



3rd QUARTER 2016

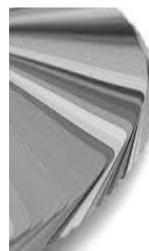
RESULT PRESENTATION



This is TF Bank



**GEOGRAPHICALLY
DIVERSIFIED**



**DIVERSIFIED
GRANULATED
PORTFOLIO**



**FLEXIBLE IT
PLATFORM**



**NEW OPPORTUNITIES
IN SALES FINANCE
WITH AVARDA JV**



**CLEAN BALANCE
SHEET SALE OF NPL**



**LEAN AND COST
FOCUSED
ORGANIZATION**

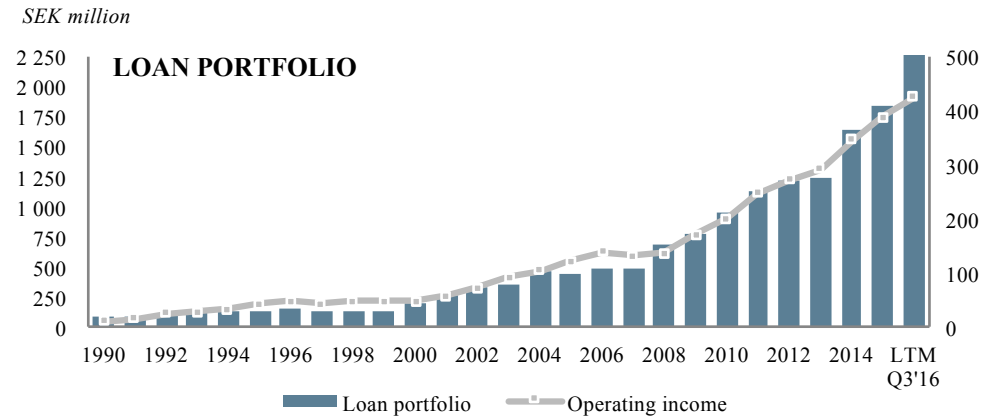
 **TFBank**

TF Bank facilitates financial transactions for consumers

Long experience and proven business model

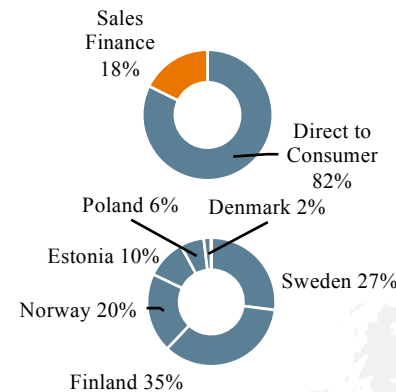
- More than 25 years experience from consumer finance industry
- Business model combining growth with best-in-class returns
- Highly profitable core markets with proven model for geographical expansion into new high-growth markets
- Over 1 million active customers
- Two complementary business segments
 - *Direct to Consumer* (consumer loans & credit cards)
 - *Sales Finance* (payment solutions to merchants)

Strong track record on growth and profitability

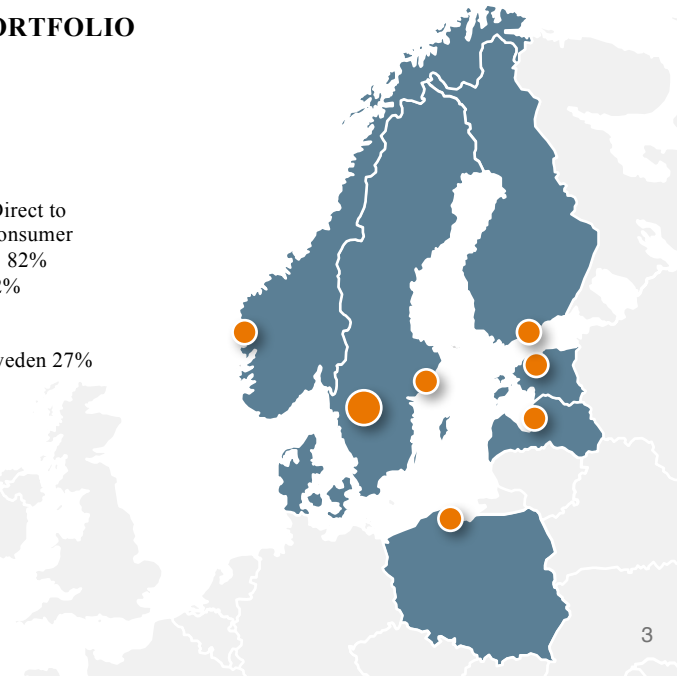


Geographically well diversified

SHARE OF LOAN PORTFOLIO (9M 2016)



