



**Interim report
4th quarter 2016**

Highlights

- Growth in net loans at NOK 376 million in Q4 2016 (+13 %) and NOK 1 708.9 million year over year (+108 %).
- Profit before tax for the quarter at NOK 59.5 million compared to NOK 53.5 million last quarter (+11 %) and NOK 16.0 million (+ 272 %) for the same period last year.
- Credit card business highly successful with 29 900 customers and net lending at NOK 487 million.
- Commercial launch in Finland on track – the first pilot tests with clients have started and operations will commence shortly.
- Project to fully integrate the bank's finance products into Komplett Group's check out and payment solutions shows good progress.
- The board plans for a listing on the Oslo Stock Exchange during 2017. The Company has retained ABG Sundal Collier, Pareto Securities and SEB as financial advisors.

Key figures

NOK 1000, unless otherwise specified	Q4 16	Q4 15	2016	2015
Net interest income	123 484	52 036	368 856	133 771
Growth, yoy	137 %	384 %	176 %	623 %
Pre-tax operating profit	59 491	15 977	173 624	18 871
Net profit	43 765	9 946	126 718	11 354
Profit growth, yoy	440 %	na	1 116 %	na
Cost / Income (ex marketing)	17 %	30 %	20 %	38 %
Loans to customers, end date	3 412 725	1 619 558	3 412 725	1 619 558
Loan growth, yoy	111 %	265 %	111 %	265 %
ROE, annualised	27 %	12 %	27 %	5 %

About Komplett Bank ASA

Komplett Bank ASA started banking operations in 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 products are "*Fleksibelt Lån*", a loan product with credit line functionality that gives the customer more flexibility in timing repayments and use of the credit line and "*Komplett Bank MasterCard*", a credit card with product features tailored for online shopping. 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, the leading web retailer in the Nordic countries, is the largest shareholder with 20% ownership. The bank has a long term strategic cooperation with the Komplett Group.

The bank follows a growth strategy based on offering its products across the Nordic region and has through 2016 completed preparations for a launch in the Finnish market, where launch is imminent.

Komplett Bank ASA is registered on the NOTC list (a Norwegian information system for unlisted shares) with ticker code KOMP.

Financial figures

Total assets amounted to NOK 4 175.9 million. Net loans to customers amounted to NOK 3 292.1 million, while deposits from customers amounted to NOK 3 313.0 million. Total equity amounted to NOK 672.9 million. For information about regulatory capital, see note 3. Bank deposits and liquid securities amounted to NOK 808.3 million and corresponded to 19.4 % of total assets.

Profit after tax for the 4th quarter amounted to NOK 43.8 million (NOK 126.7 million year to date). Net interest income amounted to NOK 123.5 million (NOK 368.9 million), while net commissions and fees amounted to NOK 6.5 million (NOK 17.6 million). Gross defaulted loans at the end of the 4th quarter amounted to NOK 241.5 million while losses on loans amounted to NOK 32.1 million in the 4th quarter (NOK 85.7 million). Accumulated loan impairment amounted to NOK 120.6 million.

Outlook

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

During 2016 uncertainties related to the fiscal regime for banks as well as for the effects of unemployment have abated, while uncertainty related to regulation on i.e. marketing has increased somewhat. A number of new entrants to the industry have appeared throughout the year while others have continued the consolidation started in 2015. Going into 2017 incumbent banks have signaled reduced interest in the consumer finance segment. The proposed debt registry for consumer credits will further improve the risk selection capabilities in our sector.

Komplett Bank has a diverse marketing strategy, strong risk selection capabilities, resilient balance sheet as well as low cost operations and a focused business platform. Combined with a well-known

brand and strong distribution capabilities the bank is in a good position to meet the competition within the consumer finance industry as well as the proposed new regulation related to the industry in Norway.

Preparations for geographic expansion continues with the bank launching in Finland shortly. The launch is expected to further strengthen the bank's growth platform and diversification.

Also, experience from the launch in Finland will be factored into the evaluation of scope and timing of the strategic roadmap related to further geographic expansion.

A project to fully integrate the bank's finance products into Komplett Group's check out and payment solutions has been established and shows good progress.

To realise continued profitability and long term growth there are three main strategic areas of focus going forward:

- Expansion into new countries
- The credit card business
- The cooperation with the Komplett Group on point of sales financing

Based on the bank's positive development the board plans for listing the shares on the Oslo Stock Exchange during 2017 and has engaged ABG Sundal Collier, Pareto Securities and SEB as financial advisors.

