



CONTENTS

1. NOTICE TO INVESTORS	3
2. BILLS ADMITTED TO TRADING	4
3. BUSINESS OVERVIEW	5
4. FINANCIAL INFORMATION	8
5. RISK FACTORS	12
6. SHAREHOLDERS	14
7. RELATED PARTY TRANSACTIONS	15
8. DOCUMENTS ON DISPLAY	15



(incorporated in Iceland as a public limited company)

1. NOTICE TO INVESTORS

This Summary should be read as an introduction to a Prospectus of Exista hf. relating to the admission to trading of bills with the symbol EXIS 08 1008 and is qualified in its entirety by the more detailed information elsewhere in the Prospectus. Any decision to invest in the debt instruments should be based on consideration of the Prospectus as a whole by the investor. This Summary forms a part of a Prospectus which consists of the following separate documents:

- this Summary, dated 10 July 2008;
- a Registration Document, dated 2 June 2008;
- a Securities Note, dated 10 July 2008.

This document constitutes a Summary for the purposes of Directive 2003/71/EC of the European Parliament and of the Council of the European Union (the "European Prospectus Directive") on the prospectus to be published when securities are offered to the public or admitted to trading, and of Commission Regulation no. 809/2004 on the implementation of the Directive. The Commission's Regulation has been adopted into Icelandic law by Icelandic Regulation no. 243/2006. The OMX Nordic Exchange Iceland hf. (the "OMX ICE") has approved this Prospectus on behalf of the Icelandic Financial Supervisory Authority (the "FME").

This Prospectus is only published in English.

Information in the Prospectus, should not be considered or construed as a promise by the Company, Manager or other parties, of future success in either operations or return on investment. Investors are reminded that investing in debt instruments entails risk as the decision to invest is based on expectations and not promises. Investors must primarily rely on their own judgement regarding any decision to invest in the debt instruments issued by Exista, bearing in mind the business environment in which Exista operates, anticipated profits, external conditions, and the risk inherent in the investment itself. Prospective investors are advised to contact independent experts such as financial institutions to assist them in their assessment of debt instruments issued by Exista as an investment opportunity. Investors are advised to consider their legal status and any tax implications, which a purchase of debt instruments issued by Exista may have, and seek independent advice in that respect.

Investors are advised to consider that the Manager expressly does not undertake to review the financial condition or affairs of the Issuer during the life of the debt securities or to advise any investor in the debt securities of any information coming to its attention.

In case a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might have to bear the cost of translating the Prospectus before legal proceedings are initiated. Civil liability attaches to those persons who have tabled the summary including any translation thereof, and applied for its notification, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus.

2. BILLS ADMITTED TO TRADING

Issuer

Exista hf., ID-No. 610601-2350, Address: Ármúli 3, IS-108 Reykjavík, Iceland

Manager of the admission to trading

Kaupthing Bank hf. – Capital markets, Icelandic ID-No. 560882-0419, Address: Borgartún 19, IS-105 Reykjavík, Iceland

Issue and Bill characteristics.

The Bills bear no interest and are not indexed. The Bills are registered electronically at the Icelandic Securities Depository and are registered there under the name of the relevant billholder or his/her nominee. The Bills are all in the same class, and the symbol on OMX ICE will be EXIS 08 1008.

The Bills constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank pari passu among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

Date of issue:	8 October 2007
Authorized amount:	ISK 15,000,000,000
Issued and sold amount:	ISK 12,750,000,000
Denomination:	ISK 5,000,000
Currency:	ISK
Interest rates:	The Bills bear no interest.
Calculation agent:	Kaupthing Bank hf.
Maturity date:	The date of maturity is 8 October 2008. Repayment is made on the aforementioned maturity date. It is not permitted to bring forward the repayment of the Bills.
Method of payment:	All amounts payable under the Bills will be paid to the relevant financial institution where the registered owner has his/her VS account.
Indication of yield:	Act/360 19,97 % at 4 July 2008. Calculation: Value 04.07.08 Last Day 08.10.08 95 days total 3 month Reibor 15,95 % Corporate spread 2,7 % Interest 18,65 % Price = $100 / (1 + 0,1997 * 95 / 360) = 95,31$ $(95,31 / 100)^{-1 / ((95) / 360 - 1)} = 19,97$ % act/360 Yield
Restrictions on transfer:	There are no restrictions on transferring the Bills to other parties.
ISIN code:	IS0000015675
The bills are expected to be admitted to trading 11 July 2008.	

3. BUSINESS OVERVIEW

Objectives

The objective of the Company, according to Article 3 of its articles of association, is to be a financial services company through holdings in other companies, among other things in the fields of insurance, such as casualty, personal, and life insurance, and in the fields of finance, loan, and investment activities, such as leasing and security services, and furthermore to engage in the sale and purchase of securities and real estate, the management of real estate, services to subsidiaries and other related activities.

