

collector

Q3 2019

QUARTERLY REPORT PRESENTATION

Highlights Q3 2019

- Stable quarter with continued strong underlying results
- Factoring performing a record quarter and Payments delivering strong volume growth
- Total capital ratio unchanged at 14.2%
- “ÅRKL”² new main reporting structure
- Divestment of Colligent third-party debt collection (ann. 8 Oct)

Loan book
SEK 30,577m
+15% (Q-o-Q¹)

Total capital ratio
14.2%
0.0 p.p. (Q-o-Q)



Net profit
SEK 164m
+3% (Q-o-Q)

Return on equity
16.9% (Quarter¹)
17.4% (LTM)

Segment overview Q3 2019

PRIVATE

RETAIL

- Continued focus on increasing profitability
- Focus on sales through own channels
- Focus on the Swedish market

PAYMENTS

- Good organic sales growth
- Solid inflow of new agreements with merchants, creating an attractive pipeline
- Strong interest for our B2B solution

CORPORATE

CORPORATE

- Continued strong growth in corporate lending and factoring especially in Sweden and Norway
- Continued attractive potential in Finland
- Solid demand for real estate lending with low risk in Sweden, Finland and Denmark

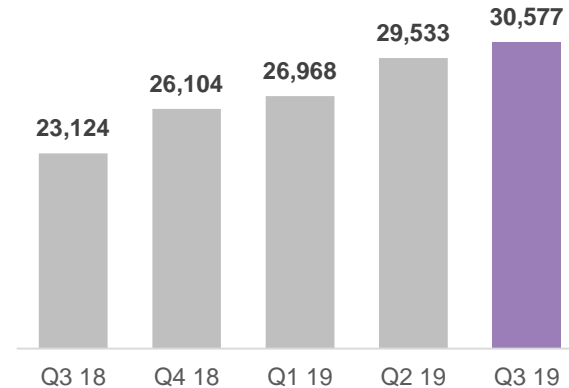
COLLIGENT

- Divestment of Swedish third-party debt collection business announced 8 October – expected to close during Q4 2019

Balanced loan book growth and somewhat slower increase in total income

- More balanced loan book growth
- Majority of growth stemming from Private
- Total income showing growth but burdened by continued margin pressure within Private

Loan book (SEKm)



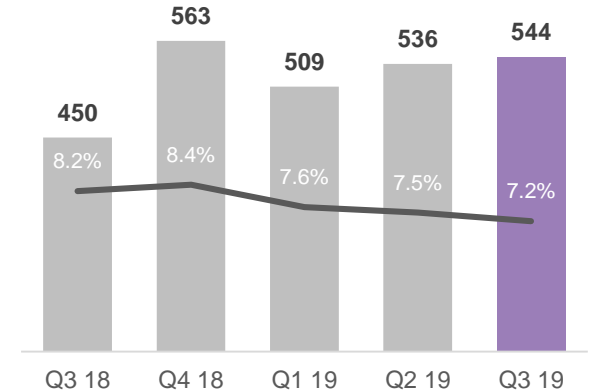
Q-o-Q

+4%

Y-o-Y

+32%

Total income (SEKm) and NIM¹



Q-o-Q

+2%

Y-o-Y

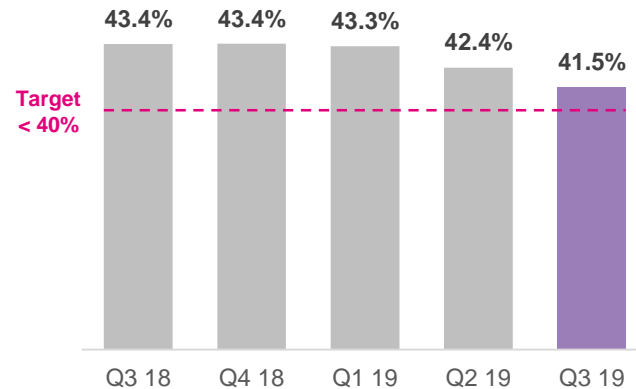
+21%

1) Quarterly annualized

C/I improvement and stable credit loss level

- C/I showing progress – YTD level of 42.4% vs. 46.8% (Jan-Sep 2018)
- Further cost efficiency potential in the long-run
- Stable credit loss development

