

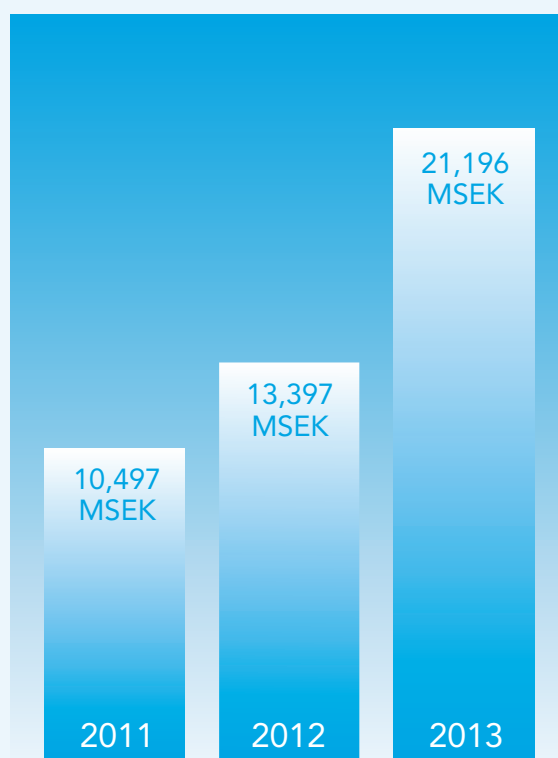
Annual report 2013

Key events in 2013

- > Resurs Bank acquired Ellos Finans and the finance companies Dan-Aktiv and Finaref Nordic
- > Supreme Card Gold was established in Norway
- > Savings in Resurs Bank rose by almost 90 percent

2013 in figures

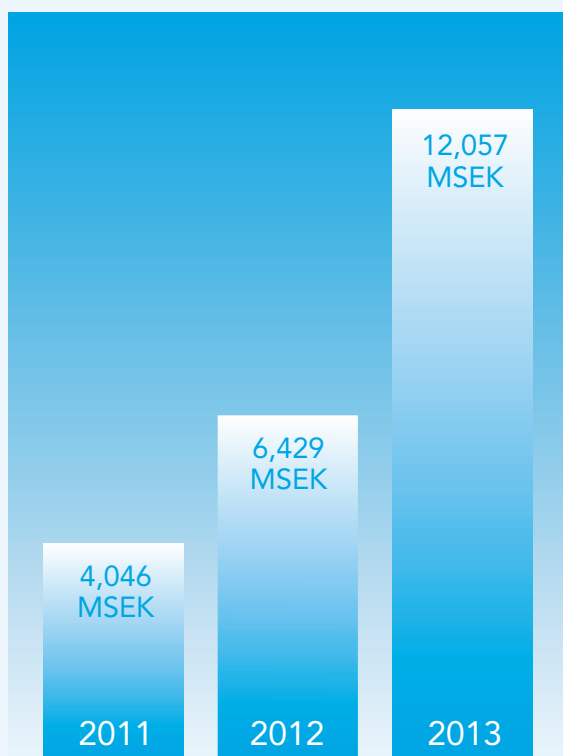
- > Operating income: SEK 1,189 (1,064) million
- > Net interest income: SEK 698 (752) million
- > Operating profit: SEK 355 (292) million
- > Capital adequacy ratio: 1.91 (2.11)
- > Average number of employees: 304 (214)



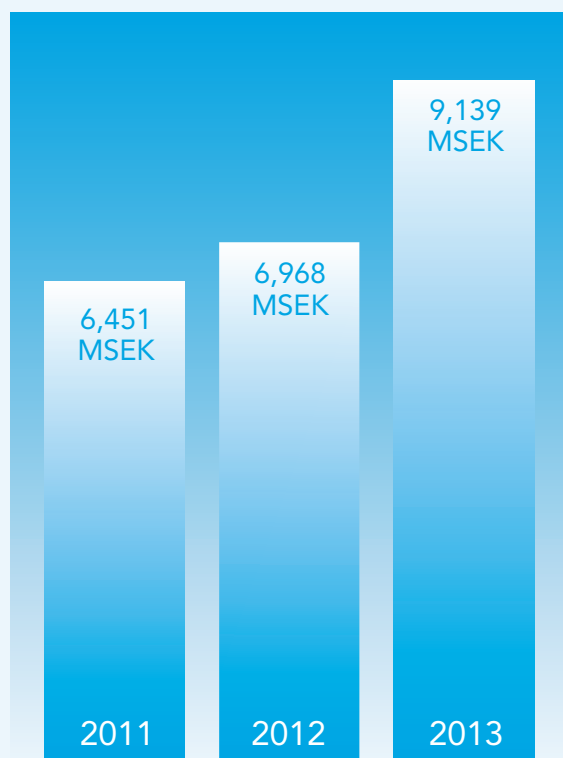
Business volume



Capital base



Deposits



Lending

CONTENTS

4	CEO's Review
6	Resurs Bank News
8	Resurs Bank in Brief
10	Sales Financing
12	Sales Financing – Client Partnerships
14	Private Market
16	Personal Loans
18	Deposits
20	Factoring
22	Customer Service and Business Support
24	Human Resources
26	Resurs Bank's History
28	Sponsorship and Partnerships

ÅRET I SIFFOR

30	The Year in Figures 2013
32	Board of Directors' Report
36	Five-year Summary
38	Financial Ratios and Definitions
39	Income Statement
40	Statement of Financial Position/Balance Sheet
42	Statement of Changes in Equity
43	Cash Flow Statement
45	Notes to the Financial Statements
89	Audit Report

Our Nordic Growth

After the first full financial year with Nordic Capital as principal owner, we can observe that the ambition expressed in our growth programme has been clearly reflected in our operations. In 2013, we made three acquisitions aimed at strengthening Resurs Bank's Nordic presence, while also continuing our intense focus on organic growth, which meant more sales staff and increased market activities.

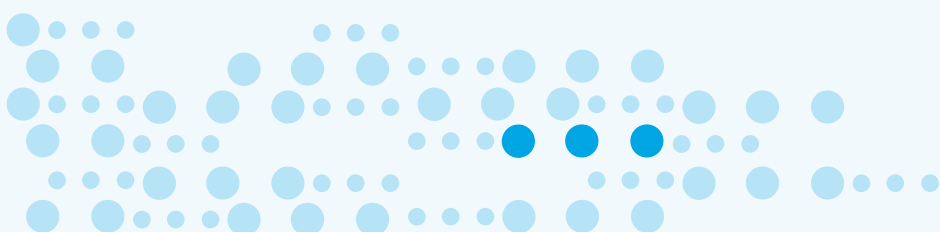
2013 has been an intense year, with three acquisitions and increased intensity in the area of organic growth. Our transaction volume has increased in all our business areas and our deposits have almost doubled. Profit for the year was SEK 355 (292) million and includes a positive non-recurring item of SEK 135 (see the Board of Directors' Report). This means that operating profit was lower than in the previous year. This is according to plan and is due to activities such as investments in IT, sales, compliance and risk control, and – particularly important – the cost of the increased liquidity reserve.

The Bank's capital base has increased to SEK 1,484 (1,229) thousand, while lending has risen. This gives a capital ratio of 1.91 (2.11), which is slightly lower than last year but still at a high level. During the year, we deliberately increased our deposits. This was partly to finance our subsequent acquisitions, but also to reduce our dependence on funding from other credit institutions. The increase in deposits has brought higher costs as the liquidity reserve has increased, and there is a difference between our deposit rate and the resulting investment rate. Our three acquisitions in 2013 were Ellos's financial activities, which we completed in autumn, the Danish finance company Dan-Aktiv, for which we signed an acquisition agreement just before the end of the year, and the finance company Finaref with operations in Sweden, Norway and Finland. Access to, and therefore integration of, the latter two companies is scheduled for April 2014. As both compa-

nies are very similar to Resurs Bank in terms of product offerings, there will not be any new unknown products to come; instead, it will be "more of the same". With these three acquisitions, Resurs Bank has almost doubled its loans to the public, while our presence in the other Nordic countries is being considerably strengthened. The growth plan that was produced with the 100-day programme at year-end 2012 was revised as planned in autumn 2013, and the annual revisions will continue. Most of the adopted initiatives were implemented according to plan in 2013, and overall we are pleased with developments. I would also add that we attracted a number of retail companies (including Bauhaus, MIO and the Ticket travel agency) to our e-commerce solution during the year. We were also entrusted with creating a card programme in Norway for Air France-KLM.

Our Supreme Card credit card has performed well during the year and we continue our efforts to provide the best bonus/points shop to show our customers that we deliver what we promise. A new feature for the Supreme Card is the facility to pay other bills with the card and then earn points for doing so.

Our head office in Helsingborg is not optimally structured for the growth we are achieving and we have therefore decided to carry out some large-scale conversion work.



This began in 2013 and will mean that we move into light, fresh and inviting offices during 2014. We have focused very much on areas where people meet and the provision of welcoming communal areas, with also a generous amount of space for spontaneous meetings. The production and provision of services presents a considerable challenge for employees who work at the company. Our employees are our greatest resource and we are keen to ensure that we provide an environment conducive to good performance. In 2013, we worked on our leadership. We believe it is important to ensure that people are not treated or assessed differently depending on their department or manager. At the end of the year, we conducted an extensive employee survey together with an external party. The results for all employees were reported in 2014 and we worked on this throughout the company to ensure involvement. The work is not over – we intend to work continuously on both leadership and teamwork with the aim of being a valued workplace and therefore a high-performing company.

We look forward with excitement to our continuing growth journey, which, even though we have many years of good growth behind us, will probably take us to levels we had previously only dreamed of.

Everything is possible – it just requires a good dose of effort!

Kenneth Nilsson
Managing Director,
Resurs Bank



Resurs Bank News 2013

2013 was an eventful year for Resurs Bank with strong growth in the Nordic region.

JANUARY

Elektroskandia and Resurs Bank enter into a financing agreement



Danish tyre customers on the right track with Resurs Bank

MARCH

Partnership between Sportshopen and Resurs Bank brings customer-friendliness and flexibility



AUGUST

Ticket travel agency chain strengthens its offering with Resurs Bank's e-finance



Pay your bills with Supreme Card and earn bonus points

Resurs Bank's customer financing helps Lantmannabutiken to grow

FEBRUARY

Tour operator Nazar chooses Resurs Bank for online payments



Resurs Bank's partner NetOnNet wins the "E-commerce of the Year" award

JUNE

Resurs Bank launches Gulf MasterCard



SEPTEMBER

Resurs Bank and Resurs Group are the new main sponsors of Rögle BK ice hockey team

**NOVEMBER**

Resurs Bank is a gold sponsor for Team Rynkeby, which raises SEK 10 million for the Childhood Cancer Foundation in 2013



Colosseum, the largest Nordic dental chain, chooses Resurs Bank for customer financing

Air France-KLM selects Resurs Bank for its card programme in Norway

2014

OCTOBER

Supreme Card Woman gives SEK 1 million in support for cancer research in 2013



Resurs Bank acquires Ellos Finans

DECEMBER

Turkietresor launches e-payment from Resurs Bank

Optical chain KlarSynt lets its customers choose with Resurs Bank

Fiat Group Automobile Sweden selects Resurs Bank for customer financing

Resurs Bank signs agreements to acquire Dan-Aktiv and Finaref



A fast-growing bank with a customer focus

Resurs Bank is a fast-growing niche bank with operations in Sweden, Norway, Finland and Denmark. The Bank has been driving progress in retail consumer financing since the 1980s and launched the concept of interest-free. But Resurs Bank is more than that. The Bank's products and services also include a competitive range of credit cards, personal loans and savings accounts, as well as factoring services.

Resurs Bank's focus is to offer value-creating products and services. The business concept is to sell financial services. With a strong origin in retailing, Resurs Bank has evolved into a leading Nordic provider of customer financing and a specialist in loyalty-building customer programmes.

More than 400 chains and over 30,000 stores are partners of Resurs Bank in in-store and online customer financing. These include chains and online retailers from a variety of sectors, such as consumer electronics, furniture, cars, building products, travel and sport. Resurs Bank currently has over a million branded cards on the market and a rapidly growing number of partners in online shopping.

Credit cards, personal loans and savings accounts for consumers

Resurs Bank offers debit and credit cards, personal loans and savings accounts for private customers. Credit cards are offered under the Supreme Card brand and can co-branded with either MasterCard or VISA. There are three consumer cards – Gold, Woman and Green. With the cards, over 130,000 cardholders are offered interest-free credit on purchases all over the world and earn points that

can be used for travel, leisure and products in the Supreme Card web-based points shop.

The flagship is Supreme Card Gold, which has been adding a silver lining to customers' everyday lives since 2005. Supreme Card Woman and Supreme Card Green are cards that help contribute to charitable causes – more specifically, for cancer research and planting trees for a greener world.

Resurs Bank offers unsecured personal loans of between SEK 10,000 and 300,000. The Bank's savings accounts are characterised by high interest rates and easy terms, and this is something that the magazine *Privata Affärer* has recognised twice – in 2004 and 2012 – with the "Savings Account of the Year" award.

Savings and factoring for companies

For companies, Resurs Bank offers business savings accounts and factoring, i.e., invoice discounting, invoice factoring and invoice services. Resurs Bank's factoring services strengthen customers' liquidity and have gained increasing recognition in recent years.





In-store and online customer financing

Resurs Bank offers better transactions and stronger customer relationships for retailers across the Nordic region for both in-store and online customer financing. Resurs Bank gives consumers freedom to make the right investment decisions and a large measure of flexibility in their payment for goods.

Over a million consumers in the Nordic region have discovered the flexible financing that Resurs Bank and its partner companies offer in the retail sector. The actual “interest-free” concept was launched by Resurs Bank back in the 1980s. Since then, customer financing has become an important sales driver for over 30,000 Nordic stores and e-tailers.

Good for stores and e-commerce – great for the consumer

Customer financing boosts retail sales and results in more satisfied customers. With a branded financing concept, stores and online merchants strengthen their own brand while increasing their sales and building stronger customer relationships. Customers can pay for their purchases immediately or opt for instalments over six months or longer. This flexibility gives great purchasing power and allows more well-reasoned purchase decisions.

Based on retailers’ needs and opportunities

The design of the customer financing solution is based on the unique needs and opportunities of each retailer. The arrangements for each partnership are based on factors such as specific opportunities, the day-to-day needs of store staff, online sales, opening hours and loyalty programmes. Simplicity, speed and flexibility are critical factors in every case. When a customer applies for credit in-store or when shopping online, it takes just a minute or so to process the customer’s credit request.

Customer financing – any channel

Whether consumers decide to shop online or in physical stores, Resurs Bank has flexible and simple customer

financing options. The customer experience is the same wherever the customer is located. For online shopping, Resurs Bank has developed simple payment methods which have quickly attracted the interest of online stores and consumers. Chains that have chosen to invest in Resurs Bank’s e-commerce customer financing include Bauhaus, NetOnNet, Ticket, Mio, Sova, Klockmaster, Nazar, Resecity and Motor Sweden.

Customer Club programme creates loyal customers

Resurs Bank offers integrated solutions for database management, customer clubs and customer loyalty programmes. These enable retailers and e-tailers to develop their customer relationships. Having an integrated approach to statistics, analysis and loyalty programmes helps to build valuable knowledge and deeper customer relationships. Resurs Bank offers customer programmes for its partners, with systems for discounts, bonuses and added values. These are programmes that develop customer relationships and contribute to increased sales.

Customer financing for the entire Nordic region

Resurs Bank is a leader in customer financing throughout the Nordic region, with offices in Sweden, Norway, Finland and Denmark. The Bank has the size and strength to deal with partnership agreements involving large sales volumes and large number of transactions. This means that the bank can support both small and large chains in their expansion throughout the Nordic region

Valuable client partnerships

Resurs Bank creates unique solutions for many different retailers and their customers. There are plenty of examples of how different payment solutions encourage commerce and create loyalty.



**“Average purchases
30% higher with pay-
ment by instalments”**

Roland Olsson, CEO Synoptik

Synoptik customers can split their payment for glasses into 12 monthly payments without interest or fees. This much-appreciated facility makes it easy for customers to finance their purchases of glasses, while also strengthening Synoptik's business.

Synoptik card is the name of the chain's popular customer loyalty card. For the stores, it is an important lubricant for growth. In the stores where the sales staff work actively to offer payment by instalments, average sales are 30 percent higher than for purchases made without this facility.

“Resurs Bank is top of the class in customer financing. The other banks are just banks – they don't focus on the everyday situation of retailers,” says Roland Olsson, CEO of Synoptik Sweden. It is extremely important for us to work in partnership with a retail expert who is quick thinking and fast moving – who is actually committed to helping us sell more.”

“Really important for Mio”

Björn Lindblad, CEO Mio



Each year, 15,000 customers pay for their Mio purchases with the Mio card from Resurs Bank. The partnership started in 1997 and Resurs Bank has been providing payment by instalments in all of the chain's stores since 2003.

Mio offers flexible customer financing which strengthens Mio's offering while also facilitating purchase decisions for customers. And payment by instalments is now a natural part of any sale.

“It's about making payment by instalments really simple for our customers so that they can make smart payment

choices,” says Björn Lindblad, CEO of Mio. “Working with Resurs Bank, we effectively remove doubts and obstacles associated with the use of credit. It is clear that more and more people appreciate the flexibility and freedom that the solution offers. The partnership with Resurs Bank is an extremely important instrument in Mio's growth ambitions”.

“Leverage for continuing growth”

Nancy Hebbelinck, Marketing Manager of Sportshopen



With the largest sports store in the Nordic region and a total of ten stores, Sportshopen is a leader in sport and leisure clothing. The chain is now focusing on continuing expansion with the help of Resurs Bank.

Sportshopen started in 1990 in a summer shop in the idyllic Bohus resort of Tanumstrand. Almost 25 years later, the founders have created a popular brand in the sale of sport and leisure clothing. Now Sportshopen has found new paths to increased sales and deeper customer relationships.

“As we didn't have a solution for instalments and loyalty, we were really pleased to find a partner who could give us an integrated concept for this,” says Nancy Hebbelinck, Sportshopen's Marketing Manager. “After the first year, we are selling more and have more satisfied customers thanks to Resurs Bank's concept – a lever for our continuing expansion.”

Like other players in the retail sector, Sportshopen has noted a connection between payment by instalments and higher average purchases. When customers opt for the instalment facility, their purchases often triple in size.

Supreme Card – a generous and frequently-used credit card

20,000 times a day – that is how often Resurs Bank's generous Supreme Card credit card is used. A card family that gives customers more, with points, flexible instalments, travel insurance, SMS receipts, bill payment and charity. Supreme Card is now also being launched in Norway, Finland and Denmark.



Since the launch of Supreme Card Gold in 2005, the card concept has grown into a family of attractive cards with over 130,000 users in the Swedish market. During 2013, Resurs Bank made preparations for launching Supreme Card in other Nordic markets and the card concept is being introduced in Norway, Finland and Denmark in 2014. By marketing a three-card concept, Resurs Bank brings breadth and freedom to card selection. The aim is to offer the market's most valuable debit and credit cards, with customers gaining by using them often.

