

**Report for the
third quarter 2019**
Bank Norwegian AS

Q3

Table of contents

Letter from the CEO	3
Report for the third quarter 2019	4
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Changes in equity.....	9
Notes	
Note 1 General accounting principles	10
Note 2 Segments	11
Note 3 Capital adequacy.....	12
Note 4 Expected credit loss	13
Note 5 Loans to customers by product groups	14
Note 6 Loan loss provisions	16
Note 7 Risk classes.....	16
Note 8 Net interest income.....	16
Note 9 Net commission and bank services income	17
Note 10 Net change in value on securities and currency	17
Note 11 General administrative expenses	17
Note 12 Debt securities issued and subordinated loan	17
Note 13 Financial instruments	18
Note 14 Related parties	18
Quarterly figures.....	19

Financial highlights

Profit and loss account

<i>Amounts in NOK 1000</i>	Bank Norwegian AS		
	Q3 2019	Q3 2018	2018
Interest income, effective interest method	1 316 989	1 261 386	4 908 500
Other interest income	37 800	23 730	104 303
Interest expenses	165 155	163 924	606 554
Net interest income	1 189 634	1 121 192	4 406 248
Net other operating income	89 503	69 171	246 750
Total income	1 279 137	1 190 364	4 652 998
Total operating expenses before losses	320 626	311 566	1 231 935
Provision for loan losses	271 944	299 209	1 027 631
Profit before tax	686 567	579 589	2 393 431
Comprehensive income for the period	514 925	434 700	1 800 501

Balance sheet

<i>Amounts in NOK 1000</i>	Bank Norwegian AS		
	30.9.19	30.9.18	31.12.18
Total assets	53 556 582	49 533 086	50 231 603
Loans to customers	40 067 806	36 751 296	37 797 618
Liquid assets	13 030 533	12 459 552	12 169 756
Deposits from customers	39 185 189	39 359 001	39 091 791
Debt securities issued	3 472 923	1 812 167	2 018 724
Subordinated loans	812 230	474 637	836 205
Tier 1 capital	635 000	635 000	635 000
Total equity	8 794 233	6 877 615	7 341 668

Key figures and alternative performance measures

	Bank Norwegian AS		
	Q3 2019	Q3 2018	2018
Return on equity (ROE) ¹	26.0 %	28.7 %	30.5 %
Return on assets (ROA) ¹	3.9 %	3.6 %	3.8 %
Earnings per share (EPS)	2.81	2.37	9.82
Common equity tier 1 (CET 1)	20.6 %	17.7 %	18.9 %
Leverage ratio ²	15.0 %	12.6 %	13.4 %
Liquidity coverage ratio (LCR) ²	203 %	210 %	210 %
Net interest margin (NIM) ¹	9.0 %	9.2 %	9.3 %
Cost/income ratio ¹	0.25	0.26	0.26
Non-performing loans to loans ¹	10.9 %	9.2 %	7.6 %
Loan loss provisions to average loans ¹	2.6 %	3.1 %	2.9 %
Loan loss allowance to loans ¹	5.8 %	4.5 %	4.2 %
Loan loss allowance to non-performing loans ¹	52.6 %	49.4 %	55.5 %

¹⁾ Defined as alternative performance measure (APM). APMs are described on banknorwegian.no/OmOss/InvestorRelations.

²⁾ Figures for Q3 2018 are restated

Letter from the CEO

Economic outlook for the Nordic region remains stable. GDP growth and employment levels continue their favorable trends even as we see signs of slowdown outside the Nordic region. The low interest rate environment in the Nordics is expected to continue as weaker growth both in key EU countries and globally is curbing interest rate expectations.

Negative social implications of unsecured lending are on the top of the agenda for most governments as well as for Bank Norwegian. The quarter has seen new regulation including interest rate cap in Finland and debt register in Norway. We regard our industry-leading risk selection and customer protection that goes beyond the concern of the regulatory bodies as key to our long-term profitability. The effect from the implementation of new regulation for unsecured lending in Norway is materializing with mixed results bearing in mind it is still early days. An expected decline in personal loan volumes is offset by increases in credit card balances. In parallel, obtaining a credit card has become more challenging for individuals in regular income brackets and some elements of the regulation limit the ability for many households to bridge temporary liquidity needs.

The execution of our 4-pillar strategy is proceeding according to plan with several milestones reached.

Profitable growth in our core Nordic region is paramount for the Bank and the third quarter represents another strong quarter. Despite intense competitive pressure and regulatory changes, customer and growth within both personal loans and credit cards continued and Bank Norwegian surpassed MNOK 500 in quarterly earnings for the first time. This was achieved due to a combination of stable income growth and lower cost while credit quality continued to improve. Further, the value of having a diversified product portfolio is evident as the product mix between personal loans and credit cards ensures a balanced growth.

Bank Norwegian continues to explore the best path for geographical expansion. A cautious and segmented go-to-market model will ensure the same industry-leading performance as in our key Nordic markets.

The application process for an EU Banking license in Ireland is progressing according to plan as the exploratory phase information has been submitted. Bank Norwegian expects engagement between Bank Norwegian's management and the CBI to commence in the fourth quarter.

During the quarter PSD2 has become live, but we are still only in the very early beginning of this evolution. Market surveys show that the industry might focus on attributes that are not key priorities for consumers and as in all innovation we must keep our eye on creating solutions that solve real customer needs.

Bærum, October 29, 2019

Tine Wollebekk
CEO

Report for the third quarter 2019

Bank Norwegian AS is a wholly owned subsidiary of Norwegian Finans Holding ASA. The ownership of Norwegian Finans Holding ASA is divided between institutional and private investors in Norway and abroad. 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 instalment 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 instalment loans and deposit accounts. Credit cards were launched in June 2016.

Norwegian Finans Holding ASA holds the rights to the Norwegian brand for banking services and access to customers across Europe.

Bank Norwegian is a digital bank that offers simple and competitive products to the retail market. The strategy is based on leading digital solutions, synergies with the airline Norwegian, attractive terms for our customers, cost-effective operations and effective risk selection.

At the end of the third quarter 2019 the bank had a customer base of 1 683 100 customers, which can be broken down into 1 235 600 credit card customers, 204 500 instalment loan customers and 243 000 deposit customers.

Profit and loss as of September 30, 2019

The bank's comprehensive income amounted to NOK 1 477 million, compared with NOK 1 330 million for the same period in 2018. The profit growth is explained by customer and loan growth.

Net interest income totaled NOK 3 528 million, net other operating income amounted to NOK 235.2 million, while total operating expenses were NOK 970.8 million. Provisions for loan losses were NOK 823.3 million.

