

Year end report

Fourth quarter 2020

Fourth quarter, October–December 2020

- Revenues increased to SEK 5,109 M (4,663) and adjusted revenues decreased to SEK 4,359 M (4,662). Adjusted EBIT decreased to SEK 1,611 M (1,821).
- Cash EBITDA increased to SEK 3,124 M (3,063) and available liquidity at the end of the quarter amounted to SEK 17 billion. Net debt/LTM Cash EBITDA decreased to 4.0x (4.3x).
- For the Credit Management Services segment, cash EBIT decreased to SEK 281 M (413) and operating margin decreased to 20 per cent (24). For Strategic Markets, cash EBIT increased to SEK 875 M (583) and the operating margin increased to 44 per cent (31). The segments cash RoIC for the fourth quarter was 5.8 (8.0) per cent for Credit Management Services and 21.5 (13.3) per cent for Strategic Markets.
- Cash EBIT for Portfolio Investments increased to SEK 834 M (722), cash RoIC was 9.6 per cent (8.3) and portfolio investments amounted to SEK 1,258 M (3,780) for the quarter. Portfolio investments of SEK 5,012 M (7,324) for the full year are in line with our replenishment rate. An additional c. SEK 750 M of transactions won in 2020 are due to be closed during the first quarter of 2021.
- Earnings for the quarter amounted to SEK 576 M (-2,482), and cash earnings per share (Cash EPS) were SEK 9.58 (5.92). Earnings for the full year was SEK 2,078 M (-285) and cash EPS 26.96 (14.81).
- The Board of Directors proposes a share dividend of SEK 12.00 per share (11.00), corresponding to a total of SEK 1,450 M (1,332).

Intrum is leading the way to a sound economy through working with our clients and their customers to support their financial wellbeing as well as a sustainable financial society.

	Fourth quarter			Full year		
	Oct–Dec 2020	Oct–Dec 2019	Change %	2020	2019	Change %
SEKm, unless otherwise indicated						
Revenues	5,109	4,663	10	16,848	15,985	5
Adjusted revenues	4,359	4,662	-6	16,731	15,780	6
Operating earnings (EBIT)	1,200	-2,137	–	4,695	2,060	128
Adjusted EBIT	1,611	1,821	-12	5,738	6,208	-8
Earnings per share, SEK	3.40	-18.84	–	15.18	-2.76	–
Cash EBITDA	3,124	3,063	2	11,607	11,444	1
Cash EBIT	1,523	1,419	7	5,580	4,618	21
Cash EPS	9.58	5.92	62	26.96	14.81	82
Cash RoIC, %	8.7	7.7	1	7.7	6.4	1
Net debt/LTM Cash EBITDA				4.0	4.3	
Adjusted segment earnings Credit Management Services	328	430	-24	1,613	1,793	-10
Adjusted segment earnings Strategic Markets	691	517	34	1,653	1,118	48
Adjusted segment earnings Portfolio Investments	1,063	1,208	-12	4,195	4,947	-15
Portfolio investments	1,258	3,780	-67	5,012	7,324	-32
Carrying value portfolio investments	33,305	35,429	-6	33,305	35,429	-6
Return on portfolio investments, ROI, %	8	14	-6	9	15	-6
Adjusted return on portfolio investments, ROI, %	12	14	-2	12	15	-3

Comment by the President and CEO

We are transforming to ONE Intrum

2020 will be remembered as the year when the Covid-19 pandemic surprised and paralysed the entire world. In such an extraordinary environment, the wellbeing of our employees, clients and customers always came first. We managed to successfully operate our business and serve our clients and customers with up to 75 per cent of staff working remotely. I am very impressed by the dedication displayed throughout the Group that has enabled us to deliver a strong result, especially given the challenging business environment. We have been able to meaningfully improve all cash-based metrics as well as returns compared to last year. I believe we have many reasons to be proud of the progress we have achieved during this difficult year.

At Intrum's Capital Markets Day in November 2020 we presented our transformation program - ONE Intrum. The program will fundamentally alter the way we operate as a company and serve both clients and customers. We are moving from a multi-local setup to a global platform, reinforcing our industry leadership with an even stronger client value proposition and emphasis on customer care.

Showcase of resilient performance despite challenging operating conditions

The fourth quarter continued to highlight the resilience of our business in the context of the second wave of the pandemic, in aggregate leading to a somewhat stronger than expected finish to a challenging year. Under these circumstances, I am very pleased that we have managed to deliver a cash EBIT up 7 per cent for the quarter and 21 per cent year on year,

Thanks to a growing underlying cash flow generation, we delivered a cash return on invested capital for the group of 7.7 per cent, reduced the leverage ratio to 4.0x and generated a cash EPS of SEK 27.0 per share. I am delighted that our resilience and adaptability have enabled us to successfully navigate the pandemic environment in 2020 as well as positioning us well for future success.

The very near-term outlook is, however, more uncertain given past measures to stem the again accelerating spread of the pandemic. We also observe increased provisioning for future credit losses by our clients and customers addressing their personal balance sheet earlier in the cycle.

More broadly, there is significant NPL build-up in the European financial system. Based on discussions with clients, we expect sales and servicing volumes in the market to gradually increase throughout 2021. Intrum is ideally positioned and ready to capture organic growth potential in the wake of the pandemic.

Credit Management Services - Positioned for growing demand with record strong pipeline

During 2020 we saw a lower level of new business inflow. This was mainly due to extended payment terms and delayed NPL formation because of various moratoria. The reduction of fresh cases impacted the cash generated from the Credit Management Services segment this year.

On the other hand, we saw a record number of new client contracts signed in

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2020, highlighting the growing relevance of our client proposition. More specifically, this reflects the mega-trend we discussed at the Capital Markets Day of increased outsourcing of servicing due to regulatory pressure and efficiency gains for our clients. An industry study puts the expected CAGR 2019-2023 in the important Banking and Financial Services segment at above 15 per cent. Covid-19 further strengthens Intrum's role of leading the way to a sound economy through supporting the many SME's in Europe that are in urgent need of liquidity, while at the same time also ensuring that we treat our customers fairly, especially those directly impacted by Covid-19. We are well positioned to capture this growing demand from existing clients and continue to expand into growing segments such as e-commerce and SMEs. The new, more agile and efficient common operating platform being delivered by our transformation program will underpin our ability to address larger case volumes at lower marginal costs, thereby further increasing segment profitability.

During the fourth quarter, cash revenues decreased 7 per cent year on year with an annual cash return on invested capital of 8.1 per cent during 2020.

Strong cash returns in recovering Strategic Markets

The fourth quarter in the Strategic Markets was characterised by a second Covid-19 wave which prompted continued restrictions and remote working. For the first time, our Greek operation was included into our results for a full year. Its performance was highly satisfactory, delivering according to the original business plan against the pandemic related challenges.

Despite the second wave, the Strategic Markets only saw a single digit cash revenue reduction in the quarter compared to last year. The cash return on invested capital for the Strategic Markets is 15.0 per cent for the year.

Impressive performance in Portfolio Investments coupled with low investment levels

The performance of our Portfolio Investments in 2020 is a source of particular satisfaction, demonstrating the strong resilience of our business across our footprint and asset classes. Throughout the year we collected 102 per cent of our pre-Covid-19 forecast with even stronger performance of 112 per cent in the fourth quarter. In cash terms, the segment collected SEK 3,041 M and cash returns on the invested capital amounted to 9.6 per cent.

In Q4, new portfolios acquired amounted to SEK 1.3 bn. Compared to a normal year, clients were less eager to put portfolios on sale and less incentivised to close portfolio sales by year-end. We therefore expect approximately SEK 750 M of transactions won in 2020 to be closed in 2021. The full year investment level was at the replenishment rate in accordance with our communication in spring; we invested at higher returns compared to pre-Covid-19 levels.

Accelerating towards One Intrum

The transformation journey we have embarked on to become ONE Intrum is one of the most important steps that we have taken as a company. The creation of ONE Intrum entails implementing one global digital end-to-end collection process based on a common global infrastructure. As ONE Intrum, we will be able to significantly improve efficiency whilst also strengthening our client and customer proposition. In Q4, we finalised and implemented the governance structure and team to guide and oversee the program and to assure its success and timely delivery. The central production platform is from Q4 2020 available for all our SME clients, which is a great initial step demonstrating the global capabilities and impact ONE Intrum will have for our clients.

During the fourth quarter, we have gone live with the first three countries in the multilingual contact centre in Athens and they are dialling customers as we speak. The opening of the Bucharest and Malaga offices is progressing as planned and the



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recruitment process for highly skilled operators is well underway. Our transformation KPIs of number of cases migrated and cost-to-collect reduction demonstrate we are proceeding according to plan. We expect to see further delivery on these KPIs including substantial case migration in the second half of 2021. To date, we have spent 18 per cent of the total SEK one billion program budget.

The efficiency gains from the transformation program will support lower marginal costs, creating substantial leverage as markets recover in the wake of Covid-19. This, combined with the improved scalability, will enable organic growth while maintaining attractive returns going forward.

The pandemic's effect on European consumers – Intrum's refined proposition is increasingly relevant

Over the course of the pandemic, we have surveyed consumers' financial capacity and behaviours, as households and businesses struggle to cope with the financial effects of Covid-19. These observations were confirmed in Intrum's European Consumer Payment Report, an extensive survey covering the perspectives of 24,000 European consumers in 24 countries, published in the quarter.

It shows that as Europe struggles to cope with the immediate health crisis following the pandemic, both households and businesses have seen a serious, yet disproportionate, impact on consumers' finances. On average, the financial well-being of consumers continues to decline, most significantly impacting consumer groups with lower incomes and unreliable employment. Nonetheless, consumers are making clear efforts to deepen their financial understanding and attain greater control of their personal finances. As an example, four in ten state that they are taking steps to improve their financial literacy, awareness and control, which marks a positive development, and bodes encouragingly

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Impressive commitment by the organisation and Outlook

The fourth quarter was, as many other things the past year, different for Intrum. In a "normal" year, we experience high activity in both collections and portfolio investments. Despite the great effort and the highest ever absolute amount of cash collected, the increase in activity was slightly lower compared to "normal" years. I am however immensely impressed and proud of our employees who have done an outstanding job performing and delivering in this unpredictable and challenging environment. I would like to extend a big thank you to our staff for their continued commitment and loyalty.

