Transcom Q3

Third Quarter 2014 Results

Transcom discloses the information in this report pursuant to the Luxembourg Transparency Obligations Law as amended. Submitted for publication on October 23, 2014 at 08:00am CET.

KEY HIGHLIGHTS

- EBIT margin in the core CRM business improved by 0.9 percentage points in Q3 2014, from 2.6% to 3.5%
- Performance improvements in the North Europe, North America & Asia Pacific and Central & South Europe regions
- Performance in the Iberia & Latam region has improved compared to Q2 2014, and is expected to continue improving in the next quarters
- Divestment of CMS Austria completes the strategic review of Transcom's CMS business unit.

" I am pleased with the significant margin improvement in Q3. We are continuing to execute on our key priorities, and remain focused on further enhancing our profitability."

Johan Eriksson, President and CEO of Transcom

Q3 2014 FINANCIAL HIGHLIGHTS

- **Revenue** €146.0 million (€156.0 million in Q3 2013). Adjusted for exchange rate impact and divested operations, revenue fell by approximately 1.4%
- **Gross margin** 20.8%, a 0.6 percentage point increase compared to Q3 2013 (20.2%)
- **EBIT** €5.3 million (3.6%) compared to €4.6 million (2.9%) in Q3 2013
- **EPS** 0.2 Euro cents compared to 0.1 Euro cents in Q3 2013.

YTD 2014 FINANCIAL HIGHLIGHTS

- **Revenue** €458.1 million (€492.9 million). Adjusted for exchange rate impact and divested and closed operations, revenue was essentially flat
- **Gross margin** 20.3%, a 0.3 percentage point increase compared to the same period 2013 (20.0%)
- **EBIT** €12.1 million (2.6%) compared to €13.5 million (2.7%) in the same period 2013
- **EPS** 0.2 Euro cents compared to 0.3 Euro cents in the same period 2013.

(€m)	2014 Q3	2013 Q3	Change Y-o-Y	2014 Jan-Sep	2013 Jan-Sep	Change Y-o-Y	2013 Jan-Dec
Revenue	146.0	156.0	-6.4%	458.1	492.9	-7.1%	653.2
Gross profit	30.3	31.5	-3.8%	92.9	98.8	-6.0%	131.1
EBIT	5.3	4.6	15.6%	12.1	13.5	-10.3%	-5.4
EBITDA	7.2	6.8	6.1%	18.6	20.2	-7.9%	24.8
Profit before tax	4.9	2.6	88.4%	9.9	8.0	23.5%	-12.2
Net income	2.7	1.7	59.8%	3.1	3.9	-20.1%	-18.6
EPS (Euro cents)	0.2	0.1	62.8%	0.2	0.3	-20.1%	-1.5
Net cash flow from operations	7.2	10.7	-32.6%	-5.3	-0.9	466.6%	9.9
Total weighted average outstanding number of shares before & after dilution ('000)	1,245,533	1,245,533		1,245,533	1,245,533		1,245,533

Comments from the President and CEO

We saw a significant margin improvement in Q3, even as our Iberia & Latam region faced a challenging quarter due to low efficiency in Chile. Performance in our Chilean operation improved gradually during Q3 however, and I expect that the unit will continue improving in the next quarters. The divestment of CMS Austria during the quarter completes the strategic review of our Credit Management Services business unit, and we are now focusing fully on further enhancing profitability in our core customer care business.

REVENUE DECREASE MAINLY DUE TO DIVESTMENTS IN THE CMS BUSINESS DURING THE YEAR

On a like-for-like basis, adjusting for divestments and currency effects, revenue fell slightly by €2.1 million (1.4%) compared to Q3 2013. While business volumes have fallen in the North Europe and Iberia & Latam regions compared to last year, we expanded volumes with our clients in the North America & Asia Pacific and the Central & South Europe regions.

The greater part (€6.8 million) of the remaining €7.9 million in reported revenue decrease is attributable to the divestment of a number of Credit Management Services (CMS) units during the year. Currency movements had a €1.1 million negative effect on revenue.

CONTINUED PROFITABILITY IMPROVEMENTS IN OUR CORE CUSTOMER CARE BUSINESS

Our strong focus on improving profitability is yielding results both in terms of gross and operating margin. The EBIT margin in our core CRM business increased by 0.9 percentage points, from 2.6% to 3.5%.

This increase in profitability is driven by performance improvements in our North America & Asia Pacific and North Europe regions. I am happy to report that our North American operation is now profitable, and that the positive development in Asia Pacific continues. In our North Europe region, efficiency has improved with a corresponding positive effect on margins. We also report a slight positive margin development in our Central & South Europe region.

I am pleased that we saw good margin progression overall even though performance in the Iberia & Latam region worsened compared to last year. The decrease in this region is mainly due to the challenges faced by our Chilean operation in terms of insufficient volumes and efficiency. Compared to Q2 2014, we see an improvement in Chile, and we are continuing to focus on addressing the situation. I expect a significant improvement in the next quarters.

STRATEGIC REVIEW OF CMS COMPLETED AND RE-DOMICILIATION PROGRESSING ACCORDING TO PLAN

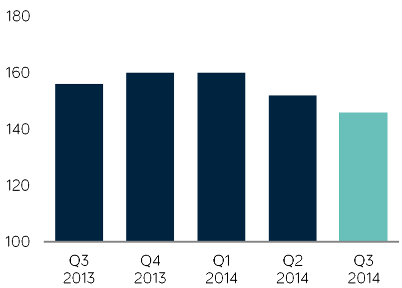
During Q3, we finalized the divestment of CMS Austria. This completes the strategic review of our Credit Management Services (CMS) operations. A number of other CMS country units have been divested during the year, while parts of the business have been integrated with our CRM operations. Starting in our Q4 2014 report, CMS will no longer be reported as a separate business unit.

