



## Agenda

- ▶ Q1 market recap
- ▶ Highlights first quarter 2008
- ▶ Interim financial statements
- ▶ Segment information
- ▶ Long term goals
- ▶ Market and Company outlook

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## Q1 market recap – Focus on existing clients

- ▶ First quarter 2008 has been a challenging market for saving products
  - World equity markets
  - Regulatory changes
  - Easter Holiday
  - Funding
- ▶ Acta has focused on consolidating the business and intensified client contact and advisory services in order to support existing clients
- ▶ Tough market conditions and a stricter regulatory environment leaves Acta well positioned for industry consolidation
- ▶ A continued high focus on product innovation in 2008
  - Two new product concepts launched in the 1st quarter
  - Additionally two new product initiatives to be launched in each of the following quarters

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## Highlights 1st quarter 2008

- ▶ Gross subscriptions of NOK 4,059 million, compared to NOK 7,027 million for the same period in 2007
- ▶ Revenues of NOK 367 million, compared to NOK 588 million for the same period in 2007
- ▶ Recurring revenues of NOK 78 million, with a coverage factor to fixed costs of 73%
- ▶ Operating earnings of NOK 126 million, compared to NOK 310 million for the corresponding quarter in 2007
- ▶ Assets under management of NOK 90 billion, up 20% from NOK 75 billion at end of March 2007
- ▶ Successful launch of two new product concepts in the high-risk mandate
- ▶ Operations in Sweden are developing positively considering development in macro economic factors
- ▶ Proposed dividend of NOK 2.55 per share for the 2007 financial year

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# Key financial data

<i>mnok</i>	1Q 2008	1Q 2007	2007
Transaction revenues from new clients <sup>1)</sup>	45	101	598
Transaction revenues from existing clients <sup>1)2)</sup>	243	430	1 392
<b>Total Transaction revenues</b>	<b>288</b>	<b>531</b>	<b>1 990</b>
Recurring revenues	78	52	258
Other revenues	1	5	22
<b>Total revenues</b>	<b>367</b>	<b>588</b>	<b>2 270</b>
Variable operating costs	69	142	616
Activity based costs <sup>3)</sup>	61	54	220
Fixed costs <sup>3)</sup>	107	81	354
<b>Operating earnings</b>	<b>126</b>	<b>310</b>	<b>1 069</b>
<b>EPS</b>	<b>0,40</b>	<b>0,91</b>	<b>3,15</b>
<b>ROE<sup>4)</sup> - annualised</b>	<b>43 %</b>	<b>168 %</b>	<b>96 %</b>

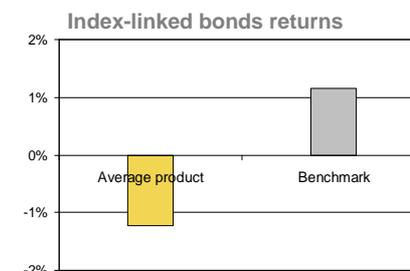
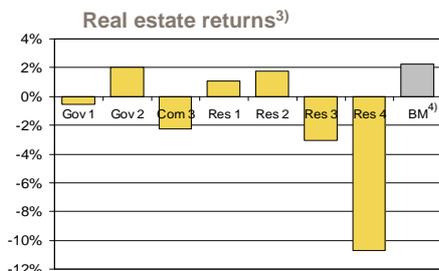
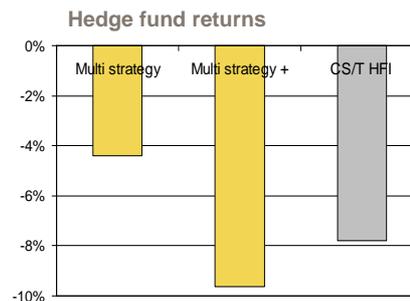
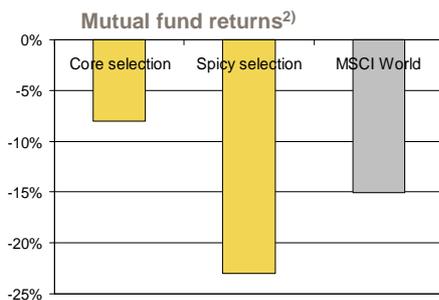
- ▶ Revenues down 243 millions from comparable quarter last year, mainly due to lower subscription volumes
- ▶ Less leverage on clients' hands reduces subscription volumes created from index-linked bond buybacks
- ▶ Shipping and Real Estate investments in quarter down 2.5 billion kroner relative to 1st quarter 2007
- ▶ One-off non-recurring revenues 22 million kroner lower than in 1st quarter 2007
- ▶ Variable costs down 73 million kroner from 1st quarter 2007, main reason being lower subscription volumes for the quarter

