

# Acta Holding ASA

## 4th quarter 2003

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# Highlights - 4th quarter 2003

- High gross subscriptions of 1.288 million kroner – 563 million kroner above 4th quarter 2002
- Revenues for 4th quarter were 112 million kroner – an increase by 76% compared to the same period last year
- Operating earnings before depreciations (EBITDA) were 40 million kroner, the best quarterly result ever
- Significantly strengthened balance sheet, due to a good quarterly result and 25 million kroner new equity

# Business idea

Through independent personal advice and a large selection of innovative savings- and investment solutions, Acta will assist an increasing number of customers to reach their defined asset management objectives

# Acta concept

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"Tailor - made" saving – and investment solutions to our clients and customers

Financial advisory and sales



- Analysis
- Portfolio
- Product specialists

Product range  
Quality assurance

Selection of Acta suppliers and partners



External suppliers

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## Different needs

–

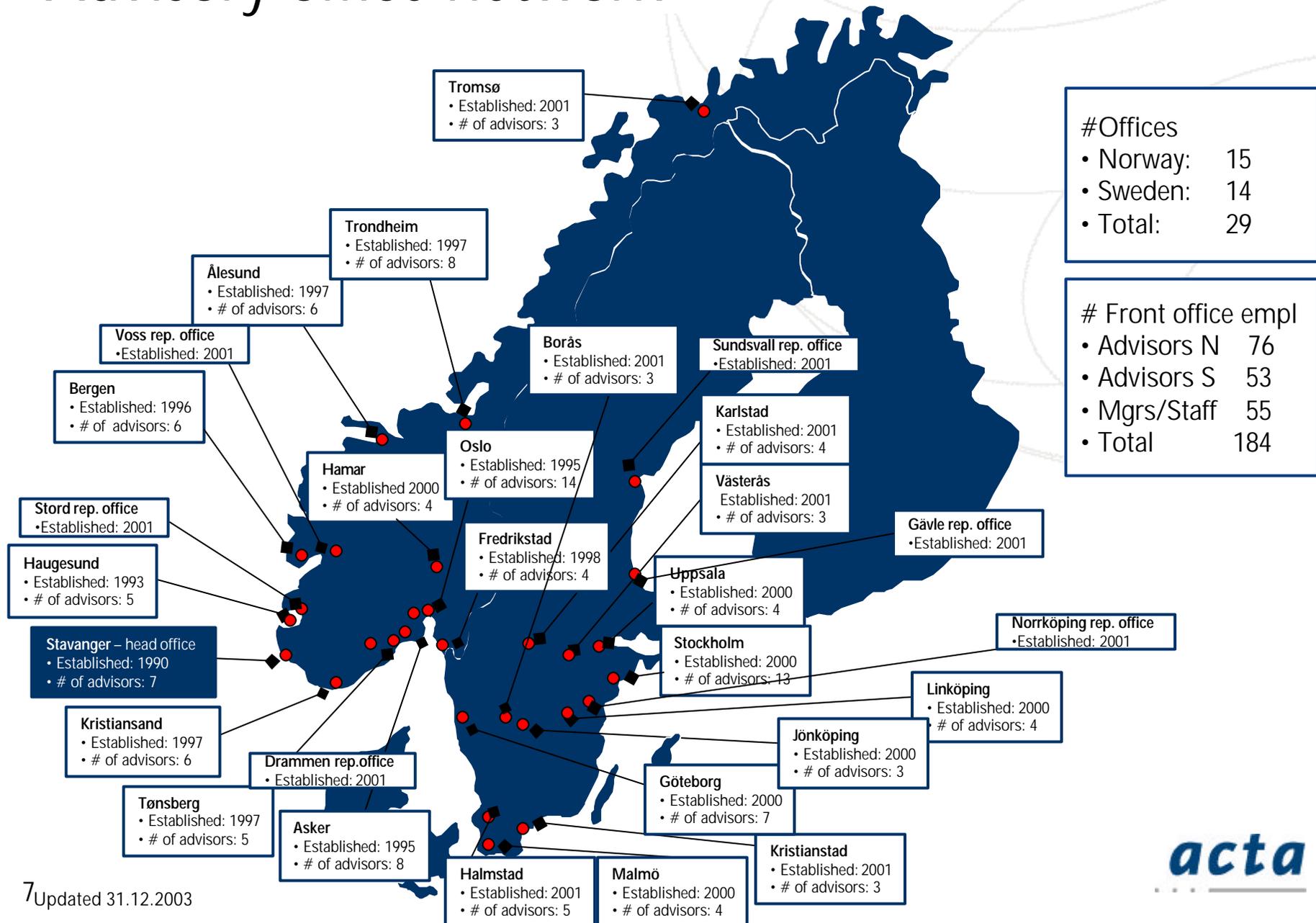
## Different solutions

Pension  
Early retirement  
Savings for car, cabin...  
Savings for children,  
grandchildren...  
Surplus cash  
Inheritance planning  
Tax reduction  
Property planning

