

## Interim report January–June 2004

- Earnings per share for the first six months of the year improved to SEK 0.88 (–0.04).
- Net earnings for the half year rose to SEK 74.8 M (–3.1).
- Revenues for the half year amounted to SEK 1,402.1 M (1,419.7).
- Cash flow from operating activities was SEK 83.9 M (84.6) after repayments in England of non-allocated receipts of SEK 53.1 M (0).
- A SEK 75 M purchase of unsecured bank loan portfolio in the UK finalized in July.

SEK M, unless indicated otherwise	Jan–Jun 2004	Jan–Jun 2003	Apr–Jun 2004	Apr–Jun 2003	Jan–Dec 2003
<b>Revenues</b>	<b>1,402.1</b>	1,419.7	<b>698.4</b>	702.1	<b>2,864.6</b>
<b>Adjusted EBITA</b>	<b>178.6</b>	202.3	<b>81.1</b>	98.3	<b>428.1</b>
<b>Operating earnings (EBITA)</b>	<b>178.6</b>	81.3	<b>81.1</b>	18.3	<b>30.1</b>
<b>Operating earnings (EBIT)</b>	<b>121.8</b>	19.4	<b>54.4</b>	–13.5	<b>–93.9</b>
<b>Net earnings</b>	<b>74.8</b>	–3.1	<b>41.2</b>	–9.3	<b>–180.2</b>
<b>Earnings per share, SEK</b>	<b>0.88</b>	–0.04	<b>0.48</b>	–0.11	<b>–2.12</b>
<b>Current collection cases (million)</b>	<b>10.8</b>	10.0	<b>10.8</b>	10.0	<b>10.6</b>

### January–June: Revenues and Earnings

Consolidated revenues for the period January–June were unchanged in local currencies. Continued growth in the Netherlands, Sweden, Finland and France, with rising volumes from clients in the telecom and utility sectors, is being offset mainly by lower number of new cases from existing clients in England as well as by lower volumes in Norway and Germany.

Operating earnings (EBITA) rose to SEK 178.6 M (81.3) compared with the corresponding period of 2003. The result for 2003 was charged with total nonrecurring expenses of SEK 121.0 M for England, Germany, Belgium and the Netherlands. The earnings decline adjusted for these nonrecurring items is primarily due to high administrative expenses in *Consumer Collection & Debt Surveillance* in England. Finland, the Netherlands, Sweden and Italy reported a positive earnings trend.

Operating earnings (EBIT) rose to SEK 121.8 M (19.4).

Earnings before tax and minority interests for January–June increased to SEK 100.9 M (–14.2), while net earnings for the period rose to SEK 74.8 M (–3.1).

### April–June 2004: Revenues and Earnings

Consolidated revenues for the period April–June amounted to SEK 698.4 M (702.1) and were unchanged in local currencies.

Operating earnings (EBITA) in the second quarter 2004 rose to SEK 81.1 M (18.3) compared with the corresponding period last year, when the result was charged with SEK 80.0 M for accounting inaccuracies in England. In addition to continued high administrative expenses the earnings decline, adjusted for nonrecurring items, are due to poor development in certain portfolios of written-off receivables in England and Austria, where also an adjustment in the value of a portfolio was carried out.

Operating earnings (EBIT) rose to SEK 54.4 M (–13.5).

Earnings before tax and minority interests for the quarter increased to SEK 44.2 M (–31.3), positively affected by a better financial net. Net earnings for the period rose to SEK 41.2 M (–9.3).

### Service Lines for April–June

*Consumer Collection & Debt Surveillance*: Quarterly revenues amounted to SEK 439.0 M (429.7), corresponding to more than 60 percent of consolidated revenues. The service line's continued organic growth of 3 percent is attributable to Finland and Sweden, where new and existing telecom and energy customers contributed to the positive development. The Netherlands, France, Switzerland and Italy also contributed to organic growth, principally through increased volumes from key clients in the above-mentioned sectors. In addition, Italy registered a large inflow of cases

from a major new client. Operating earnings (EBITA) for the second quarter decreased to SEK 77.6 M (100.9), largely due to high administrative expenses in England as well as lower volumes in Norway and Germany.

*Commercial & International Collection:* Quarterly revenues decreased to SEK 153.9 M (163.60) mainly due to a lower case inflow in Germany, Switzerland and Italy compared with the corresponding quarter of 2003. The service line is reporting growth in England, Sweden, Finland and Norway. Operating earnings (EBITA) rose to SEK 14.1 M (10.6) for the period.

*Purchased Debt:* Service line revenues decreased to SEK 45.6 M (50.6) during the second quarter. Collections from portfolios in Finland, Switzerland and Poland remained good during the quarter. Growth was affected by certain portfolios in England and Austria developing poorly. The operating earnings (EBITA) for the period fell to SEK 11.0 M (24.1).

