



3rd quarter result presentation

| 1 November 2017 |

Disclaimer

This Presentation from Easybank ASA ("Easybank" or the "Company") includes among other things forward-looking statements. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as "believe", "may", "will", "should", "would be", "expect" or "anticipate" or similar expressions, or the negative thereof, or other variations thereof, or comparable terminology, or by discussions of strategy, plans or intentions. The forward-looking statements contained in this Presentation, including assumptions, opinions and views of the Company or cited from third party sources, reflect the current views with respect to future events and are subject to material risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development. Neither Easybank nor any of its officers or employees provides any assurance as to the correctness of such forward-looking information and statements. The Company does not intend, and assumes no obligation, except as required by law, to update any forward-looking statements or to conform these forward-looking statements to its actual results.


By attending or receiving this Presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of Easybank and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of Easybank's business and the securities issued by Easybank.

This Presentation speaks as of 1 November 2017. Neither the delivery of this Presentation nor any further discussions of Easybank with any of the recipients shall, under any circumstances, create any implication that there has been no change in the affairs of Easybank since such date.

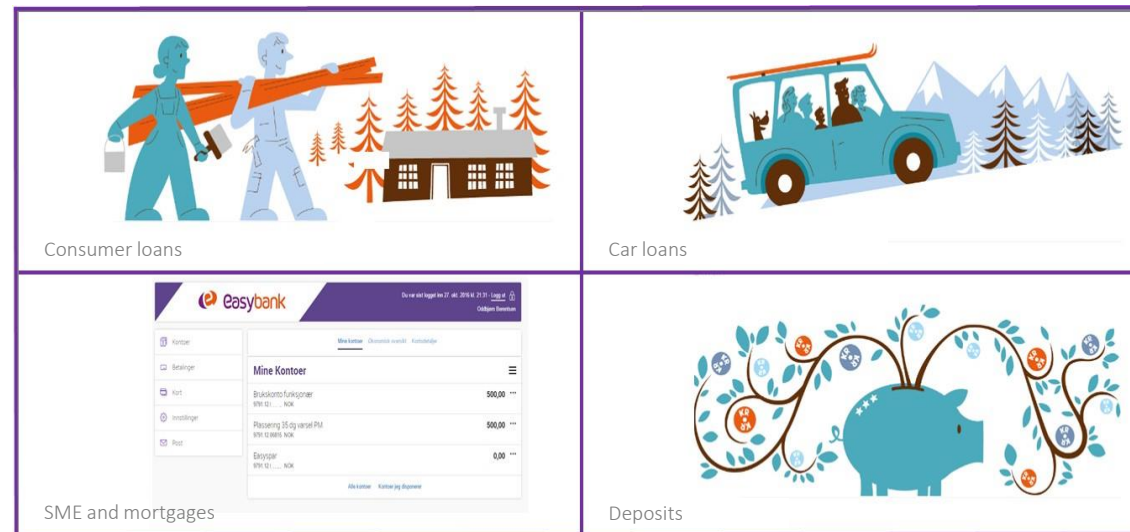
Easybank in brief

More than a consumer finance bank

Key highlights

- 1 High-yielding consumer and car loan portfolio combined with financially attractive non-capital intensive SME and mortgage portfolio
- 2 Diversified product portfolio provides multiple revenue streams and limits downside risk
- 3 Diligent credit practices resulting in sound credit quality – low average customer exposure
- 4  Resilient balance sheet with deposit as main funding – over 60% of deposits has 35 days lock-up, allowing for prudent liquidity management
- 5 Full retail banking setup based on two IT systems – can handle product and geographical expansion with ease
- 6 Forward flow agreement in place with Kredinor – will significantly increase visibility going forward and reduce risks related to doubtful loans
- 7 Financially strong shareholder base supportive of current strategy

Product portfolio



Company history

- Based on a bank founded in 2003 – rebranded to Easybank and raised new equity in March 2016
- New strategy from 2016 involving new management and Board of Directors in addition to significant changes in the shareholder base
- Listed on OTC on 15 November 2016

