



**Interim report
1st quarter 2016**

About Komplett Bank ASA

Komplett Bank ASA started banking operations on 21 March 2014 when the company received its banking licence from the Norwegian authorities. Komplett Bank offers unsecured consumer and leisure financing to creditworthy individuals. The main product is “*Fleksibelt Lån*”, a loan product with credit line functionality that gives the customer more flexibility in timing repayments and use of the credit line. In Q4 2015 the bank also launched a new product, “*Komplett Bank MasterCard*”. The bank also offers attractive deposit rates on its savings accounts. As a member of the Norwegian Banks’ Guarantee Fund, deposits of up to NOK 2 million are guaranteed. Komplett Bank is mainly owned by Norwegian investors. Komplett AS is the largest shareholder with 20.0% ownership. Komplett Bank ASA is registered on the NOTC list (a Norwegian information system for unlisted shares) as of 26 March 2015 with ticker code KOMP.

Developments to date

Since start up in March 2014, the operating and marketing organization has functioned as intended. The bank has achieved desired and better than planned growth and results during the first two years of operation.

Highlights

- Strong growth in net loans and profit
 - o Growth in net loans at NOK 403 million in the quarter (+ 25%) and NOK 1 305 million year over year (+ 192%)
 - o Profit before tax for the quarter at NOK 22.7 million compared to NOK 16.0 last quarter (+43%) and a loss of NOK 5.3 for Q1 last year
- NOK 110 million issued in subordinated capital (AT1 and T2) in February, facilitating further strategic growth
- Satisfactory growth in the credit cards business, in accordance with plans

Financial figures

Total assets amounted to NOK 2 401.1 million. Net loans to customers amounted to NOK 1 986.0 million, while deposits from customers amounted to NOK 1 909.4 million. Total equity amounted to NOK 353.7 million. For information about regulatory capital, see note 3. Bank deposits and liquid securities amounted to NOK 359.9 million and corresponded to 15.0 % of total assets.

Profit after tax for the 1st quarter amounted to NOK 15.9 million. Net interest income amounted to NOK 64.1 million, while net commissions and fees amounted to NOK -0.2 million. Gross defaulted loans at the end of the 1st quarter amounted to NOK 91.2 million while losses on loans amounted to NOK 13.5 million in the 1st quarter. Accumulated loan impairment amounted to NOK 49.7 million.

Outlook

The bank expects a further increase in lending volumes and profit. The liquidity and capital position is expected to remain at a satisfactory level.

Preparations for geographic expansion has been started. The bank expects a launch into its second geographic market to further strengthen the bank’s growth platform and to reduce business model risk.

The cooperation with the Komplett Group as well as the credit card business and the expansion into new territories are expected to contribute significantly to the bank’s long term growth and profit.

Other information

The accounting profit for the 1st quarter has in its entirety been booked against retained earnings. This interim report has been audited in accordance with ISRE 2410 (International Standard On Review Engagement). The audit report is enclosed to this report. Regulatory capital, as described in note 3, is revised for Q4 2015 in line with the final filed capital report.

Bærum, 12 April 2016

Board of Directors, Komplett Bank ASA

Income Statement

Amounts in NOK 1000	Note	Q1 2016	2 015	Q1 2015
Interest income	2	74 258	160 972	22 831
Interest expenses		10 110	27 201	5 842
Net interest income		64 148	133 771	16 989
Income commissions and fees		6 323	12 324	1 909
Expenses commissions and fees		6 477	10 132	1 948
Net commissions and fees		-154	2 193	-39
Net gains / losses (-) on certificates and bonds		81	-2 134	
Salary and other personnel expenses		9 547	29 997	6 667
Other administrative expenses, of which:		14 223	40 392	8 538
<i>Direct marketing cost</i>		9 835	30 289	6 369
Total salary and administrative expenses		23 770	70 389	15 205
Ordinary depreciation		1 574	4 726	809
Other expenses		2 501	7 094	1 471
Total operating expenses		27 844	82 209	17 485
Losses on loans	2	13 502	32 750	4 750
Pre-tax operating profit		22 730	18 871	-5 285
Tax expenses		6 871	7 517	-1 809
Profit after tax		15 859	11 354	-3 476

Balance Sheet

Amounts in NOK 1000	Note	31.03.2016	31.12.2015	31.03.2015
Assets				
Loans and deposits with credit institutions		164 940	251 692	164 344
Loans to customers	2	2 035 748	1 619 558	689 882
-Loan impairment	2	-49 691	-36 243	-8 942
Certificates and bonds		194 929	220 050	289 400
Other intangible assets		22 603	22 315	12 032
Deferred tax asset		-	5 875	11 886
Fixed assets		495	374	527
Other receivables, of which:		32 028	29 066	11 010
<i>Prepaid agent commission</i>		30 743	28 912	10 859
Total assets		2 401 053	2 112 686	1 170 139
Liability and equity				
Deposits from and debt to customers		1 909 384	1 751 139	845 744
Other debt, of which:		28 070	27 196	15 856
<i>Deferred revenue (establishment fees)</i>		12 704	11 120	5 068
Subordinated loans		108 937	-	-
Tax payable		996	-	-
Total liabilities		2 047 387	1 778 335	861 600
Share capital	3	135 530	135 465	135 400
Share premium	3	205 830	205 830	202 473
Other paid-in equity	3	16 160	12 769	5 209
Retained earnings	3	-3 854	-19 713	-34 543
Total equity		353 666	334 351	308 539
Total liabilities and equity		2 401 053	2 112 686	1 170 139

