



**Ferratum™**  
More than money **to everyone**

Ferratum Group  
Interim Condensed Consolidated  
Financial Report  
for 1H 2013 ended 30.06.2013



JT Family Holding Oy (Ferratum Group) Interim Condensed Consolidated Financial Report for the second half year 2013 ended 30.06.2013

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## KEY ACTIONS AND DEVELOPMENT 1.1.2013-30.06.2013

### FERRATUM GROUP

JT Family Holding Oy and its subsidiaries form a group (Ferratum Group), which is one of the leading microloan companies globally. Ferratum Group is a privately owned independent group; it doesn't belong to any other group in the financial or commercial sector. Ferratum Group commenced its activities in May 2005 and has grown rapidly in 17 countries across Europe and in two countries in APAC region.

Ferratum Group is operating under generally accepted ethical principles, and is one of the leading players in developing the credibility of microloan businesses and common industry processes. Ferratum Group has developed its business model and processes to be efficient and customer-oriented. The identification and scoring of customers are key factors in the business globally.

### FINANCIAL HIGHLIGHTS

The income statements for foreign currency subsidiaries have been translated into euros at the average exchange rate for the reporting period and the balance sheets at the rate prevailing at quarter end.

Financial highlights	1.1.-30.6.2013	1.1.-30.6.2012	1.1.-31.12.2012
Revenue	26.219.478,84	23.035.186,53	47.156.956,53
Operating profit	3.582.804,17	4.028.316,95	6.788.462,88
Profit after extraordinary items	2.186.672,10	2.870.742,23	5.392.259,28
Net cash flows from operating activities	3.633.651,72	3.637.906,92	13.337.603,09
Net cash flows from investing activities	-7.217.040,83	-8.944.071,69	-18.516.585,86
Net cash flows from financing activities	5.813.348,75	2.602.989,44	2.409.499,56
Change in net cash flow	2.229.959,64	-2.703.175,33	-2.769.483,20
Total assets	46.782.307,24	37.301.007,99	41.470.711,37
Non-current liabilities	21.810.450,10	20.573.170,73	20.941.366,76
Current liabilities	10.405.510,86	5.019.485,79	6.794.631,10
Equity	14.238.867,59	11.468.350,99	13.404.544,40

### MAIN DEVELOPMENTS

#### Business Update

Although the Revenues are further growing the profitability has slightly decreased in the first half of the year due to the Growth initiatives, including the successful launch of the Ferratum Bank activities in Slovakia. This trend is expected to reverse in the next 12 Month when the bank has been launched in more Countries.

### Treasury Update

In April Ferratum Group was able to raise € 5 Mio. via two loan notes from one German Insurance company. The term is until the year end. A prolonging of this term is intended and currently under negotiation.

In May Ferratum Group has redeemed annual secured bearer bonds series A2 with a total nominal value of PLN 3.3 million. The redemption was done in accordance with the terms of issue of bonds series A2, at the maturity date of these bonds

In June Ferratum Group has issued in Poland new bearer bond series B with a total nominal value of PLN 10.06 million and with a term of two years.

Due to the successful fund raising in Q2 the liquidity situation has been satisfactory and the variable credit line with Ferratum Groups main bank Nordea has been reduced from € 10 million to € 7.5 million as per end of Q2.

### CUSTOMER BASE

	2Q 2013	2Q 2012	Growth -%
Customer Base	1.651.456	1.242.226	33%
Registered	961.901	726.521	32%
Existing	689.555	515.705	34%
New	53.056	38.491	38%

