,719	552,715
Other liabilities	189,056	275,943	-11,972
Cash flow from operating activities	-795,930	-2,080,953	-1,298,398
Investing activities			
Acquisition of non-current assets	-89,758	-86,165	-31,608
Divestment of non-current assets	1,168	707	1,017
Cash flow from investing activities	-88,590	-85,458	-30,591
Financing activities			
Dividends paid	-360,000	-900,000	-600,000
Issued securities	1,512,753	2,301,863	1,397,150
Option premium received/repurchased	-1,185	-106	-468
Subordinated debt		300,000	300,000
Cash flow from financing activities	1,151,568	1,701,757	1,096,682
Cash flow for the period	267,048	-464,654	-232,307
Cash & cash equivalents at beginning of the year	2,855,822	3,351,128	3,351,128
Exchange rate differences	101,780	-30,652	-37,904
Cash & cash equivalents at end of the period	3,224,650	2,855,822	3,080,917
Adjustment for non-cash items in operating profit			
Credit losses	255,908	413,454	200,664
Depreciation and impairment of property, plant & equipment	21,920	35,283	17,312
Profit/loss tangible assets	408		-164
Profit/loss on investment assets	617	-24,463	-22,699
Change in provisions	40,133	-7,496	-47,873
Adjustment to interest paid/received	100,663	3,246	82,783
Currency effects	39,594	33,705	21,147
Other items that do not affect liquidity	3,511	5,399	2,661
Sum non-cash items in operating profit	462,754	459,128	253,831

Investment assets are comprised of Bonds and other interest-bearing securities, Treasury and other bills eligible for refinancing, Subordinated debt and Shares and participating interest.

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

SEK thousand	1 Jan 2018 Cash flow		Non cash flow items		30 Jun 2018
	Accrued acquisition costs	Exchange rate differences			
Issued securities	5,597,271	1,512,753	-2,289	94,872	7,202,607
Subordinated debt	340,044			3,964	344,008
Total	5,937,315	1,512,753	-2,289	98,836	7,546,615

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.

Except from IFRS 9, see below, no new IFRS or IFRIC interpretations, effective as from 1 January 2018, have had any material impact on the Group. As of the current fiscal year, IFRS 9 Financial Instruments will replace IAS 39 Financial Instruments. For calculating credit loss reserves, IFRS 9 is based on calculating the expected credit losses, as opposed to the previous model based on credit loss events that have occurred.

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 principles were applied as in the latest Annual report.

Additional information about how the new IFRS 9 rules are expected to impact the Group and calculations and expectations regarding Resurs Holding AB can be found in Resurs Holding AB's 2017 Annual Report. All of the Group's accounting principles are described in more detail in the Annual Report.

IFRS 16 replaces IAS 17 from 1 January 2019. Under the new standard, leased assets and right-of-use assets (for example, rental agreements for premises) are recognised in the statement of financial position. For lessees, existing leases and right-of-use assets are to be capitalised as assets and liabilities in the statement of financial position, with the associated effect that the cost in profit or loss is divided between depreciation in operating profit and interest expense in net financial items. The Group is currently analysing the effects of the new standard though it is too early to quantify the effect. Resurs Holding will be primarily affected by the leases for premises and car leases. For further information about current leases, see Note G13 in the Annual Report.

The interim information on pages 2-34 comprises an integrated component of this financial report.

G2. Effect of IFRS 9

Explanations of how the transition from previous accounting principles to IFRS 9 impacted the Resurs Holding Group's financial position and

earnings are provided in the Annual Report published for 2017. The effects are described in the table below.

Summary of effects on statement of financial position

In the condensed statement of financial position, Lending to the public, Other assets and Other provisions were impacted since the credit loss reserves under IFRS 9 are calculated on expected credit losses,

as opposed to the previous model that was based on credit loss events that have occurred. In the item Other assets, the current tax asset was changed.

SEK thousand	31 Dec 2017 according to earlier accounting principles	Adjustment Lending to the public	Adjustment Current tax asset	Adjustment Other provisions	1 Jan 2018
Assets					
Lending to the public	24,068,795	-420,972			23,647,823
Other assets	169,404		99,940		269,344
Liabilities and provisions					
Other provisions	6,951			17,709	24,660
Equity					
Revaluation of credit loss reserves according to IFRS 9		-420,972	99,940	-17,709	-338,741

G3. 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 purpose of the contingency plan is to make preparations for various courses of action should the liquidity situation trend unfavourably. 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 comprises both a liquidity reserve and another liquidity portfolio that is monitored on a daily basis. 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 1,706 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. 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 3,857 million (3,113) for the consolidated situation. Accordingly, total liquidity amounted to SEK 5,563 million (4,857). Total liquidity corresponded to 28 per cent (27 per cent) of deposits from the public. The Group also has unutilised credit facilities of NOK 50 million (50).