On September 25, we announced that the Swedish Companies Registration Office has granted Transcom permission to implement the merger plan which will execute the re-domiciliation of the parent company of the Transcom Group from Luxembourg to Sweden. The process of preparing for the implementation of the re-domiciliation and the merger is progressing according to plan. The final registration of the merger is expected to occur on November 26, and we anticipate that November 28 will be the first day of trading in the ordinary shares of Transcom WorldWide AB on Nasdaq Stockholm (under the ticker TWW). As previously announced, a 1:50 reverse split of the ordinary shares of Transcom WorldWide AB (publ) is intended to be executed shortly after the implementation of the merger.

Johan Eriksson, President and CEO of Transcom

Group Operating Review

Revenue



(€m)	2014 Q3	2013 Q3	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
Revenue	146.0	156.0	458.1	492.9	653.2
Gross profit	30.3	31.5	92.9	98.8	131.1
Gross margin	20.8%	20.2%	20.3%	20.0%	20.1%
EBIT*	5.3	4.6	12.1	13.5	15.7
EBIT margin*	3.6%	2.9%	2.6%	2.7%	2.4%

**EBIT excluding intangible assets impairment €-21.1 million Q4 2013*

Revenue development

THIRD QUARTER

On a like-for-like basis, revenue fell slightly by approximately 1.4%. €6.8 million out of the reported €10.0 million revenue decrease compared to Q3 2013 is due to the divestment of several CMS units completed during the year in order to focus on the core CRM business. In addition, we had a negative €1.1 million currency effect. The remaining like-for-like €2.1 million decrease is mainly due to lower volumes in Iberia & Latam and North Europe.

NINE MONTHS

On a like-for-like basis, revenue was essentially flat. Approximately €23.0 million of the reported €34.8 million revenue decrease is due to divestments and site closures that Transcom completed during the year in order to exit non-core areas and focus on the core CRM business in prioritized geographies. The foreign exchange impact was negative €9.1 million. The remaining €2.7 million decrease is due to lower volumes in Iberia & Latam, North Europe and North America & Asia Pacific.

(€m)	2014 Q3	2013 Q3	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
North Europe	48.2	52.3	152.8	163.8	216.7
Central & South Europe	35.1	34.7	112.1	112.9	150.1
Iberia & Latam	30.4	31.4	91.7	99.1	130.9
North America & Asia Pacific	31.0	29.4	89.1	92.6	122.7
CMS	1.4	8.2	12.4	24.5	32.8
TOTAL REVENUE FOR THE PERIOD	**146.0**	**156.0**	**458.1**	**492.9**	**653.2**

Operating result

THIRD QUARTER

In the core CRM business, EBIT increased to €5.1 million (€3.9 million in Q3 2013), driven by performance improvements in our North America & Asia Pacific and North Europe regions.

EBIT BRIDGE (€m)	North Europe	Central & South Europe	Iberia & Latam	North America & Asia Pacific	Total CRM	CMS	Group
EBIT Q3 2013	1.7	0.7	0.9	0.6	3.9	0.7	4.6
One-off items that affected 2013 results	0.0	0.0	0.0	0.0	0.0	0.0	0.0
One-off items that affected 2014 results	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CMS divestment	0.0	0.0	0.0	0.0	0.0	-0.5	-0.5
Cost saving	0.5	0.2	0.5	2.3	3.5	0.0	3.5
Volume & efficiency driven impacts	0.4	0.3	-0.8	-1.1	-1.3	0.0	-1.3
Expansion investments	0.0	-0.3	-0.3	-0.1	-0.6	0.0	-0.6
Other	-0.1	-0.1	-0.1	-0.2	-0.4	0.0	-0.4
EBIT Q3 2014	**2.4**	**0.8**	**0.3**	**1.6**	**5.1**	**0.2**	**5.3**

NINE MONTHS

(€m)	2014 Q3	2013 Q3	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
North Europe	2.4	1.7	7.0	7.0	8.2
Central & South Europe	0.8	0.7	3.5	2.6	4.3
Iberia & Latam	0.3	0.9	-0.5	2.7	3.1
North America & Asia Pacific	1.6	0.6	2.2	0.0	-1.4
CMS	0.2	0.7	-0.1	1.3	1.5
EBIT FOR THE PERIOD*	**5.3**	**4.6**	**12.1**	**13.5**	**15.7**

**EBIT excluding intangible assets impairment €-21.1 million Q4 2013*

In the core CRM business, EBIT was essentially flat compared to the same period 2013. However, excluding the one-off €1.1 million cost related to the re-domiciliation to Sweden, recorded in Q2 2014, EBIT in the core CRM business improved.

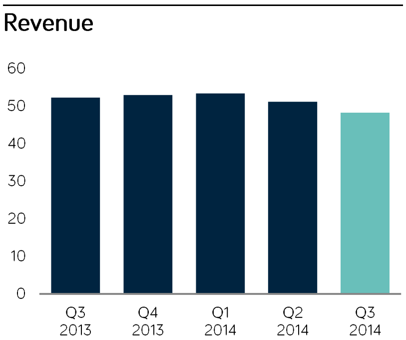
Reported EBIT for the Group was also impacted by a €1.3 million capital loss as a result of previously disclosed divestments in the CMS business (CMS Poland, CMS Czech and CMS Austria). In addition, the comparison is influenced by a positive €3.8 million one-off effect in Q1 2013, related to the sale of the right to collect on a Swedish debt portfolio. We had a corresponding positive effect in Q1 2014, amounting to €0.9 million. Excluding the effects described above, EBIT improved by €3.9 million.

