

# Interim report January–June 2015

## JANUARY–JUNE 2015 (COMPARED WITH JANUARY–JUNE 2014)

- Total income increased by 34% and amounted to SEK 561m (418)
- Profit after tax rose by 51% to SEK 115m (77)
- Return on equity (RoE) was 22% (26)
- Earnings per share increased to SEK 1,34 (1,03)
- Strong performance within the Retail segment, primarily within Personal loans and Payment solutions
- Growth remained strong within Factoring in Sweden and Property finance within the Corporate segment
- Several new cooperation agreements were signed, including a cooperation agreement with SPP
- The total capital ratio increased to 18% (12) following the new issue in connection with the listing on the stock exchange

## THE SECOND QUARTER (COMPARED TO THE SECOND QUARTER OF 2014)

- Total income increased by 35% and amounted to SEK 296m (219)
- Profit after tax rose by 46% to SEK 61m (42)
- Earnings per share increased to SEK 0,70 (0,56)
- The Collector share has been listed on the Nasdaq Stockholm exchange, Mid Cap, since 10 June 2015
- Collector Credit AB obtained a banking licence on 22 May 2015 and had the name changed to Collector Bank AB
- In connection with the listing on the stock exchange a new issue of SEK 400m was implemented

*“The second quarter of 2015 must be considered one of the most eventful quarters in the history of Collector.”* Stefan Alexandersson, CEO

TOTAL INCOME Jan-June

**561 + 34%**  
SEK m

RETURN ON EQUITY

**22%**

PROFIT AFTER TAX Jan-June

**115 + 51%**  
SEK m

CAPITAL ADEQUACY June 30 2015

**18%**

**THIS IS COLLECTOR**

Collector is a niche bank that offers cost-effective and innovative financial solutions to private and corporate customers. Collector is a growth company and has experienced an annual organic revenue growth of over 30% and a profit growth (EBT) of over 40% since 2005. The business is conducted within two segments: Retail and Corporate. Within the Retail, the Company is engaged in lending to private individuals, invoice and payments by instalments to e-commerce and retail customers, credit card services and deposits. The Corporate segment includes factoring and company credits directed mainly towards small and medium-sized enterprises, property finance, assignment debt collection and the acquisition of portfolios of overdue receivables. The Company has offices in Gothenburg (the head office), Stockholm, Malmö, Helsinki and Oslo. The Group is comprised of the parent company, Collector AB (publ); the wholly owned subsidiary, Collector Bank AB, in which the main operations are conducted; and Collector Finance & Law AB and Collector Norge AS, which are active in commissioned services and debt collection.

**Key ratios**

SEK million	Q2 2015	Q2 2014	%	Jan–June 2015	Jan–June 2014	%	2014
Total income	296	219	35%	561	418	34%	916
Profit before tax (EBT)	79	54	47%	148	98	51%	244
Profit after tax	61	42	46%	115	77	51%	188
Earnings per share, SEK <sup>1</sup>	0,70	0,56	25%	1,34	1,03	30%	2,35
Average number of shares <sup>1</sup>	86 789 142	74 382 100		86 144 726	74 382 100		79 831 081
Capital base <sup>3,10</sup>	1 266	589	115%	1 266	589	115%	906
Equity	1 483	685	117%	1 483	685	117%	995
Total capital ratio, % <sup>4,10</sup>	18,1	11,5		18,1	11,5		14,9
Return on equity, % <sup>5</sup> (RoE)	22,0	25,8		22,0	25,8		23,1
Equity per share, SEK <sup>6</sup>	16	9,1	74%	16	9,1	74%	13,4
Equity-to-assets ratio, % <sup>7</sup>	17,7	11,8		17,7	11,8		15,2
Credit losses, % <sup>8</sup>	1,5	1,3		1,5	1,3		1,4
Average number of full-time employees <sup>9</sup>	246	217	13%	244	216	13%	229
Investments in intangible fixed assets	13	15		24	21		33

- 1) The period's profit after tax attributable to the period's average number of outstanding ordinary shares, before and after dilution. The period's profit has been adjusted for dividends attributable to preference shares.
- 2) The period's average number of ordinary shares before and after dilution. The number of shares has been adjusted retroactively due to a resolution by the Annual General Meeting to split shares.
- 3) See Note 4 on page 16.
- 4) Capital base divided by total capital requirement. Refers to the financial group of companies. See Note 4 on page 16.
- 5) Profit after tax in relation to average equity. Rolling, 12 months.
- 6) Equity divided by the number of outstanding shares at the end of the period. The number of shares has been adjusted retroactively due to a resolution by the Annual General Meeting to split shares.
- 7) Equity divided by total capital at the end of the period.
- 8) Credit losses in relation to lending and other accounts receivable. Rolling, 12 months.
- 9) Including employees on fixed-term contracts, but not on parental leave or leave of absence.
- 10) As per 30 June 2015, the capital base does not include profit for the period 1 January–30 June 2015 for the financial group of companies amounted to SEK 115m. If the period's profit is included, the capital base for the financial group of companies amounted to SEK 1 381m as per 30 June 2015 and the total capital ratio amounted to 19,7%.

# CEO's comment

The second quarter of 2015 must be considered one of the most eventful quarters in the history of Collector. The quarter was characterised by the receipt of our banking licence from Finansinspektionen (the Swedish Financial Supervisory Authority) and by the fact that the Collector share started trading on the Nasdaq Stockholm exchange.