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- 1) New clients defined as clients with no placed orders prior to 1 Jan 2008
- 2) Assumed same split on revenues from structuring fees as for subscription fees.
- 3) Operating costs have been split into Variable, Activity Based and Fixed Costs as of 4th quarter 2007, where the two latter constitutes what was previously reported as Fixed Operating Costs.
- 4) After tax

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# Return on clients' assets in first quarter<sup>1)</sup>



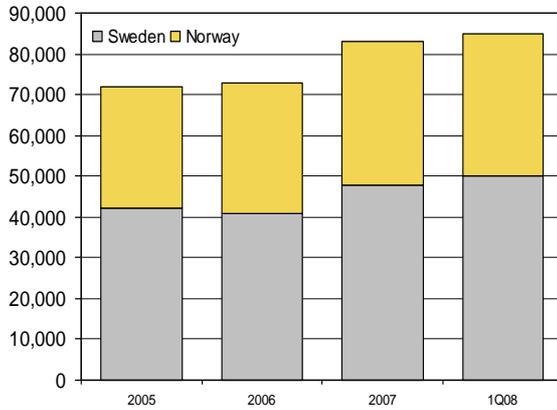
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- 1) Returns in NOK, not annualised
- 2) Return on clients' investments within given fund selection
- 3) Real estate project values are updated quarterly, based on estimates from independent brokers, or official bids for single properties or portfolios of properties. Not volume weighted.
- 4) Benchmark

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# 85,000 clients

35,000 in Norway - 50,000 in Sweden

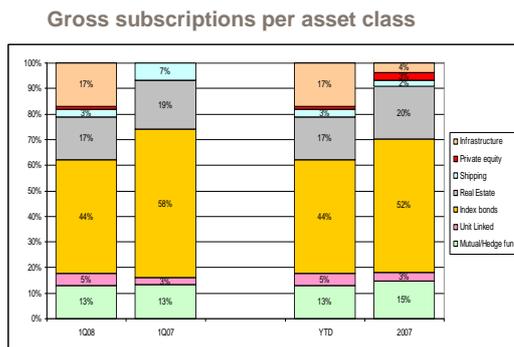
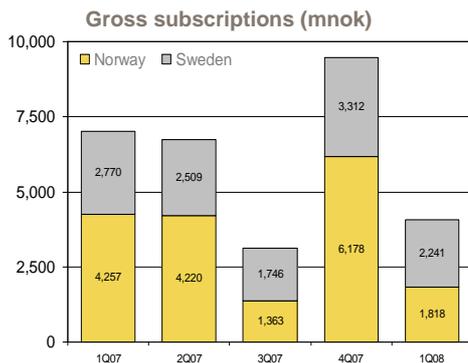


- ▶ Year-to-year growth in number of clients of 13 %
  - Net Increase in Norway of 2,000 (+6 %)
  - Net increase in Sweden of 8,000 (+19 %)
- ▶ Gross increase of 3,500 customers during first quarter 2008 – 1,000 in Norway and 2,500 in Sweden
- ▶ Net increase of 2,000 clients during the quarter, of which all in Sweden
- ▶ Average assets under management per client
  - Norway 1.7 million kroner (Y-2-Y growth of 11%)
  - Sweden 0.6 million kroner (Y-2-Y growth of 4%)
  - Average 1.1 million kroner (Y-2-Y growth of 6%)
- ▶ Total revenues from existing clients<sup>1)</sup>
  - Norway 93 percent
  - Sweden 82 percent

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1) New clients defined as clients with no placed orders prior to 1st Jan 2008

