



# Q3 2011 RESULTS

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# Agenda

- Highlights Q3 2011
- Financial review
- Priorities
- Q&A

# Q3 2011 Highlights

- Solid performance on existing portfolios, still limited acquisition activity
  - NOK 347.8 million collection on portfolios vs. NOK 381.7 million in Q3 2010
  - EBITDA of NOK 228.3 million vs NOK 258.0 million in Q3 2010
- Operational efficiency continues to improve
  - Opex down 6% vs Q3 2010
  - FTE reduction of 8% vs Q3 2010
- Strengthening portfolio investment function
  - Ramping up investment capabilities
  - Introducing a more flexible and dynamic portfolio acquisition approach



# FINANCIAL REVIEW

CFO Scott Danielsen



# Financials Q3 2011

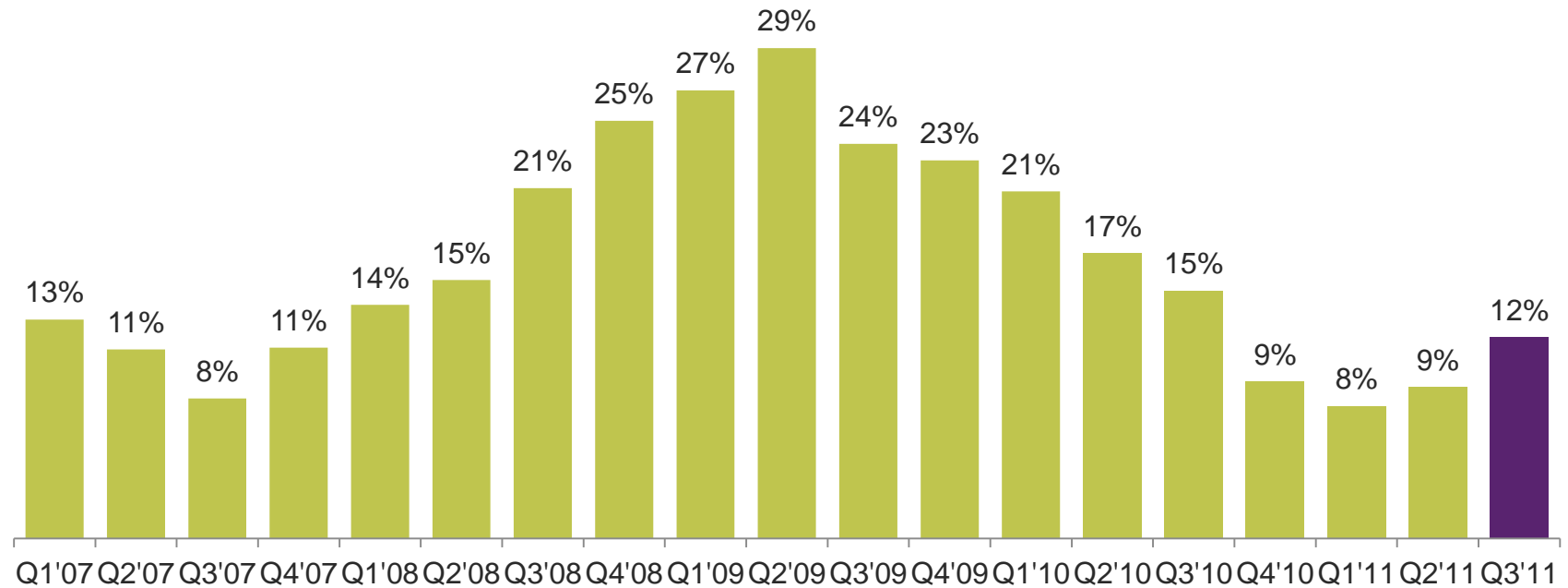
- Good performance on existing portfolios
  - Portfolio collection 110% of 10-year forecast
  - Few portfolio acquisitions in the quarter
- Operating expenses reduced by 6.1%
  - Full-time employees reduced by 8% to 442 at the end of Q3
- EBITDA of NOK 228.3 million
- Net interest-bearing debt reduced to NOK 1 539.3 million