Currency effects had a negligible effect on EBIT relative to the first nine months of 2014.

(€m)	North Europe	Central & South Europe	Iberia & Latam	North America & Asia Pacific	Total CRM	CMS	**Group**
EBIT Jan-Sep 2013	7.0	2.6	2.7	0.0	12.2	1.3	13.5
One-off items that affected 2013 results	-3.5	-0.4	-0.3	0.3	-3.9	0.0	-3.9
One-off items that affected 2014 results	0.2	-0.3	0.1	-0.4	-0.4	0.0	-0.4
CMS divestment	0.0	0.0	0.0	0.0	0.0	-1.4	-1.4
Cost saving	1.2	0.5	1.5	5.6	8.9	0.0	8.9
Volume & efficiency driven impacts	1.7	1.6	-2.7	-3.2	-2.6	0.0	-2.6
Expansion investments	0.0	-0.9	-1.8	-0.1	-2.9	0.0	-2.9
Other	0.4	0.4	0.1	-0.1	0.9	0.0	0.9
EBIT Jan-Sep 2014	**7.0**	**3.5**	**-0.5**	**2.2**	**12.2**	**-0.1**	12.1

Operating review by segment

North Europe



(€m)	2014 Q3	2013 Q3	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
Revenue	48.2	52.3	152.8	163.8	216.7
Gross profit	8.8	8.7	27.7	28.3	37.0
Gross margin	18.2%	16.5%	18.2%	17.3%	17.1%
EBIT	2.4	1.7	7.0	7.0	8.2
EBIT margin	5.0%	3.2%	4.6%	4.3%	3.8%

THIRD QUARTER

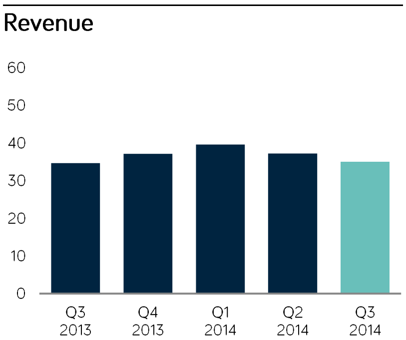
Revenue decreased slightly in Sweden, Norway and Estonia as a result of lower business volumes. The closure of the Danish CRM business in 2013 also had a negative impact. Foreign exchange effects negatively impacted revenue by €1.7 million. Increased efficiency, primarily in Sweden and Norway, had a positive impact on profitability. Higher profitability in the Netherlands and the closure of the loss making CRM business in Denmark also contributed to the improvement.

NINE MONTHS

Revenue on a like-for-like basis fell slightly, by 1.7%. The bulk of the reported revenue decrease is due to foreign exchange effects (€-6.3 million) and to one-off effects in the CMS business (€-2.9 million), as previously disclosed. The closure of the loss-making Danish CRM business in 2013 also had a negative impact on the revenue comparison, amounting to €1.0 million.

Higher business volumes and a performance improvement in the Netherlands had a positive effect on margins. The closure of the loss-making Danish CRM operations also contributed positively. In addition, a number of smaller, unprofitable client contracts in the region have been ended. Lower volumes in Norway and Sweden had a counterbalancing effect.

Central & South Europe



(€m)	2014 Q3	2013 Q3	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
Revenue	35.1	34.7	112.1	112.9	150.1
Gross profit	6.7	6.2	21.3	21.2	28.6
Gross margin	19.0%	17.8%	19.0%	18.7%	19.0%
EBIT	0.8	0.7	3.5	2.6	4.3
EBIT margin	2.3%	2.1%	3.2%	2.3%	2.9%

THIRD QUARTER

The revenue increase in the quarter is due to new client acquisitions in the German market as well as higher volumes with existing clients in Poland.

The improved performance in Germany and Poland more than compensated for the start-up costs related to the investments in new sites in Hungary and Serbia, expanding near shore delivery capacity in Europe.

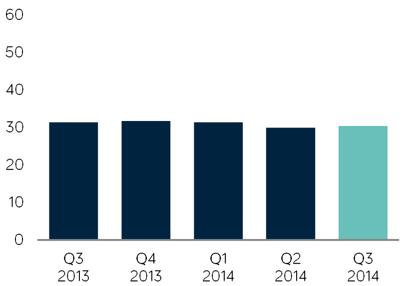
NINE MONTHS

Solid growth in Poland, Germany and Italy compensated for the revenue decline associated with the deconsolidation of the former French subsidiary and the divestment of the Belgian operation.

The margin improvement is the result of positive growth in Italy, Germany and Poland, and the deconsolidation of the loss-making former French subsidiary.

Iberia & Latam

Revenue



(€m)	2014 Q3	2013 Q3	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
Revenue	30.4	31.4	91.7	99.1	130.9
Gross profit	5.4	6.2	14.7	19.0	25.2
Gross margin	17.9%	19.7%	16.1%	19.1%	19.3%
EBIT	0.3	0.9	-0.5	2.7	3.1
EBIT margin	0.9%	2.7%	-0.5%	2.7%	2.3%

THIRD QUARTER

Revenue fell as a result of the closure of Transcom's contact center in Valdivia, Chile, and further volume decreases at the remaining Chilean site in Concepcion. To a lesser extent, volumes also decreased in Spain. These decreases were partly mitigated by higher volumes in Colombia, Peru and Portugal.

