

Interim report January–June 2005

- Consolidated revenues during the first half year 2005 amounted to SEK 1,358.9 M (1,362.3).
- Net earnings for the six-month period January–June amounted to SEK 171.2 M (144.0).
- Earnings per share for the first half year 2005 amounted to SEK 1.95 (1.66).
- The Group's operating margin rose to 17.9 percent (14.0).
- Cash flow from operating activities improved to SEK 205.5 M (96.8).

All comparative figures for 2004 in this report are restated according to the new accounting principles (International Financial Reporting Standards – IFRS)

SEK M unless indicated otherwise	Jan–Jun 2005	Jan–Jun 2004	Apr–Jun 2005	Apr–Jun 2004	Full year 2004
Revenues	1,358.9	1,362.3	713.2	681.9	2,740.5
Operating earnings (EBIT)	243.8	190.3	143.9	90.4	430.6
Operating margin, %	17.9	14.0	20.2	13.3	15.7
Net earnings	171.2	144.0	103.8	77.0	323.4
Earnings per share before dilution, SEK	1.95	1.66	1.20	0.89	3.68
Earnings per share after dilution, SEK	1.94	1.66	1.19	0.89	3.68
Current collection cases (million)	12.4	10.8	12.4	10.8	11.6

“The Intrum Justitia Group developed positively during the second quarter,” said CEO Jan Roxendal in a comment. “We have become more efficient at collecting on behalf of our clients, while we have also decisively increased our investments to purchase portfolios of written-off receivables. Consumer and commercial debt continue to rise throughout Europe and lenders are increasingly seeking out the assistance of professional debt service providers. In addition, we are seeing a greater interest in selling written-off receivables at an earlier stage.”

January–June 2005: Revenues and Earnings

Consolidated revenues during the period January–June amounted to SEK 1,358.9 M (1,362.3), which includes SEK 18.2 M for the Irish company Legal & Trade Collections for the period November 2004–June 2005.

Growth occurred primarily in Finland, Spain, Sweden and Switzerland. An important reason is the Group's increased focus on *Purchased Debt*. The Group's growth was offset by lower volumes in the United Kingdom and Italy. The effect of fluctuations in exchange rates was marginal.

Operating earnings amounted to SEK 243.8 M (190.3). The improvement is mainly attributable to England and Germany, where substantial cost cuts were implemented during the period, though also to the Nordic countries. After a weak start in the first quarter, the Netherlands recovered during the second.

Earnings before tax for the period increased to SEK 228.2 M (169.4), while net earnings for the period amounted to SEK 171.2 M (144.0).

April–June 2005: Revenues and Earnings

Consolidated revenues during the period April–June amounted to SEK 713.2 M (681.9), which includes SEK 18.2 M for the Irish company Legal & Trade Collections for the period November 2004–June 2005. Of the 5 percent revenue increase, the acquisition accounted for 3 percentage points, while currency effects and organic growth each accounted for 1 percentage point.

The growth occurred primarily in Finland, where collections of written-off receivables were good, and in Sweden, where tax refunds contributed to higher revenues in *Debt Surveillance*. Revenues in Spain have continued to trend higher, mainly from new and existing clients in *Consumer Collection*.

Operating earnings amounted to SEK 143.9 M (90.4). Much of the improvement was due to cost cuts in England, Germany and the Netherlands. Improved earnings were also achieved in countries that raised their revenues during the period.

Earnings before tax for the quarter increased to SEK 138.3 M (80.2), while net earnings for the period amounted to SEK 103.8 M (77.0).

Geographic regions, April–June 2005

Sweden, Norway & Denmark

The region's quarterly revenues increased to SEK 171.4 M (154.9) and its operating earnings to SEK 49.7 M (39.1), partly because a portion of this year's Swedish tax refund was paid out in June and therefore affected the *Debt Surveillance* service line positively. Volume gains in Denmark and improved collection results in Norway contributed to the region's higher revenues and earnings.

United Kingdom & Ireland

The region's quarterly revenues amounted to SEK 98.3 M (93.7), which includes SEK 18.2 M for the Irish company Legal & Trade Collections for the period November 2004–June 2005. Operating earnings amounted to SEK 0.6 M (–9.1). Added volume from new and existing clients in the UK did not fully compensate for lower volumes from certain major clients in *Consumer Collection & Debt Surveillance*. The earnings improvement was achieved through cost cuts, mainly from a major staff reduction in the English subsidiary during 2004.

Netherlands, Belgium & Germany

Second-quarter revenues amounted to SEK 141.3 M (142.7) with operating earnings of SEK 32.1 M (11.4). The Netherlands recovered significantly from the first quarter, mainly thanks to a higher collection rate for telecom clients and to *Purchased Debt*. Revenues were affected negatively in Germany by the previously terminated unprofitable contracts and lower volumes from key clients in the telecom sector. The earnings improvement is largely due to cost savings in the Netherlands and Germany.

Switzerland, Austria & Italy

The region's quarterly revenues amounted to SEK 89.7 M (95.0) with operating earnings of SEK 17.8 M (14.8). The revenue decrease is mainly due to continued weak volume growth in Italy. The gain in earnings, on the other hand, was generated mainly in Switzerland, with a positive trend in *Commercial Collection* from telecom and media clients as well as further productivity improvements implemented late last year and this year.

Finland, Estonia, Latvia & Lithuania

Revenues for the report period amounted to SEK 85.7 M (79.1) with operating earnings of SEK 37.5 M (34.0). Higher activity in *Purchased Debt* in Finland, with purchases of portfolios from customers in the banking and telecom sectors, improved the region's revenues and earnings. New laws regulating debtor fees that took effect on June 1 had a marginal effect during the second quarter.