We applied to become a bank primarily for reasons of communication – the fact that we are a bank makes it easier for others to understand our business. It is important to emphasize that our banking licence does not alter our operations in any way. Nor are we affected to any great extent by new legislation and regulations that might otherwise have caused us to incur additional costs or exposed us to additional regulatory risks. Collector will continue to be an entrepreneurial, efficient and strongly customer-centric niche bank.

Collector's initial public offering ("IPO") was received well by the market. Investors' positive view of Collector was reflected in the fact that the share was substantially oversubscribed prior to the first day of trading. The owners' intention with the IPO was primarily to gain more effective access to the capital market; they had no intention of terminating their ownership. All owners have retained significant holdings also after the listing and the largest shareholder, Fastighets AB Balder, sold no shares at all.

On a more personal note, I was very pleased to see that just over 80% of all employees subscribed for shares in the IPO, on the same terms and conditions as the other new shareholders. This shows the level of faith in Collector's business model and future held by those of us who work at Collector. The banking license and the IPO have in common that they reinforce our already high level of quality with regard to procedures and matters of "corporate housekeeping."

There is one thing that Collector has always succeeded in, the unique combination of properly structured procedures and the constant focus

on quality with a culture strongly permeated by innovation, entrepreneurship and commitment. This combination, which is not self-evident, is an important reason for Collector's success.

*"Collector's position on the market and our ability to use this position have never been better than at present."*

Our operations continued to perform well in the first six months. As usual, the level of activity is very high in the Company, and both order intake and the level of product development are at an all-time high in the Retail and the Corporate segments alike. I am pleased to divulge that we will release a truly excellent new digital service on the Retail side in the second half of this year. The number of retail customers is now well above 3 million, and the number of corporate customers is at a record high.

Finally, I wish to welcome all new shareholders to Collector. Those of us who work at Collector will continue to run Collector at high speed, with quality and a long-term focus, in a manner strongly characterized by our core values: entrepreneurship, commitment and ethics. Collector's position on the market and our ability to use this position have never been better than at present.



**STEFAN ALEXANDERSSON**  
CEO



# The Group's development



## The Group's income and profit

### January–June 2015

The Group's operations continued their strong growth in the period. Total income increased by 34% compared to the corresponding period in the previous year and amounted to SEK 561 million (418). The growth primarily stems from expanding volumes in Payment solutions for e-commerce and retail chains, Property finance, Personal loans and Factoring. However, all product areas are growing. Qliro, which is a customer within the product area Payment solutions for e-commerce, has made a positive contribution to the growth. Qliro's volumes will, as previously communicated, decrease in 2015, and potentially also in 2016. If Qliro were to be excluded in full, the growth in total income would amount to 25–28% instead of 34%.

Profit before tax (EBT) increased by 51% and amounted to SEK 148 million (98). The improved result was caused by a combination of higher income, reduced operating expenses and a lower cost of funding. The period's profit after tax increased by 51% to SEK 115 million, corresponding to a profit margin of 22% (26). Earnings per share increased by 30% to SEK 1.34 (1.03). The new issue, which resulted in a higher number of shares in connection with the listing, will have an effect on earnings per share. In the second quarter, this effect is rather small, as earnings per share are calculated based on the average number of shares in the period. The effect will be greater in future reports.

### April–June 2015

In the second quarter, Collector had a total income of SEK 296 million (219), corresponding to a growth of 35%. Profit before tax (EBT) increased by 47% and amounted to SEK 79 million (54). The period's profit after tax increased by 46% to SEK 61 million (42), corresponding to a profit margin of 21% (19). Earnings per share increased by 25% to SEK 0.70 (0.56), also taking the new issue into account that was carried out in connection with the listing.

### Expenses

In the first six months, we benefited from economies of scale that resulted in lower operating expenses viewed as a percentage. These expenses chiefly related to the cost of credit checks, postage fees and bank fees. The cost of funding also dropped over the period. Costs related to the IPO totalled SEK 34 million. Of these costs, SEK 1 million affected the profit and SEK 33 million affected equity. The positive tax effect was then accounted for in equity.

### Credit losses

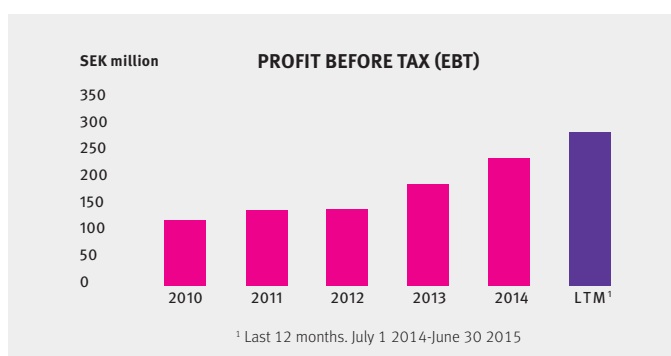
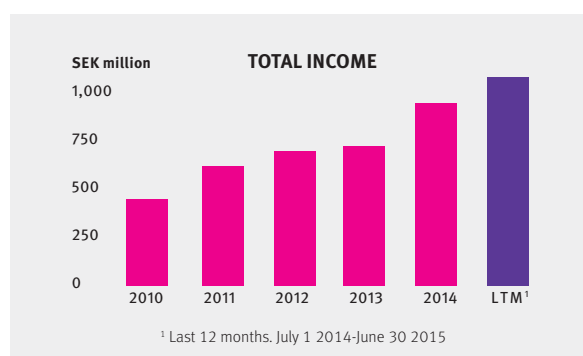
Credit losses remain at a low level, even if they have risen marginally in the second half of the year to 1.5% (1.3). This increase depends on a higher rate of reservations in Denmark and countries outside the Nordic region on Payment solutions for e-commerce. This higher rate of reservations has been taken into account and is offset by higher margins.