We remain optimistic as regards the medium-term outlook for Intrum. In the short term we see continued heightened uncertainty but as pandemic effects recede, we expect both normalisation and increased demand for our services and supply of portfolios at attractive returns to support the outlook. Above all, we have a clear vision to continue to transform and strengthen Intrum for the benefit of our clients, customers, our employees, investors as well as society. Intrum is geared for continuous growth with solid returns and a sound balance sheet. Based on this we propose a dividend per share of SEK 12.00 per share.

I look forward to the next steps on this very exciting transformation journey to ONE Intrum which will set a new industry standard. Tomorrow's Intrum will be a simple, scalable, digital, relevant and growing company.

Stockholm, January 2021

Anders Engdahl
President & CEO

Group overview

Development during the fourth quarter

Revenues and operating earnings

Revenues for the fourth quarter increased to SEK 5,109 M (4,663), corresponding to a 10 per cent increase, with organic growth accounting for 2 per cent, revaluations for 13 per cent and currency effects for -5 per cent. The share of revenues denominated in EUR amounted to 61 per cent (66).

Operating earnings (EBIT) for the fourth quarter amounted to SEK 1,200 M (-2,137), with items affecting comparability of SEK -411 M (-3,959). The adjusted operating earnings, excluding items affecting comparability, decreased to SEK 1,611 M (1,821).

Items affecting comparability

Operating earnings for the quarter included items affecting comparability of SEK -411 M (-3,959). Portfolio revaluations amounted to SEK 599 M, transaction costs for acquisitions for the quarter amounts to SEK -1 M, items affecting comparability attributable to joint ventures to SEK -1,040 M, items affecting comparability for portfolio amortisation of SEK 150 M and other items affecting comparability to SEK -119 M. During the fourth quarter, Intrum changed accounting estimates for the calculation of amortised cost through the effective interest rate method of the financial assets in the portfolio investments segment, for more information see the section "Other information".

Net financial items

Net financial items for the quarter amounted to SEK -505 M (-540). Net interest amounted to SEK -416 M (-405), interest cost on leasing liability SEK -10 M (-10), exchange rate differences to SEK -4 M (3) and other financial items to SEK -75 M (-128).

Earnings for the period and taxes

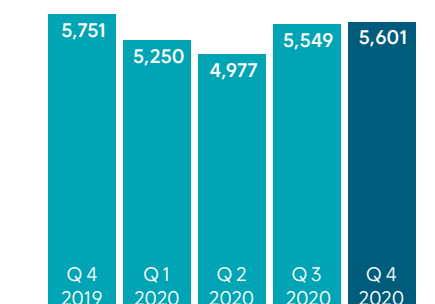
The tax expense for the quarter was SEK 119 M, representing 17.1% of earnings before tax. The tax expense for the full year 2020 was SEK 555 M and 21.1%. The tax expense is impacted by several partly offsetting items with a net positive effect on the tax rate. Accordingly, net earnings for the quarter amounted to SEK 576 M (-2,482), corresponding to earnings per share of SEK 3.40 (-18.84) before and after dilution.

The company's assessment is that the tax expense will, over the next few years, be around 20–25 per cent of earnings before tax for each year, excluding the outcome of any tax disputes.

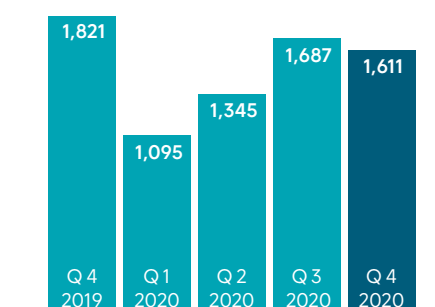
Cash flow and investments

Revenues increased to SEK 5,109 M (4,663) in the quarter to SEK 16,848 M (15,985) compared to the previous year. Cash EBITDA and cash EBIT increased to SEK 3,124 M (3,063) and SEK 1,523 M (1,419) respectively. Cash EBITDA for the full year amounted to SEK 11,607 M (11,444), and cash EBIT for the same period amounted to SEK 5,580 M (4,618), generating a cash EPS of SEK 9.58 per share (5.92) for the quarter and SEK 26.96 per share (14.81) for the whole of 2020. Cash EBIT corresponds to a return level on invested capital (cash RoIC) of 8.7% (7.7%) and 7.7% (6.4) for the full year. In the fourth quarter, Intrum acquired the remaining shares in Intrum Brasil Consultoria e Participações, S.A, Intrum's service business in Brazil. The investment was SEK 29 M and after the acquisition, Intrum holds all shares in the company.

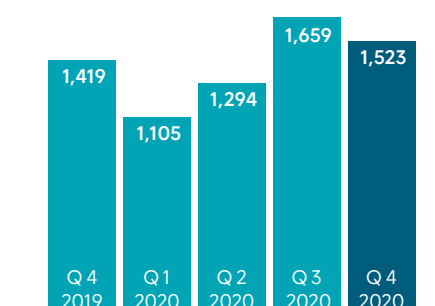
Cash revenues, SEKm



Adjusted EBIT, SEKm



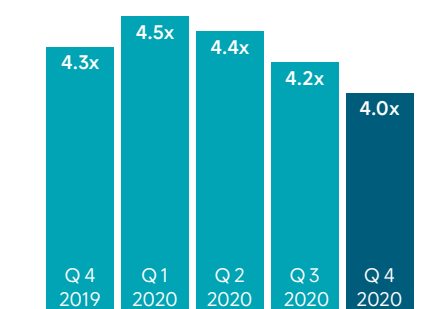
Cash EBIT, SEKm



Assets and financing

Total assets at the end of the quarter amounted to SEK 81 billion, compared with SEK 86 billion at the end of the preceding year. Net debt amounted to SEK 47 billion, which is SEK 2 billion lower than in the fourth quarter of 2019. Net debt in relation to last twelve months adjusted cash EBITDA amounted to 4.0x compared to 4.3x in the fourth quarter of 2019. In July, Intrum issued a five-year unsecured bond of EUR 600 M at a fixed interest rate of 4.875%. The proceeds were used to refinance a fixed interest rate bond maturing in 2022. In September, a supplementary issue was carried out of EUR 250 M at an issue price of 100.75, which provides an effective interest rate of 4.70%. The proceeds of the supplementary issue were used to repay the outstanding amount under Intrum's credit facility. During the third quarter, Intrum issued two unsecured bonds, a two-year bond of SEK 750 M at STIBOR 3m +250 basis points, and a five-year bond of SEK 1,250 M at STIBOR 3m +460 basis points. The bonds were issued within the framework of the existing Swedish MTN programme. During the fourth quarter, Intrum increased its borrowing by issuing commercial papers for SEK 100 M compared to the fourth quarter 2019. The increase in commercial papers issues has been used to repay outstanding amounts under Intrum's credit facility. At the end of the quarter, SEK 2 billion of Intrum's credit facility was utilised, a decrease of SEK 4 billion compared to the fourth quarter of 2019.

Net Debt/LTM Cash EBITDA



Segment overview

Credit Management Services, Strategic Markets and Portfolio Investments

Key figures, Q4 2020

SEKm	Credit Management Services	Strategic Markets	Portfolio Investments	Group items	Group
Cash revenues	1,099	1,461	3,041	–	5,601
Reported segment earnings	328	585	751	-464	1,200
Items affecting comparability	–	106	312	-7	411
Adjusted segment earnings	328	691	1,063	-471	1,611
Depreciation and amortisation	64	223	2	45	335
Depreciation and amortisation	64	223	2	45	335
EBITDA	392	808	753	-418	1,536
Items affecting comparability	–	106	-578	-7	-479
Portfolio amortisations	–	–	1,063	–	1,063
Adjustment earnings from joint ventures	–	–	977	–	977
Adjustment cash flow from joint ventures	–	–	28	–	28
Cash EBITDA	392	914	2,243	-425	3,124
Replenishment capex	–	–	-1,409	–	-1,409
Other capex	-111	-39	–	-41	-191
Cash EBIT	281	875	834	-466	1,523
Cash net financials	–	–	–	–	-238
Cash tax normalised	–	–	–	–	-128
Recurring consolidated cash earnings	–	–	–	–	1,159
Average number of shares outstanding	–	–	–	–	121
Cash EPS	–	–	–	–	9.58
Average invested capital	19,292	16,297	34,602	239	70,430
Cash RoIC, %	5.8	21.5	9.6	–	8.7
Reported revenues	1,664	1,558	2,549	-662	5,109
Items affecting comparability	–	–	-749	–	-749
Adjusted revenues	1,664	1,558	1,800	-662	4,359
Reported segment earnings	328	585	751	-464	1,200
Items affecting comparability	–	106	312	-7	411
Depreciation and amortisation	64	223	2	45	335
Adjusted EBITDA	392	914	1,065	-426	1,946
Depreciation and amortisation	-64	-223	-2	-45	-335
Adjusted EBIT	328	691	1,063	-471	1,611

Credit Management Services, Strategic Markets and Portfolio Investments, cont.

