

AKTIV KAPITAL ASA – Quarterly Report for Q4 2005 (revised)

Main points Q4 2005 (Q4 2004)

- Operating revenue NOK 364.8m (+8%), excluding changes in portfolio collection estimates
- Changes in portfolio collection estimates affecting total revenues with NOK -68.9m
- Profit before tax NOK 49.3m (-50%)
- Operating cash flow (EBITDA) NOK 354.6m (+6%)
- Payments from portfolios NOK 447.6m (+10%)
- EPS NOK 0.79 (NOK 1.69) (-47%)
- Purchase of portfolios with acquisition value of NOK 443 million in 10 countries
- Quarterly agreements for future portfolio deliveries with expected acquisition price in excess of NOK 363 million.

Main financial points as of December 31, 2005 (2004)

- Operating revenue NOK 1 438.3 m (+27%), excluding changes in portfolio collection estimates
- Profit before tax NOK 332.5m (-10%)
- Operating cash flow (EBITDA) NOK 1 410.2m (+31%)
- Interest income on portfolios NOK 1 054.3m (+42%)
- Payments from portfolios NOK 1 727.5m (+38%)
- EPS NOK 5,36 (NOK 7.32) (-27%)

PROFIT AND LOSS ACCOUNTS

(NOK 1000)

	Q4 2005	Q4 2004	Accumulated	
			31.12.2005	31.12.2004
Operating revenue	364 810	337 089	1 438 348	1 129 422
Change in portfolio collection estimates	-68 880		-207 616	
Payroll	92 077	76 409	310 542	245 916
Other operating costs	105 192	94 930	390 811	319 638
Depreciation of fixed assets	10 206	17 540	57 359	74 435
Operating profit before depreciation of intangible assets	88 455	148 210	472 020	489 433
Depreciation of intangible fixed assets	1 864	8 286	7 464	13 137
Operating profit	86 591	139 924	464 556	476 296
Net financial items	-37 337	-42 166	-132 087	-108 809
Profit before tax	49 254	97 758	332 469	367 487
Tax on ordinary result	11 781	18 055	79 510	72 381
Profit after tax	37 472	79 703	252 959	295 106
Earnings per share (diluted)	0,79	1,69	5,36	7,32
Cash flow per share	6,47	5,78	25,40	21,51

Results

Due to a sudden change of opinion from the Company's auditors as to how to account for portfolios and goodwill, causing the company to have to redo its 4th quarter accounts in less than 18 hours, the Board of Directors found that the most accurate communication was to issue preliminary results for the quarter at its market presentation on February 24, 2006. In order to best understand the Changes in portfolio collection estimates shown in Q4-2005 and for the whole year 2005, as well as the changes described below, please refer to the preliminary report issued by the company on February 24, 2006.

The administration has reviewed the financial information that was issued, and there has only been minor adjustments made in this quarterly report from the Board of Directors. The numbers in this report are still preliminary and are not audited.

The changes made from the preliminary results issue on February 24, 2006, are, for the 4th quarter, an increase in Operating income of approximately NOK 11 million to NOK 364.8 million.

Operating income increased by the same NOK 11 million to NOK 86.6 million, and Tax increased by NOK 3.9 million, showing an increase in Profit after tax of NOK 7.4 million to NOK 37.5 million. For the total year there has been some other minor changes where Operating income increased by approximately NOK 14.7 million, and Tax increased by NOK 11.3 million, making a change in Profit after tax for the year of NOK 3.3 million to NOK 253.0 million.

The effects from the Changes in portfolio collection estimates shown due to IFRS adjustment of NOK 68.9 million in Q4 2005, and of NOK 207.6 million for the whole year 2005, has not changed.

The increase in payroll and other operating costs is due to the inclusion of the subsidiary in Canada as well as an accrual for management bonus recorded in Q4 2005. In addition there are certain non recurring costs relating to office rent and consultancy fees incurred during the quarter.