Table of contents



Highlights and development Q3



Financial results Q3



Outlook



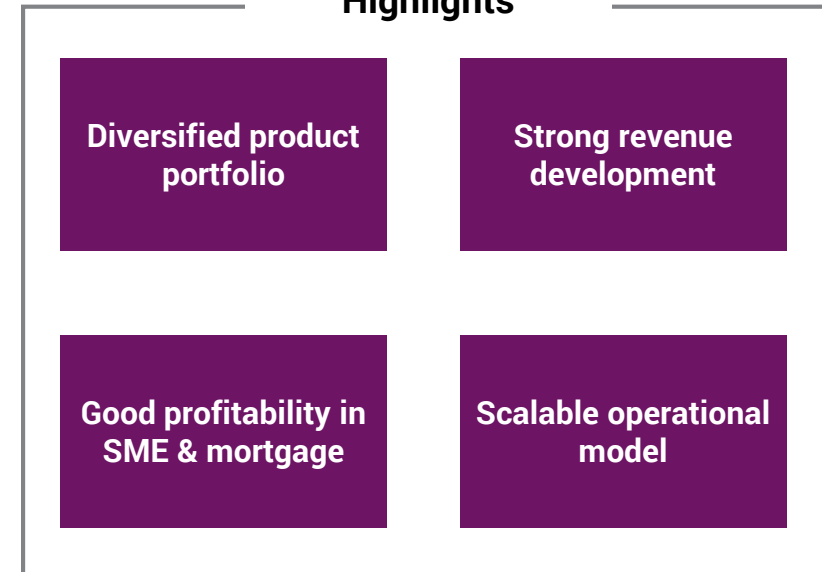
Overview

Diversified product portfolio – gross lending of NOK 1.6 billion

Product mix



Highlights

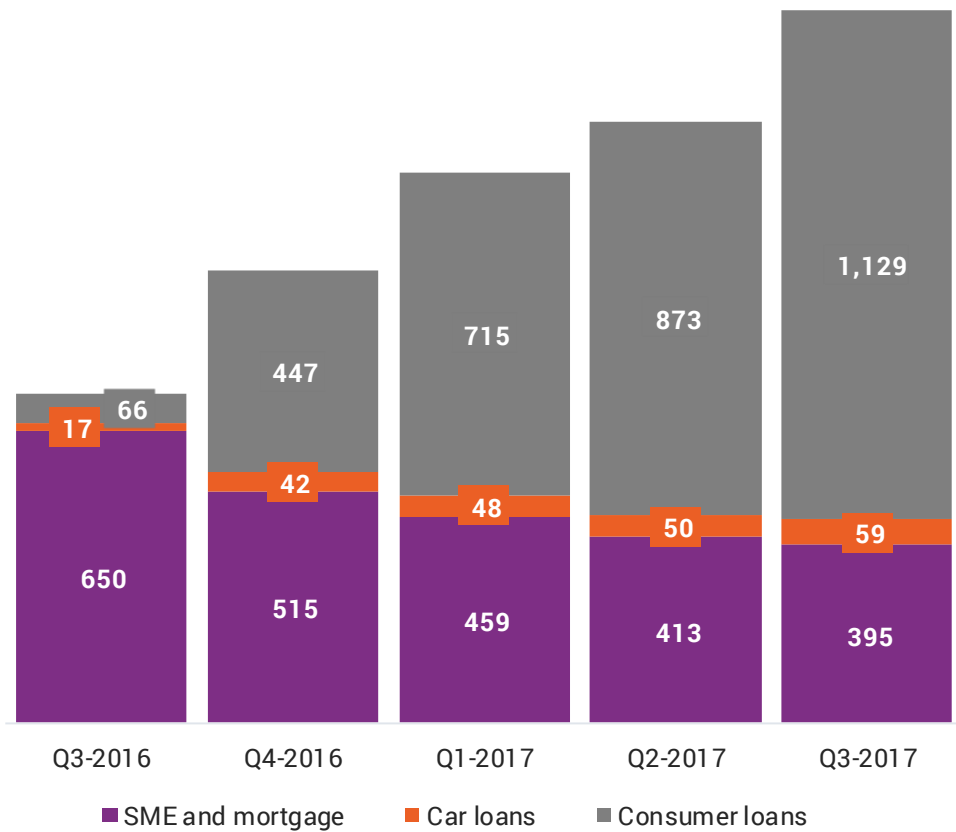


Gross lending & number of customers

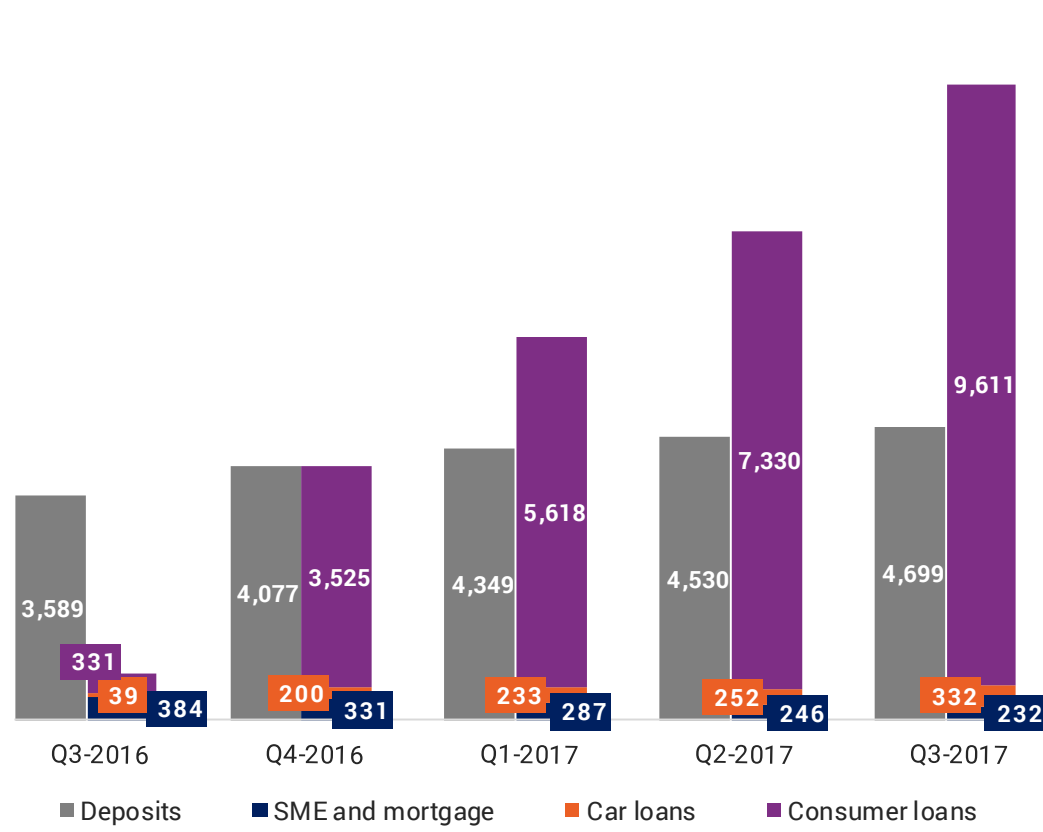
Strong growth in volume and customers

Gross lending per product

NOK million



Customer accounts per product



Customer profile

The average customer has an income of more than NOK 500,000

I Age

Average age of **46 years**

II Debt ratio

Less than **1 %** have a **debt / income ratio > 5x**

III Housing

54 % owning real estate

IV Loan size

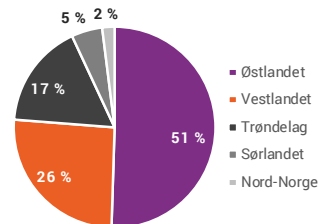
Average loan of **NOK ~130,000**

V Gross income

Average gross income of **NOK 507,000**

VI Location

Largely **Østlandet**

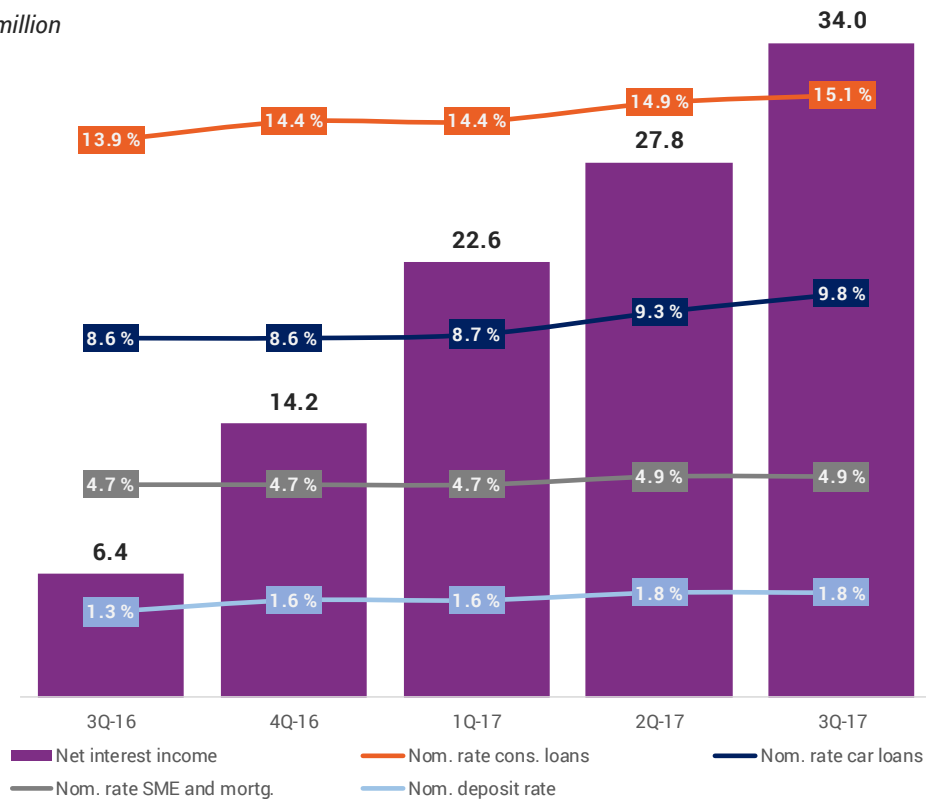


Net interest income & profit before tax

Increasing interest income and improving margins

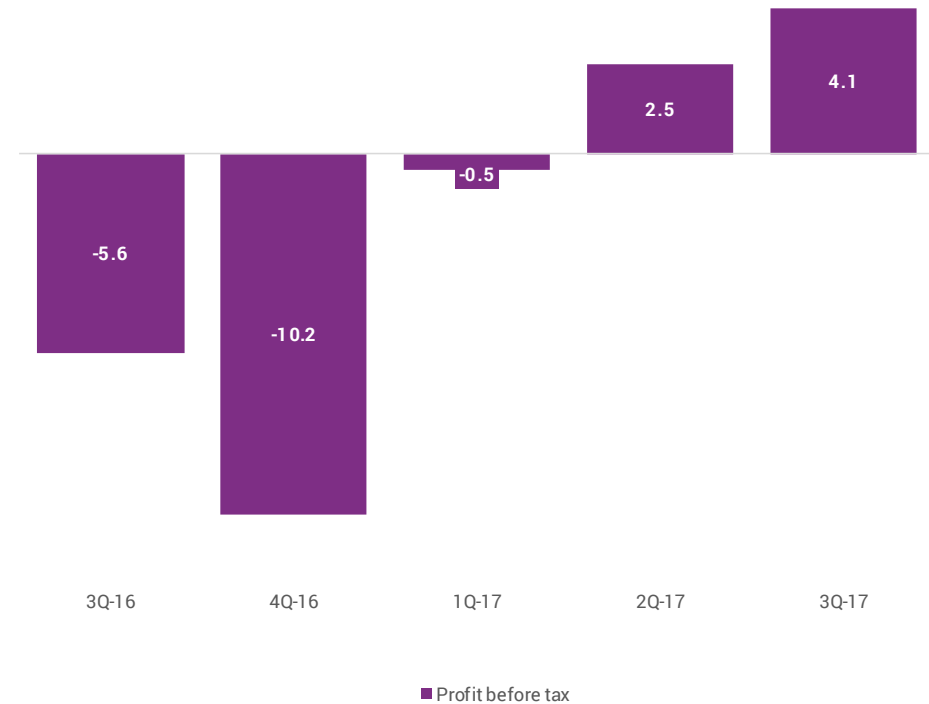
Net interest income & interest rates

NOK million



