

## INTERIM REPORT JANUARY–SEPTEMBER 2015

- Consolidated net revenues for the third quarter of 2015 amounted to SEK 1,386 M (1,309).
- Operating earnings (EBIT) amounted to SEK 452 M (415). Operating earnings include revaluations of purchased debt portfolios amounting to SEK 29 M (15) as well as a negative effect of SEK 31 M mainly for a reassessment of capitalized expenditure attributable to prior years. The operating margin excluding revaluations of purchased debt was 31 percent (31).
- Net earnings for the quarter amounted to SEK 330 M (311) and earnings per share were SEK 4.51 (4.09).
- Cash flow from operating activities amounted to SEK 805 M (788).
- The carrying amount of purchased debt has increased by 8 percent compared with the year-earlier period. Investments in purchased debt for the quarter amounted to SEK 320 M (267).

SEK M unless otherwise indicated	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %
Revenues	1,386	1,309	6	4,232	3,814	11
Revenues excluding revaluations	1,357	1,294	5	4,165	3,786	10
Operating earnings (EBIT)	452	415	9	1,239	1,070	16
Operating margin, %	33	32		29	28	
Earnings before tax	413	378	9	1,123	941	19
Net earnings	330	311	6	898	747	20
Earnings per share before and after dilution, SEK	4.51	4.09	10	12.16	9.65	26
Cash flow from operating activities	805	788	2	2,027	1,888	7
Carrying value purchased debt	6,418	5,941	8	6,418	5,941	8
Return on purchased debt %	20	21		21	21	
Investments in purchased debt	320	267	20	1,298	1,460	-11
Cash flow from purchased debt	659	620	6	1,993	1,848	8
Net debt/RTM EBITDA	1.8	1.8		1.8	1.8	

## THIRD QUARTER

**26%**

Growth in earnings per share  
past 12 months

**3%**

Change in operating earnings  
(adjusted for currency effects and  
purchased debt revaluations)

**8%**

Change in carrying amount of  
purchased debt past 12 months

**20%**

Return on purchased  
debt

**SEK 320 M**

Investments in purchased debt

**SEK 659 M**

Cash flow from purchased debt

Intrum Justitia is disclosing the information herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 07:00 a.m. CET on Wednesday, October 21, 2015.

## Comment by President and CEO Lars Wollung

Intrum Justitia's third quarter saw continued good development, with operating earnings of SEK 452 M, the highest in the company's history to date. Operating earnings rose by 9 percent compared with the year-earlier period, and by 3 percent when adjusted for currency effects and revaluations. Earnings per share have risen 26 percent over the past twelve-month period, which is well in excess of our financial target.

For our regions, we saw a positive trend in Western Europe, with increased growth and improved margins for the third quarter. In Western Europe in the third quarter we also entered into an agreement regarding the acquisition of a company, which will contribute to improving our market position and profitability in the region. The regions Central Europe and Northern Europe continue to display strong profitability, with operating margins excluding revaluations of 32 percent and 35 percent respectively, which is consistent with the same period last year.

In our services lines, we are seeing a healthy trend within Credit Management Services, which is reaping the benefits of both previous acquisitions as well as improved operational efficiency. We are achieving both growth and improved margins compared with the year-earlier period, with increases in service line revenue and profit of 2 percent and 7 percent respectively, excluding currency effects. Financial Services has seen a continued rise in the carrying amount of purchased debt of 8 percent for the third quarter, compared with the year-earlier period. Our purchased debt portfolios are performing well, which has resulted in significant positive revaluations totaling SEK 67 M in 2015 to date, SEK 29 M of which was in the third quarter.

Through a strong combination of credit management and financing services, Intrum Justitia is creating value for our customers, shareholders and society, where we are confident that demand for services for efficient and responsible credit management will remain significant for many years to come. Intrum Justitia is therefore well positioned for continuing to deliver profitable growth, while achieving or exceeding our financial targets. We have a stable base of recurring investment opportunities within small and medium-sized purchased debt portfolios, with good returns. For larger portfolios within the banking and financial sector we will continue to act in a disciplined manner, but will utilize our competitive advantage through our low financing cost to generate profitable growth. There are also good opportunities for growth in our credit management operations over the coming years. Our program for continuous improvement within operational efficiency continues to show good potential. Furthermore, we are seeing opportunities to add value through acquisitions of small and medium-sized companies and have stepped up the pace over the past 12-month period, through acquisitions totaling in excess of SEK 400 M.

## Group

SEK M unless otherwise indicated	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %
Revenues	1,386	1,309	6	4,232	3,814	11
Operating earnings (EBIT)	452	415	9	1,239	1,070	16
Operating margin, %	33	32		29	28	
Net financial items	-39	-37	5	-116	-129	-10
Tax	-83	-67	24	-225	-194	16
Net income	330	311	6	898	747	20
Average number of employees	3,846	3,855	-0	3,866	3,803	2

## Revenues and earnings

Over the third quarter, the Group's revenues rose by 6 percent, consisting of acquisition effects of 2 percent, revaluations of purchased debt of 1 percent and currency effects of 3 percent. Operating earnings improved by 9 percent in the third quarter and, adjusted for currency effects and revaluations of purchased debt portfolios, the increase was 3 percent. As with previous quarters, currency effects have had a positive impact on operating earnings in Q3 of SEK 12 M compared with the same period last year. Revaluations of purchased debt have also improved operating earnings for the third quarter by SEK 29 M, compared with SEK 15 M for the year-earlier period. In addition, operating earnings for the quarter were charged with approximately SEK 31 M, relating primarily to a reassessment of capitalized expenditure attributable to previous years. The items have mainly impacted revenue and service line earnings for Financial Services in the region Northern Europe.

