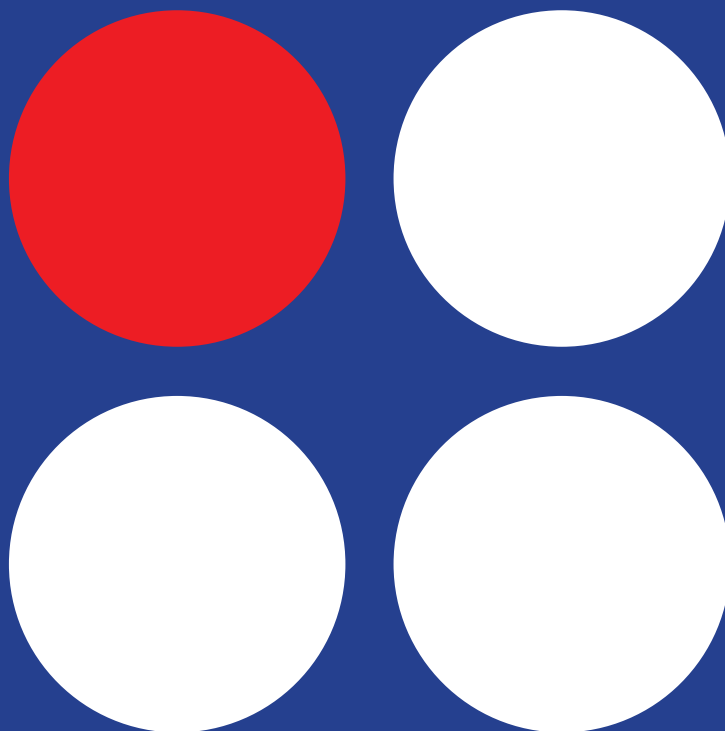

First quarter report 2016



B2Holding
Condensed Interim Consolidated Financial Information
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Highlights first quarter 2016

- *Gross cash collection of NOK 413 million (279)*
- *Portfolio acquisitions of NOK 448 million (64)*
- *Positive cash flow from operations NOK 135 million (102)*

(Comparable numbers for Q1 2015 in brackets)

<i>(In NOK '000s)</i>	Quarter 1 2016	Quarter 1 2015	Change %	Full year 2015
Net operating revenues	279,107	230,199	21.2 %	1,076,239
Operating profit	84,766	89,410	-5.2 %	377,204
<i>Profit margin</i>	30.4 %	38.8 %		35.0 %
Profit for the period after tax	-1,887	-8,679	78.3 %	198,175
Earnings per share, basic and diluted	-0.01	-0.03		0.63
Cash flow from operating activities	135,194	101,749	32.9 %	591,123
Operating cash flow per share	0.43	0.33		1.90
Portfolio acquisitions	447,985	64,131	598.5 %	1,358,266
Cash collection from purchased loan portfolios	413,059	279,118	48.0 %	1,339,083

Operational review

The high activity B2Holding experienced in the fourth quarter 2015, continued in the first quarter of 2016. The new year started with the acquisition of a large retail unsecured portfolio in Poland with a face value of approximately EUR 400 million. Furthermore, the first quarter of 2016 showed increased activity in both secured and combined portfolios (consisting of both secured and unsecured claims).

The Group successfully acquired portfolios for a purchase price of NOK 448 million in the first quarter. The Group acquired portfolios in nearly all markets where it has presence and this confirms that the current geographic footprint is a solid platform for further growth.

The positive development in the Nordics has continued, and performance is strong. Portfolio purchase activities are high, mainly based on forward flow and frame agreements.

In Poland and Romania, changes in the legal system have caused some delay in payments. We expect this to have a temporarily effect on the revenues.

In the Balkans, we see a strong pipeline of new portfolios. The organisation is growing as a result of higher activity. A significant secured portfolio was acquired in the fourth quarter of 2015 and staffing of our

work out teams is being developed in the local markets. We see an increasing number of secured portfolios being offered for sale.

As announced in the fourth quarter presentation, B2Holding had signed a term sheet in connection with the acquisition of a new platform. This transaction has now been concluded, and a Sale and Purchase Agreement was signed on May 4th 2016. Expected closing is May 31st 2016. The acquired company is Debt Collection Agency AD (DCA), one of the two leading players in Bulgaria, and with a fully owned subsidiary in Romania. The DCA Group has approximately 125 employees in Bulgaria and 25 employees in Romania. DCA is a debt purchaser with collection on owned portfolios, mainly retail unsecured. DCA has an ERC of approximately EUR 40 million and the face value of acquired portfolios is approximately EUR 180 million. Through the acquisition of DCA, B2Holding will even further strengthen its position as one of the leading players in the Balkans. We see DCA as an excellent platform for further growth in the region.

