

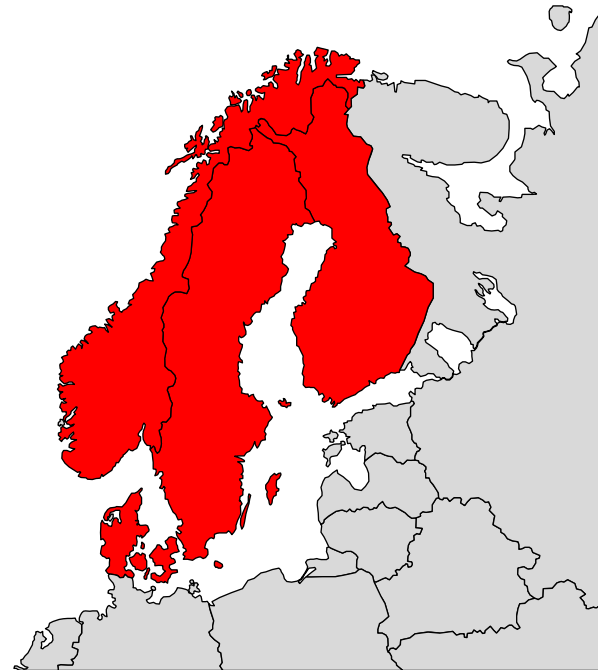


## Norwegian Finans Holding ASA (NOFI)

Listed  
Oslo Børs  
June 17, 2016

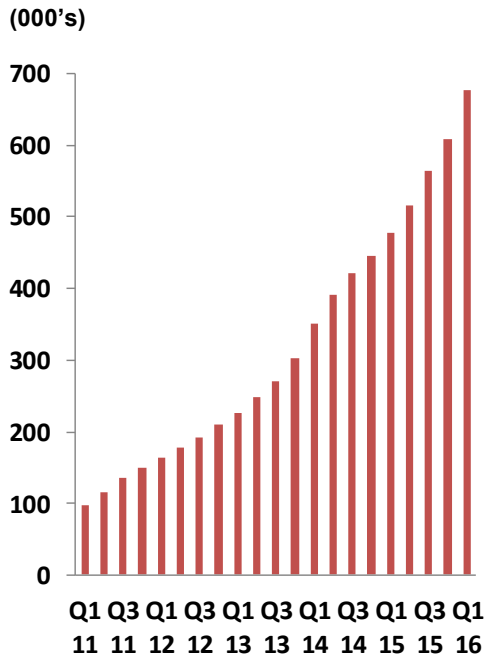
# Bank Norwegian - a fast growing Nordic consumer finance business

- Established November 2007
- Offering unsecured instalment loans, credit card in co-operation with the airline Norwegian and savings deposits in the Nordic consumer market
- Expansion in Sweden in May 2013 based on cross-border license
- Expansion in Denmark and Finland December 2015 on cross-border basis



