Transcom
Relationships Revenue Results

Invitation to subscribe for Swedish depositary receipts regarding shares in Transcom WorldWide S.A.

PLEASE NOTE THAT THE SUBSCRIPTION RIGHTS ARE EXPECTED TO HAVE AN ECONOMIC VALUE

In order to ensure that the Subscription Rights received do not become void and without value, the Share SDR holder must either:

- Exercise the Subscription Rights received and subscribe for new Share SDRs no later than 16 December, 2011 or;
- Sell the Subscription Rights received, but not exercised, no later than 13 December, 2011

Please note that Share SDR holders with nominee-registered Share SDR holdings subscribe for new Share SDRs through their nominee.

SEB ENSKILDA

Legal disclaimer

Information to investors

This Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) ("SFSA") pursuant to the provisions of Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (1991:980). Approval and registration by the SFSA does not imply that the SFSA guarantees that the factual information provided in this Prospectus is correct and complete. The Prospectus has been prepared in English only together with a summary in Swedish in accordance with an exemption granted by the SFSA as set out in Chapter 2, Section 21 of the Swedish Financial Instruments Trading Act (1991:980). Disputes concerning, or related to, the Offer, the contents of this Prospectus or any connected legal matter shall be governed by Swedish law and exclusively be settled by Swedish courts. The district court of Stockholm (Sw. Stockholms tingsrätt) shall be the court of first instance.

The distribution of this Prospectus and the Subscription Rights may be restricted by law in certain jurisdictions, and this Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it would be unlawful to make such offer or solicitation. No actions have been taken to register or qualify the Subscription Rights, the BTAs, the new Share SDRs or the Offer or otherwise permit a public offering of the Subscription Rights, the BTAs or the new Share SDRs, in any jurisdictions outside of Sweden. Unless expressly provided elsewhere in this Prospectus, the Subscription Rights, the BTAs and the new Share SDRs may not be offered, sold, taken up, exercised, resold, transferred or delivered, directly or indirectly, in or into Australia, Canada, Hong Kong, Japan, the United States or any other jurisdiction in which it would not be permissible to offer the Subscription Rights, the BTAs or the new Share SDRs. Subscription Rights, BTAs and new Share SDRs acquired in violation of the restrictions described above may be void. Transcom and SEB Enskilda require persons into whose possession this Prospectus comes to inform themselves of and observe all such restrictions. Any failure to comply with such restrictions may result in a violation of applicable securities law and regulations. Neither Transcom, nor SEB Enskilda accept any legal responsibility for any violation by any person, whether or not a prospective investor in the new Share SDRs, of any such restrictions.

This Prospectus has been prepared by Transcom, based on its own information and information from other sources that Transcom considers reliable. No representation or warranty, expressed or implied, is made by SEB Enskilda as to the accuracy or completeness of any of the information set out in this Prospectus and nothing contained in this Prospectus is or shall be relied upon as a promise or representation, whether as to the past or the future, as SEB Enskilda has not made any independent verification of the information.

When an investor makes an investment decision, he or she must rely on his or her own analysis of Transcom and the Offer, including, but not limited to, the merits and risks involved. An investment decision shall be based solely on the information in this Prospectus and any possible supplements to this Prospectus. No person has been authorized to provide any information or make any statements, other than those contained in this Prospectus, and should such information or statements be furnished they should not be considered to have been authorized by Transcom. Neither the publication of this Prospectus nor any purchase or sale as a result of the Prospectus will, under any circumstances, imply that there have not been changes in Transcom's business since the date of this Prospectus, or that the information in this Prospectus is correct as at any time after the date of this Prospectus.

As a condition to exercising Subscription Rights or subscribing for new Share SDRs pursuant to the Offer, each exercising holder or subscriber for new Share SDRs will be deemed to have made, or in some cases, be required to make, certain representations and warranties that will be relied upon by Transcom and SEB Enskilda and others. See *Restriction on Sale and Transfer of Subscription Rights, BTAs and new Share SDRs* for further information. Transcom reserves the right, in its sole and absolute discretion, to reject any purchase of Subscription Rights, BTAs and new Share SDRs that it or its agents believe may result in a breach or violation of any law, rule or regulation.

Notice to investors in the United States

The Subscription Rights, the BTAs and the new Share SDRs have not been registered and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold, taken up, exercised, resold, delivered or transferred, directly or indirectly, in or into the United States at any time, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with the applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of the Subscription Rights, BTAs or new Share SDRs in the United States. A notification of subscription of Subscription Rights, BTAs and new Share SDRs in contravention of the above may be deemed to be invalid.

The Subscription Rights, BTAs and new Share SDRs have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Subscription Rights, BTAs and new Share SDRs or the accuracy or adequacy of this Prospectus. See *Restriction on Sale and Transfer of Subscription Rights, BTAs and new Share SDRs* for further information.

Notice to investors in the European Economic Area

In relation to member states of the European Economic Area ("EEA") other than Sweden, which have implemented the Prospectus Directive (2003/71/EC) (each, a "Relevant Member State") an offer to the public of any Subscription Rights, BTAs or new Share SDRs contemplated by this Prospectus may not be made in that Relevant Member State except that an offer to the public in that Relevant Member State may be made under an exemption under the Prospectus Directive, if it has been implemented in that Relevant Member State. See *Restriction on Sale and Transfer of Subscription Rights, BTAs and new Share SDRs* for further information.

Notice to investors in Luxembourg

The Offer shall not be and shall not be considered as an ''offer of securities to the public" for purposes of the Luxembourg law on prospectuses for securities dated 10 July 2005. See *Restriction on Sale and Transfer of Subscription Rights, BTAs and new Share SDRs* for further information.

Notice to prospective investors in the United Kingdom

This Prospectus is only being distributed to and is only directed at (i) persons who are outside the United Kingdom and (ii) to investment professionals falling within Article 19(5) of the Financial Services Markets Act 2000 (Financial Promotion Order 2005) (the "Order") and (iii) to high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The new Share SDRs are only available to, any invitation, offer or agreement to subscribe, purchase or otherwise acquire such new Share SDRs will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus or its contents.

Notice to New Hampshire Residents only

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSONS, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE OR CAUSE TO BE MADE TO ANY PROSPECTIVE SUBSCRIBER, PURCHASER, CUSTOMER OR CLIENT, ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

Notice to prospective investors in Switzerland

Any Subscription Rights, BTAs or new Share SDRs offered hereby are being offered in or from Switzerland on the basis of a private placement only.

Notice to prospective investors in Australia, Canada, Hong Kong, Japan and certain other jurisdictions

The Offer will not be made to persons who are residents of Australia, Canada, Hong Kong, Japan or in any jurisdiction in which such offering would be unlawful.

Enforcement of civil liabilities

Transcom is a public limited liability company (Fr. *société anonyme*) incorporated under the laws of Luxembourg, with its registered office at 45, rue des Scillas, L-2529 Luxembourg. A majority of the members of Transcom's Board of Directors and management are residents of other countries than the United States and all or a substantial portion of the assets of such persons and of Transcom are located outside of the United States. As a result, it may not be possible for investors to affect service of process within the United States upon Transcom or such other persons or to enforce against them any judgments obtained in U.S. courts based on the civil liability provisions of the U.S. securities laws.

The United States and Sweden do not currently have a treaty providing for reciprocal recognition and enforcement of judgments rendered in connection with civil and commercial disputes. As a result, a final judgment for the payment of damages based on civil liability rendered by a U.S. court, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in Sweden. If the party in whose favor the final judgment is rendered brings a new suit in a competent Swedish court, the party may submit to the Swedish court the final judgment that has been rendered in the United States. Such judgment will only be regarded by a Swedish court as evidence of the outcome of the dispute to which the judgment relates, and a Swedish court may choose to rehear the dispute.

Luxembourg
A valid judgment against a company incorporated in Luxembourg with respect to the Subscription Rights, BTAs and new Share SDRs obtained from a court of competent jurisdiction in the United States remains in full force and effect after all appeals as may be taken in the relevant state or federal jurisdiction with respect thereto have been taken, may be entered and enforced through a court of competent jurisdiction of Luxembourg, subject to compliance with the enforcement procedures (*exequatur*) set out in Article 678 et seq. of the Luxembourg New Code of Civil Procedure (*Nouveau Code de Procédure Civile*), being:

- the U.S. court has applied the substantive law as designated by the Luxembourg conflict of laws rules;
- the U.S. court has acted in accordance with its own procedural laws;
- the U.S. court order or judgment must not result from an evasion of Luxembourg law (*fraude à la loi*);
- the U.S. court awarding the judgment has jurisdiction to adjudicate the respective matter under its applicable laws, and such jurisdiction is recognised by Luxembourg private international and local law;
- the judgment is enforceable in the jurisdiction where the decision has been rendered;
- the judgment was granted following proceedings where the defendant had the opportunity to appear, was granted the necessary time to prepare its case and, if it appeared, could present a defence; and
- the considerations of the foreign order as well as the judgment do not contravene international public policy as understood under the laws of Luxembourg or has been given in proceedings of a criminal or tax nature.

If an original action is brought in Luxembourg, Luxembourg courts may refuse to apply the designated law if its application contravenes Luxembourg's international public policy. In an action brought in Luxembourg on the basis of U.S. federal or state securities laws, Luxembourg courts may not have the requisite power to grant the remedies sought.

Forward-looking statements and market information
This Prospectus contains forward-looking statements that reflect Transcom's current views on future events and on financial and operational development. These forward-looking statements are only made at the time of the publication of the Prospectus. Transcom does not undertake to publish updates or revisions of the forward-looking statements based on new information, future events et cetera. Although Transcom believes the expectations described in the forward-looking statements will be realised or that the statements will prove to be correct, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from Transcom's expectations. Consequently, prospective investors should not give undue importance to these and other forward-looking statements. In *Risk factors* there is a description of some, but not all, of the factors that may cause the actual results or development of the Company to deviate significantly from the scenarios in the forward-looking statements.

This Prospectus contains historical market information and industry prognoses, including information about the size of the markets where Transcom operates. The information has been obtained from various external sources and Transcom is responsible for ensuring that such information is accurately reproduced. Although the Company believes these sources to be reliable, no independent verification has been carried out and therefore the accuracy and completeness of the information cannot be guaranteed. As far as Transcom knows and can confirm by comparing this with other information published by the third parties from which the information has been obtained, no information has been omitted in such a way that would render the reproduced information erroneous or misleading.

Certain financial and other information set forth in this Prospectus has been rounded off, for the convenience of readers. Accordingly, in certain tables, the sum of the numbers in a column may not conform exactly to the total figure given.

Documents incorporated by reference
The following documents, which have been published and submitted to the SFSA, are incorporated by reference and will constitute part of this Prospectus:

1. interim accounts for the period January 1 – June 30, 2011, including the auditor's report
2. audited annual report for 2008, including the auditor's report
3. audited annual report for 2009, including the auditor's report
4. audited annual report for 2010, including the auditor's report

Transcom's annual reports, which are incorporated by reference into this Prospectus, have been audited by Ernst & Young S.A. with Werner Weynand as signing partner for 2008, 2009 and 2010. The auditor's reports for 2008, 2009 and 2010 are included in the annual reports for each respective year. The auditor's reports contain no remarks from the auditor. With the exception of the previously mentioned auditor's reports, no information in the Prospectus has been reviewed or audited by the Company's auditor.

Subject to certain customary limitations arising from securities laws and regulations, copies of the Prospectus, the Articles of Association, annual reports for 2008, 2009 and 2010, interim accounts for the period January 1 – June 30, 2011 and all other documents incorporated by reference may be obtained by e-mail at ir@transcom.com or tel. +46 (0) 70 776 80 88 and may be downloaded from Transcom's website, www.transcom.com and Skandinaviska Enskilda Banken's website, www.seb.se/prospekt.

Contents

The Offer in brief

Rights issue

For every Share SDR of Class A or Class B held on the record date, Share SDR holders will receive one (1) Subscription Right of Class A and one (1) Subscription Right of Class B. Each Subscription Right of Class A entitles the holder to subscribe for eight (8) new Share SDR(s) of Class A and each Subscription Right of Class B entitles the holder to subscribe for eight (8) new Share SDR(s) of Class B. In addition, investors are given the opportunity to subscribe for Share SDRs without preferential rights.

Subscription price

SEK 0.43 per Share SDR

Record date for participation in the Offer

November 24, 2011

Subscription period

November 29 – December 16, 2011

Trading in Subscription Rights

November 29 – December 13, 2011

Trading in paid subscribed Share SDRs (BTAs)

November 29 – December 21, 2011

Subscription by exercising Subscription Rights (preferential right)

Subscription takes place during the subscription period through simultaneous cash payment.

Subscription without preferential right

Registration for subscription without preferential right shall be made to SEB, Issue Department R B6, SE-106 40 STOCKHOLM, Sweden or handed in at any SEB banking office in Sweden not later than December 16, 2011 on a form that can be obtained at all SEB banking offices in Sweden as well as on www.seb.se/prospekt and on www.transcom.com. Payment for allotted Share SDRs shall be made in cash in accordance with the instructions on the notice of allotment sent by Skandinaviska Enskilda Banken to the subscribers. Custody account holders with nominees shall instead make subscription and payments to the respective nominee and in accordance with instructions from the nominee.

Miscellaneous

Ticker

Share SDR of Class A:	TWW SDB A
Share SDR of Class B:	TWW SDB B

ISIN-codes

Share SDR of Class A:	SE0000818023
Share SDR of Class B:	SE0000818031
Subscription Right of Class A:	SE0004324820
Subscription Right of Class B:	SE0004324838
BTA A:	SE0004324804
BTA B:	SE0004324812

Financial information from Transcom

Twelve months release January – December, 2011	February 7, 2012
Three months release January – March, 2012	April 19, 2012

Considerations relating to the Share SDRs

The Share SDRs may not be suitable investments for all investors. Each potential investor in the Share SDRs must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Share SDRs, the merits and risks of investing in the Share SDRs and the information provided in this Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Share SDRs and the impact such an investment will have on their overall investment portfolio;
- understand thoroughly the terms and conditions of the Share SDRs and be familiar with the behaviour of the financial markets in which they participate; and
- be able to evaluate, either alone or with the help of financial advisor, possible scenarios for economic, interest rates, volatility and other factors that may affect their investments in the Share SDRs and their ability to bear the applicable risk.

A potential investor should not invest in the Share SDRs unless it has the necessary expertise, either alone or with the help of a financial advisor, to evaluate how the Share SDRs will perform under changing market conditions, the resulting effects on the value of such Share SDRs and the impact this investment will have on the potential investor's overall investment portfolio.

In evaluating whether or not to invest in the Share SDRs, any potential investor should take into account that, although the Share SDRs are instruments governed by Swedish law, the underlying instrument (i.e. the share), are issued by the Company, whose operations and incorporation are subject to Luxembourg company law which may be different from Swedish law or any other law that the potential investor might be familiar with.

Definitions

"**Articles of Association**" means the articles of association of the Company as amended.

"**BTA**" refers to a paid subscribed Share SDR of either Class A or Class B.

"**BTA A**" refers to a paid subscribed Share SDR of Class A.

"**BTA B**" refers to a paid subscribed Share SDR of Class B.

"Carnegie" refers to Carnegie Investment Bank AB, a banking company established under the laws of Sweden with corporate id no. 516406-0138 and having its registered office at 103 38 Stockholm.

"Class A Share" refers to the voting class A shares of the Company having the rights set out in the Articles of Association of the Company, as amended from time to time, and if there is a subdivision, consolidation, reclassification or split, reverse split or other transactions having similar effect of those class A shares, the relevant shares resulting from it.

"Class B Share" refers to the preferred class B shares of the Company having the rights set out in the Articles of Association of the Company, as amended from time to time, and if there is a sub-division, consolidation, reclassification or split, reverse split or other transactions having similar effect of those class B shares, the relevant shares resulting from it.

"Companies Act" means the Luxembourg law dated 10 August 1915 on commercial companies as amended.

"Euroclear" refers to the Swedish central securities depository Euroclear Sweden AB, corporate id no. 556112-8074.

"NASDAQ OMX Stockholm" refers to the regulated market NASDAQ OMX Stockholm AB.

"the Offer" refers to the offer to subscribe for new Share SDRs according to the terms described in this Prospectus.

"Prospectus" refers to the issued Prospectus for the Offer, i.e. this document.

"SEB Enskilda" refers to SEB Enskilda within Skandinaviska Enskilda Banken AB, a banking company established under the laws of Sweden with corporate id no. 502032-9081 and having its registered office at 106 40 Stockholm.

"**Share SDR**" refers to one (1) Swedish depository receipt issued by Carnegie, on behalf of Transcom, in accordance with "Carnegie Investment Bank AB's terms and conditions for Swedish depository receipts regarding shares in Transcom WorldWide S.A." (see Appendix on page 118) each representing one (1) Class A Share or one (1) Class B Share, as the case may be, in the Company.

"**Share SDR of Class A**" refers to one (1) Share SDR representing one (1) Class A Share.

"**Share SDR of Class B**" refers to one (1) Share SDR representing one (1) Class B Share.

"**Subscription Right**" refers to a Subscription Right of Class A or a Subscription Right of Class B.

"**Subscription Right of Class A**" refers to the transferable preferential right to subscribe for eight (8) new Share SDRs of Class A which each Share SDR holder on the record date is entitled to.

"**Subscription Right of Class B**" refers to the transferable preferential right to subscribe for eight (8) new Share SDRs of Class B which each Share SDR holder on the record date is entitled to.

"**Subsidiary**" refers to Transcom WorldWide S.A.'s wholly or partially owned subsidiaries.

"Transcom", **"the Group"** or **"the Company"** refers to Transcom WorldWide S.A. (R.C.S Luxembourg B 59 528) or depending on context, Transcom WorldWide S.A. and its subsidiaries.

Translation into Swedish of summary

Översättning av prospektsammanfattning

Detta är en översättning av avsnittet *Summary.*

Om översättningen inte stämmer överens med informationen i den engelska originalversionen har den engelska originalversionen tolkningsföreträde. Investerare bör därför även ta del av prospektet i dess helhet på dess originalspråk innan något beslut tas om en investering.

Sammanfattning

Denna sammanfattning är att se som en introduktion till prospektet som är upprättat på engelska. Varje beslut att investera i svenska depåbevis ("SDB") ska baseras på en bedömning av prospektet i sin helhet och de dokument som prospektet refererar till.

Investerare som väcker talan vid domstol med anledning av uppgifterna i prospektet kan bli tvungna att svara för kostnaderna för översättningen av prospektet. En person får göras ansvarig för uppgifterna som ingår eller saknas i sammanfattningen eller en översättning av den, bara om sammanfattningen eller översättningen är vilseledande eller felaktig i förhållande till de andra delarna av prospektet.

Transaktionen i korthet

Bakgrund och motiv för nyemissionen

Under de senaste två åren har Transcom genomfört ett omvandlingsprogram i syfte att öka försäljningstillväxten, förbättra områden som inte nått acceptabel lönsamhet samt förändra bolagets teknologiska plattform och kundportfölj. Trots de framsteg som gjorts medförde Transcoms försäljningsutveckling under första halvåret 2011 samt den negativa marknadsutvecklingen att Transcom lanserade en omstruktureringsplan i juni 2011. Mot bakgrund av omstruktureringsplanen och den kommande refinansieringen av bolagets kreditfacilitet har Transcoms styrelse utfört en översyn av bolagets finansiella struktur och kommit fram till att ett förstärkt eget kapital skulle ge bolaget en ökad finansiell och operationell flexibilitet.

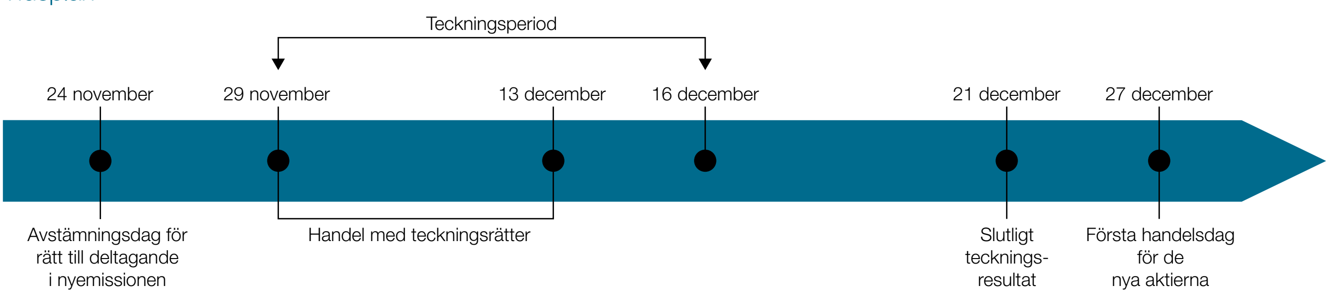
Transcoms styrelse beslutade därför den 18 oktober 2011 att, villkorat av godkännande av en extra bolagsstämma, genomföra en emission av nya aktier med företrädesrätt för bolagets aktieägare. Beslutet av Transcoms styrelse godkändes av en extra bolagsstämma den 21 november 2011. Emissionslikviden om cirka MSEK 474 efter transaktionskostnader[1)] kommer att användas för att minska nettoskulden i bolaget.

Villkor i korthet

För varje svenskt depåbevis ("SDB") avseende aktier i Transcom WorldWide S.A. av serie A eller serie B som en innehavare har på avstämningsdagen kommer innehavaren att få en (1) teckningsrätt av serie A och en (1) teckningsrätt av serie B. Varje teckningsrätt av serie A berättigar att teckna åtta (8) nya SDBs av serie A och varje teckningsrätt av serie B berättigar till teckning av åtta (8) nya SDB av serie B. Dessutom har investerare möjlighet att teckna SDB utan företrädesrätt. Teckningskursen har fastställts till 0,43 kronor per SDB vilket innebär att erbjudandet kommer att tillföra bolaget upp till cirka 474 miljoner kronor vid full teckning efter transaktionskostnader.[1)]

Avstämningsdag för nyemissionen är den 24 november 2011 och teckning av SDB med företrädesrätt skall ske genom betalning under perioden från och med 29 november 2011 till och med 16 december 2011. Anmälan om teckning utan företrädesrätt skall vara Skandinaviska Enskilda Banken

Tidsplan



1) MSEK 504 i emissionslikvid, minskat för estimerade transaktionskostnader om MSEK 30.

till handa senast den 16 december 2011. Besked om tilldelning utfärdas omkring den 22 december 2011 och betalning skall erläggas kontant i enlighet med anvisningarna på avräkningsnotan.

Marknadsöversikt

Storleken på den globala marknaden 2010 för outsourcing av CRM[1)]-tjänster uppskattades av Datamonitor till 138 miljarder USD[2)]. Den globala marknadsstorleken i termer av antalet arbetsplatser, agent positions (”APs”), uppskattades till 1.5 miljoner agenter under 2010.

Marknaden drivs av graden av outsourcing bland företag vilken i sig drivs av flera faktorer, inklusive ökad fokusering på kärnverksamheten, kostnadsbesparingar samt efterfrågan på kunskap och kompetens som företaget inte besitter internt i sin organisation. Eftersom outsourcingmarknaden för CRM-tjänster är beroende av den totala nivån av outsourcing bland bolag, utgörs en stor del av konkurrensen i marknaden av internt utförda tjänster.

Outsourcingmarknaden är generellt sett fragmenterad. Vanligtvis finns det en eller flera ledande aktörer i ett land eller en region och dessa aktörer verkar ofta bara i ett fåtal länder och inte på global basis. Transcom har en global verksamhet. Vidare är många av Transcoms konkurrenter inte aktiva inom alla av Transcoms tjänsteområden.

Majoriteten av de tjänster som outsourcas inom CRM är relaterade till kundservice vilket innebär inkommande och utgående kontakt med slutkunderna. Kundservice utgjorde cirka 50 procent av den totala marknaden (i termer av APs) under 2010 följt av teknisk support och försäljning och marknadsföring. Inkassoverksamhet utgjorde en relativt liten del av den totala marknaden med cirka tre procent av totala APs under 2010.

Marknaden är indelad i onshore- och offshoreoutsourcing där onshore innebär att ett callcenter är beläget i samma land som slutkunden och offshore innebär att ett callcenter är lokaliserat på en annan geografisk plats än marknaden den betjänar, ofta på en annan kontinent. Under 2010 var cirka 74 procent av marknadens alla APs baserade onshore medan resterande cirka 26 procent var baserade offshore. Detta innebär att majoriteten av CRM-tjänsterna är outsourcade till call centers i samma land som det land där slutkunden befinner sig.

1) CRM betecknar Customer Relationship Management (hantering av kundrelationer).
2) Ovum's / Datamonitor's Global BPO Services Interactive Model, January 2009.

Asien och Stillahavsområdet är den största geografiska regionen i termer av antal APs (både offshore och onshore) med 30 procent av den totala marknaden, följt av Nordamerika (27 procent), Central- och Sydamerika (20 procent) och Västeuropa (15 procent). Indien och Filippinerna är de största länderna i termer av offshoreagenter och tillsammans utgjorde de cirka 66 procent av den totala offshoremarknaden under 2010. USA är det enskilt största landet i termer av onshoreagenter med cirka 33 procent av onshoremarknaden under 2010.

Outsourcing av CRM-tjänster förekommer i ett stort antal branscher där de två största är telekommunikation och media samt finansiella tjänster som motsvarade cirka 39 procent respektive cirka 26 procent av den totala marknaden under 2010.

Transcom i korthet

Transcom är en global specialist inom outsourcing av kundtjänst och kredithantering. Bolaget fokuserar på kunderna, den service de får och de intäkter de genererar. Transcoms mål är att bygga upp lönsamma relationer med sina klienters kunder, att säkra klienternas kundintäkter och att konsekvent leverera konkreta resultat. För att uppnå detta har Transcom skapat en omfattande produktportfölj som omfattar hela kundens livscykel, från förvärv av nya kunder, via kundtjänst, till hantering av betalningar. Detta är ett differentierat sätt att närma sig de traditionellt åtskilda verksamheterna kundhantering (inklusive service och försäljning) och kredithantering.

Transcoms fokus är på hela livscykeln för en kundrelation och bolaget har tre prioriteringar: vinna kunder, växa klienternas verksamheter och säkra intäkterna.

Vinna kunder

Att vinna kunder innebär att Transcom hjälper sina klienter att skaffa nya kunder samt att öka försäljningen till klienternas befintliga kundbas. Transcom har utbildad telemarketingpersonal som hjälper bolagets klienter med försäljning och marknadsföring via flera kanaler, inklusive telefon, e-post och sociala medier.

Växa verksamheten

Transcom hjälper sina kunder att utöka sin verksamhet och utveckla befintliga kundrelationer genom att erbjuda tjänster för kundsupport, teknisk support och annan kundkontakt. Bolagets mål är att erbjuda tjänster som ger en enhetlig serviceupplevelse för klienternas kunder.

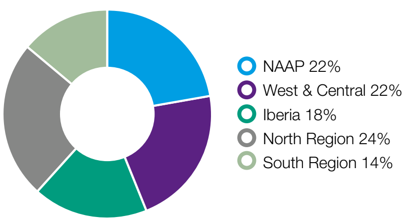
Säkra intäkter

Transcom erbjuder tjänster som hjälper bolagets klienter att skydda sina intäktsströmmar, inklusive tjänster inom kredithantering och inkasso.

Regionala segment

Diagrammet nedan visar den geografiska fördelningen av Transcoms nettoomsättning under 2010.

Omsättning per region[1] (2010)



Organisation

Transcom har en global organisation med 72 callcenters i 26 länder som förser över 350 kunder med tjänster på 33 olika språk. Verksamheten är indelad i hemmamarknader, nearshoremarknader och offshoremarknader. Hemmamarknader är marknader där ett callcenter är beläget i samma land som slutkunden. Dessa marknader betjänas även från callcenters i länder som är belägna nära slutkunden (så kallade nearshore locations) och från callcenters belägna offshore, det vill säga callcenters som är belägna längre bort från slutkunden, vanligtvis på en annan kontinent.

Kunder

Transcoms kundbas består till stor del av företag i telekombranschen och inom den finansiella sektorn. För räkenskapsåret 2010 representerade kunder inom telekombranschen mer än 60 procent av Transcoms intäkter och 15 procent av intäkterna kom från kunder inom den finansiella sektorn. Under 2010 representerade de tio största kunderna cirka 58 procent av bolagets totala omsättning. Den största kunden, Tele2, stod för cirka 17 procent av bolagets totala omsättning.

1) Transcoms verksamhet är indelad i fem regioner: a) "NAAP" (Nordamerika och Asien), b) "West & Central" (inkluderar länder i Väst – och Centraleuropa), c) "Iberia" (Portugal, Spanien, Chile och Peru), d) "North Region" (Sverige, Norge och Danmark) samt e) "South" (Frankrike, Italien och Tunisien).

Finansiell översikt

Koncernen (MEUR)	Jan–sep (ej reviderade) 2011	Jan–sep (ej reviderade) 2010	Jan–dec (reviderade) 2010	Jan–dec (reviderade) 2009	Jan–dec (reviderade) 2008
Nettoomsättning	411,3	440,3	589,1	560,2	631,8
Rörelseresultat	–30,1	12,5	–6,6	24,3	27,9
Nettoresultat	–49,1	8,9	–8,1	20,6	16,2
Resultat per aktie, efter utspädning (EUR)	–0,66	0,12	–0,11	0,28	0,22
Nettoskuld	73,4	81,7	77,5	96,1	82,6
Eget kapital	124,1	189,6	175,0	171,4	143,8
Skuldsättningsgrad, %	59,2%	43,1%	44,3%	56,1%	57,4%
Operativt kassaflöde[1]	18,9	24,4	29,1	17,7	1,4
Genomsnittligt antal A aktier (miljoner)	36,7	36,7	36,7	36,6	36,6
Genomsnittligt antal B aktier (miljoner)	36,7	36,7	36,7	36,6	36,6
Utdelning per A aktie (EUR cents)	–	–	–	–	20,10
Utdelning per B aktie (EUR cents)	0,22	0,43	0,43	–	20,90
Antal fulltidsanställda vid periodens slut	19 649	19 923	19 713	24 045	20 971
Antal tillfälligt anställda vid periodens slut	3 638	3 709	4 079	2 734	2 125

1) Operativt kassaflöde syftar till kassaflöde från den löpande verksamheten efter förändringar i rörelsekapital och skatt och innan kassaflöden från investerings- och finansieringsverksamheterna.

Underliggande resultat (MEUR)	Jan–sep (ej reviderade) 2011	Jan–sep (ej reviderade) 2010	Jan–dec (reviderade) 2010	Jan–dec (reviderade) 2009	Jan–dec (reviderade) 2008
EBITA[1] rapporterat	–28,0	14,6	–3,7	27,2	30,8
Omstruktureringskostnader och kostnader av engångskaraktär	–32,8	0,0	–19,4	0,0	0,0
EBITA justerat	4,8	14,6	15,7	27,2	30,8
EBITA marginal (justerad)	1,2%	3,3%	2,7%	4,8%	4,9%

1) EBITA är rörelseresultat före finansnetto, skatt och avskrivningar av immateriella anläggningstillgångar.

Riskfaktorer

Ägandet av SDB och Transcoms verksamhet är förenad med risker relaterade till konkurrens, den globala ekonomin, olika geografiska marknader och marknadsförhållanden, strukturell affärsrisk och långsiktig överkapacitet, beroende av nyckelkunder och nya kunder, personal, långsiktiga leasingavtal, IT relaterade kostnader, garantiåtaganden, organisationen, förändringar i bolaget ledningsgrupp, teknologisk infrastruktur och förtroendet för bolaget. Dessutom är ägandet av SDB och Transcoms verksamhet förenad med risker relaterade till befintlig finansiering, likviditet, goodwill, valutaomräkning och transaktioner i andra valutor än bolagets redovisningsvaluta, valutarisker i relation till att SDB är noterade i SEK, räntor, krediter, olika skattesystem, franchise avgifter mellan bolag inom koncernen, tjänster tillhandahållna av Transcom WorldWide Philippines Inc., uppskjuten skattefordran, skatterevisioner och skattetvister, tvister och krav samt förändringar i lagstiftning och politik. Bolaget och erbjudandet är förenade med risker relaterade till teckningsåtaganden och garantier som ej är säkerställda, ägare med väsentligt inflytande, intressekonflikter för styrelseledamöter med ledande befattningar hos Investment AB Kinnevik eller Investment AB Öresund samt övriga risker. Ovan nämnda risker är endast rubriker avseende de risker som beskrivs ytterligare under *Risk factors* på sid.14.

Övrigt

Styrelse, ledande befattningshavare och revisorer

Styrelsen består av William M. Walker, Henning Boysen, Charles Burdick, Stefan Charette, Robert Lerwill, Torun Litzén, Mia Brunell Livfors och Roel Louwhoff.

Ledande befattningshavare är Johan Eriksson, Aïssa Azzouzi, Roberto Boggio, Roberta Carluccio, Ignacio de Montis, Regimantas Liepa, John Robson, Isabel Sánchez-Lozano, Jörgen Skoog and Jörg Zimmerman.

Transcoms revisorer är Ernst & Young S.A. Luxemburg med Werner Weynand som ansvarig revisor för åren 2008, 2009 and 2010. För perioden efter 31 december 2010 är Olivier Lemaire ansvarig revisor för Transcom.

För mer information om styrelsens ledamöter, ledande befattningshavare samt bolagets revisorer, se *The Board of Directors, group management and auditors* på sid. 57.

Större aktieägare och transaktioner med närstående parter

Per den 31 oktober 2011 var Transcoms största ägare Investment AB Kinnevik med sammanlagt 16 339 448 SDB av serie A, motsvarande circa 22,3 procent av aktiekapitalet och 44,6 procent av rösterna. För mer information se *Share Capital and Ownership Structure* på sid. 67 och för ytterligare information rörande transaktioner med närstående, se *Legal Condsiderations and Supplementary Information* på sid. 82.

Summary

Summary

This summary is not intended to be comprehensive and should be viewed as an introduction to the Prospectus. Any decisions to invest in the Share SDRs offered for subscription through this Prospectus should be based on an assessment of the Prospectus as a whole, including documents incorporated by reference.

An investor who commences judicial proceedings as a result of the information included in this Prospectus may be compelled to pay for a translation of the Prospectus. A person may be liable for information that is included in, or omitted from, this summary or a translation thereof only where this summary or a translation thereof is misleading or erroneous when considered in relation to the other parts of the Prospectus.

The Offer in brief

Background and reason

During the past two years, Transcom has been implementing a transformation programme with the objective of accelerating sales growth, improving underperforming areas and changing the Company's technology and portfolio footprint. Despite the progress made, the evolution of Transcom's revenues during the first half of 2011 as well as the adverse market dynamics led Transcom to launch a restructuring and rightsizing plan in June 2011. In the light of the restructuring programme and the upcoming refinancing of the credit facility, the Board of Directors of Transcom has conducted a review of the financing structure of the Company and concluded that a strengthened equity capital base will give the Company an increased financial and operational flexibility.

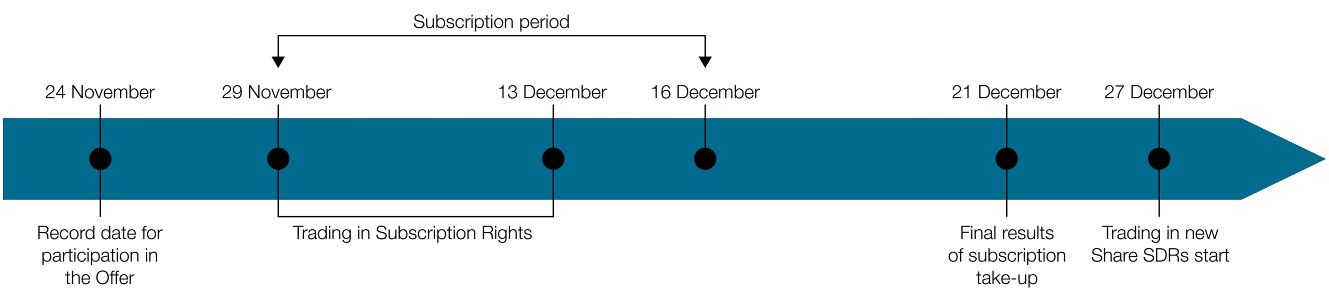
The Board of Directors of Transcom therefore resolved on October 18, 2011, subject to approval by an extraordinary general meeting, to undertake a rights issue of new shares with preferential rights of the Company's shareholders and indirectly in compliance with the preferential rights of the SDR holders. The decision to undertake a rights issue was approved by the Extraordinary General Meeting on November 21, 2011. The proceeds from the Offer, net of transaction costs, of approximately SEK 474 million[1)] will be used to reduce the net debt of the Company.

Terms and conditions in brief

For every Share SDR of Class A or Class B on the record date, Share SDR-holders will receive one (1) Subscription Right of Class A and one (1) Subscription Right of Class B. Each Subscription Right of Class A entitles the holder to subscribe for eight (8) new Share SDR of Class A and each Subscription Right of Class B entitles the holder to subscribe for eight (8) new Share SDRs of Class B. In addition, investors are given the opportunity to subscribe for Share SDRs without preferential rights. The subscription price has been set to SEK 0.43 per Share SDR which implies that the Offer will raise up to approximately SEK 474 million assuming full subscription and net of transaction costs.[1)]

Record date for the rights issue is November 24, 2011 and subscription for Share SDRs with preferential rights shall be made through payment during the period from November 29, 2011 to December 16, 2011. Application for sub-

Timetable



1) SEK 504 million in gross proceeds less estimated transaction costs of SEK 30 million.

scription without preferential Subscription Rights shall be received by Skandinaviska Enskilda Banken on December 16, 2011 at the latest. Notice of allotment is expected to be issued on or around December 22, 2011 and payment shall be made in cash in accordance with the instructions on the notice of allotment.

Market overview

The global market size of CRM outsourcing in 2010 was estimated by Datamonitor to approximately USD 138 billion[1]. The global market size in terms of number of agent positions ("APs") in 2010 was estimated to be 1.5 million agents.

The market is driven by the level of outsourcing among companies which in itself is driven by several factors including an increasing focus on core operations, cost savings and the demand for knowledge and expertise which the company does not possess in-house. Since the CRM outsourcing market is driven by the overall level of outsourcing undertaken by companies, a large part of the competition in the market comes from in-house services.

The outsourcing market in general is fragmented. Typically, there is one or more leading company in a country or region, but such leaders often only operate in a few countries, not on a global basis. Transcom operates on a global basis. Furthermore, many of Transcom's competitors do not compete with all of Transcom's services.

The majority of services that are being outsourced in the CRM market are related to customer service, which refers to inbound and outbound care by contact centre outsourcers to customers. Customer service constituted approximately 50 percent of the total market (in terms of APs) in 2010 followed by technical support and sales and marketing. Debt collection constituted a relatively small part of the total market with approximately three percent of the total APs in 2010.

The market is divided into onshore and offshore outsourcing where onshore represents contact centers in the same geographical market as the one served and offshore represents contact centers in another geographical location than the market served. In 2010, approximately 74 percent of the APs in the market were onshore-based, while offshore-based APs represented approximately 26 percent of the market. This illustrates that the majority of the CRM services are outsourced to agents in the country where the client operates.

Asia Pacific is the largest regional market in terms of number of APs, including both offshore and onshore agents with 30 percent of the total market, followed by North America (27 percent), Central & Latin America (20 percent) and Western Europe (15 percent). India and the Philippines are by far the largest countries in terms of offshore APs and together they constituted approximately 66 percent of the total offshore market in 2010. The USA is the single largest country in terms of onshore APs with approximately 33 percent of the onshore market in 2010.

Outsourcing of CRM services exist in a large number of sectors, of which the two most significant are communication and media and financial services that represented approximately 39 percent and approximately 26 percent of the total market in 2010 respectively.

Transcom in brief

Transcom is a global specialist of outsourced customer and credit management services. The Company is focused on customers, the service they experience and the revenue they generate. Transcom aims to build profitable relationships with customers on its clients' behalf, to secure their revenue streams and consistently deliver tangible results. To that end, Transcom has built a comprehensive service portfolio that embraces the entire customer lifecycle, from customer acquisition, through customer service to payment collection. This is a different way to approach the traditionally separate practices of customer management (including service and sales) and credit management.

Transcom's focus is on the entire lifecycle of a customer relationship with three key priorities, win customers, grow business and secure revenue:

Win customers

Winning customers is about helping Transcom's clients acquiring new customers as well as selling more to their existing customer base. Transcom has trained telemarketing professionals assisting the Company's clients in outbound sales and marketing efforts via multiple channels, including telephone, email and social media.

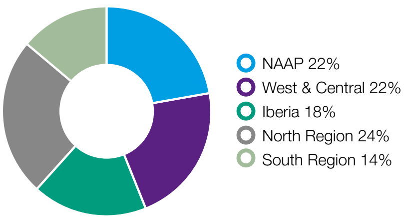
1) Ovum's / Datamonitor's Global BPO Services Interactive Model, CRM Business Process Outsourcing January 2009.

Grow business
Transcom helps its clients to grow their business and build on their existing customer relationships by offering services for customer support, technical support and other customer interaction. The Company's aim is to offer services that will assure a consistent service experience for its clients' customers.

Secure revenue
Transcom offers services that help its clients to protect their revenue streams, including credit management services and debt collection.

Regional segment
The diagram below shows Transcom's geographical split of revenue, based on 2010 revenue.[1)]

Revenue per region



Organisation
Transcom has a global organisation with 72 contact centres in 26 countries, serving over 350 clients in 33 different languages. The operations are divided into home markets, nearshore locations and offshore locations. Home markets are markets where the contact centres are located in the same country as the end customer. These markets are also served from contact centres located in countries close to the end market (nearshore locations) and from offshore locations located further away from the end market, generally at a different continent.

Clients
Transcom's client base largely consists of companies in the telecommunications industry and the financial services industry. For the fiscal year 2010, more than 60 percent of Transcom's revenue related to clients within the telecommunications industry and 15 percent of the revenue came from clients in the financial services industry. During fiscal year 2010, Transcom's largest ten clients accounted for approximately 58 percent of total revenue. The largest client, Tele2, accounted for approximately 17 percent of the Company's total revenue.

