

The image shows the exterior of a brick building with the Ekspres Bank logo and name. The logo is a teal square with a white stylized 'E' shape. The name 'Ekspres Bank' is in dark blue, bold, sans-serif font. The building has yellow brickwork and white window frames. Some autumn leaves are visible in the foreground.

Ekspres Bank



**INTERIM
REPORT**

2015

INTERIM REPORT 2015



Content

Company Information.....	3
Management Statement.....	4
Board of Directors.....	5
Our Business.....	6
Management Review.....	7
Supervisory Diamond.....	8
Accounting Policies.....	9
Financial Highlights.....	11
Income Statement and Comprehensive Income.....	12
Balance Sheet.....	13
Statement of Changes in Equity.....	15
Notes to the Financial Statements.....	16

Company Information

Ekspres Bank A/S

Oldenburg Allé 3

DK- 2630 Taastrup

Phone: +45 70 23 58 00

www.ekspresbank.dk

Ownership

The company is owned by

Laser Cofinoga S.A

18 Rue de Londres

75009 Paris

France

Laser Confinoga is 100% owned by BNP Paribas - Personal Finance. It is expected that Laser Cofinoga will be integrated in the group in 2015.

Board of Directors

Benoit Cavelier (*Chairman*)

Alain van Groenendael

Veronique Berthout

Pierre de Fontenay

Michael R. Lundgaard (*Independent director*)

Executive Board

John Poulsen

CEO

Auditors

PwC

Management Statement

The Board of Directors and the Executive Board have today reviewed and approved the interim report of Ekspres Bank A/S for 2015. The interim report has been prepared in accordance with the Danish Financial Business Act.

In our opinion, the interim report gives a true and fair view of the bank's assets, liabilities and financial position at the 30 June 2015 as well as the result of operations for the period 1st January – 30th June 2015.

Moreover, in our opinion, the management's review gives a true and fair view of the development of the bank's activities and financial position and describes the most significant risks and uncertainties that may affect the company.

Copenhagen, the 26th of August 2015

EXECUTIVE BOARD

John Poulsen
CEO

BOARD OF DIRECTORS

Benoit Cavalier
Chairman

Alain van Groenendael

Veronique Berthout

Pierre de Fontenay

Michael Lundgaard

Board of Directors



Benoit Cavalier (Chairman)

Chairman of the Board of Directors - Ekspres Bank
 Head of SUN region - BNP Paribas-Personal Finance
 President - LEVAL 20
 President - LEVAL 21
 Supervisory Board Director - United Partnerships
 Supervisory Board Director - Laser Cofinoga
 Supervisory Board Director – Cofinoga
 President - Cosimo
 President of the Supervisory Board - RCS Investment Holdings Limited
 President of the Supervisory Board - RCS Collections Proprietary Limited
 President of the Supervisory Board - RCS Home Loans
 President of the Supervisory Board - RCS Personal Finance Proprietary Limited
 President of the Supervisory Board - RCS Cards Proprietary Limited

Pierre de Fontenay

Head of Nordic Region - BNP Paribas
 Director - Alfred Berg Asset Management AB
 Board Director - Ekspres Bank

Veronique Berthout

Head of Sales SUN Region - BNP Paribas-Personal Finance
 Board Director - Ekspres Bank

Alain van Groenendael

Director, Deputy CEO, Head of International and Marketing - BNP Paribas-Personal Finance
 Deputy CEO and Board Director - BNP Paribas-Personal Finance
 Supervisory Board Director - Commerz Finanz
 Board Director - Banco Cetelem
 Board Director - Union De Creditos Inmobiliarios S.A., E.F.C
 Board Director - Union De Creditos Inmobiliarios
 Supervisory Board Director - Cetelem Slovensko
 Board Director - Banco BNP Paribas-Personal Finance
 President of the Supervisory Board - Cetelem CR
 Board Director - Findometric Banca
 Board Director - TEB Tuketici Finansman
 Board Director - RCS Investment Holdings Limited
 Board Director - RCS Collections Proprietary Limited
 Board Director - RCS Home Loans
 Board Director - RCS Personal Finance Proprietary Limited
 Board Director - RCS Cards Proprietary Limited
 Board Director - Cetelem Bank
 Board Director - Ekspres Bank

Michael Ravbjerg Lundgaard

Independent Board Director – Ekspres Bank
 Chief Audit Executive - DSB

Our Business

Business Introduction

Ekspres Bank was established in 1987 as a result of a cooperation between Handelsbanken and Dansk Supermarked. Throughout the past 25 years our company has revolutionised itself into being a modern bank providing financial services directly and indirectly via sales relationships with more than 2,000 partners.