The increase in operating earnings excluding currency effects and revaluations compared with the year-earlier period is primarily attributable to Credit Management, where acquisitions and improved operating efficiency generated growth and higher margins. Of the Group's regions, Western Europe has been the main contributor to improved operating earnings, excluding revaluations and currency effects.

Earnings per share for the quarter rose by 10 percent compared with the year-earlier period. In the third quarter, earnings per share were affected by repurchases, which reduced the number of shares outstanding by 4.0 percent compared with the third quarter 2014.

## Net financial items

Net financial items for the quarter amounted to a negative SEK 39 M (37). The net interest expense has improved to SEK -31 M (-37), largely due to lower market interest rates. Exchange rate differences have affected net financial items negatively by SEK 1 M (positive 6), and other financial items by a negative SEK 7 M (6). Other financial items refer primarily to bank fees and similar charges in connection with the Group's borrowing.

## Taxes

Earnings for the quarter were charged with tax of 20 percent. The tax expense for the third quarter of 2014 was affected positively by a non-recurring item of SEK 18 M, resulting from

the settlement of a tax dispute in Finland. Further information regarding an ongoing tax dispute is provided in the section “Taxation assessments”.

### Cash flow and investments

SEK M unless otherwise indicated	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %
Cash flow from operating activities	805	788	2	2,027	1,888	7
Cash flow from investing activities	-288	-310	-7	-1,474	-1,578	-7
Cash paid for investments in purchased debt	251	271	-7	1,318	1,496	-12
Cash flow from purchased debt	659	620	6	1,993	1,848	8

Cash flow from operating activities amounted to SEK 805 M, an increase of SEK 17 M compared with the year-earlier period, chiefly attributable to higher operating earnings excluding depreciation and amortization, as well as improved cash flow from working capital. The negative cash flow from investing activities amounted to SEK 288 M, a decline of SEK 22 M compared with the same period last year, chiefly due to lower disbursements for investments in purchased debt in Q3, compared to the year-earlier period.

Cash flow from purchased debt for the third quarter amounted to SEK 659 M (620), defined as funds collected on purchased debt of SEK 927 M (876), with deductions for the service line’s operating costs, primarily collection costs of SEK 268 M (256).

### Financing

SEK M unless otherwise indicated	July-Sept 2015	July-Sept 2014	Change %
Net Debt	5,815	5,215	12
Net Debt/RTM EBITDA	1.8	1.8	
Shareholders' equity	3,077	3,036	1
Liquid assets	201	259	-22

Intrum Justitia’s net debt has risen by roughly SEK 0.6 billion compared with the year-earlier period, primarily as a result of share repurchases, which were carried out to adjust the Group’s capital structure. The Group’s net debt expressed as a multiple of operating earnings before depreciation and amortization totals 1.8, slightly less than the interval for Intrum Justitia’s financial target of 2-3 for this ratio. Compared with the second quarter, this ratio has fallen from 2.0 to 1.8, mainly due to a significant positive cash flow from operating activities, less cash flow from investments, of SEK 517 M for the third quarter.

In the third quarter, Intrum Justitia repurchased 343,633 shares for a total of SEK 100 M. Accordingly, the average number of shares outstanding in the third quarter was 72,885,064. The average number of shares outstanding in the January–September period was 73,277,216. After deductions for treasury holdings of 728,072, the number of outstanding shares at the end of the quarter was 72,693,256.

## Goodwill

Consolidated goodwill amounted to SEK 2,739 M as per September 30, 2015, compared with SEK 2,719 M as per December 31, 2014. The increase since the start of the year was attributable to an acquisition in Switzerland amounting to SEK 36 M, an adjustment to the acquisition analysis for the acquisition of Advis A/S in Denmark of SEK -7 M, and negative exchange differences of SEK 9 M.

## Regions

### Northern Europe

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
Revenues	621	654	-5	1,956	1,880	4	2,556
Operating earnings	211	239	-12	588	583	1	750
Revenues excluding revaluations	627	635	-1	1,983	1,861	7	2,539
Operating earnings excluding revaluations	217	220	-1	615	564	9	733
Operating margin excluding revaluations, %	35	35		31	30		29

Revenues for the quarter fell by 5 percent compared with the year-earlier period. Adjusted for currency effects and revaluations of purchased debt, revenues dropped by 2 percent. Operating earnings weakened by 12 percent. Adjusted for currency effects and revaluations of purchased debt, earnings declined by 2 percent. Sales and earnings for the region have been negatively affected in the amount of approximately SEK 31 M in the third quarter for mainly certain reassessments of capitalized expenditures for previous years; see section above 'Revenues and earnings'. The region continues to display strong profitability, with an operating margin adjusted for revaluations of 35 percent, in line with the previous year. Credit Management has performed particularly well, with acquisitions and increased operative efficiency contributing to a positive earnings trend. Integration costs relating to the Danish acquisition impacted on earnings in the amount of approximately SEK 1 M in the third quarter of 2015. In the third quarter, the region's unit for e-commerce payment solutions, Avarda, implemented services for its first major customers.

### Central Europe

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
Revenues	424	358	18	1,285	1,042	23	1,433
Operating earnings	156	111	41	439	303	45	431
Revenues excluding revaluations	393	362	9	1,217	1,036	17	1,418
Operating earnings excluding revaluations	125	115	9	371	297	25	416
Operating margin excluding revaluations, %	32	32		30	29		29

Revenues for the quarter rose by 18 percent compared with the year-earlier period. Adjusted for currency effects and revaluations of purchased debt, the increase was 1 percent. Operating earnings improved by 41 percent. Adjusted for currency effects and revaluations of purchased

debt, the increase was 1 percent. The region is displaying persistently strong profitability, chiefly through a healthy trend within Purchased Debt, which has resulted in significant positive revaluations over the past 12 months, totaling SEK 77 M. The pace of growth in operating earnings for the third quarter is falling compared with the first half of the year, mainly due to lower levels of investment for purchased debt.