1) Transcom reports according to five regions: a) "NAAP" (North America and Asia Pacific), b) "West & Central" (including countries in Western and Central Europe), c) "Iberia" (Portugal, Spain, Chile and Peru), "North Region" (Sweden, Norway and Denmark) and "South" (France, Italy and Tunisia).

Financial overview

Group (EUR millions)	For the nine months ended September 30 (unaudited) 2011	2010	For the financial year ended December 31 (audited) 2010	2009	2008
Revenue	411.3	440.3	589.1	560.2	631.8
Profit (loss) from operations	–30.1	12.5	–6.6	24.3	27.9
Net income	–49.1	8.9	–8.1	20.6	16.2
Diluted earnings per share	–0.66	0.12	–0.11	0.28	0.22
Net debt	73.4	81.7	77.5	96.1	82.6
Shareholders' equity	124.1	189.6	175.0	171.4	143.8
Debt/equity ratio, %	59.2%	43.1%	44.3%	56.1%	57.4%
Net cash flows from operating activities[1]	18.9	24.4	29.1	17.7	1.4
Average number of Class A shares (millions)	36.7	36.7	36.7	36.6	36.6
Average number of Class B shares (millions)	36.7	36.7	36.7	36.6	36.6
Dividend per A share (EUR cents)	–	–	–	–	20.10
Dividend per B share (EUR cents)	0.22	0.43	0.43	–	20.90
Number of full time employees at period's end	19,649	19,923	19,713	24,045	20,971
Temporary employees at period's end	3,638	3,709	4,079	2,734	2,125

1) Net cash flows from operating activities refers to cash flow from operating activites, after changes in working capital and tax, and before cash flow used in the investing activities and in the financing activities.

Underlying performance (EUR millions)	For the nine months ended September 30 (unaudited) 2011	2010	For the financial year ended December 31 (audited) 2010	2009	2008
EBITA[1] reported	–28.0	14.6	–3.7	27.2	30.8
Restructuring costs and non-recurring items	–32.8	0.0	–19.4	0.0	0.0
EBITA adjusted	4.8	14.6	15.7	27.2	30.8
EBITA adjusted margin	1.2%	3.3%	2.7%	4.8%	4.9%

1) EBITA denotes operating profit before interest, taxes and amortization.

Risk factors

Ownership of Share SDRs and Transcom's operations are associated with risks related to competition, geographical markets and market conditions, structural business risk/long-term overcapacity, dependency on key clients and acquisition of new clients, staffing, long-term lease agreements, costs related to IT, guarantee undertakings, organization, changes in executive management, technology infrastructure and reputation. Furthermore, ownership of Share SDRs and Transcom's operations are associated with risks related to existing financing, liquidity and going concern, goodwill, translational and transactional risk, currency risk in connection with Share SDRs denominated in SEK, interests, credit, different tax systems, intercompany franchise fee arrangements, services provided by Transcom WorldWide Philippines Inc., deferred tax assets, tax audits and litigations, disputes and claims and changes to applicable legislation and political risks. The Company and the Offer are associated with risks related to subscription commitments and guarantees not being secured, owner with considerable influence, directors holding positions with Investment AB Kinnevik and Investment AB Öresund and potential conflicts of interest and other risks. The above mentioned risks are headings of risks further explained under *Risk factors* on page 14.

Other information

Board of Directors, Group management and Auditors

The Board of Directors comprises William M. Walker, Henning Boysen, Charles Burdick, Stefan Charette, Robert Lerwill, Torun Litzén, Mia Brunell Livfors and Roel Louwhoff.

Group management comprises Johan Eriksson, Aïssa Azzouzi, Roberto Boggio, Roberta Carluccio, Ignacio de Montis, Regimantas Liepa, John Robson, Isabel Sánchez-Lozano, Jörgen Skoog and Jörg Zimmerman.

Transcom's auditors are Ernst & Young S.A. Luxembourg with Werner Weynand as signing partner for 2008, 2009 and 2010. For the period after 31 December, 2011, Olivier Lemaire is the new lead audit partner for Transcom.

For more information on the members of the Board of Directors, group management and the Company's auditors see *The Board of Directors, group management and auditors* on p. 57.

Major shareholders and transactions with closely related parties

Transcom's largest shareholder as per October 31, 2011 was Investment AB Kinnevik with in aggregate 16,339,448 Class A Share SDRs, corresponding to approximately 22.3 percent of the share capital and 44.6 percent of the votes. For further information, see *Share Capital and Ownership Structure* on p. 67 and for further information on transactions with related parties, see *Legal Considerations and Supplementary Information* on page 82.

Risk factors

Transcom's operations are affected by several risks which, to varying degrees, have an impact on the Company's revenue and financial position. These risks are monitored and, to the extent possible, controlled by the Company. In forecasting Transcom's future development, it is important to consider the risk factors. Described below, in no specific order, are the risk factors that are deemed to be of most significance to the Company's future development. Naturally, it is impossible to describe all possible risk factors, instead an overall evaluation must take into account other information in the Prospectus and an assessment of the business climate. Any of the risks and uncertainties mentioned in this Prospectus may have a negative effect on the Company's operations and financial position and thus on the Company's future outlook. This may have a negative effect on the valuation of the Share SDRs and Share SDR holders may lose all or parts of their invested capital.

Risks relating to Transcom's operations

Market risks

Competition

Transcom's operations are conducted in a highly competitive industry on a global level and Transcom's operations are small relative to the total size of the market. The customer and credit management services industry is characterised by competitive factors such as volume forecast, ability to acquire new clients, workforce flexibility, operational efficiency, quality and service. Increased competition in these areas may lead to restraining measures such as price pressures which could, if relevant for extended periods of time, have a material adverse effect on Transcom's operations, financial position and earnings. Further, countering competition might also call for necessary investments which could lead to significant costs for the Company. The market for Transcom's services is further affected by changes in service capacity and Transcom has recently been exposed to volatility in the demand for its services and has therefore experienced periods of significant overcapacity burdens. Transcom has reduced these burdens through the implementation of its restructuring programme, but it cannot be ruled out that these circumstances will not occur in the future. For further information on the restructuring and rightsizing plan, please refer to *Restructuring Programme* under *Commentary on financial development* on page 47.

Global economic climate sensitivity

The level of demand for customer and credit management services, and therefore the level of revenue, is dependent upon general economic conditions in the markets in which the Company operates. Increases in revenues generally correspond with economic recoveries, while decreases generally correspond with economic downturns and regional and local economic recessions. Therefore, the local market conditions and national economic conditions in Transcom's markets are likely to affect the Company's operating results and strategic decisions.

Geographical markets and market conditions

Transcom has contact centres in many different countries, including countries in emerging markets, and revenue is generated across different markets. The Company is thus exposed to local, as well as global, market trends and conditions. Historically, there have been shifts in the relative geographic concentration of contact centres. Shifts in customer preferences with regard to the location of contact centres may force Transcom to adapt their operations geographically and thus incur additional costs. Furthermore, local market conditions and trends might have an adverse effect on the Company's revenue and cost base.

Operational risks

Structural Business Risk/Long-term overcapacity

Transcom has launched a restructuring programme aiming to deal with Transcom's overcapacity and adjusting its delivery capacity to the current book of business (as further described in *Restructuring Programme* under *Commentary on financial development* on page 47). The restructuring programme is associated with costs totalling to EUR 32.8 million, which will impact the Company's cash flow negatively. Any failure by Transcom in the execution of the restructuring and rightsizing plan, or if the plan for other reasons turns out not to be successful, may have a material adverse effect on the Company's overall profitability.

Dependency on key clients and acquisition of new clients

A significant portion of the Company's revenues is generated from a limited number of key clients using Transcom's services in multiple countries. Key clients have a significant impact on the Company's financial performance. Key client relationships are documented under master services agreements where pricing is based on forecasted volumes. Some of the agreements do not contain any volume commitments. The largest client in terms of revenue in 2010 was Tele2 Sverige AB, a closely related party to the Company, accounting for 17 percent of the Company's consolidated revenue. In two regions, North America and Asia Pacific, and the North region, the largest client accounted for approximately 50–60 percent of total revenue in the relevant region during 2010. Top ten clients accounted for approximately 58 percent of the Company's consolidated revenue in 2010. In addition to retaining its existing clients, the Company also places a high level of importance and focus on acquiring new clients. If the Company is unable to retain its key clients or if forecasted volumes are not met or volumes generated by existing key clients significantly decrease, it will generate overcapacity for the Company in significant areas such as IT, premises and staffing. This would have a material adverse effect on the Company's business, financial position and revenue. Further, if the Company is unable to attract new clients, this might also have a material adverse effect on the Company's business, financial position and revenue.

Staffing

Transcom is a staff intensive business with employee related costs accounting for the largest portion of the Company's cost base. Considering the nature of the Company's operations and the seasonality of the business, it is of high importance for Transcom to have a flexible workforce and access to temporary staff of significance. At year end 2010, 17 percent of Transcom's 23,792 employees were temporary employees. As a result of the above, Transcom is exposed to the risk of adverse movements in labour costs, legislation or other conditions relating to the Company's staffing. Such adverse movements might have a negative impact on the Company's revenue, profitability and financial position.

Long-term lease agreements

Some Group companies have entered into agreements to rent premises. Generally, the Group's lease contracts require deposits and certain provisions for inflation-indexed rental increases. In addition, lease agreements may contain provisions on rent related to non-cancellable leases. Certain Group companies are thus subject to future payment obligations, stretching as far as five (5) years from December 31, 2010, for rent on material leases for premises which cannot be cancelled. In the event that Transcom would have to downsize or close down sites, these long-stretching payment obligations can have a negative impact on the Company's overall profitability and cash flows.

Costs related to IT

Transcom is dependent on IT services and systems being provided to it, in order to be able to carry out services to its clients. The provision of IT services and systems to Transcom involves significant costs, and the total cost for IT operations in 2010 amounted to approximately EUR 52.3 million. Some Group companies have arranged for client tailored IT solutions. Should a client terminate the agreement with Transcom, or, even more, switch the way it uses technology, the client tailored IT solution would no longer be needed to support the client, involving that the relevant Group company could be facing costs which can no longer be recovered from the client. This in turn may have a material adverse effect on the Group's financial position and revenue.

Guarantee undertakings

Some companies within the Group have made guarantee undertakings. The beneficiaries of the guarantees include clients to the Group and buyers of businesses that have been divested by the Group. In the event that the Company, or the relevant Subsidiary, would become liable under such guarantees, this could have a material adverse effect on the Group's financial position and revenue, beyond what has been provided for.

Organizational risk

Transcom relies on the executive management team and management processes to deliver its services and the Company is dependent on the performance of its officers and key employees. Transcom is and will continue to be dependent on its ability to retain and motivate high quality personnel. Any inability to attract and retain officers and key employees as well as the necessary technical, sales, marketing and managerial staff could have a material adverse effect on Transcom's business, financial position and results of operations.

Changes in executive management

Transcom is exposed to changes in management, which may affect the Company's operations negatively for a period of time. During the present year it was decided that the following executives would leave the Company, Geoff Smyth, Executive Vice President North America and Asia Pacific, José Maria Pérez Melber, General Manager Southern Europe, Latin America and North Africa, Martin Kochman, Chief Strategy Officer and Head of Credit Management. Further, during the present year the former CEO of the Company, Pablo Sanchez-Lozano, tendered his resignation and left the Company. There are no guarantees that there will not be any further changes to the Company's management in the future. Such circumstances may temporarily result in management challanges and have an adverse effect on the Company's revenue, profitability and financial position.

Technology infrastructure

Most of Transcom's business operations rely to a significant degree on the efficient and uninterrupted operation of its technology infrastructure including IT and other communications systems. Any failure of its technology infrastructure could impair Transcom's ability to punctually perform and deliver its services. Transcom has taken precautions regarding its technology infrastructure in order to be prepared for interruptions such as power failures, computer viruses, loss of data or other anticipated or unanticipated problems. It can not, however, be ruled out that any such failure or loss will occur and may then have a material adverse effect on Transcom's ability to perform its services.

Reputational risk

Transcom is, in its ordinary course of business, exposed to events that may damage the Company's reputation. These events may relate to end-customer interactions, employee relations, client relations and relations with its shareholders. The Company has policies and procedures to do its best to comply with regulations and quality standards but is nevertheless exposed to the risk that the Company's reputation could be damaged in any way. Damage to the Company's reputation might have an adverse impact on the Company's revenue, profitability, financial position and ability to attract financing.

Financial risks

Existing financing

Transcom has access to a revolving credit facility for its operations. It cannot be ruled out that Transcom in the future may breach financial covenants in its credit agreement due to, for example, the general economic environment or disruption in the capital or credit markets. This could adversely affect the Company's profitability and financial position.

Liquidity risk and going concern

Financing risk is defined as the risk of it being difficult and/or expensive to obtain financing for the operations. In light of the restructuring programme (as further described in *Restructuring Programme* under *Commentary on financial development* on page 47), the refinancing of the Company's credit facility (as further described in *Significant Agreements* under *Legal considerations and supplementary information* on page 83) and based on a newly conducted financing structure review, the intention is that the Offer will provide a strengthened equity capital base which will give the Company a desired increased financial and operational flexibility and enhance the Company's financial position.

Liquidity risk is the risk of the Company not being able to meet its financial obligations as they fall due. The Company is dependent upon continuing financial support from principal Share SDR holders as well as financing from external banks. If Transcom's current financing proves insufficient and the financial support from above sources ceases, then certain of the Company's contact centres might have to be discontinued. Any such action could have a materially adverse effect on the Company's business, financial position and results of operations.

A future situation in which the Company must obtain new capital cannot be ruled out, if the Company does not develop as planned. Any additional funding obtained through share capital increases may dilute the ownership percentage held by current Share SDR holders. It cannot be guaranteed that additional capital can be obtained with favourable terms for the Company's Share SDR holders. It can furthermore not be guaranteed that such an addition of capital, if obtained, will be sufficient to achieve the Company's strategy. If the Company fails to obtain necessary capital in the future, continuation of the Company's operations cannot be guaranteed. The turbulence in the financial markets can disrupt or limit the availability of financing which the Company has obtained in the past and also adversely affect the terms and conditions of such financing. In general, the overall economic condition has shown that it is difficult to draw any definitive conclusions regarding future financing based on past experience.

Goodwill

A substantial part of Transcom's intangible fixed assets consists of goodwill. Goodwill is tested annually to identify any necessary impairment requirements. In the event that future impairment tests in respect of decreases in the value of goodwill should lead to impairment, this may have a negative impact on Transcom's financial position and revenue.

Currency risk

Translational and transactional risk

Foreign currency risk arises on monetary assets and liabilities being denominated in currencies that are not the Group's functional currency. Exposures can be of a translational or transactional nature. Translational exposures are differences resulting from the translation of Subsidiaries financial statements into the Group's presentation currency. Transactional exposures are differences arising from the sales, purchases, assets or liabilities denominated in currencies other than the functional currency of the operating unit that carries these transactions. As of September 2011, the Group was mostly exposed to US Dollar, Swedish Krona and Polish Zloty.

Currency risk in connection with Share SDRs denominated in SEK

The Company's Share SDRs are listed on NASDAQ OMX Stockholm and traded in Swedish krona. The Company's reporting currency is in euro. Hence, the Share SDR holders are exposed to currency risk. In accordance with the terms and conditions of the Offer, eligible Share SDR holders are invited to subscribe for Subscription Rights denominated in Swedish kronor. The Company must thereby convert the proceeds of the Offer into euro and thus the Company is exposed to a currency exposure. If the Swedish krona appreciates against the euro during this period, the Company's net proceeds of the Offer will decrease.

Interest risk

Interest risk is defined as a decrease in profits caused by a change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to any outstanding loan under the Company's revolving credit facility. Changes in market interest rates could result in increased interest costs for the Company.

Credit risk

Credit risk is the risk that the counterparty in a transaction will not fulfil its contractual obligations, which can lead to a loss for the Company. The Company's trade receivables accounts for the majority of the Company's credit risk. To maintain a controlled level of credit risk, credit risk is reviewed monthly by executive management based on the aged debt reports. Even though the risk of default of a client is considered to be small (due to historical default rates and credit checks), it cannot be excluded that the Company's clients will not settle their commitments, which could negatively affect the Company's profits and position in general. Credit risk may also arise in connection with financial transactions, especially in conjunction with loans from and to banks.

Tax risks

Risks with different tax systems

The Company's business is affected by tax regulations in force in the countries where the Company is represented. Each country determines applicable tax rules and ascertains that the rules are followed. The Company is subject to specific taxes in many of the jurisdictions in which the Company operates. As Transcom is a foreign company, it may be subject to certain taxes to which domestic companies are not subject. Such targeted taxes may place the Company at a competitive disadvantage when compared to local companies and this may have a materially adverse effect on the Company's business, financial condition and results of operations.

Risks relating to intercompany franchise fee arrangements

The Group's business model currently operates through a franchise fee model meaning that companies within the Group are charged for the provision by Transcom of various services, including Intellectual Property. The franchise fee model as described above is open to challenges by local tax authorities (as it is currently the case in certain jurisdictions), which may have a materially adverse effect on the Company's business, financial condition and results of operations.

Risks relating to services provided by Transcom WorldWide Philippines Inc.

The Group has the benefit of an income tax holiday in the Philippines, whereby its profits are tax-exempt. The income tax holiday was granted with effect from 2008 for a period of four years, and will expire in 2012 unless extended. On expiry of the income tax holiday, the post tax profits of the group are likely to reduce. Transcom WorldWide Philippines Inc. is an off-shore call centre which provides services to its own clients and clients of other Group companies, namely to clients on the North American market. Any challenge to the pricing arrangements of the inter-company transactions may lead to a reduction in the Group's profit after tax.

Risks relating to deferred tax assets

The group assesses the ability to utilise tax losses and other tax attributes and to the extent that tax relief is expected to be available in the foreseeable future a deferred tax asset is recognised in the balance sheet. To-date a deferred tax asset of EUR 4.7 million was recognised in relation to available tax losses. Although it is believed that the tax relief justifying the deferred tax assets will be available, there is a risk that if insufficient profits arise in the future in the appropriate jurisdiction, the deferred tax asset in those jurisdictions may need to be written off.

Tax audits and litigations

The Group is subject to tax audits in the normal course of business. The Group is currently the subject of tax audits and litigation in multiple jurisdictions; please refer to *Commentary on Financial Development* on page 42. The Group make provisions for the outcome of such tax audits and litigation. A negative outcome in respect of such audits or litigation may have a materially adverse effect on the Group's business, financial condition and results of operations, beyond what has already been provided for.

Disputes and claims

Companies within the Group are occasionally involved in disputes in the ordinary course of business and are subject to the risk, like other companies active in the customer and credit management services industry, of becoming subject to claims regarding, for instance, contractual matters and alleged defects in the delivery of services. In addition, in connection with the restructuring programme that Transcom has launched, there is a risk that Transcom becomes subject to claims related to the downsizing and the closure of sites, such as employee related claims. These disputes and claims may prove time-consuming and may have an adverse effect on the Company's financial position and revenue. Transcom has on page 86 in this Prospectus identified certain material legal proceedings, and estimated its potential liability as a result of these to EUR 3,223,000 in total. There are however other disputes ongoing, and the outcome of any disputes is uncertain and the liability of Transcom may go beyond what has been provided for by Transcom, and is not limited to the disputes and claims described in this Prospectus. For further information on the material disputes in which Transcom is currently involved, see *Legal Considerations and Supplementary Information* on page 86.

Changes to applicable legislation and political risks

Transcom conducts business in a large number of legal jurisdictions worldwide, is incorporated and existing under the laws of Luxembourg and due to its listing at NASDAQ OMX Stockholm, is also subject to some of the Swedish stock market rules and regulations. This implies that there could be an increased risk for Transcom being negatively affected by changes to legislation and practices applied within such jurisdictions, in particular if such changes should increase the conceptual differences between jurisdictions.

Transcom is subject to changes in applicable laws and regulations relating to e.g. foreign ownership, state involvement, tax, labour legislation and contact centres in the countries where the Company conducts business, such changes could have a materially adverse effect on the Company's business operations, results and financial condition. The Company's business, financial condition and results of operations could additionally be adversely affected by acts of war or terrorism, as well as other political and financial instability.

Risks relating to Transcom and the Offer

Subscription commitments and guarantees are not secured

Certain of Transcom's largest shareholders, including Investment AB Kinnevik, Investment AB Öresund and the Fourth Swedish National Pension Fund, have undertaken to subscribe for their respective pro rata Share SDRs representing approximately 38 percent of the capital and 64 percent of the votes in the Company. In addition, Investment AB Kinnevik has guaranteed to subscribe for any additional number of Share SDRs not taken up by the shareholders having preferential rights or by persons without preferential rights. This means that in aggregate 100 percent of the Offer is covered by either subscription commitments or guarantees. For more information, see *Subscription undertaking and guarantee undertakings from shareholders* under *Legal considerations and supplementary information* on page 88.

The subscription undertakings and guarantees referred to above are not secured by any bank or other external party, which may entail a risk that one or several of the shareholders who have given subscription undertakings or guarantees are unable to meet their respective undertakings. This could have a significantly negative impact on the Company's ability to strengthen the equity capital base and give the Company desired increased financial and operational flexibility needed in light of the restructuring programme.

Other risks

Apart from operational, financial and insurable risks there is also a risk that the executive management, the Board of Directors or Share SDR holders will not receive reliable information in order to make well-founded decisions in different situations, or that they will not receive the information in due time. Other risks that the Company is exposed to include, among others, fire, traditional insurance risks, and theft. These risks may have a material adverse effect on the Company's revenue, profitability or financial position.

Owner with considerable influence

Following the Offer, Investment AB Kinnevik will continue to own a significant part of all outstanding Share SDRs in the Company, or even increase its holding of Share SDRs in the Company. Investment AB Kinnevik has the possibility of exercising significant influence on matters that require the approval of Share SDR holders, including appointment and removal of members of the Board of Directors and any proposals for mergers, consolidations, as well as other company transactions. This concentration of ownership could limit other Share SDR holders' possibility to exert influence.

Directors who hold positions with Investment AB Kinnevik and Investment AB Öresund and potential conflicts of interest

Two members of the Board of Directors in the Company hold executive and/or director positions with Investment AB Kinnevik. One member of the Board of Directors in the Company holds an executive and/or director position with Investment AB Öresund. Such position may create, or appear to create, potential conflicts of interest when decisions have to be made by the Board of Directors that may have different implications for the Company, Investment AB Kinnevik or Investment AB Öresund.

Invitation to subscribe for new Share SDRs

On October 18, 2011, Transcom's Board of Directors resolved, subject to approval by the Extraordinary General Meeting, to undertake a rights issue of new Class A Shares and new Class B Shares. On November 16, 2011, the Board of Directors resolved on the detailed terms and conditions of the proposed rights issue, thereby resolving to issue 586,082,920 Class A Shares and 586,082,920 Class B Shares, each with a nominal value of EUR 0.043 subject to, notably, approval by the Extraordinary General Meeting. On November 21, 2011, the Extraordinary General Meeting of Transcom resolved to approve the rights issue and to authorize the Board of Directors to execute the rights issue, as well as adopted certain other resolutions required for the rights issue.

For holders of Share SDRs, the issue of new shares results in the Offer whereby each eligible Share SDR holder will, pursuant to the terms set out in this Prospectus, within the Offer receive one (1) Subscription Right of Class A and one (1) Subscription Right of Class B for every existing Share SDR held (irrespective of whether such Share SDR is of Class A or B). Each Subscription Right of Class A will entitle the holder to subscribe for eight (8) newly issued Share SDRs of Class A and each Subscription Right of Class B will entitle the holder to subscribe for eight (8) newly issued Share SDRs of Class B.[1)]

The subscription price per each new Share SDR has been fixed at SEK 0.43, which implies that after full subscription, the Offer will provide Transcom with a fund injection of approximately SEK 474 million after deductions of issue costs[2)].

Certain of Transcom's largest shareholders, including Investment AB Kinnevik, Investment AB Öresund and the Fourth Swedish National Pension Fund, representing approximately 38 percent of the capital and 64 percent of the votes in the Company, have undertaken to subscribe for their respective pro rata Share SDRs. Further, Investment AB Kinnevik has, subject to certain conditions, guaranteed to subscribe for any remaining Share SDRs not taken up by the shareholders having preferential rights or by persons without preferential rights. This means that in aggregate 100 percent of the Offer is covered by either subscription commitments or guarantees. The members of Transcom's Board of Directors have expressed their intention to subscribe for their pro rata share of the Offer.

Due to restrictions stipulated in the securities laws of the United States of America, Canada, Japan, Australia and Hong Kong, no new Share SDRs will be offered to Share SDR holders with registered addresses in any of these countries except to certain qualified institutional buyers in the United States (see *Restriction on Sale and Transfer of Subscription Rights, BTAs and new Share SDRs* on page 112). Share SDR holders not allowed to participate will receive the net amount from the sale of Subscription Rights that these holders would have been entitled to.

Invitation is hereby made to subscribe for Share SDRs in Transcom WorldWide S.A., with preferential rights for holders of Share SDRs in Transcom WorldWide S.A., in accordance with the terms and conditions described in this Prospectus.

Luxembourg, 25 November, 2011

TRANSCOM WORLDWIDE S.A.
Board of Directors

1) Technically, by subscribing for new Share SDRs, the subscriber will instruct Carnegie to subscribe for new shares in Transcom which will be deposited with Carnegie on the subscriber's behalf and represented by new Share SDRs.
2) Issue costs are estimated to total approximately SEK 30 million, whereof underwriting commission amounts to SEK 9 million.

Background and reasons

During the past two years, Transcom has been implementing a transformation programme with the objective of accelerating sales growth, improving underperforming areas and changing the Company's technology and portfolio footprint. Despite the significant progress achieved in developing sales opportunities, the evolution of Transcom's revenues during the first half of 2011 as well as the market dynamics required the Company to revisit its delivery infrastructure.

Based on this development, Transcom decided in June 2011 to launch a restructuring programme aimed at adjusting its delivery capacity to the current book of business, strengthening global competitiveness and increasing operational efficiency. The total costs for the plan amount to EUR 32.8 million, including restructuring costs and non-recurring items, and is expected to result in annualised savings of approximately EUR 10–12 million when fully implemented. The implementation of the programme is proceeding according to plan.

The costs associated with the restructuring plan together with underlying negative results during the second quarter in 2011 has led to an increase in the Company's debt position. At the end of the third quarter 2011, net debt to EBITDA amounted to 4.2 on a rolling 12 month basis compared to 2.5 at the beginning of the year.

In the light of the restructuring programme and the upcoming refinancing of the credit facility, the Board of Directors has conducted a review of the financing structure of the Company. Based on this review, the Board of Directors has concluded that a strengthened equity capital base will give the Company a desired increased financial and operational flexibility. The proceeds from the Offer will be used to reduce the net debt of the Company.

The Board of Directors of Transcom therefore resolved on October 18, 2011, subject to approval by an extraordinary general meeting of shareholders, to undertake a rights issue of new shares of approximately SEK 500 million with preferential rights for the Company's shareholders. On November 16, 2011, the Board of Directors resolved on the detailed terms and conditions of the proposed rights issue, thereby resolving to issue 586,082,920 Class A Shares and 586,082,920 Class B Shares, each with a nominal value of EUR 0.043 subject to, notably, approval by the Extraordinary General Meeting and their subscription and full payment. The decision to undertake a rights issue in Transcom was approved by the Extraordinary General Meeting on November 21, 2011.

In other respects, the Board of Directors refers to the information in this Prospectus, which it has prepared on account of the Offer at hand.

The Board of Directors is responsible for the content of this Prospectus. The Board of Directors hereby provides an assurance that, as far as the Board of Directors knows, after having taken all reasonable care to ensure that this is the case, the information contained in this Prospectus is true to and that nothing has been omitted that could affect its meaning.

Luxembourg, 25 November, 2011

TRANSCOM WORLDWIDE S.A.
Board of Directors

Terms and conditions

Preferential rights to subscribe

Those eligible Share SDR holders who on the record date of November 24, 2011 were registered as holders of Share SDRs in the Euroclear system, will receive one (1) Subscription Right of Class A and one (1) Subscription Right of Class B for every existing Share SDR held of Class A or B.

- Every Subscription Right of Class A gives the holder the right to subscribe for eight (8) Share SDRs of Class A
- Every Subscription Right of Class B gives the holder the right to subscribe for eight (8) Share SDRs of Class B

Subscription price

The subscription price has been fixed at SEK 0.43 per each new Share SDR of Class A or B. No brokerage fees will be charged.

Record date

The record date with Euroclear to determine which holders of Share SDRs are entitled to receive Subscription Rights as a result of the Offer was November 24, 2011. Thus, the Share SDRs were traded without Subscription Rights attached starting on November 22, 2011.

Information from Euroclear to directly registered Share SDR holders

This Prospectus and an issue statement with an attached pre-printed payment note will be distributed directly to the eligible Share SDR holders, or representatives of Share SDR holders, who, on the record date November 24, 2011 were registered in the Share SDR register maintained by Euroclear. The issue statement includes, for example, data on the number of Subscription Rights received and the number of Share SDRs that may be subscribed for. Those registered in the special list kept alongside the Share SDR register, as holders of pledged Share SDRs and certain others will not receive an issue statement but will be notified separately. A securities note (Sw. *VP-avi*) that shows the registration of Subscription Rights in the Share SDR holders' securities account (Sw. *VP konto*) will not be distributed.

Share SDRs held by nominees

Share SDR holders, whose Share SDRs holding is registered with a nominee bank or other nominees, will not receive a Prospectus nor an issue statement from Euroclear. The use of preferential rights to subscribe for Share SDRs as well as payment thereof must instead occur according to the instructions of each nominee.

Trading in Subscription Rights

Trading in Subscription Rights will occur on NASDAQ OMX Stockholm during the period from and including November 29, 2011 up to and including December 13, 2011. Share SDR holders are to directly contact Skandinaviska Enskilda Banken or another bank or securities institution with required licenses for providing brokerage services in connection with the purchase and sale of Subscription Rights.

Subscription period

Subscription for new Share SDRs will take place during the period from and including November 29 up to and including December 16, 2011. On expiry of the subscription period, unexercised Subscription Rights will expire and will be deleted from the Subscription Right owner's VP account without notification from Euroclear. The Board of Directors is entitled to extend the subscription period.

Subscription[1)] for new Share SDRs using preferential rights

Subscription and payment by Share SDR holders resident in Sweden

Subscription for new Share SDRs using preferential rights will be effected through payment in cash by December 16, 2011 at the latest. As already stated above, directly registered Share SDR holders or their representatives will receive an issue statement with an attached pre-printed payment note. Subscription through payment shall either be made using the distributed pre-printed payment note or the approved subscription form as per options below.

1) Technically, by subscribing for new Share SDRs, the subscriber will instruct Carnegie to subscribe for new Shares in Transcom which will be deposited with Carnegie on the subscriber's behalf and represented by new Share SDRs.

Payment note

The pre-printed payment note shall be used for payment if all Subscription Rights received on the record date, referred to as "exact allocation" (Sw. *jämnt teckningsbara*), in the issue statement from Euroclear are to be exercised. The subscription form shall not be used.

Subscription form

A special subscription form with preferential rights (Sw. *anmälningssedel med företrädesrätt*) shall be used for subscription if the Subscription Rights were acquired or disposed of, or if the number of exercised Subscription Rights for other reasons differs from the number stated in the issue statement. The pre-printed payment note shall not be used in this case. The subscription form can be obtained from any SEB banking office in Sweden. Incomplete or incorrectly filled-in subscription forms may be rejected without consideration. Note that the application is binding. After payment, the subscription form must be sent by post well ahead of December 16, 2011, which is the final subscription date, to the pre-printed address set out in the form.

Subscription and payment by Share SDR holders not resident in Sweden

Share SDR holders entitled to subscription who are not resident in Sweden and who cannot use the pre-printed payment note, must pay in Swedish kronor in accordance with the payment instructions below.

SEB
Issue Department R B6
SE-106 40 STOCKHOLM, Sweden

Bank account number: 5865 10 031 02
IBAN:SE3950000000058651003102
BIC: ESSESESS

On payment, the subscriber's name, address, VP account and reference number as set out in the issue statement must be presented. The subscription form and payment must be received by SEB, Issue Department R B6, SE-106 40 STOCKHOLM, Sweden or handed in at any SEB banking office in Sweden no later than December 16, 2011.

Subscription[1)] for new Share SDRs without using preferential rights

New Share SDRs not subscribed for using preferential rights will be allotted to subscribers on a pro rata basis as far as possible, based on the relevant number of new Share SDRs subscribed for. Those who subscribe without preferential rights must use the approved subscription form on which the requested number of new Share SDRs must be stated. Subscription forms are available at all SEB banking offices in Sweden as well as on www.seb.se/prospekt and on www.transcom.com. Completed form must be received by Skandinaviska Enskilda Banken at SEB, Issue Department R B6, SE-106 40 STOCKHOLM, Sweden or handed in at any SEB banking office in Sweden no later than December 16, 2011. Only one form per subscriber will be considered. Notification of any allotment of new Share SDRs subscribed for without preferential rights will be given on a contract note, due to be issued around December 22, 2011. Those who are not allotted any new Share SDRs will not receive notification thereof. New Share SDRs subscribed for without preferential rights must be paid for in cash no later than three banking days after issue of the contract note. New Share SDRs not paid for in time may be re-allotted to someone else. If the subscription price received after such a re-allottment is lower than the initial subscription price in the Offer, the person who was firstly allotted these new Share SDRs may be responsible for all or part of the price difference. Also, the person who was firstly allotted these new Share SDRs may also be liable to pay any costs of such a re-allottment.

BTA – paid and subscribed new Share SDRs

Subscription through payment will be registered with Euroclear as soon as possible, normally a few banking days after payment. Thereafter, the subscriber will receive a securities note confirming that registration of the BTA has occurred in the subscriber's VP account. As soon as the new Shares have been validly issued under Luxembourg law, the BTAs will be converted into Share SDRs without any notice from Euroclear. Until that time, the subscribed and paid new Share SDRs are denominated in the Euroclear system as paid and subscribed new Share SDRs, i.e. BTAs.

1) Technically, by subscribing for new Share SDRs, the subscriber will instruct Carnegie to subscribe for new Shares in Transcom which will be deposited with Carnegie on the subscriber's behalf and represented by new Share SDRs.

Trading in BTA

Trading in BTA on NASDAQ OMX Stockholm will take place during the period from and including November 29, 2011 up to and including December 21, 2011. Skandinaviska Enskilda Banken and other banks and securities institutions holding the required licenses will provide brokerage services in connection with the purchase and sale of BTAs.

Listing of new Share SDRs

The preliminary result of the Offer is expected to be announced by a press release around December 21, 2011.

Transcom's Share SDRs are listed on NASDAQ OMX Stockholm (Mid Cap). After final execution of the Offer, the new Share SDRs will, subject to necessary approvals by the relevant marketplace, also be listed on NASDAQ OMX Stockholm. The new Share SDRs are expected to be available for trading around December 27, 2011.

Prospectus and subscription forms

The Prospectus and subscription forms can be obtained from any SEB banking office in Sweden or from www.seb.se/prospekt. Subject to certain customary limitations arising from securities laws and regulations, the Prospectus and forms for subscription without preferential rights are also available on Transcom's web site (www.transcom.com) and on Skandinaviska Enskilda Banken's website (www.seb.se/prospekt).

Questions

Contact SEB Issue Department at SEB, Issue Department R B6, SE-106 40 STOCKHOLM, Sweden, telephone +46 8 639 27 50 for questions regarding the Offer.

In order to ensure that the Subscription Rights received do not become void and without value, the Share SDR holder must either use the Subscription Rights by subscribing for new Share SDRs no later than December 16, 2011 or by selling the Subscription Rights received that the holder does not intend to use no later than December 13, 2011.

How to proceed

General information:

Subscription price:	SEK 0.43 per Share SDR
Record date for participation in the Offer:	November 24, 2011
Subscription period:	November 29 – December 16, 2011
Trading in Subscription Rights:	November 29 – December 13, 2011

Subscription pursuant to preferential rights:

1. You will be allotted Subscription Rights

For each Share SDR in Transcom that you hold on November 24, 2011...

Share SDR

...you will receive one (1) Subscription Right of Class A and one (1) Subscription Right of Class B.

Subscrip-tion Right Class A

Subscrip-tion Right Class B

2. How to exercise your Subscription Rights (simultaneous payment)

One (1) Subscription Right of Class A

Subscrip-tion Right Class A

+ SEK 3.44 → Eight (8) new Share SDRs of Class A

Share SDR Class A

One (1) Subscription Right of Class B

Subscrip-tion Right Class B

+ SEK 3.44 → Eight (8) new Share SDRs of Class B

Share SDR Class B

3. Are you a directly registered holder of Share SDRs?

If you are resident in Sweden:

If you want to exercise all Subscription Rights use the pre-printed bank giro form from Euroclear Sweden.

If you have purchased, sold or transferred Subscription Rights to/from your securities account, use the special subscription form available at any SEB banking office.

If you are not resident in Sweden:

Use the sent out subscription form. The application form must be sent to the address stated on the application form and in *Terms and conditions* on page 22 and payment must be made in SEK to the Swedish bank account that is also stated on the application form and in *Terms and conditions* on page 22.

4. Do you have a custody account (i.e. nominee registered):

If your Share SDRs are held in one or more custody accounts at a bank or other securities institution, your nominee(s) will inform you of the number of Subscription Rights that you have received.

Follow the instructions you receive from your nominee(s).

Subscription without preferential right (by Share SDR holders and others)[1]:

Use the special subscription form available at all SEB banking offices in Sweden, as well as from SEB's website at www.seb.se/prospekt and from Transcom's website at www.transcom.com. Completed forms may be sent to SEB Issue Department R B6, SE-106 40 Stockholm, Sweden, or may be handed in at any banking office of SEB in Sweden and must be received by Skandinaviska Enskilda Banken no later than December 16, 2011.

1) Allotment will be made as described in *Terms and conditions* under the heading *Subscription for new Share SDRs without using preferential rights* on page 23.

Market overview

Market definition

Transcom's services and relevant market

Transcom is operating in the contact centre market, offering customer contact outsourcing services within a broad range of industries. The contact centre market is a subset of the Business Process Outsourcing ("BPO") market which in turn is part of the general Outsourcing market.

The services provided by Transcom can be divided into two main market categories:

- Customer Relationship Management ("CRM").
- Credit Management Services ("CMS").

Description of CRM and CMS	
Customer Relationship Management ("CRM")	Credit Management Services ("CMS")
CRM involves the interaction with customers – it includes for instance sales, marketing, customer service, and technical support. The overall goals are to find, attract, and win new clients, nurture and retain those the company already has, and winback those a company has lost.	Generally defined as a part of the overall CRM market but specifically involves operations aiming to secure revenue for customers. Services include credit and collection services such as the collection of debt, management of distressed customer accounts, etc. When CMS services are carried out in-house, it is typically a part of the company's finance function.

Transcom's services include, but are not limited to customer services such as acquisition, cross and upsell, technical support, retention, marketing and sales, debt collection and other general CRM and CMS services.

In this section, the market is defined as the Customer Relationship Management outsourcing market where Credit Management Services is a part of the CRM market referred to as debt collection.

The market can be divided into onshore and offshore.

- Onshore: Contact centre in the same country as it serves.
- Offshore: Contact centre in another country than the market it serves (generally on a different continent).

Transcom's vertical market (i.e. the sectors in which their clients are active) includes a broad range of sectors. However, the majority of Transcom's clients are active within the telecommunications and financial services sectors.

Market definitions

The market data in this section is based on information published by Ovum[1]. For the period 2010 to 2013, Ovum's CRM Outsourcing Forecast, which was compiled and published in April 2011, has been used. For 2009, Ovum's CRM Outsourcing Forecast, which was compiled and published in July 2010, has been used. For the years 2007 and 2008, Ovum's Contact Centre Outsourcing Forecast, which was compiled and published in December 2008, has been used. The methodologies and definitions in the three research models differ slightly from each other. For example, the countries included in a specific region may differ slightly across the research modules. Furthermore, it is important to point out that the figures are estimates based on questionnaires and interviews and should not be considered as actual reported figures or as facts. These estimates are updated when new reports or models are published. As a result, the historical data is not actual data but represent historical forecasts.

The market is defined as the CRM outsourcing market where CMS is a part of the CRM market as "debt collection". The market size in this section is defined as the number of third-party agent positions ("APs") servicing the various sectors around the world.

- Agent positions are desks from which agents make and/or receive telephone calls from internal or external customers.
- This is taken to imply that the call in question involves communication between the agent and the customer.

1) Ovum, Mortimer House, 37–41 Mortimer Street, London W1T 3JH, United Kingdom.

For further definition of the market described in this section please see the table below:

<table>
<tr><th colspan="4">Market definition</th></tr>
<tr><th>Contact centre definition</th><th>Vertical markets definition</th><th>Region splits</th><th>Function definition</th></tr>
<tr>
<td>

An automatic call distributor (ACD) or private branch exchange (PBX) with equivalent functionality overlaid (or soft ACD).
10 or more agent positions.
Agent positions are desks from which agents make and/or receive telephone calls to internal or external customers. This is taken to imply that the call in question involves communication between the agent and the customer.

Specifically excluded from the market size definition are:

Public safety centres, i.e. those centres that receive calls to emergency services, which are counted separately and not included as call centres.
Air traffic control.
Financial trading floors.
Legal interception centres, i.e. centres engaged in legal interception, where there is a law enforcement officer or other security worker listening in on a conversation in which they do not take part.