Consolidated income statement			
EUR	1.1.-30.6.2013	1.1.-30.6.2012	1.1.-31.12.2012
<b>REVENUE</b>	26.219.478,84	23.035.186,53	47.156.956,53
Other operating income	37.352,33	30.866,13	53.674,84
Materials and services	-2.886.507,97	-1.722.139,39	-5.752.395,05
Personnel expenses	-4.253.263,89	-3.508.834,61	-7.168.437,26
Depreciation, amortisation and impairment	-275.064,61	-217.952,74	-508.877,88
Other operating expenses	-15.259.190,52	-13.588.808,97	-26.992.458,29
<b>OPERATING PROFIT</b>	3.582.804,17	4.028.316,95	6.788.462,88
Financial income and expenses	-1.396.132,08	-1.157.574,72	-2.214.094,08
<b>PROFIT BEFORE EXTRAORDINARY ITEMS</b>	2.186.672,10	2.870.742,23	4.574.368,80
Extraordinary items			817.890,48
<b>PROFIT AFTER EXTRAORDINARY ITEMS</b>	2.186.672,10	2.870.742,23	5.392.259,28
Income tax	-592.603,00	-828.309,24	-1.415.346,51
<b>PROFIT FOR THE PERIOD</b>	1.594.069,10	2.042.433,00	3.976.912,76

## Consolidated balance sheet

EUR	30.06.2013	30.06.2012	31.12.2012
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Intangible assets	2.637.248,78	2.277.992,19	2.459.739,01
Consolidated goodwill	0,00	14.938,37	7.469,19
Tangible assets	328.452,74	285.907,89	298.358,60
Investments	5.000,00	5.000,00	5.000,00
<b>NON-CURRENT ASSETS TOTAL</b>	<b>2.970.701,52</b>	<b>2.583.838,44</b>	<b>2.770.566,79</b>
<b>CURRENT ASSETS</b>			
Deferred tax assets	2.336.917,10	1.625.418,25	1.775.849,59
Non-current receivables	21.934,85	8.910,01	16.370,82
Current receivables	36.508.176,20	30.480.209,62	34.237.193,89
Cash and bank	4.944.577,57	2.602.631,67	2.670.730,29
<b>CURRENT ASSETS TOTAL</b>	<b>43.811.605,72</b>	<b>34.717.169,55</b>	<b>38.700.144,58</b>
<b>ASSETS TOTAL</b>	<b>46.782.307,24</b>	<b>37.301.007,99</b>	<b>41.470.711,37</b>

EUR	30.06.2013	30.06.2012	31.12.2012
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	10.000,00	10.000,00	10.000,00
Treasury shares	-81.529,74		-16.129,80
Other reserves	3.069.174,20	3.068.684,18	3.069.200,49
Retained earnings	9.647.154,03	6.347.233,80	6.364.560,95
Profit/loss for the period	1.594.069,10	2.042.433,00	3.976.912,76
<b>EQUITY TOTAL</b>	<b>14.238.867,59</b>	<b>11.468.350,99</b>	<b>13.404.544,40</b>
<b>LIABILITIES</b>			
Deferred tax liabilities	327.478,67	240.000,48	330.169,11
Non-current liabilities, interest-bearing	21.788.511,76	20.573.170,73	20.915.158,50
Non-current liabilities, interest-free	21.938,34		26.208,26
Current liabilities, interest-bearing	5.478.462,56	540.159,56	453.364,05
Current liabilities, interest-free	4.927.048,30	4.479.326,23	6.341.267,05
<b>LIABILITIES TOTAL</b>	<b>32.543.439,63</b>	<b>25.832.657,00</b>	<b>28.066.166,98</b>
<b>EQUITY AND LIABILITIES TOTAL</b>	<b>46.782.307,23</b>	<b>37.301.007,99</b>	<b>41.470.711,38</b>