Profit and loss for the third quarter 2019

The bank's comprehensive income amounted to NOK 514.9 million compared with NOK 478.2 million in the second quarter. Return on equity was 26.0%, compared with 25.8% in the second quarter. The return on assets was 3.9%, compared with 3.8% in the second quarter.

Net interest income amounted to NOK 1 190 million, an increase of NOK 10.8 million from the second quarter. The increase is mainly explained by loan growth. The net interest margin was 9.0%, compared with 9.3% in the second quarter.

Net other operating income amounted to NOK 89.5 million compared with NOK 54.4 million in the second quarter. Net

commission income increased NOK 8.0 million to NOK 64.3 million due to increased credit card activity. Net gain on securities and currency amounted to NOK 25.2 million, compared with a net loss of NOK 1.8 million in the second quarter. The increase is due to currency gains.

Total operating expenses amounted to NOK 320.6 million, an increase of NOK 7.2 million in the third quarter. Personnel expenses increased NOK 8.1 million mainly due to accrual effects in the second quarter. Administrative expenses decreased NOK 2.8 million, reflecting lower digital marketing expenses. Depreciation increased NOK 0.1 million. Other operating expenses increased NOK 1.7 million.

Provisions for loan losses were NOK 271.9 million, a decrease of NOK 10.3 million from the second quarter. Provisions equalled 2.6% of average gross loans, compared with 2.8% in the second quarter.

Gross delinquent loans were NOK 6 023 million, compared with NOK 5 334 million at the end of the second quarter. Gross non-performing loans accounted for 10.9% of gross loans, compared with 10.1% as of June 30, 2019. Non-performing loan levels are developing as expected.

Balance sheet as of September 30, 2019

Total assets increased NOK 2 130 million in the quarter and amounted to NOK 53 557 million.

Gross loans to customers increased NOK 1 638 million compared with NOK 1 080 million in the previous quarter and totaled NOK 42 516 million. Currency adjusted gross loan growth was NOK 1 267 million compared with NOK 1 110 million in the previous quarter. Instalment loans amounted to NOK 29 311 million and credit card loans amounted to NOK 13 205 million.

Customer deposits increased NOK 1 007 million compared with an increase of NOK 523.7 million in the second quarter and amounted to NOK 39 185 million at the end of the third quarter. Currency adjusted growth was NOK 686.7 million compared with NOK 546.5 million in the previous quarter.

In the third quarter the bank issued net NOK -148 million and SEK 320 million in senior debt securities.

Liquid assets increased NOK 791.8 million and amounted to NOK 13 031 million, equivalent to 24.3% of total assets.

Total equity amounted to NOK 8 794 million, compared with NOK 8 288 million as of June 30, 2019. The total capital ratio was 24.3%, the core capital ratio was 22.2% and the common equity tier 1 ratio was 20.6%.

The financial statements as of September 30, 2019 have been subject to an auditor review of interim financial statements.

Outlook

The outlook for the Nordic economies where the bank operates continues to hold up with sound growth and stable unemployment, even though global economic growth expectations have subsided.

Interest rate levels in the countries where the bank is represented are expected to remain low. The bank is expected to benefit from low interest rate levels through low funding costs.

The earnings growth is expected to continue through loan growth, stable margins, cost control and solid credit quality, even though the Nordic market for unsecured credit is very competitive. The competitive environment could lead to higher customer acquisition cost, margin pressure or lower growth.

The effects from new regulations and the implementation of a credit registry in Norway dampened loan growth in Norway in the third quarter. The bank has a broad Nordic platform and loan volumes are growing faster outside of Norway. As such, the bank has a diversified risk in relation to the individual markets.

A high deposit to loans ratio and good access to the securities market are expected to maintain the bank's strong liquidity position. The bank will continue its efforts to issue senior unsecured debt in preparation for MREL requirements and for further funding diversification.

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

The credit quality of the loan portfolios in all markets are exhibiting a stable development. The implementation of proprietary credit application and behavior scorecards are yielding positive results. Credit models and systems are undergoing continuous improvements.

Common equity tier 1 was 20.6% at September 30, exceeding the minimum requirement of 15.9%. The Norwegian Finans Holding Group plans to distribute capital in excess of applicable capital requirements annually, in the form of share buy backs and cash dividends.

The current capital base and internal generation of capital are considered more than adequate to ensure the bank's growth ambitions.

The NFH Group has initiated an exploratory phase in the process to apply for an EU banking license in Ireland in order to give the NFH Group a more efficient access to expand the business concept with a fully digitalized bank in European markets. A decision to initiate a draft application process is likely to be made early next year.

Bærum, October 29, 2019
The Board of directors of Bank Norwegian AS

John Høsteland
Chairman of the board

Bjørn Østbø
Board member

Lars Ola Kjos
Board member

Christine Rødsæther
Board member

Gunn Ingemundsen
Board member

Anders Gullestad
Board member

Tine Wollebekk
CEO

Profit and loss account

<i>Amounts in NOK 1000</i>	Note	Bank Norwegian AS				
		Q3 2019	Q3 2018	YTD 2019	YTD 2018	2018
Interest income, effective interest method		1 316 989	1 261 386	3 888 612	3 621 942	4 908 500
Other interest income		37 800	23 730	115 755	71 799	104 303
Interest expenses		165 155	163 924	476 504	461 192	606 554
Net interest income	8	1 189 634	1 121 192	3 527 863	3 232 550	4 406 248
Commission and bank services income	9	134 232	117 974	405 052	352 504	463 551
Commission and bank services expenses	9	69 930	59 978	192 445	167 392	229 652
Net change in value on securities and currency	10	25 201	11 144	22 587	18 756	12 818
Other income		-	32	-	32	32
Net other operating income		89 503	69 171	235 194	203 900	246 750
Total income	2	1 279 137	1 190 364	3 763 057	3 436 450	4 652 998
Personnel expenses		27 689	23 126	72 652	61 425	86 281
General administrative expenses	11	261 206	260 439	808 059	777 612	1 035 911
Depreciation and impairment of fixed and intangible assets		16 833	14 789	49 614	44 366	59 998
Other operating expenses		14 898	13 212	40 483	37 467	49 744
Total operating expenses before losses		320 626	311 566	970 808	920 870	1 231 935
Provision for loan losses	6	271 944	299 209	823 278	742 818	1 027 631
Profit before tax		686 567	579 589	1 968 971	1 772 761	2 393 431
Tax charge		171 642	144 888	492 235	443 181	592 930
Profit after tax	2	514 925	434 700	1 476 736	1 329 580	1 800 501
Earnings per share		2.81	2.37	8.06	7.25	9.82
Diluted earning per share		2.81	2.37	8.06	7.25	9.82

