



Condensed Consolidated Interim Financial Statements

1 January - 31 March 2008

Exista hf.
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Iceland
ID 610601-2350

Exista hf.

Condensed Consolidated Interim Financial Statements

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Endorsement of the Board of Directors and the CEOs

The Condensed Consolidated Interim Financial Statements for the period 1 January to 31 March 2008 consist of the Condensed Consolidated Interim Financial Statements of Exista hf. and its subsidiaries, together referred to as the Group. The Condensed Consolidated Interim Financial Statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and additional Icelandic disclosure requirements for listed companies.

According to the Condensed Consolidated Income Statement, loss for the period amounted to EUR 43.8 million. According to the Condensed Consolidated Balance Sheet, total assets amounted to EUR 7,359 million and total equity to EUR 2,333 million at the end of the period.

It is the opinion of the Board of Directors and the CEOs that the accounting policies used are appropriate and that these Condensed Consolidated Interim Financial Statements present all the information necessary to give a true and fair view of the Group's assets and liabilities, financial position and operating performance, as well as describing the principal risk and uncertainty factors faced by the Group.

The Board of Directors and the CEOs of Exista hf. have today discussed and approved the Condensed Consolidated Interim Financial Statements for the period 1 January to 31 March 2008 with their signature.

Reykjavík, 29 April 2008

Board of Directors

Lýður Gudmundsson
Chairman

Ágúst Gudmundsson

Guðmundur Örn Hauksson

Bogi Pálsson

Sigurjón Rúnar Rafnsson

Robert Tchenguiz

Hildur Árnadóttir

CEOs

Erlendur Hjaltason

Sigurður Valtýsson

Report on Review of Interim Financial Information

To the Board of Directors and shareholders of Exista hf.

Introduction

We have reviewed the accompanying condensed consolidated balance sheet of Exista hf. as of March 31, 2008 and the related condensed consolidated statements of income, condensed consolidated changes in equity and condensed consolidated cash flows for the three month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards as adopted the EU. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the entity as at March 31, 2008, and of its financial performance and its cash flows for the three month period then ended in accordance with International Financial Reporting Standards as adopted by the EU.

Reykjavík, 29 April 2008.

Deloitte hf.

Hilmar A. Alfreðsson
State Authorised Public Accountant

Knútur Þórhallsson
State Authorised Public Accountant

Condensed Consolidated Income Statement for the period 1 January - 31 March 2008

	Notes	Q1 2008	Q1 2007
Net gain (loss) on financial assets at fair value through profit or loss ..	5	(173.2)	38.2
Net gain on financial assets held for trading		58.5	110.8
Dividend	6	4.4	5.0
Interest revenue	7	28.5	18.4
Insurance premium	8	28.8	35.2
Share of profits of associates	17	64.6	457.0
Other revenues	10	4.6	3.3
Total revenues		16.1	668.0
Insurance claims	9	(28.8)	(26.5)
Operating expenses	11	(16.5)	(16.7)
Total expenses		(45.3)	(43.2)
(Loss) profit before financial expenses		(29.2)	624.8
Interest expense		(105.1)	(56.4)
Net foreign exchange gain		88.4	29.0
Total financial expenses		(16.7)	(27.3)
(Loss) profit before tax		(45.9)	597.5
Income tax		2.0	43.2
(Loss) profit for the period		(43.8)	640.7
Attributable to:			
Equity holders of the parent		(43.6)	640.7
Minority interest		(0.2)	(0.1)
		(43.8)	640.7
(Loss) earnings per share (cents):			
Basic	13	(0.37)	5.69
Diluted		(0.37)	5.69