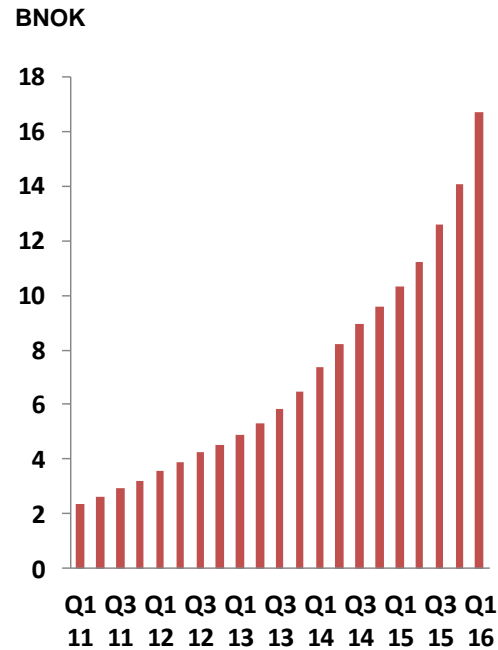
# Strong growth

## Customers



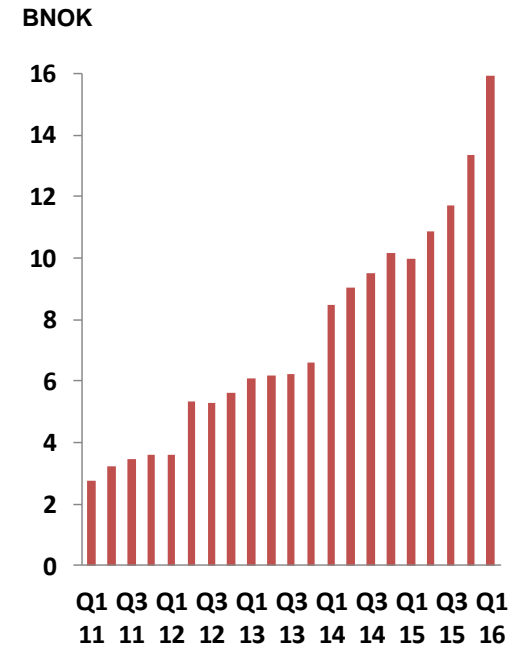
- 676,600 customers
- 490,800 credit card customers

## Loans



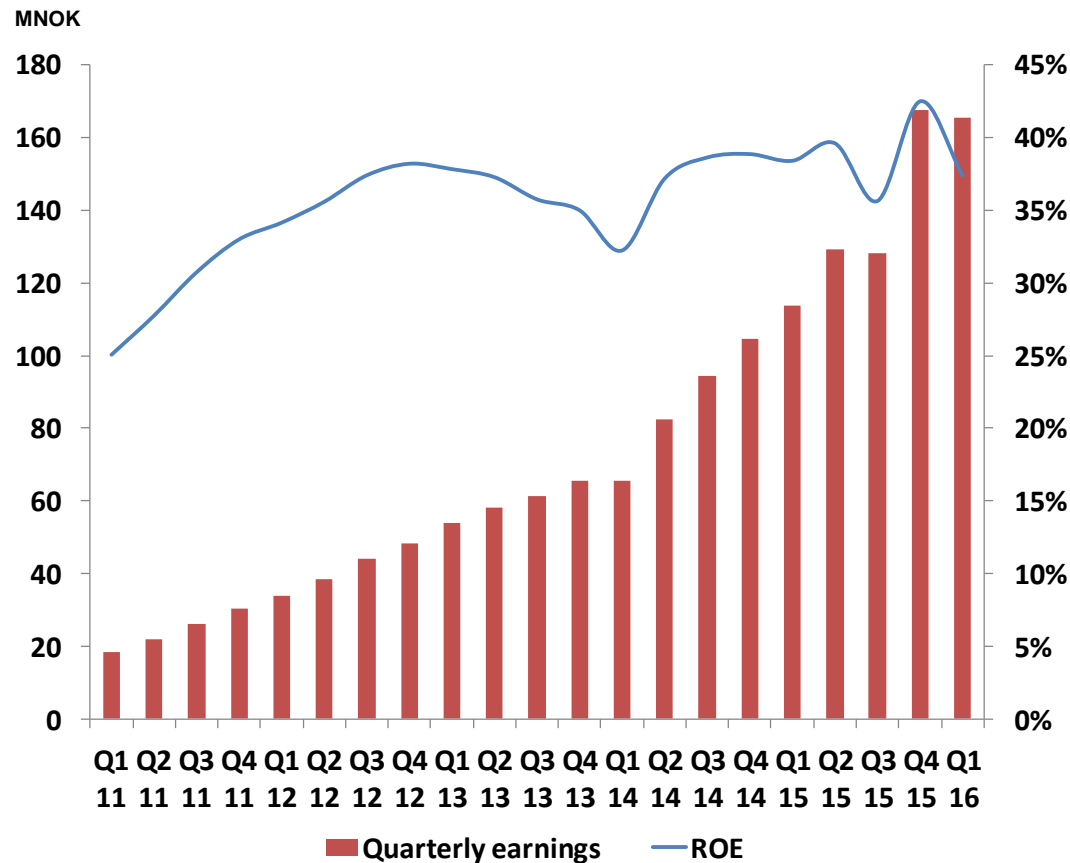
- Strong demographics
- Geographically diversified

## Deposits



- Diversified and stable savings deposit base

# Highly profitable operation



- Sweden reached profitability 18 months after commencement of operations
- Denmark and Finland expected to reach profitability within one year after startup

# Focused strategy

## Leading e-commerce solutions

- Strong online marketing capability
- Convenient loan application and on-boarding process
- Instant time-to-yes
- 1 hour time-to-cash

