



2ND QUARTER 2017

Disclaimer



This Presentation has been produced by Komplett Bank ASA (the “Company” or “Komplett Bank”), solely for use at the presentation to investors and is strictly confidential and may not be reproduced or redistributed, in whole or in part, to any other person. To the best of the knowledge of the Company and its board of directors, the information contained in this Presentation is in all material respect in accordance with the facts as of the date hereof, and contains no material omissions likely to affect its import. This Presentation contains information obtained from third parties. Such information has been accurately reproduced and, as far as the Company is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information to be inaccurate or misleading.

This Presentation contains certain forward-looking statements relating to the business, financial performance and results of the Company and/or the industry in which it operates. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words “believes”, “expects”, “predicts”, “intends”, “projects”, “plans”, “estimates”, “aims”, “foresees”, “anticipates”, “targets”, and similar expressions. The forward-looking statements contained in this Presentation, including assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. None of the Company or any of their parent or subsidiary undertakings or any such person’s officers or employees provides any assurance that the assumptions underlying such forward-looking statements are free from errors nor does any of them accept any responsibility for the future accuracy of the opinions expressed in this Presentation or the actual occurrence of the forecasted developments. The Company assumes no obligation, except as required by law, to update any forward-looking statements or to conform these forward-looking statements to our actual results.

An investment in the company involves risk, and several factors could cause the actual results, performance or achievements of the company to be materially different from any future results, performance or achievements that may be expressed or implied by statements and information in this presentation, including, among others, risks or uncertainties associated with the company’s business, segments, development, growth management, financing, market acceptance and relations with customers, and, more generally, general economic and business conditions, changes in domestic and foreign laws and regulations, taxes, changes in competition and pricing environments, fluctuations in currency exchange rates and interest rates and other factors. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this presentation. The company does not intend, and does not assume any obligation, to update or correct the information included in this presentation.

No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and, accordingly, none of the Company or any of their parent or subsidiary undertakings or any such person’s officers or employees accepts any liability whatsoever arising directly or indirectly from the use of this document.

By attending or receiving this Presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Company’s business.

This Presentation speaks as of 30 June 2017. Neither the delivery of this Presentation nor any further discussions of the Company with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date.

Highlights

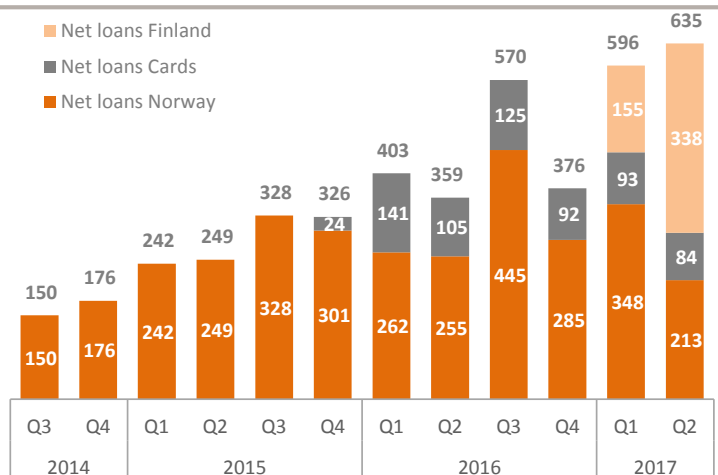


- **Strong growth** in loans and profit
 - Growth in net loans at NOK 635 million in Q2 2017 (+ 16%) and NOK 2 176 million year on year (+93%)
 - Profit before tax at NOK 75.7 million in the quarter compared to NOK 68.1 million in Q1 2017 (+11%) and NOK 37.9 million in Q2 2016 (+100%)
 - Guiding increased. Net loan growth expected in the higher end of previous guiding at NOK 2.2-2.4 billion (Previously: NOK 1.8-2.4 billion)
- **Diversification and expansion** continues
 - Well-established in **Finland**, net loans at NOK 493 million by end Q2
 - Preparations for **next entry** started, Sweden in pole position. Timing to be concluded
 - **POS Finance** project shows good progress, on track for launch in Q3
- **Co-operation with the Komplett Group reinforced**
 - Trademark agreement prolonged and POS Finance agreement entered into on a five year term with automatic one year renewals
- **Regulatory uncertainty reduced** with most initiatives to counter over-indebtedness concluded in Q1 and Q2
 - Diversified and flexible distribution and business model and a strong brand make Komplett Bank well positioned to continue to capture market share in Norway and to build volumes
- **Successful issuing of the bank's first unsecured senior debt¹**, diversifies funding sources and supports growth ambitions
 - NOK 400 million placed at NIBOR + 155bps
- **Sale of NOK 340 million portfolio of defaulted loans reduces risk and supports growth strategy**
 - Transfer and settlement in Q3, with positive impact on Q3 earnings before taxes of NOK 39 million
 - Eliminates further risk of losses on these loans, underpins the valuation of impaired loans going forward and improves capital ratios with ca 1.8 %-points

