

# Alternative performance measures

## Resurs Bank, 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 show the underlying measures.

The Group also evaluate the operation in relation to average equity excluding intangible assets, which comprises adjusted equity excluding goodwill and other intangible assets. To evaluate the use of equity, this measure is used. Further, the Group also evaluate the operation by excluding nonrecurring costs and other nonrecurring items like shareholder 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.

## Reconciliation of alternative performance measures

SEK thousand	Jan-Dec 2018	Jan-Dec 2017
Interest income	3,056,886	2,679,207
Interest expense	-331,232	-273,556
Net interest income/expenses	2,725,654	1,231,553
Total expenses before credit losses	-1,321,157	-1,173,151
Total operating income	3,293,220	2,928,360
C/I before credit losses, %	40.1%	40.1%
Nonrecurring costs	0	0
Total Nonrecurring costs before tax	0	0
Total Nonrecurring costs after tax	0	0
Credit losses, net	-535,554	-413,454
Credit loss ratio	2.1%	1.8%
Operating profit/loss	1,436,509	709,756
Operating profit/loss, excl. Nonrecurring	1,436,509	709,756
Net profit for the period	1,104,666	549,172
Net profit for the period, excl. Nonrecurring costs	1,104,666	549,172
Opening balance Lending to the public		21,204,764
Opening balance Lending to the public, according to IFRS 9	23,648,306	
Lending to the public, gross	30,544,613	25,989,004
Provision for expected credit losses	-2,588,037	-1,919,726
Lending to the public	27,956,576	24,069,278
Average Lending to the public	25,802,441	22,637,021
SEK thousand	Jan-Dec 2018	Jan-Dec 2017
NBI margin, %	12.8%	13.0%
Risk adjusted NBI margin, %	10.7%	11.1%
NIM, %	10.6%	10.6%
Increase Lending to the public, since the beginning of the year (including IFRS 9 adjustment)	4,308,270	
Exchange-rate differences	391,051	
Increase Lending to the public, excl. exchange rate diff.	3,917,219	
Equity	5,686,743	5,563,490
Intangible assets	1,945,773	1,846,399
Equity excl. Intangible assets	3,740,970	3,717,091
Shareholder contribution		
Average Nonrecurring costs incl. Shareholder contribution		
Average Equity	5,455,746	5,448,497
Average Intangible assets	1,896,086	1,830,657
Average Equity excl. Intangible assets	3,559,660	3,617,840
Average Equity excl. Intangible assets and Nonrecurring costs and Shareholder contribution	3,559,660	3,617,840
Return on equity excl. intangible assets, (RoTE), excl. Nonrecurring costs, %	31.0%	30.4%
SEK thousand	31/12/2017- 31/12/2018	31/12/2016- 31/12/2017
Increase Lending to the public, year on year	3,887,298	2,864,514
Exchange rate differences	399,872	-206,148
Increase Lending to the public, year on year, excl. Exchange rate differences	3,487,426	3,070,662