Profit before tax

NOK million



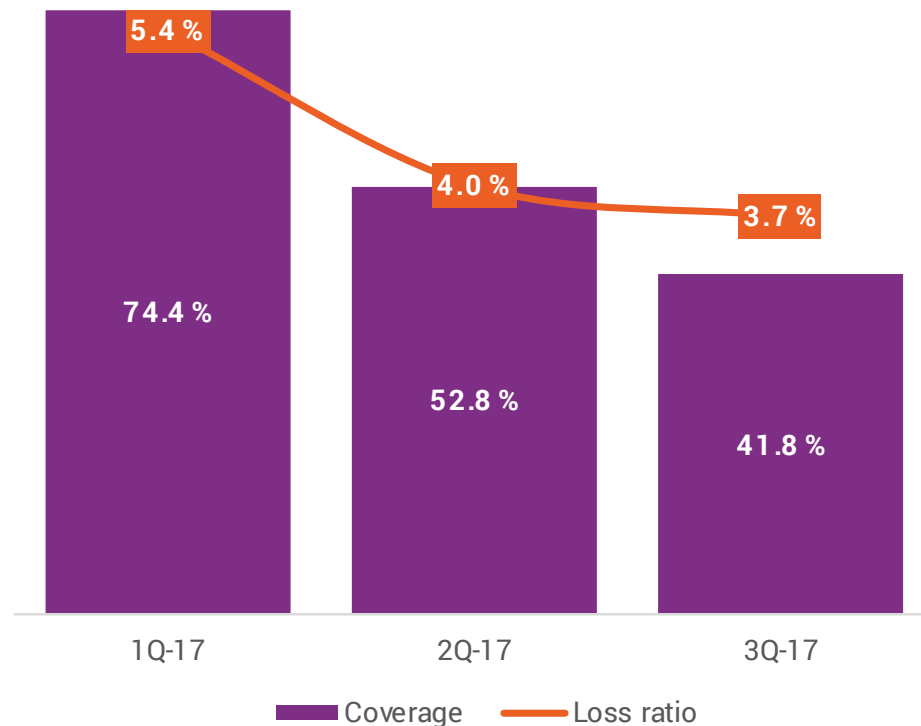
- Increased consumer loan volume without compromising on margin
- Good margins from SME & mortgage loans

- Attractive funding rate due to multiple deposit products

Forward flow agreement

Easybank entered a 3 year forward flow agreement for sale of non-performing loans with Kreditor

Coverage¹ and loss ratio² (unsecured loans)



Comments

- Forward-flow agreement with Kreditor is not a one-time transaction, but ongoing sales of loans and receivables for consumer loans after they are overdue by a specified number of days
- Risk is transferred from Easybank to Kreditor and hence significantly reduces downside risk for Easybank
- Improved risk and operation model combined with forward flow will have a positive effect on coverage and hence loan losses going forward

Table of contents

I

Highlights and development Q3

II

Financial results Q3

III

Outlook



Income statement

<i>Amounts in thousands</i>	Q3-2017	Q2-2017	Q1-2017	Q4-2016	Q3-2016	Q2-2016
Interest income	41 592	34 023	28 398	18 578	9 942	11 729
