

First Quarter 2015 Results

Transcom WorldWide AB (publ) discloses the information provided herein pursuant to the Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on April 21, 2015 at 08:00 AM CET.

”Transcom’s like-for-like revenue increased in the quarter, and we also saw our EBIT margin strengthen. Net income significantly improved compared to last year.”

Johan Eriksson, President and CEO of Transcom

KEY HIGHLIGHTS

- Like-for-like revenue increase by 2.4%, mainly driven by higher volumes in the North Europe and Iberia & Latam regions
- Profitability improvements in the North America & Asia Pacific and Iberia & Latam regions
- EBIT margin improved from 3.4% to 3.7%. Excluding since-divested CMS business and a positive one-off effect in the collections business in Q1 2014, the margin improvement was 2.1 percentage points.
- Significant improvement in net income to €5.3 million (€1.6 million in Q1 2014)

Q1 2015 FINANCIAL HIGHLIGHTS

- **Revenue** €160.9 million (€160.1 million in Q1 2014). Adjusted for exchange rate impact and divested operations, revenue increased by 2.4%
- **Gross margin** 19.6%, a 1.1 percentage point decrease compared to Q1 2014 (20.7%)
- **EBIT** €5.9 million (3.7%) compared to €5.4 million (3.4%) in Q1 2014.
- **EPS** 20.5 Euro cents compared to 6.2 Euro cents* in Q1 2014.

(€m)	2015 Q1	2014 Q1	Change Y-o-Y	2014 Jan-Dec
Revenue	160.9	160.1	0.5%	616.8
Gross profit	31.6	33.2	-4.8%	127.6
EBITDA	8.1	7.7	4.6%	29.8
EBIT	5.9	5.4	-	21.3
Profit before tax	7.1	4.1	-	18.8
Net income	5.3	1.6	-	6.9
EPS (Euro cents)*	20.5	6.2	-	26.4
Cash flow from operating activities	-0.4	-17.0	-	11.5
Total weighted average outstanding number of shares before dilution ('000)*	26,030	26,030	-	26,030
Total weighted average outstanding number of shares after dilution ('000)*	26,145	26,030	-	26,030

*EPS for 2014 has been adjusted to reflect the reverse split as if it had occurred per January 2014

Comments from the President and CEO

Both like-for-like revenue and EBIT margin improved in the first quarter. We saw higher business volumes in the North Europe and Iberia & Latam regions, while the profitability improvement was mainly driven by better performance in the North America & Asia Pacific and Iberia & Latam regions. We report a significant improvement in net income compared to last year.

LIKE-FOR-LIKE 2.4% REVENUE INCREASE

On a like-for-like basis, adjusting for divestments and currency effects, revenue increased by €3.8 million (+2.4%). This growth was mainly generated by increased business volumes in North Europe and Iberia & Latam.

EBIT MARGIN IMPROVEMENT

Transcom's EBIT margin in the quarter was 3.7% compared to 3.4% in Q1 2014 (1.6% excluding since-divested CMS business and a one-off effect in the collections business). Performance improvements in the North America & Asia Pacific and Iberia & Latam regions contributed positively. Profitability in the North region was flat, while we saw a decrease in the EBIT margin in the Central & South Europe region, mainly as a result of lower volumes in Italy and the start-up of new client projects in the region during the quarter.

Net income improved significantly, to €5.3 million in Q1 2015 from €1.6 million in Q1 2014, as a result of decreased income tax and an improvement in net financial items.

FOCUSING ON OUR STRATEGIC PRIORITIES

Transcom's strategic priorities are informed by our vision of being recognized as a global leader in customer experience.

We aim to grow together with our clients, further strengthening Transcom's position as a strategic partner, while also seeking to strengthen Transcom's global footprint. Transcom is currently starting up new projects with a number of clients, not least with existing clients with whom we are growing in new geographies. In this context, I am very pleased that Frost & Sullivan recently recognized Transcom's growth in Peru and the Philippines by awarding us the Peru Frost & Sullivan Award for Growth Excellence Leadership, as well as the Frost & Sullivan Philippines Contact Center Outsourcing Growth Excellence Leadership Award.

