



Interim Report January–March 2016

- Growth in number of customers remained strong at 26,200, an increase of 6 per cent since the beginning of the year to 493,800 customers
- The net inflow decreased during the quarter due to market turbulence
- Operating income increased by 2 per cent Y/Y to SEK 226 million, but decreased compared with the fourth quarter mainly due to mix effects in equity trading
- Operating expenses increased by 5 per cent Y/Y to SEK 112 million (107), a result of increased personnel costs
- Net profit for the period was stable at SEK 98 million (99)
- The Annual General Meeting on 5 April 2016 decided to re-elect all board members except Martin Tivéus, who declined re-election. As proposed, a dividend of SEK 10.50 per share was authorised
- Henrik Källén, Deputy CEO, will take over as Acting CEO from 1 June until a new permanent CEO is appointed and takes the position

	Q1 2016	Q1 2015	Change %	Q4 2015	Change %
Operating income, SEK m ¹⁾	226	222	2	253	-11
Operating expenses, SEK m ¹⁾	-112	-107	5	-112	0
Operating profit, SEK m	115	115	0	140	-18
Net profit, SEK m	98	99	-1	118	-17
Earnings per share, SEK	3.35	3.43	-2	4.03	-17
Operating margin, %	51	52	-1	55	-4
Net inflow, SEK m	4,960	10,000	-50	5,790	-14
No. new customers (net)	26,200	31,800	-18	23,700	11
Savings capital at the end of the period, SEK m	188,900	168,200	12	191,600	-1

1) As of 2016, the deposit guarantee fee and the stability/resolution fee are reported as interest expenses and has therefore been transferred from other operating expenses to net interest income. Historical numbers have been adjusted.

Quarterly highlights

- Launched the possibility for customers to transfer money in real time to their Avanza accounts on evenings and weekends
- Launched a new Android app with new functions and improved user experience
- Ranked as one of Sweden's 100 best sites by Internetworld
- Topped Apica's survey on the best web performance in 2016 in the category banking and insurance

This is Avanza

Avanza was founded in 1999 and has since grown from a small company, dealing solely in stock broking, into a digital bank and life insurance company challenging the major banks and insurance companies on the Swedish savings market – a market which still has considerable growth potential.

Avanza offers leading digital services in savings and investments. Customers are offered simple and cost-effective ways to save without fixed account charges in Swedish and foreign securities, currency positions, savings accounts and pension products. Avanza challenges established structures and is a prime mover in the long-term development of new financial products and services. Avanza has the market's broadest range of savings products, decision-making support and a strong occupational pension offering. Avanza primarily targets private savers in Sweden, but also offers services for professional day traders and corporate customers, such as small businesses, banks and asset managers.

Avanza is covered by the state deposit guarantee and supervised by the Swedish Financial Supervisory Authority. Avanza Bank Holding AB (publ) is listed on Nasdaq Stockholm Mid Cap.

For more information about Avanza, see avanza.se and avanza.se/ir.



Our vision & business model

Our vision is to be the natural choice for those who care about their money. With us you will have more money left in your pockets than with any other bank. To achieve this, Avanza has an Internet-based business model that is based on the law of large numbers. That is to say, charging each customer as little as possible, thereby attracting an ever larger customer base. Continuous development and efficiency enhancements in internal processes and underlying systems are increasing stability and creating further economies of scale, strong cost control and high quality for the customer. A strong customer growth, combined with the lowest cost per customer and transaction on the market, creates excellent conditions for satisfied customers and long-term profitable growth.

Our five strategies to achieve continued growth are: Customers first, Price leadership, We only do what we do best, 100% digital and to Improve and challenge ourselves every day.

Our long-term targets

Satisfied customers:

- Sweden's most satisfied savers according to SKI's (Swedish Quality Index) annual award

Satisfied shareholders:

- Market share of at least 7 per cent of the total net inflow to the Swedish savings market
- Annual customer growth of at least 10 per cent of the customer base at the beginning of the year
- Dividend shall amount to at least 70 per cent of the profit of the year
- Cost increase shall not exceed the income growth

Satisfied employees:

- NPS (Net Promoter Score) over 40

Quarterly overview	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 ²⁾ 2014	Q2 2014	Q1 2014
Operating income, SEK m ¹⁾	226	253	203	227	222	190	163	161	170
Operating profit, SEK m	115	140	108	121	115	82	71	67	76
Operating margin, % ¹⁾	51	55	53	53	52	43	44	42	45
Earnings per share, SEK	3.35	4.03	3.19	3.57	3.43	2.36	2.10	1.92	2.26
Shareholders' equity per share, SEK	41.71	38.37	34.33	30.97	24.65	28.22	25.85	23.67	29.75
Return on shareholders' equity, %	8	11	10	13	13	9	8	7	8
Net inflow, SEK m	4,960	5,790	5,010	4,370	10,000	5,940	4,560	4,040	5,520
No. new customers (net)	26,200	23,700	20,400	20,500	31,800	15,900	12,800	11,500	14,500
No. customers at the end of the period	493,800	467,600	443,900	423,500	403,000	371,200	355,300	342,500	331,000
Savings capital at the end of the period, SEK m	188,900	191,600	170,700	170,000	168,200	141,900	133,400	130,100	121,800
Income to savings capital ratio, % ¹⁾	0.12	0.14	0.12	0.13	0.14	0.14	0.12	0.13	0.15
Costs to savings capital ratio, % ¹⁾	0.06	0.06	0.06	0.06	0.07	0.08	0.07	0.07	0.08

1) As of 2016, the deposit guarantee fee and the stability/resolution fee are reported as interest expenses and has therefore been transferred from other operating expenses to net interest income. Historical numbers have been adjusted.

2) Operating profit in the third quarter of 2014 was burdened by provisions of SEK 8 million concerning VAT referring to 2010–2012.

Numbers in the parentheses refer to the corresponding period or date in previous year unless otherwise is stated.

Comments of the CEO

Strong customer growth in unsettled market

The first months of the year are usually distinguished by strong customer growth and high activity when many customers reassess their savings for the year ahead. This year was no exception. We delivered our second best quarterly growth ever with 26,200 new customers despite a volatile stock market, geopolitical turmoil and a further drop in market interest rates. The effect of the rocky market climate has instead affected net savings. Even if more customers than ever made deposits, the market conditions resulted in lower net inflow per customer, especially from existing customers. Historically, we have, however, seen the net inflow rebound when investor's faith in the market return. Long term, a strong customer growth is therefore key to growth in net inflow and savings capital, in order to create growth in operating income.