</td>
<td>
Communication and media (including technology)
Includes all support and sales activities related to telecommunications (telecom services, telecom infrastructure), information technology (IT software, IT hardware, IT services), and media & entertainment.
Financial services
Includes all financial services, including wholesale and retail banking, credit cards, brokerage, and all forms of insurance.
Healthcare
Includes both private and public health management organisations and pharmaceutical companies. Health insurance companies are also included. Specific examples include: BUPA, NHS Direct, e-health portals, hospitals, and pharmaceuticals.
Transportation and Logistics
Firms involved in logistics and the transportation, distribution, or wholesale of goods and cargo. Includes transportation by road, rail, air, and sea.
Manufacturing
Includes industrial, consumer products and automotive production, and direct-to-business/consumer resale of these items.
Government and education
Includes federal/state/local, tax, DVLC, and other government activities, and also international governmental organisations. Also included are all private and public educational organisations.
Retail and wholesale
Includes both store-based retail and remote shopping activities. Firms involved in wholesale of goods and cargo are also included in this category.
Energy and utilities
Companies that derive the majority of their revenues from the provision of electricity, gas, and/or water.
Travel and hospitality
Travel, transit, and lodging firms make up this vertical market. Specific examples include hotels, travel agencies, and all passenger-based services.
Other
All activities not covered in the categories above.
</td>
<td>
North America (NA)
US
Canada
Western Europe (WE)
Benelux
France
Germany
Italy
Spain
UK
Middle East and Africa (MEA)
Egypt
Morocco
South Africa
Tunisia
Asia Pacific (APAC)
Australia
New Zeeland
China
India
Philippines
Central and Latin America (CALA)
Argentina
Brazil
Chile
Colombia
Mexico
Central and Eastern Europe (CEE)
Central Europe
Russia
</td>
<td>
Customer service
Customer service relates to inbound care provided by contact centre outsourcers to consumers.
Marketing and sales
Marketing and sales constitutes all promotional and sales-related services and outsourced CRM services provided by a third party. It comprises both inbound and outbound calls.
Technical support
Technical support incorporates all outsourced CRM services designed to provide end users with direction and assistance related to technology applications and hardware.
Debt collection
Debt collection constitutes all contact centre-related activities involved in the pursuit of outstanding receivables. It does not include the back-office processing of debts collected.
</td>
</tr>
<tr><td colspan="4">Source: Ovum CRM Outsourcing Forecast, April 2011</td></tr>
</table>

Market overview

The global market size of CRM outsourcing in 2010 was estimated by Datamonitor to approximately USD 138 billion[1]. CRM Business Process Outsourcing includes direct services, contact centre management, contact centre outsourcing for customer care, sales and marketing, technical product support, customer intelligence services, customer self services and warranty services.

The global market size in terms of number of APs was estimated to approximately 1.5 million agents in 2010. This was divided into approximately 1.1 million onshore agents and approximately 0.4 million offshore agents.

Onshore and offshore

In 2010, 74 percent of the APs in the market were onshore based, while offshore based APs represented 26 percent of the market. This illustrates that the majority of CRM services are outsourced to agents in the same country as the client which is outsourcing the service.

The primary advantage with onshore outsourcing versus offshore outsourcing is that language and time zone is not an issue. The primary advantage of offshore outsourcing is access to lower wages in developing countries.

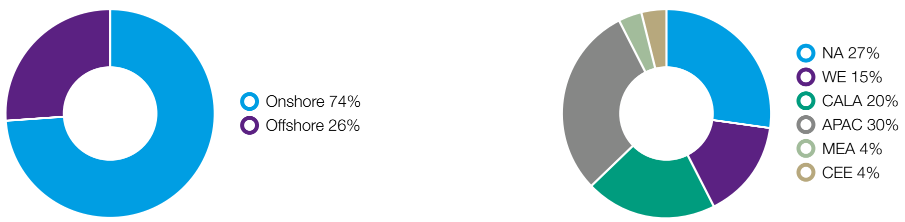
Geographical distribution

Asia Pacific is the largest regional market in terms of number of APs, including both offshore and onshore agents with 30 percent of the total market, followed by North America (27 percent), Central & Latin America (20 percent) and Western Europe (15 percent). India and the Philippines are by far the largest countries in terms of offshore APs and together they constituted approximately 66 percent of the total offshore market in 2010. The USA is the single largest country in terms of onshore APs with approximately 33 percent of the onshore market in 2010, followed by Brazil and India with 15 percent and 11 percent respectively.

In total, assessing both the offshore and onshore market, the USA is the largest market, with approximately 24 percent market share, followed by India and Brazil with approximately 20 percent and 11 percent respectively.

2010 CRM outsourcing market by onshore/offshore and region split

Market split by onshore and offshore (# of APs) | Market split by region (# of APs)



Source: Ovum CRM Outsourcing Forecast, April 2011

1) Ovum's/Datamonitor's Global BPO Services Interactive Model, CRM Business Process Outsourcing, January 2009.

Functional area

The majority of services that are being outsourced in the CRM market are related to customer service, which refers to inbound and outbound care by contact centre outsourcers to customers. Customer service constituted approximately 50 percent of the total market (in terms of APs) in 2010 followed by technical support and sales and marketing, which comprised approximately 23 percent and 21 percent respectively.

Debt collection constituted a relatively small part of the total market with approximately three percent of the total APs in 2010.

Vertical markets

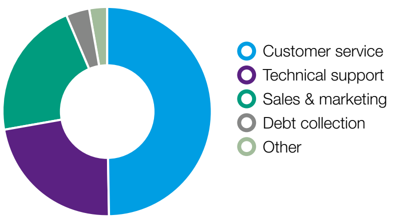
Outsourcing of CRM services exists in a large number of sectors. The two most significant sectors are communication and media and financial services, which represented 39 percent and 26 percent of the total market in 2010 respectively.

Historical development

Between 2007 and 2010, the CRM outsourcing market, measured as the number of APs, grew with a compounded annual growth rate ("CAGR") of 6.6 percent.

2010 CRM outsourcing market by functional area and vertical split

Market split by functional area (# of APs)

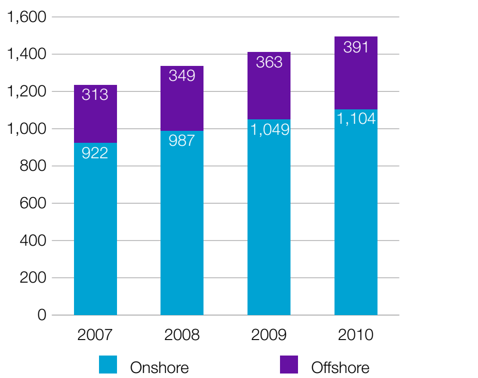


Market split by vertical (# of APs)

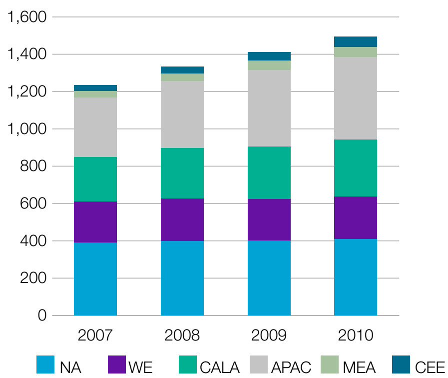
Source: Ovum CRM Outsourcing Forecast, April 2011

Historical CRM outsourcing market development by onshore / offshore and region split

Market split by onshore/offshore (000s of APs)



Market split by region (000s of APs)



Source: Ovum's / Datamonitor's CRM Outsourcing Forecast, December 2008, July 2010 and April 2011

Outsourcing is typically a measure taken by a company in order to lower its costs which in Transcom's view may explain the CRM outsourcing market's positive growth development during the financial crisis in 2008 and 2009. However, while cost savings is an important driver for CRM outsourcing, many companies are also increasing their focus on quality and customer satisfaction as they endeavour to keep existing customers in the face of slower economic growth. As a result, vendors' ability to support clients in achieving their strategic goals is becoming more important as an evaluation factor.

Both offshore and onshore have had a positive annual growth for the period 2007 to 2010. Offshore had a somewhat higher growth rate during the period with a CAGR of 7.6 percent compared to onshore which had a CAGR of 6.2 percent.

Forecast

The total market is expected to grow from approximately 1.5 million APs in 2010 to almost 1.8 million APs in 2013. The increase of the total market represents a CAGR of 5.7 percent for the period.

The offshore market is expected to increase by approximately 76,000 APs while the onshore market is expected to increase by approximately 192,000 APs during the period. This increase equals a CAGR of 6.1 percent and 5.5 percent for offshore and onshore respectively.

Asia Pacific and Central & Latin America are expected to constitute 72 percent of the new APs during the forecast period with a CAGR of 7.9 percent for both regions during the period. The Central & Eastern Europe region is expected to have the highest growth of 10.0 percent CAGR for the period.

Market drivers

In Transcom's view, the growth of the CRM outsourcing market is supported by the drivers listed below.

Focus on core operations

As a result of companies focusing on core business and the desire to reallocate resources (i.e. employees and areas of investment), outsourcing services are increasingly becoming more prevalent.

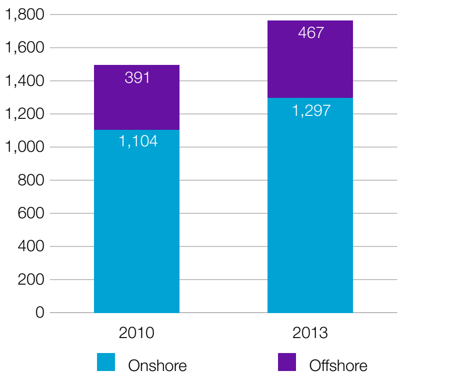
Cost savings

Outsourcing of services is often a result of the desire to achieve cost savings. Outsourcing provides access to lower-cost economies and hence labour arbitrage generated by the wage gap between developed and developing countries.

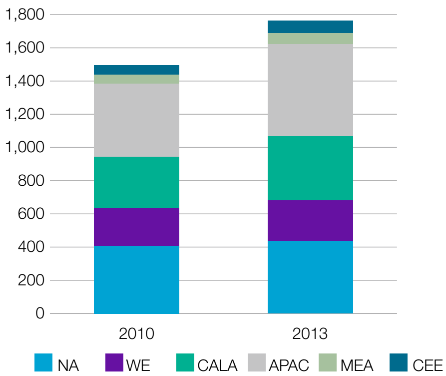
Contracting an outsourcing agency eliminates the need to develop a potential service in-house. In-house development might come with uncertainty regarding number of employees and cost of such an undertaking. Outsourcing, however, is undertaken through a contract with greater visibility and predictability regarding the future cost of the service.

Forecasted CRM outsourcing market by onshore/offshore and regional split

Market split by onshore/offshore (000s of APs)



Market split by region (000s of APs)



Source: Ovum CRM Outsourcing Forecast, April 2011.

Knowledge

Outsourcing is also driven by access to wider experience and knowledge than a company potentially possesses in-house. Such expertise and knowledge could, for example, be sector and/or process expertise, as well as product knowledge, among other areas.

Market trends

Price sensitivity and demand for quality

Cost reduction is still the strongest reason for companies to outsource services. This has resulted in price pressure in the onshore market with lower tolerance for price increases. Furthermore, there is a need for higher quality in the low-cost offshore outsourcing services.

Convergence

There is a growing convergence between contact centres and other areas of business process outsourcing. There are niche opportunities within certain industry verticals and functional domains.

Social media

Social media is enabling new patterns of consumer behaviour and is emerging as a viable service channel. However, adoption is slow and still at an early stage.

Trends within verticals

There is strong outsourcing growth within the vertical sectors of healthcare, government and utilities as a result of cost cutting, as well as an increase in the number of products offered to their customers.

Transition

Industry players are changing strategic focus from product (debt collection) to solution (end-to-end customer and credit management).

Debt collection trends

There are strong opportunities within debt collection services as companies are increasingly looking for reliability from receivables and cash flow projections.

The debt collections services market is fragmented and in need of professionalisation in the face of regulation and compliance requirements, which have led to a consolidation trend in the market. There is also a greater focus on rehabilitating the debtor-customer.

Competitors

The potential of the CRM outsourcing market is driven by the overall level of outsourcing undertaken by companies. Therefore, a large part of competition in the market comes from in-house services, which is the most common alternative to outsourcing.

The outsourcing market in general is fragmented. As an example, in Europe alone there is a significant number of companies active within debt collection. Due to the sheer number of private ownership and bundled services companies, market share is very difficult to quantify. Typically, there is one or more leading companies in a country or region, but such leaders often operate in only a few countries, not on a global level. Transcom is operating on a global basis.

In addition to Transcom, there are a number of CRM outsourcing companies operating on a global basis. The market is fragmented and market leaders differ from country to country and Transcom faces competition from a large number of companies in each geographic region in which it operates.

Furthermore, many of Transcom's competitors do not compete with all of Transcom's services. As an example, in different regions Transcom can have several competitors within debt collection who are not competing with Transcom in other areas such as customer acquisition or technical support.

Description of operations

Transcom is a global provider of outsourced customer and credit management services with 72 contact centre operations in 26 countries. In Europe, Transcom has one of the largest customer management footprints and is also one of the larger CRM outsourcing operators serving North America.

Business focus and strategy

Value proposition

Transcom is a global specialist of outsourced customer and credit management services. The Company is focused on customers, the service they experience and the revenue they generate. Transcom aims to build profitable relationships with customers on its clients' behalf, to secure their revenue streams and consistently deliver tangible results[1].

To that end, Transcom has built a comprehensive service portfolio that embraces the entire customer lifecycle, rationalizing the traditionally separate practices of customer management (including service and sales) and credit management. Transcom is responding to a growing recognition within the industry that the management of customers and the management of debt are inter-related. Today the Company delivers a comprehensive range of services that embrace the whole customer lifecycle – from customer acquisition, through customer service to payment collections – across its global contact centre network.

By growing its customer and credit management businesses in tandem, and by presenting them to the market as a holistic offering, Transcom anticipates long-term operational synergies. The Company's extensive contact centre infrastructure and customer management disciplines give a competitive advantage over the pure-play debt collection agencies with whom it competes. In parallel, the Company's debt collection competence helps to build firmer financial scrutiny into the sales and service processes of customer management clients, reducing transactional risk for these clients.

Revenue per region

The customer lifecycle

Transcom's focus is on the entire lifecycle of a customer relationship with three key priorities, win customers, grow business and secure revenue.

Win customers

Winning customers refers to acquiring new customers as well as selling more to the existing customer base ("cross and up sell").

Customer acquisition: Transcom offers services supporting clients in their sales efforts towards new customers. The aim is to acquire new customers at a low cost and to create a relationship basis for future interactions. This is achieved via targeted sales campaigns performed by telemarketing professionals and via multiple channels (phone, email, etc.). In order to deliver these services efficiently while also assuring a positive experience for the end customer, Transcom's agents are trained to understand the clients' products and values.

Cross and up sell: The main objective is to achieve new sales for Transcom's clients from their existing customers, both by selling more of the same product and by selling other products to existing customers. Transcom achieves this by offering outbound telemarketing services, performed by sales specialists. Furthermore, by offering a positive service experience to customers, Transcom can render future sales opportunities ("sales-through-services"). Transcom analyses customers in order to be able to propose targeted offers.

Grow business

Transcom helps its clients grow their business through customer service, technical support and customer retention. *Customer service*: The objective for customer service is to offer service excellence in order to create a competitive differentiation and also to offer these services in a cost-efficient way to match the delivery cost to added customer value.

1) Client generally refers to a direct customer of Transcom while the word customer is used to describe the client's customer (i.e. end customer).

This is achieved through agents that are service-focused and aligned in terms of branding of the clients' products and services. Transcom's services are offered via a structured and proven process with rigorous quality controls for the services offered.

Technical support: Transcom offers a service-minded product support that is tailored to the end user. The Company offers technical support at multiple levels, from simple support questions to complex support scenarios. Technical support agents undertake extensive product training and have access to a knowledge database to assure that they have the skill set needed in order to support customers.

Customer retention: The objectives for customer retention are to prevent defection and to maximize the lifetime of a customer. This is achieved through a consistent service experience, customer feedback in order to support product development, focused retention, win-back strategies and dedicated win-back teams.

Secure revenue

Transcom's comprehensive credit management and debt recovery services aim to protect the revenue streams of the Company's clients. The services offered can be split into early collections, contingent collections and legal collections.

Early collections: In early collections, Transcom's primary objectives are to resolve debt, rehabilitate customers and reduce incidence of future debt. This is achieved through immediate repayment whenever possible and realistic payment terms when not, multi-channel contacts, a relationship-sensitive approach and frequent reminders and follow through.

Contingent collections: The primary objectives for contingent collections are to prevent debt escalation and to protect long term business. This is achieved through segmenting the debtor base: for significant claims a dedicated case management approach is applied. Transcom offers a dedicated individual for each case, assuring that the debtor speaks to the same person. By maintaining a detailed case history and by regularly reviewing payment terms, an efficient debt collection process can be assured.

Legal collection: Transcom has in-house legal teams that can assist its clients when a claim enters a legal process. The aim is to achieve a positive outcome for the clients in terms of debt recovery and with regards to the costs and risks associated with legal actions.

Comprehensive and complementary service portfolio:

In order to be able to deliver services across the customer lifecycle, Transcom offers a complementary service portfolio which, in this market, is traditionally broken down into two main areas of service: customer management services (CRM) and credit management services (CMS).

Customer Management

Transcom helps companies in their customer interaction process. Customer management aims at winning new customers, increasing revenue, preventing customer losses, customer service, technical support and marketing services. The focus is on acquiring new customers and on managing existing customer relationships.

Credit Management

Transcom helps companies in securing revenue through various forms of debt collection including *early collections* with the primary objective of resolving debt and rehabilitating customers, *contingent collections* with the primary objective of preventing debt escalation and *legal collections* with the primary objective of achieving a positive outcome in terms of customer debt recovery and the cost of debt recovery.

Customer management

- Acquire new customers
- Sales to existing customers
- Customer service and support
- Technical support
- Customer retention

Credit management

- Collect customer debt at an early stage
- Collect contingent customer debt
- Collect customer debt via legal channels
- Manage customers and resolve the reasons for non-payment

Transcom offers multi-language services, including sales and marketing, customer help lines, back office services and customer service programs to clients in customer-intensive industries

Strategy

Transcom is currently going through a transformation journey consisting of three phases:

Foundation and maturity

Foundation and maturity is the first phase of Transcom's transformation journey. The objective of this phase is to implement a consistent business framework throughout the Company that enables financial predictability, global consistency and aligns the management teams to drive performance and accountability.

This phase focuses on the basic processes of a services organization, sales, account management and operations delivery.

Portfolio expansion and technology transformation

Transcom is leveraging its industry experience and knowledge to build a franchise based on industry specific solutions. Furthermore, the Company aims to approach its clients with a service offering that reflects current market demands, strengthening its client management organisation in order to deliver services to existing clients across regions and across products. As part of transforming the portfolio, the Company is strengthening its technology infrastructure.

This is the second phase of Transcom's journey. The objective is twofold; first to align the Company into a consistent communication platform; and second, to leverage on Transcom's assets and capabilities to develop the Company's service portfolio further in a set of business solutions aiming at raising the level of service provided to clients.

This phase also includes a global change in the Company's technology platform to enable the development of the Company's portfolio and to help the Company operate cost-efficiently.

Market Leadership

Transcom's ambition to lead drives the third phase of the transformation programme. The first two steps of the transformation programme will help place Transcom in a position to pursue this aim.

Identity and selling points

Transcom's tagline is: Relationship, Revenue and Results. These are the three areas that Transcom believes are fundamental to its clients.

Customer Relationships: Transcom is oriented to starting relationships with new customers, to delivering consistent customer experiences which create loyalty, and to using the relationship context in order to increase customer value.

Revenue: Transcom supports all aspects of customer revenue management – from setting up new customers, to supporting billing, managing payments and collecting debt.

Results: Transcom focuses its commercial relationships with clients around results that matter most to the clients: customer retention, market share, cost per customer or any other metrics that are key to the Company's clients.

The Company's selling points can be described as below:

Customer lifecycle management

Transcom is able to support its clients in the interactions with their customers across the entire lifecycle, from the initial point of sale to collection of payments. This gives a thorough understanding of the client's customer base enabling Transcom to be better positioned to provide the services required.

Delivering business outcomes

The Company believes that it is able to deliver consistent business results to its clients, both in terms of increasing revenues for its clients and in terms of reducing the cost of acquiring and securing those revenues.

Geographic breadth

Transcom has contact centres in 26 different countries and can provide services in more than 33 different languages. The Company can thus offer services to its clients on a wide geographic basis and also gain understanding of country-specific aspects of the various markets. Being present in a number of different countries also enables Transcom to understand market trends on a global basis.

Range of sourcing options

Transcom has contact centres in 26 countries and can offer its services from onshore contact centres, nearshore as well as from offshore contact centres. By being present in many locations, Transcom can offer its clients flexibility with regards to sourcing options and find a solution well adapted to the client's need.

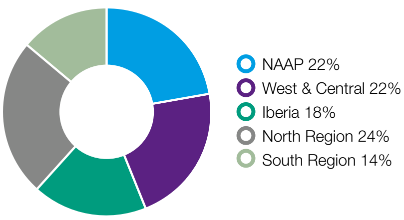
Industry knowledge

Transcom's clients are mainly companies active in the telecommunications or financial services industries. Apart from these two industries, Transcom works with clients in a wide variety of industries, including utilities, public services and logistics. Over the years, Transcom has developed a solid understanding of the industry dynamics of these various sectors, positioning the Company well in terms of being able to service its clients and offer industry-specific solutions.

Operations per regional segment

Transcom is organised according to geographical regions and reports group segments according to five different regions:

Revenue per region



North America and Asia Pacific ("NAAP"): This region includes Canada and the US as well as offshore services from the Philippines. In 2010, the region accounted for 22 percent of total group revenue.

West and Central: This region includes Austria, Belgium, Croatia, the Czech Republic, Estonia, Germany, Hungary, Latvia, Lithuania, Luxembourg, the Netherlands, Poland, Slovakia, Switzerland and the United Kingdom. The region accounted for 22 percent of the revenue in 2010.

Iberia: The region includes Portugal and Spain as well as offshore services from Chile and Peru. During 2010, the region accounted for 18 percent of total group revenue.

North: The region includes Denmark, Norway and Sweden. During 2010, this was the largest region in terms of revenue, accounting for 24 percent of group revenue.

South: The region includes France, Italy and offshore services provided from Tunisia and is the smallest region in terms of revenue, accounting for 14 percent of revenues in 2010.

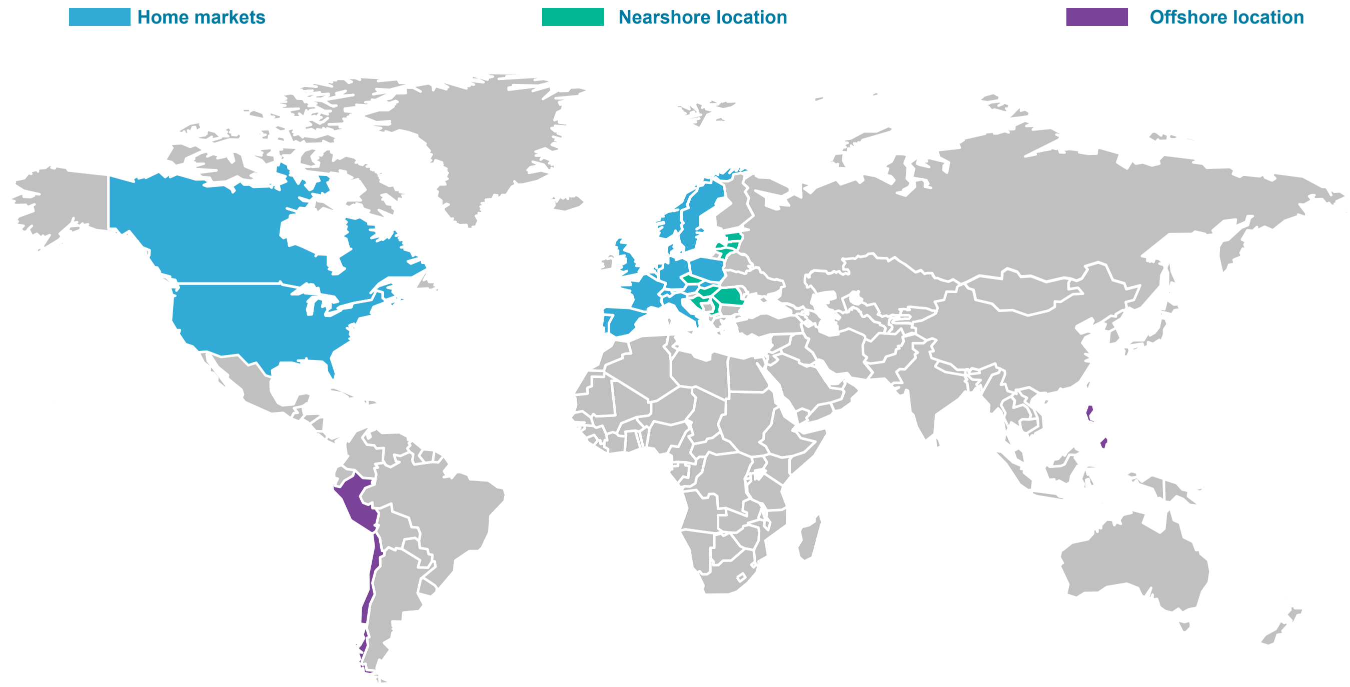
In North America and Asia Pacific and in West and Central, Transcom also has home agents in addition to the contact centres.

Regional overview

Region	Countries	Contact centres	Number of employees
North America and Asia Pacific	Canada, US and Philippines	17 centres	Approx. 6,500
West and Central[1)]	Austria, Belgium, Croatia, the Czech Republic, Estonia, Germany, Hungary, Latvia, Lithuania, Luxembourg, the Netherlands, Poland, Slovakia, Switzerland and the United Kingdom.	21 centres	Approx. 4,900
Iberia	Portugal, Spain, Chile and Peru	10 centres	Approx. 5,300
North	Denmark, Norway and Sweden	10 centres	Approx. 3,000
South	France, Italy and Tunisia	14 centres	Approx. 3,600

1) Transcom has no contact centres in Switzerland or Luxembourg.

Transcom's geographical footprint

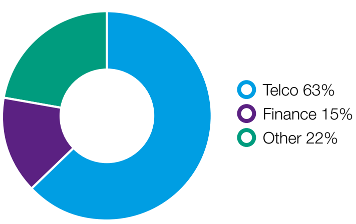


Business model and organisation

Geographical footprint

Transcom has global operations with 72 contact centres in 26 countries, serving over 350 clients in 33 different languages. The operations are divided into home markets, nearshore locations and offshore locations. Home markets are markets where the contact centres are located in the same country as the end client. These markets are also served from contact centres located in countries close to the end market (nearshore locations) and from offshore locations located further away from the end market, generally on a different continent.

Client revenue split per industry



Contract structure

Transcom has standardized master service agreements for clients. These contracts may be entered into either on a local country level by the relevant subsidiary or through a master service agreement entered into centrally by Transcom with local sub-agreements. For further information on client contracts, please see *General information on client contracts* under *Legal Considerations and Supplementary Information* on page 82.

The pricing model and mechanism differ between contracts. As an example, the Company could be paid per call that is answered or made. Pricing is set based on forecasted volumes and other variables, usually with a mechanism that adjusts pricing to reflect deviations from forecasted volumes. For some contracts, volumes may shift within the contract duration but subject to specific governance for ongoing forecasting of volumes with the relevant client. For CMS contracts, Transcom is usually paid based on a commission for collection services while other CMS services could have compensation models based on factors such as a success rate.

Clients

Transcom's client base largely consists of companies in the telecommunications industry and companies in the financial services industry. For the fiscal year 2010, more than 60 percent of Transcom's revenue related to clients within the telecommunications industry and 15 percent of the revenue came from clients in the financial services industry.

Transcom's largest client is Tele2, which accounted for approximately 17 percent of the revenues in 2010. The ten largest clients in terms of 2010 revenue accounted for 58 percent of the total revenue. Each of the largest ten clients accounted for more than three percent of total revenue on an individual basis. Beyond the largest ten clients, no single client accounted for more than two percent of total revenues in 2010. Large clients are mainly concentrated to the regions North America and Asia Pacific, North and Iberia.

Revenue by top 5 largest clients by region	
	Top 5 clients, % of total revenue
North America and Asia	86%
West and Central	42%
Iberia	85%
North	78%
South	69%
Group level	**48%**

Note: Percentages are approximate. Figures are based on 2010 full year financials

Employees

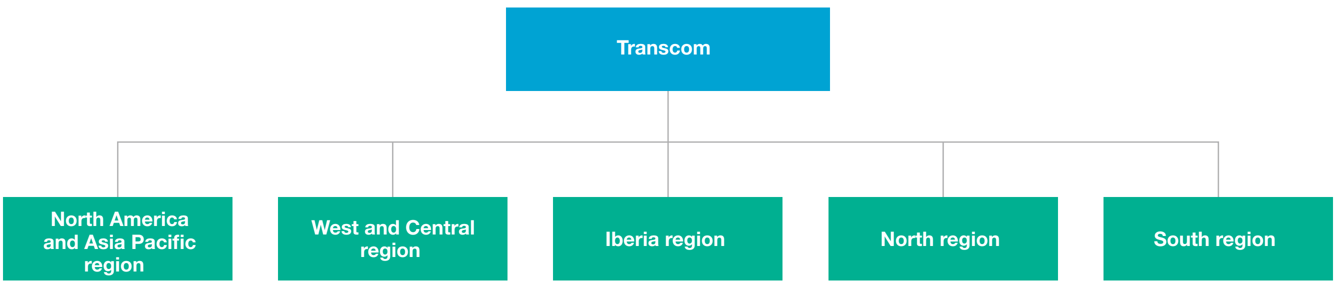
Transcom's employees are the core of the Company's operations and the single largest cost item accounting for approximately 75 percent of the Company's cost base. Transcom's operations are seasonal and there could be variations in the volume handled by a specific contact centre, something that creates a need to have a flexible workforce. As such, access to interim employees in addition to the ordinary workforce is critical to Transcom. At the end of fiscal year 2010, 17 percent of the Company's 23,792 employees were temporary employees. As per September 30, 2011, 16 percent of the Company's 23,287 employees were temporary employees. While it is important to have a flexible workforce it is also of importance to maintain quality and employee experience, creating a need for extensive employee training programmes.

Contact centre employee roles

The main roles in a contact centre are agents, team leaders, business managers and call centre managers. Agents are the persons handling the inbound and outbound calls and the interaction with the clients' customers. Team leaders manage and coach teams of agents and team leaders are in turn supervised by business managers. A call centre manager is in turn responsible for the operations of one or two contact centres and report to the manager responsible for all contact centres in a specific country or region.

Organisational structure

Transcom's headquarter is located in Luxembourg where also some of the management and group functions are physically located. The organisation is divided into five geographical regions and there are regional heads responsible for the operations in the relevant area.



Historical overview

2011
- Transcom announces a restructuring programme.
- Divestment of two French sites, Roanne and Tulle.

2010
- Transcom re-brands its global business focusing on its customer lifecycle management portfolio and relationships revenue, and results.
- Transcom enters the Australian market offering service from its Philippines-based contact centres.
- Transcom's major business win with INPS (Istituto Nazionale della Previdenza Sociale) marked the Company's first move into Italy's public sector marketplace.

2009
- Transcom opens operation in Chile to provide offshore support for Spanish speaking clients.
- Transcom doubles its capacity in the Philippines opening two new sites.

2008
- Transcom extends UK presence with the acquisition of a second credit management business, Newman & Company Ltd.

2007
- Transcom cements its presence in the North American market with acquisition of NuComm International, with operations in the US, Canada and the Philippines.
- Transcom expands its credit management business with the acquisition of Austria's largest credit management business IS Inkasso Service GmbH, and Poland's CENT.

2006
- Transcom opens offshore operation in Chile to support Spanish speaking markets in North America and Europe.
- Transcom establishes joint venture with Cloud 10, a US based home agent Company in order to offer home agent solutions to clients across the US and Canada.
- Transcom enters the UK market with the acquisition of credit management business, Credit & Business Service Ltd.
- Transcom strengthens its credit management business in Germany with the acquisition of Dr Finsterer & Königs Inkasso Gmbh a leading credit management business.
- Transcom acquires leading Swedish translation business, Stockholms Tolkförmedling AB, subsequently known as Transvoice.

2005
- Transcom expands into Tunisia, Croatia and the Czech Republic with the acquisition of credit management business Creditexpress CR sro.

2004
- Transcom expands into Hungary with the acquisition of customer management business, MarketLink.
- Transcom expands into Belgium, opening its first contact centre operation in Liège.

2003
- Transcom expands into Portugal and Poland.
- Acquisition of debt collection business, CIS, gives Transcom credit management capability across the Nordic countries.

2002
- Transcom acquires a majority share in Spanish customer management business, Gestel.
- Transcom expands into Lithuania with acquisition of Nelte.

2001
- Transcom is listed on the OMX Nordic Exchange.
- Transcom moves into Latvia.

2000
- Transcom expands into Estonia, Spain and Italy.
- Creation of Transcom Worldwide through the merger of Transcom AB and Transcom Europe SA

1999
- Transcom cements European presence with operations in 11 countries: Austria, Denmark, Finland, France, Germany, Italy, Luxembourg, Norway, the Netherlands, Sweden and Switzerland.

1997
- Creation of Transcom Europe with offices in Sweden, Luxembourg and Norway.

1995
- Transcom AB is established and opens for business in Sweden.

Financial information in summary

Financial overview for the full years 2008–2010 and the periods January–September 2010 and 2011

Transcom's fiscal year is January 1 – December 31. This summary refers to the 2008–2010 fiscal years, with basis in the annual reports for the equivalent period, as well as the periods January 1 – September 30, 2010 and January 1 – September 30, 2011, with basis in the quarterly releases for the equivalent period. The above mentioned financial reports are incorporated by reference into this Prospectus and the nine months release for January 1 – September 30, 2011 is included in full in this Prospectus. The financial reports are also available on Transcom's website (www.transcom.com).

The annual reports for 2008–2010 have been audited. Transcom's auditor has not audited the accounts for January 1 – September 30, 2011. The accounts were prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU.

Consolidated income statement

	For the nine months ended September 30 (unaudited)		For the financial year ended December 31 (audited)		
EUR 000s	**2011**	**2010**	**2010**	**2009**	**2008**
Revenue	411,250	440,299	589,117	560,218	631,828
Cost of sales[1]	–342,206	–351,637	–477,248	–436,823	–499,656
Gross profit	69,044	88,662	111,869	123,395	132,172
Selling expenses	–4,793	–5,421	–7,156	–6,577	–7,401
Administrative expenses	–64,495	–68,539	–95,316	–89,666	–93,927
Other expenses[2]	–29,891	–2,166	–15,989	–2,875	–2,952
Profit / (loss) from operations	–30,135	12,536	–6,592	24,277	27,892
Net financial items	–2,903	–1,466	908	1,017	–5,974
Profit / (loss) before tax	–33,038	11,070	–5,684	25,294	21,918
Income tax expense	–16,055	–2,214	–2,394	–4,703	–5,694
Profit / (loss) for the period	–49,093	8,856	–8,078	20,591	16,224

Consolidated balance sheet

	September 30 (unaudited)		December 31 (audited)		
EUR 000s	**2011**	**2010**	**2010**	**2009**	**2008**
Assets					
Intangible assets	169,574	173,260	174,820	168,465	162,416
Property, plant and equipment	14,838	21,948	19,139	29,300	36,998
Deferred tax assets	5,367	3,006	5,554	3,279	1,318
Current assets excl. cash and cash equivalents	147,329	139,344	132,984	137,932	147,820
Cash and cash equivalents	37,796	36,631	40,977	36,780	44,444
Total assets	374,904	374,189	373,474	375,756	392,996
Equity and Liabilities					
Total equity	124,086	189,644	174,960	171,435	143,837
Non-current liabilities	33,886	130,561	134,011	146,106	142,058
Current liabilities	216,932	53,984	64,503	58,215	107,101
Total equity and liabilities	374,904	374,189	373,474	375,756	392,996

1) For January – September 2011, EUR 2.6 million of restructuring and other non-recurring costs are included in cost of sales. Fiscal year 2010 includes EUR 6.3 million in costs relating to the disposal of two French sites
2) Includes EUR 30.2 million of restructuring and other non-recurring costs for January – September 2011 and EUR 13.1 million for fiscal year 2010.

Consolidated statement of cash flows

EUR 000s	For the nine months ended September 30 (unaudited) 2011	2010	For the financial year ended December 31 (audited) 2010	2009	2008
Cash flow from operating activities before changes in working capital and tax	7,553	29,791	17,175	44,573	21,824
Change in working capital and tax	11,393	–5,391	11,925	–26,858	–20,418
Net cash flows from operating activities	18,946	24,400	29,100	17,715	1,406
Net cash flows used in investing activities	–12,261	–6,892	–5,569	–29,101	–26,390
Net cash flows used in financing activities	–9,866	–17,657	–19,334	3,722	–3,475
Net (decrease) / increase in cash and cash equivalents	–3,181	–149	4,197	–7,664	–28,459
Cash and cash equivalents at beginning of period	40,977	36,780	36,780	44,444	72,903
Cash and cash equivalents at end of period	37,796	36,631	40,977	36,780	44,444

Key figures

EUR 000s	For the nine months ended September 30 (unaudited) 2011	2010	For the financial year ended December 31 (audited) 2010	2009	2008
Growth					
Growth in revenue	–6.6%	6.1%	5.2%	–11.3%	5.4%
Profitability					
Profit / (loss) from operations, reported	–30,135	12,536	–6,592	24,277	27,892
Profit / (loss) from operations, adjusted	2,661	12,536	12,814	24,277	27,892
EBITA, reported	–28,045	14,616	–3,722	27,152	30,844
EBITA, adjusted	4,751	14,616	15,684	27,152	30,844
Profitability ratios					
Operating margin, adjusted	0.6%	2.8%	2.2%	4.3%	4.4%
EBITA margin, adjusted	1.2%	3.3%	2.7%	4.8%	4.9%
Financial position					
Interest bearing liabilities	111,217	118,377	118,462	132,923	127,012
Net debt	73,421	81,746	77,485	96,143	82,568
Debt/equity ratio	59.2%	43.1%	44.3%	56.1%	57.4%
Employees					
Number of full time employees at end of period	19,649	19,923	19,713	24,045	20,971
Temporary employees at end of period	3,638	3,709	4,079	2,734	2,125

Per share data

	For the nine months ended September 30 (unaudited)		For the financial year ended December 31 (audited)		
EUR 000s	2011	2010	2010	2009	2008
Average number of Class A shares (000s)	36,685	36,662	36,670	36,631	36,626
Average number of Class B shares (000s)	36,682	36,659	36,663	36,628	36,623
Total average number of shares (000s)	73,367	73,321	73,333	73,259	73,249
Average number of shares after dilution (000s)	73,904	73,858	73,870	73,796	73,741
Equity per share (EUR)	1.68	2.57	2.37	2.32	1.95
Basic earnings per share (EUR)	–0.67	0.12	–0.11	0.28	0.22
Diluted earnings per share (EUR)	–0.66	0.12	–0.11	0.28	0.22
Dividend per A share (EUR cents)	–	–	–	–	20.10
Dividend per B share (EUR cents)	0.22	0.43	0.43	–	20.90

Definitions

Key figures

Net debt: Interest bearing liabilities less cash and cash equivalents.
Debt/equity ratio: Net debt divided by total equity.
Profit/(loss) from operations, adjusted: Profit from operations as reported but excluding restructuring costs and other non-recurring items.
EBITA, reported: Profit / (loss) from operations before amortization of intangible assets. Also referred to as earnings before interest, tax and amortization.
EBITA adjusted: EBITA reported excluding restructuring costs and other non-recurring items.
Operating margin, adjusted: Profit / (loss) from operations as percentage of revenue
EBITA margin adjusted: EBITA adjusted as a percentage of revenue.

Per share data

Average number of A shares: The average number of Class A Shares outstanding over the period, as reported in the annual accounts.
Average number of B shares: The average number of Class B Shares outstanding over the period, as reported in the annual accounts.
Total average number of shares: The sum of average number of Class A Shares and average number of Class B Shares.
Average number of shares after dilution: Total average number of shares adjusted for the effect of share options outstanding.
Basic earnings per share: Profit for the period, attributable to equity holders of the Company divided by the average number of shares outstanding.
Diluted earnings per share: Profit for the period, attributable to equity holders of the Company divided by the average number of shares outstanding after adjustment for outstanding share options.

Commentary on financial development

This information should be read in connection with the "Financial information in summary" on pages 39–42, Transcom's audited accounts with associated notes for the fiscal years 2008 to 2010 and Transcom's quarterly releases for the period January 1 – September 30 2011. The audited accounts with associated notes for the fiscal years 2008 to 2010 and the interim accounts for the period January 1 – June 30 2011, are incorporated by reference and thus a part of this Prospectus. All financial reports are available at Transcom's website (www.transcom.com).

The numbers within parenthesis represent the corresponding period or the previous year.

Financial information by region (as reported)[1)]

Revenue per region

	For the nine months ended September 30 (unaudited)		For the financial year ended December 31 (audited)		
EUR millions	**2011**	**2010**	**2010**	**2009**	**2008**
North America and Asia	67.7	104.4	131.7	116.9	95.6
West & Central	85.5	95.4	128.3	129.3	155.8
Iberia	80.4	77.5	103.4	101.4	96.5
North Region	106.4	105.5	144.8	125.5	156.3
South	71.1	57.6	80.9	87.2	127.6
Group revenue	411.1	440.4	589.1	560.2	631.8

Gross profit per region

	For the nine months ended September 30 (unaudited)		For the financial year ended December 31 (audited)		
EUR millions	**2011**	**2010**	**2010**	**2009**	**2008**
North America and Asia	12.5	21.1	27.1	35.3	25.0
West & Central	18.7	26.2	35.1	37.1	40.3
Iberia	15.1	14.9	20.0	20.5	21.1
North Region	15.4	21.6	29.2	22.8	27.0
South	2.3	4.8	0.4	7.6	18.8
Group gross profit	64.0	88.6	111.9	123.4	132.2

EBITA per region

	For the nine months ended September 30 (unaudited)		For the financial year ended December 31 (audited)		
EUR millions	**2011**	**2010**	**2010**	**2009**	**2008**
North America and Asia	–15.8	2.5	2.2	16.6	7.9
West & Central	–0.3	8.0	10.0	12.1	12.0
Iberia	1.9	3.1	4.1	4.1	4.2
North Region	0.4	8.9	10.8	3.5	5.6
South	–14.2	–7.8	–30.7	–9.1	1.1
Group EBITA	–28.0	14.6	–3.7	27.2	30.8

1) For the nine months ending September 30, 2011, EUR 5.2 million are classified as cost of sales in the interim reporting but would be classified as "other expenses" in the annual reporting which is in line with IFRS standards. As such, the gross profit for the period in Section 9, Financial Information in Summary is EUR 69.0 million. The classification difference has no impact on the operating income.

