

Report for the first quarter 2017

Norwegian Finans Holding ASA

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Norwegian Finans Holding ASA (NFH) owns 100% of the shares in Bank Norwegian AS. The company does not engage in any other operations. The ownership of NFH is divided between institutional and private investors in Norway and abroad, of which Norwegian Air Shuttle ASA is the largest owner with a stake of 20%. Norwegian Finans Holding ASA is listed on the Oslo Stock Exchange with the ticker code NOFI.

Bank Norwegian started its operations in November 2007 and offers consumer loans, credit cards and deposit accounts to retail customers distributed through the Internet in the Nordic market. Bank Norwegian offers, in cooperation with the airline Norwegian, a combined credit card and reward card. The Bank started operations in Sweden in May 2013. In December 2015 the bank launched operations in Denmark and Finland, where it initially offered consumer loans and deposit accounts. Credit cards were launched in June 2016.

The strategy is based on leading e-commerce solutions, synergies with the airline Norwegian, attractive terms for our customers, cost-effective operations and effective risk selection.

At the end of the first quarter 2017 the bank had a customer base of 1,033,100 customers, which can be broken down into 738,000 credit card customers, 158,300 loan customers and 136,800 deposit customers.

Profit and loss for the first quarter of 2017

The accounting of agent commission was reclassified in accordance with IAS 38 and IAS 39 in the first quarter. Historical figures have been restated. The changes are described in the notes.

The NFH Group's comprehensive income amounted to MNOK 328.5 compared with MNOK 290.0 in the fourth quarter 2016. Annual return on equity in the first quarter was 38.3%, while return on assets was 4.0%.

Net interest income amounted to MNOK 825.7, an increase of MNOK 72.8 from the fourth quarter. The net interest margin was 10.3%, unchanged from the fourth quarter.

Net other operating income amounted to MNOK 44.3 compared with MNOK 17.4 in the fourth quarter. Net commission income increased MNOK 16.8 to MNOK 38.7. The increase is due to increased activity and the start-up of insurance commission in Denmark and Finland. Net gain on securities and currency amounted to MNOK 5.5, compared with a net loss of MNOK 4.6 in the fourth quarter.

Total operating expenses amounted to MNOK 258.3 compared with MNOK 260.7 in the fourth quarter. Personnel expenses increased MNOK 4.7, due to accrual effects. Administrative expenses decreased MNOK 7.4, mainly due to decreased marketing

expenses. Depreciation increased MNOK 0.1. Other operating expenses increased MNOK 0.2.

The bank's write-downs on loans were MNOK 177.2, an increase of MNOK 32.6 from the fourth quarter. Write-downs equalled 2.6% of average gross loans, compared with 2.4% in the fourth quarter. The increase is mainly due to increased write-downs in Norway. Gross delinquent loans were MNOK 2,069, compared with MNOK 1,654 at the end of 2016. Delinquent loans accounted for 7.3% of gross loans, compared with 6.5% at the end of the previous quarter. Gross non-performing loans accounted for 4.8% of gross loans, compared with 4.2% as of 31.12.2016.

Balance sheet as of March 31, 2017

Total assets increased MNOK 4,729 in the quarter and amounted to MNOK 35,131.

Net loans to customers increased MNOK 2,619 and amounted to MNOK 27,153. Consumer loans amounted to MNOK 21,063 and credit card loans amounted to MNOK 7,097.

Customer deposits increased MNOK 3,826 and amounted to MNOK 28,250 at the end of the quarter.

Liquid assets increased MNOK 2,072 and amounted to MNOK 7,699, equivalent to 21.9% of total assets.

Based on increased Pillar 2-requirements, a private placement of MNOK 500 in Norwegian Finans Holding was completed in the first quarter. Total equity amounted to MNOK 4,151, compared with MNOK 3,335 as of 31.12.2016. The total capital ratio was 17.5%, the core capital ratio was 16.4% and the common equity tier 1 ratio was 15.0%.

There has been a limited review of the accounts as of 31.3.2017, and the full result is added to retained earnings.

Outlook for the remaining of the year

The economic trends differ in the Nordic markets where the bank operates. The Norwegian economy shows increasing growth and stable unemployment. The Swedish economy shows somewhat higher growth, while unemployment has stabilized at a low level in historical context. The Danish and Finnish economies show moderate growth and falling unemployment. Increased unemployment may entail higher levels of loan losses.

The interest rate levels in countries where the NFH Group is represented are expected to remain low. The NFH Group is expected to gain advantage of the interest rate level through low funding costs.

The earnings growth is expected to continue through strong loan growth, stable margins, cost control and good credit quality. The Nordic market for unsecured credit is impacted by increased competition.

Increased competition may lead to higher customer acquisition cost, margin pressure and lower growth.

The bank has a broad Nordic platform and loan volumes grow faster outside Norway. Consequently, enacted and proposed regulations from the Norwegian regulators are estimated to have a more limited impact on the bank's development going forward.

A high deposit to loans ratio and good access to the securities market are expected to maintain the bank's strong liquidity position.

The investment portfolio has provided a satisfactory return. The portfolio's low risk mandate will remain.

The credit quality of the loan portfolio in Norway shows a stable development and the levels of write-downs are expected to remain stable going forward. After the sale of the portfolio of defaulted loans in

Sweden, the default is expected to gradually increase to a normalized level. For the Finnish loan portfolio the credit quality appears to have stabilized, while the Danish loan portfolio shows a positive trend. However, relatively high write-downs in Denmark are still expected going forward.

The Bank has appealed the Norwegian Financial Supervisory Authority's decision on the Pillar 2-requirements and will communicate revised capital adequacy targets after a final decision has been reached.

The bank will accommodate the loan growth to bring capital ratios to mandated levels before 30.9.2017.

The current capital base, internal generation of capital and planned issuance of subordinated capital are considered sufficient to ensure the bank's growth ambitions.