### Western Europe

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
Revenues	341	297	15	991	892	11	1,195
Operating earnings	85	65	31	212	184	15	249
Revenues excluding revaluations	337	297	13	965	889	9	1,192
Operating earnings excluding revaluations	81	65	25	186	181	3	246
Operating margin excluding revaluations, %	24	22		19	20		21

Revenues for the quarter rose by 15 percent compared with the year-earlier period. Adjusted for currency effects and revaluations of purchased debt, revenues increased by 11 percent. Operating earnings improved by 31 percent. Adjusted for currency effects and revaluations of purchased debt, the improvement was 21 percent. The improvement in operating earnings is attributable to a positive trend for both Purchased Debt and Credit Management, where several activities are under way to increase volumes and improve operating efficiency. An agreement was entered into in the quarter to acquire a company operating mainly within credit management; see section below entitled 'Acquisition of Logicomer'.

### Service lines

#### Credit Management

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
Revenues	1,008	960	5	3,034	2,825	7	3,844
Service line earnings	279	253	10	771	666	16	912
Service line margin, %	28	26		25	24		24

Revenues for the quarter rose by 5 percent compared with the year-earlier period. Adjusted for currency effects the increase was 2 percent. Service line earnings improved by 10 percent. Adjusted for currency effects the increase was 7 percent. Revenue growth for the third quarter adjusted for currency effects is chiefly attributable to the acquisitions that were carried out over the past 12 months. This growth, combined with a positive impact resulting from the Group's operative improvement program, has helped grow earnings and generate a higher service line margin compared with the year-earlier period.

## Financial Services

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
Revenues	596	564	6	1,842	1,603	15	2,173
Service line earnings	328	308	6	1,017	884	15	1,159
Service line margin, %	55	55		55	55		53
Return on purchased debt, %	20	21		21	21		20
Investments in purchased debt	320	267	20	1,298	1,460	-11	1,937
Carrying amount, purchased debt	6,418	5,941	8	6,418	5,941	8	6,197

Revenues for the quarter rose by 6 percent compared with the year-earlier period. Adjusted for currency effects the increase was 2 percent. Service line earnings improved by 6 percent and adjusted for currency effects, earnings improved by 3 percent. Sales and earnings for the service line have been negatively affected in the third quarter for mainly certain reassessments of capitalized expenditures for previous years; see section above 'Revenues and earnings'. Collection of purchased debt is at a good level, which helps revaluations continue to make a positive contribution to service line earnings, with an impact of roughly SEK 29 M for the third quarter, compared with SEK 15 M in the year-earlier period. The carrying amount for purchased debt rose by 8 percent compared with the year-earlier period, and by 6 percent excluding currency effects. The return on purchased debt was 20 percent, compared with 21 percent the previous year. Investments in purchased debt in the third quarter amounted to SEK 320 M, an increase of SEK 53 M compared with the preceding year. The level of investments in the quarter was affected by normal seasonal weakness, along with a continued trend of significant price pressure within larger bank portfolios.

## Market outlook

Europe is characterized by considerable regional differences and there is substantial uncertainty regarding the macroeconomic situation in several countries. A significantly weakened macroeconomic situation in Europe, with increased unemployment, has a negative impact on Intrum Justitia.

Intrum Justitia believes that the Group's strategic focus is well suited to market trends, with a broadening of credit management services and a link to risk reduction and financial services based on strong, market-leading collection operations. Companies are experiencing a growing need to generate stronger and more predictable cash flow, as well as the need to create additional alternatives for the financing of working capital, for example by selling receivables. These are trends that, in the long term, will benefit Intrum Justitia.

## Taxation assessments

Following a tax audit of the Group's Swedish Parent Company for the 2009 financial year, the Swedish National Tax Board decided to impose a tax surcharge of SEK 19 M in 2011. The company lost an appeal to the Administrative Court of Appeal in February 2014. The amount has been expensed to the Parent Company and was paid to the Swedish Tax Board in 2014. The company appealed the ruling in May 2014 to have the case considered by the Supreme Administrative Court of Sweden.

Intrum Justitia is of the opinion that the tax expense will, over the next few years, be around 20-25 percent of earnings before tax for each year, excluding the outcome of any tax disputes.

## 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 65 M (60) for the nine-month period and earnings before tax of a negative SEK 27 M (positive 88). The Parent Company invested SEK 0 M (0) in fixed assets during the nine-month period and had, at the end of the period, SEK 3 M (7) in liquid assets. The average number of employees was 53 (52).

## 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.

## Significant risks and uncertainties

Risks to which the Group and Parent Company are exposed include risks relating to economic developments, changes in regulations, reputation risks, risks attributable to customer awareness and money laundering, market risks, liquidity risks, credit risks, risks inherent in purchased debt and payment guarantees, as well as financing risks. The risks are described in more detail in the Board of Directors' report in Intrum Justitia's 2014 Annual Report. No significant risks are considered to have arisen besides those described in the annual report.

## Acquisition of Logicomer

On September 30, Intrum Justitia agreed to acquire the Portuguese company Logicomer Gestão e Recuperação de Créditos SA for a purchase consideration of approximately SEK 183 M on a net debt-free basis, of which SEK 9 M was paid in connection with the signing of the agreement. Intrum Justitia had not yet obtained controlling interest over Logicomer as per September 30, and is not therefore consolidating it in the consolidated balance sheet at the end of the third quarter. The transaction will be closed in the fourth quarter of 2015, provided that the customary terms and conditions have been satisfied by then.