Operating profit in line with previous year

Operating profit for the first quarter amounted to SEK 115 million, in line with the same period last year. However, several large movements are hiding under the still surface. On the strength of our customer growth, we continue to gain market shares. Net brokerage income rose by 11 per cent year on year, while interest income was squeezed further by the Riksbank's repo rate cut in February. Our net interest income fell 28 per cent compared with the same period in 2015. The geopolitical concerns also impact fund savings, as reflected by lower income from fund commissions as savers sought out the safe harbours of index and fixed income funds. This trend could quickly turn, depending on market conditions.

A positive factor for the second quarter inflow is that in March we extended our cooperation with Remium, which we estimate will lead to a net inflow of SEK 2.5 billion.

Prioritised areas for 2016

Our focus areas in 2016 are to maintain a strong growth rate, further improve our digital decision-making tools and reach new customer segments, as well as further streamline our business to increase scalability and quality. During the quarter, we were the first Swedish bank to offer customers real time deposits from other banks on evenings and weekends, which was positively received. We completed a reorganisation in Private Banking to further improve our service level towards our growing customer segment. We already see higher satisfaction in customer surveys. We are continuing to enhance our occupational pension offering to maintain a strong growth rate. The number of customers increased by 40 per cent year on year. At the end of the quarter we launched a new, improved mobile trading app for Android to offer a better user experience for our customers and simplify their savings. The new app also better enables further improvements of the offering. The number of customers who use our services through mobile devices now exceeds those who use a computer and the development of mobile services remains a priority.

As a foretaste of what is to come in the second quarter we introduced a greatly improved stock screener in April. This provides the ability to instantly produce a selection of stocks that match one's investment strategies. April also saw the release of the Reputational Survey for 2016, where Avanza maintained its top ranking in public confidence among Sweden's banks. A great proof that our efforts to create a better, simpler and inexpensive alternative for the country's savers are bearing fruit.

Stockholm, 19 April 2016



Martin Tivéus, CEO Avanza



Operations

Satisfied customers are fundamental to Avanza's business concept. The operations are focused on what is best for customers, and customer-driven improvements are constantly being made in order to offer new services, functions and a world-class digital experience.

Market and sales

In February, the Riksbank cut the repo rate by 0.15 basis points to a new record low of -0.50 per cent at the same time that the forecast for the future key interest rate was adjusted downward.

This year's stock market began with declining prices and high volatility due to geopolitical concerns. Although the Stockholm Stock Exchange largely recovered during the quarter, the trend was negative. The SIX Return Index fell by 3 per cent. The number of transactions on the Stockholm Stock Exchange was 17 per cent higher year on year, but turnover was 5 per cent lower. Trading activity among Avanza's customers was also high, but decreased at the end of the quarter. The number of transactions per customer and month was 9 per cent higher than last year, and over a couple of weeks Avanza's site broke a record with over half a million unique visitors per week. Avanza was involved in a number of secondary public offerings during the quarter where customer interest was high. The increase in trading was also driven by a large inflow of customers and increased use of mobile apps. Avanza's share of the number of transactions on the Stockholm Stock Exchange including First North was 11.3 (9.5) per cent during the quarter.

Events during the first quarter

Avanza Forum, Sweden's largest savings and investments event, was held for the eleventh time in March. Around 4,000 people visited Globen Arena in Stockholm and 13,000 followed the proceedings online to watch financial experts and renowned industry profiles discuss savings and investments.

The financial service cooperation with Remium was expanded during the quarter. During the spring, customers with capital of SEK 2.5 billion will transfer from Remium's savings platform to Avanza's. The cooperation implies income in line with current income per savings capital.

Avanza was voted by Internetworld as one of Sweden's 100 best sites in 2016, one of five in banking and insurance. Avanza also topped Apica's survey on the best web performance in 2016 in the category banking and insurance. These recognitions are proof that Avanza is delivering on its aim to offer a better customer experience through design, simplicity, accessibility and performance. In March, Avanza was nominated for the best service award in financial services by ServiceScore.

Avanza Pension was nominated by Insurance Awards Risk & Försäkring in the categories best life insurer of 2015 and best marketing campaign of 2015. Avanza Pension is driving, challenging and influencing the insurance industry by digitalising its offering and decision-making support, debating the ban on advisory fees and transfer rights, and pushing prices lower so that customers have more left over for themselves. During the quarter, 730 new companies chose Avanza Pension as their occupational pension provider. Avanza's customers transferred a net of SEK 190 million in occupational pension capital from other insurance companies.

The event Avanza Tech Duchess Sweden was held for female Java developers. The purpose of the event was to increase interest by describing how Avanza works with Java and showcasing role models in software development.

Product- and business development

During the quarter, the possibility for customers to transfer money in real time to Avanza on evenings and weekends from their accounts in other banks was introduced.

A totally new Android app was launched with new functions and an improved user experience. The app is based on a modern platform that provides a solid foundation for additional functionality. During the first quarter, the use of Avanza's mobile apps broke a record and 108 per cent more new customers signed up via mobile telephone compared with the same period in 2015.

The focus on digital decision support also resulted in the launch of a savings calculator, where customers can see how their savings grow over time, for example, by adjusting their contributions, investment horizon and returns.

Activity and market shares	2016	2015	Change	2015-2016	2015	Change
	Jan-Mar	Jan-Mar	%	Apr-Mar	Jan-Dec	%
No. transactions, thousands	5,670	4,130	37	19,500	18,000	8
No. transactions per customer and month	3.8	3.5	9	3.5	3.4	3
<i>Market shares</i>						
<i>Nasdaq Stockholm and First North:</i>						
No. transactions, %	11.3	9.5	1.8	11.4	10.9	0.5
Turnover, %	6.6	4.9	1.7	6.8	6.4	0.4

For definitions see page 18.

Net inflow

SEK m	2016 Jan–Mar	2015 Jan–Mar	Change %	2015–2016 Apr–Mar	2015 Jan–Dec	Change %
Standard	4,530	7,920	-43	16,800	20,250	-17
Private Banking	320	1,950	-84	2,700	4,320	-38
Pro	110	130	-15	600	630	-5
Net inflow	4,960	10,000	-50	20,100	25,200	-20
Equity & investment fund accounts	-140	230	-161	3,320	3,720	-11
Investment savings accounts (ISK)	2,920	6,590	-56	10,900	14,600	-25
Savings accounts	520	280	86	1,060	820	29
of which, external deposit accounts	520	360	44	870	710	23
Pension- & insurance-based accounts	1,660	2,900	-43	4,820	6,060	-20
of which, endowment insurance	1,130	2,380	-53	2,480	3,740	-34
of which, occupational pensions	590	470	26	2,320	2,200	5
Net inflow	4,960	10,000	-50	20,100	25,200	-20
Net inflow/Savings capital, %	10	28	-18	12	18	-6

For definitions see page 18.