Ekspres Bank entered the Norwegian market in 2008 and our shared head office is located in Taastrup, where we:

- Are 120 FTEs
- Process >400,000 applications annually
- Manage >350,000 accounts in our customer portfolio

Ekspres Bank has an international support base, which has been reinforced in 2014, when BNP Paribas - Personal Finance, one of the larger global players within consumer finance, achieved 100% ownership of Ekspres Bank's current owner; the LaSer Group.

Our Values

Ekspres Bank runs its business based on three values:

- Customer-centric - we put our customers first
- Commitment - we take ownership
- Credibility - we do what we say

Our CSR Policy

In Ekspres Bank responsible lending is of highest importance. We practice CSR by:

- Ensuring sufficient and transparent information and guidance to our existing and potential customers
- Collaborating with competitors via the sectoral association, "Finance and Leasing" on the tool "KreditStatus"
- Providing donations to The Danish Childhood Cancer Organisation



Management Review

Financial Review

The outstanding loans amounted to DKK 3,297m, compared with DKK 3,166m at year-end 2014, which corresponds to an increase of 4.1%. This increase is mainly driven by the acquisition of an external healthy portfolio during the first half of 2015.

New Loans

Overall the amount of new loans and credit facilities increased by 3,3% in 2015 compared with 2014. The increase can be assigned to an increase in the Danish sales. Sales on the Norwegian market have remained stable compared to previous years.

Macroeconomic Development

Consumer confidence is improving but with a certain level of uncertainty. The bank was however able to maintain a good level of business and to generate a satisfactory result.

Continuous Focus on Credit Policy Adjustments and Bad Debt Provisions

Impairment losses recognized during the first half of 2015 accounted for DKK 53m against DKK 31m during first half of 2014. The 2014 impairment losses were positively impacted by the sale of a part of the bad debt portfolio in Norway. Furthermore there is an impact of the increase in outstanding receivables which results in higher impairment losses.

Results of Operations

The increase in outstanding loans of 4.1% and the change in our portfolio product mix have resulted in higher interest, fee and commission income.

The bank's staff costs and operating expenses decreased by 1,4 % and totaled DKK 88,2m against DKK 89,5m, which is mainly driven by a reduction in marketing costs of DKK 2,4m partly offset by an increase in staff costs of 1,4 mDKK. Depreciation charges decreased by DKK 1,8m which is explained by intangible assets which were fully amortized during the year.

The bank reported a pre-tax Interim Profit of DKK 87,7m, which is considered satisfactory compared with the pre-tax profit of DKK 166m in 2014.

Balance Sheet

During first half of 2015, Ekspres Bank's balance sheet increased from DKK 3,286 to DKK 3,501m, which corresponds to a rise of 6,5% compared with the 2014 year-end. The increase is primarily due to the development of the loan portfolio.

Equity totaled DKK 616m against DKK 587m at the end of 2014.

Dividends distributed in 2015 to the parent company amounted to DKK 40m.

Capital Adequacy Ratio

Ekspres Bank's capital base, less deductions, amounted to DKK 538.381m, in June 2015.

Ekspres Bank's capital adequacy ratio amounted to 17.03 %, in June 2015.

Gender Under-Representation

It is the Board of Directors' target that both genders are represented. The Board of Directors elected by the general meeting of the bank at present consists of 80% males and 20% females, thus below the Board's present target. However, new initiatives have been taken to even out the under-representation in the Board and it is expected that a female board member will be elected at an extraordinary general meeting during early fall 2015. She will be replacing a male board member thus resulting in a mix of 60/40. At top level management there is an under-representation of one gender but there is no under-representation of one gender at the bank's other management levels.