### Financial position

Collector's credit portfolio drives our future growth and profitability. As at 30 June, the credit portfolio amounted to SEK 6,535 million (4,798) with a growth of 36%. In the credit portfolio Property finance, Factoring and Corporate lending as well as Personal loans showed the strongest portfolio growth in the first six months. Payment solutions for e-commerce has good growth but at the same time high duration of the portfolio. Collector's liquidity surplus has been invested in Swedish municipal bonds, corporate bonds and with Nordic banks. The Group's financial investments totalled SEK 148 million (0), and cash and cash equivalents amounted to SEK 1,412 million (739) at the end of the period. Collector funds its operations through deposits aimed at the general public. It also has bank facilities of SEK 400 million, but these were remained unutilized at the end of the period. The liability for deposits from the general public amounted to SEK 6,514 million (4,760) at the end of the period.

### Capital and total capital ratio

In connection with the listing on the stock exchange, a new issue of SEK 400 million was implemented in order to reinforce the capital base and enable future growth. The capital base for the financial group of companies amounted to SEK 1,266 million (589) at the end of the period, and the capital requirement totalled SEK 561 million (412), resulting in a capital surplus of SEK 706 million (178). Total capital ratio amounted to 18% (12).



## Segment performance

### Retail

The Retail segment performed very well in the first six months. Total external income rose by 37%, totalling SEK 384 million (281). The return improved due to increased volumes from existing customers, but also due to a good inflow of new customers, coupled with lower costs. EBT for the Retail segment increased by 52% and amounted to SEK 98 million (65). The segment performed well in the second quarter, as well, with good growth of 36% in income and a 48% growth in EBT.

Personal loans experienced a considerable inflow of new customers, primarily in Sweden. May saw the introduction of a new credit process with an increased maximum limit of SEK 250,000, a longer duration of up to 15 years and the opportunity for existing customers to increase their total personal loan commitment. The credit process means increased volume and reduced risk.

The Payment solutions for e-commerce and retail chains product area had the highest growth in the Retail segment, both with regard to total income and contribution margin. The product area experienced excellent growth in all countries, both within and outside of the Nordic region. Volumes in Finland were somewhat reduced in June as Qliro now handles this business internally. However, the volume for other customers expanded in Finland.

Growth was good in the Cards product area, even though the inflow of new customers was lower in anticipation of the change of systems. The work on replacing the existing card systems has begun and will be finalized in the fourth quarter of 2015. A dialogue has been opened with several existing corporate customers on the possibility of issuing co-branded cards.

Deposits have increased, both due to new customers and due to higher deposits by existing customers. Due to the flow of liquidity, the interest on deposits was reduced in May and early July, and a ceiling was introduced on a maximum deposit of SEK 10 million. To our great pleasure, many deposit customers chose to subscribe for Collector shares in connection with the listing.

### Corporate

In the first six months, the Corporate segment continued its strong growth, primarily in Sweden and Norway. External income amounted to SEK 177 million (137), which is a 29% increase. The return, both in absolute figures and in relation to total capital, improved significantly due to a combination of higher income, low credit losses and reduced operating expenses and costs of funding. Profit before tax (EBT) in the Retail segment amounted to SEK 50 million (34), an increase of 49%. The excellent performance continued in the second quarter, with an external income of SEK 97 million (72) and an EBT of SEK 27 million (18).

For the Factoring and Corporate lending products, the first quarter was characterized by strong growth in Sweden but somewhat weaker growth in Norway and Finland. Fortunately, growth in Sweden continued, and Norway also experienced strong growth in the second quarter, with a good inflow of new customers. The contribution margin improved more than the total income, due to economies of scale and the lower cost of funding.

The Property finance product showed the highest growth, both with regard to total income and contribution margin in the segment. A total number of 11 property loans were approved in the second quarter. A tough selection process for new business with a focus on low risk has been maintained.

Overdue receivables continue to perform well with an excellent cash flow, primarily with regard to the newer portfolios.

Assignment debt collection has grown primarily in Sweden, where focus now lies in developing new digital services to customers.

#### THE PRIVATE SEGMENT

##### The business encompasses

- Personal loans
- Payment solutions for e-commerce and retailchains
- Cards – collector easyliving and Collector easycard
- Savings accounts in Sweden and Finland

#### THE CORPORATE SEGMENT

##### The business encompasses

- Factoring and Corporate lending, primarily aimed at small and medium-sized companies
- Property finance focused on Stockholm, Gothenburg, the Öresund region and student cities
- Acquisition of portfolios – overdue receivables
- Assignment debt collection

## Other

### Banking licence

On 22 May 2015, Collector Bank AB obtained a licence to conduct banking operations from Finansinspektionen (the Swedish Financial Supervisory Authority). The licence improves Collector's ability to strengthen its position on the market.

### Significant risks and uncertainty factors

In its operations, Collector is exposed to a variety of financial risks: market risk (currency risk, price risk, fair value interest risk, cash flow interest risk), credit risk and liquidity risk. The Group's comprehensive risk management policy is focused on the unpredictability of the financial markets and strives to minimize potential adverse effects on the Group's financial performance.