Interest expense	-7 583	-6 243	-5 773	-4 364	-3 540	-4 484
Net interest income	34 009	27 780	22 625	14 214	6 402	7 245
Comission and fee income	4 733	3 254	3 384	3 726	881	448
Comission and fee expenses	-6 158	-5 036	-3 544	-1 996	-434	-486
Net change in value on securities and currency	218	320	340	1 168	1 989	2 081
Other income	30	24	-	68	-	-
Net other income	-1 178	-1 439	180	2 967	2 437	2 043
Total income	32 831	26 341	22 805	17 181	8 838	9 288
Salary and other personell expenses	-7 720	-7 173	-7 029	-7 223	-6 148	-6 884
Other administrative expenses	-7 893	-6 066	-5 670	-6 753	-3 507	-4 557
- of which marketing expences	-4 267	-2 281	-1 894	-867	-134	-275
Depreciation	-1 032	-978	-878	-830	-772	-591
Other expenses	-2 367	-2 914	-2 115	-3 211	-1 988	-416
Total operating expenses	-19 012	-17 131	-15 692	-18 017	-12 415	-12 449
Profit before loan losses	13 819	9 210	7 113	-836	-3 577	-3 160
Loan losses	-9 710	-6 689	-7 571	-9 384	-2 062	-4 090
Profit before tax	4 109	2 522	-458	-10 221	-5 639	-7 250
Tax	-1 027	-630	115	2 844	1 410	1 813
Profit after tax	3 082	1 891	-344	-7 377	-4 229	-5 438