Comprehensive income

<i>Amounts in NOK 1000</i>	Bank Norwegian AS				
	Q3 2019	Q3 2018	YTD 2019	YTD 2018	2018
Profit on ordinary activities after tax	514 925	434 700	1 476 736	1 329 580	1 800 501
Other comprehensive income	-	-	-	-	-
Comprehensive income for the period	514 925	434 700	1 476 736	1 329 580	1 800 501

Balance sheet

Amounts in NOK 1000	Note	Bank Norwegian AS		
		30.9.19	30.9.18	31.12.18
Assets				
Cash and deposits with the central bank		68 285	65 957	67 959
Loans and deposits with credit institutions		1 622 517	1 580 922	1 499 199
Loans to customers	2, 5, 7	40 067 806	36 751 296	37 797 618
Certificates and bonds	13	11 339 732	10 812 673	10 602 597
Financial derivatives	13	19 284	48 072	12 773
Shares and other securities	13	42 529	38 637	36 691
Intangible assets		133 898	135 335	133 670
Deferred tax asset		16 990	11 157	16 990
Fixed assets		953	821	719
Receivables		244 589	88 215	63 385
Total assets	2	53 556 582	49 533 086	50 231 603
Liabilities and equity				
Loans from credit institutions		-	32 300	-
Deposits from customers		39 185 189	39 359 001	39 091 791
Debt securities issued	12, 13	3 472 923	1 812 167	2 018 724
Financial derivatives	13	37 563	1 056	120 497
Tax payable		618 010	633 584	603 085
Other liabilities		400 141	141 331	32 333
Accrued expenses		236 292	201 394	187 298
Subordinated loans	12, 13	812 230	474 637	836 205
Total liabilities		44 762 349	42 655 470	42 889 934
Share capital		183 315	183 315	183 315
Share premium		966 646	966 646	966 646
Tier 1 capital		635 000	635 000	635 000
Retained earnings and other reserves		7 009 273	5 092 655	5 556 708
Total equity	2, 3	8 794 233	6 877 615	7 341 668
Total liabilities and equity	2	53 556 582	49 533 086	50 231 603

Bærum, October 29, 2019
The Board of directors of Bank Norwegian AS

John Høsteland
Chairman of the board

Bjørn Østbø
Board member

Lars Ola Kjos
Board member

Christine Rødsæther
Board member

Gunn Ingemundsen
Board member

Anders Gullestad
Board member

Tine Wollebekk
CEO

Cash flow statement

Bank Norwegian AS

<i>Amounts in NOK 1000</i>	YTD 2019	YTD 2018	2018
Profit / loss before tax	1 968 971	1 772 761	2 393 431
Unrealized gain or losses on currency	11 510	110 618	92 674
Depreciation and impairment of fixed and intangible assets	49 614	35 984	59 998
Provision for loan losses	823 278	742 818	1 027 631
Change in loans to customers	-3 091 118	-4 953 242	-6 291 111
Change in deposits from customers	93 398	5 676 726	5 409 516
Change in certificates and bonds	-737 134	-1 952 839	-1 742 763
Change in shares and other securities	-5 838	-5 273	3 326
Change in receivables and financial derivatives	-187 715	4 536	-15 401
Change in tax payable derivatives, accrued expenses and other liabilities	333 867	-64 643	-65 854
Income taxes paid	-469 253	-287 038	-469 728
Change in loans from credit institutions	-	32 300	-
Net cash flow from operating activities	-1 210 419	1 112 707	401 720
Proceeds from sale of tangible assets	-	32	32
Payment for acquisition of intangible assets	-41 958	-35 317	-67 853
Payment for acquisition of tangible assets	-627	-	-112
Net cash flow from investment activities	-42 585	-35 285	-67 933
Issued debt securities	2 282 175	-	388 040
Repayment of debt securities	-785 663	-430 248	-611 739
Paid group contribution	-	-188 100	-188 100
Issued subordinated loans	-	-	533 555
Repayment subordinated loans	-	-	-171 964
Issued tier 1 capital	-	-	125 000
Repayment tier 1 capital	-	-	-125 000
Paid interest tier 1 capital	-32 228	-21 705	-28 575
CSA margin	-51 900	-	-
Net cash flow from financing activities	1 412 385	-640 054	-78 783
Net cash flow for the period	159 380	437 369	255 004
Cash and cash equivalents at the start of the period	1 567 158	1 320 128	1 404 828
Currency effect on cash and cash equivalents	-35 737	-110 618	-92 674
Cash and cash equivalents at the end of the period	1 690 801	1 646 879	1 567 158

Changes in equity

<i>Amounts in NOK 1000</i>	Share capital	Share premium	Tier 1 capital	Retained earnings and other reserves	Total equity
Balance 31.12.18	183 315	966 646	635 000	5 556 708	7 341 668
This period's profit	-	-	-	1 476 736	1 476 736
Comprehensive income for the period	183 315	966 646	635 000	7 033 444	8 818 404
Paid interest tier 1 capital	-	-	-	-24 171	-24 171
Balance 30.9.19	183 315	966 646	635 000	7 009 273	8 794 233

<i>Amounts in NOK 1000</i>	Share capital	Share premium	Tier 1 capital	Retained earnings and other reserves	Total equity
Balance 31.12.17	183 315	966 646	635 000	3 918 312	5 703 272
This period's profit	-	-	-	1 329 580	1 329 580
Comprehensive income for the period	-	-	-	1 329 580	1 329 580
Paid interest tier 1 capital	-	-	-	-21 705	-21 705
Paid group contribution after tax	-	-	-	-188 100	-188 100
Change in write-downs under IFRS 9	-	-	-	54 568	54 568
Balance 30.9.18	183 315	966 646	635 000	5 092 655	6 877 615

Notes

Note 1. General accounting principles

The quarterly financial statements for the bank have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board and as adopted by the European Union. When preparing the consolidated financial statements, management makes estimates, judgments and assumptions that affect the application of the accounting principles and the carrying amount of assets, liabilities, income and expenses. Estimates and assumptions are subject to continual evaluation and are based on historical experience and other factors, including expectations of future events that are believed to be probable on the balance sheet date. A description of the accounting policies, significant estimates and areas where judgment is applied by the bank, can be found in Note 1 Accounting principles in the annual report for 2018.

