INTERIM REPORT

January-June 2017

intrum justitia

INTERIM REPORT JANUARY-JUNE 2017

SECOND QUARTER 2017

- The merger with Lindorff was implemented on June 27, 2017. Accordingly, Lindorff is not included in the consolidated income statement for the second quarter of 2017 but only in the balance sheet for June 30, 2017. In connection with the merger, Intrum Justitia has undertaken to divest its Norwegian subsidiaries, as well as Lindorff's Swedish, Finnish, Danish and Estonian subsidiaries. Consequently, Intrum Justitia's Norwegian subsidiaries are reported as discontinued operations for the second quarter and comparative periods.
- On pages 9-11 of the interim report, the development of the merged Group is commented on on a pro forma basis, calculated as if Lindorff had been included in the Group throughout the interim period and in the comparative figures. Subsidiaries to be divested are reported pro forma as discontinued operations for the second quarter of 2017 and the comparison periods.
- Consolidated net revenues for the second quarter of 2017 amounted to SEK 1,796 M (1,421). Pro forma net sales amounted to SEK 3,205 M (2,565).
- Operating earnings (EBIT), excluding non-recurring items (NRIs), amounted to SEK 639 M (467). On a pro forma basis, EBIT, excluding NRIs, amounted to SEK 1,059 M (941).
- Net earnings for the quarter amounted to SEK 98 M (354) and earnings per share were SEK 1.32 (4.85). On a pro forma basis, net earnings amounted to SEK –17 M (468).
- Cash flow from operating activities amounted to SEK 703 M (686).
- The carrying amount of purchased debt, excluding Lindorff's purchased debt, has increased by 45 percent compared with the second quarter of 2016. Disbursements for investments in purchased debt during the quarter amounted to SEK 835 M (545). The return on purchased debt was 20 percent (20). On a pro forma basis, the reported value of purchased debt has increased by 31 percent compared with the second quarter of 2016. On a pro forma basis, the quarter's investments in purchased debt amounted to SEK 1,287 M (934). On a pro forma basis, the return on purchased debt was 17 percent (19).
- Net revenue for the quarter in the Credit Management service line increased by 18 percent compared with the corresponding quarter last year, with an operating margin of 26 percent (26) excluding NRIs. On a pro forma basis, revenue from Credit Management rose by 26 percent, and the operating margin was 30 percent (33) excluding NRIs.
- In connection with the merger with Lindorff, Intrum Justitia has successfully refinanced Intrum Justitia's and Lindorff's outstanding debt by issuing bonds for approximately EUR 3 billion at an average interest rate of 2.85 percent.

SECOND QUARTER

31%
Quarterly change in pro forma book value for purchased debt

17%
Pro forma return on purchased debt for the quarter

26%
Quarterly increase in pro forma Credit Management revenue

30%
Credit Management's pro forma service line margin for the quarter, excluding NRIs

2.85%
Average interest rate on the Group's new bonds

SEK M unless otherwise indicated	**April-June 2017**	April-June 2016	Change %	**Jan-June 2017**	Jan-June 2016	Change %
Revenues	1,796	1,421	26	3,347	2,778	20
Cash EBITDA	995	880	13	2,006	1,702	18
EBITDA	518	498	4	1,027	954	8
EBIT	476	457	4	944	873	8
Non-recurring items (NRI's) in EBIT	-163	-10		-180	-10	
Non-recurring items (NRI's) in net financial items	-316	0		-316	0	
Revaluations of purchased debt	41	17		40	22	
Cash EBITDA excl NRI's	1,158	890	30	2,186	1,712	28
EBITDA excl NRI's	681	508	34	1,207	964	25
EBIT excl NRI's	639	467	37	1,124	883	27
Net earnings	98	354	-72	445	664	-33
Earnings per share (EPS), SEK	1.32	4.85	-73	6.04	9.11	-34
Cash flow from operating activities	703	686	2	1,398	1,399	-0
CMS growth, %	18	4		16	3	
CMS service line margin excl NRI's, %	26	26		25	25	
Estimated remaining collections, ERC (excl Lindorff)	22,260	15,191	47	22,260	15,191	47
Intestments in purchased debt (excl Lindorff)	835	545	53	3,209	1,278	151
Purchased debt book value (excl Lindorff)	10,922	7,519	45	10,922	7,519	45
Return on purchased debt, % (excl Lindorff)	20	20		19	20	
Net Debt/Pro forma Cash EBITDA excl NRI's	3.9	n/a		3.9	n/a	

COMMENT BY PRESIDENT AND CEO MIKAEL ERICSON

During the second quarter of 2017, we successfully completed the merger with Lindorff, thereby achieving our goal of establishing the leading player in our segment, with a unique diversification and market position. Together with Lindorff, we have now created a platform for accelerating growth and profitability in the coming years. Although the EU's competition examination resulted in increased demands for concessions in the Nordic countries than we had initially assessed, the industrial logic behind the merger and the potential to generate significant value remain. At the end of June, we also achieved significant progress for the merged company when we refinanced the Group at considerably lower future cost than was originally estimated. We have also appointed a new Group Management and I am highly confident that we now have the leadership necessary to attain the merged company's potential over the coming years.

Financially, we experienced favorable development in the second quarter of 2017. For Intrum Justitia, excluding Lindorff and discontinued operations, we achieved an increase in our operating earnings, excluding non-recurring items, of 37 percent compared with the same period last year. Both Financial Services and Credit Management contributed to this increase, with purchased debt seeing particularly strong development with strong growth in investment and strong collection, which yielded a return on purchased debt of about 20 percent for the quarter.

Pro forma, including Lindorff but excluding discontinued operations, we also experienced favorable development. Revenues increased by 25 percent compared to the same period last year, with both Financial Services and Credit Management achieving similarly strong growth. Investments in purchased debt for the past twelve months amounted to SEK 7 billion, and in the second quarter we made two supplementary acquisitions, in Romania and Italy. We see continued good supply in purchased debt, as well as opportunities for new acquisitions within Credit Management,

In May, we published our annual 'European Payment Report' survey within the framework of our efforts in sustainability and a sound economy. Among other things, this reflected a negative trend in payments to small and medium-sized businesses, resulting in lower growth and fewer new employments. Intrum Justitia is helping address this problem in society by means of information and contacts with politicians, as well as by offering small and medium-sized businesses services to improve their cash flow.

Intrum Justitia enters the second half of the year with the strength and determination to continue offering customers the most competitive solutions in credit management and financial services. Through the merger with Lindorff, we are expanding our opportunities to develop our customer offering in several dimensions. In combination with a continued strong market, I therefore see significant potential for achieving profitable growth in the coming years. During the fourth quarter, we intend to clarify the Group's strategies for the coming years.

GROUP

SEK M unless otherwise indicated	April-June 2017	April-June 2016	Change %	Jan-June 2017	Jan-June 2016	Change %
Revenues	1,796	1,421	26	3,347	2,778	20
EBIT	476	457	4	944	873	8
Cash EBITDA excl NRI's	1,158	890	30	2,186	1,712	28
EBITDA excl NRI's	681	508	34	1,207	964	25
EBIT excl NRI's	639	467	37	1,124	883	27
Net financial items	-359	-30	1,095	-404	-70	477
Tax	-21	-86	-76	-161	-329	-51
Net earnings	98	354	-72	445	664	-33
Average number of employees	4,369	3,832	14	4,265	3,794	12

REVENUES AND OPERATING EARNINGS

Consolidated net revenues amounted to SEK 1,796 M (1,421) for the second quarter of 2017. This was an increase of 26 percent compared with the same period last year, and was attributable to organic growth of 17 percent, acquisition effects of 3 percent, revaluations of purchased debt of 2 percent and exchange rate effects of 4 percent.

Consolidated operating earnings (EBIT) for the second quarter amounted to SEK 476 M (457) and to SEK 639 M (509) excluding non-recurring items (NRI's). NRI's negatively impacted EBIT by SEK –163 M (–10) in the second quarter, primarily relating to costs for the merger with Lindorff. Revaluations of portfolios of purchased debt affected EBIT positively by SEK 41 M (17) in the second quarter. In the second quarter, exchange rate effects impacted EBIT by approximately SEK 15 M compared with the preceding year.

The increase in EBIT, excluding revaluations, exchange rate effects and non-recurring items was 30 percent for the second quarter compared with the corresponding period last year. This increase is mainly attributable to improved earnings within the Group's Financial Services service line and the Central Europe region. Development in the Group's regions and service lines is commented in more detail below.

NET FINANCIAL ITEMS

Net financial items for the quarter amounted to SEK –359 M (–30), of which non-recurring items in connection with the Groups new borrowings amounted to SEK– 316 M, with other net financial items accounting for SEK –43 M. The non-recurring items include SEK –299 M in expenses to assure new borrowings in connection with the merger with Lindorff, and SEK –17 M related to amortization of capitalized expenses for the Group's previous borrowings. For consolidated other net financial items, the net interest expense for the quarter amounted to SEK –32 M (–29). Net interest has been affected negatively by increased borrowing and positively by slightly lower average interest rates compared with the corresponding period in the preceding year. Exchange rate differences are included in net financial items by SEK 0 M (5), and other financial items by SEK –328 M (–7), including the aforementioned non-recurring items. See below under the section 'Financing' for further information regarding the Group's new borrowings.

TAXES

Earnings for the quarter were charged with tax of 20 percent, including taxes on discontinued operations, and 18 percent in continuing operations. Further information regarding an assessment of future tax expense is provided in the section 'Taxation assessments'.

It can be noted that a significant part of the non-recurring expenses for the quarter relating to the merger between Intrum Justitia and Lindorff are not deductible, but that these expenses have been paid by the Parent Company, which, with its tax-loss carryforwards, is not expected to pay taxes for the financial year. Consequently, the short-term negative effect on consolidated tax payments of certain expenses for the merger not being deductible is limited.

