Nordax Bank

July 15, 2015

Nordax Group AB (publ)

Interim report January-June 2015

January-June 2015

(Numbers compared with January-June 2014)

- Operating income amounted to 434 MSEK (383), an increase of 13.3%
- Profit before credit losses excluding IPO costs of 75 MSEK was 239 MSEK (197), an increase of 21.3%
- Net credit losses were -78 MSEK (-60), net credit loss level was 1.5% (1.4%)
- Operating profit excluding IPO costs was 161 MSEK (137), an increase of 17.5%
- Net profit was 68 MSEK (107), a decrease of 36.4%
- Net profit excluding IPO costs was 126 MSEK (91), an increase of 38.5% primarily achieved by last year's strong growth in total lending portfolio and increase of total net interest income
- Earnings per share was 0.61 SEK (0.82), a decrease of 25.6%
- Earnings per share excluding IPO costs was 1.14 (0.82) SEK
- New loan volumes were 1,819 MSEK (1,840), a decrease of 1.1%
- Performance in line with guidance and outlook unchanged

Volumes, capital and funding

(Numbers compared with December 31)

- Lending to the general public was 10,368 MSEK (10,042), an increase of 3.2%. the increase was 4.4% in constant currencies
- Deposits were 6,454 MSEK (6,479), a decrease of 25 MSEK
- Liquidity reserve was 2,988 MSEK (3,246), liquidity coverage ratio 8.15 (8.40)

Other events

- Nordax Group listed on Nasdaq Stockholm main market on June 17, 2015

KEY FIGURES (definitions on page 32)	Q2 2015	Q1 2015	%	Q2 2014	%	Jan-Jun 2015	Jan-Jun 2014	%	FY 2014
Operating income, MSEK	216	218	-0.9	203	6.4	434	383	13.3	803
Net interest margin, %	8.6	8.4	-	8.2	-	8.5	8.2	-	8.5
Profit before credit losses, MSEK	46	119	-61.3	105	-56.2	165	197	-16.2	439
Operating profit, MSEK	13	74	-82.4	77	-83.1	87	137	-36.5	325
Net profit, MSEK	10	58	-82.8	60	-83.3	68	107	-36.4	254
Earnings per share, SEK	0.08	0.53	-84.9	0.46	-82.6	0.61	0.82	-25.6	2.29
Lending to the general public, MSEK	10,368	10,312	0.5	9,354	10.8	10,368	9,354	10.8	10,042
Deposits, MSEK	6,454	6,524	-1.1	6,390	1.0	6,454	6,390	1.0	6,479
New loan volumes, MSEK	898	921	-2.5	947	-5.2	1,819	1,840	-1.1	3,843
Common Equity Tier 1 capital ratio %	12.6	12.6	-	10.6	-	12.6	10.6	-	12.3
Total capital ratio %	14.6	14.6	-	12.3	-	14.6	12.3	-	13.9
Return on equity, %	2.5	14.8	-	17.9	-	8.7	15.7	-	18.0
Net credit loss level (cost of risk) %	1.3	1.8	-	1.2	-	1.5	1.4	-	1.2
Net credit loss level % 12m roll.	1.3	1.3	-	1.4	-	1.3	1.4	-	1.2
Cost to income ratio %	78.7	45.4	-	48.3	-	62.0	48.6	-	45.3
Adjusted operating profit, MSEK	100	80	25.0	82	22.0	180	146	23.3	358
Adjusted cost to income ratio %, 12m roll.	28.9	28.8	-	30.7	-	28.9	30.7	-	29.4
Adjusted return on tangible equity %	26.0	25.7	-	24.1	-	26.0	24.1	-	25.6
Adjusted return on average net loans %, 12m roll.	4.0	3.9	-	3.4	-	4.0	3.4	-	3.9

Comments from the CEO

The listing on Nasdaq Stockholm's main market is a milestone for us and I want to extend a warm welcome to the thousands of new shareholders in Nordax. During the listing process we received strong interest among Swedish and international institutional investors as well as Swedish retail investors. The offering was well over-subscribed and we successfully managed to establish a diversified shareholder base. We are proud of the confidence the investors have shown in us and we are fully focused on continuing to deliver profitable growth.

The performance during the first half of 2015 is in line with our expectations and we continue to deliver stable growth in lending and earnings. One of our key strengths in generating new loans is our efficient use of more than 20 different marketing channels across four markets translating into healthy growth in our loan portfolio of 3.2% since end of 2014 or 4.4% in constant currencies. Our lending to the general public amounted to 10,368 MSEK by the end of June. In the six-month period the total lending portfolio was negatively impacted by foreign exchange rates amounting to 112 MSEK. Our new lending of 1,819 MSEK in the first half-year of 2015 was similar to 1,840 MSEK in 2014 and in line with our outlook. Norway, Finland and Germany showed healthy growth, however Sweden has been somewhat slower than in the past. We do see several opportunities for growth in Sweden going forward.

In the six-month period, we had a non-recurring item of 75 MSEK related to costs for the initial public offering ("IPO"). Excluding IPO costs profit before credit losses increased 21.3% to 239 MSEK compared to the first six months last year. Our adjusted cost to income ratio on a 12-month rolling basis amounted to 28.9%, an improvement by 1.8 percentage points. This has been achieved through leveraging our cost effective, centralized platform and should be seen in the light of our conscious decision last year to increase expenses in order to accommodate the growth in our loan business, and to invest even more in internal governance and control, compliance and risk management of the business.

One of our guiding principles is to be a responsible lender. This, in combination with our thorough, data driven underwriting process, gives us a competitive edge. We target and approve customers who are financially stable and can afford a loan. Net credit loss level for the six-month period amounted to 1.5% which is well in line with our outlook and the slight increase is driven by portfolio maturation. Operating profit excluding the IPO costs amounted to 161 MSEK and increased by 17.5% compared to the six-month period last year. The return on average net loans on a 12-month rolling basis was 4.0% which is above our target of 3%.

An essential part of our strategy is our diversified funding, based on multiple sources; senior unsecured bonds, asset backed securities, warehouse funding facilities and retail deposits offered in Sweden, Norway and Finland. We continue to take a conservative approach to liquidity risk and continuously keep approximately 40% of our deposits as liquidity reserves. Our interest expenses in relation to the average loan portfolio was 3.6%, however, it comes with a lower liquidity risk. This is reflected in our liquidity coverage ratio of 8.15 and a net stable funding ratio of 1.34 in addition to the diversification of funding sources. Our Common Equity Tier 1 ratio was 12.6%. Our target is 12% and the regulatory minimum is 8%.

In order to maximize long term shareholder value we strive to balance all stakeholders' interests. We work hard to meet our customers' needs to simplify their every-day life with loans they can afford or with attractive savings products. We strive to be a sound and responsible employer and a tier one corporate citizen. Internal governance and control, risk management and compliance form the basis for our business and with our dedicated and committed employees we are well positioned for the future.

Outlook

There are no changes in the company's outlook compared to the previous communicated outlook. Nordax's outlook and financial targets are found on page 9.

The Group

The report includes statutory accounts as well as certain numbers that have been calculated excluding the IPO costs. The adjustments are made in order to show the underlying performance of the business.

January-June 2015

Interest income increased by 9.3% to 622 MSEK (569) in the six-month period, mainly due to the growth in the total lending portfolio. In the six-month period, interest rates to loan customers were lowered in the Swedish and Norwegian loan portfolios reflecting a reduction of Nordax’s total financing costs. Interest expenses decreased by 10.1% to 186 MSEK (207) mainly caused by lower reference rates and lower interest rates for deposits. Interest expenses were also negatively impacted by 7.4 MSEK from the early redemption of a Tier 2 loan in the second quarter. Total net interest income increased by 20.4% to 436 MSEK (362). The net interest margin increased by 0.3 percentage points between last of June 2014 and last of June 2015.

Net profit from financial transactions amounted to -11 MSEK (13), with a negative impact from a weakening NOK. Operating income increased by 13.3% to 434 MSEK (383) mainly driven by higher interest income driven by larger lending portfolio and slightly higher net interest margin.

General administrative expenses increased by 17.4% to 128 MSEK (109) mainly driven by added resources in compliance and risk management as well as operations and IT. The number of employees grew in the six-month period by 6.1% to a total of 173 (163) full time employees. All employees are based in Sweden as Nordax’s strategy is to operate from one central platform.

Other operating expenses decreased by 17.6% to 56 MSEK (68). Total operating expenses increased by 44.6% to 269 MSEK (186) which included the non-recurring item of 75 MSEK related to the IPO. Excluding IPO costs total operating expenses increased by 4.3% to 194 MSEK (186) in the first six months.

The cost/income-ratio (“C/I-ratio”) amounted to 62.0% (48.6%). The increase is due to the IPO costs. Adjusted for foreign exchange gains/losses in operating income and marketing costs as well as non-recurring items the adjusted C/I-ratio amounted to 28.9% (30.7%). Net non-recurring items in the six-month period amounted to 74 MSEK of which 75 MSEK related to IPO costs.

Profit before credit losses decreased 16.2% to 165 MSEK (197), negatively impacted by the IPO costs of 75 MSEK. Excluding IPO costs profit before credit losses increased by 21.8% to 240 MSEK (197).