IFRS 16 - Leases

IFRS 16 Leases was effective from January 1, 2019, and replaced IAS 17 Leases. The bank applied the standard as of January 1, 2019. IFRS 16 established significant new accounting requirements for lessees, while the requirements for lessors are more or less unchanged. For lessees, IFRS 16 eliminated the distinction between operating and finance leases as was required by IAS 17, and instead introduced a single lessee accounting model. When applying the new model, the bank have recognised a liability to make lease payments (lease liability) and an asset representing the right to use the underlying asset during the lease term (right-of-use asset). In the income statement, depreciation of the right-of-use assets are recognised separately from interest on lease liabilities.

The bank has decided on the following policy choices and practical expedients:

- to apply the low value exception (primarily for office equipment)
- to not recognise non-lease components in the lease liability
- to apply the modified retrospective approach for transition to IFRS 16, meaning that the bank have not restated the comparatives for 2018. Right-of-use assets and lease liabilities will be measured at the same amount, taking into consideration prepayments, accruals and provisions recognised as of December 31, 2018.

The right-of-use asset was classified as part of the fixed assets in the balance sheet, while the lease liability was classified as other liabilities. The most significant part of the lease liabilities of the bank arises from leases related to head office at Fornebu as well as some IT equipment. The total lease liabilities and right-of-use assets on January 1, 2019 was estimated to NOK 7.3 million for the bank.

Note 2. Segments

The profit and loss and balance sheet presentation for segments are based on internal financial reporting as it is reported to management. The figures are based on Bank Norwegian's governance model.

Profit and loss account YTD 2019

Amounts in NOK 1000

	Norway	Sweden	Denmark	Finland	Total
Net interest income	1 587 536	579 921	428 271	932 136	3 527 863
Net other operating income	130 765	50 703	23 143	30 583	235 194
Total income	1 718 301	630 624	451 413	962 719	3 763 057
Total operating expenses before losses	412 881	221 737	131 421	204 769	970 808
Provision for loan losses	382 519	81 813	134 770	224 176	823 278
Profit before tax	922 900	327 074	185 222	533 775	1 968 971
Tax charge	230 726	81 761	46 305	133 444	492 235
Profit after tax	692 174	245 313	138 917	400 331	1 476 736
Other comprehensive income	-	-	-	-	-
Comprehensive income for the period	692 174	245 313	138 917	400 331	1 476 736

Balance sheet 30.9.19

Amounts in NOK 1000

	Norway	Sweden	Denmark	Finland	Total
Loans to customers	19 034 221	6 516 180	4 666 564	9 850 842	40 067 806
Other assets	7 384 559	2 244 980	1 630 033	2 229 204	13 488 776
Total assets	26 418 780	8 761 159	6 296 597	12 080 046	53 556 582
Deposits from customers	19 907 261	5 693 415	5 962 193	7 622 320	39 185 189
Other liabilities and equity	6 511 519	3 067 744	334 404	4 457 725	14 371 393
Total liabilities and equity	26 418 780	8 761 159	6 296 597	12 080 046	53 556 582

Profit and loss account YTD 2018

Amounts in NOK 1000

	Norway	Sweden	Denmark	Finland	Total
Net interest income	1 553 963	545 714	357 295	775 578	3 232 550
Net other operating income	125 845	60 469	19 819	-2 233	203 900
Total income	1 679 808	606 182	377 114	773 345	3 436 450
Total operating expenses before losses	400 069	206 435	122 718	191 649	920 870
Provision for loan losses	178 724	124 546	142 812	296 736	742 818
Profit before tax	1 101 015	275 201	111 584	284 961	1 772 761
Tax charge	275 255	68 800	27 853	71 274	443 181
Profit after tax	825 761	206 401	83 731	213 687	1 329 580
Other comprehensive income	-	-	-	-	-
Comprehensive income for the period	825 761	206 401	83 731	213 687	1 329 580

Balance sheet 30.9.18

Amounts in NOK 1000

	Norway	Sweden	Denmark	Finland	Total
Loans to customers	18 138 643	6 043 524	3 755 100	8 814 029	36 751 296
Other assets	7 310 127	2 306 756	1 167 608	1 997 298	12 781 790
Total assets	25 448 770	8 350 280	4 922 708	10 811 327	49 533 086
Deposits from customers	19 538 116	6 391 483	3 714 871	9 714 531	39 359 001
Other liabilities and equity	5 910 654	1 958 797	1 207 837	1 096 797	10 174 085
Total liabilities and equity	25 448 770	8 350 280	4 922 708	10 811 327	49 533 086

Note 3. Capital adequacy

Bank Norwegian uses the standardized approach for credit risk and the standardized approach for operational risk to calculate capital adequacy in accordance with current capital adequacy regulations - Basel II.

Total capital

<i>Amounts in NOK 1000</i>	YTD 2019	YTD 2018	2018
Share capital	183 315	183 315	183 315
Share premium	966 646	966 646	966 646
Other reserves	7 009 273	5 092 655	5 556 708
Deferred tax assets, intangible assets and additional valuation adjustment	-162 327	-157 393	-161 433
Common equity tier 1	7 996 906	6 085 223	6 545 235
Additional tier 1 capital	635 000	635 000	635 000
Tier 1 capital	8 631 906	6 720 223	7 180 235
Tier 2 capital	812 230	474 637	836 205
Total capital	9 444 137	7 194 860	8 016 441

Calculation basis

Covered bonds	335 464	257 707	273 532
Institutions	1 204 475	1 171 025	947 444
Loans to customers	25 533 874	24 222 627	25 396 605
Defaulted loans	6 022 641	4 454 461	3 935 478
Equity positions	42 486	38 599	36 654
Other assets	76 011	175 659	76 865
Total credit risk	33 214 951	30 320 077	30 666 578
Operational risk	5 580 459	4 013 050	4 013 050
Market risk	4 369	-	-
Total calculation basis	38 799 779	34 333 127	34 679 628

Common equity tier 1 %	20.6 %	17.7 %	18.9 %
Tier 1 capital %	22.2 %	19.6 %	20.7 %
Total capital %	24.3 %	21.0 %	23.1 %

Note 4. Expected credit loss

The bank applies the expected credit loss (ECL) methodology subject to the IFRS 9 rules with three stages of impairment calculation. Stage 1 is not impaired and uses a 12-month ECL calculation. Stage 2 has a significant increase in credit risk since its origination, according to the triggers disclosed below, and uses the lifetime approach to ECL calculation. Stage 3 is impaired with the 90 days past due definition and calculates the ECL based on the lifetime approach.