CASH FLOW AND INVESTMENTS

SEK M unless otherwise indicated	**April-June 2017**	April-June 2016	Change %	**Jan-June 2017**	Jan-June 2016	Change %
Cash flow from operating activities	703	686	2	1,398	1,399	-0
Cash flow from investing activities	-313	-473	-34	-2,465	-1,609	53
Total cash flow from operating and investing activities	390	213	83	-1,067	-210	408
Cash flow from investing activities excl liquid assets in acquired subsidiaries	-1,278	-473	170	-3,439	-1,610	114
Total cash flow from operating and investing activities excl liquid assets in acquired subsidiaries	-575	213	-370	-2,041	-211	867

Cash flow from operating activities during the second quarter amounted to SEK 703 M (686). Cash flow from operating earnings, adjusted before impairment, revaluations, amortization and non-recurring items continues to develop positively, with an increase of SEK 280 M or 32 percent compared with the same period last year. Furthermore, cash flow from operating activities has been positively affected by lower tax payments and improved cash flow from working capital during the second quarter. In total, however, cash flow from operating activities, is on a par with the same period last year due to non-recurring items attributable to the merger with Lindorff.

In the second quarter, cash flow from investing activities, adjusted for cash and cash equivalents, in acquired companies amounted to SEK –1,278 M, compared with SEK –473 M for the same period last year. The increase compared with the previous year is mainly attributable to higher payments of SEK 703 M for investments in purchased debt.

FINANCING

SEK M unless otherwise indicated	**30 Jun 2017**	30 Jun 2016	Change %
Net Debt	34,254	6,938	394
Net Debt/Pro forma Cash EBITDA excl NRI's	3.9	n/a	
Shareholders' equity	21,198	3,248	553
Cash and cash equivalents	1,335	557	140

As a result of the merger with Lindorff, the previously announced refinancing of Intrum Justitia was completed successfully in June. The Group issued senior, unsecured bonds for approximately EUR 3 billion at an average interest rate of approximately 2.85% and with an average maturity of approximately 5.6 years. In addition, the Group raised a new revolving loan facility of EUR 1.1 billion with a maturity of 4.5 years. Net debt increased by approximately SEK 25.3 billion in the second quarter, mainly due to Lindorff's net debt, which amounted to SEK 22.6 billion of the increase.

Net debt in relation to pro forma rolling 12-month adjusted cash EBITDA amounted to 3.9 on June 30, 2017. The figure is calculated by placing current consolidated net debt at the end of the first six months of the year in relation to pro forma cash EBITDA, including discontinued operations and including a calculated cash EBITDA throughout the period for larger units acquired during the period, and excluding non-recurring items (NRIs).

The merger with Lindorff was implemented on June 27, 2017 through a non-cash issue, whereby Intrum Justitia AB issued 59,193,594 new Intrum Justitia shares, with a total market value of SEK 17,332 M, in exchange for all shares in Lock TopCo AS, the parent company of the Lindorff group. Of the new shares, 57,728,956 were issued to Cidron 1748 sarl (Nordic Capital), and the remaining 1,464,638 shares were issued to other shareholders in Lock TopCo AS. Accordingly, there are 131,541,320 shares outstanding in Intrum Justitia. The average number of shares outstanding in the second quarter of 2017 was 74,229,163 and the average number of shares outstanding in the first half of 2017 was 74,328,835.

GOODWILL

Consolidated goodwill amounted to SEK 25,453 M as per June 30 2017, compared with SEK 3,120 M as per December 31, 2016. Of the increase, SEK 22,341 M is attributable to the acquisition of Lindorff, SEK 145 M to other acquisitions and SEK –153 M to exchange rate differences.

REGIONS

Below, the Group's financial development is commented on based on the three geographical regions corresponding to the Group's organization until June 29, 2017. Effective from that date, a new geographic regional organization with four regions will apply, and this will be applied in the Group's financial reporting effective from the interim report to be issued after the third quarter of 2017.

NORTHERN EUROPE

SEK M	**April-June 2017**	April-June 2016	Change %	Fx adj %	**Jan-June 2017**	Jan-June 2016	Change %	Fx adj %
Revenues excluding revaluations	716	639	12	9	1,324	1,234	7	5
EBIT excluding revaluations and NRI's	220	223	-1	-4	398	410	-3	-5
EBIT margin excluding revaluations and NRI's, %	31	35	-4 ppt		30	33	-3 ppt	

Excluding revaluations, exchange rate effects and non-recurring items, revenues increased compared with the same period in the preceding year, primarily through acquired and organic growth in Credit Management. EBIT, excluding revaluations, exchange rate effects and non-recurring items, decreased somewhat compared with the same period last year. The region's profitability remains very good, although measures to increase growth and earnings over the coming years will continue in both purchased debt and Credit Management.

CENTRAL EUROPE

SEK M	**April-June 2017**	April-June 2016	Change %	Fx adj %	**Jan-June 2017**	Jan-June 2016	Change %	Fx adj %
Revenues excluding revaluations	632	411	54	48	1,183	826	43	39
EBIT excluding revaluations and NRI's	280	145	93	85	495	286	73	67
EBIT margin excluding revaluations and NRI's, %	44	35	9 ppt		42	35	7 ppt	

Revenues and EBIT excluding revaluations, exchange rate effects and non-recurring items increased significantly compared with the same period last year, with improvement programs to strengthen operational efficiency having resulted in profitable growth, primarily in purchased debt. In addition, there has been a positive impact from the macro-economic trend in certain countries in the region. The operations acquired in the UK and Romania during 2017 have continued to develop well, and according to plan.

WESTERN EUROPE

SEK M	**April-June 2017**	April-June 2016	Change %	Fx adj %	**Jan-June 2017**	Jan-June 2016	Change %	Fx adj %
Revenues excluding revaluations	407	354	15	10	800	696	15	11
EBIT excluding revaluations and NRI's	98	82	20	15	191	165	16	12
EBIT margin excluding revaluations and NRI's, %	24	23	1 ppt		24	24	+/-0 ppt	

Revenues and EBIT excluding revaluations, exchange rate effects and non-recurring items show favorable growth compared to with same period last year, mainly due to acquired Credit Management units, growth in purchased debt and initiatives implemented to improve cost-efficiency. The supply of purchased debt is developing well albeit with continued price pressure in most markets.

SERVICE LINES

CREDIT MANAGEMENT

SEK M	April-June 2017	April-June 2016	Change %	Fx adj %	Jan-June 2017	Jan-June 2016	Change %	Fx adj %
Revenues	1,185	1,006	18	13	2,294	1,984	16	12
Service line earnings excl NRI's	307	264	16	12	564	492	15	11
Service line margin excl NRI's, %	26	26	1 ppt		25	25	2 ppt	

Growth in revenues, excluding exchange rate effects, is attributable to acquisitions and increased revenues from collection on the Group’s own portfolios, while revenues from external customers were relatively unchanged compared with the same period last year. Service line earnings increased in line with revenues and, accordingly, the operating margin for the quarter was in line with last year. The operating margin has been affected positively by volume growth and improved efficiency but negatively by price pressure in some markets.

FINANCIAL SERVICES

SEK M	April-June 2017	April-June 2016	Change %	Fx adj %	Jan-June 2017	Jan-June 2016	Change %	Fx adj %
Revenues	982	682	44	40	1,752	1,311	34	31
Service line earnings	549	379	45	41	961	736	31	28
Service line earnings excl NRI's	538	379	42	36	950	736	29	25
Service line margin excl NRI's, %	55	56	1 ppt		54	56	-1 ppt	
Estimated remaining collections (excl Lindorff)	22,260	15,191	47		22,260	15,191	47	
Investments in purchased debt (excl Lindorff)	835	545	53		3,209	1,278	151	
PD book value (excl Lindorff)	10,922	7,519	45		10,922	7,519	45	
Return on purchased debt, % (excl Lindorff)	20	20	+/-0 ppt		19	20	1 ppt	

Revenues and service line earnings in Financial Services developed very well during the second quarter. Collection on purchased debt was good, yielding a high return of 20 percent for the quarter (19 percent excluding revaluations, which impacted earnings positively by SEK 41 M in the second quarter). Investment growth continued during the quarter, with purchased debt being acquired for a value of SEK 835 M, compared with SEK 545 M in the same period last year.

COMMENTS ON THE PRO FORMA FINANCIAL REPORTING INCLUDING LINDORFF

On June 27, 2017, the merger with Lindorff was completed. The pro forma financial reporting for the merged group has been calculated as if Lindorff was included in the Group throughout the interim period and in the comparative figures, and is shown in the tables on pages 30-34. In connection with the merger, Intrum Justitia has undertaken to divest its Norwegian subsidiaries, as well as Lindorff's Swedish, Finnish, Danish and Estonian subsidiaries. On a pro forma basis, therefore, all of these subsidiaries are reported as discontinued operations.

Below, comments are given on the Group's pro forma financial development in the second quarter of 2017, based on revenues, operating earnings (EBIT) and development in the two service lines, Credit Management and Financial Services. Effective from June 29, 2017, the Group is organized into four geographical regions, which will be applied to the Group's financial reporting starting with the interim report issued for the third quarter of 2017.

REVENUES AND OPERATING EARNINGS (PRO FORMA)

SEK M unless otherwise indicated	**April-June 2017**	April-June 2016	Change %	**Jan-June 2017**	Jan-June 2016	Change %	**Full Year 2016**
Revenues	3,205	2,565	25	6,133	4,852	26	10,503
EBIT	865	876	-1	1,707	1,556	10	3,054
Cash EBITDA excl NRI's	2,037	1,713	19	3,861	3,152	22	6,772
EBITDA excl NRI's	1,281	1,076	19	2,374	1,913	24	4,137
EBIT excl NRI's	1,058	941	12	1,988	1,659	20	3,225

Consolidated net revenues amounted to SEK 3,205 M (2,565) for the second quarter of 2017. This was an increase of 25 percent compared with the same period last year, and was attributable to organic growth and acquisition effects of 18 percent, revaluations of purchased debt of 2 percent and exchange rate effects of 5 percent.