Consolidated cash flow statement			
EUR	1.1.-30.6.2013	1.1.-30.6.2012	1.1.-31.12.2012
<b><u>Cash flows from operating activities</u></b>			
Profit/loss for the period	1.594.069,10	2.042.433,00	3.976.912,76
<u>Adjustments for:</u>			
Depreciation, amortisation & impairment loss	275.064,61	217.952,74	508.877,88
Financial income and expenses	1.396.132,08	1.157.574,72	2.214.094,08
Income tax	592.603,00	828.309,24	1.415.346,51
Other adjustments			-817.890,48
Operating profit before working capital changes	3.857.868,79	4.246.269,69	7.297.340,76
<u>Working capital changes:</u>			
Increase (-) /decrease(+) in trade and other receivab	3.727.173,42	1.383.001,56	7.317.246,89
Increase (+) / decrease (-) in trade payables	-422.141,71	414.080,01	1.056.105,18
Cash generated from operations	7.162.900,50	6.043.351,27	15.670.692,83
Interest paid	-1.759.633,28	-1.123.256,68	-494.929,02
Interest received	13.070,85	30.637,40	60.556,81
Other financing items	-251.468,00	-103.778,29	-257.505,39
Income taxes paid	-1.531.218,36	-1.209.046,77	-2.459.102,62
Cash flow before extraordinary items	3.633.651,72	3.637.906,92	12.519.712,61
Cash flow from extraordinary items			817.890,48
<b>Net cash from operating activities (A)</b>	<b>3.633.651,72</b>	<b>3.637.906,92</b>	<b>13.337.603,09</b>



EUR	1.1.-30.6.2013	1.1.-30.6.2012	1.1.-31.12.2012
<b><u>Cash flows from investing activities</u></b>			
Purchase of tangible and intangible assets	-558.197,33	-289.313,37	-740.222,03
Proceeds from sale of tangible assets and intangible assets	77.417,62	2,99	-530,39
Acquisition of subsidiaries			
Proceeds from sale of investments			2.386,09
Loans granted (-) / Repayment of loans (+)	-6.736.261,11	-8.654.761,31	-17.778.219,52
<b>Net cash used in investing activities (B)</b>	<b>-7.217.040,83</b>	<b>-8.944.071,69</b>	<b>-18.516.585,86</b>
<b><u>Cash flows from financing activities</u></b>			
Proceeds from issue of share capital			
Purchase of own shares	-65.399,94		-16.129,80
Proceeds from sale of own shares			
Proceeds from short-term borrowings	5.452.625,62	22.470,83	1.150.556,94
Repayment of short-term borrowings	-414.168,67	103.436,17	-1.113.342,46
Proceeds from long-term borrowings (+) / Repaymen	1.630.858,68	2.685.231,15	2.597.847,93
Dividends paid	-790.566,95	-208.148,71	-209.433,05
<b>Net cash used in financing activities (C)</b>	<b>5.813.348,75</b>	<b>2.602.989,44</b>	<b>2.409.499,56</b>
<b>Net increase/decrease in cash and cash equivalents (A+B+C)</b>	<b>2.229.959,64</b>	<b>-2.703.175,33</b>	<b>-2.769.483,20</b>
Cash and cash equivalents at beginning of the period	2.670.730,29	5.225.064,58	5.225.064,58
Net increase/decrease in cash and cash equivalents	2.229.959,64	-2.703.175,33	-2.769.483,20
Effects of exchange rate fluctuations on cash held	43.887,65	74.742,41	212.599,76
Cash and cash equivalents at the end of the period	4.944.577,57	2.602.631,67	2.670.730,29



## Notes

### 1. Accounting principles

#### Principles of consolidation

The consolidated financial statements include all group companies.

Subsidiaries are mainly 100 % owned by the Group.

Ferbuy Singapore Pte. Ltd., Singapore is 90 % owned by the Group.

#### Intercompany ownership of shares

Intra-group ownership of shares has been eliminated through the purchase method. The asset and liabilities balances of subsidiaries as at acquisition date have been used as basis of elimination.

#### Intercompany transactions and margins

Intercompany transactions, unrealized margins relating to intercompany transactions and intercompany receivables and payables have been eliminated.

#### Foreign currency translation

The income statements for foreign currency subsidiaries have been translated into euros at the average exchange rate for the financial year and the balance sheets at the rate prevailing at year end. The average foreign currency exchange gains and losses have been recorded in the translation differences under equity. The foreign currency exchange gains and losses resulting from elimination of intercompany ownership is included in translation differences.

