



KAUPTHING BANK

SUMMARY

JULY 2008

SUMMARY



CCP HF.
July 2008

NOTICE TO INVESTORS

The following summary should be read as an introduction to the Prospectus and is qualified in its entirety by the more detailed information in the Prospectus and the appendices appearing elsewhere in this Prospectus. Any decision to invest in the debt securities should be based on consideration of the Prospectus as a whole by the investor.

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.

This Prospectus concerns the listing of issued bills issued under the symbol CCP 08 0728 amounting to 1,250,000,000, with each bill having a value of ISK 5,000,000.

The parties involved in the admission to trading of the securities described in this Prospectus:

Issuer:

CCP hf. Id. No. 450697-3469 Address: Grandagardur 8, 101 Reykjavík, Iceland

Manager:

Kaupthing Bank hf. – Capital Markets Id. No. 560882-0419 Address: Borgartún 19, 105 Reykjavík, Iceland

Information concerning the securities to be admitted to trading.

Authorization

At a board meeting held on 13 July 2007, the board of CCP authorized the issue of one-year bills up to a maximum of ISK 2 billion. This Issuer has at the date of this Securities Note issued bills amounting in total to ISK 1,250,000,000 under the issuer symbol, CCP 08 0728.

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 bill holder or his/her nominee. The Bills are all in the same class, and the symbol on OMX ICE will be CCP 08 0728.

The Bills constitute direct, unsecured, unconditional and unsubordinated obligations ranking *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:	27 July 2007
Authorized amount:	ISK 2,000,000,000
Issued and sold:	ISK 1,250,000,000
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 28 July 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 relevant financial institution where the registered owner has his/her VS account.

Indication of yield: Act/360 20,8% at July 4th 2008.
 Calculation:
 Value 04.07.08
 Last Day 28.07.08
 23 days total
 1 month Reibor 15,95% Corporate spread 3,0%
 Interest 18,95%
 $Price = 100 / (1 + 0,1895 * 23 / 360) = 98,80$
 $(98,80 / 100)^{-1 / ((23) / 360) - 1} = 20,8\%$ act/360 Yield
 Restrictions on transfer: There are no restrictions on transferring the Bills to other parties.
 ISIN code: IS0000015253

The bills are governed by Icelandic law. The main laws affecting the bills are Act no. 93/1933 on Bills and Act no. 108/2007 on Securities Transactions. In the event of a default the Issuer shall pay default interest at the rate determined by the Central Bank of Iceland, cf. paragraph 1, article 6 of Act no. 38/2001. All claims according to the Bills against the acceptor expire three years after maturity, cf. paragraph 1, article 70 of Act no. 93/1933 on Bills. All payments in respect of the Bills, by the Issuer will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any tax jurisdiction unless such withholding or deduction is required by law.

Admission to Trading

At a CCP board meeting held on 13 July 2007 the board authorized the issue of one-year bills up to a maximum of ISK 2 billion. This Issuer has at the date of this Securities Note issued bills amounting in total to ISK 1,250,000,000 under the issuer symbol, CCP 08 0728.

The admission to trading is expected to take place on 9 July 2007.

Risk Factors

Investing in bills is subject to numerous risks. The following is a summary of those issues that the Issuer's management and board of directors believe are most likely to materially affect the Issuer and any investment made in the debt securities. Investors are advised to study the chapters on "Risk Factors" in both the Securities Note and Registration Document, dated 8 July 2008.

Risks in the Issuer's operations:

- Technical risk. As CCP's main operations are first and foremost the development of intellectual property (IP) and Information Technology, the company is highly dependant on the use of technology in its operations. Changes in technology can have a number of effects of CCP's operations and profitability.
- Market risk can involve general economic conditions and inflation, development of competition in CCP's markets, financial risk that can relate to interest rates, ability to fund operations and movements in currencies.
- Operational risk is the risk of direct loss, indirect loss, or damage as a result of reputation, systems, inadequate or failed internal processes or from external events. It can also involve various legal risks as CCP.

Risks related to investment in the Bills

Investing in debt securities involves a variety of risks:

- The Issuer's liability to make payments under the Bills. The Issuer may not be able to make payments in accordance with the Bills .
- No Prior Public Market - Prior to admittance to trading, there has been no public market for the Bills. Although application has been made to admit the Bills to trading on the regulated Market of the OMX ICE, there can be no assurance that an active public market for the Bills will develop and, if such a market were to develop, the Manager is under no obligation to maintain such a market.
- Changes in legislation.
- An investment in the Bills may not be suitable for all prospective investors.

Information About the Issuer

CCP hf. is an Icelandic company which was incorporated on 1 June 1997.

