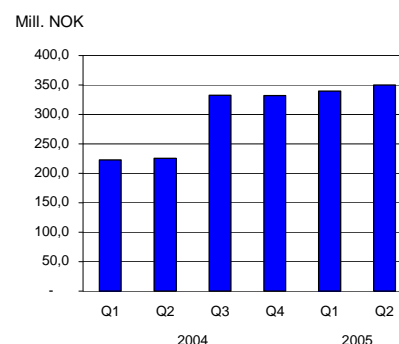


# AKTIV KAPITAL ASA – Quarterly Report for Q2 2005

## Main points Q2 2005 (Q2 2004)

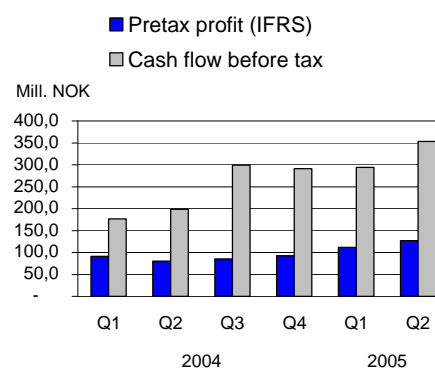
- Purchase UK portfolios, NOK 1,200m face value
- Operating revenue NOK 349.9m (+56%)
- Profit before tax NOK 126.8m (+57%)
- EBITDA (based on NGAAP) NOK 353.5m (+ 65%)
- Interest income on portfolios NOK 250.9m (+97%)
- Payments from portfolios NOK 423.0m (+87%)
- Debt collection revenue NOK 59.3m (+5%)
- AFS revenue NOK 17.3m (- 4%)
- Earnings per share NOK 1.99 (NOK 1.80)
- Cash flow per share NOK 6.06 (NOK 5.20)

OPERATING REVENUE (IFRS)



## Main points as at 30.06.05 (30.06.04)

- Operating revenue NOK 690.5m (+54%)
- Profit before tax NOK 238.8m (+38%)
- EBITDA (based on NGAAP) NOK 675.1 m (+69%)
- Interest income on portfolios NOK 498.6m (+96%)
- Payments from portfolios NOK 831.1m (+ 100%)
- Debt collection revenue NOK 114.1m (+3%)
- AFS revenue NOK 33.6m (- 13%)
- Earnings per share NOK 3.80 (NOK 3.90)
- Cash flow per share NOK 11.62 (NOK 9.74)



## PROFIT AND LOSS ACCOUNT (NOK 1000)

	Q2 2005	Q2 2004	Accumulated June 2005	Accumulated June 2004	Full year 2004
Operating revenue	349 866	225 613	690 492	448 690	1 113 339
Payroll	69 269	38 428	146 526	88 223	245 916
Other operating costs	99 153	71 409	201 363	122 248	319 638
Depreciation of fixed assets	18 129	18 162	32 879	37 477	74 435
<b>Operating profit before depreciation of immaterial assets</b>	<b>163 315</b>	<b>97 614</b>	<b>309 724</b>	<b>200 742</b>	<b>473 350</b>
Depreciation of intangible fixed assets	1 861	1 609	3 755	3 217	13 137
<b>Operating profit</b>	<b>161 454</b>	<b>96 005</b>	<b>305 969</b>	<b>197 525</b>	<b>460 213</b>
Net financial items	-34 703	-15 176	-67 197	-24 566	-108 809
Profit before tax	<b>126 751</b>	<b>80 829</b>	<b>238 772</b>	<b>172 959</b>	<b>351 404</b>
Tax on ordinary result	32 958	18 615	59 667	38 017	68 682
Profit after tax	<b>93 793</b>	<b>62 214</b>	<b>179 105</b>	<b>134 942</b>	<b>282 722</b>
<b>Earnings per share (diluted)</b>	<b>1,99</b>	<b>1,80</b>	<b>3,80</b>	<b>3,90</b>	<b>6,91</b>
<b>Cash flow per share</b>	<b>6,06</b>	<b>5,20</b>	<b>11,62</b>	<b>9,74</b>	<b>21,92</b>