Other information

The accounting profit for the 4th quarter has in its entirety been booked against retained earnings. The auditor has issued an unqualified report for the year 2016. This report is included in the bank's annual report. .

Bærum, 8 February 2017

Board of Directors, Komplett Bank ASA

Condensed consolidated interim statement of profit and loss

NOK 1000	Notes	Q4 16	Q4 15	2016	2015
Interest income	2	139 245	61 119	421 897	160 972
Interest expenses		15 761	9 083	53 041	27 201
Net interest income		123 484	52 036	368 856	133 771
Income commissions and fees		15 882	4 431	46 507	12 324
Expenses commissions and fees		9 371	3 974	28 881	10 132
Net commissions and fees		6 511	457	17 625	2 193
Net gains / losses (-) on certificates and bonds		416	-1 512	1 442	-2 134
Salary and other personnel expenses		13 298	9 379	44 080	29 997
Other administrative expenses, of which:		19 814	10 032	65 083	40 392
<i>Direct marketing cost</i>		16 332	7 204	49 498	30 289
Total salary and administrative expenses		33 113	19 410	109 164	70 389
Ordinary depreciation		1 211	1 596	6 336	4 726
Other expenses		4 537	2 198	13 057	7 094
Total operating expenses		38 860	23 203	128 557	82 209
Losses on loans	2	32 060	11 800	85 742	32 750
Pre-tax operating profit		59 491	15 977	173 624	18 871
Tax expenses		15 726	6 031	46 906	7 517
Profit after tax		43 765	9 946	126 718	11 354

Condensed statement of financial position

NOK 1000	Notes	31 Dec 2016	30 Sep 2016	31 Dec 2015
Assets				
Loans and deposits with credit institutions		498 787	244 759	251 692
Loans to customers		3 412 725	3 006 098	1 619 558
-Loan impairment		-120 577	-89 877	-36 243
Certificates and bonds		309 535	319 413	220 050
Other intangible assets		26 023	24 712	22 315
Deferred tax asset		17	-	5 875
Fixed assets		550	506	374
Other receivables, of which:		48 795	45 308	29 066
<i>Prepaid agent commission</i>		48 032	42 915	28 912
Total assets		4 175 856	3 550 920	2 112 686
Liabilities and equity				
Deposits from and debt to customers		3 312 991	2 751 975	1 751 139
Other debt, of which:		41 708	41 402	27 196
Deferred revenue (establishment fees)		18 177	16 843	11 120
Subordinated loan and hybrid securities		109 102	109 047	-
Tax payable		39 125	22 922	-
Total liabilities		3 502 926	2 925 345	1 778 335
Share capital		148 369	148 369	135 465
Share premium		392 645	391 972	205 830
Other paid-in equity		24 912	21 994	12 769
Retained earnings	4	107 005	63 241	-19 713
Total equity		672 932	625 575	334 351
Total liabilities and equity		4 175 856	3 550 920	2 112 686

Notes

Note 1 - General accounting principles

The interim report is prepared in accordance with the accounting principles in the annual report for 2016. All numbers are in NOK 1000 unless otherwise specified.

Note 2 – Loans to customers

	31.12.2016	31.12.2015
Loans to private customers	3 412 725	1 619 558
Impairment of loans	120 577	36 243
Net loans from customers	3 292 148	1 583 315

Loans - Defaults and losses

	31.12.2016	31.12.2015
Gross defaulted loans	241 491	62 083
Individual impairment of loans	104 277	27 743
Other impairments of loans	16 300	8 500
Net defaulted loans	120 914	25 840

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

	31.12.2016	31.12.2015
Share capital	148 369	135 465
Share premium	392 645	205 830
Other equity	131 917	-6 944
Deductions:		
Deferred tax asset / intangible assets / other deductions	-26 024	-28 190
Common equity tier 1	646 907	306 161
Hybrid capital	44 633	-
Core capital	691 540	306 161
Supplemental capital	64 469	-
Total capital	756 009	306 161
Calculation basis	31.12.2016	31.12.2015
Loans and deposits with credit institutions (20 %)	99 757	50 338
Loans to customers (75 %)	2 438 630	1 204 308
Certificates and bonds (10 % and 0 %)	25 955	19 976
Defaulted loans (100 %)	120 914	25 840
Other assets (100%)	49 345	29 066
Calculation basis credit risk	2 734 601	1 329 528
Calculation basis operational risk	489 792	254 933
Total calculation basis	3 224 393	1 584 461
Common equity tier 1 (%)	20.1%	19.3%
Core capital (%)	21.5%	19.3%
Total capital (%)	23.5%	19.3%