(NOK MILLION)	Q3'11	Q3'10	YTD 2011	YTD 2010
<b>Paid in on portfolios</b>	<b>347.8</b>	<b>381.7</b>	<b>1 079.1</b>	<b>1 121.4</b>
Other operating revenue	1.0	3.6	10.4	12.3
Amortisation	-129.0	-150.8	-380.1	-430.9
<b>Total operating revenue</b>	<b>219.8</b>	<b>234.6</b>	<b>709.4</b>	<b>702.9</b>
Operating expenses	125.3	133.4	406.7	417.5
<b>Operating profit before change in portf. coll. est.</b>	<b>94.5</b>	<b>101.2</b>	<b>302.7</b>	<b>285.4</b>
Change in portfolio coll.est.	0.1	-0.2	0.1	7.5
<b>Operating profit</b>	<b>94.6</b>	<b>101.0</b>	<b>302.8</b>	<b>292.9</b>
Profit before tax	69.3	36.3	216.5	150.3
<b>Profit for the period continuing operations</b>	<b>51.9</b>	<b>24.0</b>	<b>160.0</b>	<b>109.0</b>
Profit after tax discontinued operation	-	10.7	-	23.7
<b>Profit after tax total operations</b>	<b>51.9</b>	<b>34.7</b>	<b>160.0</b>	<b>132.7</b>
<b>EBITDA</b>	<b>228.3</b>	<b>258.0</b>	<b>697.6</b>	<b>734.8</b>
<b>Earnings per share</b>	<b>1.15</b>	<b>0.51</b>	<b>3.55</b>	<b>2.32</b>
<b>Earnings per share (total operation)</b>	<b>1.15</b>	<b>0.74</b>	<b>3.55</b>	<b>2.82</b>
<b>Pre-tax cash flow per share</b>	<b>4.53</b>	<b>4.89</b>	<b>13.94</b>	<b>13.82</b>

# Decay in line with expectations

## Quarterly decay

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\* Foreign exchange rate fixed at 31 December 2010

# Collection per country

NOK million	Q3'11	Q2'11	Q1'11	Q4'10	Q3'10	Q2'10	Q1'10	Q4'09	Q3'09
UK	75	78	78	85	92	90	95	96	126
Sweden	58	54	51	52	61	54	49	53	66
Austria	54	60	63	70	64	61	60	69	67
Norway	41	45	45	42	37	37	35	34	32
Germany	28	28	30	31	34	28	30	34	38
Canada	27	28	28	29	27	28	27	27	31
Switzerland	23	22	21	27	22	18	17	22	19
Spain	18	23	23	20	14	16	19	20	20
Finland	17	18	22	26	21	25	29	36	34
France	3	4	4	5	5	6	6	7	6
Denmark	3	3	3	4	5	5	5	5	5
Other	-	-	-	-	-	-	-	-	1
<b>Total</b>	<b>348</b>	<b>362</b>	<b>369</b>	<b>391</b>	<b>382</b>	<b>368</b>	<b>372</b>	<b>403</b>	<b>447</b>

# Collection per vintage

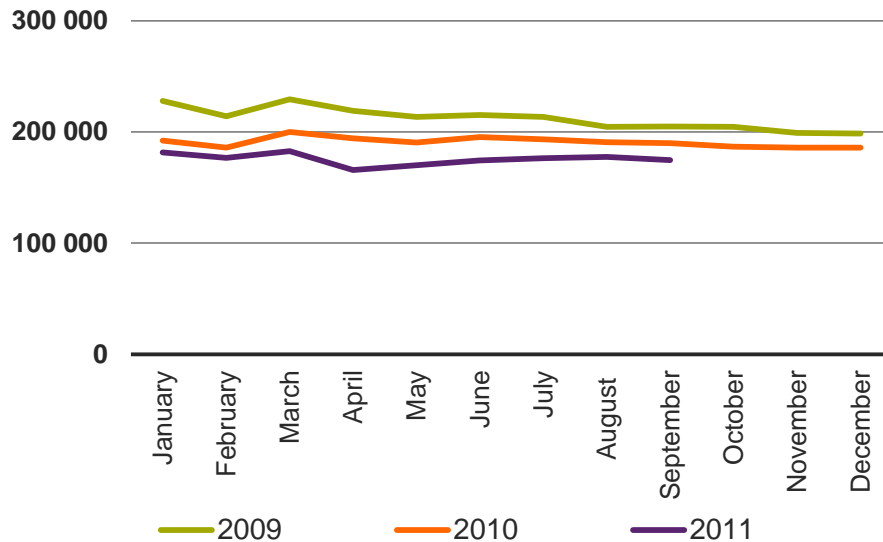
- Collection YTD is 109% and 212% of forecast on 2010 and 2011 portfolios respectively
- Variable decay on vintages due to different characteristics in debtor mass

