

INTERIM REPORT JANUARY-SEPTEMBER 2014

- Consolidated net revenues for the third quarter of 2014 amounted to SEK 1,309 M (1,135).
- Operating earnings (EBIT) amounted to SEK 415 M (330). Operating earnings include revaluations of purchased debt portfolios amounting to SEK 15 M (negative 2).
- The operating margin was 32 percent (29), including revaluations of purchased debt portfolios.
- Net earnings for the quarter amounted to SEK 311 M (222) and earnings per share were SEK 4.09 (2.79).
- Disbursements for investments in Purchased debt amounted to SEK 271 M (692).
- Cash flow from operating activities amounted to SEK 788 M (647).

SEK M unless otherwise indicated	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %
Revenues	1,309	1,135	15	3,814	3,335	14
Revenues excluding revaluations	1,294	1,137	14	3,786	3,335	14
Operating earnings (EBIT)	415	330	26	1,070	867	23
Operating margin, %	32	29		28	26	
Earnings before tax	378	287	32	941	752	25
Net earnings	311	222	40	747	583	28
Earnings per share before and after dilution, SEK	4.09	2.79	46	9.65	7.30	32
Cash flow from operating activities	788	647	22	1,888	1,641	15
Return on Purchased debt %	21	19		21	20	
Investments in Purchased debt	271	692	-61	1,496	2,209	-32
Cash flow from Purchased debt	620	553	12	1,848	1,620	14
Net debt/RTM EBITDA	1.77	1.73		1.77	1.73	

THIRD QUARTER

34%

Growth in earnings per share
past 12 months

16%

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

21%

Return on Purchased
debt

SEK 271 M

Investments in Purchased debt

SEK 626 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 7.00 a.m. CET on October 22, 2014.

Comment by President and CEO Lars Wollung

Intrum Justitia's performance was good in the third quarter of 2014. Our business model, combining credit management services and financial services, has continued to generate profitable growth and strong cash flows. Consolidated income rose by 9 percent and operating earnings increased by 16 percent compared with the year-earlier period, adjusted for currency effects and revaluations of purchased debt portfolios. The consolidated operating margin was 32 percent for the third quarter, compared with 29 percent in the year-earlier period. As with previous quarters in 2014, this performance was mainly due to the Financial Services business line, which showed increased volumes of purchased debt and improved operating efficiency. Earnings per share have risen by 34 percent over the past 12 months.

Within our regions, it is chiefly Central Europe and Western Europe that are contributing to the improvement in consolidated earnings. Our Central European region has shown strong earnings improvement in purchased debt in recent years, helped by increased activities in the area of collection measures through the legal systems. Western Europe has also been boosted by increased investments in purchased debt and positive performance from acquisitions in credit management. Our region Northern Europe has a continued strong profitability. The earnings development in the region has however been relatively unchanged compared with last year, owing mainly to lower investment volumes in purchased debt for a period of time.

Our Financial Services line showed positive performance in terms of growth and profitability, with purchased debt generating a 21 percent return in the third quarter. Collection of purchased debt remained strong in the quarter, with operating earnings rising by 31 percent compared with the year-earlier period. Investment levels for purchased debt, however, were significantly lower in the third quarter than the year-earlier period, which is partly due to the third quarter of 2013 being unusually strong. We still believe we will see good growth in Financial Services over a number of years. However, the level of investments in purchased debt may vary considerably in individual years as a result of changes in market conditions in terms of offering, prices levels and competition.

Our Credit Management service line showed a continued stable trend in the third quarter. We are showing a certain positive development in terms of revenues from external customers and operating margins were up on the year-earlier period. In line with the Group's strategy of growing value creation in Credit Management through bolt-on acquisitions, earlier in October we announced that we are strengthening our market position in Denmark by acquiring a business with a complementary customer base and a cost base that offers good opportunities for significant synergies.

Group

SEK M unless otherwise indicated	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %
Revenues	1,309	1,135	15	3,814	3,335	14
Operating earnings (EBIT)	415	330	26	1,070	867	23
Operating margin, %	32	29		28	26	
Net financial items	-37	-43	-14	-129	-115	12
Tax	-67	-65	3	-194	-169	15
Net income	311	222	40	747	583	28
Average number of employees	3,855	3,589	7	3,803	3,589	6

Revenues and earnings

In the third quarter, revenues rose by 15 percent, consisting of organic growth of 7 percent, acquisition effects of 2 percent, revaluations of purchased debt of 1 percent and currency effects of 5 percent. Operating earnings improved by 26 percent in the third quarter and, adjusted for currency effects and revaluations of purchased debt portfolios, the increase was 16 percent. The improvement in operating earnings excluding revaluations and currency effects is mainly attributable to the favorable growth in purchased debt, resulting from increased investment volumes in recent years. Of the Group's regions, Central Europe and Western Europe have been the main contributors to improved operating earnings, excluding revaluations and currency effects, while Northern Europe's performance was relatively unchanged on the year-earlier period.