# Gross subscriptions

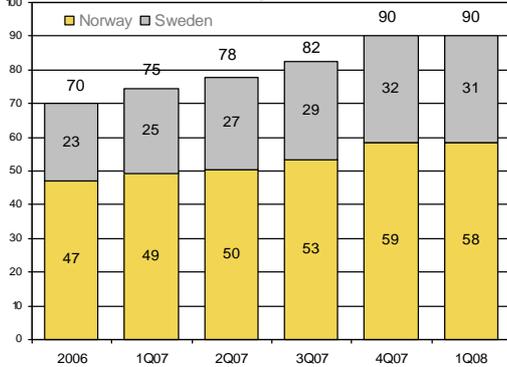


- ▶ 4.1 billion kroner invested in Acta distributed products during the first quarter, down from 7 billion kroner in first quarter 2007
- ▶ Maturity and buy backs of index linked bonds of ~3 billion kroner during the quarter. Buy backs giving clients exceptional returns on equity of 68 % to 208 % over the series' life
- ▶ Two new product concepts successfully launched during the quarter. Clients are already showing high interest, solid contributions to subscription volumes are expected from these products next quarter
- ▶ Well functioning second hand market for shares in Acta's clients' companies. Trades of approximately 450 million kroner conducted in first quarter 2008

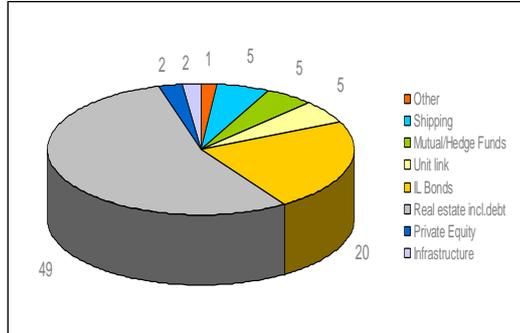
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# Assets under management

Assets under management (bnok)



Assets under management per asset class<sup>1)</sup>



- ▶ AUM at approximately same level as year-end 2008. Year-to-year growth of 20%
- ▶ AUM level increased by subscriptions (4.1 bnok) and project related debt from investments in Real Estate and Shipping (~2.4 bnok). AUM reduced by maturity and buy backs of index linked bonds (~3 bnok), client sales of products (approx. 2 bnok) and negative quarterly returns in some of the asset classes (approx. 2 bnok).
- ▶ 1.8 billion kroner of equity in GIS 1 AS have a potential for leveraging
- ▶ Largest asset class is Real Estate, with total AUM of 49 billion kroner (of which 32 billion kroner represent project related debt). Comprehensive risk studies of existing portfolio and proposed dividends of approx 850 million kroner confirm robustness

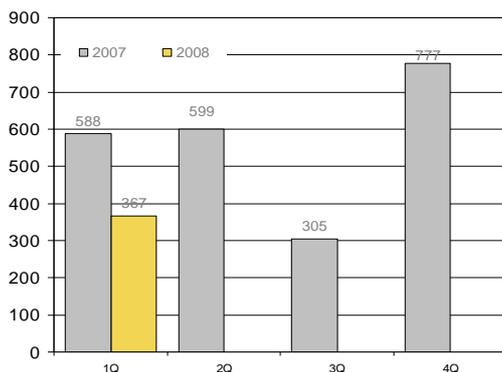
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1) Billion NOK

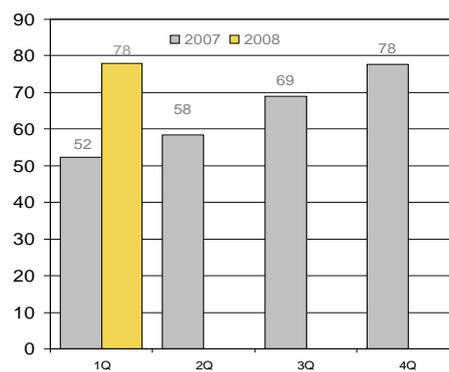
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# Revenues

Total revenues (mnok)



Recurring fees (mnok)