*Sales Ledger:* Revenues rose to SEK 34.7 M compared with SEK 22.7 M in the second quarter of 2003. The increase is largely due to growing demand from the telecom, financial service and media sectors in the Netherlands, Finland, Italy and France. The operating deficit for the period was SEK -7.6 M (-8.0). The positive impact on earnings from volume growth was offset by continued expenses for the migration to a new production system in Sweden and a move of operations in the Netherlands.

*Other Services:* Service line revenues declined from SEK 55.9 M to SEK 48.7 and produced an operating deficit (EBITA) of SEK -2.5 M (-2.9). The decrease in quarterly revenues for the service line is primarily due to the downsizing of the Swiss credit information and credit guarantee operation. Production disruptions in the Norwegian operation engaged in purchases of fresh receivables have adversely affected revenues and operating earnings. The VAT refund services offered by Intrum Justitia in Finland have developed well, contributing to the service line's improved earnings for the period.

### Expenses

Administrative expenses rose in England due to the legal investigation, expanded administrative resources and auditing expenses. The consolidation of the Dutch operations in a single property also added to administrative expenses. Central expenses fell due to the fact that a Group-wide IT project was concluded in 2003.

### Items Affecting Comparability

No items affecting comparability affected the second quarter of 2004. Items affecting comparability of SEK 80 M in the corresponding quarter of 2003 relate to the accounting inaccuracies in England. Six-month earnings for 2003 were charged with an additional SEK 41 M for the integration of the German operations and a rationalization package in the Netherlands and Belgium.

The reserve of SEK 15.0 M for England that was established in connection with the full-year report for 2003 has not yet been utilized.

### Net Financial Items

Financial expenses were lower than the year-on-year period, which is largely due to lower negative foreign exchange rate differences. Net interest expense also improved thanks to lower market interest rates, mainly in Norwegian kroner and euro.

### Cash Flow and Investments

Cash flow from operating activities amounted to SEK 83.9 M during the first half year, against SEK 84.6 M in the

corresponding period of 2003. Cash flow during the first half year 2004 was charged with SEK 53.1 M for repayments of previously unallocated receipts in England. The change in working capital was positive during the second quarter.

Investments in tangible and intangible fixed assets were lower than the corresponding period of 2003. Purchases of written-off receivables amount to SEK 134.3 M (46.5), including disbursements of SEK 36.1 M in the first half year 2004 for purchases contractually agreed upon in 2003 and SEK 37.3 M in prepaid purchases during the second half year 2004.

During the second quarter of 2004 Intrum Justitia raised the ownership interest in its Icelandic associated company from 20 to 25 percent.

During the first half year the Group lent SEK 55.5 M to the joint venture company it owns together with Goldman Sachs to finance the purchase of a British portfolio of written-off debt after the closing day.

### Financing

As of June 30, 2004 net debt was SEK 798.1 M, against SEK 768.6 M at year-end 2003.

Shareholders' equity amounted to SEK 1,316.6 M, compared with SEK 1,240.8 on December 31, 2003. Shareholders' equity was positively affected by SEK 7.4 M by fluctuations in exchange rates.

Shareholders' equity was negatively affected by a preliminary estimate of SEK -6.4 M due to the change in accounting principles for pensions.

As of June 30, 2004 consolidated liquid assets totaled SEK 174.0 M, compared with SEK 243.2 M on December 31, 2003. Unutilized credit facilities amounted to SEK 295.0 M on the same date (SEK 301.7 M at year-end 2003).

### Minority Interests

Minority interests of SEK -2.4 M in the income statement and SEK 17.6 M in the balance sheet refer principally to the 40% minority holdings in the Group's companies in Poland, the Czech Republic and Hungary as of April 2003.

### Goodwill

Consolidated goodwill amounted to SEK 1,494.3 M, against SEK 1,528.1 M at year-end 2003. The change during the half year consists of goodwill amortization of SEK -56.8 M and the effect of exchange rate fluctuations of SEK 23.0 M.

### Tax

The Group's tax expense for the six-month period includes a positive effect of SEK 15.7 M booked after the English subsidiary received approval from the tax authorities for the deductibility of certain expenses from 2001. Excluding the one-time effect of SEK 15.7 M, the Group's tax expense remains 25 percent of earnings before goodwill amortization.

### Human Resources

The average number of employees during the quarter was 2,916 (2,938). The number of employees has increased in Poland and Finland to handle expanded volume, at the same time that reductions have been made in Germany.

### Parent Company

The parent company, Intrum Justitia AB (publ), provides the Group's head office functions and certain Group-wide development and marketing services.

The parent company had revenues of SEK 8.0 (26.7) and pre-tax deficit of SEK -37.7 M (-27.4). The parent company invested SEK 0.3 M (0.1) in fixed assets during the half year and had liquid assets of SEK 0.0 M (0.3) at the

end of the period. The average number of employees was 20 (18).