Condensed Consolidated Balance Sheet at 31 March 2008

	Notes	<u>31.3.2008</u>	<u>31.12.2007</u>
Assets			
Financial assets at fair value through profit or loss	14	1,017.2	1,123.4
Financial assets held for trading	15	168.8	210.2
Loans and receivables		782.8	785.0
Goodwill and other intangible assets	16	352.9	469.4
Investments in associates	17	4,439.8	4,737.6
Reinsurance assets	18	10.1	10.1
Investment properties	19	52.1	70.1
Property and equipment	20	21.4	27.6
Cash and equivalents	21	485.5	567.6
Other assets		28.9	9.5
Total assets		<u>7,359.5</u>	<u>8,010.5</u>
Equity			
Share capital	22	143.5	120.6
Reserves		722.0	736.3
Retained earnings		1,467.7	1,511.3
Equity attributable to equity holders of the parent		<u>2,333.2</u>	<u>2,368.1</u>
Minority interest		0.3	0.6
Total equity		<u>2,333.5</u>	<u>2,368.7</u>
Liabilities			
Borrowings	23	4,364.3	5,123.7
Hybrid securities		255.4	250.0
Technical provision	24	192.6	221.5
Deferred income tax liability		10.6	18.8
Other liabilities		203.1	27.8
Total liabilities		<u>5,026.0</u>	<u>5,641.8</u>
Total equity and liabilities		<u>7,359.5</u>	<u>8,010.5</u>

Condensed Consolidated Statement of changes in Equity for the period 1 January - 31 March 2008

	<u>Share capital</u>	<u>Reserves</u>	<u>Retained earnings</u>	<u>Minority interest</u>	<u>Total equity</u>
Equity at 1 January 2007	112.3	720.7	1,061.3	5.9	1,900.2
Change in minority interest				(1.2)	(1.2)
Issue of share capital	5.9	139.7			145.6
Payment of dividends			(123.7)		(123.7)
Profit for the period			640.7	(0.1)	640.7
Net buyback of own shares	2.3	55.1			57.4
Exchange difference arising on translation of foreign operation		24.4			24.4
Equity at 31 March 2007	<u>120.6</u>	<u>939.9</u>	<u>1,578.3</u>	<u>4.6</u>	<u>2,643.4</u>
Equity at 1 January 2008	120.6	736.3	1,511.3	0.6	2,368.7
Change in minority interest				(0.1)	(0.1)
Issue of share capital	23.0	209.2			232.2
Loss for the period			(43.6)	(0.2)	(43.8)
Exchange difference arising on translation of foreign operation		(223.4)			(223.4)
Equity at 31 March 2008	<u>143.5</u>	<u>722.0</u>	<u>1,467.7</u>	<u>0.3</u>	<u>2,333.5</u>

Condensed Consolidated Cash Flow Statement for the period 1 January - 31 March 2008

	Q1 2008	Q1 2007
Net cash from operating activities	73.6	60.0
Net cash provided by (used in) investing activities	49.4	(1,358.6)
Net cash provided by (used in) financing activities	(184.1)	1,311.0
Net change in cash and cash equivalents	(61.1)	12.4
Cash and equivalents at beginning of year	567.6	76.1
Effect of foreign exchange rate changes	(21.0)	(0.0)
Cash and equivalents at the end of the period	485.5	88.4

Notes to the Condensed Consolidated Interim Financial Statements

1. General information

Exista hf. is a company incorporated and domiciled in Iceland. The Condensed Consolidated Interim Financial Statements for the three months ended 31 March 2008 comprise Exista hf. (the Parent or the Company) and its subsidiaries (together referred to as the Group).

The principal activities of the Group are insurance and asset finance, together with strategic holdings as a major shareholder in several of Iceland's largest companies and the Finnish financial services company, Sampo Oyj. The Group concentrates on Northern Europe as its core market.

2. Basis of preparation

The Condensed Consolidated Interim Financial Statements have been prepared using accounting policies consistent with International Financial Reporting Standards (IFRS), as adopted by the European Union, and in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*.

3. Significant accounting policies

The Condensed Consolidated Interim Financial Statements have been prepared under the historical cost convention, except for the revaluation of certain properties and financial instruments. The same accounting policies, presentation and methods of computation are followed in these Condensed Consolidated Interim Financial Statements as were applied in the preparation of the Group's Financial Statements for the year ended 31 December 2007.