The margin decline is mainly a consequence of lower volumes and efficiency in Chile and lower business volumes in Spain. The Valdivia site in Chile was closed at the end of 2013, in response to falling volumes in the country. Since then, we have focused on addressing unsatisfactory efficiency levels at our remaining Chilean site in Concepcion. We are continuously improving performance and we expect our Chilean operation to return to profitability within the next quarters. Profitability in Portugal benefited from higher volumes in the country.

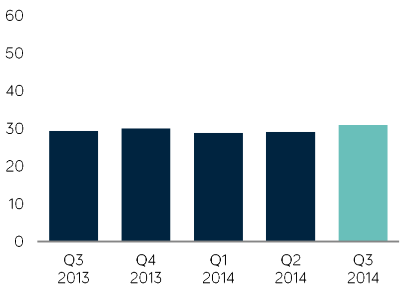
NINE MONTHS

Lower volumes in Chile were the main driver of the revenue decline. Revenue also decreased in Spain and, to a lesser extent, in Portugal. Increased volumes at our new site in Cali, Colombia, and at the Lima site in Peru, partly compensated.

The volume decrease described above is the main reason for the margin decline. In addition, performance was impacted by higher costs related to the ramp-up of business at our new site in Cali, Colombia.

North America & Asia Pacific

Revenue



(€m)	2014 Q3	2013 Q3	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
Revenue	31.0	29.4	89.1	92.6	122.7
Gross profit	9.0	8.0	24.6	23.4	30.4
Gross margin	29.0%	27.1%	27.6%	25.3%	24.8%
EBIT	1.6	0.6	2.2	0.0	-1.4
EBIT margin	5.2%	2.1%	2.4%	0.0%	-1.1%

THIRD QUARTER

Revenue increased as a result of new client wins and higher business volumes with existing clients. Foreign exchange effects had a positive effect on the revenue comparison, amounting to approximately €0.7 million.

The improvement in profitability is due to increased efficiency and cost reductions. North American operation is now profitable, and the positive development in Asia Pacific continues.

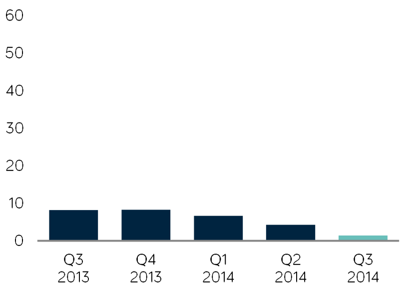
NINE MONTHS

The revenue decrease is due to lower volumes on a number of client accounts. The downsizing of our Canadian operation also impacted negatively on revenue, as did the discontinuation of a number of smaller contracts. Revenue was negatively impacted by foreign exchange effects, amounting to approximately €2.0 million.

Our focus on cost reduction and efficiency improvements has led to significantly improved margins. New profitable business won, delivered from our centers in the Philippines, also contributed positively.

CMS

Revenue



(€m)	2014 Q3	2013 Q3	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
Revenue	1.4	8.2	12.4	24.5	32.8
Gross profit	0.4	2.5	4.5	6.9	9.9
Gross margin	31.9%	30.5%	36.2%	28.3%	30.0%
EBIT	0.2	0.7	-0.1	1.3	1.5
EBIT margin	13.0%	8.2%	-0.6%	5.2%	4.6%

STRATEGIC REVIEW OF CMS BUSINESS UNIT COMPLETED

Revenue and EBIT reported in the quarter is attributable to CMS Austria. The divestment of CMS Austria on July 31, 2014 completed the strategic review of our Credit Management Services (CMS) business unit. Following this sale, and the integration of CMS Denmark into the North Europe region, CMS will no longer be reported as a separate business unit.

Group Financial Review

DEPRECIATION & AMORTIZATION

Depreciation in the quarter was €1.6 million (€1.5 million) and amortization of intangible assets was €0.3 million (€0.7 million). During January to September 2014 depreciation amounted to €4.7 million (€4.4 million) and amortization €1.8 million (€2.3 million).

SG&A

SG&A expenses were €24.5 million in the quarter compared to €26.7 million in Q3 2013. During January to September 2014 the SG&A expenses amounted to €77.1 million (€84.2 million) and includes one-off costs amounting to €1.1 million due to the re-domiciliation from Luxembourg to Sweden.

TAXES

In Q3 2014, Transcom reported a tax charge amounting to €2.2 million, compared to a tax charge of €0.9 million in Q3 2013. During January to September 2014, Transcom reported a tax charge amounting to €6.8 million, compared to a tax charge of €4.1 million in corresponding period 2013. Reported tax consists of three main components: current tax, deferred tax and adjustment of tax audit provisions. The effective tax rate differs from the statutory rate mainly due to losses for which no deferred tax asset can be recognized. This creates an imbalance, since some country units have generated losses, while others show profits. Management recognizes that the effective tax rate is currently high, and expects continued performance improvements to lower the tax rate.

The Group is currently subject to four tax audits. During Q3 2014, one audit was closed without any reassessment.