Earnings per share for the quarter rose by 46 percent compared with the corresponding period last year and by 34 percent on a rolling 12-month basis. In the third quarter, earnings per share were affected by repurchasing, which reduced the number of shares outstanding by 4.2 percent compared with the third quarter last year.

A more detailed description of the development of the Group's financial development is provided below.

Net financial items

Net financial items for the quarter amounted to a negative SEK 37 M (43). Exchange rate differences have affected net financial items by SEK 6 M (negative 1), and other financial items by a negative SEK 6 M (negative 8). 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 22.5 percent, less SEK 18 M which is the positive effect of a tax dispute that has been completed in Finland. Further information on ongoing tax disputes is provided in the section 'Taxation assessments'.

Cash flow and investments

SEK M unless otherwise indicated	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %
Cash flow from operating activities	788	647	22	1,888	1,641	15
Investments in Purchased debt	271	692	-61	1,496	2,209	-32
Cash flow from Purchased debt	620	553	12	1,848	1,620	14

Cash flow from operating activities improved in the third quarter compared with the year-earlier period, chiefly as a result of higher operating earnings excluding depreciations and amortizations, lower paid tax and positive cash flow from working capital.

Cash flow from purchased debt for the third quarter amounts to SEK 620 M (553), defined as funds collected on purchased debt of SEK 876 M (768), with deductions for the service line's overheads, primarily collection costs of SEK 256 M (215).

Financing

SEK M unless otherwise indicated	July-Sept 2014	July-Sept 2013	Change %
Net Debt	5,215	4,500	16
Net Debt/RTM EBITDA	1.77	1.73	
Shareholders' equity	3,036	2,968	2
Liquid assets	259	238	9

The Group's net debt expressed as a multiple of operating earnings before depreciation and amortization totals 1.77, slightly less than the lower end of Intrum Justitia's financial target of 2-3 for this ratio.

In the third quarter, some of the terms of the Group's syndicated loan facility of SEK 5 billion were renegotiated, resulting in the maturity structure being extended by around two years and the limit for the Group's total long-term financing being raised from SEK 8 billion to SEK 10 billion.

In the first quarter, Intrum Justitia repurchased 1,185,934 of its own shares for a total of SEK 219 M. In the second quarter it purchased an additional 760,924 shares for a total of SEK 150 M. In the third quarter it purchased a further 1,171,544 shares for a total of SEK 249 M. The average number of shares outstanding in the first nine months of the year was therefore 76,992,937. The average number of shares outstanding in the third quarter was 75,884,685. The shares that had been repurchased at the end of the first quarter have been canceled following a decision at the annual general meeting. The 1,932,468 shares repurchased in the second and third quarters constitute treasury holdings. The number of outstanding shares at the end of the third quarter, after deductions for treasury holdings, was 75,428,476.

Goodwill

Consolidated goodwill amounted to SEK 2,616 M as per September 30 2014, compared with SEK 2,542 M as per December 31, 2013. The increase since the start of the year was attributable to exchange differences.

Regions

Effective from 2014, the composition of the Group's operating segments, the geographic regions, has changed. The change entails the operations in the Netherlands being included in the Northern Europe region rather than Western Europe. The comparison figures for 2013 have been recalculated in accordance with the new region structure. Recalculated figures for all four quarters in 2012 and 2013 have been published on the company's website.

Northern Europe

SEK M	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
Revenues	654	612	7	1,880	1,829	3	2,476
Operating earnings	239	211	13	583	535	9	743
Revenues excluding revaluations	635	615	3	1,861	1,838	1	2,481
Operating earnings excluding revaluations	220	214	3	564	544	4	748
Operating margin excluding revaluations, %	35	35		30	30		30

Revenues for the quarter rose by 7 percent compared with the year-earlier period, but adjusted for currency effects and revaluations of purchased debt revenues decreased by 1 percent. Operating earnings improved by 13 percent. Adjusted for currency effects and revaluations of purchased debt, earnings were unchanged. The profitability continues to be strong, but the earnings development has been negatively affected by lower investment volumes of purchased debt. Performance in Credit Management has been stable, with a continued focus on increasing collection and cost efficiency. In October the Group announced an acquisition in Denmark within Credit Management, in line with the

Group's strategy of creating profitable growth through bolt-on acquisitions – see 'Events after the end of the period' for further details.

