

YEAR-END REPORT 2015

Fourth quarter 2015

- Consolidated net revenues for the fourth quarter of 2015 amounted to SEK 1,396 M (1,370).
- Operating earnings (EBIT) amounted to SEK 385 M (360). The operating earnings include revaluations of purchased debt portfolios amounting to SEK –36 M (7). Earnings for the fourth quarter of 2014 were charged with non-recurring items of net SEK –35 M. The operating margin excluding revaluations of purchased debt and non-recurring items was 29 percent (28).
- Net earnings for the quarter amounted to SEK 274 M (294) and earnings per share were SEK 3.76 (3.85).
- Cash flow from operating activities amounted to SEK 878 M (784).
- The carrying amount of purchased debt has increased by 13 percent compared with the fourth quarter of 2014. Investments in purchased debt during the quarter amounted to SEK 1,130 M (477).

Full-year 2015

- Consolidated revenues during the 2015 full-year amounted to SEK 5,628 M (5,184).
- Operating earnings (EBIT) amounted to SEK 1,624 M (1,430). The operating earnings include revaluations of purchased debt portfolios amounting to SEK 31 M (35). Earnings for 2014 were burdened by non-recurring items amounting to a net of SEK –35 M. The operating margin excluding revaluations of purchased debt and non-recurring items was 28 percent (28).
- Net earnings for the year amounted to SEK 1,172 M (1,041) and earnings per share totaled SEK 15.92 (13.48).
- Cash flow from operating activities amounted to SEK 2,905 M (2,672).
- Investments in purchased debt during the year amounted to SEK 2,428 M (1,937).
- The Board of Directors proposes a dividend of SEK 8.25 per share (7.00), corresponding to a total of SEK 597 M (514).

FOURTH QUARTER

18%

Growth in earnings per share past 12 months

7%

Change in operating earnings (adjusted for currency effects, purchased debt revaluations and non-recurring items)

13%

Change in carrying value of purchased debt over the past 12 months

19%

Return on purchased debt

SEK 1,130 M

Investments in purchased debt

SEK 731 M

Cash flow from purchased debt

SEK M unless otherwise indicated	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Revenues	1,396	1,370	2	5,628	5,184	9
Revenues excluding revaluations	1,432	1,363	5	5,597	5,149	9
Operating earnings (EBIT)	385	360	7	1,624	1,430	14
Operating margin, %	28	26		29	28	
Earnings before tax	334	306	9	1,457	1,247	17
Net earnings	274	294	-7	1,172	1,041	13
Earnings per share before and after dilution, SEK	3.76	3.85	-2	15.92	13.48	18
Cash flow from operating activities	878	784	12	2,905	2,672	9
Carrying value purchased debt	7,027	6,197	13	7,027	6,197	13
Return on purchased debt %	19	18		20	20	
Investments in purchased debt	1,130	477	137	2,428	1,937	25
Cash flow from purchased debt	731	607	20	2,724	2,455	11
Net debt/RTM EBITDA	1.8	1.9		1.8	1.9	

Comments by Acting President and CEO Erik Forsberg

Intrum Justitia performed well during the fourth quarter. Operating earnings rose by 7 percent compared with the year-earlier period, adjusted for revaluations, currency effects and non-recurring items. Among our regions, it is primarily Northern Europe that has contributed to the improvement in earnings and, in our service lines, the quarter was particularly strong for purchased debt within Financial Services. In December, we were also able to announce two events that will strengthen the Group for the upcoming years. We acquired two major debt portfolios from financial institutions for a total investment of about SEK 670 M and we increased our financial flexibility by entering an agreement for an extended credit facility.

We can look back on a very successful 2015 for Intrum Justitia – a year in which we acted in accordance with our strategy. We strengthened our market presence through increased investment in purchased debt and through acquisitions in credit management services. We developed our customer offering, including through the launch of financing solutions for e-trade. Furthermore, through continuous efforts to improve and expand our extensive database we also strengthened our operational efficiency. This resulted in a continued strong financial performance in 2015 compared with the preceding year. Earnings per share rose by 18 percent and the return on purchased debt was 20 percent, well above our financial targets of 10 percent and 15 percent respectively. With regard to our capital structure, we were, over the year, just below or on par with our financial target of net debt in relation to operating earnings before impairment, depreciation and amortization of 2.0-3.0.

For the coming year, we see continued favorable opportunities for profitable growth for Intrum Justitia. We have a strong offering with a combination of services and financing that we develop continuously in close cooperation with our customers. We have a solid financial position and through our broad geographical presence in various customer segments, we achieve good commercial stability. Intrum Justitia shall also contribute to a healthy economy. Through effective credit management, we help build viable companies with the resources to recruit new employees and invest, and by treating people responsibly, we can also contribute to sound private finances by helping consumers deal with debt on terms that the individual can manage.

