

A blue-tinted photograph of a sailboat on the water. A person is visible on the deck, and the boat is moving, creating white foam in the water. The text 'MONOBANK' is overlaid in white, bold, sans-serif font, with a white horizontal line underneath it.

# MONOBANK

Quarterly Presentation | Q1 2016 | 29 April 2016



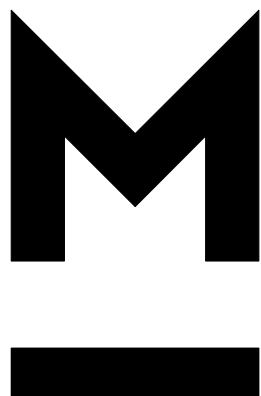
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- 1 Loan growth of NOK 223 million ✓
- 2 Total outstanding loans of NOK 260 million ✓
- 3 Deposits of NOK 246 million ✓
- 4 Net loss after tax of NOK 6.5 million ✓
- 5 Total equity of NOK 159 million and CET1 ratio of 31.8% ✓
- 6 Payment protection insurances launched in March ✓

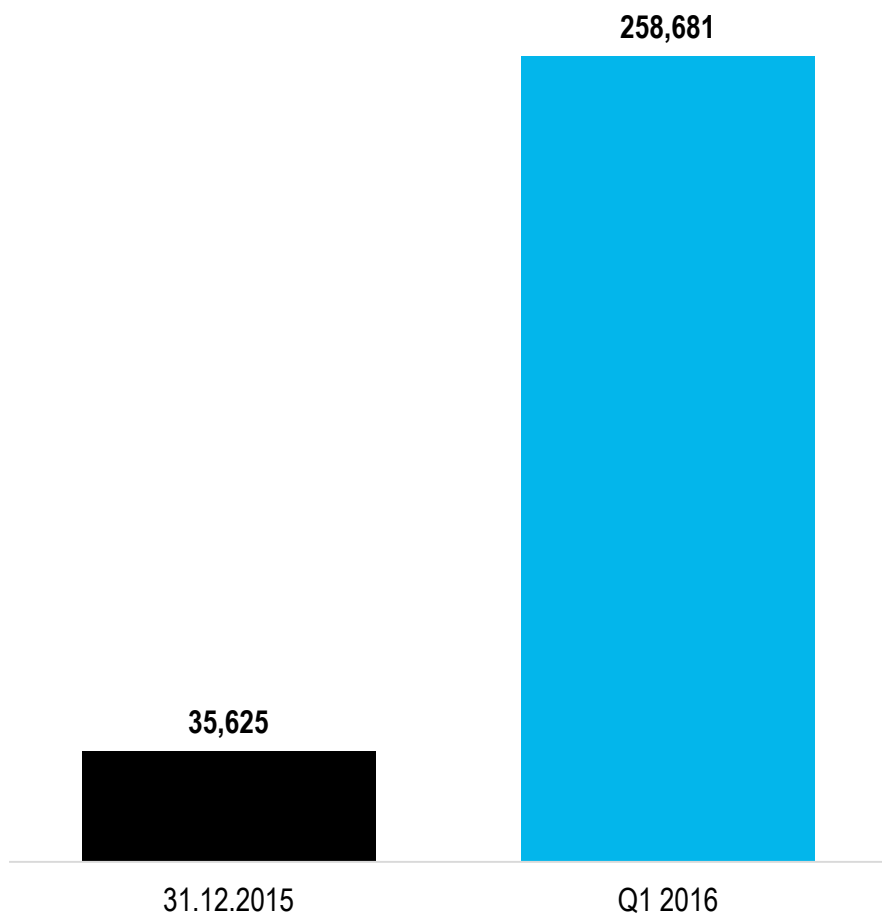