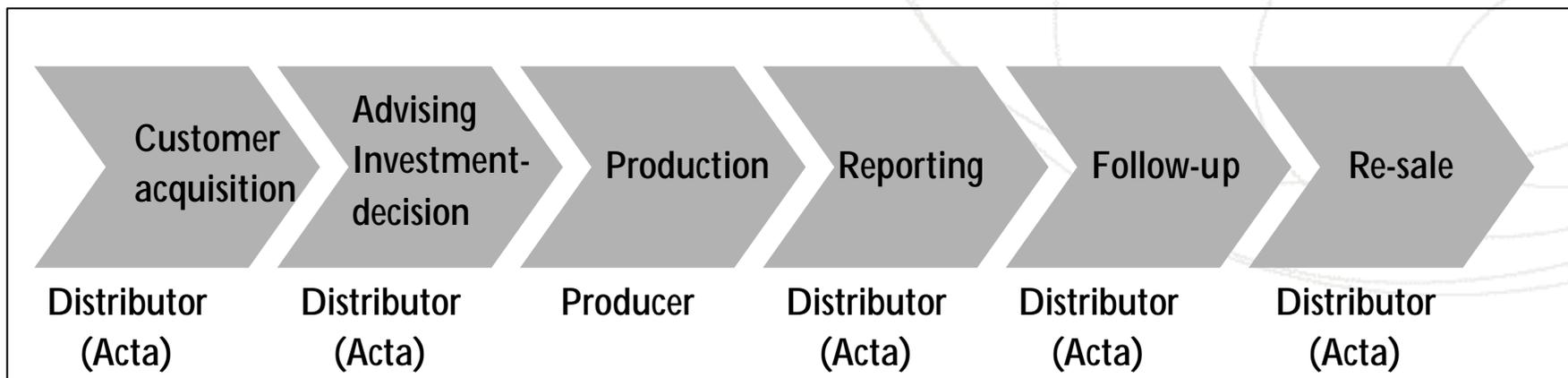


Pension schemes  
Unit Linked  
Index Linked Bonds  
Mutual fund  
Interest fund  
Hedge fund  
Real Estate investments  
Monthly saving plans

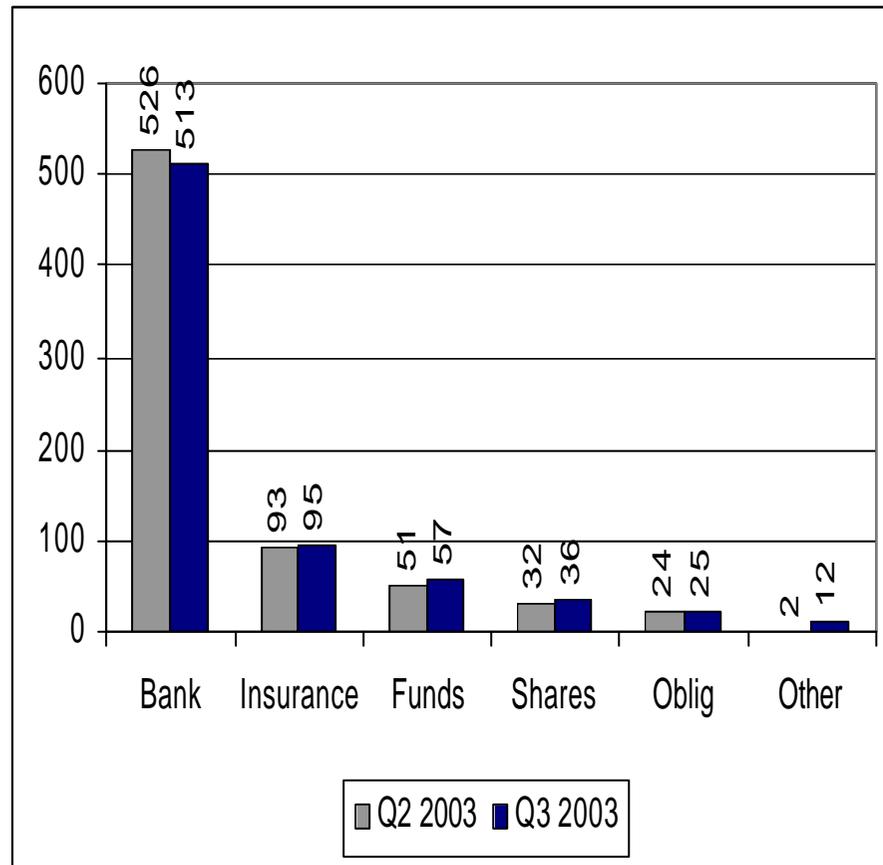
# Advisory office network



# Acta is well positioned in the savings product value chain



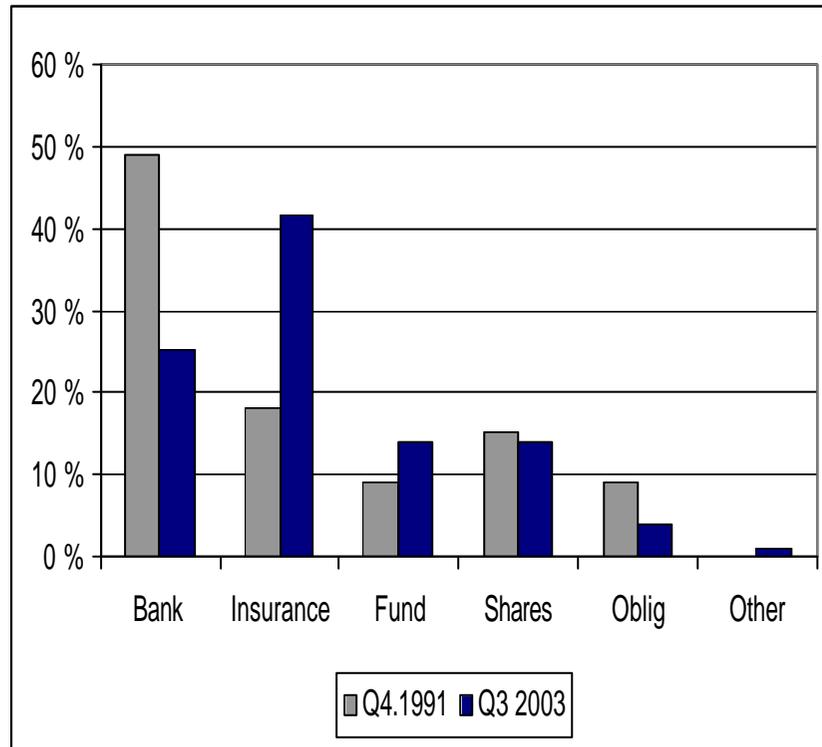
## Norwegian households financial assets (bn nok)