Central Europe

SEK M	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
Revenues	358	271	32	1,042	776	34	1,088
Operating earnings	111	68	63	303	197	54	266
Revenues excluding revaluations	362	272	33	1,036	772	34	1,087
Operating earnings excluding revaluations	115	69	67	297	193	54	265
Operating margin excluding revaluations, %	32	25		29	25		24

Revenues for the quarter rose by 32 percent compared with the year-earlier period. Adjusted for currency effects and revaluations of purchased debt, the increase was 27 percent. Operating earnings improved by 63 percent. Adjusted for currency effects and revaluations of purchased debt, the increase was 59 percent. The region's strong growth and improved margins are mainly generated from the increase in investments in purchased debt in a number of countries in previous periods. In addition, this region had a positive on third quarter earnings compared with the first half of the year owing to a lower increase in costs for collection activities.

Western Europe

SEK M	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
Revenues	297	252	18	892	730	22	1,002
Operating earnings	65	51	27	184	135	36	198
Revenues excluding revaluations	297	250	19	889	725	23	991
Operating earnings excluding revaluations	65	49	33	181	130	39	187
Operating margin excluding revaluations, %	22	20		20	18		19

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 12 percent. Operating earnings improved by 27 percent. Adjusted for currency effects and revaluations of purchased debt, the improvement was 24 percent. The improvement in operating earnings and profitability is due to increased investment volumes in purchased debt and the positive impact of acquisitions within Credit Management.

Service lines

Credit Management

SEK M	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
Revenues	960	857	12	2,825	2,542	11	3,469
Service line earnings	253	217	17	666	604	10	823
Service line margin, %	26	25		24	24		24

Revenues for the quarter rose by 12 percent compared with the year-earlier period. Adjusted for currency effects the increase was 7 percent. Operating earnings improved by 17 percent. Adjusted for currency effects, the improvement was 12 percent. Revenue growth in the third quarter, adjusted for currency effects, is chiefly attributable to increased volumes for the Group's own portfolios and to acquisitions. Growth from external customers was marginally positive in the third quarter, which was an improvement on the year-earlier period.

Financial Services

SEK M	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
Revenues	564	450	25	1,603	1,296	24	1,791
Service line earnings	308	235	31	884	696	27	969
Service line margin, %	55	52		55	54		54
Return on Purchased debt, %	21	19		21	20		21
Investments in Purchased debt	271	692	-61	1,496	2,209	-32	2,475
Carrying amount, Purchased debt	5,941	5,320	12	5,941	5,320	12	5,411

Revenues for the quarter rose by 25 percent compared with the year-earlier period. Adjusted for currency effects, the increase was 20 percent. Operating earnings improved by 34 percent. Adjusted for currency effects, the improvement was 25 percent. Income is growing mainly as a consequence of increased investment in purchased debt in previous years and the strong performance of collection of the Group's portfolios. Good collection performance also contributed to a high 21 percent return on purchased debt and positive revaluations of SEK 15 M in the third quarter. The positive revaluations in the third quarter 2014 have improved the return by around 1 percentage point. The level of investment in purchased debt was much lower than the year-earlier period, partly as a result of the unusually high level in the third quarter of the previous year.

For a description of Intrum Justitia's accounting principle for Purchased Debt, please see page 60 of the 2013 Annual Report.

Market outlook

Europe is characterized by considerable regional differences and there is substantial uncertainty regarding the macroeconomic situation in several countries. A substantially 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 financing 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. However, Intrum Justitia maintains that its tax returns contained no misstatements and that the conditions for a tax surcharge have therefore not been met. The company therefore appealed the ruling in May 2014 to have the case considered by the Supreme Administrative Court of Sweden.

A tax dispute in Finland was ruled on in Intrum Justitia's favor and the verdict became legally binding in the third quarter. The ruling means that company received SEK 18 M back in tax and tax surcharges that had been previously paid and recognized as an expense in connection with a tax dispute relating to the financial years 1999-2007.

Intrum Justitia's assessment is 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 60 M (52) for the nine-month period and earnings before tax of SEK 88 M (negative 91), including dividends from subsidiaries of SEK 177 M (0). The

Parent Company invested SEK 0 M (0) in fixed assets during the period and had, at the end of the period, SEK 7 M (3) in cash and equivalents. The average number of employees was 52 (46).

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.