# High Lending Activity

Confirms underlying business model



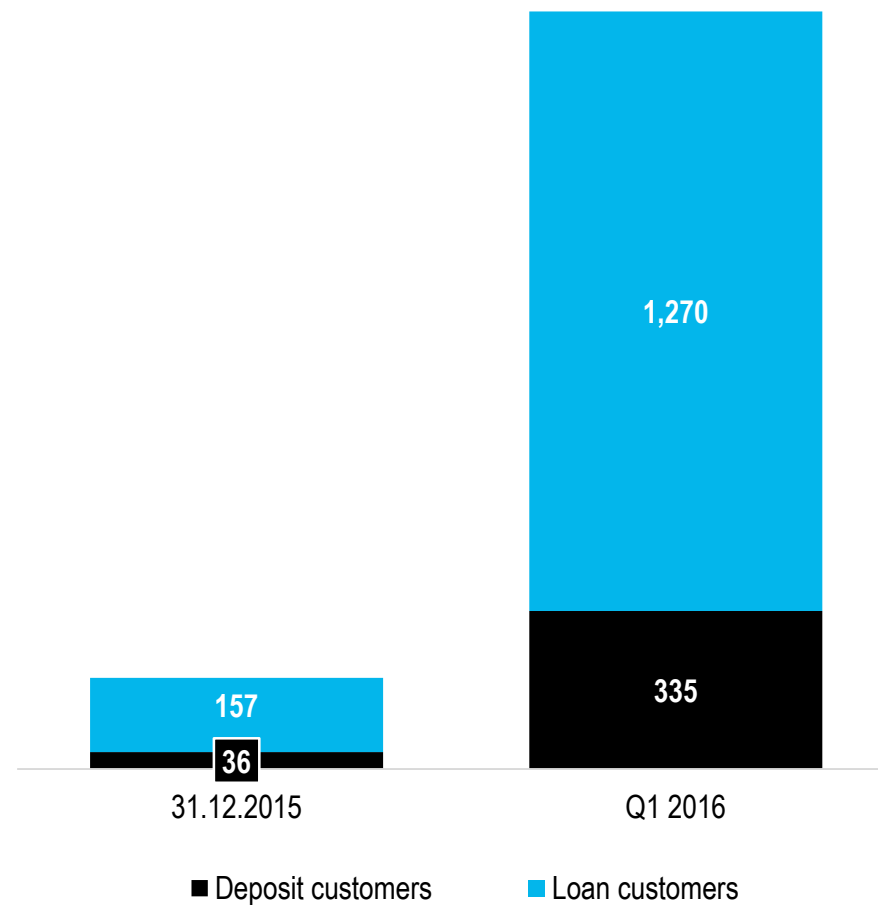
## Net loans to customers

NOK (thousand)



## Number of customers

(#)

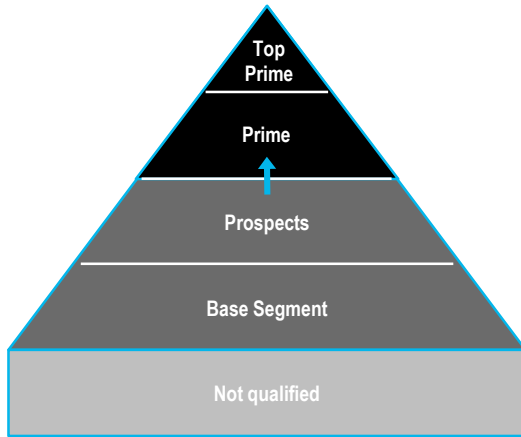


# Customer Segmentation



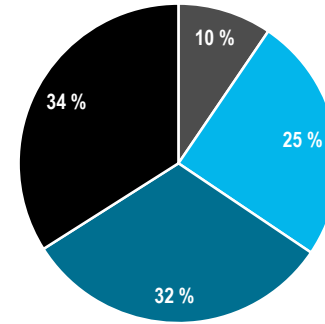
Typical customer: | male | 41 years | NOK 580k income | higher education | home owner | urban |

## Targeting the prime segments



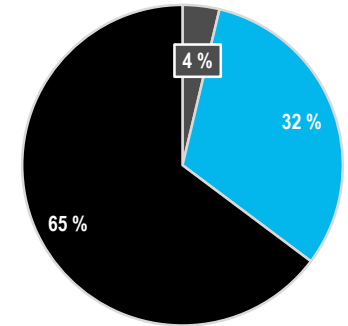
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*We deliver according to plan*  
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## Income



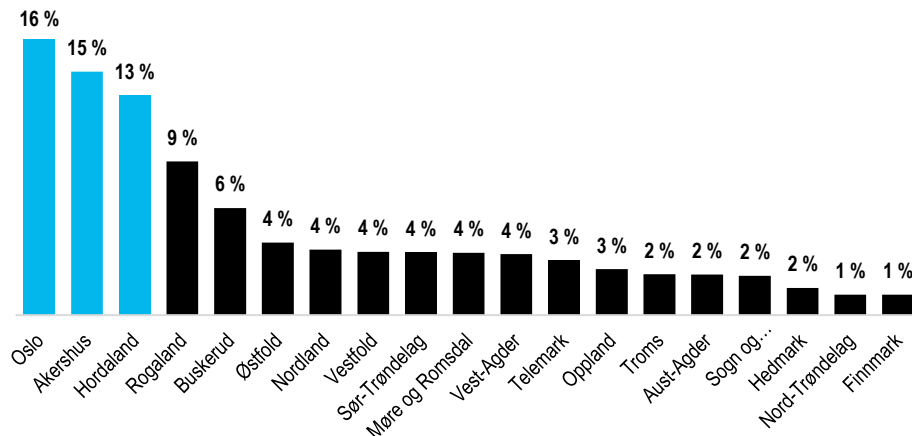
■ NOK 250k-349k    ■ NOK 350k-499k  
 ■ NOK 500k-749k    ■ NOK 750k +

