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Portfolio Recovery Associates Closes on Expanded \$150 Million Credit Line

Portfolio Recovery Associates Closes on Expanded \$150 Million Credit Line NORFOLK, VA, May 07, 2007 -- Portfolio Recovery Associates, Inc. (NASDAQ: PRAA), a company that purchases and manages portfolios of defaulted consumer receivables and provides a broad range of accounts receivable management services, announced today it has closed on an expanded \$150 million bank credit line.

This credit line expansion is one component of a three-part program announced on April 24, 2007 to move toward optimizing the Company's capital structure. In addition to the larger credit line, this program includes the previously announced \$1 per share, one-time special dividend and one million share stock repurchase program.

The expanded \$150 million line, which includes an option to set a 5-year fixed-rate tranche of \$50 million, doubles the Company's credit line from the prior \$75 million.

"We are pleased to have completed work with our lenders on an expanded \$150 million line of credit, doubling our borrowing capacity. Importantly, this borrowing capability is part of a three-part program announced last month to help move the Company toward an optimal capital structure. The expanded credit line may be used in part to fund our announced special dividend and share repurchase program. In addition, it gives us significant flexibility to take advantage of opportunities we see both in the defaulted consumer debt market and elsewhere," said Kevin P. Stevenson, Chief Financial and Administrative Officer.

Lenders participating in the expanded line include Bank of America, N.A., Wachovia Bank, National Association, and RBC Centura Bank.

About Portfolio Recovery Associates, Inc.

Portfolio Recovery Associates is a full-service provider of outsourced receivables management and related services. The company's primary business is the purchase, collection and management of portfolios of defaulted consumer receivables. These are the unpaid obligations of individuals to credit originators, which include banks, credit unions, consumer and auto finance companies, and retail merchants. Portfolio Recovery Associates also provides a broad range of collection services, including revenue administration for government entities through its RDS business, collateral-location services for credit originators via IGS Nevada, and fee-based collections through Anchor Receivables Management.

Statements herein which are not historical, including Portfolio Recovery Associates' or management's intentions, hopes, beliefs, expectations, representations, projections, plans or predictions of the future, including statements with respect to future contribution of IGS Nevada and RDS to earnings and future portfolio-purchase opportunities, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include references to Portfolio Recovery Associates' presentations and web casts. The forward-looking statements in this press release are based upon management's beliefs, assumptions and expectations of the Company's future operations and economic performance, taking into account currently available information. These statements are not statements of historical fact. Forward-looking statements involve risks and uncertainties, some of which are not currently known to us. Actual events or results may differ from those expressed or implied in any such forward-looking statements as a result of various factors, including the risk factors and other risks that are described from time to time in the Company's filings with the Securities and Exchange Commission including but not limited to its annual reports on Form 10-K, its quarterly reports on Form 10-Q and its current reports on Form 8-K, filed with the Securities and Exchange Commission and available through the Company's website, which contain a more detailed discussion of the Company's business, including risks and uncertainties that may affect future results. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Information in this press release may be superseded by more recent information or statements, which may be disclosed in later press releases, subsequent filings with the Securities and Exchange Commission or otherwise. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or to reflect any change in events, conditions or circumstances on which any such forward-looking statements are based, in whole or in part.

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SOURCE: Portfolio Recovery Associates, Inc.