CASH FLOW

(€m)	2014 Q3	2013 Q3	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
Cash flow from operating activities before changes in working capital	2.9	7.4	7.1	4.9	7.1
Change in working capital	4.3	3.3	-12.4	-5.8	2.8
Cash flow from operating activities	7.2	10.7	-5.3	-0.9	9.9
Cash flow for the period	-3.4	11.3	-30.4	3.1	16.6

Cash flow was positively affected by disposal of business, while repayment of loans and investments affected cash flow negatively.

DEBT & FINANCING

(€m)	2014 Sep 30	2013 Sep 30	2013 Dec 31
Gross debt	67.0	94.7	94.4
Net debt	38.4	49.7	36.2
Net debt /EBITDA	1.7	2.0	1.5
Equity	116.7	134.9	111.3
Cash and cash equivalents	28.6	44.9	58.4

In Q314, Transcom continued to reduce gross debt from €85.7 million in Q2 2014 to €67.0 million. The reduction in gross debt was €18.7 million which was made possible by the sale of CMS Austria.

Net debt Q314 was €38.4 million compared to €54.3 million the previous quarter. At end of Q3 2014, Net Debt/EBITDA was 1.7 compared to 2.0 at the end of Q3 2013. Transcom is well within its authorized financial covenant thresholds also this quarter.

The finance cost in Q3 2014 was €0.4 million, compared to €0.6 million in Q2 2014. This improvement is principally due to the positive impact of FX movements on financial assets and liabilities of the group.

RESULTS CONFERENCE CALL AND WEBCAST

Transcom will host a conference call at 10:30am CET (09:30am UK time) on Thursday, October 23, 2014. The conference call will be held in English and will also be available as webcast on Transcom's website, www.transcom.com.

To ensure that you are connected to the conference call, please dial in a few minutes before the start in order to register your attendance. No pass code is required.

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For a replay of the results conference call, please visit www.transcom.com to view the webcast of the event.

OTHER INFORMATION

A Nomination Committee of major shareholders in Transcom has been formed in accordance with the resolution of the 2014 Annual General Meeting.

The Nomination Committee shall comprise Cristina Stenbeck representing Investment AB Kinnevik, Daniel Nyhrén representing Creades AB, and Arne Lööw representing The Fourth Swedish National Pension Fund (Fjärde AP-fonden). The members of the Committee will appoint the Committee Chairman at their first meeting.

Information about the work of the Nomination Committee can be found on Transcom's corporate website at www.transcom.com.

REVIEW REPORT

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

NOTICE OF FINANCIAL RESULTS

Transcom's year-end report for 2014 will be published on February 5, 2015.

The 2015 Annual General Meeting will take place on May 12, 2015 at Rålambsvägen 17, 23rd floor, Stockholm, Sweden. Shareholders wishing to propose candidates for election to the Board of Directors of Transcom should submit their proposal in writing to agm@transcom.com or to the Company Secretary, c/o Transcom WorldWide AB, P.O. Box 34220, SE-100 26 Stockholm, Sweden.

Johan Eriksson
23 October 2014

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INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	2014 Q3	2013 Q3	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
Revenue	4	146,005	156,016	458,102	492,946	653,184
Cost of sales		-115,697	-124,514	-365,242	-394,120	-522,086
Gross profit	**4**	**30,308**	**31,502**	**92,860**	**98,826**	**131,098**
Marketing expenses		-1,013	-1,350	-3,831	-4,649	-5,963
Administrative expenses	1	-23,501	-25,310	-73,280	-79,567	-107,255
Restructuring expenses		2	0	-474	-6,044	-7,082
Intangible assets impairment		0	0	0	0	-21,125
Gain/loss on disposal of operating unit	9	-17	0	-1,283	5,959	5,128
Other income/expenses		-507	-280	-1,873	-1,017	-246
Operating profit/loss	**4**	**5,272**	**4,562**	**12,119**	**13,508**	**-5,445**
Net financial items		-373	-1,957	-2,255	-5,520	-6,790
Profit/loss before tax		**4,899**	**2,605**	**9,864**	**7,988**	**-12,235**
Income tax expense		-2,182	-936	-6,774	-4,119	-6,328
Profit/loss for the period attributable to equity holders of the parent		**2,717**	**1,669**	**3,090**	**3,869**	**-18,563**
Earnings per share attributable to equity holders of the parent						
Earnings before and after dilution per A class share, Euro cent per common share		0.2	0.1	0.2	0.3	-1.5
Earnings before and after dilution per B class share, Euro cent per common share		0.2	0.1	0.2	0.3	-1.5