Financial information by region (excluding restructuring costs and other non-recurring items)

Revenue per region

	For the nine months ended September 30 (unaudited)		For the financial year ended December 31 (audited)		
EUR millions	2011	2010	2010	2009	2008
North America and Asia	67.7	104.4	131.7	116.9	95.6
West & Central	85.5	95.4	128.3	129.3	155.8
Iberia	80.4	77.5	103.4	101.4	96.5
North Region	106.4	105.5	144.8	125.5	156.3
South	71.1	57.6	80.9	87.2	127.6
Group revenue	411.1	440.4	589.1	560.2	631.8

Gross profit per region

	For the nine months ended September 30 (unaudited)		For the financial year ended December 31 (audited)		
EUR millions	2011	2010	2010	2009	2008
North America and Asia	13.0	21.1	27.1	35.3	25.0
West & Central	21.1	26.2	35.1	37.1	40.3
Iberia	16.2	14.9	19.9	20.5	21.1
North Region	17.0	21.6	29.2	22.8	27.0
South	4.7	4.8	6.6	7.6	18.8
Group gross profit	72.0	88.6	117.9	123.4	132.2

EBITA per region

	For the nine months ended September 30 (unaudited)		For the financial year ended December 31 (audited)		
EUR millions	2011	2010	2010	2009	2008
North America and Asia	–2.7	2.5	2.2	16.6	7.9
West & Central	4.1	8.0	10.0	12.1	12.0
Iberia	3.8	3.1	4.1	4.1	4.2
North Region	4.9	8.9	10.8	3.6	5.6
South	–5.3	–7.8	–11.4	–9.1	1.1
Group EBITA	4.8	14.6	15.7	27.2	30.8

The period January – September 2011 compared to the equivalent period in 2010

Net revenue and earnings

Net revenue during January to September 2011 was EUR 411.1 million (EUR 440.3 million), a decrease by 6.6 percent compared to the same period in 2010. Net of currency effects, the decrease was 7.1 percent. During the third quarter, Transcom focused on implementing the restructuring programme, announced on 21 June 2011. The plan aimed at adjusting Transcom's delivery capacity to the book of business and second half business outlook, with the aim to strengthen global competitiveness and increase operational efficiency.

Reported earnings before interest, taxes and amortization (EBITA) decreased to negative EUR 28.0 million (from EUR 14.7 million). During the second and third quarters 2011, Transcom recorded all of the restructuring costs relating to the restructuring programme. As a result, EBITA was negatively impacted by an amount of EUR 32.8 million[1]. Underlying performance, measured as EBITA before restructuring costs and other non-recurring items, was EUR 4.8 million in the nine months January – September 2011 (EUR 14.7 million in the same period 2010).

Pre-tax income was EUR –33.0 million (EUR 11.1 million). Net income was EUR –49.1 million (EUR 8.9 million), negatively impacted by a tax provision of EUR 14.1 million. For further details on the tax provision, see *Commentary on financial development* under the heading *Tax situation* on page 50.

Net revenue and earnings per region

North America and Asia Pacific ("NAAP"): Revenue during January – September 2011 was EUR 67.7 million, a decrease compared to EUR 104.4 million in the same period 2010. The revenue erosion was partly due to a temporary shift in volume with one of Transcom's largest clients ahead of a ramp-up of business during the third quarter.

Reported EBITA during the nine month period in 2011 was EUR –15.8 million (EUR 2.5 million during the same period in 2010) and was negatively impacted by restructuring costs and non-recurring costs relating primarily to the closure of four sites in Canada, capacity reductions and other costs. EBITA excluding the effect of restructuring costs and other non-recurring items was EUR –2.7 million (EUR 2.5 million).

West and Central: Revenue during the nine month period in 2011 was EUR 85.5 million, a decrease by 10 percent compared to the same period in 2010 (EUR 95.4 million). The decrease in revenue was primarily driven by lower volumes in the installed client base.

Earnings were negatively impacted by volume erosion, restructuring costs and non-recurring items relating to the ongoing restructuring programme. Reported EBITA was EUR –0.3 million (EUR 8.0 million in the same period 2010) and EBITA before restructuring costs and other non-recurring items was EUR 4.1 million (EUR 8.0 million in the same period 2010).

Iberia: Revenue during January – September 2011 was EUR 80.4 million, an increase by 3.7 percent compared to the same period in 2010 (EUR 77.5 million). Onshore volumes decreased but were compensated by increasing offshore volumes.

EBITA was EUR 1.9 million during the period (EUR 3.1 million during the same period 2010) and negatively impacted by a ramp-up in volumes in the installed client base resulting in higher costs. Underlying EBITA, exluding restructuring costs and other non-recurring items, was EUR 3.8 million compared to EUR 3.1 million during the same period 2010.

North: Revenue during the period was EUR 106.4 million,a slight increase compared to the same period in 2010 (EUR 105.5 million). Net of currency effects, revenue decreased by 4.9 percent year-on-year. During the second quarter, revenue was negatively impacted by fewer than usual working days, lower demand and a new delivery model with a large client.

EBITA on a reported basis was EUR 0.4 million (EUR 8.9 million) and EUR 4.9 million excluding restructuring and non-recurring costs.

South: Revenue during the period was EUR 71.1 million as compared to EUR 57.6 million during the same period in 2010.The closure of two sites in France, Tulle and Roanne, impacted revenue negatively but increasing revenue from

1) Including EUR 18.2 million in restructuring costs and EUR 14.6 million in other non-recurring items.

the installed base in Italy helped offset the revenue loss from France.

Reported EBITA was EUR –14.2 (EUR –7.8 million) and EBITA excluding restructuring costs and other non-recurring items was EUR –5.3 million (EUR –7.8 million).

Cash flow

Net cash flows from operating activities during January to September 2011 were EUR 18.9 million (compared to EUR 24.4 million during the same period in 2010). The cash flow was negatively impacted by lower earnings and positively impacted by a decrease in working capital of EUR 16.2 million as a result of the efforts taken to reduce working capital, including the sale of receivables[1]. Net cash flows used in the investing activities were EUR –12.3 million (compared to EUR –6.9 million in the same period 2010). The cash flow was negatively impacted by the cash outflow of EUR 8.7 million associated with the disposal of the two French sites. Net cash flows used in the financing activities were EUR –9.9 million during January to September 2011 compared to EUR –17.7 million in the same period 2010. The improvement was primarily due to lower net repayments of the revolving credit facility (EUR 7.0 million during the nine months until 30 September, 2011 compared to EUR 16.0 million during the same period in 2010).

Financial position and liquidity

Net debt as at September 30, 2011 was EUR 73.4 million, a decrease by EUR 12.3 million compared to September 30, 2010 and a decrease by EUR 4.1 million compared to December 31, 2010. On a rolling twelve months basis, the net debt to EBITDA ratio was 4.2 times at the end of the third quarter 2011, an increase compared to 2.5 times at the end of 2010. In connection with the third quarter results 2011 Transcom announced a refinancing of its existing credit facility, subject to completion of a SEK 500 million rights issue. For further information on this, please refer to *Financial Resources* under *Capitalization and other financial information* on page 55.

The 2010 financial year compared to 2009

Net revenue and earnings

Transcom's net revenue increased by 5.2 percent during 2010 to EUR 589.1 million compared to EUR 560.2 million in 2009. Revenue growth net of currency effects was 1.6 percent. The revenue growth was due to both increasing volumes from existing clients and also due to new clients.

EBITA was EUR –3.7 million (EUR 27.2 million) and operating income was EUR –6.6 million (EUR 24.3 million). Pretax income was EUR –5.7 million (EUR 25.3 million) with a net income of EUR –8.1 million (EUR 20.6). Earnings per share (before dilution) was EUR –0.11 (EUR 0.28). Transcom's earnings in 2010 were negatively impacted by a charge of EUR 19.4 million relating to the divestment of two sites in France. Excluding the effects of the charge relating to the divestment of the two sites, EBITA would be EUR 15.7 million in 2010 (EUR 27.2 million in 2009).

Net revenue and earnings per region

North America and Asia Pacific ("NAAP"): During 2010, net revenue in the NAAP region grew by 12.7 percent to EUR 131.7. Net of currency impacts, the revenue growth was 8.8 percent.

EBITA was EUR 2.2 million (EUR 16.6 million in 2009) and was negatively impacted by currency impacts and by the actions taken to address overcapacity in certain sites, in particular the ramp down of volumes in the San Antonio site.

West and Central: The West and Central region experienced relatively stable revenues during 2010 with only a modest 0.8 percent decline in revenue to EUR 128.3 million (EUR 129.3 million). EBITA was 10.0 million as compared to EUR 12.1 million in 2009.

Iberia: Revenue was EUR 103.4 million (EUR 101.4 million), an increase by 2.0 percent.

EBITA was 4.1 million in 2010 compared to EUR 4.1 million in 2009. Profitability was impacted by the Chilean earthquake in February 2010 and changes in the volume mix. The earthquake damaged the site in Concepción but contingency plans were executed efficiently, restoring the operational capacity of the site quickly.

1) Receivables are sold without recourse towards Transcom.

North: Revenue increased to EUR 144.7 million (EUR 125.5 million) during 2010, a revenue increase of 15.3 percent. The revenue growth excluding currency impacts was 5.1 percent. The region's performance was underpinned by new business wins and increased volumes within the installed client base.

EBITA was EUR 10.8 million (EUR 3.5 million in 2009) and was positively impacted by EUR 1.6 million in currency effects over the year.

South: Revenue decreased by 7.2 percent during 2010 to EUR 81.0 million (EUR 87.2 million). Performance in the South Region was impacted by actions taken to address overcapacity issues in the French operations. In December 2010, the Board approved plans to dispose of two French sites in Roanne and Tulle. The divestment and actions taken are expected to halve the loss run rate in France.

EBITA decreased to EUR –30.7 million (EUR –9.1 million) and underlying EBITA, excluding a restructuring charge of EUR 19.4 million relating to the divestment of the two French sites was EUR –11.4 (EUR –9.1 million in 2009).

Cash flow

Net cash flows from operating activities in 2010 were EUR 29.1 million (compared to EUR 17.7 million in 2009). Cash flow was negatively impacted by lower earnings but positively impacted by a positive cash flow from working capital and tax of EUR 11.9 million in 2010. Net cash flows used in the investing activities were EUR –5.6 million in 2010, an improvement compared to EUR –29.1 million in 2009. The improvement was driven by lower capital expenditures (EUR 4.8 million in 2010 compared to EUR 8.2 million in 2009) and also by that no acquisitions were made during 2010. In 2009, Transcom spent EUR 21.3 million on acquisitions, mainly relating to earn-out payments relating to the acquisition of NuComm International. Net cash flows used in financing activities were EUR –19.3 million in 2010 compared to EUR 3.7 million in 2009. The financing cash flow was impacted by net repayments of the revolving credit facility of EUR 17.0 million in 2010.

Financial position and liquidity

Liquid funds at December 31, 2010 was EUR 41.0 million (EUR 36.8 million) and long-term debt was EUR 118.5 million (EUR 132.9 million), giving a net debt of EUR 77.5 million (EUR 96.1 million). The equity to assets ratio at December 31, 2010 was 46.9 percent.

The 2009 financial year compared to 2008

Net revenue and earnings

Revenue in 2009 decreased to EUR 560.2 million (EUR 631.8 million), a decrease by 11.3 percent. EBITA decreased by 12.3 percent to EUR 27.2 million (EUR 31.0 million). Operating income for the full year was EUR 24.3 million (EUR 27.9 million). Transcom reported a pre-tax profit of EUR 25.3 million (EUR 21.9 million), with a net income of EUR 20.6 million, compared with EUR 16.2 million in 2008. Earnings per share (before dilution) increased to EUR 0.28 from EUR 0.22 in 2008.

Net revenue and earnings per region

North America and Asia Pacific ("NAAP"): Revenue increased to EUR 116.8 million from EUR 95.6 million, driven by increasing volumes from the installed client base and a ramp-up of new clients both on- and offshore. EBITA increased from EUR 7.9 million in 2008 to EUR 16.6 million in 2009. The Company opened a new site in San Antonio in the US and a new site in Iloilo in the Philippines during 2009.

West and Central: Revenue decreased by approximately 17 percent during 2009 to EUR 129.3 million (EUR 155.8 million). The revenue decline was partly a result of lower collection volumes in the Credit Management Services business. EBITA was EUR 12.1 million compared to EUR 12.2 million in 2009.

Iberia: Revenue increased slightly to EUR 101.4 during 2009 from EUR 96.5 million in 2008. The revenue increase was mainly due to a continued ramp-up of operations in Latin America. EBITA increased modestly from EUR 4.2 million in 2008 to EUR 4.3 million in 2009.

North: Revenue decreased by approximately 20 percent during the year to EUR 125.5 million (EUR 156.3 million) as a result of volume erosion due to lower demand in the region. Profitability decreased as the cost structure was not fully adapted to the lower volumes. EBITA decreased from EUR 5.6 million in 2008 to EUR 3.5 million in 2009.

South: Revenue decreased from EUR 127.6 million in 2008 to EUR 87.2 million in 2009, a decrease of approximately 32 percent as a result of volume reductions with major clients in France and delays in the ramp-up of revenues in Italy. EBITA was negative, EUR –9.1 million, mainly as a result of the poor performance of the French operations.

Cash flow

Net cash flows from operating activities in 2009 were EUR 17.7 million, an improvement compared to EUR 1.4 million in 2008. The improvement in cash flow was primarily driven by earnings and improved working capital. Net cash flows used in the investing activities were EUR –29.1million in 2009 compared to EUR –26.4 million in 2008. The larger cash outflow from investing activities was driven by a higher spend on acquisitions, EUR 21.3 million in 2009 compared to EUR 9.4 million in 2008. The capital expenditure was higher in 2008 however (EUR 8.5 million in 2009 compared to EUR 17.0 million in 2008) mainly as a result of Transcom expanding its operations in Manila in the Philippines during 2008. Net cash flows used in financing activities were EUR 3.7 million in 2009 compared to EUR –3.5 million in 2008. The improvement in cash flows used in financing activities was driven primarily by the fact that no dividends were paid during 2009 (EUR 15.0 million was paid in dividends in 2008).

Financial position and liquidity

Transcom had liquid funds of EUR 36.8 million (EUR 44.5 million) at December 31, 2009. Long-term debt was EUR 132.9 million giving a net debt of EUR 96.1 million. The equity to assets ratio at December 31, 2009 was 45.7 percent (36.6 percent at December 31, 2008).

Restructuring programme

In June 2011, Transcom decided to launch a restructuring programme aimed at adjusting its delivery capacity to the current book of business, strengthening global competitiveness and increasing operational efficiency. The total costs for the plan amounts to EUR 32.8 million with a total negative cash flow impact of EUR 27.2 million. The programme is expected to result in annualised savings of approximately EUR 10 – 12 million when fully implemented. The implementation of the programme is proceeding according to plan. The table below gives an overview of the costs associated with the restructuring programme announced on June 21, 2011.

Restructuring programme announced June 21, 2011

EUR millions	Q2 11	Q3 11	Remaining	Total
North America and Asia	13.0	0.0	–	13.0
West & Central	3.9	0.6	–	4.5
Iberia	1.3	0.6	–	1.9
North Region	2.3	2.2	–	4.5
South	3.7	5.2	–	8.9
Total costs	24.2	8.6	0.0	32.8
of which restructuring costs	*10.8*	*7.4*	–	*18.2*
of which other non-recurring items	*13.4*	*1.2*	–	*14.6*
Cash costs	0.7	6.0	20.5	27.2

The majority of the remaining cash costs associated with the restructuring programme are expected to be paid during the fourth quarter 2011 and during the fiscal year 2012. Cash costs are primarily directly related to the restructuring, including work force reductions, closure of sites and discontinued contracts. Non-cash costs mainly relate to asset write-downs related to the restructuring programme.

In addition to the restructuring programme announced in June 2011, Transcom announced in the fourth quarter report 2010 that it would divest two sites in France, Tulle and Roanne. This resulted in a charge of EUR 19.4 million in the fourth quarter results consisting of EUR 10.0 million in funding provided to the buyers in order to manage the takeover and EUR 9.4 million in provision for three contracts that were either onerous or discontinued. Out of the EUR 19.4 million, EUR 6.3 million was recorded as a direct cost under “cost of sales” while EUR 13.1 million was recorded as a selling, general and administrative costs under “other expenses”.

Investments

The table below summarises Transcom’s investments in tangible fixed assets during the years 2008–2010 and for the periods January – September 2010 and 2011.

Investments in tangible fixed assets

	For the nine months ended September 30 (unaudited)		For the financial year ended December 31 (audited)		
EUR 000s	2011	2010	2010	2009	2008
Telephone switch	500	313	394	1,358	2,486
Fixtures and fittings	1,075	244	307	1,099	1,994
Computer hardware and software	2,972	1,711	2,152	3,347	3,128
Office improvements	575	758	953	1,684	2,664
Total Investments	5,122	3,026	3,806	7,488	10,272

Transcom’s investments consist primarily of investments into computer hardware and software representing 57 percent of investments during fiscal year 2010. The second largest investment type is office improvements. The geographical distribution of investments is in line with Transcom’s revenue distribution.

Ongoing investments are primarily financed by the operating cash flow of the Company, by operating leases or by available credit facilities. At the date of this Prospectus, there are no decisions for future significant investments.

Leases

During 2010, Transcom’s operating lease rental expense amounted to EUR 30.3 million and for 2009 the same expense was EUR 25.0 million. Operating lease rentals relate primarily to the lease of office buildings and equipment.

The Group primarily rents its premises. Generally, these lease contracts require deposits and certain provisions for inflation-indexed rental increases. Future payments for rent under non-cancellable leases for premises are summarized in the table below.

Maturity of rent agreements

	December 31 (audited)		
EUR 000s	2010	2009	2008
Not later than 1 year	20,619	14,155	10,690
Later than 1 year but within 5 years	42,631	23,277	12,810
Later than 5 years	8,261	5,143	3,504
Total rent agreements	71,511	42,575	27,004

Acquisitions

There were no acquisitions made during the financial year 2010. In August 2009, Transcom acquired the remaining 40 percent interest in Cloud 10 Corp for a cash consideration of EUR 2.9 million including earn-out payments of EUR 1.1 million. Further, Transcom acquired Newman & Company Limited in September 2008 for EUR 2.2 million.

Property, plant and equipment

The table below summarises Transcom's tangible fixed assets at the end of the years 2008–2010 and as at September 30, 2010 and 2011.

Tangible fixed assets

	September 30 (unaudited)		December 31 (audited)		
EUR 000s	**2011**	**2010**	**2010**	**2009**	**2008**
Telephone switch	2,445	5,117	4,442	7,092	9,850
Fixtures and fittings	3,062	4,587	4,274	5,687	6,602
Computer hardware and sofware	3,299	5,279	3,784	8,923	12,088
Office improvements	6,032	6,965	6,639	7,598	8,458
Total Tangible fixed assets	14,838	21,948	19,139	29,300	36,998

Transcom's tangible fixed assets amounted to EUR 14.8 million at September 30, 2011. Approximately 41 percent of the total amount comprised of office improvements. The second largest item was computer hardware and software.

Intangible assets

The table below summarises Transcom's intangible fixed assets at the end of the years 2008–2010 and as at September 30, 2010 and 2011.

Investments in intangible fixed assets

	For the nine months ended September 30 (unaudited)		For the financial year ended December 31 (audited)		
EUR 000s	**2011**	**2010**	**2010**	**2009**	**2008**
Goodwill	152,157	149,718	152,088	144,911	135,174
Customer relationships	13,560	15,582	15,586	17,268	19,320
Development costs	494	4,079	3,628	5,578	7,073
Others	3,323	3,881	3,518	708	849
Total Intangible fixed assets	169,534	173,260	174,820	168,465	162,416

Customer relationships mainly consist of intangible assets that were identified during acquisitions. Development costs consists of amounts identified by management in projects where it is considered that technological and economical feasibility exists, usually determined by reference to achievement defined milestones according to a project management. These costs relate to development of assets for use in the Group.

For the purpose of impairment testing, goodwill is allocated to Transcom's operating segments which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes, which is not higher than the Group's regions as reported on a quarterly basis.

The aggregate carrying amounts of goodwill allocated to each segment are as follows:

Goodwill per region

	September 30 (unaudited)		December 31 (audited)		
EUR 000s	2011	2010	2010	2009	2008
North	51,885	52,020	52,436	50,107	49,065
West & Central	47,632	47,710	47,743	47,524	47,150
Iberia	10,120	10,120	10,120	10,120	10,120
North America and Asia Pacific	42,508	39,868	41,789	37,160	28,839
Total Goodwill per region	152,146	149,718	152,088	144,911	135,174

The movement during the above periods is related to fluctuations in foreign exchange rates.

The recoverable amount of the cash-generating units was assessed based on their value in use. The Company determined to calculate value in use for purposes of its impairment testing and, accordingly, did not determine the fair value of the units as the carrying value of the units was lower than their value in use.

As the Group identified certain indicators of impairment, it has performed an impairment test based on the financial statements as of 30 September 2011. However, as budget figures for 2012–2014 have not yet been finally approved by the Board of Directors, it is based on best management estimates. An updated impairment test will be performed at year end 2011 when final budgets will have been approved by the Board of Directors.

Value in use at 30 September 2011 was determined by discounting the future cash flows generated from the continuing use of the units. The calculation of the value in use at 30 September 2011 was based on the following key assumptions:

- Cash flows were projected based on past experience, actual operating results and the latest 3-year financial plans with EBITA growth rates ranging between 3 percent and 18 percent.
- Beyond the specifically forecasted period of three years, the Company extrapolates cash flows for the remaining years based on estimated constant growth rates ranging from 1.6 percent to 2.5 percent (2010: 3 percent to 5 percent) depending on management's understanding of the market in the region in which the unit is based. The anticipated annual revenue growth included in the cash-flow projections has been based on historical experience and expectations of future changes in the market conditions. Market conditions take into account the nature of risk within geographical markets and management's estimations of change within these markets. These rates do not exceed the average long-term growth rates for the relevant markets.
- Pre-tax discount rates ranging from 10.8 percent to 15.2 percent (2010: 9.6 percent to 11.6 percent) were applied in determining the recoverable amounts of the units. The discount rates were estimated based on past experience, industry average weighted cost of capital and Group's industry related beta adjusted to reflect management's assessment of specific risks related to the unit. The Group's industry related beta is considered by management to be an arbitrary measurement of the volatility of the Group's share value using an index of the volatility of the market as a whole.

Average pre-tax discount rates (percent)	September 30, 2011	December 31, 2010	December 31, 2009
North	11.4	9.6	9.0
West & Central	12.5	9.8	8.5
Iberia	13.8	9.6	9.5
North America & Asia Pacific	11.9	9.6	9.1

In general, as was already observed in 2010, the impairment tests for 2011 were to a large extent affected by the global economic slowdown and the continued revenue erosion which significantly reduced the estimated recoverable amounts of the different cash-generating units compared to prior year. In spite of the various recovery actions taken by the Group, the future development is still uncertain, including the development in market prices and demand, cost and efficiency development.

However, the results of the Company's goodwill impairment test as of September 30, 2011 for each unit did not result in an impairment of goodwill as the value in use exceeded, in each case, the carrying value of the unit.

For North, West & Central and Iberia units, reasonably possible changes in key assumptions (such as discount rates, revenue growth and terminal growth rate) would not trigger any impairment loss to be recognized. For North America & Asia Pacific, the estimated recoverable amount exceeded the carrying value by less than 1 percent. As a consequence, any change in key assumptions, including changes in price, volume, cost, discount rate and future capital expenditure would cause the estimated recoverable amounts to decline below carrying value and therefore would trigger an impairment charge in the income statement.

Tax situation

On October 12, 2011, Transcom announced that it is assessing its tax exposure in one EU jurisdiction and in the third quarter financial report the company increased its existing provision of EUR 1.5 million by an additional EUR 14.1 million, up to EUR 15.6 million.

The decision to increase provisions resulted from a notification from the Court of Appeal regarding an adverse ruling with regards to a tax dispute relating to the fiscal year 2003 in one EU jurisdiction. The dispute relates to the franchise fee charged by the head office and the company was not able to present sufficient supporting documentation regarding the tax deductibility of the franchise fee. In the relevant jurisdiction, Transcom is also subject to tax reassessment with regards to the franchise fee for the fiscal years 2004, 2005 and 2006. Fiscal years prior to 2003 are no longer open to challenges by local tax authorities. Fiscal year 2007 has not been subject to review. For financial years 2008 – 2010 no material franchise fee is chargeable for these periods.

Total tax exposure, including penalty fees, for the tax reassessments is EUR 27.3 million. Out of this amount, EUR 11.7 million relates to withholding tax, an amount that Transcom believes is not likely to be payable on the basis that EU Directives and Taxation treaties are available to reduce withholding taxes from domestic rates and that withholding tax can only arise when payments are actually made. As such, it is argued that the exposure should be decreased by the withholding tax amount, resulting in a total exposure of EUR 15.6 million. The Company has made provisions against the entire EUR 15.6 million. With regards to cash costs, the Company expects to be obliged to pay EUR 8.8 million during the fourth quarter 2011 but will apply for payment in instalments. Instalments can be made for up to 72 months.

Overview of tax re-assessment announced October 12, 2011

	Amount (EUR million)	Comment
Total tax exposure	27.3	For fiscal years 2003–2006
Of which withholding tax	11.7	The Company and its tax advisors does not believe that withholding tax should apply
Estimated tax exposure	**15.6**	**Net of withholding tax**
Provision 31/12/2010	1.5	Existing provision
Additional provision	14.1	Made in the third quarter results
Total provision	**15.6**	**Fully covers the estimated tax exposure**
Cash impact short-term	8.8	Possibly for payment during the fourth quarter 2011 but not determined yet. The Company will ask to pay in instalments

In addition to the tax re-assessment described above, Transcom provided EUR 0.4 million in the second quarter 2011 relating to a tax audit in Spain. This audit was settled and the amount will be paid. There is also an ongoing tax audit in Denmark relating to the fiscal years 2005–2009 with a total re-assessment of EUR 1.5 million, which was appealed to the Danish Tax Tribunal in September 2011. In the second quarter 2011, the company made a provision of EUR 0.2 million.

Further, there are ongoing tax audits in the Philippines, Canada, Germany, France and Switzerland and these have arisen in the normal course of tax authourity enquiries. At this stage no reassessment has been made in any of these jurisdictions. Apart from these tax revisions, there are no outstanding material tax disputes at the time of this prospectus. Transcom is however constantly exposed to tax reviews in the jurisdictions where the Company operates.

Employee benefit obligations

The Group has employee benefit schemes in Italy and in Norway that relates to termination indemnity and defined benefit obligations. A full actuarial valuation was carried out at December 31, 2010 by a qualified and independent actuary.

The table below provides a summary of the employee benefit obligations:

Employee benefit obligations

	For the financial year ended December 31 (audited)		
EUR 000s	2010	2009	2008
Value of plan assets	837	693	550
Present value of pension scheme liabilities	3,541	3,460	6,458
Deficit in pension scheme	**2,704**	**2,767**	**5,908**
Unrecognized actuarial movements	0	134	–145
Net scheme liability	**2,704**	**2,901**	**5,763**
Of which relating to scheme in Norway	*419*	*511*	*462*
Of which relating to scheme in Italy	*2,285*	*2,390*	*5,301*

Service cost relating to the pension schemes was EUR 178 thousand in 2010 (EUR 195 thousand in 2009). Total operating charge including settlements and actuarial movements was EUR 104 thousand in 2010 (EUR 1,018 thousand).

Dividend policy

Transcom has no explicit target with regards to the proportion of net earnings that is to be distributed to its shareholders. However, the holders of Class B Shares shall be entitled to a cumulative preferred dividend corresponding to the greater of (i) five (5) percent of the nominal value of the Class B non-voting shares in the Company and (ii) two (2) percent of the overall dividend distributions made in a given year.

The purpose of the Offer is to strengthen the Company's balance sheet and to reduce the leverage of the Company. Over the short term, the Company expects to continue this deleveraging process by retaining its net earnings. Consequently, the Company does not expect to give any dividends over the next few years beyond any preferred dividends.

Sensitivity

Shown below is the effect on Transcom's profit before tax of a number of factors judged to have a material impact on the Company's profitability.

Sensitivity analysis – full year impact [1)]

Variable	Change	Effect on profit before tax (EUR 000s)
Currencies	*EUR vs. currency*	
US dollar	10 percent decrease / increase	(337) / 276
Swedish krona	10 percent decrease / increase	779 / (637)
Polish zloty	10 percent decrease / increase	181 / (148)
Other key variables		
Direct personnel costs	5 percent increase	(15,929)
Increase in interest rates	10 basis points increase	(62)

The most significant currency risk is against the Swedish krona and if the euro would strengthen 10 percent against the Swedish krona, the negative impact on the Company's profit before tax is estimated to be EUR 637 thousand. Transcom also has exposure to other currencies, such as the Canadian dollar, the British pound and the Norwegian krone, but a 10 percent change against any of these other currencies would not have an impact exceeding EUR 50 thousand.

Financial risk management

The main financial risks, from a Company risk management perspective, arising from the Group's activity and balance sheet are interest rate risk, foreign currency risk, liquidity risk and credit risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies. It has delegated the authority for designing and operating the required processes that ensure the effective implementation of the objectives and policies to the Group's treasury department. As such, the Group's funding, liquidity, credit interest rate and foreign exchange risks are managed by the Group's treasury department.

Risk exposures are monitored on an ongoing basis and reported to management on a quarterly basis, together with required actions when tolerance limits are exceeded. The internal control procedures and risk management processes of country operations and corporate functions are reviewed periodically by the internal audit function. The last full internal control review was undertaken during 2010 and the procedures and processes were deemed satisfactory.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible, without unduly affecting the Group's competitiveness and flexibility.

1) Based on rolling twelve months financials as per September 30, 2011, except for sensitivity on direct personnel costs which is based on the 2011 budget.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to any outstanding loans under the Group's revolving credit facility.

The interest is calculated on each loan under the facility agreement for each term as the aggregate of the relevant Interbank offered rate, plus a pre-determined margin calculated on the basis of consolidated total net debt to consolidated EBITDA.

Currency risks

Foreign currency risk arises on monetary assets and liabilities being denominated in currencies that are not the Group's functional currency. Exposures can be of a translational or transactional nature. Translational exposures are differences resulting from the translation of subsidiaries financial statements into the Group's presentation currency. Transactional exposures are differences arising from the sales, purchases, assets or liabilities denominated in currencies other than the functional currency of the operating unit that carries these transactions.

The Group policy is to hedge, on a non-systematical basis, transactional exposures to minimize adverse effects of movements in foreign exchange rates. The monitoring of theses exposures and hedging instruments is done by the Group's treasury department. Hedging instruments used include derivatives such as forwards, options and swaps. As of September 2011, the Group was mostly exposed to US Dollar, Swedish Krona and Polish zloty, as described in the sensitivity analysis on page 53.

Credit risk

With respect to credit risk arising from the financial assets of the Group, which comprise balances from credit sales and cash and cash equiva¬lents, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying value of these instruments.

Prior to accepting new client accounts and wherever practicable, credit checks are per-formed using a reputable external source. Credit risk is reviewed monthly by executive management based on the aged debt reports, and corrective action is taken if pre-agreed limits are exceeded.

Based on historical default rates and the use of credit checks, the risk of default of a client is considered to be small. When necessary, appropriate provisions are made in accordance with Group policy and management discretion.

Treasury also ensures it has limited counterparty risk with its financial providers, by centralising its financial assets and transactions with the most reputable financial institutions.

Liquidity risk

Liquidity risk is the risk that the Group or one of its entities will encounter difficulties in meeting their financial obligations as they fall due.

The Group monitors this risk using a consolidated cash flow model in order to identify peaks and troughs in liquidity and identify benefits which can be attained by controlled placement and utilization of available funds. The undrawn portion of the Revolving Credit Facility provides flexibility to obtain liquidity on three days' notice. In addition, the Group has access to additional liquidity in the form of confirmed and unconfirmed overdraft facilities. The Group may also from time to time sell some of its trade receivables to provide further liquidity.

Tendencies and expected future trends

Following the completion of the restructuring programme and the increased financial flexibility following the Offer, the Company believes that it is well positioned in order to grow its business in line with the general single-digit market growth. The Company expects that the offshore segment will display a slightly higher growth rate than the onshore segment over the next years.

As cost reduction remains an important driver for outsourcing and as competition is expected to continue to be significant, the Company anticipates clients to continue to be focused on price. A more efficient organization following the restructuring programme and continued high quality of services delivered are factors that the Company believes will help it address possible price pressures in the market.

Significant changes since September 30, 2011

As far as the Company is aware, there have not been any significant changes since September 30, 2011 that have not been disclosed in connection with the results release on October 19, 2011 or in the press release on the appointment of Johan Eriksson as President and Chief Executive Officer on November 18, 2011.

Capitalization and other financial information

Capital structure and indebtedness

Transcom's capitalization as of September 30, 2011 is presented below.

Transcom's capitalization

EUR 000s	September 30, 2011 (unaudited)
Current liabilities	
Against guarantee, surety or collateral	0
Without guarantee, surety or collateral	216,932
Total current liabilities	216,932
Non-current liabilities	
Against guarantee, surety or collateral	0
Without guarantee, surety or collateral	33,886
Total non-current liabilities	33,886
Share capital	31,548
Other capital contributions	10,156
Reserves	–891
Retained earnings including profit/loss for the year	83,273
Equity attributable to the equity holders of the parent	124,086
Minority interest	0
Total equity and liabilities	374,904

Transcom's net financial indebtedness as of September 30, 2011 is presented below. The existing Revolving Credit Facility matures in April 2012 and is therefore recorded as short term debt in the table below. Transcom has agreed on a new facility with its lending banks. The new facility is conditional upon completion of the Offer. See *Financial Resources* below.

Transcom's financial indebtedness[1)]

EUR 000s	September 30, 2011 (unaudited)
(A) Cash	37,748
(B) Cash equivalents	48
(C) Trading securities	–
(D) Liquidity (A)+(B)+(C)	**37,796**
(E) Current financial receivables	–
(F) Current bank debt	111,217
(G) Current portion of non-current debt	–
(H) Other current financial debt	–
(I) Current financial debt (F)+(G)+(H)	**111,217**
(J) Net current financial indebtedness (I)-(E)-(D)	**73,421**
(K) Non-current financial receivables	–
(L) Non-current bank debt	–
(M) Bond issue	–
(N) Other non-current loans	–
(O) Non-current financial debt (L)+(M)+(N)	**–**
(P) Non-current financial indebtedness (O)-(K)	**0**
(Q) Net financial indebtedness (J)+(P)	**73,421**

Transcom financial net debt amounted to EUR 73.4 million on September 30, 2011. Adjusted for the net proceeds from the Offer,[2)] the Company's financial net debt as of September 30, 2011 would have been EUR 21.4 million as of September 30, 2011 (given full subscription of the Offer and after issue costs).

Financial resources

Transcom has agreed with its lenders (DnB NOR Bank ASA, Norge, Filial Sverige, Skandinaviska Enskilda Banken AB and Svenska Handelsbanken AB (publ)) on a refinancing of the current credit facility, which would have matured in April 2012. The new facility of EUR 125 million is partly amortising and has a time to maturity of 3 years.

1) Out of cash of EUR 37,748 thousand, EUR 2,414 thousand could be considered restricted to some degree.
2) SEK 504 million, net of estimated transaction costs of SEK 30 million. Equivalent to approximately 52 million euro at EUR/SEK of 9.128.

The new facility include a EUR 50 million term loan with amortisation starting in the first quarter 2013 and a EUR 75 million revolving credit facility. The facility includes covenants such as restrictions on leverage (measured as net debt to EBITDA) and minimum interest coverage and implies further reductions in the Company's leverage.

The new facility is conditional upon completion of the Offer.

Working capital statement

The Company lacks sufficient working capital for the current needs over the coming 12 months.

Transcom's working capital needs are secured through a combination of cash and cash equivalents, credit facilities as well as through cash flow from operating activities. As of September 30, 2011, the interest-bearing debt amounted to EUR 111.2 million and cash and cash equivalents amounted to EUR 37.8 million which implied a net indebtedness of EUR 73.4 million.

The existing Revolving Credit Facility matures in April 2012. After April 2012 there is not enough working capital to cover the needs in question, unless the long-term financing has been resolved by then. In order to resolve this long-term financing and to increase the financial and operational flexibility of the Company the Board of Directors has resolved and an Extraordinary Shareholders' meeting approved the rights issue at hand. Through the Offer the Company is expected to receive approximately SEK 474 million, or equivalent to approximately EUR 52 million[1], after transaction costs. The Offer is fully committed through subscription undertakings and guarantees by shareholders of Transcom (see "*Legal considerations and Supplementary information*" under heading "*Subscription undertaking and guarantee undertakings from shareholders*" on page 88).

The Company has also agreed with its lenders on a refinancing of the current credit facility (see "*Financial Resources*" above). The new facility is conditional upon the completion of the Offer.

It is the opinion of the Company, that the cash flow from operating activities together with cash and cash equivalents after the issue and the agreed refinancing of its credit facility will give the Company sufficient working capital to cover the needs over the coming 12 months.

1) Gross proceeds of SEK 504 million, net of estimated transaction costs of SEK 30 million. EUR/SEK of 9.128.

The Board of Directors, group management and auditors

The Board of Directors

Composition of the Board of Directors as of November 2011

Name	Born	Current Position	Elected	Independent	Audit Committee	Remuneration Committee	Share Holding*
William M. Walker	1967	Chairman	2005	Yes		Chairman	19,238 Class A Shares, 18,830 Class B Shares and 13,000 Share SDRs of Class B
Henning Boysen	1946	Member	2009	Yes		Member	4,433 Class A Shares and 4,432 Class B Shares
Charles Burdick	1951	Member	2010	Yes	Member		–
Stefan Charette	1972	Member	2011	No			–
Robert Lerwill	1952	Member	2010	Yes	Chairman		11,198 Share SDRs of Class B
Torun Litzén	1967	Member	2008	No	Member		7,102 Share SDRs of Class A and 7,100 Share SDRs of Class B
Mia Brunell Livfors	1965	Member	2006	No		Member	4,433 Class A Shares, 4,432 Class B Shares, 4,066 Share SDRs of Class A and 3,891 Share SDRs of Class B
Roel Louwhoff	1965	Member	2007	Yes			8,499 Class A Shares and 8,323 Class B Shares

William M. Walker

Chairman of the Board. Chairman of the Remuneration Committee.
Born: 1967.
Board member since: Chairman of the Board of Transcom since 2005.
Education: B.A. from St. Lawrence University. MBA from Harvard University.
Other assignments: CEO, President and Chairman of the Board of Walker & Dunlop, Inc. and Chairman of the Board of the Washington DC Water and Sewer Authority (DC Water).
Assignments completed the last five years: –
Shares, Share SDRs and option holdings: 19,238 Class A Shares, 18,830 Class B Shares and 13,000 Share SDRs of Class B.

Henning Boysen

Member of the Board. Member of the Remuneration Committee.
Born: 1946.
Board member since: Board member of Transcom since 2009.
Education: Master of Economics and Business Administration from Aarhus University.
Other assignments: Chairman of the Board of Kuoni Travel Holding, Global Blue Holding and Apodan Nordic.
Assignments completed the last five years: –
Shares, Share SDRs and option holdings: 4,433 Class A Shares and 4,432 Class B Shares.

Charles Burdick

Member of the Board. Member of the Audit Committee.
Born: 1951.
Board member since: Board member of Transcom since 2010.
Education: BA Economics from University of California Santa Barbara. MBA Finance from University of California Los Angeles.
Other assignments: CEO and Chairman of the Board of Comverse Technology, Inc., Chairman of the Board of Verint Systems, Inc, Non-executive Director of CTC Media.
Assignments completed the last five years: Board member of QXL, Bally Fitness and Kaupting Singer & Friedlander UK.
Shares, Share SDRs and option holdings: –

Stefan Charette

Member of the Board.
Born: 1972.
Board member since: Board member of Transcom since the Extraordinary General Meeting on 21 November 2011.
Education: M.Sc. in Mathematical Trading & Finance. B.Sc. in Electrical Engineering.
Other assignments: CEO and Member of the Board of Investment AB Öresund and Ven Capital Aktiebolag, Chairman of the Board of Concentric AB, Global Batterier AB and NOTE AB, Board member of Bilia AB, Haldex AB, Athanase Capital Partners AB and Charette Capital AB.
Assignments completed the last five years: CEO and Board member of AB Custos (and a number of assignments within the Custos Group), Brokk Aktiebolag, Chairman of the Board of Shunra Software Nordics AB, Board member of HQ Bank AB.
Shares, Share SDRs and option holdings: –

Robert Lerwill

Member of the Board. Chairman of the Audit Committee.
Born: 1952.
Board member since: Board member of Transcom since 2010.
Education: BA Honours Industrial Economics, Nottingham University. Fellowship of the Institute of Chartered Accountants in England and Wales (FCA). Advance Management Program, Harvard University.
Other assignments: Chairman of the Board of Synergy Health plc, Non-Executive Director and Chairman of the Audit Committee of British American Tobacco plc.
Assignments completed the last five years: CEO of Aegis Group plc.
Shares, Share SDRs and option holdings: 11,198 Share SDRs of Class B.