During the first quarter, the net inflow amounted to nearly SEK 5 billion, or 50 per cent lower than the record high in the first quarter of 2015, when rising stock prices and falling interest rates led more savers to the stock market. In current market conditions where stock prices have fallen since April of last year and the repo rate has been cut repeatedly, many investors are uncertain where to put their money. This has contributed to lower inflows, mainly

from existing customers, who have taken a wait-and-see approach with their investments.

The largest share of the net inflow was again in ISK (investment savings accounts), which given current interest rates offer tax advantages. The sales offices in Gothenburg and Malmö contributed to a continued strong net inflow to Avanza's occupational pension products during the quarter. The net inflow for occupational pensions rose by 26 per cent year on year.

No. customers and accounts

	31-03-2016	31-12-2015	Change %	31-03-2015	Change %
Standard	477,130	451,490	6	388,440	23
Private Banking	14,800	14,300	3	12,800	16
Pro	1,870	1,810	3	1,760	6
No. customers	493,800	467,600	6	403,000	23
Equity & investment fund accounts	316,200	306,100	3	281,400	12
Investment savings accounts	217,200	188,000	16	119,800	81
Savings accounts	105,600	101,700	4	96,200	10
of which, external deposit accounts	76,500	72,800	5	67,300	14
Pension- & insurance-based accounts	264,500	255,900	3	228,800	16
of which, endowment insurance	140,900	135,100	4	119,300	18
of which, occupational pensions	45,700	42,400	8	32,900	39
No. accounts	903,500	851,700	6	726,200	24
No. accounts per customer	1.83	1.82	1	1.80	2

For definitions see page 18.

Customer growth remained good during the first quarter though slightly lower than the same period in 2015, when the inflow was stronger than ever thanks to favourable market conditions. At the end of the period, the number of customers was 493,800, which was an increase of 26,200 (31,800) customers since the beginning of the year.

The number of accounts increased by 51,800 (67,900) to 903,500 by the end of the period. More than half related to ISK.

The number of ISK's increased by 81 per cent in one year and the number of occupational pensions by 39 per cent.

The number of accounts per customer increased during the first quarter to 1.83 (1.80) accounts at the end of the period. The number of accounts per customer shows the savers' engagement with Avanza.

Savings capital

SEK m	31-03-2016	31-12-2015	Change %	31-03-2015	Change %
Standard	109,510	109,960	0	96,260	14
Private Banking	73,900	76,300	-3	67,900	9
Pro	5,490	5,340	3	4,040	36
Savings capital	188,900	191,600	-1	168,200	12
Equity & investment fund accounts	62,710	66,140	-5	62,800	0
Investment savings accounts	47,600	46,600	2	33,500	42
Savings accounts	8,790	8,260	6	7,700	14
of which, external deposit accounts	7,970	7,450	7	7,070	13
Pension- & insurance-based accounts	69,800	70,600	-1	64,200	9
of which, endowment insurance	51,600	52,400	-2	47,400	9
of which, occupational pensions	8,840	8,520	4	7,000	26
Savings capital	188,900	191,600	-1	168,200	12
Equities, bonds, derivatives, etc.	116,390	118,940	-2	97,820	19
Investment funds	46,700	48,900	-4	50,000	-7
Deposits	32,500	30,300	7	26,200	24
of which, external deposits	7,970	7,450	7	7,070	13
Lending	-6,690	-6,540	2	-5,820	15
of which, mortgage loans	-2,890	-2,720	6	-2,290	26
Savings capital	188,900	191,600	-1	168,200	12
Deposits/Lending, %	486	463	23	450	36
Net deposits/Savings capital, %	14	12	2	12	2
Return, average account since Jan 1 st, %	-4	16	-20	11	-15
SIX Return Index since Jan 1 st, %	-3	10	-13	16	-19

For definitions see page 18.

Savings capital amounted to SEK 189 billion at the end of the period, down 1 per cent from the beginning of the year. The quarterly net inflow corresponded to 3 per cent of the savings capital at the beginning of the year and the average return on customers' accounts was -4 per cent.

At the end of the period 25 per cent of customers' capital was invested in funds, a decrease of nearly 5 percentage points from previous year. Despite further interest rate cuts, deposits rose by 7 per cent during the quarter. The volatile stock market was one reason why many decided to put off major investment decisions. Lending has increased by 2 per cent since the beginning of the year and at the end of the period was comprised of 57 per cent securities loans and 43 per cent mortgage loans. After the end of the period, the cap on Avanza's mortgage volume was increased by an additional SEK 500 million to SEK 4 billion to meet customer demand.

Seasonal effects

Customer and net inflow are normally higher at the beginning of the year, while activity has historically been lower in the summer months. The turbulent stock market in the first quarter reduced the inflow of capital, mainly from existing customers, which we have also seen historically. The entrance of mobile services has made it possible to manage savings while on vacation, which has kept activity high also during the summer in recent years. Seasonal variations are not necessarily reflected in the company's financial results, which are impacted more by cyclical market factors such as stock prices and the repo rate.

Financial overview

	2016 Jan-Mar	2015 Jan-Mar	Change %	2015-2016 Apr-Mar	2015 Jan-Dec	Change %
Income Statement, SEK m						
Brokerage income	125	113	11	491	479	3
Fund commissions	37	40	-8	157	160	-2
Net interest income ¹⁾	31	43	-28	127	139	-9
Other income	33	26	27	134	127	6
Operating income¹⁾	226	222	2	909	904	1
Personnel	-72	-64	13	-272	-264	3
Marketing	-7	-9	-22	-25	-27	-7
Depreciation	-2	-2	0	-9	-8	13
Other expenses ¹⁾	-30	-31	-3	-119	-121	-2
Operating expenses before credit losses¹⁾	-112	-107	5	-424	-420	1
Profit before credit losses	115	115	0	484	485	0
Credit losses, net	0	0	0	0	0	0
Operating profit	115	115	0	484	485	0
Key ratios						
Operating margin, % ¹⁾	51	52	-1	53	54	-1
Profit margin, % ¹⁾	43	45	-2	46	46	0
Cost/Income ratio, % ¹⁾	49	48	1	47	46	1
Earnings per share, SEK	3.35	3.43	-2	14.14	14.23	-1
Earnings per share after dilution, SEK	3.32	3.39	-2	14.00	14.10	-1
Return on shareholders' equity, %	8	13	-5	42	45	-3
Credit loss level, %	0.00	0.00	0.00	0.00	0.00	0.00
Investments, SEK m	6	6	0	29	28	4
Brokerage income/Operating income, % ¹⁾	55	51	4	54	53	1
Fund commissions/Operating income, % ¹⁾	16	18	-2	17	18	-1
Net interest income/Operating income, % ¹⁾	14	19	-5	14	15	-1
Other income/Operating income, % ¹⁾	15	12	3	15	14	1
Operating income/Savings capital, % ¹⁾	0.12	0.14	-0.02	0.51	0.54	-0.03
Operating expenses/Savings capital, % ¹⁾	0.06	0.07	-0.01	0.24	0.25	-0.01
Brokerage per commission note, SEK	46	59	-22	52	55	-5
Brokerage income per trading day, SEK m	2.1	1.8	17	2.0	1.9	5
No. trading days	60.0	61.5	-2	247.0	248.5	-1
Average no. employees	332	308	8	330	323	2
Web service operational availability, %	100.0	99.8	0.2	100.0	100.0	0.0

1) As of 2016, the deposit guarantee fee and the stability/resolution fee are reported as interest expenses and a transfer has been made from other operating expenses to net interest income. Historical numbers have been adjusted.