Significant increase in credit risk

Probability of default (PD) is an experience-based probability that a commitment is in breach for more than 90 days in the next 12 months. A significant increase in credit risk is assessed on the basis of several criteria, including late payment beyond 30 days after invoice due date. The most important factor for the assessment is a comparison between the lifetime original probability of default and the lifetime probability of default at the reporting date. The trigger-model below utilizes an assessment of the forward looking lifetime of the exposure, taking into account the probability of early repayment and the lifetime probability of defaulting on the loan. Hence it is neither the contractual length of the loan, nor the normal 12-month PD that is reflected in the figures. It is an accumulation of monthly behavior default probabilities that for example for credit cards will be very low for high quality clients until it is activated. As such, a high trigger level is needed for an indication of a significant increase in credit risk when the lifetime PD is very low. Each product has its own threshold values when one considers an increase to be significant. An increase of more than 0% indicates that any increase above the lifetime PD at origination is a significant increase in credit risk.

	PD at origination	Instalment loans	PD at origination	Credit card loans
Norway	<=5%	700 %	<=2%	900 %
	>5%, 10%]	30 %	>2%	40 %
	>10%	20 %		
Sweden	<=10%	40 %	<=2%	900 %
	>10%, 20%]	30 %	>2%, 5%]	40 %
	>20%	20 %	>5%	0 %
Denmark	<=20%	300 %	<=50%	80 %
	>20%, 40%]	100 %	>50%	0 %
	>40%	20 %		
Finland	<=9%	900 %	<=30%	200 %
	>9%, 21%]	350 %	>30%	30 %
	>21%	50 %		

Economic variables used to measure ECL

The bank has chosen to disclose the three most important modelling variables in each individual country. The data is modelled across three scenarios: a base, an upper and a lower case for expected credit loss. The model is based on the NiGEM-model developed by UK's Institute of Economic and Social Research. The following weights have been used across all portfolios per 30.9.2019: 30% - 40% - 30% for optimistic, base and pessimistic scenario for expected credit loss.

	Base scenario		Optimistic scenario		Pessimistic scenario	
	12 months	5 years	12 months	5 years	12 months	5 years
Norway						
3-month interbank rate	2.04 %	3.09 %	1.79 %	2.84 %	2.67 %	3.69 %
Hourly pay in NOK	427	486	432	506	425	474
Real interest rate	-0.22 %	-0.01 %	-0.62 %	-0.41 %	0.85 %	0.80 %
Sweden						
3-month interbank rate	0.38 %	2.30 %	-0.09 %	1.06 %	0.98 %	4.03 %
Consumption in millions	176 909	192 482	178 262	195 745	174 228	185 881
Unemployment level in thousands	367	378	325	341	403	416
Denmark						
3-month interbank rate	0.64 %	2.82 %	1.44 %	3.16 %	-0.04 %	2.49 %
Consumption in millions	81 626	88 176	84 103	94 976	79 121	82 312
Unemployment percentage	5.30 %	5.19 %	4.22 %	4.93 %	6.44 %	5.45 %
Finland						
3-month interbank rate	-0.29 %	1.01 %	0.39 %	1.17 %	-0.41 %	0.56 %
Consumption in millions	9 393	9 904	9 578	10 378	9 215	9 464
Unemployment percentage	6.43 %	6.34 %	4.46 %	5.77 %	8.59 %	6.88 %

Macro scenario sensitivity on ECL

	Final ECL	Base scenario	Optimistic scenario	Pessimistic scenario
Norway				
Credit card	226 943	227 801	223 210	229 530
Instalment loans	693 942	694 952	689 424	697 114
Sweden				
Credit card	126 193	125 986	125 180	127 481
Instalment loans	358 509	358 684	357 393	359 393
Denmark				
Credit card	104 539	104 538	104 270	104 810
Instalment loans	480 944	480 937	479 822	482 077
Finland				
Credit card	51 976	51 961	51 775	52 199
Instalment loans	404 704	404 671	404 241	405 210

The final ECL is a macro-weighted ECL based on 30% - 40% - 30% weighting given to the optimistic, base and pessimistic scenarios. The outcome can be close to the base scenario if the two scenarios differ by the same magnitude. If one scenario is of higher variability, the final ECL will tend towards that.

Note 5. Loans to customers by product groups and change in loan loss allowance

Loans to customers by product groups

Amounts in NOK 1000	Stage 1	Stage 2	Stage 3	Gross loans	Loan loss allowance			Total
					Stage 1	Stage 2	Stage 3	
Instalment loans Norway	8 470 385	2 091 479	2 117 455	12 679 319	55 758	74 571	563 614	11 985 377
Credit card loans Norway	5 748 260	869 304	658 222	7 275 786	6 514	34 017	186 411	7 048 844
Instalment loans Sweden	2 113 741	1 174 735	1 002 471	4 290 946	37 382	50 601	270 526	3 932 437
Credit card loans Sweden	2 004 026	441 831	264 078	2 709 936	8 061	22 384	95 747	2 583 743
Instalment loans Denmark	3 290 006	229 685	727 691	4 247 383	50 241	35 807	394 897	3 766 438
Credit card loans Denmark	750 397	53 973	200 295	1 004 665	14 176	8 404	81 959	900 126
Instalment loans Finland	6 023 374	1 135 218	933 860	8 092 452	62 728	85 865	256 111	7 687 748
Credit card loans Finland	1 630 180	466 321	118 570	2 215 070	6 307	17 135	28 535	2 163 094
Total	30 030 369	6 462 547	6 022 641	42 515 556	241 166	328 784	1 877 800	40 067 806
Provision coverage ratio per stage					0.80 %	5.09 %	31.18 %	

Change in loan loss allowance

The loan loss allowance is calculated based on the expected credit loss using the 3-stage method as described in note 2.1 of the annual report 2018. Migration out of one stage is calculated at previous closing date 30.6.19, while migration into one stage is calculated at the closing date 30.9.19.