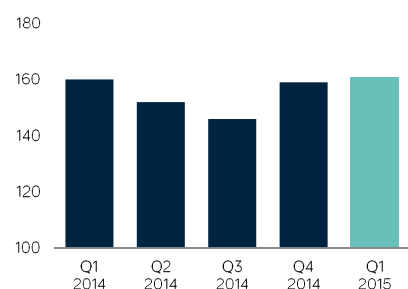
We are also striving to continuously improve our service offering, focusing on advanced, value-added services. I am delighted that Frost & Sullivan has recognized Transcom in the innovation area as well. On April 13, it was announced that Transcom has won the 2015 European Frost & Sullivan Award for Visionary Innovation Leadership. This award is presented every year to a company that has demonstrated the understanding to leverage global Mega Trends and integrate the vision into processes to achieve strategic excellence.

Finally, it is important that we ensure that Transcom has a competitive operational platform, i.e. that our global business operations are efficient and effective. In 2015, we will focus on driving margins through maximizing our process and technology scalability, not least by increasing the degree of process and system standardization across our global operations. Pär Christiansen, our current CFO, will have a key role in this context, as he transitions into his new role as COO in June. Our new CFO, Ulrik Englund, will start his position at Transcom on June 15.

Johan Eriksson, President and CEO of Transcom

Group Operating Review

Revenue



(€m)	2015 Q1	2014 Q1	2014 Jan-Dec
Revenue	160.9	160.1	616.8
Gross profit	31.6	33.2	127.6
Gross margin	19.6%	20.7%	20.7%
EBIT	5.9	5.4	21.3
EBIT margin	3.7%	3.4%	3.5%

Revenue development

FIRST QUARTER

On a like-for-like basis, adjusting for divestments and currency effects, revenue in Q1 2015 increased by €3.8 million (+2.4%) compared to Q1 2014. The result was mainly driven by higher volumes in the North Europe and Iberia & Latam regions. The divestment of a number of Credit Management Services (CMS) units during the year had a €6.7 million negative effect on the revenue comparison vis-à-vis Q1 2014. Currency effects had a €4.6 million positive effect. In addition, revenue in Q1 2014 was positively impacted by €0.9 million as a result of the transfer of the right to collect on a Swedish debt portfolio to a third party.

(€m)	2015 Q1	2014 Q1	2014 Jan-Dec
North Europe	52.5	53.4	207.7
Central & South Europe	40.3	39.7	149.5
Iberia & Latam	33.7	31.4	124.1
North America & Asia Pacific	34.3	28.9	123.2
CMS	-	6.7	12.4
TOTAL REVENUE FOR THE PERIOD	160.9	160.1	616.8

Operating result

(€m)	2015 Q1	2014 Q1	2014 Jan-Dec
North Europe	2.5	2.6	11.0
Central & South Europe	1.7	2.1	5.0
Iberia & Latam	0.5	-0.3	1.1
North America & Asia Pacific	1.2	0.1	4.3
CMS	0.0	1.0	-0.1
EBIT FOR THE PERIOD	5.9	5.4	21.3

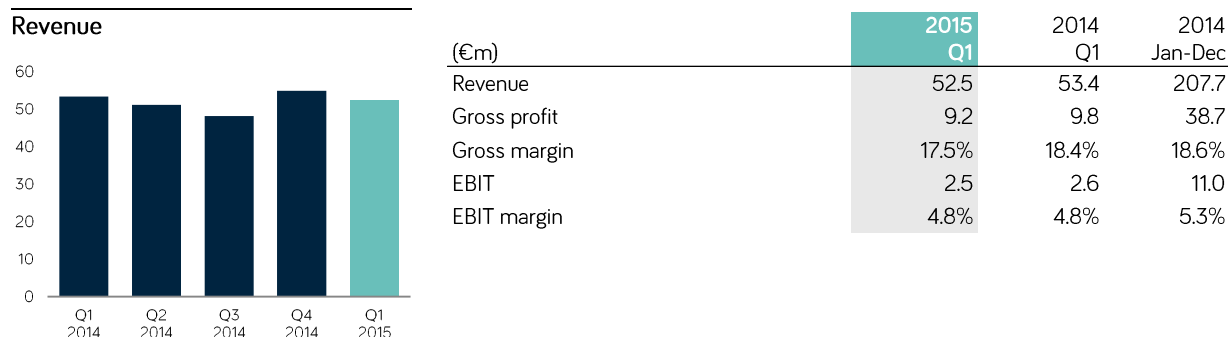
FIRST QUARTER

In Q1 2015, the EBIT margin improved by 0.3 percentage points to 3.7%. Excluding the EBIT contribution in Q1 2014 from the since-divested CMS business and a one-off from the collections business the EBIT margin improved by 2.1 percentage points. The drop in gross margin in Q1 2015 is mainly explained by these positive one-off effects reported in Q1 2014. Profitability in Q1 2015 improved in the North America & Asia Pacific and the Iberia & Latam regions.