Komplett Bank continues to deliver on an ambitious strategic road map for sustainable growth

Successful start in Finland, diversification and expansion continues

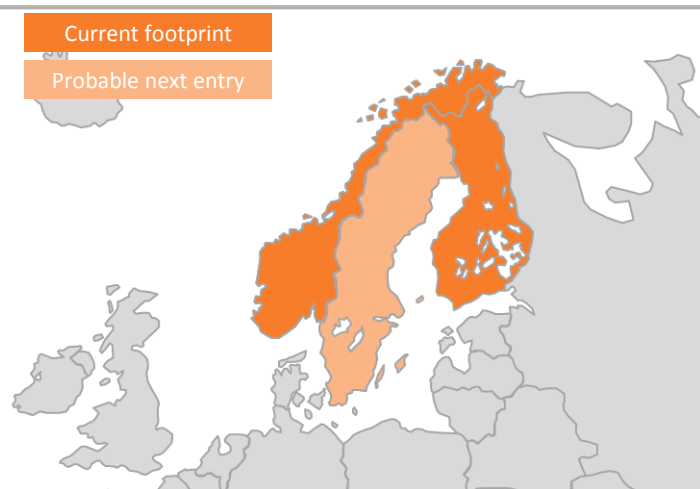
Growth in net loans (MNOK)



Strong and profitable growth maintained

- Geographical and product-wise diversification creates platform for sustained and highly profitable loan growth
 - ✓ Cards Norway launched Q4 2015
 - ✓ Loans Finland launched Q1 2017
 - ✓ POS Finance to be launched Q3 2017
 - ✓ Preparations for next market entry started

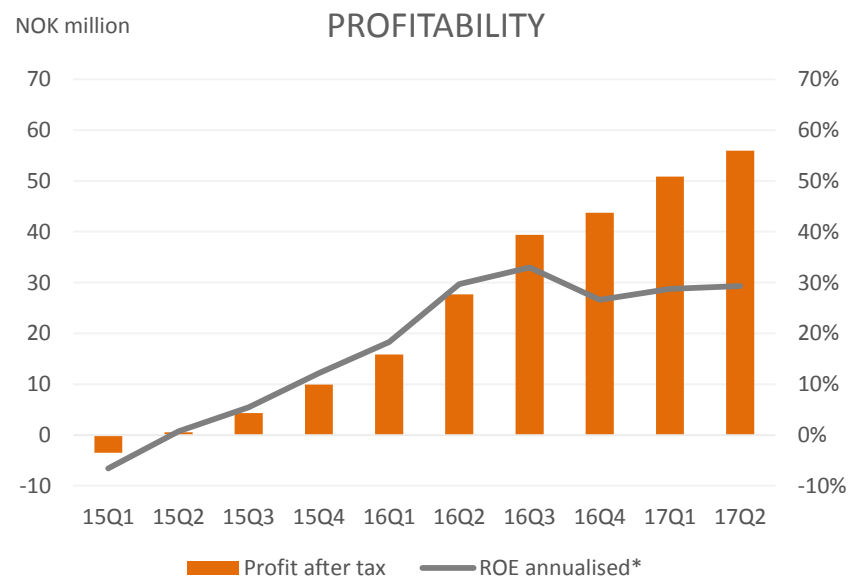
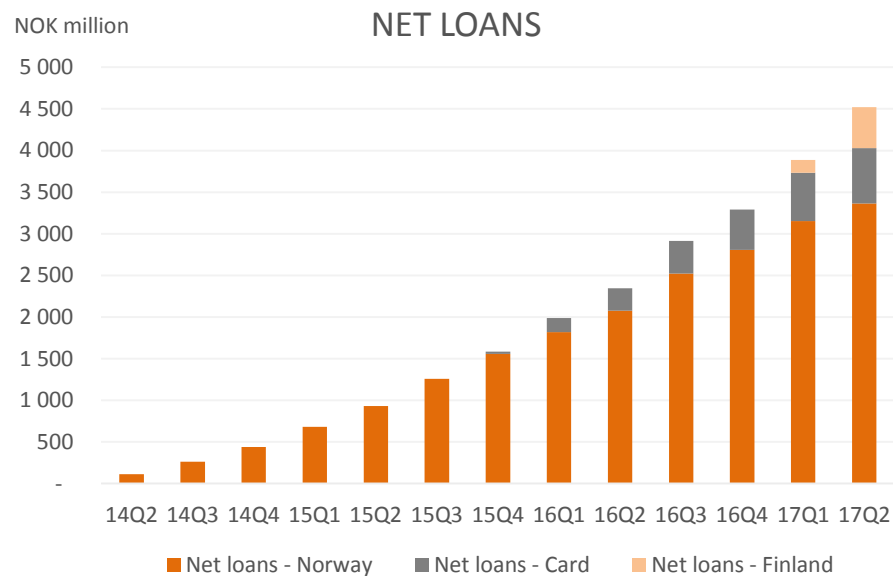
Geographical overview