Key figures, Q4 2019

SEKm	Credit Management Services	Strategic Markets	Portfolio Investments	Group items	Group
Cash revenues	1,182	1,610	2,959	–	5,751
Reported segment earnings	255	-2,702	1,195	-884	-2,137
Items affecting comparability	176	3,219	13	550	3,959
Adjusted segment earnings	430	517	1,208	-334	1,821
Depreciation and amortisation	120	129	2	95	346
Depreciation and amortisation	120	129	2	95	346
EBITDA	375	-2,573	1,197	-789	-1,790
Items affecting comparability	176	3,219	13	550	3,959
Portfolio amortisations	–	–	1,058	–	1,058
Adjustment earnings from joint ventures	–	–	-195	–	-195
Adjustment cash flow from joint ventures	–	–	31	–	31
Cash EBITDA	551	646	2,104	-239	3,063
Replenishment capex	–	–	-1,382	–	-1,382
Other capex	-138	-63	–	-60	-261
Cash EBIT	413	583	722	-299	1,419
Cash net financials	–	–	–	–	-322
Cash tax normalised	–	–	–	–	-322
Recurring consolidated cash earnings	–	–	–	–	775
Average number of shares outstanding	–	–	–	–	131
Cash EPS	–	–	–	–	5.92
Average invested capital	20,737	17,520	34,818	290	73,365
Cash RoIC, %	8.0	13.3	8.3	–	7.7
Reported revenues	1,792	1,665	1,867	-661	4,663
Items affecting comparability	–	–	-1	–	-1
Adjusted revenues	1,792	1,665	1,866	-661	4,662
Reported segment earnings	255	-2,702	1,195	-884	-2,137
Items affecting comparability	176	3,219	13	550	3,959
Depreciation and amortisation	120	129	2	95	346
EBITDA	551	646	1,210	-239	2,168
Depreciation and amortisation	-120	-129	-2	-95	-346
Adjusted EBIT	430	517	1,208	-334	1,821

Credit Management Services

Credit management with a focus on late payment and collection. This segment includes 21 of the 24 European countries in which Intrum maintains credit management operations.

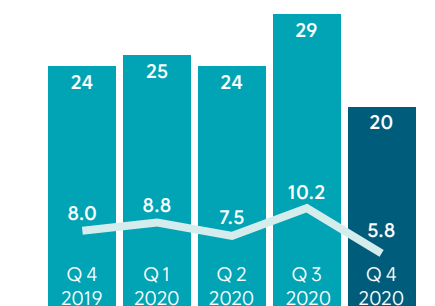
SEKm	Fourth quarter			Full year		
	Oct–Dec 2020	Oct–Dec 2019	Change %	2020	2019	Change %
Cash revenues	1,099	1,182	-7	4,375	4,736	-8
Expenses	-707	-631	12	-2,484	-2,574	-3
Cash EBITDA	392	551	-29	1,891	2,162	-13
Other capex	-111	-138	-20	-295	-369	-20
Cash EBIT	281	413	-32	1,596	1,793	-11
External revenues	1,099	1,182	-7	4,375	4,736	-8
Internal revenues	565	610	-7	2,232	2,278	-2
Total revenues	1,664	1,792	-7	6,607	7,014	-6
Items affecting comparability	–	–	–	–	–	–
Adjusted revenues	1,664	1,792	-7	6,607	7,014	-6
Segment earnings	328	255	29	1,613	1,558	4
Items affecting comparability	–	176	-100	–	235	-100
Adjusted segment earnings	328	430	-24	1,613	1,793	-10
KPI's						
Average invested capital	19,292	20,737	-7	19,583	20,757	-6
Segment cash RoIC, %	5.8	8.0	-2	8.1	8.6	0
Cash revenues organic change, %	-3	–	–	-5	–	–
Exchange rates, %	-4	–	–	-2	–	–
Acquired growth, %	–	–	–	–	–	–
Operating margin, %	20	14	6	24	22	2
Adjusted operating margin, %	20	24	-4	24	26	-1

The inflow of new business volumes remained subdued during the fourth quarter due to some clients offering temporary payment relief to their customers in the context of Covid-19. This impacted both cash revenues and earnings for the fourth quarter.

Compared with the fourth quarter of the preceding year, cash revenues decreased by 7 per cent, with the change to some extent being explained by a negative currency effect of negative 4 per cent. Cash EBIT for the quarter decreased by 32 per cent compared with the fourth quarter of the preceding year and the cash return on invested capital decreased to 5.8 per cent (8.0) for the fourth quarter and to 8.1 per cent (8.6) for the full year 2020.

The ONE Intrum transformation programme, launched at the capital markets day in November 2020, will fundamentally overhaul Intrum's operating model and over time, support earnings and returns through an enhanced client proposition and a scalable production platform.

Credit Management Services, adjusted operating margin, % and segment cash RoIC, %



Strategic Markets

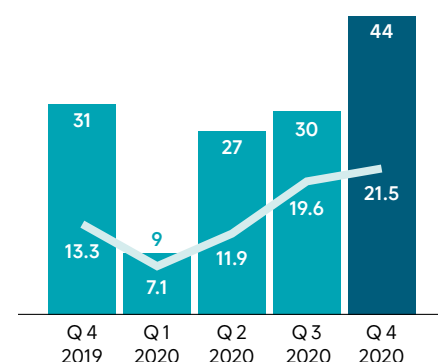
Credit management focusing on late payment and collection in Italy, Spain and Greece.

	Fourth quarter			Full year		
	Oct–Dec 2020	Oct–Dec 2019	Change %	2020	2019	Change %
SEKm						
Cash revenues	1,461	1,610	-9	5,409	4,180	29
Expenses	-547	-964	-43	-2,687	-2,435	10
Cash EBITDA	914	646	41	2,722	1,745	56
Other capex	-39	-63	-38	-183	-170	8
Cash EBIT	875	583	50	2,539	1,575	61
External revenues	1,461	1,610	-9	5,409	4,180	29
Internal revenues	97	55	76	346	255	36
Total revenues	1,558	1,665	-6	5,755	4,436	30
Items affecting comparability	–	–	–	–	-177	-100
Adjusted revenues	1,558	1,665	-6	5,755	4,259	35
Segment earnings	585	-2,702	-122	1,547	-1,974	-178
Items affecting comparability	106	3,219	-97	106	3,092	-97
Adjusted segment earnings	691	517	34	1,653	1,118	48
KPI's						
Average invested capital	16,297	17,520	-7	16,980	17,014	2
Segment cash RoIC, %	21.5	13.3	8	15.0	9.3	6
Cash revenues organic change, %	-6	–	–	-7	–	–
Exchange rates, %	-3	–	–	-1	–	–
Acquired growth, %	–	–	–	37	–	–
Operating margin, %	38	-162	200	27	-44	73
Adjusted operating margin, %	44	31	13	29	26	3

Compared with the fourth quarter of the preceding year, the segment's fourth quarter cash revenues declined despite strong growth in adjusted segment earnings. Cash revenues decreased by 9 per cent compared with the fourth quarter of the preceding year, although cash EBIT increased by 50 per cent to SEK 875 M (583). This was due to continued strict cost control as well as the efficiency programme launched in 2019 taking full effect. The cash return on invested capital for the segment rose to 21.5 per cent (13.3) for the quarter and to 15.0 per cent (9.3) for full year 2020.

The segment usually exhibits a seasonally higher level of activity during the fourth quarter. Despite being impacted by the second wave of the pandemic, this trend was still noticeable, albeit to a lesser extent than in previous years. Lockdowns and other measures had a lesser impact during the fourth quarter compared to the second quarter as restrictions were generally more targeted and with a lower impact on economic activity. Legal systems largely continued to operate during the fourth quarter, however, with lower efficiency and longer processing times than before the pandemic.

**Strategic Markets,
adjusted operating margin, %
and segment cash RoIC, %**



Portfolio Investments

Intrum invests in portfolios of overdue receivables, after which Intrum's service operations collect on the receivables acquired.

SEKm	Fourth quarter 2020					Fourth quarter 2019				
	Overdue receivables	REO	Financial services	Joint ventures	Segment total	Overdue receivables	REO	Financial services	Joint ventures	Segment total
Cash revenues	2,944	24	45	28	3,041	2,836	51	41	31	2,959
Expenses	-754	-27	-17	–	-798	-783	-54	-18	–	-855
Cash EBITDA	2,190	-3	28	28	2,243	2,053	-3	23	31	2,104
Replenishment capex	-1,409	–	–	–	-1,409	-1,382	–	–	–	-1,382
Cash EBIT	781	-3	28	28	834	671	-3	23	31	722
Total revenues	2,480	24	45	–	2,549	1,775	51	41	–	1,867
Items affecting comparability	-749	–	–	–	-749	-1	–	–	–	-1
Adjusted segment revenues	1,731	24	45	–	1,800	1,774	51	41	–	1,866
Segment earnings	1,725	-24	27	-977	751	980	-3	22	195	1,195
Items affecting comparability	-749	21	–	1,040	312	13	–	–	–	13
Adjusted segment earnings	976	-3	27	63	1,063	993	-3	22	195	1,208
KPI's										
Average invested capital	27,812	399	479	5 912	34,602	27,394	377	505	6,543	34,818
Segment cash RoIC, %	11.2	-3.0	23.4	1.9	9.6	9.7	2.1	18.2	1.9	8.3
Investments	1,258	15	–	–	1,273	3,780	38	–	–	3,818
Money-on-money multiple (LTM)	2.08	–	–	–	2.08	2.04	–	–	–	2.04
Book value	27,658	381	–	5,266	33,305	28,508	382	–	6,539	35,429
ERC	58,490	689	–	6,288	65,467	55,311	695	–	8,989	64,995
Cost to collect, %	26	205	–	–	27	28	104	–	–	29
Amortisation ratio, %	36	–	–	–	36	37	–	–	–	37
Operating margin, %	70	-100	60	–	29	55	-4	54	–	64
Adjusted operating margin, %	56	-18	60	–	56	56	-4	54	–	65
Return on portfolio investments, ROI, %	25	-25	–	-66	8	14	-3	–	12	14
Adjusted return on portfolio investments, ROI, %	14	-4	–	4	12	14	-3	–	12	14

The segment's operations experienced a strong quarter in terms of collections performance. The level of portfolio investment of SEK 1,258 M was lower than during the fourth quarter of 2019, albeit at higher returns. Cash revenues for the quarter rose by 3 per cent compared with the fourth quarter in the preceding year, amounting to SEK 3,041 M (2,959). In the fourth quarter, the segment collected 112 per cent of its forecast (not adjusted for Covid-19). For the full year 2020, the corresponding figure was 102 per cent.