EBIT BRIDGE (€m)	North Europe	Central & South Europe	Iberia & Latam	North America & Asia Pacific	Total CRM	CMS	Group
EBIT Q1 2014	2.6	2.1	-0.3	0.1	4.4	1.0	5.4
One-off items that affected 2014 results	-1.1	0.0	0.0	0.0	-1.1	-1.0	-2.1
One-off items that affected 2015 results	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cost savings	0.0	0.4	0.3	1.0	1.7	0.0	1.7
Volume & efficiency driven impacts	1.0	-0.8	0.5	-0.2	0.4	0.0	0.4
Expansion investments	0.0	0.0	0.0	-0.2	-0.2	0.0	-0.2
Other	0.1	0.0	0.0	0.5	0.6	0.0	0.6
EBIT Q1 2015	2.5	1.7	0.5	1.2	5.9	0.0	5.9

Operating review by segment

North Europe



FIRST QUARTER

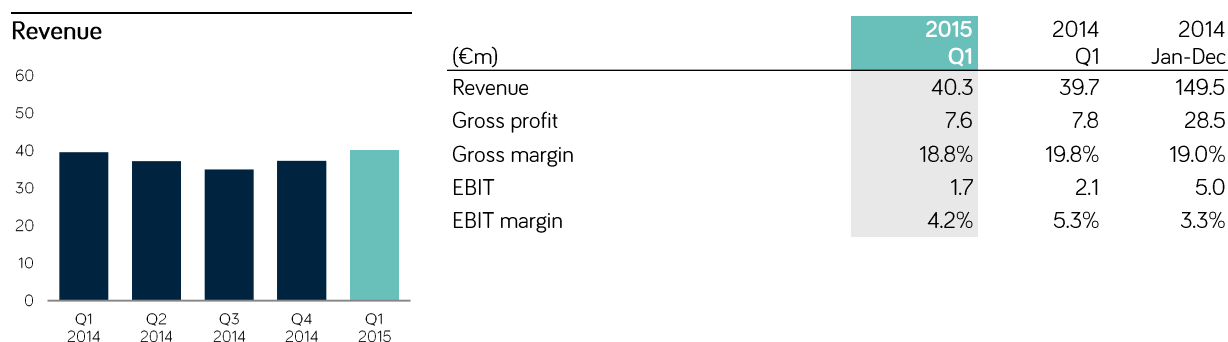
On a like-for-like basis, revenue increased by 3.8%, despite lower business volumes in Norway. The increase was mainly due to higher volumes in Sweden, Latvia and Denmark.

Reported revenue compared to Q1 2014 was impacted by the fact that Transcom in Q1 2014 transferred its right to collect on a Swedish debt portfolio to a third party (-€0.9 million impact on both revenue, gross profit and EBIT). Foreign exchange effects negatively impacted the revenue comparison by €1.9 million.

Excluding the EBIT contribution of the CMS business in Q1 2014, higher volumes along with improved efficiency in the Netherlands improved EBIT.

Compared to Q4 2014, revenue decreased by €2.4 million and EBIT decreased by €1.5 million. This was due to high business volumes and occupancy in Q4 2014, mainly as a result of client campaigns and new product launches.

Central & South Europe



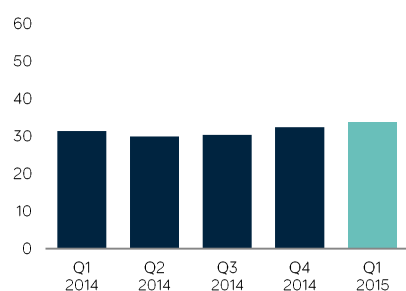
FIRST QUARTER

Revenue was positively impacted by the ramp-up of new client programs in near shore locations. This more than compensated for lower revenue in Italy compared to Q1 2014, when elevated volumes positively affected revenue and EBIT.