Acquisition of Profidebt sro

On January 31, 2014, Intrum Justitia agreed to acquire 100 percent of the shares in Czech company Profidebt sro for a cash purchase consideration of CZK 280 M, equivalent to SEK 90 M. The preliminary acquisition analysis is detailed in Intrum Justitia's Q1 interim report. The acquisition analysis has not been altered during the third quarter, but remains preliminary.

Significant risks and uncertainties

The Group's and the Parent Company's risks include strategic risks related to economic developments and acquisitions as well as operational risks related to, among other things, possible errors and omissions as well as operations in different countries. Moreover, there are risks related to the regulatory environment and regulated operations, as well as financial risks such as market risk, financing risk, credit risk, risks inherent in purchased debt and guarantees in conjunction with the screening of charge card applications. The risks are described in more detail in the Board of Directors' report in Intrum Justitia's 2013 Annual Report. No significant risks are considered to have arisen besides those described in the annual report.

Events after the end of the period

At the start of October Intrum Justitia entered into an agreement to acquire Advis A/S, a leading Credit Management company in Denmark. The company is a market leader in the telecom sector and also has a good presence in the media and energy segments. The company has around 60 employees and had revenues of DKK 57 M in 2013. This acquisition expands Intrum Justitia's Danish customer base, gives it access to data in new customer segments and improves operating efficiency through economies of scale. The acquisition was completed in October. The purchase price was DKK 145 M, corresponding to SEK 178 M, on a net debt-free basis. The acquired company's balance sheet at the date of acquisition is not available, and an acquisition analysis showing exact amounts of goodwill and surplus values has therefore not yet been completed.

On October 21, the Board of Directors of Intrum Justitia AB resolved to continue with the company's repurchase program. The program runs up to and including 30 December 2014, covering repurchases totaling a maximum of SEK 350 M. Through the program, Intrum Justitia returns further funds to shareholders and it is the assessment of the Board of Directors that this will give the company a more optimized capital structure. The intention of the program is to reduce Intrum Justitia's share capital by canceling the shares that are repurchased. In accordance with the authorization provided by the 2014 Annual General Meeting, a maximum corresponding to 10 percent of the company's shares may be repurchased during the period extending until the 2015 Annual General Meeting.

Presentation of the Interim Report

The interim report and presentation material are available at [www.intrum.com/Investor relations](http://www.intrum.com/Investor%20relations). 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 and/or www.financialhearings.com. To participate by phone, call +46 (0)8 505 564 78 (SE) or +44 (0)20 336 453 72 (UK).

For further information, please contact

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Financial calendar 2014

The year-end report for 2014 will be published January 29, 2015.

The 2015 Annual General Meeting of Intrum Justitia will be held on Wednesday, April 22, at 3.00 pm at Operaterrassen, Karl XII:s Torg, Stockholm, Sweden.

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

Denna delårsrapport finns även på svenska.

Stockholm, October 22, 2014

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 4.6 billion in 2013. Intrum Justitia AB has been listed on the NASDAQ OMX Stockholm exchange since 2002. For further information, please visit 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 2014. 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 22, 2014
Ernst & Young AB

Erik Åström
Authorized Public Accountant

Intrum Justitia Group – Consolidated Income Statement

SEK M	July-Sept 2014	July-Sept 2013	Jan-Sept 2014	Jan-Sept 2013	Full Year 2013
Revenues	1,309	1,135	3,814	3,335	4,566
Cost of sales	-713	-656	-2,153	-1,953	-2,663
Gross earnings	596	479	1,661	1,382	1,903
Sales and marketing expenses	-58	-48	-189	-153	-211
Administrative expenses	-123	-101	-405	-362	-484
Participation in associated companies and joint ventures	0	0	3	0	-1
Operating earnings (EBIT)	415	330	1,070	867	1,207
Net financial items	-37	-43	-129	-115	-161
Earnings before tax	378	287	941	752	1,046
Tax	-67	-65	-194	-169	-227
Net income for the period	311	222	747	583	819
Of which attributable to:					
Parent company's shareholders	310	221	743	581	817
Non-controlling interest	1	1	4	2	2
Net earnings for the period	311	222	747	583	819
Earnings per share before and after dilution	4.09	2.79	9.65	7.30	10.30

Intrum Justitia Group - Statement of Comprehensive Income

SEK M	July-Sept 2014	July-Sept 2013	Jan-Sept 2014	Jan-Sept 2013	Full Year 2013
Net income for the period	311	222	747	583	819
Other comprehensive income, items that will be reclassified to profit and loss:					
Currency translation difference	-5	1	39	-12	30
Other comprehensive income, items that will not be reclassified to profit and loss:					
Remeasurement of pension liability	0	0	0	0	3
Comprehensive income for the period	306	223	786	571	852
Of which attributable to:					
Parent company's shareholders	305	223	780	570	850
Non-controlling interest	1	0	6	1	2
Comprehensive income for the period	306	223	786	571	852