Bærum, May 3, 2017
Board of directors in Norwegian Finans Holding ASA

Bjørn H. Kise
Chairman of the Board

Anita Aarnæs
Board Member

John Høstelund
Board Member

Brede G. Huser
Board Member

Pål Svenkerud
CEO

Profit and loss account

<i>Amounts in NOK 1000</i>	Note	Norwegian Finans Holding Group		
		Q1 2017	Q1 2016	2016
Interest income		934,049	551,046	2,791,102
Interest expenses		108,347	82,079	337,640
Net interest income	9	825,702	468,966	2,453,461
Commission and bank services income	10	80,892	55,602	246,613
Commission and bank services expenses	10	42,149	21,282	119,415
Net change in value on securities and currency	11	5,516	6,916	74,064
Other income		-	-	170
Net other operating income		44,258	41,237	201,432
Total income		869,960	510,203	2,654,893
Personnel expenses		19,394	17,751	66,004
General administrative expenses	12	215,979	158,437	773,487
Ordinary depreciation		11,375	9,902	42,427
Other operating expenses	13	11,589	8,863	46,911
Total operating expenses		258,336	194,954	928,828
Provision for loan losses	3	177,224	95,027	468,257
Profit on ordinary activities before tax		434,400	220,222	1,257,808
Tax charge		108,609	55,055	298,371
Profit on ordinary activities after tax		325,791	165,167	959,437
Earnings per share (kroner)		1.80	0.95	5.38
Diluted earning per share (kroner)		1.80	0.95	5.38

Comprehensive income

<i>Amounts in NOK 1000</i>	Norwegian Finans Holding Group		
	Q1 2017	Q1 2016	2016
Profit on ordinary activities after tax	325,791	165,167	959,437
Change in fair value for assets held for sale	2,691	-	-35,700
Tax	-20	-	268
Other comprehensive income that may subsequently be reclassified to profit and loss	2,671	-	-35,433
Comprehensive income for the period	328,462	165,167	924,005

Balance sheet

Amounts in NOK 1000	Note	Norwegian Finans Holding Group		
		31.3.17	31.3.16	31.12.16
Assets				
Cash and deposits with the central bank	8, 15	59,986	58,971	59,992
Loans and deposits with credit institutions	8, 15	1,071,771	437,324	1,103,359
Loans to customers	4, 5, 6, 15	27,152,968	16,271,190	24,533,983
Certificates and bonds	14	6,567,532	3,331,623	4,464,203
Financial derivatives	14	2,578	6,683	-
Shares and other securities	14	443	443	443
Assets held for sale	14, 17	27,437	60,446	24,745
Intangible assets		113,698	101,685	107,826
Deferred tax asset		7,925	8,404	7,717
Fixed assets		54	461	65
Receivables	18	126,469	84,714	99,919
Total assets		35,130,859	20,361,943	30,402,252
Liabilities and equity				
Deposits from customers	15	28,249,846	15,928,036	24,423,773
Debt securities issued	15, 16	1,798,667	1,880,311	1,823,973
Financial derivatives	14	-	-	6,780
Tax payable		310,971	191,939	297,468
Other liabilities	19	253,117	58,931	140,764
Accrued expenses	20	92,092	88,975	99,302
Subordinated loan	15, 16	274,892	174,971	274,915
Total liabilities		30,979,585	18,323,163	27,066,976
Share capital		186,619	173,195	180,105
Share premium reserve		966,825	150,402	481,980
Tier 1 capital		335,000	125,000	335,000
Retained earnings and other reserves		2,662,831	1,590,183	2,338,191
Total equity	21	4,151,274	2,038,780	3,335,276
Total liabilities and equity		35,130,859	20,361,943	30,402,252

Bærum, May 3, 2017
Board of Directors of Norwegian Finans Holding ASA

Bjørn H. Kise
Chairman of the Board

Anita Aarnæs
Board Member

John Høsteland
Board Member

Brede G. Huser
Board Member

Pål Svenkerud
CEO

Cash flow statement

Norwegian Finans Holding Group

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Profit / loss after tax	328,462	165,167	924,005
Unrealized gain or losses on currency	7,018	-20,167	72,541
Depreciations and amortizations	11,375	9,902	14,092
Net gain from sale of fixed assets	-	-	-170
Provision for loan losses	177,224	95,027	468,257
Change in loans	-2,796,208	-2,488,508	-11,062,706
Change in deposits from customers	3,826,073	2,561,446	11,057,183
Change in securities	-2,103,329	-363,093	-1,495,673
Change in assets held for sale, before tax	-2,691	-	-21,959
Change in other accruals	-34,728	-31,374	-95,284
Change in short-term liabilities	111,866	17,538	218,523
Net cash flow from operating activities	-474,939	-54,063	78,808
Proceeds from settlement of assets held for sale	-	-	57,659
Payment for acquisition of intangible assets	-11,843	-6,138	-22,094
Disposals of fixed assets	-	-	450
Net cash flow from investment activities	-11,843	-6,138	36,016
Paid-in equity	491,359	-	340,637
Change in debt securities issued	-25,306	740	-55,597
Change in subordinated loan	-23	9	99,953
Issued Tier 1 capital	-	-	209,160
Payment to Tier 1 capital investors	-3,824	-1,249	-9,912
Net cash flow from financing activities	462,206	-500	584,240
Currency effect on cash and cash equivalents	-7,018	20,167	-72,541
Net cash flow for the period	-31,594	-40,534	626,523
Cash and cash equivalents at the start of the period	1,163,351	536,828	536,828
Cash and cash equivalents at the end of the period	1,131,757	496,294	1,163,351

Changes in equity

Norwegian Finans Holding Group

<i>Amounts in NOK 1000</i>	Share capital	Share premium reserve	Tier 1 capital	Retained earnings and other reserves	Total equity
Balance 31.12.16	180,105	481,980	335,000	2,338,191	3,335,276
This period's profit	-	-	-	325,791	325,791
Items that may be reclassified to profit and loss, after tax	-	-	-	2,671	2,671
Comprehensive income for the period	-	-	-	328,462	328,462
Paid interest Tier 1 capital	-	-	-	-3,824	-3,824
Tax	-	-	-	-	-
Capital increase	6,515	493,485	-	-	500,000
Share issue expenses	-	-8,641	-	-	-8,641
Issued Tier 1 capital	-	-	-	-	-
Other equity changes	-	-	-	-	-
Balance 31.3.17	186,619	966,825	335,000	2,662,830	4,151,274
Balance 31.12.15	173,195	150,402	125,000	1,422,685	1,871,282
This period's profit	-	-	-	165,167	165,167
Comprehensive income for the period	-	-	-	165,167	165,167
Paid interest Tier 1 capital	-	-	-	-1,666	-1,666
Other equity changes	-	-	-	3,997	3,997
Balance 31.3.16	173,195	150,402	125,000	1,590,183	2,038,780

Notes for Norwegian Finans Holding group

Note 1. General accounting principles

The interim report for the first quarter 2017 is prepared according to International Financial Reporting Standards as adopted by the European Union, hereunder *IAS 34 Interim Financial Reporting*. The interim report for the first quarter 2017 is prepared using the same accounting principles and calculation methods as described in the annual report 2016, and should be read in conjunction with this.