Flexible payment and security

The cards offer up to 60 days' free credit, six months' interest-free instalment payments and free travel insurance when customers use the card to pay for a trip. The cards also give users a point for every krona spent. The points can be used in the Supreme Card Points shop, which contains hundreds of products, travel and leisure offers. Customers also have access to discounts and attractive offers. Quite simply, a card family that gives a lot back to the user.

Supreme Card Gold

Supreme Card Gold is Resurs Bank's most popular credit card. The card can be used for purchases and cash withdrawals worldwide and is available as VISA and MasterCard.

Supreme Card Woman

Supreme Card Woman is both considerate and generous. Every time the card is used, one krona goes to the Swedish Cancer Society's Pink Ribbon campaign. Since the partnership began in 2007, Resurs Bank has contributed over SEK 6 million to the fight against breast cancer.

Supreme Card Green

Supreme Card Green is the card for the environmentally aware consumer. Every time the card is used to make a

purchase, a tree is planted by our partner the Yves Rocher Foundation. In 2013, Resurs Bank funded the planting of more than 200,000 trees.

Many unique values for users

New features and benefits are being developed in order to enhance customer value. The bill payment service was launched in 2013 and means that customers can collect points when paying their bills with Supreme Card. The security-enhancing SMS Receipt is another innovation from Resurs Bank. This is a security solution that provides control over card usage and protects against fraud attempts. Whenever the card used, an SMS is sent free of charge with details of where, when and how the card was used. The Supreme Card iPhone and Android apps allow users to manage their account on their mobile phones. This gives customers more mobility in their card management.

The point of the Points shop

By using Supreme Card for purchases, customers earn valuable points that are simple to exchange for travel and leisure offers and products. The Supreme Card online points shop is extensive and offers a variety of choice. Whether customers want flights, hotels, cinema tickets, designer products or concert tickets, a growing number of them are redeeming their points on leisure, travel and charitable causes in the points shop at www.supremecard.se. In 2013, for example, customers used the points shop to donate points to the disaster-stricken Philippines. A total of SEK 400,000 in emergency funds has been raised through Resurs Bank and Supreme Card.





Personal loans for new opportunities

Resurs Bank offers personal loans to private individuals in the Nordic region. The loans are offered without any requirement for collateral. This provides customers with opportunities to invest, buy consumer goods or repay other credit and loans.

Resurs Bank offers personal loans of between SEK 10,000 and 300,000. The loans' availability, service and favourable conditions have won the confidence of Resurs Bank's customers and the Bank expanded its lending activities both in volume and geographically in 2013. Personal loans are now also offered in Denmark and Finland. With continuing marketing efforts, the investments have resulted in increased market shares and more and more satisfied customers.

Top service is the golden rule

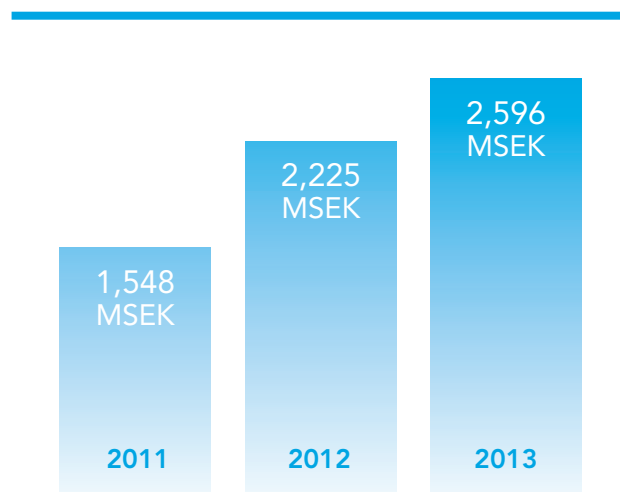
Our customer relationship management is actively developed to ensure that customers receive good service and proper assistance when they come to Resurs Bank for a private loan. The expectations placed on a niche bank are high and customers are entitled to demand that Resurs Bank is as safe to use as a large bank. Flexibility and service are of key importance and whether customers have applied for a loan by telephone, internet or post, they should receive an answer within 24 hours.

Loans for different needs and opportunities

Personal loans from Resurs Bank create opportunities and provide power for investment. The loans are offered with repayment periods chosen by the customer and do not require collateral. The loan amount is paid 1-3 days after approval of the loan application. It is simple to pay back the loan using direct debit and if the need arises, customers can increase their existing loans.

Payment protection insurance means added security

For added security, loan customers are offered a payment protection policy covering payment of the loan if an unexpected event occurs. This insurance provides compensation for incapacity for work due to sickness, involuntary unemployment or hospitalisation. Long-term sick leave or involuntary unemployment can be financially difficult to manage. This is why payment protection insurance has gained great popularity with Resurs Bank's customers and has become a valued form of protection for increasing numbers of them.



Resurs Bank's private lending in Sweden.

Saving that makes money grow

Resurs Bank offers award-winning savings products that have attractive savings rates and are recognised for their security, clarity and simplicity.

Resurs Bank has been offering competitive and much-appreciated savings solutions since 2001 – savings solutions that have won recognition from savers and media alike. The magazine *Privata Affärer* has named Resurs Bank “Savings Account of the Year” on two occasions, in 2004 and 2012. In 2013, interest in saving with Resurs Bank record was at a record-high level.

Stable background gives customers peace of mind

Since the launch of savings accounts in 2001, Resurs Bank has focused on providing the same security as the major banks, while allowing customers to take advantage of niche bank benefits – a winning formula for customers who have learned to make demands on their banks and who are increasingly switching or adding new banks. Savers’ funds are covered by the state deposit guarantee. Customers are entitled to compensation of up to EUR 100,000 for their total account balance with the bank. As savings rates are normally higher than those of the big banks, the choice is simple for customers, and more people are opting to open a savings account with Resurs Bank.

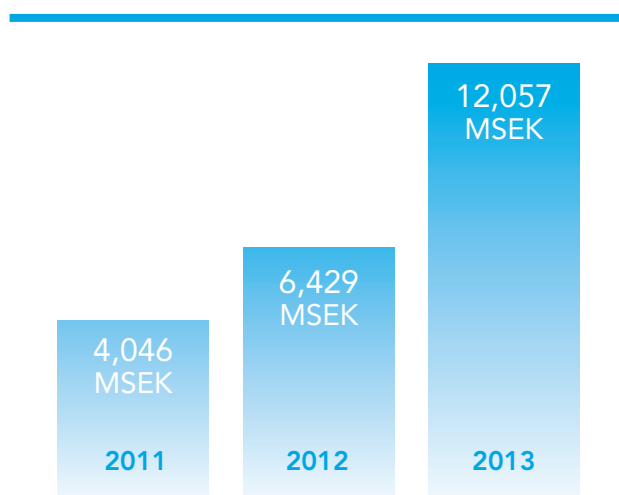
KapitalPlus – good interest and great freedom

KapitalPlus is one of the best savings accounts, with high security and flexibility. It was created for customers wanting a safely-invested financial buffer and a good interest rate. There is no minimum balance requirement and there are no withdrawal fees or restrictions on the number of withdrawals per year. Simplicity and high interest rates were decisive factors in *Privata Affärer*’s decision to name KapitalPlus “Savings Account the Year 2012”.

“Resurs Bank has a stated ambition to remain top in terms of savings rates,” says Patrik Hankers, Private Market Manager at Resurs Bank. “It is important for customers that the entire savings process is as easy and safe as possible, whether we are talking about private individuals or business owners. ”

Fixed-rate accounts for even higher savings rates

For savers who want the highest possible interest rate, Resurs Bank offers fixed-rate and fixed-term accounts. In this way, customers are guaranteed a higher interest rate in exchange for stretching their savings over a longer period. There is no minimum balance requirement.



Public's savings in accounts with Resurs Bank.



“Simplicity is unfortunately not typical of most bank savings accounts. But here is a shining exception – with good interest rates.”

Private Affärer's citation for the “Savings Account of the Year” award.





Factoring unlocks growth

Factoring gives companies freedom and flexibility. Resurs Bank is a stable and reliable partner in invoice discounting and invoice factoring. With vast experience and understanding of business owners' needs, Resurs Bank offers a strong range of factoring services.

The various forms of factoring provide companies and entrepreneurs with tools for better liquidity and lower credit losses. These tools also allow better business transactions. With fast, high and personal service, Resurs Bank also contributes to good relationships between customers and suppliers.

Fast and reliable payment is the key

With Resurs Bank's factoring, the customer is paid quickly, usually within 24 hours, rather than a month later. As any company knows, a healthy cash flow is a pre-requisite for achieving the company's full potential. With factoring, the customer avoids time-consuming chasing up of unpaid invoices. Resurs Bank has extensive experience in factoring and understands the entrepreneur's challenges and opportunities.

Invoice discounting creates flexibility and manoeuvrability

With invoice discounting, customers sell their invoices to Resurs Bank whenever it suits them. The invoice is paid by Resurs Bank no later than the following business day. Invoice discounting is a service that is aligned with the client's need for liquidity and contributes flexibly to the company's business development. With invoice discounting, all credit risk is transferred to Resurs Bank, which maintains high quality service and customer satisfaction in its relationships with the client's customers.

New service – Invoice factoring

Resurs Bank's invoice factoring is a more comprehensive alternative to invoice discounting. This solution means that the client still owns the invoice but pledges it. Invoice factoring can be an attractive alternative to a bank overdraft and means the company pledges its ledger, i.e., its invoices. This is a solution that creates long-term and stable security for companies. The client may transfer all or part of their invoice management to Resurs Bank, i.e., registration, payment, reminders, debt collection etc. This not only releases

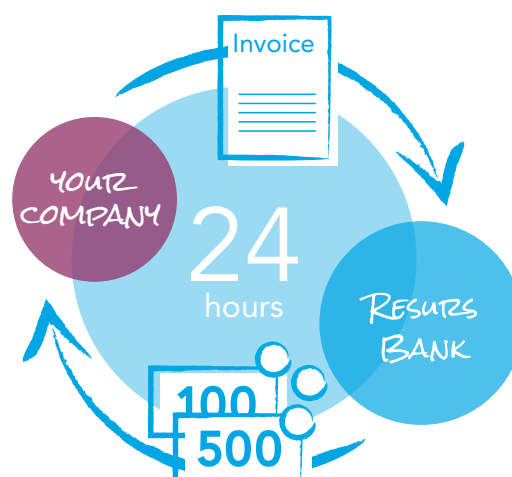
liquidity, but also frees up valuable time that customers can devote to developing their business.

Invoice service

Based on its long experience and in-depth knowledge of invoice management, Resurs Bank also offers invoice services. These services allow customers to completely redirect their invoice flows to Resurs Bank, which takes full responsibility for administration, mailings and notifications. The services relieve the customer's administration and create a cost-effective method of managing the often time-consuming and costly process of handling incoming and outgoing invoices.

High service level that nurtures good customer relations

Whichever form of factoring the client chooses, Resurs Bank applies great care to the client's customer relations. Managing and nurturing the relationship between clients and their own customers is of paramount importance to Resurs Bank in all its factoring services. Having knowledgeable and service-oriented staff with high availability ensures high satisfaction between customer and supplier, whatever factoring solution is chosen.



At your service – fast, efficient, precise and friendly

Over two million people have at some time been Resurs Bank customers. Because customers rarely meet Resurs Bank staff face-to-face, high standards are required of the company's channels for meeting customers, whether by phone, email, post or internet. Precise, fast, service-oriented are the guiding principles for dealing with customers.

Every day, Resurs Bank meets thousands of customers in one or other of its channels. This involves a broad spectrum of meetings with customers, in areas such as personal loans, card applications, retail partnerships, savings, factoring or Supreme Card. In order to serve all kinds of customer relationships, the Bank has a separate Business Support (administration and customer service) department. Customer service is open weekdays throughout the year and credit service for retail partners is open 365 days a year. In one year, the bank handles over a million customer queries from Sweden, Norway, Finland and Denmark.

Telephone – the primary channel for fast and efficient customer service

Resurs Bank's customer service responds primarily to matters concerning credit for retail customers, personal loans and credit cards. It provides information on billing, loan applications, payments, account balances and various forms of credit checks. When store employees call to set up a customer credit, the process must be fast and precise. The response time from customer service must also be

short for general enquires in order to provide high-quality service to customers. Resurs Bank's case handlers are given thorough education and training, which is quality-assured through tests and call monitoring to ensure high quality in all customer interaction. Employees are trained to handle multiple product areas and different types of cases. Resurs Bank has multilingual staff who provide service for customers from all the Nordic countries.

Customer service online

For customers who want to reach Resurs Bank other than by telephone, there are options for online contact. On the website, customers can ask questions via the live chat function or by email and they can also log in to their accounts to check balances. The Supreme Card website offers a smooth ordering function, which makes it easy for customers to order goods from our Points Shop when it suits them. Resurs Bank also meets and provides service to customers in social media, such as Facebook and Twitter.

Business Support serves Resurs Bank's business customers

The department responsible for administration of all the Bank's private and business customers and retailing partners works alongside Resurs Bank's customer service. The Business Support department processes the large flow of applications, enquiries, deposits, payments and reports that come in daily from our retail chains, savers, factoring clients, loan customers and so on. The department also provides retail partners with store materials, training and marketing materials for all markets. This department is also committed to providing prompt, efficient, precise and friendly help to Resurs Bank's customers and partners, whatever the case in question.







Our values

For Resurs Bank's employees, our values are well-grounded, clear and always present. They have different meanings depending on the situation, but together they affect the day-to-day decisions and consequently represent the mental handrail on our path through each day.

The customer is king

Our relationships with customers are our most important asset. We nurture them with respect and a professional approach.

Timeliness before perfection

Fast, simple and on time is better than perfect but too late.

Employees drive success

In 2013, we focused on strengthening Resurs Bank's attractiveness as an employer. An employee survey, leadership programme, work environment measures and a focus on strong values are examples of our initiatives.

Since its inception in 2001, Resurs Bank has developed into a popular, stimulating and creditable employer. Wherever employees work in the growing organisation, they are led by a strong corporate culture and unique values.

The Resurs spirit – our corporate culture

The Resurs spirit characterises our whole approach and permeates the staff's interactions with customers, colleagues and the external environment. It represents a positive ethos where everything is possible and an eye for new ideas that drive the company towards higher goals. Resurs Bank has a strong entrepreneurial heritage. Creativity and innovation are qualities that are highly valued by employees.

Guiding values

Resurs Bank's long-standing and unique values are guiding principles in everyday life. They influence how employees work internally and how they interact with customers, partners and the external environment. Consequently, the values act as a mental handrail and tools for our staff.

Good leadership key to success

Resurs Bank's leadership, stimulation and development of employees is crucial to the company's achievement of its goals. Resurs Bank works methodically on staff development and leadership issues. It is also important that leadership is the same within the Bank and the Group. With this in mind, a number of key leadership competencies have been designed in order to drive employee performance and development. A new Group-wide induction programme has also been launched to ensure the company's vision, values and growth journey are well-grounded.

An employee survey was conducted in cooperation with Netsurvey in 2013. Staff answered questions about leadership, work environment, commitment and involvement. The response rate was 94 percent and Resurs Bank received a

particularly high rating for leadership and commitment. The survey showed that employees take pride in their workplace and are good ambassadors for the company. At the same time, it emerged that there is a need to improve performance management and feedback to employees and to develop coaching interviews.

With the launch of a new tool to measure and monitor performance, Resurs Bank now has an instrument for further development of different skills areas and employees. To increase information-sharing in the company, a new intranet was launched in 2013. These are just a few of the initiatives aimed at strengthening human resources and leadership.

Career paths that inspire

Career opportunities at Resurs Bank are many. Ambitious employees are able to develop quickly and take on exciting new assignments in a company where growth is the norm. There are numerous examples of employees who have advanced to the Bank's highest positions or to business areas in which they have been developed or have otherwise grown as employees. The Group has also encouraged transfers between, for example, Resurs Bank and its fellow-subsiary Solid Försäkringar, thereby increasing career opportunities further.

Occupational health and safety

Large workplaces present a considerable challenge for employers to provide a safe and secure work environment. Consequently, a number of initiatives have been launched, among them an enhanced systematic approach to the work environment. All managers have undergone newly developed work environment training, which will be followed up in 2014. All employees have been offered training in cardiopulmonary resuscitation. Resurs Bank also supports employees with wellness allowances, subsidised massages, naprapathy treatment and similar benefits. These measures are all designed to strengthen Resurs Bank's attractiveness as an employer.

Better to ask for forgiveness than permission

To succeed, we must have motivation and the courage to make decisions. When things go wrong, it is important to learn from our mistakes and not hide them.

We deliver quality

The recipient decides what the right quality is. Our job is to always deliver the right quality and we expect others to do the same.

We look after our resources

We take care of our workplace and our resources. We do not like waste, but are happy to invest in our future growth.

It all starts with us

How well we thrive and develop in our company depends on our commitment, generosity of spirit, understanding and respect for others.

An exciting history

Resurs Bank is the result of the dreams and visions of a group of entrepreneurs. A business establishment that began in 1977 in a loft in the fishing village of Domsten outside Helsingborg.

As in many other stories of successful business establishments, everything started on a small scale. The seed of Resurs Bank was sown by entrepreneur Thomas Paulson and his wife Birgitta who decided to start their own business importing and selling items such as cassette tapes and radios. With time, more partners became involved and the company Resurs Radio & TV gained recognition in purchasing, store establishments, financing and delivery of radio and TV products.

"Sweden-TV" a marketing success

The entrepreneurs behind the Resurs Radio & TV chain were quick to realise the importance of marketing. The launch of "Sweden-TV" become the company's largest product

success. The 20-inch TV set, with eye-catching slogans such as "Shock price colour TV", won the hearts of Swedes. In the 1980s, SEK 1,995 for a colour TV was a winning price and the sets sold like hot cakes.

Zero interest put Resurs Radio & TV on the map

New marketing ideas often come from markets outside Sweden – the model for the "night opening" concept originated in the United States. Other examples include "money-back guarantee", "lowest price guarantee", "cut-price hire" and "annual clearance sale". In 1985, Resurs Radio & TV also became the first company in Sweden to introduce the concept of "interest-free". The inspiration came from an American campaign in which customers were offered credit

1977

The consumer electronics chain Resurs Radio & TV is founded. "Sweden-TV" begins its incursion into Swedish homes.



1985

The "interest-free" concept is launched to offer customers of affiliated stores interest-free financing.

1993

Resurs Group grows with the establishment of the insurance company Solid Försäkringar.

2004

"Savings Account of the Year" award from Privata Affärer.

1983

Resurs Finans is established.

1989

Radio and television outlets are sold and Resurs focuses on financing and wholesale operations.

2001

Resurs Finans becomes Resurs Bank.

2002

Expansion in Norway and Finland.



at 2% interest. But Resurs Radio & TV was not content with that. The launch of the somewhat shocking "zero interest" concept was a success that really put the company on the map and is an example of how the founders of the company were not only inspired by an idea, but also developed it.

Milestones in the Resurs history

In 1989, operations were streamlined when Resurs Radio & TV sold its retail stores to the member companies SIBA and ONOFF. The company Resurs Finance chose to focus on financing and wholesale operations. In 1993, the insurance company Solid Försäkringar and the wholesaler Order Hem-elektronik were founded and in 1998, an expansion into the Nordic countries was begun.