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. A ratio of 100 per cent means the assets managed the stress test scenario and is also the authority's limit. As at 2018-06-30, the ratio for the consolidated situation is 206 per cent (201 per cent). For the period January to June 2018, the average LCR measures 205 per cent for the consolidated situation.

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 19,820 million (18,147), whereof in Sweden SEK 13,273 million (12,817) and in Norway SEK 6,547 million (5,330). The lending to the public/deposits from the public ratio for the consolidated situation is 134 per cent (133 per cent).

Resurs Bank has a funding programme for issuing bonds, the programme amounts to SEK 5,000 million (5,000). 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. Resurs Bank has primarily issued bonds in Sweden but also in Norway. The programme has nine outstanding issues at a nominal amount of SEK 3,550 million (2,850) and NOK 400 million (400).

Of the nine issues, eight are senior unsecured bonds and one issue is a subordinated loan of SEK 300 million. Resurs Bank has, outside the programme, issued subordinated loan of SEK 200 million (200). yA Bank has, outside the programme, issued NOK 600 million (600) in senior unsecured bonds and subordinated loan NOK 40 million (40).

Resurs Bank has 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. In January 2018 the financing expanded and at 30 June 2018 a total of approximately SEK 3.7 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 2.9 billion (2.1) of the ABS financing.

Summary of liquidity – Consolidated situation

SEK thousand	30 Jun 2018	31 Dec 2017	30 Jun 2017
Liquidity reserve as per FFFS 2010:7 definition			
Securities issued by sovereigns	51,082	48,268	48,394
Securities issued by municipalities	546,588	664,222	662,862
Lending to credit institutions	289,000	183,000	78,000
Bonds and other interest-bearing securities	818,982	848,957	903,515
Summary Liquidity reserve as per FFFS 2010:7	1,705,652	1,744,447	1,692,771
Other liquidity portfolio			
Cash and balances at central banks	67,760	61,539	61,985
Lending to credit institutions	2,820,088	2,443,075	2,770,681
Bonds and other interest-bearing securities	969,507	608,096	786,900
Total other liquidity portfolio	3,857,355	3,112,710	3,619,566
Total liquidity portfolio	5,563,007	4,857,157	5,312,337
Other liquidity-creating measures			
Unutilised credit facilities	55,010	50,055	50,495

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 2018	31 Dec 2017	30 Jun 2017
Liquid assets, Level 1	1,292,897	1,215,652	1,061,443
Liquid assets, Level 2	859,302	649,904	565,856
Total liquid assets	2,152,199	1,865,556	1,627,299
Net liquidity outflow			
	952,065	855,945	828,412
LCR measure			
	206%	201%	183%

For the period January to June 2018, the average LCR measure is 205 % in the consolidated situation.

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 2017 Annual report.

G4. 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 and Norwegian exposures of the risk-weighted assets.

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. However, a Danish countercyclical capital buffer requirement of 0.5 per cent will apply from 31 March 2019.

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). Three different credit rating companies are used to calculate the bank's capital base requirement for bonds and other interest-bearing securities. These are: Standard & Poor's, Moody's and Fitch.

Resurs Bank has applied to the Swedish Financial Supervisory Authority for permission to apply the transition rules decided at EU level in December 2017. Under the transition rules, a gradual phase-in of the effect of IFRS 9 on capital adequacy is permitted, regarding both the effect of the transition from IAS 39 as at 1 January 2018 and the effect on the reporting date that exceeds the amount when IFRS 9 is first applied to category 1 and category 2. The phase-in period is as follows:

2018: 5%
2019: 10%
2020: 15%
2021: 20%
2022: 25%
2023: 25%

Capital base

SEK thousand	30 Jun 2018	31 Dec 2017	30 Jun 2017
Tier 1 capital			
Equity, Group	5,630,662	5,108,797	5,427,674
Net profit for the period, Group	553,880	1,080,033	510,261
Proposed dividend		-360,000	
Foreseeable dividend	-330,000		-300,000
Equity deducted in the consolidated situation	-408,998	-516,631	-516,325
Net profit, which is deducted in the consolidated situation	-26,292	-23,470	-35,269
Equity, consolidated situation (adjusted for proposed/foreseeable dividend)	5,419,252	5,288,729	5,086,341
<i>Adjustments according to transition rules IFRS 9:</i>			
Initial revaluation effect, net 95 %	321,804		
Dynamic effect category 1 and 2, net 95 %	30,732		
Less:			
Additional value adjustments	-2,398	-2,211	-2,470
Intangible assets	-2,006,070	-1,846,399	-1,814,914
Deferred tax asset	-8,734	-8,171	-4,418
Shares in subsidiaries	-100	-100	-100
Total Common Equity Tier 1 capital	3,754,486	3,431,848	3,264,439
Total Tier 1 capital	3,754,486	3,431,848	3,264,439
Tier 2 capital			
Dated subordinated loans	443,560	473,231	489,840
Total Tier 2 capital	443,560	473,231	489,840
Total capital base	4,198,046	3,905,079	3,754,279