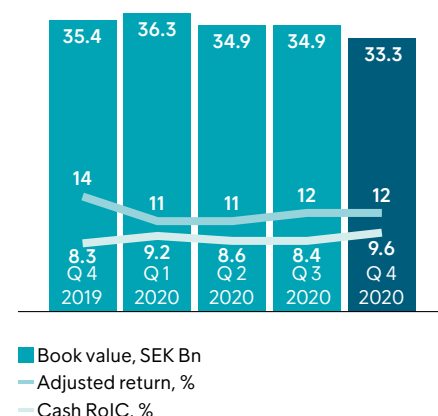
Cash EBIT for the fourth quarter increased by 16 per cent compared with the preceding year and by 14 per cent for the full year 2020. This corresponds to a cash return on invested capital of 9.6 per cent (8.3) for the quarter and 9.0 per cent (8.4) for full year 2020.

Cashflow from participations in joint ventures decreased to SEK 28 M (31) for the quarter but increased to SEK 338 M (179) for the full year 2020. In 2020, our investments in joint ventures were affected by the Covid-19 pandemic. Likely delays in cash flows and more uncertain economic prospects versus original expectations caused us to write down the value of shares in joint ventures by SEK 397 M in the fourth quarter.

Portfolio investments amounted to SEK 1.3 billion (3.8) for the quarter and to SEK 5.1 billion (7.6) for the full year 2020. During 2020, the book value of the investments decreased by 6 per cent to SEK 33.3 billion (35.4). The change in book value is largely explained by exchange rate fluctuations, which reduced the booked value by SEK 1.9 billion in 2020.

During the quarter, Intrum aligned with accounting practices for calculating amortised cost using the effective interest rate for overdue receivables. This resulted in the book value being written up by SEK 899 M in the fourth quarter and shares in

**Portfolio Investments,
Book value, SEK Bn,
Adjusted return, %, Cash RoIC, %**



Portfolio Investments, cont.

joint ventures being written down by SEK 643 M. The regular process of revaluating the portfolios resulted in these being written down by SEK 150 M (1) as well as shares in joint ventures being written down by SEK 397 M. The net effect of the revaluation and the alignment to accounting practice on the investments, excluding shares in joint ventures, was SEK 749 M (1) for the fourth quarter.

The expected return on investments made in the quarter continues to be significantly above the level at which Intrum invested before the outbreak of the Covid-19 pandemic. While a higher expected return is encouraging, the company is aware that the current level of return is unlikely to persist when markets normalise.

SEKm	Full year 2020					Full year 2019				
	Overdue receivables	REO	Financial services	Joint ventures	Segment total	Overdue receivables	REO	Financial services	Joint ventures	Segment total
Cash revenues	10,964	129	162	338	11,593	10,786	274	149	197	11,406
Expenses	-2,849	-124	-75	–	-3,048	-2,933	-254	-63	–	-3,250
Cash EBITDA	8,115	5	87	338	8,545	7,853	20	86	197	8,156
Replenishment capex	-5,355	–	–	–	-5,355	-5,339	–	–	–	-5,339
Cash EBIT	2,760	5	87	338	3,190	2,514	20	86	197	2,817
Total revenues	6,773	129	162	–	7,064	6,632	274	149	–	7,055
Items affecting comparability	-117	–	–	–	-117	-28	–	–	–	-28
Adjusted segment revenues	6,656	129	162	–	6,947	6,604	274	149	–	7,027
Segment earnings	3,917	-15	84	-735	3,251	3,680	18	83	1,179	4,960
Items affecting comparability	-117	21	–	1,040	944	-13	–	–	–	-13
Adjusted segment earnings	3,800	6	84	305	4,195	3,667	18	83	1,179	4,947
KPI's										
Average invested capital	28,171	405	495	6,296	35,367	26,661	344	493	6,094	33,592
Segment cash RoIC, %	9.8	1.2	17.6	5.4	9.0	9.4	5.8	17.4	3.2	8.4
Investments	5,012	117	–	–	5,129	7,324	233	–	–	7,556
Money-on-money multiple (LTM)	2.08	–	–	–	2.05	2.04	–	–	–	2.04
Book value	27,658	381	–	5,266	33,305	28,508	382	–	6,539	35,429
ERC	58,490	689	–	6,288	65,467	55,311	695	–	8,989	64,995
Cost to collect, %	26	112	–	–	25	27	94	–	–	29
Amortisation ratio, %	38	–	–	–	38	39	–	–	–	39
Operating margin, %	58	-12	52	–	46	55	6	56	–	70
Adjusted operating margin, %	56	4	52	–	59	56	6	56	–	70
Return on portfolio investments, ROI, %	14	-4	–	-12	9	14	5	–	19	15
Adjusted return on portfolio investments, ROI, %	14	1	–	5	12	14	5	–	19	15

Financial overview

Alternative P&L, Adjusted Group figures

SEKm	Fourth quarter			Full year		
	Oct–Dec 2020	Oct–Dec 2019	Change %	2020	2019	Change %
External revenues	2,636	2,894	-9	10,082	9,191	10
Gross cash collections	2,937	2,826	4	10,957	10,772	2
Cash flow from joint ventures	28	31	-10	338	197	72
Cash revenues	5,601	5,751	-3	21,377	20,160	6
Expenses	-2,477	-2,688	-8	-9,770	-9,504	3
Cash EBITDA	3,124	3,063	2	11,607	10,656	9
Other capex	-191	-261	-27	-672	-699	-4
Replenishment capex	-1,409	-1,382	2	-5,355	-5,339	0
Cash EBIT	1,523	1,419	7	5,580	4,618	21
Net financial items	-238	-322	26	-1,763	-1,875	6
Cash tax normalised	-128	-322	62	-474	-802	-41
Recurring consolidated cash earnings	1 159	775	50	3,343	1,941	73
Average number of shares outstanding	121	131	-8	124	131	-5
Cash EPS	9,58	5,92	62	26,96	14,81	82
Cashflow from operating activities to cash EBITDA						
Operating cash flow	1,490	1,837	-19	8,716	6,392	36
Items affecting comparability excluding impairment	121	921	-87	121	1,138	-89
Cash financial items	238	322	-26	1,763	1,875	-6
Paid tax	623	322	73	970	802	21
Change in working capital (NWC)	547	-218	-367	-465	371	-224
Other non-cash items	-900	42	-2,169	-570	1,059	-154
Adjustment earnings from joint ventures	977	-194	-604	735	-1,179	-162
Adjustment cash flow from joint ventures	28	31	-10	338	197	72
Pro forma adjustments	–	–	–	–	789	–
Cash EBITDA	3,124	3,063	2	11,607	11,444	1
Depreciation and amortisation	-335	-346	-3	-1,529	-1,246	23
Portfolio amortisations	-1,063	-1,058	0	-4,158	-4,183	-1
Adjustment earnings from joint ventures	-977	195	-601	-735	1,179	-162
Adjustment cash flow from joint ventures	-28	-31	-10	-338	-197	72
Items affecting comparability portfolio amortisations	-150	–	-100	-150	–	-100
Items affecting comparability joint venture	1,040	–	100	1,040	–	100
Adjusted EBIT	1,611	1,821	-12	5,738	6,208	-8

Alternative P&L, Adjusted Group figures

SEKm	Fourth quarter 2020					Full year 2020				
	Credit Man- agement Services	Strategic Markets	Portfolio Investments	Group items	Group	Credit Man- agement Services	Strategic Markets	Portfolio Investments	Group items	Group
External revenues	1,099	1,461	76	–	2,636	4,375	5,409	298	–	10,082
Gross cash collections	–	–	2,937	–	2,937	–	–	10,957	–	10,957
Cash flow from joint ventures	–	–	28	–	28	–	–	338	–	338
Cash revenues	1,099	1,461	3,041	–	5,601	4,375	5,409	11,593	–	21,377
Expenses	-707	-547	-798	-425	-2,477	-2,484	-2,687	-3,048	-1,550	-9,770
Cash EBITDA	392	914	2,243	-425	3,124	1,891	2,722	8,545	-1,550	11,607
Depreciation and amortisation	-64	-223	-2	-45	-335	-278	-1,069	-8	-173	-1,529
Portfolio amortisations	–	–	-1,063	–	-1,063	–	–	-4,158	–	-4,158
Adjustment earnings from joint ventures	–	–	-977	–	-977	–	–	-735	–	-735
Adjustment cash flow from joint ventures	–	–	-28	–	-28	–	–	-338	–	-338
Items affecting comparability portfolio amortisations	–	–	-150	–	-150	–	–	-150	–	-150
Items affecting comparability joint venture	–	–	1,040	–	1,040	–	–	1,040	–	1,040
Adjusted segment earnings	328	691	1,063	-471	1,611	1,613	1,653	4,195	-1,723	5,738
Cash EBITDA margin, %	36	63	74	–	56	43	50	74	–	54

Financial overview, cont.