4. Segment information

4.1 Business segment

The Group's operation is based on two main foundations: Financial Services and Investments.

These foundations are monitored and supported by six units at group level: Finance, Risk Management, Treasury, Legal Counsel, Research and Communications.

Financial Services

Financial Services are divided into subsidiaries and associates:

Subsidiaries in Financial Services are wholly owned by Exista hf. and are accounted for as such in the Consolidated Financial Statements: the property & casualty insurance company Vátryggingafélag Íslands hf. (VÍS), the life insurance company Líftryggingafélag Íslands hf. (Lífis) and the asset finance company Lýsing hf.

Associates in Financial Services are long-term strategic holdings and are recorded in Exista's accounts using the equity method: the financial services group Sampo Oyj. and Kaupthing Bank hf.

Investments

Investments are Exista's other shareholdings and investments in listed and unlisted companies. Among the Group's largest investments are the food company Bakkavör Group hf., the telecommunications company Skipti hf. and the pensions & life insurance company Storebrand ASA.

Notes to the Condensed Consolidated Interim Financial Statements

4.2 Segment revenue and result

	Financial Services	Investments	Total Q1 2008	Total Q1 2007
Investment revenues	70.3	(116.0)	(45.7)	611.1
Insurance premium	28.8		28.8	35.2
Interest revenues	23.4	5.1	28.5	18.4
Other revenues	0.3	4.3	4.6	3.3
Total revenues.....	122.7	(106.6)	16.1	668.0
Insurance claims	(28.8)		(28.8)	(26.5)
Operating expenses	(12.6)	(3.8)	(16.5)	(16.7)
Total expenses.....	(41.5)	(3.8)	(45.3)	(43.2)
<i>Profit (loss) before financial items</i>	81.3	(110.4)	(29.2)	624.8
Financial items	(13.6)	(3.1)	(16.7)	(27.3)
<i>Profit (loss) before tax</i>	67.7	(113.5)	(45.9)	597.5
Income tax	(0.5)	2.5	2.0	43.2
<i>Profit (loss) for the period</i>	67.2	(111.0)	(43.8)	640.7

4.3 Segment assets and liabilities

	Financial Services	Investments	Total 31 March 2008	Total 31 Dec 2007
Financial assets measured at fair value	7.5	1,009.7	1,017.2	1,123.4
Financial assets held for trading	157.5	11.3	168.8	210.2
Loans and accounts receivable	758.9	23.9	782.8	785.0
Goodwill and other intangible assets	351.1	1.8	352.9	469.4
Investments in associates	4,436.0	3.8	4,439.8	4,737.6
Reinsurance assets	10.1		10.1	10.1
Investment properties		52.1	52.1	70.1
Property and equipment	3.5	17.9	21.4	27.6
Cash and equivalents	483.3	2.2	485.5	567.6
Other assets	9.3	19.6	28.9	9.5
Total assets.....	6,217.2	1,142.3	7,359.5	8,010.5
Borrowings	3,524.9	839.4	4,364.3	5,123.7
Hybrid securities	255.4		255.4	250.0
Technical provisions	192.6		192.6	221.5
Deferred income tax liability	10.4	0.2	10.6	18.8
Other liabilities	201.0	2.0	203.1	27.8
Total liabilities.....	4,184.4	841.6	5,026.0	5,641.8

Notes to the Condensed Consolidated Interim Financial Statements

5. Net (loss) gain on financial assets at fair value through profit or loss

	Q1 2008	Q1 2007
Shares - listed	(173.2)	38.2
	<u>(173.2)</u>	<u>38.2</u>

6. Dividend income

	Q1 2008	Q1 2007
Financial assets measured at fair value through profit or loss.....	4.3	4.9
Financial assets held for trading.....	0.0	0.2
	<u>4.4</u>	<u>5.0</u>

Total dividend received during Q1 2008 amounted to EUR 33.0 million, thereof EUR 28.6 million from associated companies. Dividend from associated companies is not recognised in the Income Statement because they are accounted for using the equity method.