Capital requirement

SEK thousand	30 Jun 2018 Risk-weighted exposure amount	Capital require- ment ¹⁾	31 Dec 2017 Risk- weighted exposure amount	Capital require- ment ¹⁾	30 Jun 2017 Risk- weighted exposure amount
Exposures to institutions	630,484	50,439	146,633	11,731	164,190
Exposures to corporates	356,959	28,557	346,486	27,719	247,672
Retail exposures	18,146,201	1,451,696	16,446,397	1,315,712	15,335,962
Exposures in default	2,439,789	195,183	1,806,015	144,481	1,627,792
Exposures in the form of covered bonds	81,789	6,543	84,801	6,784	93,366
Exposures to institutions and companies with short-term credit rating			373,659	29,893	401,097
Exposures in the form of units or shares in collective investment undertakings (funds)	99,256	7,941	65,265	5,221	138,430
Equity exposures	80,075	6,406	79,978	6,398	79,986
Other items	285,645	22,852	243,081	19,446	241,044
Total credit risks	22,120,198	1,769,617	19,592,315	1,567,385	18,329,539
Credit valuation adjustment risk	15,312	1,225	4,948	396	13,273
Market risk					
Currency risk			472,850	37,828	1,429,072
Operational risk	5,096,823	407,746	5,096,823	407,746	4,720,126
Total riskweighted exposure and total capital requirement	27,232,333	2,178,588	25,166,936	2,013,355	24,492,010
					1,959,361

¹⁾ Capital requirement information is provided for exposure classes that have exposures.

In addition to the treatment of Pillar 1 risks above, 1.6 % of the consolidated situation's risk-weighted assets are allocated for Pillar 2 requirements as at 30 June 2018.

Capital ratio and capital buffers

	30 Jun 2018	31 Dec 2017	30 Jun 2017
Common Equity Tier 1 ratio, %	13.8	13.6	13.3
Tier 1 ratio, %	13.8	13.6	13.3
Total capital ratio, %	15.4	15.5	15.3
Common Equity Tier 1 capital requirement incl. buffer requirement, %	8.6	8.6	8.5
- of which, capital conservation buffer requirement, %	2.5	2.5	2.5
- of which, countercyclical buffer requirement, %	1.6	1.6	1.5
Common Equity Tier 1 capital available for use as buffer, %	7.4	7.5	7.3

Leverage ratio

The leverage ratio is a non-risk-sensitive capital requirement defined in Regulation (EU) no 575/2013 of the European Parliament and of the Council. The ratio states the amount of equity in relation to the bank's total assets including items that are not recognised in the balance sheet and is calculated by the Tier 1 capital as a percentage of the total

exposure measure. The bank currently has a reporting requirement to the Swedish Financial Supervisory Authority but no decision has yet been made regarding a quantitative requirement for the level of the leverage ratio. A quantitative requirement of 3 per cent is expected to be adopted.

SEK thousand	30 Jun 2018	31 Dec 2017	30 Jun 2017
Tier 1 capital	3,754,486	3,431,848	3,264,439
Leverage ratio exposure	35,692,627	31,916,576	30,637,729
Leverage ratio, %	10.5	10.8	10.7

G5. 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 2018

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	283,315	492,036	3,967	-1,754	777,564
Interest expense	-27,629	-54,800	-11	1,754	-80,686
Provision income	79,494	29,983		-56,432	53,045
Fee & commission expense, banking operations	-13,864				-13,864
Premium earned, net			204,902	-423	204,479
Insurance compensation, net			-56,819		-56,819
Fee & commission expense, insurance operations			-105,266	51,640	-53,626
Net income/expense from financial transactions	-3,183	-2,200	838	-279	-4,824
Other operating income	36,091	8,746	7	-2,478	42,366
Total operating income	354,224	473,765	47,618	-7,972	867,635
of which, internal ¹⁾	28,312	29,123	-49,463	-7,972	0
Credit losses, net	-49,484	-78,335			-127,819
Operating income less credit losses	304,740	395,430	47,618	-7,972	739,816
Expenses excl. credit losses ²⁾			-25,023		
Operating profit, Insurance ³⁾			22,595		

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
Provision 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
Other operating income	37,305	6,195	4	-1,369	42,135
Total operating income	314,545	407,532	45,707	-1,789	765,995
of which, internal ¹⁾	18,671	17,988	-34,870	-1,789	0
Credit losses, net	-33,871	-63,916			-97,787
Operating income less credit losses	280,674	343,616	45,707	-1,789	668,208
Expenses excl. credit losses ²⁾			-25,107		
Operating profit, Insurance ³⁾			20,600		