During this quarter, B2Holding established a new office in Prague, and hired key personnel for analysis of secured assets.

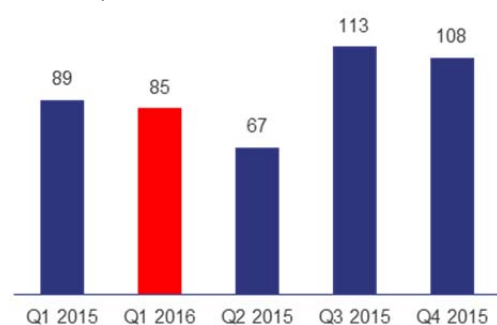
The Group will continue to focus on streamlining its operations and taking advantage of adoption of best practice within the Group.

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Financial Summary

First Quarter 2016

The Group recorded an operating profit of NOK 84.8 million in the first quarter 2016. This is a reduction of NOK 4.6 million (-5.2%) compared to the first quarter of 2015 and a reduction of NOK 23.5 million (-21.7%) compared to the fourth quarter of 2015. The operating profit for the first quarter of 2016 is negatively impacted by a delay in the set-up of the organisation related to secured portfolios in the Balkans. The gross cash collection in the Balkans was extended out in time resulting in a negative effect on reported interest revenue of approximately NOK 30 million in the first quarter 2016. From 1 January 2016 a new law was passed in Poland that limits the number of cases a single bailiff office can process in a year, resulting in a temporary backlog of claims in Poland. Furthermore, a new law related to legal collection in Romania was implemented in the first quarter of 2016. The legal changes in Poland and Romania resulted in delayed cash collection with a negative impact on reported interest revenue with approximately NOK 20 million in the first quarter of 2016. At present there are still uncertainties regarding the timeframe before the Polish bailiff system is back on track. The Romanian changes in bailiff regulation are expected to prolong the legal collection process in Romania and somewhat increase the legal cost of collection going forward. Net operating revenues is also negatively impacted by adjustment of future portfolio cash flow estimates of NOK 16 million, mostly related to the new law passed in Romania and a change in collection curves related to secured portfolios in the Balkans. Non-recurring costs related to ongoing IPO process is recognised as operating expenses with NOK 8.8 million. The remaining operating segments had a higher cash flow on existing portfolios than expected in the first quarter of 2016.

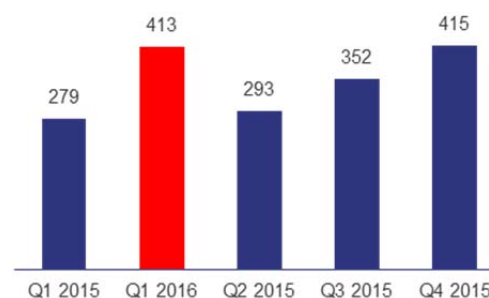


(Quarterly operating profit in NOKm)

Net operating revenues for the quarter amounted to NOK 279.1 million, an increase of NOK 48.9 (21.2%) from the first quarter of 2015. Before adjusted for portfolio revaluations the revenue from purchased loan portfolios totalled NOK 249.5 million compared to NOK 196.0 million in the first quarter of 2015. The increase is mainly a result of high activity in portfolio acquisitions in second half of 2015 and first quarter of 2016, partly offset by

the bailiff situation in Poland and delayed cash collection in Balkans. Of the total revenue of NOK 279.1, NOK 23.8 million is related to commission and collection fees from external collection, a minor decrease from NOK 24.8 million in the same period in 2015. Other revenues amounted to NOK 21.9 million an increase of NOK 12.4 million due to increased activity in TAKTO Poland within consumer lending.

Gross cash collections from purchased loan portfolios ended in the quarter at NOK 413.1 million. This corresponds to an increase of NOK 133.9 million compared to the same period in 2015.



(Quarterly gross cash collection in NOKm)

Operating expenses, excluding depreciation and amortisation of tangible and intangible fixed assets, amounted to NOK 187.0 million, which is an increase of NOK 52.3 (38,8%) million compared to the first quarter of 2015. The increase is mainly due to general increase in the Group organisation and activity. Number of employees (measured in FTEs) increased from 961 at beginning of the first quarter 2015 to 1 186 at the end of first quarter 2016. The increase in FTEs is mainly related to employees involved in the collection process in the Balkans and in Poland.

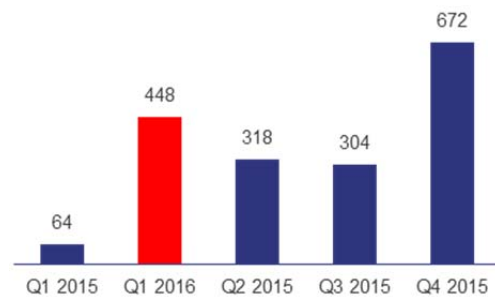
Net financial items ended in the first quarter with a net expense of NOK 78.9 million, of which NOK 50 million interest expenses related to the external financing of the Group and NOK 27.2 million in net realised and unrealised exchange loss.