The Group uses derivative instruments to counteract certain risk exposures. Risk management is handled by Group management in accordance with policies adopted by the Board of Directors. The Board of Directors adopts written policies for comprehensive risk management, as well as for specific areas such as currency risk, interest rate risk, credit risk and the use of derivatives and similar financial instruments.

The Group's risk structure and its risk, liquidity and asset management are described in detail in the prospectus "Invitation to acquire shares in Collector AB (publ)" on pages 5–7 and 65–69, which is available at [www.collector.se](http://www.collector.se). After that, there have been no significant changes except as reported in this interim report.

### Financial group of companies

The Parent Company, Collector AB (publ), is part of a financial group of companies (consolidated situation) that includes the subsidiaries Collector Bank AB, PayPort GmbH and Collector Norge AS. All companies are fully consolidated. Collector Finland Oy was merged into Collector Bank AB on 1 April. The entire financial group of companies is under the supervision of the Swedish Financial Supervisory Authority, and it is subject to the Swedish Financial Supervisory Authority's regulations regarding capital adequacy and large exposures. Collector Finance & Law AB is a wholly owned subsidiary of Collector AB (publ), but is not included in the financial group of companies.

#### OWNERSHIP STRUCTURE 30 June 2015

Shareholders	%	Shareholders	%
Fastighets AB Balder	44,1%	Helichrysum Gruppen	3,7%
StrategiQ Capital	12,7%	Muirfield Invest	3,2%
Ernstström Kapitalpartner	9,5%	Andra AP-fonden	3,0%
Swedbank Robur Fonder	6,0%	Vante AB	1,4%
Skandinaviska Enskilda Banken	4,1%	Danica Pension	1,0%
		Other shareholders	11,3%
		<b>Total</b>	<b>100%</b>

### Parent Company

The Parent Company is a holding company. Operating income amounted to SEK 28m (21) in the first six months and SEK 17m (9) in the second quarter and pertains to intra-Group administrative services. Profit/loss before tax amounted to SEK -5m (-4) in the first six months and SEK -2m (-4) in the second quarter. Profit/loss after tax amounted to SEK -4m (-4) in the first six months and SEK -2m (-4) in the second quarter. The Parent Company's cash and cash equivalents totalled SEK 365m (1) as at 30 June 2015, and equity totalled SEK 675m (103).

### Shares and share capital

The share capital amounted to SEK 9,335,550 as at 30 June 2015, divided into 93,355,502 ordinary shares. The Company has one (1) class of shares. Each share confers on the holder the right to one vote in the general meeting. The Collector share ("COLL") was listed on the Nasdaq Stockholm exchange, in Mid Cap, on 10 June 2015. The offer was fully subscribed, including the overallotment option, and was comprised of a total of 18,181,818 shares, of which 7,272,727 were newly issued shares and 10,909,091 were existing shares. The offer price was set at SEK 55 per share. The total value of the offering amounted to approximately SEK 1bn, and Collector received approximately SEK 375m in equity after issue costs. At the end of the period, the final price paid for the Collector share was SEK 64.50, corresponding to a market value of approximately SEK 6 billion. The total number of shareholders was 4 055 as at 30 June 2015.

### Employees

The average number of full-time employees amounted to 246 (FTE) in the period April-June 2015. The number of full-time employees includes employees on fixed-term contracts, but not on parental leave or a leave of absence. The total number of new recruitments in the second quarter was 36.

### Relationships with related parties

Collector provides debt collection services to Balder. Collector also provides property finance to Oscar Properties. These transactions are carried out on market terms. Deposits are also made by related parties and in accordance with applicable market terms for Collector's deposit accounts.

### Significant events after the end of the quarter

There are no significant events after the end of the quarter.

### Presentation to investors, analysts and media

A telephone conference, streamed live, will be held on 17 July 9:30 am (CET), where Stefan Alexandersson, CEO, and Pia-Lena Olofsson, CFO, will present the report and answer questions. The telephone conference will be held in Swedish. To participate in the conference, please call +46 8 566 426 96. A recording of the telephone conference, including the presentation materials, will be made available on our website after the event, at [www.collector.se/investerare](http://www.collector.se/investerare).

The Board of Directors and the CEO affirm that this interim report provides an accurate overview of the operations, financial position and performance of the Group and the Parent Company, and describes the significant risks and uncertainties faced by the Parent Company and the companies in the Group.

This report has not been audited by the accountants.

Gothenburg, 17 July 2015

#### The Board of Directors.

Lena Apler, *Chairman*

Johannes Nyberg

Christoffer Lundström

Vilhelm Schottenius

Erik Selin, *Vice Chairman*

Charles Kinell

Helena Levander

Stefan Alexandersson, *CEO*

*The information in this report is such that Collector is required to disclose in accordance with the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication at 8.15 am (CET) on 17 July 2015.*