Consolidated operating earnings (EBIT) for the second quarter amounted to SEK 865 M (876) and to SEK 1,058 M (941) excluding non-recurring items (NRI's). Non-recurring items impacted operating earnings negatively by –SEK 194 M (–64) in the second quarter, primarily relating to costs related to the merger with Lindorff. Revaluations of portfolios of purchased debt affected operating earnings positively by SEK 64 M (17) in the second quarter. In the second quarter, exchange rate effects impacted operating earnings by approximately SEK 35 M compared with the preceding year.

The increase in operating earnings, excluding revaluations, currency effects and non-recurring items was 4 percent for the second quarter compared with the corresponding period last year. Development in the two service lines is commented on in more detail below.

NET FINANCIAL ITEMS (PRO FORMA)

Net financial items for the quarter amounted to SEK –883 (–356). Included in the net financial items were non-recurring items of SEK –316 M, as described in the section Net Financial Items on page 5. In addition, the second quarter also included an exchange rate difference of SEK –166 M (39).

CREDIT MANAGEMENT (PRO FORMA)

SEK M	**April-June 2017**	April-June 2016	Change %	**Jan-June 2017**	Jan-June 2016	Change %	**Full Year 2016**
Revenues	2,292	1,823	26	4,445	3,452	29	7,650
Service line earnings excl NRI's	684	602	14	1,269	1,021	24	2,038
Service line margin excl NRI's, %	30	33		29	30		27

Growth in revenues, excluding exchange rate effects, is primarily attributable to acquisitions and increased revenues from collection on the Group's own portfolios, while revenues from external customers were relatively unchanged compared with the same period last year. In terms of acquisitions, it is mainly Aktua in Spain that has contributed. Aktua was consolidated as of June 2016 and had sales for the second quarter of 2017 of SEK 337 M compared with SEK 93 M for the same period last year. The service line margin decreased compared with the same period last year, mainly due to items affecting comparability. The second quarter of 2016 included compensation of approximately SEK 37 M from a customer that terminated a contract early, and the second quarter of 2017 included a write-down of software for SEK 13 M.

FINANCIAL SERVICES (PRO FORMA)

SEK M	**April-June 2017**	April-June 2016	Change %	**Jan-June 2017**	Jan-June 2016	Change %	**Full Year 2016**
Revenues	1,462	1,178	24	2,742	2,250	22	4,697
Revenues excl revaluations	1,399	1,162	20	2,637	2,214	19	4,640
Service line earnings	766	656	17	1,462	1,253	17	2,561
Service line earnings excl NRI's	755	658	15	1,451	1,256	16	2,483
Service line margin excl NRI's, %	52	56		53	56		53
Estimated remaining collections	40,006	31,079	29	40,006	31,079	29	35,312
Investments in purchased debt	1,287	934	38	3,809	1,801	111	4,979
PD book value	18,748	14,280	31	18,748	14,280	31	16,336
Return on purchased debt, %	17	19		17	18		17

Revenues and earnings in Financial Services developed well during the second quarter, with a good return on purchased debt of 17 percent (19) and an increase in the carrying value of purchased debt of 31 percent compared with the same period last year. Compared with the same period last year, operating earnings have been affected by items affecting comparability. The second quarter of 2016 included a larger collection of approximately SEK 36 M and the second quarter of 2017 included a write-down of software for SEK 40 M. The development of the Group's portfolios acquired in previous years is good, resulting in revaluations of purchased debt of SEK 63 M (16) in the second quarter. Investments in purchased debt amounted to approximately SEK 1.3 billion (0.9) for the second quarter. Including discontinued operations, investments in purchased debt amounted to approximately SEK 1.7 billion (1.0). The market for debt portfolios continues to be pervaded by significant supply and price pressure in most markets.

TAXATION ASSESSMENTS

The company's assessment of the tax expense over the next few years, following the acquisition of Lindorff, has yet to be completed, but will be published once available.

PARENT COMPANY

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

The Parent Company reported net revenues of SEK 48 M (44) for the six-month period and earnings before tax of SEK –849 M (–53). The Parent Company invested SEK 0 M (0) in fixed assets during the quarter and had, at the end of the quarter, SEK 321 M (314) in cash and cash equivalents. The average number of employees was 55 (55).

TRANSACTIONS WITH RELATED PARTIES IN THE GROUP

Since the transaction on June 27, when Lindorff was acquired, Cidron 1748 sarl, a company controlled by Nordic Capital, is the largest shareholder in Intrum Justitia. According to the agreement on the acquisition of Lindorff, each party accounts for its own transaction costs. However, Cidron 1748 sarl has received a dividend of EUR 26.3 M from the parent company of the Lindorff Group for the financing of its transaction costs, as decided prior to the completion of the transaction.

The allocation of transaction costs between the parties has been taken into account when determining the ownership stake of Lindorff's shareholders in the merged company.

During the interim period, there have been no significant transactions between Intrum Justitia and other closely related companies, the Board or the Group management team.

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting for the Group and in accordance with Chapter 9 of the Annual Accounts Act for the Parent Company. The same accounting principles and calculation methods have been applied as in the most recent Annual Report. The Group is preparing for the changes in the accounting standards concerning financial instruments and revenues from customer contracts that are to take effect in 2018, as well as concerning leases, which enters into force in 2019. An overview of changes in accounting policies and the expected impact on Intrum Justitia's financial reports is presented in Note 1 of the Annual Report for 2016. There is currently nothing new to add in this context.

The Group applies IFRS 5 Non-current assets held for sale and discontinued operations. For reasons of competition, the Group is obliged to divest Intrum Justitia's subsidiaries in Norway and Lindorff's subsidiaries in Sweden, Finland, Denmark and Estonia within a certain period following the merger with Lindorff. In accordance with IFRS 5, net earnings after tax in these companies is reported on a separate line in the consolidated income statement, Earnings for the period from discontinued operations after tax. The comparative figures for previous periods are recalculated accordingly. Assets and liabilities are reported on separate lines in the consolidated balance sheet, Assets and liabilities in disposal group held for sale, effective from the date on which the Group undertook to sell the companies. In accordance with IFRS 5, the comparative figures in the balance sheets are not recalculated for prior periods.

SIGNIFICANT RISKS AND UNCERTAINTIES

As a consequence of the merger with Lindorff, an updated analysis of the Group's risks has been published on pages 58-83 of a document published on June 12, 2017, this document can be accessed from the Group's website:

https://www.intrum.com/globalassets/corporate/ir/ijab_investorreport_170612.pdf

The risks described include macroeconomic developments, competitive conditions, the availability of purchased debt portfolios for purchase at attractive prices, customer concentration, the UK's exit from the EU, errors and mistakes in the debt collection process, customers' inclination to hire external debt collection agencies, regulations and legislation, possible deviations from the Group's internal rules, geographical scope, contractual risks, deviations from collection forecasts in purchased debt portfolios, errors in the company's statistical models, the risk that customer contracts are not renewed, financing risks, dependence on the banking system, dependence on suppliers, complexity when offering new services, risks related to acquisitions, dependence on IT systems, access to public information, risks related to personal data legislation, data leakage, dependence on key personnel, difficulty in retaining and recruiting competent personnel, rising personnel costs, disputes, tax risks, revaluations of purchased debt, increases in bankruptcies or debt restructuring among private individuals, access to documentation on receivables, earnings variations, exchange rate risks, strategy risks, seasonality, errors in risk management, goodwill, risks involved in the merger with Lindorff, risks involved in the divestment of units, legal risks involved in the merger, difficulties in achieving expected synergies, and integration risks.

MERGER WITH LINDORFF

On June 12, 2017, the EU Commission approved the merger of Intrum Justitia and Lindorff. The approval was conditional on the divestment of Lindorff's operations in Denmark, Estonia, Finland and Sweden, and of Intrum Justitia's operations in Norway. On June 27, 2017, the merger between Intrum Justitia and Lindorff was completed and Lock TopCo AS (parent company in the Lindorff Group) with all subsidiaries has, since then, been owned by Intrum Justitia AB (publ).

The merger of Intrum Justitia and Lindorff creates a leading player in credit management with a local presence in 23 markets in Europe and approximately 8,000 employees dedicated to working for a sound economy.

The merger was effectuated through a non-cash issue whereby Intrum Justitia AB issued 59,193,594 new Intrum Justitia shares, with a total market value of SEK 17,332 M, in exchange for all shares in Lock TopCo AS. In connection with the issue, a prospectus was published and this is available on the company's website.

On June 29, it was announced that the merged group will be organized into four geographical regions:

- Northern Europe (Denmark, Estonia, Finland, Latvia, Lithuania, Norway, Sweden).
- Central & Eastern Europe (Austria, Czech Republic, Germany, Hungary, Poland, Romania, Slovakia, Switzerland).
- Western & Southern Europe (Belgium, France, Ireland , Italy, the Netherlands, Portugal, the United Kingdom).
- Spain.

At the same time, it was announced that the Group Management Team will consist of:

- Mikael Ericson (CEO).
- Alejandro Zurbano (Regional Manager Spain).
- Anders Engdahl (CIO).
- Anette Willumsen (Regional Manager Northern Europe).
- Anne Louise Eberhard (CCO).
- Annika Billberg (CBCO).
- Cathrine Klouman (COO).
- Erik Forsberg (CFO).
- Harry Vranjes (PMO).
- Jean-Luc Ferraton (CHRO).
- Johan Brodin (CRO).
- Marc Knothe (Regional Manager Western & Southern Europe).
- Niklas Lundquist (CLO).
- Per Christofferson (Regional Manager Central & Eastern Europe).

