



Interim report
Fourth quarter 2019

Highlights and key figures

Losses on loans

- Total losses on loans of NOK 222 million in the quarter, of which NOK 105 million were due to additional loan loss provisions primarily driven by loss given default (LGD) parameters changes
- Increase in non-performing loans, mainly for consumer loans and credit cards in Norway where a disproportional amount originated in 2018
- Loss ratio was 5.6% adjusted for additional loan loss provisions, up from 4.0% in Q3 2019
- Corrective measures have been taken

Growth

- Net loans grew by NOK 134 million (2%) in the quarter and by NOK 651 million (8%) year-on-year
- Lending growth driven by growth in consumer loans in Finland and Sweden and Point-of-sales finance

Profitability

- Total income for Q4 2019 was NOK 302.8 million, up 3% from NOK 294.7 million in Q3 2019
- Non-recurring costs of NOK 7 million recognized in Q4 2019 due to strategic projects, external support related to implementation work following the FSA report and a provision related to a supply agreement
- The cost/Income ratio was 32.9% in the quarter, down from 35.9% in Q3 2019
- Loss after tax was NOK -15.4 million and NOK 63.0 million adjusted for additional loan loss provisions
- Return on equity (ROE)¹ was -3.4% and 13.6% adj. for for additional loan loss provisions, down from 18.1% in Q3 2019. The full year ROE¹ was 12.0% for 2019.

¹ ROE quarter = $4 \times \text{Profit after tax in the quarter} / (\text{quarterly average total equity} - \text{average AT1 capital})$

Capital Adequacy

- Komplett Bank's CET1 ratio as at 31 December 2019 was 21.3%, well above the Bank's target of 19.3%. Total capital ratio was 22.5%, below the Bank's target of 22.8%.
- The Board assesses that the Bank is not yet in a dividend position

About Komplett Bank ASA

Komplett Bank ASA (the "Bank") started operations in March 2014 when the company received its banking licence from the Norwegian authorities. Komplett Bank focuses on offering convenient consumer financing products.

The Bank's main products are consumer loans, comprising Komplett Bank's annuity loans launched in May 2019 as well as a flexible loan product with credit line functionality that gives the customer more flexibility in use of the credit line. In addition, the Bank offers "Komplett Bank Mastercard", a credit card with product features tailored for online shopping as well as Point of Sales (POS) finance products. The Bank offers deposit products with highly attractive interest rates in both Norway and Germany. As a member of the Norwegian Banks' Guarantee Fund, customer deposits are guaranteed up to NOK 2 million (EUR 100 k in Germany) per customer.

Canica Invest AS, the owner of the leading web retailer in the Nordic countries, the Komplett Group, is Komplett Bank's largest shareholder with an ownership of 19.4%. The Bank has a long-term strategic cooperation with the Komplett Group.

The Bank follows a growth strategy based on geographical and product-wise diversification and expansion. The strategy is founded on a digital, scalable, efficient and low-cost operating model combined with strong risk control. The Bank operates on a cross-border basis from Lysaker, outside of Oslo. The Norwegian banking license provides for passporting of the Bank's offering

¹ ROE year = $\text{Profit after tax in the year} / (\text{yearly average total equity} - \text{average AT1 capital})$

throughout the entire European Economic Area (EEA).

The Bank launched consumer loans in Norway in Q1 2014, in Finland in Q1 2017 and Sweden in Q1 2018. In May 2019, the Bank launched a new annuity loan product tailored to meet new consumer lending regulations in Norway. Credit card operations started in Norway in 2015, in Sweden in Q1 2019 and in Finland in Q2 2019. POS finance products were launched in Norway and Sweden in Q3 2017 and Q2 2018, respectively. In Q4 2018 the Bank launched EUR denominated deposits in Germany and SEK denominated deposits were launched in Sweden early in Q1 2020.

In the near- to medium term, lending operations will be focused on the Nordic region and the Bank will continue its expansion by developing its current product portfolio in existing markets.

Financial figures for Q4 2019

All figures are prepared and presented in accordance with IFRS.

Net loans grew by NOK 134 million in Q4 2019, driven primarily by loans Finland and Sweden, which grew by NOK 125 million and NOK 102 million, respectively. Net loans in Norway declined by NOK 214 million in the quarter, net of NOK 108 million in non-performing loans sold as part of the Bank's forward flow agreement. New Norwegian consumer lending regulations introduced in 2019 directly impacted the competitiveness of Komplett Bank's flexible loan product, particularly in the refinancing segment. This lack of a competitive refinancing product significantly impacted loan growth in Norway in the quarter. Net loan growth for Point-of-sales finance was NOK 105 million in the quarter, up from NOK 28 million in Q3 2019, driven by seasonally strong retail sales. Credit cards grew by NOK 15 million in the quarter, net of NOK 33 million in forward flow sales.

Net interest income amounted to NOK 293.8 million, up from NOK 282.4 million in Q3 2019, driven by lending growth. Net commissions and fees were NOK 6.8 million in Q4 2019, down from 14.3 million in the previous quarter. The resulting total income was NOK 302.8 million, an increase compared to NOK 294.7 million in Q3 2019.

Operating costs, excluding marketing expenses, were NOK 88.6 million up from NOK 85.0 million in Q3 2019. Operating costs in Q4 2019 included NOK 7 million in non-recurring cost, which included a loss provision related to a supply agreement, external support related to implementation work following the FSA report, and the exploration of strategic opportunities. The corresponding cost-income ratio ex marketing expenses increased to 29.3% in Q4 2019 from 28.8% in Q3 2019. Direct marketing expenses amounted to NOK 10.9 in Q4 2019, down from NOK 20.9 million in Q3 2019. This decrease was driven by a drop in marketing activities in the fourth quarter, mainly due to seasonality but also to manage growth capacity.

Total losses on loans amounted to NOK 221.7 million in the quarter, up from NOK 81.8 million in Q3 2019.

In Q4 2019, Komplett Bank's forward flow agreement for the sale of non-performing loans (NPL) in Norway expired. Following a thorough review of the underlying performance of the Bank's NPL portfolios and secondary market conditions, Komplett Bank's management and Board of Directors decided to revise the model parameters across the Bank's entire product portfolio in Norway, Sweden and Finland which resulted in additional provisions of NOK 105 million, primarily driven by changes in loss given default (LGD) parameters.

Adjusted for non-recurring effects, total losses on loans for Q4 2019 amounted to NOK 117 million. This increase was primarily due to the expiration of the forward flow contract and an increase in non-performing loans, mainly for credit cards and consumer loans in Norway.

The resulting quarterly loan losses were NOK 222 million in Q4 2019. Adjusted for the NOK 105 million in additional loan loss provisions due to model parameter changes the loan loss ratio was 5.6% in the quarter (4.0% in Q3 2019).