7. Interest revenue

	Q1 2008	Q1 2007
From leasing contracts.....	14.0	13.4
Other interest revenue.....	14.4	5.0
	<u>28.5</u>	<u>18.4</u>

8. Insurance premiums, net of reinsurance

	Q1 2008	Q1 2007
Premiums written.....	57.2	69.7
Reinsurers' share.....	(5.0)	(4.6)
Change in the gross provision for unearned premiums.....	(26.7)	(25.4)
Change in the provision for unearned premiums, reinsurers' share.....	3.4	(4.5)
	<u>28.8</u>	<u>35.2</u>

9. Insurance claims, net of reinsurance

	Q1 2008	Q1 2007
Claims paid.....	25.0	29.6
Claims paid, reinsurers' share.....	(0.8)	(1.9)
Change in the provision for claims.....	4.3	(3.0)
Change in the provision for claims, reinsurers' share.....	0.4	1.7
	<u>28.8</u>	<u>26.5</u>

Notes to the Condensed Consolidated Interim Financial Statements

10. Other revenues

	Q1 2008	Q1 2007
Security services.....	3.2	2.8
Rental income.....	1.2	0.1
Other revenues.....	0.2	0.4
	<u>4.6</u>	<u>3.3</u>

11. Operating expenses

	Q1 2008	Q1 2007
Salaries and related expenses.....	8.5	8.0
Administrative expenses.....	5.0	3.7
Depreciation and amortisation.....	0.4	0.4
Other operating expenses.....	2.4	4.6
	<u>16.5</u>	<u>16.7</u>

12. Dividend paid

On 28 February 2008 the Exista hf. Board of Directors proposed at the Annual General Meeting that no dividend would be paid in respect of profits for the year 2007, the proposal was approved. On 30 April 2007, a dividend of ISK 1.00 per share, a total dividend EUR 124 million (ISK 10,838 million) was paid to shareholders.

13. Earnings per share

	Q1 2008	Q1 2007
Net (loss) earnings attributable to equity holders of the Parent	(43.6)	640.7
* Weighted average number of shares for earnings per share calculation	11,705.3	11,262.4
Basic (loss) earnings per share (cents)	(0.37)	5.69
Diluted (loss) earnings per share (cents)	(0.37)	5.69

* Shares are registered in Icelandic Krónas (ISK).

Notes to the Condensed Consolidated Interim Financial Statements

14. Financial assets measured at fair value through profit or loss

	31.3.2008	31.12.2007
Shares - listed	892.1	849.6
Shares - other	125.2	273.8
	<u>1,017.2</u>	<u>1,123.4</u>

Shares in listed companies are as follows:

	Share %	Nominal value	Closing price	31.3.2008	31.12.2007
Bakkavör Group hf.....	39.63%	855,151,478	ISK 41.30	291.2	548.5
Storebrand ASA.....	8.69%	39,097,164	NOK 40.10	195.0	278.3
SPRON hf.....	4.26%	213,135,934	ISK 4.29	7.5	21.3
* Skipti hf.....	96.69%	7,254,061,329	ISK 6.64	397.2	0.0
Other.....	-	-	-	1.2	1.5
Listed shares total				<u>892.1</u>	<u>849.6</u>

* Skipti hf. was listed on the OMX Nordic Exchange in Iceland on 19 March 2008. The Board of Directors of Exista hf. decided on 19 March 2008 to submit a voluntary takeover bid for the entire share capital of Skipti hf. Exista hf. offered ISK 6.64 a share which is the same price as in the completed Skipti share offering.

Prior to the take over bid Exista owned 43.68% and at the end of Q1 the Group had acquired additional 53.01% and owns a total of 96.69% in Skipti.