Post Balance Sheet Events

No other events have occurred after the end of the financial year which could affect the assessment of the annual report.

Outlook for the Second Half of 2015

Provided that there are no significant changes in the market, the profit for the full year is expected to reflect the good performance of the first half of 2015.

Supervisory Diamond

The Danish FSA has created a monitoring tool called the “Supervisory Diamond” consisting of five benchmarks on specific risk areas, stating limit values which the bank should basically observe.

The five benchmarks are as follows:

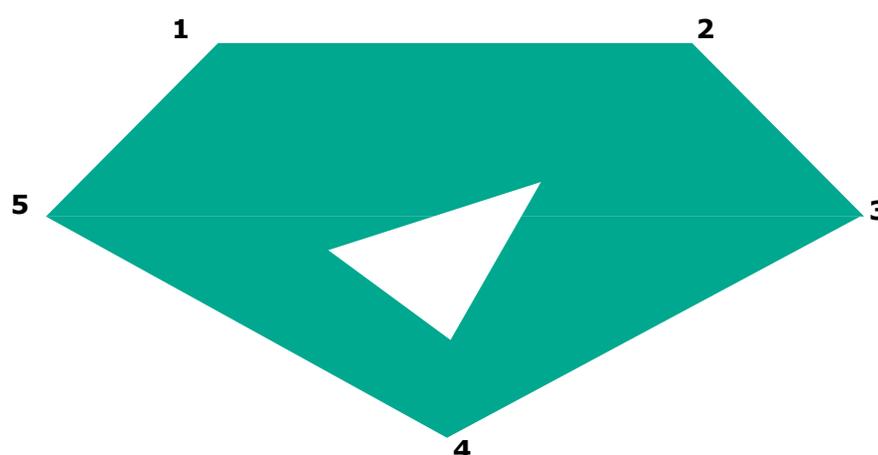
1. Sum of large exposures
2. Lending growth
3. Concentration of commercial property exposures
4. Funding ratio
5. Excess liquidity coverage

Ekspres Bank does not have any current deposit accounts, therefore, the benchmark as to the funding ratio will exceed the limit value fixed by the Danish FSA, if the calculation of the bank’s business model is not adjusted. Ekspres Bank therefore calculates an alternative funding ratio in which the deposits are replaced with unused credit facilities issued by the mother company. The table below shows the calculation of both funding ratios, in order to get a quick insight into the bank’s real value.

As of 30st of June 2015, the bank was complying with the four other benchmarks set up by the Danish FSA.

SUPERVISORY DIAMOND	EKSPRES BANK	REQUIRED
1. benchmark -> Sum of large exposures < 125%	0%	< 125%
2. benchmark -> Lending growth < 20%	4,1%	< 20%
3. benchmark -> Concentration on commercial property exposures < 25%	0%	< 25%
4. benchmark -> Funding ratio < 1	5,35	< 1,00
<i>4. benchmark -> Funding ratio < 1*</i>	<i>0,61</i>	<i>< 1,00</i>
5. benchmark -> Excess liquidity coverage > 50 pct.	2,23	> 0,50

**The funding-ratio uses the internal model for the diamond*



White lines = Ekspres Bank*

Green area = Limit values

**The funding-ratio uses the internal model for the diamond*

Accounting Policies

The interim report has been prepared in accordance with the Danish Financial Business Act and Executive Order no. 17 on Financial Reports for Credit Institutions and Investment Companies, etc. ('the Executive Order').

The accounting policies are consistent with those of last year.

Recognition and Measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the bank and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the bank and the value of the liability can be measured reliably.

Recognition and Measurement in General

The measurement of certain assets and liabilities requires the management to estimate the influence of future events on the value of these assets and liabilities. The estimate most critical to the financial reporting is the impairment charges for loans.

The estimates are based on assumptions which, according to management, are reasonable, but inherently uncertain.

Foreign Currencies

Foreign currency transactions are translated using the exchange rate at the transaction date. Receivables, liabilities and other monetary items are translated using the rate of exchange at the balance sheet date. Exchange rate differences between the transaction date and the settlement date or the balance sheet date, respectively, are recognised in the income statement as value adjustments.