Group

SEK M unless otherwise indicated	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Revenues	1,396	1,370	2	5,628	5,184	9
Operating earnings (EBIT)	385	360	7	1,624	1,430	14
Operating margin, %	28	26		29	28	
Net financial items	-51	-54	-6	-167	-183	-9
Tax	-60	-12	400	-285	-206	38
Net income	274	294	-7	1,172	1,041	13
Average number of employees	3,841	3,806	1	3,846	3,803	1

Revenues and earnings

October-December 2015

Over the fourth quarter, consolidated revenues rose by 2 percent, consisting of organic growth of 3 percent, acquisition effects of 1 percent, revaluations of purchased debt of a negative 3 percent and currency effects of 1 percent. Operating earnings improved by 7 percent during the quarter. Revaluations of purchased debt reduced operating earnings by SEK 36 M for the fourth quarter, compared with an improvement in earnings by SEK 7 M for the same period last year. Non-recurring items burdened operating earnings by SEK 35 M during the fourth quarter of 2014. Thereby the increase in operating earnings is 7 percent, even when adjusting for currency effects, revaluations of purchased debt portfolios and non-recurring items.

The increase in operating earnings, excluding currency effects, revaluations and non-recurring items compared with the same period last year, is primarily attributable to improved earnings for Financial Services, where the return on purchased debt has been good. In the Group's regions, it was primarily Northern Europe that contributed to the improvement in earnings.

Earnings per share for the quarter decreased by 2 percent compared with the year-earlier period. The decrease in earnings per share for the fourth quarter was affected by a higher tax expense in the fourth quarter of 2015 compared with the preceding year, see the 'Taxes' section below for further information. In the fourth quarter, earnings per share were also affected by repurchasing, which reduced the number of shares outstanding by 3.0 percent compared with the fourth quarter of 2014.

January-December 2015

Over the full-year, revenues rose by 9 percent, consisting of organic growth of 3 percent, acquisition effects of 2 percent and currency effects of 4 percent. Operating earnings improved by 14 percent over the year – adjusted for currency effects and revaluations of purchased debt portfolios, the increase was 10 percent.

Earnings per share for the full-year rose by 18 percent compared with the previous year. Earnings per share during the year were affected by repurchasing, which reduced the average number of shares outstanding by 4.4 percent compared with the full-year 2014.

Net financial items

Net financial items for the quarter amounted to SEK –51 M (–54). Mostly as a consequence of lower market interest rates, net interest improved to SEK –29 M (–42). Exchange rate differences have affected net financial items by SEK –4 M (–4), with other financial items of SEK –18 M (–8) being included. Other financial items refer primarily to bank fees and similar charges in connection with the Group's borrowing. For the fourth quarter, these were burdened with SEK 13 M for borrowing costs previously capitalized for the company's previous loan facility, but expensed in connection with the signing of a new loan facility.

For the full-year, net financial items amounted to an expense of SEK –167 M (–183) and consisted of a net interest expense of SEK –122 M (–153), exchange rate differences of SEK –5 M (1) and other financial items of SEK –40 M (–31).

Taxes

Corporate income tax for the year was equivalent to 20 percent of full-year earnings before tax. The preceding year's full-year corporate income tax was equivalent to 17 percent of full-year earnings before tax and to 19 percent when adjusted for certain non-recurring items. The tax expense for the quarter was equivalent to 18 percent of earnings for the quarter before tax, compared with a tax expense of 4 percent for the corresponding quarter in the preceding year. The lower tax expense for the fourth quarter of the preceding year was the result of certain non-recurring items in the quarter and an adjustment due to a high estimated tax rate in earlier quarters.

Further information on ongoing tax disputes and the assessment of future tax expenses is provided in the section "Taxation assessments".

Cash flow and investments

SEK M unless otherwise indicated	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Cash flow from operating activities	878	784	12	2,905	2,672	9
Cash flow from investing activities	-1,023	-672	52	-2,497	-2,250	11
Cash paid for investments in purchased debt	868	454	91	2,186	1,950	12
Cash flow from purchased debt	731	607	20	2,724	2,455	11

In the fourth quarter, cash flow from operating activities amounted to SEK 878 M (784), where the increase compared with the year-earlier period is chiefly attributable to higher operating earnings excluding depreciation and amortization. The negative cash flow from investing activities amounted to SEK 1,023 M (672), and was burdened with disbursements for the larger part of the quarter's acquisitions of debt portfolios and acquisitions of companies.

Cash flow from purchased debt for the fourth quarter amounted to SEK 731 M (607), defined as funds collected on purchased debt of SEK 984 M (902), with deductions for the service line's costs, primarily collection costs of SEK 253 M (295).

Financing

SEK M unless otherwise indicated	Oct-Dec 2015	Oct-Dec 2014	Change %
Net Debt	6,026	5,635	7
Net Debt/RTM EBITDA	1.8	1.9	
Shareholders' equity	3,166	3,041	4
Liquid assets	265	266	-0

Intrum Justitia's net debt increased by SEK 0.4 billion compared with the year-earlier period. Cash flow from operating activities less the cash flow from investing activities has helped reduce net debt by approximately SEK 0.4 billion. Share repurchases for SEK 0.4 billion and dividends of SEK 0.5 billion have helped increase net debt. As in the preceding quarter, consolidated net debt, expressed as a multiple of operating earnings before depreciation, amortization and impairment, amounted to 1.8, which is slightly below the interval for Intrum Justitia's financial target for this ratio, which is set at 2.0-3.0.