France, Spain & Portugal

The region's quarterly revenues amounted to SEK 87.8 M (81.1) with operating earnings of SEK 16.5 M (11.9). Regional growth is mainly attributable to Spain and Portugal, where volumes have increased in the telecom, media and banking sectors. A large debt portfolio was acquired in Spain last year, which positively contributed to revenues and earnings.

Poland, Czech Republic, Slovakia & Hungary

Quarterly revenues amounted to SEK 39.0 M (35.4) with operating earnings of SEK 8.2 M (3.3). Positive development in Hungary and the Czech Republic has raised the region's revenues and earnings. The recovery has been most evident in Hungary as a result of improved production routines. The Slovakian company Creditexpress was acquired at the end of the period and

has not yet had an impact on consolidated revenues or earnings.

Since April 2003 there is a 40 percent minority interest in the region's companies.

Purchased Debt service line

Service line revenues increased to SEK 78.0 M (57.3) in the second quarter. Earnings also improved, amounting to SEK 31.8 M (20.0). Finland, the Netherlands, Spain, Sweden and Portugal contributed to the service line's positive development.

In accordance with IFRS Intrum Justitia applies an accounting model, where the book value of each portfolio of purchased debt, and thereby the result for the quarter, is based on an estimation of future cash flows which is updated quarterly. The effect on the operating earnings in the second quarter from such estimations was positive, SEK 10.7 M.

The Group's increased focus on this service line, and the resources it invested during the first quarter, have led to higher investment activity, which continued in the second quarter. Investments in portfolios during the first half year 2005 amounted to SEK 254.2 M, against SEK 134.3 M in the corresponding period a year earlier.

In several markets, there is evidence of growing interest in selling portfolios in an earlier phase, which is generating more activity. The Board of Directors has therefore decided to raise the service line's investment limit from SEK 600 M to SEK 1.2 billion.

Expenses

The gross profit margin was 43 percent (43) in the second quarter of the year. Sales, marketing and administrative expenses were lower in the second quarter than a year earlier thanks to the continued success of cost controls in a number of countries.

Depreciation/amortization

Quarterly operating earnings were charged with depreciation/amortization of SEK 23.6 M (27.2). Operating earnings before depreciation/amortization therefore amounted to SEK 167.5 M (117.6). Operating earnings before depreciation/amortization for the first half year were SEK 289.0 M (240.9).

Expenses for incentive program

Operating earnings for the first half year were charged with SEK 3.8 M (1.2) for warrants for the Group's Employee Stock Option Program 2003/2009. Of this amount, SEK 1.9 M (1.2) was reported in the second quarter. The expense does not represent an actual disbursement by the company. The Employee Stock Option Program comprises warrants to subscribe for 3,358,250 shares. The dilution effect during the first half year, calculated according to IAS 33 Earnings per share, corresponds to 410,728 shares.

The Employee Stock Option Program did not dilute earnings for the full year 2004 since the share's average market value was less than the present value of the option premium. The warrants were allotted in May 2004.

Net Financial Items

Financial expenses during the second quarter were lower than the corresponding period of 2004 due to lower market interest rates, better loan conditions and a lower debt level.

Cash Flow and Investments

Cash flow from operating activities amounted to SEK 205.5 M during the first half year, against SEK 96.8 M for the corresponding period of 2004.

Share Redemption

The Extraordinary General Meeting (EGM) on June 16, 2005 passed a resolution to offer the shareholders to redeem every twelfth share for SEK 84, corresponding to approximately SEK 7 per share. A total of 7,029,353 shares were tendered for redemption, an acceptance level of 99.25 percent. The redemption amount was paid end of June 2005.

The EGM also resolved on a directed issue of 7,029,353 redeemable series C shares to Svenska Handelsbanken AB (publ) and the redemption of a corresponding number of shares to fund a payment to the shareholders of SEK 590.5 M through reductions in the share premium reserve and share capital.

Court approval of the reduction is expected to be received during the third or fourth quarter of 2005, at which point the number of shares outstanding will be reduced from 84,985,604 to 77,956,251.

The redemption of the C shares will reduce the Group's shareholders' equity and raise its net debt.

Financing

Net debt as of June 30, 2005 amounted to SEK 542.2 M (before redemption of C shares), compared with SEK 480.2 M at year-end 2004.

Shareholders' equity including the minority share amounted to SEK 1,751.8 M (before redemption of C shares), compared with SEK 1,531.0 M on December 31, 2004.

As of June 30, 2005 the Group had liquid assets of SEK 147.0 M, against SEK 338.3 M on December 31, 2004. On June 30, 2005 unutilized credit facilities amounted to SEK 1,442.0 M. The corresponding figure on December 31, 2004 was SEK 385.8 M.

Goodwill

Consolidated goodwill amounted to SEK 1,588.8 M, against SEK 1,505.8 M at year-end 2004. The change during the first half year is due to fluctuating exchange rates. All goodwill in the Group was tested for impairment at year-end 2004. In the six-month financial statements these tests were updated, but showed no need for write-downs.

Human Resources

The average number of employees during the half year was 2,863 (2,916). The number of employees decreased mainly in the English subsidiary, while more staff was added in Spain to handle previously outsourced operations.

Parent Company

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

The parent company had revenues of SEK 23.1 M (8.0) and reported a pre-tax deficit of SEK -4.5 M (-37.7). The parent company invested SEK 0.3 M (0.3) in fixed assets during the half year and had liquid assets of SEK 0.0 M (0.0) as of June 30. The average number of employees was 22 (20).

Acquisitions

Intrum Justitia's acquisition of Legal & Trade Collections (Ireland) Limited in October 2004 has been the subject of a dispute due to an unfulfilled guarantee on the part of the seller, Legal & Trade Financial Services Limited. In June 2005 the Irish High Court ruled that Intrum Justitia will receive a partial refund on the purchase price of the company. The company has now been consolidated in the Intrum Justitia Group retroactively to November 2004.