## Results

Q2 2005 revenue came in at NOK 349.9 million, representing a 56% increase from same period last year. Operating profit was NOK 161 million, up 68% from 2004. Compared with Q1 2005, Q2 2005 operating profit increased by NOK 17 million, or 12%. Q2 2005 pre-tax profit of NOK 126.8 million, and net income of NOK 93.8 million, represents an increase over Q2 2004 of 57% and 51% respectively, and a 13% and 10% increase from Q1 2005 results. EBITDA increased by 65% to NOK 353.5 million.

The relatively low collection during the first two months of Q1 2005 was not seen in Q2, and result met the expected level for the quarter. The increase in result was also positively affected by lower cost in the quarter. The largest effect of the cost saving was in debt collection, but the portfolio business did also have lower cost in the quarter.

#### OPERATING REVENUE PER BUSINESS AREA

(NOK 1000)	Operating revenue					
	Q2 2005	Q2 2004	Changes	Per 30.06. 2005	Per 30.06. 2004	Changes
Interest income on portfolios	250 885	127 583	97 %	498 600	254 047	96 %
Debt collection	59 314	56 672	5 %	114 050	110 733	3 %
AFS	22 410	22 516	0 %	44 245	45 165	-2 %
Other operating revenues	17 257	18 020	-4 %	33 597	38 745	-13 %
<b>Total operating revenues</b>	<b>349 866</b>	<b>224 791</b>	<b>56 %</b>	<b>690 492</b>	<b>448 690</b>	<b>54 %</b>

#### OPERATING PROFIT PER BUSINESS AREA

(NOK 1000)	Operating profit					
	Q2 2005	Q2 2004	Changes	Per 30.06. 2005	Per 30.06. 2004	Changes
Portfolios	150 729	77 484	95 %	294 577	165 653	78 %
Debt collection	17 880	19 840	-10 %	24 831	35 494	-30 %
AFS	3 355	5 840	-43 %	6 971	11 281	-38 %
<b>Profit before appropriated group costs and depreciation of immaterial assets</b>	<b>171 964</b>	<b>103 164</b>	<b>67 %</b>	<b>326 379</b>	<b>212 428</b>	<b>54 %</b>
Group overhead costs	-8 649	-5 551	-56 %	-16 655	-11 607	-43 %
Depreciation of goodwill	-1 861	-1 608	-16 %	-3 755	-3 217	-17 %
<b>Operating profit</b>	<b>161 454</b>	<b>96 005</b>	<b>68 %</b>	<b>305 969</b>	<b>197 604</b>	<b>55 %</b>
Net financial items	-34 703	-15 176	-129 %	-67 197	-24 566	-174 %
<b>Profit before tax</b>	<b>126 751</b>	<b>80 829</b>	<b>57 %</b>	<b>238 772</b>	<b>173 038</b>	<b>38 %</b>

### Portfolios

Compared with Q2 2004 the portfolio business shows a good increase in revenue (+97%) as well as in operating profit (+95%). In Q2 2005 cash collection was NOK 423 million, an improvement of NOK 14.9 million compared with Q1 2005. The increase in collection comes from relatively stable collections through the quarter, and the slowness seen in the beginning of Q1 did not repeat itself. Focus has been put on operational techniques in order to strengthen the collection processes, and potential areas of improvements will be dealt with when found.

In June 2005 Aktiv Kapital concluded two agreements of purchasing debt portfolios in the UK with an aggregated balance of GBP 104 million (NOK 1.200 million). The agreements were entered into with two major financial institutions, from whom Aktiv Kapital has purchased similar portfolios previously. The purchases did not have any effect on second quarter 2005 result. In addition, purchases under forward flow agreements and other small acquisitions were completed in Norway, Sweden, Finland, Austria and UK.