Torun Litzén

Member of the Board. Member of the Audit Committee.
Born: 1967.
Board member since: Board member of Transcom since 2008.
Education: Graduate in Business Administration, Stockholm School of Economics.
Other assignments: Director of Investor Relations at Investment AB Kinnevik, Board member of subsidiaries within the Kinnevik Group and Vostok Gas Ltd.
Assignments completed the last five years: Senior Investor Relations Officer and Financial Reporting Manager at Nordea Bank AB, Board member of Vosvik AB, Vostok Nafta and Vostok Gas.
Shares, Share SDRs and option holdings: 7,102 Share SDRs of Class A and 7,100 Share SDRs of Class B.

Mia Brunell Livfors

Member of the Board. Member of the Remuneration Committee.
Born: 1965.
Board member since: Board member of Transcom since 2006.
Education: Business Administration, Stockholm University.
Other assignments: CEO and President of Investment AB Kinnevik, Chairperson of the Board of Metro International S.A., Board member of Korsnäs AB, CDON Group AB, Modern Times Group MTG AB, Tele2 AB and Millicom International Cellular S.A. (and in addition a number of Board assignments in companies within the Kinnevik Group), H & M Hennes & Mauritz AB, Efva Attling Stockholm Aktiebolag.
Assignments completed the last five years: A number of assignments within the Kinnevik Group, Board member of Attling Holding AB and CTC Media Inc.
Shares, Share SDRs and option holdings: 4,433 Class A Shares, 4,432 Class B Shares, 4,066 Share SDRs of Class A and 3,891 Share SDRs of Class B.

Roel Louwhoff
Member of the Board.
Born: 1965.
Board member since: Board member of Transcom since 2007.
Education: MBA from the Rijksunversiteit in Groningen. Graduated from AMP at Harvard University.
Other assignments: CEO of BT Operate plc., Non-executive Director of Self Service Company.
Assignments completed the last five years: –
Shares, Share SDRs and option holdings: 8,499 Class A Shares and 8,323 Class B Shares.

Executive Management

Johan Eriksson
President & Chief Executive Officer
Born: 1965.
Employed since: 2010.
Education: B.Sc. in Business Administration and Economics, University of Karlstad.
Other assignments: Chairman of the Board and Board member in a number of companies in the Transcom Group and Board member of Scan Coin Holding AB.
Assignments completed the last five years: CEO of Poolia AB (publ), Chairman of the Board of Poolia Sverige AB and Dedicare AB, Loomis Sverige AB and a number of assignments in the Loomis Group, including COO.
Shares, Share SDRs and option holdings: 5,000 Share SDRs of Class A and 25,100 Share SDRs of Class B.

Aïssa Azzouzi
Chief Financial Officer
Born: 1962.
Employed since: 2010.
Education: MBA from INSEAD. MBA from EM Lyon. Chartered Accountant.
Other assignments: Non-executive director in a number of subsidiaries within the Transcom Group.
Assignments completed the last five years: CFO at Linedata Sevices.
Shares, Share SDRs and option holdings: 8,000 Share SDRs of Class B.

Roberto Boggio
General Manager, France and Italy Regions
Born: 1959.
Employed since: 2004.
Education: Graduate in Business Administration from Bocconi University, Milan.
Other assignments: –
Assignments completed the last five years: –
Shares, Share SDRs and option holdings: 2,302 Class A Shares, 2,300 Class B Shares, 3,089 Share SDRs of Class B.

Roberta Carluccio
Global Commercial Director
Born: 1965.
Employed since: 2010.
Education: Degree in Economics from Universita' degli studi di Napoli Federico II. MBA from Henley College.
Other assignments: –
Assignments completed the last five years: Account Business Management Director and Director for contract negotiators in Europe, Middle-East and Africa at Hewlett Packard's Enterprise Services Business Unit.
Shares, Share SDRs and option holdings: 1,400 Share SDRs of Class B.

Regimantas Liepa
General Manager, West and Central Europe Region
Born: 1971.
Employed since: 2002.
Education: Diploma in Economics and Business Management from Vilnius University. MBA from Rochester Institute of Technology. Executive MBA from U.S. Business School in Prague.
Other assignments: –
Assignments completed the last five years: –
Shares, Share SDRs and option holdings: 29,978 Class A Shares, 29,978 Class B Shares, 4,350 Share SDRs of Class B and 100,000 options. Regimantas Liepa will be granted 7,500 Class A Shares and 7,500 Class B Shares if he is employed by the Company in February 2012.

Ignacio de Montis

Global Sales & Accounts Director
Born: 1970.
Employed since: 2007.
Education: Law Degree from University san Pablo CEU.
Other assignments: –
Assignments completed the last five years: CEO of Tele2 Portugal and before that Customer Operations Manager for Tele2 Spain.
Shares, Share SDRs and option holdings: 501 Class A Shares, 497 Class B Shares and 3,086 Share SDRs of Class B. Ignacio de Montis will be granted 5,000 Class A Shares and 5,000 Class B Shares if he is employed by the Company in February 2012.

John Robson

Chief Information Officer
Born: 1964.
Employed since: 2009.
Education: HND Computer Science Teesside Polytechnic. ISC2 Certified Information Systems Security Professional.
Other assignments: –
Assignments completed the last five years: Global CTO and CIO in Europe, Middle-East and Africa at Sitel.
Shares, Share SDRs and option holdings: 4,210 Share SDRs of Class B.

Isabel Sánchez-Lozano

Vice President & General Manger, Iberia and Latin America Region
Born: 1963.
Employed since: 2011.
Education: Degree in Law from the Universidad Autónoma de Madrid. Master in Marketing, Communication and Publicity from IESE.
Other assignments: –
Assignments completed the last five years: CEO and President of Teleperformance Spain.
Shares, Share SDRs and option holdings: –

Jörgen Skoog

Acting General Manager, North Region
Born: 1960.
Employed since: 2002.
Education: Degree in Human Resource Management and Enterprise Organisation, University of Karlstad.
Other assignments: Board member of Transcom Aktiebolag.
Assignments completed the last five years: –
Shares, Share SDRs and option holdings: 3,000 Share SDRs of Class A and 3,000 Share SDRs and Class B.

Jörg Zimmermann

Global Operations and Human Resources Director
Born: 1967
Employed since: 2009.
Education: M.Sc. in industrial engineering and management from University of Kaiserslautern. International Executive Program at INSEAD Business School.
Other assignments: –
Assignments completed the last five years: Regional Business Operations Director in Europe, Middle East and Africa at Hewlett Packard's Enterprise Services Business Unit. Director of Strategy and Business Operations in Europe, Middle East and Africa at Hewlett Packard.
Shares, Share SDRs and option holdings: 9,933 Class B Shares.

Shareholders wishing to communicate with the Board of Directors or executive management should send letters to:

Transcom WorldWide S.A.
45, rue des Scillas
L-2529 Howald
Luxembourg
www.transcom.com

Other information regarding the Board of Directors and the executive management

There are no family ties between any member of the Board or the executive management and any other member of the Board or the executive management.

None of the members of the Board or the executive management have during the last five years been (i) involved in bankruptcy, bankruptcy proceeding or liquidation in their capacity as a member of a company's administration, management or supervisory bodies, (ii) convicted of fraud or related crime, (iii) accused of or been the object of sanctions from the supervisory or legislated authorities (and approved professional associations), (iv) prohibited by a court of law to participate as a member of a company's administration, management or governance organizations or prohibited to hold a leadership position or have responsibility for overarching functions.

Potential conflict of interest may arise from the fact that (i) members of the Board and the executive management own shares, Share SDRs and options in the Company as set out above, (ii) certain members of the Board are not independent in relation to the Company's major shareholders (including shareholders that have committed to subscribe for their pro rata share in or guarantee the Offer), (iii) Mia Brunell-Livfors is a member of the board of directors of Tele2 AB and Modern Times Group MTG AB, both of which companies are considered related parties to the Company and are also clients to the Company, and (iv) Roel Louwhoff is the CEO of BT Operate plc and the BT Group is a supplier to the Company. Please refer to article 12 set out in *Articles of Association* on page 76 for further information with respect to how the Board are intended to manage conflicts of interest in commercial relations etc. No other conflict of interests exists.

There has been no specific agreement entered into between major shareholders, clients, suppliers, or other parties under which any person has been appointed as a Board member or given a position within the executive management.

Besides the information in *Remuneration to the Chief Executive Officer and executive management* under *Corporate Governance*, neither Transcom nor any of its Subsidiaries have entered into agreements with any of the members of the Board or the executive management regarding benefits after an assignment or employment has been concluded. Executive management have the right to salary for a certain time after a termination by the Company as set out in the above stated section.

There are no lockup agreements with respect to the executive management's holding of shares or Share SDRs. However, in order to be granted loyalty and performance shares under the LTIP:s the participating members of the executive management are required to maintain the invested shares or Share SDRs during the vesting period pursuant to the LTIP Program and related agreements.

Auditor

Ernst & Young S.A., Luxembourg

Ernst & Young S.A., Luxembourg, a public limited liability company (société anonyme) incorporated under the laws of Luxembourg, having its registered office at 7, rue Gabriel Lippmann-Parc d'Activité Syrdall 2, 5365 Munsbach, Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B.47.771, was appointed as the Company's independent auditor (réviseur d'entreprises agrée) at the annual general meeting held on 25 May, 2011.

Ernst & Young S.A., Luxembourg, audited the consolidated financial statements of the Company as at, and for the years ended 31 December 2010, 2009 and 2008, and reviewed the interim condensed consolidated financial statements of the Company as at, and for the period ended 30 June 2011, as stated in their reports appearing herein.

Ernst & Young S.A., Luxembourg, is registered as a corporate body with the official table of company auditors drawn up by the Luxembourg Ministry of Justice and is a member of the Institute of Auditors (l'Institut des Réviseurs d'Enterprises) and is approved by the Commission de Surveillance du Secteur Financier ("CSSF") in the context of the law dated 18 December 2009 relating to the audit profession. Lead audit partner until 31 December, 2010 was Werner Weynand who became a chartered accountant (Réviseur d'Entreprises) in August 1987 and is a member of the Institut des Réviseurs d'Entreprises (IRE). Since 31 December, 2010, lead audit partner has changed due to rotation rules required by the law of 18 December 2009 and new lead audit partner is Olivier Lemaire who became a chartered accountant (Réviseur d'Entreprises) in December 1997 and is a member of the Institut des Réviseurs d'Enterprises (IRE).

Corporate Governance

Corporate governance within Transcom is based on Luxembourg legislation, its Articles of Association, its Corporate Governance Charter, the listing requirements of the NASDAQ OMX Stockholm and recommendations published by relevant organisations. The Company applies the Ten Principles of Corporate Governance laid down by the Luxembourg Stock Exchange (the "Code"). Transcom deviates from the recommendation 4.2. of the Code in as much as the Nomination Committee is made up of major shareholders and is elected during the third quarter of the year, rather than the Board of Directors establishes a nomination committee amongst its members. The reason for this deviation is that this procedure is in line with and makes the Company compliant with the requirement on composition of the Nomination Committee set out in the Swedish Code of Corporate Governance.

Shareholders' Meeting

General meetings of shareholders are convened by convening notice published at least thirty days before the meeting in the Luxembourg Official Gazette (the Mémorial C) and in one Luxembourg newspaper as well as in such media as may be reasonably relied upon for effective dissemination of information to the public throughout the European Community so that it is accessible in a swift manner and without any discrimination. According to article 16 of the Articles of Association of the Company, the Board of Directors determines in the convening notice the formalities to be observed by each shareholder for admission to a general meeting of shareholders.

An annual general meeting of shareholders (the "Annual General Meeting") must be held every year at the registered office of the Company or at such other place as may be specified in the notice convening the Annual General Meeting on the date provided in the Company's Articles of Association, which is the last Wednesday in May at 10.00 am. If such day is a public holiday, the meeting will be held on the next following business day.

Shareholders recorded in the share register on the fourteenth day at midnight before the general meeting of shareholders (the "Record Date") and who have notified their intention to attend to the meeting at the latest on the Record Date may take part in the Annual General Meeting, either in person or via a proxy. Share SDR holders wishing to attend the Annual General Meeting must notify Carnegie as set out in the convening notice, where after such Share SDR holder may, based on a power of attorney from Carnegie, either take part in the Annual General Meeting in person or, by issuing a further power of attorney to the Chairman of the meeting or another person, be represented at the meeting without the Share SDR holder being present in person.

Decisions at the Annual General Meeting are taken by simple majority. Matters considered at the Annual General Meeting include the approval of the annual accounts, the discharge from liability of the members of the Board of Directors, the allocation of profits (if any) as well as the distribution of dividends (if any), the election of the members of the Board of Directors, the Nomination Committee and, where applicable, auditors and the fixing of remuneration for the members of the Board of Directors and auditors, is also proposed at the Annual General Meeting.

Other meetings can be convened by the Board of Directors as necessary. Shareholders that represent alone or in aggregate at least 10 percent of the Company's share capital may, pursuant to the Companies Act, request that the Board of Directors convene a general meeting of shareholders; the request being made in writing with an indication of the agenda. The Board of Directors must then convene the general meeting of shareholders within a period of one month starting on the date of receipt of the written request from the shareholders.

Changes to Shareholders' right

In order to change the rights attached to the shares of Transcom, a general meeting of shareholders must be duly convened and held before a Luxembourg notary, as under Luxembourg law such change requires an amendment of the Articles of Association. A quorum of presence of at least 50% of the shares present or represented is required at a meeting held after the first convening notice, and any decision must be taken by a majority of two thirds of the shares present or represented at the general meeting. Where the resolution to be adopted is such as to change the respective rights of a class of shares, the resolution must, in order to be valid, fulfil the above mentioned conditions of quorum and majority with respect to the relevant class of shares . If the quorum requirement of 50% of the issued share capital of Transcom (and if applicable, of each relevant class of shares) is not met at the first general meeting of the shareholders, then the general meeting of the shareholders may be reconvened to a second general meeting of shareholders by means of notices published at least seventeen days before the meeting, in the Luxembourg Official Gazette (the Mémorial C) and in one Luxembourg newspaper as well as in such media as may be reasonably relied upon for effective dissemination of information to the public throughout the European Community so that it is accessible in a swift manner and without any discrimination. Such convening notice shall reproduce the agenda and indicate the date and the results of the previous meeting. No quorum is required in respect of such second meeting. Any change to the obligations attached to shares may be adopted only with the unanimous consent of all shareholders.

Nomination committee

The Nomination Committee is formed each year in October in consultation with the largest shareholders of Transcom as at 30 September that year. The Nomination Committee assists the Board of Directors in the selection of directors. It considers all proposals submitted by the shareholders, the Board of Directors or executive management.

The Nomination Committee shall, according to the Transcom Corporate Governance Charter Rule 6.1.2, comprise at least three (3) members representing the largest shareholders of the Company, one of which is a non-executive director. Transcom complies with this rule, following the election of Stefan Charette as a non-executive director of the Board of Directors at the Extraordinary General Meeting of shareholders held on 21 November, 2011. The Nomination Committee is appointed for a term of office commencing at the time of the announcement of the third quarter report and ending when a new Nomination Committee is formed.

The Nomination Committee has been formed in accordance with the resolution of the Annual General Meeting held on 25 May, 2011 and currently comprises Cristina Stenbeck on behalf of Investment AB Kinnevik, Stefan Charette on behalf of Investment AB Öresund, Tomas Ramsälv on behalf of ODIN Fund Management, and Caroline af Ugglas on behalf of Skandia Liv. Cristina Stenbeck was elected Chairman of the Nomination Committee for the Annual General Meeting to be held in 2012. The fact that Cristina Stenbeck has been appointed chairman of the nomination committee is a deviation from the Transcom corporate governance rule 6.1.2, which provides that the chairman of the board or a non-executive director chairs that committee.

Internal regulations for the Nomination Committe are contained in the Company's Corporate Governance Charter, in full presented on the Company's website.

The Nomination Committee held five (5) meetings in 2010 and all the Nomination Committee's members attended these meetings.

Board of Directors

Under the Companies Act, the Board of Directors is responsible for the management of the affairs of a company. The Board of Directors is also responsible for ensuring that satisfactory controls exist in the areas of accounting and the management of assets. The CEO and the CFO are appointed by the Board of Directors and is in charge of the day-to-day management according to guidelines and instructions issued by the Board of Directors.

According to the Company's Articles of Association, the Board of Directors shall be composed of at least three (3) members who need not be shareholders. Board members are appointed for a period not exceeding six (6) years, and they will hold office until their successors are elected. The Company's CEO is not a member of the Board of Directors.

The Board of Directors consists of eight members. All members of the Board of Directors, except for Stefan Charette, were re-elected by the Annual General Meeting held on 25 May, 2011 until the next Annual General Meeting of Transcom to be held in 2012. Stefan Charette was appointed as member of the Board of Directors at the Extraordinary General Meeting on 21 November, 2011. Out of the eight members of the Board of Directors, all except two members are independent of the Company, executive management and the largest shareholders according to the definitions set out in Annex II of the European Commission Recommendation of 15 February 2005 on the role of non-executive or supervisory directors of listed companies and on the committees of the (supervisory) board (the "Recommendations"), which is used within the Company to determine the independence of the members of the Board of Directors. Mia Brunell Livfors is CEO at and Torun Litzén is Director of Investor Relations for Investment AB Kinnevik, Transcom's largest shareholder, and are therefore not independent of the Company's owners according to the definitions set out in the Recommendations.

Board of Directors' formal work plan

The Board of Directors is constituted in order to review and decide upon the Company's strategic development, as well as provide support to, and control and supervise, the activities of the executive management of the Company. The Board of Directors has four standing quarterly meetings every year that generally take place in Luxembourg (2) and Sweden (2).

The Board has two standing committees – the Remuneration Committee and the Audit Committees. The two respective Committees meet quarterly and handle business within their respective areas of focus and present their evaluations and recommendations to the Board of Directors. Both Committees manage certain annual responsibilities such as the review of executive compensation and the evaluation and proposal of an external audit firm. For information on the composition of the Board Committees, please see *The Board of Directors, group management and auditors* on page 57.

Remuneration committee

The Remuneration Committee is formed at a Board meeting following the Annual General Meeting. The responsibilities of the Remuneration Committee include issues regarding salaries, pension plans, bonus programmes and other employment terms of the Chief Executive Officer and executive management.

The members of the Remuneration Committee are William Walker as chairman, Mia Brunell Livfors and Henning Boysen.

The Remuneration Committee held three (3) meetings in 2010, two of which were held via telephone conference. All of the Remuneration Committee's members attended these meetings.

Internal regulations for the Remuneration Committe are contained in the Company's Corporate Governance Charter, in full presented on the Company's website.

Audit committee

The Audit Committee is appointed by the Board of Directors to assist the Board of Directors in discharging its responsibilities in the areas of financial reporting, internal audit and risk management. The Audit Committee will regularly oversee the accounting and financial reporting process and the audits of the financial statements of the Company to ensure the balance, transparency and integrity of published financial information. Further, the Audit Committee will ensure that the audits carried out and the subsequent audit reports conform the audit plan.

The Committee also maintains the working relationship with the Company's internal and external auditors, as well as reviewing the Group's accounting and financial reporting procedures. The Audit Committee focuses on ensuring quality and accuracy in the Company's financial reporting, the qualification and independence of the auditors, the Company's adherence to prevailing rules and regulations and, where applicable, transactions between the Company and related parties.

The Audit Committee Internal Regulations are in full presented on the Company's website.

The members of the Audit Committee are Robert Lerwill as chairman, Charles Burdick and Torun Litzén.

The Audit Committee held nine (9) meetings in 2010, six of which was held via telephone conference. All of the Audit Committee's members attended these meetings.

Remuneration Policy for members of the Board of Directors and executive management

The Company's Corporate Governance Charter contains a remuneration policy for member of the Board of Directors and Executive Management (the "Remuneration Policy"). The Remuneration Policy sets out that members of the Board of Directors receive board fees, which are determined by the Annual General Meeting. Transcom does not have supplementary pension and early retirement schemes for members of the Board of Directors. The CEO receives salary and remuneration, which is determined by the Board of Directors. Remuneration for executive management is determined by the Board of Directors in conjunction with the CEO. Senior executives receives remuneration in the form of base salary, equity based payment, remuneration with variable elements based on performance plans (which are agreed by the senior executives and the CEO and reviewed during each year), pension, long term incentive programs and other benefits.

Remuneration to the members of the Board of Directors

Remuneration to the members of the Board of Directors is resolved by the Annual General Meeting based on proposals presented by the Nomination Committee. The Annual General Meeting decided on 25 May 2011 that fees for the members of the Board of Directors for the period up until the end of the 2012 Annual General Meeting should comprise a total sum of EUR 366,500 to be split according to the following: the Chairman of the Board of Directors shall be allocated EUR 90,000 and the other six directors shall each be allocated EUR 40,000. Further, the Annual General Meeting resolved that remuneration for the work of the committees of the Board of Directors shall amount to a total sum of EUR 36,500. The Chairman of the Audit Committee shall be allocated EUR 15,000 and the other two Audit Committee members shall each be allocated EUR 6,000. The Chairman of the Remuneration Committee shall be allocated EUR 4,500 and the other two Remuneration Committee members shall each be allocated EUR 2,500.

Remuneration to the Chief Executive Officer and executive management during 2010

During 2010, the CEO received fixed salary and other remuneration in accordance with the table below, amounting to EUR 425,000. Senior management received fixed salary and other remuneration during 2010 in accordance with the table below.

The period of notice of termination of employment is generally 3–6 months regardless of whether the notice is given by the Company or a member of the senior management. However, with respect to some members of the senior management, the notice period is stipulated in local collective bargaining agreements and for the CEO the notice period is 18 months upon termination by the Company and 12 months upon termination by the CEO. In addition to remuneration under such notice periods, senior management members, however excluding the CEO, are entitled to severance payment; such severance payments do however in no event exceed an amount equivalent to 12 months remuneration. The former CEO Pablo Sanchez-Lozano tendered his resignation in June 2011 and was replaced by Johan Eriksson on 18 November, 2011. The former CEO is entitled to a severance pay amounting to EUR 500,000 to be paid out on or about December 18, 2011.

Long-term incentive plans 2010 and 2011

The Annual General Meeting 2010 and 2011 resolved to adopt long term incentive plans ("LTIP 2010" and "LTIP 2011", respectively, and together the "Incentive Plans"). As of 30 September, 2011, the Incentive Plans are granted to Transcom's executives to subscribe under LTIP 2010 for a total of 495,788 shares and to subscribe under LTIP 2011 for a total of 1,003,719 shares. The grant date for LTIP 2010 was resolved to be 1 July, 2010 and for LTIP 2011 to be 1 January, 2011.

As of 30 September, 2011, the CEO has the right, as part of LTIP 2011, to be awarded maximum 109,205 shares at the end of LTIP 2011.

As of 30 September, 2011, executives within executive management have the right, as part of LTIP 2010, to be awarded, in aggregate, maximum 316,118 shares at the end of LTIP 2010 and the right, as part of LTIP 2011, to be awarded, in aggregate, maximum 648,164 shares at the end of LTIP 2011.

The Incentive Plans are based on the same structure and consists of two elements, a matching share award plan ("loyalty element") and a performance share plan ("performance element"). The purpose of each of the Incentive Plans is to allow Transcom to keep, attract and motivate senior talent and senior executives and to encourage executives to drive shareholder value.

Remuneration to CEO and executive management during 2010

EUR 000s	Gross salary	Bonus	Pension	Other remuneration	Total
CEO	425	0	0	0	425
Senior management	2,111	209	46	0	2,366
Total	**2,536**	**209**	**46**	**0**	**2,791**

The loyalty element requires eligible employees to invest a certain percentage of their salary in shares of the Company ("investment shares") on the market in order to receive potential matching shares. The shares awarded under this plan vest at the end of a three year period. This matching award is conditional upon the eligible employee remaining with Transcom throughout this three-year period and the achievement of a performance hurdle (i.e. market conditions based on the "total shareholder return").

The shares awarded under the performance element vest over a three year period, subject to, performance conditions related to Transcom's EBITDA and, for certain key members of the management team participating in LTIP 2011, also earnings per share. The achievement of a certain level of each condition, measured at each vesting date, yields a specific per centage of shares awarded to each employee at the grant date. For LTIP 2010 and LTIP 2011, the shares granted vest 15% the first year, 20% the second year and 65% the last year.

As of 30 September, 2011, the maximum actual allocation of shares under LTIP 2010 amounts to 495,788 shares corresponding to 0.68 percent of the total outstanding number of Transcom shares as of December 31, 2010, and the maximum allocation of shares under LTIP 2011 amounts to 1,003,719 shares corresponding to 1.37 percent of the total outstanding number of Transcom shares as of 30 September, 2011.

As a consequence of the rights issue and the variation in the Company's share capital, the number of shares to which each executive participating in the LTIP 2010 and LTIP 2011 may be entitled to may be adjusted in any way the Board considers appropriate.

Share option agreement

In 2006 the Company granted options to key management employees and executive officers of the Company to purchase shares in the Company (the "SOP 2006"). The options were granted for a fixed number of shares and at a fixed exercise price that was equal to the estimated fair market value on the date of grant. Each option vests in three equal parts: the first after one year, the second after two years and the third after three years. These share options vested on June 30, 2007, June 30, 2008 and June 30, 2009, and can be exercised up to June 30, 2012. The value of the SOP 2006 has been apportioned equally over the total period of the plan.

As of December 31, 2010 the number of shares outstanding under the SOP 2006 amounted to 537,000 shares corresponding to 0.73 percent of the total outstanding number of Transcom shares as of December 31, 2009 at a weighted average exercise price of EUR 6.53, and a weighted average remaining exercise period of 24 months. No shares were granted, exercised, forfeited or cancelled during 2010.

Supplementary information regarding Corporate Governance

Further information about corporate governance in Transcom is available on the Company's website (www.transcom.com) and in the Annual Report.

Share Capital and Ownership Structure

Share capital

Following the amendments to the Articles of Association of Transcom resolved by the Extraordinary General Meeting of the shareholders held on 21 November 2011, the Company has, before the forthcoming rights issue, a share capital of EUR 3,154,776.399, divided into 36,684,903 Class A voting shares, each with a nominal value of EUR 0.043 and 36,681,990 Class B non-voting shares, each with nominal value of EUR 0.043 of which 12,693 Class A voting shares and 93,835 Class B non-voting shares are held by the Company. All shares are in registered form and have been fully paid-in. The shares in the Company have been issued in accordance with Luxembourg law and are denominated in EUR.

The Company has a first authorised share capital of EUR 3,010,000 (which is in addition of the issued share capital) divided into an aggregate maximum amount of 70,000,000 Class A voting shares and Class B non-voting shares, each with a nominal value of EUR 0.043 (the "First Authorised Share Capital").

A second authorised share capital is set at EUR 55,040,000 (which is in addition of the issued share capital and the existing authorised share capital of Transcom) divided into a maximum of 640,000,000 Class A voting shares and 640,000,000 Class B non-voting shares, each with a nominal value of EUR 0.043 (the "Second Authorised Share Capital").

In connection with the Offer there will be, if fully subscribed for, 1,172,165,840 shares issued (corresponding to an increase of shares of 1,600 percent). The share capital will be increased by an amount of EUR 50,403,131 and an aggregate number of 586,082,920 class A voting shares and 586,082,920 class B non voting shares will be issued. As a result, there will be a dilution effect corresponding to 94 percent of the share capital after the rights issue.

The table below shows the development in Transcom's share capital since the Company was incorporated as a public limited liability company ("société anonyme"). All shares in Transcom are issued in the form of fully paid shares.

Development in Transcom's share capital

Year	Transaction	Nominal value (EUR)	Class A Shares, change	Class B Shares, change	Class A Shares, total	Class B Shares, total	Share capital (EUR)
1997	Incorporation	N/A	1,250	0	1,250	0	Lux Fr. 1,250,000
2000	Capital increase	N/A	1,255	0	2,505	0	Lux Fr. 2,505,000
2001	Conversion of capital into euro	N/A	0	0	2,505	0	62,625
2001	Incorporation of Share Premium into Share Capital	N/A	31,856,494	31,079,708	31,858,969	31,079,708	19,564,710
2001	Capital increase	N/A	0	691,571	31,858,969	31,771,279	19,779,684
2002	Capital increase	N/A	962,050	227,878	32,821,019	31,999,157	21,085,475
2003	Capital increase	N/A	3,270,647	3,060,898	36,091,666	35,060,055	28,976,691.68
2004	Capital increase	N/A	0	727,151	36,091,666	35,787,206	29,776,248.48
2005	Capital increase	N/A	155,710	458,667	36,247,376	36,245,873	30,678,980.30
2006	Capital increase	N/A	137,402	137,125	36,384,778	36,382,998	31,242,862.30
2007	Capital increase	N/A	75,000	75,000	36,459,778	36,457,998	31,552,083.63
2008	Capital increase	N/A	166,536	165,415	36,626,314	36,623,413	31,749,278.63
2009	Capital decrease further to fixing of par value per share of EUR 0.43	0.43	0	0	36,626,314	36,623,413	31,497,382.61
2009	Capital increase	0.43	22,018	22,012	36,648,332	36,645,425	31,516,315.51
2010	Capital increase	0.43	36,571	36,565	36,684,903	36,681,990	31,547,763.99
2011	Reduction of nominal value	0.043	0	0	36,684,903	36,681,990	3,154,776.399
2011	Pending rights issue	0.043	586,082,920	586,082,920	622,767,823	622,764,910	53,557,907.519

Issue of shares and share capital increases

The shares of the Company may be issued pursuant to a resolution of a general meeting of shareholders. The general meeting of shareholders may also delegate the authority to issue new shares to the Board of Directors for a renewable period of maximum five years, which delegation is referred to as authorised share capital as provided in the Articles of Association of the Company.

Based on the First Authorised Share Capital, the Board of Directors is authorised during a period ending 5 years after 26 May 2009, to increase the subscribed share capital and issue new shares within the limits of the authorized share capital. The Board of Directors may determine the terms and conditions of such increase of the subscribed share capital and issue of new shares in respect of (i) when new shares are to be issued, (ii) the amount of the new shares to be issued, (iii) the subscription and payment of the new shares, (iv) whether to remove or limit the preferential subscription right of the shareholders in case of issue of shares against payment in cash and (v) whether the new shares are to be paid in cash or in kind.

Based on the Second Authorised Share Capital, the Board of Directors is authorized during a period ending 3 months after 21 November 2011, to increase the subscribed share capital and issue new shares within the limits of the Second Authorized Share Capital. The Board of Directors may determine the terms and conditions of such increase of the subscribed share capital and issue of new shares in respect of (i) the number of new shares to be issued, (ii) the place and date of the issue, the issue price, the terms and conditions of the subscription which shall comply with the preferential rights of the existing shareholders and payment of the new shares (iii) the subscription period as well as the terms for any trading and transfer of the Subscription Rights throughout the subscription period which may be less than thirty days, (iv) the terms for the trading and transfer of the unexercised Subscription Rights after the end of the subscription period otherwise than on the Luxembourg Stock Exchange, or, as the case may be, the termination of the unexercised Subscription Rights after the end of the subscription period.

Issuance of underlying Shares

Technically, by subscribing for new Share SDRs, the subscribers will subscribe for new shares in Transcom which will be deposited with Carnegie on the subscriber's behalf and represented by new Share SDRs.

The issue of the shares under Luxembourg law is expected to occur on or around:

- with preferential subscription rights: 21 December 2011;
- without preferential subscription rights: 29 December 2011.

Pre-Emptive Rights

Unless limited or cancelled by the general meeting of shareholders or the board of directors in compliance of applicable laws, holders of the Company's shares have a pro rata pre-emptive right to subscribe for any new shares issued for cash consideration. The Company's Articles of Association provide that pre-emptive rights can be waived, suppressed or limited by the board of directors in the event of an increase of the issued share capital by the board of directors within the limits of the First Authorized Share Capital. The Company's Articles of Association further provide that the preferential subscription rights shall be complied in the event of an increase of the issued share capital by the board of directors within the limits of the Second Authorized Share Capital.

If the Company decides to issue new shares in the future and does not waive the pre-emptive rights of existing shareholders, then the Company will publish the period during which the pre-emptive rights may be exercised by placing an announcement in the Luxembourg Official Gazette (Mémorial C) and in two daily newspapers published in Luxembourg. However, where all the shares are in registered form, the shareholders may be notified by registered letter. Such period may not be shorter than thirty days from the date of publication in Luxembourg except with the approval of the Company's general meeting of shareholders as has for instance been authorised for the Second Authorised Share Capital by the general meeting of the shareholders. Luxembourg law does not provide for any procedure for determining the pre-emptive right exercise date and such date shall thus be defined in the relevant resolution on the issue of shares. The pre-emptive right is exercised by sending a duly dated and signed subscription form to the Company and paying for the newly issued shares. Under Luxembourg law, pre-emptive rights are transferable and tradable property rights.

Unexercised subscription rights shall, after the end of the subscription period, be sold publicly by the Company on the Luxembourg Stock Exchange or otherwise as authorised by the general meeting of the shareholders. The unexercised subscription rights for the Offer after the end of the subscription period, will be terminated as authorised by the general meeting of the shareholders.

Description of Transcom's Class A and B Shares

As further described in section *Share capital* above, Transcom has issued Class A Shares and Class B Shares. Each Class A Share holds one vote. The Class B Shares hold no voting rights except in certain circumstances as provided by the Companies Act but are entitled to preferential rights to the reimbursement of their contribution should the Company be dissolved as well as preference on dividends. Following the amendments to the Articles of Association as mentioned above, the Company's Class B Shares are entitled to a cumulative preferred dividend corresponding to the greater of (i) 5% of the accounting par value of the Class B Shares in the Company and (ii) 2 % of the overall dividend distributions made in a given year. Any balance of dividend must be paid equally on each of the Company's Class A and Class B Shares. The Class B Shares shall have preferential rights to the reimbursement of their contribution in the case of a liquidation of the Company. The rights attached to Transcom's shares are provided in articles 5, 6, 21 and 22 of the Articles of Association.

The Class A Shares and Class B Shares are in registered form and are freely transferable. Luxembourg law does not impose any limitations relating to holding or transferring the Class A Shares or Class B Shares. A register of shares is kept at the registered office of the Company where it is available for inspection by any shareholder. Ownership of registered shares is exclusively established by an entry in such register.

The Class A Shares and Class B Shares may be redeemed by the Company in accordance with the rules as laid down in the Luxembourg Companies Act.

The Share SDRs are cleared through the electronic securities system operated by Euroclear. No certificates have been issued in respect to the Share SDRs or will be issued in respect of the Share SDRs to be issued. The ISIN-code of the Share SDR of Class A is SE0000818023 and of the Share SDR of Class B is SE0000818031.

Description of Transcom's Share SDR program

Share SDRs are issued by Carnegie as depository pursuant to "Carnegie Investment Bank AB's terms and conditions for Swedish depositary receipts regarding shares in Transcom WorldWide S.A." (set out in the *Appendix* on page 118) which are governed by Swedish law.

Each Share SDR of Class A represents one Class A Share in the Company and each Share SDR of Class B represents one Class B Share in the Company. Holdings of Share SDRs are registered in the VP Accounts of the beneficial owners of the Share SDRs or their nominees. Ownership of Share SDRs which is registered in the name of a nominee is shown in the records of the nominee. The Share SDRs are listed on the mid cap-list of NASDAQ OMX Stockholm and are traded in SEK. On the condition that no impediment exists according to the laws or regulatory decrees of Sweden, Luxembourg or other country, Carnegie shall upon request by the depository receipt holder without delay arrange for the deposit holder becoming registered directly as owner in the Company's share register, or with other institution approved by the Company assigned to maintain a register of the Company's shareholders, for the number of shares held equivalent to the holder of Share SDR's holding of depository receipts.

Any dividends paid on Transcom shares will be paid to owners of Share SDRs, or to their respective nominees. Dividends shall be paid in SEK or EUR. Following consultation with the Company, Carnegie shall fix a date for the payment of the relevant dividend to the owners. If Carnegie has received dividends from the Company in other currencies than SEK or EUR, Carnegie shall convert the dividend received from the Company into SEK or EUR before the dividend is paid.

If the Company decides to issue new shares, debt instruments or other rights, Carnegie shall inform the owners of Share SDRs thereof of the principal terms for the new issue, debt instruments, or other rights. Carnegie shall ensure that owners of Share SDRs are entitled to vote for the Transcom shares represented by such Share SDRs at shareholders' meetings. Carnegie shall, in consultation with the Company, make arrangements so that depository receipt holders receive notice of general meetings of shareholders.

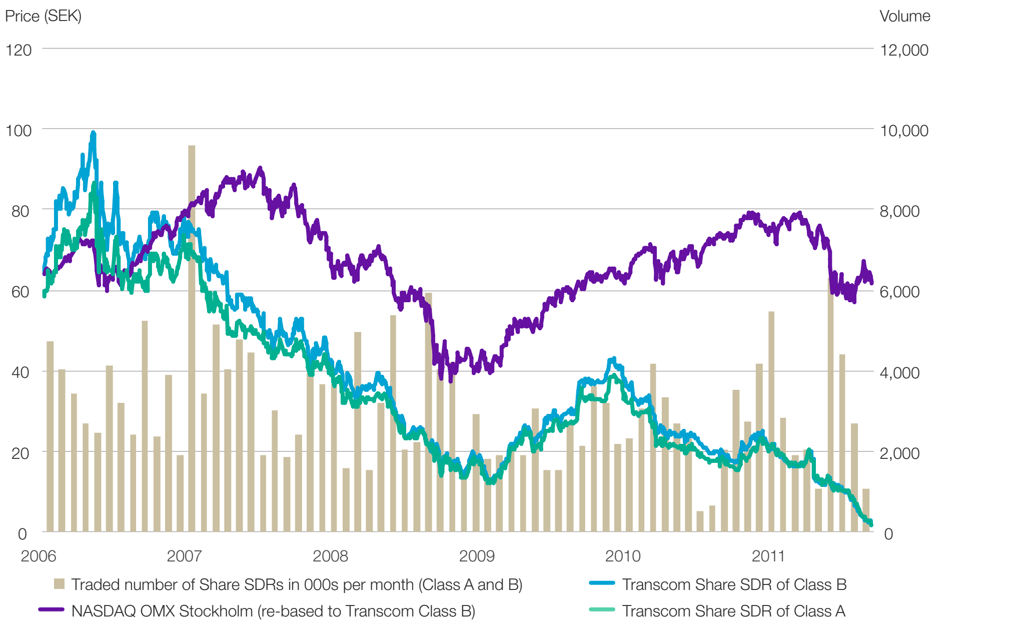
With effect from January 1, 2012, Carnegie will cease to act as depository and issuer of the Share SDRs, since the Company has commissioned Skandinaviska Enskilda Banken AB to, with effect from the same date, act as depository and to issue Share SDRs. Carnegie will accordingly, with effect as per January 1, 2012, and in accordance with clause 11 of the terms and conditions (set out in the *Appendix* on page 118) transfer all its rights and obligations towards the holders of Share SDRs and deliver the Class A Shares and Class B Shares (as applicable) held on behalf of the holders of Share SDRs to Skandinaviska Enskilda Banken AB.

Both Carnegie and Skandinaviska Enskilda Banken AB have their respective head office in Sweden. Both Carnegie and Skandinaviska Enskilda Banken AB have been authorised by the Swedish Financial Supervisory Authority, and are also under its supervision, in accordance with the Banking and Financing Act.

Share SDR price development

Transcom's Share SDRs is listed on NASDAQ OMX Stockholm Mid Cap since September 6, 2001. The chart below shows the turnover and price development of Share SDRs from January 1, 2006 until November 18, 2011.

Share SDR price development



Disclosure of Share SDR ownership

Below is a list of Transcom's largest Share SDR holders as of October 31, 2011. Transcom's largest Share SDR holder as of October 31, 2011 was Investment AB Kinnevik with in aggregate 16,339,448 Class A Share SDRs, corresponding to approximately 22.3 percent of the share capital and 44.6 percent of the votes in the Company. Investment AB Kinnevik does not hold any voting rights other than those held by the other holder of Class A Share SDRs.

Largest Share SDR holders as at October 31, 2011[1)]

Owner	Share SDR of Class A	Share SDR of Class B	Total Holding	Percent of capital	Percent of votes
Investment AB Kinnevik	16,339,448	0	16,339,448	22.3%	44.6%
Investment AB, Öresund	5,963,270	0	5,963,270	8.1%	16.3%
Nordea funds	0	5,240,195	5,240,195	7.2%	0.0%
Fourth Swedish National Pension Fund (AP4)	0	3,220,099	3,220,099	4.4%	0.0%
Odin funds	2,255,282	839,338	3,094,620	4.2%	6.1%
Svolder Aktiebolag	0	2,860,000	2,860,000	3.9%	0.0%
Unionen	1,092,270	1,297,380	2,389,650	3.3%	3.0%
Länsförsäkringar	267,387	1,744,579	2,011,966	2.7%	0.7%
Avanza Pension	279,868	1,558,935	1,838,803	2.5%	0.8%
Skandinaviska Enskilda Banken S.A., NQI	1,583,903	203,933	1,787,836	2.4%	4.3%
Total 10 largest Share SDR holders	27,781,428	16,964,459	44,745,887	61.1%	75.8%
Other	8,890,782	19,623,696	28,514,478	38.9%	24.2%
Total number of shares excluding Transcom's treasury shares	36,672,210	36,588,155	73,260,365	100.0%	100.0%

Source: Euroclear Sweden

1) Excluding Transcom's own holding of 12,693 Class A Shares and 93,835 Class B Shares. Investment AB Kinnevik's holding includes Emesco AB's holdings. Holdings are on an aggregated basis.

The following table shows the distribution of ownership divided into order of size, according to information from Euroclear Sweden as of October 31, 2011. Non-Swedish ownership amounted to 19.8 percent of Transcom's capital and 17.9 percent of the votes as of October 31, 2011.