In June 2005 Intrum Justitia acquired the Slovakian company Creditexpress Slovakia s.r.o. for SKK 24.0 M, corresponding to SEK 5.9 M, a third of which was paid when the contract was signed. The company was consolidated as of the acquisition date and in the six-month accounts affects only the consolidated balance sheet.

Highlights After Closing Date

Intrum Justitia has after the end of the period in a number of countries agreed upon purchases of written-off receivables, primarily bank debt, at a purchase price of more than SEK 400 M.

In July 2005 the Polish Securities Exchange Commission approved Intrum Justitia's application to establish an Investment Fund Society ("IFS") in Poland. An IFS is important for companies that invest in portfolios of written-off receivables.

The Intrum Justitia Share

Intrum Justitia's market capitalization on June 30, 2005 was SEK 4,229 M based on the number of shares after the redemption of C shares. During the period January 1–June 30, 2005 the share price excluding the redemption rose by 5.3 percent, compared with an increase of 11.9 percent for Stockholmsbörsen's All Share Index. The return for investors who utilized the share redemption was 10.2 percent during the period.

The number of shareholders as of June 30, 2005 was 4,200 (3,633).

Accounting Principles

This is the Intrum Justitia Group's second interim report according to the International Financial Reporting Standards (IFRS). In accordance with the requirements in the Swedish Financial Accounting Standards Council's recommendation RR 31 Interim reports for groups, the interim report for the Group is prepared according to IAS 34 Interim Financial Reporting.

The accounting principles applied in the interim report are described in the Annual Report for 2004 in Note 1 as well as in Note 36 with regard to changes in connection with the introduction of IFRS. Although Intrum Justitia began reporting according to IFRS in 2005, the comparative figures for 2004 are restated to IFRS, so January 1, 2004 is considered Intrum Justitia's transition date to IFRS.

A reconciliation of the estimated effects of IFRS on the consolidated income statement and balance sheet for the first six months and full year 2004, including the effect on deferred tax, is provided in the attachment. The figures in the balance sheet have been adjusted relative to previously released information – also in relation to previous interim report – on the basis of new information.

The description of the effects of IFRS and amounts are still preliminary and may change if the IFRS recommendations or their interpretation change during the year.

Consolidation and Goodwill

As of 2004 the acquisition cost of an acquired subsidiary is eliminated against the net of the market value of the subsidiary's assets and liabilities, including intangible assets such as client relations, cases in progress and internally developed brands. If the market values identified do not correspond to the acquisition cost, goodwill arises. Negative goodwill is not reported, but in such cases is charged against earnings immediately after acquisition.

Goodwill is not amortized but is tested for impairment, whereupon the estimated future cash flows from the cash-generating unit are discounted by an interest rate corresponding to the Group's weighted average cost of capital. If the present value less sales expenses calculated in this manner is less than the book value net of the cash-generating unit's assets and liabilities, goodwill is written down.

Financial Assets and Liabilities

Intrum Justitia reports financial instruments, including foreign exchange contracts and other derivatives, at fair value. Any changes in fair value are reported in the income statement. At present hedge accounting is not applied.

Purchased Debt

Purchased debt consists of portfolios of overdue consumer receivables purchased at significantly below their nominal value. Purchased debt is reported according to an effective interest rate method, where the book value of each portfolio corresponds to the present value of all estimated future cash flows discounted by an effective interest rate determined when the portfolio is purchased, based on the relationship between the acquisition cost and estimated future cash flows at the time of acquisition. Changes in the book value of the portfolios are reported in the income statement on the revenue line.

Employee Stock Option Program

The Annual General Meeting in 2003 approved the adoption of Employee Stock Option Program 2003/2009. Warrants were allocated in May 2004. The theoretical value of the warrants on the date of issue, calculated according to the Black-Scholes model, is accrued over the vesting period (May 2004–December 2006), i.e., the period during which the conditions necessary to exercise the warrants will be met.

Reporting Dates

The Interim Report for the third quarter (January–September) 2005 will be published on October 26, 2005.

The Full Year Report for 2005 will be published on February 15, 2006.

Stockholm, August 17, 2005
Intrum Justitia AB (publ)

Jan Roxendal
President & Chief Executive Officer

Auditors' report

We have reviewed the interim report of Intrum Justitia AB (publ) for the six-month period ending June 30, 2005. Our review has been conducted in accordance with the recommendation issued by the Swedish Institute of Authorized Public Accountants.

The review has been planned and performed to obtain limited assurance that the interim report is free of material misstatement. A review is largely limited to queries of the company's personnel and an analytical evaluation of financial data, and our assurance is limited compared to an audit.

Nothing has come to our attention during the review that causes us to believe that the interim report does not comply with the requirements for interim reports according to the Annual Accounts Act and IAS 34.

Stockholm, August 17, 2005
KMPG Bohlins AB

Carl Lindgren
Authorized Public Accountant

This Interim Report and other financial information are available at Intrum Justitia's website: www.intrum.com

Denna delårsrapport finns även på svenska.

Presentation of the Interim Report

This Interim Report and presentation material are available at www.intrum.com > Investors. President & CEO Jan Roxendal and CFO Bo Askvik will comment on the report on a telephone conference today at 10:00 a.m. CET.

To participate by telephone, call +44 207 162 0192. A recorded version will be available through August 23, 2005 by telephone +44 207 031 4064, using the code 671 525.