Net credit losses increased by 30% to 78 MSEK (60) and the net credit loss level was 1.5% (1.4%) in the six-month period. The nominal increase in net credit losses is normal when the total portfolio is growing. The relative net credit loss level is depending on the average maturity of the portfolio since there are typically low losses in the first 18 months after origination. The increase in the net credit loss level to 1.5% in the six-month period compared to 1.4% in the same period last year is an effect of the higher level of maturation of the portfolio.

Operating profit decreased by 36.5% to 87 MSEK (137). Excluding IPO costs operating profit increased by 18.2% to 162 MSEK (137) mainly due to the larger lending portfolio and higher net interest margin.

Tax in the period was 19 MSEK (30). Net profit for the period decreased by 36.4% to 68 MSEK (107), negatively impacted by the costs of 75 MSEK for the IPO. Excluding IPO costs, net profit for the six-month period increased by 33.6% to 143 MSEK compared to 107 MSEK in the same period last year reflecting good portfolio growth and strengthened net interest margin in 2014.

Return on equity amounted to 8.7% (15.7%) and adjusted return on tangible equity increased to 26.0% (24.1%).

Earnings per share decreased 25.6% to 0.61 MSEK (0.82). Excluding IPO costs, earnings per share increased by 39.0% to 1.14 SEK.

Second quarter 2015

Interest income increased in the quarter by 6.4% to 315 MSEK (296) compared to the same period last year, mainly due to the growth in the total lending portfolio. Interest expenses decreased by 15.6% to 92 MSEK (109) mainly as a consequence of a reduction in Nordax's total funding financing cost. Interest expenses were also negatively impacted by 7.4 MSEK from the early redemption of a Tier 2 loan in the second quarter. Total net interest income increased in the quarter by 19.2% to 223 MSEK (187) compared to the same quarter last year. The net interest margin increased in the second quarter to 8.6% (8.2%) due to larger net interest margin on new loans compared to the existing lending portfolio.

Net profit from financial transactions amounted to -11 MSEK (12) in the quarter, with a negative impact from a weakening NOK. Operating income increased by 6.4% to 216 MSEK (203), mainly driven by higher interest income due to larger lending portfolio and a slightly higher net interest margin.

General administrative expenses increased by 21.4% to 68 MSEK (56) due to added resources in mainly operations and IT. The number of employees grew in the quarter by 2.4% to 173 from 169 full time employees at year end 2014. In 2015, Nordax implemented a revised long-term incentive program. Provisions for the incentive program are made every month and commenced in June. The negative impact on the C/I-ratio is approximately 0.1 percentage points in the quarter.

Other operating expenses decreased by 42.1% to 22 MSEK (38) in the quarter. Total operating expenses increased by 73.5% to 170 MSEK (98) of which 75 MSEK related to the IPO in the second quarter. Excluding the non-recurring item total operating expenses in the second quarter 2015 was 3.1% higher than in the same period last year and amounted to 95 MSEK (98).

The C/I-ratio amounted to 78.7% (48.3%) in the quarter. The increase compared to the same quarter last year is due to the IPO costs. Adjusted for foreign exchange gains/losses in operating income and marketing costs as well as non-recurring items in operating expenses the adjusted C/I-ratio amounted to 28.9% (30.7).

Profit before credit losses decreased 56.2% to 46 MSEK (105), negatively impacted by IPO costs in the quarter. Excluding IPO costs profit before credit losses increased by 15.2% to 121 MSEK (105) in the second quarter.

Net credit losses increased by 17.9% to 33 MSEK (28) following the maturation of the loan portfolio and the net credit loss level was 1.3% (1.2%) in the second quarter. In the quarter 51 MSEK (40) were recovered from written-down loans which have been provisioned for.

Operating profit decreased by 83.1% to 13 MSEK (77) compared to the same quarter last year. Excluding IPO costs operating profit increased by 14.3% to 88 MSEK (77) mainly due to a larger lending portfolio.

Tax in the second quarter was 3 MSEK (17). Net profit for the quarter was 10 MSEK (60) and excluding IPO costs net profit increased 15.0% to 69 MSEK in the quarter compared to 60 MSEK in the same quarter last year.

Return on equity amounted to 2.5% (17.9%) and adjusted return on tangible equity increased to 26.0% (24.1%) in the quarter.

Earnings per share amounted to 0.08 MSEK (0.46) in the quarter and excluding IPO costs earnings per share increased 32.6% to 0.61 SEK.

Lending volumes, capital and funding

In the six-month period new loan volumes amounted to 1,819 MSEK compared to 1,840 MSEK in the same period 2014 which is a decline of 1.1%. In the second quarter, new loan volumes decreased by 5.2% to 898 MSEK compared to 947 MSEK in the second quarter 2014 partly caused by translation effects relating to the weakening NOK. Lending to the general public increased from year-end 2014 by 326 MSEK or 3.2% to 10,368 MSEK (10,042). Total foreign exchange rate effects in the six-month period amounted to -112 MSEK. Lending to credit institutions decreased in the six-month period by 83 MSEK to 2,129 MSEK (2,212) of which 725 MSEK (699) was pledged cash holdings for the funding structure and the rest was cash liquidity. Total assets of June 30, 2015 amounted to 14,339 MSEK (14,190).

Deposits from the general public decreased in the six-month period by 0.4% to 6,454 MSEK (6,479) reflecting the strategy to balance deposits with Nordax other financing sources. At the end of the quarter, the nominal amounts of Nordax's funding were: 2,674 MSEK (3,110) in asset backed securities, 482 MSEK (500) in senior unsecured bonds, 2,748 MSEK (2,274) in warehouse funding facilities provided by two international banks and 6,397 MSEK (6,460) in deposits from the general public.

At the end of the quarter, Nordax had a liquidity coverage ratio of 8.15 (8.40) and net stable funding ratio of 1.34 (1.46) according to Basel III. The liquidity reserve amounted to 2,988 MSEK (3,246). Of these investments 50% (51%) were in Nordic banks, 11% (19%) in Swedish covered bonds and 39% (30%) in Swedish municipality papers. All investments had a credit rating between AAA and A+, with an average of AA except 10 MSEK in exposure to Avanza Bank AB.

RISK EXPOSURE AND CAPITAL RATIOS ACCORDING TO BASEL III

	Jun 30 2015	Mar 31 2015	Dec 31 2014
Risk exposure amount, MSEK	10,269	10,264	10,046
Common Equity Tier 1 capital ratio %	12.6	12.6	12.3
Tier 1 capital ratio %	12.6	12.6	12.3
Total capital ratio %	14.6	14.6	13.9
Leverage ratio %	9.3	9.1	8.9

At the end of the quarter, the total capital ratio of 14.6% (13.9%) was significantly in excess of the regulatory minimum of 8.0% (8.0%), which means Nordax' has a substantial buffer. Total Common Equity Tier 1 capital ratio was 12.6% (12.3%) and including buffer requirements amounted to 7.0% (7.0%) of which 2.5% (2.5%) represented the capital conservation buffer requirement. The Common Equity Tier 1 capital available to Nordax to use as buffer, including the capital conservation buffer requirement amounted to 8.1% (7.8%).

Market segment overview

TOTAL

MSEK	Q2 2015	Q1 2015	%	Q2 2014	%	Jan-Jun 2015	Jan-Jun 2014	%	FY 2014
Total net interest income	223	213	4.7	187	19.2	436	362	20.4	781
Net interest margin %	8.6	8.4	-	8.2	-	8.5	8.2	-	8.5
Net credit losses	-33	-45	-26.7	-28	17.9	-78	-60	30.0	-114
Net credit loss level (cost of risk) %	1.3	1.8	-	1.2	-	1.5	1.4	-	1.2
Operating profit	13	74	-82.4	77	-83.1	87	137	-36.5	325
of which FX effects	-11	-1	-	9	-	-12	8	-	-2
Lending, end of period, MSEK	10,368	10,312	0.5	9,315	11.3	10,368	9,315	11.3	10,042

	QoQ	YTD	2014
Portfolio growth, MSEK	56	326	1,649
of which FX effects	-129	-112	60
Growth excluding FX effects, %	1.8	4.4	18.9

In the six-month period, lending to the general public increased by 326 MSEK to 10,368 MSEK from end of December 2014.

The net credit loss level improved in the quarter to 1.3% compared to 1.8% in the first quarter. The improvement, typical for the second quarter, is partly due to customer tax refunds and holiday salaries which has a positive impact on provisions. In the six-month period, the net credit loss level amounted to 1.5% (1.4%).

Operating profit in the six-month period was negatively impacted by IPO costs of 75 MSEK and amounted to 87 MSEK (137). Excluding IPO costs operating profit increased 18.3% in the six-month period reflecting higher total net interest income and lower net credit loss level. Operating profit excluding IPO costs increased to 162 MSEK in the six-month period from 137 MSEK.

The IPO costs of 75 MSEK has not been allocated to the segments.