NOK million	Q3'11	Q3'10	DECAY %
Pre 1997	10.7	9.3	-15.4%
1997	17.0	16.9	-0.4%
1998	2.1	2.0	-7.5%
1999	2.4	2.9	17.7%
2000	20.4	25.1	18.9%
2001	19.1	21.0	9.2%
2002	24.1	28.1	14.1%
2003	33.3	35.2	5.3%
2004	23.0	25.7	10.5%
2005	20.5	22.4	8.5%
2006	34.7	46.6	25.6%
2007	29.4	35.5	17.1%
2008	69.1	87.7	21.3%
2009	10.9	13.1	17.0%
2010	23.9	10.2	N/A
2011	7.3		N/A
<b>Total</b>	<b>347.8</b>	<b>381.7</b>	<b>N/A</b>

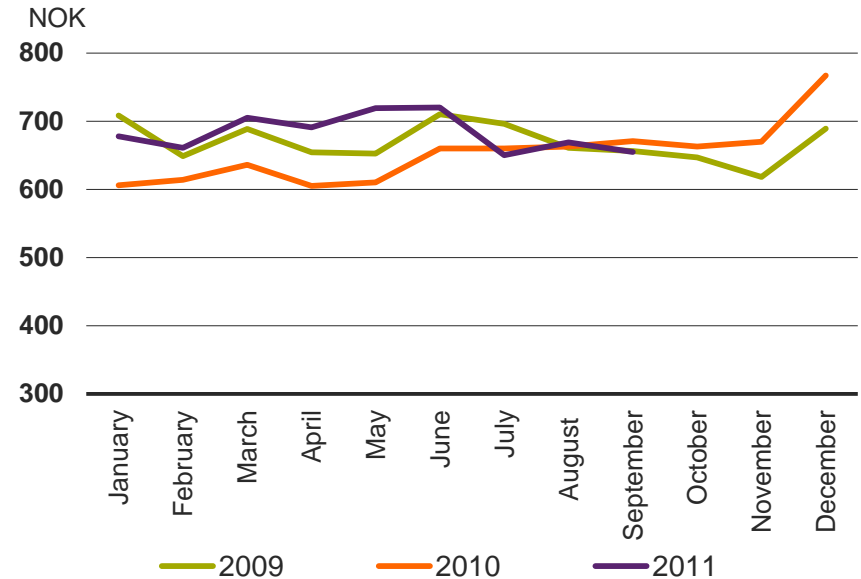
\* All amounts are translated to NOK using the monthly exchange rate

# Collection measures offset few portfolio acquisitions

## NUMBER OF PAYING ACCOUNTS



## AVERAGE PAYMENT PER ACCOUNT



- Stable number of paying accounts
- Number of paying accounts will increase when investment activity increases

- Average payment per account is stable year over year, however down from Q1 and Q2
- Main reason for the decrease from Q1 and Q2 is foreign currency

# Portfolios acquired in Q3 2011

- 31 271 claims acquired in Q3 2011
- Total face value of NOK 966.5 million
- Total acquisition price NOK 50 million (5.2% of face value)
  - Total gross portfolio acquisitions of NOK 310.2 million last 18 months
- Net book value of the portfolio of loans and receivables NOK 2 959 million

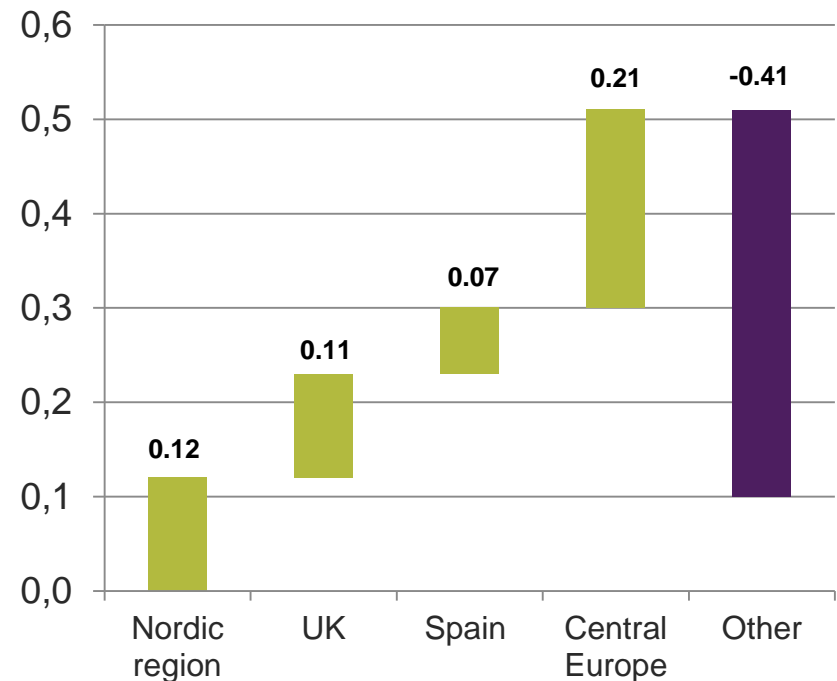
COUNTRY	FACE VALUE (NOK MILLION)	NUMBER OF CLAIMS
Canada	726.8	25 539
Switzerland	3.8	66
Finland	68.2	1 507
Norway	82.4	960
Sweden	85.3	3 199
<b>Total</b>	<b>966.5</b>	<b>31 271</b>