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Intrum Justitia Group – Consolidated Income Statement

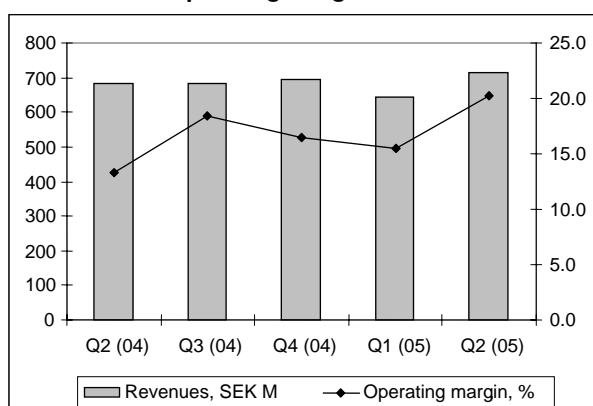
SEK M	April–June		January–June		Full year 2004
	2005	2004	2005	2004	
Revenues	713.2	681.9	1,358.9	1,362.3	2,740.5
Cost of sales	-409.5	-391.6	-801.1	-797.1	-1,598.1
Gross earnings	303.7	290.3	557.8	565.2	1,142.4
Sales and marketing expenses	-70.6	-87.0	-138.4	-160.0	-304.1
General and administrative expenses	-89.5	-113.9	-176.0	-218.2	-410.5
Participations in associated companies	0.3	1.0	0.4	3.3	2.8
Operating earnings (EBIT)	143.9	90.4	243.8	190.3	430.6
Net financial income/expenses	-5.6	-10.2	-15.6	-20.9	-36.4
Earnings after financial items	138.3	80.2	228.2	169.4	394.2
Tax on earnings for the period	-34.5	-3.2	-57.0	-25.4	-70.8
Net earnings for the period	103.8	77.0	171.2	144.0	323.4
Of which attributable to:					
Parent Company's shareholders	101.7	75.9	166.0	141.3	313.1
Minority interests	2.1	1.1	5.2	2.7	10.3
Net earnings for the period	103.8	77.0	171.2	144.0	323.4

Intrum Justitia Group – Data per share*

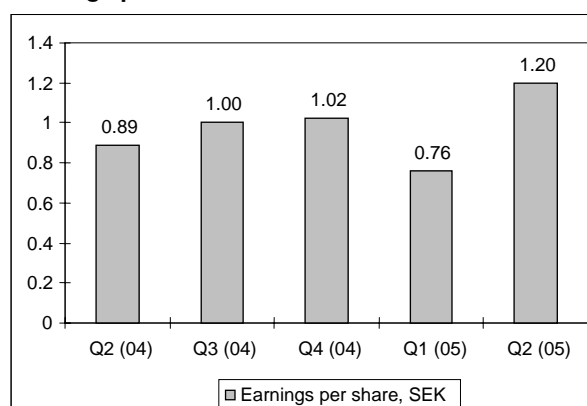
SEK	April–June		January–June		Full year 2004
	2005	2004	2005	2004	
Share price at end of period	54.25	44.00	54.25	44.00	51.50
Earnings per share before dilution	1.20	0.89	1.95	1.66	3.68
Earnings per share after dilution	1.19	0.89	1.94	1.66	3.68
Shareholders' equity (net asset value)	20.34	15.76	20.34	15.76	17.68
Average number of shares before dilution, '000	84,986	84,986	84,986	84,986	84,986
Average number of shares after dilution, '000	85,396	84,986	85,396	84,986	84,986
Number of shares at end of period, '000	84,986	84,986	84,986	84,986	84,986

* Before redemption of C shares

Revenues and operating margin



Earnings per share



Intrum Justitia Group – Consolidated Balance Sheet

SEK M	June 30 2005	June 30 2004	December 31 2004
ASSETS			
Intangible fixed assets			
Capitalized development expenditure for IT development and other intangibles	136.8	103.3	104.2
Goodwill	1,588.8	1,549.4	1,505.8
Total intangible fixed assets	1,725.6	1,652.7	1,610.0
Tangible fixed assets	96.9	91.4	86.7
Financial fixed assets			
Shares and participations in associated companies and other companies	6.9	5.7	4.5
Purchased debt	534.1	354.2	407.0
Deferred tax receivables	49.3	61.5	50.8
Other long-term receivables	7.1	9.2	7.3
Total financial fixed assets	597.4	430.6	469.6
Total fixed assets	2,419.9	2,174.7	2,166.3
Current assets			
Accounts receivable	381.8	373.7	345.9
Client funds	476.8	409.2	397.3
Tax assets	12.2	67.6	3.0
Other receivables	288.7	298.6	287.2
Prepaid expenses and accrued revenue	92.2	115.1	81.1
Cash and cash equivalents	147.0	249.8	338.3
Total current assets	1,398.7	1,514.0	1,452.8
TOTAL ASSETS	3,818.6	3,688.7	3,619.1

Intrum Justitia Group – Consolidated Balance Sheet

SEK M	June 30 2005	June 30 2004	December 31 2004
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Attributable to Parent Company's shareholders	1,728.8	1,339.6	1,502.2
Attributable to minority	23.0	19.0	28.8
Total shareholders' equity	1,751.8	1,358.6	1,531.0
Long-term liabilities			
Liabilities to credit institutions	533.4	911.6	731.3
Other long-term liabilities	10.1	0.6	9.6
Provisions for pensions	36.3	31.5	32.4
Provisions for deferred taxation	30.4	17.4	22.3
Other provisions	8.5	12.1	6.3
Total long-term liabilities	618.7	973.2	801.9
Current liabilities			
Liabilities to credit institutions	118.4	115.4	53.9
Client funds payable	476.8	409.2	397.3
Accounts payable	182.7	174.2	195.2
Income tax liabilities	65.5	39.8	37.2
Advances from clients	29.7	30.4	30.1
Other current liabilities	215.4	225.2	223.6
Accrued expenses and prepaid income	351.1	354.5	340.8
Other provisions	8.5	8.2	8.1
Total current liabilities	1,448.1	1,356.9	1,286.2
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,818.6	3,688.7	3,619.1
Pledged assets	—	—	—
Contingent liabilities	956.2	833.9	916.7

In combination with other services sold in Switzerland, the company has issued guarantees for credit card debts totaling SEK 872.9 M (798.2). 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 11.0 M (12.4). 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 audits in Sweden, Norway and Finland, each country's tax authority questioned the company's tax deduction of certain costs for the period 1998–2003. The company has appealed and considers that the tax authorities' claims will not result in any expenses for the company. The fiscal effect of the aforementioned deduction has been accounted as a contingent liability totaling SEK 70.7 M. The audit in Denmark is completed and no significant issues remain.