The transaction is reported in Intrum Justitia's consolidated accounts as an acquisition with the following preliminary purchase price allocation:

SEK M	Carrying amounts before acquisition	Adjustments to fair value	Fair value recognized in Group
Intangible fixed assets	19,001	-15,248	3,753
Tangible fixed assets	138		138
Purchased debt	7,826		7,826
Other fixed assets	508	334	842
Current assets	1,778		1,778
Cash and cash equivalents	684		684
Assets in operations to be sold	5,184		5,184
Long-term liabilities	-22,940	-1,392	-24,332
Current liabilities	-2,047		-2,047
Liabilities in operations to be sold	-3,091		-3,091
Net assets	**7,041**	**-16,306**	**-9,265**
Consolidated goodwill			26,597
Of which, attributable to operations held for sale			4,255
Market value of issued shares in non-cash issue			17,332

The acquisition is large and complex, and the acquisition analysis may be adjusted in upcoming quarters. It was implemented shortly before the end of the quarter and the figures for Lindorff do not therefore include the consolidated income statement for the quarter, but only in the balance sheet. On pages 30-34 of the interim report, pro forma figures are presented with the consolidated income statement presented as if Lindorff had been part of the Group throughout the interim period and in all comparative periods.

OTHER ACQUISITIONS

In April, the acquisition of Top Factoring, one of the leading companies for purchased debt in Romania, was completed. The purchase consideration totaled approximately EUR 25 M on a net debt-free basis, attributable primarily to a diversified purchased debt portfolio.

Top Factoring has some 210 employees working predominantly with purchased debt, but also offers credit management services to external customers. The company is mainly present in the bank and telecom sectors, with several strong customer relationships generating recurring investment opportunities in portfolios of purchased debt. The purchase consideration for the shares in the company amounted to SEK 19 M, and the goodwill recognized in the consolidated balance sheet amounted to SEK 16 M.

During the first quarter, the acquisition of 1st Credit was completed. This is a medium-sized company active in purchased debt in the UK. The preliminary acquisition analysis is shown in the interim report for January-March 2017 and has not been changed during the second quarter.

During the first quarter, a small credit management company in France, Intractiv Wide Development SAS, was also acquired, as described in the interim report for January-March 2017.

EVENTS AFTER THE END OF THE PERIOD

In early July, Intrum Justitia entered into an agreement to divest one of its subsidiaries in the Netherlands, Buckaroo BV, to BlackFin Capital Partners, a private equity company focusing on financial services in continental Europe. The divestment is conditional on customary closing procedures and approval by the relevant authorities. The transaction is expected to be completed in the third quarter of 2017. Buckaroo BV, acquired by Intrum Justitia 2012, is a supplier of billing and payment services with a market-leading position in the Netherlands. Following a strategic evaluation, a process to divest the company has commenced, although the company has developed well as a wholly-owned subsidiary of Intrum Justitia. With its new owners, the company will now be able to benefit fully from the leading payment platform that the company built with Intrum Justitia as owner.

PRESENTATION OF THE INTERIM REPORT

The year-end report and presentation materials are available at www.intrum.com/Investor relations. President & CEO Mikael Ericson and CFO Erik Forsberg will comment on the report at a teleconference on July 25, starting at 9:00 CET. The presentation can be followed at www.intrum.com and/or www.financialhearings.com. To participate by phone, call +46 8 566 427 00 (SE) or +44 20 300 898 07 (UK).

FOR FURTHER INFORMATION

Mikael Ericson, President and CEO, tel: +46 8 546 102 02
Erik Forsberg, CFO, tel: +46 8 546 102 02

Erik Forsberg is the contact person under the EU Market Abuse Regulation.

This information is information that Intrum Justitia AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 7.00 A.M. CET on July 25, 2017.

FINANCIAL CALENDAR 2017

The interim report for January-September will be published October 18, 2017
The year-end report for 2017 will be published January 25, 2018

The interim report and other financial information are available at Intrum Justitia's website:
www.intrum.com

Denna delårsrapport finns även på svenska.

The Board of Directors and the President provide their assurance that this six-month report provides an accurate overview of the operations, position and earnings of the Company and the Group, and that it also describes the principal risks and sources of uncertainty faced by the Company and its subsidiaries.

Stockholm, July 25, 2017

Per E. Larsson Chairman of the Board	*Hans Larsson* Board Member	*Kristoffer Melinder* Board Member
Andreas Näsvik Board Member	*Synnöve Trygg* Board Member	*Fredrik Trägårdh* Board Member
Ragnhild Wiborg Board Member	*Magnus Yngen* Board Member	

Mikael Ericson
President and CEO

The interim report has not been reviewed by the Company's auditors.

ABOUT THE INTRUM JUSTITIA GROUP

On June 27, 2017, Intrum Justitia and Lindorff merged to form the sector's leading provider of credit management services. Lindorff was founded in 1898 and offers both debt collection services and purchasing of debt portfolios, as well as payment and billing services. Intrum Justitia was founded in 1923 and offers comprehensive credit management services, including purchasing of receivables, with the purpose of helping improve cash flow and profitability for the company's clients. The merged Intrum Justitia and Lindorff maintains a presence in 23 countries in Europe and has a team of approximately 8,000 employees dedicated to working for a sound economy. The merged Group's sales revenues amounted to approximately SEK 12.9 billion, pro forma for the year ending March 2017. Intrum Justitia AB has been listed on the Nasdaq Stockholm exchange since 2002. For further information, please visit www.intrum.com

FINANCIAL REPORTS

CONSOLIDATED INCOME STATEMENT

SEK M	April-June 2017	April-June 2016	Jan-June 2017	Jan-June 2016	Full Year 2016
Revenues	1,796	1,421	3,347	2,778	5,869
Cost of sales	-888	-745	-1,727	-1,483	-3,069
Gross earnings	**908**	**676**	**1,620**	**1,295**	**2,800**
Sales, marketing and administrative expenses	-430	-217	-674	-419	-871
Participation in associated companies and joint ventures	-1	-2	-2	-3	-8
Operating earnings (EBIT)	**476**	**457**	**944**	**873**	**1,921**
Net financial items	-359	-30	-404	-70	-165
Earnings before tax	**118**	**427**	**540**	**803**	**1,756**
Tax	-21	-86	-105	-161	-329
Net income from continuing operations	**97**	**341**	**435**	**642**	**1,427**
Profit from discontinued operations, net of tax	1	13	10	22	41
Net earnings for the period	**98**	**354**	**445**	**664**	**1,468**
Of which attributable to:					
Parent company's shareholders	98	351	443	659	1,458
Non-controlling interest	0	3	2	5	10
Net earnings for the period	**98**	**354**	**445**	**664**	**1,468**
Earnings per share before and after dilution					
Profit from continuing operations	1.31	4.67	5.90	9.04	19.59
Profit from discontinued operations	0.01	0.18	0.14	0.07	0.57
Total earnings per share before and after dilution	**1.32**	**4.85**	**6.04**	**9.11**	**20.15**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK M	April-June 2017	April-June 2016	Jan-June 2017	Jan-June 2016	Full Year 2016
Net income for the period	98	354	445	664	1,468
Other comprehensive income, items that will be reclassified to					
Currency translation difference	27	39	27	20	71
Other comprehensive income, items that will not be reclassified					
Remeasurement of pension liability	0	0	0	0	27
Comprehensive income for the period	**125**	**393**	**472**	**684**	**1,566**
Of which attributable to:					
Parent company's shareholders	125	389	470	678	1,554
Non-controlling interest	0	4	2	6	12
Comprehensive income for the period	**125**	**393**	**472**	**684**	**1,566**

CONSOLIDATED BALANCE SHEET

SEK M	30 Jun 2017	30 Jun 2016	31 Dec 2016
ASSETS			
Intangible fixed assets			
Goodwill	25,453	2,860	3,120
Capitalized expenditure for IT development and other intangibles	1,263	235	240
Client relationships	2,495	64	63
Total intangible fixed assets	**29,211**	**3,159**	**3,423**
Tangible fixed assets	**249**	**110**	**104**
Other fixed assets			
Shares in joint ventures	20	12	12
Other shares and participations	2	0	1
Purchased debt	18,748	7,649	8,733
Deferred tax assets	835	44	25
Other long-term receivables	48	7	6
Total other fixed assets	**19,653**	**7,712**	**8,777**
Total fixed assets	**49,113**	**10,981**	**12,304**
Current Assets			
Accounts receivable	586	285	305
Client funds	865	586	588
Tax assets	250	85	87
Other receivables	881	567	557
Prepaid expenses and accrued income	665	192	167
Cash and cash equivalents	1,335	557	396
Total current assets	**4,582**	**2,272**	**2,100**
Non-current assets of disposal group held for sale	10,069	0	0
TOTAL ASSETS	**63,764**	**13,253**	**14,404**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Attributable to parent company's shareholders	21,194	3,167	4,043
Attributable to non-controlling interest	4	81	87
Total shareholders' equity	**21,198**	**3,248**	**4,130**
Long-term liabilities			
Liabilities to credit institutions	1,798	1,890	1,520
Medium term note	32,524	3,645	3,706
Other long-term liabilities	302	2	16
Provisions for pensions	162	180	157
Other long-term provisions	21	3	0
Deferred tax liabilities	1,426	524	638
Total long-term liabilities	**36,233**	**6,244**	**6,037**
Current liabilities			
Liabilities to credit institutions	13	0	56
Medium term note	0	1,059	1,077
Commercial paper	1,075	720	1,124
Client funds payable	865	586	588
Accounts payable	501	120	140
Income tax liabilities	252	174	136
Advances from clients	43	14	46
Dividend declared but not paid	651	0	0
Other current liabilities	695	407	325
Accrued expenses and prepaid income	1,221	681	718
Other short-term provisions	91	0	27
Total current liabilities	**5,407**	**3,761**	**4,237**
Non-current liabilities of disposal group held for sale	926	0	0
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**63,764**	**13,253**	**14,404**

FAIR VALUE OF FINANCIAL INSTRUMENTS

Most of the Group's financial assets and liabilities (purchased debt, accounts receivable, other receivables, cash and equivalents, liabilities to credit institutions, bonds, commercial papers, accounts payable and other liabilities) are carried in the accounts at amortized cost. For these financial instruments, the carrying amount is assessed to be a good estimate of fair value. The Group also has financial assets and liabilities in the form of currency forward exchange contracts, which are carried in the accounts at fair value in the income statement. They amount to small sums.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