Lower volumes in Italy had a negative impact on EBIT, partly mitigated by cost savings across the region and higher volumes and profitability in Tunisia. Also, the start-up of new client projects during the quarter impacted negatively on profitability.

Iberia & Latam

Revenue



(€m)	2015 Q1	2014 Q1	2014 Jan-Dec
Revenue	33.7	31.4	124.1
Gross profit	5.7	5.1	21.6
Gross margin	16.8%	16.1%	17.4%
EBIT	0.5	-0.3	1.1
EBIT margin	1.3%	-1.1%	0.9%

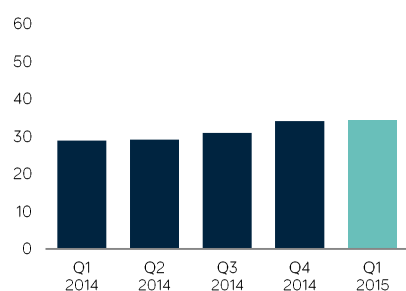
FIRST QUARTER

Revenue increased by 7.3% as a result of higher volumes in Portugal, Chile, Peru and Spain.

Profitability improved in Chile compared to Q1 2014 due to higher business volumes in our Conception site. Increased volumes in Portugal also had a positive effect on EBIT, as did cost savings in the region. While the trend in Colombia and Peru is positive, efficiency is still unsatisfactory.

North America & Asia Pacific

Revenue



(€m)	2015 Q1	2014 Q1	2014 Jan-Dec
Revenue	34.3	28.9	123.2
Gross profit	9.1	7.6	34.4
Gross margin	26.6%	26.4%	27.9%
EBIT	1.2	0.1	4.3
EBIT margin	3.5%	0.3%	3.5%

FIRST QUARTER

Like-for-like revenue decreased slightly in Q1 2015 as a result of lower business volumes. Foreign exchange effects had a positive effect on the revenue comparison, amounting to approximately €6.1 million.

The North American operation is now profitable as a result of increased efficiency and cost savings, and the positive development in Asia Pacific continues with lower costs and higher margins. Foreign exchange effects impacted EBIT positively by €0.4 million.

Group Financial Review

DEPRECIATION & AMORTIZATION

Depreciation in the quarter was €1.9 million (€1.5 million) and amortization of intangible assets was €0.3 million (€0.8 million).

SG&A

SG&A expenses were €25.6 million in the quarter compared to €26.6 million in Q1 2014. The cost decrease is a result of Transcom's focus on margin improvements and reduction of complexity of the organization.

TAXES

In Q1 2015, tax expenses amounted to €1.8 million, compared to €2.5 million in Q1 2014. For further information please see note 6 Contingent liabilities.

CASH FLOW

(€m)	2015 Q1	2014 Q1	2014 Jan-Dec
Cash flow from operating activities before changes in working capital	3.3	5.5	17.7
Change in working capital	-3.7	-22.5	-6.2
Cash flow from operating activities	-0.4	-17.0	11.5
Cash flow for the period	-10.5	-23.6	-22.0

Cash flow was positively affected by improved working capital compared to the same quarter last year. Net of borrowings and repayment of loans during the quarter amounted to €8.5 million.

FINANCING

(€m)	2015 Mar 31	2014 Mar 31	2014 Dec 31
Gross debt	56.7	90.1	62.8
Net debt	27.1	55.4	24.6
Net debt /EBITDA	0.9	2.4	0.9
Equity	130.9	112.7	120.0
Cash and cash equivalents	29.6	34.8	38.2

In Q1 2015, Transcom continued to reduce gross debt from €62.8 million previous quarter to €56.7 million. Net debt Q1 2015 was €27.1 million compared to €24.6 million the previous quarter. This should be compared to Q1 2014 when gross debt was €90.1 million and net debt was €55.4 million. Net financial items was positive this quarter, due to currency effect of USD vs EUR and reduced interest cost from €1.0 million same quarter last year to €0.4 this year.

At the end of Q1 2015, Net Debt/EBITDA was 0.9 compared to 2.4 at the end of Q1 2014. Transcom is well within its financial covenant thresholds.

RESULTS CONFERENCE CALL AND WEBCAST

Transcom will host a conference call at 10:30am CET (09:30am UK time) on Tuesday, April 21, 2015. 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

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

2015 ANNUAL GENERAL MEETING

The 2015 Annual General Meeting will take place at 14:00 CET on May 12, 2015 at Gjörwellsgatan 30, Stockholm, Sweden. Please refer to the convening notice, available on www.transcom.com, for further details on how and when to register.