Key ratios	31-03-2016	31-12-2015	Change %	31-03-2015	Change %
Shareholders' equity per share, SEK	41.71	38.37	9	24.65	69
Capital base/Capital requirement	1.62	1.67 ¹⁾	-3	- ¹⁾	-
No. employees	330	334	-1	320	3
Market value, SEK	362.00	367.50	-1	300.50	20
Market capitalisation, SEK m	10,620	10,780	-1	8,680	22

1) The figure of 31-12-2015 have been restated compared with The Annual Report 2015 in order to be comparable with the figure of 31-03-2016, which are adjusted to the new Solvency II rules that took effect on 1 January 2016. A restated figure of 31-03-2015 is not available

For definitions see page 18.

Longer financial history is available at Avanza's website, avanza.se/keydata.

During the first quarter, operating income increased by 2 (31) per cent Y/Y. Brokerage income rose by 11 per cent due to a growing customer base and increased trading activity. Fees per commission note fell by 22 (-16) per cent since more customers are in the lowest brokerage fee class. Fewer trading days during the first quarter of 2016 compared with 2015 also had a negative effect. Compared with the previous quarter brokerage income was down 14 per cent. The number of fee-generating transactions was record high even though fees per note fell as

the average transaction was smaller. Fund commissions decreased compared with first quarter of 2015 due to lower fund assets under management and because customers are choosing funds with lower risk and fees.

Net interest income decreased as a result of further repo rate cuts and increased deposits. During the first quarter, the repo rate averaged -0.42 per cent, or 0.36 percentage points lower than previous year. All else being equal, without taking changes in customer behaviour into account, a 1 per cent change in

interest rates with today's volumes would affect net interest income by SEK 200–230 million. As of 2016 the fee for the government's deposit guarantee scheme and resolution fee (formerly the stability fee) are recognised as interest expenses and have been transferred from other operating expenses to net interest income. Historical figures and key ratios have been restated. Growing deposits raised the cost of the government's deposit guarantee compared with first quarter of 2015, which had a negative effect on net interest income. Declining net interest income was offset to some extent by increased lending.

Other income increased by 27 per cent compared with first quarter of 2015 mainly due to increased market shares for ETP's, including Avanza Markets which was launched in the second quarter of 2015. During the first quarter of 2016, Avanza Markets set a record for ETP turnover on the Stockholm Stock Exchange and NDX Sweden. Avanza's share of total trading in ETP's was 75 per cent in terms of transactions and 72 per cent in terms of turnover. Avanza Markets accounted for slightly over 35 per cent of other income. FX income decreased due to lower trading in foreign securities. Corporate finance income was slightly lower than in the first quarter of 2015. Other income compared with the previous quarter was 15 per cent lower, mainly due to lower Corporate Finance income.

Quarterly operating expenses increased by 5 per cent Y/Y mainly due to higher personnel costs, which rose by 13 per cent partly due to increased capacity in IT development and compliance. Full-year operating expenses will increase an estimated 8–10 per cent.

Operating income during the first quarter amounted to SEK 115 million, the same level as the previous year. This corresponds to an operating margin of 51 (52) per cent.

Financial position

Avanza is mainly self-financed by equity and customer deposits. All of Avanza's assets have a high level of liquidity. The majority of the assets can, therefore, be transferred within a couple of days.

The surplus liquidity is invested in covered bonds and with systemically important Nordic banks. Of the liquid assets as per the end of the period (SEK 2,781 million), SEK 75 million were pledged as collateral mainly referring to credit institutions and the stock exchange. Avanza does not conduct, and has not previously conducted, trading in securities on its own behalf.

All lending is secured against listed securities or with pledges on houses and tenant-owned apartments. Between 2001 and the first quarter 2016 total credit losses amounted to SEK 10 million, which is the equivalent, on average, to less than 0.03 per cent per year.

In the first quarter of 2016, Nasdaq Stockholm approved the application of listing Avanza Bank AB's subordinated bond of SEK 100 million, issued in December 2015. First day of trading was 3 February 2016.

The Parent Company Avanza Bank Holding AB (publ)

Avanza Bank Holding AB (publ) is the Parent Company in the Avanza Group. The operating result for the first quarter 2016 was SEK –3 million (SEK –4m). The Parent Company does not report any revenues. A dividend payment, related to 2015, of SEK 308 million (SEK 202m) has been made to the shareholders, following the decision at the Annual General Meeting in April 2016.

Capital surplus

SEK m	31-03-2016	31-12-2015 ¹⁾
Shareholders' equity, the Group	1,224	1,126
<i>Additional</i>		
Solvency capital (NPV)	1,226	1,242
Subordinated bond	83	78
<i>Less</i>		
Intangible fixed assets	–44	–38
Deferred tax receivables	–2	–1
Capital requirement Pillar 1	–1,131	–1,108
Buffer requirement	–146	–137
Capital requirement Pillar 2	–11	–11
Non-distributable solvency capital	–468	–478
Capital surplus before dividend	732	673
Capital surplus per share, SEK	24.94	22.94

Intangible fixed assets and deferred tax receivables are not included in the capital base under the capital adequacy rules and are thus not distributable and should be reduced from the shareholders' equity. See also Note 4, page 14.

1) The numbers of 31-12-2015 have been restated compared with The Annual Report 2015 in order to be comparable with numbers of 31-03-2016, which are adjusted to the new Solvency II rules that took effect on 1 January 2016.

The capital surplus, i.e. the maximum scope available for dividend payments and buybacks of the company's own shares, totalled SEK 732 million as of 31 March 2016. After the end of the period dividend of SEK 10.50 per share, totaling SEK 308m, has been paid in accordance with the authorization of the Annual General Meeting.

The new Solvency II rules took effect on 1 January 2016, as a result of which the conglomerate's largest sector is insurance. Due to the new rules, the Group's capital base is increased by additional solvency capital at the same time that the capital requirement rises. The net effect, which is positive, does not constitute distributable reserves, however, due to which this is deducted as non-distributable solvency reserves. For more information, see note 4.