Mission and strategy

Exista's strategy is to position itself as a leading financial services group with northern Europe as its primary market. Based on profitable underwriting, asset financing and investment activities, the Group's goal is to build and maintain a strong portfolio of superior investments.

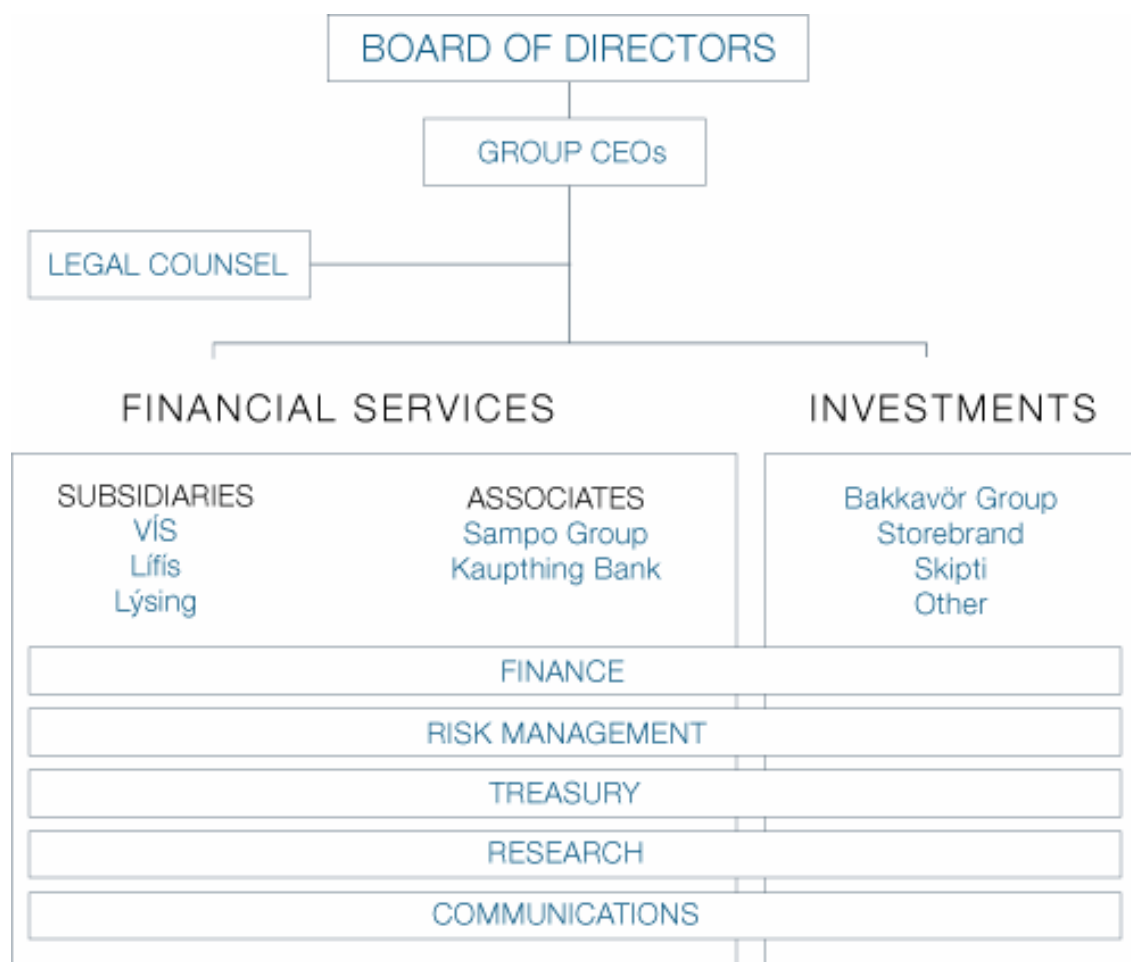
Exista's mission is the following:

- To maximise shareholders' long term value through a diversified group of profitable businesses
- To prudently allocate capital from cash-generating operations and insurance float
- To invest in businesses with solid cash flow, strong management and promising market potential

Description of business and organisational structure

Exista is a financial services group with core operations in insurance underwriting and other financial services activities, coupled with international investments. The Group's primary market is northern Europe. Exista focuses on diversification in income streams, solid cash flows and sound financial fundamentals.

Exista's operations are based on two main business units, Financial Services and Investments.



Financial Services, which account for approximately 84% of Exista's balance sheet as of 31 March 2008, is divided into Subsidiaries and Associates. Subsidiaries are wholly owned by Exista and are accounted for as such in the consolidated financial statements. Associates are long-term strategic holdings in financial companies and are recorded in Exista's accounts using the equity method.

