

### *Identity of related parties*

43. The Group has a related party relationship with its subsidiaries, associates, and with its directors and executive officers.

### *Transaction with associates*

During the year 2007 the Group purchased services from associates amounting to ISK 375 million (2006: ISK 410 million), but the Group did not sell them any services. The Group has granted loans to its associates. The balance at year end amounted to ISK 952 million and is included in the item long-term receivables and deposits in the balance sheet. Interest income amounting to ISK 51 million is recognised in the income statement. Transactions with associates are priced on an arm's length basis.

### *Transactions with management and key personnel*

Salaries and benefits of management paid for their work for Group companies during the year 2007, share option agreements and shares in the Company are specified as follows:

	Salaries and benefits	Share options	at year- end	Shares held at year- end 2007	Share held by related parties
<b>Board of Directors:</b>					
Gunnlaugur M. Sigmundsson, chairman of the board ..	3,4				392,1
Ómar Benediktsson .....	5,6				61,2
Ásgeir Baldurs .....	0,7				
Einar Sveinsson .....	2,8				392,1
Finnur Reyr Stefánsson .....	0,0				38,2
Jón Benediktsson, alternative board member .....	1,4			0,4	

Martha Eiríksdóttir, alternative board member .....	0,4	0,1
Sigurður Atli Jónsson, alternative board member .....	0,0	
Finnur Ingólfsson, former board member .....	5,4	
Hermann S. Guðmundsson, former board member .....	2,7	
Helgi S. Guðmundsson, former board member .....	1,7	
Jóhann Magnússon, former board member .....	1,7	

**CEO:**

Jón Karl Ólafsson, former CEO of Icelandair Group hf. .	34,6	0,1	18,6
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Post employee benefits related to former CEO amounted to ISK 60 million, is included in the income statement and will be paid in 2008.

**Managing directors:**

Hlynur Elísson, CFO of Icelandair Group hf. ....	25,1	2,9	0,1	2,2
Sigþór Einarsson, COO of Icelandair Group hf. ....	25,2	2,9	0,1	3,7
Thirteen MD of subsidiaries .....	275,1	29,8	2,4	13,0

Included in the above mentioned list of shares held by management and directors are shares held by companies controlled by them.