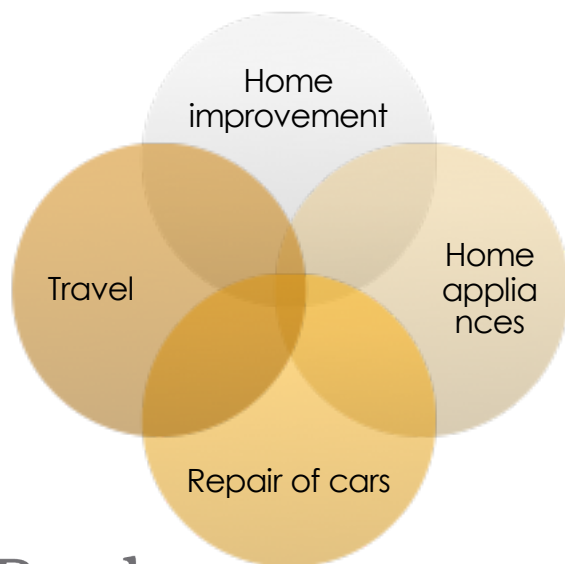
99 employees








Direct to Consumer - Diversified Granulated Portfolio

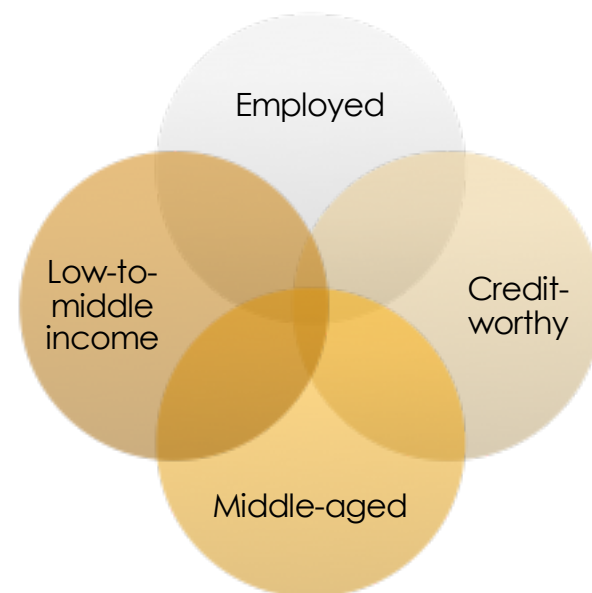
Product overview and use of proceeds

- Consumer loans up to SEK 45,000-300,000 depending on market
- Marketed through internal channels and external partners
- Average loan on book of SEK ~25,000 with estimated average maturity of ~18 months
- Tenor of loans are typically between 12 and 60 months



Loan sizes and customer profile

SEK	Average size (per Sep '16)	Max size
	~24,000	50,000
	~80,000	~300,000
	~23,000	~55,000
	~19,000	~45,000
	~16,000	~100,000



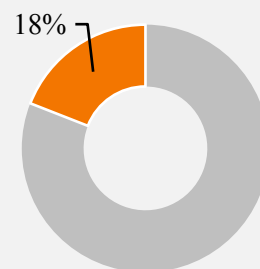
Sales Finance – Drives new lending and builds database

Product overview

- The Sales Finance segment enables merchants to offer financing solutions to their customers
- TF Bank offers reliable and attractive white-label solutions, enabling merchant to use branded invoices
- Invoice payment time of 30-50 days and instalment plans for up to 36 months
- Average loan amount of SEK ~1,500

Key financials

% OF TOTAL LOAN PORTFOLIO (Q3'16)



KEY FACTS

Amount outstanding	416 SEKm (30 Sep 2016)
Loan portfolio growth	+19% (9M)
Avg. ticket size	~1,500 SEK

Growth through two different brands and organisations

 TFBank (100%)

Geographical
expansion in
Europe

Long-term
merchant
relationships in
the Nordics



 AVARDA (51% JV)

Newly
established JV

Strategy to
become #2 in the
Nordic region



On track to deliver on long term targets

- Record high organic loan book growth
- Strong net profit growth
- Maintained cost efficiency (C/I ratio)
- Strong capital base

9M 2016 ON TRACK

LOAN BOOK
GROWTH

+28%
(30 Sep vs. 31 Dec)

NET PROFIT
GROWTH

+16.1¹⁾
(9M'16 vs 9M '15)

C/I RATIO

38.1%

TOTAL CAPITAL
RATIO

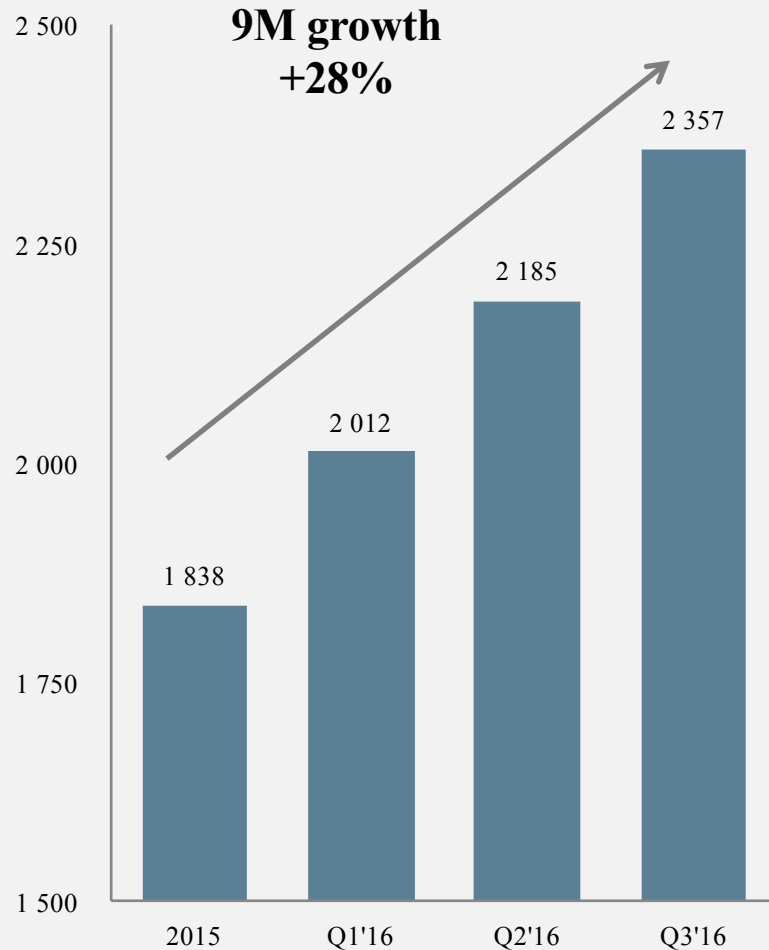
18.6%
(30 Sep '16)