Future outlook

To create growth and long-term shareholder value, Avanza's efforts are concentrated in areas where we can have an impact: high customer satisfaction and a continued focus on cost control and efficiency. Avanza is well prepared to meet the changing conditions facing the financial industry in the form of new user behaviours and regulations.

Avanza's growth opportunities in the savings market

As of 31 December 2015 Avanza had 2.9 (2.3) per cent of the Swedish savings market and in 2015 Avanza's share of the total net inflow to the Swedish savings market was 9.3 (9.2) per cent. Sweden has one of the world's highest percentages of stock and fund savings. An estimated 80 per cent of the population invests in equities or funds. The Swedish savings market amounts to SEK 6,800 billion, and we estimate long-term growth at 4–8 per cent per year, in line with the latest ten-year period. Pension and insurance savings represent just over half of the Swedish savings market. Market growth going forward could be adversely affected by the parliamentary decision in March to introduce an amortisation requirement on mortgages. Concerns about the housing market, coupled with an unstable stock market, could also lead more Swedes to save by paying off their mortgages. At the same time, Avanza's growth opportunities are not limited by the savings market's growth. There are still large market shares to win. In addition, the capital that is transferred from other savings institutions to Avanza is not included in the net inflow to the savings market.

Changing customer behaviour

We are seeing a clear trend with greater focus on the importance of fees, not least due to Sweden's negative interest rates. The Riksbank has announced that interest rates will remain low in coming years, and savers are turning to the stock market to get returns. The low interest rates are also positively affecting customers' disposable income and savings potential. Avanza's low fees and position as a leading platform for savings and investment is favourable for growth given these market conditions. More customers and net inflow in turn create opportunities for growth in savings capital and underlying growth in income. At the same time, low interest rates are keeping pressure on net interest income. When interest rates eventually turn higher, we expect to see the positive results of the sharp increase in savings capital, even if customer growth slows slightly at the same time that stock market activity could decline.

Another distinctive trend is that more customers are logging in and making their transactions by mobile devices. Mobile use has also been shown to increase customer activity. We expect this trend to continue and to help further strengthen Avanza's position.

Possible impact of pending regulations

The gradual deterioration of national and collective pension and welfare systems increases the need for individual savings, which is leading to higher demand for simplified information, freedom of choice, digital services and lower fees. Avanza benefits when more responsibility is shifted to the individual, since its IT platform,

products and decision-support tools make it easy and inexpensive to make the right investment choices.

We are in the midst of a period of extensive regulatory changes in the financial sector, driven by the EU. The majority of these rules, including MiFID II, aim to increase consumer protection and transparency in the market. This will mean greater complexity and higher costs for financial advice for private individuals. To cost-effectively serve the broad consumer market, more financial institutions will probably be forced to embrace digitisation and digital decision support. In this respect Avanza is in the forefront. Avanza does not offer individual advice and is already well-positioned to meet the rising demand for digital investment services with low fees. As a result, the shift from physical meetings with a banker to digital services is expected to positively impact Avanza's growth opportunities. At the same time, we are seeing increased fragmentation as fintech companies focused on the digitisation of the financial industry challenge traditional banks, which we expect will contribute to greater mobility in the market.

The new rules banning advisory fees, which will be introduced at the latest in conjunction with the MiFID II regulations, aim to benefit consumers who seek independent advice from insurance brokers and investment advisors. This will probably affect the fees customers are charged as savers become more price conscious and less willing to pay. Avanza Pension is one of the few insurance companies in Sweden that doesn't pay broker commissions. As a result, a ban on commissions for insurance advice does not affect Avanza and in fact will benefit the company when it is clear to savers what they are paying for advice and can question whether they really need it.

Regulated transfer rights for pensions would also positively affect Avanza's growth prospects. It is uncertain at this point whether and when such rights can be introduced, but the government announced during the spring that it wants to see progress on transfer rights during its current term, which lasts until 2018. Avanza has a strong occupational pension offer and ranks fourth in pension capital transfers in the Swedish life insurance market. According to data from Svensk Försäkring, Avanza's share of life insurance premiums paid in 2015 increased the most in the industry, from a market share of 5.0 per cent to 6.4 per cent. Considering its stable growth and revenue model in pension savings, Avanza's focus on pensions is a long-term shock absorber in the event of market fluctuations.

Falling income to savings capital ratio

The income to savings capital ratio has dropped in the last five years by 9 per cent annually, from 87 to 55 basis points. This is a result of falling interest rates, fluctuations in trading activity on the stock exchange and price changes, coupled with mix effects on savings. Given today's low interest rates, we estimate that the income to savings capital ratio will fall at a slower rate than before – even if we continue to see mix effects on savings capital. Fund investments are likely to increase going forward – not least in conjunction with further increases in pension capital.

We do not expect the income to savings capital ratio to return to the previous level given current savings behaviour with a lower appetite for risk and growing cost awareness among

customers. Competitiveness and profitability will have to be achieved through a reduced cost to savings capital ratio. Avanza's business model is built on economies of scale. A growing customer base and rising business volumes, coupled with scalable IT systems, facilitate cost efficiency and continued low fees. Together with innovative products, this is expected to make Avanza more competitive and lead to higher savings from both new and existing customers.

To deliver the highest possible quality for our customers in the future, we need to keep our focus on efficiency improvements

and digitisation in the years to come, and to expand our IT-development capacity. We expect cost increases of 8-10 per cent per year in coming years. This range serves as an accelerator or brake to counter or accommodate market conditions with the necessary investments and can be re-evaluated if growth conditions change. Given continued strong growth in the customer base and savings capital, we see good opportunities to lower the cost to savings capital ratio over the next 3-5 years to below 20 points.

Other corporate events

Significant risks and uncertainly factors

Avanza's operations are exposed to risks on a daily basis. These risks are measured, controlled and, where necessary, acted upon, in order to protect the company's capital and reputation. The manner in which Avanza identifies, follows up and manages these risks has a bearing on the soundness of the business and on the company's long-term profitability.

A detailed description of the Group's risk exposure and risk management is provided in Avanza's Annual Report for 2015, Note 36 and pages 35-37. It is deemed that there are no significant risks other than those risks described in the Annual Report and in this Interim Report.

Transactions with associated parties

Avanza's transactions with associated parties are presented in the Annual Report for 2015, Note 37. No significant changes have taken place since the publication of the Annual Report.

CEO

In December, Martin Tivéus informed the Board of Directors of his intention to resign from his position as CEO of Avanza during 2016, withdrawing from his assignments in Avanza's Board and executive management. Martin Tivéus will remain in his current role until 31 May 2016. Avanza Bank's Deputy CEO and COO, Henrik Källén, will take on the role of Acting CEO from 1 June until a new permanent CEO is appointed and takes the position.