- Financial assets per 3Q  
738 bn NOK
- Re-allocation in 3Q caused by declining interest level
- Bank deposits decrease 3,5%
- All other asset classes have increased
- Bank deposits will be re-allocated to products with a higher direct return
- Acta is well positioned to take significant market shares in the re-allocation process

Source: Berge Partners

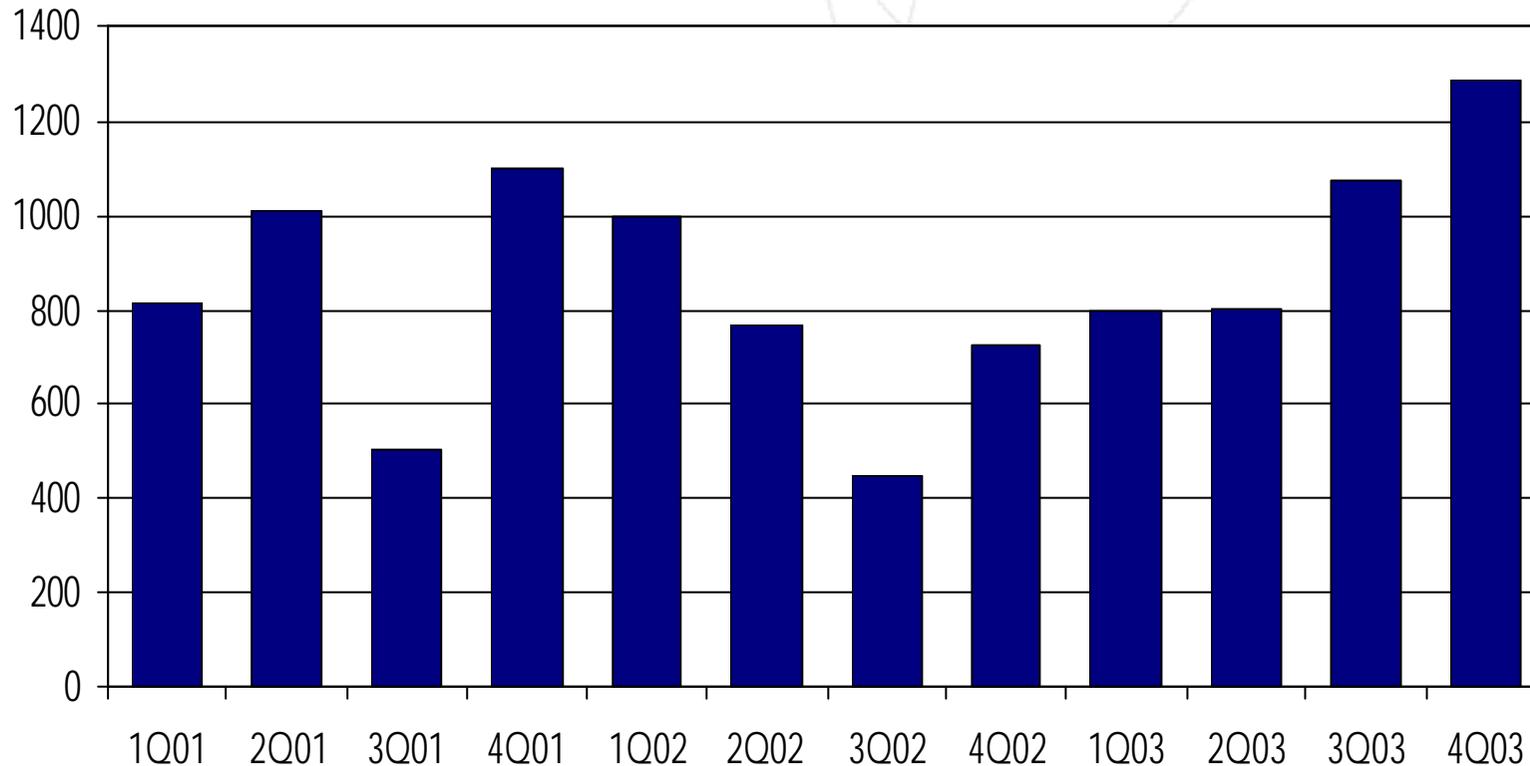
# Swedish households financial assets



Source: SCB: Hushold, Finansiella tillgångar och skulder

- Financial assets of 2.348 bn SEK in Q3 2003
- Swedish savings market larger and more mature – significant re-allocations between asset classes taking place
- Bank deposits significantly reduced in the period. Lower relative share than in Norway
- Insurance savings has increased significantly
- Real Estate syndication – Acta first mover – increasing volumes signed throughout 2003
- All Actas advisors certified by **Swedsec**

