

Interim report 4th quarter

About Komplett Bank ASA

Komplett Bank ASA started banking operations on 21 March 2014 when the company received its banking licence from the Norwegian authorities. Komplett Bank offers unsecured consumer and leisure financing to creditworthy individuals. The main product is “*Fleksibelt Lån*”, a loan product with credit line functionality that gives the customer more flexibility in timing repayments and use of the credit line. In Q4 2015 the bank also launched a new product, “*Komplett Bank MasterCard*”. The bank also offers attractive deposit rates on its savings accounts. As a member of the Norwegian Banks’ Guarantee Fund, deposits of up to NOK 2 million are guaranteed.

Komplett Bank is mainly owned by Norwegian investors. Komplett AS is the largest shareholder with 20.0% ownership. Komplett Bank ASA is registered on the NOTC list (a Norwegian information system for unlisted shares) as of 26 March 2015 with ticker code KOMP.

Developments to date

Since start up in March 2014, the operating and marketing organization has functioned as intended and the development has been in line with plans, or better. The bank has achieved desired and better than planned growth and results during the first 21 months of operation.

Highlights Year To Date, 2015

- The bank showed positive quarterly net profit in Q2 2015, only 5 quarters after launch, with NOK 0.6 million
- Positive net profit for Q4 2015, with NOK 9.9 million and positive net profit YTD 2015 with NOK 11.3 million
- NOK 150 million in share issue completed in March, securing capital for strategic growth objectives
- The self-service platform “*Min side*” launched in Q1 2015
- Growth in net loans to customers NOK 1 144 million during 2015
- Credit Cards (“*Komplett Bank MasterCard*”) launched in Q4

Financial figures

Total assets amounted to NOK 2 112.7 million. Net loans to customers amounted to NOK 1 583.3 million, while deposits from customers amounted to NOK 1 751.1 million. Total equity amounted to NOK

334.3 million. For information about regulatory capital, see note 3. Bank deposits and liquid securities amounted to NOK 471.7 million and corresponded to 22.3 % of total assets.

Profit after tax for the 4th quarter amounted to NOK 9.9 million. Net interest income amounted to NOK 52.0 million, while net commissions and fees amounted to NOK 0.5 million. Gross defaulted loans at the end of the 4th quarter amounted to NOK 61.7 million while losses on loans amounted to NOK 11.8 million in the 4th quarter. Accumulated loan impairment amounted to NOK 36.2 million.

Outlook

The bank expects a further increase in lending volumes and deposits from customers. The liquidity and capital position is expected to remain at a satisfactory level. The bank plans to obtain additional capital (Tier 1 and/or Tier 2) during Q1 2016.

The bank experiences increased uncertainty for the Norwegian consumer finance industry going forward related to macroeconomic development, increased competition and adverse effects of the proposed tax reform for Norway.

An adverse macroeconomic development may lead to reduced lending growth while increased unemployment rates may lead to increased loss levels for the consumer finance industry. Competition has increased and is expected to increase further. This may lead to pressure on margins as well as increased cost of customer acquisition and increased level of churn. The proposed fee on interest margin and the inclusion of financial services into the Norwegian VAT regime, as announced by the Solberg Government in the Fiscal Budget for 2016, will potentially have negative effect on the industry’s profit margins. If the proposition is put into force, it might be challenging to fully transfer the margin fee and VAT to the bank’s customers.

However, considering the bank’s solid track record, the bank expects to be well positioned to continue to deliver on its growth ambitions going forward. The bank expects its risk selection capabilities and procedures to continue to prove effective and it expects its proven marketing models to continue to deliver growth as planned. The cooperation with the Komplett Group as well as the launch of a credit card

is expected to be significant contributors to the bank's long term growth and profit.

interim report has not been audited by an external auditor.

Other information

The accounting profit for the 4th quarter has in its entirety been booked against retained earnings. This

Bærum, 11 January 2016

Board of Directors, Komplett Bank ASA

Income Statement

Amounts in NOK 1000	Note	Q4 2015	Total 2015	Q4 2014	Total 2014
Interest income	2	61 119	160 972	14 765	24 831
Interest expenses		9 083	27 201	4 024	6 319
Net interest income		52 036	133 771	10 741	18 512
Income commissions and fees		4 431	12 324	1 338	2 270
Expenses commissions and fees		3 974	10 132	946	1 421
Net commissions and fees		457	2 193	392	849
Net gains / losses on certificates and bonds		-1 512	-2 134	-	-
Salary and other personnel expenses		9 379	29 997	5 319	20 415
Other administrative expenses, of which:		10 032	40 392	6 480	18 726
<i>Direct marketing cost</i>		7 204	30 289	4 735	13 798
Total salary and administrative expenses		19 410	70 389	11 799	39 141
Ordinary depreciation		1 596	4 726	688	1 881
Other expenses		2 198	7 094	1 055	4 108
Total operating expenses		23 203	82 209	13 542	45 130
Losses on loans	2	11 800	32 750	3 192	4 192
Pre-tax operating profit		15 977	18 871	-5 601	-29 961
Tax expenses		6 031	7 517	-908	-7 062
Profit after tax		9 946	11 354	-4 693	-22 900