Annual General Meeting

The Annual General Meeting on 5 April 2016 resolved to re-elect the Chairman of the Board and all board members except Martin Tivéus, who declined re-election. As proposed, a dividend of SEK 10.50 per share was authorised. The Annual Report was published on 11 March 2016.

Repurchase of the company's own shares

On 5 April 2016, the Annual General Meeting decided to authorise the Board of Directors to implement the acquisition of own shares, up to a maximum of 10 per cent of the shares in Avanza Bank Holding AB (publ). The authorisation is valid until the following Annual General Meeting. No shares were repurchased during the first quarter 2016 and the company holds no repurchased shares as of 31 March 2016.

Significant events after the end of the reporting period

No significant events have occurred after the end of the reporting period.

Consolidated Income Statements ¹⁾

SEK m	2016 Jan-Mar	2015 Jan-Mar	2015-2016 Apr-Mar	2015 Jan-Dec
Operating income				
Commission income	229	206	905	882
Commission expenses	-34	-28	-125	-118
Interest income	53	49	198	194
Interest expenses ³⁾	-22	-5	-71	-55
Net result of financial transactions	0	0	1	2
Other operating income	-	-	-	-
Total operating income³⁾	226	222	909	904
Operating expenses				
General administrative costs	-98	-92	-378	-372
Depreciation of tangible and intangible fixed assets	-2	-2	-9	-8
Other operating expenses ³⁾	-11	-13	-38	-40
Total operating expenses before credit losses³⁾	-112	-107	-424	-420
Operating profit before credit losses	115	115	484	485
Credit losses, net	0	0	0	0
Operating profit	115	115	484	485
Tax on profit for the period	-16	-16	-70	-70
Net profit/loss for the period²⁾	98	99	414	415
Earnings per share, SEK	3.35	3.43	14.14	14.23
Earnings per share after dilution, SEK	3.32	3.39	14.00	14.10
Average no. shares before dilution, thousand	29,344	28,874	29,288	29,172
Average no. shares after dilution, thousand	29,612	29,242	29,581	29,441
Outstanding no. shares before dilution, thousand	29,344	28,874	29,344	29,344
Outstanding no. shares after dilution, thousand	29,665	29,266	29,665	29,675
No. shares upon full dilution, thousand	30,814	30,344	30,814	30 814

1) Corresponds to total comprehensive income in that no other total comprehensive income exists.

2) The entire profit accrues to the Parent Company's shareholders.

3) As of 2016, the deposit guarantee fee and the stability/resolution fee are reported as interest expenses and a transfer has been made from other operating expenses to interest expenses. Historical figures have been adjusted.

Consolidated Balance Sheet

SEK m	Note	31-03-2016	31-12-2015
Assets			
Treasury bills eligible for refinancing		0	250
Lending to credit institutions	1	2,781	1,701
Lending to the public	2	7,147	6,540
Bonds		12,992	11,850
Shares and participations		1	0
Assets in insurance operations		65,829	66,566
Intangible fixed assets		44	38
Tangible fixed assets		18	20
Other assets		1,455	1,543
Prepaid costs and accrued income		73	113
Total assets		90,340	88,621
Liabilities and shareholders' equity			
Deposits by the public		22,648	20,446
Liabilities in insurance operations		65,829	66,566
Other liabilities		455	292
Accrued costs and prepaid income		85	92
Subordinated liabilities		99	99
Shareholders' equity		1,224	1,126
Total liabilities and shareholders' equity		90,340	88,621

Changes in the Group's shareholders' equity

SEK m	2016	2015	2015
	Jan-Mar	Jan-Mar	Jan-Dec
Shareholders' equity at the beginning of the period	1,126	815	815
Dividend paid	-	-202	-202
Exercise of share warrants	-	-	93
Warrants issue	-	-	5
Net profit/loss for the period (also total comprehensive income)	98	99	415
Shareholders' equity at the end of the period	1,224	712	1,126

There are no minority shareholdings included in the shareholders' equity.

Consolidated Cash Flow Statements

SEK m	2016	2015
	Jan-Mar	Jan-Mar
Cash flow from operating activities before changes in operating activities' assets and liabilities	104	89
Cash flow from operating activities' assets and liabilities	1,901	2,818
Cash flow from investment operations	-898	-2,442
Cash flow from financial operations	0	-202
Cash flow for the period	1,107	263
Liquid assets at the beginning of the period¹⁾	1,599	3,783
Liquid assets at the end of the period¹⁾	2,706	4,046

1) Liquid assets are defined as lending to credit institutions excluding pledged assets. At the end of the period SEK 75 million (SEK 796m) of consolidated liquid assets are pledged as collaterals.

Parent Company Income Statement

SEK m	2016	2015
	Jan-Mar	Jan-Mar
Operating expenses		
Administration expenses	-2	-3
Other operating expenses	-1	-1
Operating profit/loss	-3	-4
Profit/loss from financial investments		
Profit/loss from participations in Group companies	-	-
Interest income and similar items	0	0
Profit/loss before tax	-3	-4
Tax on profit for the period	1	1
Net profit/loss for the period	-2	-3

Parent Company Balance Sheets

SEK m	31-03-2016	31-03-2015
	Assets	
Financial fixed assets	409	409
Current receivables ¹⁾	373	378
Liquid assets	0	0
Total assets	782	787
Shareholders' equity and liabilities		
Shareholders' equity	777	779
Current liabilities	5	8
Total shareholders' equity and liabilities	782	787

1) Of which receivables from subsidiaries SEK 371 million (SEK 0 m).

Accounting principles

The Interim Report for the Group has been prepared in accordance with IAS 34, Interim Reporting, the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and with the guidelines and general advice issued by the Swedish Financial Supervisory Authority concerning the annual accounts of credit institutions and securities companies (FFFS 2008:25). The Interim

Report for the Parent Company has been prepared in accordance with the provisions of the Swedish Annual Accounts Act. Furthermore, the Swedish Financial Reporting Board's recommendation accounting for legal entities (RFR 2) has been applied. As of 2016 the fee for the government's deposit guarantee scheme and resolution fee are reclassified from other operating expenses to net interest income. Accounting principles and calculation methods for both the Group and the Parent Company remain otherwise unchanged from those applied in the 2015 Annual Report.

Notes

NOTE 1 LENDING TO CREDIT INSTITUTIONS

Client fund receivables, attributable to banking business, amount as of 31 March 2016 to SEK 1,150 million (SEK 1,086m as of 31 December 2015) which are reported net against client fund payables of SEK 1,150 million (SEK 1,086m as of 31 December 2015).

NOTE 2 LENDING TO THE PUBLIC

Lending to the public is reported after deduction for confirmed and anticipated credit losses. As per 31 March 2016 anticipated credit losses amounted to SEK 8 million (SEK 8m as of 31 December 2015).