Cross-border expansion continues with Sweden in pole position

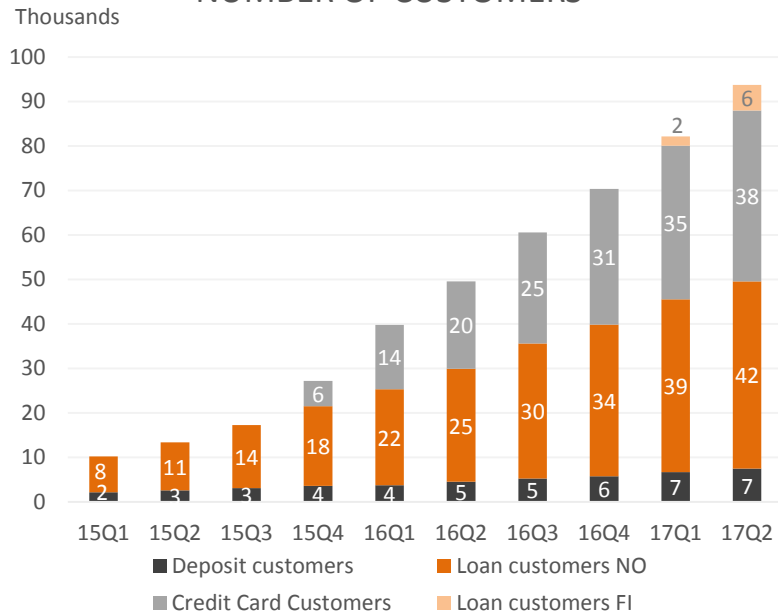
- Cross-border operation based on Norwegian license, low cost and scalable/flexible set-up
- Based on successful launch in Finland, cross-border expansion continues. Preparations for next market started. Sweden in pole position
- Geographical flexibility remains, as banking license and operational model allow for passporting operations throughout the EEA