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#### Future reporting dates

Interim report January–September 2015

Year-end report 2015

3 November 2015

17 February 2016

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#### Contact

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## INCOME STATEMENT



# Group

Amounts in SEK million		Q2 2015	Q2 2014	Jan–Jun 2015	Jan–Jun 2014	Full year 2014
Total income	2	296	219	561	418	916
		<b>296</b>	<b>219</b>	<b>561</b>	<b>418</b>	<b>916</b>
<b>Operating expenses</b>						
Personnel costs		-42	-41	-86	-81	-160
Depreciation of property, plant and equipment and amortization of intangible fixed assets		-7	-5	-13	-10	-22
Other profit/loss – net		0	0	0	0	0
Other costs	3	-147	-95	-271	-183	-396
<b>Operating expenses</b>		<b>-196</b>	<b>-141</b>	<b>-370</b>	<b>-274</b>	<b>-578</b>
<b>Operating profit/loss</b>		<b>100</b>	<b>77</b>	<b>191</b>	<b>144</b>	<b>338</b>
<i>Profit/loss from financial items</i>						
Profit/loss from sales of subsidiaries		–	–	–	–	-1
Financial income		0	2	1	5	6
Financial expenses		-21	-26	-44	-50	-99
<b>Profit/loss after financial items</b>		<b>79</b>	<b>54</b>	<b>148</b>	<b>98</b>	<b>244</b>
Income tax		-18	-12	-33	-22	-56
<b>Profit/loss for the year</b>		<b>61</b>	<b>42</b>	<b>115</b>	<b>77</b>	<b>188</b>
Attributable to:						
The Parent Company's shareholders		61	42	115	77	188
Holdings without controlling influence		–	–	–	–	–
		<b>61</b>	<b>42</b>	<b>115</b>	<b>77</b>	<b>188</b>
<b>Earnings per share for profit attributable to the Parent Company's shareholders during the year (expressed in SEK per share)</b>						
– Before dilution		0.70	0.56	1.34	1.03	2.35
– After dilution		0.70	0.56	1.34	1.03	2.35

## STATEMENT OF COMPREHENSIVE INCOME

# Group

		Q2 2015	Q2 2014	Jan–Jun 2015	Jan–Jun 2014	Full year 2014
Profit/loss for the year		61	42	115	77	188
Other comprehensive income						
<b>Items that later can be reversed in the income statement:</b>						
Exchange rate differences		-1	0	0	1	0
<b>Total comprehensive income for the period</b>		<b>60</b>	<b>42</b>	<b>115</b>	<b>78</b>	<b>188</b>
Attributable to:						
– The Parent Company's shareholders		60	42	115	78	188
– Holdings without controlling influence		–	–	–	–	–
		<b>60</b>	<b>42</b>	<b>115</b>	<b>78</b>	<b>188</b>



## BALANCE SHEET



# Group

## Financial Report

Amounts in SEK million	30 June 2015	30 June 2014	Full year 2014
<b>ASSETS</b>			
<b>Non-current assets</b>			
<i>Property, plant and equipment</i>			
Investment real estate	–	2	–
Equipment	9	5	7
	<b>9</b>	<b>7</b>	<b>7</b>
<i>Intangible assets</i>			
Capitalized expenditure for development work	75	55	63
Goodwill	72	72	72
	<b>147</b>	<b>127</b>	<b>135</b>
<i>Financial assets</i>			
Financial investments	148	–	–
Other financial receivables	5	–	–
Deferred tax assets	2	2	2
Lending and other receivables	3,462	2,759	3,060
	<b>3,617</b>	<b>2,761</b>	<b>3,062</b>
<b>Total non-current assets</b>	<b>3,773</b>	<b>2,895</b>	<b>3,204</b>
<b>Current assets</b>			
Lending and other receivables	3,074	2,040	2,589
Other receivables	133	109	131
Cash and cash equivalents	1,412	739	637
<b>Total current assets</b>	<b>4,619</b>	<b>2,888</b>	<b>3,357</b>
<b>TOTAL ASSETS</b>	<b>8,392</b>	<b>5,783</b>	<b>6,561</b>
<b>EQUITY AND LIABILITIES</b>			
<i>Equity</i>			
Share capital (93,355,502 shares)	9	6	7
Reserves	-3	-2	-3
Other contributed capital	801	202	401
Retained earnings, incl. profit for the year	676	478	590
<b>Total equity</b>	<b>1,483</b>	<b>685</b>	<b>995</b>
<i>Long-term liabilities</i>			
Funding	368	502	510
Deferred tax liabilities	53	44	53
	<b>421</b>	<b>547</b>	<b>563</b>
<i>Current liabilities</i>			
Accounts payable	23	12	20
Accrued expenses and prepaid income	156	150	135
Current tax liabilities	22	1	11
Other current liabilities	140	130	139
Funding	6,147	4,258	4,699
Derivative instruments	0	1	1
	<b>6,488</b>	<b>4,552</b>	<b>5,003</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8,392</b>	<b>5,783</b>	<b>6,561</b>