Lending to the public totalled to SEK 7,147 million as of 31 March 2016. Lending to the public is secured with collateral in the form of securities SEK 4,262 million (3,821m as of 31 December 2015) and houses and tenant-owned apartments SEK 2,885 million (SEK 2,719m as of 31 December 2015). Regarding mortgage loans as of 31 March 2016 SEK 3,600 million (SEK 3,333m as of 31 December 2015) has been granted, implying that the commitment for granted, undisbursed mortgage loans amounts to SEK 715 million (SEK 614m as of 31 December 2015).

NOTE 3 FINANCIAL INSTRUMENTS

Classification of financial instruments

31-03-2016, SEK m	Financial instruments valued at fair value via Income Statement	Investments held to maturity	Loan receivables and accounts receivable	Other financial liabilities	Non-financial instruments	Total
Assets						
Lending to credit institutions	–	–	2,781	–	–	2,781
Lending to the public	–	–	7,147	–	–	7,147
Bonds	–	12,992 ¹⁾	–	–	–	12,992
Shares and participations	1	–	–	–	–	1
Assets in insurance operations	65,829	–	–	–	–	65,829
Intangible assets	–	–	–	–	44	44
Tangible assets	–	–	–	–	18	18
Other assets	–	–	446	–	1,009	1,455
Prepaid costs and accrued income	–	11	45	–	17	73
Total assets	65,830	13,003	10,419	–	1,088	90,340
Liabilities						
Deposits by the public	–	–	–	22,648	–	22,648
Insurance operations liabilities	65,829	–	–	–	–	65,829
Other liabilities	–	–	–	455	0	455
Accrued costs and prepaid income	–	–	–	41	44	85
Subordinated liabilities	–	–	–	99	–	99
Total liabilities	65,829	–	–	23,243	44	89,116

1) The fair value amounts to SEK 12,960 million, of which SEK 12,960 million is attributed to Level 1 and SEK – million to level 2 in the hierarchy for fair value. The valuation principles are the same as for similar instruments that are reported at fair value in the balance sheet.

Financial instruments valued at fair value

31-03-2016, SEK m	Level 1	Level 2	Level 3	Total
Assets				
Equities	35,643	0	0	35,643
Fund units	1,268	19,344	–	20,612
Bonds and other interest-bearing securities	13,895	242	–	14,137
Other securities	181	204	–	385
Liquid assets	–	–	–	8,013
Total assets	50,987	19,790	0	78,790
Liabilities				
Liabilities in insurance operations (investment agreements)	–	65,829	–	65,829
Total liabilities	–	65,829	–	65,829

Fair value

In the case of financial instruments reported at accrued acquisition cost, incurring variable interest, or with short maturities, the reported value and fair value are equal. The fair value of those financial instruments reported at fair value through profit and loss is determined as shown below.

During the period, no transfers between the levels have taken place. Pension and insurance customers (assets in the insurance operations) are, in principle, only permitted to hold securities traded on a regulated market or a multilateral trading facility (MTF), investment funds or securities on unlisted securities markets managed electronically by Avanza.

Financial assets valued at fair value via the Income Statement

The majority of the securities in this category, primarily comprising assets within the insurance operations, comprise listed securities and the fair value is determined by using the official bid rate on the closing date. The fair value of securities without an active market is determined, initially, by obtaining pricing information from operators who quote daily prices, mainly the net asset values quoted by the fund companies, where the issuer values every individual security, and secondarily, by assessing the most recently completed market transaction between two mutually independent parties.

Changes in the value of assets in the insurance operations correspond to changes in the value of liabilities in the insurance operations and the net result is, therefore, zero.

Financial assets valued at fair value are classified through the use of a hierarchy for fair value that reflects the significance of the input data used in the valuations. The hierarchy contains the following levels:

- Level 1 – Quoted prices (unadjusted) on active markets for identical assets or liabilities. The majority of the shares pertaining to the insurance operations are included in this category.
- Level 2 – Input data other than the quoted prices included in Level 1, but which are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Funds (not traded on a stock exchange) are included in this category. Liabilities in the insurance operations are included in this category as the value of the entire balance sheet item is indirectly related to the value of the assets in the insurance operations.
- Level 3 – Input data from the asset or liability in question that is not based on observable market data (non-observable input data).

The level of the hierarchy for fair values where the valuation at fair value is categorized in its entirety shall be determined on the basis of the lowest level of input data of significance to the valuation at fair value in its entirety.

NOTE 4 CAPITAL REQUIREMENT FOR THE FINANCIAL CONGLOMERATE

SEK m	31-03-2016	31-12-2015 ¹⁾
Capital base		
Shareholders' equity, the Group	1,224	1,126
Less profits that are not audited	-98	-
Determined dividend	-308	-308
Shareholders' equity, financial conglomerate	818	818
<i>Additional</i>		
Solvency capital (NPV)	1,226	1,242
Subordinated bond	83	78
<i>Less</i>		
Intangible fixed assets	-44	-38
Deferred tax receivables	-2	-1
Total capital base	2,081	2,099
Capital base per sector		
Capital requirement for regulated units in the insurance sector	1,427	1,446
Capital requirement for regulated units within the banking and securities sector	654	653
Total capital base	2,081	2,099
Capital requirement per sector		
Capital requirement for regulated units in the insurance sector	793	798
Capital requirement for regulated units within the banking and securities sector	495	458
of which additional buffer requirement	146	137
of which additional Pillar 2 requirement	11	11
Total capital requirement	1,288	1,256
Capital surplus	793	843
Capital base/Capital requirement	1.62	1.67

1) The figures of 31-12-2015 have been restated compared with The Annual Report 2015 in order to be comparable with numbers of 31-03-2016, which are adjusted to the new Solvency II rules that took effect on 1 January 2016.

The above table refers to the financial conglomerate, including Avanza Bank Holding AB (publ) and all of its subsidiary companies. The financial conglomerate's capital base and capital requirement have been calculated using the consolidation method.

When calculating the capital base during the course of an ongoing year, audited profits only are included in the calculations. If the profit for the period has been audited, adjustments are made for the assumed or proposed dividend. Assumed dividend refers to the current period and the proposed dividend is dividend proposed by the Board of Directors to the Annual General Meeting for the full financial year.

When the new Solvency II rules took effect on 1 January 2016, insurance became the largest sector. Previously, banking and securities had been the largest sector. As a result of the new solvency rules, a line has been added to the above table for solvency capital (NPV), which refers to the estimated future present value of the insurance company Avanza Pension's profits generated from policyholders' capital. The capital requirements for regulated units in the insurance sector include the estimated Solvency Capital Requirement (SCR), which is affected by policyholders' assets.