15. Financial assets held for trading

	31.3.2008	31.12.2007
Shares - listed	13.3	58.0
Shares - unlisted	4.8	6.4
Funds - listed.....	68.1	64.9
Funds - unlisted.....	3.1	2.9
Bonds - listed.....	71.1	63.6
Bonds - unlisted.....	6.0	12.8
Other.....	2.4	1.6
	<u>168.8</u>	<u>210.2</u>

16. Goodwill and other intangible assets

	Goodwill	Customer contracts	Trademark	Total
At beginning of year	464.0	5.2	0.2	469.4
Amortisation during the period		(0.1)	(0.0)	(0.1)
Net foreign currency exchange difference.....	(115.1)	(1.3)	(0.0)	(116.4)
	<u>348.9</u>	<u>3.8</u>	<u>0.1</u>	<u>352.9</u>

The amortisation expense has been included in the line item "operating expenses" in the Income Statement.

The following useful lives are used in the calculation of amortisation:

Customer contracts.....	15 years
Trademark.....	15 years

Notes to the Condensed Consolidated Interim Financial Statements

17. Investments in associates

Changes in investments in associates:

	31.3.2008	31.12.2007
At beginning of year	4,737.6	0.0
Purchases of shares in associates	51.0	2,083.0
Transfers	49.1	1,995.3
* Share of results for the period	64.6	756.2
Dividend	(28.8)	(135.4)
Net foreign currency exchange difference	(433.7)	38.5
	<u>4,439.8</u>	<u>4,737.6</u>

* Share in Q1 2008 operating results of Sampo Oyj and Kaupthing bank hf. is based on estimates, performed and published by market analysts.

Investments in associates are as follows:

Name of associate	Nominal value	Incorporation	Ownership	Principal activity	Market value
					31.3.2008
Kaupthing banki hf.	183,264,688	Iceland	24.75%	Banking	1,213.4
Sampo Oyj	115,607,679	Finland	19.98%	Financial services	1,982.7
Other		-	-	-	3.8
Total associates					<u>3,199.9</u>

Market value compared to book value of investment in associates is as follows:

	31.3.2008
Book value of associates	4,439.8
Market value of associates	3,199.9
Book value exceeding market value	<u>1,239.9</u>

At the end of Q1 2008 it was assessed whether the Group's investment in associates were impaired by comparing their carrying amount with their recoverable amount. Because goodwill included in the carrying amount of an investment in an associate is not separately recognised, it is not tested for impairment separately by applying the requirements for impairment testing goodwill in IAS 36, *Impairment of assets*. Instead, the entire carrying amount of the investment is tested under IAS 36 for impairment, by comparing its recoverable amount (higher of value in use and fair value less cost to sell) with its carrying amount. The impairment test concluded that there was no need for impairment of those assets.

18. Reinsurance assets

Reinsurance share in the technical provision is as follows:

	31.3.2008	31.12.2007
Premium reserve	4.3	2.0
Claims reserve	5.8	8.1
	<u>10.1</u>	<u>10.1</u>

Notes to the Condensed Consolidated Interim Financial Statements

19. Investment properties

	31.3.2008	31.12.2007
At fair value		
At beginning of year	70.1	0.0
Net additions/disposals during the period	(0.6)	68.0
Increase in value adjustment	0.0	2.1
Net foreign currency exchange differences	(17.4)	(0.1)
	<u>52.1</u>	<u>70.1</u>

20. Property and equipment

	Property	Equipment	Total 31.3.2008	Total 31.12.2007
Cost or valuation				
At beginning of year.....	23.0	10.7	33.7	22.1
Additions.....	0.2	0.8	1.0	16.5
Disposals.....		(0.1)	(0.1)	(17.6)
Revaluation increase due to goodwill allocation.....				12.4
Net foreign currency exchange difference.....	(5.7)	(2.7)	(8.4)	0.3
	<u>17.6</u>	<u>8.7</u>	<u>26.2</u>	<u>33.7</u>
Accumulated depreciation				
At beginning of year.....	1.3	4.9	6.1	9.9
Charge for the period.....	0.0	0.4	0.4	2.7
Eliminated on disposal.....		(0.1)	(0.1)	(7.0)
Net foreign currency exchange difference.....	(0.3)	(1.2)	(1.6)	0.5
	<u>1.0</u>	<u>3.9</u>	<u>4.9</u>	<u>6.1</u>
Carrying Amount				
At beginning of year.....	21.8	5.8	27.6	12.2
At end of the period.....	<u>16.6</u>	<u>4.8</u>	<u>21.4</u>	<u>27.6</u>