### Market and Outlook

The trend toward increased outsourcing and higher indebtedness is expected to continue, particularly in the *Consumer Collection & Debt Surveillance* service line.

The Outlook given on May 5 was as follows: "The outlook, comprising the entire Group, forecasts that organic growth in 2004 will exceed the previous year. Due to the weak start of 2004, growth for the year is expected to be below the Group's long-term target of 10% organic growth." In the new outlook the Intrum Justitia Group revenue for the fiscal year 2004 is expected to be in line with the previous year. The Group's long-term target of 10 percent organic growth remains.

### The Intrum Justitia Share

The Intrum Justitia share rose by 16% during the first half year 2004. During the same period Stockholmsbörsen's All Share Index rose by 10%. During the period 28.0 million shares were traded, corresponding to 33 percent of the total number of shares outstanding as of June 30.

Since March 29 the share is again traded in its ordinary position on the O-list of Stockholmsbörsen and since July 1 is included in the Attract40 segment.

The number of shareholders as of June 30 was 3,633 (1,818). On May 27 Amaranth Capital L.P. acquired a total of 4.5 million shares from Parkerhouse Investments.

### Highlights after the Conclusion of the Report Period

In July Intrum Justitia and Goldman Sachs' joint venture company made its first purchase of written-off debt. A portfolio of defaulted unsecured bank loans was acquired from a leading British bank. All collections will be administered by Intrum Justitia's British subsidiary.

An Extraordinary General Meeting on August 17, 2004 elected Lars Förberg as a new member and Dennis Punches as a deputy member of Intrum Justitia AB's Board of Directors for the period through the conclusion of the next Annual General Meeting. The Board currently consists of nine members with one deputy.

### Accounting Principles

This Interim Report has been prepared in accordance with generally accepted accounting practice in Sweden and accounting standard RR 20 of the Swedish Financial Accounting Standards Council (RR).

From January 1, 2004 the company applies the Swedish Financial Accounting Standards Council's accounting standard RR29 Employee Benefits, which contains, among other things, uniform regulations on the actuarial calculation of provisions for pensions in defined-benefit pension plans. These pensions were previously reported by each Group company in accordance with the local practice in each country. The amended accounting principles have resulted in an increase in provisions for defined-benefit pensions in Norway, France and Italy totaling SEK 17.7 M through a decrease in shareholders' equity of SEK 6.4 M and a reclassification of other long-term liabilities of SEK 11.3 M. The pension obligations in Sweden according to the so-called ITP plan are still reported as defined-contribution pension solutions since Alecta has stated that it will not be able to supply the information companies need to report them as defined-benefit pension solutions.

As of 2004 the Group reports bad debt losses on its accounts receivable as a portion of sales and marketing expenses, in accordance with Swedish practice. In the previous year they were reported as cost of services sold.

Comparative figures have been restated due to this reclassification.

The company has otherwise applied the same accounting principles as in previous years.

### Harmonization of New Accounting Principles

From January 1, 2005 Intrum Justitia will report in accordance with International Financial Reporting Standards (IFRS, formerly IAS). Intrum Justitia currently complies with the recommendations of the Swedish Financial Accounting Standards Council. Although the latter have gradually been adapted to IFRS, a number of differences remain. Intrum Justitia has appointed a steering committee to monitor developments and harmonize the company's accounts with the new rules. Based on what is now known, the only major differences between the current accounting principles and IFRS regard the reporting of acquisitions and goodwill, as well as financial instruments.

Intrum Justitia will provide more detailed information on the effects on the company's reporting during the fourth quarter.

### Reporting Dates

The Interim Report for January-September 2004 will be published on October 27, 2004.

The Full-Year Report for 2004 will be published on February 17, 2005

Stockholm, August 18, 2004  
Intrum Justitia AB (publ)

*Jan Roxendal*  
President & Chief Executive Officer

This Interim Report and other financial information are available at Intrum Justitia's website: [www.intrum.com](http://www.intrum.com)

*Denna delårsrapport finns även på svenska.*

### Audit Report

We have reviewed this interim report in accordance with the recommendation issued by the Swedish Institute of Authorized Public Accountants.

A review is considerably limited in scope compared with an audit.

Nothing has come to our attention that causes us to believe that the interim report does not comply with the requirements of the Securities and Clearing Operations Act and the Annual Accounts Act.

Stockholm, August 18, 2004  
KPMG Bohlins AB

*Carl Lindgren*  
Authorized Public Accountant

## **Presentation of the Interim Report**

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The interim report and presentation material are available at [www.intrum.com](http://www.intrum.com) > Investors. Intrum Justitia's President & CEO Jan Roxendal and CFO Bo Askvik will comment on the report at a telephone conference today at 10:00 a.m. CET.