## Education

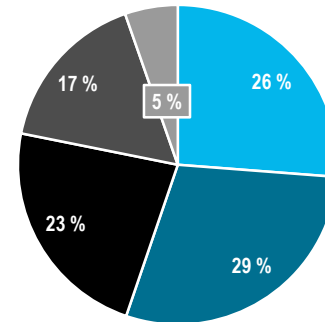


■ Primary school    ■ Secondary school  
 ■ Higher education

## Distribution of net loans to customers by county

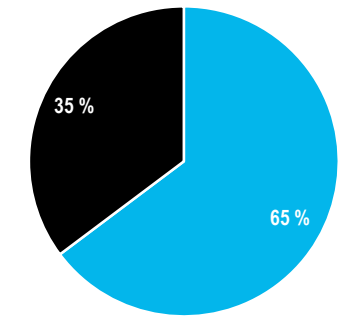


## Age



■ 25-34 years    ■ 35-44 years    ■ 45-54 years  
 ■ 55-64 years    ■ 65 years +

## Housing



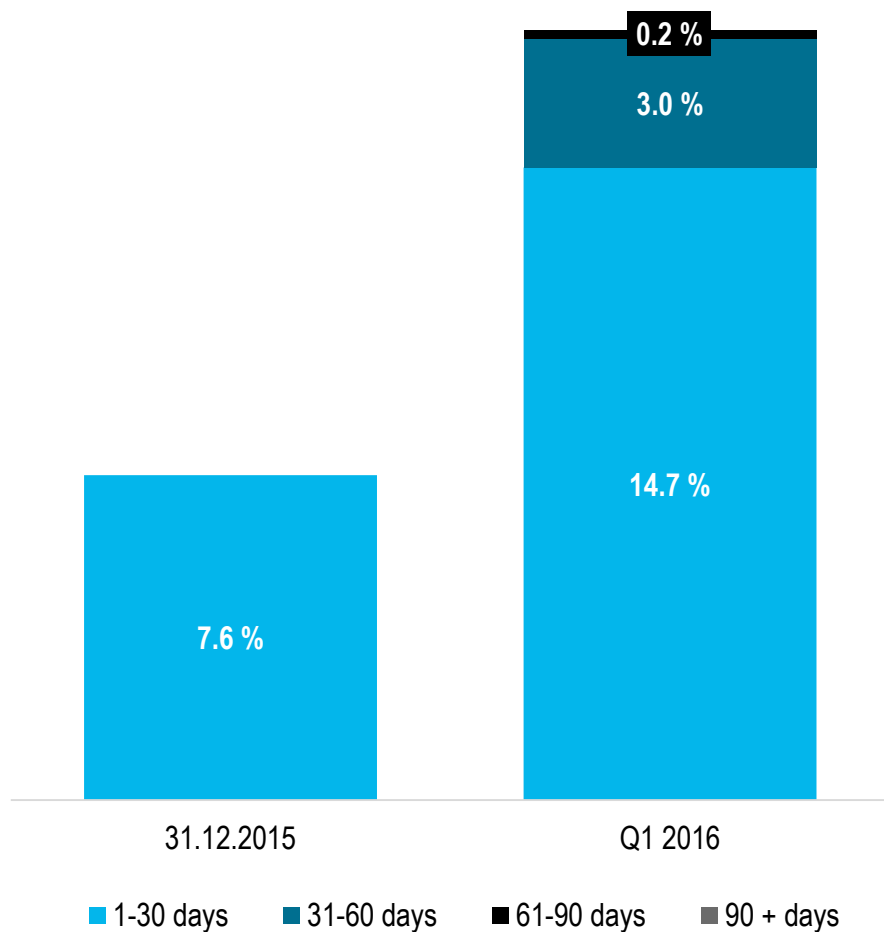
■ Home owner    ■ Tenant

# Credit Quality

Satisfactory loan portfolio quality

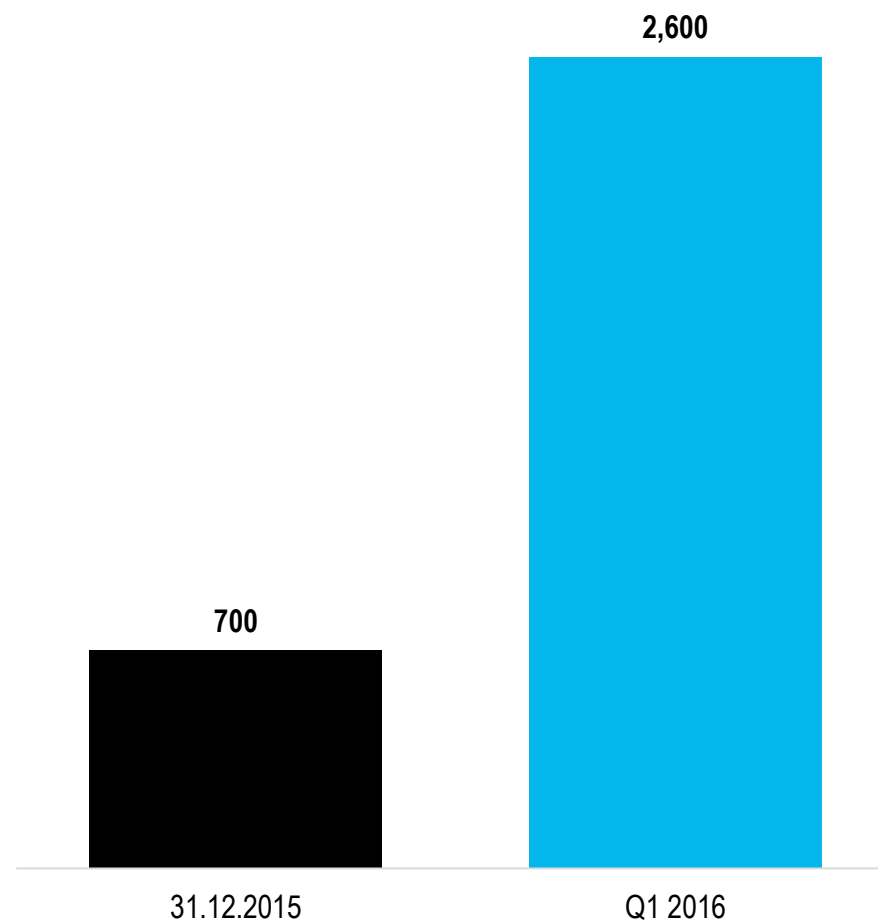


## Past due days at end of quarter



## Collective provisions

NOK (thousand)