The assessment value and insurance value for the Group's assets are as follows:

	Assessment value	Insurance value
Property	14.9	14.6
Equipment		3.9

21. Cash and equivalents

	31.3.2008	31.12.2007
Cash and bank balances	423.4	353.8
Term deposits	62.1	148.7
Money market deposit and current asset investments	0.0	65.0
	<u>485.5</u>	<u>567.6</u>

Notes to the Condensed Consolidated Interim Financial Statements

22. Share capital

The board of Exista hf. has decided to increase the share capital of the company by up to 2,842,151,050 shares to fulfil its obligations under the take over bid for the acquisition of all outstanding shares in Skipti hf. bringing the share capital of Exista hf. to ISK 14,203,243,508 with the nominal value of each share amounting to ISK 1. Each share carries one vote and a right to dividend. The new shares will be issued and delivered to the shareholders of Skipti hf. no later than 2 June 2008. Own shares at 31 March 2008 amounted to ISK 1,162,791.

23. Borrowings

23.1 By currency

	31.03.2008	31.12.2007
Loans in CHF	158.9	152.4
Loans in DKK	40.2	40.2
Loans in EUR	3,029.3	3,263.9
Loans in GBP	45.6	49.4
Loans in JPY	108.0	125.3
Loans in SEK	0.0	0.2
Loans in USD	93.9	101.3
Loans in ISK	831.6	1,231.0
	<u>4,307.5</u>	<u>4,963.7</u>
Accrued interests	56.8	160.0
	<u>4,364.3</u>	<u>5,123.7</u>

23.2 By maturity

	31.03.2008	31.12.2007
On demand	0.0	0.0
Up to 3 months	230.7	557.9
Over 3 months and up to a year	514.8	748.0
Over 1 year and up to 5 years	3,186.0	3,377.0
Over 5 years	432.8	440.9
	<u>4,364.3</u>	<u>5,123.7</u>

23.3 By type

	31.03.2008	31.12.2007
Bonds issued	305.3	397.1
Bills issued	147.4	338.3
Money market loans	41.6	83.5
Subordinated loans	12.0	15.8
Other loans	3,857.9	4,289.0
	<u>4,364.3</u>	<u>5,123.7</u>

23.4 Other information

	31.03.2008	31.12.2007
Recourse borrowings	2,119.4	2,730.4
Non-recourse borrowings	2,244.9	2,393.3
	<u>4,364.3</u>	<u>5,123.7</u>

Notes to the Condensed Consolidated Interim Financial Statements

24. Technical provision

	31.3.2008	31.12.2007
Claims reported and loss adjustment expenses	111.3	143.0
Claims incurred but not reported	21.5	28.6
Claims outstanding	132.8	171.5
Provision for unearned premiums	59.8	49.9
Technical provision	<u>192.6</u>	<u>221.5</u>
Claims reported and loss adjustment expenses	5.2	7.4
Claims incurred but not reported	0.6	0.8
Claims outstanding	5.8	8.1
Provision for unearned premiums	4.3	2.0
Reinsurers' share	<u>10.1</u>	<u>10.1</u>