Total Loans

Loan loss allowance

Amounts in NOK 1000	Stage 1	Stage 2	Stage 3	Total
Loan loss allowance as at 30.6.19	227 239	304 776	1 632 351	2 164 366
Transfers :				
Transfers from stage 1 to stage 2	-23 823	129 699	-	105 877
Transfers from stage 1 to stage 3	-1 439	-	23 461	22 022
Transfers from stage 2 to stage 1	16 027	-56 479	-	-40 452
Transfers from stage 2 to stage 3	-	-69 216	204 977	135 761
Transfers from stage 3 to stage 2	-	7 705	-42 150	-34 445
Transfers from stage 3 to stage 1	103	-	-2 219	-2 115
New financial assets issued	25 101	5 547	-	30 648
Financial assets derecognized in the period	-8 396	-6 786	-15 011	-30 194
Modification of contractual cash flows from non-discounted financial assets	-3 646	3 539	46 390	46 283
Change in model/parameters	10 000	10 000	-	20 000
Other adjustments	-	-	30 000	30 000
Loan loss allowance as at 30.9.19	241 166	328 784	1 877 800	2 447 750

Gross loans to customers

Amounts in NOK 1000	Stage 1	Stage 2	Stage 3	Total
Gross loans to customers as at 30.6.19	29 235 319	6 307 737	5 334 217	40 877 273
Transfers :				
Transfers from stage 1 to stage 2	-2 392 870	2 542 506	-	149 636
Transfers from stage 1 to stage 3	-69 503	-	73 098	3 595
Transfers from stage 2 to stage 1	1 469 101	-1 575 892	-	-106 791
Transfers from stage 2 to stage 3	-	-808 415	823 631	15 216
Transfers from stage 3 to stage 2	-	130 388	-170 789	-40 401
Transfers from stage 3 to stage 1	4 243	-	-11 167	-6 925
New financial assets issued	1 819 993	90 709	-	1 910 701
Financial assets derecognized in the period	-897 573	-172 239	-60 420	-1 130 231
Modification of contractual cash flows from non-discounted financial assets	861 659	-52 247	34 071	843 483
Gross loans to customers as at 30.9.19	30 030 369	6 462 547	6 022 641	42 515 556

Instalment loans total

Loan loss allowance

<i>Amounts in NOK 1000</i>	Stage 1	Stage 2	Stage 3	Total
Loan loss allowance as at 30.6.19	194 245	231 967	1 290 857	1 717 069
Transfers :				
Transfers from stage 1 to stage 2	-21 259	97 446	-	76 186
Transfers from stage 1 to stage 3	-1 353	-	20 832	19 479
Transfers from stage 2 to stage 1	14 085	-39 537	-	-25 452
Transfers from stage 2 to stage 3	-	-58 844	171 601	112 757
Transfers from stage 3 to stage 2	-	6 390	-32 085	-25 695
Transfers from stage 3 to stage 1	88	-	-1 435	-1 347
New financial assets issued	15 552	3 072	-	18 624
Financial assets derecognized in the period	-8 162	-6 095	-13 136	-27 393
Modification of contractual cash flows from non-discounted financial assets	2 912	2 444	28 514	33 870
Change in model/parameters	10 000	10 000	-10 000	10 000
Other adjustments	-	-	30 000	30 000
Loan loss allowance as at 30.9.19	206 108	246 843	1 485 148	1 938 099

Gross loans to customers

<i>Amounts in NOK 1000</i>	Stage 1	Stage 2	Stage 3	Total
Gross loans to customers as at 30.6.19	19 781 610	4 648 707	4 206 449	28 636 767
Transfers :				
Transfers from stage 1 to stage 2	-1 755 079	1 780 117	-	25 039
Transfers from stage 1 to stage 3	-60 908	-	64 014	3 107
Transfers from stage 2 to stage 1	1 075 200	-1 105 812	-	-30 612
Transfers from stage 2 to stage 3	-	-651 408	664 261	12 853
Transfers from stage 3 to stage 2	-	105 541	-125 231	-19 690
Transfers from stage 3 to stage 1	2 990	-	-6 370	-3 380
New financial assets issued	1 585 671	56 431	-	1 642 102
Financial assets derecognized in the period	-845 173	-156 887	-50 805	-1 052 865
Modification of contractual cash flows from non-discounted financial assets	113 194	-45 573	29 158	96 779
Gross loans to customers as at 30.9.19	19 897 506	4 631 117	4 781 476	29 310 100

Credit card total

Loan loss allowance

<i>Amounts in NOK 1000</i>	Stage 1	Stage 2	Stage 3	Total
Loan loss allowance as at 30.6.19	32 994	72 809	341 494	447 297
Transfers :				
Transfers from stage 1 to stage 2	-2 563	32 254	-	29 690
Transfers from stage 1 to stage 3	-87	-	2 629	2 542
Transfers from stage 2 to stage 1	1 942	-16 943	-	-15 000
Transfers from stage 2 to stage 3	-	-10 372	33 376	23 004
Transfers from stage 3 to stage 2	-	1 314	-10 065	-8 751
Transfers from stage 3 to stage 1	15	-	-783	-768
New financial assets issued	9 549	2 475	-	12 024
Financial assets derecognized in the period	-234	-691	-1 876	-2 801
Modification of contractual cash flows from non-discounted financial assets	-6 559	1 096	17 876	12 413
Change in model/parameters	-	-	10 000	10 000
Loan loss allowance as at 30.9.19	35 058	81 941	392 652	509 651

Gross loans to customers

<i>Amounts in NOK 1000</i>	Stage 1	Stage 2	Stage 3	Total
Gross loans to customers as at 30.6.19	9 453 709	1 659 030	1 127 768	12 240 506
Transfers :				
Transfers from stage 1 to stage 2	-637 791	762 388	-	124 597
Transfers from stage 1 to stage 3	-8 596	-	9 084	488
Transfers from stage 2 to stage 1	393 901	-470 080	-	-76 179
Transfers from stage 2 to stage 3	-	-157 007	159 370	2 362
Transfers from stage 3 to stage 2	-	24 847	-45 558	-20 711
Transfers from stage 3 to stage 1	1 252	-	-4 797	-3 545
New financial assets issued	234 322	34 278	-	268 599
Financial assets derecognized in the period	-52 399	-15 352	-9 615	-77 366
Modification of contractual cash flows from non-discounted financial assets	748 464	-6 674	4 913	746 704
Gross loans to customers as at 30.9.19	10 132 863	1 831 429	1 241 165	13 205 457

Note 6. Loan loss provisions

<i>Amounts in NOK 1000</i>	YTD 2019	YTD 2018	2018
Realized losses in the period	31 456	25 320	33 426
Loan loss provisions - lifetime expected credit loss (stage 3)	781 393	595 497	816 569
Loan loss provisions - lifetime expected credit loss (stage 2)	1 325	92 352	98 632
Loan loss provisions - 12 months expected credit loss (stage 1)	9 104	29 649	27 630
Adjustments for sold NPL portfolios	-	-	42 918
Collection expenses related to sold NPL portfolios	-	-	8 456
Provision for loan losses	823 278	742 818	1 027 631