## Synergies with Norwegian Air Shuttle

- Strong brand name
- Large customer base
- Strong incentive in loyalty credit card
- Basis for geographical expansion

## Attractive customer terms

- Competitive risk-based loan pricing
- Attractive deposit pricing

## Low-cost operations

- Automated processes
- Strategy-focused and integrated systems development
- Self service
- Low-cost culture

## Effective and efficient risk selection

- Automated risk selection
- Advanced credit models

# Mutually beneficial relationship between the airline and the bank

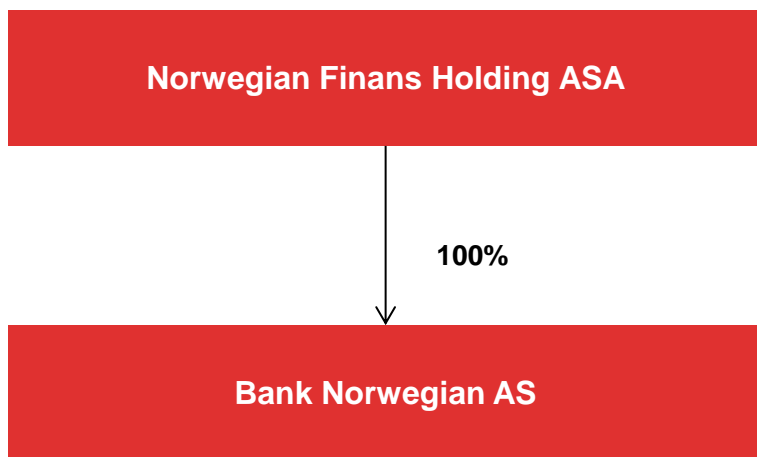
- Bank Norwegian is exclusive distributor of "Norwegian Reward" credit card in the Nordic market
- "Cash points" earned by airline ticket purchases and all other credit card purchases
- Leveraging off of the airline's strong market position and brand recognition
- Norwegian has 20% ownership in Norwegian Finans Holding ASA
- Financial agreement extended until end of 2020 in the Nordic market

The screenshot shows the 'Bekreft betaling' (Confirm payment) page on the Norwegian website. The page is divided into several sections:

- Betalingsinformasjon:** Shows the total price including taxes and fees (783 NOK). Two radio buttons are present:
  - Betal hele beløpet med betalingskort
  - Betal hele beløpet med CashPoints (betalingskort belastes ikke)
- Betingelser:** Contains important information (VIKTIG!) regarding baggage fees and terms of use. A checkbox is checked: 'Jeg har lest og godtar betingelsene for denne reisen.' Below this, it states 'Du har 1904 CashPoints. Du kan bruke disse som delbetaling av reisen.' and 'Restbeløp ved bruk av CashPoints 0 NOK'.
- MINE REISEVALG:** Lists flight details for Oslo-Gardermoen - London-Gatwick and London-Gatwick - Oslo-Gardermoen, including dates, times, and prices for 1 adult (299 NOK and 324 NOK respectively).
- Totals:** Shows a total price of 783 NOK, including taxes and fees (339 NOK) and optional services (100 NOK).
- Buttons:** 'Tilbake', 'Avbryt', and 'Bekreft og betal reisen' are visible at the bottom.



# Legal structure and ownership



	SHAREHOLDER	# OF SHARES	
1	NORWEGIAN AIR SHUTTLE	35,838,941	19.9 %
2	GOLDMAN SACHS & CO - NOM	15,319,645	8.5 %
3	LAGUAN AS	11,371,904	6.3 %
4	BORAK AS	8,997,233	5.0 %
5	STENSHAGEN INVEST AS	7,327,420	4.1 %
6	SPENCER TRADING INC	6,556,775	3.6 %
7	PROTECTOR FORSIKRING	5,242,086	2.9 %
8	MP PENSJON PK	5,203,800	2.9 %
9	SWEDBANK ROBUR NORDENFOND	4,551,000	2.5 %
10	SNEISUNGEN AS	3,901,040	2.2 %
11	TORSTEIN TVENGE	3,634,000	2.0 %
12	SWEDBANK ROBUR SMÅBOLAGSFOND NORDEN	3,311,825	1.8 %
13	HANDELSBANKEN NORGE	3,129,795	1.7 %
14	VEVLEN GÅRD AS	2,166,614	1.2 %
15	SONGA AS	2,083,120	1.2 %
16	DANSKE BANK AS	2,000,000	1.1 %
17	SOCIETE GENERALE - NOM	2,000,000	1.1 %
18	SWEDBANK ROBUR SMÅBOLAGSFOND EUROPA	1,691,698	0.9 %
19	DIRECTMARKETING INVEST	1,500,000	0.8 %
20	LITHINON AS	1,405,129	0.8 %
	<b>Top 20</b>	<b>127,232,025</b>	<b>70.7 %</b>
	<b>Total</b>	<b>179,994,708</b>	

Management own 2.8% of the shares.