Diversified and sustainable growth

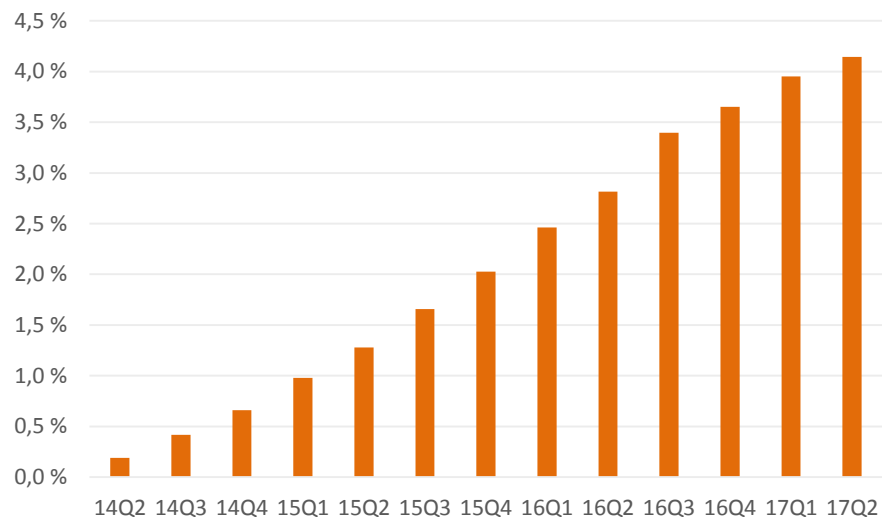


Strong and stable demand

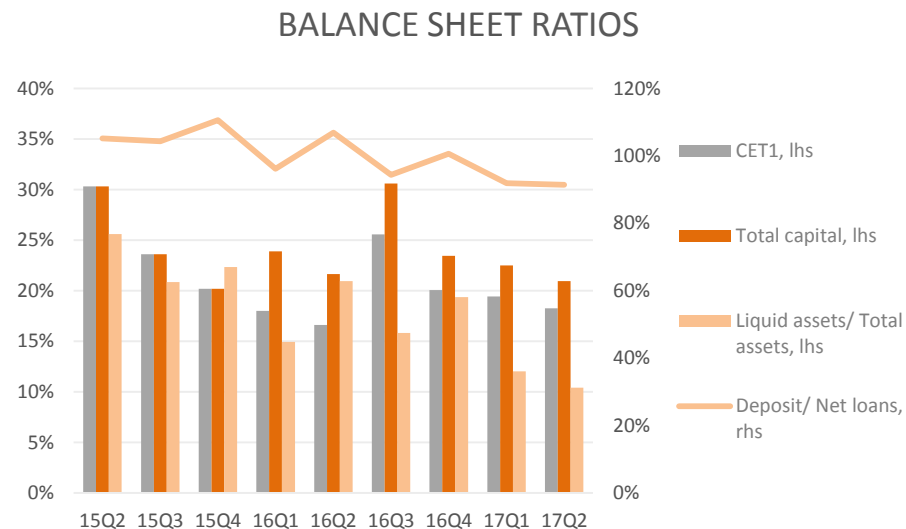
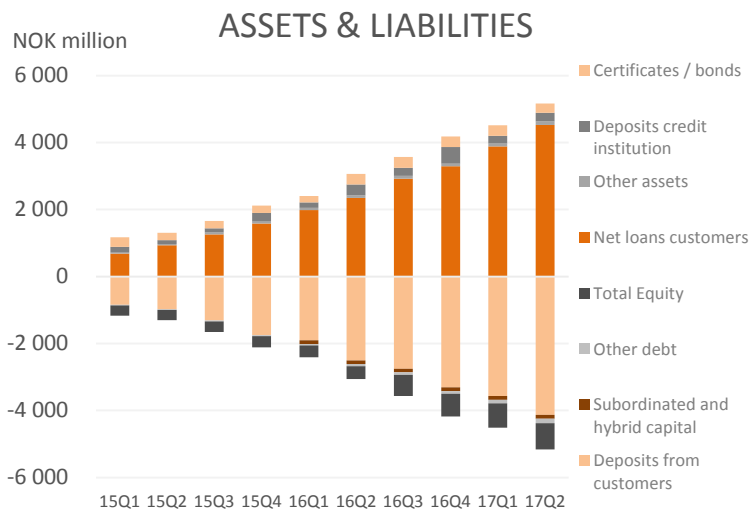
NUMBER OF CUSTOMERS



