ATORKA

ATORKA GROUP – Parent Company
Annual Results 2007

Magnús Jónsson CEO
February 2008

ATORKA

BUSINESS HIGHLIGHTS 2007

- Jardboranir sold to Geysir Green Energy. Realised profit ISK 11 billion
- Atorka became a leading investor in Geysir in February 2008, with 43,8% stake
- Geysir increased its shareholding in Enex to 72%
- Iceland Drilling, a subsidiary of Geysir, signed significant contracts
- Iceland America Energy, a subsidiary of Geysir, started to drill their first geothermal exploration in Truckhaven California
- Hekla Energy and Exorka, subsidiaries of Geysir, started a drilling project in Germany
- Promens completed refinancing with syndicated bank facilities from DnB NOR, Nordea and LBNord
- Promens acquired three additional packaging companies, Novoplast in Yekatrineburg, Russia, Decoplast in La Roche, France and STE in Barcelona Spain
- Promens introduced a new organizational structure

BUSINESS HIGHLIGHT 2007

ATORKA

- Shareholding in Amiad Filtration increased to 23%
- Atorka acquiried about 14% stake in Asia Environment Holdings, a leading company in wastewater treatment systems and projects in Asia
- Atorka increased its share in Interbulk to 40% in connection with an increase in share capital related to the acquisition of UBC, a leading containerised bulk transport company in Europe
- Atorka acquired a 30% stake in Clyde Process Solutions and supported the company in its acquisition of MAC Equipment, a leading provider of pneumatic conveying systems in North America
- Atorka sold Icepharma, Parlogis and Ilsanta, companies in the healthcare sector

FINANCIAL HIGHLIGHTS 2007

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Performance in 2007

- After-tax profit ISK 8.141 million
- Total assets ISK 62.325 million
- Shareholders equity ISK 23.376 million
- Equity ratio 38%
- Annualised return on equity 47%
- Earnings per share ISK 2,58

Performance in Q4 2007

- After-tax profit ISK 1.371 million
- Earnings per share ISK 0,46

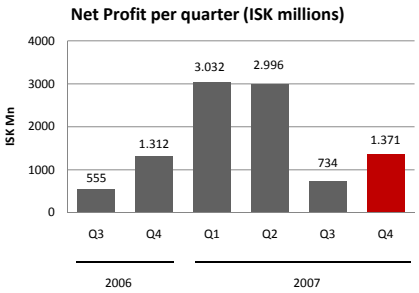
INCOME STATEMENT

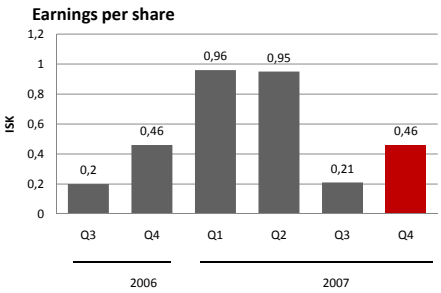
ATORKA

Income statement (ISK millions)	2007	2006	Change
Interest income and other financial income	827	385	115%
Dividend income	156	1.122	-86%
Fair value changes on investments and other financial assets	10.034	9.240	9%
(Loss) gain on forward currency and interest rate swaps	(66)	0	
Interest expenses and net foreign exchange	3.827	1.919	99%
Net financial income	**7.123**	**8.829**	**-19%**
Operating expenses	907	857	6%
Net profit before taxes	6.216	7.972	-22%
Income tax	1.924	(1.233)	-256%
Net profit	**8.141**	**6.739**	**21%**

PROFIT AND EARNINGS PER SHARE

ATORKA



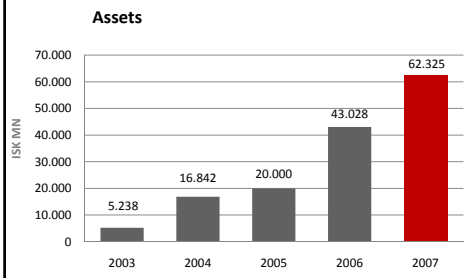


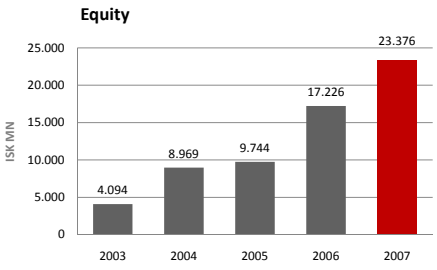
BALANCE SHEET

Assets (ISK millions)	31/12/2007	31/12/2006
Loans and other receivables, non-current	2.454	4.294
Loans and other receivables, current assets	617	741
Investment projects	48.929	33.272
Derivative financial instruments	51	0
Cash and cash equivalents	10.275	4.721
Total assets	**62.325**	**43.028**

