

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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FILER

ADVANTA CORP

CIK: **96638** | IRS No.: **231462070** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **000-14120** | Film No.: **94502818**
SIC: **6141** Personal credit institutions

Mailing Address
*BRANDYWINE CORPORATE
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CLAYMONT DE 19703*

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CENTER
CLAYMONT DE 19703
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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 26, 1994

ADVANTA Corp.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdic-
tion of incorporation)

0-14120

(Commission File
Number)

23-1462070

(IRS Employer Identi-
fication No.)

Brandywine Corporate Center, 650 Naamans Road, Claymont, Delaware
(Address of principal executive offices)

19703

(Zip Code)

Registrant's telephone number, including area code: (302) 791-4400

On January 26, 1994 ADVANTA Corp. announced record earnings for both the fourth quarter and full year 1993. For the quarter, ADVANTA reported earnings per share of 56 cents and net income of \$23.0 million, increases of 30 percent and 55 percent, respectively, over fourth quarter 1992. For the full year, earnings per share totalled \$1.95 before extraordinary item and net income before extraordinary item was \$77.9 million,

increasing 41 percent and 62 percent, respectively, over 1992. At December 31, 1993, the Company's portfolio of managed receivables increased by \$1.5 billion or 42 percent compared to December 31, 1992. Total managed credit card receivables expanded by \$575 million in the fourth quarter, bringing the outstandings to \$3.9 billion at year-end 1993, up 47 percent for the year. Fourth quarter earnings per share incorporate an 18 percent increase in the number of common shares outstanding versus the fourth quarter last year. Earnings per share for all periods reflect the October 15, 1993 three-for-two stock split.

Highlights for the fourth quarter include the following items:

Continued strong receivable growth with each business segment growing its average total managed receivables in excess of 30 percent year-over-year. Average managed credit card receivables for the quarter were up 47 percent from the comparable year-ago period and 16 percent from the September quarter;

The managed credit card charge-off rate fell to 2.9 percent in the quarter from 4.2 percent in the year-earlier period and 3.2 percent in the September quarter. The consolidated managed charge-off rate declined from 3.2 percent in the year-earlier period to 2.7 percent in the quarter, the same as the September quarter;

The 30 plus day delinquency rate on managed credit cards declined to 2.4 percent at December 31, down from 3.7 percent in the year-ago quarter and 2.8 percent in the September quarter;

The managed net interest margin rose to 7.64 percent from 7.32 percent in the year-earlier period and compares to 8.05 percent in the September quarter;

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Off-balance sheet reserves for mortgage servicing were increased to reflect recent loan loss and prepayment experience;

Disciplined cost management resulted in an operating expense ratio of 3.94 percent in the fourth quarter, compared to 4.68 percent in the comparable year-ago period and 4.11 percent in the third quarter;

Return on equity of 27.6 percent for the quarter and 27.5 percent for the full year.

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

The following exhibit is filed as part of this Report on Form 8-K:

99 Selected summary financial data.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ADVANTA Corp.

Date: January 26, 1994

By: /s/ Gene S. Schneyer
Gene S. Schneyer, Vice
President and Secretary

EXHIBIT INDEX

Exhibit No.	Description
99	Selected summary financial data.

ADVANTA AND SUBSIDIARIES
FINANCIAL HIGHLIGHTS
(In millions except per share data)

	Three Months Ended December		Percent Change 1993 versus 1992
	1993	1992	
OPERATING RESULTS			
Net Revenues	\$ 91.3	\$ 72.2	27%
Provision for Losses	\$ 8.2	\$ 8.3	(1%)
Operating Expenses	\$ 48.2	\$ 40.3	20%
Net Income	\$ 23.0	\$ 14.9	55%
Earnings Per Common Share(1)	\$.56	\$.43	30%
Average Shares	41.2	34.9	18%
Return on Equity	27.58%	35.84%	(23%)

	Year Ended December 31,		Percent Change 1993 versus 1992
	1993	1992	
OPERATING RESULTS			
Net Revenues	\$327.7	\$261.8	25%
Provision for Losses	\$ 29.8	\$ 47.1	(37%)
Operating Expenses	\$174.6	\$137.6	27%
Net Income			
Before extraordinary item	\$ 77.9	\$ 48.0	62%
After extraordinary item	\$ 76.6	\$ 48.0	60%
Earnings Per Common Share(1)			
Before extraordinary item	\$ 1.95	\$ 1.38	41%
After extraordinary item	\$ 1.92	\$ 1.38	39%
Average Shares	39.8	34.6	15%
Return on Equity	27.50 %	33.32%	(17%)

(1) Share and per share amounts reflect the three-for-two stock split effective October 15, 1993.

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ADVANTA AND SUBSIDIARIES
 FINANCIAL HIGHLIGHTS
 (In millions except per share data)

	December 31, 1993	December 31, 1992	Percent Change 1993 versus 1992
FINANCIAL CONDITION			
Gross Receivables			
Owned	\$1,277	\$ 998	28%
Managed	\$5,264	\$3,720	42%
Total Assets			
Owned	\$2,141	\$1,775	21%
Managed	\$6,128	\$4,497	36%
Deposits	\$1,255	\$1,204	4%
Stockholders' Equity	\$ 343	\$ 175	96%
Book Value Per Common Share(1)	\$ 8.82	\$ 5.22	69%
Equity/Owned Assets	16.01%	9.85%	63%
CREDIT QUALITY			
Reserves as a percentage of Impaired Assets			
Owned Receivables	138.6%	127.4%	9%
Owned Credit Cards	183.7%	187.6%	(2%)
Net Charge-off Rate for the Year			
Managed Receivables	2.9%	3.4%	(15%)
Managed Credit Cards	3.5%	4.5%	(22%)
30 plus Day Delinquency Rate			
Managed Receivables	3.5%	5.0%	(30%)
Managed Credit Cards	2.4%	3.7%	(35%)

(1) Per share amounts reflect the three-for-two stock split effective October 15, 1993

--Statistical Supplement Available Upon Request--

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