In regards of increased credit risk corrective measures have been taken, and the Bank will continue to improve customer acquisition processes and strengthen risk strategy, policy rules and scorecards

Loss after tax was NOK -15.4 million in Q4 2019, down from 80.5 million in the previous quarter. Adjusting for the additional loan loss provisions, profit after tax was NOK 63.0 million in Q4 2019.

Total assets at 31 December 2019 amounted to NOK 10,620 million (down from NOK 10,872 million at 30 September 2019). Net loans to customers ended at NOK 8,496 million (NOK 8,361 million). Deposits from customers amounted to NOK 8,520 million (NOK 8,755 million), of which NOK 2,540 million in EUR denominated deposits (NOK 2,466 million at 30 September 2019).

Total equity was NOK 1,850 million (NOK 1,863 million at 30 September 2019).

As of 31 December 2019, Komplett Bank had a total capital ratio of 22.5% (23.8%), below the Bank's target of 22.8%. CET1 ratio of 21.3% (22.5%) is well above the Bank's targeted CET1 ratio of 19.3%.

Bank deposits and liquid securities amounted to NOK 1,944 million (NOK 2,343 million) corresponding to 18.3% (21.5%) of total assets.

Gross defaulted loans at the end of Q4 2019 amounted to NOK 1,284.9 million, up from NOK 1,060.6 million at 30 September 2019. Loan impairments amounted to NOK 810.1 million (NOK 608.3 million).

Regulatory update

On 15 May 2019, new regulations regarding lending practices for unsecured credit in Norway came into effect. The new regulations are based on guidelines previously issued by the Financial Supervisory Authority of Norway (FSA) in 2017 and will be in place until 31 December 2020.

On 30 September 2019, the Swedish FSA increased the countercyclical capital buffer requirement from 2.0% to 2.5%, while the Norwegian Ministry of Finance increased the countercyclical capital buffer requirement to 2.5% from 31 December 2019. As of 31 December 2019, the Bank's weighted countercyclical capital buffer requirement was 1.8%.

Outlook

Komplett Bank follows a diversified multi-channel marketing and distribution strategy, has a strong financial position with a resilient balance sheet and a flexible and low-cost operating model. Combined with a well-known brand and strong distribution capabilities, this puts the Bank in a favourable competitive position.

The Bank's strategy for product-wise and geographical expansion is the cornerstone to ensuring long-term sustainable growth and value creation. Going forward, Komplett Bank will continue to focus on creating customer value through flexible solutions and efficient and customer friendly processes.

New regulations introduced in Norway in May 2019 are expected to continue to dampen market growth for consumer lending in Norway going forward.

The regulations contained new requirements related to the amortisation schedule of revolving credit facilities, which had a direct impact on the competitive characteristics of Komplett Bank's "flexible loan" product, particularly in the refinancing segment.

In May 2019, Komplett Bank launched a new annuity lending product and an additional annuity lending product with refinancing functionality will be introduced to the Norwegian market during the first half of 2020. This is expected to improve Komplett Bank's competitive position in Norway.

Until Komplett Bank launches a new refinancing product, loan growth in Norway is expected to remain negative or limited.

Going forward, Komplett Bank expects continued stable growth for consumer loans in Finland and Sweden. The Bank also expects increased contribution from credit cards in Sweden and Finland in 2020 as the customer base increases.

The portfolio of loans issued by Komplett Bank in Norway in 2018 has exhibited poor credit performance, and in Q4 2019, approximately 45% of loans that defaulted in Norway originated in 2018.

In Q4 2018, Komplett Bank adjusted its credit risk appetite, implementing stricter credit measures in the Norwegian market, and throughout 2019 the Bank has worked to improve its customer acquisition process and strengthen its credit risk strategy.

Following the recent development in loan losses in Q4 2019, Komplett Bank initiated a complete revision of its credit risk strategy. The Bank will continue its strict focus on improving risk management procedures, including policy rules and scorecards, invoicing and collection processes and bill payment functionality, to reverse the recent negative trend in credit losses.

Komplett Bank's main strategic priorities are:

- Reverse negative trend in credit losses
- Strengthen operational performance
- Ensure continued robust financial position and dividend capacity

Financial Targets

The Bank has established the following financial targets:

1. Capital Adequacy

CET1 target of 19.3%

(Comprised of CET1 requirement of 18.3% + 1.0% management buffer)

2. Return on Equity

Above 20% return on equity.

Loss levels are expected to remain high and the Bank does not expect to meet its ROE target of 20% in 2020

3. Dividend policy

Excess capital not deployed for growth purposes will be distributed to shareholders

Other information

The accounting result for Q4 2019 has in its entirety been booked against retained earnings.

Lysaker, Bærum, 11 February 2020

Board of Directors, Komplett Bank ASA

INTERIM STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in NOK million</i>	Note	Q4 2019	Q4 2018	2019	2018
Interest income	2, 9	333.1	311.5	1,282.5	1,100.4
Interest expenses	9	-39.2	-40.4	-167.2	-141.3
Net interest income	9	293.8	271.1	1,115.3	959.1
Income commissions and fees	2, 10	43.2	43.4	172.4	148.2
Expenses commissions and fees	10	-36.5	-18.7	-113.8	-74.2
Net commissions and fees	10	6.8	24.7	58.6	74.1
Net gains / losses (-) on certificates and bonds, and currency		2.2	0.4	1.7	-1.8
Total income		302.8	296.2	1,175.6	1,031.4
Salary and other personnel expenses		-34.9	-29.9	-135.4	-109.1
General administrative expenses	11	-32.3	-44.3	-172.4	-170.4
<i>Direct marketing expenses</i>	11	-10.9	-23.7	-84.0	-107.2
Total salary and admin. expenses		-67.1	-74.2	-307.8	-279.5
Ordinary depreciation	8	-16.0	-8.5	-54.9	-28.7
Other expenses	12	-16.4	-10.9	-79.0	-31.0
Total operating expenses excl. losses on loans		-99.5	-93.5	-441.7	-339.2
Losses on loans	2	-221.7	-73.0	-454.3	-249.0
Pre-tax operating profit		-18.4	129.7	279.6	443.1
Tax expenses		3.0	-32.8	-76.7	-112.0
Profit after tax		-15.4	96.9	202.9	331.1
Earnings per share (NOK)		-0.09	0.56	1.11	1.91
Diluted earnings per share (NOK)		-0.09	0.51	1.07	1.75
Comprehensive income					
<i>Amounts in NOK million</i>					
Profit after tax		-15.4	96.9	202.9	331.1
Other comprehensive income		-	-	-	-
Comprehensive income for the period		-15.4	96.9	202.9	331.1

