

Company AS Inbank  
Type Company Release  
Category Management interim statement or quaterly financial report  
Disclosure time 15 Aug 2017 10:27:04 +0300

Attachments:

- Inbank interim report 2017 IIQ.pdf (<http://oam.fi.ee/en/download?id=3134>)
- Inbank interim report 2017 IIQ.pdf (<http://oam.fi.ee/en/download?id=3135>)

Currency

Title Financial results of Inbank AS for Q2 of 2017

The consolidated profit of Inbank in the first half of 2017 was 5.69 million euros. The deposit portfolio of Inbank increased 49.6 per cent year-on-year and the loan portfolio grew by 43.4 per cent.

In Q2, Inbank sold its affiliates Krediidipank Finants AS and Coop Finants AS to Eesti Krediidipank, which will start operating under the name of Coop Pank in autumn. Inbank's holding in both companies before the transaction was 49%. Inbank earned a one-off profit in the amount of 4.81 million euros from the transactions. The holding of Inbank in Eesti Krediidipank after the transactions is 17.9 per cent.

According to the CEO of Inbank Jan Andresoo, the quarter was characterised by the start of several new partnerships. "We launched international cooperation with the innovative mobile bank N26 via our Raisin deposit platform in order to offer good depositing opportunities to their clients," he said. "In the area of hire purchase, we started a partnership with Samsung Electronics Baltics. In the area of loans, we developed our cooperation with several good partners such as Bauhof, 1A.EE and Hansapost, where we now offer small loans in addition to hire purchase."

Inbank's sales in the first six months of 2017 amounted to 33.4 million euros: 28.5 million in Estonia, 3.2 million in Latvia and 1.6 million in Poland. The increase in the sales of loans in Estonia deserves a separate mention, as it increased by 35.6 per cent year-on-year.

Business volumes also increased in the Polish branch, which started operating at the start of the year. According to Andresoo, the second quarter was like a test period for the branch in order to assess the quality of the primary credit decisions and the functioning of channels and IT processes. "The people in Poland also worked hard to start the partner-based business, which is the cornerstone of the international strategy of Inbank," he said. "I have to say



that we have found very interesting business opportunities so far and hope to be able to say more about them in the near future."

Several changes in the staff of Inbank took place in Q2. Priit Piile, the former Technical Director of Inbank's affiliate Maksekeskus AS, started working as the Technology Director at Inbank. He will be responsible for coordinating IT development across the group. Girts Ledins, who has a lot of management experience in the area of finance, became the new CEO of Inbank's Latvian company Inbank Lizings SIA in May.

Important financial indicators as at 30 June 2017

- Balance sheet total 102.9 million euros
- Loan portfolio 77.4 million euros
- Deposits 74.3 million euros
- Consolidated profit 5.69 million euros
- Equity 20.3 million euros

Inbank's interim report is currently available only in Estonian. The English version will be published on Inbank's web page [www.inbank.ee](http://www.inbank.ee) shortly.

Consolidated statement of comprehensive income (abbreviated)

EURt

	Q2 2017	6 months 2017	Q2 2016	6 months 2016
Continuing operations				
Interest income	3 061	5 996	2 345	4 161
Interest expenses	-492	-976	-301	-559
Net interest income	2 569	5 020	2 044	3 602
Fee and commission income	204	396	141	261
Fee and commission expense	-144	-284	-81	-153
Net fee and commission income	60	112	60	108
Other income related to operations	104	253	142	313
Total income	2 733	5 385	2 246	4 023
Personnel costs	-994	-1 879	-580	-1 080



Marketing expenses	-380	-488	-143	-231
Administrative expenses	-354	-708	-266	-417
Depreciations, amortisation	-55	-104	-47	-91
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Total operating expenses	-1 783	-3 179	-1 036	-1 819
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Operating profit	950	2 206	1 210	2 204
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Profit from affiliates	4 797	5 065	96	273
Credit losses	-805	-1 731	-943	-1 402
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Profit before income tax	4 942	5 540	363	1 075
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Deferred income tax	93	151	15	17
Net income	5 035	5 691	378	1 092
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Other comprehensive income / (loss)				
Items that may be reclassified subsequently to profit or loss				
Unrealised foreign exchange gains/losses	3	-13	0	0
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Total comprehensive income for the year	5 038	5 678	378	1 092
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Profit is attributable to:				
Owners of the Bank	5 050	5 718	401	1 113
Non-controlling interest	-16	-28	-23	-21
Profit for the year	5 034	5 690	378	1 092
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Total comprehensive income/(loss) is attributable to:				
Owners of the Bank	5 054	5 706	401	1 113
Non-controlling interest	-16	-28	-23	-21
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Total comprehensive income	5 038	5 678	378	1 092
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## Consolidated statement of financial position

EURt



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Assets		
Cash in hand	4	4
Due from central banks, reserve requirement	13 937	14 680
Due from credit institutions	2 308	1 956
Loans and receivables from customers	77 439	64 839
Investments in affiliates	7 013	1
Tangible assets	228	183
Intangible assets	980	902
Other financial assets	41	43
Other assets	234	214
Deferred income tax asset	806	449
Assets held for sale	0	1 672
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Total assets	102 990	84 943
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Customer deposits	74 345	64 587
Other financial liabilities	1 009	1 034
Other liabilities	882	722
Income tax liability	0	321
Subordinated debt securities	6 477	6 475
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Total liabilities	82 713	73 139
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Equity		
Share capital	782	689
Share premium	9 068	6 361
Mandatory reserve	57	57
Other reserves	1 363	1 361
Retained earnings	8 983	3 330
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Total equity attributable to the shareholders of parent company	20 253	11 798
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Non-controlling interest	24	6
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Total equity	20 277	11 804
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Total liabilities and equity	102 990	84 943
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The reports of Inbank are accessible online at  
<https://www.inbank.ee/en/inside/investor/reports/>.

Inbank, which started operating as a bank in 2015, offers services via its internet bank and a partner network. Inbank operates on the consumer financing markets of Estonia, Latvia and Poland. Inbank also receives international deposits from the German and Austrian markets.

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