Revenues by type

	Fourth quarter			Full year		
	Oct–Dec 2020	Oct–Dec 2019	Change %	2020	2019	Change %
SEKm						
External servicing revenues	2,560	2,796	-8	9,784	8,930	10
Gross cash collections	2,937	2,826	4	10,957	10,772	2
Other Portfolio Investment segment revenues	76	98	-22	298	438	-32
Cash flow from joint ventures	28	31	-10	338	197	72
Cash revenues	5,601	5,751	-3	21,377	20,337	5
Portfolio investment amortisations	-1,063	-1,058	0	-4,158	-4,183	-1
Portfolio investment revaluations	599	1	100	-33	28	-218
Adjustment cash flow from joint ventures	-28	-31	-10	-338	-197	72
Total revenues	5,109	4,663	10	16,848	15,985	5

Change in revenues

	Fourth quarter		Full year	
	Oct–Dec 2020	Oct–Dec 2019	2020	2019
Change in revenues, %				
Organic growth	2	1	-2	-2
Acquired growth	–	29	10	18
Portfolio revaluations	13		-1	
Exchange rates	-5	3	-2	3
Total	10	33	5	19

Items affecting comparability in operating earnings

	Fourth quarter		Full year	
	Oct–Dec 2020	Oct–Dec 2019	2020	2019
SEKm				
Positive revaluations of portfolio investments	3,030	375	3,145	920
Negative revaluations of portfolio investments	-2,431	-374	-3,177	-892
Integration costs Lindorff	–	-134	–	-224
Transaction costs for M&A	-1	-136	-1	-274
Received compensation for terminated BPO contract	–	0	–	147
Impairment write-down of goodwill	–	-2,700	–	-2,700
Efficiency improvement programme	–	-621	–	-656
Items affecting comparability joint ventures	-1,040	–	-1,040	–
Other items affecting comparability	-119	-368	-119	-469
Items affecting comparability portfolio amortisations	150	–	150	–
Total items affecting comparability in operating earnings	-411	-3,958	-1,043	-4,148

Net financial items specification

	Fourth quarter			Full year		
	Oct–Dec 2020	Oct–Dec 2019	Change %	2020	2019	Change %
SEKm						
Interest earnings	11	19	-42	43	63	-32
Interest costs	-427	-424	1	-1,746	-1,512	15
Interest cost on leasing liability according to IFRS 16	-10	-10	0	-41	-43	-5
Exchange rate differences	-4	3	-233	16	18	-11
Amortisation of borrowing costs	-23	-29	-21	-109	-94	16
Commitment fee	-48	-29	66	-137	-80	71
Other financial items	-4	-70	-94	-88	-273	-68
Total net financial items	-505	-540	-6	-2,062	-1,921	7

Quarterly overview

Group

	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020	Quarter 4 2019	Quarter 3 2019	Quarter 2 2019	Quarter 1 2019
SEKm								
Cash revenues	5,601	5,549	4,977	5,250	5,751	4,919	4,895	4,596
Cash EBITDA	3,124	3,142	2,709	2,633	3,063	2,609	2,670	2,314
Cash EBIT	1,523	1,659	1,294	1,105	1,419	1,200	1,170	828
Cash EPS	9.58	5.31	9.57	2.90	5.92	0.77	6.89	1.23
Revenues	5,109	4,521	3,885	3,333	4,663	3,786	3,784	3,752
Adjusted revenues	4,359	4,520	3,882	3,969	4,662	3,777	3,780	3,561
Operating earnings (EBIT)	1,200	1,688	1,348	459	-2,137	1,375	1,475	1,347
Adjusted EBIT	1,611	1,687	1,345	1,095	1,821	1,476	1,561	1,350
Net earnings	576	864	671	-33	-2,482	579	879	739
Earnings per share, SEK	3.40	6.97	5.39	-0.25	-18.84	4.26	6.26	5.63
Return on equity, %	8	16	13	0	-42	9	13	12
Equity per share, SEK	158.05	166.15	159.46	165.62	168.12	193.28	187.54	188.55
Cash flow from operating activities per share, SEK	12.32	17.01	23.88	17.37	14.03	9.97	14.47	10.30
Average invested capital	70,430	71,938	73,928	74,962	73,365	72,258	69,957	67,960
Cash RoIC, %	8.7	9.2	7.0	5.9	7.7	6.6	6.7	4.9
Number of employees (FTEs)	9,458	9,446	9,366	9,188	9,430	8,959	8,542	8,133

Credit Management Services

	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020	Quarter 4 2019	Quarter 3 2019	Quarter 2 2019	Quarter 1 2019
MSEK								
Cash revenues	1,099	1,089	1,048	1,139	1,182	1,190	1,194	1,179
Cash EBIT	281	495	374	446	413	585	457	338
Revenues	1,664	1,647	1,590	1,705	1,792	1,764	1,741	1,716
– thereof external clients	1,099	1,089	1,048	1,139	1,182	1,190	1,194	1,179
– thereof intercompany revenues	565	559	542	566	610	574	547	537
Adjusted revenues	1,664	1,647	1,590	1,705	1,793	1,765	1,740	1,716
Segment earnings	328	482	383	420	255	459	448	396
Adjusted segment earnings	328	482	383	420	430	490	460	412
Items affecting comparability	–	–	–	–	-176	-30	-12	-15
Adjusted operating margin, %	20	29	24	25	24	28	26	24
Average invested capital	19,292	19,500	19,874	20,321	20,737	21,117	20,777	20,082
Segment Cash RoIC, %	5.8	10.2	7.5	8.8	8.0	11.1	8.8	6.7

Strategic Markets

	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020	Quarter 4 2019	Quarter 3 2019	Quarter 2 2019	Quarter 1 2019
SEKm								
Cash revenues	1,461	1,637	1,202	1,108	1,610	899	905	766
Cash EBIT	875	819	525	320	583	261	480	251
Revenues	1,558	1,738	1,265	1,194	1,665	961	975	834
– thereof external clients	1,461	1,637	1,202	1,108	1,610	899	905	766
– thereof intercompany revenues	97	101	63	86	55	62	70	68
Adjusted revenues	1,558	1,738	1,265	1,194	1,665	961	973	659
Segment earnings	585	515	345	102	-2,702	153	334	241
Adjusted segment earnings	691	515	345	102	517	161	337	103
Items affecting comparability	106	–	–	–	3,219	-8	-3	138
Adjusted operating margin, %	44	30	27	9	31	17	35	16
Average invested capital	16,297	16,755	17,664	17,986	17,520	17,534	16,508	15,439
Segment Cash RoIC, %	21.5	19.6	11.9	7.1	13.3	6.0	11.6	6.5

Quarterly overview, cont.

Portfolio Investments

	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020	Quarter 4 2019	Quarter 3 2019	Quarter 2 2019	Quarter 1 2019
MSEK								
Cash revenues	3,041	2,823	2,727	3,002	2,959	2,829	2,796	2,827
Cash EBITDA	2,243	2,065	1,998	2,239	2,104	2,070	2,014	1,968
Cash EBIT	834	748	775	834	722	750	654	692
Gross cash collections	2,937	2,700	2,536	2,784	2,826	2,679	2,671	2,594
Portfolio amortisations	-1,063	-972	-994	-1,129	-1,058	-1,061	-1,068	-996
Portfolio revaluation	599	1	3	-636	1	9	2	16
Other Portfolio Investment segment revenues	76	66	90	66	98	68	80	193
Revenues	2,549	1,795	1,635	1,085	1,867	1,695	1,685	1,807
Segment earnings	751	1,094	1,006	401	1,195	1,246	1,215	1,306
Adjusted segment earnings	1,063	1,093	1,003	1,037	1,208	1,236	1,214	1,289
Portfolio investments	1,258	837	1,267	1,650	3,780	831	1,436	1,277
Total carrying value of portfolio investments	33,305	34,940	34,945	36,297	35,429	33,196	32,377	31,392
– thereof purchased receivables	27,658	27,966	28,032	29,026	28,508	26,279	26,228	25,628
– thereof joint ventures	5,266	6,557	6,507	6,855	6,539	6,546	5,815	5,477
– thereof real estate	381	416	406	416	382	371	334	287
Adjusted return on portfolio investments, ROI, %	12	12	11	11	14	15	15	16
Amortisation ratio, %	36	36	39	41	37	40	40	38
ERC	65,467	64,393	64,674	68,551	64,995	61,310	60,896	58,686
Replenishment CAPEX	-1,409	-1,317	-1,223	-1,405	-1,382	-1,320	-1,360	-1,277
Money-on-money multiple (LTM)	2.08	2.05	2.07	1.98	2.04	2.03	1.96	2.03
Average invested capital	34,602	35,440	36,134	36,383	34,818	33,304	32,365	32,137
Segment Cash RoIC, %	9.6	8.4	8.6	9.2	8.3	9.0	8.1	8.6

Money-on-money multiple

	Quarter 4 2020	Quarter 3 2020	Quarter 2 2020	Quarter 1 2020	Quarter 4 2019	Quarter 3 2019	Quarter 2 2019	Quarter 1 2019
Purchase price of portfolios acquired in quarter	1,256	837	1,267	1,650	3,780	831	1,436	1,277
Lifetime ERC of portfolios acquired in quarter	2,554	1,791	2,944	3,036	7,165	1,856	2,811	2,669
Quarterly MoM	2.03	2.14	2.32	1.84	1.90	2.23	1.96	2.09
LTM MoM (average of quarterly MoM)	2.08	2.05	2.07	1.98	2.04	2.03	1.96	2.03
In quarter collections	2,937	2,700	2,536	2,784	2,826	2,679	2,671	2,594
LTM MoM (average of quarterly MoM)	2.08	2.05	2.07	1.98	2.04	2.03	1.96	2.03
Replenishment capex	-1,409	-1,317	-1,223	-1,405	-1,382	-1,320	-1,360	-1,277
	Full year 2020				Full year 2019			
Replenishment capex	-5,355				-5,339			

Five year overview

Group

SEKm	2020	2019	2018	2017	2016
Revenues	16,848	15,985	13,442	9,434	5,869
Adjusted revenues	16,731	15,780	13,131	9,437	5,824
EBIT	4,695	2,060	3,978	2,728	1,921
Adjusted EBIT	5,738	6,208	4,500	3,128	1,866
Net earnings	2,078	-285	1,943	1,503	1,468
Earnings per share, SEK	15.18	-2.76	14.18	14.62	20.15
Return on equity, %	37	-2	8	11	41
Equity per share, SEK	154.28	168.12	195.16	170.59	55.88
Cash flow from operating activities per share, SEK	70.35	48.77	48.10	-	46.64
Number of employees (FTEs)	9,379	8,766	7,910	6,293	3,865