Note 7. Risk classes

<i>Amounts in NOK 1000</i>	Probability of default	Gross loans		Undrawn credit limits	
		YTD 2019	YTD 2018	YTD 2019	YTD 2018
A	0 – 1 %	6 557 387	5 637 871	41 658 440	35 748 977
B	1 – 3 %	10 260 724	14 266 662	1 869 190	2 190 180
C	3 – 5 %	4 315 146	4 568 384	269 627	364 804
D	5 – 9 %	4 062 381	2 883 898	262 421	228 676
E	9 – 15 %	3 667 297	1 801 653	205 465	102 674
F	15 – 20 %	1 376 049	648 490	18 648	24 063
G	20 – 30 %	1 363 170	1 061 813	14 311	20 326
H	30 – 40 %	540 273	498 812	2 221	22 776
I	40 – 55 %	378 824	476 482	1 074	5 294
J	55 – 100%	324 080	385 051	246	2 213
S		856 693	739 262	-	-
T		2 155 537	471 545	-	-
U		609 539	554 609	-	-
V		5 822 124	4 207 900	-	-
W		225 901	249 641	-	-
Total classified		42 515 125	38 452 072	44 301 643	38 709 983
Not classified		432	2 207	-	-
Total		42 515 556	38 454 279	44 301 643	38 709 983

Risk is grouped into PD bands from A to J, with A being the lowest risk. Further classifications are as follows: Risk class S consist of engagements under collections by an agency, where the customer is less than 90 days past due on the original payment plan. If the customer is on track with the engagement, but has at least one other product where the payment is more than 90 days past due on the original payment plan, then it is classified as T. Risk class U consist of engagements that are in warning, but less than 90 days past due on the original payment plan. Risk class V consist of engagements that are more than 90 days past due on the original payment plan. Risk class W consist of engagements that are written down.

The bank has in the third quarter incorporated the undrawn credit limits on cards that have a positive balance.

Note 8. Net interest income

<i>Amounts in NOK 1000</i>	YTD 2019	YTD 2018	2018
Interest income from cash and deposits with the central bank	531	257	389
Interest income from loans to and deposits with credit institutions	4 793	2 350	3 705
Interest income from instalment loans	2 784 188	2 694 511	3 631 860
Interest income from credit card loans	1 098 581	923 068	1 270 474
Interest income from sales financing	519	1 757	2 072
Interest income, effective interest method	3 888 612	3 621 942	4 908 500
Interest and other income from certificates and bonds	111 268	69 135	100 717
Other interest and other interest related income	4 487	2 665	3 586
Other interest income	115 755	71 799	104 303
Interest expense from deposits from credit institutions	-	719	1 434
Interest expense from deposits from customers	355 927	402 938	523 598
Interest expense on debt securities issued	44 159	22 732	30 404
Interest expense on subordinated loan	25 784	15 003	24 134
Other interest and other interest related expenses	50 634	19 800	26 985
Interest expenses	476 504	461 192	606 554
Net interest income	3 527 863	3 232 550	4 406 248

Note 9. Net commission and bank services income

Amounts in NOK 1000	YTD 2019	YTD 2018	2018
Payment services	306 359	260 056	345 095
Insurance services	58 103	52 783	64 858
Other fees and commission and bank services income	40 590	39 665	53 598
Total commission and bank services income	405 052	352 504	463 551
Payment services	125 821	106 791	147 595
Insurance services	50 133	40 307	55 689
Other fees and commission and bank services expense	16 492	20 295	26 368
Total commission and bank services expenses	192 445	167 392	229 652

Note 10. Net change in value on securities and currency

Amounts in NOK 1000	YTD 2019	YTD 2018	2018
Net change on certificates and bonds	-54 896	-27 241	-51 315
Net change on FX-forwards	147 357	240 326	41 273
Net currency effects	-80 652	-199 601	19 534
Net change on shares and other securities	10 778	5 273	3 326
Net change in value on securities and currency	22 587	18 756	12 818

Note 11. General administrative expenses

Amounts in NOK 1000	YTD 2019	YTD 2018	2018
Sales and marketing	656 473	628 837	837 929
IT operations	68 548	57 645	75 579
External services fees	47 546	59 107	76 640
Other administrative expenses	35 492	32 023	45 762
Total general administrative expenses	808 059	777 612	1 035 911

Note 12. Debt securities issued and subordinated loan

Amounts in NOK 1000	YTD 2019	YTD 2018	2018
Debt securities issued, carrying value (amortized cost)	3 472 923	1 812 167	2 018 724
Subordinated loans, carrying value (amortized cost)	812 230	474 637	836 205
Total debt securities issued and subordinated loans	4 285 154	2 286 804	2 854 930

ISIN	Nominal value outstanding	Currency	Interest	Reference rate + margin	Maturity*	Carrying value
Debt securities issued (senior unsecured bonds)						
NO0010790850	135 000	NOK	Floating	NIBOR + 75bp	07.04.2020	134 769
NO0010810534	420 000	SEK	Floating	STIBOR + 108bp	20.11.2020	388 753
NO0010811110	300 000	NOK	Floating	NIBOR + 108bp	24.11.2020	300 719
NO0010837206	400 000	SEK	Floating	STIBOR + 120bp	22.02.2021	370 401
NO0010848583	550 000	SEK	Floating	STIBOR + 140bp	29.09.2021	508 662
NO0010848591	1 000 000	NOK	Floating	NIBOR + 150bp	29.03.2022	999 517
NO0010863582	400 000	SEK	Floating	STIBOR + 140bp	16.09.2022	369 917
NO0010863574	400 000	NOK	Floating	NIBOR + 140bp	16.09.2022	400 186
Total debt securities issued	3 605 000					3 472 923
Subordinated loan						
NO0010774326	100 000	NOK	Floating	NIBOR + 300bp	21.09.2021	99 937
NO0010797988	200 000	NOK	Floating	NIBOR + 375bp	16.06.2022	199 846
NO0010833130	550 000	SEK	Floating	STIBOR + 375bp	02.10.2023	512 447
Total subordinated loans	850 000					812 230
Total	4 455 000					4 285 154

* For subordinated loans maturity reflects the first possible call date

Note 13. Financial instruments

Financial instruments at fair value

<i>Amounts in NOK 1000</i>	YTD 2019			
	Level 1	Level 2	Level 3	Total
Certificates and bonds	-	11 339 732	-	11 339 732
Financial derivatives	-	19 284	-	19 284
Shares and other securities	-	-	42 529	42 529
Total financial assets at fair value	-	11 359 015	42 529	11 401 544
Financial derivatives	-	37 563	-	37 563
Total financial liabilities at fair value	-	37 563	-	37 563

<i>Amounts in NOK 1000</i>	YTD 2018			
	Level 1	Level 2	Level 3	Total
Certificates and bonds	-	10 812 673	-	10 812 673
Financial derivatives	-	48 072	-	48 072
Shares and other securities	-	-	38 637	38 637
Total financial assets at fair value	-	10 860 745	38 637	10 899 382
Financial derivatives	-	1 056	-	1 056
Total financial liabilities at fair value	-	1 056	-	1 056

Change in instruments classified at level 3

<i>Amounts in NOK 1000</i>	YTD 2019			YTD 2018		
	Shares and other securities	Financial assets available for sale	Total	Shares and other securities	Financial assets available for sale	Total
Value 31.12	36 691	-	36 691	443	32 922	33 365
One time payout	-5 255	-	-5 255	-	-	-
Reclassification IFRS 9	-	-	-	32 922	-32 922	-
Net gain / loss on financial instruments	11 093	-	11 093	5 273	-	5 273
Value 30.09	42 529	-	42 529	38 637	-	38 637

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, due to different perceptions of market conditions, risk and return requirements.