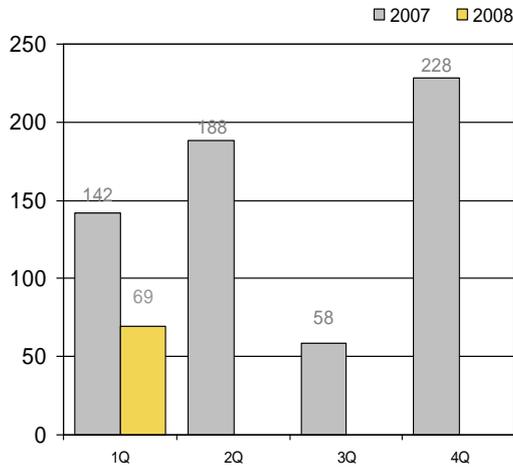


- ▶ Quarterly revenues down 243 million kroner from first quarter 2007. Reduction primarily due to over 3 billion kroner in lower subscription volumes and a change in the product mix
- ▶ High volumes in the second hand market for shares in Actas real estate companies reduces margins
- ▶ One-off non recurring revenues down 22 million kroner compared to first quarter 2007.
- ▶ Recurring fees up 25 million kroner compared to same quarter 2007 due to higher AUM. Annualised recurring fees at 312 million kroner

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# Variable operating costs

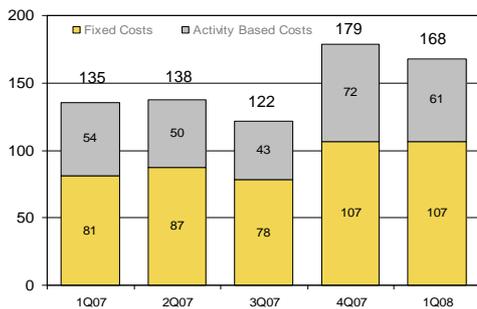


- ▶ Lower variable operating costs as result of a lower sales during the quarter. Subscription volumes down from 7 billion kroner in first quarter 2007 to 4.1 billion kroner this quarter
- ▶ This corresponds well with Acta's favourable business model; where costs are highly correlated to sales and revenues
- ▶ The conclusion of the "K2" incentive program at the end of last quarter also reduces variable costs. At present time, no accruals have been made for the new "K3" program

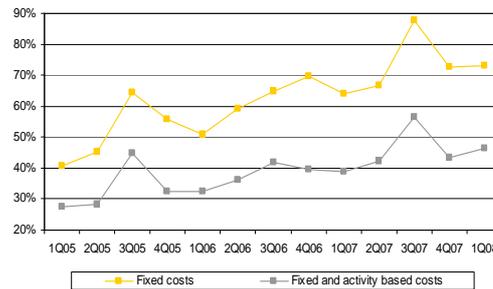
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# Fixed & Activity Based operating costs<sup>1)</sup>

Fixed & Activity based operating costs (mnok)



Recurring revenues/costs<sup>2)</sup>

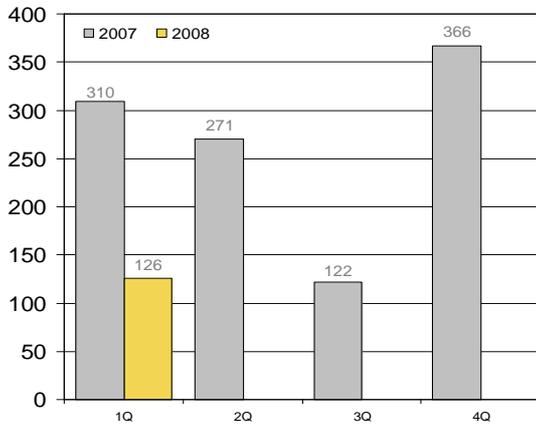


- ▶ Fixed costs at same level as previous quarter – increase from first quarter 2007 due to increased personnel costs (18 mnok) and increased cost of existing offices and IT (8 mnok)
- ▶ Activity based costs lower compared to previous quarter as a result of reduced focus on client acquisition – increase from first quarter 2007 due to increased marketing, HR and personnel costs (8 mnok)
- ▶ Approximately 73 percent of fixed costs are covered by recurring revenues, an increase of 9 percent compared to same quarter 2007

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1) Operating costs have been split into Variable, Activity Based and Fixed Costs as of 4th quarter 2007, where the two latter constitutes what was previously reported as Fixed Operating Costs.  
 2) Strong third quarter ratio all years due to replacement of salaries with accrued vacation pay in Norway in July.