Segment reporting

Jan-Jun 2018

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	542,212	935,018	6,978	-3,243	1,480,965
Interest expense	-53,507	-104,613	-23	3,243	-154,900
Provision income	157,252	56,186		-106,530	106,908
Fee & commission expense, banking operations		-26,528			-26,528
Premium earned, net			405,216	-805	404,411
Insurance compensation, net			-112,405		-112,405
Fee & commission expense, insurance operations			-208,039	96,991	-111,048
Net income/expense from financial transactions	-8,573	-7,257	-1,377	-469	-17,676
Other operating income	79,942	28,449	7	-4,955	103,443
Total operating income	690,798	907,783	90,357	-15,768	1,673,170
of which, internal ¹⁾	53,585	55,126	-92,943	-15,768	0
Credit losses, net	-106,255	-149,653			-255,908
Operating income less credit losses	584,543	758,130	90,357	-15,768	1,417,262
Expenses excl. credit losses ²⁾			-47,426		
Operating profit, Insurance ³⁾				42,931	

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
Provision 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
Other operating income	70,351	16,252	8	-2,737	83,874
Total operating income	621,752	803,119	93,039	-3,536	1,514,374
of which, internal ¹⁾	36,954	35,337	-68,755	-3,536	0
Credit losses, net	-68,732	-131,932			-200,664
Operating income less credit losses	553,020	671,187	93,039	-3,536	1,313,710
Expenses excl. credit losses ²⁾			-49,255		
Operating profit, Insurance ³⁾				43,784	

Segment reporting

Jan-Dec 2017

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	990,683	1,688,524	13,495	-5,882	2,686,820
Interest expense	-93,783	-180,099	-156	5,882	-268,156
Fee & commission income	297,029	109,724		-172,808	233,945
Fee & commission expense, banking operations	-63,130				-63,130
Premium earned, net			800,443	-2,104	798,339
Insurance compensation, net			-248,738		-248,738
Fee & commission expense, insurance operations			-399,231	172,808	-226,423
Net income/expense from financial transactions	-12,372	-4,959	8,362		-8,969
Other operating income	149,950	43,225	16	-5,534	187,657
Total operating income	1,268,377	1,656,415	174,191	-7,638	3,091,345
of which, internal ¹⁾	98,552	73,908	-164,822	-7,638	0
Credit losses, net	-153,683	-259,771			-413,454
Operating income less credit losses	1,114,694	1,396,644	174,191	-7,638	2,677,891
Expenses excl. credit losses ²⁾			-91,301		
Operating profit, Insurance ³⁾				82,890	

¹⁾ Inter-segment revenues mostly comprise mediated payment protection insurance, but also remuneration for Group-wide functions that are calculated according to the OECD's guidelines on internal pricing.

²⁾ Reconciliation of Expenses excl. credit losses against income statement.

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
As per segment reporting					
Expenses excl. credit losses as regards Insurance segment	-25,023	-25,107	-47,426	-49,255	-91,301
Not broken down by segment					
Expenses excl. credit losses as regards banking operations	-341,148	-303,081	-651,666	-602,777	-1,189,360
Total	-366,171	-328,188	-699,092	-652,032	-1,280,661
As per income statement					
General administrative expenses	-305,045	-270,731	-586,492	-538,359	-1,065,752
Depreciation, amortisation and impairment of tangible and intangible assets	-11,766	-8,727	-21,920	-17,312	-35,283
Other operating expenses	-49,360	-48,730	-90,680	-96,361	-179,626
Total	-366,171	-328,188	-699,092	-652,032	-1,280,661

³⁾ Reconciliation of Operating profit against income statement.

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
As per segment reporting					
Operating profit, Insurance	22,595	20,600	42,931	43,784	82,890
Not broken down by segment					
Operating profit as regards banking operations	351,050	319,420	675,239	617,894	1,314,340
Total	373,645	340,020	718,170	661,678	1,397,230
As per income statement					
Operating profit	373,645	340,020	718,170	661,678	1,397,230
Total	373,645	340,020	718,170	661,678	1,397,230

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 2018	10,045,360	16,580,540		26,625,900
1 Jan 2018	9,270,137	14,377,686		23,647,823
31 Dec 2017	9,419,131	14,649,664		24,068,795
30 Jun 2017	8,815,888	13,494,778		22,310,666

G6. Net interest income/expense

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Interest income					
Lending to credit institutions	918	801	2,146	1,344	3,234
Lending to the public	773,851	669,407	1,474,546	1,303,311	2,675,921
Interest-bearing securities	2,795	1,632	4,273	3,843	7,665
Total interest income	777,564	671,840	1,480,965	1,308,498	2,686,820
Interest expense					
Liabilities to credit institutions	-628	-4,884	-2,335	-2,975	-2,568
Deposits and borrowing from the public	-59,121	-50,988	-114,126	-101,332	-211,175
Issued securities	-16,556	-7,702	-30,678	-17,053	-40,790
Subordinated debt	-3,944	-3,485	-7,149	-6,324	-13,266
Other liabilities	-437	-265	-612	-425	-357
Total interest expense	-80,686	-67,324	-154,900	-128,109	-268,156
Net interest income/expense	696,878	604,516	1,326,065	1,180,389	2,418,664