Accounting standards which have been adopted but not implemented in 2016

IFRS 9 - Financial Instruments

IASB has published the final version of IFRS 9 *Financial Instruments*, which will replace IAS 39 *Financial Instruments – Recognition and Measurement*. IFRS 9 introduces changes to the rules for the classification and measurement of financial instruments, impairment of financial assets and hedge accounting. The standard is effective for annual reporting periods beginning on 1 January 2018 or later. Earlier application is permitted. The standard must be applied retrospectively, except for hedge accounting. Restatement of comparative figures is not required. The standard was approved by the EU in the fourth quarter of 2016.

The rules for classification and measurement of financial assets in IFRS 9 are more principle-based than the rules in IAS 39. Under IFRS 9, financial assets are assessed based on the entity's business model and the asset's cash flows. The bank has made an initial assessment of the balance sheet with regard to classification and measurement of financial assets. The bank has identified two financial instruments where changes from the current classification will be required. The classification and measurement of the bank's financial liabilities are not affected by the transition to IFRS 9.

The bank's investments in certificates and bonds are held for the purpose of receiving cash flows from contracts and for sale. These should therefore be classified at fair value through other comprehensive income (with reclassification), while under IAS 39 they are classified at fair value through profit or loss. Furthermore, assets held for sale, which consist of the bank's ownership interest in Visa Norge FLI, are classified at fair value through other comprehensive income (with reclassification). This asset is held for sale, and should under IFRS 9 be classified at fair value through profit or loss.

The bank has so far not drawn any conclusions as to what will constitute a significant increase in credit risk for the bank's loans. The bank's credit exposure is significant, and it is therefore expected that changes will be made to the bank's impairment losses as a result of the transition to IFRS 9. Reliable quantitative estimates of such changes in impairment losses are not yet available.

A strict development and implementation plan has been prepared for the construction of impairment models for all markets that will need to meet IFRS 9 requirements. The work is on schedule according to the planned progress and includes an upgrade of the bank's existing set of models and the development of specific sub-models for IFRS 9. The sub-models will be implemented in parallel with the current models as they are completed, partly to ensure a good qualitative implementation. The whole set of models will run in parallel upon completion and will be finally implemented from 1 January 2018.

The set of models will include forward-looking models for PD (probability of default), LGD models (loss given default) for pre- and post-default, EAD models (exposure at default) as well as triggers for the classification of exposures in class 1, 2 or 3 (classification according to IFRS 9 regulations; 1: Performing, 2: Underperforming, 3: Non-performing). The final modelling technique for the individual models will be selected based on the maturity of each portfolio and access to relevant data in the market concerned. The models will be validated in accordance with best practice for each model type. This normally includes both "out-of-time" validation (validation for a different time period than that or those on which the model is based) and "out-of-sample" validation (validation of a part of the data/observations that were not included in the construction of the model). In addition to the initial construction of IFRS 9 models, the bank is in the process of establishing a robust set of models for daily operation, maintenance and development.

The preliminary definition defines default as a loan that is more than 90 days in arrears in relation to the agreed payment schedule and where the amount overdue amounts to at least €100 or the equivalent in local currency.

The bank has not decided which transitional rules will be used in the transition to IFRS 9. It is not expected that the comparative figures will be restated on transition.

Agent commissions

The accounting of agent commissions is in the first quarter reclassified in accordance with IAS 38 Intangible Assets and IAS 39 Financial Instruments - Recognition and Measurement. Agent commissions are reclassified from *receivables* to *loans to customers* and *intangible assets*, with reclassification of associated expenses in the profit and loss accounts from *general administrative expenses* to *interest income* and *ordinary depreciation*. The reclassifications do not have any effect on the profit after tax. Comparative figures have been revised accordingly.

Note 2. Segments

Profit and loss and balance sheet presentation for segments are based on internal financial reporting as it is reported to group management. The figures are based on Bank Norwegians governance model and accounting principles. Norwegian Finans Holding ASA is defined as the other segment.

Profit and loss account Q1 2017

<i>Amounts in NOK 1000</i>	Norway	Sweden	Denmark / Finland	Other	Total
Net interest income	468,428	161,450	195,783	40	825,702
Net other operating income	32,487	12,801	-925	-105	44,258
Total income	500,916	174,251	194,858	-64	869,960
Total operating expenses	123,380	56,573	77,583	800	258,336
Provision for loan losses	70,385	49,113	57,726	-	177,224
Profit on ordinary activities before tax	307,150	68,565	59,549	-865	434,400
Tax charge	76,788	17,141	14,887	-207	108,609
Profit on ordinary activities after tax	230,363	51,424	44,662	-657	325,791
Other comprehensive income that may be subsequently be reclassified to profit a	2,671	-	-	-	2,671
Comprehensive income for the period	233,034	51,424	44,662	-657	328,462

Balance sheet 31.3.17

<i>Amounts in NOK 1000</i>	Norway	Sweden	Denmark / Finland	Other	Total
Loans to customers	15,141,165	5,507,688	6,504,115	-	27,152,968
Other assets	6,058,819	686,407	1,222,888	9,778	7,977,892
Total assets	21,199,984	6,194,095	7,727,003	9,778	35,130,859
Deposits from customers	16,565,752	5,458,927	6,225,168	-	28,249,846
Other liabilities and equity	4,634,232	735,168	1,501,835	9,778	6,881,013
Total liabilities and equity	21,199,984	6,194,095	7,727,003	9,778	35,130,859

Profit and loss account Q1 2016

<i>Amounts in NOK 1000</i>	Norway	Sweden	Denmark / Finland	Other	Total
Net interest income	332,739	113,569	22,655	4	468,966
Net other operating income	35,950	7,354	-2,049	-18	41,237
Total income	368,688	120,922	20,606	-13	510,203
Total operating expenses	109,433	53,112	31,645	763	194,954
Provision for loan losses	46,003	29,750	19,274	-	95,027
Profit on ordinary activities before tax	213,252	38,061	-30,314	-776	220,222
Tax charge	53,313	9,515	-7,578	-194	55,056
Profit on ordinary activities after tax	159,939	28,546	-22,735	-582	165,167
Comprehensive income for the period	159,939	28,546	-22,735	-582	165,167