Logicomer mainly operates within credit management services but the company also has a purchased debt portfolio with a nominal value of approximately 1.2 billion SEK. The company has 40 employees and had sales of roughly SEK 45 M in 2014, with excellent profitability. The acquisition of Logicomer is expected to improve Intrum Justitia's earnings and market position in Portugal by the company providing expertise within particular areas of collection.

## Acquisition of Credita

In February, Intrum Justitia acquired a small credit management company in Switzerland, Credita AG, for a purchase price of SEK 51 M. The preliminary purchase price allocation appears in Intrum Justitia's interim report for the first quarter of the year. The purchase price allocation has not been changed during the second or third quarter, but is still considered as preliminary.



## Events after the end of the period

On October 20, the Board of Directors resolved to continue with the company's repurchase program with the repurchase of treasury shares during the fourth quarter amounting to a maximum of SEK 100 M.

## Presentation of the Interim Report

The interim report and presentation material are available at [www.intrum.com/Investorrelations](http://www.intrum.com/Investorrelations). President & CEO Lars Wollung and Chief Financial Officer Erik Forsberg will comment on the report at a teleconference today, starting at 9:00 a.m. CET. The presentation can be followed at [www.intrum.com](http://www.intrum.com) and/or [www.financialhearings.com](http://www.financialhearings.com). To participate by phone, call +46 8 566 426 63 (SE) or +44 20 342 814 08 (UK).

## For further information, please contact

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## Financial calendar 2015

The year-end report for January–December 2015 will be published January 28, 2016

The interim report and other financial information are available at Intrum Justitia's website: [www.intrum.com](http://www.intrum.com)

Denna delårsrapport finns även på svenska.

Stockholm, October 21, 2015

*Lars Wollung*  
President and CEO

## About the Intrum Justitia Group

Intrum Justitia is Europe's leading Credit Management Services (CMS) group, offering comprehensive credit management services, including Purchased Debt, designed to measurably improve clients' cash flows and long-term profitability. Founded in 1923, Intrum Justitia has some 3,800 employees in 20 markets. Consolidated revenues amounted to SEK 5.2 billion in 2014. Intrum Justitia AB has been listed on the NASDAQ OMX Stockholm exchange since 2002. For further information, please visit [www.intrum.com](http://www.intrum.com).

## Review report

*To the Board of Directors of Intrum Justitia AB (publ), corporate identity number 556607-7581.*

### *Introduction*

We have performed a general review of the interim financial report for Intrum Justitia AB (publ) for the period January–September 2015. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### *Focus and scope of the review*

We conducted our review in accordance with the *International Standard on Review Engagements ISRE 2410*, Review of Interim Financial Information. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has another focus and is substantially less in scope than an audit conducted in accordance with the *ISA International Standards on Auditing* and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, October 21, 2015  
Ernst & Young AB

*Erik Åström*  
Authorized Public Accountant

## Intrum Justitia Group – Consolidated Income Statement

SEK M	July-Sept 2015	July-Sept 2014	Jan-Sept 2015	Jan-Sept 2014	Full Year 2014
Revenues	1,386	1,309	4,232	3,814	5,184
Cost of sales	-742	-713	-2,332	-2,153	-2,963
<b>Gross earnings</b>	<b>644</b>	<b>596</b>	<b>1,900</b>	<b>1,661</b>	<b>2,221</b>
Sales and marketing expenses	-59	-58	-186	-189	-262
Administrative expenses	-132	-123	-473	-405	-585
Impairment write-down of goodwill	0	0	0	0	-111
Release of liability for deferred payment regarding shares in subsidiaries	0	0	0	0	164
Participation in associated companies and joint ventures	-1	0	-2	3	3
<b>Operating earnings (EBIT)</b>	<b>452</b>	<b>415</b>	<b>1,239</b>	<b>1,070</b>	<b>1,430</b>
Net financial items	-39	-37	-116	-129	-183
<b>Earnings before tax</b>	<b>413</b>	<b>378</b>	<b>1,123</b>	<b>941</b>	<b>1,247</b>
Tax	-83	-67	-225	-194	-206
<b>Net income for the period</b>	<b>330</b>	<b>311</b>	<b>898</b>	<b>747</b>	<b>1,041</b>
<b>Of which attributable to:</b>					
Parent company's shareholders	329	310	891	743	1,031
Non-controlling interest	1	1	7	4	10
<b>Net earnings for the period</b>	<b>330</b>	<b>311</b>	<b>898</b>	<b>747</b>	<b>1,041</b>
Earnings per share before and after dilution	4.51	4.09	12.16	9.65	13.48

## Intrum Justitia Group - Statement of Comprehensive Income

SEK M	July-Sept 2015	July-Sept 2014	Jan-Sept 2015	Jan-Sept 2014	Full Year 2014
Net income for the period	330	311	898	747	1,041
Other comprehensive income, items that will be reclassified to profit and loss:					
Currency translation difference	3	-5	-28	39	122
Other comprehensive income, items that will not be reclassified to profit and loss:					
Remeasurement of pension liability	0	0	0	0	-22
<b>Comprehensive income for the period</b>	<b>333</b>	<b>306</b>	<b>870</b>	<b>786</b>	<b>1,141</b>
<b>Of which attributable to:</b>					
Parent company's shareholders	331	305	866	780	1,126
Non-controlling interest	2	1	4	6	15
<b>Comprehensive income for the period</b>	<b>333</b>	<b>306</b>	<b>870</b>	<b>786</b>	<b>1,141</b>