SWEDEN

MSEK	Q2 2015	Q1 2015	%	Q2 2014	%	Jan-Jun 2015	Jan-Jun 2014	%	FY 2014
Total net interest income	76	72	5.6	69	10.1	148	137	8.0	289
Net interest margin %	7.8	7.4	-	7.5	-	7.6	7.6	-	7.8
Net credit losses	-9	-18	50.0	-8	12.5	-27	-21	28.6	-31
Net credit loss level (cost of risk) %	0.9	1.9	-	0.9	-	1.4	1.2	-	0.8
Operating profit	28	23	21.7	29	-3.4	50	57	-12.3	137
Lending, end of period, MSEK	3,861	3,889	-0.7	3,681	4.9	3,861	3,681	4.9	3,880

	QoQ	YTD	2014
Portfolio growth, MSEK	-28	-19	340

At the end of the second quarter lending to the general public amounted to 3,861MSEK which is a decrease of 19 MSEK from end of December 2014. Compared to the first quarter 2015 total lending decreased by 28 MSEK.

Net credit losses increased in the six-month period by 28.6% to 27 MSEK (21). In the second quarter, net credit losses decreased to 9 MSEK from 18 MSEK compared to the first quarter which is a seasonal pattern typical for the second quarter, due to the fact that loan customers have increased liquidity over the summer from tax refunds. As a consequence, the net credit loss level decreased in the quarter to 0.9% from 1.9% in the first quarter.

Operating profit decreased by 12.3% to 50 MSEK (57) in the six-month period compared to the same period last year. In the quarter, operating profit increased by 21.7% to 28 MSEK from 23 MSEK in the first quarter.

NORWAY

MSEK	Q2 2015	Q1 2015	%	Q2 2014	%	Jan-Jun 2015	Jan-Jun 2014	%	FY 2014
Total net interest income	91	87	4.6	76	19.7	177	148	19.6	320
Net interest margin %	8.8	8.6	-	8.3	-	8.8	8.4	-	8.8
Net credit losses	-13	-16	-18.8	-11	18.2	-29	-25	16.0	-49
Net credit loss level (cost of risk) %	1.3	1.6	-	1.2	-	1.4	1.4	-	1.4
Operating profit	44	34	29.4	33	33.3	79	56	41.1	140
Lending, end of period, MSEK	4,118	4,140	-0.5	3,759	9.5	4,118	3,759	9.5	3,934

	QoQ	YTD	2014
Portfolio growth, MSEK	-22	184	627
of which FX effects	-114	-44	-57
Growth excluding FX effects, %	2.2	5.8	20.7

At the end of the second quarter lending to the general public amounted to 4,118 MSEK which is an increase of 184 MSEK from end of December 2014. Compared to the first quarter 2015 total lending decreased by 22 MSEK negatively impacted by a weakening NOK.

In the six-month period, net credit losses increased 16.0% to 29 MSEK (25) compared to the same period last year due to the growth of the portfolio as well as the maturation of it. In the quarter, net credit losses decreased by 18.8% to 13 MSEK compared to 16 MSEK in the first quarter which is a seasonal pattern due to the fact that loan customers have increased liquidity over the summer from tax refunds and holiday salaries. The net credit loss level was flat in the six-month period compared to the same period last year and improved in the quarter to 1.3% from 1.6% in the first quarter.

Operating profit increased in the six-month period by 41.1% to 79 MSEK (56). Operating profit increased in the second quarter by 29.4% to 44 MSEK compared to 34 MSEK in the first quarter.

FINLAND

MSEK	Q2 2015	Q1 2015	%	Q2 2014	%	Jan-Jun 2015	Jan-Jun 2014	%	FY 2014
Total net interest income	47	46	2.2	36	30.6	93	67	38.8	149
Net interest margin %	10.7	10.7	-	10.5	-	10.7	10.3	-	10.4
Net credit losses	-7	-7	0	-7	0	-14	-10	40.0	-17
Net credit loss level (cost of risk) %	1.6	1.6	-	2.1	-	1.6	1.5	-	1.2
Operating profit	26	26	0	20	30.0	53	35	51.4	86
Lending, end of period, MSEK	1,797	1,725	4.2	1,424	26.2	1,797	1,424	26.2	1,688

	QoQ	YTD	2014
Portfolio growth, MSEK	72	109	509
of which FX effects	-12	-51	88
Growth excluding FX effects, %	4.9	9.4	35.7

At the end of the second quarter lending to the general public amounted to 1,797MSEK which is an increase of 109 MSEK from end of December 2014. Compared to the first quarter 2015 total lending increased by 72 MSEK.

Net credit losses increased in the six-month period by 40.0% to 14 MSEK (10) compared to the same period last year. Net credit loss level was flat in the quarter compared to the first quarter. The net credit loss level amounted to 1.6% in the six-month period compared to 1.5% in the same period last year.

In the six-month period operating profit increased by 51.4% to 53 MSEK (35). Operating profit was stable in the quarter at 26 MSEK compared to the first quarter.

On June 24, Nordax increased its maximum size of offered loans in Finland from 30 000 EUR to 40 000 EUR. The maximum duration was also increased from twelve to 15 years. The similar maximum amount and duration are already offered in Norway and Sweden and have had a positive impact on demand. The maximum amount is only offered to premium customers.

GERMANY

MSEK	Q2 2015	Q1 2015	%	Q2 2014	%	Jan-Jun 2015	Jan-Jun 2014	%	FY 2014
Total net interest income	7	6	16.7	4	75.0	12	5	140	12
Net interest margin %	7.4	7.3	-	10.8	-	7.3	7.8	-	6.8
Net credit losses	-4	-2	200	0	-	-6	-1	500	-4
Net credit loss level (cost of risk) %	4.5	2.5	-	0	-	3.5	1.6	-	2.2
Operating profit	-9	-9	0	-2	350	-17	-10	70.0	-29
Lending, end of period, MSEK	383	335	14.3	179	114	383	179	114	294

	QoQ	YTD	2014
Portfolio growth, MSEK	48	89	224
of which FX effects	-3	-10	14
Growth excluding FX effects, %	15.2	33.7	400

Nordax started operations in 2012 in Germany and is still testing the market and building expertise. The German market provides untapped potential for Nordax. At the end of the second quarter lending to the general public amounted to 383 MSEK which is an increase of 89 MSEK from end of December 2014. Compared to the first quarter 2015 total lending increased by 48 MSEK.

Net credit losses increased to 6 MSEK (1) in the six-month period due to the maturation and growth of the portfolio which is according to plan. In the quarter, net credit losses increased to 4 MSEK from 2 MSEK in the first quarter. The net credit loss level amounted to 3.5% in the six-month period compared to 1.6% in the same period last year. The net credit loss level increased from 2.5% in the first quarter to 4.5% in the second quarter which is following the maturation of the portfolio.

The operating loss was stable at -9 MSEK in the quarter compared to the first quarter. However, the operating loss has increased slightly in the six-month period from -10 MSEK in the six-month period last year to -17 MSEK in the same period 2015. This is reflecting the investment from entering the German market in terms of marketing costs for new lending and also costs related to credit risk. The credit risk is conservatively accounted for due to lack of empirical observations with regards to the effectiveness of the bailiff system and wage garnish pertaining to large consumer loans. Nordax applies the same business strategy in Germany as it has done in Norway, Sweden and Finland, i.e. to carefully build the business by gaining knowledge and experience of the market in a controlled way.

On June 24, Nordax increased its maximum size of offered loans also in Germany from 30 000 EUR to 40 000 EUR. The maximum duration was also increased from twelve to 15 years. The similar maximum amount and duration are already offered in Norway and Sweden and have had a positive impact on demand. The maximum amount is only offered to premium customers.

DENMARK

MSEK	Q2 2015	Q1 2015	%	Q2 2014	%	Jan-Jun 2015	Jan-Jun 2014	%	FY 2014
Total net interest income	3	3	0	2	50	6	5	20	11
Net interest margin %	5.2	4.9	-	2.2	-	5.0	3.8	-	4.1
Net credit losses	0	-2	-	-2	-	-2	-3	33	-13
Net credit loss level (cost of risk) %	0	3.4	-	2.9	-	1.8	2.1	-	4.8
Operating profit	-3	0	-	-3	0	-3	-1	-300	-10
Lending, end of period, MSEK	209	224	-6.7	272	-23.2	209	272	-15.0	246

	QoQ	YTD	2014
Portfolio growth, MSEK	-15	-37	-51
of which FX effects	0	-7	16
Growth excluding FX effects, %	-6.7	-12.1	-22.6

A strategic decision to halt new loan volumes in Denmark was taken in 2008 and as a consequence the Danish loan portfolio is decreasing. The portfolio amortization is developing according to plan.

Financial targets and outlook

In conjunction with the IPO, Nordax Group stated its financial targets as well as outlook. The financial targets as well the outlook are unchanged. The financial targets are:

- Maintaining a sustainable return on average net loans through the cycle on a 12-month rolling basis of above 3%.
- Dividend target of maintaining a pay-out ratio of approximately 40% of profit after tax for the year. The dividend target is based on current regulatory capital requirements, and any future changes regarding regulatory capital requirements could affect Nordax’s dividend target. For 2015, the dividend will be paid in respect of the profit earned for the second half of 2015.

- Capital target of maintaining a CET 1 capital ratio above 12% and a total capital ratio above 14% under current capital requirements. Nordax targets maintaining a buffer of at least 1.5 percentage points above its CET 1 capital ratio and total capital ratio requirements.

Nordax Group's outlook is:

- Growth: Nordax expects to have a similar new loan volume in 2015 as in 2014 and will aim to grow its new loan volumes in the medium term.
- Efficiency: Utilize operating leverage to continue reducing Nordax's adjusted cost to income ratio in the medium term.
- Asset Quality: Maintain cost of risk, on an annual basis, of approximately 2% through the cycle.