In the fourth quarter of the year, Intrum Justitia repurchased 345,530 shares for SEK 100 M. Accordingly, the average number of shares outstanding in the fourth quarter was 72,560,901. Accordingly, the average number of shares outstanding over the full-year was 73,096,665. The number of outstanding shares at the end of the year, after deductions for treasury holdings of 1,073,602 shares, was 72,347,726.

In December 2015, the Group's revolving credit facility was renegotiated to strengthen future financial flexibility. The credit facility increased to SEK 7.5 billion (previously SEK 5 billion) and the maturity profile was extended, whereby the SEK 2.5 billion of the new facility will mature for repayment in 2018, 2019 and 2020 respectively (previously SEK 2 billion in 2017 and 2018, and SEK 1 billion in 2019).

Goodwill

Consolidated goodwill amounted to SEK 2,810 M as per December 31, 2015, compared with SEK 2,719 M as per December 31, 2014. The increase since the end of 2014 was attributable to an acquisition in Switzerland for SEK 36 M, an acquisition in Portugal for SEK 111 M, adjustments of the acquisition analysis for the acquisition of Advis A/S in Denmark or a negative SEK 7 M and translation differences of a negative SEK 49 M.

Regions

Northern Europe

SEK M	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Revenues	617	676	-9	2,573	2,556	1
Operating earnings	175	167	5	763	750	2
Revenues excluding revaluations	669	678	-1	2,652	2,539	4
Operating earnings excluding revaluations	227	169	34	842	733	15
Operating margin excluding revaluations, %	34	25		32	29	

Revenues for the quarter fell by 9 percent compared with the year-earlier period. Adjusted for currency effects and revaluations of purchased debt, revenues fell by 1 percent. Operating earnings improved by 5 percent. Adjusted for currency effects, revaluations of purchased debt and non-recurring items of a negative SEK 35 M in the fourth quarter of 2014, operating earnings improved by 12 percent. Profitability was affected positively by improved operational efficiency and the trend in the region's units for financing of receivables before maturity. In late December, two large debt portfolios were acquired from two financial institutions, for a total investment of about SEK 670 M.

Central Europe

SEK M	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Revenues	420	391	7	1,705	1,433	19
Operating earnings	129	128	1	568	431	32
Revenues excluding revaluations	419	382	10	1,636	1,418	15
Operating earnings excluding revaluations	128	119	8	499	416	20
Operating margin excluding revaluations, %	31	31		31	29	

Revenues for the quarter rose by 7 percent compared with the year-earlier period. Adjusted for currency effects and revaluations of purchased debt, the increase was 4 percent. Operating earnings improved by 1 percent. Adjusted for currency effects and revaluations of purchased debt, the increase was 1 percent. Profitability in the region remains very strong, although, where growth in sales and earnings has slowed compared with previous years, this is due to a period of lower investment in purchased debt.

Western Europe

SEK M	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Revenues	359	303	18	1,350	1,195	13
Operating earnings	81	65	25	293	249	18
Revenues excluding revaluations	344	303	14	1,309	1,192	10
Operating earnings excluding revaluations	66	65	2	252	246	2
Operating margin excluding revaluations, %	19	21		19	21	

Revenues for the quarter rose by 18 percent compared with the year-earlier period. Adjusted for currency effects and revaluations of purchased debt, revenues rose by 13 percent. Operating earnings improved by 25 percent. Adjusted for currency effects and revaluations of purchased debt, the improvement was 1 percent. Revenue growth is positive, mainly due to a positive trend in purchased debt. Operating earnings were affected negatively in the amount of SEK 10 M due to costs for personnel redundancies to increase efficiency, and to transaction costs for acquisitions. The integration of the acquired unit Logicomer is progressing according to plan.

Service lines

Credit Management

SEK M	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Revenues	1,160	1,019	14	4,194	3,844	9
Service line earnings	278	246	13	1,049	912	15
Service line margin, %	24	24		25	24	

Revenues for the quarter rose by 14 percent compared with the year-earlier period. Adjusted for currency effects, the increase was 12 percent. Of this increase, 9 percentage points are attributable to an adjustment of Group-internal revenues, which, during the previous quarters of the year, reduced the business area's sales. Accordingly, underlying sales growth, excluding currency effects, was 3 percent, as a result of acquisitions and revenues from the Group's purchased debt portfolios. Service line earnings improved by 13 percent. Adjusted for currency effects and non-recurring items of a negative SEK 24 M in the fourth quarter of 2014, operating earnings improved by 1 percent. The service line margin, excluding the adjustment of Group-internal revenues for the fourth quarter 2015 was in line with the service line margin for the fourth quarter 2014 adjusted for non-recurring items. For the 2015 full-year, the operating margin improved by 1 percentage point, as a consequence of acquired units and improved efficiency.