A majority of the Nomination Committee of major shareholders in Transcom has been formed in accordance with the resolution of the 2014 Annual General Meeting. Due to a shareholding change at Transcom, the Nomination Committee changed at the end of March 2015 and is now comprised of Jesper Eliasson representing Altor Fund Manager AB, Daniel Nyhrén representing Creades AB, Cristina Stenbeck representing Investment AB Kinnevik, and Arne Lööv representing The Fourth Swedish National Pension Fund (Fjärde AP-fonden). Jesper Eliasson has been appointed Committee Chairman. Information about the work of the Nomination Committee can be found on Transcom's corporate website at www.transcom.com.

NOTICE OF FINANCIAL RESULTS

Transcom's report for the second quarter 2015 will be published on July 16, 2015.

Johan Eriksson
21 April 2015

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TRANSCOM GROUP - CONDENSED CONSOLIDATED INCOME STATEMENT

(€ '000)	Notes	2015 Q1	2014 Q1	2014 Jan-Dec
Revenue	4	160,858	160,088	616,840
Cost of sales		-129,277	-126,892	-489,257
Gross profit	4	31,581	33,196	127,583
Marketing expenses		-1,014	-1,546	-4,451
Administrative expenses		-24,579	-25,022	-97,468
Restructuring expenses		-	-522	-515
Net gain/loss on disposal of business		-	-	-1,498
Other operating income/expenses		-99	-663	-2,325
Operating profit/loss	4	5,889	5,443	21,326
Net financial items		1,226	-1,311	-2,524
Profit/loss before tax		7,115	4,132	18,802
Income tax expense		-1,767	-2,508	-11,934
Profit/loss for the period attributable to equity holders of the parent		5,348	1,624	6,868
Earnings per share attributable to equity holders of the parent				
Earnings before and after dilution per Ordinary share, Euro cent per common share		20.5	-	26.4
Earnings before and after dilution per A class share, Euro cent per common share	9	-	6.2	-
Earnings before and after dilution per B class share, Euro cent per common share	9	-	6.2	-

TRANSCOM GROUP - CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€ '000)	2015 Q1	2014 Q1	2014 Jan-Dec
Profit/loss for the period attributable to equity holders of the parent	5,348	1,624	6,868
Other comprehensive income:			
Exchange differences on translation of foreign operations	5,179	-343	1,700
Exchange differences recycled to profit and loss	-	-	115
Other comprehensive income to be reclassified to profit or loss in subsequent periods	5,179	-343	1,815
Actuarial profit/loss on post-employment benefit obligations	-	-	-311
Income tax effect	-	-	58
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	-	-	-253
Other comprehensive income for the period, net of tax	5,179	-343	1,562
Total comprehensive income for the period, net of tax, attributable to equity holders of the parent	10,527	1,281	8,430

TRANSCOM GROUP - CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ '000)	Notes	2015 Mar 31	2014 Mar 31	2014 Dec 31
ASSETS				
Non-current assets				
Goodwill		108,077	111,042	101,824
Other intangible assets		4,107	4,523	4,211
Tangible assets		15,976	15,040	16,152
Deferred tax assets		2,111	4,825	2,137
Other receivables		1,586	3,056	1,534
	8	131,857	138,486	125,858
Current assets				
Trade receivables		87,764	108,555	91,935
Income tax receivables		2,935	5,011	2,483
Other receivables		23,843	29,138	24,586
Prepaid expenses and accrued income		35,050	23,349	20,645
Cash and cash equivalents		29,551	34,786	38,173
	8	179,143	200,839	177,822
TOTAL ASSETS		311,000	339,325	303,680
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
		130,879	112,669	119,996
Non-current liabilities				
Interest-bearing liabilities	5	42,364	80,262	47,635
Employee benefit obligations		3,443	2,602	3,264
Provisions		137	1,801	135
Deferred tax liabilities		1,512	2,563	1,464
Income tax payables		1,540	3,745	2,093
Other liabilities		-	72	-
	8	48,996	91,045	54,591
Current liabilities				
Interest-bearing liabilities	5	14,302	9,884	15,119
Provisions		1,580	1,839	1,501
Trade payables		22,877	21,265	27,279
Income tax payables		8,789	11,061	8,304
Other liabilities		28,798	35,449	27,017
Accrued expenses and prepaid income		54,779	56,113	49,873
	8	131,125	135,611	129,093
Total liabilities		180,121	226,656	183,684
TOTAL EQUITY AND LIABILITIES		311,000	339,325	303,680