2001 – Resurs Finans becomes a bank

2001 arrived and with it came the birth of Resurs Bank. It was then that Resurs Finans was awarded a banking licence, i.e., authorisation to conduct banking business, and de facto became a pure bank. With the banking licence, Resurs Finans launched its savings accounts, which quickly won the confidence of customers. Since 2001, the bank's products and services have broadened considerably beyond the base of consumer finance and savings accounts. Personal loans, debit and credit cards and factoring products have been introduced in the company's markets in the Nordic region. The number of employees has grown from about 70 in 2001 to just under 400 at the end of 2013.

2007

Launch of Supreme Card Woman.



2009

Lansering av Supreme Card Green och tjänsten SMS-Kvitto.



2011

Resurs Bank celebrates 10 years.

2012

Nordic Capital becomes new majority owner. Awarded "Savings Account of the Year" by Privata Affärer for the second time.



2013

Focus on e-commerce and Nordic expansion through the acquisition of Ellos Finans, Dan-Aktiv and Finaref.

2008

Resurs Bank acquires Kaupthing Finans.



2005

Launch of Supreme Card Gold.

Growing commitment to charity and sports sponsorship

Resurs Bank makes valuable contributions to cancer research, the environment and disaster areas through various sponsorships and partnerships. The Bank is also a major sponsor in sport, particularly in its geographic area.

In 2007, Resurs Bank and the Swedish Cancer Society's Pink Ribbon campaign began a collaboration based on Supreme Card Woman. Each time the card is used, one krona is donated to the fight against breast cancer, at no cost to the user. Since its inception, Resurs Bank has contributed over SEK 6 million to cancer research, making the partnership the Bank's largest in the area of charity and research.

Supreme Card Green works the same way, but with the environment in mind. Through its partner Yves Rocher Foundation, Resurs Bank ensures that trees are planted where they are needed most on Earth. In 2013, Resurs Bank funded the planting of more than 200,000 trees.

In cooperation with Radiohjälpen, Resurs Bank and Supreme Card customers raised SEK 400,000 for the disaster-stricken Philippines in late autumn 2013. This is just one of many examples of how Resurs Bank engages in charitable and social issues.

Sports sponsorship creates visibility and local growth

Resurs Bank is a long-established major sponsor of sport, particularly in its geographic area. The company's single largest sponsorship collaboration is with Helsingborgs IF football club – the Bank has been its main sponsor since 2010.

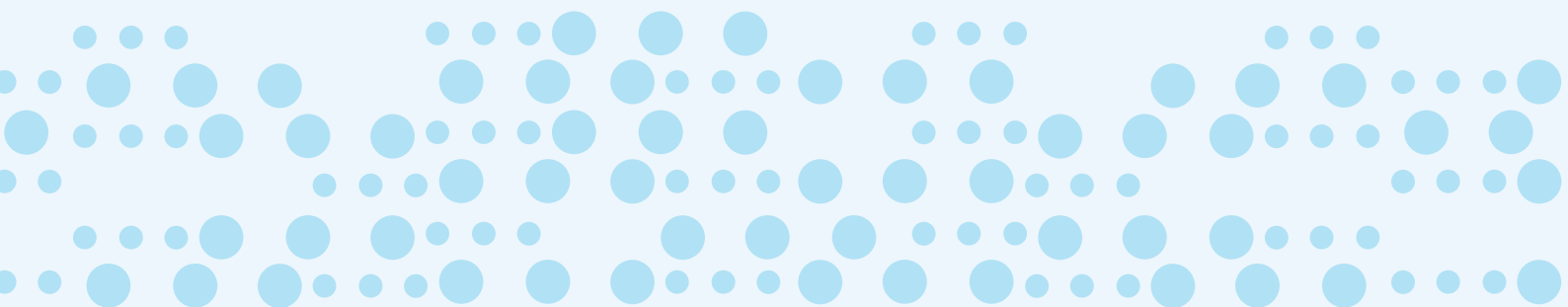
"Our sponsorship of HIF has provided us with successful brand positioning," says Marketing Director Magnus Axelsson. "HIF's success has given us valuable exposure on both television and in the print media. But just as important is the fact that Resurs Bank actively contributes to the development and vitality of sports associations through its partnerships and sponsorships."

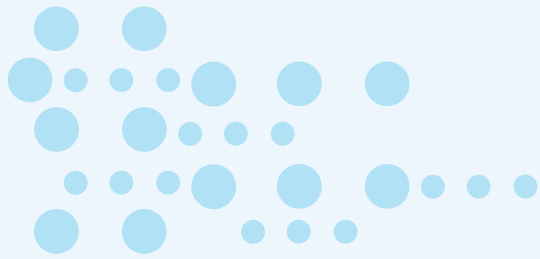
Resurs Bank is also the main sponsor of Eskilsminne IF club which arranges the Eskils Cup, Sweden's second-largest youth football tournament. Resurs Bank played a significant role in the club becoming first in the world outside Norway to implement the Handshake for Peace into its activities. The Handshake for Peace is a long-term project that aims to change attitudes and increase friendship in football. Other sporting partnerships include Rögle BK, FC Helsingborg, Helsingborgs Hockey, OV Helsingborg and sponsorship of the golfer Isabella Ramsay.



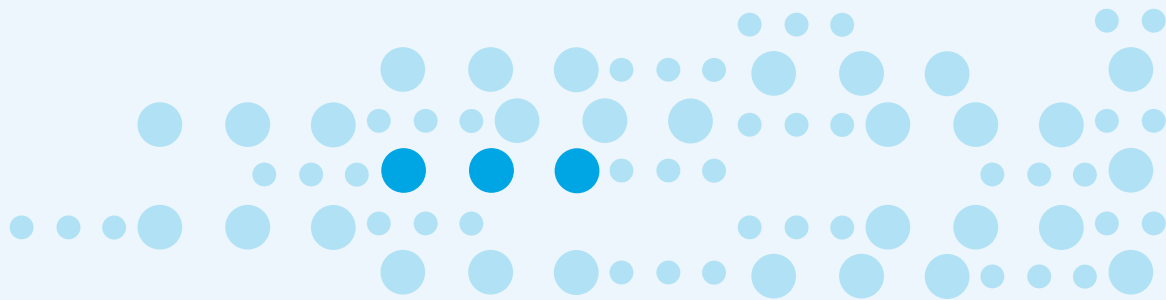
Foto: Bildbyrå







The financial year | 2013



Board of Directors' Report

Business Review

Resurs Bank AB (publ), domiciled in Helsingborg, is a wholly owned subsidiary of Resurs Holding AB (556898-2291), also domiciled in Helsingborg. Resurs Bank conducts banking operations licensed by the Swedish Financial Supervisory Authority, primarily credit lending to the general public in Sweden, Denmark, Norway and Finland and savings deposits from the general public in Sweden. The company was re-registered as a public company during the financial year.

Resurs Bank's operations are conducted in two main areas: the Private Market and the Corporate Market. The Private Market encompasses direct unsecured lending to consumers (Personal loans), credit cards (Supreme Card) and Deposits. The Corporate Market comprises Sales financing and Factoring. Sales financing administers and markets service for financing and sales support for retailers.

Significant events during the year

Sales Financing

The business area had a good rate of growth during the period, particularly for our markets outside Sweden. Several new partnerships in the Nordic retail sector were initiated during the year, and there was an increase in credit intermediation, both through retail stores and the growing e-commerce market. In October, the sales ledger of Ellos and its associated administration was taken over. The acquisition amounted to over SEK 1.6 billion and consists of purchased receivables from households. The operations are conducted from Borås, Oslo and Helsinki. Ellos is classified as a related party and the takeover is considered as a transaction under joint control.

Corporate Market

Factoring operations continued to show volume growth in 2013. The process of phasing out the leasing business, which was acquired from Resurs Finans in 2009, is continuing according to plan, and the carrying amount of the leasing sub-ledger was SEK 38 (123) million at 31 December 2013.

Private Market

The Private Market business area showed positive growth in 2013. The growth was largely attributable to the business area's focus on existing customers, which meant less dependence on external agents.

Revenue growth for the different credit cards in the Supreme Card family was higher than planned. Plans for a Nordic expansion of the credit concept outside

Sweden were slightly delayed and will now proceed during 2014.

Deposits

The bank's deposits from the public increased by 88% from SEK 6.4 billion to SEK 12.1 billion during the financial year. By focusing on deposits from the public, the bank has reduced its reliance on other credit institutions for ongoing funding. This means that the Bank manages its liquidity requirements through investments in interest-bearing securities and deposits in other banks, thereby reducing the dependence on unutilised credit facilities with other banks.

Earnings and financial position

Resurs Bank reported an operating profit of SEK 355 (292) million for the financial year. The figure includes a gain of SEK 135 million (net of transaction costs) on the disposal of the non performing loan portfolio that was taken over from fellow subsidiary Reda Inkasso AB. See also note 9 Other operating income. The change in funding strategy, with an increased proportion of deposits from the public and reduced financing through other credit institutions, has meant higher costs for the bank compared with previous funding arrangements. The increase in the item Credit losses for the year was expected and is due to the fact that the bank no longer insures credit risk in its lending to consumers. See also note 14 Other operating expenses and note 15 Credit losses. The Bank's volume growth was good, with all business areas showing growth during the year.

The Bank's capital ratio at the end of 2013 was SEK 1,484 (1,229) million. The capital base consists entirely of tier 1 capital. See also note 4 Capital adequacy analysis.

Outlook

Based on the current economic situation and acquisitions completed in April 2014, operating profit for 2014 is expected to be higher than in 2013.

Many uncertain external factors, such as the financial turmoil in Europe, can affect operations and may have an impact on general consumption in the markets where the Bank operates, and also on consumers' willingness to finance the purchasing with credit.

Resurs Bank is planning for continued expansion in the markets where it is currently active. There is a special focus on financing services for retailers, but continuing volume growth is also expected for personal loans and Supreme Card credit and debit cards. Card services in markets outside Sweden will be strengthened.

Events after the end of the financial year

On 1 April 2014, Resurs Bank acquired 100% of the shares in the groups Finaref AB and Nordic Consumer Finance A/S, and subsidiaries. Both groups are engaged in unsecured lending to consumers in the Nordic countries and their overall lending volumes amount to the equivalent of SEK 3.2 billion. See also note 37 Significant events after the end of the financial year.

The acquisitions will strengthen Resurs Bank's position as a Nordic player with a focus on providing solutions for sales financing for retailers and unsecured lending to consumers.

Branches

Operations in Norway and Finland are conducted through branches. Operations in Denmark conducted on a cross-border basis.

Risk management**Risk control, compliance and internal audit**

The Bank works to ensure that good internal control permeates all its activities. An established control organisation is in place to monitor risk and compliance in accordance with the Swedish Financial Supervisory Authority's regulations and general guidelines on the management and control of financial companies. This control organisation includes three independent functions – risk control, compliance and internal audit.

Risk control and compliance have been coordinated internally into a single department. The head of this function reports directly to the MD. Other personnel with responsibility for risk control and compliance report directly to the Board. Internal audit reviews and evaluates the internal controls that encompass the risk control and compliance functions. The internal audit function works on behalf of the Board and is conducted by an external party.

Liquidity risk and liquidity reserve

Resurs Bank maintains a separate liquidity reserve to safeguard the Bank's short-term ability to pay in the event of unavailability or reduced availability of normal sources of funding. At the reporting date, the Bank had set aside SEK 1,119 (706) million in a liquidity reserve.

Capital assessment

The Bank conducts an annual risk assessment to ensure that its ability to discharge its obligations is not compro-

mised. Various methods are used to measure risks in the business. The Bank must maintain capital of an adequate amount, type and distribution to cover the level of risks to which the bank is exposed. This annual assessment is called an Internal Capital Adequacy Assessment Process (ICAAP).

In Note 4 Capital adequacy analysis, the Bank has calculated the capital requirement for credit risk using the standardised approach and the capital requirement for operational risk using the basic indicator approach.

Money laundering and fraud watch

Resurs Bank conducts regular training of employees and partners to meet the requirements of money laundering regulations.

New regulations

Resurs Bank is affected by new regulations in a number of areas, such as the transition from Basel II to Basel III and the introduction of CRD IV, as well as new guidelines for internal control. A number of projects are in progress within Resurs Bank to ensure readiness for the new regulatory frameworks.

Financial risk management is described in note 3.

Personnel and environment**Personnel**

In order to achieve the company's goals, Resurs Bank must lead, inspire and develop employees. Achieving this requires a number of key leadership competencies that have been identified. Methodological work on staff development and leadership issues has been implemented in order to meet clients' present and future needs and respond to external changes.

A new Group-wide introduction programme has been launched. The programme runs over a few days and gives an important grounding in the company's vision, values and growth journey. An employee survey was conducted during the year in cooperation with the company Netsurvey. All staff answered questions about leadership, work environment, commitment and involvement.

The response rate was high and the bank received a particularly high rating in commitment and leadership. The survey also showed that the employees are very proud of their workplace and that they are good ambassadors for the business.

A new intranet was introduced in 2013 as part of the process of improving and increasing the flow of informa-

tion in the company. In addition, a tool for measuring and monitoring performance was introduced, which will allow employees' areas of expertise to be developed. All managers received work environment training and all members of staff were offered training in cardiopulmonary resuscitation. A brand new system for monitoring and following up work environment initiatives was also launched.

To cover Resurs Bank's Nordic expansion, the average number of employees was increased by 90. The number of employees at the end of the year was 393, 46 percent of whom are female. Information about the principles and processes relating to remuneration and benefits to key management personnel is provided in note 12 Personnel.

Environment

Resurs Bank is actively engaged in environmental efforts that are aimed at measurably reducing the company's environmental impacts. This active approach enables Resurs Bank to contribute to sustainable development of society. The Bank's environmental policy acts as a fra-

mework throughout the organisation and gives direction on how environmental issues should be dealt with. The Bank's employees must be involved in the environmental work. In addition, they must possess the environmental training required for the tasks they perform and be regularly informed about the company's environmental programmes and environmental management systems. Environmentally knowledgeable and committed employees are a necessary component of active environmental work.

Hazardous waste is sorted and disposed of in an environmentally sound way. Recyclable material is separated at source at all of the workplaces. It is the Bank's aim to reduce consumption of electricity, paper and residual waste by changing the behaviour of its employees. Environmental aspects are taken into consideration when making purchases so that eco-friendly alternatives can be chosen. The Bank must meet society's environmental requirements and we must improve our environmental performance continuously.

Resurs Bank is certified under ISO 14001:2004.

Proposed allocation of profits

Amounts in SEK

The following amounts are at the disposal of the annual general meeting

Fair value reserve	-610,114
Retained earnings	474,812,408
Profit for the year	188,254,100
	<hr/>
	662,456,394

To be allocated as follows:

Fair value reserve	-610,114
Carried forward	663,066,508
	<hr/>
	662,456,394

More detailed disclosures about the Bank's financial results and position can be found in the income statements, balance sheets, additional information and notes which follow.

Five-year summary

INCOME STATEMENT	2013	2012	2011	2010	2009
Interest income	906,362	748,765	642,948	581,453	546,663
Lease income	95,347	194,475	313,132	432,977	286,038
Interest expenses	-303,258	-191,432	-155,291	-142,771	-161,126
Dividends received	-	-	-	-	170,000
Other income/other expenses	490,167	312,215	290,523	258,927	255,418
Total operating income	1,188,618	1,064,023	1,091,312	1,130,586	1,096,993
General administrative expenses					
- Staff costs	-172,323	-121,934	-104,866	-110,665	-102,363
- Other general administrative expenses	-308,420	-260,712	-223,090	-219,150	-186,398
Other operating expenses	-101,648	-151,709	-161,821	-152,981	-157,657
Depreciation, amortisation and impairment of assets	-71,576	-164,416	-272,811	-382,010	-235,970
Total expenses before credit losses	-653,967	-698,771	-762,588	-864,806	-682,388
Earnings before credit losses	534,651	365,252	328,724	265,780	414,605
Credit losses, net	-179,514	-73,113	-22,014	-44,468	-13,831
Operating profit	355,137	292,139	306,710	221,312	400,774
Appropriations	-101,393	-74,200	21,980	17,064	-150,308
Taxes	-65,490	-58,851	-87,831	-63,187	-11,848
Net profit for the year	188,254	159,088	240,859	175,189	238,618

Five-year summary

STATEMENT OF FINANCIAL POSITION	2013	2012	2011	2010	2009
Assets					
Treasury and other bills eligible for refinancing	672,162	36,257	-	-	-
Loans to credit institutions	2,053,936	706,211	417,754	411,373	209,661
Loans to the public	9,042,009	6,791,741	6,097,376	5,190,596	6,023,021
Bonds and other interest-bearing securities	2,162,854	317,317	100,200	100,198	-
Investments in associates	1	1	1	1	1
Derivatives	10,493	4,966	-	-	-
Property, plant & equipment	107,283	179,892	358,592	713,172	1,083,453
Other assets	87,622	101,736	108,275	112,572	176,781
Current tax asset	3,936	13,108	-	-	15,098
Deferred tax asset	12,809	11,145	316	198	-
Total assets	14,153,105	8,162,374	7,082,514	6,528,110	7,508,015
Liabilities, provisions and equity					
Liabilities to credit institutions	783	12,408	1,513,962	621,528	2,109,268
Deposits and borrowing from the public	12,057,416	6,429,360	4,046,278	4,418,121	3,914,344
Derivatives	2,542	-	-	-	-
Other liabilities	498,795	410,237	302,538	360,647	501,137
Current tax liability	5,714	11,551	34,405	36,423	-
Untaxed reserves	412,899	311,506	237,306	259,286	276,350
Equity	1,174,956	987,312	948,025	832,105	706,916
Total liabilities, provisions and equity	14,153,105	8,162,374	7,082,514	6,528,110	7,508,015

Financial ratios and definitions

	2013	2012	2011	2010	2009
Business volume (SEK million)	21,196	13,397	10,497	10,317	11,017
Net interest margin (%)	6	8	12	12	9
Capital adequacy ratio	1.91	2.11	1.85	1.89	1.78
Capital base (SEK million)	1,484	1,229	1,003	913	971
Changes in loans to the public (%)	33	11	17	-14	33
Reserve ratio (%) *	45	38	88	89	93
Credit loss ratio (%) *	2.3	1.0	0.3	0.8	0.3
Average number of employees	304	214	192	216	208

* At the end of 2012, the Bank decided to discontinue insurance of credit risk in its lending to consumers. This affects the calculation of both the reserve ratio and the credit loss ratio, as these items are dealt with differently according to whether or not there is credit insurance in place.

Definitions

Business volume

Customer-related deposits and borrowing, plus leasing.

Net interest margin

Net interest income in relation to average total assets.

Capital adequacy ratio

The capital base in relation to the Bank's minimum capital requirement according to the Swedish Financial Supervision Authority's directives. See note 4.

Capital base

The capital base is calculated according to the Swedish Financial Supervision Authority's directives. See note 4.

Reserve ratio

The reserve for anticipated credit losses as a percentage of net impaired loans. See note 20.

Credit loss ratio

Credit losses as a percentage of the average balance of loans to the public and property, plant & equipment (leased).