G7. Premium earned, net

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Premium earned	226,929	196,154	425,967	390,483	842,826
Premiums for specified reinsurance	-5,707	-6,201	-12,640	-11,871	-25,124
Change in provision for unearned premiums and unexpired risks	-16,272	2,779	-8,764	25,877	-16,137
Reinsurers' share in change in provision for unearned premiums and unexpired risks	-471	-949	-152	-2,592	-3,226
Total premium earned, net	204,479	191,783	404,411	401,897	798,339

G8. Insurance compensation, net

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Claims paid, gross	-50,731	-65,240	-99,149	-136,036	-256,374
Less reinsurance share	1,807	2,138	3,668	4,467	9,184
Total claims paid, net	-48,924	-63,102	-95,481	-131,569	-247,190
Change in provision for losses incurred and reported, gross	-5,150	8,931	-9,468	15,639	15,399
Less reinsurance share	50	1,124	-179	1,124	1,208
Total change in provision for losses incurred and reported, net	-5,100	10,055	-9,647	16,763	16,607
Change in provision for losses incurred but not reported (IBNR), gross	2,538	1,250	2,915	1,185	988
Total change in provision for losses incurred but not reported (IBNR), net	2,538	1,250	2,915	1,185	988
Operating expenses for claims adjustment, gross	-5,414	-4,955	-10,358	-10,427	-19,659
Less reinsurance share	81	80	166	204	516
Total operating expenses for claims adjustment, net	-5,333	-4,875	-10,192	-10,223	-19,143
Total insurance compensation, net	-56,819	-56,672	-112,405	-123,844	-248,738

G9. Other operating income

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Other income, lending to the public	39,633	36,687	80,235	76,366	151,875
Other operating income	2,733	5,448	23,208	7,508	35,782
Total operating income	42,366	42,135	103,443	83,874	187,657

G10. General administrative expenses

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Personnel expenses	-157,185	-140,274	-303,867	-266,664	-535,334
Postage, communication and notification expenses	-34,693	-35,675	-65,461	-72,338	-140,083
IT expenses	-43,658	-44,150	-91,010	-85,729	-159,178
Cost of premises	-8,760	-10,372	-19,687	-19,933	-40,377
Consultant expenses	-21,724	-10,633	-41,288	-38,469	-70,403
Other	-39,025	-29,627	-65,179	-55,226	-120,377
Total general administrative expenses	-305,045	-270,731	-586,492	-538,359	-1,065,752

G11. Credit losses

SEK thousand	Apr-Jun 2018	Jan-Jun 2018
Provision of credit reserves		
Stage 1	4,456	11,253
Stage 2	-14,928	-23,811
Stage 3	-97,086	-192,325
Total	-107,558	-204,883
Provision of credit reserves off balance (unutilised limit)		
Stage 1	-1,180	-1,596
Stage 2	520	-1,436
Stage 3		
Total	-659	-3,032
Write-offs of stated credit losses for the period	-24,386	-57,655
Recoveries of previously confirmed credit losses	4,785	9,662
Total	-19,601	-47,993
Credit losses	-127,819	-255,908
off which lending to the public	-127,159	-252,876

SEK thousand	Apr-Jun 2017	Jan-Jun 2017	Jan-Dec 2017
Individually assessed loan receivables under IAS 39			
Write-offs of stated credit losses for the period	-436	-996	-3,379
Recoveries of previously confirmed credit losses	665	672	2,236
Transfer/reversal of provision for credit losses on utilised limit	-2,650	-2,905	5,387
Net result of individually assessed loan receivables for the period	-2,421	-3,229	4,244
Collectively assessed loan receivables under IAS 39			
Write-offs of stated credit losses for the period	-31,181	-55,361	-110,750
Recoveries of previously confirmed credit losses	3,686	9,312	18,092
Transfers/reversal of provision for credit losses	-67,871	-151,386	-325,040
Net cost of collectively assessed homogeneous groups of loan receivables	-95,366	-197,435	-417,698
Net cost of credit losses for the period	-97,787	-200,664	-413,454

G12. Lending to the public

SEK thousand	30 Jun 2018	1 Jan 2018	31 Dec 2017	30 Jun 2017
Retail sector	28,945,183	25,664,838	25,664,838	23,786,872
Corporate sector	389,625	371,258	371,258	333,717
Total lending to the public, gross	29,334,808	26,036,096	26,036,096	24,120,589
Stage 1	21,357,260	19,364,496		
Stage 2	3,370,528	2,830,968		
Stage 3	4,607,020	3,840,632		
Total lending to the public, gross	29,334,808	26,036,096	26,036,096	24,120,589
Less provision for anticipated credit losses under IAS 39			-1,967,301	-1,809,923
Less provision for anticipated credit losses under IFRS 9				
Stage 1	-177,527	-180,890		
Stage 2	-363,667	-322,150		
Stage 3	-2,167,714	-1,885,233		
Total anticipated credit losses	-2,708,908	-2,388,273	-1,967,301	-1,809,923
Stage 1	21,179,733	19,183,606		
Stage 2	3,006,861	2,508,818		
Stage 3	2,439,306	1,955,399		
Total net lending to the public	26,625,900	23,647,823	24,068,795	22,310,666
Doubtful receivables under IAS 39				
Gross doubtful receivables for which interest is not entered as income until payment is made			3,850,501	3,351,511
Provision for anticipated credit losses			-1,967,301	-1,809,923
Doubtful receivables, net	0	0	1,883,200	1,541,588