C/I ratio



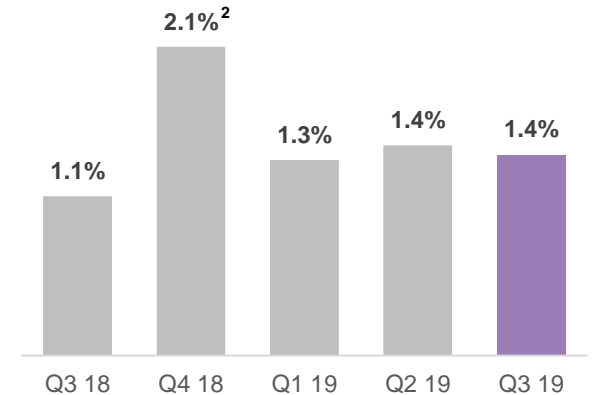
Q-o-Q

-0.9 p.p.

Y-o-Y

-1.9 p.p.

Credit losses – Quarter¹



Q-o-Q

-0.1 p.p.

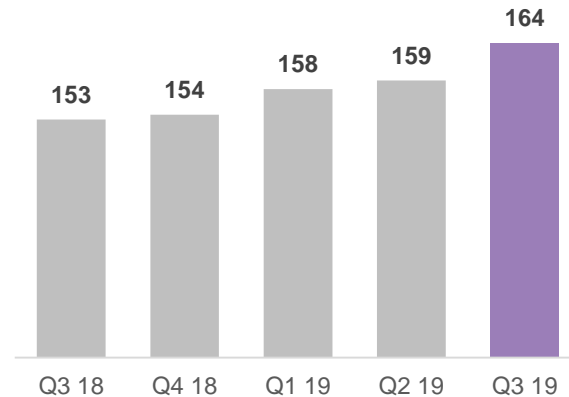
Y-o-Y

+0.3 p.p.

1) Annualized
2) Including SEK 46m additional IFRS9 provisioning

Underlying solid net profit growth and profitability

Net profit (SEKm)



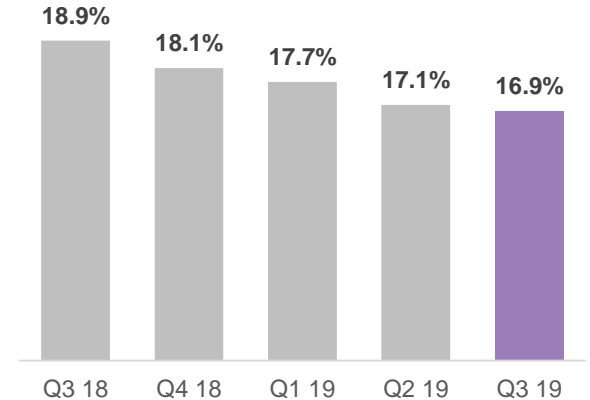
Q-o-Q

+3%

Y-o-Y

+7%

Return on equity – Quarter¹



Q-o-Q

-0.2 p.p.

Y-o-Y

-2.0 p.p.

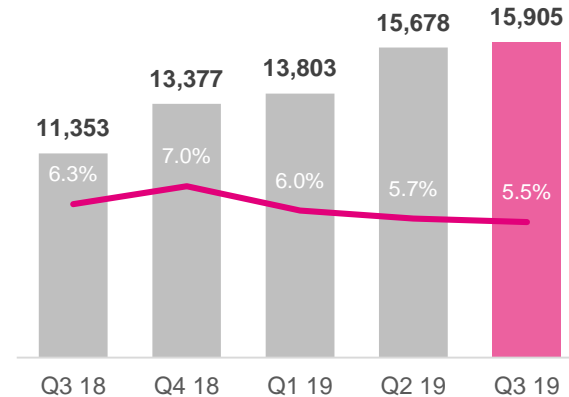
1) Annualized

- Net profit growth of 7% Y-o-Y, however stronger underlying performance due to accounting changes
- Return on equity YTD unchanged at 17.2%