OPERATING REVENUE PER BUSINESS AREA

(NOK 1000)	Operating revenue					
	Q4 2005	Q4 2004	Changes	Per 31.12. 2005	Per 31.12. 2004	Changes
Interest income on portfolios	260 581	240 411	8 %	1 054 319	744 238	42 %
Change in portfolio collection estimates	-68 880			-207 616		
Debt collection	64 022	57 170	12 %	238 404	222 199	7 %
AFS	24 950	22 468	11 %	90 567	86 687	4 %
Other operating revenues	15 257	17 040	-10 %	55 058	76 298	-28 %
Total operating revenues	295 930	337 089	-12 %	1 230 732	1 129 422	9 %

OPERATING PROFIT PER BUSINESS AREA

(NOK 1000)	Operating profit					
	Q4 2005	Q4 2004	Changes	Per 31.12. 2005	Per 31.12. 2004	Changes
Portfolios	80 406	131 947	-39 %	439 290	429 717	2 %
Debt collection	12 647	15 582	-19 %	49 768	65 025	-23 %
AFS	9 858	4 033	144 %	21 035	16 898	24 %
Profit before group costs and depreciation of intangible assets	102 911	151 563	-32 %	510 093	511 640	0 %
Group overhead costs	-14 456	-3 353	-331 %	-38 073	-22 207	-71 %
Depreciation of goodwill	-1 864	-8 286	77 %	-7 464	-13 137	43 %
Operating profit	86 591	139 924	-38 %	464 556	476 296	-2 %
Net financial items	-37 337	-42 166	11 %	-132 087	-108 809	-21 %
Profit before tax	49 254	97 758	-50 %	332 469	367 487	-10 %

Portfolios

Compared with Q4 2004, the Q4 2005 Interest Income on portfolios shows a 8% increase before adjusting for changes to collection estimates, and a decrease of 20% when these changes are included. Operating profit decreased by 39%, and shows an increase of 11% if changes in collection estimates are deducted. In Q4 2005 cash collection was NOK 447.6 million, an increase of 10% from Q4 2004, as well as an increase from Q3 2005 (NOK 417.4 million).

Notable for the quarter was the high activity in portfolio acquisitions. Portfolios with a combined acquisition price of NOK 443 million were concluded in 10 countries, including Spain, UK, Germany, Austria, Canada, Switzerland, France, Sweden, Denmark, and Finland. In addition,

during the quarter the Company entered into forward flow agreements (future deliveries) with an estimated acquisition cost in excess of NOK 363 million (mainly 2006 deliveries). Most of the forward flow agreements are related to UK, Austria and Canada.

Debt collection

Income from debt collection in Q4 2005 amounted to NOK 64 million, exceeding the same period last year by 12%. Comparing the same two periods, operating profit for Q4 2005 decreased by 19%. This is mainly due to the competitive market environment especially in Norway where margins are under pressure. Compared to Q3 2005, both revenue and operating profit showed a modest increase.

Administrative and financial services (AFS)

The AFS business shows in Q4 2005 an 11% increase in revenues and a strong increase in operating profit compared to Q4 2004. The Q4 2005 also shows a good increase compared to Q3 2005 for both revenues and operating profit. The operating profit in Q4 2005 is impacted by a non recurring interest expense reversal of approximately NOK 3 million. In addition, both Norway and Finland experienced growth in the quarter.