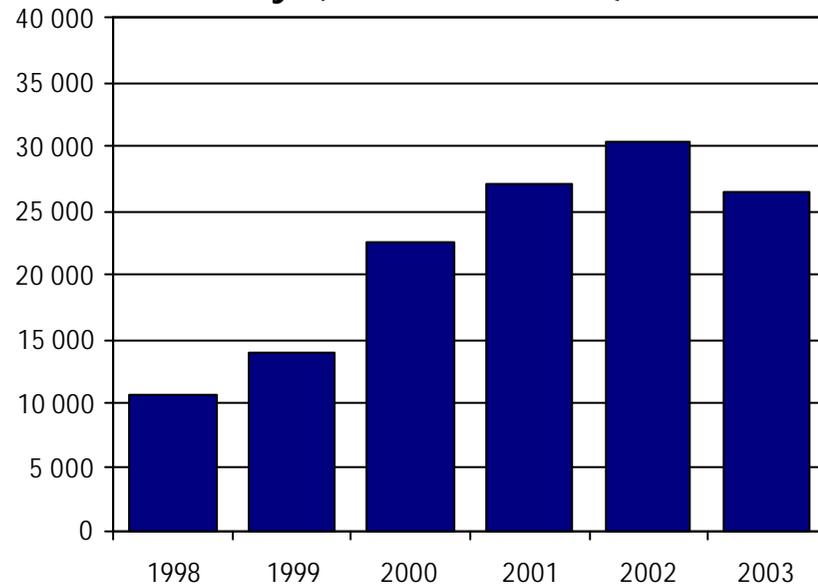
# Gross subscriptions (mnok)



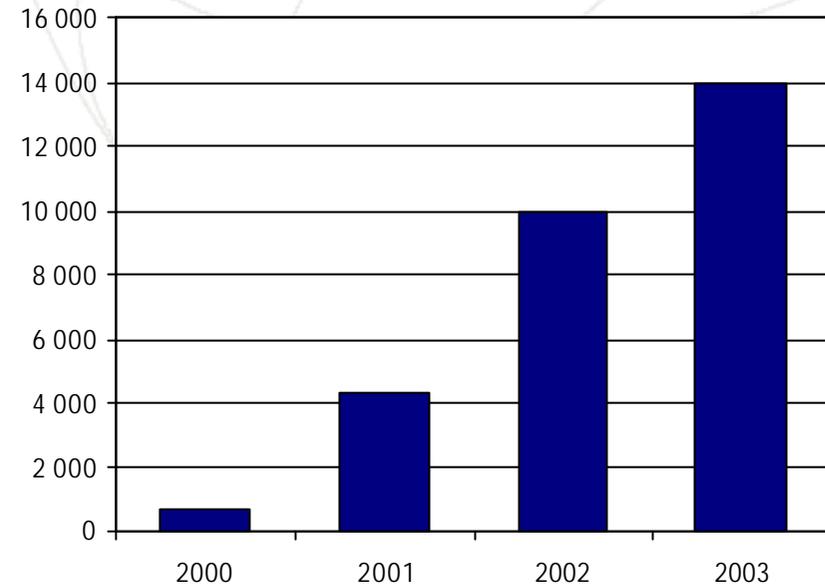
- Gross subscriptions most important parameter for revenue development
- Time-lag between subscription and revenue recognition for some products
- Highest subscriptions in real estate products, followed by mutual funds and index linked bonds

# Customer base development

## Norway (ex. Acta Bank)



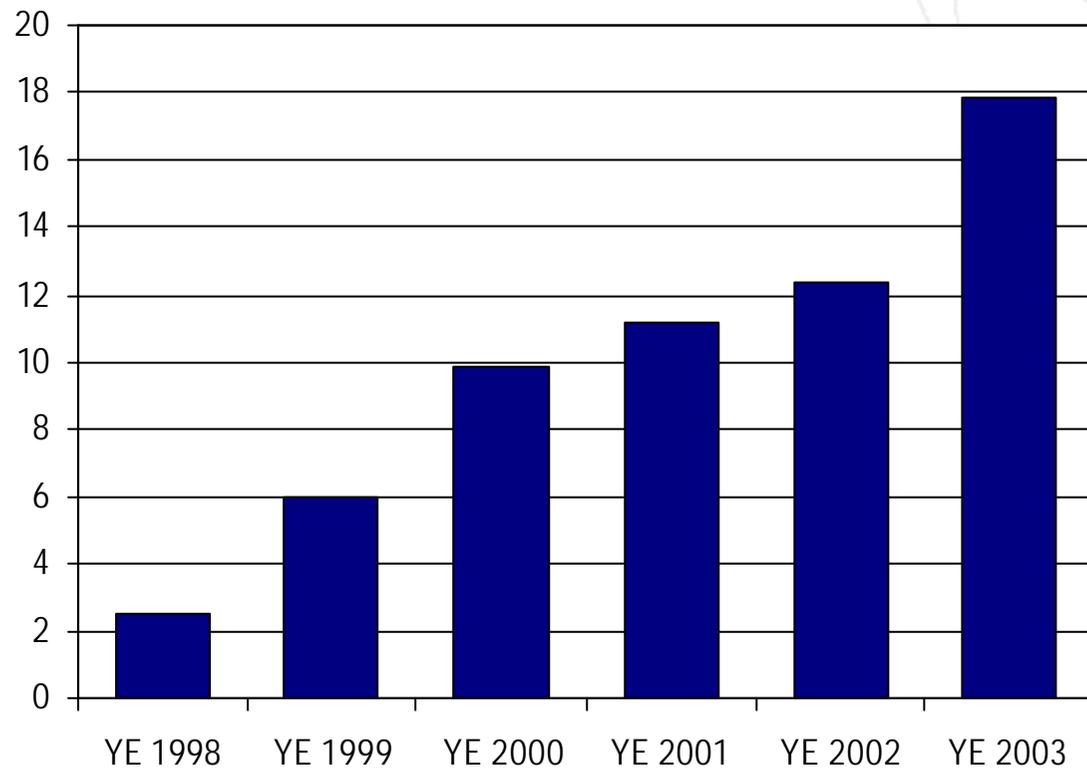
## Sweden



- 40.000 customers by end of 2003
- Net 8.000 new customers in 2003 – increase evenly split by Norway and Sweden
- Revised the total number of customers due to the sale of Acta Bank, and merge of other customer data into one single database
- Increased quality of customer database, gives a significantly improved background for more effective customer service.