Due to loss in net financial items and tax expenses that offset the operating profit of NOK 84.8 million, profit for the period after tax ended with a loss of NOK 1.9 million. Adjusted net profit, before non-recurring operational and financial items (net of tax), was NOK 6.9 million.

Operating cash flow of NOK 135.2 million in the period was NOK 33.5 million higher than the same period in 2015. This was mainly due to increased cash collection of NOK 133.9 million, which was partially offset by increased interest payments and working capital items. Cash flow used in investing activities ended at NOK 611.6 million in the quarter compared to NOK 81.4 million in the same quarter of 2015. The increase is due to higher activity in purchasing loan portfolios and payment of contingent considerations to former owners of acquired subsidiaries. Portfolio acquisitions totalled NOK 448

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million in the quarter mainly attributable to portfolio purchases in Poland, Finland and Sweden.



(Portfolio acquisition 2015 in NOKm)

Net cash flow from financing activities in the period ended on NOK 0.6 million. Interest bearing loans amounted at the end of the quarter to NOK 2,470.6 million compared to NOK 2,526.1 million at year-end 2015.

Corporate matters

The Group concluded in November 2015 a new senior secured multi-currency revolving credit facility (RCF) of EUR 260 million with DNB Bank ASA and Nordea Bank Norge ASA. In parallel with this refinancing, the Group's legal structure was streamlined for future bank debt funding at a sub-holding level with a ring-fenced and cost efficient funding structure at reduced margin.

In addition to the RCF, the Group issued in December 2015 a EUR 150 mill senior unsecured bond loan in order to support the growth strategy of the Group. As per 31 March 2016 the Group had NOK 1.3 billion in available investment capacity.

The EUR 150 million bond loan was listed on Oslo Stock Exchange on 3 March 2016 and the Group is continuing the preparations for a listing of its shares on the Oslo Stock Exchange, with a targeted listing in the second quarter of 2016, depending on market conditions.

Outlook

B2Holding strategy going forward remains unchanged. Our focus is to further strengthen our position as one of the leading Pan-European players in the NPL industry, and we see high activity in the regions where we operate. We see a continuous push from the national central banks and the ECB for banks to continue to deleverage and clean up their balance sheets. As a result, the volume of portfolios offered for sale, is increasing in several of the regions where we operate.

B2Holding will continue to expand geographically, but focus going forward will also be to streamline existing operations. Furthermore, B2Holding will be looking to expand its investment capacity, among others through the planned IPO in second quarter of 2016, but also through debt financing when available. We believe that 2016 will be an active year, and the pipeline we currently see confirms this.

The board emphasizes that every assessment of future conditions necessarily involves an element of uncertainty.

Board of directors, B2Holding AS, 6 May 2016

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First quarter 2016

Consolidated statement of profit or loss and other comprehensive income

All figures in NOK'000s unless otherwise stated

Notes	2016 Quarter 1	2015 Quarter 1	2015 Full year
Interest income on purchased loan portfolios	249,453	195,953	909,544
Revenue from external collection	23,775	24,828	104,101
Other operating revenues	21,902	9,498	57,296
	295,130	230,279	1,070,941
Changes in portfolio cashflow estimates	-16,023	-80	5,298
Net operating revenues	279,107	230,199	1,076,239
External cost of services provided	-52,627	-40,047	-189,304
Personnel costs	-80,888	-55,728	-294,184
Depreciation of tangible fixed assets	-2,340	-1,815	-8,529
Amortisation of intangible assets	-4,994	-4,275	-19,424
Other operating expenses	-53,491	-38,924	-187,594
Total operating expenses	-194,341	-140,789	-699,035
Operating profit	84,766	89,410	377,204
Share of results in associated companies			230
Net realised and unrealised exchange gains	-27,259	-66,581	34,189
Other interest income	695	1,890	2,200
Other interest expenses	-50,940	-19,389	-104,582
Other financial items	-1,436	-2,136	-65,941
Net financial items	-78,940	-86,216	-133,904
Profit for the period before tax	5,826	3,194	243,300
Income tax payable	-9,272	-6,639	-41,646
Change in deferred taxes	1,558	-5,234	-3,479
Profit for the period after tax	-1,887	-8,679	198,175
Other comprehensive income, net of tax			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations	-5,748	42,181	78,586
Total comprehensive income for the period, net of tax	-7,635	33,502	276,761
<i>Profit for the year after tax attributable to:</i>			
Parent company shareholders	-1,840	-8,846	197,211
Non-controlling interests	-47	167	964
<i>Total comprehensive income for the year, net of tax attributable to:</i>			
Parent company shareholders	-7,608	33,299	275,852
Non-controlling interests	-27	203	909
Earnings per share attributable to parent company shareholders (in NOK):			
Basic and diluted	-0.01	-0.03	0.63