## Intrum Justitia Group – Consolidated Balance Sheet

SEK M	30 Sep 2015	30 Sep 2014	31 Dec 2014
<b>ASSETS</b>			
<b>Intangible fixed assets</b>			
Goodwill	2,739	2,616	2,719
Capitalized expenditure for IT development and other intangibles	214	200	221
Client relationships	42	39	46
<b>Total intangible fixed assets</b>	<b>2,995</b>	<b>2,855</b>	<b>2,986</b>
<b>Tangible fixed assets</b>	<b>119</b>	<b>124</b>	<b>127</b>
<b>Other fixed assets</b>			
Shares in joint ventures	8	0	0
Other shares and participations	183	0	0
Purchased debt	6,418	5,941	6,197
Deferred tax assets	34	55	35
Other long-term receivables	12	16	17
<b>Total other fixed assets</b>	<b>6,655</b>	<b>6,012</b>	<b>6,249</b>
<b>Total fixed assets</b>	<b>9,769</b>	<b>8,991</b>	<b>9,362</b>
<b>Current Assets</b>			
Accounts receivable	304	314	307
Client funds	563	496	568
Tax assets	77	45	48
Other receivables	548	599	633
Prepaid expenses and accrued income	161	150	157
Cash and cash equivalents	201	259	266
<b>Total current assets</b>	<b>1,854</b>	<b>1,863</b>	<b>1,979</b>
<b>TOTAL ASSETS</b>	<b>11,623</b>	<b>10,854</b>	<b>11,341</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Attributable to parent company's shareholders	2,999	2,952	2,948
Attributable to non-controlling interest	78	84	93
<b>Total shareholders' equity</b>	<b>3,077</b>	<b>3,036</b>	<b>3,041</b>
<b>Long-term liabilities</b>			
Liabilities to credit institutions	1,844	1,584	1,727
Medium term note	3,180	3,118	3,231
Other long-term liabilities	1	168	4
Provisions for pensions	143	108	133
Other long-term provisions	3	3	3
Deferred tax liabilities	401	380	390
<b>Total long-term liabilities</b>	<b>5,572</b>	<b>5,361</b>	<b>5,488</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	65	38	85
Commercial paper	785	629	728
Client funds payable	563	496	568
Accounts payable	124	141	159
Income tax liabilities	231	201	142
Advances from clients	14	16	16
Other current liabilities	493	285	325
Accrued expenses and prepaid income	699	651	789
<b>Total current liabilities</b>	<b>2,974</b>	<b>2,457</b>	<b>2,812</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>11,623</b>	<b>10,854</b>	<b>11,341</b>

## Fair value of financial instruments

The majority of the Group's financial assets and liabilities (purchased debt, accounts receivable, other receivables, liquid assets, liabilities to credit institutions, bond loans, commercial papers, accounts payable and other receivables) are valued in the financial statements at amortized cost. For these financial instruments, the carrying amount is deemed to be the best estimate of the fair value. The Group also has financial assets and liabilities in the form of forward exchange contracts, which are measured at fair value via profit/loss in the financial statements. The amounts were not significant.

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

SEK M	2015			2014		
	Attributable to Parent Company's shareholders	Non-controlling interest	Total	Attributable to Parent Company's shareholders	Non-controlling interest	Total
<b>Opening Balance, January 1</b>	2,948	93	3,041	3,235	81	3,316
Dividend	-514	-7	-521	-445	-3	-448
Acquired non-controlling interest	-1	-12	-13			0
Repurchase of shares	-300		-300	-618		-618
Comprehensive income for the period	866	4	870	780	6	786
<b>Closing Balance, September 30</b>	<b>2,999</b>	<b>78</b>	<b>3,077</b>	<b>2,952</b>	<b>84</b>	<b>3,036</b>

## Intrum Justitia Group – Quarterly Overview

	Quarter 3 2015	Quarter 2 2015	Quarter 1 2015	Quarter 4 2014	Quarter 3 2014
Revenues, SEK M	1,386	1,476	1,370	1,370	1,309
Revenue growth, %	6	13	14	11	15
Operating earnings (EBIT), MSEK	452	448	339	360	415
Operating earnings excluding revaluations, MSEK	423	403	346	353	400
Operating margin excluding revaluations, %	31	28	25	26	31
EBITDA, MSEK	846	834	748	771	794