Risks and uncertainties

The Group is exposed to both credit risk and to other financial risks such as market risks including foreign exchange risk, interest rate risk in fair value measurement, interest rate risk in cash flow and price risk as well as liquidity risk. The Group is also exposed to IT and operational risks. The Group's overall risk and capital policy details the risk framework as well as risk management roles and responsibilities for the Group. The Group's risk profile as well as related risk, liquidity and capital management is described in Nordax Group Holding's Annual Report for 2014 and Risk Management and Capital Adequacy Report.

Internal control

The Group has established independent functions for risk control and compliance in accordance with the Swedish Financial Supervisory Authority's Regulations and General Guidelines regarding governance, risk management and control at credit institutions (FFFS 2014:1) as well as the European Banking Authority's guidelines on internal control (GL 44). These functions report directly to the Board of Directors and CEO. The evaluation of the organisation as regards, among other things, the internal control, is carried out with the assistance of the internal audit function, which is outsourced to Mazars SET. It has not been deemed cost effective to internally establish an internal auditing organisation, based on the size and the complexity of the Group. Furthermore, allowing an external auditing firm to conduct the internal audit provides the Group with the opportunity to benefit from that external auditing firm's expertise knowledge in various areas, and potential alternative solutions within areas important to the operations, gained from other audit assignments undertaken by the external auditing firm.

Accounting principles

This quarterly report has been prepared according to IAS 34, Interim Financial Reporting. The consolidated accounts for the Nordax Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, together with the Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), the Swedish Financial Accounting Standards Council's recommendation RFR 1, Supplementary Accounting Regulations for Groups as well as the Swedish Financial Supervisory Authority's regulations and guidelines FFFS 2008:25. The Parent Company's annual report has been prepared in accordance with the Annual Accounts Act (1995:1554) and the Swedish Financial Accounting Standards Council's recommendation RFR 2, Accounting for legal entities. In all material aspects, the Group's and the Parent Company's accounting policies, basis for calculations and presentations are unchanged in comparison with the 2014 Annual Report.

Listing on Nasdaq Stockholm main market

On June 17, Nordax was listed at Nasdaq Stockholm's main market. The ticker is NDX.

The offering attracted strong interest among Swedish and international institutional investors as well as Swedish retail investors and was over-subscribed several times. The offering comprised 57,518,970 existing shares, representing 51.8% of all shares in Nordax Group. The shares were sold by funds in respect of which Vision Capital LLP acts as investment advisor (Vision Capital) as well as management, former employees and members of the Board of Directors.

Swedbank Robur acquired, on the same condition as other investors, 10,539,832 shares, corresponding to 9.5% of the shares in Nordax.

Vision Capital remains the largest shareholder in Nordax and own 36.1% of all shares in Nordax, assuming the over-allotment option is not exercised.

Events after closing of the reporting period

No material events have taken place after closing of the reporting period.

Board of Directors' affirmation

The Board of Directors declares that the interim report January-June 2015 provides a fair overview of the Parent Company's and the Group's operations, their financial positions and results and describe material risks and uncertainties facing the Parent Company and the Group.

Stockholm July 15, 2015

Richard Pym Chairman	Christian A. Beck Non-Executive Director	Arne Bernroth Vice Chairman
Katarina Bonde Non-Executive Director	Daryl Cohen Non-Executive Director	Morten Falch CEO, Executive Director
Hans Larsson Non-Executive Director	Andrew Rich Non-Executive Director	Synnöve Trygg Non-Executive Director

Report of Review of Interim Financial Information

Introduction

We have reviewed the condensed interim financial information (interim report) of Nordax Group Holding AB as of 30 June 2015 and the six-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34, Annual Accounts Act for Credit Institutions and Securities Companies and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Report Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34, Annual Accounts Act for Credit Institutions and Securities Companies and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm July 15, 2015
Öhrlings PricewaterhouseCoopers AB

Helena Kaiser de Carolis
Authorized Public Accountant

Contacts

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Conference call

Media, analysts and investors are welcome to take part in a conference call on July 15 at 9.00am CET. CEO Morten Falch, CFO Camilla Wirth and deputy CEO/COO Jacob Lundblad will present the results. After the presentation there will be a Q&A session.

Call-in numbers:
Sweden: +46 8 566 426 61
UK: +44 203 428 14 09
US: +1855 753 22 36

Link to audiocast:
http://cloud.magneetto.com/wonderland/2015_0715_Nordax_Q2_Report/view

You can also follow the presentation on http://www.nordaxgroup.com/en/investors/financial-reports/presentations/

Next report

October 22, 7.30am Report January-September

About Nordax

Nordax is a leading niche bank in the Nordic region providing unsecured consumer loans and deposit accounts to about 95,000 customers in Sweden, Norway, Finland, Denmark and Germany. Nordax employs about 200 people, all working in its office in Stockholm. Nordax was founded by six entrepreneurs with extensive risk management experience. The underwriting process is Nordax's core competency; it is thorough, sound and data driven. Nordax's customers are financially stable people in the prime of life. As of June 30, 2015 lending to the general public amounted to SEK 10.4 billion and deposits amounted to SEK 6.4 billion. Nordax has been supervised by the Swedish Financial Supervisory Authority since 2004 and deposits are covered by the Swedish deposit guarantee scheme. Read more on www.nordaxgroup.com.

Nordax Group AB (publ) announces this information in accordance with the Securities Market Act and/or the Act on Trading in Financial Instruments and/or the Nasdaq Stockholm Rule Book. This information was submitted for announcement on July 15, 2015 at 7.30am CET.

Consolidated income statement

GROUP

All amounts in MSEK	Note	Apr-Jun 2015	Jan-Mar 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Operating income							
Interest income	7	315	307	296	622	569	1 196
Interest expense	7	-92	-94	-109	-186	-207	-415
Total net interest income		**223**	**213**	**187**	**436**	**362**	**781**
Commission income	7	4	5	4	9	8	15
Net profit from financial transactions	7	-11	0	12	-11	13	7
Other operating income	7	0	0	0	0	0	0
Total operating income		**216**	**218**	**203**	**434**	**383**	**803**
Operating expenses							
General administrative expenses	7	-68	-60	-56	-128	-109	-224
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	7	-5	-5	-4	-10	-9	-18
Other operating expenses	7	-22	-34	-38	-56	-68	-122
Non-recurring items	7, 8	-75	-	-	-75	-	-
Total operating expenses		**-170**	**-99**	**-98**	**-269**	**-186**	**-364**
Profit before credit losses		**46**	**119**	**105**	**165**	**197**	**439**
Net credit losses	2,7	-33	-45	-28	-78	-60	-114
Operating profit		**13**	**74**	**77**	**87**	**137**	**325**
Tax on profit for the period		-3	-16	-17	-19	-30	-71
NET PROFIT FOR THE PERIOD/COMPREHENSIVE INCOME		**10**	**58**	**60**	**68**	**107**	**254**
Attributable to:							
The Parent Company's shareholders		10	58	51	68	92	254
Non-controlling interest		0	0	9	0	15	0
Earnings per share, SEK		0.08	0.53	0.46	0.61	0.82	2.29
Diluted earnings per share, SEK		0.08	0.53	0.46	0.61	0.82	2.29
Average number of shares		110.945.598	110.945.598	110.945.598	110.945.598	110.945.598	110.945.598

Consolidated statement of financial position

GROUP

All amounts in MSEK	Note	30.06.2015	31.12.2014
ASSETS			
Lending to credit institutions	5, 6	2,129	2,212
Lending to the general public	2, 4, 5, 6, 7	10,368	10,042
Bonds and other fixed income securities	5, 6	1,488	1,585
Property, plant and equipment		12	7
Intangible assets		317	316
Current tax receivables		11	-
Other assets		4	18
Prepaid expenses and accrued income		10	10
TOTAL ASSETS		**14,339**	**14,190**
LIABILITIES, PROVISIONS AND EQUITY			
Liabilities			
Liabilities to credit institutions	5, 6	2,738	2,259
Deposits from the public	5, 6	6,454	6,479
Issued securities	5, 6	3,135	3,581
Current tax liability		0	16
Deferred tax liability		28	29
Other liabilities		32	25
Accrued expenses and deferred income		101	64
Subordinated liabilities		245	199
Total liabilities		**12,733**	**12,652**
Equity			
Share capital		111	1
Other contributed capital		736	846
Retained earnings, incl. net profit for the year		759	694
Total equity		**1,606**	**1,538**
TOTAL LIABILITIES, PROVISIONS AND EQUITY		**14,339**	**14,190**
Memorandum items			
Pledged assets for own liabilities	9	9,522	9,180
Contingent liabilities		None	None

Statement of cash flows

GROUP

All amounts in MSEK	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Operating activities			
Operating profit	87	137	325
Adjustment for non-cash items:			
Tax paid	-47	-33	-63
Depreciation, amortisation and impairment of tangible and intangible assets	10	9	15
Change in operating assets and liabilities			
Decrease/Increase in lending to the public	-326	-961	-1,649
Decrease/Increase in other assets	14	4	-5
Decrease/Increase in deposits from the public	-25	1,637	1,726
Decrease/Increase in other liabilities	44	37	25
Cash flow from operating activities	**-243**	**830**	**374**
Investing activities			
Purchase of equipment	-16	-2	0
Investment in bonds and other interest-bearing securities	-1,800	-2,377	-3,797
Maturity of bonds and other interest-bearing securities	1,897	1,205	2,762
Cash flow from investing activities	**81**	**-1,174**	**-1,035**
Financing activities			
Decrease/Increase in liability to credit institutions	479	-856	-55
Decrease/Increase in issued securities	-446	1,646	1,322
Decrease/Increase in subordinated liabilities	46	1	1
Change in non-controlling interests	-	-	-3
Cash flow from financing activities	**79**	**791**	**1,265**
Cash flow for the period	**-83**	**447**	**604**
Cash and cash equivalents at beginning of period	**2,212**	**1,608**	**1,608**
Cash and cash equivalents at end of period	**2,129**	**2,055**	**2,212**

Cash and cash equivalents are defined as treasury bills eligible for use as collateral and lending to credit institutions. Pledged cash and cash equivalents according to note 9 are available for Nordax in relation to monthly settlements of financial agreements and are as a consequence hereof defined as cash and cash equivalents.