SEK M		**2017**			2016	
	Attributable to Parent Company's shareholders	Non-controlling interest	**Total**	Attributable to Parent Company's shareholders	Non-controlling interest	**Total**
Opening Balance, January 1	4,043	87	4,130	3,086	80	3,166
Dividend	-651		-651	-597	-5	-602
New issue of shares	17,332		17,332			0
Acquired non-controlling interest		-85	-85			0
Comprehensive income for the	470	2	472	678	6	684
Closing Balance, June 30	**21,194**	**4**	**21,198**	**3,167**	**81**	**3,248**

CONSOLIDATED CASH FLOW STATEMENT

SEK M	**April-June 2017**	April-June 2016	**Jan-June 2017**	Jan-June 2016	Full Year 2016
Cash flows from continuing operations					
Operating activities					
Operating earnings (EBIT)	477	457	944	873	1,921
Depreciation/amortization and impairment write-down	42	41	83	81	170
Amortization/revaluation of purchased debt	477	382	979	749	1,578
Other adjustment for items not included in cash flow	-11	2	-16	4	31
Interest received	12	2	16	4	11
Interest paid and other financial expenses	-310	-42	-361	-76	-137
Income tax paid	-52	-131	-186	-154	-246
Cash flow from operating activities before changes in working capital	**635**	**711**	**1,459**	**1,481**	**3,328**
Changes in factoring receivables	-15	-33	-45	-20	-46
Other changes in working capital	83	8	-16	-62	22
Cash flow from operating activities	**703**	**686**	**1,398**	**1,399**	**3,304**
Investing activities					
Purchases of tangible and intangible fixed assets	-42	-35	-77	-70	-142
Investments in purchased debt	-1,123	-420	-3,193	-1,456	-3,357
Purchases of shares in subsidiaries and associated companies	-112	-18	-169	-88	-283
Liquid assets in acquired subsidiaries	965	0	974	1	31
Other cash flow from investing activities	-1	0	0	4	6
Cash flow from investing activities	**-313**	**-473**	**-2,465**	**-1,609**	**-3,745**
Financing activities					
Borrowings and repayment of loans	911	750	2,288	1,103	1,158
Share dividend to parent company's shareholders	0	-597	0	-597	-597
Share dividend to non-controlling interest	0	-5	0	-5	-5
Cash flow from financing activities	**911**	**148**	**2,288**	**501**	**556**
Cash flows from continuing operations	1,301	361	1,221	291	115
Cash flows from discontinued operations	-1	-1	0	-3	-1
Total change in liquid assets	**1,300**	**360**	**1,221**	**289**	**114**
Opening balance of liquid assets	**318**	**194**	**396**	**265**	**265**
Exchange rate differences in liquid assets	-2	3	-1	3	17
Closing balance of liquid assets	**1,616**	**557**	**1,616**	**557**	**396**
Thereof liquid assets in discontinued operations	281	4	281	4	6
Discontinued operations					
Cash flow from operating activities	-2	9	10	25	70
Cash flow from investing activities	-2	-5	-5	-10	-18
Cash flow from financing activities	3	-5	-5	-17	-53
Group total					
Cash flow from operating activities	701	695	1,408	1,424	3,374
Cash flow from investing activities	-315	-478	-2,470	-1,619	-3,763
Cash flow from financing activities	596	143	2,283	484	503

CONSOLIDATED QUARTERLY OVERVIEW

	Quarter 2 2017	Quarter 1 2017	Quarter 4 2016	Quarter 3 2016	Quarter 2 2016	Quarter 1 2016	Quarter 4 2015	Quarter 3 2015	Quarter 2 2015
Revenues, SEK M	1,796	1,551	1,657	1,433	1,421	1,357	1,349	1,334	1,419
Revenue growth, %	26	14	23	7	0	3	3	7	14
Cash EBITDA, SEK M	995	1,011	1,034	934	880	822	846	824	805
EBITDA, SEK M	518	509	592	546	498	456	421	478	468
EBIT, SEK M	476	468	543	506	457	416	380	437	428
Non-recurring items (NRI's) in EBIT, SEK M	-163	-17	5	15	-10	0	-26	0	0
Non-recurring items (NRI's) in net financial items, SEK M	-316	0	0	0	0	0	-13	0	0
Revaluations of Purchased Debt, SEK M	41	-1	5	-29	17	5	-40	28	45
Cash EBITDA excl NRI's, SEK M	1,158	1,028	1,029	919	890	822	872	824	805
EBITDA excl NRI's, SEK M	681	526	587	531	508	456	447	478	468
EBIT excl NRI's, SEK M	639	485	538	491	467	416	406	437	428
Net earnings, SEK M	98	347	429	375	354	310	274	330	324
Earnings per share, SEK	1.32	4.77	5.90	5.14	4.85	4.26	3.76	4.51	4.38
EPS growth, %	-73	12	57	14	11	30	-2	10	36
Average number of shares, '000	74,299	72,348	72,348	72,348	72,348	72,348	72,348	72,348	72,348
Number of shares outstanding at end of	131,541	72,348	72,348	72,348	72,348	72,348	72,348	72,348	72,348
Net Debt, SEK M	34,254	8,738	7,260	7,053	6,937	6,465	6,026	5,815	6,234
EBIT EXCL REVALUATIONS AND NRI'S BY REGION, SEK M									
Northern Europe	220	178	246	231	223	187	222	204	198
Central Europe	280	215	186	159	145	141	134	124	121
Western Europe	98	93	109	72	82	83	80	81	51
SERVICE LINE EARNINGS EXCL NRI'S BY SERVICE LINE, SEK M									
Credit Management	307	257	332	259	264	228	272	266	235
Financial Services	538	412	393	406	379	357	330	323	372
Common costs	-206	-184	-188	-174	-176	-169	-196	-152	-179
Estaimated remaining collections (ERC), SEK M	22,260	21,409	17,645	16,012	15,191	14,816	15,073	13,784	10,945
Return on purchased debt, %	20	17	22	21	20	20	19	20	24
Investments in purchased debt, SEK M	835	2,374	1,162	643	545	733	1,096	315	502
Average number of employees	4,369	4,172	3,993	3,864	3,832	3,750	3,732	3,737	3,771

CONSOLIDATED FIVE-YEAR OVERVIEW

	2017 April-June	2016 April-June	2015 April-June	2014 April-June	2013 April-June
Revenues, SEK M	1,796	1,421	1,419	1,247	1,100
Revenue growth, %	26	0	14	13	11
Cash EBITDA, SEK M	995	880	805	721	643
EBITDA, SEK M	518	498	468	392	325
EBIT, SEK M	476	457	428	356	288
Non-recurring items (NRI's) in EBIT, SEK M	-163	-10	0	0	0
Non-recurring items (NRI's) in net financial items, SEK M	-316	0	0	0	0
Revaluations of Purchased Debt, SEK M	41	17	45	23	6
Cash EBITDA excl NRI's, SEK M	1,158	890	805	721	643
EBITDA excl NRI's, SEK M	681	508	468	392	325
EBIT excl NRI's, SEK M	639	467	428	356	288
Net earnings, SEK M	98	354	324	252	206
Earnings per share, SEK	1.32	4.85	4.38	3.23	2.57
EPS growth, %	-73	11	36	26	45
Average number of shares, '000	74,299	72,348	72,348	76,983	79,745
Number of shares outstanding at end of	131,541	72,348	72,348	76,600	79,745
Net Debt, SEK M	34,254	6,937	6,234	5,423	4,311
EBIT EXCL REVALUATIONS AND NRI'S BY REGION, SEK M					
Northern Europe	220	223	198	184	176
Central Europe	280	145	121	87	56
Western Europe	98	82	51	62	50
SERVICE LINE EARNINGS EXCL NRI'S BY SERVICE LINE, SEK M					
Credit Management	307	264	235	213	188
Financial Services	538	379	372	312	257
Common costs	-206	-176	-179	-169	-157
Estaimated remaining collections (ERC), SEK M	22,260	15,191	10,945	13,766	11,432
Return on purchased debt, %	20	20	24	21	22
Investments in purchased debt, SEK M	835	545	502	529	586
Average number of employees	4,369	3,832	3,771	3,706	3,415

CONSOLIDATED FIVE-YEAR OVERVIEW

	2016 Full Year	2015 Full Year	2014 Full Year	2013 Full Year	2012 Full Year
Revenues, SEK M	5,869	5,419	4,958	4,355	3,841
Revenue growth, %	8	9	14	13	2
Cash EBITDA, SEK M	3,668	3,193	2,916	2,623	2,179
EBITDA, SEK M	2,090	1,736	1,546	1,318	1,024
EBIT, SEK M	1,921	1,577	1,382	1,168	846
Non-recurring items (NRI's) in EBIT, SEK M	10	-54	36	0	-17
Non-recurring items (NRI's) in net financial items, SEK M	0	0	0	-13	0
Revaluations of Purchased Debt, SEK M	45	32	33	5	-85
Cash EBITDA excl NRI's, SEK M	3,658	3,247	2,880	2,623	2,196
EBITDA excl NRI's, SEK M	2,080	1,790	1,510	1,318	1,041
EBIT excl NRI's, SEK M	1,911	1,631	1,346	1,168	863
Net earnings, SEK M	1,468	1,172	1,041	819	584
Earnings per share, SEK	20.15	15.92	13.48	10.30	7.32
EPS growth, %	27	18	31	41	6
Dividend per share, SEK	9.00	8.25	7.00	5.75	5.00
Average number of shares, '000	72,348	73,097	76,462	79,306	79,745
Number of shares outstanding at end of	72,348	72,348	73,848	78,547	79,745
Net Debt, SEK M	7,260	6,026	5,635	4,328	3,261
EBIT EXCL REVALUATIONS AND NRI'S BY REGION, SEK M					
Northern Europe	890	803	643	711	595
Central Europe	631	507	420	265	209
Western Europe	345	289	250	187	144
SERVICE LINE EARNINGS EXCL NRI'S BY SERVICE LINE, SEK M					
Credit Management	1,098	998	868	761	773
Financial Services	1,521	1,332	1,190	958	593
Common costs	-708	-699	-712	-551	-503
Estaimated remaining collections (ERC), SEK M	17,645	15,073	13,682	12,454	9,717
Return on purchased debt, %	20	20	20	21	17
Investments in purchased debt, SEK M	3,084	2,271	1,909	2,503	2,110
Average number of employees	3,865	3,738	3,694	3,427	3,369