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# Assets under management (bn nok)



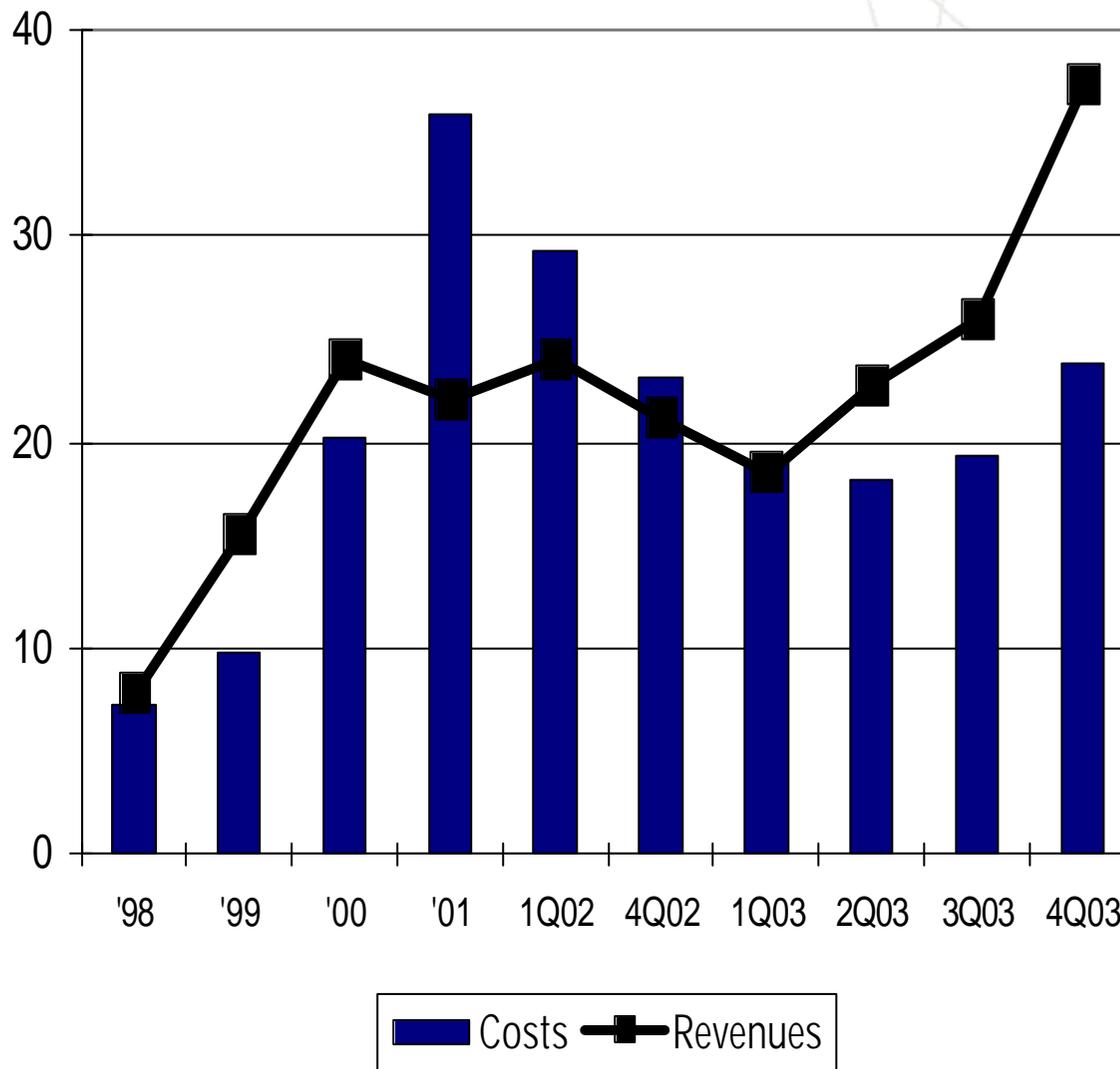
- Assets under management 17,9 bn kroner
- Increase in 4Q of 1,6 bn kroner
- 57 % of assets under management generate management fees to Acta. The share is increasing in accordance with the product development strategy

# Key financial data

MNOK	4Q		2003	2002
	2003	2002		
<b>Revenue</b>	<b>112</b>	<b>64</b>	<b>314</b>	<b>245</b>
Variable operating costs	17	3	35	18
Fixed operating costs	55	67	206	295
Restructuring costs	-	-	-	15
<b>EBITDA</b>	<b>40</b>	<b>-6</b>	<b>72</b>	<b>-83</b>
Depreciations	4	11	18	43
Write-offs	-	15	-	15
Other	10	7	12	7
<b>EBIT</b>	<b>26</b>	<b>-38</b>	<b>43</b>	<b>-148</b>
Net financial items	-	-4	-6	-13
<b>Earnings before tax</b>	<b>26</b>	<b>-42</b>	<b>36</b>	<b>-161</b>

- Revenues significantly higher than earlier periods
- Relatively higher variable costs due to a high business volume
- Value of prepaid marketing reduced - affects EBIT negatively by 10 mnok.

