



**Interim report
3rd 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) 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 since start up.

Highlights for the quarter and year to date

- Strong growth in net loans and profit
 - o Growth in net loans at NOK 570 million in the quarter (+24 %) and NOK 1 659 million year over year (+ 132 %)
 - o Profit before tax for the quarter at NOK 53.5 million compared to NOK 37.9 last quarter (+41 %)
 - o Profit before tax year to date at NOK 114.1 million compared to NOK 2.9 million for the same period last year
- NOK 110 million issued in subordinated capital (AT1 and T2) in February, facilitating further strategic growth
- Net equity issue of NOK 199.9 million completed in Q3 2016

- Satisfactory growth in the credit cards business, in accordance with plans

Financial figures

Total assets amounted to NOK 3 550.9 million. Net loans to customers amounted to NOK 2 916.2 million, while deposits from customers amounted to NOK 2 752.0 million. Total equity amounted to NOK 625.6 million. For information about regulatory capital, see note 3. Bank deposits and liquid securities amounted to NOK 564.2 million and corresponded to 15.9 % of total assets.

Profit after tax for the 3rd quarter amounted to NOK 39.4 million (NOK 83.0 million year to date). Net interest income amounted to NOK 101.3 million (NOK 245.4 million), while net commissions and fees amounted to NOK 6.6 million (NOK 11.1 million). Gross defaulted loans at the end of the 3rd quarter amounted to NOK 170.7 million while losses on loans amounted to NOK 23.0 million in the 3rd quarter (NOK 53.7 million). Accumulated loan impairment amounted to NOK 89.9 million.

Outlook

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

Preparations for geographic expansion continues and the bank plans to launch in Finland in the first half of 2017. The launch is expected 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 3rd 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.

Bærum, 12 October 2016

Board of Directors, Komplett Bank ASA

Income Statement

Amounts in NOK 1000	Note	Q3 2016	Q1 -Q3 2016	Q3 2015	Q1 - Q3 2015	2015
Interest income	2	115 279	282 652	43 932	99 853	160 972
Interest expenses		13 988	37 280	6 765	18 118	27 201
Net interest income		101 291	245 372	37 167	81 735	133 771
Income commissions and fees		13 607	30 624	3 363	7 893	12 324
Expenses commissions and fees		6 990	19 510	2 507	6 157	10 132
Net commissions and fees		6 617	11 114	856	1 736	2 193
Net gains / losses (-) on certificates and bonds		405	1 026	-622	-622	-2 134
Salary and other personnel expenses		11 031	30 782	8 120	20 618	29 997
Other administrative expenses, of which:		15 969	45 269	10 236	30 360	40 392
<i>Direct marketing cost</i>		12 525	33 166	7 467	23 085	30 289
Total salary and administrative expenses		27 000	76 051	18 356	50 978	70 389
Ordinary depreciation		1 843	5 125	1 311	3 131	4 726
Other expenses		2 953	8 520	1 910	4 896	7 094
Total operating expenses		31 796	89 697	21 577	59 005	82 209
Losses on loans	2	22 980	53 682	9 000	20 950	32 750
Pre-tax operating profit		53 537	114 133	6 824	2 894	18 871
Tax expenses		14 123	31 180	2 510	1 486	7 517
Profit after tax		39 414	82 953	4 314	1 408	11 354

Balance Sheet

Amounts in NOK 1000	Note	30.09.2016	31.12.2015	30.09.2015
Assets				
Loans and deposits with credit institutions		244 759	251 692	128 817
Loans to customers	2	3 006 098	1 619 558	1 282 983
-Loan impairment	2	-89 877	-36 243	-25 142
Certificates and bonds		319 413	220 050	216 594
Other intangible assets		24 712	22 315	20 902
Deferred tax asset		-	5 875	8 591
Fixed assets		506	374	412
Other receivables, of which:		45 308	29 066	24 396
<i>Prepaid agent commission</i>		42 915	28 912	24 031
Total assets		3 550 920	2 112 686	1 657 554
Liability and equity				
Deposits from and debt to customers		2 751 975	1 751 139	1 312 179
Other debt, of which:		41 402	27 196	27 887
<i>Deferred revenue (establishment fees)</i>		16 843	11 120	9 185
Subordinated loan and hybrid securities		109 047	-	-
Tax payable		22 922	-	-
Total liabilities		2 925 345	1 778 335	1 340 067
Share capital	3	148 369	135 465	135 400
Share premium	3	391 972	205 830	202 515
Other paid-in equity	3	21 994	12 769	9 232
Retained earnings	3	63 241	-19 713	-29 659
Total equity		625 575	334 351	317 488
Total liabilities and equity		3 550 920	2 112 686	1 657 554

Bærum, 12 October 2016

Board of Directors, Komplet 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	30.09.2016	31.12.2015	30.09.2015
Loans to private customers	3 006 098	1 619 558	1 282 983
Gross lending	3 006 098	1 619 558	1 282 983
Impairment of loans	89 877	36 243	25 142
Net loans from customers	2 916 221	1 583 315	1 257 841

Loans - Defaults and losses

Amounts in NOK 1000	30.09.2016	31.12.2015	30.09.2015
Gross defaulted loans	170 731	62 083	37 411
Individual impairment of loans	72 900	27 743	18 200
Net defaulted loans	97 831	34 340	19 211
Other impairments of loans	16 977	8 500	6 942

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	30.09.2016	31.12.2015	30.09.2015
Share capital	148 369	135 465	135 400
Share premium	391 972	205 830	202 515
Other equity	85 235	-6 944	-20 427
Deductions:			
Deferred tax asset / intangible assets / other deductions	-24 712	-28 190	-30 901
Common equity tier 1	600 864	306 161	286 587
Hybrid capital	44 610	-	-
Core capital	645 474	306 161	
Supplemental capital	64 437	-	-
Total capital	709 911	306 161	286 587

Calculation basis - amounts in NOK 1000	30.09.2016	31.12.2015	30.09.2015
Loans and deposits with credit institutions (20 %)	48 952	50 338	25 763
Loans to customers (75 %)	2 126 525	1 204 308	1 003 180
Certificates and bonds (10 % and 0 %)	27 442	19 976	20 132
Defaulted loans (100 %)	80 854	25 840	10 165
Other assets (100%)	45 814	29 066	24 809
Calculation basis credit risk	2 329 587	1 329 528	1 084 049
Calculation basis operational risk	254 933	254 933	130 158
Total calculation basis	2 584 519	1 584 461	1 214 207

Common equity tier 1 (%)	23.3 %	19.3%	23.6 %
Core capital (%)	25.0 %	19.3%	23.6 %
Total capital (%)	27.5 %	19.3%	23.6 %



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. 30. september 2016 og tilhørende resultatregnskap for nımånedersperiode 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. oktober 2016
PricewaterhouseCoopers AS



Bjørn Rydland
Statsautorisert revisor