Income statement

	Note	2013	2012
Interest income	5	906,362	748,765
Lease income	5	95,347	194,475
Interest expenses	5	-303,258	-191,432
Fee and commission income	7	221,068	199,737
Fee and commission expenses	7	-6	0
Net finance income	8	4,302	697
Other operating income	9	264,803	111,781
Total operating income		1,188,618	1,064,023
General administrative expenses	10, 12	-480,743	-382,646
Depreciation, amortisation and impairment of assets	13	-71,576	-164,416
Other operating expenses	14	-101,648	-151,709
Total expenses before credit losses		-653,967	-698,771
Earnings before credit losses		534,651	365,252
Credit losses, net	15	-179,514	-73,113
Operating profit		355,137	292,139
Appropriations	16	-101,393	-74,200
Tax on profit for the year	17	-65,490	-58,851
Net profit for the year		188,254	159,088
STATEMENT OF COMPREHENSIVE INCOME	32		
Net profit for the year		188,254	159,088
Other comprehensive income that will be reclassified to profit or loss			
Translation differences for the year, foreign branches		-610	199
Comprehensive income for the year		187,644	159,287

Statement of financial position

	Note	31/12/2013	31/12/2012
Assets			
Treasury and other bills eligible for refinancing	18	672,162	36,257
Loans to credit institutions	19	2,053,936	706,211
Loans to the public	20	9,042,009	6,791,741
Bonds and other interest-bearing securities	21	2,162,854	317,317
Investments in associates	22	1	1
Derivatives		10,493	4,966
Property, plant & equipment	23	107,283	179,892
Other assets	24	25,123	65,700
Current tax asset		3,936	13,108
Deferred tax assets	17	12,809	11,145
Prepayments and accrued income	25	62,499	36,036
Total assets		14,153,105	8,162,374
Liabilities, provisions and equity			
Liabilities and provisions			
Liabilities to credit institutions	26,33	783	12,408
Deposits and borrowing from the public	27	12,057,416	6,429,360
Derivatives		2,542	0
Other liabilities	28	387,753	312,204
Current tax liability		5,714	11,551
Accruals and deferred income	29	110,362	97,615
Other provisions	30	680	418
Total liabilities and provisions		12,565,250	6,863,556
Untaxed reserves	31	412,899	311,506

Statement of financial position

	Note	31/12/2013	31/12/2012
Equity	32		
Restricted equity			
Share capital		500,000	500,000
Statutory reserve		12,500	12,500
Unrestricted equity			
Fair value reserve		-610	0
Retained earnings		474,812	315,724
Net profit for the year		188,254	159,088
Total equity		1,174,956	987,312
Total liabilities, provisions and equity		14,153 105	8,162,374
Memorandum items			
Collateral pledged for own liabilities	33	4,089,728	3,469,076
Contingent liabilities			
Restricted bank deposits		349	173
Guarantees		120	120
Commitments			
Unutilised credit facilities granted		20,267,632	20,075,030

Statement of changes in equity

	Share- capital	Statutory reserve	Fair value reserve	Retained earnings	Profit for the year	Total equity
Equity, 1 January 2012	500,000	12,500	-199	194,865	240,859	948,025
Appropriation of profits	-	-	-	240,859	-240,859	-
Owner transactions						
Dividend according to AGM 26/04/2012	-	-	-	-120,000	-	-120,000
Net profit for the year	-	-	-	-	159,088	159,088
Other comprehensive income for the year	-	-	199	-	-	199
Equity, 31 December 2012	500,000	12,500	0	315,724	159,088	987,312
Equity, 1 January 2013	500,000	12,500	-	315,724	159,088	987,312
Appropriation of profits	-	-	-	159,088	-159,088	-
Net profit for the year	-	-	-	-	188,254	188,254
Other comprehensive income for the year	-	-	-610	-	-	-610
Equity, 31 December 2013	500,000	12,500	-610	474,812	188,254	1,174,956

Statement of cash flows (indirect method)

	Note	2013	2012
Operating activities			
Operating profit		355,137	292,139
- of which interest received		887,562	747,881
- of which interest paid		-303,378	-191,312
Adjustment for non-cash items in operating profit		302,634	227,557
Income taxes paid		-64,947	-105,823
Cash flow from operating activities before changes in working capital		592,824	413,873
Cash flow from changes in working capital			
Loans to the public		-832,406	-764,972
Other assets		23,402	5,991
Liabilities to credit institutions		-11,758	-1,498,772
Deposits and borrowing from the public		5,628,055	2,383,081
Other liabilities		93,816	106,961
Cash flow from operating activities		5,493,933	646,162
Investing activities			
Acquisition of treasury bills eligible for refinancing and bonds		-5,599,878	-252,458
Disposal of treasury bills eligible for refinancing and bonds		3,122,408	0
Purchased receivables		-1,664,772	0
Acquisition of property, plant & equipment	23	-45,589	-34,673
Disposal of property, plant & equipment		44,152	49,359
Cash flow from investing activities		-4,143,679	-237,772
Financing activities			
Dividend paid		0	-120,000
Cash flow from financing activities		0	-120,000
Cash flow for the year		1,350,255	288,390
Cash & cash equivalents* at beginning of year		706,211	417,754
Exchange differences		-2,530	67
Cash & cash equivalents* at end of year		2,053,936	706,211

Statement of cash flows (indirect method)

Adjustment for non-cash items in operating profit	Note	2013	2012
Credit losses	15	179,514	73,113
Depreciation, amortisation and impairment of assets	13	71,576	164,416
Capital loss on disposal of property, plant & equipment		15	136
Adjustment to interest paid		-18,920	-764
Currency effects		74,159	-8,611
Unrealised portion of net income/expense from financial transactions	8	-3,972	-916
Provisions		262	183
		302,634	227,557

*Cash and cash equivalents are loans to credit institutions

Notes

Note 1 General information

The Bank is a public company domiciled in Helsingborg in Sweden. The Bank's name is Resurs Bank AB, reg no. 516401-0208, address Ekslingan 9, Väla Norra, Helsingborg. The company is a wholly owned subsidiary of Resurs Holding AB, reg no. 556898-2291.

Resurs Bank AB is part of a group for which Resurs Holding AB, reg no. 556898-2291, prepares consolidated financial statements. Resurs Holding AB is indirectly owned by Nordic Capital Fund VII and Waldir AB through their respective holdings in Cidron FI S.à r.l. and Waldakt AB. See also note 34 Related parties.

Notes not directly related to the statements of income, comprehensive income, financial position, changes in equity or cash flows:

Note 1 General information
 Note 2 Accounting policies
 Note 3 Risk management
 Note 4 Capital adequacy analysis
 Note 6 Geographical distribution of revenue
 Note 11 Leases
 Note 34 Related parties
 Note 35 Classification of financial assets and liabilities
 Note 36 Significant accounting estimates
 Note 37 Significant events after the end of the financial year

Note 2 Accounting policies

Statement of compliance

The Bank's annual financial statements have been prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies, the Swedish Financial Supervisory Authority's regulations and general guidelines on Annual Reports in Credit Institutions and Securities Companies (FFFS 2008:25) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

The annual financial statements have been prepared in accordance with IFRS, with statutory exemption. This means applying International Financial Reporting Standards and IFRIC interpretations, as adopted by the EU, to the extent possible within the framework of national laws and regulations, and taking into account the relationship between tax expense (income) and accounting profit.

The accounting policies described below have been applied consistently to all periods presented in the Bank's financial statements, unless otherwise stated.

Basis of preparation

The financial statements have been prepared under the historical cost convention. Financial assets and liabilities are measured at amortised cost, apart from certain financial assets and liabilities, which are measured at fair value. The latter are financial assets and liabilities classified as 'at fair value through profit or loss'.

Judgements and accounting estimates in the financial statements

Preparation of financial statements in compliance with IFRS requires the Bank's management to make judgements, accounting estimates and assumptions which affect the application of the accounting policies and the carrying amounts of assets, liabilities, income and expense. Estimates and assumptions are based on historical experience and a number of other factors that are considered reasonable in the present circumstances. The results of these estimates and assumptions are used to determine the carrying amounts of assets and liabilities which are not readily apparent from other sources. The actual outcome may differ from those estimates and assumptions.

The accounting estimates and assumptions are reviewed regularly. Changes in accounting estimates are recognised in the period of the change if the change only affects that period. Changes are recognised in the period of the change and future periods if the change affects both.

Assessments made by the Bank's management and key sources of estimation uncertainty when applying IFRS (with statutory exemption) that have a significant impact on the financial statements are described in more detail in note 36 Significant accounting estimates.

New standards

New International Financial Standards that are effective for the financial year that began on 1 January 2013 and which affect the Bank are listed below.

IFRS 13 Fair Value Measurement sets out in a standard framework the rules and disclosure requirements for fair value measurement. The introduction of IFRS 13 requires additional disclosures about the fair values of financial instruments. These disclosures can be found in note 35 Classification of financial assets and liabilities.

An amendment to IAS 1 Presentation of Financial Statements introduces new requirements for the presentation of items of OCI. These items must now be grouped into two categories: items that will be reclassified to profit or loss and items that will not be reclassified to profit or loss. To comply with the amendment, the Bank has inserted a heading into the statement of comprehensive income to make it clear that the Bank only has items that will be reclassified to profit or loss.

Upcoming new and amended standards

When the annual report was prepared for the year ended 31 December 2013, some new and amended IFRSs had been issued but had not yet come into force. These are no plans for early adoption of these standards. Amendments that are expected to have an effect on the preparation of future financial reports are listed below. Apart from the IFRSs described below, no other new standards approved by the IASB as at 31 December 2013 are expected to have an effect on the Bank's financial statements.

IFRS 9 Financial Instruments deals with the recognition and measurement of financial assets and liabilities and is intended to replace IAS 39 Financial Instruments: Recognition and Measurement. The IASB has published phases of the IFRS 9 project as follows: classification and measurement of financial assets and financial liabilities, and hedge accounting. The remaining phase concerns impairment of financial assets. During the year, the IASB decided not to set a final date for initial application until all the phases are completed. The EU has not yet adopted the standard. Pending completion of all parts of the standard, the Bank has not yet evaluated the impact of the new standard.

IFRIC 21 Levies provides guidance on when to recognise a liability for charges/taxes imposed on entities by governments or similar bodies in accordance with laws/regulations,

with the exception of income taxes, penalties and fines.

The interpretation requires a liability to be recognised when the entity has an obligation to pay the charge as a result of a past event. The interpretation is effective for annual periods beginning on or after 1 January 2014. IFRIC 21 has not yet been adopted by the EU. An investigation into how the Bank is affected by the interpretation is in progress. As the company conducts banking operations, the preliminary assessment is that the reporting of certain types of charges could be affected.

Presentation and adoption of the annual report

The annual accounts were approved for issue by the Board on 10 April 2014. The income statement and statement of financial position will be presented for adoption at the Annual General Meeting on 17 April 2014.

Foreign currency

Foreign branches

The Bank has two foreign branches. The functional currency of these foreign entities is the Norwegian krone and the euro.

The income statements and balance sheets of the branches which have a different functional currency from that of the Bank are translated as follows:

- Assets and liabilities are translated at the closing rate
- Income and expense is translated at the average exchange rate
- All exchange gains and losses are recognised in other comprehensive income

Foreign branches with the same functional currency as the Bank are translated according to the principle described above relating to the translation of all transactions in net profit for the year. Translation differences arising on consolidation of branch operations are recognised in a component of equity, the fair value reserve, and are included in the company's other comprehensive income. On disposal of a foreign branch, the translation differences that were accumulated the fair value reserve via other comprehensive income are recycled to profit or loss.

Foreign currency transactions

In October 2013, Ellos Group AB's sales ledger and associated administration was taken over. The takeover was completed in a transaction between parties under joint control.

Consequently, IFRS 3 is not applicable and the Group has chosen to recognise the acquired net assets at their carrying amount, which corresponds to the purchase consideration paid, without any remeasurement to fair value.

Transactions between parties under joint control

In October 2013, Ellos Group AB's sales ledger and associated administration was taken over. The takeover was completed in a transaction between parties under joint control. Consequently, IFRS 3 is not applicable and the Group has chosen to recognise the acquired net assets at their carrying amount, which corresponds to the purchase consideration paid, without any remeasurement to fair value.

Investments in associates

Investments in associates are accounted for using the cost method, which means that transaction costs are included in the carrying amount of the investment. Dividends received are reported as income.

Interest income and expense

Interest income and interest expense attributable to financial assets and liabilities are recognised using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future receipts or payments through the expected life of the financial instrument to the net carrying amount of the financial asset or liability. Interest income and interest expense include any transaction costs and other differences from the original value of the asset or liability.

Interest income and interest expense presented in the income statement consist of:

- Interest on financial assets and liabilities measured at amortised cost using the effective interest method, including interest on impaired loans
- Interest on financial assets and liabilities at fair value through profit or loss.

Classification of leases and recognition of lease income

Classification of leases as operating or finance leases is made on the basis of an assessment of the economic substance of the lease contract. If the economic substance of the contract concerns the financing of a purchase or an asset, the lease is classified as a finance lease. If the economic substance of the contract is comparable to a rental agreement, the lease is classified as an operating lease.

The key factor in assessing the economic substance of the contract is whether it transfers from the lessor to the lessee substantially all risks and rewards incidental to ownership of the asset. The bank only has finance leases, and these are accounted for as operating leases in accordance with the exemption allowed under RFR 2. Lease income is recognised on a straight-line basis over the term of the lease. The income is recognised to the extent that it is probable that economic benefits will flow to the company and the income can be measured reliably.

Commission and fees

Fee and commission income/expense that is an integral part of the effective interest rate is not reported under Fee and commission income/expense, but under interest income/expense. Other fee and commission income/expense is reported under Fee and commission income/expense in the income statement and recognised in the period in which the services are charged/provided.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Net income/expense from financial transactions

Net income/expense from financial transactions includes realised and unrealised changes in value arising from financial transactions. Net finance income/expense consists of:

- capital gains and losses on financial assets at fair value through profit or loss
- unrealised changes in the value of financial assets at fair value through profit or loss
- realised and unrealised changes in the value of derivative instruments that are economic hedging instruments but do not qualify for hedge accounting
- Exchange rate changes.

General administrative expenses

General administrative expenses include staff costs, postage, communication and notification costs, IT costs, premises costs and certain other costs related to the business.

The item Other under General administrative expenses includes lease payments for the Bank's vehicles. All lease contracts are treated as operating leases and lease payments are recognised as an expense in the income statement on

a straight-line basis over the agreed term of the lease. The Bank does not have any other lease obligations.

Employee benefits

Short-term employee benefits

Short-term benefits, such as salaries, social security contributions and variable compensation, are recognised in the period in which the employee has rendered service to the Bank. A provision for variable compensation is recognised when the Bank has a legal or constructive obligation to make such payments as a result of the services in question having been rendered by the employees and the amount can be measured reliably.

Pensions

The Bank has only defined contribution pension plans, which are reported in the period during which the employee rendered service to the Bank. Defined-contribution plans are plans under which the Bank pays fixed contributions into a separate entity (a fund). Under defined-contribution pension plans, the Bank's legal or constructive obligation is limited to the amount that it agrees to contribute to the fund. It has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

Termination benefits

Termination benefits are only recognised if the Bank is demonstrably committed, without realistic possibility of withdrawal, to terminate employment before the normal retirement date and has a detailed formal plan for the termination.

Financial assets and liabilities

Assets are defined as resources controlled by the Bank as a result of past events and which are likely to generate future economic benefits. These resources are recognised when it is probable that future economic benefits associated with the asset will flow to the Bank and when the value/cost of the resource can be measured reliably.

Liabilities are present obligations arising from past events, the settlement of which is expected to result in an outflow of resources from the Bank. A liability is recognised when it is probable that an outflow of resources from the Bank will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

Financial instruments

Financial instruments recognised under assets in the statement of financial position sheet include treasury bills eligible for refinancing, loan receivables, bonds and other interest-bearing securities, other assets and derivatives. The heading Liabilities, provisions and equity includes loans, derivatives and trade payables.

Financial instruments – Recognition and derecognition

EA financial asset or liability is recognised in the balance sheet when the Bank becomes a party to the contractual provisions of the instrument.

A financial asset is derecognised when the rights to receive benefits have been realised, expired or the Bank loses control over them. A financial liability is derecognised when the contractual obligation is discharged or extinguished in some other way. A financial asset and a financial liability may be offset and the net amount presented in the statement of financial position when, and only when, there is a legally enforceable right to set off the recognised amounts; and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Purchases and sales of financial assets are recognised on the trade date (the date on which the Bank commits itself to purchase or sell the asset).

Loan commitments are not recognised in the statement of financial position, except where the commitment is irrevocable and is to a borrower for which an impairment loss has been identified before the loan is paid or when the lending rate does not cover the Bank's cost of funding the loan. In this case, a provision is recognised for the loan commitment.

Loan receivables are recognised when the loan amount is paid to the borrower.

Financial Instruments - Classification and measurement

Financial instruments are initially recognised at their fair value plus transaction costs. Transaction costs are costs directly attributable to the acquisition or issue of the financial asset or financial liability. Derivatives and instruments classified as financial assets and financial liabilities at fair value through profit or loss are recognised at fair value, net of transaction costs. A financial instrument is classified on initial recognition according to the purpose for which it was acquired, but also according to the options contained in IAS 39.

The categories determine how a financial instrument is measured subsequent to initial recognition, as described below.

Financial instruments – Financial assets at fair value through profit or loss

This category consists of two sub-categories: financial assets held for trading and other financial assets the company designated as financial assets at fair value (using the fair value option) on initial recognition. Financial assets in this category are measured at fair value, and changes in fair value are recognised in profit or loss. The first sub-category includes derivatives. For financial instruments held for trading, both realised and unrealised changes are recognised under Net income/expense from financial transactions in the income statement. The second sub-category includes the Bank's bonds, and treasury and other bills eligible for refinancing. For the 2013 financial year, the Bank has bonds, treasury and other bills eligible for refinancing and derivatives at fair value through profit or loss.

Financial instruments - Loans and receivables and purchased receivables

Loans and receivables and purchased receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. In the statement of financial position, these are represented by the items Loans to credit institutions, Loans to the public, Other assets and Prepayments and accrued income. These assets are measured at amortised cost. Amortised cost is calculated based on the effective interest method used at initial recognition. Trade and loan receivables are recognised at the amounts expected to be received, i.e., less an allowance for impaired loans.

Purchased receivables consist of a portfolio of non-performing consumer receivables purchased at a price significantly lower than the nominal value. They are accounted for using the effective interest model, with the carrying amount of the portfolio corresponding to the present value of future cash flows discounted using the effective interest that applied on initial acquisition of the portfolio, based on the relationship between cost and the projected cash flows at the time of acquisition. The projected cash flows are regularly reviewed during the year and updated to reflect collection results, agreements on repayment plans signed with debtors and macroeconomic information. The portfolio is never carried at a higher value than cost.

Financial instruments – Financial liabilities at fair value through profit or loss

This category consists of two sub-categories: financial liabilities held for trading (see above) and financial liabilities the company designated as financial liabilities at fair value (using the fair value option) on initial recognition. Financial instruments in this category are measured at fair value, and changes in fair value are recognised in the income statement. The first sub-category includes derivatives with a negative fair value. The Bank does not have any liabilities in the second sub-category.

Financial instruments – other financial liabilities

In the statement of financial position, these are represented by the items Liabilities to credit institutions, Deposits and borrowing from the public, Other liabilities and Accruals and deferred income. The liabilities are measured at amortised cost, and interest expense is accrued continuously using the effective interest method.