## Intrum Justitia Group – Cash Flow Statement

SEK M	July-Sept 2015	July-Sept 2014	Jan-Sept 2015	Jan-Sept 2014	Full Year 2014
<b>Operating activities</b>					
Operating earnings (EBIT)	452	415	1,239	1,070	1,430
Depreciation/amortization and impairment write-down	41	40	122	118	170
Amortization/revaluation of purchased debt	355	339	1,067	1,036	1,395
Other adjustment for items not included in cash flow	1	-1	6	3	-45
Interest received	2	2	8	10	13
Interest paid and other financial expenses	-67	-20	-197	-132	-175
Income tax paid	-32	-10	-193	-111	-138
<b>Cash flow from operating activities before changes in working capital</b>	<b>752</b>	<b>765</b>	<b>2,052</b>	<b>1,994</b>	<b>2,650</b>
Changes in factoring receivables	-5	5	-50	-20	-38
Other changes in working capital	58	18	25	-86	60
<b>Cash flow from operating activities</b>	<b>805</b>	<b>788</b>	<b>2,027</b>	<b>1,888</b>	<b>2,672</b>
<b>Investing activities</b>					
Purchases of tangible and intangible fixed assets	-27	-39	-95	-99	-142
Investments in purchased debt	-251	-271	-1,318	-1,496	-1,950
Purchases of shares in subsidiaries, associated companies and other companies	-17	0	-66	26	-148
Other cash flow from investing activities	7	0	5	-9	-10
<b>Cash flow from investing activities</b>	<b>-288</b>	<b>-310</b>	<b>-1,474</b>	<b>-1,578</b>	<b>-2,250</b>
<b>Financing activities</b>					
Borrowings and repayment of loans	-479	-201	205	671	915
Repurchase of shares	-100	-249	-300	-618	-968
Share dividend to parent company's shareholders	0	0	-514	-445	-445
Share dividend to non-controlling interest	0	-3	-7	-3	-3
<b>Cash flow from financing activities</b>	<b>-579</b>	<b>-453</b>	<b>-616</b>	<b>-395</b>	<b>-501</b>
<b>Change in liquid assets</b>	<b>-62</b>	<b>25</b>	<b>-63</b>	<b>-85</b>	<b>-79</b>
<b>Opening balance of liquid assets</b>	<b>261</b>	<b>229</b>	<b>266</b>	<b>340</b>	<b>340</b>
Exchange rate differences in liquid assets	2	5	-2	4	5
<b>Closing balance of liquid assets</b>	<b>201</b>	<b>259</b>	<b>201</b>	<b>259</b>	<b>266</b>

## Intrum Justitia Group – Five-Year Overview

	<b>2015 July-Sept</b>	2014 July-Sept	2013 July-Sept	2012 July-Sept	2011 July-Sept
Revenues, SEK M	1,386	1,309	1,135	1,001	998
Revenue growth, %	6	15	13	0	8
Operating earnings (EBIT), SEK M	452	415	330	271	264
Operating earnings (EBIT) excl revaluations, SEK M	423	400	332	264	260
Operating margin excl revaluations, %	31	31	29	27	26
EBITDA, SEK M	846	794	708	561	540
Earnings before tax, SEK M	413	378	287	236	228
Net income, SEK M	330	311	222	177	171
Net Debt, SEK M	5,815	5,215	4,500	3,016	2,801
Net Debt/EBITDA RTM	1.8	1.8	1.7	1.4	1.5
Earnings per share, SEK	4.51	4.09	2.79	2.21	2.14
EPS growth, %	10	46	26	3	18
Average number of shares, '000	72,885	75,885	79,203	79,745	79,745
Number of shares outstanding at end of period, '000	72,693	75,428	78,547	79,745	79,745
Return on purchased debt, %	20	21	19	20	21
Investments in purchased debt, SEK M	320	267	700	818	390
Average number of employees	3,846	3,855	3,589	3,406	3,282
	<b>2014 Full Year</b>	2013 Full Year	2012 Full Year	2011 Full Year	2010 Full Year
Revenues, SEK M	5,184	4,566	4,048	3,950	3,766
Revenue growth, %	14	13	2	5	-9
Operating earnings (EBIT), SEK M	1,430	1,207	879	868	731
Operating earnings (EBIT) excl revaluations, SEK M	1,395	1,200	958	849	727
Operating margin excl revaluations, %	27	26	23	22	19
EBITDA, SEK M	2,996	2,684	2,199	1,929	1,702
Earnings before tax, SEK M	1,247	1,046	729	753	639
Net income, SEK M	1,041	819	584	553	452
Net Debt, SEK M	5,635	4,328	3,261	2,692	2,193
Net Debt/EBITDA RTM	1.9	1.6	1.5	1.4	1.3
Earnings per share, SEK	13.48	10.30	7.32	6.91	5.67
EPS growth, %	31	41	6	22	3
Dividend per share, SEK	7.00	5.75	5.00	4.50	4.10
Average number of shares, '000	76,462	79,306	79,745	79,745	79,745
Number of shares outstanding at end of period, '000	73,848	78,547	79,745	79,745	79,745
Return on purchased debt, %	20	21	17	21	18
Investments in purchased debt, SEK M	1,937	2,524	2,132	1,752	1,121
Average number of employees	3,801	3,530	3,475	3,331	3,099

Comparative figure for 2012 above are restated in accordance with IFRS 11 and IAS19R. Earlier years have not been restated.

## Operating Segments

### Regions – Revenues from external clients

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
Northern Europe	621	654	-5	1,956	1,880	4	2,556
Central Europe	424	358	18	1,285	1,042	23	1,433
Western Europe	341	297	15	991	892	11	1,195
<b>Total revenues from external clients</b>	<b>1,386</b>	<b>1,309</b>	<b>6</b>	<b>4,232</b>	<b>3,814</b>	<b>11</b>	<b>5,184</b>

### Regions – Intercompany revenues

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
Northern Europe	72	67	7	214	193	11	265
Central Europe	74	64	16	217	191	14	261
Western Europe	46	32	44	125	89	40	122
Eliminations	-192	-163	18	-556	-473	18	-648
<b>Total intercompany revenues</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>

### Regions – Revaluations of purchased debt

SEK M	July-Sept 2015	July-Sept 2014	Jan-Sept 2015	Jan-Sept 2014	Full Year 2014
Northern Europe	-6	19	-27	19	17
Central Europe	31	-4	68	6	15
Western Europe	4	0	26	3	3
<b>Total revaluation</b>	<b>29</b>	<b>15</b>	<b>67</b>	<b>28</b>	<b>35</b>



## Regions – Revenues excluding revaluations

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
Northern Europe	627	635	-1	1,983	1,861	7	2,539
Central Europe	393	362	9	1,217	1,036	17	1,418
Western Europe	337	297	13	965	889	9	1,192
<b>Total revenues excluding revaluations</b>	<b>1,357</b>	<b>1,294</b>	<b>5</b>	<b>4,165</b>	<b>3,786</b>	<b>10</b>	<b>5,149</b>