B2Holding
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First quarter 2016

Consolidated statement of financial position

All figures in NOK'000s unless otherwise stated

	Notes	2016 31 March	2015 31 December	2015 31 March
Tangible fixed assets		28,000	28,821	26,536
Intangible assets		65,598	71,461	78,377
Goodwill		310,742	317,675	299,452
Investments in associated companies		1,564	1,598	1,617
Purchased loan portfolios	4	3,379,207	3,167,628	1,983,949
Loan receivables	4	273,098	259,819	181,158
Deferred tax asset		23,731	26,349	7,151
Total non-current assets		4,081,940	3,873,351	2,578,240
Accounts receivable		37,145	20,432	9,231
Other short term assets		57,633	49,524	41,664
Cash and short term deposits		273,046	764,678	290,388
Total current assets		367,824	834,634	341,283
Total assets		4,449,764	4,707,985	2,919,523
Share capital	6	31,193	31,187	31,121
Other paid in capital		1,427,584	1,426,790	1,419,292
Other capital reserves		8,922	7,162	1,415
Foreign currency translation reserve		120,600	126,368	89,992
Other equity		79,473	81,313	-118,386
Total equity attributable to parent company shareholders		1,667,772	1,672,820	1,423,434
Equity attributable to non-controlling interests		-1,135	-909	-1,529
Total equity		1,666,637	1,671,911	1,421,905
Long term interest bearing loans and borrowings	5.4	2,470,636	2,526,121	1,015,517
Deferred tax liabilities		54,949	59,307	29,422
Post-employment liabilities		374	380	326
Other long term liabilities	4	31,801	31,047	35,230
Total non-current liabilities		2,557,760	2,616,855	1,080,495
Short term interest bearing loans and borrowings	5			158,202
Accounts and other payables		68,277	107,703	86,209
Income taxes payable		28,936	25,825	7,844
VAT, payroll and other indirect taxes		31,301	33,460	16,922
Other current liabilities		96,853	252,231	147,946
Total current liabilities		225,367	419,219	417,123
Total liabilities		2,783,127	3,036,074	1,497,618
Total equity & liabilities		4,449,764	4,707,985	2,919,523

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Consolidated statement of changes in equity

All figures in NOK'000s unless otherwise stated

	Attributable to parent company shareholders					Total	Non-controlling interests	Total equity
	Share capital	Other paid-in capital	Other capital reserves	Foreign currency translation reserve	Other equity			
At 1 January 2015	30,904	1,403,198	1,415	47,847	-109,540	1,373,824	-1,672	1,372,152
Profit for the period after tax					-8,846	-8,846	167	-8,679
Other comprehensive income, net of tax				42,145		42,145	36	42,181
Total comprehensive income				42,145	-8,846	33,299	203	33,502
Issue of share capital	217	16,094				16,311		16,311
Dividends to non-controlling interests							-60	-60
At 31 March 2015	31,121	1,419,292	1,415	89,992	-118,386	1,423,434	-1,529	1,421,905
At 1 January 2016	31,187	1,426,790	7,162	126,368	81,313	1,672,820	-909	1,671,911
Profit for the period after tax					-1,840	-1,840	-47	-1,887
Other comprehensive income, net of tax				-5,768		-5,768	20	-5,748
Total comprehensive income				-5,768	-1,840	-7,608	-27	-7,635
Issue of share capital (note 6)	6	794				800		800
Share based payments (note 7)			1,760			1,760		1,760
Dividends to non-controlling interests							-199	-199
At 31 March 2016	31,193	1,427,584	8,922	120,600	79,473	1,667,772	-1,135	1,666,637