Balance Sheet

Amounts in NOK 1000	Note	31.12.2015	30.06.2015	31.12.2014	30.06.2014
Assets					
Loans and deposits with credit institutions		251 692	115 913	128 124	116 209
Loans to customers	2	1 619 558	946 146	443 112	113 257
-Loan impairment	2	-36 243	-16 142	-4 192	-
Certificates and bonds		220 050	217 829	243 750	25 566
Other intangible assets		22 315	15 715	11 146	9 284
Deferred tax asset		5 875	11 102	10 077	7 055
Fixed assets		374	501	595	320
Other receivables, of which:		29 066	12 731	6 995	407
<i>Prepaid agent commission</i>		28 912	12 552	6 658	376
Total assets		2 112 686	1 303 793	839 607	272 098
Liability and equity					
Deposits from and debt to customers		1 751 139	978 316	663 645	87 876
Other debt, of which:		27 196	14 777	12 682	12 775
<i>Deferred revenue (establishment fees)</i>		11 120	6 932	3 296	414
Total liabilities		1 778 335	993 093	676 327	100 651
Share capital	3	135 465	135 400	89 200	89 200
Share premium	3	205 830	202 515	101 340	101 340
Other paid-in equity	3	12 769	6 758	3 806	1 017
Retained earnings	3	-19 713	-33 973	-31 067	-20 110
Total equity		334 351	310 700	163 279	171 447
Total liabilities and equity		2 112 686	1 303 793	839 607	272 098

Bærum, 11 January 2016

Board of Directors, Komplet Bank ASA

Note 1 - General accounting principles

The interim report is prepared in accordance with the accounting principles in the annual report for 2014.

Note 2 - Loans to customers

Amounts in NOK 1000	31.12.2015	30.06.2015	31.12.2014	30.06.2014
Loans to private customers	1 619 558	946 146	443 112	113 257
Gross lending	1 619 558	946 146	443 112	113 257
Impairment of loans	36 243	16 142	4 192	-
Net loans from customers	1 583 315	930 004	438 920	113 257

Loans - Defaults and losses

Amounts in NOK 1000	31.12.2015	30.06.2015	31.12.2014	30.06.2014
Gross defaulted loans	62 083	24 290	7 204	-
Individual impairment of loans	27 743	14 542	3 192	-
Net defaulted loans	34 340	9 748	4 012	-
Other impairments of loans	8 500	1 600	1 000	-

100 % of loans are to private individuals.

Based on the relative short history and limited data on the defaulting customers' payment behaviour, calculation of impairment of loans is to a large extent made on a discretionary basis. Impairment is calculated based on actual observations of the loan portfolio and expectations of future cash flow.

Note 3 - Regulatory capital

Amounts in NOK 1000	31.12.2015	30.06.2015	31.12.2014	30.06.2014
Share capital	135 465	135 400	89 200	89 200
Share premium*	205 830	202 515	101 340	101 340
Other equity	-6 944	-27 215	-27 261	-19 093
Deductions:				
Deferred tax asset and other intangible assets	-28 190	-26 816	-21 223	-16 339
Net profit current year not included in regulatory capital	-11 354			
Common equity Tier 1	294 807	283 884	142 056	155 108
Supplemental capital	-	-	-	-
Total capital	294 807	283 884	142 056	155 108

Calculation basis - amounts in NOK 1000	31.12.2015	30.06.2015	31.12.2014	30.06.2014
Loans and deposits with credit institutions (20 %)	50 338	23 183	25 625	23 242
Loans to customers (75 %)	1 204 308	740 422	342 127	126 159
Certificates and bonds (10 % and 0 %)	19 976	21 783	23 312	2 020
Defaulted loans (100 %)	25 840	8 147	3 012	-
Other assets (100%)	29 066	13 232	7 589	727
Calculation basis credit risk	1 329 528	806 767	401 665	152 148
Calculation basis operational risk	130 158	130 158	70 688	70 688
Total calculation basis	1 459 686	936 925	472 353	222 836

Common equity tier 1 (%)	20.2%	30.3%	30.1%	69.6 %
Core capital (%)	20.2%	30.3%	30.1%	69.6 %
Total capital (%)	20.2%	30.3%	30.1%	69.6 %

*The increase in Share Premium relates to tax effect in connection to transactions cost booked directly against equity. The deductible tax amount has also been booked, in accordance with "NRS (F) Resultatskatt", against equity.

As this interim report has not been audited by external auditor, the net profit for the year has not been included in the regulatory capital for capital adequacy purposes. The net profit for the year can be included once the annual report has been audited. The capital ratio including the net profit for the year would be 21.0 %.