Statement of changes in equity

GROUP

	Restricted equity	Non-restricted equity			Total
All amounts in MSEK	Share capital	Other contributed capital	Retained earnings	Non-controlling interests	
OPENING BALANCE, 1 JANUARY 2014	**1**	**846**	**118**	**322**	**1,287**
Comprehensive income					
Net profit for the period			92	15	**107**
Total comprehensive income			**92**	**15**	**107**
Transactions with shareholders					
Change in non-controlling interests			218	-218	**0**
Total transactions with shareholders			**218**	**-218**	**0**
CLOSING BALANCE, 30 JUNE 2014	**1**	**846**	**428**	**119**	**1,394**
OPENING BALANCE, 1 JANUARY 2014	**1**	**846**	**118**	**322**	**1,287**
Comprehensive income					
Net profit for the year			254	-	**254**
Total comprehensive income			**254**	**-**	**254**
Transactions with shareholders					
Change in non-controlling interests			319	-322	**-3**
Total transactions with shareholders			**319**	**-322**	**-3**
CLOSING BALANCE, 31 DECEMBER 2014	**1**	**846**	**691**	**0**	**1,538**
OPENING BALANCE, 1 JANUARY 2015	**1**	**846**	**691**	**-**	**1,538**
Comprehensive income					
Net profit for the period			68		**68**
Total comprehensive income			**68**		**68**
Transactions with shareholders					
Group reorganisation (see note 1)	110	-110	-	-	**0**
Total transactions with shareholders	**110**	**-110**	**-**	**-**	**0**
CLOSING BALANCE, 30 JUNE 2015	**111**	**736**	**759**	**-**	**1,606**

Notes

Amounts stated in the notes are in MSEK unless otherwise indicated.

Note 1 General information

Nordax Group AB (publ) (Corporate Identity Number 556993-2485), with its registered office in Stockholm, is the parent company of a group that includes the subsidiary Nordax Group Holding AB. In its turn, Nordax Group Holding AB owns companies whose business includes owning companies and managing shares in companies whose main operations consist of lending to private individuals in the Nordic region.

Information on the consolidated situation

The top company in the consolidated situation is Nordax Group AB (publ). The following companies are included in the consolidated financial statements for the group of financial companies in accordance with full IFRS and in the group-based financial statements for calculation of capital requirements: Nordax Group AB (publ), Nelson Luxco Sarl, Nordax Group Holding AB, Nordax Holding AB, Nordax Bank AB (publ), Nordax Finans AS, PMO Sverige OY, Nordax Nordic AB (publ), Nordax Sverige AB, Nordax Sverige 3 AB (publ), Nordax Sverige 4 AB (publ), Nordax Nordic 2 AB and Nordax Nordic 3 AB (publ).

Nordax Group AB (publ) acquired as of May 11 2015, through a share exchange, Nelson Luxco Sarl which was the former ultimate parent company for the Nordax Group. The transaction was purely a share exchange under common control and is considered to be a pure reorganisation. Since this is a reorganisation under common control, and it was carried out through a share exchange Nordax Group AB (publ) cannot be considered the accounting acquirer. Accordingly, the consolidated financial statements prepared as a continuation of the previous Nordax Group.

Note 2 Credit risk

Financial risk factors

Through its operations, the Group is exposed to both credit risks and other financial risks, market risk (including currency risk, interest-rate risk at fair value, interest-rate risk in cash flow and price risk) and liquidity risk. The Group's overall risk management policy focuses on managing credit risks which have been taken intentionally and minimising the potentially adverse effects of unpredictability in the financial markets. The Group employs derivative instruments to hedge certain risk exposure.

Risk management is handled primarily by a credit department and a central finance department in accordance with policies determined by the Board of Directors. The financial department identifies, evaluates and hedges financial risks in close co-operation with the Group's operational units. The Board draws up written policies both for overall risk management and for specific areas, such as credit risk, foreign-currency risk, interest-rate risk, use of derivative and non-derivative financial instruments and investment of surplus liquidity. Risk management is supervised by the risk control function which reports to the Board of Directors in accordance with FFFS 2014:1.

(i) Credit risks in general

Lending activities are based on policies adopted by the Board of Directors. All loans are assessed in a separate, centrally located department in the Group.

As consumer loans are provided without physical collateral, credit assessment is an important element. To obtain a loan, the customer and submitted application documents must fulfil a number of policy rules such as minimum income, minimum age, maximum debt burden ratio, no bad debt etc. Decisions on loans are based on creditworthiness, which is determined using a model for calculating the probability that a borrower will be able to adhere to the concluded agreements (“credit scoring”). A customer’s credit score determines, for instance, how much he or she will be able to borrow. In addition, the credit decision is based on an affordability calculation to ensure the customer has the ability to repay the loan. The affordability calculation considers the customer’s income, cost of housing, cost of loans and living expenses. In cases where it is not possible to obtain income and debt information from credit reference agencies the customer is required to submit further information in addition to the application documents, such as a salary specification and tax return, to confirm his or her stated income and debts. This information is used to assess the customer’s financial situation, for instance by calculating the customer’s indebtedness and a “left to live on” amount.

Credit risks in other counterparty relationships, such as derivatives and financial investments, are regulated by a policy adopted by the Board of Directors. Collateral agreements are used to limit counterparty risks in derivative contracts.

(ii) Measurement of credit risk

The credit risk in the portfolio is measured against the specified targets on an ongoing basis. The measurements are based partly on how loans perform over time, how old the individual loans are (“vintage”) and the maturity of the overall portfolio. Measurements are made depending on the risk that a loan will fall into arrears and whether it has been impaired.

Continuous measurements are also made on a segment basis. The applicable credit regulations and scoring models are followed up continuously to ensure the effectiveness of applied regulations and models. The results of these measurements are used as a basis for any adjustments to credit regulations and scoring models.

(iii) Risk management and risk control

The Group’s continued operations depend on its ability to manage and control credit risk. Great emphasis is placed on establishing procedures to deal with this. Among other things, reporting takes place at least monthly to the management team and the Board of Directors. Credit risk reporting is also a standing agenda item at each Board meeting. The risk control and compliance unit performs regular checks to ensure that loans are issued in accordance with the instructions adopted by the Board. Under the instructions, any deviations must be reported to the Board. When the Group has received loans from external parties, these parties also perform regular and extensive credit risk assessments.

(iv) Principles for credit risk provisions

Principles for credit risk provisions are indicated in the annual report for Nordax Group Holding AB for 2014, Note 2 and Note 7. When the value of a loan receivable has declined, the carrying amount is written down to the recoverable amount, which is defined as the estimated future cash flow discounted the effective interest rate of the loan receivable when fully performing. Management uses estimates based on historical credit losses for assets with the same credit risk and attributes as those in the loan portfolio. The methods and assumptions used to forecast future cash flows are reviewed regularly to reduce the difference between estimated and actual losses.

Provisions are calculated for loans with an individually identified loss event (individually identified loss event is understood to mean receivables due more than 180 days), and group provision for receivables measured as a group (due 1 – 180 days) is based on an established model. The criteria for determining whether a loss has occurred are delays in the payment of principal and interest.

GROUP

All amounts in MSEK	Apr-Jun 2015	Jan-Mar 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Credit losses						
Write-offs for the period pertaining to actual credit losses	-11	-5	-4	-16	-11	-15
Gross value of new receivables during the period due more than 180 days	-90	-93	-80	-183	-155	-312
Payments received during the period pertaining to loans due more than 180 days	51	42	40	93	75	163
Adjustment to recoverable value pertaining to receivables due more than 180 days	18	20	15	38	35	63
Total provision for loans with individually identified loss event[1]	-21	-31	-25	-52	-45	-86
Group provision for receivables valued as a group[2]	-1	-9	1	-10	-4	-13
Credit losses for the period	**-33**	**-45**	**-28**	**-78**	**-60**	**-114**

[1] Loans with individually identified loss event refers to loans that are more than 180 days past due.
[2] Receivables valued as a group refers to loans between one and 180 days past due.