Investments, which make up approximately 16% of Exista's balance sheet as of 31 March 2008, comprises Exista's other shareholdings, including non-financial subsidiaries and associates and investments in listed and unlisted companies. Investments are recorded at fair value in its consolidated accounts and subsidiaries and associates are part of Exista's consolidated accounts. Exista looks for companies with solid financial fundamentals and a healthy cash flow, a strong management team and favourable market prospects. The investment time horizon is open-ended and normally medium or long-term.

Six support divisions, Legal Counsel, Finance, Risk Management, Treasury, Communications, and Research, monitor and support Exista's financial services and investment activities.

The two CEOs of Exista, Erlendur Hjaltason and Sigurdur Valtýsson, are responsible for executing the Board's resolutions regarding policy and development as well as financial performance. They are also responsible for accomplishing Exista's objectives and facilitating synergies within the Group.

The Executive Chairman, Lýður Gudmundsson, is in charge of Exista's strategy formulation, the vision for the Group as a whole and plays a monitoring role as the Chairman of the Board. Other board members are Ágúst Gudmundsson, Gudmundur Hauksson, Bogi Pálsson, Sigurjón Rúnar Rafnsson, Robert Tchenguiz and Hildur Árnadóttir.

Employees

In 2007, the average number of Exista employees, including subsidiaries, was 433 (corresponding figure for 2006 was 286). Exista's headquarters are based in Ármúli 3, Reykjavík, along with VÍS and Lífis.

The Annual General Meeting held on 28 February 2008 approved the Remuneration Policy of Exista hf. wherein the CEOs are authorised to propose to the Board of Directors that employees and the management of Exista and/or employees and the management of any subsidiary of Exista from time to time should be rewarded in addition to their set terms of employment in the form of delivery of shares, stock options or any payment having to do with Company shares or the future value of such shares. The CEOs are also authorised to propose to the Board of Directors that employees and the management of Exista should be rewarded in addition to their set terms of employment in the form of performance based payments, loan contracts, pension fund contributions, retirement or redundancy payments. The status of the relevant individual, responsibility and future prospects and the main objectives of this Policy shall be taken into consideration when deciding whether he should be granted rewards in addition to his set terms of employment. When granting stock option similar contracts previously made between the Company and the relevant employee or member of management shall be taken into consideration. Ordinarily a stock option shall only subsist while the employee remains employed by Exista or the relevant subsidiary of Exista. The Board of Directors has not, at this time, used this authorisation.

Number of employees

(weighted average numbers of full-time equivalent employees)	2005	2006	2007	Q1 2008
Exista parent	6	15	34	40
Exista's subsidiaries	-	271	399	381
Total	6	286	433	421

Milestones in Exista's history

- 2001 Exista founded
- 2002 Exista becoming the largest shareholder in Kaupthing Bank
Bakkabraedur becomes majority shareholder in Exista
- 2003 Exista becomes the largest shareholder in Bakkavör Group
- 2005 Exista acquires 19.6% share in VÍS
Exista leads a consortium of investors in the privatisation of Landsími Íslands (Iceland Telecom)
- 2006 Exista acquires VÍS 100%, transforming Exista into a financial services group
Exista's shares admitted to trading on the OMX ICE
Exista's shareholders exceed 30,000 when Kaupthing, the second largest shareholder in Exista at that time, sells 10.1% stake in Exista to 7,500 new shareholders prior to the admission to trading and distributes a 7.7% stake as a dividend
- 2007 Exista becomes the largest shareholder in Sampo Group with a 15.48% stake, which reaches 19.98% in 2008
Exista announces 5.6% stake in Storebrand, further increased to 8.7% same year
- 2008 Exista acquires Skipti 99.2% by a voluntary takeover offer and intends to redeem the remaining shareholders

Licenses and material contracts

Exista's operations are to some extent based on Exista's operating licences as an insurance underwriter and an asset financing company and through its associates as providers of other financial services in the countries in which the Group, including its associates operate. Exista's operations or profitability are not dependent on patents, individual agreements or manufacturing processes. Exista's management believes that there are no individual contracts or similar circumstances relating to the business which are of material significance to its operations or profitability.

Regulatory issues and applicable law

Exista is registered in Iceland and operates in accordance with the Companies Act no. 2/1995. VÍS and Lífís are registered in Iceland and operate in accordance with the Companies Act no. 2/1995 and are regulated under Act no. 60/1994 on Insurance Activity. Lýsing is registered in Iceland and operates in accordance with the Companies Act no. 2/1995 and is regulated under Act no. 161/2002 on Financial Undertakings. Foreign subsidiaries operate under the governing law in each relevant country. Exista B.V. is registered in the Netherlands and operates in accordance with the Dutch Civil Code. The FME currently defines three of Exista's operating subsidiaries as entities under the FME's supervision. These are VÍS and Lífís, which are regulated insurance undertakings according to Act. no. 60/1994, and Lýsing, which is a regulated credit institution according to Act. no. 161/2002. Furthermore Exista's associates within insurance, banking and financial services and investments within insurance and telecom are like Exista's operating subsidiaries highly regulated in their own capacity. Each member of Kaupthing's group is subject to government regulation and inquiry as financial companies in the markets in which they operate, most of which are within countries of the European Economic Area and Sampo and Storebrand are regulated in a similar capacity as VÍS and Lífís. As the laws regulating insurance and banking operations within the European Economic Area are derived from the internal market legislation of the European Economic Area and European Union, these companies enjoy regulatory conditions similar to those of other European insurance companies and banks. Skipti's operations are subject to the applicable laws regulating electronic communications, as well as the general laws and regulations, most notably in Iceland where most of the operations are. Skipti's operations are in particular regulated under the Electronic Communications Act no. 81/2003, the Radio Broadcasting Act no. 53/2000 and the Post and Telecom Administration in Iceland which regulates and executes Electronic Communications within the territory of Iceland.