## Regions – Amortization related to acquisitions

SEK M	July-Sept 2015	July-Sept 2014	Jan-Sept 2015	Jan-Sept 2014	Full Year 2014
Northern Europe	1	-2	-5	-6	-8
Central Europe	0	0	0	0	0
Western Europe	-1	-2	-3	-3	-4
<b>Total amortization and impairment</b>	<b>0</b>	<b>-4</b>	<b>-8</b>	<b>-9</b>	<b>-12</b>

## Regions – Operating earnings (EBIT)

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
Northern Europe	211	239	-12	588	583	1	750
Central Europe	156	111	41	439	303	45	431
Western Europe	85	65	31	212	184	15	249
<b>Total operating earnings</b>	<b>452</b>	<b>415</b>	<b>9</b>	<b>1,239</b>	<b>1,070</b>	<b>16</b>	<b>1,430</b>
Net financial items	-39	-37	5	-116	-129		-183
<b>Earnings before tax</b>	<b>413</b>	<b>378</b>	<b>9</b>	<b>1,123</b>	<b>941</b>	<b>19</b>	<b>1,247</b>

## Regions – Operating earnings excluding revaluations

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
Northern Europe	217	220	-1	615	564	9	733
Central Europe	125	115	9	371	297	25	416
Western Europe	81	65	25	186	181	3	246
<b>Total operating earnings excluding revaluations</b>	<b>423</b>	<b>400</b>	<b>6</b>	<b>1,172</b>	<b>1,042</b>	<b>12</b>	<b>1,395</b>

## Regions – Operating margin excluding revaluations

%	July-Sept 2015	July-Sept 2014	Jan-Sept 2015	Jan-Sept 2014	Full Year 2014
Northern Europe	35	35	31	30	29
Central Europe	32	32	30	29	29
Western Europe	24	22	19	20	21
<b>Operating margin for the Group</b>	<b>31</b>	<b>31</b>	<b>28</b>	<b>28</b>	<b>27</b>

## Service lines – Revenues

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
Credit Management	1,008	960	5	3,034	2,825	7	3,844
Financial Services	596	564	6	1,842	1,603	15	2,173
Elimination of inter-service line revenue	-218	-215	1	-644	-614	5	-833
<b>Total revenues</b>	<b>1,386</b>	<b>1,309</b>	<b>6</b>	<b>4,232</b>	<b>3,814</b>	<b>11</b>	<b>5,184</b>

## Revenues by type

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
External Credit Management	790	745	6	2,390	2,211	8	3,011
Collections on purchased debt	927	876	6	2,818	2,567	10	3,469
Amortization of purchased debt	-384	-354	8	-1,134	-1,064	7	-1,430
Revaluation of purchased debt	29	15	-	67	28	-	35
Other revenues from Financial Services	24	27	-11	91	72	26	99
<b>Total revenues</b>	<b>1,386</b>	<b>1,309</b>	<b>6</b>	<b>4,232</b>	<b>3,814</b>	<b>11</b>	<b>5,184</b>

## Service lines – Service line earnings

SEK M	July-Sept 2015	July-Sept 2014	Change %	Jan-Sept 2015	Jan-Sept 2014	Change %	Full Year 2014
Credit Management	279	253	10	771	666	16	912
Financial Services	328	308	6	1,017	884	15	1,159
Common costs	-155	-146	6	-549	-480	14	-641
<b>Total operating earnings</b>	<b>452</b>	<b>415</b>	<b>9</b>	<b>1,239</b>	<b>1,070</b>	<b>16</b>	<b>1,430</b>

## Service lines – Service line margin

%	July-Sept 2015	July-Sept 2014	Jan-Sept 2015	Jan-Sept 2014	Full Year 2014
Credit Management	28	26	25	24	24
Financial Services	55	55	55	55	53
<b>Operating margin for the Group</b>	<b>33</b>	<b>32</b>	<b>29</b>	<b>28</b>	<b>28</b>

## Intrum Justitia AB (parent company) – Income Statement

SEK M	Jan-Sept 2015	Jan-Sept 2014	Full Year 2014
Revenues	65	60	92
<b>Gross earnings</b>	<b>65</b>	<b>60</b>	<b>92</b>
Sales and marketing expenses	-11	-12	-22
Administrative expenses	-94	-96	-130
<b>Operating earnings (EBIT)</b>	<b>-40</b>	<b>-48</b>	<b>-60</b>
Income from subsidiaries	64	177	221
Net financial items	-51	-41	-59
<b>Earnings before tax</b>	<b>-27</b>	<b>88</b>	<b>102</b>
Tax	0	-19	-19
<b>Net earnings for the period</b>	<b>-27</b>	<b>69</b>	<b>83</b>