### Debt collection

Income from debt collection ended in Q2 2005 at NOK 59.4, exceeding the same period last year by 5%. Comparing the same two periods, operating profit for Q2 2005 decreased by 10%, but showed a significant increase from Q1 2005. The year-on-year decrease in operating profit is partly due to the reduction in collection fees chargeable on debts in Finland, a change that came into effect in the beginning of the year.

## Administrative and financial services (AFS)

The AFS business showed the expected increase in revenues compared with Q1 2005, and came in at the same level as Q2 2004. Operating profit did decrease on a year-on-year comparison, and was relatively flat compared with last quarter.

### BALANCE SHEET

(NOK 1000)	30.06.2005	30.06.2004	31.12.2004
Intangible fixed assets	40 055	52 585	27 042
Fixed assets	131 177	180 236	157 686
Portfolios	4 220 982	1 730 602	3 973 485
Other financial assets	30 565	21 847	47 248
Receivables	284 182	286 159	317 007
Bank, deposits and cash	663 103	115 122	382 646
<b>Total assets</b>	<b>5 370 064</b>	<b>2 386 551</b>	<b>4 905 114</b>
Paid-in capital	1 556 014	406 004	1 544 855
Equity earnings	453 219	464 870	482 104
Allocation for liabilities	486 908	96 955	403 938
Long-term liabilities	1 454 672	896 337	1 559 016
Bank overdrafts	24 890	64 698	52 327
Current liabilities to credit institutions	1 394 361	457 687	862 874
<b>Total liabilities and equity</b>	<b>5 370 064</b>	<b>2 386 551</b>	<b>4 905 114</b>

### Financial situation

The monthly average EBITDA in Q2 2005 was satisfactory and came in at NOK 117.8 million (Q1 2005 NOK 107 million).

In April an interest rate hedging contract for a smaller NOK amount was entered into for a 5 year period. Based on IFRS accounting (IAS 39), the gain/loss on the contract, measured on a fair market value principle, will be taken against equity. As per 30 June, the equity was reduced by NOK 2.5 million.

The financing of the 50% acquisition of C&A Finland Oy from Cargill was completed as scheduled, and payment was made on June 30.

### EQUITY MOVEMENTS

	1.1-30.06. 2005	1.1-30.06. 2004	1.1-31.12. 2004
Equity 1.1	2 026 959	835 674	723 173
Capital increase	650	1 550	1 151 551
Share issue costs after tax			-10 154
Adjustment for interest hedging arrangements	-2 514		
Quarterly result	179 105	134 942	282 722
Paid dividend	-165 174	-103 928	-103 928
Conversion differences	-29 793	2 636	-16 405
<b>Equity</b>	<b>2 009 233</b>	<b>870 874</b>	<b>2 026 959</b>

**CASH FLOW ANALYSIS**  
(NOK 1000)

**1.1.-30.06.05 1.1.-30.06.04 1.1.-31.12.04**

Profit before tax	179 105	134 942	282 722
Reversal of interest income on portfolios	-498 600	-254 047	-728 155
Paid-in portfolios	831 095	415 824	1 255 106
Ordinary depreciation	36 634	40 694	87 572
Changes in purchased or loaned invoices	-2 891	-25 462	-7 538
Change in other accruals	143 572	-159 283	-149 183
<b>Net cash flow from operating activities</b>	<b>688 915</b>	<b>152 667</b>	<b>740 524</b>
Purchase of tangible fixed assets *	-3 890	-2 530	-8 754
Acquisition of portfolios *	-568 268	-477 500	-682 776
Investment in other businesses	-16 768	-13 445	-744 911
Changes in other investments	17 362	-6 852	-11 028
<b>Cash flow from investment activities</b>	<b>-571 564</b>	<b>-500 327</b>	<b>-1 447 469</b>
Paid dividends	-165 174	-103 928	-103 928
Net increase in long-term liabilities *	360 158	440 913	384 886
Net change in bank overdraft	-27 437	-54 461	-66 833
Change in shareholders' equity	650	1 550	691 043
<b>Cash flow from financing activities</b>	<b>168 197</b>	<b>284 074</b>	<b>905 168</b>
Calculation differences	-5 091	-12 364	-6 639
<b>Changes in liquid resources</b>	<b>280 457</b>	<b>-75 950</b>	<b>191 584</b>
Cash resources 1.1	382 646	191 062	191 062
<b>Cash resources</b>	<b>663 103</b>	<b>115 112</b>	<b>382 646</b>

\* Adjusted for conversion differences.