To participate by telephone, call +44 (0)207 162 0191. A recorded version will be available by telephone: +44 (0)208 288 4459 using the code 506 362.

## **For further information, please contact:**

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## **The Intrum Justitia Group**

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Intrum Justitia is Europe's leading credit management services group. Services include credit information, invoicing and reminder management as well as debt surveillance and collection of written-off receivables. The Group has revenues of SEK 2.9 billion and around 2,900 employees in 21 countries.

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This interim report is a translation from a Swedish original. In the event of any differences between this translation and the Swedish original, the Swedish version shall govern.

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**Intrum Justitia Group – Revenues and Earnings**


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SEK M	April–June		Change	January–June		Change	Full-year
	2004	2003	%	2004	2003	%	2003
Revenues	698.4	702.1	-0.5	1,402.1	1,419.7	-1.2	2,864.6
<b>EBITDA (operating earnings before depreciation and amortization)</b>	<b>108.3</b>	<b>41.7</b>	<b>159.7</b>	<b>229.3</b>	<b>126.8</b>	<b>80.8</b>	<b>129.5</b>
Operational depreciation	-27.2	-23.4	—	-50.7	-45.5	—	-99.4
<b>EBITA (operating earnings before goodwill amortization)</b>	<b>81.1</b>	<b>18.3</b>	<b>343.2</b>	<b>178.6</b>	<b>81.3</b>	<b>119.7</b>	<b>30.1</b>
Adjustment for items affecting comparability	0.0	80.0	—	0.0	121.0	—	398.0
<b>Adjusted EBITA</b>	<b>81.1</b>	<b>98.3</b>	<b>-17.5</b>	<b>178.6</b>	<b>202.3</b>	<b>-11.7</b>	<b>428.1</b>
EBITA as above	81.1	18.3	343.2	178.6	81.3	119.7	30.1
Goodwill amortization	-26.7	-31.8	—	-56.8	-61.9	—	-124.0
<b>Operating earnings before net financial items and taxes (EBIT)</b>	<b>54.4</b>	<b>-13.5</b>	<b>—</b>	<b>121.8</b>	<b>19.4</b>	<b>527.8</b>	<b>-93.9</b>

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**Intrum Justitia Group – Business Overview by Quarter 2002–2004**


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	Quarter 3	Quarter 4	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 1	Quarter 2
	2002*	2002*	2003	2003	2003	2003	2004	2004
Revenues (SEK M)	692.3	750.8	717.6	702.1	702.2	742.7	703.7	<b>698.4</b>
Adjusted EBITA (SEK M)	124.7	143.1	104.0	98.3	128.4	97.4	97.5	<b>81.1</b>
Operating earnings (EBITA) (SEK M)	116.2	143.1	63.0	18.3	-9.6	-41.6	97.5	<b>81.1</b>
Collection cases in stock (million)	8.0	8.2	10.0	10.0	10.5	10.6	10.5	<b>10.8</b>
Gross collection value (SEK billion)	78.7	79.9	81.7	81.1	80.2	79.3	79.9	<b>81.3</b>
Average number of employees	2,739	2,661	2,865	2,938	2,904	2,870	2,881	<b>2,916</b>

\* Excluding the effect of the correction of accounting inaccuracies in England; the correction is accounted under items affecting comparability in 2003.

## Intrum Justitia Group – Revenues by Region

SEK M	April–June		Change %	January–June		Change %	Full-year
	2004	2003		2004	2003		
Sweden, Norway & Denmark	180.0	175.4	2.6	359.3	357.2	0.6	729.3
United Kingdom & Ireland	91.1	110.4	-17.5	180.7	225.3	-19.8	395.5
Netherlands, Belgium & Germany	143.5	146.5	-2.0	295.2	291.4	1.3	607.6
Switzerland, Austria & Italy	86.3	88.9	-2.9	174.7	184.7	-5.4	351.3
Finland, Estonia, Latvia & Lithuania	79.1	66.0	19.8	144.0	130.0	10.8	283.8
France, Spain & Portugal	79.4	73.1	8.6	162.2	149.4	8.6	313.0
Poland, Czech Republic & Hungary	39.0	41.8	-6.7	86.0	81.7	5.3	184.1
<b>Total revenues</b>	<b>698.4</b>	<b>702.1</b>	<b>-0.5</b>	<b>1,402.1</b>	<b>1,419.7</b>	<b>-1.2</b>	<b>2,864.6</b>