# Seasoned management team

## **Erik Jensen, CEO (50)**

- Bachelor in accounting and auditing, Sør-Trøndelag University College, Certified Public Accountant, Norwegian School of Economics
- Managing Director at yA Bank, management positions in BNbank, including managing director for retail and CFO
- 22 years of financial services experience
- Employed in the bank since inception

## **Pål Svenkerud, CFO (53)**

- Bachelor of arts in business administration, University of Oregon, MBA, University of Denver, European Certified Financial Analyst, Norwegian School of Economics
- CFO at Teller AS, management positions at Storebrand, including CFO and CRO at Storebrand Bank, analyst positions at Procorp ASA and U.S. Bancorp
- 27 years of financial services experience
- Employed in the bank since inception

## **Merete Gillund, CIO (47)**

- Master of science in information technology, University of Stavanger
- Management positions at SEB Kort IT Oslo/Stockholm, IT consultant – developing credit card system applications
- 20 years of financial services experience
- Employed in the bank since June 2008

## **Tore Andresen, COO (50)**

- Associate degree in business administration, Norwegian School of Economics
- Managing Director at Aktiv Kapital Norge, Managing Director Lindorff Decision
- 30 years of financial services experience
- Employed in the bank since June 2009

## **Tore Widding, CRO (48)**

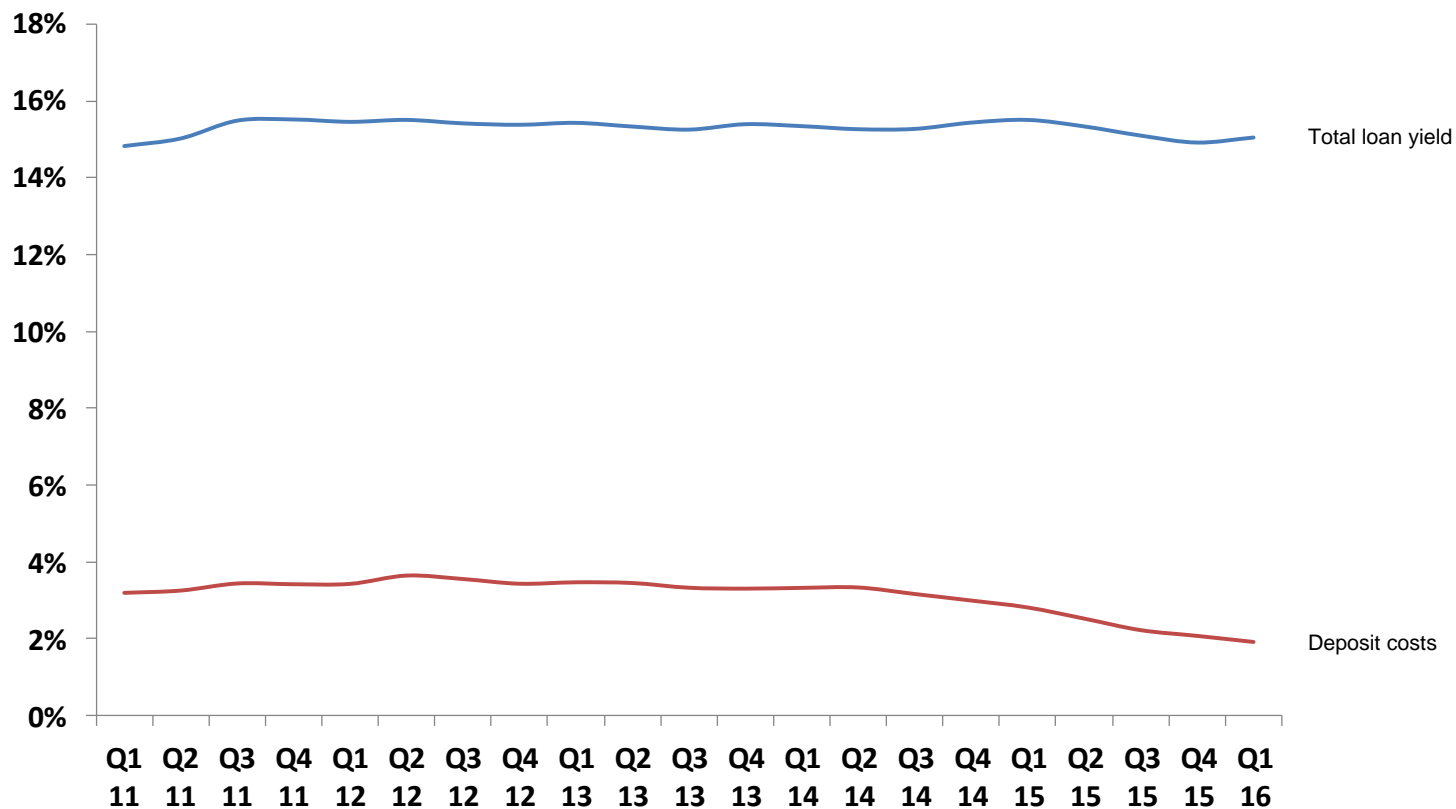
- Norwegian University of Science and Technology, applied physics and mathematics
- Credit Risk Manager at Santander Consumer Bank, Chief Analyst at CreditInform and System Consultant at Super Office Norway AS
- 16 years of financial services experience
- Employed in the bank since inception