Note 3 Lending to the general public

GROUP

June 30, 2015	Sweden	Norway	Denmark	Finland	Germany	**Total**	Allocation of provision past due receivables	
Not yet payable	3,559	3,785	177	1,547	374	**9,443**		
Less than 30 days past due	37	73	4	79	7	**200**	-17	9%
30-60 days past due	20	32	3	36	3	**94**	-20	21%
61-90 days past due	16	19	5	11	3	**53**	-19	36%
91-180 days past due	29	27	2	16	2	**78**	-40	51%
More than 180 days past due	534	524	293	256	5	**1,613**	-1,016	63%
Total past due	**637**	**675**	**308**	**398**	**20**	**2,037**	**-1,112**	**55%**
Total	**4,196**	**4,460**	**485**	**1,945**	**394**	**11,480**		
Provision[1]	-335	-342	-276	-149	-11	**-1,112**		
Total lending to the general public	**3,861**	**4,118**	**209**	**1,797**	**383**	**10,368**		

December 31, 2014	Sweden	Norway	Denmark	Finland	Germany	**Total**	Allocation of provision past due receivables	
Not yet past due	3,586	3,598	209	1,458	289	**9,139**		
Less than 30 days past due	45	86	8	77	3	**220**	-18	8%
30-60 days past due	23	32	4	27	2	**89**	-19	21%
61-90 days past due	13	21	6	10	1	**51**	-17	33%

91-180 days past due	26	20	3	14	2	**65**	-33	51%
More than 180 days past due	489	495	298	238	2	**1,522**	-957	63%
Total past due	**596**	**654**	**319**	**366**	**10**	**1 947**	**-1,044**	**54%**
Total	**4,182**	**4,252**	**528**	**1,824**	**299**	**11,086**		
Provision[1]	-302	-318	-282	-136	-5	**-1,044**		
Total lending to the general public	**3,880**	**3,934**	**246**	**1,688**	**294**	**10,042**		

[1]Provision for receivables which are more than 180 days past due are assessed individually and total MSEK -1,016 (-957). The group provision is MSEK -96 (-87). The difference between the provision recognised above and credit losses as indicated in the income statement is due to exchange rate effects, which are accounted for under Net profit from financial transactions.

When a loan becomes more than 180 days past due the carrying amount is written down to the recoverable amount, which is defined as the estimated future cash flow discounted by the initial effective interest rate for the instrument at the time of impairment. Expected recoveries are assumed to be generated up to 13 years from the date on which the receivable becomes more than 180 days past due. The methods and assumptions used to forecast future cash flows are reviewed regularly to reduce the difference between estimated and actual losses. The senior management uses estimates based on historical data and forecasts for longer periods where there are no own historical data.

Note 4 Capital adequacy analyses

Capital adequacy information in this document refers to information whose disclosure is provided for in Chapter 6, Sections 3-4 of the Regulations and general recommendations (FFFS 2008:25) on the annual accounts of credit institutions and securities companies (investment firms) and which refers to information in the General recommendations on capital adequacy and risk management (FFFS 2014:12) of the Swedish Financial Supervisory Authority. From the first quarter of 2014 a capital adequacy analysis for the consolidated situation is reported. Other information required under FFFS 2014:12 is provided on the Company's website, www.nordaxgroup.com.

Information on the consolidated situation

The top company in the consolidated situation is Nordax Group AB (publ). The following companies are included in the consolidated financial statements for the group of financial companies in accordance with full IFRS and in the group-based financial statements for calculation of capital requirements: Nordax Group AB (publ), Nelson Luxco Sarl, Nordax Group Holding AB, Nordax Holding AB, Nordax Bank AB (publ), Nordax Finans AS, PMO Sverige OY, Nordax Nordic AB (publ), Nordax Sverige AB, Nordax Sverige 3 AB (publ), Nordax Sverige 4 AB (publ), Nordax Nordic 2 AB and Nordax Nordic 3 AB (publ).

	Consolidated situation	
All amounts are in MSEK	30.06. 2015	31.12.2014
OWN FUNDS		
Common Equity Tier 1 capital	1,606	1,537
Deduction from own funds	-305	-304
Total Common Equity Tier 1 capital	**1,301**	**1,233**
Tier 2 capital	205	159
Net own funds	**1,506**	**1,393**
Risk exposure amount for credit risk	8,445	8,234
Risk exposure amount for market risk	578	541
Risk exposure amount for operational risks	1,272	1,271
Total risk exposure amount	**10,295**	**10,046**
Common Equity Tier 1 capital ratio	12,63%	12.28%
Tier 1 capital ratio	12,63%	12.28%
Total capital ratio	14,64%	13.87%
Capital adequacy ratio (own funds / capital requirement)	1,83	1.73
Total Common Equity Tier 1 capital requirement including buffer requirement	7,00%	7,00%
- of which, capital conservation buffer requirement	2,50%	2,50%

Common Equity Tier 1 capital available for use as buffer[1]	8,14%	7,78%
Specification of risk exposure amount[2]		
Institutional exposures	428	444
Covered bonds	34	60
Household exposures	7,300	7,085
Unregulated items	634	597
Other items	49	48
Total risk exposure amount for credit risk, Standardised Approach	**8,445**	**8,234**
Exchange rate risk	578	541
Total risk exposure amount for market risk	**578**	**541**
Basic Indicator Approach	1,272	1,271
Total risk exposure amount for operational risks	**1,272**	**1,271**
LEVERAGE RATIO		
Exposure measure for calculating leverage ratio	14,041	13,893
Leverage ratio	**9,26%**	**8.88%**

[1] Common Equity Tier 1 capital ratio 12.63 % less the statutory minimum requirement of 4.5 % excluding the buffer requirement. A total capital requirement of a further 3.5 % is also applicable.

[2]The capital requirement is 8 % of the risk exposure amount pursuant to Regulation (EU) No 575/2013 (CRR).

Internal capital requirement
As of 30 June 2015 the internal capital assessment for Nordax consolidated situation amounted to 67 MSEK (67 at year-end). The internal capital requirement is assessed using Nordax internal models for economic capital and is not fully comparable to the estimated capital requirement published by the Swedish Financial Supervisory Authority due to differences in assumptions and methodologies.

Information on liquidity risk pursuant to FFFS 2014:12

The Group defines liquidity risk as the risk of failing to fulfil payment obligations at maturity without a significant increase in the cost of obtaining means of payment. The Group uses asset-backed borrowing in which parts of the Group's asset portfolios are pledged as collateral for the loans. The Group's long-term strategy is to match lending assets with the maturities of liabilities. The strategy is aimed at achieving a diversified funding platform comprising equity, subordinated debt, asset backed securities ("ABS"), bank warehouse funding facilities, deposits from the general public and senior unsecured bonds.

The goal is to use funding sources which:

- Provide a high degree of matching, of currencies and interest period as well as maturities, between assets and liabilities.
- Offer diversification in terms of markets, investors, instruments, maturities, currencies, counterparties and geography.
- Carry a low liquidity risk and offer a high possibility of refinancing at maturity, as evidenced by price stability, regularity of issuance and a broad investor base.
- Provide access to relatively large volumes, to meet the funding requirements for a growing balance sheet.

The Group has an independent function for liquidity risk control. The function reports directly to the Board and CEO.
Liquidity is measured on a daily basis and reported to the Company's management. Liquidity risk is reported to the Board of Directors on a monthly basis.

Cash flows expected to result from the liquidation of all assets, liabilities and off-balance sheet items are calculated. Key ratios from the balance sheet (such as the cash ratio, loan-to-deposit ratio, liquidity coverage ratio, net stable funding ratio and deposit usage) are calculated and monitored over time to elucidate the financial structure and the Group's liquidity risk. Liquidity risk is measured monthly for different scenarios and events (such as less favourable advance rates and changed cash flows) and elucidated separately and in combination.

The contingency plan specifies a clear division of responsibilities and contains instructions for how the Group should respond in a liquidity crisis situation. The plan specifies appropriate actions for managing the consequences of different crisis situations and contains definitions of events which trigger and escalate the contingency plan. The contingency plan has been tested and updated. At 30 June 2015, Nordax had a liquidity coverage ratio (EBA definition) of 8.15 (8.40) and a net stable funding ratio of 1.34 (1.46) according to the definition of the Basel Committee, which has not yet been adopted.

Nordax had a liquidity reserve at 30 June 2015 of MSEK 2,988 (3,246). Of these investments, 50 (51) per cent was in Nordic banks, 11 (19) per cent in Swedish covered bonds and 39 (30) per cent in Swedish municipal papers. All investments had credit ratings ranging from AAA to A+ from Standard & Poor's, with an average rating of AA (except 10 MSEK in exposure to Avanza Bank AB). The average maturity was 50 (68) days. All bank holdings are accessible and all securities are repo-able with central banks.

At 30 June 2015 Nordax's sources of funding comprised MSEK 2,674 (3,110) in funding through the asset-backed securities market (securitised), MSEK 482 (500) in senior unsecured bonds, MSEK 2,748 (2,274) in warehouse funding facilities provided by two international banks and MSEK 6,397 (6,460) in Deposits from the general public. The figures refer to the nominal amounts.