Note: The 2005 financial figures have been prepared based on management's interpretation of the current International Financial Reporting Standards (IFRS). (The financial figures for 2004 have been restated accordingly with the exception of the pro forma figures). The "Transition to IFRS" document can be found on [www.aktivkapital.com](http://www.aktivkapital.com). Due to possible changes in existing standards, new understanding and interpretation of existing standards, the figures may change later during 2005. Neither the 2005 nor the 2004 figures have been audited and must therefore be treated as preliminary figures. This Q2 report is in accordance with IAS 34.

**Pro forma figures**

The figures below show supplementary results for the group on the assumption that Olympia Capital was taken over on 1 January 2004. The pro forma figures for 2004 are compared with actual NGAAP figures for 2005 for same periods.

<b>PROFIT AND LOSS ACCOUNT</b>	<b>NGAAP</b>	<b>Pro forma</b>	<b>NGAAP</b>	<b>Pro forma</b>	<b>Pro forma</b>
(NOK 1000)	<b>Q2</b>	<b>Q2</b>	<b>Per 30.06.</b>	<b>Per 30.06.</b>	<b>Total year</b>
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>	<b>2004</b>
Operating revenue	521 966	501 128	1 022 987	974 633	2 006 101
Payroll	69 269	60 838	146 526	146 775	301 661
Other operating costs	99 153	101 821	201 363	191 352	381 826
Depreciation on portfolios	215 631	209 649	428 505	399 552	829 484
Depreciation of fixed assets	18 129	18 398	32 879	38 469	72 631
<b>Operating profit before depreciation of immaterial assets</b>	<b>119 784</b>	<b>110 422</b>	<b>213 714</b>	<b>198 485</b>	<b>420 499</b>
Depreciation of intangible fixed assets	1 861	3 047	3 755	6 093	14 209
<b>Operating profit</b>	<b>117 923</b>	<b>107 375</b>	<b>209 959</b>	<b>192 392</b>	<b>406 290</b>
Net financial items	-34 703	-12 727	-62 101	-38 652	-129 005
<b>Profit before tax</b>	<b>83 220</b>	<b>94 648</b>	<b>147 858</b>	<b>153 740</b>	<b>277 285</b>
Tax on ordinary result	22 946	21 435	37 585	33 429	56 933
<b>Profit after tax</b>	<b>60 274</b>	<b>73 213</b>	<b>110 273</b>	<b>120 311</b>	<b>220 352</b>

**Note:**

The pro forma figures are prepared according to the same principles stated in the prospectus of 14 September 2004 with the exception of the tax rate used on value in excess of book value, which is reduced from 28% to the individual country's tax rate.

**Future prospects**

The overall financial situation of the company with relatively low net debt to cash flow, puts the company in position to capitalize on new opportunities. At the same time, growth in revenue through portfolio or company acquisitions will not take precedence over growth in profits, and the company has therefore been cautious in acquiring portfolios in markets where certain segments have shown an irrational price development. This development is not seen as long term, and expectations are that price levels will adjust itself to levels seen in earlier periods. At the same time, the company is continuing to develop relationships both in existing as well as new markets, building a solid “pipe-line” of potential deals. Management is simultaneously focusing on operational enhancements to ensure that collection processes continuously will be improved in order to be more competitive and to generate future profits.

Oslo, 21 July 2005

The Board of Directors of Aktiv Kapital ASA