Share SDR holder structure as at October 31, 2011[1)]

Holding per Share SDR holder	Number of Share SDR holders	Percent of Share SDR holders	Total number of Shares	Percent of capital
1 – 500	10,675	76.5%	1,324,940	1.8%
501 – 1,000	1,335	9.6%	1,085,301	1.5%
1,001 – 2,000	842	6.0%	1,312,700	1.8%
2,001 – 5,000	580	4.2%	1,972,019	2.7%
5,001 – 10,000	227	1.6%	1,757,378	2.4%
10,001 – 20,000	113	0.8%	1,680,062	2.3%
20,001 – 50,000	93	0.7%	2,903,389	4.0%
50,001 – 100,000	43	0.3%	3,044,480	4.2%
100,001 – 500,000	28	0.2%	5,625,092	7.7%
500,001 – 1,000,000	9	0.1%	6,499,150	8.9%
1,000,001 – 5,000,000	12	0.1%	23,753,136	32.4%
5,000,001 – 10,000,000	1	0.0%	5,963,270	8.1%
10,000,001 –	1	0.0%	16,339,448	22.3%
Total	13,959	100.0%	73,260,365	100.0%

Source: Euroclear Sweden

The Articles of Association of the Company do not provide for any specific threshold above which shareholder ownership must be disclosed. Pursuant to the Luxembourg Transparency Act (as defined below), any person who acquires or disposes of shares in the Company's capital must notify the Company's Board of Directors of the proportion of shares, including depository receipts, held by the relevant person as a result of the acquisition or disposal, where that proportion reaches, exceeds or falls below the thresholds referred to in the Luxembourg Transparency Act. As per the Luxembourg Transparency Act, the above also applies to the mere entitlement to acquire or to dispose of, or to exercise, voting rights in any of the cases referred to in the Luxembourg Transparency Act. See further in *Luxembourg Transparency Act* on page 74.

Shareholders' Agreement

The Board of Directors are not aware of any shareholders' agreements in relation to Transcom.

Share Repurchase Plan

The Annual General Meeting has approved a Share Repurchase Plan authorising the Board of Directors to acquire no more than 3,668,490 Class A Shares and 3,668,199 Class B Shares for the purposes of reducing the Company's share capital or to meet obligations arising from employee share option programs or other allocation of shares to the Company's or an associated company's employees. According to the authorisation, the acquisition of the shares may be carried out by any means, on or off the market or by the use of financial derivative instruments, listed on a regulated stock exchange or transacted by mutual agreement subject to all applicable laws and stock exchange regulations.

1) Excluding Transcom's own holding of 12,693 Class A Shares and 93,835 Class B Shares. Investment AB Kinnevik's holding includes Emesco AB's holdings.

Dividends

In accordance with the Articles of Association of the Company, every year, 5 percent of the net profit of the Company will be set aside in order to build up the legal reserve. This deduction ceases to be compulsory as soon and for as long as the legal reserve amounts to 10 percent of the aggregate par value of the issued share capital of the Company. Upon recommendation of the Company's Board of Directors, the general meeting of shareholders will determine how the remainder of the annual net profits will be disposed. The holders of Class B Shares shall be entitled to a cumulative preferred dividend corresponding to the greater of (i) 5 percent of the nominal value of the Class B non-voting shares in the Company and (ii) 2 percent of the overall dividend distributions made in a given year.

In accordance with the Board of Director's proposal, the Annual General Meeting on 25 May, 2011 resolved that the Company's profit amounting to EUR 31,277,965 for the period starting 1 January, 2010 and ending 31 December, 2010 would be allocated as follows: (i) to the preferential cumulative dividend in relation to years 2008 and 2009 in the amount of EUR 157,528 i.e. EUR 0.0043 per share to the holders of Class B shares (which was approved by the Board of Directors on 17 September 2010 and paid as an interim dividend on 27 September 2010); (ii) to the preferential cumulative dividend in relation to year 2010 in the amount of EUR 78,866 i.e. EUR 0.0022 per share to holders of Class B shares; (iii) EUR 86,042 to the reserve for own shares; and (iv) EUR 30,955,529 to the profits carried forward account.

Dividends that have not been claimed within five years as from the date that they have become available shall lapse in favour of the Company.

Change of Control

There are no specific provisions in the Articles of Association of the Company other than those that apply as per applicable laws that would have the effect of delaying, deferring or preventing a change in control of the Company and that would operate only with respect to a merger, acquisition or corporate restructuring involving the Company, or any of its subsidiaries. Luxembourg laws impose the mandatory disclosure of an important participation in the Company and any change in such participation.

Luxembourg Transparency Act

The Luxembourg Act of January 11, 2008 on transparency requirements for issuers of securities (the "Luxembourg Transparency Act") transposing the 2004/109/EC Transparency Directive, contains the obligation to provide ongoing and periodic information about the Company from the moment these securities are admitted to trading on a regulated market situated or operating in a Member State (which the Transparency Directive defines as "regulated information").

The Transparency Act refers to issuers where Luxembourg is the home Member State. Hence, the Transparency Act applies only to issuers for which Luxembourg is the home Member State.

In accordance with the Transparency Act and as determined in the CSSF circular 08/337, the regulated information to be disclosed by the issuer are the following:

- the annual financial report;
- the half-yearly financial report;
- the interim management statements or quarterly reports;
- the notifications of major shareholdings;
- the notification required by the Transparency Act in relation with trading in own shares;
- the total number of voting rights and capital;
- the additional information as specified in article 15 of the Transparency Act (i.e. any change in the rights attaching to the various classes of shares, any changes in the rights of holders of securities, new loan issues and any guarantee or security in respect thereof;
- inside information as defined in the 2003/6/EC Directive on insider dealing and market manipulation.

According to the administrative practice of CSSF reflected in its Answer 28 in the Frequently Asked Questions on the Transparency Act published by the CSSF on 29 July, 2010, as depositary receipts (such as Share SDRs) representing securities are neither shares nor debt securities, the requirement to draw-up half-yearly financial reports and the requirement to prepare interim management statements or quarterly financial reports do not apply to issuers of the securities represented, insofar as only the depositary receipts would be admitted to trading on a regulated market.

Disclosure of Substantial Holdings

Articles 8 to 15 of Chapter III of the Transparency Act regulate the ongoing disclosure requirements relating to major shareholdings. The obligations set down in those law provisions apply to holders of shares, including depositary receipts in respect of shares.

The notification obligations apply to all the shares admitted to trading on a regulated market where Luxembourg is the Home Member State (as defined therein) of the issuer of those shares and provided that voting rights are attached to the shares.

A shareholder that acquires or disposes of such shares shall notify the issuer and, based on the CSSF circular 08/337, file at the same time, with the CSSF the proportion of voting rights held as a result of the acquisition or disposal where that proportion reaches, exceeds or falls below the thresholds of 5 percent, 10 percent, 15 percent, 20 percent, 25 percent, 33 1/3 percent, 50 percent and 66 2/3 percent.

In cases, where the issuer of shares itself acquires or disposes of own shares, a publication requirement is triggered when thresholds of 5 percent and 10 percent are reached, exceeded or undercut. Such person must notify the CSSF and the company whose shares or securities representing such shares are listed on stock exchanges situated or operating within one or more EU member states, of the proportion of such person's or legal entity's voting rights following that acquisition or disposal.

All the information contained in the shareholder's notification to the issuer must be published by the issuer and the information must be communicated to the CSSF at the latest at the moment of its publication.

Articles of Association

Chapter I. Form name, registered office, object, duration

Article 1. Form, Name

There is hereby established among the subscribers and all those who may become owners of the shares hereafter created a Company in the form of a société anonyme which will be governed by the laws of the Grand Duchy of Luxembourg ("Luxembourg") and by the present articles.

The Company will exist under the name of "Transcom WorldWide S.A.".

Article 2. Registered Office

The Company will have its registered office in the municipality of Hesperange. It may be transferred to any other municipality in the Grand Duchy of Luxembourg by means of a resolution of the sole shareholder or in case of plurality of shareholders by means of a resolution of an extraordinary general meeting of its shareholders deliberating in the manner provided for amendments to the Articles.

The board of directors of the Company is authorized to change the address of the Company inside the municipality of the Company's registered office.

Article 3. Purposes

The purposes for which the Company is formed are to provide a multilanguage customer helpline and support service for any activities and services, to provide merchant service and support activities.

The Company may engage alone or together with others, for its own account or for a third party, itself or through the intermediary of a third party, in any commercial, industrial or financial activities directly or indirectly connected with its object.

The Company may take directly or indirectly participations of any kind in any entity or company having an object identical, similar or connected to its own object. The Company may grant financial and other assistance in particular in the form of guarantees or loans or in any other manner to companies forming part of the group of companies it is a part of.

In a general fashion the Company may carry out any operation which it may deem useful in the accomplishment and development of its object. The foregoing is to be construed in accordance with the widest interpretation.

Article 4. Duration

The Company is formed for an unlimited duration.

Chapter II. Capital, shares

Article 5.Corporate Capital

The Company has an issued capital of three million one hundred fifty-four thousand seven hundred seventy-six point three hundred ninety-nine Euro (EUR 3,154,776.399), divided into thirty six million six hundred eighty-four thousand nine hundred three (36,684,903) Class A voting shares, each with a nominal value of zero point zero forty-three Euro (EUR 0.043) and thirty six million six hundred eighty-one thousand nine hundred ninety (36,681,990) Class B non-voting shares, each with nominal value of zero point zero forty-three Euro (EUR 0.043); all shares being fully paid-in.

A first authorised share capital is set at three million ten thousand Euro (EUR 3,010,000) (which is in addition of the issued share capital) divided into an aggregate maximum amount of seventy million (70,000,000) Class A voting shares and Class B non-voting shares, each with a nominal value of zero point zero forty-three Euro (EUR 0.043).

The board of directors is authorised and empowered to:

- realise any increase of the corporate capital within the limits of the authorised capital in one or several successive tranches, by the issuance of new shares, against payment in cash or in kind, by conversion of claims or in any other manner;
- determine the place and date of the issue or the successive issues, the issue price, the terms and conditions of the subscription of and paying up of the new shares; and
- remove or limit the preferential subscription rights of the shareholders in case of issue of shares against payment in cash.

This authorisation is valid for a period expiring five (5) years after 26 May 2009 and it may be renewed by a general meeting of shareholders for those shares of the authorised corporate capital which up to then will have not been issued by the board of directors.

A second authorised share capital is set at fifty-five million forty thousand Euro (EUR 55,040,000) (which is in addition of the issued share capital) divided into a maximum of six hundred forty million (640,000,000) Class A voting shares and six hundred forty million (640,000,000) Class B non-voting shares, each with a nominal value of zero point zero forty-three Euro (EUR 0.043).

The board of directors is authorised and empowered to:

- realise any increase of the issued share capital in the maximum amount of the Additional Authorised Share Capital within three (3) months as from the date of the notarial deed documenting the creation of this second authorised share capital in one or several successive tranches by the issuance of new shares, against payment in cash, by way of transfer of distributable reserves to the share capital or in any other manner,
- determine the place and date of the issue or the successive issues, the issue price, the terms and conditions of the subscription which shall comply with the preferential rights of the existing shareholders and payment of the new shares,
- determine the subscription period which may be less than thirty (30) days as well as the terms for any trading and transfer of the subscription rights throughout the subscription period,
- determine the terms for the trading and transfer of the unexercised subscription rights after the end of the subscription period, which may be sold by Transcom otherwise than on the Luxembourg Stock Exchange or, as the case may be, the termination of the unexercised subscription rights after the end of the subscription period and
- implement the present authorisation, conclude all agreements, carry out all formalities and make all declarations with regard to all authorities and institutions and, generally, do all that is necessary for the execution of any decisions made in connection with this authorisation.

Following each increase of the corporate capital realised and duly stated in the form provided for by law, the first paragraph of Article 5 will be modified so as to reflect the actual increase; such modification will be recorded in authentic form by the board of directors or by any person duly authorised and empowered by it for this purpose.

Article 6. Shares

The shares will be in the form of registered shares.

Every holder of shares shall be entitled, without payment, to receive one registered certifi cate for all such shares or to receive several certificates for one or more of such shares upon payment for every certificate after the first of such reasonable out-of-pocket expenses as the board of directors may from time to time determine. A registered holder who has transferred part of the shares comprised in his registered holding shall be entitled to a certificate for the balance without charge.

Share certificates shall be signed by two directors. Both such signatures may be either manual, or printed, or by facsimile. The Company may issue temporary share certificates in such form as the board of directors may from time to time determine.

Shares of the Company shall be registered in the register of shareholders which shall be kept by the Company or by one or more persons designated therefore by the Company; such register shall contain the name of each holder, his residence or elected domicile and the number of shares held by him. Every transfer and devolution of a share shall be entered in the register of shareholders.

Where Shares are held in the name of a securities settlement system or the operator thereof or any professional depository of securities or recognised clearing system (collectively a “depositary”) and provided the Company is advised by the depositary that Shares are held on behalf of a determined person, the Company shall for the sole purpose of admitting to and voting at shareholders meetings recognise such person as the full owner of such Shares.

Transfer of shares shall be effected by delivering the certificate or certificates representing the same to the Company along with an instrument of transfer satisfactory to the Company or by written declaration of transfer inscribed in the register of shareholders, dated and signed by the transferor, or by persons holding suitable powers of attorney to act therefore.

Every shareholder must provide the Company with an address to which all notices and announcements from the Company may be sent. Such address will also be entered in the register of shareholders.

In the event that such shareholder does not provide such an address, the Company may permit a notice to this effect to be entered in the register of shareholders and the shareholder’s address will be deemed to be at the registered office of the Company, or such other address as may be so entered by the Company from time to time, until another address shall be provided to the Company by such shareholder. The shareholder may, at any time, change his address as entered in the register of shareholders by means of a written notification to the Company at its registered office, or at such other address as may be set by the Company from time to time and notice thereof given to the shareholders.

The Company will recognise only one holder of a share of the Company.

In the event of joint ownership, the Company may suspend the exercise of any right deriving from the relevant share until one person shall have been designated to represent the joint owners vis-à-vis the Company.

If any shareholder can prove to the satisfaction of the Company that his share certificate has been mislaid, lost, stolen or destroyed, then, at his request, a duplicate certificate may be issued under such conditions as the Company may determine subject to applicable provisions of law.

Mutilated share certificates may be exchanged for new ones on the request of any shareholder. The mutilated certificates shall be delivered to the Company and shall be annulled immediately.

Chapter III. Board of directors, statutory auditors

Article 7. Board of Directors

The Company will be administered by a board of directors composed of at least 3 (three) members who need not be shareholders.

The directors will be elected by the shareholders' meeting, which will determine their number, for a period not exceeding 6 (six) years, and they will hold office until their successors are elected. They are reeligible, but they may be removed at any time, with or without cause, by a resolution of the shareholders' meeting.

In the event of a vacancy on the board of directors, the remaining directors may elect by majority vote a director to fill such vacancy until the next meeting of shareholders.

Article 8. Meetings of the Board of Directors

The board of directors will choose from among its members a chairman. It may also choose a secretary, who need not be a director, who will be responsible for keeping the minutes of the meetings of the board of directors and of the shareholders.

The board of directors will meet upon call by the chairman. A meeting of the board must be convened if any two directors so require.

The chairman will preside at all meetings of shareholders and of the board of directors, but in his absence the general meeting or the board will appoint another director or person as chairman pro tempore by vote of the majority of directors or shareholders present at such meeting.

Except in cases of urgency or with the prior consent of all those entitled to attend, at least 3 (three) days' written notice of board meetings shall be given. Any such notice shall specify the time and place of the meeting and the nature of the business to be transacted. The notice may be waived by the consent in writing or by telefax, cable, telegram or telex of each director. No separate notice is required for meetings held at times and places specified in a schedule previously adopted by resolution of the board of directors.

Every board meeting shall be held in Luxembourg or such other place as the board may from time to time determine.

Any director may act at any meeting of the board of directors by appointing in writing or by telefax, cable, telegram or telex another director as his proxy.

A quorum of the board shall be the presence of more than one half of the directors holding office.

Decisions will be taken by the affirmative votes of a majority of the directors holding office.

A written decision, signed by all the directors, is proper and valid as though it had been adopted at a meeting of the board of directors, which was duly convened and held. Such a decision can be documented in a single document or in several separate documents having the same content.

One or more members of the board may participate in a meeting by means of a telephone conference or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at the meeting.

Article 9. Minutes of meetings of the Board of Directors

The minutes of any meeting of the board of directors will be signed by the chairman of the meeting. Any proxies will remain attached thereto.

Copies or extracts of such minutes which may be produced in judicial proceedings or otherwise will be signed by the chairman or by any two members of the board of directors.

Article 10. Powers of the Board of Directors

The board of directors is vested with the broadest powers to perform all acts necessary or useful for accomplishing the Company's purposes. All powers not expressly reserved by law to the general meeting of shareholders are in the competence of the board of directors.

Article 11. Delegation of Powers

The board of directors may delegate the daily management of the Company and the representation of the Company within such daily management to one or more directors, officers, executives, employees or other persons who may but need not be shareholders. The Company may further delegate special powers or proxies, or entrust determined permanent or temporary functions to persons or agents chosen by it and determine the signatory powers to such persons or agents.

Article 12. Conflict of Interests

No contract or other transaction between the Company and any other company or firm shall be affected or invalidated by the fact that any one or more of the directors or officers of the Company has a personal conflicting interest in, or is a director, associate, officer or employee of such other company or firm. Any director or officer of the Company who serves as a director, associate, officer or employee of any company or firm with which the Company shall contract or otherwise engage in business shall not, by reason of such affiliation with such other company or firm, be prevented from considering and voting or acting upon any matters with respect to such contract or other business.

Any director or officer having an interest in a transaction submitted for approval to the board of directors conflicting with that of the Company, shall advise the board thereof and cause a record of his statement to be included in the minutes of the meeting. He may not take part in these deliberations. At the next following general meeting, before any other resolution is put to vote, a special report shall be made on any transactions in which any of the directors may have had an interest conflicting with that of the Company. The provisions of the preceding paragraph are not applicable when the decisions of the board of directors of the Company or of the director concern day-to-day operations engaged in normal conditions.

To the fullest extent permitted by law, the Company shall indemnify any director or officer and his heirs, executors and administrators, against expenses reasonably incurred by him in connection with any action, suit or proceeding to which he may be made a party by reason of his being or having been a director or officer of the Company, or at the request of the Company, of any other company to which the Company is a shareholder or creditor, except in relation to matters as to which he shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or wilful misconduct; in the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Company is advised by its legal counsel that the person to be indemnified not commit such a breach of duty. The foregoing right of indemnification shall not exclude other rights to which he may be entitled.

Article 13. Representation of the Company

The Company will be bound towards third parties by the joint signatures of any two directors, or by the individual signature of the person to whom the daily management of the Company has been delegated, within such daily management, or by the joint signatures or single signature of any persons to whom a signatory power has been delegated by the board, but only within the limits of such power.

Article 14. Auditors

The supervision of the operations of the Company is entrusted to one or more auditors ("commissaire(s) aux comptes") who need not be shareholders, or to the extent required by Luxembourg law to external and independent auditors ("réviseurs d'entreprises"). The auditors will be elected by the shareholders' meeting by a majority of the votes present or represented at such meeting, which will determine their number, for a period not exceeding (6) six years. They will hold office until their successors are elected. They are reeligible, but they may be removed at any time, with or without cause, by a resolution adopted by a majority of the shareholders present or represented at a shareholders' meeting.

Chapter IV. Meetings of shareholders

Article 15. Powers of the meeting of shareholders

Any regularly constituted meeting of shareholders of the Company represents the entire body of shareholders. It has the powers conferred upon it by law.

Article 16. Admission

The board of directors will determine in the convening notice the formalities to be observed by each shareholder for admission to a general meeting of shareholders. The holders of Class A and Class B shares are entitled to attend any meetings of shareholders.

Article 17. Annual General Meeting

The annual general meeting will be held in the Grand-Duchy of Luxembourg, at the registered office of the Company or at such other place as may be specified in the notice convening the meeting on the last Wednesday of May of each year, at 10.00 a.m.. If such day is a public holiday, the meeting will be held on the next following business day.

Article 18. Other General Meetings

The board of directors may convene other general meetings. Such meetings must be convened if shareholders representing at least 1/10 (one tenth) of the Company's capital so require.

Shareholders' meetings, including the annual general meeting, may be held abroad if, in the judgement of the board of directors, which is final, circumstances of force majeure so require.

Article 19. Procedure, Vote

Shareholders will meet upon call by the board of directors or the auditor or the auditors made in the forms provided for by law. The notice will contain the agenda of the meeting. If all the shareholders entitled to vote are present or represented at a shareholders' meeting and if they state that they have been informed of the agenda of the meeting, the meeting may be held without prior notice.

A shareholder may act at any meeting of the shareholders by appointing in writing or by telefax, cable, telegram or telex as his proxy another person who need not be a shareholder. The holders of Class A shares of the Company shall be entitled at each meeting of the shareholders to one vote for every share. The holders of Class B shares shall not have any voting rights, expect in the circumstances described in the law, in which case the holders of Class B shares shall be entitled at each meeting of the shareholders at which they are entitled to vote to one vote for every Class B share.

Resolutions by the meeting of shareholders shall be adopted with the quorum of presence and majority vote requirement imposed by law.

Copies or extracts of the minutes of the meeting to be produced in judicial proceedings or otherwise will be signed by the chairman or by any two members of the board of directors.

Chapter V. Financial year, distribution of profits

Article 20. Financial Year

The Company's financial year begins on the first day of January and ends on the last day of December in every year. The board of directors shall prepare annual accounts in accordance with the requirements of Luxembourg law and accounting practice.

Article 21. Appropriation of Profits

From the annual net profits of the Company, 5 percent shall be allocated to the reserve required by law. That allocation will cease to be required as soon and as long as such reserve amounts to 10 percent of the subscribed capital of the Company. Upon recommendation of the board of directors, the general meeting of shareholders determines how the remainder of the annual net profits will be disposed of. It may decide to allocate the whole or part of the remainder to a reserve or to a provision reserve, to carry it forward to the next following financial year or to distribute it to the shareholders as dividend. The holders of Class B shares shall be entitled to a cumulative preferred dividend corresponding to the greater of (i) 5% of the accounting par value of the Class B shares in the Company and (ii) 2% of the overall dividend distributions made in a given year. Subject to the conditions fixed by law, the board of directors may pay out an advance payment on dividends. The board fixes the amount and the date of payment of any such advance payment.

Dividends may also be paid out of unappropriated net profit brought forward from prior years. Dividends shall be paid in Euros or by free allotment of shares of the Company or otherwise in specie as the directors may determine, and may be paid at such times as may be determined by the board of directors.

Payment of dividends shall be made to holders of shares at their addresses in the register of shareholders. No interest shall be due against the Company on dividends declared but unclaimed.

Chapter VI. Dissolution, liquidation

Article 22. Dissolution, Liquidation

The Company may be dissolved by a decision taken in a meeting of shareholders in accordance with the quorum of presence and majority vote requirements imposed by law. Should the Company be dissolved, the liquidation will be carried out by one or more liquidators appointed by the general meeting of shareholders, which will determine their powers and their compensation.

The Class B shares shall have preferential rights to the reimbursement of their contribution.

Chapter VII. Applicable law

Article 23. Applicable Law

All matters not governed by these articles of incorporation shall be determined in accordance with the Luxembourg law of August 10th, 1915 on commercial companies, as amended.

The Company also applies corporate governance rules as stated herein and under the Luxembourg law of August 10th, 1915 on commercial companies, as amended, which are further completed by a corporate governance charter posted on the Company's website and by a corporate governance chapter included in the Company's annual report.

Legal Considerations and Supplementary information

Subsidiaries

The list below sets out the Company's most significant Subsidiaries as per 30 September, 2011.

Subsidiary	Country	Percent of capital and votes
IS Inkasso Service GmbH	Austria	100
Transcom WorldWide (North America) Inc.	Canada	100
Transcom WorldWide Chile Limitada	Chile	100
Transcom CMS AS	Denmark	100
Transcom WorldWide France SAS	France	100
Transcom CMS Forderungs management GmbH	Germany	100
Transcom WorldWide GmbH	Germany	100
Transcom WorldWide Spa	Italy	100
Transcom WorldWide BV	The Netherlands	100
Transcom Norge AS	Norway	100
Transcom WorldWide Philippines Inc	Philippines	100
Transcom WorldWide Poland Sp. z o.o.	Poland	100
Transcom WorldWide Spain S.L.	Spain	100
Transcom AB	Sweden	100
Transcom Credit Management Services AB	Sweden	100
Stockholm Tolkförmedling AB	Sweden	99[1)]
Cloud 10 Corp.	United States	100

Significant Agreements

General information on supplier contracts

In order for the Group to be able to provide the CRM and CMS services, it is dependent on functioning IT solutions. The Group has entered into a large number of supplier and lease agreements relating to e.g. supply, implementation, maintenance and upgrading of software, lease of hardware and telecommunication services. Transcom and its Subsidiaries are not dependent on any single supplier contract. A loss of an important supplier could, in the short term, result in increased costs, but would not entail a material impact on the Group as a whole as there are generally alternate suppliers. It is important to Transcom that costs related to IT solutions are recovered in the price of the contract with the clients. Transcom is currently managing this by evaluating the costs in light of the solidity of the client portfolio, i.e. number of contracts, duration of the agreements, loyalty of its clients etc., and funnel of new deals that are negotiated.

General information on client contracts

Transcom and its Subsidiaries have more than 350 clients of which the ten largest clients accounted for almost 60 percent of total revenue of the Group in 2010. Except for the top 10 clients, no individual client accounted for more than 1.5 percent of the Groups total revenue. The Group has recently standardized master service agreements for clients which may either be entered into on a local country by country level by the relevant Subsidiaries, or through a master service agreement entered into centrally by Transcom with local sub-agreements. As an exception, some master services agreements include so called termination for convenience clauses, involving that the contract could be terminated by the client at any time. Further, also as an exception, there exist some master services agreements under which Transcom has not limited its potential liabilities under the contract in case of breach. Also, there are no inflation provisions built in some of the client contracts, which could have the effect that in case of high inflation, the revenue from the contract would effectively be reduced. Further, the Group has entered into contracts allowing for an extended payment term, exceeding 30 days. However, all of the agreements with the top ten clients except for three have a payment term of 30 days, which is the standard payment term applied by the Group in relation to its clients. Five of the agreements with the top ten clients include volume commitments of different kinds. Such volume commitments are client specific, but generally they involve that the client provides a forecast of which a certain per cent level is guaranteed.

Master Services Agreement with Tele2 Sverige AB

The most important client agreement of the Group is the Master Services Agreement (the "MSA") between Transcom and Tele2 Sverige AB ("Tele2"), entered into on 7 July, 2010. The term of the MSA is 36 months from the effective date and is thereafter prolonged for (an) additional period(s) of

1) Transcom has information about the indirect minority shareholder claiming to own indirectly 9 per cent rather than 1 per cent of the shares.

12 months, unless declared terminated by either party at least 6 months prior to the expiration of the relevant period. The MSA sets out that Transcom shall handle contact services centres and serve as the "face" presented by Tele2 to its clients. In order for the MSA to become formally effective and binding between any Tele2 subsidiary and any Transcom Subsidiary, such subsidiaries shall sign a local agreement. Transcom has signed a parent company guarantee for the fulfilment of any and all obligations related to a Subsidiary conducting services under a local agreement. Pursuant to the MSA, Transcom shall have the systems and networks to execute the agreed services, and warrants that it has maintenance agreements and spare parts on the needed hardware. Transcom shall own and pay for all necessary standard technical equipment. Transcom is generally only liable towards Tele2 for direct damages, and such liability is capped at a certain level in relation to the amount of service fees paid by Tele2. However, for certain particular matters, Transcom is liable also for indirect damages, and the cap is then also higher than for direct damages. The MSA includes a volume commitment involving that Tele2 shall provide Transcom with a forecast in accordance to a certain procedure on a rolling three months period. Certain percentage levels of the forecast, which are reduced during the three month period, are guaranteed by Tele2.

The revenues from agreements with Tele2 correspond to approximately 17 percent of the total revenue of the Group, year to date in 2011.

Loan and Financing Agreements

The Existing Credit Facilities Agreement

The Company entered into a EUR 200,000,000 multicurrency revolving facilities agreement on 12 April, 2007 (as amended) with a syndicate of banks comprising of Skandinaviska Enskilda Banken AB, DnB Nor Bank ASA, Norge, Filial Sverige and Svenska Handelsbanken AB (publ).

The existing credit facilities agreement contains customary covenants, including restrictions and limitation on further borrowing, guarantee commitments and security, significant changes in operations and material acquisitions and divestments. Moreover, the existing credit facilities agreement contains financial covenants, including:

- requirements with regard to the ratio of consolidated total net debt to consolidated EBITDA; and
- requirements with regard to the ratio of consolidated EBITDA to consolidated net financial expenses.

No security has been provided under the existing credit facilities agreement.

The existing credit facilities agreement also provides for an option for the lenders to require a full repayment of any borrowing upon the occurrence of customary events of defaults.

The existing credit facilities agreement matures in April 2012. During the second quarter 2011 the Company renegotiated its covenant levels with its leading banks. The consolidated total net debt to consolidated EBITDA covenant levels were raised for the second, third and fourth quarters of 2011.

New Credit Facilities Agreement

The Company entered into a new EUR 125,000,000 term loan and revolving multicurrency facilities agreement on 18 October, 2011 with the same bank syndicate members as under the existing credit facilities agreement. The lenders' obligation to provide loans under the new credit facilities agreement is, inter alia, conditional upon the Offer having been completed no later than 31 January, 2012 and that the net proceeds received thereunder will be applied in repayment of existing loans under the existing credit facilities agreement.

The new credit facilities agreement is divided into two separate facilities; a multicurrency term loan of EUR 50,000,000 and a multicurrency revolving facility of EUR 75,000,000.

The termination date for the term loan and the revolving facility is three (3) years from the date of the agreement.

The purpose of the term loan is to be applied towards refinancing of outstanding debt under the existing credit facilities agreement. The purpose of the revolving facility is to be applied for general corporate and working capital purposes of the Group and acquisitions permitted under the credit facilities agreement. Under the revolving facility, the Company may establish guarantees however not in excess of EUR 25,000,000 in aggregate.

The term loan shall, starting from 31 March, 2013 be partly repaid on a quarterly basis and the remaining amount shall be repaid on the termination date. The Company may cancel or prepay the facilities in advance (in whole or in part).

No security has been provided under the new credit facilities agreement.

The new credit facilities agreement contains provisions regarding mandatory prepayments in respect of disposal proceeds, with certain agreed exceptions, and upon the occurrence of a control event. Moreover, 50 percent of excess cash flow, according to a certain definition, shall be applied in mandatory prepayment.

The initial borrowing cost under the new credit facilities agreement is the total of 2.75 percent per annum in margin and the applicable interbank offered rate (such as Euribor for Euro). The margin is subject to a ratchet and may be adjusted upwards or downwards depending on the ratio of consolidated total net debt to consolidated EBITDA. In case any borrowings are made in USD an additional margin of 0.25 percent per annum will be added to the interest element. The initial margin of 2.75 percent will apply also to loans under the existing credit facilities agreement until these loans are refinanced under the new credit facilities agreement.

The new credit facilities agreement contains representations, undertakings and events of defaults customary for similar financing arrangements. Compared to the existing credit facilities agreement, the new credit facilities agreement imposes certain additional undertakings/restrictions, including restrictions on factoring arrangements and acquisitions.

The following financial covenants are included in the new credit facilities agreement:

- requirements with regard to the ratio of consolidated total net debt to consolidated EBITDA; and
- requirements with regard to the ratio of consolidated EBITDA to consolidated net financial expenses.

The financial covenants will be tested quarterly on a rolling twelve months basis starting from 31 December, 2011 for the ratio of consolidated EBITDA to consolidated net financial expenses and 31 March, 2012 for the ratio of consolidated total net debt to consolidated EBITDA.

The requirements with regard to the ratio of consolidated total net debt to consolidated EBITDA provided for under the new credit facilities agreement imply further reductions of the Company's leverage than those set out in the existing credit facilities agreement.

The Company believes that the new credit facilities agreement will provide sufficient financing for the current operations and that the financial covenant levels have been established with appropriate headroom to the Company's financial projections.

The calculations of the financial covenants will be made on the basis of definitions in the new credit facilities agreement. Those definitions are to a certain extent tailored for the purposes of the new credit facilities agreement and may therefore divert from similar definitions used in the Company's financial reporting or otherwise.

Other Guarantee Undertakings

Transcom has agreed to specific indemnification undertakings for the sole benefit of one of its clients. The purpose of these undertakings is inter alia to ensure the continuation of the business of one of the Subsidiaries. Transcom has provided this client with three on-demand bank guarantees as follows: EUR 2,500,000 (Guarantee 1), EUR 5,000,000 (Guarantee 2) and EUR 5,000,000 (Guarantee 3) primarily issued by Société Générale and then taken over by BNP Paribas. All Guarantees will expire on 31 December, 2012.

Transcom has, as the parent company of Transcom France, agreed to grant to Media Mail (Arvato – Bertelsman Group) a first demand guarantee in respect of a payment obligation of Transcom France under the terms of guarantee of the Tulle Business Sale Agreement (please see below under *Acquisitions and divestments*). The cap of this first demand guarantee is (i) EUR 5,000,000 until 30 May 2012, (ii) EUR,1,400,000 until 30 May 2013 and (iii) EUR 1,200,000 until 30 May, 2014. The guarantee remains valid until 30 May, 2014 or until the last date on which claims for indemnities triggered under the Tulle Business Sale Agreement have been fulfilled. For further information on the Tulle Business Sale Agreement, see *Acquisitions and divestment* on page 85.

A Subsidiary has issued a guarantee for the benefit of a client, intended to cover potential liabilities resulting from the possible termination of a client relationship. The guarantee has various limitations both in terms of maximum amount and duration. The overall cap amount is related to the potential liabilities, estimated to be in total of approximately EUR 7,500,000. One part of the guarantee expires on 31 December, 2012 (such part accounting for EUR 3,500,000 of the total maximum guarantee), and another part expires on 31 December, 2013 (such part accounting for the remaining part of the total maximum guarantee). As to the date of this Prospectus, there exists no liability and there is no provision booked in the accounts in respect of this guarantee.

Acquisitions and divestments

Two businesses have been sold in France, the Roanne Business and the Tulle Business, which both are going concerns of call center activities. On 20 April, 2011, Transcom France sold the Roanne Business to B2S Roanne for a total amount of EUR 1. B2S Roanne has made a number of undertakings in particular to maintain the existing employment contracts and develop the business together with its related volumes of operations. On 30 May, 2011, Transcom France sold the Tulle Business to Media Mail (Arvato –Bertelsman Group) for a total amount of EUR 1. Under the sale agreement Transcom France gave a number of employee-related representations and warranties, of which two are still outstanding. One of those warranties covers a 3-year period ending 29 May, 2014 and has a current cap of EUR 2 million being reduced gradually to EUR 1.2 million on 30 May, 2013, where after it expires on 29 May, 2014. In relation to this warranty, Media Mail has given Transcom France notice that 35 employees have lodged an appeal against a previous Labour Court decision by which such employees had their claims against Transcom France rejected. Transcom assesses that the risk for this appeal ultimately succeeding is low. The other still outstanding warranty covers a 2-year period ending on 29 May, 2013. It has a total cap of EUR 3 million until 29 May, 2012, and thereafter of EUR 2.5 until it expires on 29 May, 2013. As described above under *Other Guarantee Undertakings* on page 84, Transcom has, as the parent company of Transcom France, granted Media Mail a first demand guarantee. Transcom has made a general provision of EUR 1.34 million in its accounts with respect to guarantees given in connection with the sale of the Tulle and the Roanne sites in France.

Leases

The Group leases approximately 70 premises throughout the world. The lease agreements are entered into by local Subsidiaries. Under the rightsizing plan, six sites have been closed and discussions are held regarding the closing or downsizing of additional sites. In addition, a number of lease agreements have been terminated. The Group will have costs in relation to the payment of rents under the agreements regarding the closed sites until the end of the term of the relevant lease agreements, unless it successfully is able to transfer the lease agreements or sub-lease the relevant facilities.

Regarding the Vélizy call center there is an ongoing project to close down the site and to reorganize the central functions of Transcom France, also based in Vélizy. The Vélizy lease agreement is due to expire on 14 September, 2017. The rental cost, including utilities, amounts to EUR 600,012 in 2011. The rent is automatically renewed each year. Transcom France has a right to terminate the Vélizy lease agreement as of 14 September, 2013, with six months notice.

In Sweden the Strömsnäsbruk site will be closed during the first quarter in 2012. The lease agreement expires on 31 March, 2013 and the yearly rental costs are EUR 69,324. Discussions are held with the landlord during November 2011 regarding rental costs until expiry of the agreement.

The rental costs under the lease agreements related to sites that are being closed in the implementation of the restructuring plan have all been provided for.

Restructuring Programme

In June 2011, Transcom decided to launch a restructuring and rightsizing plan aimed at adjusting its delivery capacity to the current book of business, strengthening global competitiveness and increasing operational efficiency.

The implementation of the programme involves restructuring measures such as reductions in work force and appurtenant consultation procedure with employee representatives. The restructuring program has and is particularly affecting the North Region, the North America Region, and France, as further specified below.

Canada

In Canada, the sites Owen Sound in Ontario, Cobourg in Ontario, Oromocto in New Brunswick and Montreal in Quebec have been closed during 2011. The closures include the reduction of approximately 409 employees across the four sites, and reduction in total seat reliance on removing 598 seats of capacity. No client contracts or supplier contracts have been impacted based on this reduction except that penalties for early termination of IT infrastructure (connectivity to sites closed) became payable. No claims have been presented to date, either employee or otherwise as a result of the consolidation activities. All early termination amounts and severance payments were charged to the restructure provision and there has been no adverse profit and loss affect for any unexpected costs or notifications.

The US

In the US, the San Antonio site has been downsized under the restructuring programme due to excess/unused capacity. A provision has been made for approximately 46 percent of the real estate and lease costs associated with the site. No employees, suppliers or clients have been impacted and no claims have been received or are expected as a result of this downsizing.

France

As further described in *Acquisitions and divestments* on page 85, two call center businesses have been sold in France, the Roanne Business and the Tulle Business. As a result of the divestments of these French sites, client revenues amounting to EUR 9.4 million annually was sold as well.

Further, on 13 October, 2011, Transcom France presented the central works council (comité central d'entreprise) with the project to possibly close down the Vélizy call center and to reorganize the central functions of Transcom France, also based in Vélizy, which should lead to the elimination of positions at the site. Transcom expects, subject to the negotiation process with the works council, that the site closure will be executed in Q1 2012 and the estimated costs have been provided for by Transcom.

The North Region

In Sweden, the Strömsnäsbruk site will be closed during the first quarter in 2012 which will affect 200 employees. In Denmark, the Vordingborg site will be closed during the first quarter in 2012 which will affect approximately 70 employees. The affected employees in Sweden will be offered transfer to other sites in Sweden and the affected employees in Denmark will be offered transfer to new sites which will be opened in Copenhagen.

There have been no claims from suppliers, clients or employees in relation to the restructuring in the North. However, the consultation- and negotiation process with the unions regarding the close-down of the Strömsnäsbruk site are not finalized. Such consultation- and negotiation process is a legal requirement and Transcom can not execute any decision in respect of redundancies etc. until the process is finalized.

Environmental issues

The most significant environmental impact caused by Transcom's business is energy and resource consumption. Environmental impacts are given detailed consideration and Transcom aspires to, wherever possible, to adopt the most energy efficient solutions for its business.

Insurance

The Board of Directors deems that the Group has a satisfactory insurance coverage with regards to the risks currently involved in and in view of the nature and extent of the business of the Group. The Board of Directors deems the insurance coverage to be in line with market practice.

Disputes and legal proceedings

In terms of legal proceedings, employee related claims have been launched by employees terminated in one jurisdiction. Transcom has estimated the potential liability to EUR 967,000 in total, which has been provided for with EUR 399,000 in the books of Transcom. There are three other cases, relating to variable remuneration matters, for which Transcom has estimated the potential liability to EUR 1,429,000 for 2009, provided for with EUR 429,000 in the books of Transcom, EUR 310,000 for 2010 and EUR 517,000 for 2011.

Further, Transcom has received a letter from NASDAQ OMX Stockholm AB's Issuer Surveillance discussing how Transcom has disclosed a tax related proceeding in accordance with the NASDAQ OMX Stockholm Rule Book for Issuers. This discussion is ongoing and it cannot be ruled out that Transcom may be found to have breached the Rule Book and may accordingly be imposed a fine.

Except for what is stated above and in sub-section Tax Matters below, Transcom and its Subsidiaries are not, and have not been during the previous 12 months, party to any legal or arbitration proceedings which it assesses may have significant effects on the Company's financial position or profitability. Transcom is not aware of any potential proceeding of such material kind. The Group has contingent liabilities related to routine litigation and legal claims arising in the ordinary course of the business.

Tax Matters

Intercompany franchise fee model

The Group has an established business model where operating companies are provided with a number of services and Intellectual Property from head office. The companies within the Group who are provided these services are charged in accordance with an established franchise fee model. This franchise fee model is open to challenges by local tax authorities. The Board of Directors of Transcom deems the franchise fee model to be commercially acceptable. The franchise fee model has, in connection with tax audits, been accepted by the tax authorities in Poland and Spain.

Intercompany call centre services

Transcom WorldWide Philippines Inc. provides to North Amercian clients off-shore call centre services. Transcom Worldwide Philippines Inc.'s profits are subject to a tax exemption. Any challenge to Transcom Worldwide Philippines Inc.'s tax exemption or pricing arrangements pertaining to inter-company transactions may impact the Group's profits after tax in the future.

Tax audits

The Group is currently subject to tax audits in multiple jurisdictions, please refer to *Commentary on financial development* on page 42. The most significant tax exposure is in one EU jurisdiction. The total tax exposure in this country, including penalty fees, for the tax re-assessments is EUR 27.3 million. Out of this amount, EUR 11.7 million relates to withholding tax on intercompany royalties, an amount that Transcom believes is not likely to be payable given the availability of EU Directives and taxation treaties which reduce withholding taxes from the domestic rates and that withholding tax can only arise when payments are actually made.

Transactions with closely related parties

To the extent that Group companies deliver services to other Group companies or to closely related parties, such services are provided at market price and on market terms. Except for what has been stated in *Other Guarantee Undertakings* on page 84 and in *Subscription undertaking and guarantee undertakings from shareholders* on page 88, no transactions have been made with closely related parties.