## Intrum Justitia Group – Operating Earnings Before Goodwill Amortization (EBITA) by Region

SEK M	April–June		Change %	January–June		Change %	Full-year 2003
	2004	2003		2004	2003		
Sweden, Norway & Denmark	37.2	45.1	-17.5	74.8	83.1	-10.0	166.7
United Kingdom & Ireland	-11.7	4.1	-	-15.7	20.5	-	2.4
Netherlands, Belgium & Germany	12.1	25.3	-52.2	39.1	41.2	-5.1	94.9
Switzerland, Austria & Italy	5.6	9.7	-42.3	21.5	24.1	-10.8	43.8
Finland, Estonia, Latvia & Lithuania	34.0	20.4	66.7	54.3	41.9	29.6	106.7
France, Spain & Portugal	10.2	11.0	-7.3	22.0	20.0	10.0	42.3
Poland, Czech Republic & Hungary	7.0	14.9	-53.0	23.1	29.4	-21.4	66.3
Central expenses	-13.3	-32.2	-	-40.5	-57.9	-	-95.0
Items affecting comparability	0.0	-80.0	-	0.0	-121.0	-	-398.0
<b>Total (EBITA)</b>	<b>81.1</b>	<b>18.3</b>	<b>343.2</b>	<b>178.6</b>	<b>81.3</b>	<b>119.7</b>	<b>30.1</b>

## Intrum Justitia Group – Operating Earnings After Goodwill Amortization (EBIT) by Region

SEK M	April–June		Change %	January–June		Change %	Full-year 2003
	2004	2003		2004	2003		
Sweden, Norway & Denmark	28.6	35.6	-19.7	57.7	64.7	-10.8	130.0
United Kingdom & Ireland	-14.5	-82.4	-	-24.9	-72.5	-	-378.3
Netherlands, Belgium & Germany	8.3	21.4	-61.2	31.5	-7.4	-	37.3
Switzerland, Austria & Italy	1.7	5.5	-69.1	13.8	16.3	-15.3	28.5
Finland, Estonia, Latvia & Lithuania	29.8	15.7	89.8	45.9	32.8	39.9	88.7
France, Spain & Portugal	7.8	9.0	-13.3	17.2	16.1	6.8	32.8
Poland, Czech Republic & Hungary	7.0	14.9	-53.0	23.1	29.4	-21.4	66.3
Central expenses	-14.3	-33.2	-	-42.5	-60.0	-	-99.2
<b>Total (EBIT)</b>	<b>54.4</b>	<b>-13.5</b>	<b>-</b>	<b>121.8</b>	<b>19.4</b>	<b>527.8</b>	<b>-93.9</b>

EBITA for service lines and regions is the externally generated EBITA less central marketing expenses.

Central expenses above include expenses divided by service line but not by region.

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**Intrum Justitia Group – Revenues by Service Line**


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SEK M	April–June		Change %	January–June		Change %	Full-year 2003
	2004	2003		2004	2003		
Consumer Collection & Debt Surveillance	439.0	429.7	2.2	862.7	857.3	0.6	1,732.3
Commercial & International Collection	153.9	163.6	-5.9	325.0	338.1	-3.9	665.3
Purchased Debt	45.6	50.6	-9.9	104.0	99.9	4.1	206.6
Sales Ledger	34.7	22.7	52.9	68.7	51.1	34.4	113.9
Other	48.7	55.9	-12.9	99.5	117.0	-15.0	233.6
Elimination of inter-service line revenue	-23.5	-20.4	—	-57.8	-43.7	—	-87.1
<b>Total revenues</b>	<b>698.4</b>	<b>702.1</b>	<b>-0.5</b>	<b>1,402.1</b>	<b>1,419.7</b>	<b>-1.2</b>	<b>2,864.6</b>

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**Intrum Justitia Group – Operating Earnings Before and After Goodwill Amortization  
(EBITA and EBIT) by Service Line**


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SEK M	April–June		Change %	January–June		Change %	Full-year 2003
	2004	2003		2004	2003		
Consumer Collection & Debt Surveillance	77.6	100.9	-23.1	168.6	195.6	-13.8	398.1
Commercial & International Collection	14.1	10.6	33.0	31.5	29.3	7.5	56.7
Purchased Debt	11.0	24.1	-54.4	33.7	44.6	-24.4	85.6
Sales Ledger	-7.6	-8.0	—	-12.8	-17.0	—	-55.6
Other	-2.5	-2.9	—	-7.3	-1.3	—	20.1
Central expenses	-11.5	-26.4	—	-35.1	-48.9	—	-76.8
Items affecting comparability	0.0	-80.0	—	0.0	-121.0	—	-398.0
<b>Total (EBITA)</b>	<b>81.1</b>	<b>18.3</b>	<b>343.2</b>	<b>178.6</b>	<b>81.3</b>	<b>119.7</b>	<b>30.1</b>
Goodwill amortization	-26.7	-31.8	—	-56.8	-61.9	—	-124.0
<b>Total (EBIT)</b>	<b>54.4</b>	<b>-13.5</b>	<b>—</b>	<b>121.8</b>	<b>19.4</b>	<b>527.8</b>	<b>-93.9</b>

EBITA for service lines and regions is the externally generated EBITA less central marketing expenses.