G13. Other provisions

SEK thousand	30 Jun 2018	1 Jan 2018	31 Dec 2017	30 Jun 2017
Reporting value at the beginning of the period	24,660	6,951	6,988	6,988
Provision made during the period	2,727	17,709	236	-283
Exchange rate differences	1,347		-273	-211
Total	28,734	24,660	6,951	6,494
Provision of credit reserves, unutilised limit, Stage 1	13,814	12,151		
Provision of credit reserves, unutilised limit, Stage 2	7,781	5,558		
Other provisions	7,139	6,951	6,951	6,494
Reported value at the end of the period	28,734	24,660	6,951	6,494

G14. Pledged assets, contingent liabilities and commitments

SEK thousand	30 Jun 2018	31 Dec 2017	30 Jun 2017
Collateral pledged for own liabilities			
Lending to credit institutions	425,158	204,909	156,486
Lending to the public ¹⁾	3,617,085	2,653,185	2,653,177
Assets for which policyholders have priority rights ²⁾	399,598	551,886	543,074
Restricted bank deposits ³⁾	28,893	28,354	23,294
Total collateral pledged for own liabilities	4,470,734	3,438,334	3,376,031
Contingent liabilities			
Guarantees	1,311	1,563	1,043
Total contingent liabilities	1,311	1,563	1,043
Other commitments			
Unutilised credit facilities granted	27,601,611	26,348,967	25,956,762

¹⁾ Refers to securitisation.

²⁾ Policy holder's rights consists of assets covered by the policyholder privilege SEK 887,444 thousand (1,001,321) and technical provisions, net SEK -487,846 thousand (-449,435).

³⁾ As at 30 June 2018, SEK 26,040 thousand (24,615) refers to reserve requirement account at the Bank of Finland and SEK 1,886 thousand (1,814) in tax account at Norwegian bank DNB.

G15. Related-party transactions

Resurs Holding AB, corporate identity number 556898-2291, is owned at 30 June 2018 to 28.8 per cent by Waldakt AB and to 17.4 per cent by Cidron Semper S.A.R.L (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 2017 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 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 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Processing fees	-113,699	-114,026	-226,565	-230,368	-456,231
Interest expense – deposits and borrowing from the public	-1,940	-1,501	-3,882	-3,122	-6,884
Fee & commission income	9,267	9,206	18,468	18,365	36,846
Fee & commission expense	-10,835	-12,324	-21,972	-24,565	-46,024
General administrative expenses	-9,266	-5,733	-15,015	-11,705	-28,316

SEK thousand	30 Jun 2018	31 Dec 2017	30 Jun 2017
Other assets	5,976	9,194	5,543
Deposits and borrowing from the public	-1,265,287	-1,325,083	-1,106,624
Other liabilities	-95,311	-104,040	-77,192

Transactions with key persons

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Interest expense – deposits and borrowing from the public	-49	-102	-114	-216	-438

SEK thousand	30 Jun 2018	31 Dec 2017	30 Jun 2017
Deposits and borrowing from the public	-41,070	-67,992	-77,206

G16. Financial instruments

SEK thousand	30 Jun 2018		31 Dec 2017		30 Jun 2017	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Assets						
Cash and balances at central banks	67,760	67,760	61,539	61,539	61,985	61,985
Treasury and other bills eligible for refinancing	728,699	728,699	842,731	842,731	841,401	841,401
Lending to credit institutions	3,156,890	3,156,890	2,794,283	2,794,283	3,018,932	3,018,932
Lending to the public	26,625,900	27,765,349	24,068,795	24,649,899	22,310,666	22,830,957
Bonds and other interest-bearing securities	2,078,402	2,078,402	1,735,266	1,735,266	1,951,337	1,951,337
Subordinated loans	37,450	37,450	35,902	35,902	34,635	34,635
Shares and participating interests	69,506	69,506	76,368	76,368	62,153	62,153
Derivatives	11,704	11,704	33,577	33,577	64,975	64,975
Derivatives instruments hedge accounting			7,397	7,397	3,108	3,108
Other assets	99,320	99,320	101,064	101,064	88,173	88,173
Accrued income	54,854	54,854	32,277	32,277	33,237	33,237
Total financial assets	32,930,485	34,069,934	29,789,199	30,370,303	28,470,602	28,990,893
Intangible assets	2,036,369		1,877,167		1,847,564	
Tangible assets		60,343		39,954		43,390
Other non-financial assets		320,402		224,952		233,913
Total assets	35,347,599		31,931,272		30,595,469	