Financial Services

SEK M	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Revenues	581	570	2	2,423	2,173	12
Service line earnings	328	275	19	1,345	1,159	16
Service line margin, %	56	48		56	53	
Return on purchased debt, %	19	18		20	20	
Investments in purchased debt	1,130	477	137	2,428	1,937	25
Carrying amount, purchased debt	7,027	6,197	13	7,027	6,197	13

Revenues for the quarter rose by 2 percent compared with the year-earlier period. Adjusted for currency effects and revaluations, the increase was 8 percent. Service line earnings improved by 19 percent. Adjusted for currency effects, revaluations and non-recurring items, the improvement in earnings was 17 percent. Revaluations for the quarter contributed negatively to the result by SEK 36 M compared to a positive contribution of SEK 7 M in the fourth quarter last year. Non-recurring items affected earnings negatively by SEK 38 M during the fourth quarter of 2014.

Collection on purchased debt developed favorably, which generated a good return of 19 percent for the fourth quarter. Investments in purchased debt for the quarter more than doubled to SEK 1,130 M (477), primarily as a consequence of two major acquisitions in Northern Europe. For 2015, investments in purchased debt thus increased to SEK 2.4 billion, compared with SEK 1.9 billion in the preceding year. The carrying value for purchased debt increased by 13 percent compared with the end of 2014, and by 15 percent excluding currency effects.

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 affects Intrum Justitia negatively.

In Intrum Justitia's view, the Group's strategic focus is well attuned to the market trend, with a broadening of credit management services and a link to risk reduction and financial services based on strong, market-leading collection operations. Companies' need to generate stronger and more predictable cash flow is increasing, as is 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

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 102 M (92) for the full-year and earnings before tax of SEK 1,090 M (102), including share dividends and other earnings from subsidiaries of SEK 1,237 M (221). The Parent Company invested SEK 0 M (0) in fixed assets during the year and had, at the end of the year, SEK 37 M (12) in cash and equivalents. The average number of employees was 54 (53).

Change in Group Management

During the quarter, Intrum Justitia's Board of Directors resolved to dismiss the President at that time, Lars Wollung. The process of recruiting a new President is ongoing.

Accounting principles

This interim report has been prepared in accordance with the Annual Accounts Act and IAS 34 Interim Financial Reporting for the Group and in accordance with Chapter 9 of the Annual Accounts Act for the Parent Company. The same accounting principles and calculation methods have been applied as in the most recent Annual Report.

Significant risks and uncertainties

The Group and Parent Company are exposed to risks including risks related to economic conditions, regulatory changes, reputation risks, risks related to customer awareness and money laundering, market risks, liquidity risks, credit risks, risks associated with the purchase of overdue receivables and payment guarantees, and financing risks. The risks are described in more detail in the Board of Directors' report in Intrum Justitia's 2014 Annual Report. No significant risks are considered to have arisen besides those described in the annual report.

Acquisition of Logicomer

During the quarter, Intrum Justitia completed its acquisition of the Portuguese company Logicomer Gestão e Recuperação de Créditos SA for a purchase consideration of approximately SEK 183 M on a net debt-free basis.

Logicomer is primarily engaged in credit management services, but also holds a purchased debt portfolio with a nominal value of approximately SEK 1.2 billion. The company has 40 employees and generated sales of approximately SEK 45 M in 2014, with excellent profitability. The acquisition Logicomer is expected to contribute positively to Intrum Justitia's earnings and market position in Portugal, with the company adding expertise in certain areas of collection.

Preliminarily, the company is reported in the consolidated accounts in accordance with the following:

SEK M	Carrying amounts before acquisition	Adjustments to fair value	Fair value recognized in Group
Intangible fixed assets	0	8	8
Tangible fixed assets	5		5
Purchased debt	4	58	62
Current assets	11		11
Liquid assets	13		13
Deferred tax	0	-14	-14
Other liabilities	-9		-9
Net assets	24	52	76
Consolidated goodwill			111
Purchase consideration paid			-187
Acquired cash and cash equivalents			13
Net effect on cash and cash equivalents			-174

Other acquisitions

In February, Intrum Justitia acquired a smaller credit management company in Switzerland, Credita AG, for a purchase consideration of SEK 51 M. The preliminary acquisition analysis can be found in Intrum Justitia's interim report for the first quarter. The acquisition analysis has not been altered during the year, but remains preliminary.

In the fourth quarter, a smaller credit management company was acquired in France, Cabinet PPN SAS, for a purchase consideration of SEK 11 M. The acquisition did not give rise to any goodwill in the consolidated balance sheet.

Dividend proposal

The Board of Directors of Intrum Justitia AB proposes that the Annual General Meeting distribute a dividend to the shareholders of SEK 8.25 (7.00) per share, corresponding to a total of SEK 597 M (514).