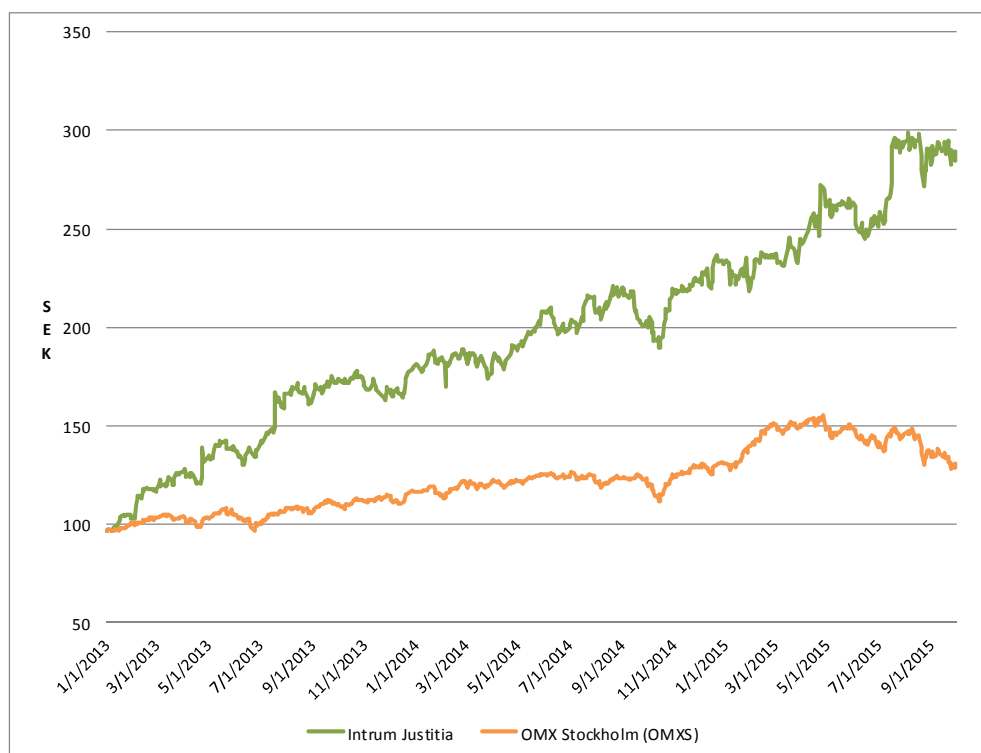
## Intrum Justitia AB (parent company) – Statement of Comprehensive Income

SEK M	Jan-Sept 2015	Jan-Sept 2014	Full Year 2014
Net earnings for the period	-27	69	83
Other comprehensive income:	30	-104	-237
Change of translation reserve (fair value reserve)			
<b>Total comprehensive income</b>	<b>3</b>	<b>-35</b>	<b>-154</b>

## Intrum Justitia AB (parent company) – Balance Sheet

SEK M	30 Sep 2015	30 Sep 2014	31 Dec 2014
<b>ASSETS</b>			
<b>Fixed assets</b>			
Financial fixed assets	7,452	7,825	7,585
<b>Total fixed assets</b>	<b>7,452</b>	<b>7,825</b>	<b>7,585</b>
<b>Current assets</b>			
Current receivables	3,317	3,166	3,570
Cash and bank balances	3	7	12
<b>Total current assets</b>	<b>3,320</b>	<b>3,173</b>	<b>3,582</b>
<b>TOTAL ASSETS</b>	<b>10,772</b>	<b>10,998</b>	<b>11,167</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Restricted equity	284	284	284
Unrestricted equity	634	1,914	1,445
<b>Total shareholders' equity</b>	<b>918</b>	<b>2,198</b>	<b>1,729</b>
Long-term liabilities	6,986	6,415	6,668
Current liabilities	2,868	2,385	2,770
<b>TOTAL SHAREHOLDERS* EQUITY AND LIABILITIES</b>	<b>10,772</b>	<b>10,998</b>	<b>11,167</b>
Pledged assets	None	None	None
Contingent liabilities	None	None	None

## Share price trend



## Intrum Justitia Group - Ownership Structure

30 September 2015	No of shares	Capital and Votes, %
SEB Funds	5,289,765	7.3
Fidelity Funds	4,081,089	5.6
Norges Bank Investment Management	2,600,168	3.6
State of New Jersey Pension Fund	2,500,000	3.4
SHB Funds	1,840,834	2.5
Lannebo Funds	1,800,000	2.5
Odin Funds	1,709,628	2.4
Carnegie Funds	1,598,929	2.2
AMF Insurance & Funds	1,470,940	2.0
Skandia Live Insurance Co	1,304,207	1.8
College Retirement Equities Fund	951,259	1.3
Enter Funds	902,600	1.2
Standard Life Investment Funds	698,490	1.0
Third Swedish National Pension Fund	626,353	0.9
DFA Funds	620,784	0.9
<b>Total, fifteen largest shareholders</b>	<b>27,995,046</b>	<b>38.5</b>

### Total number of shares:

**72,693,256**

Treasury shares, 728,072 shares, are not included in the total number of shares

Swedish ownership accounted for 37.3 percent (institutions 10.7 percentage mutual funds 20.9 percentage points, retail 5.7 percentage points) Source: SIS Aktieägarservice

## **Definitions**

Increases in revenues, operating earnings and earnings before tax refer to the percentage increase in each income statement item year-over-year.

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.

Consolidated revenues include variable collection commissions, fixed collection fees, debtor fees, guarantee commissions, subscription revenue and income from purchased debt operations. Income from purchased debt consists of collected amounts less amortization, i.e., the decrease in the portfolios' book value for the period.

Operating margin is operating earnings as a percentage of revenues.

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'.

Cash flow from purchased debt consists of funds collected on purchased debt with deductions for the service line's overheads, primarily collection costs.

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

Earnings before depreciation and amortization (EBITDA) are operating earnings after depreciation on fixed assets as well as amortization and revaluations of purchased debt are added back.

The abbreviation 'RTM' refers to figures on a rolling 12-month basis.

Service line earnings are that part of operating earnings that can be attributed to the service lines, i.e. excluding shared costs for marketing and administration.

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

Region Central Europe comprises the Group's activities for external clients and debtors in Austria, the Czech Republic, Germany, Hungary, Slovakia and Switzerland.

Region Western Europe comprises the Group's activities for external clients and debtors in Belgium, France, Ireland, Italy, Portugal, Spain and the United Kingdom.