Intrum Justitia Group – Cash Flow Statement

SEK M	January–June		Full year
	2005	2004	2004
Operating activities			
Operating earnings (EBIT)	243.8	190.3	430.6
Depreciation/amortization	45.2	50.6	99.3
Adjustment for expenses not included in cash flow	10.7	–0.6	16.1
Interest received	7.0	3.6	11.1
Interest paid and other financial expenses	–19.0	–15.5	–46.0
Income tax paid	–32.1	–50.9	–15.3
Cash flow from operating activities before changes in working capital	255.6	177.5	495.8
Changes in working capital	–47.8	–27.6	59.9
Repayments in England of non-allocated receipts	–2.3	–53.1	–70.4
Cash flow from operating activities	205.5	96.8	485.3
Investing activities			
Purchases of tangible and intangible fixed assets	–53.9	–30.0	–71.6
Debt purchases	–254.2	–134.3	–266.8
Amortization of purchased debt	126.5	87.6	186.4
Purchases of subsidiaries and other companies	–2.7	–8.7	–10.4
Expenses from cancelled acquisition	0.0	0.0	–17.4
Other cash flow from investing activities	0.2	1.0	2.8
Cash flow from investing activities	–184.1	–84.4	–177.0
Financing activities			
Borrowing and amortization	–207.7	–10.4	–218.5
Directed issue of C shares	590.5	0.0	0.0
Share repurchase	–590.5	0.0	0.0
Share repurchase expenses	–2.0	0.0	0.0
Share dividend to minority owners	–12.9	0.0	0.0
Cash flow from financing activities	–222.6	–10.4	–218.5
Change in liquid assets	–201.2	2.0	89.8
Opening balance of liquid assets	338.3	243.2	243.2
Exchange rate differences in liquid assets	9.9	4.6	5.3
Closing balance of liquid assets	147.0	249.8	338.3

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

SEK M	2005			2004		
	Attributable to Parent Company's shareholders	Attributable to minority	Total	Attributable to Parent Company's shareholders	Attributable to minority	Total
Opening balance, January 1	1,502.2	28.8	1,531.0	1,201.8	18.6	1,220.4
Exchange rate differences	58.2	1.9	60.1	-4.7	-2.3	-7.0
Effect of option program	3.8		3.8	1.2		1.2
Directed issue of C shares	590.5		590.5			0.0
Share repurchase	-590.5		-590.5			0.0
Transaction expenses for share repurchase	-2.0		-2.0			0.0
Tax effect	0.6		0.6			0.0
Share dividends		-12.9	-12.9			0.0
Net earnings for the period	166.0	5.2	171.2	141.3	2.7	144.0
Closing balance, June 30	1,728.8	23.0	1,751.8	1,339.6	19.0	1,358.6

Intrum Justitia Group – Quarterly overview

	Quarter 2 2005	Quarter 1 2005	Quarter 4 2004	Quarter 3 2004	Quarter 2 2004
Revenues, SEK M	713.2	645.7	696.3	681.9	681.9
Operating earnings (EBIT), SEK M	143.9	99.9	115.0	125.3	90.4
Collection cases in stock, million	12.4	12.0	11.6	11.5	10.8
Total collection value, SEK billion	84.0	81.0	79.4	80.6	81.3

Intrum Justitia Group – Five-Year Overview

	2004	2003	2002*	2001	2000
Revenues (SEK M)	2,740.5	2,864.6	2,774.9	2,320.6	1,694.1
Earnings after financial items, SEK M	394.2	-146.8	238.4	120.1	82.0
Net earnings, SEK M	323.4	-180.4	173.3	—	—
Earnings per share, SEK	3.68	-2.12	2.61	—	—
Interest coverage ratio, multiple	9.3	-1.5	3.0	—	—
Return on operating capital, %	21.6	6.0	20.5	—	—
Return on shareholders' equity, %	23.2	-13.0	16.8	—	—
Equity/assets ratio, %	42.3	33.7	41.1	—	—
Dividend, SEK	—	—	1.00	—	—
Average number of employees	2,945	2,870	2,661	2,936	1,803

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

Comparative figures for the years 2000–2003 are not restated to the International Financial Reporting Standards (IFRS). The largest difference relates to goodwill amortization, which, in accordance with previous accounting rules, was charged against earnings as follows: SEK 124.0 M for 2003, SEK 126.7 M for 2002, SEK 142.2 M for 2001, and SEK 116.9 M for 2000.