- Increasing interest income because of good growth in consumer loans
- Interest income from SME and mortgage MNOK 5,0
- Loan losses as expected
- ROE annualized 3,8%

Balance sheet

Amounts in thousands

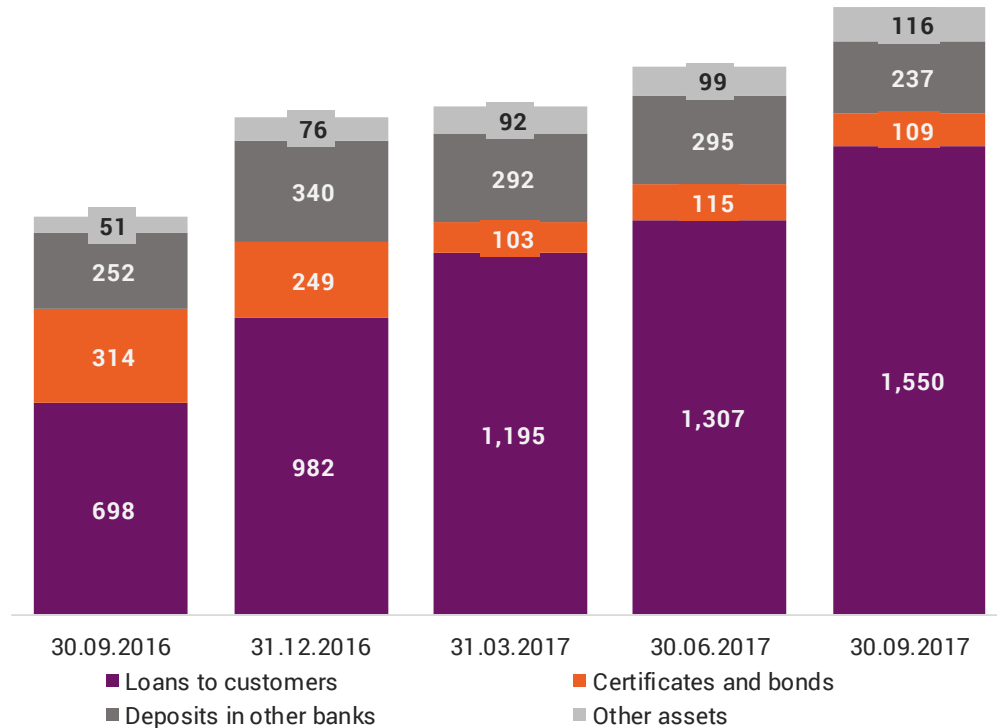
	30.09.2017	30.06.2017	31.03.2017	31.12.2016	30.09.2016
Assets					
Cash and deposits with the central bank	53 643	53 607	53 570	53 532	53 496
Loans and deposits with credit institutions	183 039	241 178	238 873	286 673	198 927
Loans to customers	1 583 576	1 335 848	1 222 093	1 004 239	730 379
- Loan impairment	-33 737	-28 589	-27 041	-22 167	-32 131
Certificates and bonds	55 021	60 017	48 630	144 973	105 029
Shares and other securities	53 637	54 655	54 427	104 101	208 484
Shareholding in group companies	192	192	192	284	100
Deferred tax asset	22 986	24 014	24 644	24 529	19 067
Other intangible assets	20 176	20 610	20 170	19 880	20 871
Fixed assets	1 344	1 412	815	1 035	922
Other assets	1 049	950	1 286	1 034	2 499
Prepaid expenses	70 234	52 268	45 365	29 700	7 172
- of which agent commissions	43 954	35 744	30 682	20 999	3 151
Total assets	2 011 162	1 816 160	1 683 023	1 647 812	1 314 816
Equity and liabilities					
Deposits from customers	1 629 868	1 455 236	1 330 641	1 300 413	954 224
Other liabilities	19 391	11 615	10 107	11 887	9 663
Accrued expenses and deferred revenue	25 386	15 874	10 732	3 624	13 799
Tier 1 capital bond	10 000	10 000	10 000	10 000	10 000
Total liabilities	1 684 645	1 492 726	1 361 480	1 325 924	987 685
Share capital	259 990	259 990	259 990	259 990	259 913
Share premium reserve	91 481	91 481	91 481	91 481	89 575
Other paid-in equity	2 900	2 900	2 900	2 900	2 900
Other equity	-27 854	-30 936	-32 827	-32 483	-25 257
Total equity	326 516	323 435	321 543	321 888	327 131
Total equity and liabilities	2 011 162	1 816 160	1 683 023	1 647 812	1 314 816

- Deposit increase of MNOK 175 during the quarter
- Loan impairment of MNOK 34
- Tier 1 capital bond of MNOK 10
- The bank has a strong liquidity position and equity to support further growth