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2014 Q3	2013 Q3	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
Profit/loss for the period	2,717	1,669	3,090	3,869	-18,563
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	2,797	-497	2,105	-2,073	-3,198
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Actuarial profit/loss on post-employment benefit obligations	0	0	0	0	-138
Income tax effect	0	0	0	0	75
Net other comprehensive income not to be reclassified subsequently to profit or loss:	0	0	0	0	-63
Other comprehensive income for the period, net of tax	**2,797**	**-497**	**2,105**	**-2,073**	**-3,261**
Total comprehensive income for the period, net of tax, attributable to equity holders of the parent	**5,514**	**1,172**	**5,195**	**1,796**	**-21,824**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	2014 Sep 30	2013 Sep 30	2013 Dec 31
ASSETS				
Non-current assets				
Goodwill	9	100,426	139,176	111,119
Other intangible assets		3,426	5,942	5,215
Tangible assets		16,421	15,375	15,609
Deferred tax assets		4,460	1,325	4,784
Other receivables		1,818	1,192	1,143
	8	**126,551**	**163,010**	**137,870**
Current assets				
Trade receivables		87,096	85,899	98,557
Income tax receivables		5,955	3,633	4,823
Other receivables		26,006	29,287	26,039
Prepaid expenses and accrued income		35,028	39,603	19,966
Cash and cash equivalents		28,645	44,914	58,362
	8	**182,730**	**203,336**	**207,747**
TOTAL ASSETS		**309,281**	**366,346**	**345,617**
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent		**116,676**	**134,884**	**111,342**
Non-current liabilities				
Interest bearing liabilities	5	53,617	80,871	16
Employee benefit obligations		2,694	2,909	2,635
Provisions		923	2,724	2,225
Deferred tax liabilities		1,959	1,552	2,680
Income tax payables		2,644	2,490	4,417
Other liabilities		28	0	73
	8	**61,865**	**90,546**	**12,046**
Current liabilities				
Interest bearing liabilities	5	13,426	13,838	94,425
Provisions		1,336	4,723	2,576
Trade payables		22,733	19,140	25,562
Income tax payables		10,611	9,899	9,809
Other liabilities		29,107	36,667	37,931
Accrued expenses and prepaid income		53,527	56,649	51,926
	8	**130,740**	**140,916**	**222,229**
Total liabilities		**192,605**	**231,462**	**234,275**
TOTAL EQUITY AND LIABILITIES		**309,281**	**366,346**	**345,617**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

			Equity attributable to equity holders of the parent				
	Numbers of shares ('000)	Number of shares held by the Group ('000)	Share capital	Other contributed capital	Reserves	Retained earnings incl. profit/loss for the period	Total equity
Balance, December 31, 2012	**1,245,533**	**97**	**53,558**	**11,458**	**20,704**	**47,306**	**133,026**
Profit/(loss) for the period	-	-	-	-	-	3,869	3,869
Other comprehensive income, net of tax	-	-	-	-	-2,073	-	-2,073
Equity based payments	-	-	-	-	62	-	62
Balance, Sep 30, 2013	**1,245,533**	**97**	**53,558**	**11,458**	**18,693**	**51,175**	**134,884**
Profit/(loss) for the period	-	-	-	-	-	-22,432	-22,432
Other comprehensive income, net of tax	-	-	-	-	-1,188	-	-1,188
Equity based payments	-	-	-	-	78	-	78
Balance, December 31, 2013	**1,245,533**	**97**	**53,558**	**11,458**	**17,583**	**28,743**	**111,342**
Profit/(loss) for the period	-	-	-	-	-	3,090	3,090
Other comprehensive income, net of tax	-	-	-	-	2,105	-	2,105
Equity based payments	-	-	-	-	139	-	139
Balance, Sep 30, 2014	**1,245,533**	**97**	**53,558**	**11,458**	**19,827**	**31,833**	**116,676**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	2014 Q3	2013 Q3	2014 Jan-Sep	2013 Jan-Sep	2013 Jan-Dec
Cash flow from operating activities						
Profit/loss before tax		4,899	2,605	9,864	7,988	-12,235
Adjustments to reconcile profit before tax to net cash:						
Adjustments for non cash items		440	3,161	4,720	-5,347	27,229
Net financial items		374	1,957	2,255	5,520	0
Income taxes paid		-2,809	-373	-9,761	-3,248	-7,885
Cash flow from operating activities before changes in working capital		**2,904**	**7,350**	**7,078**	**4,913**	**7,109**
Change in working capital		4,310	3,308	-12,381	-5,849	2,801
Cash flow from operating activities		**7,214**	**10,658**	**-5,303**	**-936**	**9,910**
Investments and disposals of tangible assets		-2,048	-2,047	-5,193	-5,714	-8,274
Investments and disposals of intangible assets		-443	-410	-518	-877	-631
Disposals of business, net of cash	9	12,108	0	12,849	-1,483	4,475
Other cash flow from investing activities		42	0	42	0	-88
Cash flow from investing activities		**9,659**	**-2,457**	**7,180**	**-8,074**	**-4,518**
Borrowing of loans		3,319	3,569	5,286	14,001	14,000
Repayments of loans	5	-22,900	0	-34,100	0	0
Payment of finance lease liabilities		-24	0	-24	0	-147
Interest paid		-675	-464	-3,430	-1,864	-2,630
Cash flow from financing activities		**-20,280**	**3,105**	**-32,268**	**12,137**	**11,223**
Cash flow for the period		**-3,407**	**11,306**	**-30,391**	**3,127**	**16,615**
Cash and cash equivalents at beginning of the period		31,433	34,421	58,362	42,600	42,600
Cash flow for the period		-3,407	11,306	-30,391	3,127	16,615
Exchange rate differences in cash and cash equivalents		619	-813	674	-813	-853
Cash and cash equivalents at end of the period		**28,645**	**44,914**	**28,645**	**44,914**	**58,362**

Notes to the interim condensed consolidated financial statements

The accompanying notes are an integral part of the interim condensed consolidated financial statements. Amounts in thousands of Euro, unless otherwise stated.

1. GENERAL

Transcom WorldWide S.A. (the parent entity) is a limited liability Company ("Société Anonyme") incorporated and existing under the laws of the Grand Duchy of Luxembourg. The Company was registered on June 11, 1997 with the Luxembourg Register of Commerce under the number RCS B59528. The registered office of the Company is at 45, Rue des Scillas, L-2529, Luxembourg. Transcom WorldWide S.A. class A and class B shares are listed on Nasdaq Stockholm under the symbols "TWW SDB A" and "TWW SDB B".