Intrum Justitia Group – Revenues by Region

SEK M	April–June		January–June		Full year 2004
	2005	2004	2005	2004	
Sweden, Norway & Denmark	171.4	154.9	322.3	309.8	624.4
United Kingdom & Ireland	98.3	93.7	170.6	185.3	370.1
Netherlands, Belgium & Germany	141.3	142.7	275.8	295.5	581.3
Switzerland, Austria & Italy	89.7	95.0	183.8	182.3	370.5
Finland, Estonia, Latvia & Lithuania	85.7	79.1	160.6	146.9	314.0
France, Spain & Portugal	87.8	81.1	170.5	163.9	318.1
Poland, Czech Rep, Slovakia & Hungary	39.0	35.4	75.3	78.6	162.1
Total revenues	713.2	681.9	1,358.9	1,362.3	2,740.5

Intrum Justitia Group – Operating Earnings by Region

SEK M	April–June		January–June		Full year 2004
	2005	2004	2005	2004	
Sweden, Norway & Denmark	49.7	39.1	86.7	78.1	153.0
United Kingdom & Ireland	0.6	–9.1	–1.3	–11.1	11.3
Netherlands, Belgium & Germany	32.1	11.4	52.4	39.5	80.2
Switzerland, Austria & Italy	17.8	14.8	35.7	29.1	64.1
Finland, Estonia, Latvia & Lithuania	37.5	34.0	61.5	57.2	128.7
France, Spain & Portugal	16.5	11.9	28.6	23.6	50.1
Poland, Czech Rep, Slovakia & Hungary	8.2	3.3	13.7	15.6	34.4
Participations in associated companies	0.3	1.0	0.4	3.3	2.8
Central expenses	–18.8	–16.0	–33.9	–45.0	–94.0
Total operating earnings	143.9	90.4	243.8	190.3	430.6

Operating earnings for service lines and regions are earnings less central marketing expenses.

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

Intrum Justitia Group – Operating Margin by Region

%	April–June		January–June		Full year 2004
	2005	2004	2005	2004	
Sweden, Norway & Denmark	29.0	25.2	26.9	25.2	24.5
United Kingdom & Ireland	0.6	–9.7	–0.8	–6.0	3.1
Netherlands, Belgium & Germany	22.7	8.0	19.0	13.4	13.8
Switzerland, Austria & Italy	19.8	15.6	19.4	16.0	17.3
Finland, Estonia, Latvia & Lithuania	43.8	43.0	38.3	38.9	41.0
France, Spain & Portugal	18.8	14.7	16.8	14.4	15.7
Poland, Czech Rep, Slovakia & Hungary	21.0	9.3	18.2	19.8	21.2
Group total	20.2	13.3	17.9	14.0	15.7

Intrum Justitia Group – Revenues by Service Line

SEK M	April–June		January–June		Full year 2004
	2005	2004	2005	2004	
Consumer Collection & Debt Surveillance	478.0	439.0	879.7	862.7	1,756.0
Commercial & International Collection	160.7	153.9	313.0	325.0	640.5
Purchased Debt	78.0	57.3	142.8	122.3	258.1
Other	46.6	54.8	98.2	110.1	216.2
Elimination of inter-service line revenue	-50.1	-23.1	-74.8	-57.8	-130.3
Total revenues	713.2	681.9	1,358.9	1,362.3	2,740.5

Intrum Justitia Group – Operating Earnings by Service Line

SEK M	April–June		January–June		Full year 2004
	2005	2004	2005	2004	
Consumer Collection & Debt Surveillance	115.4	77.6	203.1	168.6	409.5
Commercial & International Collection	22.7	14.1	37.7	31.5	60.5
Purchased Debt	31.8	20.0	51.4	44.2	78.6
Other	-8.0	-8.3	-16.6	-17.4	-36.9
Participations in associated companies	0.3	1.0	0.4	3.3	2.8
Central expenses	-18.3	-14.0	-32.2	-39.9	-83.9
Total operating earnings	143.9	90.4	243.8	190.3	430.6

Operating earnings for service lines and regions are earnings less central marketing expenses.

Intrum Justitia Group – Operating Margin by Service Line

%	April–June		January–June		Full year 2004
	2005	2004	2005	2004	
Consumer Collection & Debt Surveillance	24.1	17.7	23.1	19.5	23.3
Commercial & International Collection	14.1	9.2	12.0	9.7	9.4
Purchased Debt	40.8	34.9	36.0	36.1	30.5
Other	-17.2	-15.1	-16.9	-15.8	-17.1
Group total	20.2	13.3	17.9	14.0	15.7

As of 2005 *Sales Ledger Services* are included in *Other* rather than reported separately as a service line. At the same time the credit guarantee operations in Switzerland and purchases of fresh receivables in Norway are included in the *Purchased Debt* service line.

Intrum Justitia Group – Additional Data*

Key figures	April–June		January–June		Full year 2004
	2005	2004	2005	2004	
Operating margin, %	20.2	13.3	17.9	14.0	15.7
Return on operating capital, %	26.2	16.6	22.7	18.4	21.6
Return on shareholders' equity, %	24.6	23.2	20.6	22.2	23.2
Net debt, SEK M	542.2	809.2	542.2	809.2	480.2
Net debt/equity, %	0.31	0.60	0.31	0.60	0.31
Equity/assets ratio, %	45.9	36.8	45.9	36.8	42.3
Interest coverage ratio, multiple	15.0	7.7	11.1	7.9	9.3
Collection cases in stock, million	12.4	10.8	12.4	10.8	11.6
Total collection value, SEK billion	84.0	81.3	84.0	81.3	79.4
Average number of employees	2,882	2,952	2,863	2,916	2,945

* Before redemption of C shares

Definitions

Operating margin is operating earnings as a percentage of revenues.

Return on operating capital consists of earnings after financial items plus financial expense, divided by average operating capital. Operating capital consists of the sum of shareholders' equity including the minority share, provisions for pensions and interest-bearing liabilities less liquid assets.

Return on shareholders' equity is net earnings for the period excluding the minority share as a percentage of average shareholders' equity excluding the minority share.

Net debt is interest-bearing loans (the total of long-term liabilities and current liabilities to credit institutions), liabilities for financial leasing and provisions for pensions less liquid assets.

Equity/assets ratio is shareholders' equity including the minority share as a percentage of total assets.