Events after the end of the period

In 2015 Intrum Justitia has repurchased shares for SEK 400 M. The Board of Directors decided on 27 January, with the intention of maintaining good financial flexibility allowing the company to take advantage of potential investment opportunities in its operations, not to repurchase further shares in the first quarter of 2016.

Presentation of the Interim Report

The interim report and presentation material are available at www.intrum.com/Investor relations. Acting President & CEO 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 8 505 564 505 (SE) or +44 20 342 628 45 (UK).

For further information, please contact

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Financial calendar 2016

The interim report for January-March will be published April 20, 2016

The interim report for January-June will be published July 19, 2016

The interim report for January-September will be published October 19, 2016

The year-end report and interim report for January -December 2016 will be published January 26, 2017

The 2016 Annual General Meeting of Intrum Justitia will be held on Wednesday, April 20, at 3:00 p.m. CET at the company's offices at Hesselmans torg 14, Nacka, 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, January 28, 2016

Erik Forsberg

Acting 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 3,850 employees in 20 markets. Consolidated revenues amounted to SEK 5.6 billion in 2015. Intrum Justitia AB has been listed on the Nasdaq Stockholm exchange since 2002. For further information, please visit www.intrum.com.

Intrum Justitia Group – Consolidated Income Statement

SEK M	Oct-Dec 2015	Oct-Dec 2014	Full Year 2015	Full Year 2014
Revenues	1,396	1,370	5,628	5,184
Cost of sales	-755	-810	-3,087	-2,963
Gross earnings	641	560	2,541	2,221
Sales and marketing expenses	-66	-73	-252	-262
Administrative expenses	-188	-180	-661	-585
Impairment write-down of goodwill	0	-111	0	-111
Release of liability for deferred payment for shares in subsidiaries	0	164	0	164
Participation in associated companies and joint ventures	-2	0	-4	3
Operating earnings (EBIT)	385	360	1,624	1,430
Net financial items	-51	-54	-167	-183
Earnings before tax	334	306	1,457	1,247
Tax	-60	-12	-285	-206
Net income for the period	274	294	1,172	1,041
Of which attributable to:				
Parent company's shareholders	273	288	1,164	1,031
Non-controlling interest	1	6	8	10
Net earnings for the period	274	294	1,172	1,041
Earnings per share before and after dilution	3.76	3.85	15.92	13.48

Intrum Justitia Group - Statement of Comprehensive Income

SEK M	Oct-Dec 2015	Oct-Dec 2014	Full Year 2015	Full Year 2014
Net income for the period	274	294	1,172	1,041
Other comprehensive income, items that will be reclassified to profit and loss:				
Currency translation difference	-59	83	-87	122
Other comprehensive income, items that will not be reclassified to profit and loss:				
Remeasurement of pension liability	-26	-22	-26	-22
Comprehensive income for the period	189	355	1,059	1,141
Of which attributable to:				
Parent company's shareholders	187	346	1,053	1,126
Non-controlling interest	2	9	6	15
Comprehensive income for the period	189	355	1,059	1,141

Intrum Justitia Group – Consolidated Balance Sheet

SEK M	31 Dec 2015	31 Dec 2014
ASSETS		
Intangible fixed assets		
Goodwill	2,810	2,719
Capitalized expenditure for IT development and other intangibles	219	221
Client relationships	69	46
Total intangible fixed assets	3,098	2,986
Tangible fixed assets		
Other fixed assets	118	127
Shares in joint ventures	6	0
Other shares and participations	1	0
Purchased debt	7,027	6,197
Deferred tax assets	33	35
Other long-term receivables	11	17
Total other fixed assets	7,078	6,249
Total fixed assets	10,294	9,362
Current Assets		
Accounts receivable	285	307
Client funds	569	568
Tax assets	42	48
Other receivables	510	633
Prepaid expenses and accrued income	180	157
Cash and cash equivalents	265	266
Total current assets	1,851	1,979
TOTAL ASSETS	12,145	11,341
SHAREHOLDERS' EQUITY AND LIABILITIES		
Attributable to parent company's shareholders	3,086	2,948
Attributable to non-controlling interest	80	93
Total shareholders' equity	3,166	3,041
Long-term liabilities		
Liabilities to credit institutions	2,340	1,727
Medium term note	3,124	3,231
Other long-term liabilities	3	4
Provisions for pensions	174	133
Other long-term provisions	3	3
Deferred tax liabilities	522	390
Total long-term liabilities	6,166	5,488
Current liabilities		
Liabilities to credit institutions	17	85
Commercial paper	635	728
Client funds payable	569	568
Accounts payable	139	159
Income tax liabilities	128	142
Advances from clients	14	16
Other current liabilities	613	325
Accrued expenses and prepaid income	698	789
Total current liabilities	2,813	2,812
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	12,145	11,341