Equity and liabilities (ISK millions)	31/12/2007	31/12/2006
Equity	**23.376**	**17.226**
Deferred tax liability	0	1.924
Borrowings, non current	34.385	18.854
Trade and other payables	650	358
Borrowings, current	3.349	4.665
Derivative financial instruments	566	0
Total liability	**38.950**	**25.802**
Total shareholders' equity and liabilities	**62.325**	**43.028**

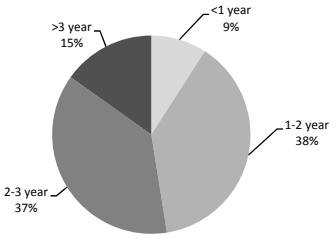
STRONG PERFORMANCE





STRONG FINANCING PROFILE

Financing maturity profile 31.12.2007



- Well funded
- 9% of borrowings due within 1 year
- Weighted average premium of borrowings 1,34%
- Strong cash position wich equivalent payback of more than three times borrowings payable this year

MAIN INVESTMENT PROJECTS

MAIN INVESTMENT PROJECTS

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Renewable Energy	GEYSIR	43%	Romag	22%
Industrial	PROMENS	79% *		
Environmental Technology	CLYDE PROCESSSOLUTIONS	30%		
Water Treatment	amiad	23%	ASIAENV	14%
Service	InterBulk GROUP	40%		
Other	nwf	22%		100%

* Fully diluted 63%

GEYSIR GREEN ENERGY

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THE COMPANY

- Geysir Green Energy is a world leader in the utilization of geothermal energy
- Investments cover the whole spectrum of the geothermal industry
  - Acquiring licenses/concessions and perform seismic studies
  - Development and construction of geothermal plants
  - Acquiring power plants from utilities
  - Participating in the privatization of geothermal companies worldwide
- Atorka is the largest sharholder with 44% holding at fair value about ISK 10,7 billion

THE MARKET

- Environmental concerns and high oil prices are driving huge development in renewable energy
- The potential in utilizing geothermal energy is enormous
- Very few companies master the know-how and expertize needed to harness geothermal energy efficently
- Iceland is a leader in geothermal energy and Geysir Green Energy is able to tap into local resources and utilize the knowledge available
- Geothermal power production uses a very low amount of land per MW of electricity produced

HIGHLIGHTS IN 2007

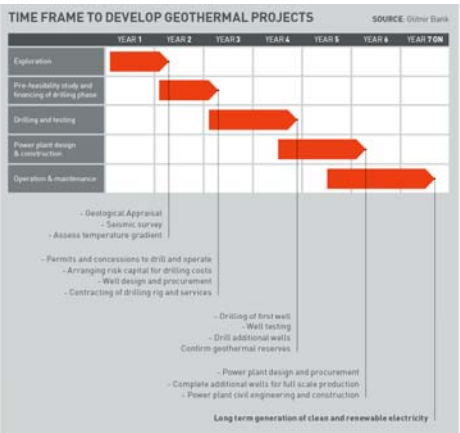
- Geysir Green Energy acquired all the shares in Iceland Drilling, a world leader in the exploitation of geothermal energy
- GGE increased their share in ENEX by 45% in 2007 and now holds 73% stake
- Exorka and Hekla Energy started a drilling project in Germany

GEYSIR GREEN ENERGY

ATORKA

GEYSIR HOLDINGS

- Iceland Drilling (100%) – A world leader in drilling and utilization of geothermal energy
- Hitaveita Sudurnesja (32%) - Iceland's second largest geothermal energy operator
- Enex China (33%) - Developing geothermal district heating systems in China
- Exorka (65%) - A consulting firm which is transforming into a generating company
- Enex (73%) - Develops projects in the geothermal sector worldwide
- Western GeoPower (20%)- Dedicated to development of geothermal energy