Intrum Justitia Group – Consolidated Balance Sheet

SEK M	30 Sep 2014	30 Sep 2013	31 Dec 2013
ASSETS			
Intangible fixed assets			
Goodwill	2,616	2,400	2,542
Capitalized expenditure for IT development and other intangibles	200	207	237
Client relationships	39	58	42
Total intangible fixed assets	2,855	2,665	2,821
Tangible fixed assets			
Other fixed assets	124	97	105
Purchased debt	5,941	5,320	5,411
Deferred tax assets	55	66	69
Other long-term receivables	16	8	6
Total other fixed assets	6,012	5,394	5,486
Total fixed assets	8,991	8,156	8,412
Current Assets			
Accounts receivable	314	266	302
Client funds	496	442	525
Tax assets	45	26	25
Other receivables	599	426	452
Prepaid expenses and accrued income	150	172	166
Cash and cash equivalents	259	238	340
Total current assets	1,863	1,570	1,810
TOTAL ASSETS	10,854	9,726	10,222
SHAREHOLDERS' EQUITY AND LIABILITIES			
Attributable to parent company's shareholders	2,952	2,955	3,235
Attributable to non-controlling interest	84	13	81
Total shareholders' equity	3,036	2,968	3,316
Long-term liabilities			
Liabilities to credit institutions	1,584	2,025	1,847
Medium term note	3,118	1,988	2,056
Other long-term liabilities	168	170	170
Provisions for pensions	108	90	102
Other long-term provisions	3	3	3
Deferred tax liabilities	380	271	383
Total long-term liabilities	5,361	4,547	4,561
Current liabilities			
Liabilities to credit institutions	38	17	51
Commercial paper	629	598	598
Client funds payable	496	442	525
Accounts payable	141	121	145
Income tax liabilities	201	158	78
Advances from clients	16	17	18
Other current liabilities	285	270	300
Accrued expenses and prepaid income	651	588	630
Total current liabilities	2,457	2,211	2,345
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	10,854	9,726	10,222

Fair value of financial instruments

The majority of the Group's financial assets and liabilities (purchased debt, accounts receivable, other receivables, cash and cash equivalents, liabilities to credit institutions, medium term notes, commercial paper, accounts payable, and other liabilities) are carried at amortised cost. For these financial instruments, the carrying value is considered to be a good estimate of the fair value. The Group also has financial assets and liabilities consisting of forward exchange contracts carried at fair value through profit and loss. These contracts amount to small sums.

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

SEK M	2014			2013		
	Attributable to Parent Company's shareholders	Non-controlling interest	Total	Attributable to Parent Company's shareholders	Non-controlling interest	Total
Opening Balance, January 1	3,235	81	3,316	2,984	2	2,986
Dividend	-445	-3	-448	-399		-399
Acquired non-controlling interest			0		10	10
Repurchase of shares	-618		-618	-200		-200
Comprehensive income for the period	780	6	786	570	1	571
Closing Balance, September 30	2,952	84	3,036	2,955	13	2,968

Intrum Justitia Group – Cash Flow Statement

SEK M	July-Sept	July-Sept	Jan-Sept	Jan-Sept	Full Year
	2014	2013	2014	2013	
Operating activities					
Operating earnings (EBIT)	415	330	1,070	867	1,207
Depreciation/amortization and impairment write-down	40	38	118	117	157
Amortization/revaluation of Purchased debt	339	340	1,036	979	1,320
Adjustment for items not included in cash flow	-1	1	3	4	6
Interest received	2	4	10	11	17
Interest paid and other financial expenses	-20	-38	-132	-124	-162
Income tax paid	-10	-20	-111	-85	-111
Cash flow from operating activities before changes in working capital	765	655	1,994	1,769	2,434
Changes in factoring receivables	5	0	-20	-91	-89
Other changes in working capital	18	-8	-86	-37	-40
Cash flow from operating activities	788	647	1,888	1,641	2,305
Investing activities					
Purchases of tangible and intangible fixed assets	-39	-25	-99	-84	-121
Investments in Purchased debt	-271	-692	-1,496	-2,209	-2,475
Purchases of shares in subsidiaries and other companies	0	39	26	2	2
Other cash flow from investing activities	0	1	-9	16	16
Cash flow from investing activities	-310	-677	-1,578	-2,275	-2,578
Financing activities					
Borrowings and repayment of loans	-201	68	671	1,126	860
Repurchase of shares	-249	-200	-618	-200	-200
Share dividend to Parent Company's shareholders	0	0	-445	-399	-399
Share dividend to non-controlling interest	-3	0	-3	0	0
Cash flow from financing activities	-453	-132	-395	527	261
Change in liquid assets	25	-162	-85	-107	-12
Opening balance of liquid assets	229	395	340	348	348
Exchange rate differences in liquid assets	5	5	4	-3	4
Closing balance of liquid assets	259	238	259	238	340