STATEMENT OF FINANCIAL POSITION AS AT THE END OF THE PERIOD

<i>Amounts in NOK million</i>	Note	31.12.2019	31.12.2018
Assets			
Loans and deposits with credit institutions	4, 5	614.7	1,232.4
Net loans to customers	2, 5	8,495.8	7,844.3
Certificates and bonds	5	1,329.8	436.4
Other intangible assets	8	143.3	96.0
Deferred tax assets		0.8	39.5
Fixed assets	8	17.3	1.7
Other receivables	5	18.8	10.4
Total assets		10,620.4	9,660.7
Equity and liabilities			
Deposits from and debt to customers	5	8,519.5	7,365.6
Senior unsecured bond	5	-	399.8
Other debt	5, 7	149.5	100.0
Subordinated loans (Tier 2)	5, 6	64.9	64.7
Tax payable	7	37.0	110.8
Total liabilities		8,770.9	8,040.9
Share capital	3, 13	184.1	172.7
Share premium reserve	3	786.7	771.9
Other paid-in equity	3	45.8	42.2
Retained earnings	3	788.4	588.4
Additional Tier 1 capital	3	44.6	44.6
Total equity		1,849.5	1,619.8
Total equity and liabilities		10,620.4	9,660.7

Lysaker, Bærum, 11 February 2020

Board of Directors, Komplett Bank ASA

STATEMENT OF CASH FLOW FOR THE PERIOD

Amounts in NOK million	Note	Q4 2019	Q4 2018	2019	2018
Cash flow from operating activities					
Pre-tax operating profit		-18.4	129.7	279.6	443.1
Taxes paid		-20.2	-45.1	-107.2	-82.7
Ordinary depreciation	8	16.0	8.5	54.9	28.7
Change in impairments on loans to customers	2	201.8	39.1	338.5	179.0
Change in loans to customers	2, 5	-336.1	-427.8	-989.9	-2,720.1
Effects of currency on loans to customers in the period		11.8	115.5	-18.4	66.4
Change in deposits from and debt to customers	5	-235.2	457.0	1,153.9	3,035.2
Effects of currency on deposits from and debt to customers in the period		11.4	-	-46.9	-
Change in certificates and bonds	5	-132.4	-	-893.4	-54.8
Change in accruals		28.0	-1.8	31.6	34.3
Net cash flow from operating activities		-473.3	275.0	-197.2	929.1
Cash flows from investing activities					
Net Investments/sale of fixed assets	8	-0.1	-0.2	-0.6	-1.1
Net Investments/sale of intangible assets	8	-33.5	-23.6	-98.6	-67.5
Net cash flow used in investing activities		-33.6	-23.8	-99.2	-68.6
Cash flows from financing activities					
Paid-in equity		1.4	1.2	26.2	1.3
Repayment of senior unsecured bond		-	-	-400.0	-
Payment to Tier 1 capital investors		-1.0	-0.9	-3.8	-3.7
Net cash flow from financing activities		0.3	0.3	-377.6	-2.3
Net cash flow for the period		-506.5	251.5	-674.0	858.1
Cash and cash equivalents at the start of the period	4	1,145.2	1,095.4	1,232.4	442.3
Effects of currency on loans and deposits with credit institutions in the period		-24.0	-114.6	56.3	-68.0
Cash and cash equivalents at the end of the period	4	614.7	1,232.4	614.7	1,232.4

STATEMENT OF CHANGES IN EQUITY

Amounts in NOK million	Share capital	Share premium reserve	Additional Tier 1 capital	Other paid in capital	Retained earnings	Total Equity
Equity as at 01.01.2018	171.4	771.9	44.6	35.5	260.2	1,283.5
<i>Changes deriving from profit or loss:</i>						
Profit after tax	-	-	-	-	331.1	331.1
<i>Changes deriving from transactions with owners:</i>						
Share capital increase	1.3	-	-	-	-	1.3
<i>Other changes recognized in equity:</i>						
Changes in equity due to share options program	-	-	-	6.8	-	6.8
Paid interest on Additional Tier 1 capital	-	-	-	-	-2.7	-2.7
Equity as at 31.12.2018	172.7	771.9	44.6	42.2	588.4	1,619.8

Amounts in NOK million	Share capital	Share premium reserve	Additional Tier 1 capital	Other paid in capital	Retained earnings	Total Equity
Equity as at 01.01.2019	172.7	771.9	44.6	42.2	588.4	1,619.8
<i>Changes deriving from profit or loss:</i>						
Profit after tax	-	-	-	-	202.9	202.9
<i>Changes deriving from transactions with owners:</i>						
Share capital increase	11.4	-	-	-	-	11.4
Paid-in Share premium reserve	-	14.8	-	-	-	14.8
<i>Other changes recognized in equity:</i>						
Changes in equity due to share options program	-	-	-	3.6	-	3.6
Paid interest on Additional Tier 1 capital	-	-	-	-	-2.9	-2.9
Equity as at 31.12.2019	184.1	786.7	44.6	45.8	788.4	1,849.5

Notes

Note 1 - General accounting principles

This interim report is prepared in accordance with the same accounting principles as in the annual report for 2018 except for IFRS 16.

IFRS 16 *Leases* is a new standard that entered into force from 1 January 2019 and replaced IAS 17 *Leases*. The new standard removes the current distinction between operating and finance leases and is replaced by a model to be used for all leases with individual specific exceptions. Assets are depreciated over the lease term, while the commitment is measured at the present value of agreed, not paid lease. Leases will be treated as financial instruments included in the scope of impairments subject to IFRS 9. Leases are not regarded as significant for the Bank. The initial effect of implementing IFRS 16 was an increase in both assets and liabilities of NOK 17.2 million.

All numbers in this report are in NOK 1,000,000 unless otherwise specified.

Note 2 – Loans to customers

Loans to customers

Amounts in NOK million	31.12.2019	31.12.2018
Loans to customers	9,305.9	8,316.0
Gross lending	9,305.9	8,316.0
Impairment of loans to customers	810.1	471.6
Net loans to customers	8,495.8	7,844.3

Defaults and losses

Amounts in NOK million	31.12.2019	31.12.2018
Gross defaulted loans to customers*	1,284.9	839.7
Impairment of loans to customers stage 3	493.6	268.8
Net defaulted loans	791.3	570.9
Impairment of loans to customers stage 1 and stage 2	316.5	202.8

* Defaulted loans comprise amongst other of loans which are 91 days or more overdue according to agreed payment schedule. Such loans will still be considered defaulted regardless of future payment status. Defaulted loans also comprise of cases of client fraud and decease.

Gross loans by geographical regions

Amounts in NOK million	31.12.2019	31.12.2018
Akershus	589.7	706.9
Aust-Agder	110.9	122.2
Buskerud	312.3	349.2
Finmark	113.9	117.0
Hedmark	201.9	232.6
Hordaland	502.2	555.5
Møre og Romsdal	250.9	273.5
Nordland	260.3	287.0
Oppland	172.0	196.0
Oslo	648.4	748.1
Rogaland	461.5	518.1
Sogn og Fjordane	68.8	81.9
Telemark	170.8	193.3
Troms	168.9	185.7
Trøndelag	372.6	408.4
Vest-Agder	158.4	175.0
Vestfold	290.1	339.0
Østfold	339.7	390.6
Norway	5,193.2	5,879.8
Finland	2,752.3	1,847.5
Sweden	1,360.4	588.6
Total	9,305.9	8,316.0

Risk classes

All loans to customers are classed in different risk classes. The risk classes are divided between A to D for all products except for POS Finance where the risk classes are classed from A to C. Risk class A is for loans customers with the historically lowest probability of default, while risk class D (C for POS Finance) has the highest probability of default. Established loans are defined as loans to customers that are at least 6 months old, while new loans are defined as less than 6 months old. The column in the table below which is named "horizon" shows the horizon in which expected losses are calculated for the loans to customers for the different risk classes. The column in the table below named "interval of PD" shows the probability of default in the horizon for the relevant risk class used in the Bank's IFRS 9 model to calculate impairment of loans to customers as at 31 December 2019.