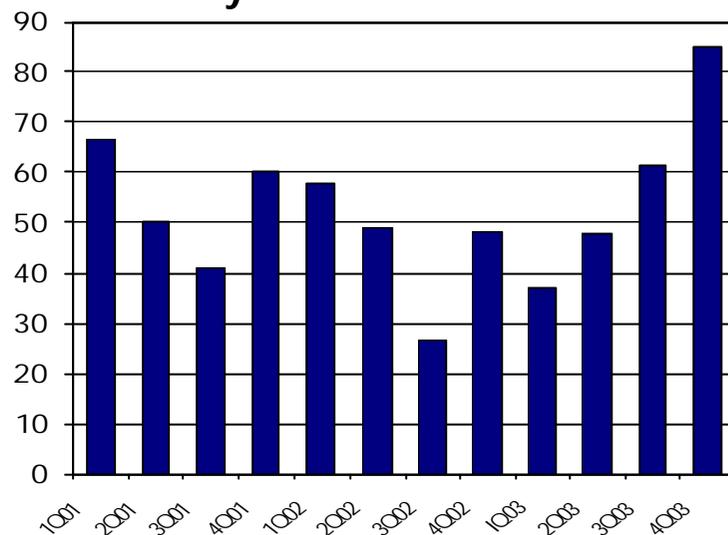
## Revenues and cash costs per month (mnok)



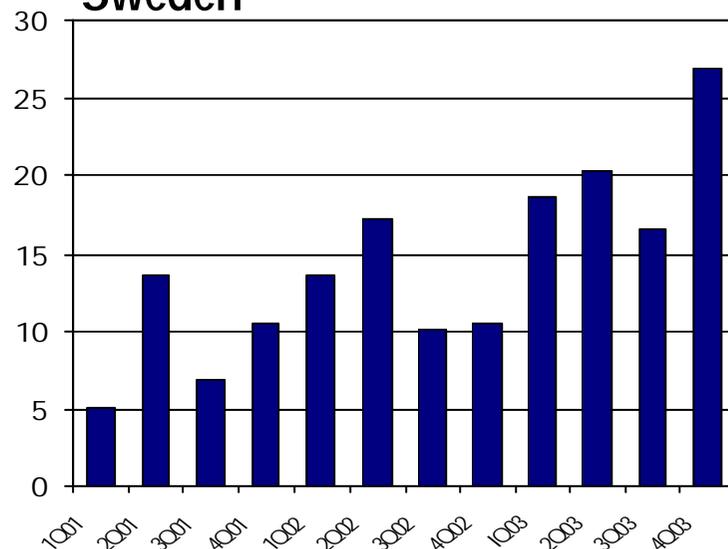
- Fee-based business model
- "Operational gearing" gives very satisfactory operating margin at increasing revenue level, despite of increase variable costs.
- The current organisation has a higher capacity than demonstrated in 4Q