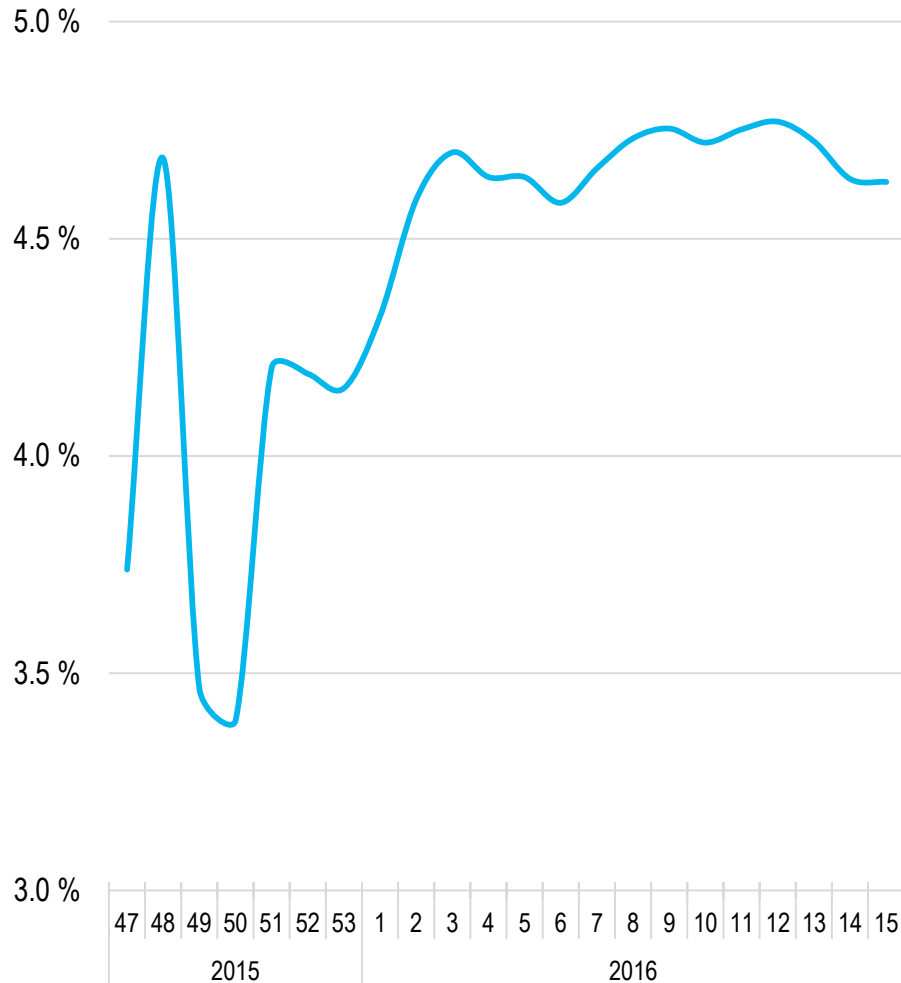


# Customer Conversion And Yield



Strict credit risk management with satisfying yield from accepted applicants

Number of unique applications converted into paid out loans \*



Yields and margins

**YIELD NET  
LOAN TO  
CUSTOMER**

**15.7%**

**INTEREST RATE  
DEPOSITS  
(END OF QUARTER)**