#### Comparative data

The financial year of the Group is 12 months long (1.1.-31.12.).

The comparative data from financial year 2012 has been changed to reflect the presentation of income statement and balance sheet items in financial year 2013.

#### Valuation and allocation principles

The accounts and loan receivables of the company have been recorded at acquisition cost deducted by the credit loss reserve. The process fees relating to issue of loans are recognized as revenue at the time of issue. Tangible assets have been valued at acquisition cost deducted with depreciation according to plan. Group companies use different depreciation methods due to local differences and the depreciation has not been harmonized in the Group financial statements. The depreciation varies in the companies as follows:

Intangible assets: 4-10 year straight-line depreciation

Tangible assets: 8-33% straight-line depreciation, 25% declining depreciation

Immaterial rights: 5 year straight-line depreciation

Consolidated goodwill: 5 year straight-line depreciation

Pension costs are presented according to the local legislation in each country.

## 2. Ferratum Group companies

### *Group Ownership*

Ferratum Finland Oy, Helsinki	100%
Ferratum Estonia OÜ, Estonia	100%
Ferratum Netherlands B.V., Netherlands	100%
Ferratum Latvia SIA, Latvia	100%
UAB Ferratum, Lithuania	100%
Ferratum Sweden AB, Sweden	100%
Ferratum Czech s.r.o., Czech	100%
Ferratum Poland Sp. Z.o.o., Poland	100%
Ferratum Finance Sp. Z.o.o., Poland	100%
Ferratum Spain SL, Spain	100%
Ferratum Bulgaria EOOD, Bulgaria	100%
Ferratum Finance d.o.o., Slovenia	100%
Ferratum Slovakia s.r.o., Slovakia	100%
Ferratum Denmark ApS, Denmark	100%
Ferratum Belgium BVBA, Belgium	100%
Ferratum UK Ltd, Great Britain	100%
Ferratum Capital Oy, Helsinki	100%
Global Guarantee OÜ, Estonia	100%
Ferratum d.o.o., Croatia	100%
Ferratum Capital Poland S.A., Poland	100%
Ferratum New Zealand Ltd., New Zealand	100%
Ferratum Finance B.V., Netherlands	100%
Pelegat B.V., Netherlands	100%
Ferratum Australia Pty Ltd, Australia	100%
Ferratum Singapore Pte. Ltd., Singapore	90%
Numeratum d.o.o., Croatia	100%
OOO Ferratum Russia, Russia	100%
Ferratum Bank Limited, Malta	100%
Ferratum (Malta) Holding Limited, Malta	100%
Ferbuy Singapore Pte. Ltd., Singapore	90%
Swespar AB, Sweden	100%
Nereida Spain S.L., Spain	100%

Ferratum Finland Oy holds 0,01% of the shares of Ferratum Belgium BVBA and 0,00001 % of the shares of Ferratum (Malta) Holding Limited. Ferratum (Malta) Holding Limited holds 99,99999 % of the shares of Ferratum Bank Limited and JT Family Holding Oy holds 0,00001 % of the shares of Ferratum Bank Limited.

All group companies have been consolidated to the annual report of the parent company.