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First quarter 2016

Consolidated statement of cash flows

All figures in NOK'000s unless otherwise stated

	Notes	2016 Quarter 1	2015 Quarter 1	2015 Full year
Cash flow from operating activities				
Profit for the year before tax		5,826	3,194	243,300
<i>Adjustment for non-cash items:</i>				
Interest income on purchased loan portfolios and change in portfolio cashflow estimates	3	-233,430	-195,873	-914,842
Depreciation and amortisation of assets		7,334	6,090	27,953
Interest expense on interest bearing loans		50,940	19,389	104,582
Unrealised foreign exchange differences		24,753	55,187	-111,239
Fair value adjustment of contingent consideration				45,350
Share based payment expense	7	1,760		5,747
(Profit/) Loss on sale of tangible and intangible fixed assets	2		-62	502
<i>Operating cashflows:</i>				
Cash collection from purchased loan portfolios	3	413,059	279,118	1,339,083
Interest paid on interest bearing loans and borrowings		-46,540	-18,426	-91,269
Income tax paid during the year		-5,798	-7,627	-26,583
<i>Operating capital adjustments:</i>				
Decrease/(increase) in current assets		-24,822	9,436	-9,625
Decrease/(increase) in other non-current financial assets		-18,934	-11,578	-74,593
Increase/(decrease) in current liabilities		-39,838	-38,369	33,109
Increase/(decrease) in non-current liabilities		883	992	19,260
Other items		-	278	388
Net cash flow from operating activities		135,194	101,749	591,123
Cash flow from investing activities				
Purchase of loan portfolios	3,4	-447,985	-64,131	-1,358,266
Payment of contingent consideration	4	-160,733	-11,122	-13,164
Purchase of tangible and intangible fixed assets		-3,202	-6,311	-17,501
Proceeds from the sale of tangible and intangible fixed assets		325	183	1,198
Net cash flow from investing activities		-611,596	-81,381	-1,387,733
Cash flow from financing activities				
Proceeds from the issue of new shares, net of transaction cost	6	800	16,311	17,311
Proceeds from new external loans during the year				4,424,756
Repayment of external loans during the year			-39,638	-3,209,171
Dividends paid to non-controlling interest		-199	-60	-60
Net cash flow from financing activities		601	-23,387	1,232,836
Net cash flow during the period		-475,801	-3,019	436,226
Cash and cash equivalents at the beginning of the period		764,678	294,148	294,148
Exchange rate difference on cash and cash equivalents		-15,831	-741	34,304
Cash and cash equivalents at 31 December		273,046	290,388	764,678

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Notes to the interim consolidated financial statements

Note 1 – General information and Basis for preparation

B2Holding AS (the Company or Parent) and its subsidiaries (together the Group) operates in the Portfolio business. The Portfolio business consists of the acquisition, management and collection of unsecured and secured non-performing loans.

B2Holding AS is a private limited liability company incorporated and domiciled in Norway. The Company's registered office is at Stortingsgaten 22, 0119 Oslo, Norway.

This condensed consolidated interim financial report for the first quarter ended 31 March 2016 has been prepared in accordance with Accounting Standard IAS 34 *Interim Financial Reporting*.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2015, which has been prepared in accordance with IFRS, as adopted by the EU. The consolidated financial statements for 2015 are available upon request from the company and at www.b2holding.no

The accounting policies adopted are consistent with those applied in the preparation of the consolidated financial statements for 2015 and no new amendments or standards in the current reporting period have material impact on the condensed consolidated interim financial statements.

The financial information for the quarters ended 31 March 2016 and 31 March 2015, and this interim financial report are unaudited.

Note 2 – Estimates

The preparation of the interim financial statements requires the use of evaluations, estimates and assumptions that affect the application of the accounting principles and amounts recognized as assets and liabilities, income and expenses. The important assessments underlying the application of the Group's accounting policies and the main sources of uncertainty are the same for the interim financial statements as for the consolidated financial statements for 2015.

Note 3 – Segment reporting

For management purposes, the Group is organised into a single business divided into different geographical regions corresponding to the countries where the Group has its operations. The Executive Management monitors the operating results of these geographical regions separately for the purposes of making decisions about resource allocation and performance assessment. Regional performance is evaluated based on the operating results and cash collections from purchased loan portfolios and is consistent with the equivalent figures that are reported in the consolidated financial statements. Internal transactions between the geographical regions are eliminated on consolidation and are reflected in the "Adjustments" column. They are transacted on an arm's length basis in a manner similar to transactions with third parties.

The results, assets and liabilities of the parent company and the holding company in the Netherlands are reported as 'Other'

Purchase of loan portfolios includes assets from the acquisition of subsidiaries. Capital expenditure consists of additions of tangible fixed assets and intangible assets, including assets from the acquisition of subsidiaries.

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Quarter 1 2016

All figures in NOK'000s

	Norway	Finland & Estonia	Sweden	Poland	Latvia	Balkans	Other	Adjust- ments	Total
Interest income on purchased loan portfolios		43,391	23,105	128,706	3,592	50,659			249,453
Revenue from external collection	1,751	18,420	1,312		2,292				23,775
Income from services to group companies	261							-261	
Other operating revenues		1,182	757	16,540	2,629	794			21,902
Changes in portfolio cashflow estimates		-643	-1,130	-10,323	-179	-3,748			-16,023
Regional net operating revenue	2,012	62,350	24,044	134,923	8,334	47,705		-261	279,107
Depreciation & amortisation	2	420	29	5,564	888	365	66		7,334
Share of profits in associated companies									
Regional profit before net financial items and taxes	314	27,584	12,882	39,838	1,230	28,377	-25,459		84,766
Purchased loan portfolios		425,539	453,422	1,634,360	36,235	829,651			3,379,207
Loan receivables & other financial assets		6,372	17,510	243,131		132	5,953		273,098
Long term loans and receivables		431,911	470,932	1,877,491	36,235	829,783	5,953		3,652,305
Other disclosures									
Cash collections from purchased loan portfolios		84,105	33,168	212,303	6,128	77,355			413,059
Purchase of loan portfolios		73,197	28,786	342,590	3,412				447,985
Capital expenditure		379		2,459	28	297	39		3,202