# Revenue (mnok)

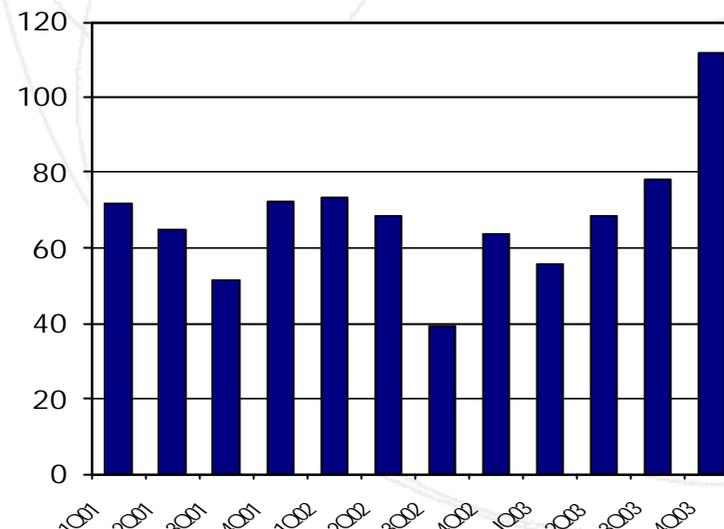
## Norway



## Sweden

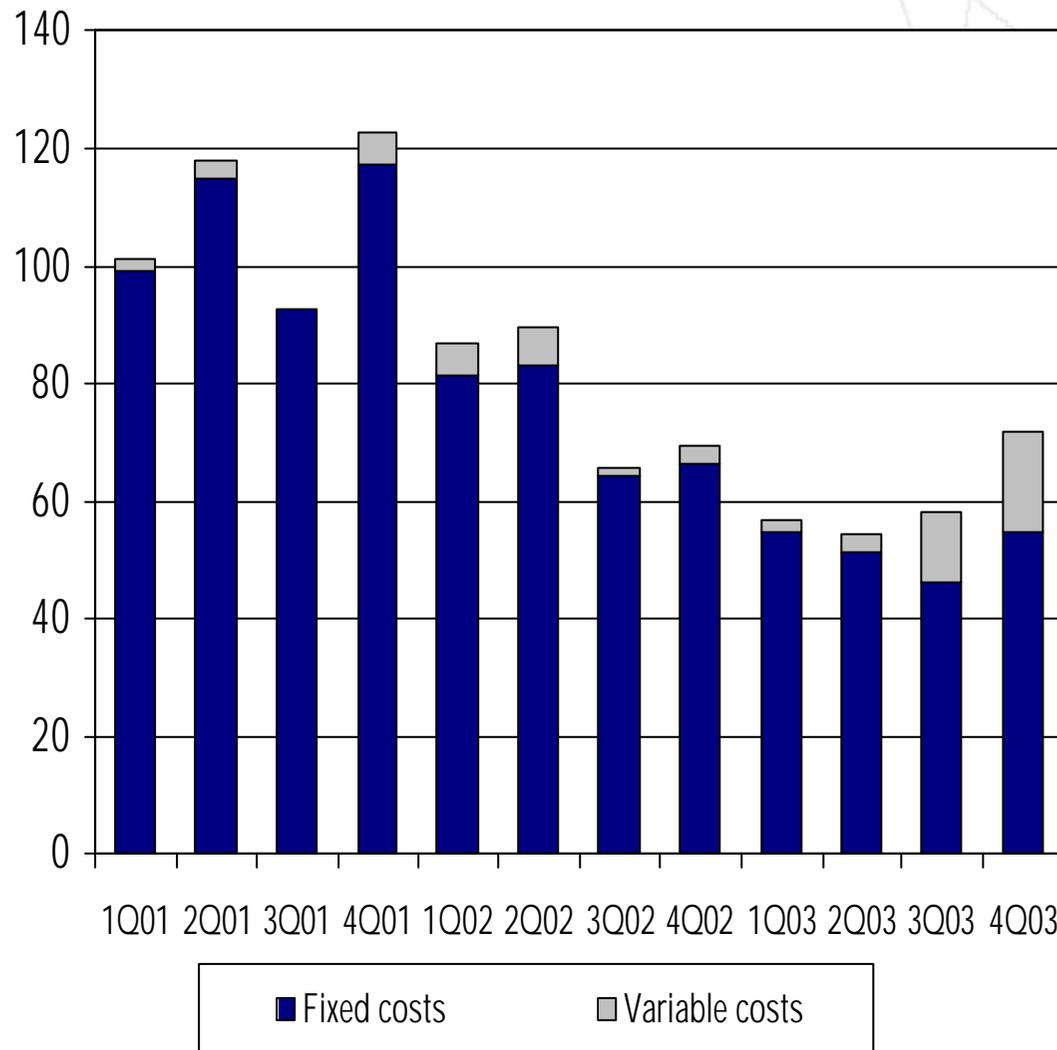


## Total



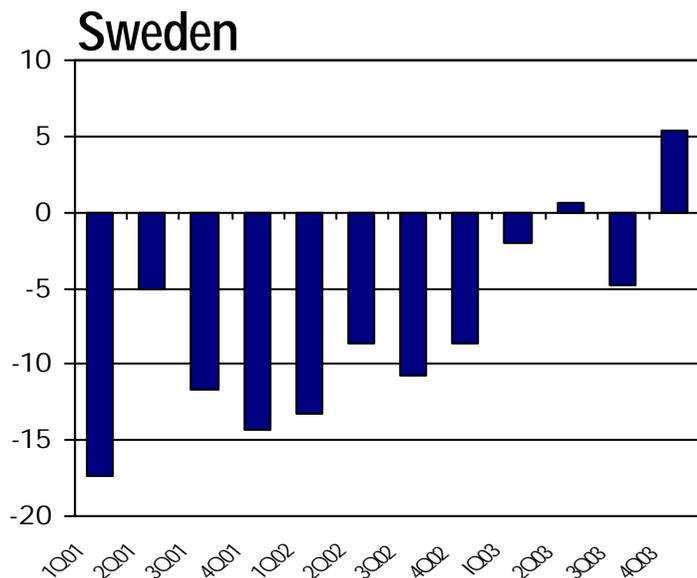
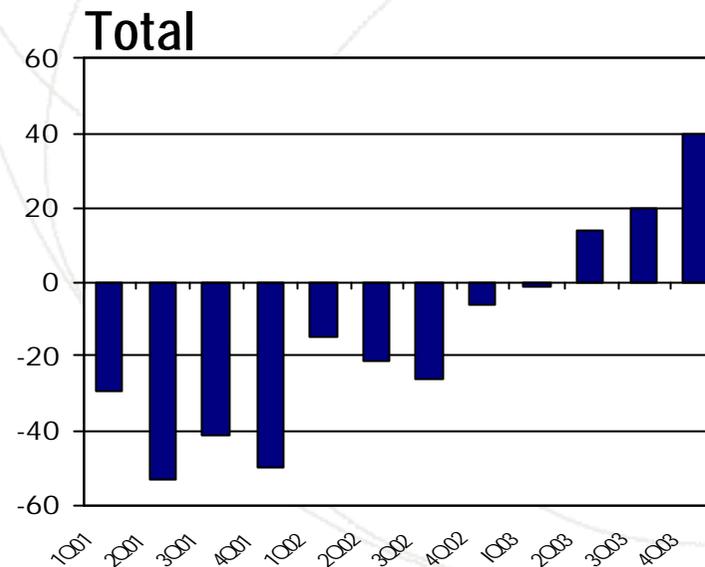
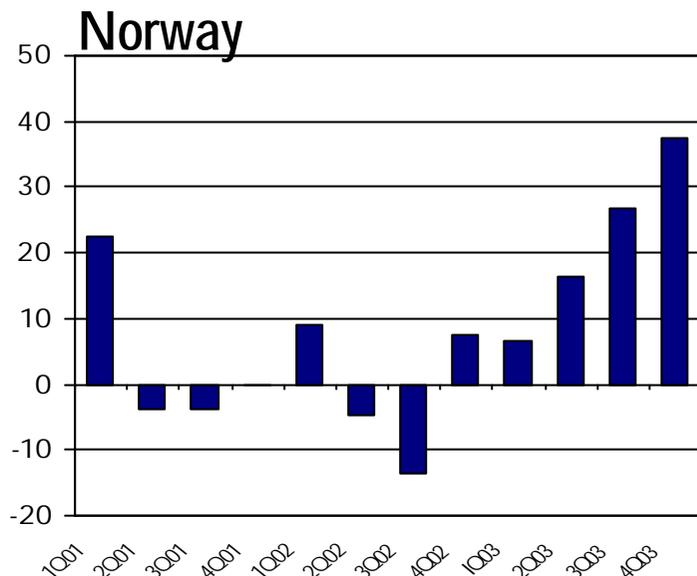
- Total revenues at the highest level ever
- Transaction related revenues 96 mnok, management fees 11 mnok and other revenues 5 mnok
- Very satisfactory revenue level in Norway
- Significant increase in revenues in Sweden, but still large potential, as Sweden revenues less than 1/3 of Norway