Bærum, 12 April 2016

Board of Directors, Komplett Bank ASA

Note 1 - General accounting principles

The interim report is prepared in accordance with the accounting principles in the annual report for 2015.

Note 2 - Loans to customers

Amounts in NOK 1000	31.03.2016	31.12.2015	31.03.2015
Loans to private customers	2 035 748	1 619 558	689 882
Gross lending	2 035 748	1 619 558	689 882
Impairment of loans	49 691	36 243	8 942
Net loans from customers	1 986 057	1 583 315	680 940

Loans - Defaults and losses

Amounts in NOK 1000	31.03.2016	31.12.2015	31.03.2015
Gross defaulted loans	91 157	62 083	13 977
Individual impairment of loans	39 267	27 743	7 742
Net defaulted loans	51 890	34 340	6 235
Other impairments of loans	10 424	8 500	1 200

100 % of loans are to private individuals.

Impairment is calculated based on actual observations of the loan portfolio and expectations of future cash flow.

Note 3 - Regulatory capital

Amounts in NOK 1000	31.03.2016	31.12.2015	31.03.2015
Share capital	135 530	135 465	135 400
Share premium	205 830	205 830	202 473
Other equity	12 306	-6 944	-29 334
Deductions:			
Deferred tax asset and other intangible assets	-22 603	-28 190	-23 917
Common equity tier 1	331 063	306 161	284 622
Hybrid capital	44 565	-	-
Core capital	375 628	306 161	284 622
Supplemental capital	64 372	-	-
Total capital	440 000	306 161	284 622

Calculation basis - amounts in NOK 1000	31.03.2016	31.12.2015	31.03.2015
Loans and deposits with credit institutions (20 %)	32 988	50 338	32 869
Loans to customers (75 %)	1 458 902	1 204 308	551 442
Certificates and bonds (10 % and 0 %)	16 982	19 976	27 876
Defaulted loans (100 %)	41 466	25 840	5 036
Other assets (100%)	32 523	29 066	11 537
Calculation basis credit risk	1 582 861	1 329 528	628 760
Calculation basis operational risk	254 933	254 933	70 688
Total calculation basis	1 837 794	1 584 461	699 448

Common equity tier 1 (%)	18.0%	19.3%	40.7%
Core capital (%)	20.4%	19.3%	40.7%
Total capital (%)	23.9%	19.3%	40.7%



Til Styret i Komplet Bank ASA

Uttalelse vedrørende forenklet revisorkontroll av delårsregnskap

Innledning

Vi har foretatt en forenklet revisorkontroll av vedlagte balanse for Komplet Bank ASA pr. 31. mars 2016 og tilhørende resultatregnskap for tremåneders-perioden avsluttet denne dato. Ledelsen er ansvarlig for utarbeidelsen og fremstillingen av delårsregnskapet i samsvar med prinsipper som beskrevet i note 1. Vår oppgave er å avgi en uttalelse om delårsregnskapet basert på vår forenklete revisorkontroll.

Omfanget av den forenklete revisorkontrollen

Vi har utført vår forenklete revisorkontroll i samsvar med ISRE 2410 "Forenklet revisorkontroll av et delårsregnskap, utført av foretakets valgte revisor". En forenklet revisorkontroll av delårsregnskapet består i å rette forespørsler, primært til personer med ansvar for økonomi og regnskap, og å gjennomføre analytiske og andre kontrollhandlinger. En forenklet revisorkontroll har et betydelig mindre omfang enn en revisjon utført i samsvar med revisjonsstandarder fastsatt av Den norske Revisorforening, og gjør oss følgelig ikke i stand til å oppnå sikkerhet om at vi er blitt oppmerksomme på alle vesentlige forhold som kunne ha blitt avdekket i en revisjon. Vi avgir derfor ikke revisjonsberetning.

Konklusjon

Vi har ved vår forenklete revisorkontroll ikke blitt oppmerksomme på noe som gir oss grunn til å tro at den vedlagte delårsregnskapet i det alt vesentlige ikke er utarbeidet i samsvar med prinsipper som beskrevet i note 1.

Oslo, 12. april 2016

PricewaterhouseCoopers AS

Bjørn Rydland
Statsautorisert revisor