RECONCILIATION OF KEY FIGURES

SEK M unless otherwise indicated	**April-June 2017**	April-June 2016	Change %	**Jan-June 2017**	Jan-June 2016	Change %
Service line earnings purchased debt	541	372	45	944	718	31
Average carrying value of purchased debt	10,722	7,397	45	9,764	7,246	35
Return on purchased debt, %	**20**	**20**		**19**	**20**	
EBIT	476	457	4	944	873	8
Depreciation	42	41	2	83	81	2
Amortization and revaluations	477	382	25	979	748	31
Cash EBITDA	**995**	**880**	13	**2,006**	**1,702**	18
EBIT	476	457	4	944	873	8
Depreciation	42	41	2	83	81	2
EBITDA	**518**	**498**	4	**1,027**	**954**	8
Cash EBITDA	995	880	13	2,006	1,702	18
Non-recurring items, NRI's	163	10	1,530	180	10	1,700
Cash EBITDA excl NRI's	**1,158**	**890**	30	**2,186**	**1,712**	28
EBITDA	518	498	4	1,027	954	8
Non-recurring items, NRI's	163	10	1,530	180	10	1,700
EBITDA excl NRI's	**681**	**508**	34	**1,207**	**964**	25
EBIT	476	457	4	944	873	8
Non-recurring items, NRI's	163	10	1,530	180	10	1,700
EBIT excl NRI's	**639**	**467**	37	**1,124**	**883**	27
Liabilities to credit institutions	1,811	1,890	-4	1,811	1,890	-4
Medium term note	32,524	4,704	591	32,524	4,704	591
Provisions for pensions	162	180	-10	162	180	-10
Commercial paper	1,075	720	49	1,075	720	49
Other interest-bearing liabilities	17	3	467	17	3	467
Cash and cash equivalents	-1,335	-557	140	-1,335	-557	140
Other interest-bearing assets	0	-2	-100	0	-2	-100
Net Debt	**34,254**	**6,938**	**394**	**34,254**	**6,938**	**394**

OPERATING SEGMENTS

REGIONS – REVENUES FROM EXTERNAL CLIENTS

SEK M	**April-June 2017**	April-June 2016	Change %	**Jan-June 2017**	Jan-June 2016	Change %	**Full Year 2016**
Northern Europe	717	651	10	1,303	1,245	5	2,594
Central Europe	668	428	56	1,233	860	43	1,825
Western Europe	411	342	20	811	673	21	1,450
Total revenues from external clients	**1,796**	**1,421**	**26**	**3,347**	**2,778**	**20**	**5,869**

REGIONS – INTERCOMPANY REVENUES

SEK M	**April-June 2017**	April-June 2016	Change %	**Jan-June 2017**	Jan-June 2016	Change %	**Full Year 2016**
Northern Europe	110	74	49	169	138	22	295
Central Europe	112	80	40	208	166	25	334
Western Europe	77	57	35	147	102	44	236
Eliminations	-299	-211	42	-524	-406	29	-865
Total intercompany revenues	**0**	**0**		**0**	**0**		**0**

REGIONS – REVALUATIONS OF PURCHASED DEBT

SEK M	**April-June 2017**	April-June 2016	**Jan-June 2017**	Jan-June 2016	**Full Year 2016**
Northern Europe	1	12	-21	11	-11
Central Europe	36	17	50	34	50
Western Europe	4	-12	11	-23	6
Total revaluation	**41**	**17**	**40**	**22**	**45**

REGIONS – REVENUES EXCLUDING REVALUATIONS

SEK M	**April-June 2017**	April-June 2016	Change %	**Jan-June 2017**	Jan-June 2016	Change %	**Full Year 2016**
Northern Europe	716	639	12	1,324	1,234	7	2,605
Central Europe	632	411	54	1,183	826	43	1,775
Western Europe	407	354	15	800	696	15	1,444
Total revenues excluding revaluations	**1,755**	**1,404**	**25**	**3,307**	**2,756**	**20**	**5,824**

REGIONS – OPERATING EARNINGS (EBIT)

SEK M	April-June 2017	April-June 2016	Change %	Jan-June 2017	Jan-June 2016	Change %	Full Year 2016
Northern Europe	152	225	-32	300	411	-27	924
Central Europe	259	162	60	483	320	51	666
Western Europe	65	70	-7	161	142	13	331
Total EBIT	**476**	**457**	**4**	**944**	**873**	**8**	**1,921**
Net financial items	-359	-30	1,095	-404	-70	477	-165
Earnings before tax	**117**	**427**	**-73**	**540**	**803**	**-33**	**1,756**

REGIONS – NON-RECURRING ITEMS (NRI'S)

SEK M	April-June 2017	April-June 2016	Jan-June 2017	Jan-June 2016	Full Year 2016
Northern Europe	-69	-10	-77	-10	45
Central Europe	-57	0	-62	0	-15
Western Europe	-37	0	-41	0	-20
Total NRI's	**-163**	**-10**	**-180**	**-10**	**10**

REGIONS – EBIT EXCLUDING REVALUATIONS AND NRI'S

SEK M	April-June 2017	April-June 2016	Change %	Jan-June 2017	Jan-June 2016	Change %	Full Year 2016
Northern Europe	220	223	-1	398	410	-3	890
Central Europe	280	145	93	495	286	73	631
Western Europe	98	82	20	191	165	16	345
Total EBIT excluding revaluations and NRI's	**598**	**450**	**33**	**1,084**	**861**	**26**	**1,866**

REGIONS – EBIT MARGIN EXCLUDING REVALUATIONS AND NRI'S

%	April-June 2017	April-June 2016	Jan-June 2017	Jan-June 2016	Full Year 2016
Northern Europe	31	35	30	33	34
Central Europe	44	35	42	35	36
Western Europe	24	23	24	24	24
EBIT margin excl revaluations and NRI's for the Group	**34**	**32**	**33**	**31**	**32**

SERVICE LINES – REVENUES

SEK M	April-June 2017	April-June 2016	Change %	Jan-June 2017	Jan-June 2016	Change %	Full Year 2016
Credit Management	1,185	1,006	18	2,294	1,984	16	4,144
Financial Services	982	682	44	1,752	1,311	34	2,849
Elimination of inter-service line revenue	-371	-267	39	-699	-517	35	-1,124
Total revenues	**1,796**	**1,421**	**26**	**3,347**	**2,778**	**20**	**5,869**

REVENUES BY TYPE

SEK M	April-June 2017	April-June 2016	Change %	Jan-June 2017	Jan-June 2016	Change %	Full Year 2016
External Credit Management	814	739	10	1,595	1,467	9	3,020
Collections on purchased debt	1,430	1,043	37	2,678	2,017	33	4,338
Amortization of purchased debt	-518	-398	30	-1,019	-769	33	-1,624
Revaluation of purchased debt	41	16	156	40	21	90	45
Other revenues from Financial Services	29	21	38	53	42	26	90
Total revenues	**1,796**	**1,421**	**26**	**3,347**	**2,778**	**20**	**5,869**

SERVICE LINES – SERVICE LINE EARNINGS

SEK M	April-June 2017	April-June 2016	Change %	Jan-June 2017	Jan-June 2016	Change %	Full Year 2016
Credit Management	307	264	16	564	492	15	1,072
Financial Services	549	379	45	961	736	31	1,606
Common costs	-380	-186	104	-581	-355	64	-757
Total EBIT	**476**	**457**	**4**	**944**	**873**	**8**	**1,921**

SERVICE LINES – NON-RECURRING ITEMS (NRI'S)

SEK M	April-June 2017	April-June 2016	Jan-June 2017	Jan-June 2016	Full Year 2016
Credit Management	0	0	0	0	-26
Financial Services	11	0	11	0	85
Common costs	-174	-10	-191	-10	-49
Total NRI's	**-163**	**-10**	**-180**	**-10**	**10**

SERVICE LINES – SERVICE LINE EARNINGS EXCLUDING NRI'S

SEK M	**April-June 2017**	April-June 2016	Change %	**Jan-June 2017**	Jan-June 2016	Change %	**Full Year 2016**
Credit Management	307	264	16	564	492	15	1,098
Financial Services	538	379	42	950	736	29	1,521
Common costs	-206	-176	17	-390	-345	13	-708
Total EBIT excl NRI's	**639**	**467**	**37**	**1,124**	**883**	**27**	**1,911**

SERVICE LINES – SERVICE LINE MARGINS EXCLUDING NRI'S

%	**April-June 2017**	April-June 2016	**Jan-June 2017**	Jan-June 2016	**Full Year 2016**
Credit Management	26	26	25	25	26
Financial Services	55	56	54	56	54
EBIT margin excl NRI's	**36**	**33**	**34**	**32**	**33**

PRO FORMA FINANCIAL REPORTS

PRO FORMA CONSOLIDATED INCOME STATEMENT INCLUDING LINDORFF

SEK M	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Full Year 2016	Q1 2017	Q2 2017
Revenues	2,287	2,565	2,623	3,028	10,503	2,927	3,205
Cost of sales	-1,243	-1,287	-1,688	-1,547	-5,765	-1,579	-1,681
Gross earnings	**1,044**	**1,277**	**935**	**1,482**	**4,738**	**1,348**	**1,524**
Sales, marketing and administrative expenses	-363	-399	-392	-522	-1,676	-506	-658
Participation in associated companies and joint ventures	-1	-2	-2	-2	-8	-1	-1
Operating earnings (EBIT)	**680**	**876**	**541**	**958**	**3,054**	**841**	**865**
Net financial items	-306	-356	-331	-516	-1,509	-490	-883
Earnings before tax	**375**	**520**	**210**	**441**	**1,545**	**351**	**-18**
Tax	-112	-161	-228	-115	-616	-124	-59
Net income from continuing operations	**262**	**359**	**-19**	**327**	**929**	**226**	**-77**
Profit from discontinued operations, net of tax	47	109	113	94	363	51	60
Net earnings for the period	**310**	**468**	**94**	**421**	**1,292**	**277**	**-17**
Of which attributable to:							
Parent company's shareholders	308	465	91	419	1,282	275	-17
Non-controlling interest	2	3	3	2	10	2	0
Net earnings for the period	**310**	**468**	**94**	**421**	**1,292**	**277**	**-17**