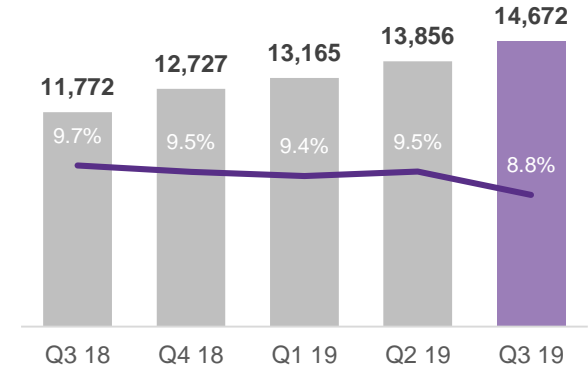
Private driving loan book growth given seasonally slower quarter for Corporate

- Seasonally slower quarter for Corporate, particularly within real estate lending
- Factoring performing a record quarter and generally strong within corporate lending
- Continued margin pressure within Private

Corporate – Loan book (SEKm) and NIM¹



Private – Loan book (SEKm) and NIM¹



Loan book

Q-o-Q

+1%

Q-o-Q

+6%

Q-o-Q²

+6%

Q-o-Q²

+26%

Y-o-Y

+40%

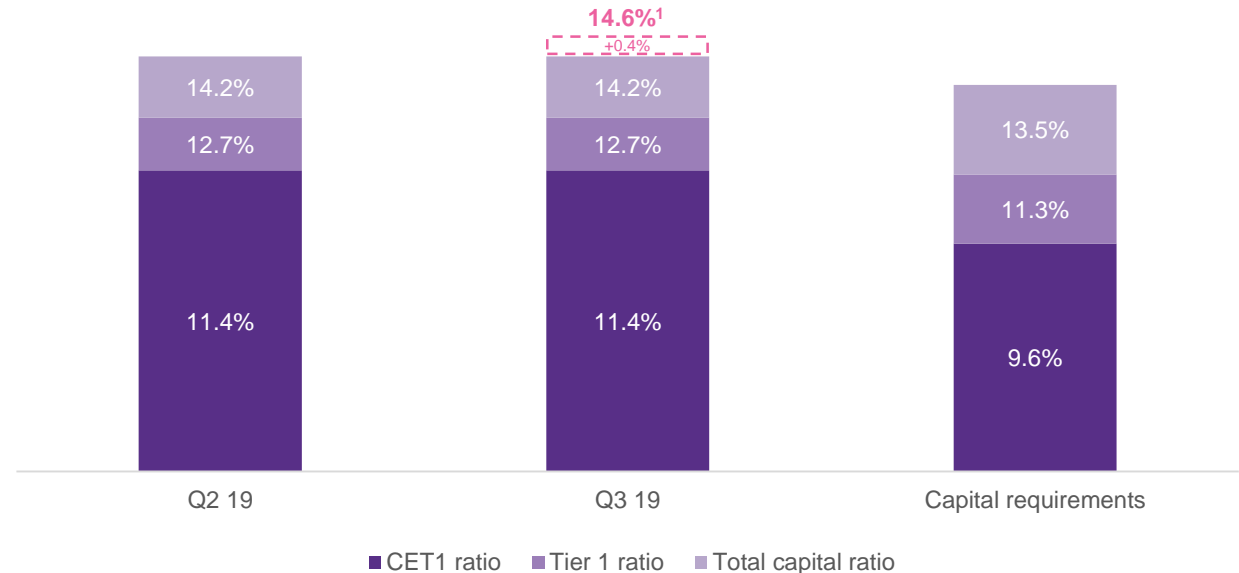
Y-o-Y

+25%

1) Quarterly annualized
2) Annualized

Total capital ratio remains unchanged and positive impact from sale of Colligent

Capital adequacy



1) Pro forma for divestment of Colligent Inkasso AB. The transaction is expected to close during the fourth quarter 2019 and the CET1 ratio for the consolidated situation is expected to be strengthened by approximately 0.4 percentage points

- Total capital ratio unchanged at 14.2%
- Divestment of Colligent expected to add c. 0.4 p.p. in Q4
- Continued focus on monitoring of capital adequacy

Short-term focus

- ✓ Continued focus on profitability
 - Balanced volume growth
 - C/I improvement
- ✓ Maintained customer activity
- ✓ Monitoring of capital adequacy
- ✓ New segment reporting and increased transparency

Long-term strategy

- ✓ Increase profitability
- ✓ Balance between volume growth and profitability
- ✓ Funding diversification



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