Exchange rate differences arising at the balance sheet date in the Norwegian branch are taken directly to equity.

Interest Income and Expenses

Income and expenses are accrued over the lifetime of the transactions and recognised in the income statement at the amounts relevant to the financial reporting period.

Fees

Fees are normally recognised as income when received.

Establishment fees received and commissions paid for loans arranged are accrued over the term of the related loans based on the effective interest method.

Collection fees are taken to the income statement when entered in the customer's account, since debt collection procedures are performed internally in Ekspres Bank.

Staff Costs and Administrative Expenses

Wages, salaries and other types of remuneration are expensed in the income statement as earned. Compensated absence commitments are expensed as the actual number of holidays are earned and spent.

Derivatives

Derivatives are measured at fair value. The gross value is stated under "Other assets" and "Other liabilities" considering any netting agreements.

Fair value adjustments of derivatives which do not qualify for being treated as hedging instruments are recognised in the income statement.

Interest in connection with interest-rate swaps is recognised under "Interest income". Calculated fair value adjustments are recognised as value adjustments in the income statement.

Loans and Advances

After initial recognition, amounts due to the bank are measured at amortised cost less impairment losses.

Impairment losses on loans are recognised regularly when there is objective evidence of impairment (OEI) i.e. an event or more events which may lead to losses due to customers' inability to pay or unwillingness to do so. It is primarily non-performing loans and distressed loans that are individually impaired, and the recoverable amounts are calculated based on individual assessments where customers' ability to pay or unwillingness to do so has been evaluated given a collective statistical method. The resulting impairment losses are recognised in the income statement under "Impairment losses on loans and receivables, etc."

Impairments of loans not in arrears are estimated collectively on the basis of a model developed by The Association of Local Banks.

The model is adjusted to Ekspres Bank's loan portfolio.

Intangible Assets

Licenses and software are recognised in the balance sheet at cost less straight-line amortisation. Amortisation is based on the estimated useful lives of the assets, however maximum three years.

IT development costs are recognised in the balance sheet at cost with the addition of production overheads less straight-line amortisation. Amortisation is based on the estimated useful lives of the assets, however maximum eight years. Assets in progress are recognised in the balance sheet at cost.

An impairment test is performed for intangible assets if there is evidence of impairment. The impairment test is made for the activity or business area to which the intangible assets relate. Intangible assets are written down to the higher of the value in use and the net selling price for the activity or the business area to which the intangible assets relate (recoverable amount) if it is lower than the carrying amount.

Property, Plant and Equipment

Operating equipment is recognised in the balance sheet at cost less straight-line depreciation. Depreciation is based on the estimated useful lives of the assets, however maximum three years.

Other Assets

In addition to the positive market value of derivatives, this item comprises accrued interest income on loans.

Prepayments / Deferred Income

Prepayments recognised under assets comprise accumulated expenses settled and distributed over the expected terms of the loans. This item also includes prepaid expenses.

Deferred income comprises income received in advance; establishment fees and trade commission.

Debt to Credit Institutions and Central Banks

Financial liabilities are recognized on inception and measured at the proceeds received net of transaction costs incurred. Interest-bearing debt is subsequently measured at amortized cost using the effective interest-rate method. Other payables are subsequently measured at nominal unpaid dept.

Other Liabilities

Other liabilities include trade payables, other accrued expenses and interest payable.

Income Taxes

Current tax charges are recognised in the balance sheet as the estimated tax charge in respect of the expected taxable income for the year, adjusted for tax on prior years' taxable income and tax paid in advance.

Deferred Tax

Provisions for deferred tax are calculated at 23.5% of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, and temporary differences on non-amortisable goodwill.

Deferred tax assets are measured at the value at which they are expected to be utilized, either through elimination against tax on future earnings or as a set-off against deferred tax liabilities.

Dividends

Proposed dividends are recognised as a liability once approved by the annual general meeting of shareholders (date of declaration). Until the proposal is approved, dividends payable for the year are shown in equity.