Intrum Justitia Group – Quarterly Overview

	Quarter 3 2014	Quarter 2 2014	Quarter 1 2014	Quarter 4 2013	Quarter 3 2013
Revenues, SEK M	1,309	1,301	1,204	1,231	1,135
Revenue growth, %	15	13	15	17	13
Operating earnings (EBIT), MSEK	415	372	283	340	330
Operating earnings excluding revaluations, MSEK	400	349	293	333	332
Operating margin excluding revaluations, %	31	27	24	27	29
EBITDA, MSEK	794	750	681	721	708

Intrum Justitia Group – Five-Year Overview

	2014 July-Sept	2013 July-Sept	2012 July-Sept	2011 July-Sept	2010 July-Sept
Revenues, SEK M	1,309	1,135	1,001	998	923
Revenue growth, %	15	13	0	8	-10
Operating earnings (EBIT), SEK M	415	330	271	264	211
Operating earnings (EBIT) excl revaluations, SEK M	400	332	264	260	212
Operating margin excl revaluations, %	31	29	27	26	23
EBITDA, SEK M	794	708	561	540	457
Earnings before tax, SEK M	378	287	236	228	193
Net income, SEK M	311	222	177	171	145
Net Debt, SEK M	5,215	4,500	3,016	2,801	1,703
Net Debt/EBITDA RTM	1.77	1.73	1.43	1.53	0.98
Earnings per share, SEK	4.09	2.79	2.21	2.14	1.82
EPS growth, %	46	26	3	18	47
Average number of shares, '000	75,885	79,203	79,745	79,745	79,745
Number of shares outstanding at end of period, '000	75,428	78,547	79,745	79,745	79,745
Return on Purchased debt, %	21	19	20	21	18
Investments in Purchased debt, SEK M	271	692	299	660	263
Average number of employees	3,855	3,589	3,406	3,282	3,064
	2013 Full Year	2012 Full Year	2011 Full Year	2010 Full Year	2009 Full Year
Revenues, SEK M	4,566	4,048	3,950	3,766	4,128
Revenue growth, %	13	2	5	-9	12
Operating earnings (EBIT), SEK M	1,207	879	868	731	668
Operating earnings (EBIT) excl revaluations, SEK M	1,200	958	849	727	704
Operating margin excl revaluations, %	26	23	22	19	17
EBITDA, SEK M	2,684	2,199	1,929	1,702	1,650
Earnings before tax, SEK M	1,046	729	753	639	588
Net income, SEK M	819	584	553	452	441
Net Debt, SEK M	4,328	3,261	2,692	2,193	2,069
Net Debt/EBITDA RTM	1.61	1.49	1.40	1.29	1.25
Earnings per share, SEK	10.30	7.32	6.91	5.67	5.53
EPS growth, %	41	6	22	3	-1
Dividend per share, SEK	5.75	5.00	4.50	4.10	3.75
Average number of shares, '000	79,306	79,745	79,745	79,745	79,745
Number of shares outstanding at end of period, '000	78,547	79,745	79,745	79,745	79,745
Return on Purchased debt, %	21	17	21	18	18
Investments in Purchased debt, SEK M	2,475	2,014	1,804	1,050	871
Average number of employees	3,532	3,475	3,331	3,099	3,372

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 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
Northern Europe	654	612	7	1,880	1,829	3	2,476
Central Europe	358	271	32	1,042	776	34	1,088
Western Europe	297	252	18	892	730	22	1,002
Total revenues from external clients	1,309	1,135	15	3,814	3,335	14	4,566

Regions – Intercompany revenues

SEK M	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
Northern Europe	67	64	5	193	163	18	233
Central Europe	64	61	5	191	177	8	244
Western Europe	32	23	39	89	69	29	94
Eliminations	-163	-148	10	-473	-409	16	-571
Total intercompany revenues	0	0		0	0		0