## **Michael Myran, CMO (38)**

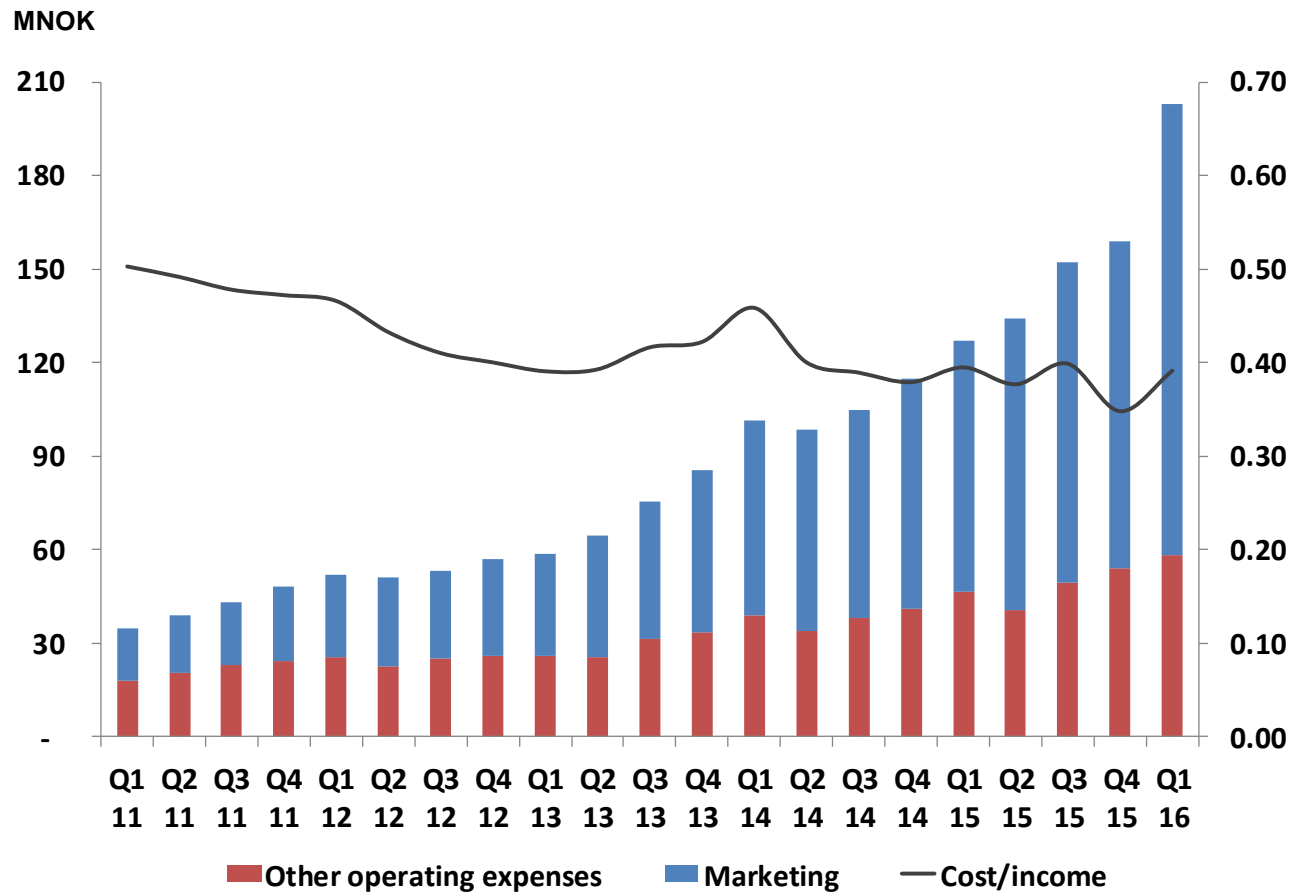
- International marketing and management, Norwegian Business School
- Online Marketing Manager at yA Bank og Forsikring, responsible for external distribution at Nordenfjeldske Forsikring
- 16 years of financial services experience
- Employed in the bank since inception