BALANCE SHEETS

(NOK 1000)

	31.12.2005	31.12.2004
Intangible fixed assets	118 514	27 042
Fixed assets	119 400	157 686
Portfolios	4 415 044	4 063 407
Other financial assets	25 456	43 922
Receivables	333 654	317 007
Bank, deposits and cash	643 951	382 646
Total assets	5 656 019	4 991 710
Paid-in capital	1 658 755	1 545 506
Retained earnings	443 541	549 263
Allocation for liabilities	468 295	422 761
Long-term liabilities	555 194	1 559 016
Bank overdrafts	46 951	52 327
Short-term liabilities	2 483 283	862 837
Total liabilities and equity	5 656 019	4 991 710

EQUITY MOVEMENTS

	1.1-31.12. 2005	1.1-31.12. 2004
Equity 1.1	2 094 769	828 867
Capital increase	650	1 151 551
Treasury shares	-9 003	
Share issue costs after tax	-	-10 154
Profit after tax	252 959	295 106
Paid dividend	-165 174	-103 928
Translation differences	-71 908	-66 673
Equity	2 102 293	2 094 769

Financial position

The cash balance has continued to increase despite the acquisitions concluded by the end of Q4 2005. The payments of the portfolios acquired during the quarter as well as the forward flow

commitments and quarterly instalments payable in Q1 2006, will in total require funds of approx. NOK 450 million.

Loan agreements with banks representing in total NOK 1.995 million will expire during 2006 and has at December 31, 2005 been classified in the balance sheet as current liabilities to credit institutions. Aktiv Kapital is in a constructive dialog with it's banks to refinance the overall group in due time.

Monthly average EBITDA in Q4 2005 was NOK 118.2 million (Q4 2004 NOK 112 million), and was satisfactory taking into account the strength of the NOK.

The group continues to evaluate its currency and interest rate positions, and will monitor its hedging strategies..

CASH FLOW ANALYSIS (NOK 1000)

1.1.-31.12.05 1.1.-31.12.04

Profit after tax	252 959	295 106
Reversal of interest income on portfolios	-846 702	-744 238
Paid-in portfolios	1 727 549	1 255 106
Ordinary depreciation	64 823	87 572
Changes in purchased or loaned invoices	-34 380	-7 538
Change in other accruals	113 000	-150 006
Net cash flow from operating activities	1 277 249	736 002
Purchase of tangible fixed assets *	-16 677	-8 754
Acquisition of portfolios *	-862 258	-682 776
Investment in other businesses	-402 379	-744 911
Changes in other investments	17 720	-11 028
Cash flow from investment activities	-1 263 594	-1 447 469
Paid dividends	-165 174	-103 928
Net increase in long-term liabilities *	447 524	384 886
Net change in bank overdraft	-5 376	-66 833
Change in shareholders' equity	-8 353	691 043
Cash flow from financing activities	268 621	905 168
Translation differences	-20 971	-6 639
Changes in liquid resources	261 305	187 062
Cash resources 1.1	382 646	191 062
Cash resources	643 951	378 124

* Adjusted for conversion differences.

Shareholders and equity

The Board of Directors proposes a dividend of NOK 4,5 per share for 2005. Provisional to the proposal being resolved, dividends will be paid around two weeks after the annual shareholders' meeting.

Outlook

The continued trend from last quarter of 2005, with increased supply of portfolios, and Aktiv Kapital's ability to secure a fair number of these portfolios, is believed to continue into 2006. More banks and institutions on the European continent are seeing the need to change their focus on non-performing credits, and selling off these portfolios is becoming a more used alternative. Combining these new trends with the continuously strong supply in the UK should mean that 2006 should see more portfolio sales than earlier years. This increase in the supply of non-performing credits does also open up the market and will make it more interesting for new entrants. This should in the future increase the competitiveness of acquiring non-performing debt portfolios, and might in periods

cause price levels to vary. Aktiv Kapital, with its developed collection platforms, systems, and techniques, combined with the historic information on collecting in the various markets, should be well positioned to continuously acquiring portfolios that will give good returns and value to the company. As of today's date, Aktiv Kapital has already secured through agreements made in 2006 and through agreements entered into in previous periods for future deliveries, an anticipated acquisition commitment of approximately NOK 1.2 billion. This level of commitment is approximately at the same level as total acquisitions for 2005, and gives the company a good opportunity for growth in 2006 and beyond.

Oslo, 28 February 2006

The Board of Directors of Aktiv Kapital ASA