Incorporation and legal form of business

Transcom WorldWide S.A. is a public limited liability company (*société anonyme*) governed by the laws of the Grand Duchy of Luxembourg, and in particular the Luxembourg Companies Act. Transcom is registered with the Luxembourg trade and companies register (*registre du commerce et des sociétés de Luxembourg*) under the number B 59.528. The registered office of Transcom is at 45, rue des Scillas, L-2529 Howald, Luxembourg, Grand Duchy of Luxembourg. The Company was incorporated under the laws of Luxembourg pursuant to a deed of Me Reginald Neuman, notary then residing in Luxembourg (Grand Duchy of Luxembourg), on 11 June, 1997, published in the *Mémorial C, Recueil des Sociétés et Associations* (the Luxembourg official gazette) number 494 dated 11 September, 1997 and was registered at the Luxembourg Trade and Companies Registry on 24 June, 1997. The Articles of Association of Transcom currently in force were lastly amended by a deed of Me Paul Decker, notary residing in Luxembourg (Grand Duchy of Luxembourg) on 21 November, 2011. The rights vested in the Class A and Class B Shares issued by Transcom are set out in the Articles of Association of the company and in the Luxembourg Companies Act.

The Articles of Association of the Company in its article 3 define its purpose as follows:

"The purposes for which the Company is formed are to provide a multilanguage customer helpline and support service for any activities and services, to provide merchant service and support activities.

The Company may engage alone or together with others, for its own account or for a third party, itself or through the intermediary of a third party, in any commercial, industrial or financial activities directly or indirectly connected with its object…"

Subscription undertaking and guarantee undertakings from shareholders

On 18 October, 2011 Transcom and Investment AB Kinnevik[1] ("Kinnevik"), the largest shareholder of Transcom, entered into an agreement whereby Kinnevik undertakes to subscribe for its pro rata share of new Share SDRs in the Offer. Further, Kinnevik guarantees to subscribe for such additional number of new Share SDRs as is required for the Offer to be fully subscribed for and which are not subscribed for by other Share SDR holders who has not committed to subscribe for its respective pro rata share of new Share SDRs in the Offer. This guarantee by Kinnevik is conditional upon there being no circumstances occurring before the end of the subscription period that may have a material adverse effect upon Transcom's sales, profit, liquidity or assets, and further that Transcom, as of the date of the announcement of the Offer, has made public all information which should have been made public. Kinnevik receives no compensation for the subscription commitment. In consideration of the guarantee undertaking, Transcom shall pay a fee corresponding to three (3) percent of SEK 504 million less the amount which will be subscribed for by Kinnevik with preferential rights and by any other shareholder who has committed to subscribe for its pro rata share of new Share SDRs in the Offer, such fee thus amounting to SEK 9 million.The subscription undertaking and guarantee undertaking amount to, in total, approximately 83.9 percent of the Offer, corresponding to approximately SEK 423 million.

On 18 October, 2011 Transcom and Investment AB Öresund[2] ("Öresund"), one of the larger shareholders of Transcom, entered into an agreement whereby Öresund undertakes to subscribe for its pro rata share of new Share SDRs in the Offer. Öresund receives no compensation for the subscription commitment. The subscription undertaking amounts to, in total, approximately 8.1 percent of the Offer, corresponding to approximately SEK 41 million.

On 18 October, 2011 Transcom and the Fourth Swedish National Pension Fund[3] ("AP4"), one of the larger shareholders of Transcom, entered into an agreement whereby AP4 undertakes to subscribe for its pro rata share of new Share SDRs in the Offer. AP4 receives no compensation for the subscription commitment. The subscription undertaking amounts to, in total, approximately 4.4 percent of the Offer, corresponding to approximately SEK 22 million.

On 18 October, 2011 Transcom and Unionen[4], one of the largest shareholders of Transcom, entered into an agreement whereby Unionen undertakes to subscribe for its pro rata share of new Share SDRs in the Offer. Unionen receives no compensation for the subscription commitment. The subscription undertaking amounts to, in total, approximately 3.3 percent of the Offer, corresponding to approximately SEK 16 million.

On 23 November, 2011 Transcom and Hugo Stenbecks Stiftelse[5], one of the shareholders of Transcom, entered into an agreement whereby Hugo Stenbecks Stiftelse undertakes to subscribe for its pro rata share of new Share SDRs in the Offer. Hugo Stenbecks Stiftelse receives no compensation for the subscription commitment. The subscription undertaking amounts to, in total, approximately 0.3 percent of the Offer, corresponding to approximately SEK 1 million.

Luxembourg Mandatory Takeover Bids/ Squeeze-out/Sell-out Rules

Pursuant to Article 1(1) of the Luxembourg law on public takeovers dated 19 May 2006 (the "Public Takeovers Law"), the Public Takeovers Law applies to the securities of a Luxembourg company, where all or some of those securities are admitted to trading on a regulated market in one or more Member State of the European Union or the European Economic Area. The term securities refers to the shares represented by Share SDRs. Article 5 of the Public Takeovers Law provides for a mandatory takeover bid procedure, where a natural or legal person, as a result of his /her own acquisition or the acquisition by persons acting in concert with him/her, obtains securities of the target company, which added to the existing holdings of those securities of his/hers and the holdings of those securities of persons acting in concert with him/her, directly or indirectly give him/her 33 1/3 percent of the voting rights of the target company, such a person is required to make a bid addressed to all the

1) Investment AB Kinnevik's address is: Box 2094, 103 13 Stockholm.
2) Investment AB Öresund's adress is: Box 7621, 103 94 Stockholm.
3) Fourth Swedish National Pension Fund's address is: Box 3069, 103 61 Stockholm
4) Unionen's address is: Olof Palmes gata 17, 105 32 Stockholm.
5) Hugo Stenbecks Stiftelse's address is: Box 2094, 103 13 Stockholm.

holders of the remaining securities. Article 2 (d) of the Public Takeovers Law provides for a definition of persons acting in concert. Persons would be deemed to act in concert if they co-operated on the basis of an agreement, express or tacit, aimed at acquiring control of a target company.

No general principle of squeeze-out is set out under Luxembourg law. However, according to Article 15 of the Public Takeovers Law, if any natural or legal person holds a total of at least 95% of a company's share capital carrying voting rights and 95% of such company's voting rights as a result of a public bid regarding the shares of a target company, such person may acquire the remaining shares (i.e. represented by Share SDRs) in the target company by exercising a squeeze-out against the holders of the remaining shares (i.e. represented by Share SDRs). The price shall take the same form as the consideration offered in the bid or shall be in cash. Cash shall be offered at least as an alternative. Following a voluntary bid, the consideration offered in the bid shall be presumed to be fair where, through acceptance of the bid, the bidder has acquired securities representing not less than 90% of the capital carrying voting rights comprised in the bid. Following a mandatory bid, the consideration offered in the bid is presumed to be fair. In accordance with paragraph 5 of Article 15 of the Public Takeovers Law, the CSSF shall ensure that a fair price is guaranteed.

The squeeze-out must be exercised by the bidder no later than three months after the end of the period of acceptance of the bid (Article 15 (4) of the Public Takeovers Law).

According to Article 16 of the Public Takeovers Law, if any natural or legal person, alone or together with persons acting in concert with it, hold(s) a total of at least 90% of a company's share capital carrying voting rights and 90% of such company's voting rights as a result of a public bid regarding the shares (i.e. represented by Share SDRs) of a target company, any shareholder may exercise a sell-out with respect to his /her shares. Such right must be exercised no later than three months after the end of the period of acceptance of the bid. Pursuant to paragraph 2 of Article 16 of the Public Takeovers Law, the price shall be determined in the same manner as the one described above in respect of the squeeze-out procedure.

Nine months release for January – September 2011

FOR IMMEDIATE RELEASE 19 October 2011

TRANSCOM REPORTS FINANCIAL RESULTS FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2011

Luxembourg, 19 October 2011 – Transcom WorldWide S.A., the global outsourced services provider, today announced its financial results for the third quarter and nine months ended 30 September 2011.

Transcom has announced today in a separate press release, a fully underwritten rights issue of approximately SEK 500 million subject to approval at an Extraordinary General Meeting to be held on November 21, 2011.

Transcom announces that it has agreed with its banks to refinance its existing credit facility maturing in April 2012, with a new facility of €125 million with a 3 year maturity.

Transcom delivered €132.7 million revenue and €-5.1 million EBITA in the third quarter. Underlying EBITA amounts to €3.6m net of restructuring and other non recurring charges. The main highlights of the quarter are:

- **Revenue:** Despite the summer seasonal pattern, revenue grew in North America & Asia Pacific (11.7%) and in West & Central (3.6%). The €1.6 million sequential erosion was mainly driven by the impact of the site divestments in France (€2.1m).
- **Restructuring**: €8.6 million costs incurred in the quarter correspond to the second phase of the €32.8 million restructuring program announced on June 21, 2011.
- **Underlying EBITA** of €3.6 million shows an improvement of €5.5 million quarter-on-quarter. €1.9 million of this improvement is driven by savings achieved through the restructuring program, and €3.6 million by the execution of the operational efficiency plan announced in the second quarter.
- **Tax provision.** €14.1 million one-off provision following the October 11, 2011 announcement.

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FINANCIAL SUMMARY – INCLUDING RESTRUCTURING COSTS

(€ m)	2011 Q3	2011 Q2	Change Q-o-Q	2010 Q3	Change Y-o-Y	2011 YTD	2010 YTD	Change Y-o-Y	2010 Jan - Dec
Net revenue	132.7	134.3	-1.2%	144.5	-8.2%	411.1	440.3	-6.6%	589.1
Gross profit	24.8	13.9	78.4%	29.9	-17.0%	64.0	88.5	-27.7%	118.0
EBITA	-5.1	-26.1	-	5.3	-	-28.0	14.7	-	-3.7
Operating income	-5.8	-26.8	-	4.6	-	-30.1	12.6	-	-6.5
Net financial items	-1.8	0.0	-	-0.4	-	-2.8	-1.3	-	0.9
Profit before tax	-7.6	-26.8	-	4.1	-	-32.9	11.2	-	-5.6
Net income	-22.9	-27.9	-	3.3	-	-48.9	9.1	-	-8.0
EPS (€)	-0.31	-0.38	-	0.05	-	-0.66	0.12	-	-0.11
Total weighted average outstanding number of shares before dilution ('000)	73,367	73,367	-	73,367	-	73,367	73,322		73,333

-: Negative/not meaningful

THIRD QUARTER 2011 HIGHLIGHTS

Sequential performance

- Net revenue down 1.2% to €132.7 (€134.3) million, net of currency down 0.8% to €133.2 million
- Gross profit up to €24.8 (€13.9) million and gross margin up to 18.7% (10.3%)
- EBITA up to €-5.1 million (€-26.1) million, net of currency up to €-5.1 million
- EPS up to €-0.31 (€-0.38)

Year-on-year performance

- Net revenue down 8.1% to €132.7 (€144.5) million, net of currency down 7.1% to €134.3 million
- Gross profit down to €24.8 (€29.9) million and gross margin down to 18.7% (20.7%)
- EBITA down to €-5.1 (€5.3) million, net of currency down to €-4.6 million
- EPS down to €-0.31 (€0.05)

NINE MONTHS 2011 FINANCIAL HIGHLIGHTS

Year-on-year performance

- Net revenue down 6.6% to €411.1 (€440.3) million, net of currency down 7.1% to €408.9 million
- Gross profit down 27.7% to €64.0 (€88.5) million and gross margin down to 15.6% (20.1%)
- EBITA down to €-28.0 (€14.7) million, net of currency down to €-25.7 million
- EPS down to €-0.66 (€0.12)

RESTRUCTURING & RIGHTSIZING PLAN

During the third quarter, Transcom focused on implementing the restructuring and rightsizing plan, announced on 21 June 2011. The plan was aimed at adjusting Transcom's delivery capacity to the book of business and second half business outlook, with the view to strengthening global competitiveness and increasing operational efficiency.

During the quarter, as announced in Q211, we recorded the remainder of the €32.8 million restructuring cost, for an amount of **€8.6 million**, as follows:

Breakdown of restructuring and other non-recurring costs recorded in Q3 2011

(€ MILLIONS)	North	West & Central	South	Iberia	TOTAL
Restructuring costs	1.6	0.0	5.2	0.6	**7.4**
Other non-recurring costs	0.6	0.6	0.0	0.0	**1.2**
Total	**2.2**	**0.6**	**5.2**	**0.6**	**8.6**

Below is an overview of charges recorded in Q311 related to the restructuring & rightsizing program:

NORTH. In the North region, a restructuring and non-recurring charge of **€2.2 million** has been recorded for the closure of two sites and related non-recurring charges,.

WEST & CENTRAL. In the West & Central region, a non-recurring charge of **€0.6 million** has been recorded to reduce workforce and seat capacity in Germany

SOUTH. In the South region, a restructuring charge amounting to €5.2 million has been recorded for the second phase of the restructuring program in France.

IBERIA. In the Iberia region, the restructuring charge amounted to €0.6 million related to the closure of one site in Spain.

The restructuring & rightsizing program has been executed according to plan. This restructuring program is delivering €1.9 million in cost savings in Q311. The restructuring and operational improvement program is expected to yield annualized gross savings of approximately €10.0 to €12.0 million when fully implemented.

FINANCIAL SUMMARY – EXCLUDING RESTRUCTURING COSTS AND NON-RECURRING COSTS IN Q311, Q211 AND Q410, AS WELL AS THE ONE-OFF TAX PROVISION IN Q311

(€ m)	2011 Q3	2011 Q2	Change Q-o-Q	2010 Q3	Change Y-o-Y	2011 YTD	2010 YTD	Change Y-o-Y	2010 Jan - Dec
Net revenue	132.7	134.3	-1.2%	144.5	-8.2%	411.1	440.3	-6.6%	589.1
Gross profit	25.2	21.5	17.2%	29.9	-15.7%	72.0	88.5	-18.6%	118.0
EBITA	3.6	-1.9	-	5.3	-32.1%	4.9	14.7	-76.5%	15.7
Operating income	2.9	-2.6	-	4.6	-36.7%	2.9	12.6	-89.1%	12.9
Net financial items	-1.8	0.0	-	-0.4	-	-2.8	-1.3	-	0.9
Profit before tax	1.1	-2.6	-	4.1	-73.4%	0.0	11.2	-112.9%	13.9
Net income	-0.1	-3.7	-	3.3	-	-1.9	9.1	-	11.4
EPS (€)	0.00	-0.05	-	0.05	-	-0.03	0.12	-	0.15
Total weighted average outstanding number of shares before dilution ('000)	73,367	73,367	-	73,367	-	73,367	73,322		73,333

-: Negative/not meaningful

THIRD QUARTER 2011 HIGHLIGHTS – UNDERLYING PERFORMANCE

Sequential performance

- Net revenue down 1.2% to €132.7 (€134.3) million, net of currency down 0.8% to €133.2 million
- Gross profit up to €25.2 million (€21.5) and gross margin up to 19.0% (16.0%)
- EBITA up to €3.6 million (€-1.9), net of currency up to €3.6 million
- EPS was €0.00 (€-0.05)

Year-on-year performance

- Net revenue down 8.1% to €132.7 million (€144.5), net of currency down 6.4% to €135.2 million
- Gross profit down to €25.2 million (€29.9) and gross margin down to 19.0% (20.7%)
- EBITA down to €3.6 million (€5.3), net of currency down to €4.1 million
- EPS up to €0.00 (€-0.05)

NINE MONTHS 2011 FINANCIAL HIGHLIGHTS

Year-on-year performance

- Net revenue down 6.6% to €411.1 (€440.3) million, net of currency down 7.1% to €408.9 million
- Gross profit down 18.6% to €72.0 (€88.5) million and gross margin down to 17.5% (20.1%)
- EBITA down 76.5% to €3.5 (€14.7) million, net of currency down to €5.8 million
- EPS down to €-0.03 (€0.12)

CHIEF EXECUTIVE OFFICER'S STATEMENT - UNDERLYING BUSINESS PERFORMANCE

Pablo Sánchez-Lozano, President and Chief Executive Officer of Transcom, said:

"During the third quarter, Transcom made good progress in addressing the key priorities identified for the second half of 2011**: ramping up new volumes in the North America & Asia Pacific region, stabilizing the new delivery model in the North region, and implementing the restructuring and rightsizing program** announced in June 2011. Our sales funnel is progressing well, and I am pleased with the number of contracts signed this quarter. During the third quarter, we closed business with a number of new clients, including Hafslund and Svensk Fondservice in North, Lesto Lithuania and Scarlet Telecom in West & Central, and grew volumes with our installed base customers.

"Transcom reported **revenues of €132.7 million** in the third quarter, down by 1.2% compared to last quarter and by 8.2% compared to the same period last year. The third quarter is traditionally weak in terms of volumes (lower demand during the summer). Revenue was up by 11.7% quarter-on-quarter in the North America & Asia Pacific region, and by 3.6% in the West & Central region, and flat in the North and Iberia regions. The net reduction in revenue compared to the previous quarter was mainly driven by the disposals of our French sites in Roanne and Tulle, which led to a revenue decrease of approximately €2.1 million, as well as by the seasonal effects mentioned above. The revenue decrease year-on-year is mainly due to installed base volume erosion in the North America & Asia Pacific region.

"After a difficult second quarter with specific challenges in the North America & Asia Pacific and North regions, profitability improved during the third quarter. The Group's underlying **gross margin was 19.0%** this quarter, compared to 16.0% last quarter and 20.7% in the third quarter of 2010. The improvement was driven by the operational efficiency measures implemented in the North America & Asia Pacific region, and in the North region.

"In the **North America & Asia Pacific region**, margins also improved as a result of the ramp-up of volumes in our Asian centers, and in the **North region**, performance improved as our delivery organization stabilized following the implementation of a new delivery model in the region.

“Transcom’s **EBITA** (excluding restructuring-related costs) in the third quarter was **€3.6 million**, up from €-1.9 million in the second quarter. This improvement is driven by €1.9 million in cost savings from the restructuring plan and by €3.6 million from the operational efficiency plan that we announced in Q211.

“Net cash flow from operations amounted to €18.9 million this quarter, as a result of an action plan aimed at reducing working capital, which improved by €16.2 million compared to Q211.

“The equity issue and the bank refinancing will strengthen the capital base of the company and give the company increased financial and operational flexibility in the execution of the transformation plan the company is currently engaged in“.

GROUP OPERATING & FINANCIAL REVIEW

Financial Review

Depreciation & Amortization

Depreciation in the third quarter of 2011 was €1.8 million and amortization of intangible assets was 0.7 million. Following the write-off of some assets as part of the restructuring program, depreciation reduced by €0.4 million compared to Q211.

SG&A

SG&A expenses were €29.9 million in the quarter. Excluding the restructuring impact and other non-recurring charges, SG&A cost was 21.6 million (€22.0 million in Q211). The decrease is mainly due to savings achieved through the implementation of the restructuring program.

Working Capital

Net working capital was €61.2 million, a decrease of €16.2 million compared to Q211. This significant improvement is the result of an action plan started in Q211 aimed at improving collections of receivables.

Foreign Exchange Rate Impact

In Q311, foreign exchange movements had a negative translation impact of €0.5 million on revenue and a positive impact of €0.1 million on EBIT compared to Q211.

There was no trading impact on revenue compared to Q211 and year-on-year the impact was €0.4 million positive. The total impact on EBIT is €-0.1 million compared to Q211 and €-0.4m compared to Q310. This is the result of the successful implementation of the USD and the Euro as functional currencies in North America & Asia Pacific and Chile, respectively.

For further details on the impact of foreign exchange movements on the Company’s results, please refer to the tables provided in the appendix on page 19.

Debt & Financing

Transcom has agreed with its lenders (DnB NOR Bank ASA, Norge, Filial Sverige, Skandinaviska Enskilda Banken AB (publ) and Svenska Handelsbanken AB (publ)) on a refinancing of the current credit facility, which would have matured in April 2012. The new facility of EUR 125 million is partly amortising and has a time to maturity of 3 years. The facility includes covenants such as restrictions on leverage and minimum interest coverage and implies further reductions in the company's leverage. The new facility is subject to completion of the rights issue.

In Q311, the Group's bank loans decreased by €15.6 million compared to Q211 due to tight management of receivables. The Group was able to repay €17.0 million on outstanding loans. The stronger US dollar increased the value of the US dollar loan by €1.4 million.

Net financial items amounted to €-1.8 million in Q311, compared to €0.0 million in the previous quarter. Interest expense in Q311 was €0.2m higher than in Q211 (€1.1 million in Q311, compared to €0.9 million in Q2). Q311 was impacted by a €0.6 million foreign exchange loss, mostly due to the revaluation of current assets and liabilities, while Q211 benefited from a positive foreign exchange result. The higher interest expenses are due to a higher margin paid to the banks following the renegotiation of the covenants in June 2011. In Q411, interest expenses are expected to be at the same level as in Q311.

The Net Debt/EBITDA ratio at the end of Q311 was 4.2, slightly better than the Q211 level and, as expected, within the existing covenant thresholds. This ratio is expected to remain within the agreed thresholds for the remainder of 2011.

Effective Tax Rate

Excluding the tax dispute provision of €14.1 million, referred to below, Transcom reported a tax expense of €1.2 million in the quarter, compared to €1.1 million in Q211.

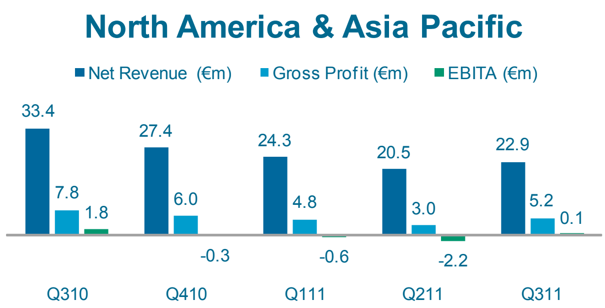
The company was recently notified that the Court of Appeal has issued an adverse ruling regarding a FY2003 tax dispute in one of the EU jurisdictions where it operates.
In December 2008, in this jurisdiction, the tax auditor reassessed FY2003 through to FY2006. This tax audit resulted in a total tax reassessment notification of €27.3 million (including penalties and accrued late payment interest).

The Group believes its tax position overall and in this jurisdiction in particular, to be fully compliant with EU law and regulation. Since 2009, the Group has been in dispute with the tax authorities with respect to this tax reassessment. The total net amount provided in 2009 to cover this tax exposure amounted to €1.5 million.

Management, together with its legal advisors, consider that the whole reassessment is not justified from a legal standpoint, and even more so in regards to the Withholding tax amounts claimed (€11.7 million) because the EU regulation grants Withholding tax exemption on royalties.
Transcom management considers its case to be robust and has decided to lodge an appeal in front of the Supreme Court. However, following the recent notification of this adverse ruling, Transcom had to reassess its provision and has increased the existing tax provision of €1.5 million by €14.1 million in the quarter ended September 30, 2011.

Management is uncertain about the timing and the ultimate financial exposure that may result out of the resolution of the ongoing tax litigation in this jurisdiction. Only FY2003 and FY2004 cases are currently in front of the courts. FY2005 and FY2006 are not yet judged.
The short term cash exposure resulting from the current rulings is estimated to be €8.8 million. Transcom is requesting to pay in installments over 72 months, which would reduce the cash outlay to €0.4 million per quarter. Should Transcom ultimately succeed in its Appeals, these amounts would be paid back.

SEGMENTAL OPERATING REVIEW – UNDERLYING BUSINESS PERFORMANCE



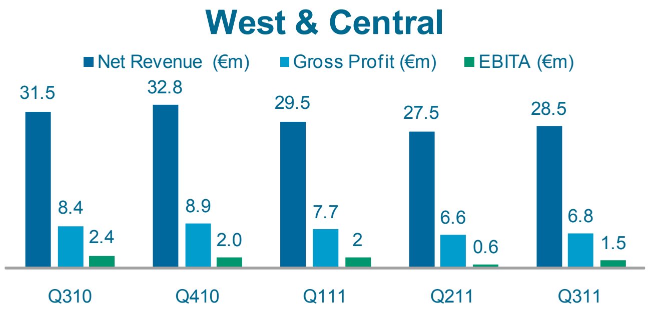
(€ MILLIONS)	2011 Jul - Sep	2011 Apr – Jun	Growth Q-o-Q	2010 Jul - Sep	Growth Y-o-Y	2010 Jan - Dec
Revenue	22.9	20.5	11.7%	33.4	-31.4%	131.8
Gross Profit	5.2	3.0	73.3%	7.8	-33.3%	27.1
Gross Margin	22.7%	14.8%	-	23.4%	-	20.6%
EBITA	0.1	-2.2	-	1.8	-94.4%	2.2
EBITA Margin	0.4%	-10.7%	-	5.4%	-	1.7%

Revenue in the North America & Asia Pacific region grew to €22.9 million from €20.5 million in Q211 and decreased from €33.4 million in Q310. Significant new business, won in Q211 from installed base clients, was ramped up in Asia during the third quarter. Net of currency effects, revenue increased by 10.7% to €22.7 million sequentially and by 24.6% to €25.2 million year-on-year.

Transcom's ability to scale operations offshore and sustained quality performance will be the driver of revenue growth in the future. We are addressing the changes in our geographical revenue mix by adjusting the region's delivery capacity through our restructuring & rightsizing program. Four sites in Canada were closed during the quarter according to plan and without disruption to client services.

Gross margin in Q311 improved by 7.9pp to 22.7% compared to Q211, and is up 2.1pp compared to the 2010 full-year average. The improvement was driven by an increasing proportion of revenues delivered from our Asian centers during the quarter, as well as by operational measures. The shift of volumes from North America to Asia is expected to continue.

The region's EBITA was €0.1 million, up from €-2.2 million in the previous quarter and down from €1.8 million in Q310. Total cost savings delivered through the restructuring & rightsizing program in the North America & Asia Pacific region amounted to €1.1 million in Q311.

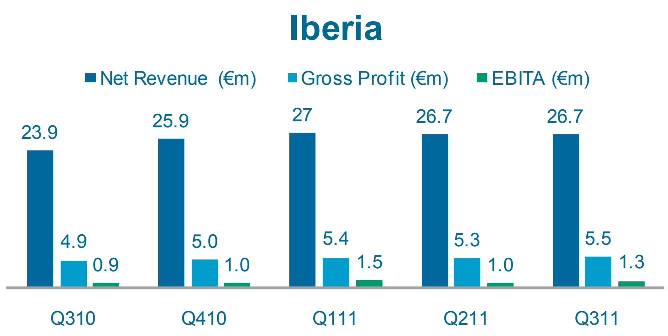


(€ MILLIONS)	2011 Jul - Sep	2011 Apr – Jun	Growth Q-o-Q	2010 Jul - Sep	Growth Y-o-Y	2010 Jan - Dec
Revenue	28.5	27.5	3.6%	31.5	-9.5%	128.2
Gross Profit	6.8	6.6	3.0%	8.4	-19.0%	35.1
Gross Margin	23.9%	24.0%	-	26.7%	-	27.4%
EBITA	1.5	0.6	141.9%	2.4	-37.5%	10
EBITA Margin	5.3%	2.2%	-	7.6%	-	7.8%

Revenue in the West & Central region was €28.5 million, compared to €27.5 million in Q211 and €31.5 million in Q310. A higher volume of collection cases – primarily driven by new business in Germany, Austria and Poland – drove the quarter-on-quarter revenue increase, while inbound contact center volumes decreased compared to the previous quarter. The third quarter is traditionally strong in terms of collection performance, mainly due to enhanced debtor liquidity, while it is generally weaker in terms of contact center volumes due to summer holidays.

Gross margin in the region was 23.9%, compared to 24.0% in Q211 and 26.7% in Q310. Improved performance in the collection business was counterbalanced by somewhat weaker performance in the inbound business.

The region delivered an EBITA of €1.5 million in the quarter, up from €0.6 million in the previous quarter and down from €2.4 million in Q310. Total cost savings delivered through the restructuring & rightsizing program in the West & Central region amounted to €0.2 million in Q311.

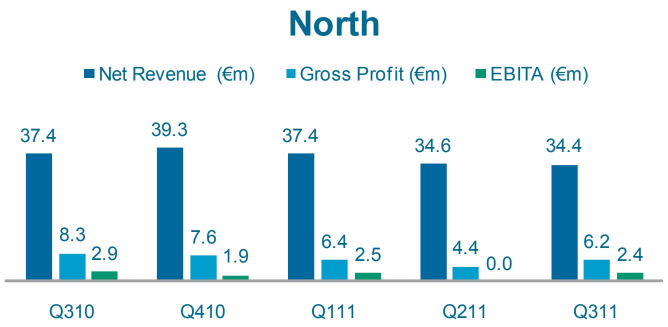


(€ MILLIONS)	2011 Jul - Sep	2011 Apr – Jun	Growth Q-o-Q	2010 Jul - Sep	Growth Y-o-Y	2010 Jan - Dec
Revenue	26.7	26.7	0.0%	23.9	11.7%	103.4
Gross Profit	5.5	5.3	3.7%	4.9	12.2%	19.9
Gross Margin	20.6%	19.9%	-	20.5%	-	19.2%
EBITA	1.3	1.0	30.0%	0.9	44.4%	4.1
EBITA Margin	4.9%	3.7%	-	3.8%	-	4.0%

Revenue in the Iberian region was €26.7 million, compared to €26.7 million in Q211 and €23.9 million in Q310. Onshore revenue decreased due to seasonally lower volumes during the summer. This impact was counterbalanced by the continued ramp-up of new volumes offshore.

Gross margin was 20.6% in Q311, compared to 19.9% in Q211 and 20.5% in Q310, driven by efficiency measures and revenue mix changes.

EBITA for the region was €1.3 million, up slightly from €1.0 million in Q211 and from €0.9 million in Q310. Total cost savings delivered through the restructuring & rightsizing program in the Iberia region amounted to €0.1 million in Q311.

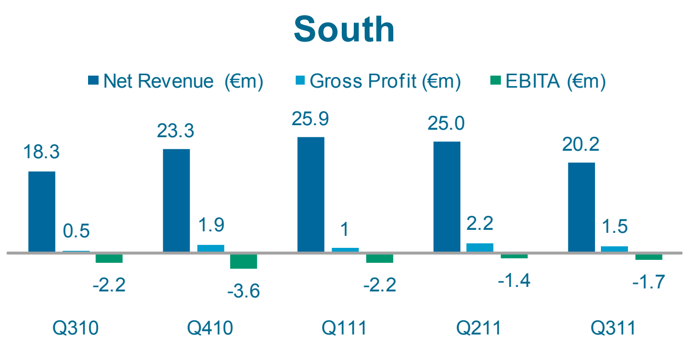


(€ MILLIONS)	2011	2011	Growth	2010	Growth	2010
	Jul - Sep	Apr - Jun	Q-o-Q	Jul - Sep	Y-o-Y	Jan - Dec
Revenue	34.4	34.6	-0.6%	37.4	-8.0%	144.8
Gross Profit	6.2	4.4	40.1%	8.3	-25.3%	29.2
Gross Margin	18.0%	12.7%	-	22.2%	-	20.2%
EBITA	2.4	0.0	-	3.9	-38.5%	10.8
EBITA Margin	7.0%	0.0%	-	10.4%	-	7.5%

Revenue in the North Region was €34.4 million, compared to €34.6 million in Q211 and €37.4 million in Q310. While a higher number of production days in Q311 compared to Q211 had a positive effect on revenue, this effect was offset by seasonally lower volumes during the summer. Net of currency effects, revenue increased by 1.2% to €35.0 million sequentially and decreased by 10.2% to €33.6 million year-on-year.

Gross margin in the third quarter improved by 5.3pp to 18.0%, 1.8pp lower than the 2010 full-year average. The quarter-on-quarter improvement was driven by the stabilization of the new delivery model implemented in the region. As part of the Group-wide restructuring & rightsizing program, Transcom has started negotiations with employee representatives regarding the closure of one site in Sweden and one in Denmark.

The North region reported EBITA of €2.4 million, compared to €0.0 million in Q211 and €3.9 million in Q310. Total cost savings delivered through the restructuring & rightsizing program in the North region amounted to €0.1 million in Q311.



(€ MILLIONS)	2011 Jul - Sep	2011 Apr - Jun	Growth Q-o-Q	2010 Jul - Sep	Growth Y-o-Y	2010 Jan - Dec
Revenue	20.2	25.0	-19.2%	18.3	10.4%	80.9
Gross Profit	1.5	2.2	-31.8%	0.5	200.0%	6.6
Gross Margin	7.4%	8.8%	-	2.7%	-	8.2%
EBITA	-1.7	-1.4	21.4%	-3.7	-54.1%	-11.4
EBITA Margin	-8.4%	-5.6%	-	-20.2%	-	-14.1%

Revenue in the South region was €20.2 million, compared to €25.0 million in Q211 and €18.3 million in Q310. Half of the sequential revenue decrease, €2.5 million, is a result of seasonally lower volumes during the summer. The remainder of the decrease, €2.1 million, is due to the disposals of the Tulle and Roanne sites in France.

Gross margin was 7.4% in Q311, compared to 8.8% in Q2 and 2.7% in Q310. The decrease in gross margin was primarily driven by seasonally lower revenues. In order to address remaining overcapacities in France, Transcom has started negotiations with employee representatives regarding the closure of the Vélizy site in France.

EBITA was €-1.7 million, compared to €-1.4 million in the previous quarter. The SG&A cost decrease compared to Q211 was mainly due to the site disposals in France during Q211. Total cost savings delivered through the restructuring & rightsizing program in the South region amounted to €0.2 million in Q311.

OTHER INFORMATION

The financial information in this press release has been prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the European Union. While the interim financial information included in this announcement has been prepared in accordance with IFRS applicable to interim periods, this announcement does not contain sufficient information to constitute an interim financial report as defined in International Accounting Standards 34, "Interim Financial Reporting". Unless otherwise noted, the numbers in the press release have not been audited. The financial information and certain other information presented in a number of tables in this press release have been rounded to the nearest whole number or the nearest decimal. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this press release reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Results Conference Call and Webcast
Transcom will host a conference call at 11.00 am CET (10:00 am UK time) on Wednesday, October 19, 2011. The conference call will be held in English and will also be available as webcast on Transcom's website, www.transcom.com.

Dial-in information
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.

Sweden: 08-503 364 34
UK: +44 (0) 1452 555 566
US: +1 631 510 7498
Passcode: 95756596

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

Nomination Committee for the 2012 Annual General Meeting
A Nomination Committee of major shareholders in Transcom has been formed in accordance with the resolution of the 2011 Annual General Meeting. The Nomination Committee is comprised of Cristina Stenbeck on behalf of Investment AB Kinnevik, Stefan Charette on behalf of Investment AB Öresund, Tomas Ramsälv on behalf of ODIN Fund Management, and Caroline af Ugglas on behalf of Skandia Liv.
Information about the work of the Nomination Committee can be found on Transcom's corporate website at: www.transcom.com.
Shareholders wishing to propose candidates for election to the Board of Directors of Transcom WorldWide S.A. should submit their proposal in writing to agm@transcom.com or to the Company Secretary, Transcom WorldWide S.A., 45 rue des Scillas, L-2529 Howald, Luxembourg.

Appointment of new Board member/ Stefan Charette
The Board of Directors has, after consultation with the Nomination Committee resolved to propose to the next EGM to appoint Mr Stefan Charette as a new Board member in addition to the existing ones. Stefan Charette serves as the Chief Executive Officer of Investment AB Öresund since September 2, 2010.

Pablo Sánchez-Lozano
19 October 2011

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Company registration number: RCS B59528

Notes to Editors:
The following provides a breakdown of which countries are included in each geographical region.

- **North:** Denmark, Norway and Sweden
- **West & Central:** Austria, Belgium, Croatia, the Czech Republic, Estonia, Germany, Hungary, Latvia, Lithuania, Luxembourg, the Netherlands, Poland, Romania, Serbia, Slovakia, Switzerland and the United Kingdom
- **South:** France, Italy and Tunisia
- **Iberia:** Chile, Portugal and Spain
- **North America & Asia Pacific:** Canada, Philippines and the United States of America

# # #

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About Transcom

Transcom is a global outsourced service provider entirely focused on customers, the service they experience and the revenue they generate. Our customer management and credit management services are designed to strengthen our clients' customer relationships and secure their revenue streams.

Our broad service portfolio supports every stage of the customer lifecycle, from acquisition through service, retention, cross and upsell, then on through early and contingent collections to legal recovery. Expert at managing both customers and debt, we make a positive contribution to our clients' profitability by helping them win customers, maintain their loyalty and secure their payments.

And, while our services are designed to maximize revenue, our delivery operations are built to drive efficiency. Through our global network we can provide service in any country where our clients have customers, accessing the most appropriate skills and deploying the best communication channels in the most cost effective locations.

Every day we handle over 600,000 customer contacts in 33 languages for more than 350 clients, including brand leaders in some of today's most challenging and competitive industry sectors. The experience we gain is used to constantly refine our service portfolio and business processes, allowing us to respond quickly to changing market conditions and client requirements.

Transcom WorldWide S.A. Class A and Class B shares are listed on the Nasdaq OMX Stockholm Mid Cap list under the symbols 'TWW SDB A' and 'TWW SDB B'.