	31.12.2019	31.12.2018	Horizon	Interval of PD
Established loans Norway risk class A	27 %	35 %	12 months	4.5 % - 6.2 %
New loans Norway risk class A	5 %	8 %	12 months	8.6 %
Established loans Norway risk class B	4 %	6 %	Lifetime	49.6 % - 54.3 %
New loans Norway risk class B	1 %	1 %	Lifetime	72.2 %
Established loans Norway risk class C	1 %	1 %	Lifetime	71.2 % - 76.6 %
New loans Norway risk class C	0 %	0 %	Lifetime	85.5 %
Established loans Norway risk class D	5 %	5 %	Lifetime	100.0 %
New loans Norway risk class D	0 %	0 %	Lifetime	100.0 %
Established credit card loans Norway risk class A	5 %	6 %	12 months	0.0 % - 6.9 %
New credit card loans Norway risk class A	0 %	1 %	12 months	0.0 % - 8.0 %
Established credit card loans Norway risk class B	2 %	2 %	Lifetime	36.6 %
New credit card loans Norway risk class B	0 %	0 %	Lifetime	44.6 %
Established credit card loans Norway risk class C	0 %	0 %	Lifetime	73.5 %
New credit card loans Norway risk class C	0 %	0 %	Lifetime	83.6 %
Established credit card loans Norway risk class D	1 %	2 %	Lifetime	100.0 %
New credit card loans Norway risk class D	0 %	0 %	Lifetime	100.0 %
Loans Finland risk class A	22 %	18 %	12 months	7.9 % - 12.9 %
Loans Finland risk class B	3 %	2 %	Lifetime	55.2 % - 61.1 %
Loans Finland risk class C	1 %	0 %	Lifetime	85.7 % - 91.2 %
Loans Finland risk class D	5 %	2 %	Lifetime	100.0 %
POS Finance risk class A	4 %	3 %	12 months	8.0 %
POS Finance risk class B	1 %	1 %	Lifetime	44.6 %
POS Finance risk class C	1 %	0 %	Lifetime	100.0 %
Loans Sweden risk class A	10 %	5 %	12 months	7.9 %
Loans Sweden risk class B	1 %	1 %	Lifetime	55.2 %
Loans Sweden risk class C	0 %	0 %	Lifetime	85.7 %
Loans Sweden risk class D	2 %	0 %	Lifetime	100.0 %
New credit card loans Sweden risk class A	1 %	0 %	12 months	0.0 % - 8.0 %
New credit card loans Sweden risk class B	0 %	0 %	Lifetime	44.6 %
New credit card loans Sweden risk class C	0 %	0 %	Lifetime	83.6 %
New credit card loans Sweden risk class D	0 %	0 %	Lifetime	100.0 %
New credit card loans Finland risk class A	0 %	0 %	12 months	0.0 % - 8.0 %
New credit card loans Finland risk class B	0 %	0 %	Lifetime	44.6 %
New credit card loans Finland risk class C	0 %	0 %	Lifetime	83.6 %
New credit card loans Finland risk class D	0 %	0 %	Lifetime	100.0 %
Total	100 %	100 %		

Ageing of loans

Amounts in NOK million	31.12.2019	31.12.2018
Loans not past due	6,055.7	5,891.3
Past due 1 - 30 days	1,321.2	1,065.5
Past due 31 - 60 days	449.4	352.3
Past due 61 - 90 days	196.8	196.8
Past due 91+ days	1,282.8	810.2
Total	9,305.9	8,316.0

Ageing of loans %

Percentage of total loans	31.12.2019	31.12.2018
Loans not past due	65 %	71 %
Past due 1 - 30 days	14 %	13 %
Past due 31 - 60 days	5 %	4 %
Past due 61 - 90 days	2 %	2 %
Past due 91+ days	14 %	10 %
Total	100 %	100 %

Maximum exposure for loans to customers as at 31.12.2019*

Amounts in NOK million	Stage 1	Stage 2	Stage 3
Credit risk rating grade			
Established loans Norway risk class A	3,839.2	-	-
New loans Norway risk class A	749.7	-	-
Established loans Norway risk class B	-	396.1	-
New loans Norway risk class B	-	84.1	-
Established loans Norway risk class C	-	65.3	-
New loans Norway risk class C	-	16.0	-
Established loans Norway risk class D	-	-	452.3
New loans Norway risk class D	-	-	36.9
Established credit card loans Norway risk class A	1,161.9	-	-
New credit card loans Norway risk class A	30.9	-	-
Established credit card loans Norway risk class B	-	181.8	-
New credit card loans Norway risk class B	-	3.0	-
Established credit card loans Norway risk class C	-	20.5	-
New credit card loans Norway risk class C	-	0.3	-
Established credit card loans Norway risk class D	-	-	135.7
New credit card loans Norway risk class D	-	-	0.6
Loans Finland risk class A	2,434.6	-	-
Loans Finland risk class B	-	238.5	-
Loans Finland risk class C	-	54.1	-
Loans Finland risk class D	-	-	453.5
POS Finance risk class A	368.3	-	-
POS Finance risk class B	-	65.0	-
POS Finance risk class C	-	-	73.5
Loans Sweden risk class A	1,115.5	-	-
Loans Sweden risk class B	-	82.1	-
Loans Sweden risk class C	-	18.2	-
Loans Sweden risk class D	-	-	172.4
New credit card loans Sweden risk class A	244.3	-	-
New credit card loans Sweden risk class B	-	0.7	-
New credit card loans Sweden risk class C	-	0.1	-
New credit card loans Sweden risk class D	-	-	0.1
New credit card loans Finland risk class A	9.5	-	-
New credit card loans Finland risk class B	-	0.3	-
New credit card loans Finland risk class C	-	0.0	-
New credit card loans Finland risk class D	-	-	0.0
Total	9,953.9	1,226.2	1,325.1

* Exposures also include limits not utilised.