GEYSIR GREEN ENERGY

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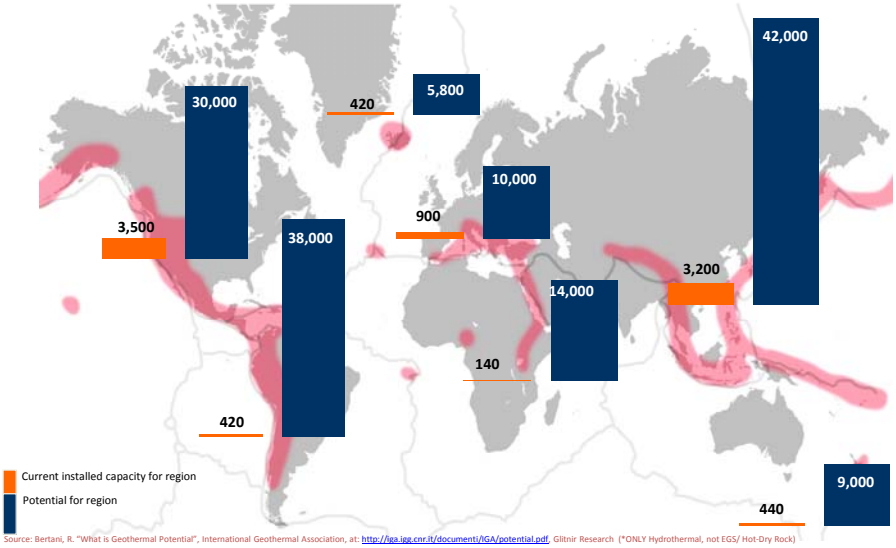
POTENTIAL FOR INSTALLED CAPACITY OF ~ 150,000 MW*. CURRENTLY ~ 9.000 MW



Source: Bertani, R. "What is Geothermal Potential", International Geothermal Association, at: http://iga.igg.cnr.it/documenti/IGA/potential.pdf, Glitnir Research (*ONLY Hydrothermal, not EGS/ Hot-Dry Rock)

ROMAG

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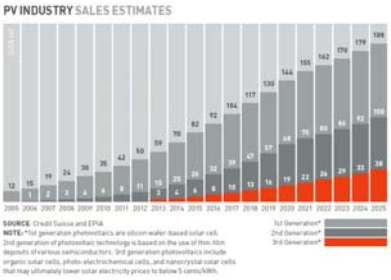
THE COMPANY

- Romag is a world leading producer of specialised glass products and solutions
- Romag has developed a Building Integrated Photovoltaic (BIPV) products that convert daylight into electricity (PowerGlas)
- Romag is listed on the AIM in London.
- Atorka is a primary investor with 22% holdings



THE MARKET

- The demand for renewable energy is driving high growth of solar energy
- Photovoltaic laminates (BIPV) serve the dual purpose of replacing conventional materials and simultaneously harness energy from daylight
- Rising energy and oil prices, together with increased environmental awareness has led to increased global incentives for solar power
- Solar energy remains high on the agenda as a source of clean, sustainable and renewable energy.
- New regulations that demand upto 20% of the energy to be generated by the building itself support the high growth of BIPV
- Annual growth of BIPV in the next few years is projected ca 40%

ROMAG

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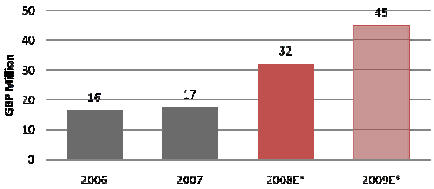
HIGHLIGHTS IN 2007

- Production capacity of PowerGlas will be increased from 6 MW early 2007 to 28 MW in 2008
- Romag has secured sufficient supply of cells from Q-Cells and E-ton
- Romag has a global alliance agreement with BP solar
- An EUR 80m, five year, BIPV contract in Spain signed in March
- Outlook for Romag remain very strong

FINANCIAL HIGLIGHTS*

- Estimated Turnover 2008 GBP 32 m
- Estimated EBITDA 2008 GBP 7 m

TURNOVER



*Based on analysis from Arbuthnot, october 2007

PROMENS

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THE COMPANY

- One of Iceland's largest industrial companies
- Focus on specific niche high end market segments in packaging, components and material handling
- Serves multiple industries such as food processing, personal care, chemical and medical industries and commercial vehicles
- Promens is a global plastics converter with three divisions; Packaging, Components and Roto-molding
- 63 plants in 20 countries in Europe, N-America and Asia, with 6.000 employees
- Atorka´s share currently 79%. Fully diluted 63%