Quarter 1 2015

All figures in NOK'000s

	Norway	Finland & Estonia	Sweden	Poland	Latvia	Balkans	Other	Adjust- ments	Total
Interest income on purchased loan portfolios		24,288	16,279	130,737	3,253	21,396			195,953
Revenue from external collection	1,573	21,074	1		2,180				24,828
Income from services to group companies	301							-301	
Other operating revenues		602	783	5,864	1,951	298			9,498
Changes in portfolio cashflow estimates		-14			-66				-80
Regional net operating revenue	1,874	45,950	17,063	136,601	7,318	21,694		-301	230,199
Depreciation & amortisation	2	434	15	4,591	805	238	5		6,090
Share of results in associated companies									
Regional profit before net financial items and taxes	490	13,886	9,206	59,188	1,763	14,721	-9,844		89,410
Purchased loan portfolios		195,856	385,362	1,196,605	28,420	177,706			1,983,949
Loan receivables & other financial assets			14,218	160,146		749	6,045		181,158
Long term loans and receivables		195,856	399,580	1,356,751	28,420	178,455	6,045		2,165,107
Other disclosures									
Cash collections from purchased loan portfolios		53,249	23,451	170,817	5,072	26,530			279,118
Purchase of loan portfolios		32,659	23,837		1,837	5,797			64,131
Capital expenditure	22	463		4,277	575	975			6,312

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Financing and taxes are managed on a Group basis and are disregarded by Executive Management for decision making purposes at the regional level

Reconciliation of segment profit to Group profit

All figures in NOK'000s

	Quarter 1 2016	Quarter 1 2015
Regional profit before net financial items and taxes	84,766	89,410
Net financial items	-78,940	-86,216
Group profit before tax	5,826	3,194

Note 4 - Financial instruments

Purchased loan portfolios

All figures in NOK'000s

	Quarter 1 2016	Full year 2015	Quarter 1 2015
Opening balance	3,167,628	2,016,705	2,016,705
Acquisition of portfolios, net of put-backs	447,985	1,358,266	64,131
Cash collections	-413,059	-1,339,083	-279,118
Interest recognised on portfolios	249,453	909,544	195,953
Change in portfolio collection estimates	-16,023	5,298	-80
Exchange rate differences	-56,777	216,898	-13,642
Closing balance	3,379,207	3,167,628	1,983,949

The face value of purchased loan portfolios amounts to NOK 47,711 million including accrued interest at 31 March 2016 (31 December 2015: NOK 44,221 million).

Management reviews and evaluates the cash flow forecast for all portfolios on a quarterly basis. The effect of the changes of the Group's future cash flow estimates during first quarter 2016 resulted in a net decrease of revenue of NOK 16.0 million. This amount has been calculated as the net present value of the difference in the cash flow from revised cash flow estimates. The change in collection estimates is mainly related to the new law passed in Romania which is expected to prolong the legal collection process in Romania, NOK 8,6 million and a change in collection curves related to secured portfolios in the Balkans, NOK 3.8 million.

Fair value of financial instruments

	Carrying amount				Fair value			
	Held for trading	Loans & receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
As at 31 March 2016								
<i>All figures in NOK'000s</i>								
Financial assets								
Purchased loan portfolios		3,379,207		3,379,207			3,565,737	3,565,737
Loans receivable		273,098		273,098			273,098	273,098
Total		3,652,305		3,652,305			3,838,835	3,838,835
Financial liabilities								
Interest bearing loans and borrowings			2,470,636	2,470,636	1,427,709	1,079,644		2,507,353
Derivatives	19,694			19,694		19,694		19,694
Contingent considerations			8,984	8,984			8,984	8,984
Total	19,694		2,479,620	2,499,314	1,427,709	1,099,338	8,984	2,536,031

The reduction in contingent considerations from 31 December 2015 to 31 March 2016 is due to payments to previous owners of acquired companies. As part of the purchase agreements, contingent considerations were due based on the achievement of certain post-acquisition performance targets.