Auditors

The chartered accountants and registered auditor of Exista are Deloitte hf. ID-No. 521098-2449, Smáratorg 3, 201 Kópavogur, Iceland. The auditor responsible for Exista for the duration of the period of 2005-2007 and for the review of the first quarter of 2008 has been Hilmar A. Alfredsson, ID-No. 120759-5159, of Deloitte hf.

4. FINANCIAL INFORMATION

Income statement

Income												
Statement	Q12008 €m		Q1 2007 €m		2007 €m		*2006 €m		**2005 €m		2006 ISKm	2005 ISKm
	Revie wed	% change	Revie wed	Audi ted	% change	Unau dited trans lation	% change	Unau dited trans lation	Audi ted	% change	Audi ted	
Financial assets designated at fair value	(173.2)	n/a	38.2	0.8	(99.8%)	357.6	(42.9%)	626.5	31,348	(36.0%)	48,952	
Financial assets held for trading	58.5	(47.2%)	110.8	(46.3)	n/a	129.0	950.0%	12.3	11,309	1078.0%	960	
Dividend	4.4	(12.6%)	5.0	12.6	(84.0%)	78.7	795.1%	8.8	6,902	904.7%	687	
Interest revenue	28.5	54.6%	18.4	91.2	81.3%	50.3	3753.4%	1.3	4,411	4224.5%	102	
Insurance premium	28.8	(18.2%)	35.2	129.0	75.3%	73.6	n/a	0.0	6,452	n/a	0	
Share of profits of associates	64.6	(85.9%)	457.0	756.2	n/a	0.0	n/a	0.0	0	n/a	0	
Other revenues	4.6	41.0%	3.3	17.9	135.5%	7.6	n/a	0.0	662	n/a	0	
Total revenues	16.1	(97.6%)	668.0	961.5	38.0%	696.7	7.4%	648.8	61,083	20.5%	50,700	
Insurance claims	(28.8)	8.7%	(26.5)	(104.4)	78.2%	(58.6)	n/a	0.0	(5,136)	n/a	0	
Operating expenses	(16.5)	(1.1%)	(16.7)	(65.4)	28.0%	(51.1)	1529.8%	(3.1)	(4,476)	1726.9%	(245)	
Total expenses	(45.3)	4.9%	(43.2)	(169.9)	55.0%	(109.6)	3395.6%	(3.1)	(9,613)	3823.7%	(245)	
Profit (loss) before financial expenses	(29.2)	(104.7%)	624.8	791.7	34.8%	587.1	(9.1%)	645.7	51,470	2.0%	50,455	
Interest expense	(105.1)	86.5%	(56.4)	(350.3)	236.5%	(104.1)	128.4%	(45.6)	(9,123)	156.1%	(3,562)	
Net foreign exchange gain (loss)	88.4	204.3%	29.0	84.3	n/a	(46.4)	274.9%	(12.4)	(4,067)	320.6%	(967)	
Total financial expenses	(16.7)	(38.9%)	(27.3)	(266.0)	76.7%	(150.5)	159.7%	(58.0)	(13,190)	191.2%	(4,529)	
Profit (loss) before tax	(45.9)	(107.7%)	597.5	525.7	20.4%	436.6	(25.7%)	587.7	38,280	(16.6%)	45,926	
Income tax	2.0	(95.4%)	43.2	48.2	n/a	(9.9)	n/a	56.2	(872)	n/a	4,389	
Profit (loss) for the period	(43.8)	(106.8%)	640.7	573.9	34.5%	426.7	(33.7%)	643.9	37,409	(25.7%)	50,315	
Earnings Per Share (cents)												
Basic	(0.37)	n/a	5.69	5.11	18.8%	4.30		10.63	***3.77	-54.6%	***8.31	
Diluted	(0.37)	n/a	5.69	5.11	18.8%	4.30		10.63	***3.77	-54.6%	***8.31	

*Figures for 2006 in euros have not been audited but are a translation of the audited ISK figures for 2006 as reported in the 2007 annual report at the average mid exchange rate 87.67.