Balance sheet 31.3.16

<i>Amounts in NOK 1000</i>	Norway	Sweden	Denmark / Finland	Other	Total
Loans to customers	11,095,537	4,066,017	1,109,635	-	16,271,190
Other assets	3,406,273	529,653	136,091	18,736	4,090,753
Total assets	14,501,810	4,595,671	1,245,726	18,736	20,361,943
Deposits from customers	11,577,353	4,184,006	166,678	-	15,928,036
Other liabilities and equity	2,924,458	411,665	1,079,048	18,736	4,433,906
Total liabilities and equity	14,501,810	4,595,671	1,245,726	18,736	20,361,943

Profit and loss account 2016

<i>Amounts in NOK 1000</i>	Norway	Sweden	Denmark / Finland	Other	Total
Net interest income	1,595,344	541,796	316,306	15	2,453,461
Net other operating income	169,526	20,439	11,789	-323	201,432
Total income	1,764,871	562,235	328,096	-308	2,654,893
Total operating expenses	454,939	239,906	227,108	6,875	928,828
Provision for loan losses	198,553	139,747	129,957	-	468,257
Profit on ordinary activities before tax	1,111,379	182,581	-28,969	-7,183	1,257,808
Tax charge	261,764	45,645	-7,243	-1,796	298,371
Profit on ordinary activities after tax	849,615	136,936	-21,727	-5,387	959,437
Other comprehensive income that may be subsequently be reclassified to profit a	-35,433	-	-	-	-35,433
Comprehensive income for the period	814,182	136,936	-21,727	-5,387	924,005

Balance sheet 31.12.16

<i>Amounts in NOK 1000</i>	Norway	Sweden	Denmark / Finland	Other	Total
Loans to customers	14,243,563	5,237,858	5,052,562	-	24,533,983
Other assets	4,665,798	659,918	529,964	12,588	5,868,269
Total assets	18,909,361	5,897,776	5,582,526	12,588	30,402,252
Deposits from customers	14,696,396	5,560,880	4,166,497	-	24,423,773
Other liabilities and equity	4,212,965	336,896	1,416,029	12,588	5,978,479
Total liabilities and equity	18,909,361	5,897,776	5,582,526	12,588	30,402,252

Note 3. Loss on loans and guarantees

The Group has no guarantees as at 31.3.2017.

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Realized losses in the period	5,316	1,377	7,176
Collected on previous realized losses	-	-	-
Individual write-downs	40,947	38,359	143,635
Net individual write-downs on loans	46,263	39,736	150,811
The period's change in write-downs on groups of loans	130,961	55,291	317,446
Write-downs on loans	177,224	95,027	468,257

Note 4. Loans to customers

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Overdraft facilities and lines of credit	1,831	12,565	2,147
Credit cards	7,096,893	4,234,789	6,309,014
Instalment loans	21,063,123	12,507,298	19,054,145
Gross loans	28,161,846	16,754,652	25,365,307
Individual write-downs on loans	-242,656	-103,453	-201,116
Write-downs on groups of loans	-766,222	-380,009	-630,208
Net loans to and receivables from customers	27,152,968	16,271,190	24,533,983

Loans by geographical regions

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Akershus	2,029,563	1,507,025	1,902,542
Oslo	2,055,947	1,517,103	1,920,981
Hordaland	1,678,044	1,226,579	1,575,081
Rogaland	1,341,596	955,035	1,264,380
Østfold	979,109	717,235	924,670
Buskerud	858,350	637,791	809,134
Sør-Trøndelag	811,728	569,254	756,027
Nordland	793,398	567,649	741,603
Vestfold	760,524	556,907	715,268
Møre og Romsdal	682,063	485,638	633,056
Troms	578,240	413,113	541,868
Hedmark	545,345	388,342	520,471
Oppland	499,381	351,513	466,573
Telemark	475,514	333,667	454,156
Vest-Agder	396,417	270,114	360,625
Nord-Trøndelag	327,411	238,450	309,964
Finnmark	312,709	227,733	297,023
Aust-Agder	285,806	191,674	261,529
Sogn og Fjordane	207,913	149,702	196,711
Svalbard	3,081	7	2,739
Customer does not have a Norwegian address	37,526	98,562	41,029
Total Norway	15,659,666	11,403,094	14,695,431
Sweden	5,809,084	4,220,551	5,487,645
Denmark / Finland	6,693,096	1,131,007	5,182,230
Gross loans in the balance sheet	28,161,846	16,754,652	25,365,307

Note 5. Risk classes

Amounts in NOK 1000	Probability of default	Gross loans			Undrawn credit limits		
		Q1 2017	Q1 2016	2016	Q1 2017	Q1 2016	2016
A	0 - 0,9 %	4,159,306	2,641,182	3,716,949	21,334,273	14,490,349	19,692,083
B	1 - 2,9 %	10,887,550	6,041,707	9,468,018	1,137,509	549,598	1,153,334
C	3 - 4,9 %	3,500,329	2,126,365	3,279,727	212,224	184,494	237,141
D	5 - 8,9 %	2,734,858	1,872,883	2,743,303	173,566	162,717	194,285
E	9 - 14,9 %	1,573,762	1,139,570	1,616,677	82,023	45,997	83,485
F	15 - 19,9 %	549,853	416,109	555,334	22,952	12,960	19,886
G	20 - 29,9 %	704,885	490,304	685,686	12,924	11,566	11,518
H	30 - 39,9 %	358,069	187,086	324,312	16,368	12,008	14,870
I	40 - 54,9 %	362,793	197,337	312,044	4,175	2,828	3,096
J	55 - 100,0 %	343,468	171,924	261,187	1,634	1,437	1,120
S	23,0 %	459,457	245,731	371,916	-	-	-
T	27,0 %	133,114	36,548	112,350	-	-	-
U	74,0 %	244,215	123,192	205,598	-	-	-
V	100,0 %	1,625,323	789,560	1,283,562	-	-	-
W	100,0 %	470,337	201,243	391,040	-	-	-
Total classified		28,107,320	16,680,741	25,327,702	22,997,648	15,473,954	21,410,817
Not classified	70,8 %	54,526	73,911	37,605	75,594	104,624	54,753
Total		28,161,846	16,754,652	25,365,307	23,073,242	15,578,578	21,465,571

Risk is classified as follows: A = lowest risk, W = highest risk

Risk class S consists of engagements during treatment with debt collection companies, where the customer is less than 90 days past originally agreed payment plan. If the customer is on track on engagement, but has at least one other product where payment is more than 90 days past payment plan the engagement is classified in risk class T. Risk class U consists of engagements in warning, but less than 90 days past payment plan, while risk class V consists of engagements more than 90 days past payment plan.