Financial Highlights

Key figures (DKK'000)	HY 2015	HY 2014	2014
<i>Net interest and fee income</i>	229.872	219.099	441.780
<i>Market value adjustments</i>	911	1.902	155
<i>Staff costs and administrative expenses</i>	88.233	89.450	175.816
<i>Write-down of loans and receivables, etc.</i>	52.256	31.075	91.477
<i>Net profit for the year</i>	66.087	71.144	122.602
<i>Loans</i>	3.296.665	3.096.548	3.165.708
<i>Equity</i>	616.486	545.236	587.054
<i>Total assets</i>	3.500.663	3.215.376	3.285.535
*) Ratios (DKK'000)	HY 2015	HY 2014	2014
<i>Capital base</i>	538.381	439.246	446.160
<i>Solvency ratio</i>	17,0	14,9	14,6
<i>Core capital ratio</i>	17,0	14,9	14,6
<i>Return on equity before tax</i>	14,6	17,8	29,7
<i>Return on equity after tax</i>	11,0	13,2	21,9
<i>Income/cost ratio, DKK</i>	1,6	1,8	1,6
<i>Interest-rate risk</i>	(3,3)	(1,7)	(1,4)
<i>Gearing of loans, end of the periode</i>	5,3	5,7	5,4
<i>semiannual growth in loans</i>	4,1	(0,3)	1,9
<i>Excess cover relative to statutory liquidity requirements</i>	222,7	369,6	211,3
<i>Total amount of large exposures</i>	0,0	0,0	0,0
<i>Net impairment ratio</i>	1,4	0,9	2,6
<i>Return on assets</i>	1,9	2,2	3,7

*) Calculated in accordance with the Danish FSA's definition of ratios.

Income Statement and Comprehensive Income

Note	(DKK'000)	HY 2015	HY 2014
1	<i>Interest income</i>	238.127	215.660
2	<i>Interest expenses</i>	56.669	47.988
	<i>Net interest income</i>	181.458	167.672
3	<i>Fees and commission income</i>	80.648	79.976
	<i>Fees and commission paid</i>	32.234	28.549
	<i>Net interest and fee income</i>	229.872	219.099
4	<i>Market value adjustments</i>	911	1.902
	<i>Other operating income</i>	43	56
5	<i>Staff costs and administrative expenses</i>	88.233	89.450
	<i>Amortisation, depreciation and impairment of intangible assets and property, plant and equipment</i>	2.630	4.433
6	<i>Impairment losses, loans and receivables, etc.</i>	52.256	31.075
	<i>Profit before tax</i>	87.707	96.098
	<i>Tax</i>	21.620	24.954
	<i>Profit for the year</i>	66.087	71.144
	<i>Other comprehensive income after tax</i>	0	0
	<i>Total comprehensive income</i>	66.087	71.144

Balance Sheet

Note	(DKK'000)	HY 2015	2014
ASSETS			
	<i>Cash in hand and demand deposits with central banks</i>	20	16
	<i>Receivables from credit institutions and central banks</i>	84.860	14.128
	<i>Loans and other receivables at amortised cost</i>	3.296.665	3.165.708
	<i>Intangible assets</i>	3.012	5.494
	<i>Property, plant and equipment</i>	177	40
	<i>Current tax assets</i>	0	2.363
	<i>Deferred tax assets</i>	19.666	22.045
	<i>Other assets</i>	25.041	22.814
	<i>Prepayments</i>	71.222	52.927
	Total assets	3.500.663	3.285.535

Balance Sheet

Note	(DKK'000)	HY 2015	2014
LIABILITIES AND EQUITY			
<i>LIABILITIES OTHER THAN PROVISIONS</i>			
	<i>Payables to credit institutions and central banks</i>	2.710.578	2.519.897
	Current tax liabilities	9.670	0
	<i>Other liabilities</i>	67.073	86.591
	Deferred income	95.256	90.493
	Total liabilities other than provisions	2.882.577	2.696.981
<i>PROVISIONS</i>			
	<i>Provisions for deferred tax</i>	0	0
	<i>Other provisions</i>	1.600	1.500
	Total provisions	1.600	1.500
<i>EQUITY</i>			
	<i>Share capital</i>	110.000	110.000
	<i>Retained earnings or loss brought forward</i>	506.486	437.054
	<i>Proposed dividend</i>	0	40.000
	Total equity	616.486	587.054
	Total liabilities and equity	3.500.663	3.285.535