Group

SEKm	Quarter 4 2020	Quarter 4 2019	Quarter 4 2018	Quarter 4 2017	Quarter 4 2016
Revenues	5,109	4,663	3,157	3,101	1,657
Adjusted revenues	4,359	4,662	3,441	3,145	1,652
EBIT	1,200	-2,137	1,003	807	543
Adjusted EBIT	1,611	1,821	1,236	1,008	533
Cash EBITDA	3,124	3,063	2,401	2,100	1,926
Net earnings	576	-2,482	482	443	429
Earnings per share, SEK	3.40	-18.84	3.70	3.37	5.90
Return on equity, %	8	-42	8	8	45
Equity per share, SEK	158.05	168.12	180.26	170.56	55.88
Cash flow from operating activities per share, SEK	12.32	14.03	13.81	10.19	15.37
Number of employees (FTEs)	9,374	11,125	7,711	7,806	3,993

Reconciliation of alternative performance measures

SEKm	Fourth quarter		Full year	
	Oct–Dec 2020	Oct–Dec 2019	2020	2019
Items affecting comparability in revenues				
Positive revaluations of portfolio investments	3,030	375	3,145	920
Negative revaluations of portfolio investments	-2,431	-374	-3,178	-892
Impact from early terminated BPO	–	0	–	177
Items affecting comparability portfolio amortisations	150	–	150	–
Total items affecting comparability in revenues	749	1	117	205
Items affecting comparability in operating earnings				
Positive revaluations of portfolio investments	3,030	375	3,145	920
Negative revaluations of portfolio investments	-2,431	-374	-3,178	-892
Integration costs Lindorff	–	-134	–	-224
Transaction costs for M&A	-1	-136	-1	-274
Impact from early terminated BPO contract	–	–	–	147
Impairment write-down of goodwill	–	-2,700	–	-2,700
Efficiency improvement programme	–	-621	–	-656
Items affecting comparability joint venture	-1 040	–	-1,040	–
Other items affecting comparability	-119	-368	-119	-469
Items affecting comparability portfolio amortisations	150	–	150	–
Total items affecting comparability in operating earnings	-411	-3,958	-1,043	-4,148
Items affecting comparability by earnings statement line				
Revenues from clients	–	–	–	177
Positive revaluations of portfolio investments	3,030	375	3,145	920
Negative revaluations of portfolio investments	-2,431	-374	-3,178	-892
Cost of sales	30	-710	30	-819
Sales, marketing and administration costs	–	-549	–	-834
Items affecting comparability joint venture	-1,040	–	-1,040	–
Impairment write-down of goodwill	–	-2,700	–	-2,700
Total items affecting comparability in operating earnings	-411	-3,958	-1,043	-4,148
Other items affecting comparability by segment				
Credit Management Services	–	-176	–	-235
Strategic Markets	-106	-3,219	-106	-3,092
Portfolio Investments	-312	-13	-944	-15
Common costs	7	-550	7	-834
Total other items affecting comparability	-411	-3,959	-1,043	-4,176
Adjusted revenues				
Revenues	5,109	4,663	16,848	15,985
Items affecting comparability	-749	-1	-117	-205
Adjusted revenues	4,359	4,662	16,731	15,780

Reconciliation of alternative performance measures, cont.

	Fourth quarter		Full year	
SEKm	Oct–Dec 2020	Oct–Dec 2019	2020	2019
Adjusted EBIT				
EBIT	1,200	-2,137	4,695	2,060
Items affecting comparability	411	3,958	1,043	4,148
Total adjusted EBIT	1,611	1,821	5,738	6,208
Portfolio Investment segment earnings excluding items affecting comparability				
Portfolio Investment segment earnings	724	1,173	3,167	4,877
Items affecting comparability for investments	312	-1	944	-28
Portfolio Investment segment earnings excluding items affecting comparability	1,036	1,172	4,111	4,849
Average carrying value				
Average carrying value receivables	27,812	27,394	28,171	26,661
Average carrying value joint ventures	5,912	6,543	6,296	6,094
Average carrying value real estate	399	377	405	344
Total average carrying value	34,123	34,314	34,872	33,099
Return including items affecting comparability	8	14	9	15
Return excluding items affecting comparability	12	14	12	15
Cash EBITDA				
EBIT	1,200	-2,137	4,696	2,060
Depreciation and amortisation	335	346	1,528	1,246
Portfolio amortisations	1,063	1,058	4,158	4,183
Portfolio revaluations	-599	-1	33	-28
Adjustments according to loan covenants:				
Adjustment earnings from joint ventures	977	-194	735	-1,179
Adjustment cash flow from joint ventures	28	31	338	197
Goodwill impairment	–	2,700	–	2,700
Items affecting comparability excluding portfolio revaluations	1,010	1,259	1,010	1,476
Items affecting comparability joint venture	-1,040	–	-1,040	–
Items affecting comparability portfolio amortisations	150	–	150	–
Other pro forma adjustments	–	–	–	789
Cash EBITDA	3,124	3,063	11,607	11,444
Net debt				
Liabilities to credit institutions	2,081	6,186	2,081	6,186
Bond loans	43,706	41,644	43,706	41,644
Provisions for pensions	382	387	382	387
Commercial paper	2,916	2,794	2,916	2,794
Cash and cash equivalents	-2,134	-1,906	-2,134	-1,906
Net debt at end of period	46,951	49,105	46,951	49,105
Net debt/LTM Cash EBITDA			4.0	4.3

Financial reports

Consolidated earnings statement in summary

	Fourth quarter		Full year	
SEKm	Oct–Dec 2020	Oct–Dec 2019	2020	2019
Revenues from clients	2,635	2,894	10,085	9,368
Revenues on portfolio investments calculated using the effective interest method	1,874	1,768	6,796	6,589
Positive revaluations of portfolio investments	3,030	375	3,145	920
Negative revaluations of portfolio investments	-2,431	-374	-3,178	-892
Total revenues	5,109	4,663	16,848	15,985
Cost of sales	-2,445	-3,398	-9,501	-9,807
Gross earnings	2,664	1,265	7,347	6,178
Sales, marketing and administrative expenses	-487	-896	-1,918	-2,597
Goodwill impairment	–	-2,700	–	-2,700
Participation in associated companies and joint ventures	-977	194	-734	1,179
EBIT	1,200	-2,137	4,695	2,060
Net financial items	-505	-540	-2,062	-1,921
Earnings before tax	695	-2,677	2,633	139
Tax	-119	195	-555	-424
Net earnings for the period	576	-2,482	2,078	-285
Of which attributable to:				
Parent company's shareholders	411	-2,467	1,881	-362
Non-controlling interest	165	-15	197	77
Net earnings for the period	576	-2,482	2,078	-285
Average no of shares before and after dilution, '000	120,956	130,941	123,914	131,066
Earnings per share before and after dilution				
Profit from continuing operations, SEK	3.40	-18.84	15.18	-2.76
Total earnings per share before and after dilution, SEK	3.40	-18.84	15.18	-2.76

Consolidated statement of comprehensive earnings in summary

	Fourth quarter		Full year	
SEKm	Oct–Dec 2020	Oct–Dec 2019	2020	2019
Net earnings for the period	576	-2,482	2,078	-285
Other comprehensive earnings, items that will be reclassified to profit and loss:				
Currency translation difference	-1,545	-663	-2,250	318
Other comprehensive earnings, items that will not be reclassified to profit and loss:				
Remeasurement of pension liability	-3	-32	-3	-32
Comprehensive earnings for the period	-972	-3,177	-175	-1
Of which attributable to:				
Parent company's shareholders	-894	-3,081	-202	-94
Non-controlling interest	-78	-96	27	95
Comprehensive earnings for the period	-972	-3,177	-175	1

Consolidated balance sheet in summary

SEKm	31 dec 2020	31 dec 2019
ASSETS		
Intangible fixed assets		
Goodwill	31,650	33,358
Capitalised expenditure for IT development and other intangibles	861	802
Client relationships	4,936	6,079
Total intangible fixed assets	37,447	40,239
Tangible fixed assets		
Right-of-use assets	831	888
Investment property	2	0
Other tangible fixed assets	209	212
Total tangible fixed assets	1,042	1,100
Other fixed assets		
Shares in joint ventures	5,266	6,539
Other shares and participations	0	0
Portfolio investments	27,658	28,508
Deferred tax assets	1,438	1,300
Other long-term receivables	124	183
Total other fixed assets	34,486	36,530
Total fixed assets	72,975	77,869
Current Assets		
Accounts receivable	1,184	1,860
Inventory of real estate	379	382
Client funds	1,125	1,060
Tax assets	193	382
Other receivables	1,338	1,334
Prepaid expenses and accrued earnings	1,441	1,343
Cash and cash equivalents	2,134	1,906
Total current assets	7,793	8,267
TOTAL ASSETS	80,768	86,136
SHAREHOLDERS' EQUITY AND LIABILITIES		
Attributable to parent company's shareholders	19,118	22,014
Attributable to non-controlling interest	2,845	2,879
Total shareholders' equity	21,963	24,893
Long-term liabilities		
Liabilities to credit institutions	2,081	6,186
Bond loans	42,606	40,644
Long-term leasing liabilities	651	474
Other long-term liabilities	622	1,303
Provisions for pensions	381	387
Other long-term provisions	48	19
Deferred tax liabilities	1,110	1,938
Total long-term liabilities	47,499	50,951
Current liabilities		
Liabilities to credit institutions	0	0
Bond loans	1,100	1,000
Commercial paper	2,916	2,794
Client funds payable	1,125	1,060
Accounts payable	493	512
Earnings tax liabilities	925	422
Advances from clients	64	88
Short-term leasing liabilities	220	443
Other current liabilities	1,515	810
Accrued expenses and prepaid earnings	2,924	3,014
Other short-term provisions	24	149
Total current liabilities	11,307	10,292
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	80,768	86,136