Note 5 Classification of financial assets and liabilities

GROUP

June 30, 2015	Financial instruments carried at fair value through profit or loss		Investments held to maturity	Loans and receivables	Other financial liabilities	**Total**
	Held for trading	*Designated at initial recognition*				
Assets						
Lending to credit institutions	-	-	-	2,129	-	**2,129**
Lending to the general public	-	-	-	10,368	-	**10,368**
Bonds and other fixed income securities	-	1,488	-	-	-	**1,488**
Total assets	**-**	**1,488**	**-**	**12,497**	**-**	**13,985**
Liabilities						
Liabilities to credit institutions	-	-	-	-	2,738	**2,738**
Deposits from the public	-	-	-	-	6,454	**6,454**
Issued securities	-	-	-	-	3,135	**3,135**
Derivatives	1	-	-	-	-	**1**
Subordinated liabilities	-	-	-	-	245	**245**
Total liabilities	**1**	**-**	**-**	**-**	**12,572**	**12,573**

December 31, 2014	Financial instruments carried at fair value through profit or loss		Investments held to maturity	Loans and receivables	Other financial liabilities	**Total**
	Held for trading	*Designated at initial recognition*				
Assets						
Lending to credit institutions	-	-	-	2,211	-	**2,211**
Lending to the general public	-	-	-	10,042	-	**10,042**
Bonds and other fixed income securities	-	1,585	-	-	-	**1,585**
Total assets	**-**	**1,585**	**-**	**12,253**	**-**	**13,838**
Liabilities						
Liabilities to credit institutions	-	-	-	-	2,259	**2,259**
Deposits from the public	-	-	-	-	6,479	**6,479**
Issued securities	-	-	-	-	3,581	**3,581**
Derivatives	4	-	-	-	-	**4**
Subordinated liabilities	-	-	-	-	199	**199**
Total liabilities	**4**	**-**	**-**	**-**	**12,518**	**12,522**

Trade receivables, trade payables and prepaid/accrued interest are not included in the classification above, but have been reported as Loans and receivables or Other financial liabilities, as these are not material.

Note 6 Fair values of financial assets and liabilities

GROUP

June 30, 2015	Carrying amount	Fair value	Fair value gain (+)/fair value loss (-)
Assets			
Lending to credit institutions[1]	2,129	2,129	-
Lending to the general public[2]	10,368	12,548	**2,180**
Bonds and other fixed income securities	1,488	1,488	-
Total assets	**13,985**	**16,165**	**2,180**
Liabilities			
Liabilities to credit institutions[1]	2,738	2,738	-
Deposits from the public[1]	6,454	6,454	-
Issued securities[3]	3,135	3,157	**22**
Derivatives	1	1	-
Subordinated liabilities[3]	245	254	**9**
Total liabilities	**12,573**	**12,604**	**31**

December 31, 2014	Carrying amount	Fair value	Fair value gain (+)/fair value loss (-)
Assets			
Lending to credit institutions[1]	2,211	2,211	-
Lending to the general public[2]	10,042	12,302	**2,260**
Bonds and other fixed income securities	1,585	1,585	-
Total assets	**13,848**	**16,098**	**2,260**
Liabilities			
Liabilities to credit institutions[1]	2,259	2,259	-
Deposits from the public[1]	6,479	6,479	-
Issued securities[3]	3,581	3,593	**12**
Derivatives	4	4	-
Subordinated liabilities[3]	199	199	-
Total liabilities	**12,522**	**12,533**	**12**

[1] Fair value is deemed to be the same as the carrying amount, as these are of a short-term nature.
[2] The measurement includes significant non-observable inputs and belongs to Level 3. The present value of future discounted cash flows are expected to be larger than the amortised cost according to the accounts.
[3] Fair value data for issued securities and debenture loans belong to Level 2, as the inputs for measurement are based directly or indirectly on quoted prices.

Calculation of fair value

The fair values of financial instruments which are traded in an active market (such as financial instruments held for trading and available-for-sale financial instruments) are based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices from an exchange, broker, industry group, pricing service or regulatory authority are easily and regularly available, and these prices represent actual and regularly occurring arm's length market transactions. The quoted market price used for the Group's financial assets is the current bid price. These instruments belong to Level 1.

The fair values of financial instruments which are not traded in an active market are determined with the help of valuation techniques. Market data is used as far as possible when such data is available. If all significant inputs required for the fair value measurement of an instrument are observable the instrument belongs to Level 2.

In cases where one or several significant inputs are not based on observable market information the instrument is classified as Level 3.

The table below shows financial instruments carried at fair value based on the classification in the fair value hierarchy. The different levels are defined as follows:

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

In 2015, no transfers between levels were made.

GROUP

June 30, 2015	Level 1	Level 2	Level 3	**Total**
Assets				
Bonds and other fixed income securities	1,488	-	-	**1,488**
Total assets	**1,488**	**-**	**-**	**1,488**
Liabilities				
Derivatives	-	1	-	**1**
Total liabilities	**-**	**1**	**-**	**1**

December 31, 2014	Level 1	Level 2	Level 3	**Total**
Assets				
Bonds and other fixed income securities	1,585	-	-	**1,585**
Total assets	**1,585**	**-**	**-**	**1,585**
Liabilities				
Derivatives	-	4	-	**4**
Total liabilities	**-**	**4**	**-**	**4**

Note 7 Operating segments

Segment information is presented based on the chief operating decision-maker's perspective, and the segments are identified based on the internal reporting to the CEO, who is identified as the chief operating decision-maker. Nordax has the following operating segments: Sweden, Norway, Finland, Denmark and Germany, which reflects Nordax' lending portfolio. Profit/loss that cannot be attributed to a segment is allocated using distribution keys according to internal principles that the Management believes provide a fair allocation to the segments. The chief operating decision-maker will primarily apply to the performance concept of operating profit/loss. Impairment test of goodwill is made on a yearly basis in conjunction with the annual report and management's assessment is that it will not be materially impacted when goodwill is reported per segment as of 2015.

Apr-Jun 2015	Sweden	Norway	Denmark	Finland	Germany	**Total**
Income statement						
Interest income[1]	104	139	4	59	9	**315**
Interest expenses	-28	-48	-1	-12	-2	**-92**
Total net interest income	**76**	**91**	**3**	**47**	**7**	**223**
Commission income	1	2	-	1	-	**4**
Depreciation and amortisation of tangible and intangible assets	-1	-1	0	-2	-1	**-5**
Operating expenses[2]	-33	-25	-5	-9	-4	**-76**
Non-recurring items[3]						**-75**
Marketing costs[2]	-5	-9	0	-5	-6	**-25**
Profit before credit losses	**37**	**57**	**-3**	**33**	**-5**	**46**
Net credit losses	-9	-13	0	-7	-4	**-33**
Operating profit/loss	**28**	**44**	**-3**	**26**	**-9**	**13**

Balance sheet						
Lending to the general public	3,861	4,118	209	1,797	383	**10,368**

Jan-Mar 2015	Sweden	Norway	Denmark	Finland	Germany	**Total**
Income statement						
Interest income[1]	105	133	4	57	8	**307**
Interest expenses	-33	-46	-1	-11	-2	**-94**
Total net interest income	**72**	**87**	**3**	**46**	**6**	**213**
Commission income	3	2	0	-	-	**5**
Depreciation and amortisation of tangible and intangible assets	-3	-2	0	-1	0	**-5**
Operating expenses[2]	-27	-24	-1	-6	-4	**-63**
Marketing costs[2]	-5	-12	0	-6	-8	**-31**
Profit before credit losses	**41**	**50**	**2**	**33**	**-7**	**119**
Net credit losses	-18	-16	-2	-7	-2	**-45**
Operating profit/loss	**23**	**34**	**0**	**26**	**-9**	**74**
Balance sheet						
Lending to the general public	3,889	4,140	224	1,725	335	**10,312**

Apr-Jun 2014	Sweden	Norway	Denmark	Finland	Germany	**Total**
Income statement						
Interest income[1]	114	128	5	45	4	**296**
Interest expenses	-45	-52	-3	-9	0	**-109**
Total net interest income	69	76	2	36	4	**187**
Commission income	2	2	0	-	-	**4**
Depreciation and amortisation of tangible and intangible assets	-3	-1	0	0	0	**-4**
Operating expenses[2]	-27	-23	-2	-6	0	**-58**
Marketing costs[2]	-5	-10	-	-4	-6	**-25**
Profit before credit losses	37	44	-1	27	-2	**105**
Net credit losses	-8	-11	-2	-7	0	**-28**
Operating profit/loss	29	33	-3	20	-2	**77**
Balance sheet						
Lending to the general public	3,681	3,759	272	1,424	179	**9,315**

Jan-Jun 2015	Sweden	Norway	Denmark	Finland	Germany	**Total**
Income statement						
Interest income[1]	209	272	8	116	17	**622**
Interest expenses	-61	-95	-2	-23	-5	**-186**
Total net interest income	**148**	**177**	**6**	**93**	**12**	**436**
Commission income	4	4	-	1	-	**9**
Depreciation and amortisation of tangible and intangible assets	-4	-3	0	-1	-1	**-10**
Operating expenses[2]	-60	-49	-6	-15	-9	**-139**
Non-recurring items[3]						**-75**

Marketing costs[2]	-10	-21	0	-11	-14	**-56**
Profit before credit losses	**77**	**108**	**-1**	**67**	**-11**	**165**
Net credit losses	-27	-29	-2	-14	-6	**-78**
Operating profit/loss	50	79	-3	53	-17	**87**
Balance sheet						
Lending to the general public	3,861	4,118	209	1,797	383	**10,368**