The 2007 mid exchange rate was 87.60

**Figures for 2005 in euros have not been audited and were converted at the average mid exchange rate 78.14

***ISK

Balance sheet

Balance Sheet	31.03.08 €m		31.12.07 €m		*31.12.06 €m		**31.12.05 €m	31.12.06 ISKm		31.12.05 ISKm
	Reviewed	% change	Audited	% change	Unaud- ited trans- lation	% change	Unaud- ited trans- lation	Audited	% change	Audited
Financial assets at fair value through profit or loss	1,017.2	(9.5%)	1,123.4	(50.6%)	2,272.7	14.2%	1,990.2	215,019	44.6%	148,667
Financial assets held for trading	168.8	(19.7%)	210.2	(74.9%)	837.0	725.0%	100.4	79,191	956.0%	7,499
Loans and receivables	782.8	(0.3%)	785.0	11.5%	703.8	n/a	0.0	66,591	n/a	0
Goodwill and other intangible assets	352.9	(24.8%)	469.4	1.0%	464.8	n/a	0.0	43,976	n/a	0
Investments in associates	4,439.8	(6.3%)	4,737.6	n/a	0.0	n/a	0.0	0	n/a	0
Reinsurance assets	10.1	0.0%	10.1	(36.1%)	15.8	n/a	0.0	1,498	n/a	0
Investment properties	52.1	(25.7%)	70.1	n/a	0.0	n/a	1.1	0	n/a	80
Property and equipment	21.4	(22.5%)	27.6	126.2%	12.2	802.3%	1.4	1,154	1042.6%	101
Cash and equivalents	485.5	(14.5%)	567.6	645.9%	76.1	14.5%	66.5	7,198	45.0%	4,965
Other assets	28.9	204.2%	9.5	(24.6%)	12.6	100.3%	6.3	1,194	154.0%	470
Total Assets	7,359.5	(8.1%)	8,010.5	82.3%	4,395.1	102.9%	2,165.8	415,821	157.0%	161,782
Share capital	143.5	19.0%	120.6	7.4%	112.3	(3.5%)	116.3	10,629	22.3%	8,689
Reserves	722.0	(1.9%)	736.3	2.2%	720.7	177.8%	259.4	68,187	251.9%	19,378
Retained earnings	1,467.7	(2.9%)	1,511.3	42.4%	1,061.3	16.5%	910.8	100,407	47.6%	68,037
Equity attributable to equity holders of the Parent	2,333.2	(1.5%)	2,368.1	25.0%	1,894.3	47.2%	1,286.5	179,223	86.5%	96,104
Minority interest	0.3	(50.0%)	0.6	(89.8%)	5.9	n/a	0.0	556	n/a	0
Total Equity	2,333.5	(1.5%)	2,368.7	24.7%	1,900.2	47.7%	1,286.5	179,779	87.1%	96,104
Borrowings	4,364.3	(14.8%)	5,123.7	134.7%	2,183.0	149.0%	876.8	206,534	215.3%	65,499
Hybrid securities	255.4	2.2%	250.0		0.0	n/a	0.0	0	n/a	0
Technical provision	192.6	(13.0%)	221.5	(1.1%)	223.9	n/a	0.0	21,180	n/a	0
Deferred income tax liability	10.6	(43.6%)	18.8	(68.8%)	60.2	12748.4%	0.5	5,697	16177.1%	35
Other liabilities	203.1	630.6%	27.8	0.0%	27.8	1342.1%	1.9	2,630	1726.4%	144
Total Liabilities	5,026.0	(10.9%)	5,641.8	126.1%	2,494.9	183.8%	879.2	236,042	259.4%	65,678
Total Equity and Liabilities	7,359.5	(8.1%)	8,010.5	82.3%	4,395.1	102.9%	2,165.8	415,821	157.0%	161,782

*Figures for 2006 in euros have not been audited but are a translation of the audited ISK figures for 2006 as reported in the 2007 annual report at the average mid exchange rate 87.67.

The 2007 mid exchange rate was 87.60

**Figures for 2005 in euros have not been audited and were converted at the average mid exchange rate 78.14

Financial ratios

The following table shows a number of Exista's relevant financial ratios based on Exista's audited profit and loss and balance sheet statements for the full financial years ending on 31 December 2005 to 2007 and the reviewed interim results for the periods 1 January to 31 March of 2007 and 2008.

Key Financial Ratios (Unaudited)	Q1 2008	Q1 2007	2007	2006	2005
Return on Equity (ROE)	-1.90%	28.20%	23.0%	27.1%	104.0%
Equity ratio (excl. hybrid securities)	31.70%	39.10%	29.6%	43.2%	59.4%
Price to Earnings (P/E)	-27.74	5.63	4.29	6.52	n/a
Price to Book (P/B)	0.52	1.36	1.04	1.36	n/a
<i>Insurance Operation:</i>					
Combined ratio	119%	110%	99.5%	113.3%	n/a
<i>Leasing Operation:</i>					
CAD ratio	10.1%	11.1%	10.6%	11.0%	11.4%
Ratio of provision to lending position at period end	-	-	2.2%	0.8%	0.8%

Working Capital Statement

The Chairman of the Board of Directors and the CEO, on behalf of the Issuer, declare that in their opinion the Issuer's working capital is sufficient for the Issuer's present requirements.