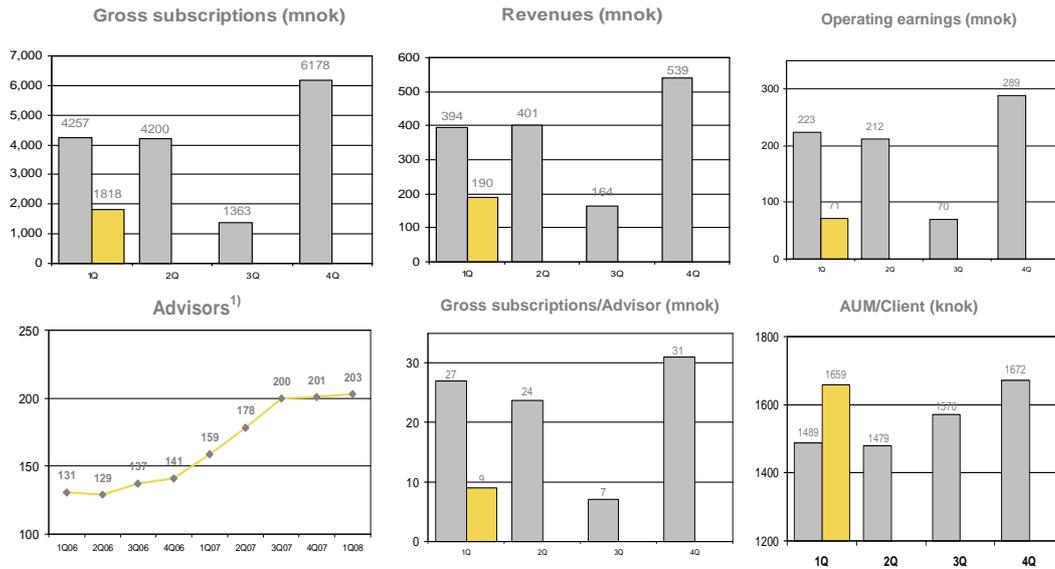
# Operating earnings



- ▶ Quarterly operating earnings of 126 million kroner – a reduction of 184 million kroner from first quarter 2007
- ▶ Reduction is primarily explained by lower revenues from sales, less investments in Real Estate and Shipping and higher fixed costs
- ▶ However, even in turbulent market conditions Acta's operations are healthy and profitable
- ▶ This is a result of variable operating costs being strongly correlated to sales revenues, and shows the strength in Actas business model

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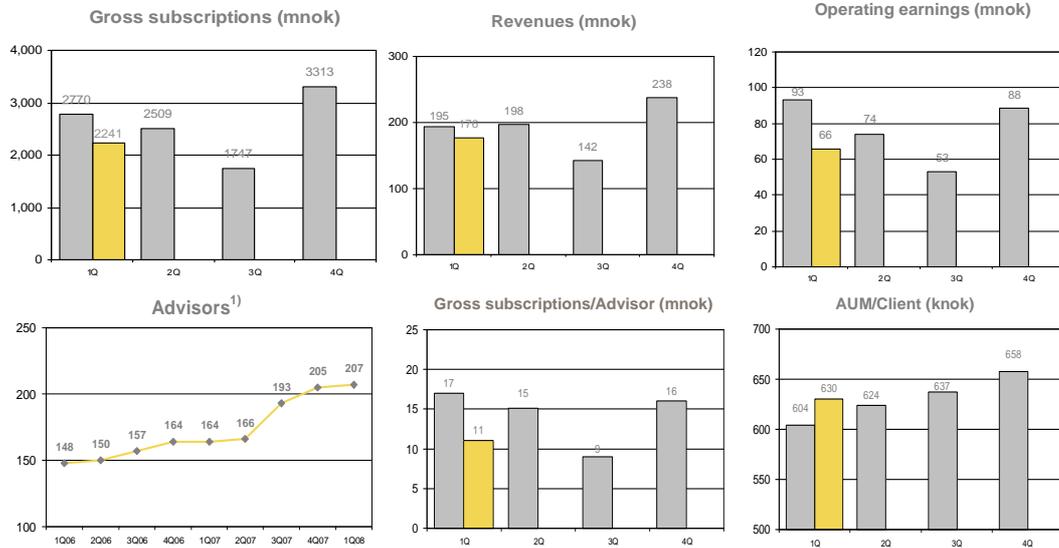
# Norway



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<sup>1)</sup> Includes branch managers, advisors and trainees

# Sweden



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<sup>1)</sup> Includes branch managers, advisors and trainees

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## Long term goals: 2008-2011

### ► CLIENT ORIENTED TARGETS

- 60,000 new customers
- Ensuring continued growth in customer satisfaction
- Increase Acta's brand recognition