1) Attributable to Shareholders of the parent company

Strong loan book growth driven by Direct to Consumer

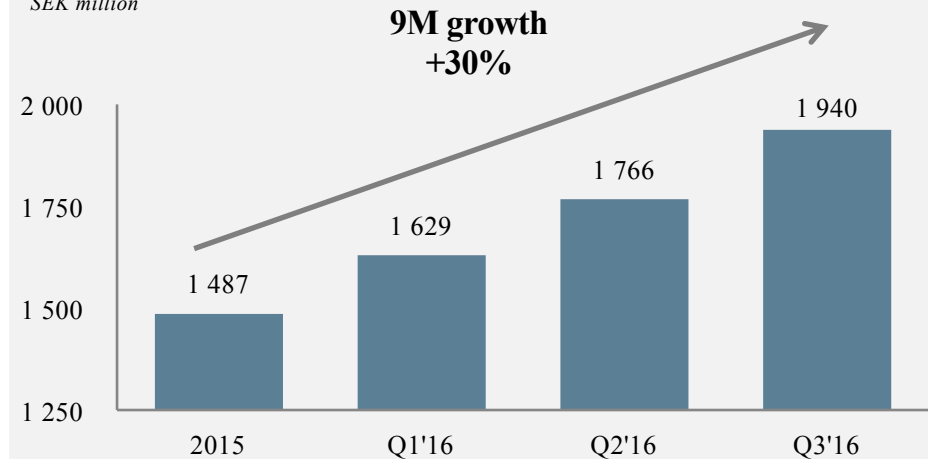
TF Bank Group

SEK million



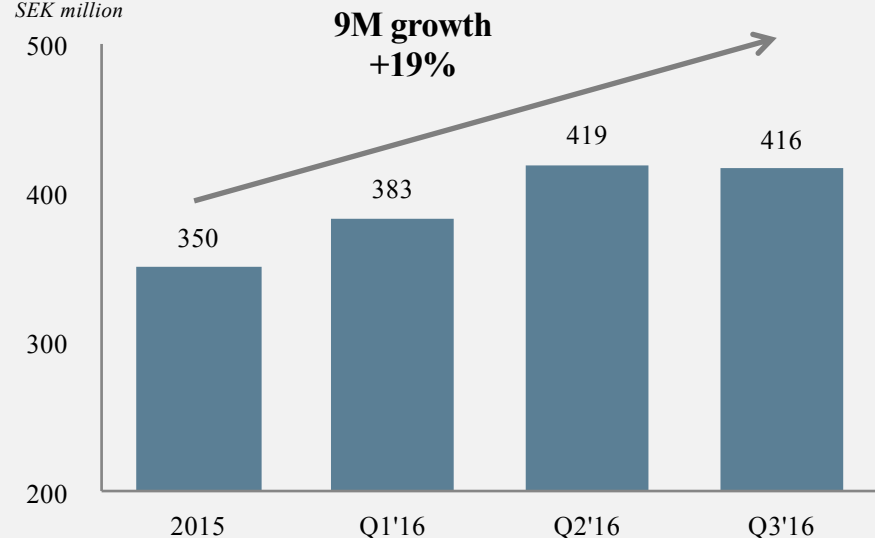
Direct to Consumer segment

SEK million








Sales Finance segment

SEK million



Strong growth outside of Sweden

Country	Loan book growth in MSEK (share of group)			Comments
	Q4'15 660	Q3'16 830 (35%)	Growth during 9M +26%	<ul style="list-style-type: none"> Continued strong growth in both segments
	Q4'15 655	Q3'16 640 (27%)	Growth during 9M -2%	<ul style="list-style-type: none"> Maintained position Focus on profitability
	Q4'15 228	Q3'16 477 (20%)	Growth during 9M +109%	<ul style="list-style-type: none"> Strong growth in BB Finans Application for bank licence in process.
	Q4'15 174	Q3'16 225 (10%)	Growth during 9M +29%	<ul style="list-style-type: none"> Stable portfolio development and credit quality
	Q4'15 85	Q3'16 145 (6%)	Growth during 9M +70%	<ul style="list-style-type: none"> Strong growth with focus on credit quality

Finland: The pillar of our geographic community

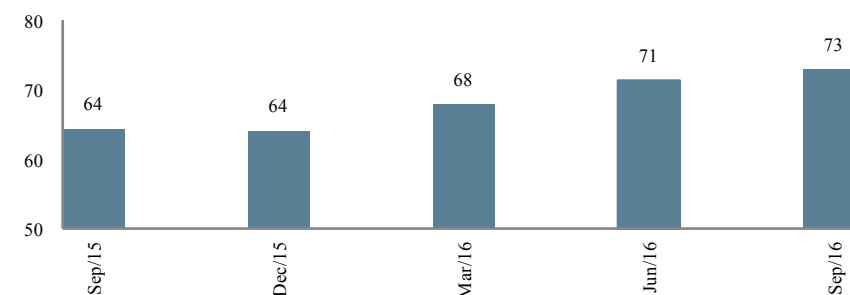
Product development

- Efficient and innovative online presence
- Enhanced cross-sell activities
- Better segmentation of portfolio to identify and activate best customers
- Improvement of origination with new external data sources

Continued strong business development

STABLE GROWTH IN DIRECT TO CONSUMER

Outstanding consumer loans (EURm)