THE MARKET

- The plastics industry has gone through rapid changes in recent years because of innovation and technological improvements
- Increasing conversions to plastics from other material due to inherent benefits such as flexibility, durability, affordability and weight
- Great potential for growth in Eastern Europe and Asia where plastics consumption is still far behind W-Europe
- The plastic market is characterised by a high degree of fragmentation. In Europe alone there are over 50.000 plastic manufacturers, which offer many consolidation opportunities, Buy and Build

PROMENS

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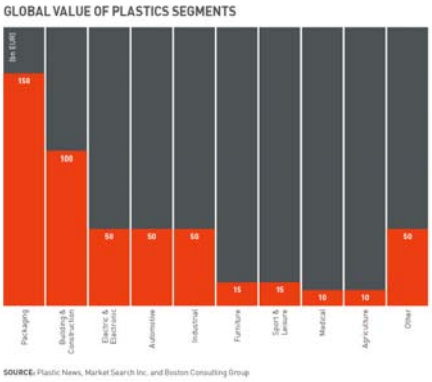
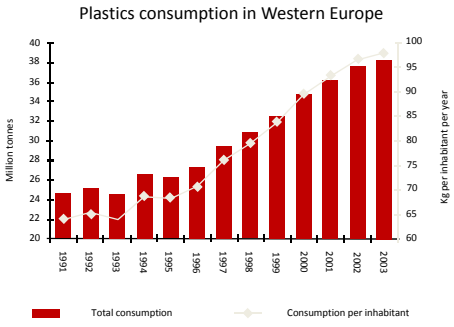


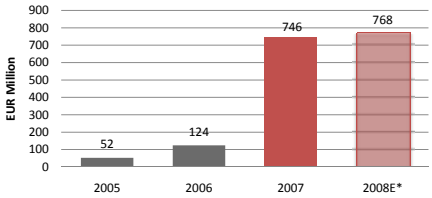


PROMENS

FINANCIAL HIGHLIGHTS

- Turnover 2007 was EUR 746 m
- Profit in 2007 before tax and convertible loan was EUR 10,8 m
- Estimated turnover in 2008 EUR 768 m
- Current EV/EBITDA 6.85

TURNOVER



*This budgeted turnover is based on fewer plants than in 2007.

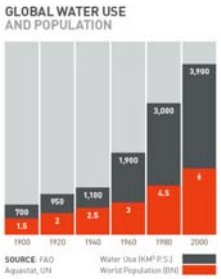
HIGHLIGHTS IN 2007

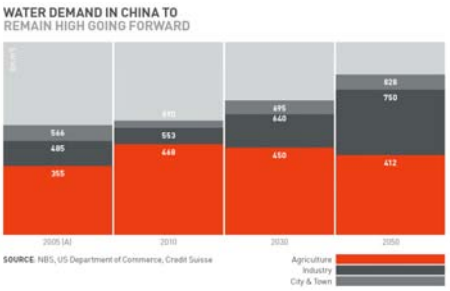
- Integration and productivity improvements within the companies acquired last year will show effects in 2008 results
- Implementation of Lean-Manufacturing principles throughout the group to improve productivity and ergonomics
- New organizational structure and executive team introduced in July
- The name of the Polimoon units changed to Promens, to simplify and strengthen image and communications
- Further strengthening of R&D
- Three acquisitions of packaging companies: Yekatrineburg in Russia, La Roche in France and STE in Spain

WATER TREATMENT

THE MARKET

- Water usage is rising at double the rate of global population growth
- Water is set to become an important commodity in the world within the next two generations
- One third of the work´s population lives water-stressed or water-scarce countries
- Environmental laws and regulatory edicts mean mandates that affect both water and wastewater treatment and enforcement of government rules bring about higher demand for water treatment products
- Growth in water infrastructure expenditures estimated to grow at ca 7% pa. Asia is expected to grow at higher rate or about 20%
- Demand for water treatment products is generally linked to the overall health of a national or regional economy





AMIAD FILTRATION

ATORKA

THE COMPANY

- Amiad is a leader in the international market for water filtration equipment and solutions in screen and thread filtering
- The company sells its products in over 70 countries across the world through a network of distributors and own subsidiaries
- Strong platform for global growth
- Amiad is listed on the AIM marked in London
- Atorka has 23% holding