## SUMMARY OF CHANGES IN EQUITY



# Group

Amounts in SEK million	Attributable to the Parent Company's shareholders					Holdings with- out controlling influence	Total equity
	Share capital	Other contributed capital	Reserves	Retained earnings	Total		
<b>Opening balance as at 1 January 2014</b>	<b>6</b>	<b>200</b>	<b>-3</b>	<b>432</b>	<b>635</b>	<b>0</b>	<b>635</b>
<i>Comprehensive income</i>							
Profit/loss for the year				77	77		77
<i>Other comprehensive income</i>							
Exchange rate differences			1		1		1
Total other comprehensive income			1		1		1
<b>Total comprehensive income</b>			<b>1</b>	<b>77</b>	<b>78</b>		<b>78</b>
<i>Transactions with shareholders</i>							
New issue of preference shares	0	2			2		2
Dividend on preference shares				0	0		0
Ordinary dividend				-30	-30		-30
<b>Total transactions with shareholders</b>	<b>0</b>	<b>2</b>		<b>-30</b>	<b>-28</b>		<b>-28</b>
<b>Closing balance as at 30 June 2014</b>	<b>6</b>	<b>202</b>	<b>-2</b>	<b>478</b>	<b>685</b>	<b>0</b>	<b>685</b>
<b>Opening balance as at 1 January 2014</b>	<b>6</b>	<b>200</b>	<b>-3</b>	<b>432</b>	<b>635</b>	<b>0</b>	<b>635</b>
<i>Comprehensive income</i>							
Profit/loss for the year				188	188		188
<i>Other comprehensive income</i>							
Exchange rate differences			0		0		0
Total other comprehensive income			0		0		0
			<b>0</b>	<b>188</b>	<b>188</b>		<b>188</b>
<i>Transactions with shareholders</i>							
New issue of preference shares	0	2			2		2
New issue of ordinary shares	1	199			200		200
Dividend on preference shares				0	0		0
Ordinary dividend				-30	-30		-30
<b>Total transactions with shareholders</b>	<b>1</b>	<b>201</b>	<b>0</b>	<b>-30</b>	<b>171</b>		<b>171</b>
<b>Closing balance as at 31 December 2014</b>	<b>7</b>	<b>401</b>	<b>-3</b>	<b>590</b>	<b>995</b>	<b>0</b>	<b>995</b>
<b>Opening balance as at 1 January 2015</b>	<b>7</b>	<b>401</b>	<b>-3</b>	<b>590</b>	<b>995</b>	<b>0</b>	<b>995</b>
<i>Comprehensive income</i>							
Profit/loss for the year				115	115		115
<i>Other comprehensive income</i>							
Exchange rate differences			0		0		0
Total other comprehensive income							
<i>Transactions with shareholders</i>							
New issue of ordinary shares	0	400			400		400
Bonus issue of ordinary shares	2			-2	0		0
Dividend on preference shares				-2	-2		-2
Costs related to the new issue (net)				-25	-25		-25
<b>Total transactions with shareholders</b>							
<b>Closing balance as at 30 June 2015</b>	<b>9</b>	<b>801</b>	<b>-3</b>	<b>676</b>	<b>1,483</b>	<b>0</b>	<b>1,483</b>

## CASH FLOW STATEMENT



# Group

Amounts in SEK million	Q2 2015	Q2 2014	Jan–Jun 2015	Jan–Jun 2014	Full year 2014
<b>Current operations</b>					
Profit/loss after financial items	79	54	148	98	244
Adjustments for non-cash items, etc.	55	5	60	3	19
	134	59	208	101	263
Taxes paid	-11	-11	-22	-23	-39
<b>Cash flow from operating activities before changes in working capital</b>	<b>123</b>	<b>48</b>	<b>186</b>	<b>78</b>	<b>224</b>
<b>Cash flow from changes in working capital</b>	<b>-651</b>	<b>-381</b>	<b>-901</b>	<b>-730</b>	<b>-1,616</b>
<b>Cash flow from operating activities</b>	<b>-528</b>	<b>-333</b>	<b>-715</b>	<b>-652</b>	<b>-1,392</b>
<b>Cash flow from investment activities</b>	<b>-15</b>	<b>-15</b>	<b>-182</b>	<b>-21</b>	<b>-35</b>
<b>Cash flow from financing activities</b>	<b>1,047</b>	<b>153</b>	<b>1,672</b>	<b>888</b>	<b>1,539</b>
<b>Cash flow for the period</b>	<b>504</b>	<b>-195</b>	<b>775</b>	<b>216</b>	<b>112</b>
<b>Cash and equivalents at beginning of the year</b>	<b>905</b>	<b>934</b>	<b>637</b>	<b>522</b>	<b>522</b>
<b>Exchange rate differences in cash and cash equivalents</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>3</b>
<b>Cash and equivalents at year-end</b>	<b>1,412</b>	<b>739</b>	<b>1,412</b>	<b>739</b>	<b>637</b>

# Parent Company

## Income Statement, Parent Company

Amounts in SEK million	Q2 2015	Q2 2014	Jan–Jun 2015	Jan–Jun 2014	Full year 2014
Operating income	17	9	28	21	39
<b>Operating expenses</b>					
Other external costs	-16	-10	-27	-20	-34
Depreciation of property, plant and equipment and amortization of intangible fixed assets	-3	-3	-6	-5	-10
<b>Operating profit/loss</b>	<b>-2</b>	<b>-4</b>	<b>-5</b>	<b>-4</b>	<b>-5</b>
<b>Profit/loss from financial items</b>					
Profit/loss from holdings in Group companies	-	-	-	-	-1
Interest income and similar items	0	0	0	0	0
Interest expenses and similar profit/loss items	0	0	0	0	0
<b>Profit/loss after financial items</b>	<b>-2</b>	<b>-4</b>	<b>-5</b>	<b>-4</b>	<b>-6</b>
<b>Appropriations</b>					
Appropriations, other	-	-	-	-	7
<b>Profit/loss before tax</b>	<b>-2</b>	<b>-4</b>	<b>-5</b>	<b>-4</b>	<b>1</b>
Income tax	0	0	1	0	-1
<b>Profit/loss for the year</b>	<b>-2</b>	<b>-4</b>	<b>-4</b>	<b>-4</b>	<b>0</b>