Statement of Changes in Equity

(DKK '000)

	<i>Share capital</i>	<i>Retained earnings</i>	<i>Proposed dividend</i>	<i>Total</i>
Equity, end of 2014	110.000	437.054	40.000	587.054
<i>Profit for the year</i>	0	66.087	0	66.087
<i>Foreign-exchange difference, Norway</i>	0	3.345	0	3.345
<i>Dividend distributed</i>	0	0	-40.000	-40.000
<i>Proposed dividend</i>	0	0	0	0
Equity, end of 2015	110.000	506.486	0	616.486

The share capital amounts to DKK 110,000,000 distributed on shares of DKK 1,000 each or multiples thereof.

The share capital has remained unchanged at DKK 110,000,000 in the past 5 years.

Notes to the Financial Statements

NOTE

	(DKK'000)	HY 2015	HY 2014
1	Other interest income		
	Receivables from credit institutions and central banks	0	0
	<i>Loans and other receivables</i>	238.127	215.660
	Total other interest income	238.127	215.660
<p><i>Ekspres Bank A/S does not provide segment disclosures, as the bank exclusively operates in the Nordic within a uniform customer group with a range of different products in the same category.</i></p>			
2	Interest expenses		
	Credit institutions and central banks		
	<i>Other interest expenses</i>	54.473	45.737
	Total credit institutions and central banks	54.473	45.737
	Derivatives		
	<i>Interest-rate agreements</i>	2.196	2.251
	Total derivatives	2.196	2.251
	Total	56.669	47.988
3	Fees and commission income		
	<i>Other fees and commission income</i>	80.648	79.976
	Total	80.648	79.976
4	Market value adjustments		
	Derivatives		
	<i>Interest-rate agreements</i>	917	1.865
	Total derivatives	917	1.865
	<i>Other assets</i>	0	37
	<i>Other liabilities</i>	-6	0
	Total	911	1.902

Notes to the Financial Statements

NOTE

Notes to the financial statements

(DKK'000)	HY 2015	HY 2014
5 Staff costs and administrative expenses		
<i>Wages and salaries</i>	37.560	36.164
<i>Pensions</i>	3.728	3.544
<i>Social security costs</i>	7.338	7.084
<i>Total</i>	48.626	46.792
<i>Other administrative expenses</i>	39.607	42.658
<i>Total staff costs and administrative expenses</i>	88.233	89.450

Ekspres Bank has a limited risk profile, since the Executive Board is the only one with significant impact on the company's risk profile.

Moreover, Ekspres Bank has no pension liabilities vis-à-vis current or former board members.

Loans to management

Loans and loan commitments and charges, guarantees or warranties to members of the

<i>Executive Board</i>	0	0
<i>Board of Directors</i>	0	0
<i>Security for loans, etc.</i>	0	0
<i>Total</i>	0	0

Notes to the Financial Statements

NOTE

(DKK'000)	HY 2015	HY 2014
6 Write-downs on loans and receivables		
<i>Group impairment losses during the year</i>	3.093	0
<i>Individual impairment losses during the year</i>	69.365	61.091
<i>Reversal of individual impairment losses recognised in previous years</i>	-29.192	-32.513
<i>Final loss on debt previously written down</i>	8.252	17.656
<i>Loss on debt not previously written down</i>	4.674	-17.295
<i>Amounts received, previously written-off debt</i>	-3.017	2.717
<i>Other movements</i>	-921	-580
<i>Total</i>	52.255	31.075
7 Contingent liabilities		
<i>Other liabilities</i>	308.218	220.020
<i>Total</i>	308.218	220.020

Notes to the Financial Statements

NOTE

8 **Name and location**

Ekspress Bank NUF

Oslo, Norway

HY 2015

Share in %

100%

Number of employees

0,0

(DKK '000)

Revenue *

43.865

Profit before tax

8.497

Tax

71

Government grants received

0

** For companies reporting under the Financial Business Act, revenue is defined as interest, fee and commission and other operating income.*

Ekspress Bank NUF is 100% a branch of Ekspres Bank and consolidated within Ekspres Bank A/S