Regions – Revaluations of purchased debt

SEK M	July-Sept 2014	July-Sept 2013	Jan-Sept 2014	Jan-Sept 2013	Full Year 2013
Northern Europe	19	-3	19	-9	-5
Central Europe	-4	-1	6	4	1
Western Europe	0	2	3	5	11
Total revaluation	15	-2	28	0	7

Regions – Revenues excluding revaluations

SEK M	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
Northern Europe	635	615	3	1,861	1,838	1	2,481
Central Europe	362	272	33	1,036	772	34	1,087
Western Europe	297	250	19	889	725	23	991
Total revenues excluding revaluations	1,294	1,137	14	3,786	3,335	14	4,559

Regions – Amortization related to acquisitions

SEK M	July-Sept 2014	July-Sept 2013	Jan-Sept 2014	Jan-Sept 2013	Full Year 2013
Northern Europe	-2	-1	-6	-5	-7
Central Europe	0	0	0	0	0
Western Europe	-1	-3	-3	-9	-12
Total amortization and impairment	-3	-4	-9	-14	-19

Regions – Operating earnings (EBIT)

SEK M	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
Northern Europe	239	211	13	583	535	9	743
Central Europe	111	68	63	303	197	54	266
Western Europe	65	51	27	184	135	36	198
Total operating earnings (EBIT)	415	330	26	1,070	867	23	1,207
Net financial items	-37	-43	-14	-129	-115	12	-161
Earnings before tax	378	287	32	941	752	25	1,046

Regions – Operating earnings excluding revaluations

SEK M	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
Northern Europe	220	214	3	564	544	4	748
Central Europe	115	69	67	297	193	54	265
Western Europe	65	49	33	181	130	39	187
Total operating earnings excluding revaluations	400	332	20	1,042	867	20	1,200

Regions – Operating margin excluding revaluations

%	July-Sept 2014	July-Sept 2013	Jan-Sept 2014	Jan-Sept 2013	Full Year 2013
Northern Europe	35	35	30	30	30
Central Europe	32	25	29	25	24
Western Europe	22	20	20	18	19
Operating margin for the Group	31	29	28	26	26

Service lines – Revenues

SEK M	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
Credit Management	960	857	12	2,825	2,542	11	3,469
Financial Services	564	450	25	1,603	1,296	24	1,791
Elimination of inter-service line revenue	-215	-172	25	-614	-503	22	-694
Total revenues	1,309	1,135	15	3,814	3,335	14	4,566

Revenues by type

SEK M	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
External Credit Management revenues	745	685	9	2,211	2,039	8	2,775
Collections on Purchased debt	876	768	14	2,567	2,220	16	3,040
Amortization of Purchased debt	-354	-337	5	-1,064	-979	9	-1,327
Revaluation of Purchased debt	15	-2	-	28	0	-	7
Other revenues from Financial Services	27	21	29	72	55	31	71
Total revenues	1,309	1,135	15	3,814	3,335	14	4,566

Service lines – Service line earnings

SEK M	July-Sept 2014	July-Sept 2013	Change %	Jan-Sept 2014	Jan-Sept 2013	Change %	Full Year 2013
Credit Management	253	217	17	666	604	10	823
Financial Services	308	235	31	884	696	27	969
Common costs	-146	-122	20	-480	-433	11	-585
Total operating earnings	415	330	26	1,070	867	23	1,207

Service lines – Service line margin

%	July-Sept 2014	July-Sept 2013	Jan-Sept 2014	Jan-Sept 2013	Full Year 2013
Credit Management	26	25	24	24	24
Financial Services	55	52	55	54	54
Operating margin for the Group	32	29	28	26	26

Intrum Justitia AB (parent company) – Income Statement

SEK M	Jan-Sept 2014	Jan-Sept 2013	Full Year 2013
Revenues	60	52	90
Gross earnings	60	52	90
Sales and marketing expenses	-12	-11	-16
Administrative expenses	-96	-105	-142
Operating earnings (EBIT)	-48	-64	-68
Income from subsidiaries	177	0	18
Net financial items	-41	-27	-40
Earnings before tax	88	-91	-90
Tax	-19	0	0
Net earnings for the period	69	-91	-90