MARKET SHARE NORWAY



Resilient balance sheet

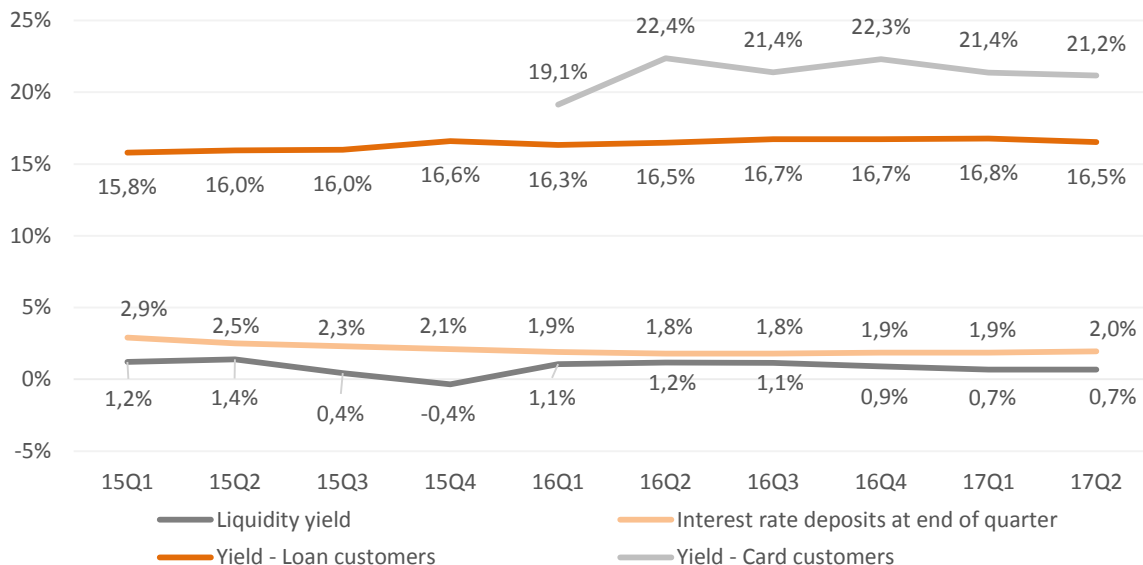


The bank targets a capital level above 17% CET1.

By end Q2 the bank had a CET1 at 18.3%. The agreed sale of portfolios will increase capital ratios with ca 1.8% when booked.

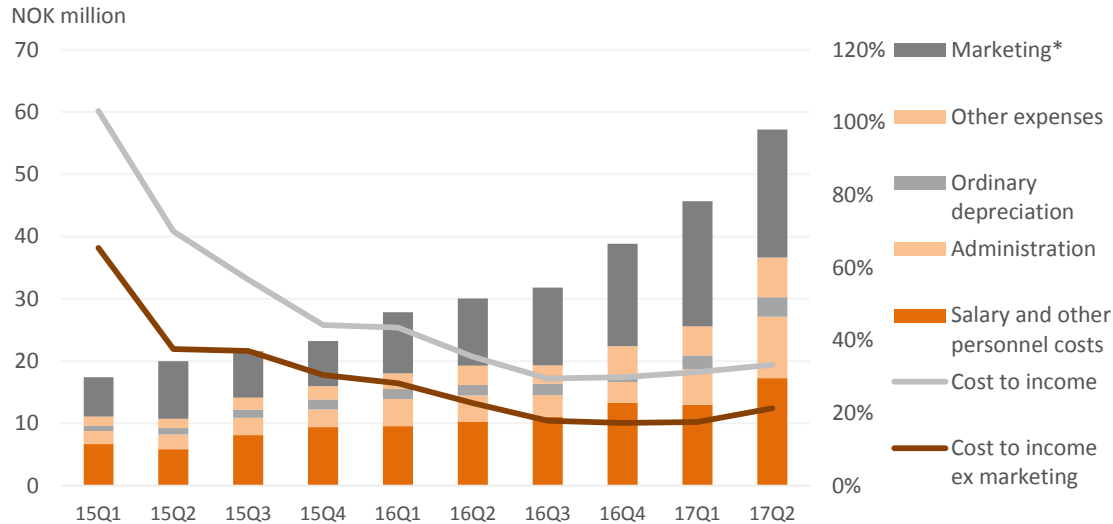
The issue of NOK 400 million in senior unsecured bonds, concluded in Q2, will be booked in July with effect to Liquid assets / Total assets from Q3.

Attractive yields and stable funding costs



- Stable and high yields for both credit cards and for loans
- Stable funding cost
- Funds placed with low risk, dominated by bank deposits and covered bonds (Norwegian: OMF)