A few important dates in the history of the company are:

- 1997 The Issuer was established and incorporated on 1 June 1997.
- 1998 First product launched in 1998 – a family board game called “Hættuspil”.
- 2003 EVE Online launched in 2003.
- 2006 In November 2006 CCP merged with Atlanta-based White Wolf Publishing, Inc.. The merger has significantly expanded the intellectual property portfolio of CCP.

Major Shareholders

At the date of this Prospectus there were 97 shareholders in CCP. The ten largest shareholders owned a total of 97.9% of the Company's issued share capital.

NP ehf	33.99
Teno Investments S.Á.R.L	17.21
Reynir Harðarson	11.37
Arion safnreikningur	5.60
Matthías Guðmundsson	3.72
Hilmar Veigar Pétursson	2.82
Novator ehf	2.56
Frosti Sigurjónsson	2.44
Friðrik Örn Haraldsson	2.42
Guðmundur Kristinsson ehf	2.39
Ten largest	84.52
Other 87 shareholders	15.48

Related Party Transactions

CCP hf. does not believe that it has entered into any transactions with its shareholders, employees or related parties other than on an arm's length basis and in a context which may be regarded as being in the ordinary course of its business

Statutory Auditors

The chartered accountants and registered auditors of CCP hf. are Birgir Leósson, Icelandic ID-No. 170460-3919 and Lúðvík Þránínsson, Icelandic ID-No. 311073-3549 of Deloitte hf., Icelandic ID-No. 521098-2449, Smáratorg 3, Kópavogur, Iceland

Business Overview

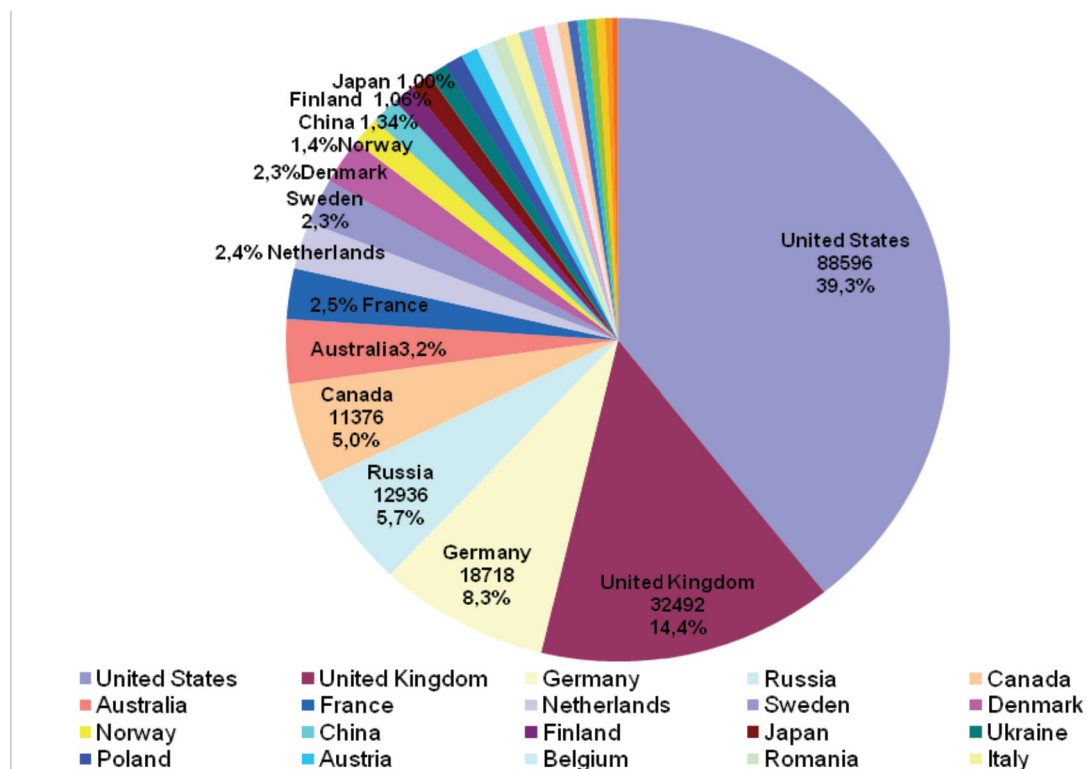
CCP is a limited liability company registered and incorporated in Iceland. CCP operates a representative office in Shanghai, China and has two fully owned subsidiaries in the United States and the United Kingdom.

CCP is first and foremost a developer of intellectual property (IP). EVE Online, the company's flagship product, demonstrates how a successful brand can rise to the upper tier of its genre and branch into other forms of entertainment. The ongoing success of EVE Online is possible because of the core technology designed by CCP engineers. This IP will become the foundation upon which additional persistent world offerings will be built.