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

Intrum Justitia Group – Ownership structure

June 30, 2005

	Number of shares	Capital and votes, %
Total number of shares: 77,956,251*		
Industri Kapital 1997 Fund	9,102,686	11.7
Parkerhouse Investments	8,112,500	10.4
Cevian Capital	6,554,780	8.4
Lannebo funds	4,715,800	6.0
Didner & Gerge equity fund	3,770,000	4.8
SEB funds	2,925,800	3.8
Landsbanki Íslands hf	1,947,917	2.5
Nordea funds	1,918,813	2.5
SEB-Trygg Försäkring	1,691,500	2.2
SHB/SPP funds	1,594,573	2.0

Swedish ownership accounted for 56 percent (institutional investors for 22 percentage points, equity funds 26 percent and individual investors 8 percent).

Source: SIS Aktieägarservice.

* Excluding C shares

Intrum Justitia Group – Attachment IFRS

Intrum Justitia Group – Consolidated Income Statement

SEK M	Jan–Jun 2004 acc. to Swed. GAAP	Adjustment Purchased debt	Adjustment Employee options	Adjustment Goodwill	Jan–Jun 2004 acc. to IFRS
Revenues	1,402.1	–39.8			1,362.3
Cost of sales	–849.9	52.8			–797.1
Gross earnings	552.2	13.0	0.0	0.0	565.2
Sales and marketing expenses	–160.0				–160.0
General and administrative expenses	–216.9		–1.3		–218.2
Goodwill amortization	–56.8			56.8	0.0
Participations in associated companies	3.3				3.3
Operating earnings (EBIT)	121.8	13.0	–1.3	56.8	190.3
Net financial income/expenses	–20.9				–20.9
Earnings after financial items	100.9	13.0	–1.3	56.8	169.4
Tax on earnings for the period	–23.7	–1.7			–25.4
Net earnings for the period	77.2	11.3	–1.3	56.8	144.0
Of which attributable to:					
Parent Company's shareholders	74.8	11.0	–1.3	56.8	141.3
Minority interests	2.4	0.3			2.7
Net earnings for the period	77.2	11.3	–1.3	56.8	144.0

Intrum Justitia Group – Consolidated Balance Sheet

SEK M	June 30 2004 acc. to Swed. GAAP	Adjustment Purchased debt	Adjustment Employee options	Adjustment Goodwill	June 30 2004 acc. to IFRS
ASSETS					
Intangible fixed assets					
Capitalized development expenditure for IT development and other intangibles	103.3				103.3
Goodwill	1,494.3			55.1	1,549.4
Total intangible fixed assets	1,597.6	0.0	0.0	55.1	1,652.7
Tangible fixed assets	91.4				91.4
Financial fixed assets					
Shares and participations in associated companies and other companies	5.7				5.7
Purchased debt	300.4	53.8			354.2
Deferred tax receivables	96.9			-35.4	61.5
Other long-term receivables	9.2				9.2
Total financial fixed assets	412.2	53.8	0.0	-35.4	430.6
Total fixed assets	2,101.2	53.8	0.0	19.7	2,174.7
Current assets					
Accounts receivable	373.7				373.7
Purchased fresh receivables	42.8	-42.8			0.0
Client funds	409.2				409.2
Tax assets	67.6				67.6
Other receivables	298.6				298.6
Prepaid expenses and accrued revenue	114.1	1.0			115.1
Cash and cash equivalents	249.8				249.8
Total current assets	1,555.8	-41.8	0.0	0.0	1,514.0
TOTAL ASSETS	3,657.0	12.0	0.0	19.7	3,688.7

Intrum Justitia Group – Consolidated Balance Sheet

SEK M	June 30 2004 acc. to Swed. GAAP	Adjustment Purchased debt	Adjustment Employee options	Adjustment Goodwill	June 30 2004 acc. to IFRS
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity					
Attributable to Parent Company's shareholders	1,316.6	3.3		19.7	1,339.6
Attributable to minority	17.6	1.4			19.0
Total shareholders' equity	1,334.2	4.7	0.0	19.7	1,358.6
Long-term liabilities					
Liabilities to credit institutions	911.6				911.6
Other long-term liabilities	0.6				0.6
Provisions for pensions	31.5				31.5
Provisions for deferred taxation	13.9	3.5			17.4
Other provisions	12.1				12.1
Total long-term liabilities	969.7	3.5	0.0	0.0	973.2
Current liabilities					
Liabilities to credit institutions	115.4				115.4
Client funds payable	409.2				409.2
Accounts payable	174.2				174.2
Income tax liabilities	39.8				39.8
Advances from clients	30.4				30.4
Other current liabilities	225.2				225.2
Accrued expenses and prepaid income	350.7	3.8			354.5
Other provisions	8.2				8.2
Total current liabilities	1,353.1	3.8	0.0	0.0	1,356.9
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,657.0	12.0	0.0	19.7	3,688.7

Intrum Justitia Group – Consolidated Income Statement

SEK M	Jan–Dec 2004 acc. to Swed. GAAP	Adjustment Purchased debt	Adjustment Employee options	Adjustment Goodwill	Jan–Dec 2004 acc. to IFRS
Revenues	2,848.8	–108.3			2,740.5
Cost of sales	–1,710.6	112.5			–1,598.1
Gross earnings	1,138.2	4.2	0.0	0.0	1,142.4
Sales and marketing expenses	–304.1				–304.1
General and administrative expenses	–405.5		–5.0		–410.5
Goodwill amortization	–112.1			112.1	0.0
Participations in associated companies	2.8				2.8
Operating earnings (EBIT)	319.3	4.2	–5.0	112.1	430.6
Net financial income/expenses	–36.4				–36.4
Earnings after financial items	282.9	4.2	–5.0	112.1	394.2
Tax on earnings for the period	–72.2	–0.8		2.2	–70.8
Net earnings for the period	210.7	3.4	–5.0	114.3	323.4
Of which attributable to:					
Parent Company's shareholders	200.4	3.4	–5.0	114.3	313.1
Minority interests	10.3				10.3
Net earnings for the period	210.7	3.4	–5.0	114.3	323.4