Fair value of financial instruments

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

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

SEK M	2015			2014		
	Attributable to Parent Company's shareholders	Non-controlling interest	Total	Attributable to Parent Company's shareholders	Non-controlling interest	Total
Opening Balance, January 1	2,948	93	3,041	3,235	81	3,316
Dividend	-514	-7	-521	-445	-3	-448
Acquired non-controlling interest	-1	-12	-13			0
Repurchase of shares	-400		-400	-968		-968
Comprehensive income for the year	1,053	6	1,059	1,126	15	1,141
Closing Balance, December 31	3,086	80	3,166	2,948	93	3,041

Intrum Justitia Group – Quarterly Overview

	Quarter 4 2015	Quarter 3 2015	Quarter 2 2015	Quarter 1 2015	Quarter 4 2014
Revenues, SEK M	1,396	1,386	1,476	1,370	1,370
Revenue growth, %	2	6	13	14	11
Operating earnings (EBIT), SEK M	385	452	448	339	360
Operating earnings excluding revaluations, SEK M	421	423	403	346	353
Operating margin excluding revaluations, %	29	31	28	25	26
EBITDA, SEK M	854	846	834	748	771

Intrum Justitia Group – Cash Flow Statement

SEK M	Oct-Dec 2015	Oct-Dec 2014	Full Year 2015	Full Year 2014
Operating activities				
Operating earnings (EBIT)	385	360	1,624	1,430
Depreciation/amortization and impairment write-down	42	52	164	170
Amortization/revaluation of purchased debt	428	359	1,495	1,395
Other adjustment for items not included in cash flow	9	-48	15	-45
Interest received	3	3	11	13
Interest paid and other financial expenses	-45	-43	-242	-175
Income tax paid	-36	-27	-229	-138
Cash flow from operating activities before changes in working capital	786	656	2,838	2,650
Changes in factoring receivables	6	-18	-44	-38
Other changes in working capital	86	146	111	60
Cash flow from operating activities	878	784	2,905	2,672
Investing activities				
Purchases of tangible and intangible fixed assets	-40	-43	-135	-142
Investments in purchased debt	-868	-454	-2,186	-1,950
Purchases of shares in subsidiaries and associated companies	-115	-174	-181	-148
Other cash flow from investing activities	0	-1	5	-10
Cash flow from investing activities	-1,023	-672	-2,497	-2,250
Financing activities				
Borrowings and repayment of loans	317	244	522	915
Repurchase of shares	-100	-350	-400	-968
Share dividend to parent company's shareholders	0	0	-514	-445
Share dividend to non-controlling interest	0	0	-7	-3
Cash flow from financing activities	217	-106	-399	-501
Change in liquid assets	72	6	9	-79
Opening balance of liquid assets	201	259	266	340
Exchange rate differences in liquid assets	-8	1	-10	5
Closing balance of liquid assets	265	266	265	266

Intrum Justitia Group – Five-Year Overview

	2015	2014	2013	2012	2011
	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec	Oct-Dec
Revenues, SEK M	1,396	1,370	1,231	1,054	1,043
Revenue growth, %	2	11	17	1	8
Operating earnings (EBIT), SEK M	385	360	340	230	228
Operating earnings (EBIT) excl revaluations, SEK M	421	353	333	278	234
Operating margin excl revaluations, %	29	26	27	25	22
EBITDA, SEK M	854	771	721	631	527
Earnings before tax, SEK M	334	306	294	185	194
Net income, SEK M	274	294	236	176	163
Net Debt, SEK M	6,026	5,635	4,328	3,261	2,692
Net Debt/EBITDA RTM	1.8	1.9	1.6	1.5	1.4
Earnings per share, SEK	3.76	3.85	3.00	2.19	2.04
EPS growth, %	-2	28	37	7	34
Average number of shares, '000	72,561	74,797	78,547	79,745	79,745
Number of shares outstanding at end of period, '000	72,348	73,848	78,547	79,745	79,745
Return on purchased debt, %	19	18	21	18	20
Investments in purchased debt, SEK M	1,130	477	308	240	744
Average number of employees	3,841	3,806	3,599	3,391	3,314
	2015	2014	2013	2012	2011
	Full Year	Helår	Helår	Helår	Helår
Revenues, SEK M	5,628	5,184	4,566	4,048	3,950
Revenue growth, %	9	14	13	2	5
Operating earnings (EBIT), SEK M	1,624	1,430	1,207	879	868
Operating earnings (EBIT) excl revaluations, SEK M	1,593	1,395	1,200	958	849
Operating margin excl revaluations, %	28	27	26	23	22
EBITDA, SEK M	3,282	2,996	2,684	2,199	1,929
Earnings before tax, SEK M	1,457	1,247	1,046	729	753
Net income, SEK M	1,172	1,041	819	584	553
Net Debt, SEK M	6,026	5,635	4,328	3,261	2,692
Net Debt/EBITDA RTM	1.8	1.9	1.6	1.5	1.4
Earnings per share, SEK	15.92	13.48	10.30	7.32	6.91
EPS growth, %	18	31	41	6	22
Dividend/proposed dividend per share, SEK	8.25	7.00	5.75	5.00	4.50
Average number of shares, '000	73,097	76,462	79,306	79,745	79,745
Number of shares outstanding at end of period, '000	72,348	73,848	78,547	79,745	79,745
Return on purchased debt, %	20	20	21	17	21
Investments in purchased debt, SEK M	2,428	1,937	2,524	2,132	1,752
Average number of employees	3,846	3,801	3,530	3,475	3,331