The merger in November 2006 with Atlanta-based White Wolf Publishing, Inc. has significantly expanded the intellectual property portfolio of CCP Games. In the past fifteen years, White Wolf has created more than twenty different IP's. Its flagship line, World of Darkness, has been developed into a primetime television series, five separate PC and console video game titles, action figures, comic books, novels, board games, and numerous merchandise items. The conversion of this IP into an MMOG is the next persistent world project for CCP.

The game EVE-Online is a downloadable client available on the www.eve-online.com website. The base subscription model charges 14.95 USD/EUR per month, plus an initial sign-up fee of 5 USD/EUR. CCP offers different subscription models ranging from one month to an entire pre-paid year, with significant discounts offered to customers who subscribe for longer durations. EVE-Online has over 230,000 subscribers.

The following pie chart shows the geographical distribution of CCP's subscribers to EVE-Online.



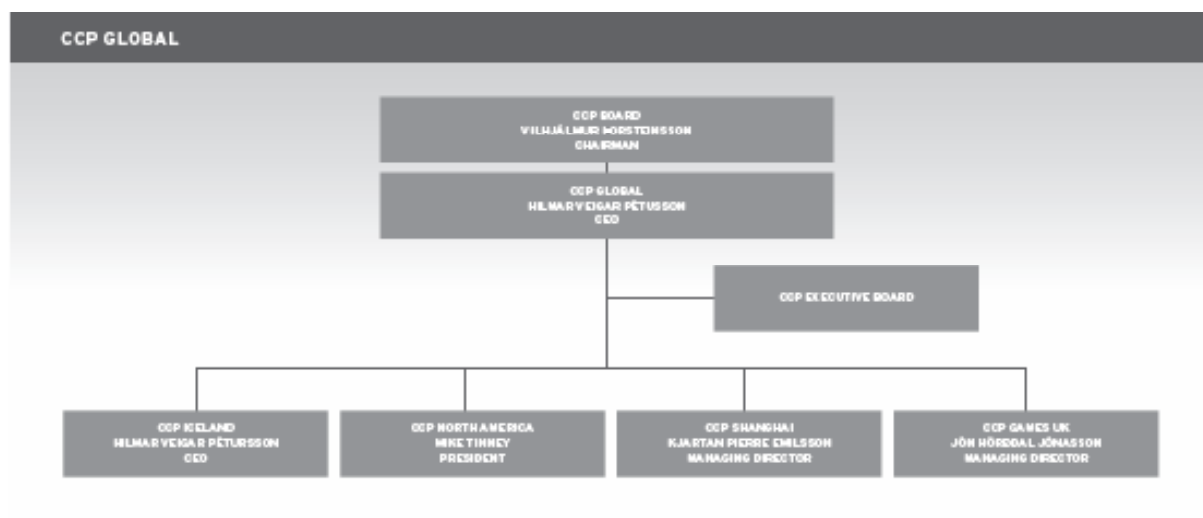
CCP has implemented an organizational structure that will help to pursue the organizational goals in the most efficient and effective means possible. At the date of this Registration document CCP has 335 employees.

Under the current organization the Chief Executive Officer (CEO) reports to the Board of the Company. The Executive Board reports to the CEO and functions as an advisory and discussion forum for strategic corporate affairs. There are three primary divisions in the Company:

Corporate. This division is responsible for the allocation of human capital, financial, and intellectual as necessary to pursue strategic objectives. The functional roles of CEO, CFO, and Human Resources are the primary drivers of this division.

Development. This division is responsible for the creation of Virtual Worlds. The disciplines of Production, Technology, Game Design, and Art are encompassed here.

Publishing. This division is responsible for the support and operation of Virtual Worlds, which covers Marketing, Operations, and Customer Support.



The CEO of CCP is Hilmar Veigar Pétursson. The CEO is responsible for the Company's strategy, operations and finance and represents the Company in all matters regarding normal operations. Other members of the senior management include; Ívar Kristjánsson, CFO of CCP, Jón Hördal Jónasson, COO of CCP.

The board of directors of CCP hf. manages the Company's general affairs and endeavours to keep the organization and operations consistent with the Company's mission and strategy as well as ensuring that the Company's organization and activities are in good order at all times and that the accounting and the handling of the Company's funds are sufficiently supervised. The principal board members and alternate board members of the issuer are Vilhjálmur Þorsteinsson, chairman of the board, Birgir Már Ragnarsson, David P. Fialkow, Stephan Robert Wieck, Sigurður Ólafsson, Reynir Harðarson, alternate, and Isaac Kato, alternate.

Financial Information

Profitability

CCP reported a pre-tax profit of USD 4,487,760 in 2007, compared with USD 11,090,575 in 2006. It reported and after-tax profit of USD 2,998,225 in 2007, compared with USD 8,977,774 in 2006.