MORE TO COME – STRATEGIC ROADMAP IN FINLAND



Further development of Avara



Increased online activity



Increase in number of co-operation partners

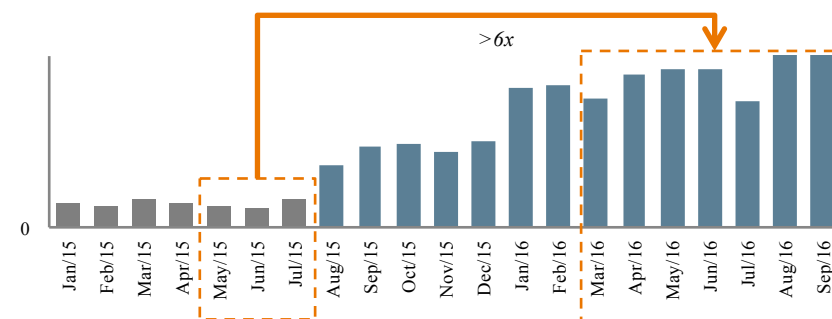
Norway: Converting experience into growth and success

Recent activities

- Increased new lending leading to continued loan book growth
- Stable credit quality based on many years of experience as credit institution
- Lower margins combined with lower credit losses compared to rest of the Group due to business mix

Strong momentum – with more to come

CONTINUED GROWTH SINCE ACQUISITION
New lending consumer loans (NOKm)



MORE TO COME – STRATEGIC ROADMAP IN NORWAY



Further integration of IT-platform and process



Bank licence in process / NOK deposits



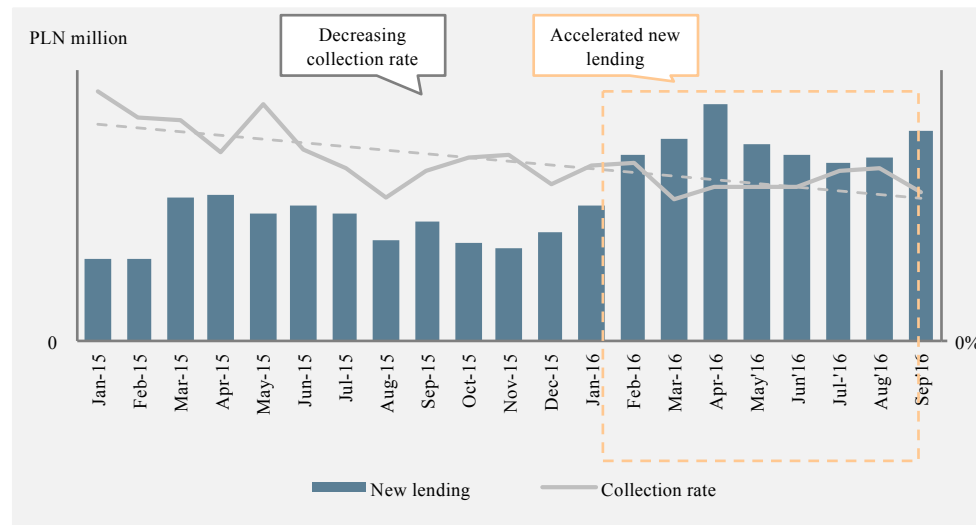
Product development/ Credit card

Poland: Careful growth in a potentially huge market

Credit risk managed and quality assured

- Continual improvement of internally developed scorecards with improved performance
- New credit bureaus implemented in real time
- Continued IT development of Polish Sales Finance offering