Capitalisation and Indebtedness

The following tables set forth the consolidated capitalisation and indebtedness as at 31 March 2008 according to the Issuer's reviewed first quarter financial statements. In the capitalisation table, all liabilities (recourse and non-recourse) are un guaranteed. The difference between recourse and non-recourse liabilities and secured and unsecured liabilities is immaterial. Non-recourse financing is all related to investments in assets, which may include listed securities, unlisted securities, real estate assets or any other assets held by the Group, which are secured by the assets invested in and as such can only be used for the purpose of holding the assets in question. All figures are in millions of euros. The information in these tables includes the issue of 2,813,675,174 New Shares and the acquisition of a 57.1% of the active share capital in Skipti, which relates to the New Shares and which brings Exista shareholding in Skipti to 100% of the active share capital. In the Issuer's opinion there has not been a material change in Exista's consolidated capitalisation and indebtedness since 31 March 2008 (see next page).

Capitalisation (EUR million)	31 March 2008	
	Recourse	Non-recourse
Total current borrowings		
Issued bonds	0	0
Loans from credit institutions	385	120
Other borrowings	242	0
	627	120
Total non-current borrowings		
Issued bonds	301	0
Loans from credit institutions	792	2,125
Other borrowings	399	0
	1,492	2,125
Total borrowings	2,119	2,245
Total borrowings recourse and non-recourse		4,364
Equity		
Share capital		144
Other equity		2,190
Total Equity		2,333
Total Capitalisation		6,698

Indebtedness (EUR million)	31 March 2007
A. Cash	423
B. Cash equivalent	62
C. Financial assets held for trading	232
D. Total liquidity (A)+(B)+(C)	717
E. Current financial receivable	237
F. Current bank debt	600
G. Current bonds issued	0
H. Other financial debt	286
I. Total current financial debt (F)+(G)+(H)	886
J. Total Net Current Financial Indebtedness (I)-(E)-(D)	-68
K. Non current bank loans	3,316
L. Bonds issued	301
M. Other non current loans	0
N. Total non current financial indebtedness (K)+(L)+(M)	3,617
O. Total Net financial indebtedness (J)+(N)	3,549

Significant change

The Issuer states that there has not been any material adverse change in the prospects of the Issuer since the latest published audited financial statement, the annual account of Exista hf. for 2007.

The Issuer also states that there has not been any significant change in the financial or trading position of its group since the latest published reviewed financial statements, i.e. the interim report of Exista hf. for the first quarter of 2008.

Exista's operations are dependent on the return on invested capital. Hence the results will be affected by general market conditions that affect the whole investment community, such as fluctuations in interest rates and overall conditions on equity markets.

The current economic situation in Iceland is to a large extent dependent on the global financial environment. The Icelandic financial market has joined the growing list of markets around the world that have been affected by the global credit crisis. The Central Bank of Iceland has been hawkish in its statements and interest rates are at record levels at 15.5%. A reduction in GDP growth and consumer consumption is therefore foreseen this year. Money markets have been dysfunctional which has put increased pressure on the currency and equity markets.

5. RISK FACTORS

Investing in debt securities is subject to numerous risks. Prior to making any investment decision regarding debt securities issued by Exista, investors should consider all the information in the Registration Document dated 2 June 2008 and in the Securities Note of the Prospectus, and in particular to consider the risks and uncertainties described in the chapters on risk factors in these documents. The risks and uncertainties described in these two documents are those that the Issuer's management and Board of Directors believe are material to Exista in order to assess the risk associated with the Issuer and any investment made in its debt securities. Additional risks and uncertainties that do not currently exist, that are not presently considered material, or of which the Issuer is unaware may also impair its business and operation. These risks and uncertainties could have a materially adverse impact on the business, income, profits, assets, liquidity and/or the share price of Exista. The following list is meant to be a list of risk factors are specific to the Issuer or its industry and cover the risks that are material to investments made in the debt securities. The list is not in order of importance.