25. Subsidiaries and associated companies

Name of subsidiary	Incorporation	Ownership	Principal activity
Áskaup ehf.	Iceland	100.00%	Holding company
Dymbiltur ehf.	Iceland	100.00%	Holding company
Exafin B.V.	Netherlands	100.00%	Holding company
Exista B.V.	Netherlands	100.00%	Investments
Exista Holdings B.V.	Netherlands	100.00%	Holding company
Exista Invest ehf.	Iceland	100.00%	Investments
Exista Properties ehf.	Iceland	100.00%	Real estate
Exista Trading ehf.	Iceland	100.00%	Investments
Exista UK Ltd.	United Kingdom	100.00%	Investments
Fasteignafélagid Jörfi ehf.	Iceland	100.00%	Real estate
Flutningar ehf.	Iceland	100.00%	Holding company
Framtíðarsýn hf.	Iceland	100.00%	Publishing
Frásögn ehf.	Iceland	100.00%	Holding company
Líftryggingafélag Íslands hf.	Iceland	100.00%	Life insurance
Lýsing hf.	Iceland	100.00%	Leasing
Pera ehf.	Iceland	100.00%	Holding company
Pond Street Investments ehf.	Iceland	100.00%	Investments
Vátryggingafélag Íslands hf.	Iceland	100.00%	Insurance
VÍS International Invest ehf.	Iceland	100.00%	Holding company
ÖM ehf.	Iceland	57.32%	Security
Name of associated company	Incorporation	Ownership	Principal activity
Árkaup ehf.	Iceland	35.70%	Holding company
Haed 14 ehf.	Iceland	50.00%	Real estate
Íslensk endurtrygging hf.	Iceland	28.80%	Insurance
Kaupthing Bank hf.	Iceland	24.75%	Banking
Sampo Oyj.	Finland	19.98%	Financial services

Notes to the Condensed Consolidated Interim Financial Statements

26. Events after the Balance Sheet date

There have been no material post Balance Sheet events that require disclosure or adjustments to the Condensed Consolidated Interim Financial Statements for the period ended 31 March 2008.

27. Approval of Condensed Consolidated Interim Financial Statements

The Condensed Consolidated Interim Financial Statements were approved by the Board of Directors and CEOs and authorised for issue on 29 April 2008.

Other information

Key Ratios

	Q1 2008	Q1 2007
Earnings per share (EPS) - cents	(0.37)	5.69
Return on equity	(1.9%)	28.2%
Price earnings (P/E)	(27.74)	5.63
Price to book (P/B)	0.52	1.36
Price pr. share in ISK	10.40	27.8
Equity ratio	31.7%	39.1%
Internal value of shares	16.26	21.92

	Q1 2008	2007
EUR/ISK rates:		
Average exchange rate for the period/year	100.82	87.60
Period/year end exchange rate	121.28	91.20

Quarterly Consolidated Income Statements

	2008		2007		
	1st quarter	4th quarter	3rd quarter	2nd quarter	1st quarter
At fair value.....	(173.2)	(104.6)	32.0	35.3	38.2
Held for trading.....	58.5	(156.3)	(37.3)	36.4	110.8
Dividend.....	4.4	0.0	0.7	6.9	5.0
Interest revenue.....	28.5	30.3	23.2	19.3	18.4
Insurance premium.....	28.8	31.2	32.0	30.6	35.2
Share in profit of associates.....	64.6	48.4	92.5	158.3	457.0
Other revenues.....	4.6	7.2	4.2	3.3	3.3
Total revenues.....	16.1	(143.8)	147.1	290.2	668.0
Insurance claims.....	(28.8)	(28.3)	(25.1)	(24.5)	(26.5)
Operating expenses.....	(16.5)	(18.8)	(14.5)	(15.5)	(16.7)
Total expenses.....	(45.3)	(47.1)	(39.6)	(40.0)	(43.2)
<i>Profit (loss) before financial items.....</i>	(29.2)	(190.8)	107.5	250.2	624.8
Interest expense.....	(105.1)	(109.4)	(106.2)	(78.2)	(56.4)
Net FX gain (loss).....	88.4	(6.2)	8.7	52.7	29.0
<i>Profit (loss) before tax.....</i>	(45.9)	(306.5)	10.0	224.7	597.5
Income tax.....	2.0	10.9	(2.6)	(3.3)	43.2
<i>Profit (loss) for the period.....</i>	(43.8)	(295.6)	7.4	221.4	640.7