Risk class W consists of written-down engagements, and is engagements individually written down. The other risk classes, including risk class A - J, is included in the calculation for write-downs on groups of engagements.

"Not classified" consists of Norwegian engagements recruited through applications for sales financing and bank accounts with and without credit facilities. In a potential chance of classification of these engagements there are no indications implying that the distribution of risk classes will significantly deviate from what is observed in the classified engagements. The risks associated with customers are classified based on their application and behavioral score. This risk classification is an integrated part of the Bank's credit approval process and is used in the Bank's risk-based product pricing.

The bank only offers credit to the retail customer market, and all credit decisions are made by means of automated decision support systems. Credit is granted based on a qualitative and quantitative analysis of the customer's willingness and ability to pay. The analysis of the willingness to pay identifies the characteristics of the customer which predict future payment conduct, while the analysis of the customer's capacity to service loans are a quantitative evaluation of the customer's ability to repay his obligations, given the customer's current and anticipated future economic situation.

Note 6. Default and loss on loans

Amounts in NOK 1000	Q1 2017	Q1 2016	2016
Gross defaulted loans	2,068,721	981,511	1,654,201
Individual write-downs on loans	-242,656	-103,453	-201,116
Write-downs on groups of loans	-766,222	-380,009	-630,208
Net defaulted loans	1,059,842	498,048	822,878
Defaulted loans which are performing	496,025	250,265	403,086

Defaulted loans comprise of loans which are more than 90 days overdue according to payment schedule.

Aging of defaulted, but not written-down loans

The table shows the overdrawn amount on loans by the number of past due days not caused by payment service delays. The entire loan is included when part of the debt is past due.

Amounts in NOK 1000	Q1 2017					Total
	5 - 15 days	16 - 30 days	31 - 60 days	61 - 90 days	Over 90 days	
- Retail market	480,463	1,237,364	631,341	303,856	1,599,705	4,252,728
Total	480,463	1,237,364	631,341	303,856	1,599,705	4,252,728

Amounts in NOK 1000	Q1 2016					Total
	5 - 15 days	16 - 30 days	31 - 60 days	61 - 90 days	Over 90 days	
- Retail market	475,848	653,016	359,961	125,362	780,322	2,394,509
Total	475,848	653,016	359,961	125,362	780,322	2,394,509

Amounts in NOK 1000	2016					Total
	5 - 15 days	16 - 30 days	31 - 60 days	61 - 90 days	Over 90 days	
- Retail market	445,913	1,214,820	564,275	218,282	1,263,835	3,707,125
Total	445,913	1,214,820	564,275	218,282	1,263,835	3,707,125

Note 7. Liquidity risk

The liquidity risk is the risk that the Bank is not capable of covering all its financial obligations as they fall due. The liquidity risk is evaluated as low at the time of this report, since a large portion of the Bank's assets consists of easily transferable securities. The asset side is financed by core deposits from the retail market, debt securities and subordinated capital. The Bank manages its liquidity position by short-term cash flow forecasts and liquidity due date summaries. See the Annual Report for further comments.

At 31.3.2017 the Liquidity Coverage Ratio (LCR) at total level for the Bank was 142%. The legal requirement for liquidity reserve (LCR) at total level is 80% at 31.3.2017. The Bank has significant positions in Norwegian, Swedish and Danish kroner in addition to Euro. At 31.3.2017 the LCR was 181% in Norwegian kroner, 32% in Swedish kroner, 195% in Danish kroner, and 0% in Euro.

Note 8. Loans and deposits with credit institutions and central banks

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Loans and deposits with credit institutions and central banks without agreed maturity or notice period	1,131,757	496,294	1,163,351
Total loans and deposits with credit institutions and central banks	1,131,757	496,294	1,163,351

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
NOK	541,450	259,815	540,723
SEK	413,924	117,441	404,624
DKK	132,595	40,706	151,464
EUR	43,787	78,333	66,539
Total	1,131,757	496,294	1,163,351

Average interest rate Norwegian Finans Holding Group	0.21 %	0.43 %	0.20 %
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Average interest rate calculated as interest amount in percentage of average volume for the current period.

Note 9. Net interest income

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Interest income from cash and deposits at central banks	74	105	321
Interest income from loans to and deposits with credit institutions	523	451	1,393
Interest income from consumer loans	703,696	408,317	2,095,457
Interest income from overdraft accounts	79	517	1,104
Interest income from credit cards	206,859	129,215	618,322
Interest income from sales financing	1,476	1,559	5,494
Interest and other income from certificates and bonds	20,328	10,098	63,885
Other interest and other interest related income	1,013	785	5,125
Total interest income	934,049	551,046	2,791,102
Interest expense from deposits from credit institutions	9	-	8
Interest expense from deposits from customers	93,138	60,274	283,006
Interest expense on debt securities issued	8,317	8,937	35,605
Interest expense on subordinated loan	2,698	1,646	7,790
Other interest and other interest related expenses	4,185	11,224	11,232
Total interest expense	108,347	82,079	337,640
Net interest income	825,702	468,966	2,453,461

Note 10. Net other operating income

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Payment services	50,282	35,162	156,120
Insurance services	20,886	13,088	47,343
Other fees and commission and bank services income	9,724	7,351	43,149
Total commission and bank services income	80,892	55,602	246,613
Network costs	20,191	4,398	46,965
Payment services	8,635	9,509	42,427
Insurance services	7,652	4,474	16,002
Other fees and commission and bank services expense	5,672	2,901	14,020
Total commission and bank services expenses	42,149	21,282	119,415

Note 11. Net gain on financial instruments at fair value

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Net gain on certificates and bonds	1,790	8,210	112
Net gain on FX-forwards	-4,419	48,441	102,207
Net currency effects	8,145	-49,734	-85,915
Net gains on shares and other securities with variable yield	-	-	57,659
Total	5,516	6,916	74,064

Note 12. General administrative expenses

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Sales and marketing	173,965	129,881	631,821
IT operations	22,477	16,503	73,257
External services fees and hired temporary staff for ordinary operations	9,704	5,986	24,703
Other administrative expenses	9,833	6,067	43,706
Total	215,979	158,437	773,487

Note 13. Other operating expenses

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Credit information	7,512	6,082	29,045
Auditor	772	235	2,700
Rental of premises	570	543	2,168
Insurance	127	122	505
Machinery, fixtures and transport vehicles	94	136	410
Other operating expenses	2,515	1,746	12,082
Total	11,589	8,863	46,911

Note 14. Financial instruments at fair value

Financial instruments at fair value is measured at different levels.