Loan portfolio growth following validation of model



MORE TO COME – STRATEGIC ROADMAP IN POLAND



Focus on scorecard and increasing approval rates



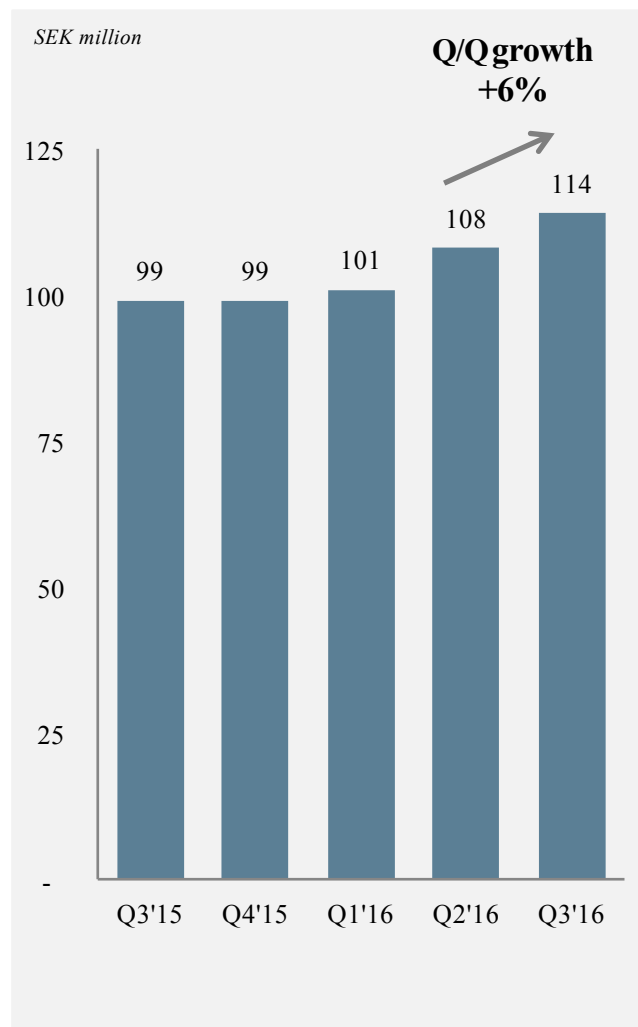
Focus on new Sales Finance partners



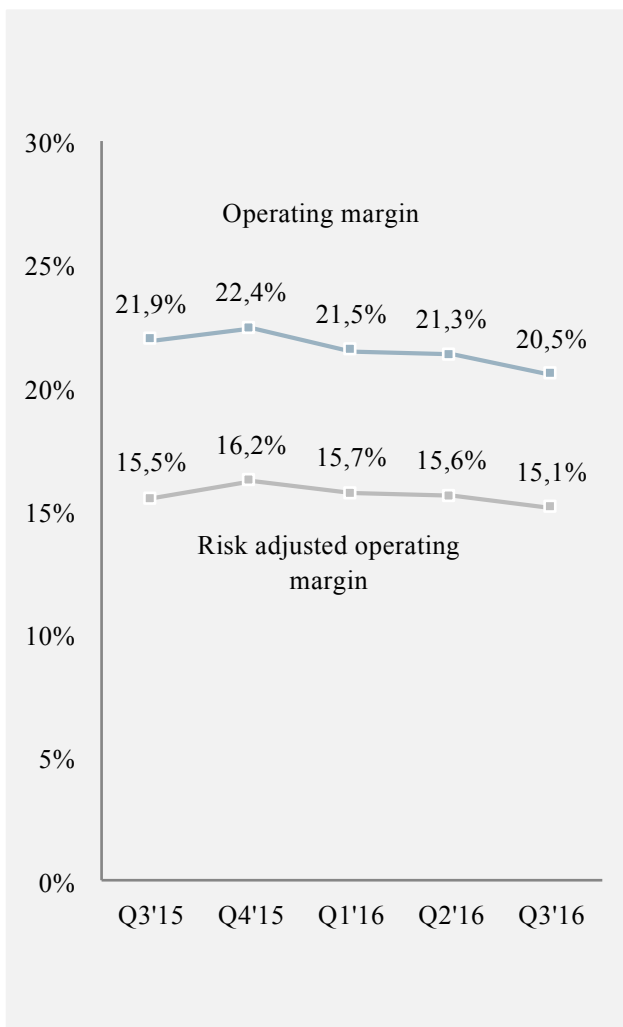
Focus on IT solutions before manual solutions

Increased operating income and strong margins

Operating income



Operating income margins

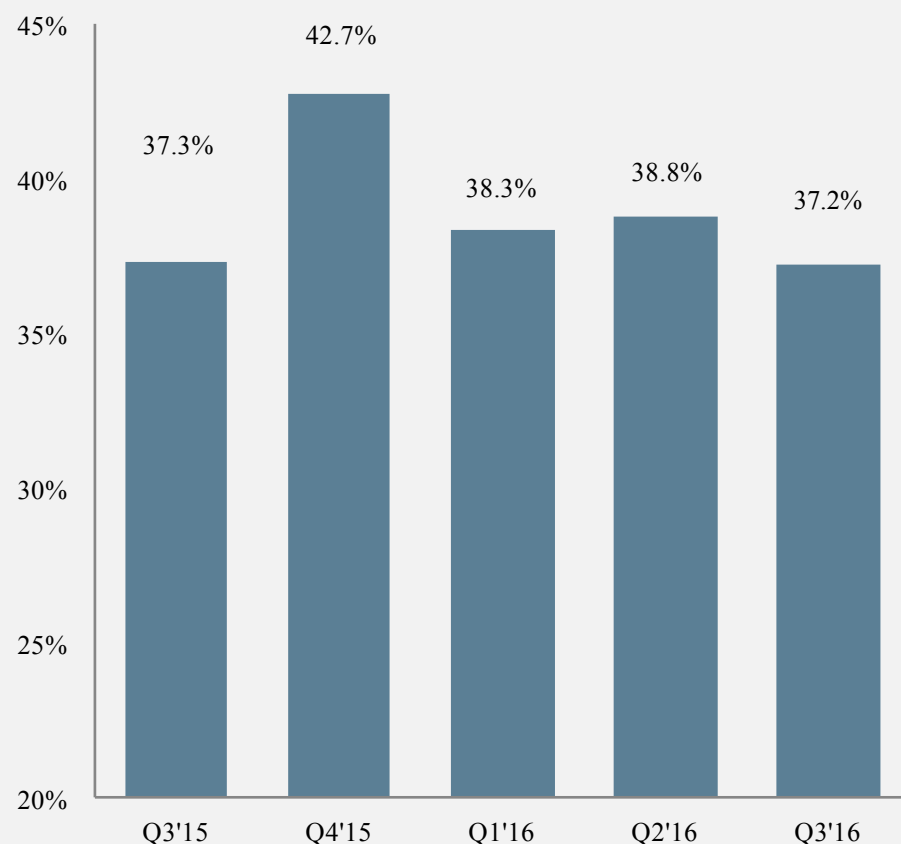


Comments

- Operating income +6% compared to previous quarter
- Operating income Q3 2016 vs. Q3 2015 + 15.6%
- Operating income margin decreasing mostly due to;
 - Growth in Norway (lower margins)
 - Higher interest expenses due to subordinated loan
 - Strong growth in loan book (interest income lag)
- Risk-adjusted margins (adjusted for net loan losses) relatively stable