High operational efficiency, low costs

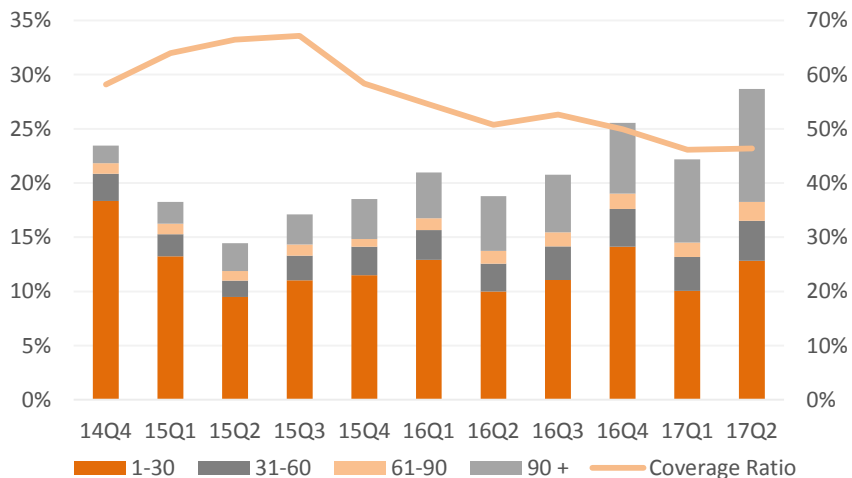


- Launch in Finland, build-up for POS Finance as new business area as well as preparations for next market entry increases cost relative to income in the short term

- C/I ratio: 33%
- C/I ex marketing ratio: 21%

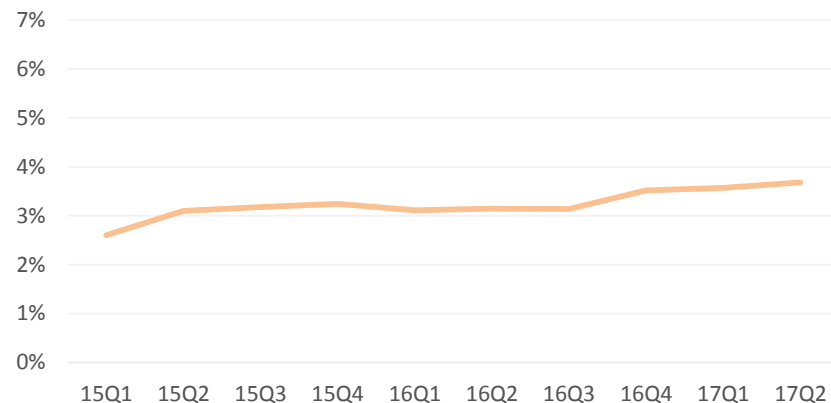
Stable loan losses

PAST DUE (DAYS) AT END OF QUARTER



- PD90+ at 10.4%

LOAN LOSSES LTM/ NET LOANS (AVG)



- Loan losses LTM at 3.7% of average net loans (Loan losses LTM / EOP net loans = 2.8%)

Komplett Bank agreed in Q2 to sell a portfolio of Norwegian defaulted loans (P90+) with an est. book value before write-downs of NOK 340 million with settlement in Q3. The transaction will reduce booked loan losses and is estimated to impact Q3 earnings before taxes positively by NOK 39 million.

Strategy

- Diversify and expand product-wise and geographical footprint as basis for continued sustainable and profitable growth
- Deliver attractive and customer-friendly solutions
- Employ a scalable and efficient operational model, sound credit procedures and diversified marketing

Key priorities 2017

- Building loan volumes Finland
- Continued sustainable growth in Norway
- POS Finance business to be developed
- Preparations for further geographical diversification and expansion, Sweden in pole position

In the near to medium term, growth will be given priority over dividends

Outlook

	Net loans, growth and End of Period (EOP)			
	Actual		Q1 guiding	Expected
<i>(NOK million)</i>	2016	YTD 2017	Total 2017	
Continued strong growth in Finland	0	493	600-800	800-900
Moderate growth Norway	1 709	739	1 200-1 600	1 400-1 500
Total growth¹	1 709	1 232	1 800-2 400	2 200-2 400
Net loans EOP¹	3 292	4 524	5 100-5 700	5 500-5 700

Komplett Bank continues to deliver on an ambitious strategic road map for sustainable growth