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	Carrying amount			Fair value				
	Held for trading	Loans & receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
As at 31 December 2015								
<i>All figures in NOK'000s</i>								
Financial assets								
Purchased loan portfolios		3,167,628		3,167,628			3,460,443	3,460,443
Loans receivable		259,819		259,819			259,819	259,819
Total		3,427,447		3,427,447			3,720,262	3,720,262
Financial liabilities								
Interest bearing loans and borrowings			2,526,121	2,526,121		2,526,121		2,526,121
Derivatives	18,750			18,750		18,750		18,750
Contingent considerations			169,912	169,912			169,912	169,912
Total	18,750		2,696,033	2,714,783		2,544,871	169,912	2,714,783

The fair value of unquoted financial assets has been estimated using valuation techniques based on assumptions that are not supported by observable market prices. The fair value of purchased loan portfolios has been calculated by discounting the expected net future cash flows from collection less operating expenses and tax with the estimated weighted average cost of capital for the countries in question. In order to show the sensitivity in the fair value calculation of the purchased loan portfolio, a 1%-point increase in the discount rate used would decrease the fair value of purchased portfolios with NOK 115.3 million (3%). The fair value of interest bearing-loans is equal to book value for the Multi-currency revolving credit facility as the loan are based on 3 month floating interest, and market value for the bond loan listed on Oslo Stock Exchange. The fair value of derivatives is set by calculating the present value of future cash flow using market rates for interest and currencies. In the case of the derivatives the fair value is confirmed by the financial institution that is the counterparty.

The Group classifies fair value measurements by using a fair value hierarchy that reflects the significance of the input that is used in preparing the measurements. The fair value hierarchy has the following levels:

Level 1: the input is quoted prices (unadjusted) in an active market for identical assets or liabilities.

Level 2: the input is prices, other than quoted prices included in level 1, that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. calculated from prices).

Level 3: the input to the asset or liability is not based on observable market data (non-observable input).

Net gain/(loss -) on financial instruments at fair value

All figures in NOK'000s

	Quarter 1 2016	Quarter 1 2015	Full year 2015
Interest derivatives	-5,948	-2,680	-7,951
Currency derivatives	4,603		-8,862
Total	-1,345	-2,680	-16,813

Financial risk

Currency and interest rate risk:

The strategy of the Group is to manage and limit both currency and interest rate risk. The Group holds various derivative financial instruments with the purpose of reducing its interest rate exposure and achieving a suitable currency ratio between its assets and liabilities.

Currency risk

Net borrowings (nominal value of interest bearing loans less cash) adjusted for derivative financial instruments are made in relevant currencies reflecting the underlying expected future cash flows from loans and receivables. One exception is Croatian Kuna (HRK) where all borrowing is done in EUR.

The Group's bond loan is denominated in EUR and borrowings under the multi-currency revolving credit facility are drawn in PLN. To obtain a more balanced currency basket, the Group has entered into the following currency derivatives at 31 March 2016: a cross currency swap of SEK 225 million against EUR and a foreign exchange forward of PLN 100 million against EUR. At 31 March 2016, net borrowings amounted to NOK 2,296 million. Adjusted for the currency derivatives mentioned above, the net borrowings represented a currency basket comprising PLN: 53%, EUR: 37% and SEK: 10%.

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Interest rate risk

The Group uses interest rate swaps and interest rate caps to reduce its interest rate exposure. The Group's strategy is to hedge 40% of the total multi-currency revolving credit facility commitment and two-thirds of other financial indebtedness, mainly the bond loan, for a minimum duration of 3 years. The hedging requirement at 31 March 2016 was NOK 1,920 million while the nominal amount of the derivatives entered into was NOK 2,103 million.

Note 5 - Interest bearing loans and borrowings

All figures in NOK'000s

	As at 31 March 2016		As at 31 December 2015	
	Current	Non-Current	Current	Non-Current
Multi-currency revolving credit facility		1,079,108		1,104,366
Bond loan		1,390,992		1,421,207
Loans from non-controlling interests		536		548
Total		2,470,636		2,526,121

On 16 November 2015, the Group completed the refinancing of three acquisition-related and country-specific loans into a single EUR 260 million senior secured multi-currency revolving credit facility agreement which matures in August 2019. In addition to this, B2Holding AS successfully completed a EUR 150 million senior unsecured bond issue in December 2015 with maturity in December 2020. The bond loan was listed on Oslo Stock Exchange in March 2016. There are no instalments to be payed before maturity.

The multi-currency revolving credit facility and the bond loan carry a variable interest rate based on the interbank rate in each currency plus a margin supplement. In addition, there is a commitment fee which is calculated as a percentage of the loan margin on the undrawn part of the facility. The loan agreements have a number of operational and financial covenants, including limits on certain key indicators, which have all been complied with during first quarter 2016.

At 31 March 2016, PLN 523 million (EUR 123 million) was utilised from the EUR 260 million multi-currency revolving credit facility, leaving an available, undrawn amount of EUR 137 million.