Lean and cost focused organization

C/I-ratio

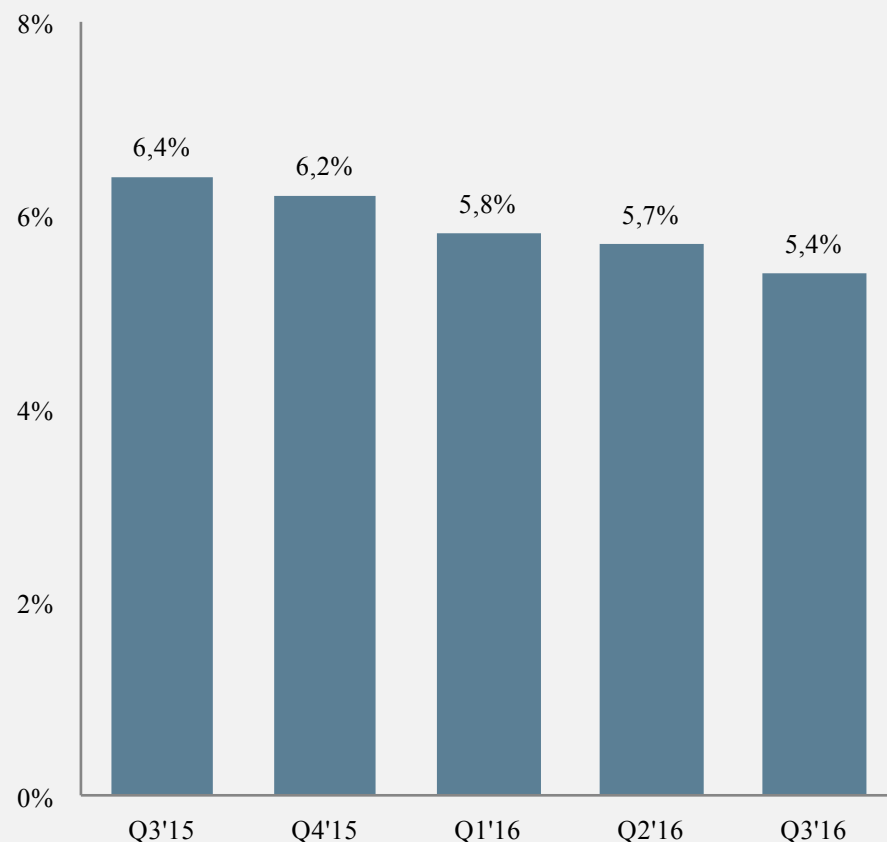


Comments

- Operational expenses (OPEX) stabilized in Q3'16 and Cost/Income (C/I) ratio decreased
- Positive seasonal effect in Q3'16
- C/I-ratio peaked in Q4'15
 - "Investments" affecting Q4'15
 - IT investments in Poland and Norway
 - Increased OPEX
- C/I-ratio excluding Avara 33.3% in Q3'16

Net loan loss ratio continues to decrease

Net loan loss ratio



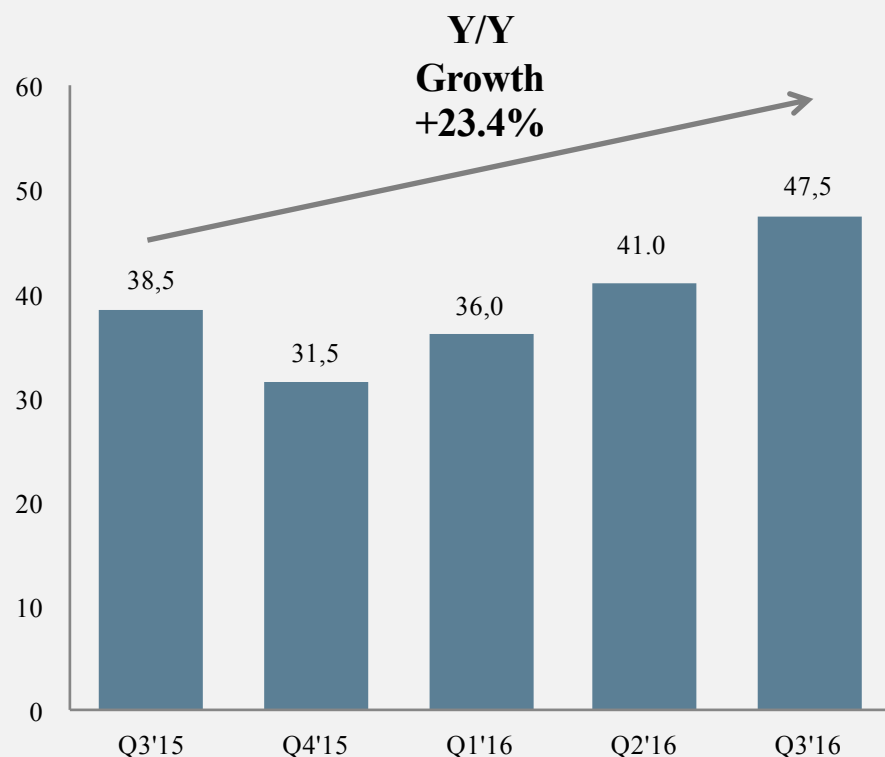
Comments

- Clean balance sheet policy
 - Non Performing Loans are generally sold on forward flow basis after approx. 72 days
- Net loan loss ratio continue to decrease, driven by;
 - Strong growth in Norway
 - Improving credit risk management processes for new markets
 - Strong growth in loan book (net loan losses lag)
 - Positive seasonal effect in Q3'16