Debt securities issued and subordinated loan

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

<i>Amounts in NOK 1000</i>	YTD 2019		YTD 2018	
	Book value	Fair value	Book value	Fair value
Debt securities issued	3 472 923	3 484 088	1 812 167	1 809 555
Subordinated loan	812 230	814 249	474 637	476 086
Total financial liabilities	4 285 154	4 298 337	2 286 805	2 285 641

<i>Amounts in NOK 1000</i>	YTD 2019			
	Level 1	Level 2	Level 3	Total
Debt securities issued	3 472 923	-	-	3 472 923
Subordinated loan	812 230	-	-	812 230
Total financial liabilities	4 285 154	-	-	4 285 154

<i>Amounts in NOK 1000</i>	YTD 2018			
	Level 1	Level 2	Level 3	Total
Debt securities issued	1 812 167	-	-	1 812 167
Subordinated loan	474 637	-	-	474 637
Total financial liabilities	2 286 805	-	-	2 286 805

Level 1: Valuation based on quoted prices in an active market. Level 2: Valuation based on observable market data, other than quoted prices. Level 3: Valuation based on observable market data when valuation can not be determined in level 1 or 2.

Note 14. Related parties

Bank Norwegian AS has since 2007 had an agreement with Norwegian Air Shuttle ASA regarding the use of the brand name Norwegian, IP-rights and cooperation regarding the loyalty program Norwegian Reward. The agreement was renegotiated in the second quarter 2018 and is valid for ten years. In the third quarter 2019 the total expensed amount related to Norwegian Air Shuttle ASA was NOK 101.1 million, comprising of portfolio related costs of NOK 87.5 million and sales and agent commissions of NOK 13.6 million. The portfolio related costs include license fee for use of brand name, IP-rights and other customer portfolio costs, such as cashpoints. Norwegian Finans Holding ASA owns 100% of Bank Norwegian AS.

Quarterly figures

Profit and loss account

<i>Amounts in NOK 1000</i>	Bank Norwegian AS				
	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Interest income, effective interest method	1 316 989	1 300 932	1 270 690	1 286 557	1 261 386
Other interest income	37 800	38 192	39 763	32 504	23 730
Interest expenses	165 155	160 332	151 017	145 363	163 924
Net interest income	1 189 634	1 178 793	1 159 436	1 173 698	1 121 192
Commission and bank services income	134 232	119 880	150 940	111 047	117 974
Commission and bank services expenses	69 930	63 606	58 909	62 259	59 978
Net change in value on securities and currency	25 201	-1 830	-784	-5 938	11 144
Other income	-	-	-	-	32
Net other operating income	89 503	54 444	91 247	42 850	69 171
Total income	1 279 137	1 233 237	1 250 683	1 216 548	1 190 364
Personnel expenses	27 689	19 543	25 420	24 856	23 126
General administrative expenses	261 206	264 009	282 845	258 299	260 439
Depreciation and impairment of fixed and intangible assets	16 833	16 701	16 079	15 633	14 789
Other operating expenses	14 898	13 203	12 381	12 277	13 212
Total operating expenses before losses	320 626	313 457	336 725	311 065	311 566
Provision for loan losses	271 944	282 233	269 101	284 813	299 209
Profit before tax	686 567	637 547	644 857	620 670	579 589
Tax charge	171 642	159 387	161 207	149 749	144 888
Profit after tax	514 925	478 161	483 650	470 922	434 700

Comprehensive income

<i>Amounts in NOK 1000</i>	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Profit on ordinary activities after tax	514 925	478 161	483 650	470 922	434 700
Comprehensive income for the period	514 925	478 161	483 650	470 922	434 700

Balance sheet

<i>Amounts in NOK 1000</i>	Bank Norwegian AS				
	30.9.19	30.6.19	31.3.19	31.12.18	30.9.18
Assets					
Cash and deposits with the central bank	68 285	68 091	67 953	67 959	65 957
Loans and deposits with credit institutions	1 622 517	2 207 679	2 132 508	1 499 199	1 580 922
Loans to customers	40 067 806	38 712 907	37 902 312	37 797 618	36 751 296
Certificates and bonds	11 339 732	9 962 991	10 268 259	10 602 597	10 812 673
Financial derivatives	19 284	31 274	85 161	12 773	48 072
Shares and other securities	42 529	40 246	41 806	36 691	38 637
Intangible assets	133 898	137 290	139 227	133 670	135 335
Deferred tax asset	16 990	16 990	16 990	16 990	11 157
Fixed assets	953	1 102	795	719	821
Receivables	244 589	248 235	85 020	63 385	88 215
Total assets	53 556 582	51 426 805	50 740 030	50 231 603	49 533 086
Liabilities and equity					
Loans from credit institutions	-	73 100	56 000	-	32 300
Deposits from customers	39 185 189	38 177 954	37 654 242	39 091 791	39 359 001
Debt securities issued	3 472 923	3 316 800	3 342 401	2 018 724	1 812 167
Financial derivatives	37 563	4 913	9 569	120 497	1 056
Tax payable	618 010	449 151	527 062	603 085	633 584
Other liabilities	400 141	107 179	314 239	32 333	141 331
Accrued expenses	236 292	202 161	205 216	187 298	201 394
Subordinated loan	812 230	807 889	813 771	836 205	474 637
Total liabilities	44 762 349	43 139 148	42 922 499	42 889 934	42 655 470
Share capital	183 315	183 315	183 315	183 315	183 315
Share premium	966 646	966 646	966 646	966 646	966 646
Tier 1 capital	635 000	635 000	635 000	635 000	635 000
Retained earnings and other reserves	7 009 273	6 502 697	6 032 570	5 556 708	5 092 655
Total equity	8 794 233	8 287 657	7 817 531	7 341 668	6 877 615
Total liabilities and equity	53 556 582	51 426 805	50 740 030	50 231 603	49 533 086