Maximum exposure for loans to customers as at 31.12.2018*

Amounts in NOK million	Stage 1	Stage 2	Stage 3
Credit risk rating grade			
Established loans Norway risk class A	4,373.7	-	-
New loans Norway risk class A	938.2	-	-
Established loans Norway risk class B	-	521.1	-
New loans Norway risk class B	-	117.2	-
Established loans Norway risk class C	-	81.2	-
New loans Norway risk class C	-	26.7	-
Established loans Norway risk class D	-	-	443.0
New loans Norway risk class D	-	-	26.1
Established credit card loans Norway risk class A	1,268.0	-	-
New credit card loans Norway risk class A	115.8	-	-
Established credit card loans Norway risk class B	-	194.4	-
New credit card loans Norway risk class B	-	9.8	-
Established credit card loans Norway risk class C	-	24.0	-
New credit card loans Norway risk class C	-	1.1	-
Established credit card loans Norway risk class D	-	-	147.5
New credit card loans Norway risk class D	-	-	1.0
Loans Finland risk class A	1,683.2	-	-
Loans Finland risk class B	-	130.2	-
Loans Finland risk class C	-	36.0	-
Loans Finland risk class D	-	-	196.9
POS Finance risk class A	265.3	-	-
POS Finance risk class B	-	50.7	-
POS Finance risk class C	-	-	22.4
Loans Sweden risk class A	460.8	-	-
Loans Sweden risk class B	-	152.4	-
Loans Sweden risk class C	-	12.3	-
Loans Sweden risk class D	-	-	32.4
New credit card loans Sweden risk class A	-	-	-
New credit card loans Sweden risk class B	-	-	-
New credit card loans Sweden risk class C	-	-	-
New credit card loans Sweden risk class D	-	-	-
New credit card loans Finland risk class A	-	-	-
New credit card loans Finland risk class B	-	-	-
New credit card loans Finland risk class C	-	-	-
New credit card loans Finland risk class D	-	-	-
Total	9,105.0	1,357.2	869.4

* Exposures also include limits not utilised.

Reconciliation of gross lending to customers

Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 01.01.2019	6,313.2	1,158.2	844.6	8,316.0
Transfers in Q1 2019:				
Transfer from stage 1 to stage 2	-430.7	430.7	-	-
Transfer from stage 1 to stage 3	-48.0	-	48.0	-
Transfer from stage 2 to stage 3	-	-176.5	176.5	-
Transfer from stage 3 to stage 2	-	0.7	-0.7	-
Transfer from stage 2 to stage 1	251.4	-251.4	-	-
Transfer from stage 3 to stage 1	0.1	-	-0.1	-
New assets	886.5	57.9	14.8	959.2
Assets derecognized	-538.4	-119.4	-214.3	-872.1
Gross carrying amount as at 31.03.2019	6,434.1	1,100.1	868.9	8,403.2
Transfers in Q2 2019:				
Transfer from stage 1 to stage 2	-401.4	401.4	-	-
Transfer from stage 1 to stage 3	-50.8	-	50.8	-
Transfer from stage 2 to stage 3	-	-145.7	145.7	-
Transfer from stage 3 to stage 2	-	0.6	-0.6	-
Transfer from stage 2 to stage 1	218.6	-218.6	-	-
Transfer from stage 3 to stage 1	0.9	-	-0.9	-
New assets	925.7	75.7	16.1	1,017.5
Assets derecognized	-484.1	-173.3	-124.9	-782.3
Gross carrying amount as at 30.06.2019	6,643.0	1,040.2	955.2	8,638.4
Transfers in Q3 2019:				
Transfer from stage 1 to stage 2	-482.7	482.7	-	-
Transfer from stage 1 to stage 3	-50.4	-	50.4	-
Transfer from stage 2 to stage 3	-	-173.6	173.6	-
Transfer from stage 3 to stage 2	-	1.8	-1.8	-
Transfer from stage 2 to stage 1	236.0	-236.0	-	-
Transfer from stage 3 to stage 1	1.2	-	-1.2	-
New assets	967.6	78.0	19.2	1,064.8
Assets derecognized	-489.2	-109.5	-134.7	-733.4
Gross carrying amount as at 30.09.2019	6,825.6	1,083.6	1,060.6	8,969.8
Transfers in Q4 2019:				
Transfer from stage 1 to stage 2	-533.0	533.0	-	-
Transfer from stage 1 to stage 3	-73.2	-	73.2	-
Transfer from stage 2 to stage 3	-	-260.6	260.6	-
Transfer from stage 3 to stage 2	-	1.5	-1.5	-
Transfer from stage 2 to stage 1	153.2	-153.2	-	-
Transfer from stage 3 to stage 1	1.0	-	-1.0	-
New assets	964.5	72.9	21.2	1,058.5
Assets derecognized	-497.2	-97.0	-128.2	-722.4
Gross carrying amount as at 31.12.2019	6,840.8	1,180.2	1,284.9	9,305.9

Reconciliation of gross lending to customers

Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 01.01.2018	4,386.5	804.8	404.6	5,595.8
Transfers in Q1 2018:				
Transfer from stage 1 to stage 2	-328.9	328.9	-	-
Transfer from stage 1 to stage 3	-9.9	-	9.9	-
Transfer from stage 2 to stage 3	-	-187.8	187.8	-
Transfer from stage 3 to stage 2	-	-	-	-
Transfer from stage 2 to stage 1	157.8	-157.8	-	-
Transfer from stage 3 to stage 1	1.4	-	-1.4	-
New assets	1,026.5	105.9	3.7	1,136.2
Assets derecognized	-409.7	-44.7	-24.0	-478.4
Gross carrying amount as at 31.03.2018	4,823.7	849.3	580.6	6,253.6
Transfers in Q2 2018:				
Transfer from stage 1 to stage 2	-361.5	361.5	-	-
Transfer from stage 1 to stage 3	-28.0	-	28.0	-
Transfer from stage 2 to stage 3	-	-154.6	154.6	-
Transfer from stage 3 to stage 2	-	-	-	-
Transfer from stage 2 to stage 1	198.8	-198.8	-	-
Transfer from stage 3 to stage 1	0.7	-	-0.7	-
New assets	1,340.0	154.1	7.6	1,501.7
Assets derecognized	-429.7	-96.0	-51.5	-577.2
Gross carrying amount as at 30.06.2018	5,544.0	915.5	718.6	7,178.1
Transfers in Q3 2018:				
Transfer from stage 1 to stage 2	-410.4	410.4	-	-
Transfer from stage 1 to stage 3	-29.1	-	29.1	-
Transfer from stage 2 to stage 3	-	-102.3	102.3	-
Transfer from stage 3 to stage 2	-	-	-	-
Transfer from stage 2 to stage 1	205.5	-205.5	-	-
Transfer from stage 3 to stage 1	0.1	-	-0.1	-
New assets	1,256.7	145.1	2.1	1,403.9
Assets derecognized	-455.6	-138.1	-100.1	-693.8
Gross carrying amount as at 30.09.2018	6,111.1	1,025.2	751.9	7,888.2
Transfers in Q4 2018:				
Transfer from stage 1 to stage 2	-541.8	541.8	-	-
Transfer from stage 1 to stage 3	-52.1	-	52.1	-
Transfer from stage 2 to stage 3	-	-143.5	143.5	-
Transfer from stage 3 to stage 2	-	0.6	-0.6	-
Transfer from stage 2 to stage 1	210.5	-210.5	-	-
Transfer from stage 3 to stage 1	1.0	-	-1.0	-
New assets	1,122.6	129.7	32.9	1,285.1
Assets derecognized	-538.1	-185.2	-134.1	-857.4
Gross carrying amount as at 31.12.2018	6,313.2	1,158.2	844.6	8,316.0