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	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Northern Europe	617	676	-9	2,573	2,556	1
Central Europe	420	391	7	1,705	1,433	19
Western Europe	359	303	18	1,350	1,195	13
Total revenues from external clients	1,396	1,370	2	5,628	5,184	9

Regions – Intercompany revenues

SEK M	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Northern Europe	74	72	3	288	265	9
Central Europe	78	70	11	295	261	13
Western Europe	46	33	39	171	122	40
Eliminations	-198	-175	13	-754	-648	16
Total intercompany revenues	0	0		0	0	

Regions – Revaluations of purchased debt

SEK M	Oct-Dec 2015	Oct-Dec 2014	Full Year 2015	Full Year 2014
Northern Europe	-52	-2	-79	17
Central Europe	1	9	69	15
Western Europe	15	0	41	3
Total revaluation	-36	7	31	35

Regions – Revenues excluding revaluations

SEK M	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Northern Europe	669	678	-1	2,652	2,539	4
Central Europe	419	382	10	1,636	1,418	15
Western Europe	344	303	14	1,309	1,192	10
Total revenues excluding revaluations	1,432	1,363	5	5,597	5,149	9

Regions – Amortization related to acquisitions

SEK M	Oct-Dec 2015	Oct-Dec 2014	Full Year 2015	Full Year 2014
Northern Europe	-2	-2	-7	-8
Central Europe	0	0	0	0
Western Europe	-2	-1	-5	-4
Total amortization and impairment	-4	-3	-12	-12

Regions – Operating earnings (EBIT)

SEK M	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Northern Europe	175	167	5	763	750	2
Central Europe	129	128	1	568	431	32
Western Europe	81	65	25	293	249	18
Total operating earnings (EBIT)	385	360	7	1,624	1,430	14
Net financial items	-51	-54	-6	-167	-183	-9
Earnings before tax	334	306	9	1,457	1,247	17

Regions – Operating earnings excluding revaluations

SEK M	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Northern Europe	227	169	34	842	733	15
Central Europe	128	119	8	499	416	20
Western Europe	66	65	2	252	246	2
Total operating earnings excluding revaluations	421	353	19	1,593	1,395	14

Regions – Operating margin excluding revaluations

%	Oct-Dec 2015	Oct-Dec 2014	Full Year 2015	Full Year 2014
Northern Europe	34	25	32	29
Central Europe	31	31	31	29
Western Europe	19	21	19	21
Operating margin for the Group	29	26	28	27

Service lines – Revenues

SEK M	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Credit Management	1,160	1,019	14	4,194	3,844	9
Financial Services	581	570	2	2,423	2,173	12
Elimination of inter-service line revenue	-345	-219	58	-989	-833	19
Total revenues	1,396	1,370	2	5,628	5,184	9

Revenues by type

SEK M	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
External Credit Management	815	800	2	3,205	3,011	6
Collections on purchased debt	984	902	9	3,802	3,469	10
Amortization of purchased debt	-392	-366	7	-1,526	-1,430	7
Revaluation of purchased debt	-36	7	-	31	35	-
Other revenues from Financial Services	25	27	-7	116	99	17
Total revenues	1,396	1,370	2	5,628	5,184	9

Service lines – Service line earnings

SEK M	Oct-Dec 2015	Oct-Dec 2014	Change %	Full Year 2015	Full Year 2014	Change %
Credit Management	278	246	13	1,049	912	15
Financial Services	328	275	19	1,345	1,159	16
Common costs	-221	-161	37	-770	-641	20
Total operating earnings	385	360	7	1,624	1,430	14

Service lines – Service line margin

%	Oct-Dec 2015	Oct-Dec 2014	Full Year 2015	Full Year 2014
Credit Management	24	24	25	24
Financial Services	56	48	56	53
Operating margin for the Group	28	26	29	28

Intrum Justitia AB (parent company) – Income Statement

SEK M	Full Year 2015	Full Year 2014
Revenues	102	92
Gross earnings	102	92
Sales and marketing expenses	-17	-22
Administrative expenses	-152	-130
Operating earnings (EBIT)	-67	-60
Income from subsidiaries	1,237	221
Net financial items	-80	-59
Earnings before tax	1,090	102
Tax	0	-19
Net earnings for the period	1,090	83