**2.0%**

**LIQUIDITY  
YIELD**

**1.3%**

Note(\*): customer conversion = number of loans / number of applications

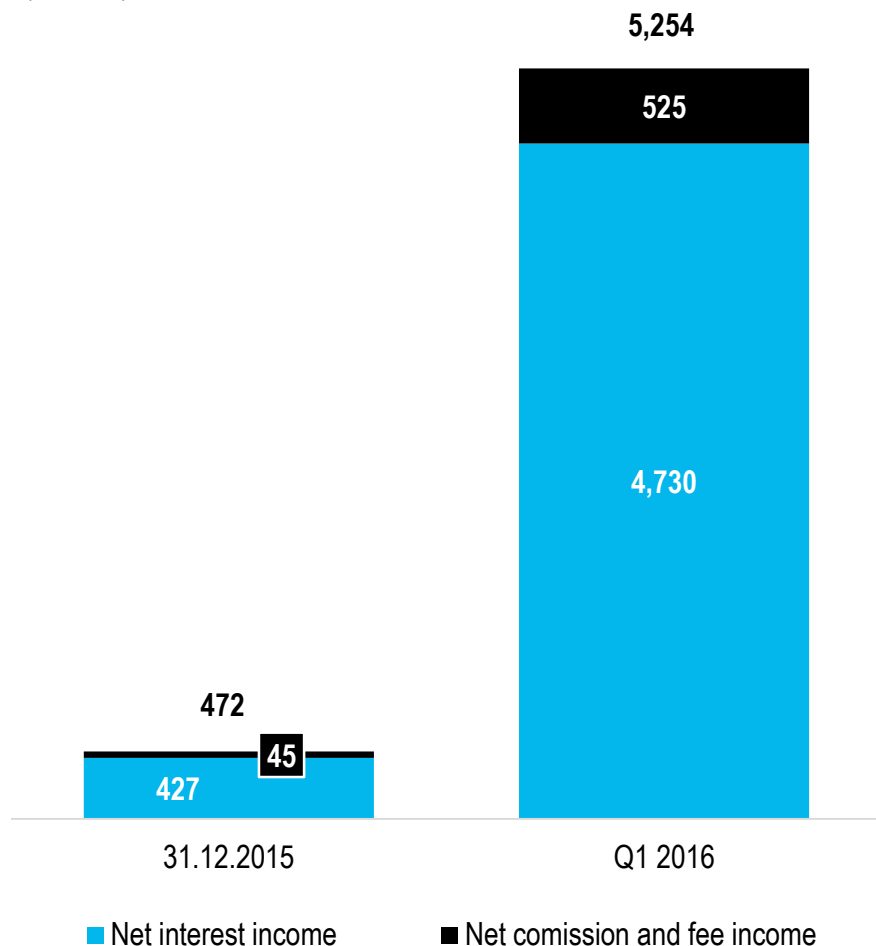
# Heading for profitability

Net loss after tax of NOK 6.5 million in Q1 2016



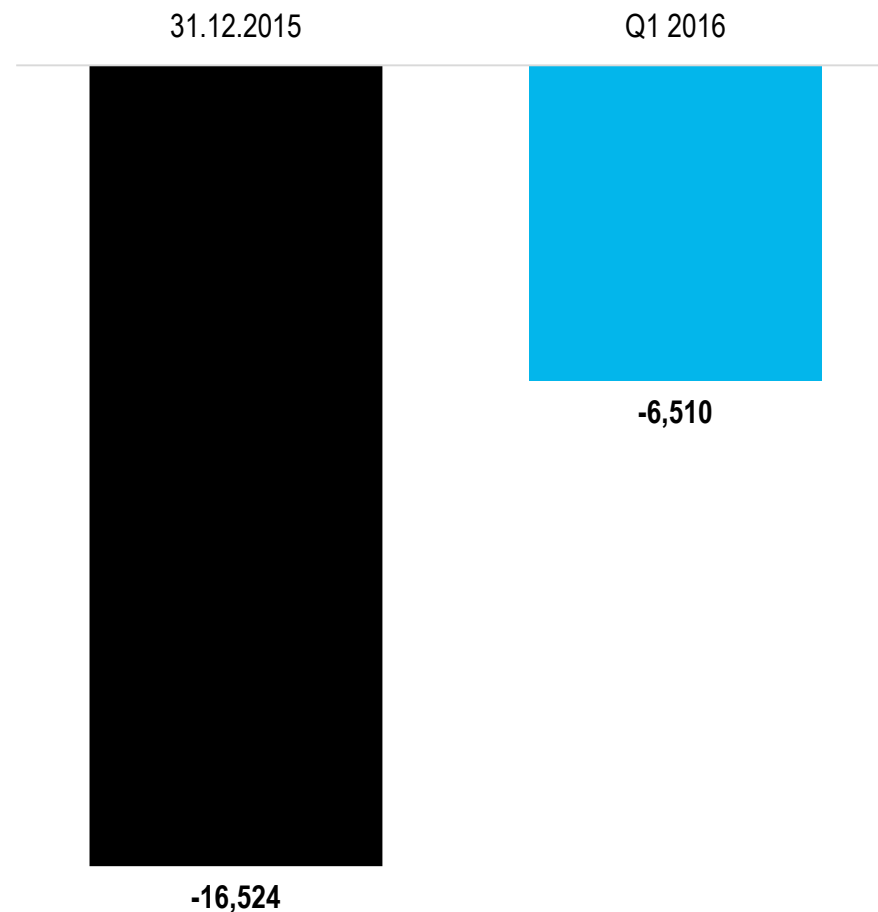
## Total income

NOK (thousand)



## Net loss after tax

NOK (thousand)





