



# Asta Funding, Inc.

Investor Fact Sheet

NASDAQ: ASFI  
www.astafunding.com  
September 2005

## Financial Data:

Share Price (9/8/05):	\$32.10	Trailing 12-Months (ended June 30)	
52-Week Price Range:	\$15.78-\$32.25	EPS:	\$2.00
Shares Issued and Outstanding:	13,577,000	P/E Ratio (as of 9/8/05):	16.05
Float (as of 6/30/05):	10.2 million	Net Income:	\$28.5 million
Market Cap:	\$435.8 million	Net Margin:	44.3%
Book Value Per Share (as of 6/30/05):	\$10.05	Insider Ownership:	24.5%
Fiscal Year End:	September 30	Institutional Ownership:	53.3%
		Quarterly Dividend:	\$0.035 per share

## Corporate Profile

Asta Funding, Inc. is a leading consumer receivable asset management company specializing in the purchase, management and liquidation of performing and non-performing consumer receivables. Asta generates revenues and earnings primarily through the purchase and collection of performing and non-performing consumer receivables that have typically been either charged-off by the credit grantors or not considered to be prime receivables. These receivables include MasterCard, Visa, other credit card accounts issued by banks, telecom accounts and other consumer loans issued by credit grantors. Asta may also purchase bulk receivable portfolios that include both distressed and non-conforming loans. Asta purchased consumer receivables with an aggregate face value of approximately \$2.3 billion for an aggregate cost of \$93.5 million during the first nine-months of fiscal 2005. Since 1999, Asta has purchased in excess of \$12 billion in receivables.

Asta takes a disciplined approach to portfolio acquisitions utilizing a combination of proprietary quantitative and qualitative methodologies, including its extensive database of historical portfolio collections. Asta then actively manages the liquidation of these portfolios, primarily through outsourcing collection activities to its large, national network of collection agencies and law firms, who are closely monitored and managed. This outsourcing model enables Asta to maintain a low fixed cost structure. In addition, the flexibility of its liquidation strategy maximizes Asta's portfolio collections.

## Industry Overview

The non-conforming and distressed consumer receivable market is a growing industry which is driven by increasing levels of consumer debt. Despite generally good economic conditions during the mid to late 1990's, credit card and other consumer receivable charge-offs have increased as overall consumer debt has increased. According to the United States Federal Reserve, American consumers had aggregate indebtedness of more than \$2.1 trillion as of May 2005, and that the size of the revolving credit market in the United States was in excess of \$800 billion as of May 2005, up from \$700 billion in December 2001.

Historically, originating institutions have sought to limit credit losses by performing recovery efforts in-house, outsourcing recovery activities to third-party collection agencies and selling their charged-off receivables for immediate cash. From the originating institution's perspective, selling receivables prior to or after charge-off yields immediate cash proceeds and represents a substantial reduction in the time period typically required for traditional collection and recovery efforts. Both non-conforming and distressed receivables are sold at substantial discounts to the balances owed on the receivables, with the purchase price varying depending on the amount that both the purchaser and seller anticipate recovering and the costs associated with recovering these receivables.

The market for buying non-conforming and distressed consumer debt portfolios has expanded due to a steadily increasing volume of delinquent and charged-off consumer debt coupled with a shift by originators or credit grantors toward selling their portfolios of non-conforming and distressed consumer loans.

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If you would like additional information about the Company, please contact Stephen Axelrod or Donald Weinberger at Wolfe Axelrod Weinberger Assoc. LLC, 317 Madison Avenue, Suite 515 New York, NY 10017, (212) 370-4500, (212) 370-4505 FAX, e-mail: [steve@wolfeaxelrod.com](mailto:steve@wolfeaxelrod.com) ~ website: [www.wolfeaxelrod.com](http://www.wolfeaxelrod.com)



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### Investment Considerations

- Outstanding profitability and returns on capital
- Disciplined portfolio acquisition criteria
- Flexible, active liquidation management strategy
- An industry leader in a fragmented market
- Franchise value through nearly four decades of experience
- Outsourcing capabilities result in low fixed costs
- Strongly positioned for profitability in all economic cycles

### RECENT EVENTS

August 2005:	Asta Funding Reports Record Third Quarter and Nine Months Fiscal 2005 Results
June 2005:	Asta Funding Celebrates 10-Years on Nasdaq by Ringing the Closing Bell
May 2005:	Asta Funding President and CEO, Gary Stern, Featured on TheStreet.com's 'Streetwatch'
May 2005:	Asta Funding Reports Record Second Quarter and Six Months Fiscal 2005 Results
May 2005:	Asta Funding Announces Expanded Credit Facility
March 2005:	Asta Funding Announces Acquisition of Option Card, LLC
March 2005:	Asta Funding Purchases Distressed Consumer Receivable Portfolios Totaling \$520 Million
February 2005:	Asta Funding Announces Record First Quarter Financial Results
January 2005:	Asta Funding Presents at the Brean Murray & Co. Institutional Investor Conference
January 2005:	Industry Pioneer Joins Asta Sales Team
December 2004:	Asta Funding Purchases Distressed Consumer Receivable Portfolios Totaling \$520 Million
November 2004:	Reports Record Results for the Fiscal Year Ending September 30, 2004
November 2004:	Asta Funding Purchases Distressed Consumer Receivable Portfolios Totaling \$370 Million
October 2004:	Asta Funding Purchases Distressed Consumer Receivable Portfolios Totaling \$456 Million

### Recent Financial Results

#### Consolidated Statements of Operations Data

#### Unaudited

	Three Months Ended		Nine Months Ended	
	6/30/05	6/30/04	6/30/05	6/30/04
Revenues:				
Finance income	\$19,028,000	\$12,050,000	\$49,520,000	\$36,369,000
Income before income taxes	14,363,000	9,409,000	36,983,000	26,432,000
Net income	\$8,536,000	\$5,607,000	\$21,992,000	\$15,728,000
Net income per share:				
Basic	\$0.63	\$0.42	\$1.63	\$1.18
Diluted	\$0.59	\$0.39	\$1.53	\$1.10
Weighted average number of shares outstanding:				
Basic	13,569,000	13,403,000	13,529,000	13,318,000
Diluted	14,424,000	14,286,000	14,377,000	14,248,000

**Note:** Asta Funding's Fiscal Year Ends September 30

### Management

Arthur Stern	Chairman
Gary Stern	President and CEO
Mitchell Cohen	CFO
Mary Curtin	Vice President of Operations
Nan Beilinson	National Sales Manager

The information contained herein was obtained from the management of Asta Funding, Inc., and other sources we believe to be reliable. This does not constitute a solicitation of the purchase or sales of securities. Wolfe Axelrod Weinberger Associates LLC is employed by Asta Funding, Inc. as investor relations counsel. This Fact Sheet contains statements relating to future results of the Company (including certain projections and business trends) that are "forward-looking statements" as defined in the Private Security Litigation Reform Act of 1995. Actual results may differ materially from those projected as a result of certain risks and uncertainties, including but not limited to, the Company being able to purchase consumer receivable portfolios at favorable prices or on sufficiently favorable terms or at all, as well as other risks and uncertainties detailed from time to time in the filings of the Company with the Securities and Exchange Commission.