Methods of determining fair value

Financial instruments quoted in an active market

The fair value of financial instruments quoted in an active market is determined on the basis of the asset's quoted bid price at the balance sheet date, net of transaction costs (e.g., commissions), at the time of acquisition. A financial instrument is considered to be quoted in an active market if quoted prices are readily available from a stock exchange, dealer, broker, trade association, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on commercial terms. Any future transaction costs on disposal are not taken into consideration. The fair value of financial liabilities is based on the quoted asking price. Instruments that are quoted in active markets are reported under bonds and other interest-bearing securities.

Financial instruments not quoted in an active market

If the market for a financial instrument is not active, the fair value is determined by applying various measurement techniques. The measurement techniques used are based on market data as much as possible. The fair value of derivative instruments is calculated based on subscription rates and current rates at the reporting date.

The fair value of non-derivative financial instruments is based on future cash flows and current market rates at the reporting date. The discount rate used reflects mar

ket-based interest rates for similar instruments at the reporting date. Information about fair value recognised in the statement of financial position based on a measurement technique is provided in note 35 Classification of financial assets and liabilities. The Bank's fair value measurement of derivatives is solely based on inputs that are directly or indirectly observable in the market. Instruments that are not quoted in an active market are reported under loans to credit institutions, deposits from and loans to the public, derivatives and other assets and liabilities.

Financial instruments measured at fair value for disclosure purposes

The fair value of loans at variable rates is measured at amortised cost, and the carrying amount is considered a reflection of the fair value. Consideration has been given to impairment losses based on statistical experience, with an assessment of the amounts that can be expected to be received. The fair value of loans at fixed interest rates is determined using current market rates, with the initial credit spread kept constant unless there is clear evidence that a change in the Bank's credit rating has led to a measurable change in the Bank's credit spread.

For deposits and borrowing at variable interest rates, the carrying amount reflects the fair value. The fair value of deposits and borrowing at fixed interest rates is determined using current market rates, with the initial credit spread kept constant unless there is clear evidence that a change in the Bank's credit rating has led to a measurable change in the Bank's credit spread.

For other financial assets and liabilities with a remaining life of less than six months, the carrying amount is considered a reflection of the fair value.

Credit losses and impairment of financial assets

Credit losses comprise established credit losses during the year less amounts received for previous years' credit losses and changes in anticipated credit losses. Loans are reported net of established credit losses and the provision for anticipated credit losses.

When calculating the provision for anticipated credit losses on unsecured loans and promissory note receivables, a collective assessment is made based on statistical experience, with an assessment of the amounts that can be expected to be received. In this collective valuation, both the historical outcome of credit losses and the expected loss level have

been determining factors in calculating the provision for anticipated credit losses.

Large commitments have been assessed both individually and on a group basis. No impairment has been identified for this group. As there are no individually significant receivables for the other groups mentioned above, no impairment has been identified at individual level for these groups.

The carrying amount after impairment is calculated as the present value of future cash flows (including cash flows from possible use of collateral, even when this is not likely), discounted using the effective interest that applied on initial recognition of the asset. Assets of a short duration are not discounted.

In calculating the provision for credit losses related to leasing and factoring, an individual assessment is made as to whether a credit loss is to be recognised. These groups are only tested at individual level, as the assessment is that they do not qualify as a homogeneous group.

Established credit losses include losses for which the amounts are determined through bankruptcy, arrangements, a bailiff statement or exemption from payment granted in some other way.

Non-performing receivables are receivables for which interest, lease payments and principal payments are more than 60 days overdue.

A doubtful receivable is a receivable which is past-due as above or where other circumstances lead to uncertainty about its value, and the value of the collateral does not cover both the principal and accrued interest by a satisfactory margin.

As the Bank applies collective valuation of receivables with regard to credit risk, it does not have the option of including changes in the interest portion in the provision amount when recognising a provision for credit losses on receivables that are past-due by more than 100 days (transferred to collection) and when reversing previous provisions.

Reversals of impairment losses are recognised when there is supporting information that the impairment no longer exists. Reversals of impairment losses on financial loans are reported as a reduction in credit losses and these are specified in note 15. Other financial assets are also frequently assessed as to whether there is objective evidence for

recognising a provision and whether there is an indication of impairment.

Loan commitments and unutilised credit

Loan commitments refer partly to a unilateral undertaking by the Bank to provide a loan with predetermined conditions where the borrower can choose to raise the loan or not and partly to an agreement under which both the Bank and the borrower are tied to a loan that begins at a future date. The normal procedure of the Bank is that the future payment is conditional on the borrower's repayment ability forecast at the inception of the agreement not deteriorating substantially. If such a significant deterioration occurs, the loan commitment may be revoked. Resurs Bank does not have any outstanding loan commitments.

Unutilised credit refers to externally granted credit. All unutilised credit facilities granted are terminable with immediate effect to the extent allowed under the Swedish Consumer Credit Act.

Loan commitments and unutilised credit are not reported in the statement of financial position, but are included as commitments under memorandum items.

Property, plant & equipment, leased

Leased assets are recognised as items of property, plant & equipment at cost less depreciation, calculated using the annuity method, and any impairment resulting from the lessee's insolvency. All leases are finance leases, but they are accounted for as operating leases in accordance with the rules of RFR 2.

Leases are normally depreciated to residual value, normally equal to 1% - 45% of the investment cost, and have a maturity of 36 months. Depreciation is calculated according to the annuity method and is based on the leased asset's individual cost, the length of the lease term and the estimated residual value at the end of the lease. The Bank does not guarantee any residual values.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the disposal of an item of property, plant and equipment is the difference between the selling price and the asset's carrying amount less direct costs to sell. Gains and losses are recognised as lease income.

Property, plant & equipment, other

Items of property, plant & equipment are recognised at cost less accumulated depreciation. Cost includes expenses directly attributable to the acquisition of an asset. Subsequent expenditure is added to the asset's carrying amount or reported as a separate asset (whichever is more suitable) only when it is probable that future economic benefits associated with the asset will flow to the Bank and the cost of the item can be measured reliably. The carrying amount of the replaced component is derecognised. All other types of repair and maintenance are recognised as an expense in the income statement in the period in which they arise.

Depreciation of items of property, plant & equipment for the Bank's own use is applied on a straight-line basis in order to allocate their cost or revalued amount down to their residual value over their estimated useful lives. The assets are depreciated over their estimated useful life of 3-5 years from the date of acquisition. For leased items of property, plant & equipment, depreciation is calculated according to the annuity method and is based on the leased asset's individual cost, the length of the lease term and the estimated residual value at the end of the lease.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the disposal of an item of property, plant and equipment is the difference between the selling price and the asset's carrying amount less direct costs to sell. Gains and losses are recognised in profit or loss.

Impairment of property, plant & equipment

Impairment testing

The carrying amounts of the Bank's assets are assessed at each reporting date to determine whether there is any indication of impairment. If there is an indication that an asset is impaired, the asset's recoverable amount is measured, in accordance with IAS 36.

If an asset does not generate independent cash inflows, it is tested for impairment as part of the cash-generating unit to which it belongs, i.e. the smallest identifiable group of assets which generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. An impairment loss is recognised when the recoverable amount of an asset or a cash-generating unit (group of units) is less than its carrying amount. Impairment losses

are recognised in the income statement. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. In measuring value in use, cash flows are discounted using a discount rate that reflects the risk-free rate of interest and the risks specific to the asset.

Reversal of impairment losses

Impairment of assets is reversed if there is an indication that the impairment no longer exists and there has been a change in the assumptions on which the calculation of recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation where applicable, had no impairment loss been recognised.

Appropriations

Appropriations comprise provisions and reversals of untaxed reserves.

Provisions

A provision is recognised when the Bank has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the effect of the time value of money is material, provisions are estimated by discounting expected future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Group contributions and shareholder contributions

Group contributions and shareholder contributions are accounted for in accordance with the main rule in RFR, which for the Bank as a subsidiary means that both shareholder contributions and Group contributions received are recognised directly in equity. Group contributions provided are also recognised directly in equity. The tax effects of these items are recognised directly in equity.

Taxes

Income tax consists of current tax and deferred tax. Taxes are recognised in the income statement except when the underlying transaction is recognised directly in equity or other comprehensive income.

The Bank's foreign branches in Norway and Finland are taxed on their income in their own country. In Sweden, the company is liable to pay tax on all its income, including income from the foreign branches. To the extent that the

Bank pays tax in Sweden on its foreign income, a deduction is normally allowed for the foreign tax paid in order to avoid double taxation.

Current tax is the amount of income taxes payable or recoverable in respect of the taxable profit or loss for the current year, and is calculated using tax rates enacted at the reporting date, including any adjustments relating to prior periods.

Deferred tax liabilities are recognised for temporary differences between the carrying amounts of assets and liabilities and their corresponding tax bases. Deferred tax assets on temporary differences and deferred tax assets arising from the carryforward of unused tax losses are only recognised to the extent that it is probable that they will be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority and on either the same taxable entity or different taxable entities, where there is an intention to settle on a net basis.

For items recognised in the income statement, any related tax effects are also recognised in the income statement. Tax effects of items recognised directly in equity are recognised in equity.

Statement of cash flows

The Bank's statement of cash flows is prepared using the indirect method. The reported cash flows only include transactions involving cash inflows and outflows. The cash transactions are classified under operating activities, investing activities and financing activities.

Contingent liabilities

A contingent liability is recognised when a possible obligation arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events, or when there is an obligation which is not recognised as a liability or provision because it is not probable that an outflow of resources will be required to settle the obligation.

Seized assets

Seized assets are assets taken over to protect a loan receivable, and are measured at the lower of cost and net realisable value.

Seized assets are recognised on the same line item as similar assets that have been acquired otherwise. Income and expenses related to seized assets are allocated in the same way as other income and expenses in the income statement.

Note 3 Risk management

The Bank's ability to manage risks and capital efficiently is critical to its profitability. The Bank faces various types of risks in the course of its operations. These include credit risk, market risk, liquidity risk, operational risk, reputation risk, business risk, concentration risk and cyclical risk. In order to balance the bank's risk-taking and minimise and control risks, the Bank's Board has defined internal rules (instructions) for the business. All of the instructions are updated as required and reviewed at least once a year. The Board and MD have ultimate responsibility for the Bank's risk management.

The Bank's risk management framework is an integral part of its operations and aligns the Bank's strategic objectives with its risk management. The risk management framework includes the Bank's functions, strategies, processes, procedures, internal rules, limits, risk propensity, risk mandates and controls, as well as reporting procedures necessary for identifying, measuring, monitoring, managing and reporting risks.

Risk propensity and risk limits are regularly monitored and reported to the Board. Risk propensity is the level of risk to which the Board is prepared to expose the Bank in order to achieve its strategic goals. Risk propensity can be expressed in qualitative and quantitative values. It must be consistent with the Bank's strategies and specify the type and amount of risk exposure allowed. Limits are well-defined boundaries that regulate the desired risk exposure as laid down in the Bank's defined instructions. Limits can be used to define levels within the different risk categories.

The Bank has standardised the process for risk identification, assessment and reporting. This has been implemented throughout the organisation as part of efforts to create risk awareness and improve the efficiency of risk management.

The Bank uses three lines of defence in its risk management activities.

The first line of defence is the Bank's operational staff, who are thoroughly conversant with the business, their roles and responsibilities, and perform their duties correctly and fully. The employees who are closest to the actual business are also closest to the risks, and are therefore in a good position to identify risks and work pro-actively towards risk awareness.

The second line of defence is made up of the control functions Compliance and Risk Control. These functions must independently and autonomously control the Bank's operations.

The third line of defence consists of an independent internal audit function. The internal audit function regularly examines the Bank's operations and the activities in the first and second lines of defence to ensure that they are fully performing their obligations and that they possess the right level of expertise. Management and the Board receive reports from the internal audit and control functions and are responsible for following up the points that arise. Management and the Board are also responsible for ensuring that the third line of defence works effectively.

Credit risk

Credit risk refers to the risk of a counterparty failing to meet its contractual obligations and therefore being unable to discharge its obligations. The Bank's credit risk is primarily associated with its lending activities. Lending activities consist of credit cards, personal loans, hire purchase, leasing, invoice discounting and invoice factoring. The majority of the Bank's lending comprises loans with low credit amounts.

The Bank's credit lending is subject to strict criteria with regard to ethics, quality and control. In the entire Bank's lending, the borrower's repayment capacity and collateral are the crucial parameters. The Bank follows a set of instructions for credit lending and credit risk management defined by the Board. The instructions provide criteria for the treatment, checking and assessment of credit, and require a wide spread of risk and relatively low individual credit commitment.

The Bank reports leased assets as property, plant and equipment in the statement of financial position.

	Credit risk exposure, gross	Impairment	Value of collateral	Credit risk exposure net
Credit risk exposure, gross and net, 2013				
Treasury and other bills eligible for refinancing *				
- AA+	672,162	-	-	672,162
<i>Total treasury bills eligible for refinancing</i>	<i>672,162</i>	<i>0</i>	<i>0</i>	<i>672,162</i>
Loans to credit institutions				
- AA-	701,204	-	-	701,204
- A+	627,675	-	-	627,675
- A-	715,448	-	-	715,448
- unrated	9,609	-	-	9,609
<i>Total loans to credit institutions</i>	<i>2,053,936</i>	<i>0</i>	<i>0</i>	<i>2,053,936</i>
Loans to the public				
- Loans to companies secured with another type of collateral	152,955	-	-48,858	104,097
- Unsecured loans to companies	107,206	-39,159	-	68,047
- Unsecured loans to households	9,084,572	-263,565	-	8,821,007
<i>Total loans to the public</i>	<i>9,344,733</i>	<i>-302,724</i>	<i>-48,858</i>	<i>8,993,151</i>
Bonds*				
- AAA	963,235	-	-	963,235
- AA-	548,739	-	-	548,739
- A	326,683	-	-	326,683
- A-	324,197	-	-	324,197
Total bonds	2,162,854	0	0	2,162,854
Lease receivables	106,911	-10,483	-	96,428
Derivatives				
- A-	10,493	-	-	10,493
<i>Total derivatives</i>	<i>10,493</i>	<i>0</i>	<i>0</i>	<i>10,493</i>
Total credit risk exposure in balance sheet	14,351,089	-313,207	-48,858	13,989,024
Off-balance sheet items				
Commitments				
<i>Unutilised credit facilities granted **</i>	<i>20,267,632</i>	<i>-</i>	<i>-</i>	<i>20,267,632</i>
Total credit risk exposure	34,618,721	-313,207	-48,858	34,256,656

* Rating by S&P

** All unutilised credit facilities granted are terminable with immediate effect to the extent allowed under the Swedish Consumer Credit Act.

	Credit risk exposure, gross	Impairment	Value of collateral	Credit risk exposure net
Credit risk exposure, gross and net, 2012				
Treasury and other bills eligible for refinancing *				
- AA+	36,257	-	-	36,257
<i>Total treasury bills eligible for refinancing</i>	<i>36,257</i>	<i>-</i>	<i>-</i>	<i>36,257</i>
Loans to credit institutions				
- AA-	75,581	-	-	75,581
- A-	630,630	-	-	630,630
<i>Total loans to credit institutions</i>	<i>706,211</i>	<i>-</i>	<i>-</i>	<i>706,211</i>
Loans to the public				
- Loans to companies secured with another type of collateral	109,270	-	-72,557	36,713
- Unsecured loans to companies	236,261	-34,328	-	201,933
- Unsecured loans to households	6,576,980	-96,442	-	6,480,538
<i>Total loans to the public</i>	<i>6,922,511</i>	<i>-130,770</i>	<i>-72,557</i>	<i>6,719,184</i>
Bonds*				
- AAA	317,317	-	-	317,317
Total bonds	317,317	0	0	317,317
Lease receivables	201,263	-25,780	-	175,483
Derivatives				
- A-	4,966	-	-	4,966
<i>Total derivatives</i>	<i>4,966</i>	<i>0</i>	<i>0</i>	<i>4,966</i>
Total credit risk exposure in balance sheet	8,188,525	-156,550	-72,557	7,959,418
Off-balance sheet items				
Commitments				
<i>Unutilised credit facilities granted **</i>	<i>20,075,030</i>	<i>-</i>	<i>-</i>	<i>20,075,030</i>
Total credit risk exposure	28,263,555	-156,550	-72,557	28,034,448

* Rating by S&P

** All unutilised credit facilities granted are terminable with immediate effect to the extent allowed under the Swedish Consumer Credit Act.

The investments relate to covered bonds and fulfil the requirements of FFFS 2010:7 on assets that may be included in the Bank's liquidity reserve.

The Bank's collateral consists of floating charges, property mortgages, ship mortgages, and security in housing associations.

The Bank has also securities in the form of retention of title and guarantors. These securities have not been reported above.

Kreditkvalitet låne- och leasingfordringar	Credit risk exposure gross, 2013	Impairment 2013	Credit risk-exposure gross, 2012	Impairment 2012
Loans to the public, households				
<i>Receivables not due</i>				
Low to medium credit risk	7,006,819	-	5,096,993	-
High risk	812,091	-	590,742	-
<i>Past due receivables</i>				
Receivables, past due 60 days or less	627,721	-	545,137	-
Receivables, past due > 60 - 90 days	215,918	18,395	171,239	11,801
Receivables, past due > 90 days	422,023	245,170	172,869	84,641
Total	9,084,572	263,565	6,576,980	96,442
Leasing and lending to the public, corporate customers				
Low to medium credit risk	289,896	-	456,775	-
High credit risk	77,176	49,642	90,019	60,108
Total	9,451,644	313,207	7,123,774	156,550

The credit quality of personal loans that are not overdue has been assessed using a model based on the borrower's credit status according to UC. The Bank classifies past due receivables of 60 days or less as medium risk and past due receivables of more than 60 days as high risk.

The Bank assesses the credit quality of lease receivables and loans to companies on the basis of the borrower's ability to pay.

In accordance with special guidelines, the Bank continuously monitors and reports on corporate credit lending commitments in order to safeguard the Bank's credit quality. In collaboration with established credit reporting agencies, the Bank regularly tracks the situation of individual credit commitments in order to monitor customers' ability to repay.

Market risk

The main market risks associated with financing activities are interest rate risk, currency risk and equity price risk. In the course of its operations, the Bank is exposed to interest rate risk and currency risk, where the risks are controlled by limits that are defined in the Bank's instructions. The risk is minimal and the bank does not hold positions in the trading book.

The Bank regularly measures interest rate risk associated with interest-bearing assets and liabilities based on the contractual fixed-interest period. The Bank measures risk using a change equivalent to a two percentage point parallel shift in the yield curve which at the reporting date amounted to SEK +/- 13 million. Investments in interest-bearing securities (see notes 18 and 21) are part of the Bank's liquidity reserve.

The Bank has defined interest rate risk as essentially a cost risk, i.e., a risk of the Bank's net interest income deteriorating in an unfavourable interest rate situation. In order to reduce the risk exposure, the Bank matches the fixed-interest periods of its lending and funding as far as possible.

The Bank's funding through deposits from the public and liabilities to credit institutions has an average fixed-interest period of less than three months. Legally, the bank's interest rate risk associated with loans is limited as the majority of the interest rate conditions are variable. In reality, for market reasons, it is not as easy to fully compensate for a change in interest rates, and this can have an impact on net interest income, depending on the active position of the Bank. However, a situation of higher interest expense can quickly be addressed by amending the conditions for new lending. In view of the relatively high credit turnover rate, the Bank's overall interest rate risk is considered to be limited. In addition, the majority of the Bank's borrowers are able to switch between different partial payment options during the credit period. Consequently, the Bank is not able to report an accurately quantified value for the net interest income risk.