Appendix

Regulatory developments in Norway

Lending standards	Marketing regulations	Debt register	Deposit guarantees
<ul style="list-style-type: none">• NFSA guidelines for consumer credit concluded (Q2)<ul style="list-style-type: none">• Thorough documentation of credit assessment• Affordability assessment to include a stress test of 5% increased interest rates• Max loan to income at 5x• Loans normally to be amortized over 5 years. Fully drawn credit lines to be converted to instalment loans	<ul style="list-style-type: none">• New gov't regulation for invoicing and marketing of consumer credits in place (Q1)<ul style="list-style-type: none">• Full outstanding amount shall be invoiced, but customer may opt to pay lower amount• Restrictions on emphasizing easy access of credit• Balanced information about pros & cons of the credit to be given; no ban on bonus schemes (as first proposed)	<ul style="list-style-type: none">• Debt register bill in place (Q2), new legislation in force Nov 1st 2017 – with a register expected to be in place some time after that	<ul style="list-style-type: none">• Gov't proposal (Q2) for new legislation regarding Deposits guarantee and resolution fund• Guaranteed amount proposed to remain at NOK 2 million, transition to EUR 100,000 expected as per 31.12.2018• Bail-in regulation to follow EU/EBA• Some changes to fee structure; moderate increase in fee to the Deposits guarantee fund for banks with high levels of deposits funding, negligible resolution fund fee for small banks with high level of deposits funding
<p>Other¹ relevant regulatory developments: a) The NFSA has in 2016 set out guidelines for Pilar2 assessments, b) The government has in a parliamentary report² signalled further regulation to be adopted or considered regarding strengthening of the consumers' rights, credit assessments, intermediaries etc.</p>			

- Regulatory uncertainty reduced during Q1 and Q2 as conclusions on most regulatory initiatives have been presented
- Growth in consumer lending in Norway expected to come down from relatively high levels

Komplett Bank well-positioned to continue to take market share

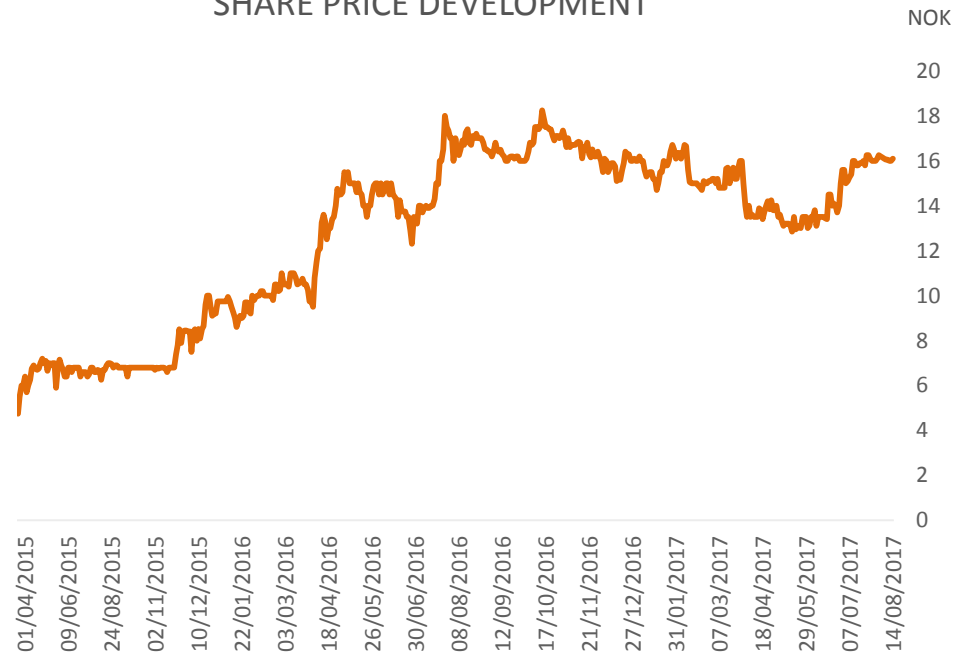
Share data

Holdings	Share	Share Name
29 577 591	19.94%	Komplett AS
12 939 883	8.72%	Macama AS
12 252 383	8.26%	Perm Invest AS
10 772 985	7.26%	State Street Bank Nom
7 980 283	5.38%	Alfab Holding AS
7 477 154	5.04%	Sanden A/S
4 369 961	2.95%	Dingja Invest AS
4 313 900	2.91%	Fondsavn AS
3 275 043	2.21%	Directmarketing Invest AS
3 042 345	2.05%	Svejk Invest AS
2 928 375	1.97%	Aweco AS
1 991 024	1.34%	Sniptind Invest AS
1 913 503	1.29%	Tannreg AS
1 911 403	1.29%	Khaya AS
1 900 000	1.28%	Ivar S Løge AS
1 900 000	1.28%	Perestroika AS
1 545 000	1.04%	Ursulf AS
1 469 761	0.99%	Truls AS
1 439 534	0.97%	Laboremus Industrier AS
1 311 250	0.88%	Contribute AS
Sum	114 311 378	77.05%
	34 057 748	22.95% Other
Total	148 369 126	100.00%