3. Revenue by geographic area	1.1.-30.6.2013	1.1.-30.6.2012	1.1.-31.12.2012
Revenue, abroad	22.076.112,30	17.910.295,65	38.080.784,59
Revenue, domestic	4.143.366,54	5.124.890,88	9.076.171,94
Revenue, total	26.219.478,84	23.035.186,53	47.156.956,53
4. Average personnel	1.1.-30.6.2013	1.1.-30.6.2012	1.1.-31.12.2012
During financial year	261	184	202
5. Other operating expenses	1.1.-30.6.2013	1.1.-30.6.2012	1.1.-31.12.2012
Selling, marketing and administration	-6.554.604,37	-5.682.210,97	-12.649.083,29
Other	-8.704.586,15	-7.906.598,00	-14.343.375,00
Other operating expenses, total	-15.259.190,52	-13.588.808,97	-26.992.458,29
6. Financial income and expenses	1.1.-30.6.2013	1.1.-30.6.2012	1.1.-31.12.2012
Interest and financial income from others	5.289,24	52.703,58	1.365.953,11
Interest and financial expense to others	-1.356.539,95	-1.272.731,83	-3.580.047,19
Financial income and expenses, total	-1.351.250,71	-1.220.028,25	-2.214.094,08
7. Foreign exchange gains and losses	1.1.-30.6.2013	1.1.-30.6.2012	1.1.-31.12.2012
Foreign exchange gains (+), losses (-)	-44.881,37	62.453,53	-64.286,08
8. Non-current liabilities	30.06.2013	30.06.2012	31.12.2012
Bonds	11.746.504,98	8.784.887,50	10.027.000,49
Loans from financial institutions	2.577.740,30	1.993.887,13	2.541.310,01
Other liabilities	7.486.204,82	9.794.396,10	8.373.056,26
Deferred tax liabilities	327.478,67	240.000,48	330.169,11
Non-current liabilities, total	22.137.928,77	20.813.171,21	21.271.535,88
9. Current liabilities	31.03.2013	31.03.2012	31.12.2012
Trade payables	355.855,05	571.577,86	1.315.829,65
Other liabilities	6.731.420,67	1.499.444,38	1.463.302,17
Accruals	3.318.235,15	2.948.463,55	4.015.499,27
Current liabilities, total	10.405.510,87	5.019.485,79	6.794.631,10

10. Change in equity 2012	Share capital	SVOP reserve	Other reserves	Translation difference	Retained earnings	Equity total
<b>Equity, opening balance 2012</b>	10.000,00	67.590,00	701,61	-4.573,10	6.594.051,01	6.667.769,52
Sales of own shares						
Treasury shares			-16.129,80			-16.129,80
Dividend distribution					-210.000,00	-210.000,00
Translation difference (+/-)			11,28	8.282,44	-22.301,80	-14.008,08
Transfer from equity loans		3.000.000,00				3.000.000,00
Reclassification between items			897,60		-897,60	0,00
Adjustment to retained earnings						
Profit/loss for the period					3.976.912,76	3.976.912,76
<b>Equity total, end of 2012</b>	<b>10.000,00</b>	<b>3.067.590,00</b>	<b>-14.519,31</b>	<b>3.709,34</b>	<b>10.337.764,37</b>	<b>13.404.544,40</b>

11. Change in equity 2013	Share capital	SVOP reserve	Other reserves	Translation difference	Retained earnings	Equity total
<b>Equity, opening balance 2013</b>	10.000,00	3.067.590,00	-14.519,31	3.709,34	10.337.764,37	13.404.544,40
Sales of own shares						
Treasury shares			-65.399,94			-65.399,94
Dividend distribution					-790.000,00	-790.000,00
Translation difference (+/-)			-26,29	-32.248,80	127.929,12	95.654,03
Transfer from equity loans						
Reclassification between items						
Adjustment to retained earnings						
Profit/loss for the period					1.594.069,10	1.594.069,10
<b>Equity total, 30.6.2013</b>	<b>10.000,00</b>	<b>3.067.590,00</b>	<b>-79.945,54</b>	<b>-28.539,46</b>	<b>11.269.762,59</b>	<b>14.238.867,59</b>

According to our best knowledge, the abridged consolidated semi-annual financial statements and the comparative data were prepared in accordance with the applicable accounting principles and that they present a true, fair and clear picture of the property and financial situation of the issuer's capital group and its financial result, and that the semi-annual report on the activity of the issuer's capital group presents a true picture of the development and achievements and the situation of the capital group, including a description of the main threats and risks.

**Erik Ferm**

*Chairman of the Board*

**Lea Liigus**

*Member of the Board*

**Jorma Jokela**

*CEO, Member of the Board*

**Kai Becker**

*Member of the Board*

**Juhani Vanhala**

*Member of the Board*

Helsinki 15.8.2013