Reconciliation of loss allowances

Amounts in NOK million

	Stage 1	Stage 2	Stage 3	Total
Impairment as at 01.01.2019	102.1	100.8	268.8	471.6
Transfers in Q1 2019:				
Transfer from stage 1 to stage 2	-5.2	5.2	-	-
Transfer from stage 1 to stage 3	-0.6	-	0.6	-
Transfer from stage 2 to stage 3	-	-23.8	23.8	-
Transfer from stage 3 to stage 2	-	0.2	-0.2	-
Transfer from stage 2 to stage 1	18.3	-18.3	-	-
Transfer from stage 3 to stage 1	0.0	-	-0.0	-
New financial assets originated or change in provisions	16.1	52.0	41.0	109.1
Assets derecognized or change in provisions	-18.8	-14.0	-49.7	-82.4
Other changes	1.1	0.8	0.0	1.9
Impairment as at 31.03.2019	113.0	102.8	284.4	500.2
Transfers in Q2 2019:				
Transfer from stage 1 to stage 2	-5.3	5.3	-	-
Transfer from stage 1 to stage 3	-0.7	-	0.7	-
Transfer from stage 2 to stage 3	-	-23.4	23.4	-
Transfer from stage 3 to stage 2	-	0.2	-0.2	-
Transfer from stage 2 to stage 1	16.1	-16.1	-	-
Transfer from stage 3 to stage 1	0.6	-	-0.6	-
New financial assets originated or change in provisions	13.3	50.1	43.9	107.3
Assets derecognized or change in provisions	-17.1	-15.9	-32.6	-65.6
Other changes	-10.9	18.2	-1.2	6.1
Impairment as at 30.06.2019	109.1	121.3	317.6	548.0
Transfers in Q3 2019:				
Transfer from stage 1 to stage 2	-7.1	7.1	-	-
Transfer from stage 1 to stage 3	-0.9	-	0.9	-
Transfer from stage 2 to stage 3	-	-29.3	29.3	-
Transfer from stage 3 to stage 2	-	0.6	-0.6	-
Transfer from stage 2 to stage 1	23.1	-23.1	-	-
Transfer from stage 3 to stage 1	1.2	-	-1.2	-
New financial assets originated or change in provisions	17.9	69.0	42.0	128.8
Assets derecognized or change in provisions	-28.1	-14.9	-34.6	-77.6
Other changes	4.7	1.6	2.9	9.1
Impairment as at 30.09.2019	119.8	132.4	356.2	608.3
Transfers in Q4 2019:				
Transfer from stage 1 to stage 2	-8.6	8.6	-	-
Transfer from stage 1 to stage 3	-1.3	-	1.3	-
Transfer from stage 2 to stage 3	-	-40.9	40.9	-
Transfer from stage 3 to stage 2	-	0.7	-0.7	-
Transfer from stage 2 to stage 1	16.3	-16.3	-	-
Transfer from stage 3 to stage 1	0.6	-	-0.6	-
New financial assets originated or change in provisions	18.7	73.9	78.1	170.7
Assets derecognized or change in provisions	-22.1	-14.4	-36.9	-73.4
Other changes	20.3	28.8	55.5	104.5
Impairment as at 31.12.2019	143.7	172.8	493.6	810.1

Reconciliation of loss allowances

Amounts in NOK million

	Stage 1	Stage 2	Stage 3	Total
Impairment as at 01.01.2018	78.3	90.5	123.9	292.7
Transfers in Q1 2018:				
Transfer from stage 1 to stage 2	-4.8	4.8	-	-
Transfer from stage 1 to stage 3	-0.1	-	0.1	-
Transfer from stage 2 to stage 3	-	-24.9	24.9	-
Transfer from stage 3 to stage 2	-	-	-	-
Transfer from stage 2 to stage 1	17.5	-17.5	-	-
Transfer from stage 3 to stage 1	0.4	-	-0.4	-
New financial assets originated or change in provisions	21.6	54.7	37.7	114.1
Assets derecognized or change in provisions	-26.5	-8.4	-5.9	-40.7
Other changes	-12.2	-14.8	-	-27.0
Impairment as at 31.03.2018	74.2	84.4	180.3	339.0
Transfers in Q2 2018:				
Transfer from stage 1 to stage 2	-4.6	4.6	-	-
Transfer from stage 1 to stage 3	-0.3	-	0.3	-
Transfer from stage 2 to stage 3	-	-20.0	20.0	-
Transfer from stage 3 to stage 2	-	-	-	-
Transfer from stage 2 to stage 1	18.4	-18.4	-	-
Transfer from stage 3 to stage 1	0.2	-	-0.2	-
New financial assets originated or change in provisions	18.0	51.3	32.3	101.6
Assets derecognized or change in provisions	-18.4	-7.7	-9.3	-35.5
Other changes	-9.5	-20.4	1.8	-28.1
Impairment as at 30.06.2018	78.0	73.8	225.3	377.1
Transfers in Q3 2018:				
Transfer from stage 1 to stage 2	-4.6	4.6	-	-
Transfer from stage 1 to stage 3	-0.4	-	0.4	-
Transfer from stage 2 to stage 3	-	-11.5	11.5	-
Transfer from stage 3 to stage 2	-	-	-	-
Transfer from stage 2 to stage 1	16.9	-16.9	-	-
Transfer from stage 3 to stage 1	0.0	-	-0.0	-
New financial assets originated or change in provisions	15.1	45.5	33.5	94.1
Assets derecognized or change in provisions	-16.9	-11.7	-26.6	-55.3
Other changes	12.5	4.3	-0.2	16.6
Impairment as at 30.09.2018	100.6	88.1	243.8	432.5
Transfers in Q4 2018:				
Transfer from stage 1 to stage 2	-7.1	7.1	-	-
Transfer from stage 1 to stage 3	-0.7	-	0.7	-
Transfer from stage 2 to stage 3	-	-16.0	16.0	-
Transfer from stage 3 to stage 2	-	0.2	-0.2	-
Transfer from stage 2 to stage 1	17.8	-17.8	-	-
Transfer from stage 3 to stage 1	0.3	-	-0.3	-
New financial assets originated or change in provisions	13.2	49.4	38.4	101.0
Assets derecognized or change in provisions	-19.0	-15.4	-31.4	-65.8
Other changes	-3.1	5.2	1.8	3.9
Impairment as at 31.12.2018	102.1	100.8	268.8	471.6