Increased operating profit

Operating profit¹⁾

SEK million



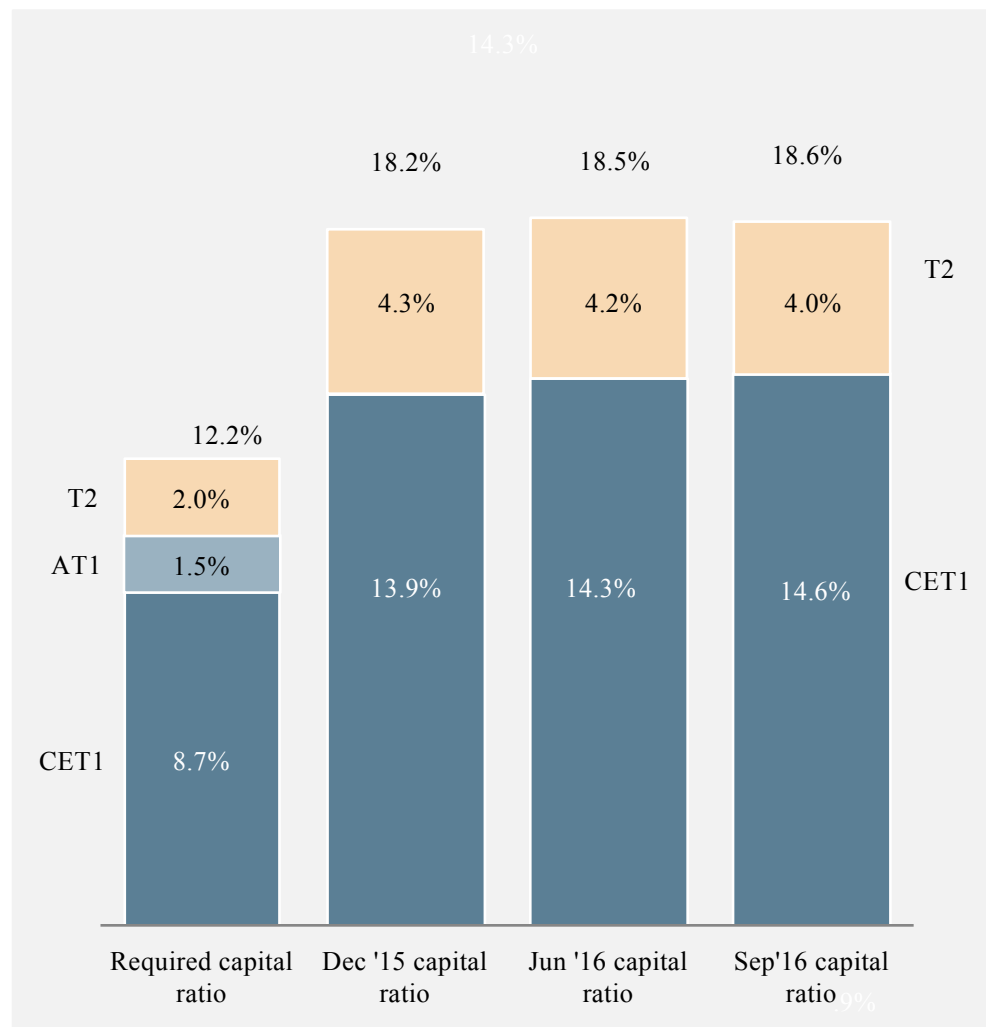
1) Attributable to shareholders of the parent company excluding items affecting comparability

Comments

- Operating profit +23.4% Q3'16 vs Q3'15
- Strong Q3'16
 - High growth in operating income
 - Stable operating expenses
 - Decreasing net loan loss ratio
 - Positive seasonal effects
- "Investments" affecting Q4'15
 - IT investments in Poland and Norway
 - Increased OPEX due to more employees
- On track to deliver on financial target, EPS 20%

Strong capital position to support further growth

Required and current capital structure



Comments

- Strong CET1 ratio of 14.6% and total capital ratio of 18.6%
- Significant headroom to legal requirements
- Objective is to maintain a total capital ratio of at least 14.5%

On track to deliver on financial targets

Item	Target	Outcome
Growth	<i>Over the medium term, the Company aims to achieve an EPS growth of at least 20 percent</i>	16.1¹ percent (9M'16 vs 9M '15)
Efficiency	<i>Over the medium term, the Company aims to achieve a cost to income ratio of below 35 percent</i>	38.1¹ percent (9M'16)
Capital structure	<i>The Company aims to maintain a total capital ratio of at least 14.5 percent</i>	18.6 percent (30 Sep '16)
Dividend policy	<i>a pay-out ratio of approximately 50 percent of its annual consolidated net profit</i>	N:A

Summary January-September 2016

- 1 STRONG GROWTH
- 2 INCREASED OPERATING INCOME
- 3 CAPITAL POSITION TO SUPPORT GROWTH
- 4 CONTINUED LOW C/I RATIO
- 5 REDUCED CREDIT LOSSES
- 6 STRONG MOMENTUM GOING FORWARD



On track to deliver

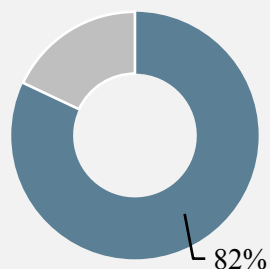
Q&A Session

Appendix

Direct to consumer overview

Loans to the public

% OF TOTAL LOAN PORTFOLIO



KEY FACTS

Amount
outstanding

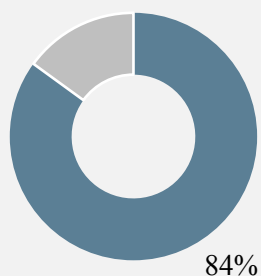
1,940 SEKm
(30 Sep 2016)

Loan portfolio
growth

+30.5%
(9M)

Operating income

% OF TOTAL OPERATING INCOME



KEY FACTS

Operating
income

96 SEKm
(Q3'16)

Growth

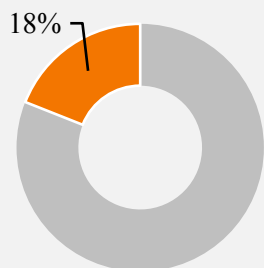
+15 %
(Q3'16 vs Q3'15)

- Consumer loans
- Focus on highly profitable small- to mid-sized consumer loans
- Distribution through own database, websites and credit intermediaries
- Loans to the public in Direct to Consumer increased by 30.5% the first 9 months of 2016 and growth remained strong in Norway, Finland and Poland, where much focus has been in the past year
- The Group's progress in Norway has led to BB Finans applying to the Norwegian FSA (Finanstilsynet) for a banking license, which will eventually allow the company to finance itself through deposits and offer the Group further diversified its funding