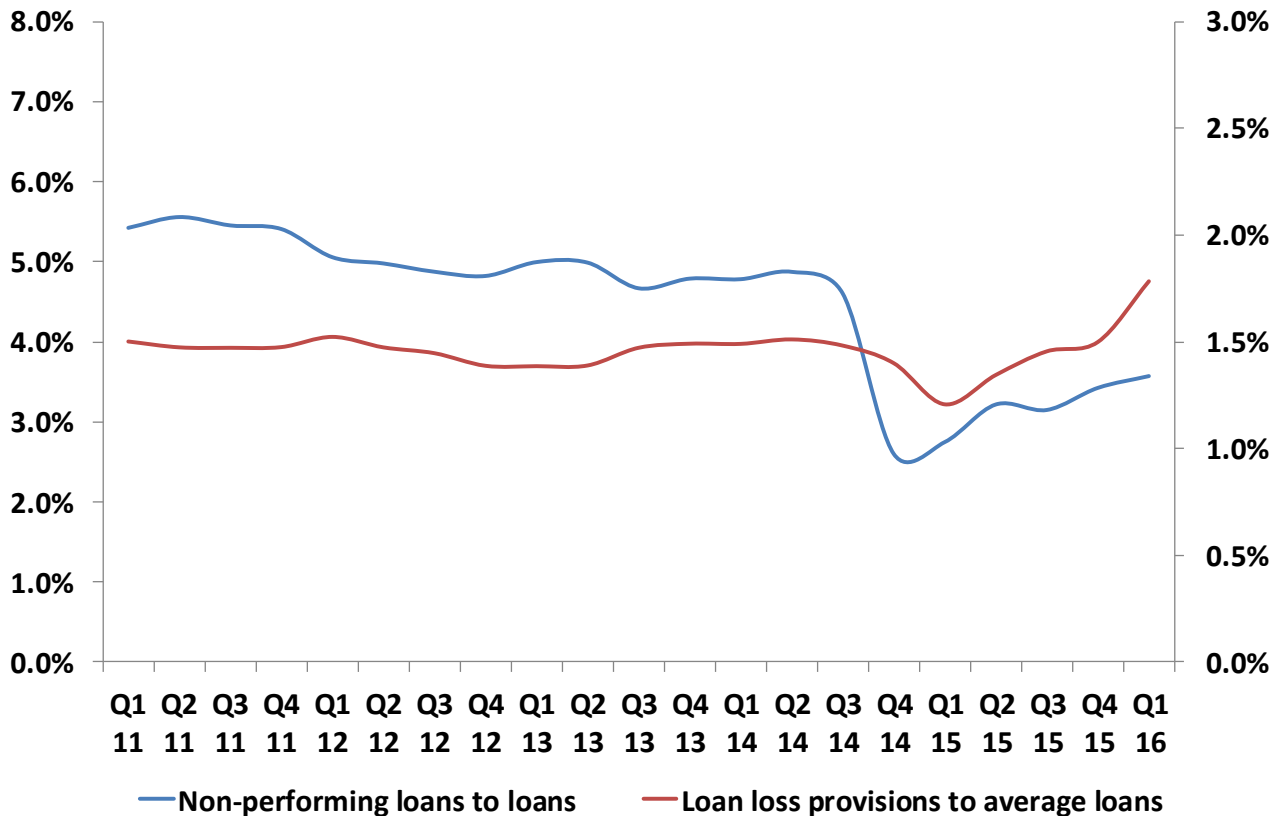
# High margins



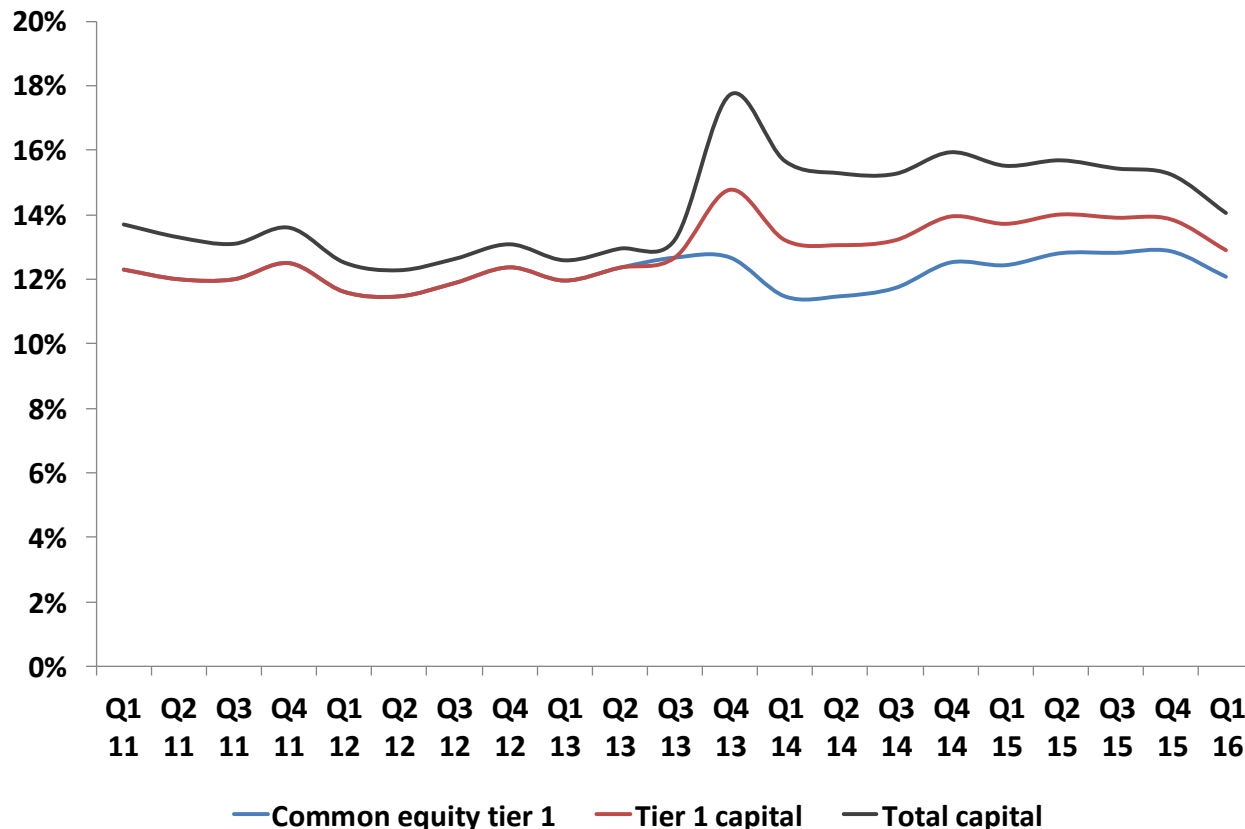
# Cost-efficient operations



# Stable credit quality and stable provisions



# Robust capital structure



- Strong capital ratios amid strong loan growth.
- Leverage ratio equals 9.0%.
- 300 MNOK private placement completed April 5, lifting CET1 to 14.0%.

# Attractive investment story

- Focused consumer finance operation.
- Robust profitability through high net interest margin, cost-efficient operations and stable credit quality.
- Market share gains in Norway and Sweden.
- Extended growth through Nordic expansion.
- Strong balance sheet.
- Experienced management team.
- Resilient macro economic environment.

**banknorwegian.no**