Information on products and geographical distribution

Amounts in NOK million

	Consumer loans			Credit cards	POS Finance
	Norway	Finland	Sweden		
Income per product in Q4 2019					
Interest income	145.7	88.6	36.9	38.0	17.8
Income commissions and fees	10.9	7.0	0.8	9.8	14.7
Total	156.6	95.6	37.7	47.8	32.6

	Consumer loans			Credit cards	POS Finance
	Norway	Finland	Sweden		
Income per product in Q4 2018					
Interest income	177.8	58.2	17.4	45.2	7.8
Income commissions and fees	13.2	6.2	1.0	10.6	12.4
Total	191.0	64.4	18.4	55.8	20.2

	Consumer loans			Credit cards	POS Finance
	Norway	Finland	Sweden		
Income per product 2019					
Interest income	625.4	297.3	122.2	163.5	52.4
Income commissions and fees	44.2	27.4	5.7	41.0	49.6
Total	669.6	324.7	127.8	204.4	102.1

	Consumer loans			Credit cards	POS Finance
	Norway	Finland	Sweden		
Income per product 2018					
Interest income	671.1	186.6	31.0	183.7	14.2
Income commissions and fees	50.8	19.3	1.5	45.2	26.9
Total	722.0	205.9	32.5	228.9	41.1

	Consumer loans			Credit cards	POS Finance
	Norway	Finland	Sweden		
Loans per product per 31.12.2019					
Net loans to customers	3,699.5	2,428.9	1,061.8	800.5	505.0
Total	3,699.5	2,428.9	1,061.8	800.5	505.0

	Consumer loans			Credit cards	POS Finance
	Norway	Finland	Sweden		
Loans per product per 31.12.2018					
Net loans to customers	4,459.5	1,720.7	476.0	846.7	341.4
Total	4,459.5	1,720.7	476.0	846.7	341.4

	Consumer loans			Credit cards	POS Finance
	Norway	Finland	Sweden		
Impairment per product per 31.12.2019					
Impairment of loans to customers	286.3	319.1	115.4	57.1	32.3
Total	286.3	319.1	115.4	57.1	32.3

	Consumer loans			Credit cards	POS Finance
	Norway	Finland	Sweden		
Impairment per product per 31.12.2018					
Impairment of loans to customers	232.5	126.8	33.1	63.3	15.9
Total	232.5	126.8	33.1	63.3	15.9

Note 3 – Regulatory capital

Total capital		
Amounts in NOK million	31.12.2019	31.12.2018
Share capital	184.1	172.7
Share premium	786.7	771.9
Other equity (not including Q4 profits)	834.2	533.8
Phase-in effects of IFRS 9	201.3	144.5
Deductions:		
Deferred tax assets and other intangible assets and deductions	-145.4	-135.9
Common equity Tier 1 including phase-in impact of IFRS 9	1,860.9	1,486.9
Common equity Tier 1 excluding phase-in impact of IFRS 9	1,659.6	1,342.4
Additional Tier 1 capital	44.6	44.6
Core capital including phase-in impact of IFRS 9	1,905.5	1,531.5
Core capital excluding phase-in impact of IFRS 9	1,704.1	1,387.0
Subordinated loans (Tier 2)	64.9	64.7
Total capital including phase-in impact of IFRS 9	1,970.3	1,596.2
Total capital excluding phase-in impact of IFRS 9	1,769.0	1,451.7

Calculation basis		
Amounts in NOK million	31.12.2019	31.12.2018
Loans and deposits with credit institutions	122.9	246.5
Loans to customers and IFRS 9 phase-in effects	6,751.1	6,302.4
Certificates and bonds	9.1	30.2
Other assets	36.2	12.1
Calculation basis credit risk	6,919.3	6,591.1
Calculation basis operational risk	1,822.6	1,331.8
Total calculation basis including phase-in impact of IFRS 9	8,741.9	7,922.8
Total calculation basis excluding phase-in impact of IFRS 9	8,560.2	7,595.7

Capital ratios including phase-in impact of IFRS 9		
Common equity tier 1 (%)	21.3 %	18.8 %
Core capital (%)	21.8 %	19.3 %
Total capital (%)	22.5 %	20.1 %

Capital ratios excluding phase-in impact of IFRS 9		
Common equity tier 1 (%)	19.4 %	17.7 %
Core capital (%)	19.9 %	18.3 %
Total capital (%)	20.7 %	19.1 %

LCR (Liquidity Coverage Ratio) is 716% and NSFR (Net stable funding ratio) is 177% as of 31.12.2019.

Note 4 - Loans and deposits with credit institutions

Amounts in NOK million	31.12.2019	31.12.2018
Loans and deposits with credit institutions	614.7	1,232.4
Total	614.7	1,232.4

Note 5 - Financial instruments

Financial instruments at fair value

Financial instruments at fair value is measured at different levels:

Level 1

Financial instruments in level 1 are determined based on quoted prices in active markets for identical financial instruments available on the balance sheet date.

Level 2

Financial instruments in level 2 are determined based on inputs other than quoted prices, but where prices are observable either directly or indirectly. These include quoted prices in markets that are not active.

Level 3

Valuation methods based on non-observable market data are used when valuation cannot be determined in level 1 or 2.

Amounts in NOK million	31.12.2019	31.12.2018
Certificates and bonds - level 1	1,239.0	134.8
Certificates and bonds - level 2	90.8	301.6
Total financial instruments at fair value	1,329.8	436.4

Financial instruments at amortised cost

Financial instruments at amortised cost are valued at originally determined cash flows, adjusted for any impairment losses.

Amounts in NOK million	31.12.2019	31.12.2018
Loans and deposits with credit institutions	614.7	1,232.4
Net loans to customers	8,495.8	7,844.3
Other receivables	18.8	10.4
Total financial assets measured at amortised cost	9,129.2	9,087.0
Deposits from and debt to customers	8,519.5	7,365.6
Senior unsecured bond*	-	399.8
Other debt	149.5	100.0
Subordinated loans	64.9	64.7
Total financial liabilities measured at amortised cost	8,733.9	7,930.1

*Settlement of senior unsecured bond was made on 5 July 2019.