The EUR 260 million multi-currency revolving credit facility is secured by guarantees issued by B2Holding AS, a share pledge over B2Holding AS's 100% directly owned subsidiaries, an account charge over a number of pre-defined B2Holding AS bank accounts, and a pledge over the intra-group loan receivables from B2Holding AS to its subsidiaries.

Note 6 – Share Capital and other paid-in capital

Ordinary shares have a nominal value of NOK 0.10 each. The number and value of authorised and registered shares, and the amount of other paid-in capital, being the premium on shares issued less any transaction costs of new shares issued, was as follows:

	Share capital Number of shares	Share capital NOK'000s	Other paid-in capital NOK'000s
At 31 December 2015	311,872,095	31,187	1,426,790
Share issue on 11 February at NOK 14.00 per share in connection with the bonus payment to the Chief Executive Officer and Chairman of the Board	57,144	6	794
At 31 March 2016	311,929,239	31,193	1,427,584
At 6 May 2016 (date of completion of these interim condensed financial statements)	311,929,239	31,193	1,427,584

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Note 7 – Share based payments

The Group has granted share options to management and selected key employees under two different option programmes in 2015. The first option programme was established in June 2015 (the “**First Option Programme**”) and the second option programme was established in September 2015 (the “**Second Option Programme**”). As of the date of this quarterly report there were 18 300 000 options outstanding under the First and Second Option Programme. Each option gives the holder the right to acquire one share from the Company at a strike price defined in the individual share option agreement.

In general 1/3 of the options granted under the First Option Program vest 1 January 2016, 1/3 vest 1 January 2017 and the remaining 1/3 vest 1 January 2018. Under the Second Option Program 1/3 of the options granted vest 1 September 2016, 1/3 vest 1 September 2017 and the remaining 1/3 vest 1 September 2018. All vested options may be exercised in any period prior to the expiry date.

All of the Company’s option agreements include a clause on accelerated vesting meaning that if 75% of the shares in the Company are sold to an acquirer, all outstanding options are vested. In case of a merger the grantee shall if possible be granted an equal share option in the merged company. If this is not possible, the grantee will have the right to exercise all the options prior to the merger.

Option Programme	Grant date	Numbers of options granted	Vested 31 March 2016	Expiry date	Exercise price (Range, NOK)
First Option Programme	1 July 2015	14,400,000	4,800,000	1 July 2018	8 - 9
Second Option Programme	9 September 2015	3,900,000		31 December 2018	10 - 12
Total		18,300,000	4,800,000		

There are no options that are exercised, forfeited, expired or modified since grant date.

The fair value of options awarded is calculated using the Black-Scholes option pricing model. The risk-free interest rate on the award date has been obtained from Norges Bank. The expected volatility has been set at 24.8% based on a 360 day median from comparable companies. Expected lifetime has been set as the vesting date. The average fair value of the options granted is NOK 0.84 per option. The cost of the options recognized in personnel costs together with a corresponding increase in other capital reserves was NOK 1,760 thousands in first quarter 2016 (NOK 5,747 thousand in full year 2015).

The following members of the Board and the Management participate in the option programs:

Option holder	Number of outstanding options	Grant date	Expiry	Exercise price (range, NOK)
Jon Harald Norbrekken (Chairman of the Board)	6,000,000	1 July 2015	1 July 2018	8 - 9
Olav Dalen Zahl (Chief Executive Officer)	6,000,000	1 July 2015	1 July 2018	8 - 9
Harald Henriksen (Chief Financial Officer)	900,000	1 July 2015	1 July 2018	8 - 9
Erik Just Johnson (Chief Group Controller)	1,500,000	1 July 2015	1 July 2018	8 - 9
Rasmus Hansson (Director Strategy and M&A)	600,000	9 September 2015	31 December 2018	10 - 12
Thor Christian Moen (Head of Legal)	600,000	9 September 2015	31 December 2018	10 - 12
Jeremi Bobowski (Chief Investment Officer)	600,000	9 September 2015	31 December 2018	10 - 12
Henrik Wennerholm (Director Business Development)	600,000	9 September 2015	31 December 2018	10 - 12
Total	16,800,000			

Note 8 – Subsequent events

The Group signed 4 May 2016 a Sale and Purchase Agreement acquiring a group of companies, the Debt Collection Agency AD (DCA) in Bulgaria, with a fully owned subsidiary in Romania. Expected closing is 31 May 2016. DCA is a debt purchaser with collection on owned portfolios, mainly retail unsecured. The DCA Group has an ERC of approximately 40 million EUR and face value of acquired portfolios is approximately 180 million EUR. The DCA Group has approximately 125 employees in Bulgaria and 25 employees in Romania.