NOTE 5 CAPITAL BASE AND CAPITAL REQUIREMENT IN THE CONSOLIDATED SITUATION

In accordance with the European capital requirements regulation (CRR), Avanza's consolidated situation refers to Avanza Bank Holding AB (publ) and the subsidiaries Avanza Bank AB (publ) and Avanza Fonder AB. The capital requirements reported in this note refer to Pillar 1, Pillar 2 and additional buffer requirements, according to the capital adequacy rules in effect at the time.

Consolidated situation, SEK m	31-03-2016	31-12-2015
Tier 1 capital		
Shareholders' equity, the Group	1,224	1,126
Determined dividend	-308	-308
Equity not part of the consolidated situation	-168	-100
Equity, consolidated situation (adjusted for determined dividend)	748	718
<i>Deducted items:</i>		
Intangible assets	-44	-38
Deferred taxes	-2	-1
Avanza Bank Holding AB:s holding in Försäkringsaktiebolaget Avanza Pension	-39	-39
Common equity tier 1 capital	663	640
Subordinated bond	83	78
Tier 2 capital	83	78
Total capital base	746	718
Capital requirement		
Credit risk according to standardised approach	253	234
Market risks	0	0
Settlement risk	0	0
Operational risk	80	80
Capital requirement	333	314
Risk exposure amount		
Credit risk according to standardised approach	3,161	2,929
of which Institutions	555	340
of which Corporates	27	27
of which Households	155	163
of which Collateral in real estate	1,010	952
of which Covered bonds	1,213	1,103
of which Other items	201	344
Market risks	1	1
Settlement risk	0	0
Operational risk	995	995
Total risk exposure amount	4,157	3,925
Capital ratios and buffers		
Common equity tier 1 ratio, %	15.9	16.3
Tier 1 ratio, %	15.9	16.3
Total capital ratio, %	17.9	18.3
Capital base in relation to capital requirement	2.24	2.29
Institution-specific buffer requirement, %	3.5	3.5
of which capital conservation buffer requirement, %	2.5	2.5
of which countercyclical buffer, %	1.0	1.0
Total capital requirement including buffer requirement, %	11.5	11.5
Common equity tier 1 capital available for use as a buffer, %	11.4	11.8
Capital surplus after buffer requirement remaining to cover additional Pillar 2 requirement	268	267
Additional Pillar 2 requirement	11	11
Capital surplus after buffer requirement and Pillar 2	257	256

Information is only provided regarding the buffer requirements which have come into force.

The CEO ensures that the Interim Report gives a fair overview of the company and group activities, balance and results, and describes the material risks and uncertainties that the company and the companies of the group is facing.

Stockholm, 19 April 2016

Martin Tivéus
CEO

For additional information



Martin Tivéus, CEO
Telephone: +46 (0)70 861 80 04



Birgitta Hagenfeldt, CFO
Telephone: +46 (0)73 661 80 04



Sofia Svavar, Head of IR
Telephone: +46 (0)8 409 420 17

The information contained in this report comprises information that Avanza Bank Holding AB (publ) is obliged to provide as well as that which it has chosen to provide in accordance with the provisions of the Swedish Securities Market Act and the Swedish Financial Instruments Trading Act. The information has been released to the market for publication at 08.15 (CEST) on 19 April 2016.

A presentation will be held by Martin Tivéus, CEO and Birgitta Hagenfeldt, CFO on 19 April 2016 at 10.00 (CEST). The presentation will be held in English and there will be opportunities to ask questions. The presentation can be followed at avanza.se/ir. Phone number for participants:

- Sweden +46 (0)8 505 564 74
- UK +44 20 336 453 74
- US +1 855 753 22 30

This report has not been subject to review by the company's auditors.

Avanza also publishes an Excel document containing its financial history. The information is provided in English and is updated quarterly. The document can be accessed at avanza.se/keydata.

Headoffice

Visiting address: Regeringsgatan 103, Stockholm
Postal address: Box 1399, SE-111 93 Stockholm
Telephone: +46 (0)8 562 250 00
Website: avanza.se
Corporate web: avanza.se/ir

Financial calendar

Interim Report January – June 2016	13 July 2016
Interim Report January – September 2016	18 October 2016
Preliminary Financial Statement 2016	January 2017

Definitions

Account

An open account with holdings.

Brokerage income

Brokerage income less direct costs.

Brokerage per commission note

Gross brokerage income for account customers in relation to the number of commission notes excluding investment fund commission notes.

Capital base

Equity adjusted for deductions in accordance with the provisions governing credit institutions, fund management companies and insurance companies with regard to the way in which the capital base and the capital requirement are determined.

Commission note

Daily summary of the buying and selling assignments by a customer involving a specific security. A commission note may comprise one or more transactions. A commission note constitutes the basis on which brokerage charges are levied.

Cost/income ratio

Costs before credit losses in relation to income.

Credit loss level

Net credit losses in relation to opening balance for lending to credit institutions and lending to the public.

Customer

Individuals or companies with at least one account with holdings.

Deposits

Deposits by the public as per balance sheet with deduction for the portion which are covered in their entirety by cash pledged on endowment insurance

accounts which entirely corresponds to the lending to the public and the addition of client fund deposits and external deposits.

Earnings per share

Profit/loss after tax in relation to the average number of shares during the period.

Equity per share

Shareholders' equity in relation to the number of outstanding ordinary shares before dilution at the end of the period.

External deposits

Savings accounts in external banks and credit market companies, Sparkonto+, opened and managed by customers via Avanza's website.

Investment fund commission

Kickbacks from fund management companies (comprises entry commission and commission based on fund volume) and management fees from Avanza funds.

Lending

Lending to the public as per balance sheet with deduction for the portion which are covered in their entirety by cash and cash equivalents pledged on endowment insurance accounts.

Net deposits/Savings capital

Deposits minus lending, in relation to the savings capital at the end of the period.

Net inflow

Deposits, less withdrawals, of liquid assets and securities.

Net inflow/Savings capital

The period's net inflow on an annual basis in relation to savings capital at the beginning of the period.

Operating expenses

Operating expenses before credit losses.

Operating expenses/Savings capital

Operating expenses in relation to average savings capital during the period.

Operating income/Savings capital

Operating income in relation to average savings capital during the period.

Operating margin

Operating profit/loss in relation to operating income.

Profit margin

Profit/loss after tax in relation to operating income.

Return on equity

Profit/loss after tax in relation to the average shareholders' equity during the period. The return on shareholders' equity for interim periods is not recalculated at a yearly rate.

Savings capital

The combined value of accounts held with Avanza.

Solvency capital (NPV)

Estimated future present value of the insurance company Avanza Pension's profits generated from policyholders' capital.

Solvency capital requirement (SCR)

Estimated capital requirements under Solvency II rules.

Transactions

Buying and selling transactions completed in different markets and involving different securities.



Avanza Bank Holding AB (publ) • Registered office: Stockholm • Corporate ID no: 556274-8458