Risk factors related to investment in the Issuer's debt securities, market risk

- Issuer's liability to make payments under the Bills
- No Prior Public Market
- An investment in the Bills may not be suitable for all prospective investors
- Change of law

Operational and market risk factors

- The Group's business, financial condition and results of operations and those of the Group's strategic holdings are affected by economic, political and market conditions
- Exista has undergone a number of significant changes which makes it more difficult to evaluate its future prospects
- There can be no assurance that the growth that the Group has experienced will continue. Failure to effectively manage growth could have a materially adverse effect on its business, financial condition and results of operations
- The Group's financial performance depends on its key personnel and its ability to attract, motivate and retain highly skilled personnel
- Potential risk of conflicts of interest
- The Group, associates within financial services and Skipti, are subject to extensive regulation, the impact of regulatory non-compliance and changes in regulation
- The Group and its strategic holdings are exposed to litigation
- Damage to the Group's reputation could impair its ability to grow and/or adversely impact its future earnings
- The Group may be vulnerable to disruptions to its IT systems
- The Group's financials depend on the adequacy and success of its internal controls
- The Group may be affected by adverse changes in taxation law or by taxation-related investigations
- Exista's financial soundness is subject to management's judgements, estimates and assumptions including impairment testing of goodwill and value in use
- Exista's quarterly statements are subject to estimates performed by analysts
- The Group's business relies on the continued ability to exploit its intellectual property
- The Group could suffer adverse financial consequences as a result of rescission of financing agreements
- The Group is subject to liquidity risk
- The Group could suffer adverse financial consequences as a result of high inflation and increased cost of borrowing
- The Group may require additional capital in the future, which may not be available or may only be available on unfavourable terms
- Fluctuations in the fixed income and equity markets may adversely affect the profitability of the Group

- The Group's financial condition and results of operations may be adversely affected by currency fluctuations

Financial services

- The Group and its strategic holdings face significant competition in the markets in which they operate
- The cyclical nature of the Nordic insurance industry may adversely affect the Group's and Sampo Group's financial position and results of operation
- The operation of and large stakes owned in insurance companies makes the Group vulnerable to changes in the underwriting business
- Differences between actual claims experience and estimated losses at the time a product is priced may result in increased liabilities and losses
- The failure of reinsurers to meet their financial obligations or a decrease in the availability or an increase in the cost of reinsurance could have a material adverse effect on the Group's financial position and results of operations
- Efforts to reduce exposure to catastrophic events may only be partially successful or not successful at all and such events may cause substantial losses
- Various provisions in insurance policies designed to limit the Group's exposure may not be enforceable in the manner intended or at all
- The Group and Kaupthing Bank are exposed to the credit risk of its customers and may be unable to adequately assess the credit risk of potential customers
- The concentration of the Group's credit exposure may adversely affect its profitability
- Collateral taken to support lending may be inadequate to cover losses arising from defaulting loans
- The Group's loan portfolio is heavily focused on the Icelandic market and specific sectors and products within the Icelandic market
- The Group is reliant on its strategic partnerships with retailers for automobiles, machinery and equipment for the sale of loans to customers
- Exista is exposed to risks affecting the businesses of large associated companies and the occurrence of any such risks could have a materially adverse effect on Exista's business, results of operations and financial position

Investments

- Exista may not be able to successfully implement its investment strategy, which includes its ability to exert influence over its investments. Any failure to implement its investment strategy could have a materially adverse effect on its financial position and results of operations
- Exista has a number of large investments and any adverse developments affecting these companies or their share price could have a materially adverse effect on its business, financial position and results of operations
- Valuation methodology for unlisted shares is subject to significant subjectivity and the fair value of such assets established pursuant to such methodologies may never be realised
- Investments in unlisted shares are less liquid than investments in listed companies and Exista may fail to realise the value of its unlisted investments or fail to realise value in them for a considerable period of time
- Exista's estimates of the market value of its investment properties affects its financials

Share capital and own shares

The share capital of Exista amounts to ISK 14,174,767,632 nominal value divided into as many shares of one ISK each (the par value per share is ISK 1). Thereof, the Issuer holds 1,162,793 own shares, which equals to 0.01% of total issued shares and by law do not carry voting rights.

On 30 May 2008, the number of total issued shares was increased from 11,361,092,458 shares up to 14,174,767,632 or by 2,813,675,174 New Shares. The New Shares were used as a consideration for shares in Skipti hf. which was acquired as a result of Exista's takeover bid of the entire outstanding share capital of Skipti not previously owned by Exista. Of the 2,813,675,174 New Shares, 2,777,771,471 shares were settled on 2 June 2008. Kaupthing

Bank hf. as the Manager has subscribed for the remaining New Shares, or 35,903,703 shares on behalf of the owners of 0.73% of Skipti's share capital which are to be settled as a result of a squeeze-out process that has been initiated and is expected to be finalised at the beginning of July 2008.

The New Shares are granted rights within the Issuer as of the date of registration of the increase of share capital as of 30 May 2008. Nevertheless, any shareholders' rights attached to the New Shares cannot be exercised before the delivery of the shares to the relevant shareholder have been registered in the Issuer's Register of Shares, which will happen with the settlement of the shares. Consequently the discussion below regards the active share capital at the time of the publishing of the prospectus, taking into account the issue of the shares but the delivery being subject to settlement, additionally estimates of post transactional ownership is presented in the table below. As existing shareholders in the Issuer waived their pre-emptive rights in respect of any of the New Shares, the proportional holdings of shareholders was diluted by 19.8% (calculated as a percentage of the total issued shares past the issue of the New Shares) by the issue of the New Shares.