# Net effect of changes in collection estimates

- If collections continue at present levels a portfolio revaluation will be considered
- Insignificant net changes in portfolio collection estimates in Q3
- Principles for changes in collection estimates
  - Actual collection deviate more than NOK 0.6 million and 25% from forecasted collection
  - Measured over the last 6 months

## Changes in collection estimates

NOK million



# Currency effects

## Q3 2010 FX RATES ON Q3 2011 NUMBERS

Q3 - 2011 results		Total currency effect		GBP -9.6%		EUR -2.8%		Other currencies	
<i>P&amp;L</i>	<i>NOK mill</i>	<i>NOK mill</i>	%	<i>NOK mill</i>	%	<i>NOK mill</i>	%	<i>NOK mill</i>	%
Revenue	219.8	-6.0	-2.7%	-4.1	-1.9%	-2.1	-1.0%	0.2	0.1%
OPEX	125.3	4.7	3.7%	3.0	2.4%	1.1	0.9%	0.5	0.4%
EBITDA	228.3	-6.7	-2.9%	-5.1	-2.2%	-2.4	-1.0%	0.7	0.3%
EBIT	94.6	-1.1	-1.2%	-1.1	-1.2%	-1.0	-1.0%	1.0	1.0%
Financial items	-25.3	15.1	-59.6%						

## Average exchange rates in P&L

	GBP	EUR	CHF	CAD
Q3 2011	8.74	7.75	6.62	5.59
Q3 2010	9.66	7.98	6.02	6.01
Change	-9.6%	-2.8%	9.9%	-7.1%