Level 1 Valuation based on quoted prices in an active market

Financial instruments in level 1 are determined based on quoted prices in active markets for identical financial instruments available on the balance sheet date.

Level 2 Valuation based on observable market data

Financial instruments in level 2 are determined based on inputs other than quoted prices, but where prices are observable either directly or indirectly. These include quoted prices in markets that are not active.

Level 3 Valuation based on other than observable market data

When valuation can not be determined in level 1 or 2, valuation methods based on non-observable market data are used.

Financial instruments at fair value

Amounts in NOK 1000	Q1 2017			
	Level 1	Level 2	Level 3	Total
Certificates and bonds	-	6,567,532	-	6,567,532
Financial derivatives	-	2,578	-	2,578
Shares	-	-	443	443
Financial assets held for sale	-	-	27,437	27,437
Total financial assets at fair value	-	6,570,110	27,880	6,597,990
Financial derivatives	-	-	-	-
Total financial liabilities at fair value	-	-	-	-

Amounts in NOK 1000	Q1 2016			
	Level 1	Level 2	Level 3	Total
Certificates and bonds	-	3,331,623	-	3,331,623
Financial derivatives	-	6,683	-	6,683
Shares	-	-	443	443
Financial assets held for sale	-	-	60,446	60,446
Total financial assets at fair value	-	3,338,306	60,889	3,399,195
Financial derivatives	-	-	-	-
Total financial liabilities at fair value	-	-	-	-

Amounts in NOK 1000	2016			
	Level 1	Level 2	Level 3	Total
Certificates and bonds	-	4,464,203	-	4,464,203
Financial derivatives	-	-	-	-
Shares	-	-	443	443
Financial assets held for sale	-	-	24,745	24,745
Total financial assets at fair value	-	4,464,203	25,188	4,489,391
Financial derivatives	-	6,780	-	6,780
Total financial liabilities at fair value	-	6,780	-	6,780

Change in instruments classified at level 3

Amounts in NOK 1000	Q1 2017		
	Shares	Assets held for sale	Total
Value 31.12.16	443	24,745	25,188
Additions	-	-	-
Disposals	-	-	-
Settlement	-	-	-
Net gain / loss on financial instruments	-	2,691	2,691
Value 31.3.17	443	27,437	27,880

Valuation method

Ownership in Visa Norge FLI

Ownership in Visa Norway FLI is considered to be a financial asset and is classified in the category assets held for sale. The fair value of the asset is estimated at MNOK 27,4. The calculation is based on input from the association, and contains significant estimations. See note 17 for further description of the asset and the value calculation.

Shares in BankID Norge AS

Bank Norwegian AS was at 12.8.2014 issued 280 shares in BankID Norge AS based on the Bank's share of participation in the BankID association. Value of shares were estimated at the going rate at the time granted.

Note 15. Fair value of financial instruments at amortized cost

Financial instruments at amortized cost are valued at originally determined cash flows, adjusted for any impairment losses. Amortized cost will not always give values that match the market's assessment of the same instruments. This may be due to different perceptions of market conditions, risk and return requirements.

Loans and deposits with central banks and credit institutions and deposits from customers

Fair value is estimated to conform with amortized cost.

Loans to customers

Loans to customers are exposed to market competition. This means that the potential added value of the loan portfolio will not be maintained over time. Further, individual and group provisions for loan losses are provided for on an ongoing basis. The fair value of loans to customers is therefore considered to conform to the amortized cost.

Debt securities issued and subordinated loan

The fair value of debt securities issued and subordinated loan are based on observable market data where available.

Fair value of financial instruments at amortized cost

Amounts in NOK 1000	Q1 2017		Q1 2016		2016	
	Book value	Fair value	Book value	Fair value	Book value	Fair value
Cash and deposits with the central bank	59,986	59,986	58,971	58,971	59,992	59,992
Loans and deposits with credit institutions	1,071,771	1,071,771	437,324	437,324	1,103,359	1,103,359
Loans to customers	27,152,968	27,152,968	16,271,190	16,271,190	24,533,983	24,533,983
Total financial assets	28,284,724	28,284,724	16,767,484	16,767,484	25,697,334	25,697,334
Deposits from customers	28,249,846	28,249,846	15,928,036	15,928,036	24,423,773	24,423,773
Debt securities issued	1,798,667	1,801,568	1,880,311	1,862,699	1,823,973	1,823,250
Subordinated loan	274,892	277,240	174,971	171,938	274,915	275,735
Total financial liabilities	30,323,405	30,328,653	17,983,319	17,962,673	26,522,661	26,522,758

Note 16. Debt securities issued and subordinated loan

Debt securities issued

Amounts in NOK 1000	Q1 2017	Q1 2016	2016
Certificates, nominal value	-	200,000	-
Bonds, nominal value	1,795,000	1,674,000	1,820,000
Value adjustments	292	857	259
Accrued interest	3,376	5,454	3,714
Total debt securities issued	1,798,667	1,880,311	1,823,973

Change in debt securities issued

Amounts in NOK 1000	Balance 31.3.17	Issued	Overdue / redeemed	Other changes	Balance 31.12.16
Certificates, nominal value	-	-	-	-	-
Bonds, nominal value	1,795,000	-	-25,000	-	1,820,000
Value adjustments	292	-	-	33	259
Accrued interest	3,376	-	-	-339	3,714
Total debt securities issued	1,798,667	-	-25,000	-306	1,823,973

Amounts in NOK 1000	Balance 31.3.16	Issued	Overdue / redeemed	Other changes	Balance 31.12.15
Certificates, nominal value	200,000	-	-	-	200,000
Bonds, nominal value	1,674,000	-	-	-	1,674,000
Value adjustments	857	-	-	-120	977
Accrued interest	5,454	-	-	860	4,594
Total debt securities issued	1,880,311	-	-	740	1,879,571

Change in subordinated loan

Amounts in NOK 1000	Balance 31.3.17	Issued	Overdue / redeemed	Other changes	Balance 31.12.16
Subordinated loan, nominal value	275,000	-	-	-	275,000
Value adjustments	-562	-	-	19	-581
Accrued interest	454	-	-	-43	496
Total subordinated loan	274,892	-	-	-23	274,915