## BALANCE SHEET



# Parent Company

Amounts in SEK million	30 June 2015	30 June 2014	Full year 2014
<b>ASSETS</b>			
<b>Non-current assets</b>			
<i>Intangible assets</i>			
Capitalized expenses for development work and similar work	27	23	25
	<b>27</b>	<b>23</b>	<b>25</b>
<i>Property, plant and equipment</i>			
Equipment	6	3	5
	<b>6</b>	<b>3</b>	<b>5</b>
<i>Financial assets</i>			
Holdings in Group companies	742	193	392
Other non-current receivables	5	5	5
Deferred tax assets	3	3	2
	<b>750</b>	<b>200</b>	<b>399</b>
<b>Total non-current assets</b>	<b>783</b>	<b>226</b>	<b>429</b>
<b>Current assets</b>			
<i>Current receivables</i>			
Receivables with Group companies	25	7	15
Other receivables	26	4	13
Prepaid expenses and accrued income	3	3	3
	<b>54</b>	<b>14</b>	<b>31</b>
<i>Cash and bank balances</i>	365	1	2
<b>Total current assets</b>	<b>419</b>	<b>15</b>	<b>33</b>
<b>TOTAL ASSETS</b>	<b>1202</b>	<b>241</b>	<b>462</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital (93,355,502 shares)	9	6	7
Statutory reserve	18	18	18
	<b>27</b>	<b>24</b>	<b>25</b>
<i>Non-restricted equity</i>			
Share premium reserve	762	163	362
Profit/loss brought forward	-110	-81	-81
Profit/loss for the year	-4	-3	0
	<b>648</b>	<b>79</b>	<b>281</b>
	<b>675</b>	<b>103</b>	<b>306</b>
<b>Untaxed reserves</b>			
Tax allocation reserves	14	14	14
	<b>14</b>	<b>14</b>	<b>14</b>
<b>Current liabilities</b>			
Deposits from the public	1	0	1
Accounts payable	8	3	5
Liabilities to Group companies	501	115	130
Other current liabilities	–	–	–
Accrued expenses and prepaid income	3	6	5
	<b>513</b>	<b>124</b>	<b>141</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1202</b>	<b>241</b>	<b>462</b>

# Accounting principles and notes to the financial statements

## General accounting principles

The interim report is prepared in accordance with IFRS/IAS 34, and the Swedish Financial Supervisory Authority's Regulations and General Guidelines on Annual Accounts for Credit Institutions and Securities Companies (FFFS 2008:25, Chapter 7, Sections 2–3, and Chapter 8), the Annual Accounts Act for Credit Institutions and Securities Companies (Chapter 7, Sections 7–8) and the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups have been taken into consideration.

No new or revised IFRS or interpretations by IFRIC have had any effect on the Group's financial position, profit or disclosures. The accounting principles and bases for assessments in the interim report are consistent with those applied in the 2014 Annual Report.

For the Parent Company, the Swedish Annual Accounts Act and Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities have been applied.

## Segment reporting

### Note 1

Amounts in SEK million (Q2 2015)	Retail	Corporate	Eliminations	Collector Group
Income, external customers	199	97	–	296
Income, internal	16	12	-28	0
<b>Total income</b>	<b>215</b>	<b>109</b>	<b>-28</b>	<b>296</b>
<b>Profit/loss before tax</b>	<b>52</b>	<b>27</b>	<b>–</b>	<b>79</b>
Lending and other accounts receivables	4,194	2,341	–	6,535

Amounts in SEK million (Q2 2014)	Retail	Corporate	Eliminations	Collector Group
Income, external customers	146	72	–	219
Income, internal	11	9	-20	0
<b>Total income</b>	<b>157</b>	<b>82</b>	<b>-20</b>	<b>219</b>
<b>Profit/loss before tax</b>	<b>35</b>	<b>18</b>	<b>–</b>	<b>54</b>
Lending and other accounts receivables	3,283	1,515	–	4,798

Amounts in SEK million (Jan-June 2014)	Retail	Corporate	Eliminations	Collector Group
Income, external customers	384	177	–	561
Income, internal	29	21	-50	0
<b>Total income</b>	<b>413</b>	<b>198</b>	<b>-50</b>	<b>561</b>
<b>Profit/loss before tax</b>	<b>98</b>	<b>50</b>	<b>–</b>	<b>148</b>
Lending and other accounts receivables	4,194	2,341	–	6,535

## Segment reporting, cont.

Amounts in SEK million (Jan-June 2014)	Retail	Corporate	Eliminations	Collector Group
Income, external customers	281	137	–	418
Income, internal	23	19	–42	0
<b>Total income</b>	<b>304</b>	<b>156</b>	<b>–42</b>	<b>418</b>
<b>Profit/loss before tax</b>	<b>65</b>	<b>34</b>	<b>–</b>	<b>98</b>
Lending and other accounts receivables	3,283	1,515	–	4,798

Amounts in SEK million (full year 2014)	Retail	Corporate	Eliminations	Collector Group
Income, external customers	602	314	–	916
Income, internal	34	47	–82	0
<b>Total income</b>	<b>636</b>	<b>362</b>	<b>–82</b>	<b>916</b>
<b>Profit/loss before tax</b>	<b>150</b>	<b>94</b>	<b>–</b>	<b>244</b>
Lending and other accounts receivables	3,740	1,909	–	5,649

## Income per significant type of income

## Note 2

Group	Q2 2015	Q2 2014	Jan–Jun 2015	Jan–Jun 2014	Full year 2014
Credit management	25	19	48	38	70
Commission income	25	24	49	46	102
Interest income	187	137	355	262	565
Other income	59	39	109	72	179
	<b>296</b>	<b>219</b>	<b>561</b>	<b>418</b>	<b>916</b>