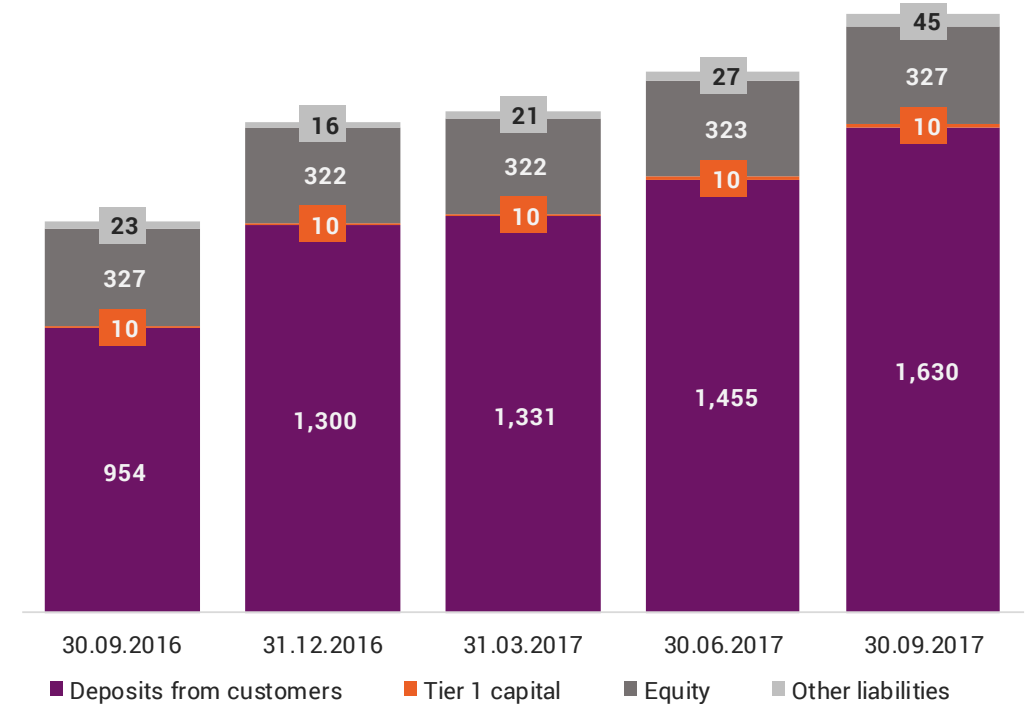
Balance sheet structure

Strong funding and liquidity position

Total assets



Equity and liabilities



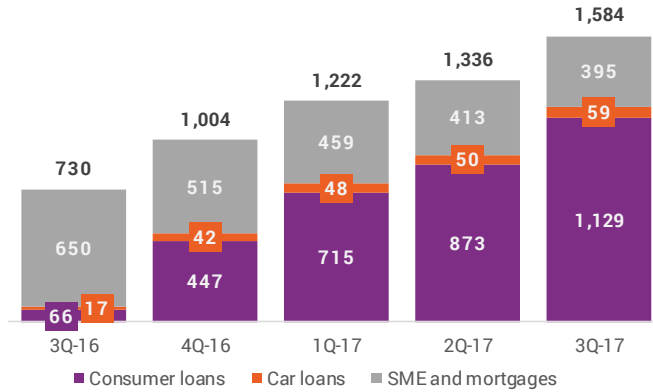
- Deposit ratio: 102 %
- Liquidity Coverage Ratio: 294 %
- Net Stable Funding Ratio: 168 %

- Diversified customers deposits and low funding cost
- Current T1 capital of MNOK 10 (of which 50% is qualifying)
- MNOK 343 in surplus liquidity placed in Norges Bank and positions with short duration and low risk