At an extraordinary general meeting held on 4 September 2014, the re-domiciliation and merger was approved by Transcom's shareholders. In September 25, 2014 The Swedish Companies Registration Office (the "SCRO") granted Transcom permission to implement the merger plan which will execute the re-domiciliation of the parent company of the Transcom Group from Luxembourg to Sweden, the re-domiciliation and merger remain conditional primarily upon Nasdaq Stockholm approving to admit the ordinary shares of Transcom WorldWide AB to trading. Following the re-domiciliation a 1:50 reversed split will be executed. Transcom shareholders, whether or not shares are held through SDRs, will receive one (1) new Share for each Class A Ordinary Share held, and one point zero nine (1.09) new Shares for each Class B Preference Share held. Costs for the merger amounting to €1,100 thousand was expensed in Q2 2014 and reported in the caption Administrative expenses.

2. GROUP'S ACCOUNTING POLICIES

The report is prepared in accordance with IAS 34 Interim Financial Reporting. Application of IFRS complies with the accounting principles set out in the Group's annual financial statements as at December 31, 2013. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements.

The preparation of the interim condensed consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the Group's earnings and financial position, as well as published information in other respects. Actual results could differ from those estimates. In preparing of the report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2013.

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning January 1, 2014 that have a material impact on the Group.

3. RISK MANAGEMENT

The Group's activities expose it to a variety of business and financial risks, market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's risk management and control framework is designed to support the identification, assessment, monitoring, management and control of risks that are significant to the achievement of the Group's business objectives. The condensed consolidated financial statements do not include all risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at December 31, 2013. There have been no changes in the risk management policy and procedures since year end or in any risk management policies

4. SEGMENTAL INFORMATION

2014 Jan-Sep	North Europe	Central & South Europe	Iberia & Latam	North America & Asia Pacific	Total CRM	CMS	Group
Revenue from external customers	152,805	112,082	91,730	89,132	445,748	12,354	**458,102**
Gross profit	27,748	21,282	14,744	24,625	88,398	4,466	**92,860**
Profit /loss from segments	6,992	3,547	-504	2,153	12,188	-69	**12,119**

2013 Jan-Sep	North Europe	Central & South Europe	Iberia & Latam	North America & Asia Pacific	Total CRM	CMS	Group
Revenue from external customers	163,788	112,874	99,132	92,624	468,418	24,529	**492,946**
Gross profit	28,335	21,161	18,972	23,427	91,896	6,930	**98,826**
Profit /loss from segments	6,965	2,594	2,702	-33	12,228	1,280	**13,508**

In Q3 2014, the CMS business unit in Denmark has been integrated with Transcom's core CRM operations in the North Europe region. In Q1 2014, CMS UK was integrated in the Central & South region. In Q2 2014, CMS Sweden and CMS Norway were integrated in the North Europe region. Segmental information year 2013 has been restated accordingly.

Revenue from two single customers and arising from sales by both the CRM and CMS segments amounted to €77,302 thousand during January to September 2014 (Jan-Sep 2013: €79,691 thousand) and €41,706 thousand (Jan-Sep 2013: €50,878 thousand) respectively.

5. BORROWINGS

Effective January 29, 2014 Transcom has a new agreement of the Group's Revolving Credit Facility. The agreement was reached with all existing lenders – SEB, DNB and Handelsbanken – covering a new €103.8 million three-year facility to replace the previous one. The new facility is composed of three tranches; the first being a €40 million term loan expiring on January 21, 2017; the second being a €55 million revolving credit facility expiring also on January 21, 2017; whilst the third is a term loan expiring on October 21, 2014. Similar to the previous facility, interest rates are based on IBOR and EURIBOR for Euro drawings plus margins. The Group is also committed under this agreement to maintain certain financial ratios within agreed limits. The loan is unsecured. In Q3 2014 repayment of loan amounted to €22,900 thousand.

6. CONTINGENCIES

The Group has contingent liabilities related to litigations and legal claims arising in the ordinary course of business. The integrated worldwide nature of Transcom's operations can give rise to complexity and delays in agreeing the Group's tax position and can lead to the Group occasionally facing tax audits which in some cases result in disputes with tax authorities, as described in the Group's consolidated financial statement per December 31, 2013 (note 22).

As at September 30, 2014, there are four ongoing tax audits. Some of these tax enquiries have resulted in re-assessments, while others are still at an early stage and no re-assessment has yet been raised. Management is required to make estimates and judgments about the ultimate outcome of these investigations or litigations in determining legal provisions. Final claims or court rulings may differ from management estimates.

As at September 30, 2014 the Group has provided €1,037 thousand (December 31, 2013: €2,375 thousand) in relation to tax risks for which management believes it is probable that there will be cash outflows. Furthermore, based on its analysis, its risk assessment as well as on-going tax audits in certain jurisdictions referred to above, management has estimated additional possible tax exposures of approximately €1,860 thousand (December 31, 2013: nil), which have not been provided for, but rather, are the subject of this disclosure.

In addition to the above tax risks, the Group may be subject to other tax claims going forward for which the risk of future economic outflows is currently evaluated to be remote.

7. RELATED PARTY TRANSACTIONS

Related party transactions for the period are of the same character as the transactions described in the Group's consolidated financial statements as at December 31, 2013. The Group's sales revenue from the Tele2 companies amounted to €77,302 thousand during January to September 2014 (Jan-Sep 2013: €79,691 thousand). Operating expenses, mainly for telephone services and switch, paid to Tele2 group companies amounted to €880 thousand (Jan-Sep 2013: €703 thousand). The Group's receivables from and liabilities to Tele2 group companies per September 30, 2014 amounted to €17,805 thousand (Sep 30, 2013 €20,109 thousand) and €130 thousand (Sep 30, 2013: €137 thousand) respectively.