Currency risk arises when unfavourable changes in the values of foreign currency assets and liabilities translated to Swedish kronor arise as a result of exchange rate movements. To minimise currency risk, the Bank endeavours to match the assets and liabilities in each currency as far as possible.

The bank's currency risk exposure is limited and there is a clearly balanced matching between foreign currency assets and liabilities. The Bank uses the Swedish krona as its functional currency and this is therefore also the presentation currency. Foreign currency transactions are translated into the functional currency using the average rate for the period in which the income and expense arose. Exchange gains and losses arising on settlement of these transactions and on translation of foreign currency assets and liabilities using the closing rate are recognised in profit or loss.

The bank's foreign currency exposure in each currency, converted to SEK thousands, is shown on the next page. The table includes the assets and liabilities of the foreign branches. Exchange differences arising on the translation of the branches' assets and liabilities are recognised in other comprehensive income.

Currency exposure	DKK	EUR	NOK	Other
31/12/2013				
Foreign currency assets				
Loans to credit institutions	25,410	22,301	36,633	-
Loans to the public	553,541	731,093	777,708	-
Property, plant & equipment	-	1,302	17,490	-
Other assets	450	3,511	7,572	-
Interim receivables	1,086	718	2,275	-
Total assets	580,487	758,925	841,678	0
Foreign currency liabilities				
Liabilities to credit institutions	-	18	-	765
Deposits from the public	15,234	22,714	113,231	-
Other liabilities	6,504	13,878	23,726	-
Interim liabilities	1,567	2,223	4,371	-
Total liabilities	23,305	38,833	141,328	765
Net assets	557,356	720,092	700,350	-765
Nominal amounts, currency derivatives	551,356	719,912	698,280	-
Difference between assets and liabilities incl. nominal amount of currency derivatives	5,826	180	2,070	-765
Exchange rate change +/-5%	291	9	104	38

Currency exposure	DKK	EUR	NOK	Other
31/12/2012				
Foreign currency assets				
Loans to credit institutions	-	2	6,129	836
Loans to the public	329,771	179,079	509,223	-
Property, plant & equipment	-	3,876	37,165	-
Other assets	302	739	5,186	-
Interim receivables	595	403	1,724	-
Total assets	1,468,628	1,663,125	2,101,559	109
Foreign currency liabilities				
Liabilities to credit institutions	3,972	8,070	177	189
Deposits from the public	25,587	37,521	135,517	-
Other liabilities	3,886	6,788	20,711	-
Interim liabilities	924	2,077	6,072	-
Total liabilities	34,369	54,456	162,477	189
Net assets	296,299	129,643	396,950	647
Nominal amounts, currency derivatives	294,576	129,249	396,848	-
Difference between assets and liabilities incl. nominal amount of currency derivatives	1,723	394	102	647
Exchange rate change +/- 5%	56	20	5	32

Liquidity risk

Liquidity risk is the risk that the Bank will be unable to discharge its payment obligations on the due date without borrowing at unfavourable rates. The Bank's liquidity risk is managed through instructions that deal with limits, responsibilities and monitoring and contain a contingency plan. The Bank's liquidity risk is controlled and audited by independent functions.

The Bank must have a solid balance sheet, maintain an adequate liquidity reserves and have access to unutilised cash facilities in the event of irregular or unexpected cash flows. In addition to equity, the Bank finances itself mainly through deposits from the public. The Bank's distribution strategy is for a large number of customers with low deposit volumes rather than a small number of customers with high deposit volumes. To ensure quick access to liquidity in the currencies in which the Bank has branches or activities, it is important for the Bank to have cash facilities in these currencies.

The Bank's liquidity management includes a liquidity reserve that follows the Swedish Financial Supervisory Authority's regulations on liquidity risk management, FFFS 2010:7. This means that the assets are segregated and unutilised, and are high quality assets.

In addition to the liquidity reserve, the Bank also has a liquidity buffer amounting to SEK 3,769,256 (305,327) thousand. This buffer can vary greatly in size, depending on the customers' repayment behaviour and the Bank's liquidity planning. At the closing date, the total liquidity portfolio is broken down as follows.

	31/12/2013	31/12/2012
Liquidity buffer		
Treasury and other bills eligible for refinancing	672,162	36
Loans to credit institutions	2,053,936	706,211
Bonds and other interest-bearing securities	2,162,854	317,317
Total	4,888,952	1,023,564
Liabilities to credit institutions	-783	-12,408
Liquidity reserves according to FFFS 2010:7, see below	-1,118,913	-705,829
Total liquidity buffer	3,769,256	305,327
Liquidity reserve according to FFFS 2010:7		
Balances with other banks	99,001	351,201
Securities issued by municipalities	76,351	36,345
Covered bonds	943,561	318,283
Total liquidity reserve	1,118,913	705,829

All amounts in the liquidity reserve are in Swedish kronor and the reserve has been measured at market value including accrued interest. The Bank believes that its greatest liquidity risk arises when many customers simultaneously decide to withdraw their deposits. The Bank therefore maintains a liquidity reserve, which is calculated based on the size of deposits, the proportion covered by deposit insurance and the relationship to the depositors.

Other liquidity-creating measures		
Unutilised credit facilities (SEK thousands)	1,999,217	1,987,592
Loan-to-deposit ratio (%)	76	109

Loans refer to the Bank's lending to the public and leased assets.

The liquidity situation is continuously monitored by regular cash flow analyses and stress tests. Deposits are the Bank's largest source of funding and stress tests are therefore continuously carried out on the basis of large withdrawals of deposits. The Bank also performs other stress tests relating to its liquidity.

The Bank's contingency plan defines what may trigger a stressed liquidity situation and how the crisis should be handled. The contingency plan includes indicators of an impending stressed liquidity situation, stress tests, a crisis situation definition and support measures.

Liquidity exposure, reported cash flows (remaining maturity)

31/12/2013					
Financial assets	up to 3 months	3-12 months	1-5 year	more than 5 years	Total
Treasury and other bills eligible for refinancing	635,936	-	36,226	-	672,162
Loans to credit institutions	2,053,936	-	-	-	2,053,936
Loans to the public	9,042,009	-	-	-	9,042,009
Bonds	1,167,764	200,294	794,796	-	2,162,854
Other financial assets	60,045	-	-	-	60,045
Total	12,959,690	200,294	831,022	0	13,991,006
Financial liabilities	up to 3 months	3-12 months	1-5 year	more than 5 years	Total
Liabilities to credit institutions	783	-	-	-	783
Deposits from the public	11,246,167	65,834	745,415	-	12,057,416
Other financial liabilities	335,788	-	-	-	335,788
Total	11,582,738	65,834	745,415	0	12,393,987
Difference per time interval	1,376,952	134,460	85,607	-	1,597,019
31/12/2012					
Financial assets	up to 3 months	3-12 months	1-5 year	more than 5 years	Total
Treasury and other bills eligible for refinancing	-	-	36,257	-	36,257
Loans to credit institutions	706,211	-	-	-	706,211
Loans to the public	6,711,444	80,077	-	-	6,791,521
Bonds	-	-	317,317	-	317,317
Other financial assets	86,921	-	-	-	86,921
Total	7,504,576	80,077	353,574	0	7,938,227
Financial liabilities	up to 3 months	3-12 months	1-5 year	more than 5 years	Total
Liabilities to credit institutions	12,408	-	-	-	12,408
Deposits from the public	6,160,374	-	268,986	-	6,429,360
Other financial liabilities	283,100	-	-	-	283 100
Total	6,455,882	0	268,986	0	6,724,868
Difference per time interval	1,048,694	80,077	84,588	-	1,213,359

Liquidity exposure, nominal cash flows (remaining maturity)

31/12/2013					
Financial assets	up to 3 months	3-12 months	1-5 year	more than 5 years	Total
Treasury and other bills eligible for refinancing	637,252	402	36,223	-	673,877
Loans to credit institutions	2,053,936	-	-	-	2,053,936
Loans to the public	9,042,009	-	-	-	9,042,009
Bonds	1,185,218	210,520	808,903	-	2,204,641
Other financial assets	60,045	-	-	-	60,045
Total	12,978,460	210,922	845,126	0	14,034,508
Financial liabilities	up to 3 months	3-12 months	1-5 year	more than 5 years	Total
Liabilities to credit institutions	783	-	-	-	783
Deposits from the public	11,246,777	67,090	766,702	-	12,080,569
Other financial liabilities	335,778	-	-	-	335,778
Total	11,583,338	67,090	766,702	0	12,417,130
Difference per time interval	1,395,122	143,832	78,424	-	1,617,378
31/12/2012					
Financial assets	up to 3 months	3-12 months	1-5 year	more than 5 years	Total
Treasury and other bills eligible for refinancing	166	497	36,856	-	37,519
Loans to credit institutions	706,211	-	-	-	706,211
Loans to the public	6,711,444	83,077	-	-	6,794,521
Bonds	1,261	3,784	324,704	1	329,750
Other financial assets	81,955	-	-	-	81,955
Total	7,501,037	87,358	361,560	1	7,949,956
Financial liabilities	up to 3 months	3-12 months	1-5 year	more than 5 years	Total
Liabilities to credit institutions	12,408	-	-	-	12,408
Deposits from the public	5,891,388	-	280,708	-	6,172,096
Other financial liabilities	283,100	-	-	-	283,100
Total	6,186,896	0	280,708	0	6,467,604
Difference per time interval	1,314,141	87,358	80,852	1	1,482,352

Operational risks

Operational risk is the risk of errors or deficiencies in administrative procedures leading to unexpected financial or confidence-related losses. These may be caused by inadequate internal control or deficiencies in systems and technical equipment. The risk of fraud, internal or external, is also included in operational risk and legal risk.

Operational risks are countered by internal control. The establishment of good internal control is an ongoing process in the company, and this includes:

- appropriate procedures and instructions for regular tasks.
- definition of division of employees' responsibilities and roles.
- IT support through economy and finance systems with built-in access controls.
- internal information and reporting systems for meeting management's information requirements.
- information security and physical safety to protect the company's assets and personnel.
- review of risk transfer by means of appropriate insurance solutions.

Note 4 Capital adequacy analysis

The Bank's regulatory capital requirements are determined in accordance with the Capital Adequacy and Large Exposures Act (2006:1371) and the Swedish Financial Supervisory Authority's regulations and general guidelines on capital adequacy and large exposures (FFFS 2007:1).

According to the Board's guidelines, the Bank must have a capital base that covers both the statutory minimum capital requirements and also the capital requirements calculated for other risks identified in accordance with the Bank's internal capital adequacy assessment process (ICAAP).

The ongoing review of the Bank's internal capital assessment is an integral part of its risk management work. The overall capital adequacy assessment process is conducted and updated as needed, but at least once a year. Information on the Bank's risk management can be found in note 3 Risk management.

For this report, the Bank has elected to provide only the information required on the capital base and capital requirements in accordance with Chapter 4 of the Swedish Financial Supervisory Authority's regulations and guidelines on public disclosure of information on capital adequacy and risk management (FFFS 2007:5).

	2013	2012
Tier 1 capital		
Equity	1,174,956	987,312
78% of untaxed reserves	322,061	242,975
Deferred tax asset	-12,809	-919
Total tier 1 capital	1,484,208	1,229,368
Total capital base	1,484,208	1,229,368
Capital requirement for credit risk, standardised approach		
Institutions	41,605	11,299
Corporates	42,259	39,016
Households	516,585	375,928
Exposures secured by property	0	2,140
Past-due items	16,973	17,277
Covered bonds	7,706	2,539
Other items	10,066	9,905
Total capital requirement for credit risk	635,194	458,104
Capital requirement for operational risk		
Basic indicator approach	141,452	124,850
Total capital requirement for operational risk	141,452	124,850
Total minimum capital requirement	776,646	582,954
Capital adequacy ratio (capital base/capital requirement)	1.91	2.11

Note 5 Net interest income/expenses

	Amount 2013	Amount 2012
Interest income		
Loans to credit institutions	31,780	3,753
Loans to the public, gross ^{1) 2)}	1,065,360	881,657
Interest-bearing securities	24,003	5,351
Transaction costs, effective interest rate method	-214,781	-141,996
Total net interest income	906,362	748,765
<i>Of which interest income from financial items not measured at fair value</i>	<i>882,359</i>	<i>743,596</i>
Interest expenses		
Liabilities to credit institutions	-8,903	-26,768
Deposits and borrowing from the public	-286,406	-158,932
Other liabilities	-7,949	-5,732
Total net interest expenses	-303,258	-191,432
<i>Of which deposit insurance expense and stability fee</i>	<i>-7,892</i>	<i>-5,296</i>
<i>Of which interest expense from financial items not measured at fair value</i>	<i>-303,258</i>	<i>-191,432</i>
Leasing operations		
Lease income, gross	95,347	194,475
Total net interest income incl. lease income, gross	698,451	751,808
Depreciation of leased assets	-79,611	-162,403
Total net interest income incl. lease income, net	618,840	589,405
The average interest rate on loans to credit institutions was 1.0% (1.0%)		
The average interest rate on loans to the public was 14.4% (11.8%)		
The average interest rate on loans to interest-bearing securities was 1.4% (2.5%)		
The average interest rate on liabilities to credit institutions was 31.1% (6.6%), which also includes a fixed limit fee (see note 26)		
The average interest rate on deposits from the public was 2.7% (3.1%)		
¹⁾ The amount includes cash interest received on problem loans as follows:	8,704	911
²⁾ The amount includes income from purchased non-performing consumer receivables:		
Collected amounts	24,984	56,591
Amortisation	-17,382	-35,656
Costs of collected amounts	-928	-11,318
Total income from purchased non-performing consumer receivables	6,674	9,617

Note 6 Geographical distribution of revenue

	Sweden	Denmark	Finland	Norway	Total
2013					
Interest income	753,309	28,392	43,151	81,510	906,362
Lease income	73,654	-	2,767	18,926	95,347
Fee and commission income	184,999	15,702	7,757	12,610	221,068
Net income/expense from financial transactions	4,987	-	-71	-614	4,302
Other income	231,770	13,529	2,459	17,044	264,802
Total	1,248,719	57,623	56,063	129,476	1,491,881
2012					
Interest income	624,484	25,787	28,534	69,960	748,765
Lease income	157,536	-	5,498	31,441	194,475
Fee and commission income	174,724	12,418	2,879	9,716	199,737
Net income/expense from financial transactions	1,006	-	-197	-112	697
Other income	88,983	11,184	732	10,882	111,781
Total	1,046,733	49,389	37,446	121,887	1,255,455

Note 7 Fees and commission

	2013	2012
Fee and commission income		
Lending commission	48,339	35,183
Other commission	172,729	164,554
Total fee and commission income	221,068	199,737
Fee and commission expenses		
Lending commission	-6	0
Total fee and commission expenses	-6	0

Note 8 Net income/expense from financial transactions

	2013	2012
Exchange differences	-2,170	-5,130
Interest-bearing securities	6,472	5,827
Total net income/expense from financial transactions	4,302	697
Net gains/losses by measurement category		
Financial assets at FVTPL, designated	3,972	-916
Financial assets at FVTPL, held for trading	2,500	6,743
Exchange rate changes	-2,170	-5,130
Total	4,302	697

Net gain and net loss relate to realised and unrealised changes in value.

Note 9 Other operating income

	2013	2012
Capital gain/loss on sale of credit portfolio	147,813	0
Other income, loans to the public	105,501	98,169
Other operating income	11,489	13,612
Total operating income	264,803	111,781

Note 10 General administrative expenses

	2013	2012
Staff costs (see also note 12)	-172,323	-121,934
Postage, communication and notification costs	-151,333	-143,827
IT costs	-58,032	-47,273
Premises costs	-12,747	-8,452
Other	-86,308	-61,160
Total general administrative expenses	-480,743	-382,646

The item Other in the classification of general administrative expenses includes fees and remuneration to auditors as set out below.

Auditors' fees and other remuneration	2013	2012
<i>Ernst & Young AB</i>		
Audit services	-1,691	0
Tax advisory services	-89	0
Other services	-60	0
Total auditing remuneration	-1,840	0
<i>Mazars</i>		
Audit services	0	-1,207
Other assistance arising from audit	0	0
Tax advisory services	0	0
Other services	0	-200
Total auditing remuneration	0	-1,407

Audit services comprise the examination of the annual financial statements and accounting records and the administration of the Board of Directors and MD. They also include other procedures required to be carried out by the Bank's auditors, as well as advice or other assistance arising from observations made during the audit or while performing such other procedures.

Note 11 Leases

The Bank owns assets that are leased to customers under finance leases. As the Bank applies IFRS on a statutory exemption basis, it has opted to account for these as operating leases, which means that the leased assets are recognised as property, plant & equipment in the statement of financial position. Lease income for the year includes contingent rents of SEK 2,733 (13,838) thousand. Future minimum lease payments under non-cancellable leases fall due as follows:

Resurs Bank as a lessor	31/12/2013	31/12/2012
Non-cancellable lease payments:		
Within one year	20,934	82,316
Between one and five years	18,605	42,751
After five years	6,122	10,014
	45,661	135,081

Resurs Bank as lessee

Operating leases relate to the Bank's normal operations. The terms of the leases are normally three years. At the end of the lease term, the Bank purchases the leased object at the guaranteed residual value. Lease payments of SEK 1,687 (1,596) thousand were recognised in 2013. Future minimum lease payments under non-cancellable operating leases fall due as follows:

	31/12/2013	31/12/2012
Non-cancellable lease payments:		
Within one year	1,429	1,687
Between one and five years	1,350	514
After five years	0	0
	2,779	2,201

Note 12 Personnel

	2013	2012
Salaries	-116,738	-82,667
Social security contributions	-34,463	-25,599
Pension costs	-14,050	-9,981
Other staff costs	-7,072	-3,687
Total staff costs	-172,323	-121,934

Salaries and other benefits	2013	2012
Board, MD, Deputy MD and other senior executives	-11,762	-14,500
Other employees	-104,976	-68,167
Total salaries and other benefits	-116,738	-82,667

2013					
Remuneration and other benefits	Basic salary/ Board fees	Variable remuneration	Other benefits	Pensions	Total
Lars Nordstrand, Chairman	-56	-	-	-	-56
Fredrik Carlsson	-22	-	-	-	-22
Kenneth Nilsson, MD	-3,107	-	-158	-1,020	-4,285
Henrik Winberg, Deputy MD	-1,518	-	-100	-671	-2,289
Other senior executives (8 individuals)	-8,576	-	-463	-2,402	-11,441
Other staff that may affect the Bank's risk level (11 individuals)	-7,036	-	-384	-1,508	-8,928
Total remuneration and other benefits	-20,315	0	-1,105	-5,601	-27,021

Remuneration of the Board, MD and Deputy MD in 2013 amounted to SEK 4,781 thousand, SEK 4,781 thousand of which was earned in 2013. For other staff that may affect the Bank's risk level, salaries paid in 2013 were also earned in 2013.