CONSOLIDATED INCOME STATEMENT
(€ MILLIONS)

	2011 July – September	2011 April – June	2010 July – September	2010 January – December
Net revenue	**132.7**	**134.3**	**144.5**	**589.1**
Cost of sales	-107.9	-120.4	-114.6	-471.1
Gross profit	**24.8**	**13.9**	**29.9**	**118.0**
Selling, general and administration expenses	-22.5	-29.2	-24.6	-102.3
Restructuring costs	-7.4	-10.8	-	-19.4
EBITA	**-5.1**	**-26.1**	**5.3**	**-3.7**
Amortization	-0.7	-0.7	-0.7	-2.8
Operating income	**-5.8**	**-26.8**	**4.6**	**-6.5**
Net financial items	-1.8	0.0	-0.4	0.9
Profit before tax	**-7.6**	**-26.8**	**4.1**	**-5.6**
Taxes	-15.3	-1.1	-0.8	-2.4
Net income	**-22.9**	**-27.9**	**3.3**	**-8.0**
Basic earnings per share (€)	-0.31	-0.38	0.05	-0.11
Fully diluted earnings per share (€)	-0.31	-0.38	0.04	-0.11
Basic total weighted average outstanding number of shares	73,366,893	73,366,893	73,366,893	73,333,230
Fully diluted total weighted average outstanding number of shares	73,903,893	73,903,893	73,903,893	73,870,230

CONSOLIDATED BALANCE SHEET
(€ MILLIONS)

	2011 30 Sep	2011 30 June	2010 31 Dec
Fixed Assets			
Goodwill	152.1	149.4	152.3
Intangible Assets	17.5	18.1	22.5
Other Fixed Assets	20.2	20.4	24.7
	189.8	**187.9**	**199.5**
Current Assets			
Short-term receivables	147.3	134.2	133.0
Cash and cash equivalents	37.8	37.7	41.0
	185.1	**171.9**	**174.0**
Total Assets	**374.9**	**359.8**	**373.5**
Shareholders Equity	124.1	143.9	175.0
	124.1	**143.9**	**175.0**
Long-term liabilities			
Long Term Bank Loan	-	-	118.5
Other long-term liabilities	33.9	18.9	15.5
	33.9	**18.9**	**134.0**
Short-term liabilities			
Short Term Bank Loan	111.2	126.8	-
Non-interest bearing liabilities	105.7	70.2	64.5
Total shareholders equity and liabilities	**374.9**	**359.8**	**373.5**

CONSOLIDATED STATEMENT OF CASH FLOWS
(€ MILLIONS)

	2011 Jul - Sep	2011 Apr - Jun	2010 Jan - Dec
Cash flow from operations	2.7	-7.1	17.2
Changes in working capital	16.2	3.8	11.9
Net cash flow provided by operations	**18.9**	**-3.3**	**29.1**
Capital expenditure	-0.9	-1.7	-4.8
Purchase of business	-	-8.7	-1.1
Dividend paid	-	-0.1	-0.2
Financing activities	-17.9	8.4	-18.8
Net cash flow	**0.1**	**-5.4**	**4.2**
Opening liquid funds	37.7	43.1	36.8
Closing liquid funds	**37.8**	**37.7**	**41.0**

RECONCILIATION OF SHAREHOLDERS' EQUITY
(€ MILLIONS)

	2011 Jul - Sep	2011 Apr - Jun	2010 Jan - Dec
Opening balance	**143.9**	175.2	171.4
Issue of stock	**-**	-	-
Treasury shares	**-**	-	-0.1
Currency translation differences	**2.8**	-3.9	11.6
Net income	**-22.9**	-27.9	-8.0
Dividend paid	**-**	-0.1	-0.2
Share Option related	**0.3**	0.6	0.3
Closing balance	**124.1**	143.9	175.0

Q3 2011 Results Regional

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

SEGMENTAL REPORTING – REGIONAL BREAKDOWN OF GROUP RESULTS (underlying performance, excluding restructuring costs)

	2011 Jul - Sep	2011 Apr - Jun	Growth Q-o-Q	2010 Jul - Sep	Growth Y-o-Y	**2010 Jan – Dec**
Net Revenue (€m)						
North	34.4	34.6	-0.6%	37.4	-8.0%	144.8
West & Central	28.5	27.5	3.6%	31.5	-9.5%	128.2
South	20.2	25.0	-19.2%	18.3	10.4%	80.9
Iberia	26.7	26.7	0.0%	23.9	11.7%	103.4
North America & AP	22.9	20.5	11.7%	33.4	-31.4%	131.8
Total	**132.7**	**134.3**	**-1.2%**	**144.5**	**-8.2%**	**589.1**
Gross Profit (€m)						
North	6.2	4.4	40.1%	8.3	-25.3%	29.2
West & Central	6.8	6.6	3.0%	8.4	-19.0%	35.1
South	1.5	2.2	-31.8%	0.5	200.0%	6.6
Iberia	5.5	5.3	3.7%	4.9	12.2%	19.9
North America & AP	5.2	3.0	73.3%	7.8	-33.3%	27.1
Total	**25.2**	**21.5**	**17.2%**	**29.9**	**-15.7%**	**118.0**
Gross Margin						
North	18.0%	12.7%		22.2%		20.2%
West & Central	23.9%	24.0%		26.7%		27.4%
South	7.4%	8.8%		2.7%		8.2%
Iberia	20.6%	19.9%		20.5%		19.2%
North America & AP	22.7%	14.8%		23.4%		20.6%
Total	**19.0%**	**16.0%**		**20.7%**		**20.0%**
EBITA						
North	2.4	0.0		3.9	-38.5%	10.8
West & Central	1.5	0.6	141.9%	2.4	-37.5%	10.0
South	-1.7	-1.4	21.4%	-3.7	-54.1%	-11.4
Iberia	1.3	1.0	30.0%	0.9	44.4%	4.1
North America & AP	0.1	-2.2	-104.5%	1.8	-94.4%	2.2
Total	**3.6**	**-1.9**	**-285.6%**	**5.3**	**-32.1%**	**15.7**
EBITA Margin						
North	7.0%	0.0%		10.4%		7.5%
West & Central	5.3%	2.2%		7.6%		7.8%
South	-8.4%	-5.6%		-20.2%		-14.1%
Iberia	4.9%	3.7%		3.8%		4.0%
North America & AP	0.4%	-10.7%		5.4%		1.7%
Total	**2.7%**	**-1.5%**		**3.7%**		**2.7%**

Q3 2011 Results
Regional

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

SEGMENTAL REPORTING – REGIONAL BREAKDOWN OF GROUP RESULTS (including restructuring costs)

	2011 Jul - Sep	2011 Apr - Jun	Growth Q-o-Q	2010 Jul - Sep	Growth Y-o-Y	2010 Jan – Dec
Net Revenue (€m)						
North	34.4	34.6	-0.6%	37.4	-8.0%	144.8
West & Central	28.5	27.5	3.6%	31.5	-9.5%	128.2
South	20.2	25.0	-19.2%	18.3	10.4%	80.9
Iberia	26.7	26.7	0.0%	23.9	11.7%	103.4
North America & AP	22.9	20.5	11.7%	33.4	-31.4%	131.8
Total	**132.7**	**134.3**	**-1.2%**	**144.5**	**-8.2%**	**589.1**
Gross Profit (€m)						
North	6.2	2.8	121.4%	8.3	-25.3%	29.2
West & Central	6.8	4.2	61.9%	8.4	-19.0%	35.1
South	1.5	-0.2	-850.0%	0.5	200.0%	0.5
Iberia	5.1	4.6	10.9%	4.9	4.1%	19.9
North America & AP	5.2	2.5	108.0%	7.8	-33.3%	27.1
Total	**24.8**	**13.9**	**78.4%**	**29.9**	**-17.1%**	**111.9**
Gross Margin						
North	18.0%	8.1%		22.2%		20.2%
West & Central	23.9%	15.6%		26.7%		27.4%
South	7.4%	-0.8%		2.7%		0.6%
Iberia	19.1%	17.2%		20.5%		19.2%
North America & AP	22.7%	12.2%		23.4%		20.6%
Total	**18.7%**	**10.3%**		**20.7%**		**19.0%**
EBITA						
North	0.2	-2.3	-108.7%	3.9	-94.9%	10.8
West & Central	0.9	-3.2	-128.6%	2.4	-62.5%	10.0
South	-6.9	-5.1	35.3%	-3.7	86.5%	-30.8
Iberia	0.6	-0.2	-400.0%	0.9	-33.3%	4.1
North America & AP	0.1	-15.3	-100.7%	1.8	-94.4%	2.2
Total	**-5.1**	**-26.1**	**-80.4%**	**5.3**	**-196.2%**	**-3.7**
EBITA Margin						
North	0.6%	-6.6%		10.4%		7.5%
West & Central	3.2%	-12.0%		7.6%		7.8%
South	-34.2%	-20.4%		-20.2%		-38.0%
Iberia	2.2%	-0.7%		3.8%		4.0%
North America & AP	0.4%	-74.6%		5.4%		1.7%
Total	**-3.8%**	**-19.4%**		**3.7%**		**0.6%**

Foreign Currency Impact Summary

APPENDIX: FOREIGN EXCHANGE IMPACT

Q3 Sequential Currency Impact per Region (€m)	Translation Impact		Trading impact		Total impact	
	Revenue	EBIT	Revenue	EBIT	Revenue	EBIT
North	-0.6	-0.1	-	-	-0.6	-0.1
West and Central	-0.1	-	-	-	-0.1	-
South	-	-	-	-	-	-
Iberia	-	-	-	-	-	-
North America & AP	0.2	0.2	-	-0.1	0.2	0.1
Total	-0.5	0.1	-	-0.1	-0.5	0.0
Total impact on net income						**-0.1**

Q3 Y-o-Y Currency Impact per Region (€m)	Translation Impact		Trading impact		Total impact	
	Revenue	EBIT	Revenue	EBIT	Revenue	EBIT
North	0.8	0.1	-	-	0.8	0.1
West and Central	-0.1	-	-0.1	-0.1	-0.2	-0.1
South	-	-	-	-	-	-
Iberia	-	-	0.1	0.1	0.1	0.1
North America & AP	-2.7	-0.1	0.4	-0.5	-2.3	-0.6
Total	-2.0	0.0	0.4	-0.5	-1.6	-0.5
Total impact on net income						**-0.8**

YTD Currency Impact per Region (€m)	Translation Impact		Trading impact		Total impact	
	Revenue	EBIT	Revenue	EBIT	Revenue	EBIT
North	6.1	0.5	-	-	6.1	0.5
West and Central	-0.1	0.0	-0.1	-	-0.2	0.0
South	-	-	-	-	-	-
Iberia	-	-0.1	-0.2	-0.2	-0.2	-0.3
North America & AP	-3.6	-0.6	0.1	-1.9	-3.5	-2.5
Total	2.4	-0.2	-0.2	-2.1	2.2	-2.3
Total impact on net income						**-2.0**

Tax Considerations in Sweden

The following is a summary of certain Swedish tax consequences that may arise from the Offer. The summary is based on Swedish tax legislation currently in effect and is intended only as general information for holders of Share SDRs who are resident in Sweden for tax purposes. The summary does not deal comprehensively with all tax consequences that may occur in this context. For instance, it does not cover the specific rules that may apply to Share SDRs acquired by virtue of shares in a "closely held company" (fåmansföretag). Also, it does not deal with the rules that in certain cases apply in the corporate sector with respect to tax exempt capital gains (including non-deductible capital losses) and dividends on "shares held for business purposes"[1)] (näringsbetingade andelar). Nor does this description deal with the rules that apply where Share SDRs are held by a partnership or held as current assets in a business operation. Furthermore, the summary does not cover foreign companies conducting business from a permanent establishment in Sweden and foreign companies that have been Swedish companies. Special tax consequences that are not described below may also apply for certain categories of taxpayers, including investment companies, mutual funds and persons who are not resident or domiciled in Sweden. Each holder of Share SDRs is recommended to consult a tax advisor for information with respect to the special tax consequences that may arise from the Offer, including the applicability and effect of foreign tax legislation, provisions in tax treaties for the avoidance of double taxation and other rules which may be applicable.

GENERAL INFORMATION

Individuals

Capital income such as dividends and capital gains on the sale of listed shares (including Share SDRs) and other listed securities is generally taxable as income from capital at a rate of 30 percent.

The capital gain or capital loss is calculated as the difference between the sales proceeds, after deduction for sales expenses, and the acquisition cost for tax purposes. The acquisition cost is determined according to the "average method". This means that the acquisition cost for all Share SDRs of the same type and series are added together and determined collectively, with respect to changes to the holding. The BTAs are not considered to be of the same type and series as the Share SDRs until new Share SDRs have been issued. For listed shares (including listed Share SDRs) the acquisition cost may, as an alternative, be determined as 20 percent of the net sale revenue under the "standard rule".

Capital losses on listed shares (including Share SDRs) and listed securities (except for listed shares in mutual funds containing only Swedish receivables) are fully deductible against taxable capital gains on such assets or on non-listed shares in Swedish limited liability companies and foreign legal entities. 70 percent of any excess loss in excess is deductible in the income from capital category.

Moreover, only five sixths of capital losses on non-listed shares in Swedish limited liability companies and foreign legal entities are deductible. If capital losses pertain to both listed and non-listed shares, the losses pertaining to the listed shares are deductible prior to the losses on the non-listed shares. Part of capital losses on listed shares or non-listed shares in Swedish limited liability companies and foreign legal entities not deducted in accordance with the above, may be deducted by, 70 percent against other capital income or five sixths of 70 percent respectively. Capital losses on listed shares in mutual funds containing only Swedish receivables are fully deductible in the income from capital category.

If a deficit arises in the capital income category, a reduction of the tax on income from employment and business operations as well as real estate tax and the municipal real estate fee, is allowed. The tax reduction is granted at 30 percent of any deficit not exceeding SEK 100,000 and 21 percent of any deficit in excess of SEK 100,000. Deficits may not be carried forward to later fiscal year.

Legal entities

Limited liability companies and other legal entities are normally taxed on all income, including capital gains and dividends, as income from business operations at a flat rate of 26.3 percent. For the calculation of capital gains and losses, see *Individuals* above.

Capital losses on shares (including Share SDRs) incurred by a corporate shareholder may be offset only against taxa-

1) Listed Share SDRs are deemed to be held for business purposes if they constitute fixed assets and represent at least 10 % of the voting rights or are otherwise held for business reasons by the shareholding company or any of its affiliates.

ble gains on shares and other securities that are taxed as shares. Such capital losses may, under certain circumstances, also be deductible against capital gains on such securities within the same group of companies provided the requirements for group contributions are met. Capital losses, which have not been utilized within a certain year, may be carried forward and be offset against eligible capital gains in future years without limitation in time.

Exercise of Subscription Right of Class A and Subscription Right of Class B

No tax liability will arise when the Subscription Right of Class A and Subscription Right of Class B are exercised for subscription of new Share SDRs. The acquisition cost for a new Share SDR corresponds to the subscription price. In accordance with the average method, the acquisition cost for the Share SDR of Class A and the Share SDR of Class B shall be calculated separately.

Sale of received Subscription Right of Class A and Subscription Right of Class B

Holders of Share SDRs who do not wish to exercise their preferential rights to participate in the Offer may divest their Subscription Right of Class A and Subscription Right of Class B received. The disposal of Subscription Right of Class A and Subscription Right of Class B will result in capital gains taxation. Subscription Rights received due to holding of Share SDRs are considered to be acquired without any cost. The standard rule may not be applied in this case. Accordingly, the entire revenue from the sale, after deduction of the sales cost, will be subject to tax. The acquisition cost of the original Share SDRs is not affected.

Purchased Subscription Right of Class A and Subscription Right of Class B

The acquisition cost for Subscription Right of Class A and Subscription Right of Class B that are purchased or acquired in a similar manner on the market is the actual purchase price. No tax is imposed on the exercise of the Subscription Right of Class A and Subscription Right of Class B. The acquisition cost of the Subscription Right of Class A and Subscription Right of Class B should be included when computing the acquisition cost of the received Share SDRs[1)]. Should the Subscription Right of Class A and Subscription Right of Class B be sold, any capital gain or capital loss would be subject to capital gains taxation. The acquisition cost of the Subscription Right of Class A and Subscription Right of Class B is calculated in accordance with the average method. The standard rule may be applied on listed Subscription Right of Class A and Subscription Right of Class B that are acquired in this manner.

Taxation of dividends

In principle, a Luxembourg withholding tax is levied on a dividend distribution from Transcom at a rate of 15 percent of the gross amount of the dividend. For legal entities, the dividend may under certain circumstances be exempt from Luxembourg withholding tax.

The gross dividend is also taxable in Sweden as income from capital at a 30 percent rate for individuals and as income from business operations at a rate of 26.3 percent for legal entities. For individuals resident in Sweden, a preliminary tax of 15 percent will normally be withheld if the payment is effected by any central securities depositary or similar institution. Special rules apply for certain legal entities.

A credit for the Luxembourg withholding tax shall be requested in the tax return. If a tax credit for foreign withholding tax cannot be utilised a given year, the credit may be carried forward and be utilised in any of the following five years. Alternatively, the withholding tax may be deducted when the taxable income of the shareholder is computed. Individuals (and estate of deceased) should make the deduction under the capital income category and legal entities under the income from business operations category.

Holders of Share SDRs/Subscription Rights resident outside of Sweden

Holders of Share SDRs not resident in Sweden for tax purposes will normally not be liable for capital gains taxation in Sweden upon disposal of Share SDRs/Subscription Rights, see below concerning certain exceptions. Such holders of Share SDRs/Subscription Rights may, however, be liable for tax in their state of residence.

1) According to the average method, the acquisition cost for the Share SDR of Class A and the Share SDR of Class B shall be calculated separately. Hence, the acquisition cost for Subscription Right of Class A should be included when computing the average acquisition cost for the Share SDR of Class A and the acquisition cost for Subscription Right of Class B should be included when computing the average acquisition cost of the Share SDR of Class B.

Individuals not resident in Sweden for tax purposes may be liable for capital gains taxation in Sweden upon disposal of the Share SDRs/Subscription Rights if they have been resident in Sweden or have lived permanently in Sweden at any time during the year of disposal or the ten calendar years preceding the disposal and if the Share SDRs/Subscription Rights were acquired when the individual was tax resident in Sweden. This right of taxation may, however, be limited by an applicable tax treaty.

A legal entity not resident in Sweden may be subject to capital gains taxation in Sweden upon disposal of Share SDRs/Subscription Rights if the legal entity has a permanent establishment or fixed base in Sweden to which these Share SDRs/Subscription Rights are effectively connected.

Restriction on Sale and Transfer of Subscription Rights, BTAs and new Share SDRs

General

The grant of Subscription Rights and issue of new Share SDRs upon exercise of Subscription Rights and the Offer of unsubscribed new Share SDRs to persons resident in, or who are citizens of countries other than Sweden, may be affected by the laws of the relevant jurisdiction. Investors should consult their professional advisors as to whether they require any governmental or other consent or need to observe any other formalities to enable them to exercise Subscription Rights or purchase new Share SDRs.

Transcom is not taking any action to permit a public offering of the Subscription Rights and new Share SDRs in any jurisdiction other than Sweden. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any territory other than Sweden, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the Subscription Rights, BTAs or new Share SDRs, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Subscription Rights, BTAs or new Share SDRs could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, the investor should not distribute or send the same, or transfer the Subscription Rights, BTAs or new Share SDRs to any person in or into any jurisdiction where such action would or might contravene local securities laws or regulations. If the investor forwards this Prospectus into any such territories (whether under a contractual or legal obligation or otherwise), the investor should draw the recipient's attention to the contents of this section. Except as otherwise expressly noted in this Prospectus; (i) the Subscription Rights and new Share SDRs being granted or offered, respectively, in the Offer may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, Member States of the EEA that have implemented the Prospectus Directive, Australia, Canada, Hong Kong, Japan, the United States, or any other jurisdiction in which it would not be permissible to offer the Subscription Rights and new Share SDRs (the "Ineligible Jurisdiction" and collectively the "Ineligible Jurisdictions"); (ii) this Prospectus may not be sent to any person in any Ineligible Jurisdiction; and (iii) the crediting of Subscription Rights to an account of a Share SDR holder or other person in an Ineligible Jurisdiction or a citizen of an Ineligible Jurisdiction (referred to as 'ineligible Persons") does not constitute an offer to such persons of the new Share SDRs and Ineligible Persons may not exercise Subscription Rights.

If an investor takes up, delivers or otherwise transfers Subscription Rights, exercises Subscription Rights to obtain new Share SDRs or trades or otherwise deals in the Subscription Rights, BTAs or new Share SDRs, that investor will be deemed to have made or, in some cases, be required to make, the following representations and warranties to Transcom and any person acting on Transcom's or its behalf, unless such requirement is waived by Transcom:

- the investor is not located in an Ineligible Jurisdiction;
- the investor is not an Ineligible Person;
- the investor is not acting, and has not acted, for the account or benefit of an Ineligible Person;
- unless the investor is a "qualified institutional buyer" as defined in Rule 144A under the Securities Act, the investor is located outside the United States and any person for whose account or benefit it is acting on a non-discretionary basis is located outside the United States and, upon acquiring new Share SDRs, the investor and any such person will be located outside the United States;
- the investor understands that the Subscription Rights, BTAs and new Share SDRs have not been or will not be registered under the Securities Act and may not be offered, sold, pledged, resold, granted, delivered, allotted, taken up or otherwise transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, registration under the Securities Act: and
- the investor may lawfully be offered, take up, subscribe for and receive Subscription Rights, BTAs or new Share SDRs in the jurisdiction in which it resides or is currently located.

Transcom and any persons acting on behalf of Transcom will rely upon the investor's representations and warranties. Any provision of false information or subsequent breach of these representations and warranties may subject the investor to liability.

If a person is acting on behalf of a holder of Subscription Rights (including, without limitation, as a nominee, custodian or trustee), that person will be required to provide the foregoing representations and warranties to Transcom with respect to the exercise of Subscription Rights on behalf of the holder. If such person cannot or is unable to provide the foregoing representations and warranties, Transcom will not be bound to authorize the allocation of any of the Subscription Rights and new Share SDRs to that person or the person on whose behalf the other is acting. Subject to the specific restrictions described below, if an investor (including, without limitation, its nominees and trustees) is outside Sweden and wishes to exercise or otherwise deal in or subscribe for Subscription Rights and new Share SDRs, the investor must satisfy itself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. The information set out in this section is intended as a general guide only. If the investor is in any doubt as to whether it is eligible to exercise its Subscription Rights or subscribe for the Subscription Rights and new Share SDRs, that investor should consult its professional advisor without delay.

Subscription Rights will initially be credited to financial intermediaries for the accounts of all Share SDR holders that hold Share SDRs as of the Record Date in custody through such an intermediary. A financial intermediary may not exercise any Subscription Rights on behalf of any person in the Ineligible Jurisdictions or any Ineligible Persons and may be required in connection with any exercise of Subscription Rights to certify the same.

Subject to certain exceptions, financial intermediaries are not permitted to send this Prospectus or any other information about the Offer into any Ineligible Jurisdiction or to any Ineligible Persons. The crediting of Subscription Rights to the account of persons in Ineligible Jurisdictions or to Ineligible Persons does not constitute an offer of the Subscription Rights and new Share SDRs to such persons. Financial intermediaries, who include brokers, custodians and nominees, holding for Ineligible Persons may consider selling any and all Subscription Rights held for the benefit of such persons to the extent permitted under their arrangements with such persons and applicable law and to remit the net proceeds to the accounts of such persons.

Subject to certain exceptions, exercise instructions or certifications sent from or postmarked in any Ineligible Jurisdiction will be deemed to be invalid and the Subscription Rights and new Share SDRs will not be delivered to an addressee in any Ineligible Jurisdiction. Transcom reserves the right to reject any exercise (or revocation of such exercise) in the name of any person who provides an address in an Ineligible Jurisdiction for acceptance, revocation of exercise or delivery of such Subscription Rights and new Share SDRs, who is unable to represent or warrant that such person is not in an Ineligible Jurisdiction and is not an Ineligible Person, who is not acting on a discretionary basis for such persons. or who appears to Transcom or its agents to have executed its exercise instructions or certifications in, or dispatched them from, an Ineligible Jurisdiction. Furthermore, Transcom reserves the right, with sole and absolute discretion, to treat as invalid any exercise or purported exercise of Subscription Rights which appears to it to have been executed, effected or dispatched in a manner that may involve a breach or violation of the laws or regulations of any jurisdiction.

Notwithstanding any other provision of this Prospectus, Transcom reserves the right to permit a holder to exercise its Subscription Rights if Transcom, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the laws or regulations giving rise to the restrictions in question. Applicable exemptions in certain jurisdictions are described further below. In any such case, Transcom does not accept any liability for any actions that a holder takes or for any consequences that it may suffer by them accepting the holder's exercise of Subscription Rights.

Investing in the new Share SDRs involves risk. See *Risk Factors* on page 14 for a discussion of certain factors that should be considered by prospective investors.

No action has been or will be taken by SEB Enskilda to permit the possession of the Prospectus or any other offering or publicity materials or application form(s) relating to the Offer in any jurisdiction where such distribution may lead to a breach of any law or regulatory requirement.

Neither Transcom nor SEB Enskilda, nor any of their respective representatives, is making any representation to any offeree, subscriber or purchaser of the Subscription Rights and new Share SDRs regarding the legality of an investment in the Subscription Rights and new Share SDRs by such offeree, subscriber or purchaser under the laws applicable to such offeree, subscriber or purchaser. Each investor should consult their own advisors before subscribing or purchasing the Subscription Rights and new Share SDRs. Investors are required to make their independent assessment of the legal, tax, business, financial and other consequences of a subscription or purchase of the Subscription Rights and new Share SDRs.

A further description of certain restrictions on the Offer of the Subscription Rights and new Share SDRs is set out below.

United States

The Subscription Rights, new Share SDRs and BTAs have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from the registration requirements of the Securities Act and in compliance with the securities laws of any state or other jurisdiction of the United States. The Subscription Rights, new Share SDRs and BTAs are being offered and sold outside the United States in reliance on Regulation S under the Securities Act. Any offering of the Subscription Rights, new Share SDRs and BTAs to be made in the United States will be made only to a limited number of entities who are reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) ("QIBs") pursuant to an exemption from registration under the Securities Act in a transaction not involving any public offering and who have executed and returned an investor letter to Transcom.

Accordingly, subject to certain limited exceptions, this document will not be sent to, and no Subscription Rights will be credited to, any shareholder with a registered address in the United States. In addition, Transcom and SEB Enskilda reserve the right to reject any instruction sent by or on behalf of any Euroclear Sweden account holder with a registered address in the United States in respect of the Subscription Rights, new Share SDRs and BTAs.

Any recipient of this document in the United States is hereby notified that this document has been furnished to it on a confidential basis and is not to be reproduced, retransmitted or otherwise redistributed, in whole or in part, under any circumstances. Furthermore, recipients are authorized to use it solely for the purpose of considering a purchase of the Subscription Rights and new Share SDRs in the Offer and may not disclose any of the contents of this document or use any information herein for any other purpose. This document is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Subscription Rights and new Share SDRs. Any recipient of this document agrees to the foregoing by accepting delivery of this document.

Until 40 days after the commencement of the Offer, any offer or sale of the Subscription Rights, new Share SDRs and BTAs within the United States by any dealer (whether or not participating in the Offer) may violate the registration requirements of the Securities Act.

The Subscription Rights, new Share SDRs and BTAs have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Subscription Rights, new Share SDRs and BTAs or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offense in the United States.

Each person to which Subscription Rights, new Share SDRs and BTAs are distributed, offered or sold in the United States, by accepting delivery of this Prospectus or by its subscription for Subscription Rights, new Share SDRs and BTAs, will be deemed to have represented and agreed, on its behalf and on behalf of any investor accounts for which it is subscribing for Subscription Rights, new Share SDRs and BTAs, as the case may be that:

(i) it is "qualified institutional buyer" as defined in Rule 144A under the Securities Act that has executed and returned an investor letter to the Company; and
(ii) the Subscription Rights, new Share SDRs and BTAs have not been offered to it by Transcom by means of any form of "general solicitation" or "general advertising" (within the meaning of Regulation D under the Securities Act).

Each person to which Subscription Rights, new Share SDRs and BTAs are distributed, offered or sold outside the United States will be deemed by its subscription for, or purchase of, the Subscription Rights, new Share SDRs and BTAs to have represented and agreed, on its behalf and on behalf of any investor accounts for which it is subscribing for or purchasing the Subscription Rights, new Share SDRs and BTAs, as the case may be, that:

(i) it is acquiring the Subscription Rights, new Share SDRs and BTAs from Transcom or SEB Enskilda in an "offshore transaction" as defined in Regulation S under the Securities Act; and
(ii) the Subscription Rights, new Share SDRs and BTAs have not been offered to it by Transcom or SEB Enskilda by means of any 'directed selling efforts" as defined in Regulation S under the Securities Act.

European Economic Area

In relation to each Relevant Member State, SEB Enskilda has represented and agreed and each recipient of this document will be deemed to have represented and agreed that, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date"), it has not made and will not make an offer of the Subscription Rights, BTAs and new Share SDRs to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer:

(i) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
(ii) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year, (2) a total balance sheet of more than EUR 43,000,000 and (3) an annual net turnover of more than EUR 50,000,000, all as shown in its last (or, in Sweden, the last two) annual or consolidated accounts;
(iii) in any other circumstances which do not require the publication by Transcom of a prospectus pursuant to Article 3 of the Prospectus Directive; or
(iv) provided that no such offer of Subscription Rights, BTAs and new Share SDRs shall result in a requirement for the publication of Transcom or SEB Enskilda of a prospectus pursuant to Article 3 of the Prospectus Directive.

Each purchaser of the Subscription Rights, BTAs and new Share SDRs located within a Relevant Member State will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any Subscription Rights and new Share SDRs in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offer and the Subscription Rights and new Share SDRs to be offered so as to enable an investor to decide to purchase or subscribe for the Subscription Rights and new Share SDRs, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Certain Other Jurisdictions

United Kingdom

This Prospectus is only being distributed to and is only directed at (i) persons who are outside the United Kingdom and (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") and (iii) to high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The new Share SDRs are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such new Share SDRs will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this Prospectus or any of its contents.

Switzerland

Neither the Subscription Rights nor the new Share SDRs may be publicly offered, sold or advertised, directly or indirectly, in or from Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Subscription Rights or the new Share SDRs constitutes a prospectus within the meaning of article 652a or article 1156 of the Swiss Federal Code of Obligations or a listing prospectus according to article 27 of the Listing Rules of the SIX

Swiss Exchange Ltd. The new Share SDRs will not be listed on the SIX Swiss Exchange Ltd. and, therefore, neither this Prospectus nor any other offering or marketing material relating to the new Share SDRs complies with the disclosure standards of the Listing Rules of the SIX Swiss Exchange Ltd. Accordingly, the Subscription Rights and the new Share SDRs may only be offered to a selected and limited group of investors, which do not subscribe the Subscription Rights or the new Share SDRs with a view to distribution to the public. The investors will be individually approached from time to time. This Prospectus is personal to each offeree and does not constitute an offer to any other person. The Prospectus may only be used by those persons to whom it has been handed out in connection with the Offer described herein and may neither directly nor indirectly be distributed or made available to other persons without the express consent of Transcom. It may not be used in connection with any other offer and shall, in particular, not be copied and/or distributed to the public in or from Switzerland.

Grand Duchy of Luxembourg

The terms and conditions relating to this Prospectus have not been approved by and will not be submitted for approval to the Luxembourg Financial Services Authority (Commission de Surveillance du Secteur Financier) for the purposes of public offering or sale in the Grand Duchy of Luxembourg. Accordingly, the Share SDRs may not be offered or sold to the public in Luxembourg, directly or indirectly, and neither this Prospectus nor any other circular, offering memorandum, form of application, advertisement, communication or other material may be distributed, or otherwise made available in or from, or published in, Luxembourg except in circumstances which do not constitute an offer of securities to the public pursuant to the provisions of the Luxembourg Act dated 10 July 2005 relating to prospectuses for securities (loi relative aux prospectus pour valeurs mobilières) (the "Prospectus Act").

The Share SDRs may not be offered to the public in Luxembourg, other than:

(i) to legal entities that are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities; or
(ii) to any legal entity that has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000 as shown in its last annual or combined accounts; or
(iii) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Act), subject to obtaining the prior consent of the joint bookrunning managers; or

any other circumstances that do not require the publication by Transcom of a prospectus pursuant to Article 5 of the Prospectus Act.

Addresses

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Luxembourg

Independent Auditor to Transcom
Ernst & Young
7, rue Gabriel Lippmann
Parc d'Activité Syrdall 2
L-5365 Luxembourg
Luxembourg

Account management institute
Euroclear Sweden AB
Regeringsgatan 65
SE-103 97, Stockholm
Sweden

Issue Administration
SEB
Issue Department R B6
SE-106 40 Stockholm
Sweden

Appendix

Carnegie Investment Bank AB's terms and conditions for Swedish depositary receipts regarding shares in Transcom WorldWide S.A

July, 2001

Transcom WorldWide S.A. (”the Company”) has commissioned Carnegie Investment Bank AB (”Carnegie”) to act as custodian for account of shareholders of shares in the Company and to issue Swedish depository receipts of Class A and Class B representing voting shares and non-voting shares, respectively, in accordance with these terms and conditions. The purpose of issuing depository receipts is to allow trading of these shares in Sweden. Depository receipts issued in Class A and Class B shall be registered in the reconciliation register maintained by the Swedish Securities Register Centre (Euroclear Sweden AB) (”Euroclear Sweden”). The depository receipts are listed on NASDAQ OMX Stockholm.

1. Deposit of shares

1.1 Shares are deposited for account of the depository receipt holder with Carnegie or with by Carnegie appointed custodian for account of Carnegie through registration by Carnegie or the custodian as owners of the shares in the Company's share register, or with other institution appointed by the Company with an assignment to maintain a register of the Company's owners. By depository receipt holder is meant owner of depository receipt or his or her nominee.

1.2 The depository receipt holder's rights vis à vis Carnegie according to these terms and conditions with respect to shares deposited are registered to the credit of the VP account designated by the depository receipt holder and in a reconciliation register maintained by Euroclear Sweden (depository receipt register) in accordance with the Financial Instruments Accounts Act (1998:1479).

2. Deposit and withdrawal of shares

2.1 On the condition that no impediment exists according to the laws or regulatory decrees of Sweden, Luxembourg or other country, Carnegie shall upon request by the depository receipt holder without delay arrange for the deposit holder becoming registered directly as owner in the Company's share register, or with other institution approved by the Company assigned to maintain a register of the Company's shareholders, for the number of shares held equivalent to the depository receipt holder's holding of depository receipts. Registration in the share register, or other equivalent register of the Company's shareholders, shall occur as soon as the depository receipts in question have been deregistered from the depository receipt register maintained by Euroclear Sweden.

2.2 After payment of all taxes and fees payable in connection with deposit of shares, shares may be transferred to Carnegie for safekeeping according to the terms and conditions together with the required information to Carnegie with respect to name, address and VP account (in which the depository receipts are to be registered) together with other information and documentation required under Swedish, Luxembourg or other applicable law.

2.3 Carnegie has the right to receive advance compensation from the depository receipt holder for fees and expenses that arise in connection with withdrawal and deposit of shares according to items 2.1 and 2.2 above in accordance with Carnegie's applicable price list for such transactions.

3. Transfer and pledging of shares, etc.

Shares on deposit cannot be transferred or pledged in any other way than by transfer and pledging of the depository receipts. Transfer and pledging of depository receipts shall take place in accordance with applicable Swedish legislation. The authority to transfer or pledge depository receipts, as well as deciding who shall be deemed to be the rightful owner or pledgee of depository receipts shall be determined according to the rules that apply to shares in Euroclear Sweden companies.

4. Record Date

Carnegie and the Company shall in consultation set a date (”Record Date”) to be applied by Carnegie for determining which depository receipt holders relative to Carnegie are entitled to (a) to receive cash dividends, rights or other property, (b) to participate in the proceedings of and to vote at general meetings of shareholders, (c) to receive shares in connection with stock dividends, (d) to subscribe for shares, debentures or other rights in connection with offerings, and (e) to exercise the rights that normally accrue to the benefit of the shareholders in the Company. It is the Company's and Carnegie's intention for the Record Date to be the same as the date of reconciliation or equivalent that the Company applies in relation to Carnegie.

5. Dividends

5.1 Any dividends received by Carnegie as a shareholder in the Company shall be passed on by Carnegie in accordance with the provisions of item 5 hereof.

5.2 Dividend payments shall be made to the depository receipt holder who on the Record Date is entered in the depository receipt register as holder of depository receipts or holder of rights. Dividends are payable in euro (EUR) or alternatively in Swedish kronor (SEK).

5.3 Carnegie shall in consultation with the Company set the date for payment of dividend to the depository receipt holders (”the Payment Date”). If Carnegie has received a dividend from the Company in a currency other than SEK or EUR, Carnegie shall arrange for conversion of the dividend received from the Company to SEK or EUR. Such conversion shall be effected at a market rate of exchange no earlier than ten and no later than five banking days before the payment date by entry into a forward contract with a due date on the payment date, or the day when funds are made available to Euroclear Sweden. The applicable rate of exchange shall be the rate of exchange obtained in such forward contract.

5.4 Payment of dividends to depository receipt holders and other holders of rights according to the depository receipt register shall be made on the Payment Date by Euroclear Sweden and in accordance with the rules and regulations applied by Euroclear Sweden from time to time.

5.5 If dividends are paid to a recipient who is not authorized to receive dividends, Carnegie shall nonetheless be deemed to have fulfilled its obligations, except in the case where Carnegie was aware that payment of dividend was being made to a party not authorized to receive dividends, or if Carnegie failed to exercise reasonable care appropriate to the circumstances, or if payment cannot be claimed because the recipient was a minor or because a guardian was appointed pursuant to the Children and Parents Code for the recipient and such mandate includes receipt of dividends.

5.6 Payment of dividend to depository receipt holders shall be made without deduction for any expenses of fees or equivalent attributable to the Company, Carnegie or Euroclear Sweden, but with a deduction for preliminary tax or other taxes withheld according to Swedish legislation and for any tax that may be levied according to the legal systems in Sweden, Luxembourg or other country.

5.7 If Carnegie receives dividends in a form other than in cash, Carnegie – after consultation with the Company – shall decide how such dividend shall be transferred to depository receipt holder entitled to receive it. This may mean that the property is sold and that the proceeds of such sale, after deduction of selling costs and any taxes thereon, are paid to the depository receipt holders.

5.8 If the shareholders have the right to choose dividends in the form of cash or in any other form, and it is not practically feasible to give the depository receipt holders such opportunity, Carnegie shall have the right to decide, for account of the depository receipt holders, that such dividend shall be paid in the form of cash.

6. Stock dividends, splits, new issues and other distributions

6.1 Carnegie, or the custodian appointed by Carnegie according to item 1.1 hereof, shall in the case of a stock dividend and split shall be registered as soon as possible in the Company's share register for the new shares received in conjunction with such action, and shall make arrangements to ensure that the depositary receipts received for such shares are registered to the VP account belonging to depository receipt holder entitled to receive such shares. The corresponding registration procedures shall be undertaken in connection with reverse split.

6.2 Any person whose name on a Record Date is entered in the depository receipt register as depository receipt holder or holder of rights relative to the action in question shall be deemed to be authorized to receive depository receipts representing new shares added as a result of a stock dividend or a split. If a recipient of depository receipts was not authorized to receive the new depository receipts, the provisions of item 5.5 above shall be applied wherever applicable.

6.3 Where the Company decides on a new issue of shares, issuance of convertible debentures, options or other rights, Carnegie shall inform the depository receipt holders thereof and of the principal terms and conditions for the new issue, the convertible debentures, the options or other rights. With such information shall be enclosed the relevant subscription form by which the depository receipt holder may instruct Carnegie to subscribe for shares, options, or exercise other rights. When Carnegie has subscribed for and received such shares, convertible debentures or other rights in accordance with the instructions of the depository receipt holder, Carnegie shall see to it that the corresponding registration is effected to the credit of the VP account of the depository receipt holder. Where such registration cannot be effected to the credit of the respective VP account of the depository receipt holder, Carnegie shall see to it that the depository receipt holders are ensured the right of ownership to the instrument or rights in question in other ways.

6.4 Where a depository receipt holder fails to instruct Carnegie to exercise the rights set forth above, Carnegie has the right to sell such rights for account of the depository receipt holder and pay the proceeds of such sale to the depository receipt holder, less a deduction for selling costs and any taxes thereon.

6.5 Where the depository receipt holder has the right to, or after exercising receives, a number of fractional rights or other rights that do not entitle the holder to receive an even number of shares, participation in new issue of shares, subscription for convertible debentures, options or other rights, Carnegie has the right to sell such residual fractional rights, preferential rights, etc. and pay the proceeds to the depository receipt holder after deduction of selling costs and any fees and taxes incurred.

7. Participation in general meetings of shareholders

7.1 Carnegie shall guarantee the depository receipt holder the right to participate in the Company's general meetings of shareholders and to vote shares represented by the depository receipts. Carnegie shall in consultation with the Company make arrangements so that depository receipt holders receive notice for such general meeting of shareholders. In accordance with the Listing Agreement with Stockholmsbörsen AB a notice for a general meeting of shareholders shall be provided for dissemination to, at least two established news agencies and at least three national daily newspapers. The notice shall contain: (i) the information included by the Company in the notice for the meeting and (ii) instructions as to what must be observed by each depository receipt holder in order to participate in the proceedings of the general meeting of shareholders or otherwise exercise his or her voting right. Well in advance of the general meeting of shareholders, Carnegie shall make arrangements so that proxies are issued to each depository receipt holder who has announced his or her intention to participate in the proceedings of the general meeting of shareholders. Such proxies shall be submitted to the Company together with a list of depository receipt holders to whom proxies have been issued.

7.2 According to the Company's current Articles of Association, the regularly scheduled annual general meeting shall be held annually on the last Tuesday in the month of May at 5.30 p.m. If this day falls on a public holiday in Luxembourg, the Annual General Meeting shall instead be held on the next following banking day.

7.3 Carnegie undertakes not to represent shares for which depository receipt holders have not appointed Carnegie as its proxy.

8. Information to the depository receipt holder

Carnegie shall in the manner set forth in item 12 below provide the depository receipt holders with all the information that Carnegie receives from the Company in Carnegie capacity of shareholder. If so requested, Carnegie shall always provide such information by mail to the address set forth in depository receipt register. The Company's intention is to present all information in English.

9. Listing of depository receipts

The depository receipts are listed on the O-list of the Stockholm Stock Exchange. If a decision is made delist the depository receipts, Carnegie shall inform the depository receipt holders as soon as possible of such decision.

10. Carnegie's expenses

Carnegie's expenses and the firm's fees for managing the depository and Euroclear Sweden's services shall be borne by the Company unless otherwise expressly provided in these terms and conditions.

11. Change of depository

Where the Company decides to use the services of a bank or a securities firm other than Carnegie, Carnegie shall transfer all its rights and obligations to the depository receipt holders according to these terms and conditions and deliver the shares to the new depository. Change of depository shall be submitted for approval by Euroclear Sweden and may be implemented not earlier than three months after notice (regarding change of depository) is sent by mail to the depository receipt holders or an announcement to that effect was published in a daily newspaper according to item 12 below. When a change in depository is made in the manner set forth in this item 11, depository receipt holders shall be deemed to have agreed to a transfer of all rights and obligations among the depository receipt holders and Carnegie to apply among the depository receipt holders and the new depository.

12. Notices

It is incumbent upon Carnegie to ensure that notices to the depository receipt holders according to these terms and conditions, either directly or indirectly, are delivered to the depository receipt holders and other holders of rights who are listed in the reconciliation register in accordance with the Swedish act on accounting for financial instruments (1998:1479) and in accordance with the routines applied by Euroclear Sweden from time to time. Except in the cases where notice in writing is to be sent mail to the shareholders in Swedish Euroclear Sweden companies, Carnegie – as an alternative to sending the notice by mail – has the right in consultation with the Company to publish notices in the form of announcement in a daily Stockholm newspaper. Information shall also be provided to NASDAQ OMX Stockholm.

13. Amendments to these terms and conditions

Carnegie reserves the right to amend these terms and conditions to the extent required to make them conform to Swedish or other applicable legislation, regulatory decree or Euroclear Sweden's rules and regulations. Carnegie – in consultation with the Company – reserves the right to amend these terms and conditions if such amendment is appropriate or necessary for other reasons, in all cases on the condition that the rights of the depository receipt holders are not adversely affected in a material manner.

14. Information about depository receipt holders (confidentiality)

14.1 Carnegie Reserves the right to request information from Euroclear Sweden about holders of depository receipts from the depository receipt register maintained by Euroclear Sweden and to provide information about the depository receipt holders and their holdings o depository receipt to the Company.

14.2 Carnegie also reserves the right to provide information about depository receipt holders to those who perform registration work with respect to the shares as well as to government authorities, provided such obligation is prescribed by Swedish or foreign law, statute or regulatory decree. Depository receipt holders are obliged to provide such information to Carnegie upon request.

15. Limitation of liability

15.1 Unless otherwise follows from item 15.2 below, Carnegie is liable for damage suffered by the depository receipt holder due to negligence on the part of Carnegie in performing its assignment according to these terms and conditions. Carnegie shall not be liable for any indirect or consequential damage, however.

15.2 Carnegie shall not be liable for any loss or damage resulting from Swedish or foreign legislation, Swedish or foreign regulatory decree, act of war, strike, boycott, lockout, blockade or other similar circumstances. The reservation regarding strike, blockade, boycott or lockout applies even if Carnegie itself takes such action or is the object of such action.

15.3 Where Carnegie or the Company is prevented from effecting payment or taking other action due to circumstances outside their control, Carnegie or the Company may postpone execution until the obstacle has been removed.

16. Termination

Where a decision is made to cease listing depository receipts on the Stockholm Stock Exchange or other equivalent marketplace, or where the Company decides that the shares in the Company no longer are to be represented by depository receipts according to these terms and conditions or where the Company has failed to fulfil payment of expenses and fees according to item 10 hereof for more than 30 days, Carnegie reserves the right to terminate the deposit of shares according to these terms and conditions by giving notice of termination to the depository receipt holders pursuant to item 12 hereof. Where such notice is given, these terms and conditions continue to remain in force for a period of notice of six months from the date of making such announcement or from the date of when the announcement was published in a newspaper, where the depository receipts have not previously been delisted following a decision by the Stockholm Stock Exchange. The announcement to the depository receipt holders must include the Record Date when Carnegie will re-register all depository receipts according to the depository receipt register in the Company's share register, or another institution appointed by the Company assigned to maintain a register of the Company's shareholders.

17. Governing law

These terms and conditions and the depository receipts issued by Carnegie shall be governed by Swedish law.

18. Disputes

Disputes concerning these terms and conditions, or legal relations emanating from these terms and conditions, shall be settled by a general court of law and action is to be initiated at the Stockholm District Court.

Relationships Revenue Results

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Sweden

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