Consolidated statement of changes in shareholders' equity

	2020			2019		
SEKm	Attributable to Parent Company's shareholder	Non-controlling interest	Total	Attributable to Parent Company's shareholder	Non-controlling interest	Total
Opening balance, January 1	22,014	2,879	24,893	23,666	2,006	25,672
Changed accounting principle IFRC 23	–	–	–	-155	–	-155
Share dividend	-1,332	-60	-1,392	-1,247	-58	-1,305
Repurchase of shares	-1,307	–	-1,307	-86	–	-86
Change in Group structure	-54	-1	-55	-70	836	766
Divestment of shares in company with non-controlling interest	–	–	–	–	–	–
Comprehensive earnings for the period	-202	27	-175	-94	95	1
Closing balance, December 31	19,118	2,845	21,963	22,014	2,879	24,893

Consolidated cash flow statement in summary

	Fourth quarter		Full year	
SEKm	Oct–Dec 2020	Oct–Dec 2019	2020	2019
Operating activities				
EBIT	1,200	-2,137	4,695	2,060
Depreciation/amortisation and impairment write-down	335	3,385	1,529	4,284
Amortisation/revaluation of purchased debt	463	1,057	4,189	4,155
Other adjustment for items not included in cash flow	900	-42	570	-1,059
Interest received	11	18	43	62
Interest paid	-197	-137	-1,581	-1,454
Other financial expenses paid	-52	-203	-225	-483
Earnings tax paid	-623	-322	-969	-802
Cash flow from operating activities before changes in working capital	2,037	1,619	8,251	6,763
Changes in factoring receivables	42	2	36	-47
Other changes in working capital	-589	216	430	-324
Cash flow from operating activities	1,490	1,837	8,716	6,392
Investing activities				
Purchases of tangible and intangible fixed assets	-191	-261	-672	-699
Portfolio investments in receivables and inventory of real estate	-1,407	-3,728	-5,135	-7,612
Acquisition of subsidiaries and joint ventures	-29	-3,177	-35	-5,135
Liquid assets in acquired/divested subsidiaries	0	40	0	384
Proceeds from divestment of subsidiaries and associated companies	0	0	0	1,488
Other cash flow from investing activities	-6	-43	398	-72
Cash flow from investing activities	-1,633	-7,169	-5,444	-11,646
Financing activities				
Borrowings and repayment of loans	78	2,936	-68	7,229
Repurchase of shares	-57	0	-1,307	-86
Share dividend to parent company's shareholders	0	0	-1,332	-1,247
Dividend to non-controlling shareholders	-31	-46	-72	-58
Cash flow from financing activities	-10	2,890	-2,779	5,838
Total change in liquid assets	-153	-2,442	491	584
Opening balance of liquid assets	2,417	4,438	1,906	1,348
Exchange rate differences in liquid assets	-130	-90	-263	-26
Closing balance of liquid assets	2,134	1,906	2,134	1,906
Group total				
Cash flow from operating activities	1,490	1,837	8,716	6,392
Cash flow from investing activities	-1,633	-7,169	-5,444	-11,646
Cash flow from financing activities	-10	2,890	-2,779	5,838

Income statement – parent company

SEKm	Full year	
	2020	2019
Revenues	557	402
Gross earnings	557	402
Sales and marketing expenses	-28	-25
Administrative expenses	-804	-793
EBIT	-275	-416
Earnings from subsidiaries	1,382	1,181
Exchange rate differences on monetary items classified as expanded investment and hedging activities	678	-578
Net financial items	-1,261	-970
Earnings before tax	524	-783
Tax	-104	96
Net earnings for the period	420	-687

Net earnings for the period corresponds to comprehensive earnings for the period.

Balance sheet – parent company

SEKm	31 dec	
	2020	2019
ASSETS		
Fixed assets		
Intangible fixed assets	298	141
Tangible fixed assets	13	13
Financial fixed assets	68,195	69,627
Total fixed assets	68,506	69,781
Current assets		
Current receivables	458	1,484
Cash and cash equivalents	533	220
Total current assets	991	1,704
TOTAL ASSETS	69,497	71,485
SHAREHOLDERS' EQUITY AND LIABILITIES		
Restricted equity	285	285
Unrestricted equity	11,923	14,142
Total shareholders' equity	12,208	14,427
Long-term liabilities	50,386	50,192
Current liabilities	6,902	6,866
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	69,497	71,485

Other information

Parent Company

The Group's publicly listed Parent Company, Intrum 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 557 M (402) for the full year and earnings before tax of SEK 524 M (-783). The Parent Company invested SEK 189 M (166) in fixed assets for the full year 2020 and had, at the end of the period, SEK 533 M (220) in cash and cash equivalents. The average number of employees was 58 (68).

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. In addition to appearing in the financial statements, disclosures in accordance with IAS 34.16A also appear in other parts of the interim report.

The accounting principles applied by the Group and the Parent Company are essentially unchanged compared with the 2019 Annual Report.

Changes in IFRS standards as of 1 January 2020 have not had any material impact on this interim report.

Changes in accounting estimates portfolio investments

During the fourth quarter, Intrum made changes in accounting estimates for calculating amortised cost using the effective interest rate of the financial assets in the Portfolio Investments segment. The changes in accounting estimates have resulted in a net effect amounting to SEK 256 M. The effects of the changed estimates are reported in the income statement as a portfolio revaluation, portfolio amortisation and participation in associated companies and joint ventures offset against the book value of portfolio investments and shares in joint ventures in the balance sheet.

Transactions with related parties

Neither during the quarter nor during the full-year, have any significant transactions occurred between Intrum and other closely related companies, boards or Group management teams.

Market development and outlook

In Intrum's integrated business model, consisting of credit management services and portfolio investments, we see favourable medium term developments in both areas, even though the beginning of 2021 is being impacted by macroeconomic uncertainty due to the ongoing Covid-19 pandemic, which affects our clients decision making. We continue to execute our transformation programme. Intrum will gradually centralise, standardise and improve its collection processes. In the future, we anticipate the actions being taken in this area will continue to improve efficiency and margins.

Significant risks and uncertainties

Risks to which the Group and Parent Company are exposed include risks relating to economic developments, compliance and changes in regulations, reputation risks, tax risks, risks attributable to IT and information management, risks attributable to acquisitions, market risks, liquidity risks, credit risks, risks inherent in portfolio investments and payment guarantees, as well as financing risks. The risks are described in more detail in the Board of Directors' report in Intrum's 2019 Annual Report. No significant risks are considered to have arisen besides those described in the Annual Report.

New segmentation as of 2020

To reflect Intrum's growth in southern Europe, a third segment has been established, comprising Intrum's markets in southern Europe, in parallel with the existing

Credit Management Services and Portfolio Investments segments. Accordingly, as of 2020, Intrum is organised and into, and will report on three segments, these being Credit Management Services (CMS), Portfolio Investments (PI) and Strategic Markets (Greece, Italy and Spain). At the same time, the previous segmentation into four geographical regions is being discontinued.

Fair value of financial instruments

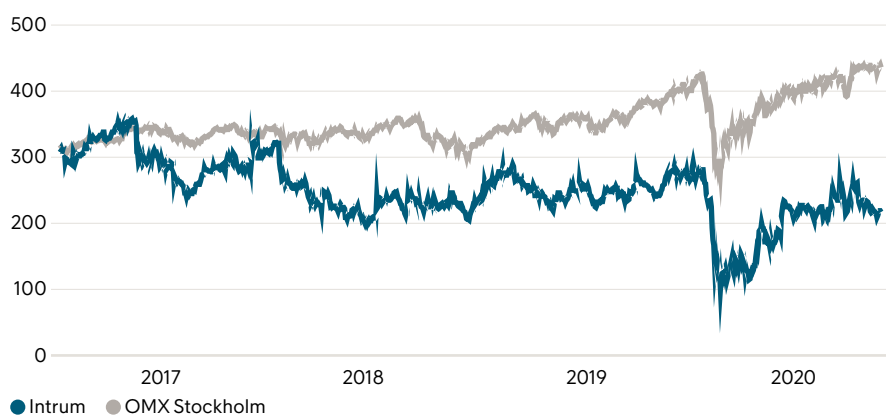
Most of the Group's financial assets and liabilities (portfolio investments, accounts receivable, other receivables, cash and cash equivalents, liabilities to credit institutions, bonds, commercial papers, accounts payable and other liabilities) are carried in the accounts at amortised cost. For most of these financial instruments, the carrying amount is assessed to be a good estimate of fair value. For outstanding bonds with a total carrying value of SEK 42,606 M (41,644) at the end of the quarter, fair value is, however, calculated at SEK 43,751 M (43,076). The Group also holds forward exchange contracts and other financial assets of SEK 295 M (204), as well as financial liabilities of SEK 1,515 M (1,282) carried at fair value in the earnings statement.

The share

Intrum's share is included in Nasdaq Stockholm's Large Cap list. During the period 1 October–31 December 2020, 29,119,478 shares were traded for a total value of SEK 6,876 M, corresponding to 24 per cent of total number of shares at the end of the period.

The highest price paid during the period 1 October–31 December 2020 was SEK 263.60 (19 October) and the lowest was SEK 209.40 (21 December). On the last trading day of the period, 31 December 2020, the price was SEK 216.80 (latest paid). During the period 1 October–31 December 2020, Intrum's share price fell by 2 per cent, while Nasdaq OMX Stockholm rose by 4 per cent.