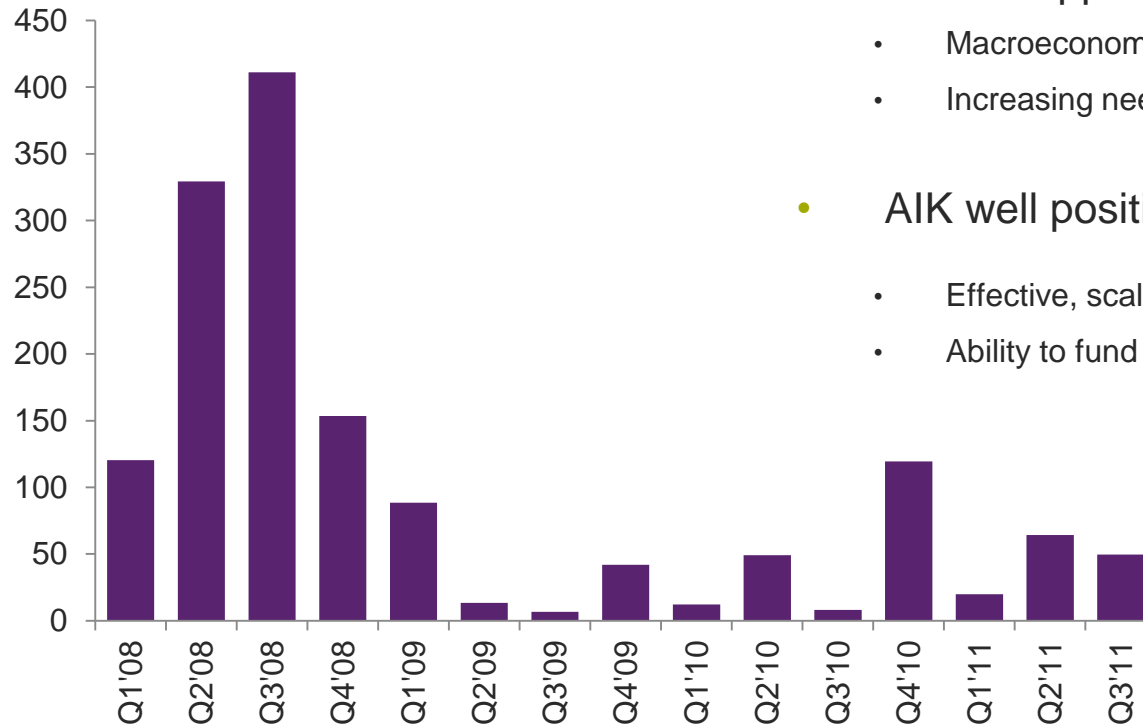
# PRIORITIES

CEO Geir Langfeldt Olsen



# Portfolio acquisitions key focus area

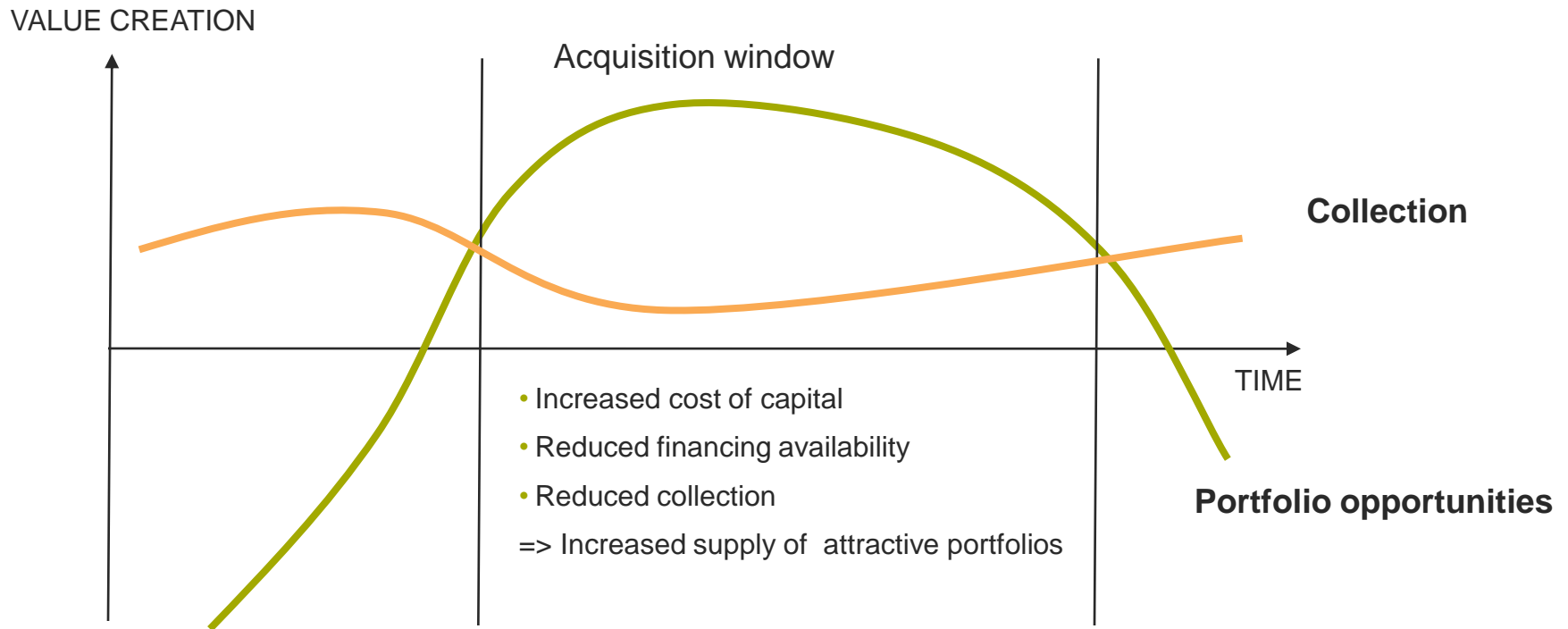
**AIK portfolio acquisitions**  
NOK million



- Growth opportunities emerging
  - Macroeconomic uncertainty continues
  - Increasing need for deleveraging
- AIK well positioned
  - Effective, scalable operations
  - Ability to fund large acquisitions