8. FINANCIAL INSTRUMENTS

Set out below is a comparison of the carrying amounts and fair values of financial instruments:

	Sep 30, 2014 Carrying amount	Sep 30, 2014 Fair value	Dec 31, 2013 Carrying amount	Dec 31, 2013 Fair Value
Total non-current assets	1,818	1,818	1,143	1,143
Total current assets	169,130	169,130	195,578	195,578
Total financial assets	**170,948**	**170,948**	**196,721**	**196,721**
Total non-current liabilities	53,617	53,617	16	16
Total current liabilities	99,867	99,867	189,880	189,880
Total financial liabilities	**153,484**	**153,483**	**189,896**	**189,896**

9. DISPOSALS

	CMS Poland, Czech	CMS Austria
Consideration received	**2,000**	**15,000**
Total non-current assets	-286	-15,046
Total current assets	-1,566	-5,060
Total assets disposed	**-1,852**	**-20,106**
Total non-current liabilities	-	516
Total current liabilities	758	3,180
Total liabilities disposed	**758**	**3,696**
Currency effects	-144	29
Transaction costs	-162	-502
Net capital gain/loss	**600**	**-1,883**

In July 31, 2014, Transcom closed the divestment of its Austrian Credit Management Services operations (CMS Austria) to the private equity investor HANNOVER Finanz Group, for €15.0 million on a cash and debt free basis. In Q2 2014, when the agreement was signed, Transcom recorded an adjustment to fair value less costs to sell of €1.9 million classified as Gain/loss on disposal of operating unit. Total assets disposed include goodwill of €14.1 million. Net cash flow from disposal of CMS Austria amounted to €12,108 thousand.

In May, 2014 Transcom divested its Polish and Czech CMS business to Credit Express Group for €2.0 million on a cash and debt free basis (including an escrow balance of €0.6 million that will be released 6 months after the closing upon fulfillment of contractual conditions). Net capital gain of €0.6 million was recorded in Q2 2014.

10. EVENTS AFTER THE REPORTING PERIOD

No events have taken place after the end of the interim period which require disclosure or amendment of these interim condensed consolidated financial statements.

Key ratios & five year summary

(€m)	2014 Q3	2013 Q3	2013 Jan-Dec	2012 Jan-Dec	2011 Jan-Dec	2010 Jan-Dec	2009 Jan-Dec
Revenue	146.0	156.0	653.2	605.6	554.1	589.1	560.2
Profit/loss before tax	4.9	2.6	-12.2	-23.6	-32.0	-5.6	25.3
Net income	2.7	1.7	-18.6	-30.6	-50.4	-8.0	20.6
Net cash flow from operations	7.2	10.7	9.9	-12.4	27.5	29.1	17.7
Net cash flow from operations per share (Euro cents)	0.6	1.0	1	-1	32	40	24
EPS (Euro cents)	0.2	0.1	-1.5	-2.4	-63.0	-11.0	28.0
Return on Equity	-15.4%	-14.5%	-15.2%	-23.0%	-29.5%	-4.6%	12.0%
Operating margin	3.6%	2.9%	-0.8%	-2.9%	-5.1%	-1.1%	4.3%
Equity ratio	22.8%	36.8%	32.2%	37.1%	43.0%	45.8%	45.6%
Net debt/EBITDA	1.7	1.9	1.5	2.0	0.8	2.5	2.3

FINANCIAL DEFINITIONS

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

Operating margin: the operating result as a percentage of total revenue.

Gross debt: interest-bearing liabilities and pension provisions.

Net debt: interest-bearing liabilities and pension provisions less cash and cash equivalents.

Net debt/EBITDA: interest-bearing liabilities and pension provisions less cash and cash equivalents divided by EBITDA (rolling 12 months).

Return on Equity: Net income (rolling 12 months) divided by average equity.

Equity ratio: total shareholder equity divided by total assets.

Earnings before depreciation and amortization (EBITDA): operating result where depreciation on fixed assets and amortization are added back.

North Europe region (CRM): inbound and outbound services delivered from Sweden, Norway, the Netherlands, Denmark, Estonia, Latvia and Lithuania.

Central & South Europe region (CRM): inbound, outbound delivered from Italy, Germany, Poland, Tunisia, Hungary, UK, Croatia and Serbia (France deconsolidated per March 1, 2013).

Iberia & Latam region (CRM): inbound, outbound services delivered from Spain, Portugal, Colombia, Peru and Chile.

North America and Asia region (CRM): inbound and outbound services delivered from the Philippines, USA and Canada.

CMS region: Credit Management Services in Austria (deconsolidated per July 31, 2014), Czech Republic and Poland (deconsolidated per May 28, 2014), Germany (deconsolidated per December 30, 2013).

ABOUT TRANSCOM

Transcom is a global customer experience specialist, providing customer care, sales, technical support and credit management services through our extensive network of contact centers and work-at-home agents. We are 29,000 customer experience specialists at 54 contact centers across 23 countries, delivering services in 33 languages to over 400 international brands in various industry verticals. Transcom WorldWide S.A. Class A and Class B shares are listed on the Nasdaq Stockholm Exchange under the symbols TWW SDB A and TWW SDB B.