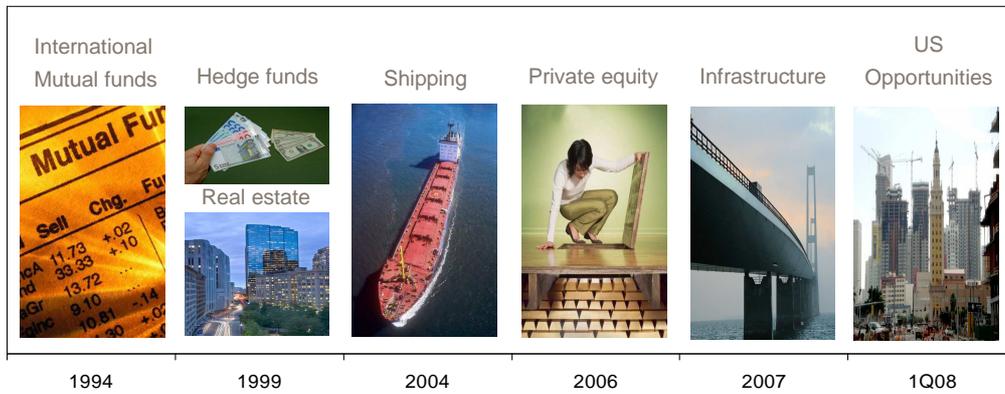
### ► FINANCIAL TARGETS

- New incentive program K3
  - Accumulated operating earnings of 5 billion kroner through the period
  - Recurring revenues of 500 million kroner per year at the end of the period
- Continue Acta's dividend policy
- Reach 150 billion kroner in AUM during the period

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# Acta; first mover



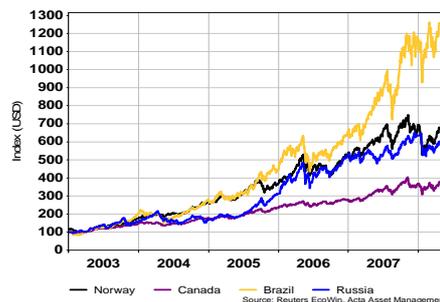
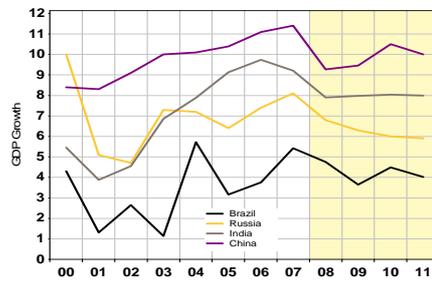
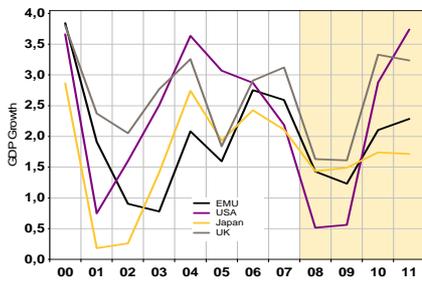
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# Market leading partners



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# Market Outlook



# Product strategy

- ▶ Acta believes that diversification, a long investment horizon and the use of alternative investments are key to a healthy savings portfolio
- ▶ Since November 2007, Actas advise has been to reduce risk on short term placements
- ▶ Acta will continue to launch product initiatives according to its market view:
  - Existing closed-end structures
    - Robust and well diversified
    - Will continue to invest through downturns
  - Distressed markets
    - And the restructuring of these (i.e. US Opportunities)
  - Alternative markets
    - Commodities and energy – anticipate a continued strong demand
  - Commodity based economies
    - BRIC countries, Norway, Canada, Australia.
  - Emerging markets (across asset classes)
    - Declining correlation between emerging markets and the developed world, stronger growth expected in these markets

## Company Outlook

- ▶ Quality initiatives (MiFID)
- ▶ Continued high operational focus and commitment to existing clients
- ▶ Cost control and planned cost of approximately NOK 100 million to be cut without affecting current activity level
- ▶ Product innovation – more than 2 new product initiatives to be launched in each of the following quarters
- ▶ Proposed distributions from Acta's client-owned companies in Q2 are at approximately 1 billion kroner, of which Acta anticipates a high reinvestment rate
- ▶ Based on the current market environment, Acta expects a good financial result in 2008

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