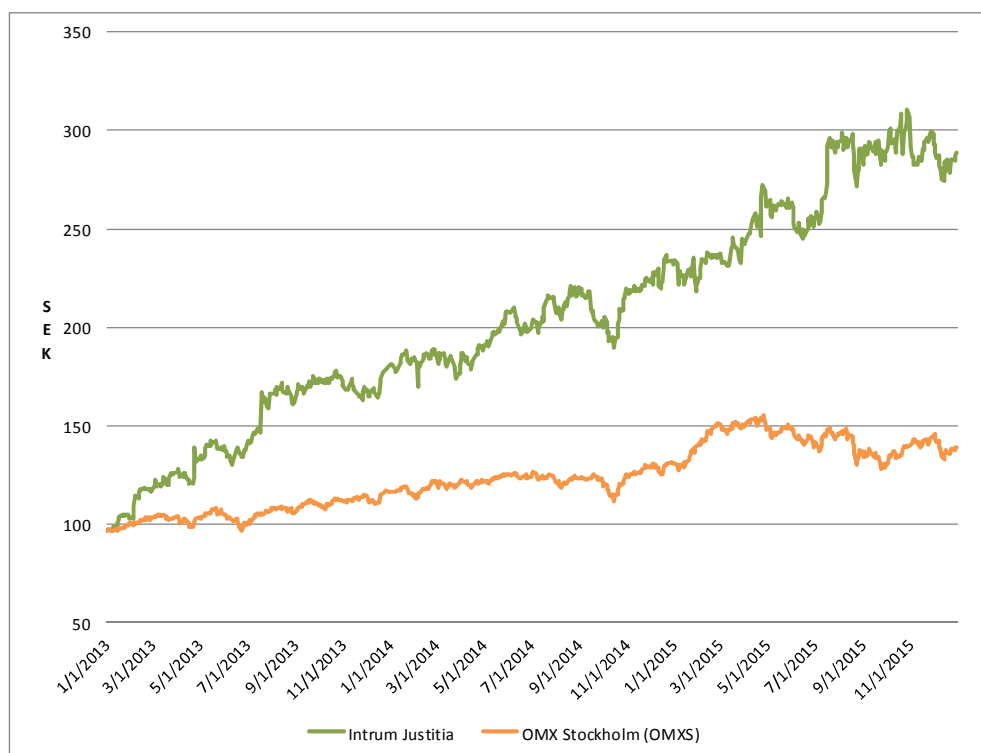
Intrum Justitia AB (parent company) – Statement of Comprehensive Income

SEK M	Full Year 2015	Full Year 2014
Net earnings for the period	1,090	83
Other comprehensive income: Change of translation reserve (fair value reserve)	107	-237
Total comprehensive income	1,197	-154

Intrum Justitia AB (parent company) – Balance Sheet

SEK M	31 Dec 2015	31 Dec 2014
ASSETS		
Fixed assets		
Financial fixed assets	7,536	7,585
Total fixed assets	7,536	7,585
Current assets		
Current receivables	4,743	3,570
Cash and bank balances	37	12
Total current assets	4,780	3,582
TOTAL ASSETS	12,316	11,167
SHAREHOLDERS' EQUITY AND LIABILITIES		
Restricted equity	284	284
Unrestricted equity	1,728	1,445
Total shareholders' equity	2,012	1,729
Long-term liabilities	7,469	6,668
Current liabilities	2,835	2,770
TOTAL SHAREHOLDERS* EQUITY AND LIABILITIES	12,316	11,167
Pledged assets	None	None
Contingent liabilities	None	None

Share price trend



Intrum Justitia Group - Ownership Structure

31 December 2015	No of shares	Capital and Votes, %
SEB Funds	5,950,814	8.2
AMF Insurance & Funds	2,684,718	3.7
Norges Bank Investment Management	2,521,304	3.5
Carnegie Funds	1,884,634	2.6
Odin Funds	1,698,980	2.3
Lannebo Funds	1,400,000	1.9
Skandia Life Insurance	1,346,660	1.9
SHB Funds	1,213,733	1.7
Standard Life Investment Funds	994,835	1.4
Enter Funds	732,600	1.0
Folksam	661,629	0.9
DFA Funds	625,737	0.9
Third Swedish National Pension Fund	621,087	0.9
Skandia Funds	620,629	0.9
Björn Savén	570,036	0.8
Total, fifteen largest shareholders	23,527,396	32.5

Total number of shares:

72,347,729

Treasury shares, 1,073,602 shares, are not included in the total number of

Swedish ownership accounted for 40.1 percent (institutions 10.5 percentage mutual funds 24.7 percentage points, retail 4.8 percentage points) Source: Modular Finance Holdings

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 income and income from purchased debt operations. Income from purchased debt consists of collected amounts less amortization, i.e., the decrease in the portfolios' book value for the period.

Operating margin is operating earnings as a percentage of revenues.

Return on purchased debt is the service line earnings for the period, excluding the Group's new services such as factoring and payment guarantees, recalculated on a full-year basis, as a percentage of the average carrying amount of the balance-sheet item purchased debt.

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

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

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

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

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

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

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

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