

**Item 18 – Proposal by the Board to a) reduce the share capital by way of cancellation of repurchased own shares and b) increase the share capital by way of a bonus issue**

**a) Reduction of the share capital by way of cancellation of repurchased own shares**

The Board proposes that the Annual General Meeting resolves to reduce the company's share capital with SEK 23,322 in total. The reduction shall be made by cancellation of 1,073,602 shares repurchased by the company under the authorisation granted by the Annual General Meeting 2015 to be transferred to a fund to be used as decided by the General Meeting.

The Board's statement in accordance with Chapter 20, Section 13, Paragraph 4 of the Swedish Companies Act

Pursuant to chapter 20, Section 13, Paragraph 4 of the Swedish Companies Act, the Board states the following.

The resolution to reduce the share capital under this item a) may be effectuated without obtaining the authorization from the Swedish Companies Registration Office or, in disputed cases, a court of general jurisdiction as the company simultaneously effectuates a bonus issue as set out under item b) below, with an amount corresponding to not less than the amount the share capital is being reduced with as set out above. All in all, these measures entail that neither the company's restricted equity nor its share capital is reduced. The effect of the Board's proposal under this item a) is that the company's restricted equity and share capital is reduced by SEK 23,322. The effect of item b) set out below is that the company's restricted equity and share capital is increased by SEK 23,322 by way of a bonus issue and thereby at least is restored to the amount prior to the reduction.

**b) Increase of the share capital by way of bonus issue**

With the purposes to restore the share capital after the proposed reduction of the share capital as set out above, the Board proposes that the Annual General Meeting simultaneously resolves to increase the share capital by way of a bonus issue by SEK 23,322 through a transfer of SEK 23,322 from the company's non-restricted equity. No new shares shall be issued in connection with the bonus issue.

The Board of Directors or the person appointed by the Board shall be entitled to make such minor adjustments to the above resolutions as may be required to register the resolutions with the Swedish Companies Registration Office or Euroclear Sweden AB and to take the measures required to execute the resolutions.

Resolutions by the Annual General Meeting in accordance with item 18a) – b) above shall be adopted as a joint decision. A resolution shall be valid only where supported by not less than two-thirds of both the votes cast and of the shares represented at the Meeting.

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Stockholm in March 2016  
*The Board of Intrum Justitia AB (publ)*