## Other costs

### Note 3

	Q2 2015	Q2 2014	Jan–Jun 2015	Jan–Jun 2014	Full year 2014
<b>Group</b>					
Commission expenses	26	17	52	32	74
Credit management costs	17	13	31	26	52
Costs acquired credit portfolios	14	11	23	18	38
Credit losses, net	25	15	45	29	69
Postage costs	10	8	20	16	34
Administration costs	26	17	48	35	67
Other operating expenses	29	14	52	27	62
	<b>147</b>	<b>95</b>	<b>271</b>	<b>183</b>	<b>396</b>

## Capital adequacy

### Note 4

Capital base	Corporate Group			Capital requirement	Corporate Group		
	30 June 2015	30 June 2014	Year 2014		30 June 2015	30 June 2014	Year 2014
Equity	1,482	671	995	Credit risk	471	335	398
Deduction non audited profit	-115	–	–	Market risk	4	3	2
Deduction intangible assets	-101	-82	-90	CVA risk	0	0	1
Tier 1 capital	1,266	589	906	Operational risk	86	73	86
Tier 2 capital	–	–	–	<b>Total capital requirement</b>	<b>561</b>	<b>412</b>	<b>487</b>
Deduction from Tier 1 and Tier 2 capital	–	–	–	<b>Summary of capital</b>			
Expanded capital base	–	–	–	<b>Capital surplus</b>	<b>705</b>	<b>178</b>	<b>419</b>
<b>Capital base</b>	<b>1,266*</b>	<b>589</b>	<b>906</b>	<b>Capital adequacy ratio</b>	<b>2.26</b>	<b>1.43</b>	<b>1.86</b>
				<b>Total capital ratio</b>	<b>18.1%*</b>	<b>11.5%</b>	<b>14.9%</b>

Exposures Corporate Group (Credit risk)	30 June 2015			30 June 1 2014			Full year 2014		
	Exposure		Minimum requirement (8%)	Exposure		Minimum requirement (8%)	Exposure		Minimum requirement (8%)
Municipalities and other associations	137	–	–	45	–	–	111	–	–
Institutional exposures	1,420	284	23	813	163	13	494	99	8
Corporate exposure	1,627	1,627	130	907	907	73	1,309	1,309	105
Household exposures	3,567	2,675	214	2,741	2,056	164	3,134	2,350	188
Unregulated items	912	912	73	741	741	59	828	828	66
Other items	388	388	31	317	317	25	394	394	32
<b>Total</b>	<b>8,051</b>	<b>5,887</b>	<b>471</b>	<b>5,565</b>	<b>4,184</b>	<b>335</b>	<b>6,270</b>	<b>4,980</b>	<b>398</b>

Collector AB (publ) is the Parent Company in a consolidated situation that includes the subsidiaries Collector Credit AB (credit institution), Collector Finland OY, Payport GmbH and Collector Norge AS. Collector applies the standardized approach in the calculation of credit risk. For operational risk, the basic indicator approach is used.

\* As per 30 June 2015, the capital base does not include profit for the period 1 January–30 June 2015 for the financial group of companies. This profit amounted to SEK 115 million. If the period's profit is included, the capital base for the financial group of companies amounted to SEK 1,381 million as per 30 June 2015 and the total capital ratio amounted to 19.7%.



## Fair value measurement

### Note 5

The table below shows financial instruments measured at fair value, based on how the classification in the fair value hierarchy was made. The levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (for example, as prices) or indirectly (for example, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable data) (Level 3)

The following table shows the Group's financial assets and liabilities measured at fair value as at 30 June 2015.

	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Financial assets valued at fair value via the income statement</b>				
Derivative instruments	–	–	–	–
Financial investments	–	148	–	148
<b>Total assets</b>	<b>–</b>	<b>148</b>	<b>–</b>	<b>148</b>
<b>Liabilities</b>				
<b>Financial liabilities valued at fair value via the income statement</b>				
Derivative instruments held for trading (currency derivatives)	–	0	–	0
<b>Total liabilities</b>	<b>–</b>	<b>0</b>	<b>–</b>	<b>0</b>

The following table shows the Group's financial assets and liabilities measured at fair value as at 30 June 2014.

	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Financial liabilities valued at fair value via the income statement</b>				
Derivative instruments	–	–	–	–
Financial investments	–	–	–	–
<b>Total assets</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Liabilities</b>				
<b>Financial liabilities valued at fair value via the income statement</b>				
Derivative instruments held for trading (currency derivatives)	–	1	–	1
<b>Total liabilities</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>1</b>

The following table shows the Group's financial assets and liabilities measured at fair value as at 31 December 2014.

	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<b>Financial liabilities valued at fair value via the income statement</b>				
Derivative instruments	–	–	–	–
Financial investments	–	149	–	149
<b>Total assets</b>	<b>–</b>	<b>149</b>	<b>–</b>	<b>149</b>
<b>Liabilities</b>				
<b>Financial liabilities valued at fair value via the income statement</b>				
Derivative instruments held for trading (currency derivatives)	–	1	–	1
<b>Total liabilities</b>	<b>–</b>	<b>1</b>	<b>–</b>	<b>1</b>

For other financial assets and liabilities, the carrying amount corresponds to the estimated fair value in all material respects.

*Financial instruments in level 2.*

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates on the balance sheet date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

Note that all of the resulting fair value estimates established by using valuation techniques are included in level 2.