## Intrum Justitia Group – Consolidated Income Statement

SEK M	April–June		January–June		Full-year 2003
	2004	2003	2004	2003	
Revenues	698.4	702.1	1,402.1	1,419.7	2,864.6
Cost of sales	-418.7	-425.8	-849.9	-875.7	-1,742.8
<b>Gross earnings</b>	<b>279.7</b>	<b>276.3</b>	<b>552.2</b>	<b>544.0</b>	<b>1,121.8</b>
Sales and marketing expenses	-87.0	-88.9	-160.0	-161.3	-304.7
General and administrative expenses	-112.6	-89.0	-216.9	-180.8	-389.4
Goodwill amortization	-26.7	-31.8	-56.8	-61.9	-124.0
Items affecting comparability	0.0	-80.0	0.0	-121.0	-398.0
Participations in associated companies	1.0	-0.1	3.3	0.4	0.4
<b>Operating earnings (EBIT)</b>	<b>54.4</b>	<b>-13.5</b>	<b>121.8</b>	<b>19.4</b>	<b>-93.9</b>
Net financial income/expenses	-10.2	-17.8	-20.9	-33.6	-52.9
<b>Earnings after financial items</b>	<b>44.2</b>	<b>-31.3</b>	<b>100.9</b>	<b>-14.2</b>	<b>-146.8</b>
Current and deferred tax on earnings for the period	-2.0	24.6	-23.7	12.8	-21.2
Minority interests	-1.0	-2.6	-2.4	-1.7	-12.2
<b>Net earnings</b>	<b>41.2</b>	<b>-9.3</b>	<b>74.8</b>	<b>-3.1</b>	<b>-180.2</b>

## Intrum Justitia Group – Data per Share

SEK	April–June		January–June		Full-year 2003
	2004	2003	2004	2003	
Share price at end of period	44.00	43.40	44.00	43.40	38.00
Basic and diluted earnings per share	0.48	-0.11	0.88	-0.04	-2.12
Earnings per share excluding goodwill amortization	0.80	0.26	1.55	0.69	-0.66
Shareholders' equity	15.49	16.81	15.49	16.81	14.60
Denominator for earnings per share, '000	84,986	84,986	84,986	84,986	84,986
Number of shares outstanding at end of period, '000	84,986	84,986	84,986	84,986	84,986



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**Intrum Justitia Group – Consolidated Balance Sheet**


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SEK M	<b>June 30 2004</b>	December 31 2003	June 30 2003
<b>ASSETS</b>			
<b>Intangible fixed assets</b>			
Capitalized development expenditure for IT development and other intangibles	103.3	117.8	118.4
Goodwill	1,494.3	1,528.1	1,721.2
<b>Total intangible fixed assets</b>	<b>1,597.6</b>	<b>1,645.9</b>	<b>1,839.6</b>
<b>Tangible fixed assets</b>	<b>91.4</b>	<b>97.3</b>	<b>110.1</b>
<b>Financial fixed assets</b>			
Shares and participations in associated companies and other companies	26.0	0.8	0.8
Purchased debt	300.4	340.0	275.6
Deferred tax receivables	96.9	107.3	112.6
Receivables from associated companies	55.5	0.0	0.0
Other long-term receivables	9.2	10.1	17.5
<b>Total financial fixed assets</b>	<b>488.0</b>	<b>458.2</b>	<b>411.1</b>
<b>Total fixed assets</b>	<b>2,177.0</b>	<b>2,201.4</b>	<b>2,360.8</b>
<b>Current assets</b>			
Accounts receivable	373.7	353.8	361.8
Purchased receivables	42.8	40.6	38.1
Client funds received	409.2	475.2	436.8
Tax receivables	67.6	29.4	29.4
Other receivables	298.6	263.4	383.4
Prepaid expenses and accrued revenue	114.1	73.6	62.2
Cash and cash equivalents	174.0	243.2	137.5
<b>Total current assets</b>	<b>1,480.0</b>	<b>1,479.2</b>	<b>1,419.8</b>
<b>TOTAL ASSETS</b>	<b>3,657.0</b>	<b>3,680.6</b>	<b>3,780.6</b>