2012					
Remuneration and other benefits	Basic salary/ Board fees	Variable remuneration	Other benefits	Pensions	Total
Lars Nordstrand, Chairman ¹⁾	-100	-	-	-	-100
Martin Bengtsson ²⁾	-35	-	-	-	-35
Mats Holmfeldt ^{1) 2)}	-100	-	-	-	-100
Hjalmar Paulson ²⁾	-35	-	-	-	-35
Anders Dahlvig ^{1) 2)}	-100	-	-	-	-100
Kenneth Nilsson, MD ³⁾	-2,525	-	-108	-714	-3,347
Henrik Winberg, Deputy MD	-1,312	-	-110	-605	-2,027
Other senior executives (13 individuals)	-10,112	-181	-586	-2,650	-13,529
Other staff that may affect the Bank's risk level (7 individuals)	-3,737	-	-265	-787	-4,789
Total remuneration and other benefits	-18,056	-181	-1,069	-4,756	-24,062

¹⁾ Payment was made to the company
²⁾ Resigned from the Board at the Extraordinary General Meeting in November
³⁾ Elected to the Board at the Extraordinary General Meeting in November

The Board has established a remuneration policy in accordance with FFFS 2011:1 Regulations regarding remuneration structures in credit institutions, investment firms and fund management companies licensed to conduct discretionary portfolio management.

A Board member has been appointed in charge of preparing significant remuneration decisions and the Bank has a control function, which, on an annual basis and more frequently when appropriate, independently examines how the Bank's handling of remuneration complies with regulations.

The Chairman and members of the Board are paid the fees adopted by the annual general meeting. Remuneration of the MD, Deputy MD and head of the Bank's control functions is determined by the Board. Remuneration of other senior executives is determined by the MD and comprises the basic salary, variable pay, other benefits and a pension. Information about the Bank's remuneration is published at www.resurs.se.

Variable compensation earned in 2013 is linked to quantitative targets. The Bank has ensured that all targets related to variable compensation for 2013 can be measured reliably. The Bank has taken into account the fact that employees who can independently decide on credit issues should not have targets linked only to sales that they can influence through credit decisions. This is to ensure that an employee in this category is not able to influence the Bank's risk level. It is the Bank's assessment that the risk level applied is well in proportion to the Bank's earnings capacity.

Staff that may affect the Bank's level of risk did not receive variable compensation exceeding SEK 100 thousand in 2013, and the Bank does not therefore need to apply deferred payment for variable compensation.

The MD did not receive any variable compensation in 2013. For other senior executives, 100% of variable compensation was based on quantitative targets for the profit centre in 2013. Variable compensation for senior executives corresponded to 0% (1%) of the basic salary.

Other employees who are not senior executives or staff that may affect the Bank's level of risk received variable compensation of SEK 3,901 (2,052) thousand and basic

salaries of SEK 94,040 (61,309) thousand in 2013. Variable compensation for 2013 corresponded to 4.1% (3.3%) of the basic salary.

The basic salary to variable pay ratio must be proportional to responsibility and authority. The Bank believes that the balance is appropriate and has restricted the variable compensation in relation to the basic salary.

Agreements that regulate variable compensation will be capped in order to limit variable remuneration. Variable compensation was paid to 144 (95) employees. All variable compensation earned during 2013 has been or will be paid in cash in 2013 and 2014.

Compensation paid to employees in 2013 amounted to SEK 114,266 (77,155) thousand,

SEK 112,657 (75,885) thousand of which was earned in 2013 and the remainder in the previous year. Outstanding compensation earned in 2013 amounted to SEK 1,951 (1,609) thousand at 31 December 2013.

No guaranteed variable compensation arose in 2013 and it is the Bank's intention to continue to limit this type of compensation. No termination benefits were paid in 2013.

Pensions

The Bank's pension obligations for the MD and other senior executives are covered by defined contribution pension plans and are based on the basic salary received and variable compensation. Pension benefits of SEK 440 (260) thousand were paid to the MD in addition to the occupational and statutory pension. Pension benefits of SEK 375 (429) thousand were paid to the other senior executives in addition to the occupational and statutory pension.

Period of notice

In the case of termination initiated by the Bank, the MD is entitled to 18 months' salary.

Pension costs	2013	2012
Board, MD, Deputy MD and other senior executives	-3,422	-4,932
Other employees	-10,628	-5,049
Total pension costs	-14,050	-9,981

Board members and senior executives	Number 2013	Of which men	Number 2012	Of which men
Board members	3	100 %	3	100 %
MD and other senior executives	12	92 %	13	77 %

Senior executives' use of credit facilities with the Bank	Credit limits 31/12/2013	Utilised credit 31/12/2013	Credit limits 31/12/2012	Utilised credit 31/12/2012
MD and Deputy MD	757	554	298	124
Board members	40	7	134	21
Other senior executives of the Bank	4,155	3,497	713	253

Loan terms are consistent with the conditions normally applied in lending to other personnel. The bank has not provided security or entered into contingent liabilities on behalf of the senior executives.

Average number of employees	2013	2012
Male	124	97
Female	180	117
Total average number of employees	304	214

The average number of employees for the year includes 10 employees in Norway and 16 employees in Finland.

Note 13 Depreciation, amortisation and impairment of assets

	2013	2012
Depreciation and amortisation		
Leased equipment	-79,611	-162,403
Other equipment	-2,643	-2,196
Total depreciation/amortisation	-82,254	-164,599
Impairment		
Leased equipment	10,678	183
Total impairment	10,678	183
Total depreciation, amortisation and impairment of assets	-71,576	-164,416

SEK 10.3 thousand of the year's net change in impairment relates to the reversal of previous provisions for credit losses from two contractual parties for which the contracts were settled in 2013 with a positive outcome for the Bank.

Note 14 Other operating expenses

	2013	2012
Marketing	-98,894	-57,635
Insurance ¹⁾	-2,754	-94,074
Total other operating expenses	-101,648	-151,709

¹⁾ The Bank previously chose a credit insurance solution for managing credit risk for the majority its portfolio of loans to households. This meant that the Bank had insurance costs instead of credit losses for this part of the lending portfolio. Net premiums for credit insurance amounted to SEK 91 million in 2012.

Note 15 Credit losses

	2013	2012
Individually assessed loans		
Write-offs of established losses for the year	-9	-88
Recoveries of previously established credit losses	1,522	509
Transfers/reversal of provision for credit losses	-5,672	-512
Net result of individually assessed loans for the year	-4,159	-91
Collectively assessed homogeneous groups of loans with limited value and similar credit risk		
Write-offs of established credit losses for the year	-25,194	-25,572
Recoveries of previously established credit losses	361	283
Transfers/reversal of provision for credit losses	-150,522	-47,733
Net cost for collectively assessed homogeneous groups of loans	-175,355	-73,022
Net cost of credit losses for the year	-179,514	-73,113

Note 16 Appropriations

	2013	2012
Accelerated depreciation	-29,910	0
Reversal of tax allocation reserve	19,917	0
Transfers to tax allocation reserve	-91,400	-74,200
Total appropriations	-101,393	-74,200

Note 17 Taxes

Current tax expense	2013	2012
Current tax for the period	-66,253	-63,635
Adjustment of tax relating to prior periods	-1,774	0
Current tax expense	-68,027	-63,635
Deferred tax on temporary differences	2,537	4,784
Total tax expense reported in income statement	-65,490	-58,851

Reconciliation of effective tax	%	2013	%	2012
Profit before tax		253,744		217,939
Tax at enacted tax rate	-22 %	-55,825	-26.3 %	-57,318
Non-deductible expenses/non-taxable income	-1.4 %	-3,570	-0.2 %	-340
Tax relating to different tax rate for foreign branches	-1.6 %	-4,051	-0.1 %	-273
Tax relating to changes in tax rates, foreign branches	0.2 %	465	-	-
Tax attributable to prior years	-0.7 %	-1,774	0.0 %	1
Revaluation of deferred taxes due to change in tax rate in Sweden	-	-	-0.1 %	-180
Standard interest on tax allocation reserve	-0.3 %	-735	-0.3 %	-741
Recognised effective tax	-25.8 %	-65,490	-26.8 %	-58,851

Tax on profit for the year in the foreign branches is SEK -4.3 (-5.9) million in Norway and SEK -1.4 (-1.5) million in Finland.

Change in deferred tax	2013	2012
Deferred tax assets		
Non-deductible impairment of property, plant & equipment, Norway	520	3,597
Non-deductible expenses, Norway	98	-99
Non-deductible impairment of property, plant & equipment, Finland	195	663
Non-deductible provision for receivables, Finland	1,962	0
Tax relating to changes in tax rates, branches	-361	0
Pensions	206	603
Exchange difference	-83	20
Total deferred tax	2,537	4,784

Note 18 Treasury and other bills eligible for refinancing

	Nominal amount 31/12/2013	Fair value 31/12/2013	Carrying amount 31/12/2013	Nominal amount 31/12/2012	Fair value 31/12/2012	Carrying value 31/12/2012
Issued by						
Swedish municipalities	673,000	672,162	672,162	36,000	36,257	36,257
Total	673,000	672,162	672,162	36,000	36,257	36,257
Of which listed	673,000	672,162	672,162	36,000	36,257	36,257
Remaining maturity						
0–1 year	637,000	635,936	635,936	0	0	0
1–3 year	36,000	36,226	36,226	36,000	36,257	36,257
More than 3 year	0	0	0	0	0	0
Total	673,000	672,162	672,162	36,000	36,257	36,257
Issuer's rating by S&P						
AA+	673,000	672,162	672,162	36,000	36,257	36,257

The investments relate to municipal bonds and fulfil the requirements of FFFS 2010:7 on assets that may be included in the Bank's liquidity reserve.

Note 19 Loans to credit institutions

	31/12/2013	31/12/2012
Loans in SEK	1,969,592	699,244
Loans in DKK	25,410	0
Loans in NOK	36,633	6,129
Loans in EUR	22,301	2
Loans in other currencies	0	836
Total loans to credit institutions	2,053,936	706,211

Note 20 Loans to the public and bad debts

Receivables outstanding, gross	31/12/2013	31/12/2012
Loans in SEK	7,196,426	5,863,470
Loans in DKK	579,288	333,379
Loans in NOK	821,371	544,417
Loans in EUR	747,648	181,245
Total loans to the public¹⁾	9,344,733	6,922,511
Households ²⁾	9,050,159	6,414,912
Net value of purchased non-performing consumer receivables ³⁾	34,413	162,068
Companies ^{4) 5)}	260,161	345,531
Total loans to the public	9,344,733	6,922,511
Provision for anticipated credit losses ⁶⁾	-302,724	-130,770
Total net loans to the public	9,042,009	6,791,741
¹⁾ The average value of the receivables is SEK 11.6 (11.3) thousand, with the highest credit amounting to SEK 10,800 (77,159) thousand. ²⁾ The amount includes invoice receivables of SEK 1,657,668 thousand taken over from Ellos Group AB. ³⁾ The amount includes purchased non-performing consumer receivables as follows:		
Opening net value of purchased non-performing consumer receivables	162,068	197,724
Purchases of non-performing consumer receivables	43,765	0
Disposals of non-performing consumer receivables	-154,038	0
Scheduled amortisation for the year	-17,382	-35,656
Net value of purchased non-performing consumer receivables	34,413	162,068
For a description of the Bank's accounting policies for purchased non-performing consumer receivables, see note 2.		
⁴⁾ The amount includes acquired invoice receivables of SEK 135,144 (159,379) thousand.		
⁵⁾ The amount includes loans of SEK 0 (81,169) thousand to Group companies.		
⁶⁾ The amount includes lending to households and companies.		
Geographical distribution of net lending to the public	31/12/2013	31/12/2012
- Sweden	6,981,697	5,789,838
- Denmark (only lending to households)	553,541	323,273
- Norway (only lending to households)	777,708	502,096
- Finland (only lending to households)	729,063	176,534
Total net loans to the public	9,042,009	6,791,741
Doubtful receivables	31/12/2013	31/12/2012
Doubtful receivables, gross ¹⁾	678,001	344,109
Doubtful receivables net of provision for anticipated credit losses	678,001	344,109
Provision for anticipated credit losses ²⁾	-302,724	-130,770
Doubtful receivables, net	375,277	213,339
¹⁾ of which doubtful receivables, corporate sector	40,059	35,228
²⁾ of which corporate sector	-39,159	-34,328

In addition, the Bank has acquired non-performing consumer receivables which had a carrying amount of SEK 34,413 (162,068) at the reporting date (see description above). This entire item consists of doubtful receivables.

There are no reduced rate receivables.

Key figures	31/12/2013	31/12/2012
Share of impaired loans, gross ¹⁾	7 %	5 %
Share of impaired loans, net ²⁾	4 %	3 %
Total provision ratio ³⁾	3 %	2 %
Provision ratio, impaired loans ⁴⁾	45 %	38 %
¹⁾ Impaired loans gross before provisions divided by total loans before provisions		
²⁾ Impaired loans net divided by total loans before provisions		
³⁾ Total provisions divided by total loans before provisions		
⁴⁾ Provision for impaired loans divided by impaired loans net before provisions		
Existing average credit period for the Bank's total lending to the public:	0.6 år	0.6 år

Note 21 Bonds and other interest-bearing securities

	Nominal amount 31/12/2013	Fair value 31/12/2013	Carrying amount 31/12/2013	Nominal amount 31/12/2012	Verkligt value 31/12/2012	Carrying value 31/12/2012
Issued by						
Swedish mortgage institutions	910,000	912,999	912,999	0	0	0
Swedish credit institutions	545,000	546,407	546,407	317,000	317,318	317,318
Foreign credit institutions	50,000	50,236	50,236	0	0	0
Other	654,500	653,212	653,212	0	0	0
Total bonds and other interest-bearing securities	2,159,500	2,162,854	2,162,854	317,000	317,318	317,318
Of which listed securities	2,159,500	2,162,854	2,162,854	317,000	317,318	317,318
Remaining maturity						
0-1 years	1,368,500	1,368,058	1,368,058	0	0	0
1-3 years	571,000	573,887	573,887	217,000	217,371	217,371
More than 3 years	220,000	220,909	220,909	100,000	99,947	99,947
Total	2,159,500	2,162,854	2,162,854	317,000	317,318	317,318
Bonds' ratings by S&P						
AAA	960,000	963,235	963,235	317,000	317,318	317,318
AA-	550,000	548,739	548,739	0	0	0
A	325,000	326,683	326,683	0	0	0
A-	324,500	324,197	324,197	0	0	0
	2,159,500	2,162,854	2,162,854	317,000	317,318	317,318

The investments relate to covered bonds and fulfil the requirements of FFFS 2010:7 on assets that may be included in the Bank's liquidity reserve.

Note 22 Investments in associates

			31/12/2013	31/12/2012
Company Reg.no.	Reg'd office	Number/Share of capital, %		
Resurs Telebackup i Sverige KB, 969731-5647	Helsingborg	50	1	1
Carrying amount			1	1
<i>Of which unlisted securities</i>			1	1
Cost of acquisition				
Opening cost			1	1
Deposits for the year			-	-
Carrying amount			1	1
Equity and profit/loss			31/12/2013	31/12/2012
Resurs Telebackup i Sverige KB			Equity	2,786
			Profit/loss	11,576

Note 23 Property, plant & equipment

	31/12/2013	31/12/2012
Leased equipment		
Cost at beginning of year	659,727	1,002,387
Purchases during year	35,737	32,233
Disposals during year	-374,762	-376,031
Exchange difference	-8,770	1,138
Total cost at end of year	311,932	659,727
Accumulated depreciation at beginning of year	-458,464	-625,667
Accumulated depreciation of assets disposed of	327,140	322,860
Scheduled depreciation for the year	-79,611	-162,403
Reclassification	0	7,302
Exchange difference	5,914	-556
Total accumulated depreciation at end of year	-205,021	-458 464
Accumulated impairment at beginning of year	-25,780	-22,909
Impairment/reversal of impairment during year	10,678	183
Accumulated impairment of assets disposed of during year	4,213	4,303
Reclassification	0	-7,302
Exchange difference	406	-55
Closing accumulated impairment	-10,483	-25 780
Carrying amount	96,428	175,483
Of which repossessed equipment (carrying amount)	3,315	5,072

Other equipment		
Cost at beginning of year	11,009	10,423
Purchases during year	9,852	2,440
Disposals during year	-1,122	-1,858
Exchange difference	6	4
Total cost at end of year	19,745	11,009
Accumulated depreciation at beginning of year	-6,600	-5,642
Accumulated depreciation of assets disposed of	364	1,231
Scheduled depreciation for the year	-2,643	-2,196
Exchange difference	-11	7
Total accumulated depreciation at end of year	-8,890	-6,600
Carrying amount	10,855	4,409

Note 24 Other assets

	31/12/2013	31/12/2012
Receivables from Group companies	3,452	30,444
Receivables from leasing activities	7,899	29,242
Other	13,772	6,014
Total other assets	25,123	65,700

Note 25 Prepayments and accrued income

	31/12/2013	31/12/2012
Prepaid expenses	27,577	19,781
Accrued interest	23,835	5,035
Accrued income, lending activities	11,087	11,220
Total prepayments and accrued income	62,499	36,036

Note 26 Liabilities to credit institutions

	31/12/2013	31/12/2012
Credit in DKK	0	3,972
Credit in NOK	0	177
Credit in EUR	18	8,070
Credit in other currencies	765	189
Total liabilities to credit institutions	783	12,408

The Bank's counterparties for liabilities to credit institutions are other banks. The bank has a total facility of SEK 2,000,000 (2,000,000) thousand.

Assets of SEK 4,089,728 (3,469,076) thousand have been pledged as security for the above liabilities. See also note 33.

Note 27 Deposits and borrowing from the public

	31/12/2013	31/12/2012
Deposits and borrowing in SEK	11,906,237	6,230,735
Deposits and borrowing in DKK	15,234	25,587
Deposits and borrowing in NOK	113,231	135,517
Deposits and borrowing in EUR	22,714	37,521
Total deposits and borrowing from the public	12,057,416	6,429,360
Households	9,784,944	4,475,474
Companies ¹⁾	2,272,472	1,953,886
Total deposits and borrowing from the public	12,057,416	6,429,360

¹⁾The amount includes deposits of SEK 183,327 (215,572) thousand from Group companies.

Maturity

The majority of deposits from the public are payable on demand. See also note 3 Risk Management.

Note 28 Other liabilities

	31/12/2013	31/12/2012
Liabilities to Group companies	7,962	737
Trade payables	28,295	25,425
Liabilities to representatives	233,969	211,147
Preliminary tax deposit rates	67,401	33,148
Provision for loyalty programs	39,360	31,774
Other	10,766	9,973
Total other liabilities	387,753	312,204

Note 29 Accruals and deferred income

	31/12/2013	31/12/2012
Accrued interest expenses	0	120
Accrued staff costs	33,480	26,397
Accrued administrative expenses	65,552	45,671
Deferred income, leasing	10,605	24,789
Other deferred income	725	638
Total accruals and deferred income	110,362	97,615

Note 30 Other provisions

	31/12/2013	31/12/2012
Opening balance	418	235
Provisions recognised during the year	262	183
Closing balance	680	418

The Bank has entered into an endowment insurance agreement for safeguarding its pension obligations. The endowment insurance and obligations have been netted. The amount recognised in other provisions consists of payroll tax not covered by the endowment insurance. The market value of the endowment insurance is SEK 2,802 (1,722) thousand.

