

## ALTERNATIVE PERFORMANCE MEASURES RESURS HOLDING, INTERIM REPORT JANUARY-DECEMBER 2018

Alternative Performance Measures (APM) are financial measures of historical or future financial performance, financial position or cash flows, other than a financial measure defined or specified in the applicable financial framework IFRS (International Financial Reporting Standards) or current capital adequacy rules.

Management believes that inclusion of these measures provides information to the readers that enable comparability between periods and they facilitate both management and analysts in the analysis and evaluation of the Group and its development.

The use and definitions of the different measures, together with a total reconciliation, are provided below. Other companies can define or calculate these measures in different ways. The Group's definitions remain unchanged compared with prior periods.

To increase transparency, management has chosen to also show the underlying measures, this so that calculation and reconciliation can be done in a good way.

Since the Group comprises both banking and insurance operations, we follow interest income minus interest expense, operating expenses and operating income and expenses before credit losses for the banking operations separately (meaning excluding Insurance) to provide better understanding of the earnings generation in the banking operations.

The Group also evaluate the operation in relation to average equity excluding intangible assets, which comprises adjusted equity that is reduced by goodwill and other intangible assets. This measure is used to evaluate the use of equity. Further the Group also evaluate the operation with this measures by excluding nonrecurring costs and other nonrecurring items like share holder contribution, when applicable.

To be able to see the actual increase in Lending to the public the Group follow increases in local currency by excluding exchange rate differences in the measure Lending to the public.

One of the Group's financial target is that the Common Equity Tier 1 ratio should exceed 11.5%\*. In order to evaluate and compare the operations in the consolidated situation, alternative performance measures have been developed where the Common Equity Tier 1 ratio has been estimated to the lowest level of 11.5%.

Definitions of alternative performance measures can be found on the website under Financial data.

\*During Q4 2018, the financial target for the Common Equity Tier reduced from above 12.5% to above 11.5%.

## RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

SEK thousand	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
Interest income	802,021	779,868	777,564	703,401	706,608	671,714	671,840	636,658
Interest expense	-87,434	-81,691	-80,686	-74,214	-71,782	-68,265	-67,324	-60,785
Net interest income/expenses Insurance	2,956	2,666	3,956	2,999	3,065	3,719	2,910	3,645
<b>Net Interest Income/expenses excl. Insurance</b>	<b>711,631</b>	<b>695,511</b>	<b>692,922</b>	<b>626,188</b>	<b>631,761</b>	<b>599,730</b>	<b>601,606</b>	<b>572,228</b>
Total expenses before credit losses	-368,521	-348,110	-366,171	-332,921	-323,499	-305,130	-328,188	-323,844
whereof total expenses Insurance	-24,114	-22,570	-25,023	-22,403	-21,782	-20,264	-25,107	-24,148
Total operating income	883,366	880,818	867,635	805,535	807,859	769,112	765,995	748,379
whereof total income Insurance	37,271	49,895	47,618	42,739	42,133	39,019	45,707	47,332
<b>C/I before credit losses, %</b>	<b>41.7%</b>	<b>39.5%</b>	<b>42.2%</b>	<b>41.3%</b>	<b>40.0%</b>	<b>39.7%</b>	<b>42.8%</b>	<b>43.3%</b>
Total expenses before credit losses, excl. Insurance	-344,407	-325,540	-341,148	-310,518	-301,717	-284,866	-303,081	-299,696
Total operating income excl. Insurance	846,095	830,923	820,017	762,796	765,726	730,093	720,288	701,047
<b>C/I before credit losses (excl. Insurance), %</b>	<b>40.7%</b>	<b>39.2%</b>	<b>41.6%</b>	<b>40.7%</b>	<b>39.4%</b>	<b>39.0%</b>	<b>42.1%</b>	<b>42.7%</b>
Nonrecurring penalty från Swedish Financial Supervisory Authority	0	0	0	0	0	0	0	0
<b>Total Nonrecurring costs before tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total Nonrecurring costs after tax	0	0	0	0	0	0	0	0
Credit losses, net, excl. Insurance	-140,117	-139,046	-127,819	-128,089	-112,910	-99,880	-97,787	-102,877
Credit losses yearly, net, excl Insurance	-560,469	-556,184	-511,276	-512,356	-451,640	-399,520	-391,148	-411,508
<b>Credit loss ratio, excl. Insurance</b>	<b>2.0%</b>	<b>2.1%</b>	<b>2.0%</b>	<b>2.1%</b>	<b>1.9%</b>	<b>1.8%</b>	<b>1.8%</b>	<b>1.9%</b>
<b>Operating profit/loss</b>	<b>374,728</b>	<b>393,662</b>	<b>373,645</b>	<b>344,525</b>	<b>371,450</b>	<b>364,102</b>	<b>340,020</b>	<b>321,658</b>
<b>Operating profit/loss, excl. Nonrecurring</b>	<b>374,728</b>	<b>393,662</b>	<b>373,645</b>	<b>344,525</b>	<b>371,450</b>	<b>364,102</b>	<b>340,020</b>	<b>321,658</b>
<b>Net profit for the period</b>	<b>283,848</b>	<b>305,687</b>	<b>288,714</b>	<b>265,166</b>	<b>289,305</b>	<b>280,467</b>	<b>263,153</b>	<b>247,108</b>
<b>Net profit for the period, excl. Nonrecurring costs</b>	<b>283,848</b>	<b>305,687</b>	<b>288,714</b>	<b>265,166</b>	<b>289,305</b>	<b>280,467</b>	<b>263,153</b>	<b>247,108</b>
Opening balance Lending to the public				24,068,795	23,218,416	22,310,666	21,713,105	21,204,281
Opening balance Lending to the public, according to IFRS 9	27,469,905	26,625,900	25,134,034	23,647,823				
Lending to the public, gross	30,544,612	30,175,235	29,334,808	27,694,636	26,036,096	25,100,624	24,120,589	23,462,719
Provision for anticipated credit losses	-2,588,036	-2,705,330	-2,708,908	-2,560,602	-1,967,301	-1,882,208	-1,809,923	-1,749,614
<b>Lending to the public</b>	<b>27,956,576</b>	<b>27,469,905</b>	<b>26,625,900</b>	<b>25,134,034</b>	<b>24,068,795</b>	<b>23,218,416</b>	<b>22,310,666</b>	<b>21,713,105</b>
<b>Average Lending to the public</b>	<b>27,713,240</b>	<b>27,047,903</b>	<b>25,879,967</b>	<b>24,601,415</b>	<b>23,643,606</b>	<b>22,764,541</b>	<b>22,011,886</b>	<b>21,458,693</b>
<b>NBI margin, %</b>	<b>12.2%</b>	<b>12.3%</b>	<b>12.7%</b>	<b>12.5%</b>	<b>13.0%</b>	<b>12.8%</b>	<b>13.1%</b>	<b>13.1%</b>
<b>Risk adjusted NBI margin, %</b>	<b>10.2%</b>	<b>10.2%</b>	<b>10.7%</b>	<b>10.4%</b>	<b>11.0%</b>	<b>11.1%</b>	<b>11.3%</b>	<b>11.2%</b>
<b>NIM, %</b>	<b>10.3%</b>	<b>10.3%</b>	<b>10.7%</b>	<b>10.3%</b>	<b>10.7%</b>	<b>10.5%</b>	<b>10.9%</b>	<b>10.7%</b>
Increase Lending to the public, since the beginning of the year	4,308,753	3,822,082	2,978,077	1,486,211				
Exchange rate differences	391,051	877,149	1,055,692	699,695				
<b>Increase Lending to the public, excl. Exchange rate diff.</b>	<b>3,917,702</b>	<b>2,944,933</b>	<b>1,922,385</b>	<b>786,516</b>				