## Intrum Justitia Group – Consolidated Balance Sheet

SEK M	June 30 2004	December 31 2003	June 30 2003
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
<b>Restricted equity</b>			
Share capital	1.7	1.7	1.7
Restricted reserves	1,542.5	1,519.2	1,422.0
<b>Non-restricted equity</b>			
Non-restricted reserves	-302.4	-99.9	8.1
Net earnings for the period	74.8	-180.2	-3.1
<b>Total equity</b>	<b>1,316.6</b>	<b>1,240.8</b>	<b>1,428.7</b>
<b>Minority interests</b>	<b>17.6</b>	<b>17.3</b>	<b>8.1</b>
<b>Provisions</b>			
Provisions for pensions	31.5	11.9	16.9
Provisions for deferred taxation	13.9	13.6	21.5
Other provisions	20.3	23.6	120.0
<b>Total provisions</b>	<b>65.7</b>	<b>49.1</b>	<b>158.4</b>
<b>Long-term liabilities</b>			
Liabilities to credit institutions	911.6	844.1	860.9
Other long-term liabilities	0.6	24.4	24.8
<b>Total long-term liabilities</b>	<b>912.2</b>	<b>868.5</b>	<b>885.7</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	115.4	143.7	119.9
Client funds payable	409.2	475.2	436.8
Accounts payable	174.2	168.4	166.4
Income tax liabilities	39.8	39.2	50.0
Advances from customers	30.4	32.1	41.5
Other current liabilities	225.2	312.7	146.4
Accrued expenses and prepaid income	350.7	333.6	338.7
<b>Total current liabilities</b>	<b>1,344.9</b>	<b>1,504.9</b>	<b>1,299.7</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>3,657.0</b>	<b>3,680.6</b>	<b>3,780.6</b>
Pledged assets	0.0	0.0	0.0
Contingent liabilities	833.9	960.6	1,001.4

In combination with other services sold in Switzerland, the company has issued guarantees for credit card debts totaling SEK 798.2 M (973.6). The company's main risk relates to that portion of the credit card debt that is more than 30 days overdue, which amounts to SEK 12.4 M (138.2). The company has accounted accrued expenses for its expected losses according to calculations based on historical experience and future expectations. Moreover, some clients are no longer active, and thus do not give Intrum Justitia assignments. Accordingly, the company considers that no guarantee commitment exists with regard to these clients.

On May 22, 2002 Tore Nuland filed a summons application at Nacka District Court against Intrum Justitia AB inter alia. The application relates to claims tried by Norwegian courts in the late 1980s without any possibility for further appeal. Intrum Justitia regards the claims as groundless and accordingly has not accounted any contingent liability.

Subsequent to a tax audit, the Swedish Tax Authority questioned the company's tax deduction of SEK 87.4 M for the period 1999–2000. The company has appealed and considers that the Tax Authority's claim will not result in any expenses for the company. The fiscal effect of the aforementioned deduction has been accounted as a contingent liability. Tax audits were also undertaken in 2002 and 2003 in Norway, Denmark and Finland. Until this point, however, the tax authorities in these countries have only made inquiries; no claims regarding any change to the company's taxation exists.

## Intrum Justitia Group – Cash Flow Statement

SEK M	January–June		Full-year 2003
	2004	2003	
<b>Operating activities</b>			
Operating earnings	121.8	19.4	–93.9
Depreciation and amortization	107.4	107.4	223.4
Write-down of goodwill	0.0	0.0	103.0
Adjustment for expenses not included in cash flow	–1.8	36.4	29.4
Interest received	3.6	4.3	6.7
Interest paid and other financial expenses	–15.5	–31.9	–50.6
Income tax paid	–50.9	–64.7	–81.6
<b>Cash flow from operating activities before changes in working capital</b>	<b>164.6</b>	<b>70.9</b>	<b>136.4</b>
Changes in working capital	–27.6	–66.3	–32.8
Repayments in England of non-allocated receipts	–53.1	0.0	0.0
Working capital effect of correction to English operations	0.0	80.0	198.2
<b>Cash flow from operating activities</b>	<b>83.9</b>	<b>84.6</b>	<b>301.8</b>
<b>Investing activities</b>			
Purchases of tangible fixed assets	–19.4	–29.3	–49.7
Purchases of intangible fixed assets	–10.6	–17.9	–48.1
Purchases of debt	–134.3	–46.5	–200.8
Amortization of purchased debt	100.5	–84.8	166.3
Purchases of subsidiaries and associated companies	–29.0	–79.1	–79.5
Acquired cash from purchased subsidiaries	0.0	6.0	6.0
Loans to associated companies	–55.5	0.0	0.0
Other cash flow from investing activities	1.0	0.3	0.3
<b>Cash flow from investing activities</b>	<b>–147.3</b>	<b>–81.7</b>	<b>–205.5</b>
<b>Financing activities</b>			
Dividends	0.0	–85.0	–85.0
Other cash flow from financing activities	–10.4	101.9	119.0
<b>Cash flow from financing activities</b>	<b>–10.4</b>	<b>16.9</b>	<b>34.0</b>
<b>Change in liquid assets</b>	<b>–73.8</b>	<b>19.8</b>	<b>130.3</b>
<b>Opening balance of liquid assets</b>	<b>243.2</b>	<b>123.4</b>	<b>123.4</b>
Exchange rate differences in liquid assets	4.6	–5.7	–10.5
<b>Closing balance of liquid assets</b>	<b>174.0</b>	<b>137.5</b>	<b>243.2</b>