Sales Finance overview

Loans to the public

% OF TOTAL LOAN PORTFOLIO



KEY FACTS

Amount
outstanding

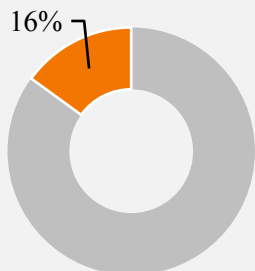
416 SEKm
(30 Sep 2016)

Loan portfolio
growth

19%
(9M)

Operating income

% OF TOTAL OPERATING INCOME



KEY FACTS

Operating
income

51 SEKm
(Q3'16)

Growth

-23%
(Q3'16 vs Q3'15)

- Enables retailers to offer an attractive financing solution to their customers
- Payment solution based on invoices that customer can choose to convert into a credit (instalment loan)
- Merchant friendly white label invoice solution
- Development of Avarda as # 2 Sales Finance provider in the Nordics

TF Bank team

Executive management team



Declan Mac Guinness
CEO

With TF Bank since 2012

Previous experience: CEO of Carlson Fonder AB and Compliance Officer for DNB Asset Management. Also a guest lecturer at Stockholm University for the last fifteen years



Johannes Rintaniemi
Head of Finland and Head of Direct to Consumer

With TF Bank since 2011

Previous experience: Worked in consumer credit, credit risk management and portfolio quality at Ferratum Group. **GE Money**, **Santander Consumer Finance** and **Citibank**



Björn Skytt
CIO

With TF Bank since 2010

Previous experience: Worked as integration manager for ICA Banken and prior to that as project manager and system manager for SKF's financial and treasury systems



Mikael Meomuttel
CFO and Deputy CEO

With TF Bank since 2006

Previous experience: Financial Controller at Consortio Fashion Group AB (CFG), one of the Nordic region's leading groups in distance commerce and e-commerce



Jonas Wedin
Head of Sales Finance

With TF Bank since 2013

Previous experience: Worked at ICA Banken, ICA AB and SP Technical Research Institute of Sweden as project leader and team leader



Sture Stølen
Head of Investor Relations

With TF Bank since 2015

Previous experience: Head of Investor Relations at SAS Group, senior advisor at Fogel & Partners, senior advisor and partner at Wildecos and a director of Forex Bank

Head of countries and functions



Wojciech Drozd
Head of Poland

With TF Bank since 2014

Previous experience: Sales leader with more than 15 years of extensive consumer finance and retail banking experience. Worked for **GE Money** & **BPH Bank** in Poland



Karin Zandren
Head of Sweden

With TF Bank since 2009

Previous experience: More than 10 years in the consumer finance sector. Previously worked with **Citibank** as Lending Product Manager and with **GE Money** as Online Sales & Marketing Manager



Krzysztof Blach
Credit Manager

With TF Bank since 2015

Previous experience: 12 years of experience within credit risk management. Worked for **GE Money Bank** in Poland as Head of Consumer Risk Management



Espen Johannesen
Head of Norway and CEO BB Finans

With TF Bank since 2015

Previous experience: Six years of experience within the Norwegian consumer finance market



Vilma Sool
Head of Estonia

With TF Bank since 2014

Previous experience: Head of division for private customer deposits in German, Austrian and Dutch market at **Bigbank** and established the Bigbank AS Swedish branch



Mikael Johansson
CEO Avarda

With Avarda since 2016

Previous experience: Various roles within Risk, Marketing & Business Development and CEO/MD at **GE Commercial Finance**, **Santander Consumer Bank**

Strong Governance through experienced Board



Mattias Carlsson

Chairman of the Board since 2015, Board member since 2008

Current commitments: TFB Service OU, Board member, BB Finans AS, Board member, Avarda AB, Board member, Avarda Oy, Board member

Dependent of the company and its management



Thomas Grahn

Board member since 2010

Previous appointments include the Swedish Financial Supervisory Authority

Independent of the company, its management and of major shareholders



Tone Bjørnov

Board member since 2015

Current commitments: Filmparken AS, chairman, BB Finans AS, Board member, ABG Sundal Collier ASA, Board member, ABG Sundal Collier Holding ASA, Board member, Bank 1 Oslo Akershus AS, Board member, Valutacorp AS, Board member, Norsk Film Kostyme AS, chairman Aqua Bio Technology ASA, Board member Intex Resources ASA, Board member

Independent of the company, its management and major shareholders



John Brehmer

Board member since 2010

Current commitments: TFB Holding AB, Board member, Zebware AB, chairman, Tiberon AB, chairman, Mederion AB, chairman, Consortio Fashion Holding AB, Board member

Independent of the company and its management.
Dependent of major shareholders



Bertil Larsson

Board member since 2007

Current commitments: Board member, LåsTeam Sverige AB, chairman, Minso Solutions AB, chairman, Conpera AB, Board member Minso Holding AB, chairman, Aktiebolaget Borås Tidning, chairman, Tore G Wärenstams stiftelse, Board member, Swedebridge AB, chairman Gota Media AB, Board member Effektiv Bemanning AB, chairman, Brf Asplickan, Board member

Independent of the company, its management and of major shareholders



Paul Källenius

Board member since 2007

Current commitments: TFB Holding AB, chairman, Consortio Fashion Group AB, chairman, Halens A, Board member, New Bubbleroom Sweden AB, Board member, Urbanista AB, Board member, Nordiska Hypoteksförmedlingen AB, Board member, Consortio Fashion Holding AB, chairman

Independent of the company and its management.
Dependent of major shareholders



Lars Wollung

Board member since 2015

Current commitments: IFS, chairman, Tieto, Board member, northern Alliance Group, chairman, DLaboratory, Board member, Bambora, Board member

Independent of the company, its management and major shareholders

CONTACTS



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