Management share ownership

Holdings	Share	Position
7 980 283	5.38%	CEO
4 369 961	2.95%	Director Risk Control, Compliance and Vendor Management
3 042 345	2.05%	CFO
1 911 403	1.29%	Credit Risk Director
1 545 000	1.04%	Chief Operating Officer
1 311 250	0.88%	Chief Marketing and Information Officer
739 215	0.50%	Strategy Director
Total	6 269 837 100	14.09%

SHARE PRICE DEVELOPMENT



Quarterly income statement

Amounts in NOK 1000	Q2 2017	Q1 2017	Q4 2016	Q3 2016	Q2 2016
Interest income	182 390	153 629	139 245	115 279	93 115
Interest expenses	20 845	18 237	15 761	13 988	13 181
Net interest income	161 545	135 393	123 484	101 291	79 933
Income commissions and fees	20 829	18 301	15 882	13 607	10 695
Expenses commissions and fees	10 644	7 695	9 371	6 990	6 044
Net commissions and fees	10 184	10 606	6 511	6 617	4 651
Net gains / losses (-) on certificates, bonds and currency	-101	280	416	405	541
Salary and other personnel expenses	17 244	12 989	13 298	11 031	10 204
Other administrative expenses, of which:	30 426	25 813	19 814	15 969	15 077
<i>Direct marketing cost</i>	<i>20 544</i>	<i>20 077</i>	<i>16 332</i>	<i>12 525</i>	<i>10 806</i>
Total salary and administrative expenses	47 670	38 802	33 113	27 000	25 281
Ordinary depreciation	3 126	2 211	1 211	1 843	1 709
Other expenses	6 388	4 665	4 537	2 953	3 067
Total operating expenses	57 184	45 677	38 860	31 796	30 057
Losses on loans	38 749	32 545	32 060	22 980	17 201
Pre-tax operating profit	75 696	68 055	59 491	53 537	37 867
Tax expenses	19 744	17 178	15 726	14 123	10 186
Profit after tax	55 952	50 877	43 765	39 414	27 681

Quarterly balance sheet

Amounts in NOK 1000	30.06.2017	31.03.2017	31.12.2016	30.09.2016	30.06.2016
Assets					
Loans and deposits with credit institutions	252 905	225 505	498 787	244 759	331 839
Loans to customers	4 718 438	4 041 597	3 412 725	3 006 098	2 412 979
-Loan impairment	-194 130	-154 477	-120 577	-89 877	-66 691
Loans to customers	4 524 308	3 887 120	3 292 148	2 916 221	2 346 288
Certificates and bonds	284 752	316 792	309 535	319 413	309 181
Other intangible assets	39 718	30 269	26 023	24 712	24 340
Deferred tax asset	-	-	17	-	-
Fixed assets	692	608	550	506	512
Other receivables, of which:	65 106	54 069	48 795	45 308	42 117
<i>Prepaid agent commission*</i>	52 849	51 425	48 032	42 915	36 820
Total assets	5 167 481	4 514 364	4 175 856	3 550 920	3 054 277
Liability and equity					
Deposits from and debt to customers	4 134 533	3 571 299	3 312 991	2 751 975	2 507 732
Other debt, of which:	63 170	52 317	41 708	41 402	42 146
<i>Deferred revenue (establishment fees)</i>	23 603	19 551	18 177	16 843	14 226
Subordinated loan and hybrid securities	109 212	109 157	109 102	109 047	108 992
Tax payable	76 047	56 303	39 125	22 922	11 183
Total liabilities	4 382 962	3 789 076	3 502 926	2 925 345	2 670 052
Share capital	148 369	148 369	148 369	148 369	135 530
Share premium	392 645	392 645	392 645	391 972	205 830
Other paid-in equity	29 671	26 392	24 912	21 994	19 039
Retained earnings	213 834	157 883	107 005	63 241	23 827
Total equity	784 519	725 288	672 932	625 576	384 225
Total liabilities and equity	5 167 481	4 514 364	4 175 856	3 550 920	3 054 277



Komplett Bank ASA | Pb. 448 | 1327 Lysaker | Org.nr.: 998997801 | www.komplettbank.no