## Intrum Justitia Group – Consolidated Statement of Changes in Shareholders' Equity

SEK M	No. of shares outstanding	Share capital	Restricted reserves	Non- restricted reserves	Net earnings for period	Total sharehold- ers' equity
<b>Opening balance, January 1, 2004</b>	<b>84,985,604</b>	<b>1.7</b>	<b>1,519.2</b>	<b>–99.9</b>	<b>–180.2</b>	<b>1,240.8</b>
Change in accounting principle for pensions				–6.4		
<b>Opening balance in accordance with new accounting principle</b>	<b>84,985,604</b>	<b>1.7</b>	<b>1,519.2</b>	<b>–106.3</b>	<b>–180.2</b>	<b>1,234.4</b>
Appropriation of previous year's earnings				–180.2	180.2	0.0
Transfer between restricted and non-restricted equity			3.3	–3.3		0.0
Currency translation differences			20.0	–12.6		7.4
Net earnings for the period					74.8	74.8
<b>Closing balance, June 30, 2004</b>	<b>84,985,604</b>	<b>1.7</b>	<b>1,542.5</b>	<b>–302.4</b>	<b>74.8</b>	<b>1,316.6</b>

## Intrum Justitia Group – Additional Data

Key figures	April–June		January–June		Full-year 2003
	2004	2003	2004	2003	
Adjusted EBITA margin, %	<b>11.6</b>	14.0	12.7	14.2	14.9
EBITA margin, %	<b>11.6</b>	2.6	12.7	5.7	1.1
Operating margin, %	<b>7.8</b>	–1.9	8.7	1.4	–3.3
Return on capital employed (excluding goodwill amortization), %	<b>13.9</b>	3.4	15.6	6.9	5.9
Return on operational capital (excluding goodwill amortization), %	<b>14.9</b>	3.1	17.0	6.9	6.0
Return on equity, %	<b>12.6</b>	–2.5	11.7	–0.4	–13.0
Net debt, SEK M	<b>798</b>	868	798	868	769
Net debt/equity, %	<b>60.6</b>	60.8	60.6	60.8	62.0
Equity/assets ratio, %	<b>36.0</b>	37.8	36.0	37.8	33.7
Interest coverage ratio, multiple	<b>4.7</b>	neg.	5.1	0.6	neg.
Collection cases in stock, million	<b>10.8</b>	10.0	10.8	10.0	10.6
Total collection value, SEK billion	<b>81,3</b>	81,1	81,3	81,1	79,3
Average number of employees	<b>2,916</b>	2,938	2,916	2,938	2,870

### Definitions

*Adjusted EBITA* is operating earnings before goodwill amortization and adjusted for items affecting comparability.

*EBITA* is operating earnings before goodwill amortization.

*EBITA margin* is EBITA divided by revenues.

*Operating margin* is operating earnings divided by revenues.

*Return on capital employed* is earnings after financial items plus financial expenses, goodwill amortization and write-downs divided by average capital employed. Capital employed is calculated as the total of shareholders' equity, minority interests, provisions for pensions and interest-bearing liabilities. Operational capital is calculated as the total of shareholders' equity, minority interests, provisions for pensions and interest-bearing liabilities less liquid assets and interest-bearing receivables.

*Return on equity* is net earnings for the period divided by average shareholders' equity.

*Net debt* is interest-bearing loans (the total of long-term liabilities and current liabilities to credit institutions) less liquid assets and interest-bearing receivables.

*Equity/assets ratio* is shareholders' equity divided by total assets.

*Interest coverage ratio* is earnings after financial items plus interest expenses, etc. as a percentage of interest expenses, etc.

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## Intrum Justitia Group – Ownership structure

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Ten largest shareholders	Number of shares	Capital and votes, %
Industri Kapital 1997 Fund	21,230,669	25.0
Parkerhouse Investments	17,650,669	20.8
Amaranth Capital	4,500,000	5.3
Handelsbanken/SPP funds	4,261,629	5.0
Lannebo funds	3,880,800	4.6
Columbia Acorn funds / Wanger AM	3,775,000	4.4
SEB funds	2,774,200	3.3
Didner & Gerge equity fund	1,889,000	2.2
Fidelity funds	1,576,480	1.9
Robur funds	603,500	0.7

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Table based on shareholder register on June 30, 2004. Sources: VPC, SIS Ägarservice and Intrum Justitia

Intrum Justitia's market capitalization on June 30, 2004 amounted to SEK 3,739 M, compared with SEK 3,705 M on the corresponding date a year earlier.

On June 30, 2004 Intrum Justitia had 3,633 shareholders (1,818).

Swedish ownership on June, 30 2004 accounted for 52.7%, of which institutional investors accounted for 28.0 percentage points, mutual funds for 17.9 percentage points and private investors for 6.8 percentage points.

Foreign ownership accounted for 47.3%.