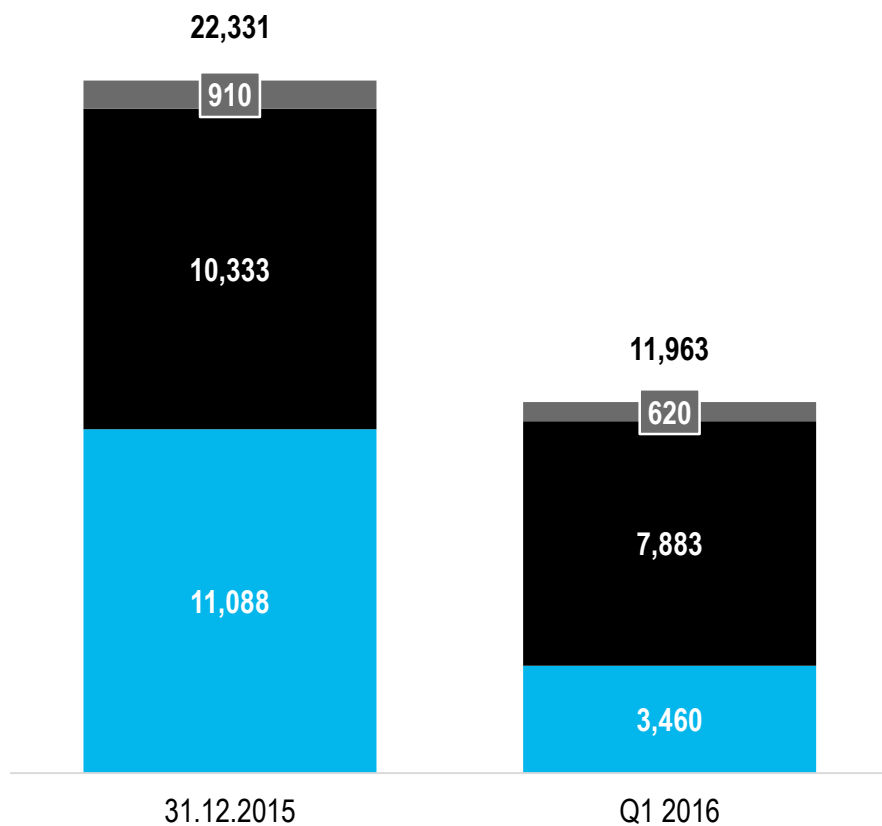
# Efficient Operations

Operating cost and loan losses are under control



## Operating costs

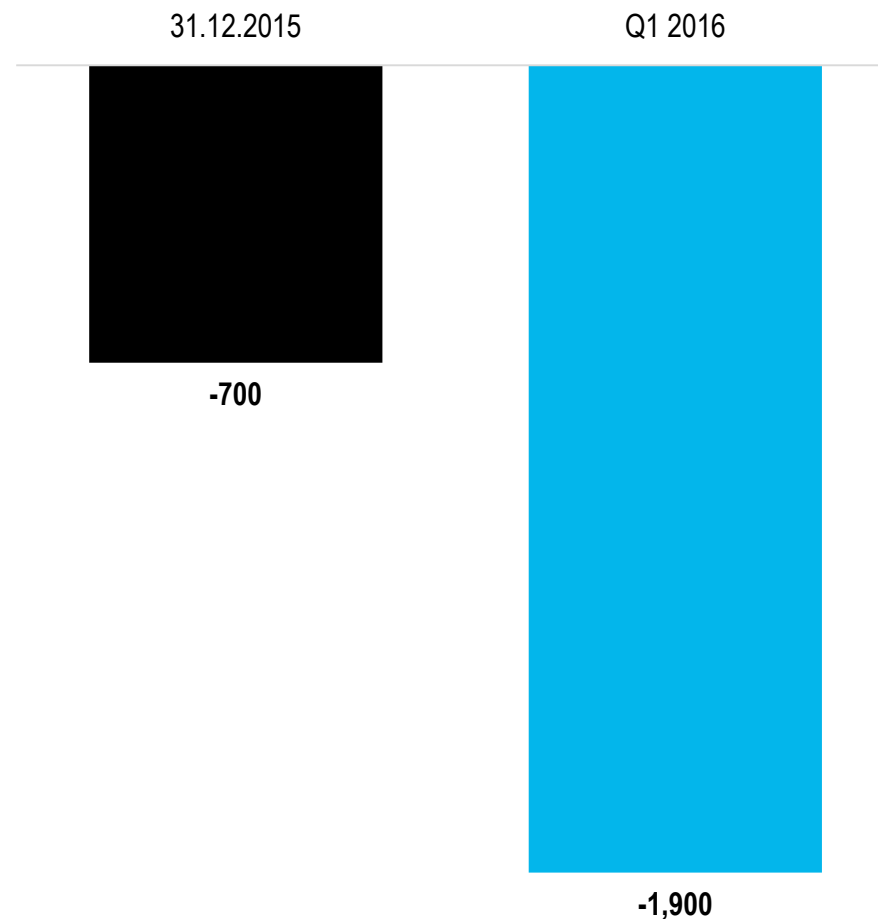
NOK (thousand)



■ Staff costs ■ Other administrative expenses ■ Depreciation and amortisation

## Impairment losses \*

NOK (thousand)



Note(\*): loan losses represents mainly provisions as actual losses are negligible

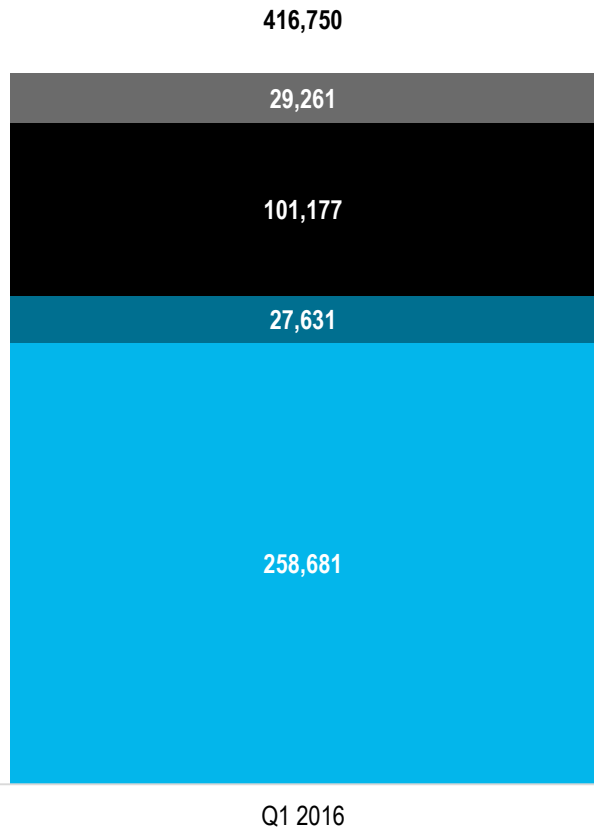
# Balance Sheet Structure



Important ratios: | LCR: 143% | NSFR: 168% | deposits constitute 94 % of net loans to customers |