Amounts in NOK 1000	Balance 31.3.16	Issued	Overdue / redeemed	Other changes	Balance 31.12.15
Subordinated loan, nominal value	175,000	-	-	-	175,000
Value adjustments	-403	-	-	13	-416
Accrued interest	374	-	-	-4	378
Total subordinated loan	174,971	-	-	9	174,962

Note 17. Financial assets held for sale

The Bank is a member of Visa Norway FLI ("Visa Norway"), being a shareholder of Visa Europe Ltd. On 2. November 2015, an agreement between Visa Europe Ltd. and Visa Inc. was announced where Visa Inc. acquires all shares in Visa Europe Ltd. This transaction consists of a cash consideration, convertible preference shares and a deferred cash consideration paid three years after completion of the transaction. The process was finalized in June 2016 and the Bank received in this connection its share of the cash consideration based on the Bank's stake in Visa Norway. The cash consideration received, of MNOK 57.7, was reclassified to the income statement in 2016. Further changes in the value of the preference shares and the deferred cash consideration are recognized in other comprehensive income.

Note 18. Receivables

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Commissions	88,152	82,282	82,373
Prepaid expenses	24,397	1,081	12,140
Other receivables	13,920	1,351	5,406
Total	126,469	84,714	99,919

Note 19. Other liabilities

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Payables to suppliers	62,659	29,116	40,903
Value added tax	2,770	2,690	3,533
Social security tax	1,507	1,156	1,862
Tax withholdings	1,248	1,179	2,090
Other liabilities	184,934	24,790	92,375
Total	253,117	58,931	140,764

Note 20. Accrued expenses

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Accrued expenses	71,872	67,098	83,426
Bonus	13,777	15,167	10,152
Holiday pay	4,720	4,859	4,328
Board remuneration	1,488	1,074	1,218
Accrued fees	234	777	177
Total	92,092	88,975	99,302

Note 21. Capital adequacy

<i>Amounts in NOK 1000</i>	Q1 2017	Q1 2016	2016
Share capital	186,619	173,195	180,105
+ Share premium reserve	966,825	150,402	481,980
+ Other reserves	2,662,831	1,590,183	2,338,191
- Deferred tax assets and intangible assets	121,622	115,876	72,741
Common equity tier 1	3,694,652	1,797,904	2,927,535
+ Additional Tier 1 capital	335,000	125,000	335,000
Tier 1 capital	4,029,652	1,922,904	3,262,535
+ Tier 2 capital	274,892	174,971	274,915
Total capital	4,304,544	2,097,875	3,537,450

Calculation basis

Credit risk

Covered bonds	138,014	15,784	76,611
+ Institutions	818,357	468,819	668,408
+ Loans to customers	18,995,307	11,582,471	17,212,261
+ Defaulted loans and other commitments	1,982,872	974,855	1,752,276
+ Other assets	-	3,420	-
+ Operational risk	2,633,086	2,034,225	1,627,380
Total calculation basis	24,567,636	15,079,573	21,336,936

Common equity tier 1 %	15.04 %	11.92 %	13.72 %
Tier 1 capital %	16.40 %	12.75 %	15.29 %
Total capital %	17.52 %	13.91 %	16.58 %

Note 22. Lease agreements

The Bank is sharing premises with Norwegian Air Shuttle. There is a lease agreement for Oksøyveien 3 at Lysaker. The agreement expires 31.3.2018 (with extension option up to 31.3.2020), and the tenancy terminates without notice. The annual rent totals MNOK 1.9.

Note 23. Related parties

Bank Norwegian and Norwegian Air Shuttle ASA have since October 2007 had an agreement regarding the Bank's use of the brand name Norwegian, IP-rights, and co-operation regarding the loyalty program and credit cards. The agreement is later expanded to sales financing. In connection with the Bank's establishment in Sweden, the original agreement was replaced by new agreements as of 1.1.2013, with a duration of three years. The agreement is renegotiated and extended until 31.12.2020, and applies to Norway, Sweden, Denmark and Finland. All accrued rights remain. In addition to the co-operation agreement regarding use of brand name and IP-rights, agent agreements have been entered into relating to distribution of financial services regarding credit cards and sales financing of airline tickets.

Norwegian Finans Holding ASA (org. number 991 281 924) owns 100% of Bank Norwegian AS (org. number 991 455 671).

Note 24. Subsequent events

There is no awareness of other events after the date of the balance sheet that may be of material significance to the accounts.

Quarterly figures

Profit and loss account

Amounts in NOK 1000	Norwegian Finans Holding Group				
	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Interest income	934,049	846,611	740,707	652,738	551,046
Interest expenses	108,347	93,686	86,367	75,507	82,079
Net interest income	825,702	752,925	654,339	577,231	468,966
Commission and bank services income	80,892	62,767	67,989	60,255	55,602
Commission and bank services expenses	42,149	40,846	29,834	27,453	21,282
Net change in value on securities and currency	5,516	-4,562	5,752	65,958	6,916
Other income	-	-	170	-	-
Net other operating income	44,258	17,359	44,077	98,759	41,237
Total income	869,960	770,284	698,416	675,990	510,203
Personnel expenses	19,394	14,713	17,977	15,564	17,751
General administrative expenses	215,979	223,340	210,998	180,711	158,437
Ordinary depreciation	11,375	11,299	10,761	10,465	9,902
Other operating expenses	11,589	11,348	11,772	14,927	8,863
Total operating expenses	258,336	260,700	251,508	221,667	194,954
Provision for loan losses	177,224	144,663	119,073	109,494	95,027
Profit on ordinary activities before tax	434,400	364,921	327,836	344,829	220,222
Tax charge	108,609	75,149	81,959	86,207	55,055
Profit on ordinary activities after tax	325,791	289,772	245,877	258,622	165,167

Comprehensive income

Amounts in NOK 1000	Norwegian Finans Holding Group				
	Q1 2017	Q4 2016	Q3 2016	Q2 2016	Q1 2016
Profit on ordinary activities after tax	325,791	289,772	245,877	258,622	165,167
Change in fair value for assets held for sale	2,691	250	1,147	-37,097	-
Tax	-20	-2	-9	278	-
Other comprehensive income that may subsequently be reclassified to profit	2,671	248	1,138	-36,819	-
Comprehensive income for the period	328,462	290,020	247,015	221,802	165,167