PRO FORMA CONSOLIDATED BALANCE SHEET INCLUDING LINDORFF

SEK M	31 Mar 2016	30 Jun 2016	30 Sep 2016	31 Dec 2016	31 Mar 2017	30 Jun 2017
ASSETS						
Intangible fixed assets						
Goodwill	28,066	30,005	30,505	30,692	30,735	25,453
Capitalized expenditure for IT development and other intangibles	1,429	1,502	1,498	1,502	1,514	1,263
Client relationships	1,842	3,002	2,680	2,651	2,556	2,495
Total intangible fixed assets	**31,337**	**34,509**	**34,683**	**34,845**	**34,805**	**29,211**
Tangible fixed assets	**240**	**247**	**246**	**240**	**253**	**249**
Other fixed assets						
Shares in joint ventures	1	12	10	14	14	20
Other shares and participations	6	1	1	2	1	2
Purchased debt	17,206	17,918	18,483	19,995	21,776	18,748
Deferred tax assets	1,028	1,022	692	731	788	835
Other long-term receivables	75	83	105	162	50	48
Total other fixed assets	**18,316**	**19,036**	**19,291**	**20,904**	**22,629**	**19,653**
Total fixed assets	**49,893**	**53,792**	**54,220**	**55,989**	**57,687**	**49,113**
Current Assets						
Accounts receivable	494	634	555	663	659	586
Client funds	927	943	957	944	984	865
Tax assets	95	225	215	183	228	250
Other receivables	1,093	1,272	1,668	1,275	1,298	881
Prepaid expenses and accrued income	417	461	465	485	482	665
Cash and cash equivalents	677	1,050	967	966	1,026	1,335
Total current assets	**3,703**	**4,585**	**4,827**	**4,516**	**4,677**	**4,582**
Non-current assets of disposal group held for sale	0	0	0	0	0	10,069
TOTAL ASSETS	**53,596**	**58,377**	**59,047**	**60,505**	**62,364**	**63,764**
SHAREHOLDERS' EQUITY AND LIABILITIES						
Attributable to parent company's shareholders	21,930	21,993	22,274	22,373	22,618	21,194
Attributable to non-controlling interest	165	184	181	180	181	4
Total shareholders' equity	**22,095**	**22,177**	**22,455**	**22,553**	**22,799**	**21,198**
Long-term liabilities						
Liabilities to credit institutions	2,514	3,554	3,181	5,437	7,592	1,798
Medium term note	20,714	22,588	23,086	22,989	22,916	32,524
Other long-term liabilities	9	2	204	325	292	302
Provisions for pensions	244	252	258	182	188	162
Other long-term provisions	11	286	286	94	97	21
Deferred tax liabilities	976	1,123	1,083	1,238	1,306	1,426
Total long-term liabilities	**24,468**	**27,805**	**28,098**	**30,265**	**32,391**	**36,233**
Current liabilities						
Liabilities to credit institutions	2,069	2,909	2,937	1,048	1,520	13
Medium term note	1,188	1,385	1,240	1,414	158	0
Commercial paper	745	720	825	1,124	1,360	1,075
Client funds payable	927	943	957	944	984	865
Accounts payable	309	335	333	450	431	501
Income tax liabilities	236	277	456	269	296	252
Advances from clients	13	14	15	46	47	43
Dividend declared but not paid	0	0	0	0	0	651
Other current liabilities	680	751	613	1,013	1,171	695
Accrued expenses and prepaid income	866	1,061	1,118	1,151	1,025	1,221
Other short-term provisions	0	0	0	228	182	91
Total current liabilities	**7,033**	**8,395**	**8,494**	**7,687**	**7,174**	**5,407**
Non-current liabilities of disposal group held for sale	0	0	0	0	0	926
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**53,596**	**58,377**	**59,047**	**60,505**	**62,364**	**63,764**

PRO FORMA OPERATING SEGMENTS

SERVICE LINES – REVENUES

SEK M	April-June 2017	April-June 2016	Change %	Jan-June 2017	Jan-June 2016	Change %	Full Year 2016
Credit Management	2,292	1,823	26	4,445	3,452	29	7,650
Financial Services	1,462	1,178	24	2,742	2,250	22	4,697
Elimination of inter-service line revenue	-549	-436	26	-1,054	-850	24	-1,845
Total revenues	**3,205**	**2,565**	**25**	**6,133**	**4,852**	**26**	**10,503**

REVENUES BY TYPE

SEK M	April-June 2017	April-June 2016	Change %	Jan-June 2017	Jan-June 2016	Change %	Full Year 2016
External Credit Management revenues	1,743	1,387	26	3,391	2,602	30	5,806
Collections on purchased debt	2,187	1,793	22	4,178	3,444	21	7,235
Amortization of purchased debt	-818	-653	25	-1,591	-1,275	25	-2,693
Revaluation of purchased debt	63	16	-	105	36	-	57
Other revenues from Financial Services	30	22	36	50	45	11	98
Total revenues	**3,205**	**2,565**	**25**	**6,133**	**4,852**	**26**	**10,503**

SERVICE LINES – SERVICE LINE EARNINGS

SEK M	April-June 2017	April-June 2016	Change %	Jan-June 2017	Jan-June 2016	Change %	Full Year 2016
Credit Management	676	561	20	1,254	950	32	1,930
Financial Services	766	656	17	1,462	1,253	17	2,561
Common costs	-577	-341	69	-1,011	-647	56	-1,437
Total EBIT	**865**	**876**	**-1**	**1,707**	**1,556**	**10**	**3,054**

SERVICE LINES – NON-RECURRING ITEMS (NRI'S)

SEK M	April-June 2017	April-June 2016	Jan-June 2017	Jan-June 2016	Full Year 2016
Credit Management	-8	-41	-15	-71	-108
Financial Services	11	-2	11	-3	78
Common costs	-197	-22	-279	-29	-141
Total NRI's	**-194**	**-64**	**-283**	**-103**	**-171**

SERVICE LINES – SERVICE LINE EARNINGS EXCLUDING NRI'S

SEK M	**April-June 2017**	April-June 2016	Change %	**Jan-June 2017**	Jan-June 2016	Change %	**Full Year 2016**
Credit Management	684	602	14	1,269	1,021	24	2,038
Financial Services	755	658	15	1,451	1,256	16	2,483
Common costs	-380	-319	19	-732	-618	18	-1,295
Total EBIT excl NRI's	**1,059**	**941**	**12**	**1,989**	**1,659**	**20**	**3,226**

SERVICE LINES – SERVICE LINE MARGINS EXCLUDING NRI'S

%	**April-June 2017**	April-June 2016	**Jan-June 2017**	Jan-June 2016	**Full Year 2016**
Credit Management	30	33	29	30	27
Financial Services	52	56	53	56	53
EBIT margin excl NRI's for the Group	**33**	**37**	**32**	**34**	**31**

PRO FORMA CONSOLIDATED QUARTERLY OVERVIEW

	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Full Year 2016	Q1 2017	Q2 2017
Revenues, SEK M	2,287	2,565	2,623	3,028	10,503	2,928	3,205
Cash EBITDA, SEK M	1,401	1,649	1,669	1,883	6,601	1,735	1,843
EBITDA, SEK M	799	1,011	1,017	1,138	3,966	1,004	1,088
EBIT, SEK M	680	876	540	958	3,054	841	864
Non-recurring items (NRI's) in EBIT, SEK M	-38	-64	-27	-42	-171	-89	-194
Revaluations of Purchased Debt, SEK M	20	16	20	1	57	42	63
Cash EBITDA excl NRI's, SEK M	1,439	1,713	1,696	1,925	6,772	1,824	2,037
EBITDA excl NRI's, SEK M	837	1,076	1,044	1,180	4,137	1,093	1,281
EBIT excl NRI's, SEK M	718	941	567	1,000	3,225	930	1,058
Estaimated remaining collections (ERC), SEK M	29,462	31,079	32,126	35,312	35,312	38,895	40,006
Return on purchased debt, %	17	19	16	18	17	16	17
Investments in purchased debt, SEK	567	934	828	2,350	4,979	2,522	1,287
PD book value, SEK M	13,567	14,280	14,838	16,336	16,336	18,184	18,748

PARENT COMPANY
INTRUM JUSTITIA AB (PUBL)

INCOME STATEMENT – PARENT COMPANY

SEK M	**Jan-June 2017**	Jan-June 2016	Full Year 2016
Revenues	48	44	105
Gross earnings	**48**	**44**	**105**
Sales and marketing expenses	-10	-9	-20
Administrative expenses	-259	-58	-151
Operating earnings (EBIT)	**-221**	**-23**	**-66**
Income from subsidiaries	0	0	224
Exchange rate differences on monetary items classified as expanded investment	-347	5	-28
Net financial items	-281	-35	-89
Earnings before tax	**-849**	**-53**	**41**
Tax	0	0	0
Net earnings for the period	**-849**	**-53**	**41**