Revenues

Total revenues in 2007 amounted to USD 37,155,107, compared with USD 26,308,826 for the previous year. This reflects the substantial increase in active subscribers during the period.

Expenses

Total expenses amounted to USD 32,711,256 during 2007, compared with USD 14,678,181 for the previous year. This reflects the growth of the corporation during the last year. The number of employees grew from 135 to 283 in 2007. Advances have been made in the development of EVE-Online and other future products. Outsourcing has been increased according to planned milestones.

Operating profit, financial expenses and taxes

The Group's profit before financial expenses for 2007 was USD 4,443,851, compared with USD 11,630,644 for the previous year.

Financial income amounted to USD 1,971,048 for 2007, compared with USD 37,630 for the previous year.

Financial expenses amounted to USD (1,927,139), compared with USD (577,699) for the previous year.

Income tax was USD 1,489,505 in 2007, compared with USD 2,112,801 for the previous year.

Key Figures – CCP hf
Income Statement in USD

	USD 2007	USD 2006
Income ⁴	37,155,107	26,308,826
Salaries and related expenses ⁵	11,336,081	4,969,896
Other operating expenses ⁶	20,013,914	8,919,041
Depreciation	1,361,696	789,243
Operating profit	4,443,851	11,630,644
Financial income	1,971,048	37,630
Financial expense	-1,927,139	-577,699
Profit before tax	4,487,760	11,090,575
Income tax	-1,489,505	-2,112,801
Profit for the period /year	2,998,255	8,977,774

Balance Sheet

Assets

At year end 2007 CCP's total assets amounted to USD 47,295,214, compared with USD 18,076,407 at year end 2006, an increase of USD 29,218,807, or 262%, since the beginning of the year. The increase is explained in part by the bank note with Kaupthing. The proceeds from the bank note were mostly invested in market securities.

Liabilities and equity

CCP's total liabilities amounted to USD 33,767,943 at year end 2007 compared to USD 8,526,258 at year end 2006.

The Group's deferred tax liability amounted to USD 2,082,066 at year end 2007, whereas it was USD 716,008 at the beginning of the year.

The Group's equity totalled USD 13.5 million as of 31 December 2007, which is an increase of USD 4 million since the beginning of the year

⁴ Increase in revenue reflects the substantial increase in active subscribers during the period

⁵ This reflects the growth of the corporation during last year. The number of employees grew from 135 to 283 in 2007

⁶ The Company has grown significantly, raising various costs. Advances have been made in the development of EVE-Online and other future products. Outsourcing has been increased according to planned milestones.

Consolidated Balance Sheet

	USD 31 Dec 2007	USD 31 Dec 2006	Change
Assets			
Goodwill	4,257,553	4,257,553	0%
Development Cost.....	14,019,497	3,406,966	312%
Other Intangible assets	868,197	923,832	6%
Computer and equipment.....	3,232,585	1,898,759	24%
Deferred tax assets.....	29,550	29,550	0%
Goods for sale	2,338,153	2,598,704	-10%
Accounts receivables.....	3,167,481	2,239,316	42%
Other receivables	2,002,681	768,604	161%
Market securities.....	16,316,411	0,0	100%
Bank deposits and cash.....	1,063,107	1,953,123	-46%
Total assets.....	47,295,214	18,076,407	262%
Stockholders' Equity			
Capital stock.....	115,950	115,257	1%
Premium account of capital stock.....	3,374,452	3,312,780	2%
Translation difference	155,948	160,325	-3%
Equity settled employee stock options	1,268,461	347,582	365%
Retained earnings	8,612,460	5,614,205	53%
Total equity	13,527,271	9,550,149	42%
Liabilities			
Non Current Liabilities.....			
Borrowings.....	2,216,871	117,658	1784%
Deferred Tax liabilities.....	2,082,066	716,008	190%
Provisions.....	236,516	236,513	0%
Current Liabilities			
Liabilities to Credit institution.....	18,440,297	3,489,545	428%
Accounts payable.....	4,732,207	1,368,634	246%
Current maturities of long-term liabilities	1,583,807	162,575	874%
Other current liabilities.....	2,885,004	1,310,438	120%
Deferred income	1,591,175	1,124,978	41%
Total liabilities	33,767,943	8,526,258	296%
Total Stockholders' equity and liabilities	47,295,214	18,076,407	162%

Documents on Display

The following documents are on display, and are to be found in the Appendices to the Registration Document in this Prospectus:

- a. The articles of association of CCP hf.
- b. The Annual Accounts of CCP hf. for the operating year 2006.
- c. The Annual Accounts of CCP hf. for the operating year 2007.

Copies of documents on display can also be obtained from the registered office of the Issuer, or on the Issuer's website, www.ccpgames.com for the twelve months during which the Registration Document is valid.