SEK thousand	30 Jun 2018		31 Dec 2017		30 Jun 2017	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities						
Deposits and borrowing from the public	19,711,944	19,711,777	18,033,013	18,032,632	17,981,212	17,982,076
Derivatives	215,729	215,729	103,646	103,646	50,500	50,500
Derivatives instruments hedge accounting	69,038	69,038				
Other liabilities	549,561	549,561	610,528	610,528	535,391	535,391
Accrued expenses	240,540	240,540	127,788	127,788	224,855	224,855
Issued securities	7,202,607	7,250,224	5,597,271	5,620,835	4,698,305	4,728,241
Subordinated debt	344,008	355,291	340,044	352,678	340,396	352,935
Total financial liabilities	28,333,427	28,392,160	24,812,290	24,848,107	23,830,659	23,873,998
Provisions		28,734		6,951		6,494
Other non-financial liabilities		800,896		923,201		820,381
Equity		6,184,542		6,188,830		5,937,935
Total equity and liabilities	35,347,599		31,931,272		30,595,469	

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

SEK thousand	30 Jun 2018			31 Dec 2017			30 Jun 2017		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss:									
Treasury and other bills eligible for refinancing	728,699			842,731			841,401		
Bonds and other interest-bearing securities	2,078,402			1,735,266			1,951,337		
Subordinated loans	37,450			35,902			34,635		
Shares and participating interests	68,430	1,076		75,389			61,166		987
Derivatives		11,704			33,577			64,975	
Total	2,912,981	11,704	1,076	2,689,288	33,577	979	2,888,539	64,975	987
Financial liabilities at fair value through profit or loss:									
Derivatives		-215,729			-103,646			-50,500	
Total	0	-215,729	0	0	-103,646	0	0	-50,500	0

Financial instruments

Changes in level 3

SEK thousand	Jan-Jun 2018	Jan-Dec 2017	Jan-Jun 2017
Shares and participating interests			
Opening balance	979	1,039	1,039
Exchange-rate fluctuations	97	-60	-52
Closing balance	1,076	979	987

Determination of fair value of financial instruments

Level 1

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

Level 3

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

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).

Financial instruments measured at fair value for disclosure purposes

The carrying amount of variable rate deposits and borrowing from the public is deemed to reflect fair value.

For issued securities (ABS), fair value is calculated by assuming that duration ends at the close of the revolving period. Fair value has been classified as level 3.

For fixed rate deposits and borrowing from the public, fair value is calculated based on current market rates, with the initial credit spread for deposits kept constant. Fair value has been classified as level 2.

The fair value of the portion of lending that has been sent to debt recovery and purchased non-performing consumer loans is calculated by discounting calculated cash flows at the estimated market interest rate instead of at the original effective interest rate. Fair value has been classified as level 2.

Fair value of subordinated debt is calculated based on valuation at the listing marketplace. Fair value has been classified as level 1.

The carrying amount of current receivables and liabilities and variable rate loans is deemed to reflect fair value.

Fair value of issued securities (MTN) is calculated based on the listing marketplace. Fair value has been classified as level 1.

Transfer between levels

There has not been any transfer of financial instruments between the levels.

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

Derivative agreement has been made under the ISDA agreement. The amounts are not offset in the statement of financial position. Most of the derivatives at 30 June 2018 were covered by the ISDA Credit Support Annex, which means that collateral is obtained and provided in the form of bank deposits between the parties.

Assets for the derivative agreements total to SEK 12 million (41), while liabilities total SEK 216 million (104). Collateral corresponding to SEK 262 million (61) was provided and SEK 0 million (0) was received that had a net effect of SEK 262 million (61) on loans to credit institutions and liabilities to credit institutions total 0 million (0).

G17. 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 January - June 2018 period, there were a total of 200,000,000 with a quotient value of SEK 0.005 (0.005).

	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Net profit for the period, SEK thousand	288,714	263,153	553,880	510,261	1,080,033
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	1.44	1.32	2.77	2.55	5.40

DEFINITIONS

In addition to the financial definitions under IFRS and the Capital adequacy rules, Alternative Performance Measures are used to describe the development of the underlying business and increase the

comparability of the periods. Definitions and calculations can be found on the website under Financial informations.

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 G4.

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.

Lending to the public

Total lending to the public less reserves for expected credit losses.

Lending to the public, excl. exchange rate differences

Total lending to the public in local currency, excl. exchange rate differences.

NBI margin, %

Operating income exclusive of the Insurance segment in relation to the average balance of loans to the public.

Net interest income/expense (excl. Insurance)

Interest income less interest expenses less interest income and expenses Insurance segment, see note G6.

Operating income (excl. Insurance)

Operating income less operating income Insurance segment, see Note G5.

NIM, %

Interest income less interest expense exclusive of the Insurance segment in relation to the average balance of loans to the public.