Intrum Justitia Group – Consolidated Balance Sheet

SEK M	Dec 31 2004 acc. to Swed. GAAP	Adjustment Purchased debt	Adjustment Employee options	Adjustment Goodwill	Dec 31 2004 acc. to IFRS
ASSETS					
Intangible fixed assets					
Capitalized development expenditure for IT development and other intangibles	104.2				104.2
Goodwill	1,401.0			104.8	1,505.8
Total intangible fixed assets	1,505.2	0.0	0.0	104.8	1,610.0
Tangible fixed assets	86.7				86.7
Financial fixed assets					
Shares and participations in associated companies and other companies	4.5				4.5
Purchased debt	390.6	16.4			407.0
Deferred tax receivables	84.7			-33.9	50.8
Other long-term receivables	7.3				7.3
Total financial fixed assets	487.1	16.4	0.0	-33.9	469.6
Total fixed assets	2,079.0	16.4	0.0	70.9	2,166.3
Current assets					
Accounts receivable	345.9				345.9
Purchased fresh receivables	18.8	-18.8			0.0
Client funds	397.3				397.3
Tax assets	3.0				3.0
Other receivables	287.2				287.2
Prepaid expenses and accrued revenue	78.0	3.1			81.1
Cash and cash equivalents	338.3				338.3
Total current assets	1,468.5	-15.7	0.0	0.0	1,452.8
TOTAL ASSETS	3,547.5	0.7	0.0	70.9	3,619.1

Intrum Justitia Group – Consolidated Balance Sheet

SEK M	Dec 31 2004 acc. to Swed. GAAP	Adjustment Purchased debt	Adjustment Employee options	Adjustment Goodwill	Dec 31 2004 acc. to IFRS
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity					
Attributable to Parent Company's shareholders	1,436.3	-5.2		71.1	1,502.2
Attributable to minority	27.6	1.2			28.8
Total shareholders' equity	1,463.9	-4.0	0.0	71.1	1,531.0
Long-term liabilities					
Liabilities to credit institutions	731.3				731.3
Other long-term liabilities	9.6				9.6
Provisions for pensions	32.4				32.4
Provisions for deferred taxation	21.8	0.5			22.3
Other provisions	6.3				6.3
Total long-term liabilities	801.4	0.5	0.0	0.0	801.9
Current liabilities					
Liabilities to credit institutions	53.9				53.9
Client funds payable	397.3				397.3
Accounts payable	195.2				195.2
Income tax liabilities	37.2				37.2
Advances from clients	30.1				30.1
Other current liabilities	223.6				223.6
Accrued expenses and prepaid income	336.8	4.0			340.8
Other provisions	8.1				8.1
Total current liabilities	1,282.2	4.0	0.0	0.0	1,286.2
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,547.5	0.5	0.0	71.1	3,619.1

Intrum Justitia Group – Consolidated Balance Sheet

SEK M	January 1 2004 acc. to Swed. GAAP	Adjustment Purchased debt	Adjustment Employee options	Adjustment Goodwill	January 1 2004 acc. to IFRS
ASSETS					
Intangible fixed assets					
Capitalized development expenditure for IT development and other intangibles	117.8				117.8
Goodwill	1,528.1				1,528.1
Total intangible fixed assets	1,645.9	0.0	0.0	0.0	1,645.9
Tangible fixed assets	97.3				97.3
Financial fixed assets					
Shares and participations in associated companies and other companies	0.8				0.8
Purchased debt	340.0	40.4			380.4
Deferred tax receivables	107.3			-36.3	71.0
Other long-term receivables	10.1				10.1
Total financial fixed assets	458.2	40.4	0.0	-36.3	462.3
Total fixed assets	2,201.4	40.4	0.0	-36.3	2,205.5
Current assets					
Accounts receivable	353.8				353.8
Purchased fresh receivables	40.6	-40.6			0.0
Client funds	475.2				475.2
Tax assets	29.4				29.4
Other receivables	263.4				263.4
Prepaid expenses and accrued revenue	73.6				73.6
Cash and cash equivalents	243.2				243.2
Total current assets	1,479.2	-40.6	0.0	0.0	1,438.6
TOTAL ASSETS	3,680.6	-0.2	0.0	-36.3	3,644.1

Intrum Justitia Group – Consolidated Balance Sheet

SEK and M	January 1 2004 acc. to Swed. GAAP	Adjustment Purchased debt	Adjustment Employee options	Adjustment Goodwill	January 1 2004 acc. to IFRS
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity					
Attributable to Parent Company's shareholders	1,240.8	-2.7		-36.3	1,201.8
Attributable to minority	17.3	1.3			18.6
Total shareholders' equity	1,258.1	-1.4	0.0	-36.3	1,220.4
Long-term liabilities					
Liabilities to credit institutions	844.1				844.1
Other long-term liabilities	24.4				24.4
Provisions for pensions	11.9				11.9
Provisions for deferred taxation	13.6	1.2			14.8
Other provisions	15.4				15.4
Total long-term liabilities	909.4	1.2	0.0	0.0	910.6
Current liabilities					
Liabilities to credit institutions	143.7				143.7
Client funds payable	475.2				475.2
Accounts payable	168.4				168.4
Income tax liabilities	39.2				39.2
Advances from clients	32.1				32.1
Other current liabilities	312.7				312.7
Accrued expenses and prepaid income	333.6				333.6
Other provisions	8.2				8.2
Total current liabilities	1,513.1	0.0	0.0	0.0	1,513.1
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	3,680.6	-0.2	0.0	-36.3	3,644.1