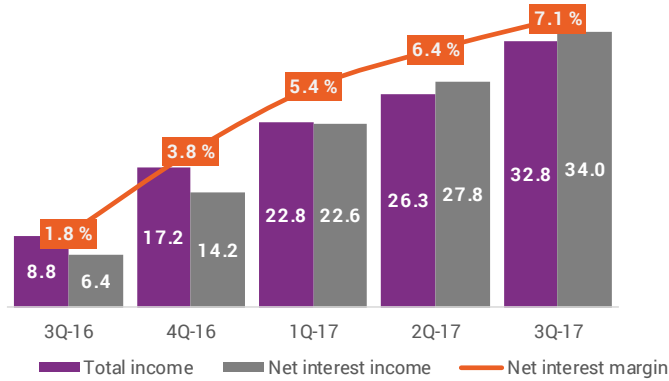
Overview

Strong growth and improving profitability

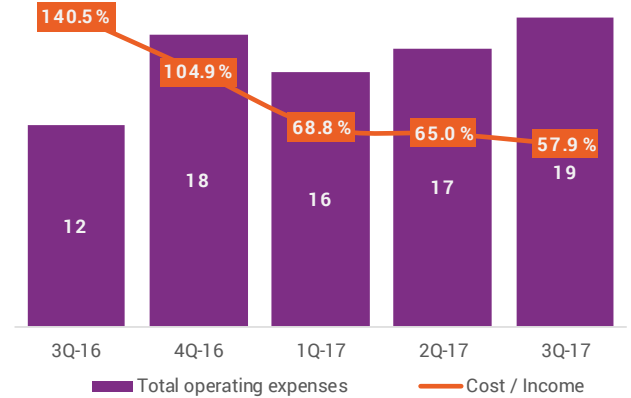
Gross lending



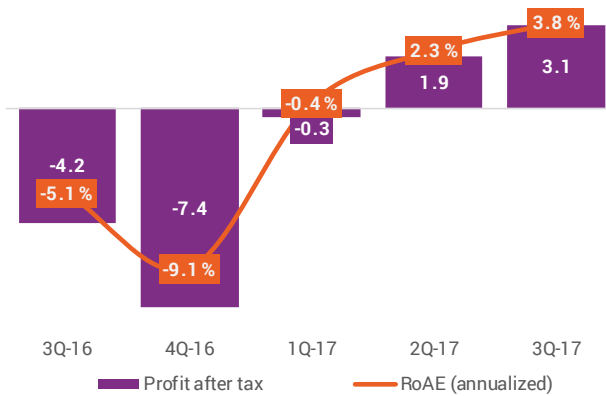
Income and interest margin



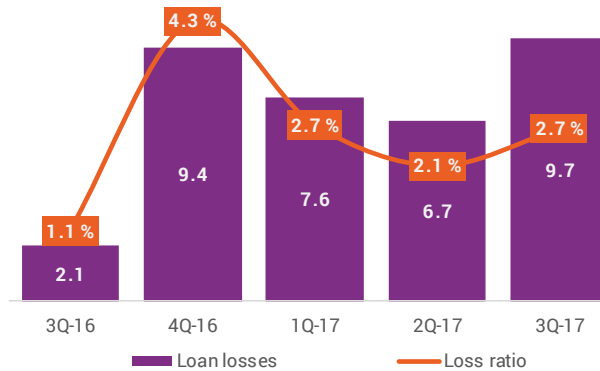
OPEX and C/I ratio



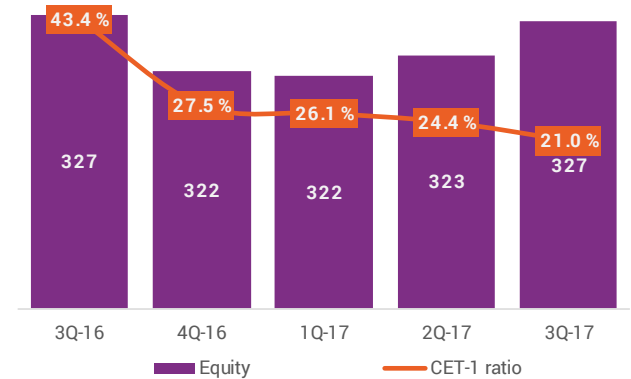
Profit after tax and ROE



Losses and loss ratio



Equity and CET-1 ratio



Unsecured loans

Development in days past due

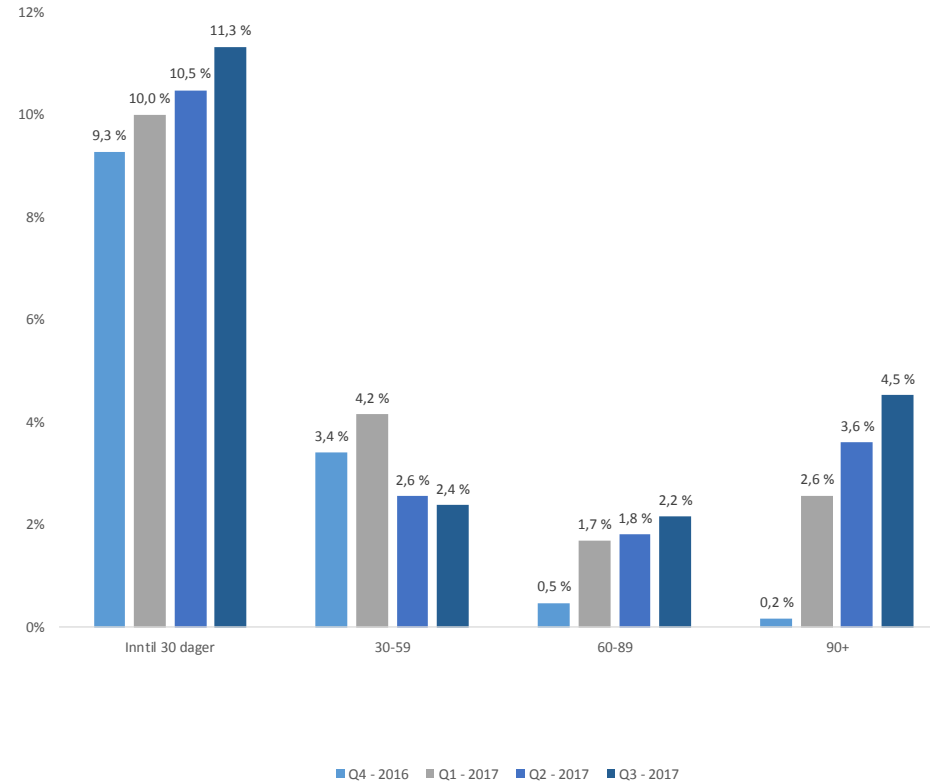


Table of contents



Highlights and development Q3



Financial results Q3



Outlook



Strategic priorities

1

Credit quality

- Continuous optimization of risk models to maximize risk / reward
- Maintain sound credit policy routines in order to maintain ideal loss levels going forward

2

Growth in core products

- Focus on the core product consumer loans, supported by car loans which will be scaled depending on profitability
- SME & mortgage is run-off only and no further customers are brought in