Balance sheet

Amounts in NOK 1000	Norwegian Finans Holding Group				
	31.3.17	31.12.16	30.9.16	30.6.16	31.3.16
Assets					
Cash and deposits with the central bank	59,986	59,992	56,948	56,958	58,971
Loans and deposits with credit institutions	1,071,771	1,103,359	791,698	882,907	437,324
Loans to customers	27,152,968	24,533,983	21,194,238	18,578,755	16,271,190
Certificates and bonds	6,567,532	4,464,203	5,544,250	4,816,506	3,331,623
Financial derivatives	2,578	-	14,364	6,775	6,683
Shares and other securities	443	443	443	443	443
Assets held for sale	27,437	24,745	24,495	23,348	60,446
Intangible assets	113,698	107,826	103,706	104,374	101,685
Deferred tax asset	7,925	7,717	9,872	9,665	8,404
Fixed assets	54	65	84	400	461
Receivables	126,469	99,919	102,448	137,302	84,714
Total assets	35,130,859	30,402,252	27,842,546	24,617,434	20,361,943
Liabilities and equity					
Deposits from customers	28,249,846	24,423,773	22,154,135	19,640,676	15,928,036
Debt securities issued	1,798,667	1,823,973	1,991,948	1,906,711	1,880,311
Financial derivatives	-	6,780	-	-	-
Tax payable	310,971	297,468	221,766	140,088	191,939
Other liabilities	253,117	140,764	51,995	90,599	58,931
Accrued expenses	92,092	99,302	94,048	65,668	88,975
Subordinated loan	274,892	274,915	274,859	174,929	174,971
Total liabilities	30,979,585	27,066,976	24,788,750	22,018,672	18,323,163
Share capital	186,619	180,104	180,104	180,104	173,195
Share premium reserve	966,825	481,980	482,827	482,852	150,402
Tier 1 capital	335,000	335,000	335,000	125,000	125,000
Retained earnings and other reserves	2,662,831	2,338,192	2,055,865	1,810,807	1,590,183
Total equity	4,151,274	3,335,276	3,053,796	2,598,763	2,038,780
Total liabilities and equity	35,130,859	30,402,252	27,842,546	24,617,434	20,361,943

Profit and loss account

Amounts in NOK 1000	Norwegian Finans Holding ASA		
	Q1 2017	Q1 2016	2016
Interest income	40	4	15
Interest expenses	-	-	-
Net interest income	40	4	15
Commission and bank services income	-	-	-
Commission and bank services expenses	105	18	323
Net change in value on securities and currency	-	-	6,164
Other income	-	-	-
Net other operating income	-105	-18	5,841
Total income	-64	-13	5,856
Personnel expenses	317	763	2,099
General administrative expenses	-	-	-
Ordinary depreciation	-	-	-
Other operating expenses	483	-	4,775
Total operating expenses	800	763	6,875
Provision for loan losses	-	-	-
Profit on ordinary activities before tax	-865	-776	-1,019
Tax charge	-207	-194	-255
Profit on ordinary activities after tax	-657	-582	-764

Comprehensive income

Amounts in NOK 1000	Norwegian Finans Holding ASA		
	Q1 2017	Q1 2016	2016
Profit on ordinary activities after tax	-657	-582	-764
Comprehensive income for the period	-657	-582	-764

Balance sheet

Amounts in NOK 1000	Norwegian Finans Holding ASA		
	31.3.17	31.3.16	31.12.16
Assets			
Loans and deposits with credit institutions	4,443	16,997	8,643
Ownership interests in group companies	1,150,000	310,000	650,000
Deferred tax asset	4,153	1,735	3,946
Receivables	1,182	4	6,164
Total assets	1,159,778	328,736	668,752
Liabilities and equity			
Other liabilities	38	6	32
Accrued expenses	1,945	2,092	1,627
Total liabilities	1,983	2,098	1,659
Share capital	186,619	173,195	180,105
Share premium reserve	966,825	150,402	481,980
Retained earnings and other reserves	4,352	3,041	5,008
Total equity	1,157,796	326,638	667,093
Total liabilities and equity	1,159,778	328,736	668,752

Bærum, May 3, 2017
Board of Directors of Norwegian Finans Holding ASA

Bjørn H. Kise
Chairman of the Board

Anita Aarnæs
Board Member

John Høsteland
Board Member

Brede G. Huser
Board Member

Pål Svenkerud
CEO

Cash flow statement

<i>Amounts in NOK 1000</i>	Norwegian Finans Holding ASA		
	Q1 2017	Q1 2016	2016
Profit / loss after tax	-657	-582	-764
Change in other accruals	4,775	-198	-8,569
Change in short-term liabilities	324	763	324
Net cash flow from operating activities	4,441	-18	-9,009
Investment in group companies	-500,000	-	-340,000
Net cash flows from investment activities	-500,000	-	-340,000
Paid-in equity	491,359	-	340,637
Net cash flow from financing activities	491,359	-	340,637
Net cash flow for the period	-4,199	-18	-8,372
Cash and cash equivalents at the start of the period	8,643	17,014	17,014
Cash and cash equivalents at the end of the period	4,443	16,997	8,643

Changes in equity

<i>Amounts in NOK 1000</i>	Norwegian Finans Holding ASA				
	Share capital	Share premium reserve	Tier 1 capital	Retained earnings and other reserves	Total equity
Balance 31.12.16	180,105	481,980	-	5,008	667,093
This period's profit	-	-	-	-657	-657
Comprehensive income for the period	-	-	-	-657	-657
Capital increase	6,515	493,485	-	-	500,000
Share issue expenses	-	-8,641	-	-	-8,641
Balance 31.3.17	186,619	966,825	-	4,352	1,157,796
Balance 31.12.15	173,195	150,402	-	3,623	327,220
This period's profit	-	-	-	-582	-582
Comprehensive income for the period	-	-	-	-582	-582
Capital increase	195	5,279	-	-	5,474
Balance 31.3.16	173,390	155,681	-	3,041	332,110

Notes for Norwegian Finans Holding ASA

Note 1. General accounting principles

The interim report for the first quarter 2017 is prepared according to International Financial Reporting Standards as adopted by the European Union, hereunder IAS 34 Interim Financial Reporting. The interim report for the first quarter 2017 is prepared using the same accounting principles and calculation methods as described in the annual report 2016, and should be read in conjunction with this.

Shares held by Norwegian Finans Holding ASA is 100% of the shares of Bank Norwegian AS. These are recorded in the financial statements at cost and are eliminated on consolidation.