TRANSCOM GROUP - CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(€ '000)	Notes	Total number of shares ('000)	Number of shares held by the Group ('000)	Equity attributable to equity holders of the parent			Total equity
				Share capital	Other contributed capital	Other reserves and Retained earnings	
Balance, Jan 1, 2014		1,245,533	97	53,558	11,458	46,326	111,342
Profit/loss for the period		-	-	-	-	1,624	1,624
Other comprehensive income, net of tax		-	-	-	-	-343	-343
Share-based payments, expense		-	-	-	-	46	46
Balance, Mar 31, 2014		1,245,533	97	53,558	11,458	47,653	112,669
Profit/loss for the period		-	-	-	-	5,244	5,244
Other comprehensive income, net of tax		-	-	-	-	1,905	1,905
Merger	9	57,328	1,287	2,465	-2,465	-	-
Reverse split	9	-1,276,803	-1,356	-	-	-	-
Issue of C class shares	9	649	649	1,396	-	-1,396	-
Impact of change of quota value	9	-	-	-1,335	-	1,335	-
Share-based payments, expense		-	-	-	-	178	178
Balance, Dec 31, 2014		26,707	677	56,084	8,993	54,919	119,996
Profit/loss for the period		-	-	-	-	5,348	5,348
Other comprehensive income, net of tax		-	-	-	-	5,179	5,179
Share-based payments, expense		-	-	-	-	356	356
Balance, Mar 31, 2015		26,707	677	56,084	8,993	65,802	130,879

TRANSCOM GROUP - CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(€ '000)	Notes	2015 Q1	2014 Q1	2014 Jan-Dec
Cash flows from operating activities				
Profit/loss before tax		7,115	4,132	18,802
Adjustments to reconcile profit before tax to net cash:				
Adjustments for non cash items		3	2,700	9,264
Net financial items		-1,226	1,311	2,524
Income taxes paid		-2,562	-2,682	-12,883
Cash flows from operating activities before changes in working capital		3,330	5,461	17,707
Changes in working capital		-3,703	-22,492	-6,173
Cash flow from operating activities		-373	-17,031	11,534
Investments and disposals of tangible assets		-1,178	-716	-6,581
Investments and disposals of intangible assets		-	-58	-1,653
Disposals of business, net of cash		-	-	12,849
Changes in other non-current assets		-41	-	-162
Cash flow from investing activities		-1,219	-774	4,453
Proceeds from borrowings		2,278	-	5,286
Repayment of borrowings	5	-10,767	-4,018	-39,082
Payment of finance lease liabilities		-31	-	-69
Interest paid		-391	-1,753	-4,152
Cash flow from financing activities		-8,911	-5,771	-38,017
Cash flow for the period		-10,503	-23,576	-22,030
Cash and cash equivalents at beginning of the period		38,173	58,362	58,362
Cash flow for the period		-10,503	-23,576	-22,030
Exchange rate differences in cash and cash equivalents		1,881	0	1,841
Cash and cash equivalents at end of the period		29,551	34,786	38,173

TRANSCOM WORLDWIDE AB (PUBL) - CONDENSED INCOME STATEMENT

(€ '000)	2015 Q1	2014 Q1	2014 Jan-Dec
Revenue	5,843	4,820	22,096
Cost of sales	-5,829	-4,799	-22,010
Gross profit	14	21	86
Administrative expenses	-1,946	-2,809	-9,592
Other operating income/expenses	31	-35	-141
Operating profit/loss	-1,901	-2,823	-9,647
Net financial items	8,730	224	15,362
Profit/loss before appropriations	6,829	-2,599	5,715
Appropriations	-	-	4,883
Profit/loss before tax	6,829	-2,599	10,598
Income tax expense/income	414	-	-1,188
Profit/loss for the period*	7,243	-2,599	9,410