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.

Return on equity excl. intangible assets, given 12.5% Common Equity

Tier 1 ratio (RoTE), %

Net profit for the period as a percentage of average equity less intangible assets when the Common Equity Tier 1 ratio level is 12.5%.

Risk adjusted NBI margin, %

NBI margin adjusted for credit loss ratio.

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 G4.

PARENT COMPANY

Income statement

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Net sales	6,617	3,341	11,950	7,453	20,050
Total operating income	6,617	3,341	11,950	7,453	20,050
Personnel expenses	-5,031	-4,069	-9,842	-9,043	-17,506
Other external expenses	-6,171	-9,185	-11,185	-13,665	-32,695
Depreciation, amortisation and impairment of non-current assets	-14	-58	-57	-116	-276
Total operating expenses	-11,216	-13,312	-21,084	-22,824	-50,477
Operating profit	-4,599	-9,971	-9,134	-15,371	-30,427
Earnings from participations in Group companies	129,999		129,999		660,000
Other interest income and similar profit/loss items	138	-1	138		
Interest expense and similar profit/loss items	-44	-164	-59	-295	-372
Total profit/loss from financial items	130,093	-165	130,078	-295	659,628
Profit/loss after financial items	125,494	-10,136	120,944	-15,666	629,201
Appropriations					56,000
Tax on profit for the period	1,005	2,221	2,001	3,582	-4,885
Net profit for the period	126,499	-7,915	122,945	-12,084	680,316

Statement of comprehensive income

SEK thousand	Apr-Jun 2018	Apr-Jun 2017	Jan-Jun 2018	Jan-Jun 2017	Jan-Dec 2017
Net profit for the period	126,499	-7,915	122,945	-12,084	680,316
Other comprehensive income that will be reclassified to profit or loss					
Comprehensive income for the period	126,499	-7,915	122,945	-12,084	680,316
Attributable to Resurs Holding AB shareholders	126,499	-7,915	122,945	-12,084	680,316

Balance sheet

SEK thousand	30 Jun 2018	31 Dec 2017	30 Jun 2017
Assets			
Non-current assets			
Property, plant & equipment		57	217
Financial assets			
Participations in Group companies	2,053,390	2,053,390	2,053,390
Total non-current assets	2,053,390	2,053,447	2,053,607
Current assets			
Current receivables			
Receivables from Group companies	5,932	419,651	2,596
Current tax assets			5,583
Other current receivables	494	969	1,723
Prepaid expenses and accrued income	798	379	715
Total current receivables	7,224	420,999	10,617
Cash and bank balances	175,252	2,021	19,824
Total current assets	182,476	423,020	30,441
TOTAL ASSETS	2,235,866	2,476,467	2,084,048
Equity and liabilities			
Equity			
Restricted equity			
Share capital	1,000	1,000	1,000
Non-restricted equity			
Share premium reserve	1,785,613	1,785,613	2,073,934
Profit or loss brought forward	320,316		11,679
Net profit for the period	122,945	680,316	-12,084
Total non-restricted equity	2,228,874	2,465,929	2,073,529
Total equity	2,229,874	2,466,929	2,074,529
Provisions			
Other provisions	315	261	198
Current liabilities			
Trade payables	173	1,641	2,276
Liabilities to group companies	489	338	343
Current tax liabilities	623	3,694	
Other current liabilities	899	531	656
Accrued expenses and deferred income	3,493	3,073	6,046
Total current liabilities	5,677	9,277	9,321
TOTAL EQUITY AND LIABILITIES	2,235,866	2,476,467	2,084,048

Statement of changes in equity

SEK thousand	Share capital	Share premium reserve	Retained earnings	Profit/loss for the period	Total equity
Initial equity at 1 January 2017	1,000	2,073,620	112,806	498,873	2,686,299
Owner transactions					
Option premium received		314			314
Dividends paid			-600,000		-600,000
Appropriation of profits according to resolution by Annual General Meeting			498,873	-498,873	0
Net profit for the period				-12,084	-12,084
Equity at 30 June 2017	1,000	2,073,934	11,679	-12,084	2,074,529
Initial equity at 1 January 2017	1,000	2,073,620	112,806	498,873	2,686,299
Owner transactions					
Option premium received		314			314
Dividends paid			-600,000		-600,000
Dividends according to Extraordinary General Meeting		-288,321	-11,679		-300,000
Appropriation of profits according to resolution by Annual General Meeting			498,873	-498,873	0
Net profit for the year				680,316	680,316
Equity at 31 December 2017	1,000	1,785,613	0	680,316	2,466,929
Initial equity at 1 January 2018	1,000	1,785,613	0	680,316	2,466,929
Owner transactions					
Dividends paid			-360,000		-360,000
Appropriation of profits according to resolution by Annual General Meeting			680,316	-680,316	0
Net profit for the period				122,945	122,945
Equity at 30 June 2018	1,000	1,785,613	320,316	122,945	2,229,874

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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