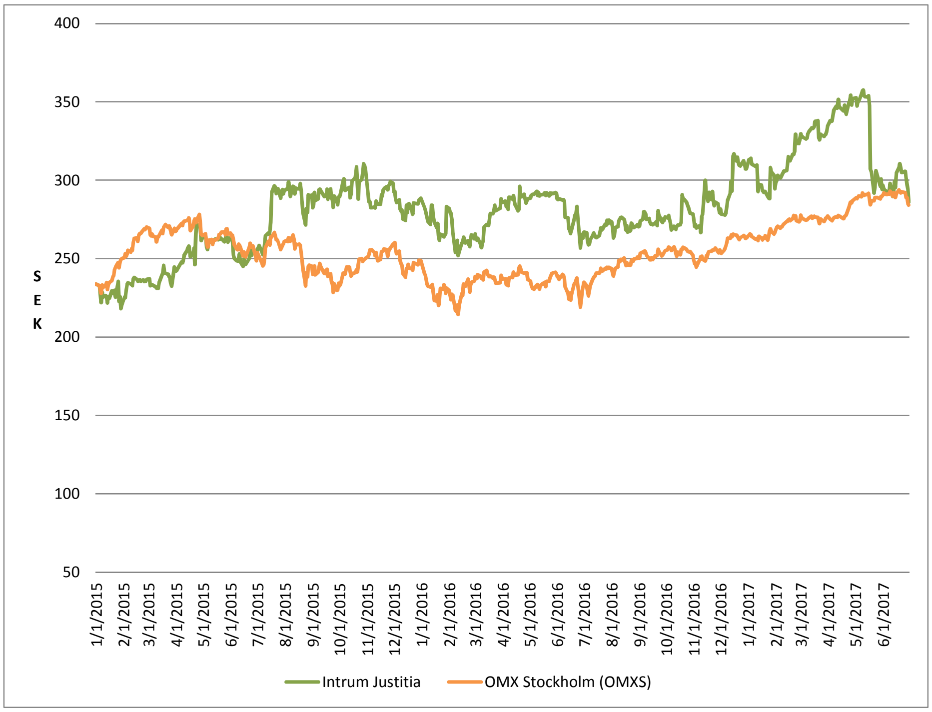
STATEMENT OF COMPREHENSIVE INCOME – PARENT COMPANY

SEK M	**Jan-June 2016**	Jan-June 2016	Full Year 2016
Net earnings for the period		-53	41
Other comprehensive income: Change of translation reserve (fair value reserve)	267	-126	-210
Total comprehensive income	**267**	**-179**	**-169**

BALANCE SHEET – PARENT COMPANY

SEK M	**30 Jun 2017**	30 Jun 2016	31 Dec 2016
ASSETS			
Fixed assets			
Financial fixed assets	53,144	7,578	8,333
Total fixed assets	**53,144**	**7,578**	**8,333**
Current assets			
Current receivables	5,344	4,407	4,629
Cash and cash equivalents	321	314	8
Total current assets	**5,665**	**4,721**	**4,637**
TOTAL ASSETS	**58,809**	**12,299**	**12,970**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted equity	285	284	284
Unrestricted equity	17,060	952	963
Total shareholders' equity	**17,345**	**1,236**	**1,247**
Long-term liabilities	36,768	7,415	7,658
Current liabilities	4,696	3,648	4,065
TOTAL SHAREHOLDERS* EQUITY AND LIABILITIES	**58,809**	**12,299**	**12,970**

SHARE PRICE TREND



OWNERSHIP STRUCTURE

30 June 2017	No of shares	Capital and Votes, %
Cidron 1748 sarl (Nordic Capital)	57,728,956	43.9
SEB Funds	5,538,944	4.2
Jupiter Asset Management	4,188,000	3.2
AMF Insurance & Funds	3,538,779	2.7
Lannebo Funds	3,082,411	2.3
Handelsbanken Funds	2,957,100	2.2
Swedbank Robur Funds	2,371,136	1.8
Odin Funds	2,153,707	1.6
BlackRock	1,883,311	1.4
Vanguard	1,525,336	1.2
AFA Insurance	1,396,650	1.1
Columbia Threadneedle	1,314,228	1.0
TIAA - Teachers Advisors	1,283,679	1.0
BNP Paribas Investment Partners	1,156,142	0.9
Schroders	1,066,823	0.8
Total, fifteen largest shareholders	**91,185,202**	**69.3**

Total number of shares: **131,541,320**

Swedish ownership accounted for 23.2 percent (institutions 2.8 percentage points, mutual funds 16.3 percentage points, retail 4.1 percentage points) Source: Modular Finance Holdings and Intrum Justitia

DEFINITIONS

RESULT CONCEPTS, KEY FIGURES AND ALTERNATIVE INDICATORS

CONSOLIDATED NET REVENUES

Consolidated revenues include external credit management revenues (variable collection commissions, fixed collection fees, debtor fees, guarantee commissions, subscription income, etc.), revenue from purchased debt operations (collected amounts less amortization and revaluations for the period) and other revenues from financial services (fees and net interest from financing services).

OPERATING EARNINGS (EBIT)

Operating earnings consist of net revenues less operating expenses as shown in the income statement.

OPERATING MARGIN

The operating margin consists of operating earnings expressed as a percentage of net revenues.

PURCHASED DEBT – COLLECTED AMOUNTS, AMORTIZATIONS AND REVALUATIONS

Purchased debt consists of portfolios of delinquent consumer debts purchased at prices below the nominal receivable. These are recognized at amortized cost applying the effective interest method, based on a collection forecast established at the acquisition date of each portfolio. Net revenues attributable to purchased debt consist of collected amounts less amortization for the period and revaluations. The amortization represents the period's reduction in the portfolio's current value, which is attributable to collection taking place as planned. Revaluation is the period's increase or decrease in the current value of the portfolios attributable to the period's changes in forecasts of future collection.

REVENUES, OPERATING EARNINGS AND OPERATING MARGIN, EXCLUDING REVALUATIONS

The period's revaluations of purchased receivables are included in consolidated net revenues and operating earnings. Revaluations are performed in connection with changes in estimates of future collections, and are therefore inherently difficult to predict. They have low forecast values for future earnings trends, particularly for an individual geographical region. Consequently, Intrum Justitia also reports alternative key figures in which revenues, operating earnings and operating margin are calculated excluding purchased debt revaluations.

ORGANIC GROWTH

Organic growth refers to the average increase in revenues in local currency, adjusted for revaluations of purchased debt portfolios and the effects of acquisitions and divestments of Group companies. Organic growth is a measure of the development of the Group's existing operations that management has the ability to influence.

SERVICE LINE EARNINGS

Service line earnings relate to the operating earnings of each business line, Credit Management and Financial Services, excluding shared expenses for sales, marketing and administration.

SERVICE LINE MARGIN

The operating margin consists of operating earnings expressed as a percentage of net revenues.

RETURN ON PURCHASED DEBT

Return on purchased debt is the service line earnings for the period, excluding the Group's new services such as factoring and payment guarantees, recalculated on a full-year basis, as a percentage of the average carrying amount of the balance-sheet item purchased debt. The ratio sets the business line's earnings in relation to the amount of capital tied up and is included in the Group's financial targets.

NET DEBT

Net debt is interest-bearing liabilities and pension provisions less liquid assets and interest-bearing receivables.

EBITDA

Operating earnings before depreciation and amortization (EBITDA) are operating earnings after reversal of depreciation of non-current assets.

CASH EBITDA

Cash EBITDA is operating earnings after depreciation on fixed assets as well as amortization and revaluations of purchased debt are added back.

RTM

The abbreviation RTM refers to figures on a rolling twelve-month basis.

NET DEBT/RTM OPERATING EARNINGS BEFORE DEPRECIATION AND AMORTIZATION (EBITDA)

This key figure refers to net debt divided by consolidated operating earnings before depreciation, amortization and impairment (EBITDA) on a rolling 12-month basis. The key figure is included among the Group's financial targets, is an important measure for assessing the level of the Group's borrowings, and is a widely-accepted measure of financial capacity among lenders.

CURRENCY-ADJUSTED CHANGE

With regard to trends in revenues and operating earnings, excluding revaluations for each region, the percentage change is stated in comparison with the corresponding year-earlier period, both in terms of the change in the respective figures in SEK and in the form of a currency-adjusted change, in which the effect of changes in exchange rates has been excluded. The currency-adjusted change is a measure of the development of the Group's operations that management has the ability to influence.

NON-RECURRING ITEMS (NRIS)

Significant income items that are not included in the Group's normal recurring operations and that are not expected to return on a regular basis. Non-recurring items include restructuring costs, closure costs, reversal of restructuring or closure reservations, cost savings programs, integration costs, extraordinary projects, divestments, impairment of non-current fixed assets other than purchased debt, mergers and acquisitions expenses, advisory costs for discontinued acquisition projects, costs for relocation to new office premises, termination and recruitment costs for members of Group Management and country managers, as well as external expenses for disputes and unusual settlements. Non-recurring items are specified because they are difficult to predict and have low forecast values for the Group's future earnings trend.

EBIT, EBITDA AND CASH EBITDA, EXCLUDING NRI'S

In accordance with the above, the key figures EBIT, EBITDA and Cash EBITDA are also reported after recurring non-recurring items, NRIs.

EXPECTED REMAINING COLLECTIONS, ERC

Estimated remaining collections are the nominal value of expected future collections on the Group's purchased debt portfolios.

PRO FORMA FINANCIAL REPORTS INCLUDING LINDORFF

Pro forma financial reports are issued for the Group including Lindorff, as if Lindorff had been included in the Group for the entire period, as well as in the comparative figures. Pro forma earnings have been calculated by adding Intrum Justitia's and Lindorff's actual results for each period without making adjustments for the periods in which transaction costs would have been incurred if the acquisition had taken place at another time. Fair value adjustments made in the acquisition analysis on Intrum Justitia's acquisition of Lindorff are not recognized in earnings for any period, although they can be recognized as expenses in the acquired legal entity.

REGION NORTHERN EUROPE

During the quarter, Region Northern Europe comprised the Group's activities for external clients and debtors in Denmark, Estonia, Finland, the Netherlands, Norway, Poland and Sweden.

REGION CENTRAL EUROPE

During the quarter, Region Central Europe comprised the Group's activities for external clients and debtors in Switzerland, Slovakia, the UK (effective from 2017), the Czech Republic, Germany, Hungary and Austria.

REGION WESTERN EUROPE

During the quarter, Region Western Europe comprises the Group's activities for external clients and debtors in Belgium, France, Ireland, Italy, Portugal, Spain and the UK (up to and including 2016).