*Profit/loss for the period corresponds with total comprehensive income

TRANSCOM WORLDWIDE AB (PUBL) - CONDENSED BALANCE SHEET

(€ '000)	Notes	2015 Mar 31	2014 Dec 31
ASSETS			
Non-current assets			
Intangible assets		2,562	3,495
Tangible assets		783	167
Investments in Group companies		92,679	92,779
Receivables from Group companies		48,309	29,588
Other receivables		242	243
		144,575	126,272
Current assets			
Receivables from Group companies		125,555	206,534
Other receivables		3,147	3,237
Cash and cash equivalents		378	7,206
		129,079	216,977
TOTAL ASSETS		273,654	343,249
EQUITY AND LIABILITIES			
Restricted equity		56,084	56,084
Unrestricted equity		10,289	2,691
		66,373	58,775
Non-current liabilities			
Interest-bearing liabilities	5	42,238	47,509
Liabilities to Group companies		32,421	43,731
		74,659	91,240
Current liabilities			
Interest-bearing liabilities	5	12,278	11,600
Liabilities to Group companies		116,259	176,496
Other liabilities		4,085	5,138
		132,622	193,234
Total liabilities		207,281	284,474
TOTAL EQUITY AND LIABILITIES		273,654	343,249
Pledged assets		None	None
Contingent liabilities for Group companies		20,326	19,128

Notes to the condensed financial statements

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

1. GENERAL

The Group's publicly listed Parent Company, Transcom WorldWide AB (publ), is a registered company domiciled in Stockholm, Sweden. The address of the Company's headquarter is Rålambsvägen 17, SE-112 59 Stockholm. The Parent Company is responsible for corporate management and administration of intra-group transactions as well as holding company and internal finance functions.

2. ACCOUNTING PRINCIPLES

The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act, and the interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Reporting for legal entities from the Swedish Financial Reporting Board. Application of IFRS complies with the accounting principles set out in the Group's annual financial statements as at December 31, 2014. There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning January 1, 2015 that have had 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, 2014. There have been no changes in the risk management policy and procedures since year end or in any risk management policies.

4. SEGMENTAL INFORMATION

2015 Jan-Mar	North Europe	Central & South Europe	Iberia & Latam	North America & Asia Pacific	Group
Revenue from external customers	52,529	40,275	33,716	34,338	160,858
Gross profit	9,210	7,557	5,676	9,138	31,581
Operating profit/loss from segments	2,528	1,699	453	1,209	5,889

2014 Jan-Mar	North Europe	Central & South Europe	Iberia & Latam	North America & Asia Pacific	Total CRM	CMS	Group
Revenue from external customers	53,381	39,663	31,429	28,922	153,395	6,693	160,088
Gross profit	9,820	7,842	5,055	7,644	30,361	2,835	33,196
Operating profit/loss from segments	2,550	2,088	-337	96	4,398	1,045	5,443

Revenue from two largest single customers amounted to €26,748 thousand during January to March 2015 (Jan-Mar 2014: €27,381 thousand) and €14,948 thousand (Jan-Mar 2014: €14,067 thousand) respectively.

5. INTEREST-BEARING LIABILITIES

In January 2014 Transcom signed a new three year Revolving Credit Facility for the Group with SEB, DNB and Handelsbanken covering at that point €103.8 million. The facility was divided in three tranches; tranche A and B expiring 21st of January 2017 and tranche C that expired and was closed in October 2014. Interest rates in the facility are based on IBOR and EURIBOR plus margins. The loan is unsecured. The loan is mainly in EUR but there is a \$22 million drawn as well. In Q1 2015 total repayment of loans amounted to €4.1 million for tranche A and an additional €5.2 million for tranche B. Due to the large volatility of the USD vs the EUR in Q115 there was an increase in EUR equivalent value of the USD loan.

6. CONTINGENT LIABILITIES

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. During these tax audits, local tax authorities may question or challenge the Group's tax positions. Disputes with tax authorities can lead to litigations in front of several courts resulting in lengthy legal proceedings.

As at March 31, 2015, eleven Group entities are subject to tax audits of which five were opened during Q1 2015. Some of these tax inquiries have resulted in re-assessments, while others are still at an early stage and no re-assessments have yet been raised. As at March 31, 2015 the Group has provided €1,026 thousand (December 31, 2014: €936 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 €2,400 thousand (December 31, 2014: €1,860 thousand), which have not been provided for.