3

Cost control

- Utilize highly scalable organization to ensure a solid cost / income ratio
- Flexible platform ensures potential product or geographical expansion at fairly low costs

4

Expansion

- Continue to build strong P&L in Norway with focus on margins and credit quality
- Evaluate product and geographical expansion continuously
- Platform fully capable of full retail bank product range

5

Solidity

- Strengthen and optimize solidity position by issuing T1 & T2 capital
- Planning for new equity during first half of 2018 to support further growth

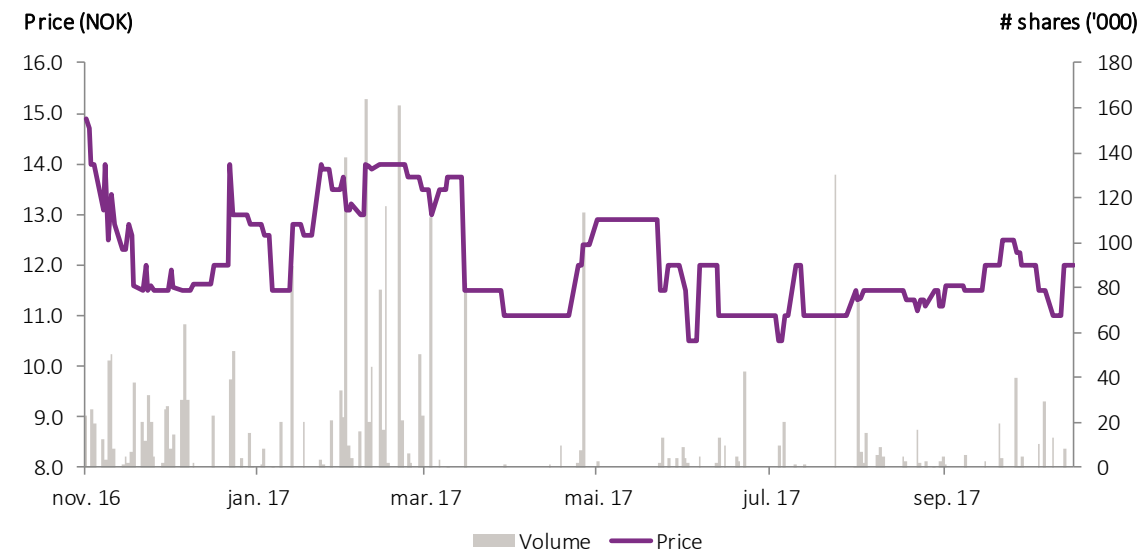
Shareholders & share price

Strong shareholder base supportive of new strategy

Top 30 shareholders as of 30 October 2017

# Investor	Shares	Shares %
1 SKAGERRAK SPAREBANK	3,221,071	8.6%
2 FONDSAVANSE AS	2,809,330	7.5%
3 VERDIPAPIRFONDET ALFRED BERG NORGE	2,374,760	6.4%
4 LADEGAARD AS	2,002,305	5.4%
5 LINDBANK AS	1,383,258	3.7%
6 NORDIC PRIVATE EQUITY AS	1,280,997	3.4%
7 MP PENSJON PK	1,242,011	3.3%
8 UMICO - GRUPPEN AS	1,156,767	3.1%
9 SHELTER AS	1,120,000	3.0%
10 INDEPENDENT OIL & RESOURCES PLC	1,000,000	2.7%
11 KROGSRUD INVEST AS	1,000,000	2.7%
12 JENSSEN & CO A/S	833,334	2.2%
13 JOLLY ROGER AS	800,352	2.1%
14 BYHOLT AS	787,159	2.1%
15 REMCO	786,115	2.1%
16 MENTOR MEDIER AS	656,422	1.8%
17 WHITETAIL WEBSERVICE LTD	614,100	1.6%
18 AUTOBAHN AS	544,444	1.5%
19 ULLTVEIT-MOE HILDEGUNN HODNE	400,222	1.1%
20 TRIPPEL-L AS	387,225	1.0%
21 JARAS INVEST AS	350,000	0.9%
22 ROTVOLLEN HOLDING AS	326,180	0.9%
23 ARILD HEST?S INVEST AS	301,250	0.8%
24 JUUL-VADEM HOLDING AS	292,900	0.8%
25 MOTOR-TRADE EIENDOM OG FINANS AS	278,000	0.7%
26 WIST HOLDING AS	278,000	0.7%
27 TRULS AS	250,000	0.7%
28 HHG INVEST AS	240,000	0.6%
29 CREDOKIRKEN	230,184	0.6%
30 BARCA FINANS AS	225,000	0.6%
Total top 30	27,171,386	72.8%
Other	10,128,544	27.2%
Grand total	37,299,930	100.0%

Share price development since OTC listing on 15 Nov. 2016



- 438 shareholders as of 30 October 2017
- The EASY share was registered on NOTC on 15 November 2016, following a private placement and repair offering totaling NOK 200 million
- Management holds a total of 2,005,587 shares, corresponding to 5.4% of shares outstanding
- Members of the board hold a total of 2,183,380 shares, corresponding to 5.9% of shares outstanding
- Members of the Election Committee hold a total of 3,596,489 shares, corresponding to 9.6% of shares outstanding
- Current market capitalization of approx. NOK 450 million as of 30 October