Jan-Jun 2014	Sweden	Norway	Denmark	Finland	Germany	**Total**
Income statement						
Interest income[1]	224	243	10	85	6	**569**
Interest expenses	-87	-95	-5	-18	-1	**-207**
Total net interest income	**137**	**148**	**5**	**67**	**5**	**362**
Commission income	5	3	0	1	-	**9**
Depreciation and amortisation of tangible and intangible assets	-4	-3	0	-1	-1	**-9**
Operating expenses[2]	-49	-44	-3	-13	-3	**-112**
Marketing costs[2]	-11	-23	-	-9	-10	**-53**
Profit before credit losses	**78**	**81**	**2**	**45**	**-9**	**197**
Net credit losses	-21	-25	-3	-10	-1	**-60**
Operating profit/loss	57	56	-1	35	-10	**137**
Balance sheet						
Lending to the general public	3,681	3,759	272	1,424	179	**9,315**

Jan-Dec 2014	Sweden	Norway	Denmark	Finland	Germany	**Total**
Income statement						
Interest income[1]	453	517	19	189	18	**1,196**
Interest expenses	-164	-197	-8	-40	-6	**-415**
Total net interest income	**289**	**320**	**11**	**149**	**12**	**781**
Commission income	9	6	0	0	-	**15**
Depreciation, amortisation and impairment of tangible and intangible assets	-8	-5	-1	-2	-1	**-18**
Operating expenses[2]	-103	-90	-6	-28	-15	**-243**
Marketing costs[2]	-18	-41	-	-16	-21	**-96**
Profit before credit losses	**168**	**189**	**3**	**103**	**-25**	**439**
Net credit losses	-31	-49	-13	-17	-4	**-114**
Operating profit	137	140	-10	86	-29	**325**
Balance sheet						
Lending to the general public	3,880	3,934	246	1,688	294	**10,042**

[1]Interest income refers to income from external customers.
[2]Operating expenses consist of net profit/loss from financial transactions, other operating income, general administrative expenses and the portion of other operating expenses that does not relate to marketing (which are reported separately).
[3]Non-recurring items refer to expenses arising in conjunction with the publication of the prospectus and the listing of the Nordax share on the Nasdaq Stockholm exchange.

Note 8 Non-recurring items

Non-recurring items of 75 MSEK refer to events and transactions which have an impact on profit of such magnitude that it is prudent to highlight these when the financial performance of the period is compared with earlier periods. Non-recurring items refer to expenses arising in conjunction with the publication of the prospectus and the listing of the Nordax share on the Nasdaq Stockholm exchange.

Note 9 Pledged assets

	Group	
All amounts are in SEK million	30.06.2015	31.12.2014
Pledged assets for own liabilities		
Lending to the general public	8,797	8,481
Lending to credit institutions	725	699
Total	**9,522**	**9,180**

Note 10 Transactions with related parties

In connection with the reorganization within the Nordax group in May 2015, certain shareholders received advanced consideration of SEK 1.8 million (-) for their transferred shares in Nordax Group Holding AB in form of loan notes issued by Nordax Group AB (publ). The loan notes were issued on arm's length terms and were repaid together with accrued interest on 21 May 2015.

A monitoring fee of SEK 0.08 MSEK of which 0.07 fee and 0.01 costs (Q2 14 monitoring fee of 0.08 MSEK of which 0.07 fee and 0.01 costs) has been paid to related company Vision Capital LLP from Nordax Group Holding AB.

Otherwise, the Group has not had any transactions with related parties.

Note 11 Events after closing of the reporting period

No events with significant impact on the information in this report have occurred after the end of the reporting period.

Parent Company income statement

THE PARENT COMPANY

All amounts in MSEK	Apr-Jun 2015	Jan-Mar 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jan-Dec 2014
Operating expenses						
Other external expenses	-75	-	-	-75	-	-
Total operating expenses	**-75**	**-**	**-**	**-75**	**-**	**-**
Operating profit	**-75**	**-**	**-**	**-75**	**-**	**-**
Profit/loss from financial investments						
Group contributions	-	-	-	-	-	-
Interest and similar expenses	-	-	-	-	-	-
Profit/loss from financial investments	**0**	**-**	**-**	**0**	**-**	**-**
Profit/loss after financial items	**-75**	**-**	**-**	**-75**	**-**	**-**
Tax on profit for the period	-	-	-	-	-	-
NET PROFIT FOR THE PERIOD/COMPREHENSIVE INCOME	**-75**	**-**	**-**	**-75**	**-**	**-**

Parent Company statement of comprehensive income

THE PARENT COMPANY

All amounts in MSEK	30.06.2015
ASSETS	
Financial assets	
Shares in Group companies	4,970
Total financial assets	**4,970**
Total non-current assets	**4,970**
Current receivables	
Receivables from Group companies	0
Total current receivables	**0**
Cash and bank balances	**5**
Total current assets	**5**
TOTAL ASSETS	**4,975**
EQUITY, PROVISIONS AND LIABILITIES	
Equity	
Share capital	111
Share premium reserve	4,859
Retained earnings, incl. net profit for the year	-75
Total equity	**4,895**
Liabilities	
Current liabilities	
Accrued expenses and deferred income	0
Liabilities to Group companies	80
Total current liabilities	**80**
Total liabilities	**5**
TOTAL EQUITY, PROVISIONS AND LIABILITIES	**4,975**
Memorandum items	
Pledged assets for own liabilities	None
Contingent liabilities	None

Statement of changes in equity, parent company

THE PARENT COMPANY	Restricted equity	Non-restricted equity		Total
All amounts in MSEK	Share capital	Other contributed capital	Retained earnings	
OPENING BALANCE, 1 JANUARY 2015	**1**	**-**	**-**	**1**
Comprehensive income				
Net profit for the period			-75	**-75**
Total comprehensive income			**-75**	**-75**
Transactions with shareholders				
Group reorganisation	110	4,859	0	**4,969**
Total transactions with shareholders	**110**	**4,859**	**0**	**4,969**
CLOSING BALANCE, 30 JUNE 2015	**111**	**4,859**	**-75**	**4,895**

The share capital consists of 110,945,598 ordinary shares of the same share class and with a quota value of SEK 1. All shares have equal voting rights.

Definitions

Adjusted operating income
Total operating income excluding foreign exchange gains/losses. Adjusted operating income is a non-IFRS-EU financial measure.

Adjusted cost to income ratio (C/I ratio)
Adjusted operating expenses excluding marketing costs as a percentage of adjusted operating income. Adjusted cost to income ratio is presented on a 12-month rolling basis.

Adjusted operating expenses
Total operating expenses excluding amortization of acquired intangible assets and non-recurring items. Adjusted operating expenses are a non-IFRS-EU financial measure.

Adjusted operating profit
Operating profit excluding amortization of acquired intangible assets, foreign exchange gains/losses and non-recurring items. Adjusted operating profit is a non-IFRS-EU financial measure.

Adjusted profit
Profit excluding amortization of acquired intangible assets, foreign exchange gains/losses and non-recurring items as well as the tax effect thereof. Adjusted profit is a non-IFRS-EU financial measure.

Adjusted return on average net loans
Adjusted operating profit as a percentage of average loan portfolio. Return on average net loans is presented on a 12-month rolling basis.

Adjusted return on tangible equity
Adjusted net profit in relation to average tangible equity.

Average loan portfolio
The average of lending to the general public at the beginning of the period and lending to the general public at the end of the period.

Common Equity Tier 1 capital
Shareholders' equity excluding proposed dividend, deferred tax assets, intangible assets and certain other regulatory adjustments defined in Regulation (EU) No 575/2013 (CRR).

Common Equity Tier 1 capital ratio
Common Equity Tier 1 capital as a percentage of risk exposure amount.

Cost of risk
Net credit losses as a percentage of average loan portfolio. Cost of risk for the three months ended March 31, 2015 and 2014 is presented on an annualized basis.

Credit loss level
Net credit losses as a percentage of the average lending to the general public.

Earnings per share
Net profit attributable to shareholders in relation to the average number of shares.

Leverage ratio
Tier 1 capital as a percentage of total assets including off balance sheet items with conversion factors according to the standardised approach.

Liquidity Coverage Ratio (LCR)
High-quality liquid assets in relation to the estimated net cash outflows over the next 30 calendar days, as defined by Swedish regulations (the SFSA's code FFFS 2012:6).

Liquidity reserve
A separate reserve of high quality liquid assets that can be used to secure the company's short-term ability to pay for loss or reduced access to commonly available sources of funding.

Non-IFRS-EU-financial measures
Measures, which are unaudited, and used by management to monitor the underlying performance of Nordax's business and operations.

Own funds
The sum of Tier 1 and Tier 2 capital.

Return on equity
Net profit attributable to shareholders in relation to average shareholders' equity.

Risk exposure amount
Total assets and off balance sheet items, weighted in accordance with capital adequacy regulation for credit and market risks. The operational risks are measured and added as risk exposure amount. Risk exposure amounts are only defined for the consolidated situation.

Tangible equity
Shareholders' equity less intangible assets.

Tier 1 capital ratio
Tier 1 capital as a percentage of risk exposure amount.

Tier 1 capital
Common Equity Tier 1 capital plus qualifying forms of subordinated loans.

Tier 2 capital
Mainly subordinated loans not qualifying as Tier 1 capital contribution.

Total capital ratio
Total own funds as a percentage of risk exposure amount.