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

7. RELATED PARTY TRANSACTIONS

Investment AB Kinnevik and subsidiaries are defined as related party for the period of the same character as the transactions described in the Group's consolidated financial statements as at December 31, 2014. The Group's sales revenue from the Tele2 companies amounted to €26,748 thousand during the period (Jan-Mar 2014: €27,381 thousand). Operating expenses, mainly for telephone services and switch, paid to Tele2 group companies amounted to €139 thousand (Jan-Mar 2014: €138 thousand). On March 20, 2015 Investment AB Kinnevik divested 6.4 million shares in Transcom and as per this date ceased to be defined as related party to Transcom.

8. FINANCIAL INSTRUMENTS

Classification of the Group's financial assets and liabilities:

(€ '000)	Financial assets		Mar 31, 2015		Financial liabilities		Dec 31, 2014	
	Loans and receivables	Financial liabilities amortized cost	Carrying amount	Fair value	Loans and receivables	Financial liabilities amortized cost	Carrying amount	Fair value
Total non-current assets	1,586	-	1,586	1,586	1,534	-	1,534	1,534
Total current assets	167,893	-	167,893	167,893	167,676	-	167,676	167,676
Total financial assets	169,479	-	169,479	169,479	169,210	-	169,210	169,210
Total non-current liabilities	-	42,364	42,364	42,465	-	48,041	48,041	48,853
Total current liabilities	-	98,736	98,736	98,736	-	98,997	98,997	98,997
Total financial liabilities	-	141,100	141,100	141,201	-	147,038	147,038	147,850

9. MERGER AND EQUITY

On November 26, 2014, Transcom's executed a re-domiciliation to Sweden from Luxembourg through a merger between the former parent company Transcom WorldWide S.A. (RCS B59528) and its subsidiary Transcom WorldWide AB (publ) (org.no 556880-1277). Transcom Worldwide AB (publ) was per November 26, 2014 the new Parent Company of Transcom Group. The merger did not have any impact on the assets or liabilities of the Group, and consequently not on the total equity, over and above from the merger costs of €1.1 million, reported in Q2 2014, in the caption Administrative expenses. However, the composition within equity changed due to change in share capital and change of Parent company. As merger consideration, Transcom Worldwide AB (publ) issued 1 new Ordinary share for each Class A Ordinary share issued by Transcom Worldwide S.A and 1.09 new Ordinary share for each Class B Preference share issued by Transcom Worldwide S.A.

During 10-12 December, 2014 Transcom WorldWide AB (publ) executed a 1:50 reverse split of the ordinary share of the Company following the re-domiciliation. At December 15, 2014 the Company issued and repurchased C class shares for future distribution for long-term incentive plans. In addition, a change of quota value to €2.10 was made.

EPS for Q1 2014 has been adjusted to reflect the reverse split as if it had occurred as per January 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 financial statements.

Financial overview

(€m)	2015 Q1	2014 Q1	2014 Jan-Dec	2013 Jan-Dec	2012 Jan-Dec	2011 Jan-Dec
Revenue	160.9	160.1	616.8	653.2	605.6	554.1
Profit/loss before tax	7.1	4.1	18.8	-12.2	-23.6	-32.0
Profit/loss for the period	5.3	1.6	6.9	-18.6	-30.6	-50.4
Cash flow from operating activities	-0.4	-17.0	11.5	9.9	-12.4	27.5
Cash flow from operating activities per share (Euro cents)	-1	-65	44	38	-48	105
EPS (Euro cents)*	20.5	6.2	26.4	-71.3	-117.4	-193.5
Return on Equity	9.0%	-13.6%	6.0%	-15.2%	-23.0%	-29.5%
Operating margin	3.7%	3.4%	3.5%	-0.8%	-2.9%	-5.1%
Equity ratio	42.1%	33.2%	39.5%	32.2%	37.1%	43.0%
Net debt/EBITDA	0.9	2.4	0.9	1.5	2.0	0.8

*EPS has been adjusted to reflect the reverse split as if it had occurred year 2011

FINANCIAL DEFINITIONS

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

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

Gross debt: interest-bearing liabilities.

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

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

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

Equity ratio: equity divided by total assets.

EBIT: operating profit/loss.

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.

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).

ABOUT TRANSCOM

Transcom is a global customer experience specialist, providing customer care, sales, technical support and collections services through our extensive network of contact centers and work-at-home agents. We are 30,000 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's share is listed on the Nasdaq Stockholm Exchange under the ticker symbol TWW.