Share price, SEK



Shareholders

31 Dec 2020	No of shares	Capital and Votes, %
Nordic Capital	57,728,956	47.8
AMF Försäkring & Fonder	11,046,371	9.1
Swedbank Robur Fonder	4,122,069	3.4
Handelsbanken Fonder	2,520,856	2.1
Vanguard	2,222,567	1.8
Sampo Oyj	2,294,409	1.9
TIAA - Teachers Advisors	1,917,850	1.6
C WorldWide Asset Management	1,486,999	1.2
Norges Bank	1,181,774	1.0
BlackRock	1,061,774	0.9
Folketrygdfondet	1,047,404	0.9
Folksam	1,067,851	0.9
Dimensional Fund Advisors	868,866	0.7
Intrum AB	850,000	0.7
Livförsäkringsbolaget Skandia	790,954	0.7
Total fifteen largest shareholders	90,208,700	74.6
Total number of shares excluding treasury shares	120,870,918	

31 Dec 2020 No of shares Capital and Votes, %

Source: Modular Finance Holdings and Intrum

The company has between the 26 October 2020 to 6 November 2020 repurchased 250,000 shares in a buy-back programme. Following this acquisition, Intrum's holding of own shares amounts to 850,000 as per 9 November 2020, corresponding to 0.70 per cent of the total number of shares and votes in the company. In the future, these 850,000 shares may be transferred to meet commitments under incentive programmes for company management. No dilution effect has been calculated for these shares.

Treasury holdings of 850,000 shares are not included in the number of shares outstanding. The proportion of Swedish ownership amounted to 31.1 per cent (institutions 7.4 percentage points, mutual funds 15.1 percentage points and private individuals 8.6 percentage points).

Currency exchange rates

	Closing rate 30 Dec 2020	Closing rate 30 Dec 2019	Average rate Oct–Dec 2020	Average rate Oct–Dec 2019	Average rate Jan–Dec 2020	Average rate Jan–Dec 2019
1 EUR=SEK	10.03	10.45	10.19	10.66	10.48	10.59
1 CHF=SEK	9.29	9.62	9.46	9.71	9.80	9.52
1 NOK=SEK	0.96	1.06	0.95	1.06	0.98	1.07
1 HUF=SEK	0.0275	0.0316	0.0280	0.0321	0.0299	0.0326

Events after the balance sheet date

No events after balance sheet date.

For further information, please contact

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Michael Ladurner, CFO, tel: +46 8 546 102 02

Emil Folkesson, Investor Relations, tel: +46 8 546 102 02

Michael Ladurner is the contact under the EU Market Abuse Regulation.

The information in this interim report is such that Intrum AB (publ) is required to disclose pursuant to the EU's markets abuse directive and the Securities Markets Act. The information was provided under the auspices of the contact person above for publication on 28 January 2020 at 07.00 a.m. CET.

Year-end reports, interim reports and other financial information are available via www.intrum.com

Denna delårsrapport finns även på svenska.

Stockholm, 28 January 2021

Anders Engdahl

President and CEO

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

Definitions

Result concepts, key figures and alternative indicators

Adjusted net revenues/revenues

Net revenue/revenues excluding portfolio revaluations and other items affecting comparability.

Adjusted operating earnings (EBIT)

Adjusted operating earnings (EBIT) is operating earnings excluding revaluations of portfolio investments and other items affecting comparability.

Adjusted operating margin

Adjusted operating earnings (EBIT) in relation to adjusted net revenue/revenue.

Amortisation percentage

Amortisation on portfolio investments during the period, as a percentage of collections.

Cash EBIT

Cash EBITDA less replenishment capex and other capex.

Cash EBITDA

Cash EBITDA is adjusted operating earnings (EBIT) adding back depreciation and amortisations and portfolio amortisations. In addition, the EBIT contribution from joint ventures is replaced by the actual cash contribution from the joint venture. For rolling 12-month and full-year figures, pro forma adjustments (if any) are also added.

Cash EPS

Cash EBIT minus cash net financial items and cash net tax normalised adjusted for one off taxes paid divided by the average number of outstanding shares.

Cash return on invested capital (RoIC)

Cash EBIT divided by average invested capital for the period. Average invested capital calculated using quarterly opening and closing balances.

Cash revenues

Revenues excluding non-cash revenues such as portfolio amortisation and earnings from joint ventures.

Cashflow from joint ventures

The cashflow received by Intrum in form of distributions and dividends from investments in non-consolidated joint ventures.

Revenues

Consolidated net revenues include external credit management earnings (variable collection commissions, fixed collection fees, debtor fees, guarantee commissions, subscription earnings, etc.), earnings from portfolio investments operations (collected amounts less amortisation and revaluations for the period) and other earnings from financial services (fees and net interest from financing services).

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.

EBITDA

EBITDA is defined as operating earnings (EBIT) adding back depreciation and amortisations of tangible and intangible assets.

Estimated remaining collections, ERC

The estimated remaining collections represent the nominal value of the expected future collection on the Group's portfolio investments, including Intrum's anticipated cash flows from investments in joint ventures.

External revenues

Revenues from Intrum's external clients and revenues generated from Real Estate Owned assets (REO).

Internal revenues

Predominantly related to revenue paid by the Portfolio Investment segment to Credit Management Services and Strategic Markets segments for collection activities made on the behalf of Intrum's own portfolios.

Items affecting comparability

Significant earnings items that are not included in the Group's normal recurring operations and that are not expected to return on a regular basis. These include portfolio revaluations, 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 portfolio investments, acquisition and divestment expenses, advisory costs for discontinued acquisition projects, costs for relocation to new office space, termination and recruitment costs for members of Group Management and country managers, as well as external expenses for disputes and unusual agreements. Items affecting comparability are specified because they are difficult to predict and have low forecast values for the Group's future earnings trend.

LTM

The abbreviation LTM refers to figures on the last 12-month basis.

Definitions, cont.

LTM MoM multiple

The average quarterly underwriting money-on-money multiple for the past 12 months. Calculated by dividing the lifetime ERC of acquired portfolios with the purchase price of the portfolios.

Net debt

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

Net debt/Cash EBITDA

This key figure refers to net debt divided Cash 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. This key figure is calculated in accordance with the definitions stated in the terms of the Group's revolving syndicated loan facility, which means, among other things, that participations in non-consolidated joint ventures is only included to the extent that earnings are distributed to Intrum and that operations acquired during the period are included on a pro forma-basis throughout the 12-month period.

Operating earnings (EBIT)

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

Operating margin

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

Operating margin, segment

The operating margin, segment consists of service line earnings expressed as a percentage of net revenues.

Organic growth

Organic growth refers to the average increase in net revenues in local currency, adjusted for revaluations of portfolio investments 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.

Other capex

Investments made to maintain and grow the business. For example, IT and tangible assets.

Portfolio investments

The investments for the period in portfolios of overdue receivables, with and without collateral, investments in real estate and in joint ventures whose operations entail investing in portfolios of receivables and properties.

Portfolio investments – collected amounts, amortisations and revaluations

Portfolio investments consist of portfolios of delinquent consumer debts purchased at prices below the nominal receivable. These are recognised at amortised cost applying the effective interest method, based on a collection forecast established at the acquisition date of each portfolio. Net revenues attributable to portfolio investments consist of collected amounts less amortisation for the period and revaluations. The amortisation 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.

Pro forma adjustments

Businesses that have been acquired during the period are included on a pro forma basis during the entire twelve month period.

Recurring consolidated cash EPS

Recurring cash earnings divided by average number of shares outstanding for the period. Calculated as the sum of quarters for LTM.

Replenishment capex

The estimated portfolio investments required to maintain the ERC in a steady state. Calculated by dividing the in quarter gross cash collections by the LTM MoM multiple.

Replenishment investment level

Replenishment investment level defined as keeping 12 month forward ERC divided by last 12 month MoM multiple (quarterly using 1/4 of full year).

Return on portfolio investments (ROI)

Return on portfolio investments is the service line earnings for the period, excluding operations in factoring and payment guarantees (financial services), 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 segment's earnings in relation to the amount of capital tied up and is included in the Group's financial targets. The definition of average book value is based on using average values for the quarters.

Segment earnings

Segment earnings relate to the operating earnings of each segment, Credit Management and Financial Services, excluding common costs for sales, marketing and administration.

About Intrum

Intrum is the industry-leading provider of Credit Management Services with a presence in 24 markets in Europe. Intrum helps companies prosper by offering solutions designed to improve cash flows and long-term profitability and by caring for their customers. To ensure that individuals and companies get the support they need to become free from debt is one important part of the company's mission. Intrum has around 10,000 dedicated professionals who serve around 80,000 companies across Europe. In 2020, the company generated revenues of SEK 16.8 billion. Intrum is headquartered in Stockholm, Sweden and the Intrum share is listed on the Nasdaq Stockholm exchange. For further information, please visit www.intrum.com.

Business model

We ensure that companies are paid by offering two types of services. Credit Management-services focusing on late payments (that is, collection), as well as purchasing of portfolios of overdue receivables. Beyond this, we offer a full range of services covering companies' entire credit management chain.

Intrum as an investment

Growing market – The market for our services is growing. With digitisation, credit sales are increasing, the market is being consolidated and new types of receivables are being sold as companies and banks seek to focus more on their core operations.

Market-leading position – Intrum is the industry leader in Europe, with a presence in 24 countries. We also have partners in another 160 countries. Our size allows us to partner with clients across several markets. Our broad knowledge spans multiple industries and we have opportunities to invest in new technologies and innovative solutions.

A complete range – Intrum offers a complete range of credit management services, covering companies' complete credit management chains.

Considerable trust and 100 years of experience – Our work can only be performed if we have our clients' complete trust and conduct our operations ethically and with respect for the end-customer. Our 100 years of experience demonstrate the strength of our business model and our view of business. We build long-term partnerships with our clients.

Intrum leads the way towards a sound economy – A functioning credit market is a prerequisite for the business community, and consequently for society as a whole, to perform properly. Intrum plays an important role in this context.

Financial targets

Returns: Cash RoIC >10% medium term

Growth: Cash EPS >10% p.a. on average medium term

Leverage: Net debt/Cash EBITDA 2.5–3.5x by end of 2022

Shareholder remuneration policy: Absolute annual increase in dividend per share

For further details and definitions, see

<https://www.intrum.com/investors/financial-info/financial-targets/>

Financial calendar 2021

28 January 2021,
Year end report 2020

29 april 2021,
Interim report for the first
quarter

29 april 2021,
Annual General Meeting