Note 31 Untaxed reserves

Tax allocation reserve	31/12/2013	31/12/2012
tax year 08	0	19,917
tax year 09	21,800	21,800
tax year 10	12,192	12,192
tax year 11	79,397	79,397
tax year 12	104,000	104,000
tax year 13	74,200	74,200
tax year 14	91,400	0
Accelerated depreciation	29,910	0
Total untaxed reserves	412,899	311,506

Note 32 Equity

Shares

The number of shares is 500,000, and the par value is 1,000. The par value is defined as share capital divided by the number of shares.

Statutory reserve

Refers to transfers to the statutory reserve made before the legislative amendment in 2006. The statutory reserve is restricted equity and may not be used for profit distribution.

Retained earnings

Retained earnings refers to profit or loss brought forward from previous years less dividends.

Fair value reserve

This reserve includes translation differences on consolidation of the Bank's foreign branches.

Statement of changes in equity

A specification of changes in equity during the period is provided in the Statement of changes in equity.

Change in the fair value reserve

Translation reserve	2013	2012
Opening translation reserve	0	-199
Translation difference for the year, branches	-610	199
Closing translation reserve	-610	0
Closing fair value reserve	-610	0

Note 33 Collateral pledged for own liabilities

	31/12/2013	31/12/2012
Loans to credit institutions	34	9
Loans to the public	4,089,694	3,469,067
Total collateral pledged for own liabilities	4,089,728	3,469,076

A portion of Loans to the public has been provided as collateral for the Bank's credit with another institution (see note 26), which is used if the Bank is unable to discharge its obligations to the credit institution.

Note 34 Related parties**Parent Company and ownership**

Resurs Bank AB has since 12 November 2012 been a wholly owned subsidiary of Resurs Holding AB, reg. no. 556898-2291, which is owned by Cidron FI S.à r.l. (50.64%), Waldakt AB (41.44%) and RSF Invest AB (7.92%). RSF Invest AB is owned by RSF Invest Holding AB (87.68%), which in turn is owned by Cidron FI S.à r.l. (55%) and Waldakt AB (45%). Part of RSF Invest Holding AB's ownership of RSF Invest AB is intended for sale to senior executives of the Group, and a holding of 12.325% was sold in 2013. The indirect ownership of Resurs Holding AB by Cidron FI S.à r.l.s and Waldakt AB has decreased proportionally, which means that Cidron FI S.à r.l.s and Waldakt ABs have an indirect and direct ownership of 54.46% and 44.56%, respectively. Resurs Holding AB is indirectly owned by Nordic Capital Fund VII and Waldir AB through their respective holdings in Cidron FI S.à r.l. and Waldakt AB.

Resurs Bank AB was previously a wholly owned subsidiary of Vauli AB (formerly Resurs Holding AB), reg. no. 556194-2920.

Related parties – Other Group companies

Other Group companies are Resurs Holding AB's subsidiaries Solid Försäkringsaktiebolag, Reda Inkasso AB, Teleresurs i Sverige AB, with the subsidiary Flat Wallet AB, Resurs Telebackup i Sverige KB and Solid Telebackup KB, and companies over which Cidron FI S.à r.l.s has control and with which the Bank has conducted transactions, namely Ellos Group AB.

Related party transactions with other Group companies

In addition to the income and expenses and outstanding items presented in the table below, the Bank has acquired debt collection claims of approx. SEK 159 million from the

Group company Reda Inkasso AB. The claims have been taken over at the values reported by Reda Inkasso AB

The Bank has also taken over the sales ledger and associated administration from Ellos Group AB (which Cidron FI S.à r.l.s controls). The takeover was completed in a transaction between parties under joint control. Consequently, IFRS 3 is not applicable and the Bank has chosen to recognise the acquired net assets at their carrying amount, which corresponds to the purchase consideration paid, without any remeasurement to fair value. A payment of SEK 2,328 million has been made for the receivables, which at the takeover date included invoice receivables of SEK 1,665 million. The Bank has also recognised other types of income and expenses from Ellos Group, which are presented in the table below.

Related parties – Companies with significant influence

Waldakt AB is a wholly owned subsidiary of Waldir AB, which is owned by the Bengtsson family. The Bengtsson family also has control of SIBA Holding AB and AB Remvassen. Transactions with these companies are listed below under the heading Other related parties.

In the previous year, transactions with companies in which the Bengtsson family had significant influence, indirectly via the above companies, were also included under the heading Other related parties. These companies were previously related companies, but following changes in the ownership structure in 2013, they were classified as non-related. The companies in which the Bengtsson family has significant influence were defined as non-related during 2013 and they are therefore not included in the reported transactions.

Related parties – Key personnel of Resurs Bank AB and its parent Resurs Holding

Kenneth Nilsson	MD Resurs Bank AB and Resurs Holding AB
Lars Nordstrand	Chairman of the Board of Resurs Bank AB
Fredrik Carlsson	Director of Resurs Bank AB and Resurs Holding AB
Jan Samuelson	Chairman of the Board of Resurs Holding AB
Martin Bengtsson	Director of Resurs Holding AB
Anders Dahlvig	Director of Resurs Holding AB
Christian Frick	Director of Resurs Holding AB
David Samuelson	Director of Resurs Holding AB
Kristoffer Melinder	Director of Resurs Holding AB

All items for related companies are interest bearing

Key personnel

Information about transactions between related party key personnel and remuneration of these individuals can be found in note 12 Personnel.

Parent, to 11 November 2012	2013	2012
Interest income	0	6,850
Interest expenses, deposits and borrowing from the public	0	-73
General administrative expenses	0	-14,870
Loans to the public	0	6,061
Deposits and borrowing from the public	0	84
Parent, from 12 November 2012		
Interest income	0	10
General administrative expenses	-4,056	-663
Loans to the public	0	4,010
Other assets	5	647
Other liabilities	-3,592	0

Other Group companies	2013	2012
Interest income	428	-11,776
Interest expenses, deposits and borrowing from the public	-3,884	-7,929
Fee and commission income	70,801	53,742
General administrative expenses	-14,897	-15,135
Other operating expenses	-41	-91,027
Loans to the public	0	77,159
Other assets	3,448	29,797
Deposits and borrowing from the public	183,327	215,572
Other liabilities	10,184	737
Other related parties		
Interest income	0	1,338
Interest expenses, deposits and borrowing from the public	-8,378	-18,723
Transaction costs	-89,975	-115,244
General administrative expenses	0	-5,737
Loans to the public	0	34,811
Deposits and borrowing from the public	297,521	372,401
Other liabilities	0	31,650

Note 35 Classification of financial assets and liabilities

Assets 31/12/2013	Loans and receivables	Financial assets at FVTPL, designated	Financial assets at FVTPL, held for trading	Total carrying amount	Fair value
Treasury and other bills eligible for refinancing	-	672,162	-	672,162	672,162
Loans to credit institutions	2,053,936	-	-	2,053,936	2,056,229
Loans to the public	9,042,009	-	-	9,042,009	9,042,009
Bonds	-	2,162,854	-	2,162,854	2,162,854
Derivatives	-	-	10,493	10,493	10,493
Other assets	25,123	-	-	25,123	25,123
Prepayments and accrued income	34,922	-	-	34,922	34,922
Total financial assets	11,155,990	2,835,016	10,493	14,001,499	14,003,792
Investments in associates	-	-	-	1	1
Property, plant & equipment	-	-	-	107,283	107,283
Other non-financial assets	-	-	-	44,322	44,322
Total assets	11,155,990	2,835,016	10,493	14,153,105	14,155,398
Liabilities 31/12/2013		Financial liabilities at FVTPL, held for trading	Other financial liabilities	Total carrying amount	Fair value
Liabilities to credit institutions		-	783	783	783
Deposits and borrowing from the public		-	12,057,416	12,057,416	12,060,481
Derivatives		2,542	-	2,542	2,542
Other liabilities		-	270,226	270,226	270,226
Accruals and deferred income		-	65,552	65,552	65,552
Total liabilities		2,542	12,393,977	12,396,519	12,399,584
Provisions		-	-	680	680
Other non-financial liabilities		-	-	168,051	168,051
Untaxed reserves		-	-	412,899	412,899
Equity		-	-	1,174,956	1,174,956
Total liabilities and equity		2,542	12,393,977	14,153,105	14,156,170

Assets 31/12/2012	Loans and receivables	Financial assets at FVTPL, designated	Financial assets at FVTPL, held for trading	Total carrying amount	Fair value
Treasury and other bills eligible for refinancing	-	36,257	-	36,257	36,257
Loans to credit institutions	706,211	-	-	706,211	706,211
Loans to the public	6,791,741	-	-	6,791,741	6,791,741
Bonds	-	317,317	-	317,317	317,317
Other assets	65,700	-	4,966	70,666	70,666
Prepayments and accrued income	16,255	-	-	16,255	16,255
Total assets	7,579,907	353,574	4,966	7,938,447	7,938,447
Investments in associates	-	-	-	1	1
Property, plant & equipment	-	-	-	179,892	179,892
Other non-financial assets	-	-	-	44,034	44,034
Total financial assets	7,579,907	353,574	4,966	8,162,374	8,162,374
Liabilities 31/12/2012			Other financial liabilities	Total carrying amount	Fair value
Liabilities to credit institutions			12,408	12,408	12,408
Deposits and borrowing from the public			6,429,360	6,429,360	6,431,133
Other liabilities			237,309	237,309	237,309
Accruals and deferred income			45,791	45,791	45,791
Total financial liabilities			6,724,868	6,724,868	6,726,641
Provisions			-	418	418
Other non-financial liabilities			-	138,270	138,270
Untaxed reserves			-	311,506	311,506
Equity			-	987,312	987,312
Total liabilities and equity			6,724,868	8,162,374	8,164,147

31/12/2013	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss			
Treasury and other bills eligible for refinancing	672,162		
Bonds and other interest-bearing securities	2,162,854		
Derivatives		10,493	
Total	2,835,016	10,493	0
Financial liabilities at fair value through profit or loss			
Derivatives		-2,542	
Total	2,835,016	7,951	0

31/12/2012	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss			
Treasury and other bills eligible for refinancing	36,257		
Bonds and other interest-bearing securities	317,317		
Derivatives		4,966	
Total	353,574	4,966	0
Financial liabilities at fair value through profit or loss			
Total	353,574	4,966	0

Note 2 provides a description of how fair value is determined for financial assets and liabilities carried at fair value in the statement of financial position. For current receivables and liabilities and deposits and lending at variable interest rates, the carrying amount reflects the fair value.

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs that are observable for the asset or liability other than quoted prices included in level 1, either directly (i.e., as quoted prices) or indirectly (i.e., derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs) (level 3).

Financial instruments measured at fair value for disclosure purposes

The fair value of loans at variable rates is measured at amortised cost, and the carrying amount is considered a reflection of the fair value. Consideration has been given to impairment losses based on statistical experience, with

an assessment of the amounts that can be expected to be received. The fair value of loans at fixed interest rates is determined using current market rates, with the initial credit spread kept constant unless there is clear evidence that a change in the Bank's credit rating has led to a measurable change in the Bank's credit spread. (Level 3)

For deposits and borrowing at variable interest rates, the carrying amount reflects the fair value. The fair value of deposits and borrowing at fixed interest rates is determined using current market rates, with the initial credit spread kept constant unless there is clear evidence that a change in the Bank's credit rating has led to a measurable change in the Bank's credit spread. (Level 3)

For other financial assets and liabilities with a remaining life of less than six months, the carrying amount is considered a reflection of the fair value. (Level 3)

Note 36 Significant accounting estimates

When preparing financial statements in accordance with IFRS (with statutory exemption) and generally accepted accounting principles, it is necessary for management to make active estimates, assumptions and judgements in certain respects. These are based on historical experience and current factors, which are considered fair and reasonable. The results of these professional judgements and estimates affect the reported amounts of assets, liabilities, income and expenses in the financial statements. The actual outcome may differ from those estimates and assumptions. The Bank has made the following critical estimates in applying significant accounting policies:

- classification of financial instruments
- classification of leases as operating or finance leases
- whether the Bank has assumed significant risks and rewards from the seller when acquiring assets
- impairment of credit losses and impairment of leased assets

Classification of financial instruments

The accounting policies in note 2 define how assets and liabilities are to be classified in the different categories.

Classification of leases

Leases are classified as operating or finance leases on the basis of an assessment of the economic substance of the lease contract. If the economic substance of the contract

concerns the financing of a purchase or an asset, the lease is classified as a finance lease. If the economic substance of the contract is comparable to a rental agreement, the lease is classified as an operating lease. The key factor in assessing the economic substance of the contract is whether it transfers from the lessor to the lessee substantially all risks and rewards incidental to ownership of the asset.

Acquisition of receivables

Purchased receivables consisting of non-performing consumer receivables are recognised at amortised cost using the effective interest method, which corresponds to the expected present value of all future cash flows discounted using the initial effective interest rate.

Impairment of credit losses

Impairment of credit losses is based on an individual assessment of large exposures and at group level for unsecured credit and promissory note receivables.

The accounting estimates and assumptions are reviewed regularly. Changes in accounting estimates are recognized in the period of the change if the change only affects that period. Changes are recognised in the period of the change and future periods if the change affects both.

Note 37 Significant events after the end of the financial year**Acquisition of subsidiaries**

On 1 April 2014, Resurs Bank acquired 100% of the shares in the groups Finaref AB and Nordic Consumer Finance A/S, and subsidiaries. Both groups are engaged in unsecured lending to consumers in the Nordic countries and their overall lending volumes amount to the equivalent of SEK 3.2 billion. The total purchase consideration for the shares is SEK 1,331 million – SEK 900 million for Finaref AB and SEK 431 million Nordic Consumer Finance A/S.

The acquisitions will strengthen Resurs Bank's position as a Nordic player with a focus on providing solutions for sales financing for retailers and unsecured lending to consumers.

As the acquisitions were completed shortly before the publication of this annual report, there is no current financial information available as at the acquisition date. In light of this, it has not been practicable to provide the additional disclosures required under IFRS 3.

Financing transactions

To provide funding for the above acquisitions, a number of financing transactions were completed in connection with the acquisitions. The Bank received a shareholder contribution of SEK 800 million from the Parent Company Resurs Holding AB and arranged other financing through intra-Group borrowings and its own funds.

The income statement and statement of financial position will be presented for adoption at the annual general meeting on 17 April 2014.

Helsingborg, 10 April 2014

Lars Nordstrand
Chairman

Fredrik Carlsson

Kenneth Nilsson
Managing Director

Our Audit Report was submitted on ____ April 2014.

Ernst & Young AB

Niklas Paulsson
Authorised Public Accountant

Revisionsberättelse

Till årsstämman i Resurs Bank AB

Org nr: 516401-0208

Vi har utfört en revision av årsredovisningen för Resurs Bank AB för år 2013.

Styrelsens och verkställande direktörens ansvar för årsredovisningen

Det är styrelsen och verkställande direktören som har ansvaret för att upprätta en årsredovisning som ger en rättvisande bild enligt lag om årsredovisning i kreditinstitut och värdepappersbolag och för den interna kontroll som styrelsen och verkställande direktören bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller på fel.

Revisorns ansvar

Vårt ansvar är att uttala oss om årsredovisningen på grundval av vår revision. Vi har utfört revisionen enligt International Standards on Auditing och god revisionssed i Sverige. Dessa standarder kräver att vi följer yrkesetiska krav samt planerar och utför revisionen för att uppnå rimlig säkerhet att årsredovisningen inte innehåller väsentliga felaktigheter.

En revision innefattar att genom olika åtgärder inhämta revisionsbevis om belopp och annan information i årsredovisningen. Revisorn väljer vilka åtgärder som ska utföras, bland annat genom att bedöma riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller på fel. Vid denna riskbedömning beaktar revisorn de delar av den interna kontrollen som är relevanta för hur bolaget upprättar årsredovisningen för att ge en rättvisande bild i syfte att utforma granskningsåtgärder som är ändamålsenliga med hänsyn till omständigheterna, men inte i syfte att göra ett uttalande om effektiviteten i bolagets interna kontroll. En revision innefattar också en utvärdering av ändamålsenligheten i de redovisningsprinciper som har använts och av rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen, liksom en utvärdering av den övergripande presentationen i årsredovisningen.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Uttalanden

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med lag om årsredovisning i kreditinstitut och värdepappersbolag och ger en i alla väsentliga avseenden rättvisande bild av Resurs Bank AB:s finansiella ställning per den 31 december 2013 och av dess finansiella resultat och kassaflöden för året enligt lag om årsredovisning i kreditinstitut och värdepappersbolag. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att årsstämman fastställer resultaträkningen och balansräkningen.

Rapport om andra krav enligt lagar och andra förordningar

Utöver vår revision av årsredovisningen har vi även utfört en revision av förslaget till dispositioner beträffande bolagets vinst eller förlust samt styrelsens och verkställande direktörens förvaltning för Resurs Bank AB för år 2013.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust, och det är styrelsen och verkställande direktören som har ansvaret för förvaltningen enligt aktiebolagslagen och lag om bank- och finansieringsrörelse.

Revisorns ansvar

Vårt ansvar är att med rimlig säkerhet uttala oss om förslaget till dispositioner av bolagets vinst eller förlust och om förvaltningen på grundval av vår revision. Vi har utfört revisionen enligt god revisionssed i Sverige.

Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Som underlag för vårt uttalande om ansvarsfrihet har vi utöver vår revision av årsredovisningen granskat väsentliga beslut, åtgärder och förhållanden i bolaget för att kunna bedöma om någon styrelseledamot eller verkställande direktören är ersättningskyldig mot bolaget. Vi har även granskat om någon styrelseledamot eller verkställande direktören på annat sätt har handlat i strid med aktiebolagslagen, lag om bank- och finansieringsrörelse, lag om årsredovisning i kreditinstitut och värdepappersbolag eller bolagsordningen.

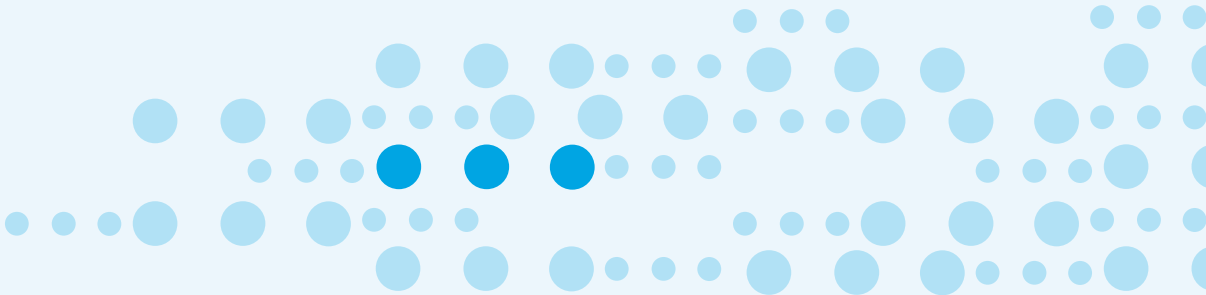
Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Uttalanden

Vi tillstyrker att årsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Helsingborg den 11 april 2014

Niklas Paulsson
Auktoriserad revisor





RESURS
BANK ● ● ●

+46 (0) 42 38 20 00 | www.resursbank.se | www.supremecard.se