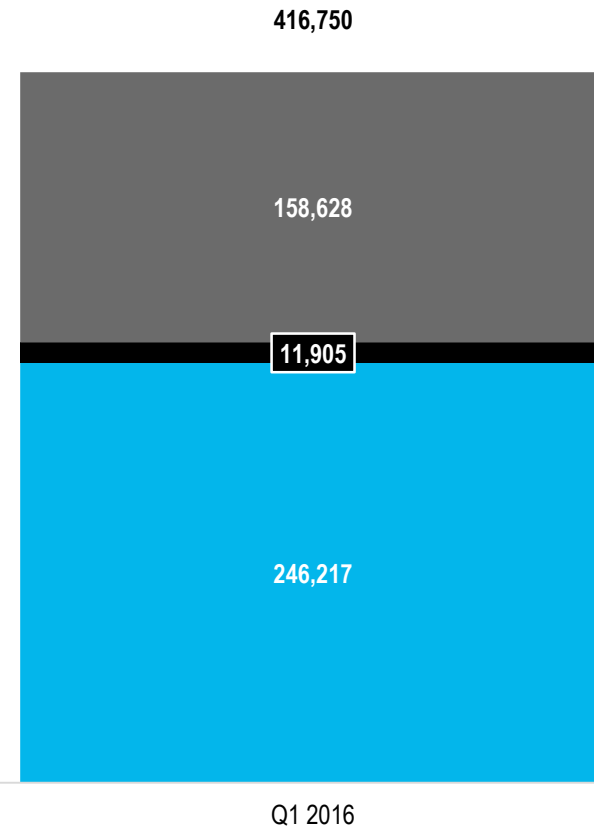
## Assets

NOK (thousand)



## Liabilities and equity

NOK (thousand)



- Net loans and advances to customers
- Loans and advances to banks
- Debt securities
- Other assets

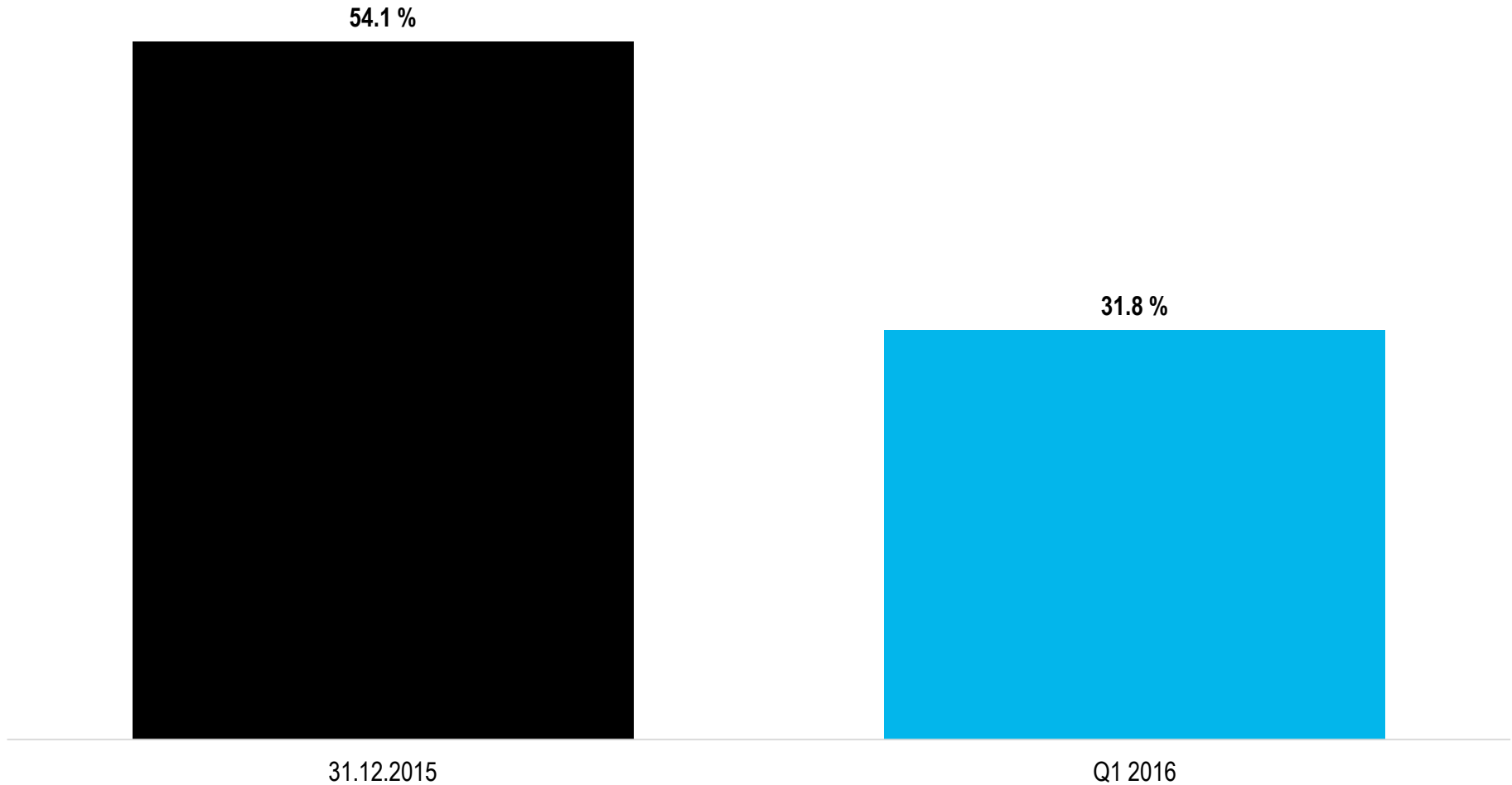
- Deposits by customers
- Other debt
- Total equity