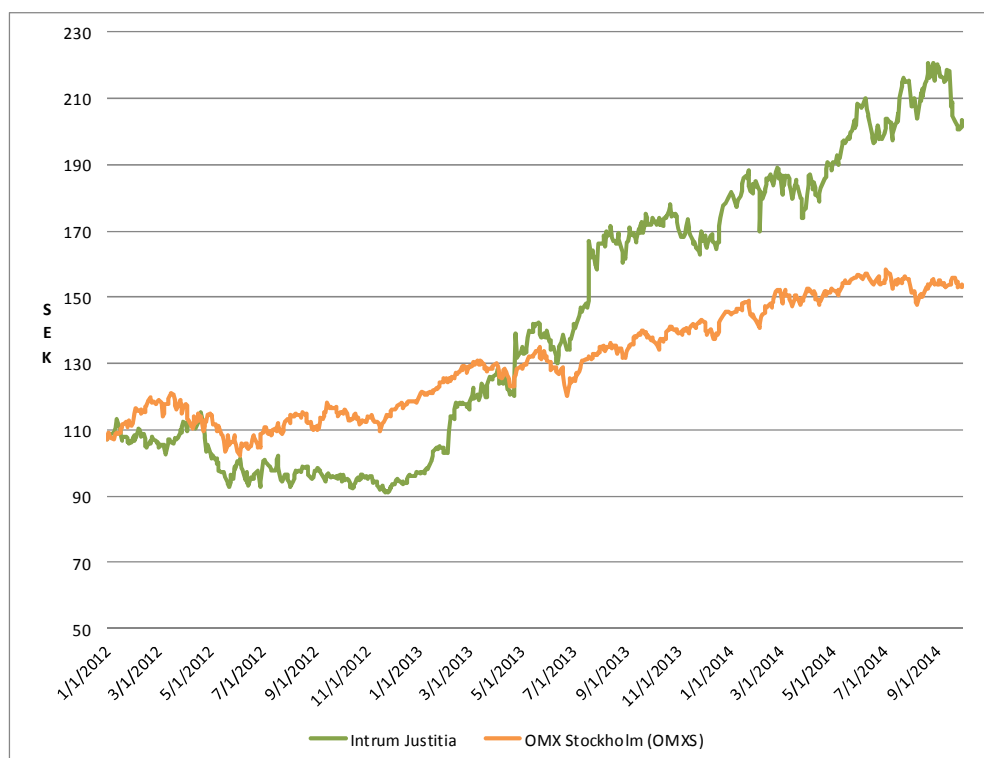
Intrum Justitia AB (parent company) – Statement of Comprehensive Income

SEK M	Jan-Sept 2014	Jan-Sept 2013	Full Year 2013
Net earnings for the period	69	-91	-90
Other comprehensive income: Change of translation reserve (fair value reserve)	-104	-12	-154
Total comprehensive income	-35	-103	-244

Intrum Justitia AB (parent company) – Balance Sheet

SEK M	30 Sep 2014	30 Sep 2013	31 Dec 2013
ASSETS			
Fixed assets			
Intangible fixed assets	0	1	0
Financial fixed assets	7,825	7,116	7,409
Total fixed assets	7,825	7,117	7,409
Current assets			
Current receivables	3,166	3,455	3,424
Cash and bank balances	7	3	6
Total current assets	3,173	3,458	3,430
TOTAL ASSETS	10,998	10,575	10,839
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted equity	284	284	284
Unrestricted equity	1,914	3,153	3,012
Total shareholders' equity	2,198	3,437	3,296
Long-term liabilities	6,415	5,308	5,524
Current liabilities	2,385	1,830	2,019
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	10,998	10,575	10,839
Pledged assets	None	None	None
Contingent liabilities	None	43	None

Share price trend



Intrum Justitia Group - Ownership Structure

30 September 2014	No of shares	Capital and Votes, %
Fidelity Investment Management	7,981,067	10.6
SEB Funds	4,324,017	5.7
State of New Jersey Pension Fund	2,500,000	3.3
Lannebo Funds	2,497,996	3.3
SHB Funds	2,011,809	2.7
AMF Insurance and Funds	1,838,547	2.4
Swedbank Robur Funds	1,755,978	2.3
Carnegie Funds	1,738,929	2.3
Odin Funds	1,586,930	2.1
Norwegian Bank Investment Management	1,541,267	2.0
Standard Life Investment Funds	1,154,061	1.5
Threadneedle Investment Funds	1,008,607	1.3
Skandia Life Insurance Company	967,859	1.3
College Retirement Equities Fund	951,259	1.3
Fourth Swedish National Pension Fund	924,870	1.2
Total, fifteen largest shareholders	32,783,196	43.5

Total number of shares: 75,428,476

Treasury shares, 1,932,468 shares are not included in the total number of shares outstanding.

Swedish ownership accounted for 38.9 percent (institutions 13.2 percentage points, mutual funds 19.7 percentage points, retail 6.0 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 amounts presented on a rolling twelve months' 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, Russia 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.