6. SHAREHOLDERS

All active shares have the same rights, including voting rights. The Company has no knowledge of any agreement between the shareholders on the treatment of voting rights. The Issuer is not aware of any arrangements which may at a subsequent date result in a change of control.

Bakkabraedur Holding B.V. holds 45.21% of the active share capital in Exista hf. prior to the acquisition of Skipti. This stake is 5.21% over 40% of the share capital, which is the mandatory takeover bid threshold. According to the FME's published interpretation of Article 100 of the Icelandic Act on Securities Transactions no. 108/2007, the obligation to issue a takeover bid does not arise due to a single shareholder or a shareholder acting in concert with others having legal control over a company at the time of admission to trading on a regulated market. This exemption is subject to the shareholding having been disclosed at the time of admission to trading.

List of 20 largest shareholders – 4 July 2008

Shareholders	Shares	Ownership
Bakkabraedur Holding B.V.	6,407,905,675	45.20 %
Kista-fjárfestingarfélag ehf	1,015,846,914	7.16 %
Arion safnreikningur	727,578,820	5.13 %
Gift fjárfestingarfélag ehf	615,509,009	4.34 %
Gildi -lífeyrissjóður	584,358,217	4.12 %
Castel (Luxembourg)SARL	579,101,094	4.08 %
Lífeyrissjóður verslunarmanna	543,165,289	3.83 %
Sparisjóður Reykjavíkur/nágr hf	340,965,708	2.40 %
AB 47 ehf	265,435,668	1.87 %
Kaupþing banki hf	253,187,581	1.78 %
Lífeyrissjóðir Bankastræti 7	246,550,512	1.73 %
Den Danske Bank A/S	203,143,839	1.43 %
Eignarhaldsfélagið Stofn ehf	173,156,147	1.22 %
Eignarhaldsfélagið Andvaka gt	170,120,118	1.20 %
Kaupþing Ís-15	151,365,149	1.06 %
Sameinaði lífeyrissjóðurinn	128,454,754	0.90 %
Stafir lífeyrissjóður	127,663,535	0.90 %
Sparisjóðurinn í Keflavík	104,818,953	0.73 %
Lambi ehf	78,309,418	0.55 %
Egla hf	51,893,194	0.36 %

Holdings of the Issuer's Board of Directors and Exista CEO's and related parties to the Issuer's Board of Directors and Exista CEO's:

(number of shares)	Holding	Parties financially related
Lýdur Gudmundsson	0	6,407,905,879
Ágúst Gudmundsson	0	6,407,905,675
Gudmundur Hauksson	3,504,198	1,356,812,622
Bogi Pálsson	141,091	174,196,147
Sigurjón Rúnar Rafnsson	0	11,146
Hildur Árnadóttir	0	2,325,582
Erlendur Hjaltason	13,109,699	11,683,751
Sigurður Valtýsson	0	24,716,713

The sum of the the number of shares held by those listed in the table above amount to 16,754,988 shares and the sum of the the number of shares held by parties financially related to them listed in the table above amount to 7,977,651,840 shares. This does not imply that these shareholders are related in any other way than stated in this Prospectus, but only that the composition of the Board of Directors together with the CEOs of Exista is such that among the aforementioned there is a representation of 56.40% of Exista's share capital or 7,994,406,828 shares.

7. RELATED PARTY TRANSACTIONS

During the period from 1 January 2005 till 10 July 2008, no losses on receivables from related parties and loans and deposits to related parties or write-down for such losses have been incurred. No unusual transactions have taken place between Exista and its related parties. The Board believes that all of the related party transactions are conducted on an arm's length basis, both transactions between entities within the Group and transactions between Group companies and related parties who are not part of the Group.

8. DOCUMENTS ON DISPLAY

For the next twelve months counting from the date of the Prospectus, it can be obtained from the Issuer's website (www.exista.com) and as a hard copy from the Issuer's headquarters at Ármúli 3, 108 Reykjavík, Iceland. During the same period, a copy of the following documents, incorporated by reference to the Share Registration of the Prospectus and/or on display, can also be obtained from the Issuer's website and a hard copy of these documents can be obtained from the Issuer's headquarters.

- a) The condensed consolidated interim financial statements for Exista for the period from 1 January to 31 March 2008
- b) The condensed consolidated interim financial statements for Exista for the period from 1 January to 31 March 2007
- c) The consolidated financial statements along with the annual report of Exista for the year 2007
- d) The consolidated financial statements along with the annual report of Exista for the year 2006
- e) The consolidated financial statements along with the annual report of Exista for the year 2005
- f) The articles of association of Exista, dated 30 May 2008