# Regulatory Capital

CET1 ratio of 31.8% - well above NFSA requirements



Regulatory capital (CET1 ratio)



# Quarterly Income Statement And Balance Sheet

Solid start after commencing operations in November 2015



## Income Statement

P&L (NOK thousand)	Q1 2016	2015
Interest income	5,175	509
Interest expenses	446	83
<b>Net interest income</b>	<b>4,730</b>	<b>427</b>
Income commissions and fees	1,137	127
Expenses commissions and fees	612	82
<b>Total income</b>	<b>5,254</b>	<b>472</b>
Income/loss from trading activities	-69	39
Staff costs	3,460	11,088
Other administrative expenses	7,883	10,333
- of which marketing expenses	4,237	1,308
Depreciation and amortisation	620	910
<b>Total operating costs</b>	<b>11,963</b>	<b>22,331</b>
<b>(Loss)/profit before impairment losses</b>	<b>-6,777</b>	<b>-21,820</b>
Impairment releases/(losses) *	-1,900	-700
<b>Operating (loss)/profit before tax</b>	<b>-8,677</b>	<b>-22,520</b>
Tax charge	2,167	5,996
<b>Loss for the year</b>	<b>-6,510</b>	<b>-16,524</b>

## Balance Sheet

BS (NOK thousand)	Q1 2016	2015
<b>ASSETS</b>		
Loans and advances to banks	27,631	17,204
Loans and advances to customers	261,281	36,325
Provision for impairment losses *	2,600	700
<b>Net loans and advances to customers</b>	<b>258,681</b>	<b>35,625</b>
Debt securities	101,177	114,583
Deferred tax asset	9,885	7,717
Other intangible assets	7,384	7,123
Property, plant and equipment	137	157
Prepayments, accrued income and other assets	11,855	3,878
- of which accrued commission to agents	8,969	1,525
<b>Total assets</b>	<b>416,750</b>	<b>186,287</b>
<b>LIABILITIES &amp; EQUITY</b>		
Deposits by customers	246,217	13,579
Provisions, accruals and other liabilities	11,905	7,570
<b>Total liabilities</b>	<b>258,122</b>	<b>21,149</b>
Share capital	155,000	155,000
Surplus capital	3,628	10,138
<b>Total equity</b>	<b>158,628</b>	<b>165,138</b>
<b>Total liabilities and equity</b>	<b>416,750</b>	<b>186,287</b>

Note(\*): loan loss represents mainly provisions as actual losses are negligible

# Largest Shareholders

## Overview



### Top investors

Investor	Comment	Role	# of shares	% of total
Danske Bank A/S			16,026,700	10.34 %
J O Odjell As			12,000,000	7.74 %
Bara Eiendom As			6,800,800	4.39 %
Zico As			4,250,000	2.74 %
Hava Financials As			4,168,000	2.69 %
Sandsolo Holding As			4,031,759	2.60 %
Ladegaard As			4,000,000	2.58 %
Skue Sparebank			4,000,000	2.58 %
Sportsmagasinet As			3,916,494	2.53 %
Ekrem As			3,160,000	2.04 %
Las Invest As	Lars Arne Skår	Board member	3,100,000	2.00 %
Andreas Bakke Invest As			2,699,997	1.74 %
Greve-Isdahl , Finn jr			2,501,000	1.61 %
Høysæter T-Bane Compagnie As			2,500,000	1.61 %
Bross As			2,500,000	1.61 %
Lindbank As			2,400,000	1.55 %
Mike As			2,025,000	1.31 %
Ivar S Løge As			2,000,000	1.29 %
Dahle			2,000,000	1.29 %
Greve-Isdahl, Jan		Chairman	1,945,500	1.26 %
Dragesund Invest As			1,898,000	1.22 %
Stian Mikkelsen As			1,875,000	1.21 %
Pt Eiendom As			1,800,000	1.16 %
Hilding Invest As	Bent H. Gjendem	CEO	1,750,000	1.13 %
Shelter As			1,600,000	1.03 %
Angarde As			1,500,000	0.97 %
Brassets A/S			1,500,000	0.97 %
Petco As			1,490,000	0.96 %
Rimestad, Tom		COO	1,408,000	0.91 %
Artel Invest As			1,400,000	0.90 %
Svindal, Aksel Lund			1,352,000	0.87 %
Valland, Martin		CTO	1,350,000	0.87 %
Amundsen Data As			1,350,000	0.87 %
OTHER SHAREHOLDERS			48,701,750	31.42 %
<b>Sum</b>			<b>155,000,000</b>	<b>100.00 %</b>

### Management and employees

Investor	Comment	# of shares	% of total
Bent H. Gjendem	CEO	1,750,000	1.13 %
Tom Rimestad	COO	1,408,000	0.91 %
Martin Valland	CTO	1,350,000	0.87 %
Lene Sjøbakk	CFO	320,000	0.21 %
Hans Ljøen	CRO	170,000	0.11 %
Other employees		5,866,893	3.79 %
<b>Sum</b>		<b>10,864,893</b>	<b>7.01 %</b>

# 2016 Outlook For Monobank

Will continue to execute underlying business plan



- 1 The market for unsecured lending in Norway continues to grow ✓
- 2 Monobank is likely to increase its NOK 674 million forecast ✓
- 3 Marketing efforts will further increase - primarily through loan agencies ✓
- 4 Focus on unsecured and leisure financing in Norway ✓
- 5 Evaluate various options for future business development ✓



# MONOBANK

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