Note 6 - Subordinated loans

Amounts in NOK million	31.12.2019	31.12.2018
Subordinated loans - ISIN NO0010757768		
3 months NIBOR + 5.0 %	64.9	64.7
Total subordinated loans	64.9	64.7

Note 7 – Specification of other liabilities

Amounts in NOK million	31.12.2019	31.12.2018
Payables to suppliers	39.0	11.3
Social security tax	5.3	5.9
Payable taxes	37.0	110.8
Other liabilities	105.2	82.8
Total other liabilities	186.5	210.8

Note 8 – Intangible assets and fixed assets

Type of non-current asset	Fixtures and fittings	Office machines	Intangible assets	Right-of-use assets	Other	Total
Amounts in NOK million						
Accumulated historical cost at 01.01.2018	1.5	0.5	83.4	-	-	85.4
Additions in 2018	0.4	0.5	67.5	-	0.2	68.6
Disposals in 2018	-	-	-	-	-	-
Historical cost at 31.12.2018	1.9	1.0	151.0	-	0.2	153.8
Additions in Q1 2019	0.2	0.0	24.2	17.2	-	41.7
Disposals in Q1 2019	-	-	-	-	-	-
Historical cost at 31.03.2019	2.1	1.0	175.1	17.2	0.2	195.7
Additions in Q2 2019	0.1	0.0	21.5	-	-	21.7
Disposals in Q2 2019	-	-	-	-	-	-
Historical cost at 30.06.2019	2.3	1.0	196.7	17.2	0.2	217.4
Additions in Q3 2019	-	-	19.5	2.2	-	21.6
Disposals in Q3 2019	-	-	-	-	-	-
Historical cost at 30.09.2019	2.3	1.0	216.1	19.4	0.2	239.0
Additions in Q4 2019	0.1	0.1	33.5	-	-	33.6
Disposals in Q4 2019	-	-	-	-	-	-
Historical cost at 31.12.2019	2.3	1.1	249.6	19.4	0.2	272.6
Accumulated depreciations at 01.01.2018	0.7	0.3	26.7	-	-	27.6
Annual depreciations	0.3	0.1	28.3	-	-	28.7
Accumulated depreciations at 31.12.2018	1.0	0.4	55.0	-	-	56.4
Book value at 31.12.2018	0.9	0.6	96.0	-	0.2	97.7
Depreciations Q1 2019	0.1	0.0	11.0	0.9	-	12.0
Accumulated depreciations at 31.03.2019	1.1	0.4	66.0	0.9	-	68.3
Book value at 31.03.2019	1.1	0.6	109.1	16.4	0.2	127.4
Depreciations Q2 2019	0.1	0.0	12.0	0.9	-	13.0
Accumulated depreciations at 30.06.2019	1.2	0.5	78.0	1.7	-	81.3
Book value at 30.06.2019	1.1	0.5	118.7	15.5	0.2	136.1
Depreciations Q3 2019	0.1	0.0	13.3	1.1	-	14.5
Accumulated depreciations at 30.09.2019	1.2	0.5	91.2	2.8	-	95.8
Book value at 30.09.2019	1.0	0.5	124.9	16.6	0.2	143.3
Depreciations Q4 2019	0.1	0.0	15.1	1.0	-	16.2
Accumulated depreciations at 31.12.2019	1.3	0.6	106.3	3.8	-	111.9
Book value at 31.12.2019	1.0	0.5	143.3	15.6	0.2	160.6
Economic life	5 years	3 years	5 years	5 years	No depreciation	

Other intangible assets and fixed assets are depreciated on a straight-line basis over their lifetime. Intangible assets consist to a high degree of IT systems and rights acquired and developed in-house. Right-of-use assets relates to leasing agreements and are depreciated over their lifetime. No impairments have been recognised for other intangible assets or fixed assets either in the previous or current period.

Note 9 - Net interest income

Amounts in NOK million	Q4 2019	Q4 2018	2019	2018
Interest income from loans to customers	327.1	306.4	1,260.7	1,086.6
Interest income from loans and deposits with credit institutions	5.9	3.8	20.3	9.2
Interest from certificates and bonds	0.1	1.3	1.4	4.6
Total interest income	333.1	311.5	1,282.5	1,100.4
Interest expense from deposits from and debt to customers	33.8	33.8	140.2	115.7
Interest expense from subordinated loan (Tier 2) and senior unsecured bond	1.2	3.7	9.9	14.9
Other interest expenses	4.2	2.9	17.1	10.7
Total interest expenses	39.2	40.4	167.2	141.3
Net interest income	293.8	271.1	1,115.3	959.1

Note 10 - Net commissions and fees

Amounts in NOK million	Q4 2019	Q4 2018	2019	2018
Insurance services	13.4	15.7	58.4	58.3
Other fees and commissions and bank services income	29.8	27.7	114.0	89.9
Total income commissions and fees	43.2	43.4	172.4	148.2
Agent provisions	21.6	12.6	75.2	50.8
Other expenses commissions and fees	14.9	6.1	38.6	23.4
Total expenses commissions and fees	36.5	18.7	113.8	74.2
Net commissions and fees	6.8	24.7	58.6	74.1

Note 11 - General administrative expenses

Amounts in NOK million	Q4 2019	Q4 2018	2019	2018
Direct marketing expenses	10.9	23.7	84.0	107.2
IT-expenses	12.9	11.2	33.5	29.2
Other general administrative expenses	8.5	9.4	54.9	33.9
Total general administrative expenses	32.3	44.3	172.4	170.4

Note 12 - Other expenses

Amounts in NOK million	Q4 2019	Q4 2018	2019	2018
Rental expenses	-	0.8	-	3.0
External audit and related services	1.0	1.2	3.7	3.0
Other consultants	4.7	4.5	27.2	9.4
Insurance	0.3	0.2	1.1	1.0
Other	10.3	4.2	47.1	14.6
Total other operating expenses	16.4	10.9	79.0	31.0

Note 13 - Related parties

Komplett Bank is not part of a group. However, the Bank's largest shareholder is Canica Invest AS with 19.4% of the shares in the Bank. Canica Invest AS owns the majority of the shares in Komplett AS. Komplett Bank is financially and operationally independent of Komplett AS and its affiliated companies (the "Komplett Group").

Komplett AS and the Bank have entered into a cooperation agreement in relation to IP rights, marketing cooperation and other services. The agreement aims to give the Bank the right to use "Komplett Bank" as its name, and the profile and graphic design of komplett.no. The agreement gives the Bank the right to use all the intellectual property rights of Komplett AS that are necessary to achieving this purpose.

As an extension to the cooperation agreement, Komplett AS and the Bank have entered into an agreement on product cooperation in relation to the credit card of the Bank and the credit card's ancillary customer loyalty bonus programme. The agreement aims to promote sales and the use of the credit card, as well as contributing to promote sales for Komplett AS. Pursuant to this agreement, the parties shall arrange for customer loyalty bonus in relation to the use of the Bank's credit card on, among other, purchases from Komplett AS. The product cooperation agreement for credit cards was prolonged Q2 2018 for another 5 years.

Furthermore, the Bank is engaged in a cooperation with the Komplett Group, in particular in connection with its credit card product as well as its payment solutions and distribution of Point-of-sales finance products, which enables the Bank to distribute its products towards customers on Komplett's web shop platforms.

Note 14 - Subsequent events

The board is not aware of events after the date of the balance sheet that may be of material significance to the accounts.

Note 15 - Leasing agreements

Komplett Bank is leasing premises for Vollsveien 2A and 2B at Lysaker. The agreement expires 31.12.2023, and the annual rent totals NOK 4.5 million excluding VAT. The Bank has no other significant leasing agreements. Accounting of leasing agreements is described in note 1.