# Cash operating costs (mnok)



- Fixed cash operating costs for 4th quarter at 55 mnok – increased headcount by 25 advisors during 2nd half of 2003
- High variable personnel cost in 4th quarter, due to high gross subscription (10 mnok) and due to 4Q seasonal bonuses from good result (7 mnok)

# EBITDA (mnok)



- Very satisfying result for Norway
- The best quarterly result in Sweden ever
- Sweden will still have large variations in quarterly earnings.

# Group consolidated balance sheet

MNOK	2003	2002
Equity	187	106
Convertible subord. bond loan	-	25
Long term loans – int. bearing	22	-
Short term debt – int. bearing	42	62
Short term debt – non-int. bearing	49	65
Customer deposits etc. Acta Bank	-	1 429
<b>Sum equity and debt</b>	<b>300</b>	<b>1 687</b>
Fixed assets	28	91
Other intangible assets	2	-68
Deferred tax asset	104	135
Loans to customers	-	691
Other short term assets	38	124
Bank deposits etc.	128	714
<b>Sum assets</b>	<b>300</b>	<b>1 687</b>

- Consolidated equity 187 mnok  
– up 45 mnok in 4Q primarily from:
  - Net income 19 mnok
  - Share issues 25 mnok
- Net bank deposits 86 mnok
- Credit facilities of 85 mnok available
- Long term debt 22 mnok
- No tax payable due to a significant deferred tax asset
- 4Q cash flow 72 mnok
  - Operations 49 mnok
  - Financing 24 mnok
  - Investments –1 mnok

## 20 largest shareholders as per 06/02/04

#	Name	Shares	%
1	Spring Capital AS/Spring Active AS (A.Ydstebø/F.Ingebrigtsen)	54 031 594	22.99 %
2	ABG Sundal Collier ASA	25 766 303	10.96 %
3	Jan Petter Collier/ Sanden AS / Sanden Invest AS	16 354 647	6.96 %
4	Lamholmen AS (Roy Myklebust)	12 715 664	5.41 %
5	Banque Franck SA	8 816 800	3.75 %
6	Kilen AS (Arild Engh)	5 369 297	2.28 %
7	Geir Ringstad	5 320 183	2.26 %
8	Caprice AS	4 629 100	1.97 %
9	Reidar Fougner	4 582 831	1.95 %
10	ABG Sundal Collier Norge ASA -meglerkontor	4 481 568	1.91 %
11	Bank Morgan Stanley AG Zürich	4 093 600	1.74 %
12	Jarle Norman Hansen / Stator A/S	3 928 992	1.67 %
13	Carl Palmstierna	3 545 000	1.51 %
14	John Willoch / Arbitra A/S	3 218 806	1.37 %
15	Skandinaviska Enskilda Banken	3 000 000	1.28 %
16	Are Andersen	2 573 039	1.09 %
17	Swedbank	2 303 000	0.98 %
18	Arne Olav Sunde	2 043 020	0.87 %
19	Den Norske Bank ASA	1 901 361	0.81 %
20	Lyse Energi AS	1 457 500	0.62 %
20 largest shareholders		170 132 305	72.38 %
Remaining shareholders		64 908 566	27.62 %
SUM		235 040 871	100.00 %

- 4 481 568 shares registered on ABG Sundal Collier brokerage account is in process of being moved to Jan Petter Collier/Sanden AS

# Financial targets

- **Build more solid business model - less exposed to business cycles**
  - Be able offer a product range for all market conditions
  - Improve the ratio between fixed revenue and fixed costs through higher share of recurring fees
  - Limited growth in the fixed cost base
  
- **Folowing strengthening of the balance sheet in 2003, Acta will establish a predictable dividend policy from 2004. Acta will, all conditions equal, seek to pay dividends within self-imposed restrictions, all of which have to be full-filled:**
  1. Liquidity reserves have to correspond to a minimum of 6 months fixed costs, less fixed revenue for the same period.
  2. Minimum 50% of the liquidity reserves must be bank deposits
  3. Equity has to correspond to minimum 150% of legal capital requirements (equity less deferred tax asset). Required capital for 2004 is estimated to be close to 60 mnok.

# Perspectives

- So far in 1st quarter, the market for savingsproducts has been good, and subscription and customer growth has also been good compared til 1st quarter 2003
- Focus on revenues, product development and increasing market shares.
- Variable costs will – all other conditions alike – be lower in 1st quarter than 4th quarter, due to the share of bonuses depending company results primarily posted in 4th quarter 2003.
- Head count for the first 6 months is planned to remain at todays level, fixed costs for 4th quarter will be representative for the next six months
- During 2nd half of 2004, there will be an evaluation regarding an increase in number of advisors, given a continuing positive market development
- No significant capital investments has been planned for