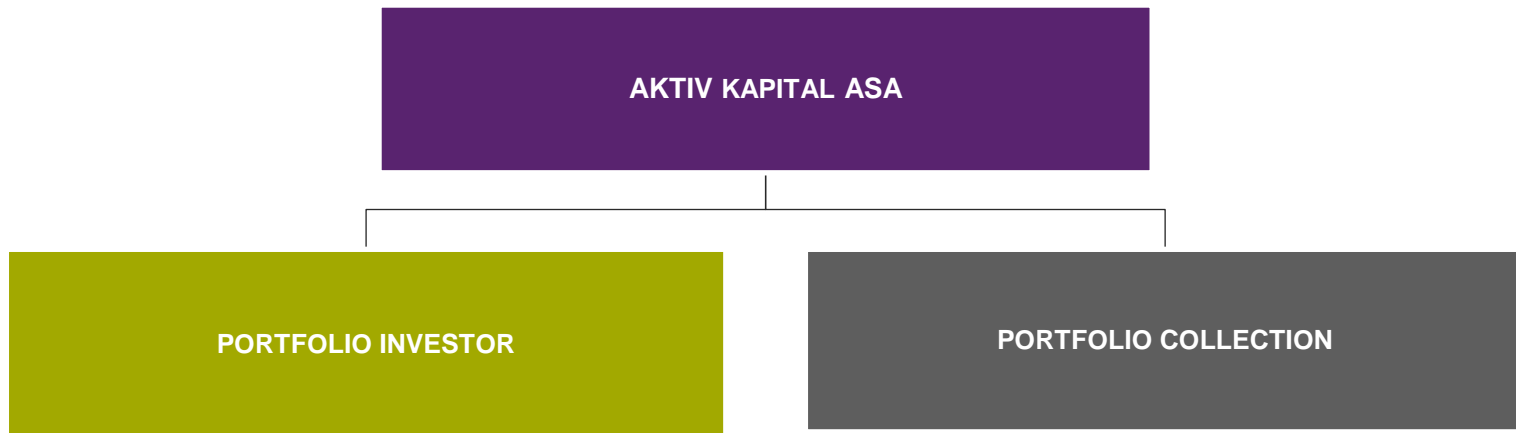


# Increasing number of portfolios coming to market



**Aktiv Kapital's experience and expertise provides competitive advantage**

# Ramping up investment capabilities



## Team expansion – broader focus

- More proactive approach
- Searching portfolios outside tender processes
- Establish relations to vendors
- More specialised expertise – portfolio types and geography

## Create value through cost effective and best possible collection

- Continue to streamline collection process
- Simplify organisation

# Acquisition approach

Portfolio investment value chain



**Increase lead generation and deal flow**

**Dynamic valuation approach to increase success ratio**

**More differentiated IRR requirement**

- Better reflect underlying risk
- Adapt to local conditions
- Adapt to portfolio type

**More flexible opex model**

- Adapted to type of portfolio and local market conditions

# Aktiv Kapital's key growth opportunities

## Nordics

- Core investment area
- Strong organisation

## Germany

- Financial institutions must deleverage
- Reorganised organisation to handle larger and more complex deals

## UK

- Highly competitive and fragmented
- Looking at partnerships and acquisitions to gain scale

## Spain

- Closely monitoring the market
- Will invest selectively should attractive opportunities come to market



# Seeking partners to open up growth opportunities

- Adding expertise
  - New markets
  - New portfolio segments
  - New products
- Improve access to capital
  - Access to larger deals
  - Co-investments
- Deal flow
  - Increased access to portfolios



# Short-term management focus

1	<p>Growth from core markets</p> <ul style="list-style-type: none"><li>• Nordics, Germany, UK and Spain</li></ul>
2	<p>Enhance investment, sourcing and organisation</p> <ul style="list-style-type: none"><li>• Actively recruiting in key markets</li><li>• Continue to drive partnerships that give access to additional capabilities, capital or investment opportunities</li></ul>
3	<p>Simplify operating model</p> <ul style="list-style-type: none"><li>• Constantly evolving our organisation to reduce complexity and optimise our cost structure</li></ul>



# Summary

- Strong operational performance, but growth limited by few portfolio acquisitions
- The pressure on European Banks is driving more debt to the market
- Higher number of larger and more complex deals is expected
- Aktiv Kapital's financial position and experience provide a competitive advantage – core focus on strengthening investment organisation