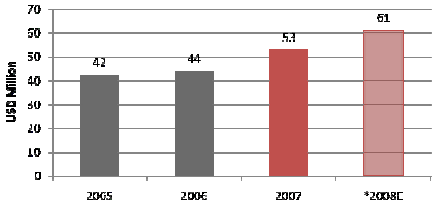
HIGHLIGHTS IN 2007

- New CEO appointed in August
- Substantial growth in sales in all main markets
- Increased focus on turnkey projects
- Strengthening of R&D activities
- Significant development in microfiber technology as a platform for water treatment projects
- Provided equipment for the Olympic Village in Beijing

FINANCIAL HIGHLIGHTS*

- Estimated turnover in 2008 USD 61 m
- Estimated EBITDA 2008 USD 9 m

TURNOVER



*Based on analysis from Panmure, January 2008

ASIA ENVIRONMENT HOLDINGS

ATORKA

THE COMPANY

- Asia Environment is a leading provider of water and wastewater treatment solutions in China
- The company offers comprehensive solutions from planning and design to manufacturing and fabrication, construction, installation, operations and maintenance.
- Asia Environment will continue to leverage in its technical and manufacturing capabilities to develop their solutions in the Asia market outside China
- The company is listed on the Singapore Stock Exchange
- Atorka's holding is 14%

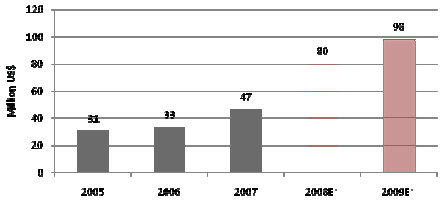
HIGHLIGHTS IN 2007

- Substantial growth in sales in all main markets
- Asia Environment entered into a "Build-operate-Transfer" (BOT) agreement to build and operate a wastewater treatment plant in the Jiangsu Province
- The company acquired Nanjing Water holdings in 2007
- Increased focus on turnkey projects
- Strengthening of R&D activities
- Significant development in microfiber technology as a platform for water treatment projects
- Provided equipment for the Olympic Village in Beijing

FINANCIAL HIGHLIGHTS*

- Estimated turnover 2008 USD 80 m
- Estimated EBITDA 2008 USD 25 m

TURNOVER



*Based on analysis from Credit Suisse, January 2008

CLYDE PROCESS SOLUTIONS

ATORKA

THE COMPANY

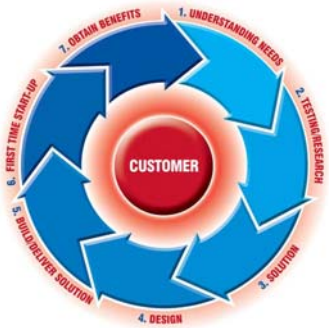
- CPS is a world leader in the production of highly developed pneumatic conveying systems for various production processes
- These systems greatly enhance efficiency and reduce costs and pollution
- CPS is listed on the AIM market in London
- Strong platform for further consolidation
- Atorka has about 30% holding

THE MARKET

- Pneumatic conveying solutions are fast growing in various industries to reduce energy costs, reduce pollution and to improve process reliability and productivity
- This is still að very fragmented market with many interesting options for consolidation

HIGHLIGHTS IN 2007

- CPS acquired MAC Equipment a leading player in pneumatic conveying in USA
- CPS has a strong and growing blue chip customer base such as Nestlé, Starbucks, Wrigleys, Kraft, Corus and BHP Billiton



INTERBULK GROUP

ATORKA

THE COMPANY

- Interbulk is a leading provider of logistics solutions for liquid and dry bulk materials
- The Company offers its customers global transport solutions
- Interbulk utilises a range of intermodal container technologies
- Interbulk has a fleet of 20.000 containers and offers global door-door solutions with special focus on the chemical industry
- Strong platform for high growth in Middle and Far East
- Interbulk is listed on the AIM market in London
- Atorka is a primary investor with 40% holding

THE MARKET

- Intermodal logistics solutions are being recognized as key to provide sustainable supply chains
- Globalisation is driving unprecedented growth in containers and creating an ever increasing demand for bulk materials
- Increased globalisation results in greater movement of bulk materials around the world
- The recent trends and future prospects for the dry bulk business are very encouraging.
- Asia, Middle East and Eastern Europe provide the key future geographical growth areas.
- Significant entry barriers due to high requirements on reliability and solid track record
- Increased intermodal transport, allowing freight to be transported faster and in a more environmentally friendly manner

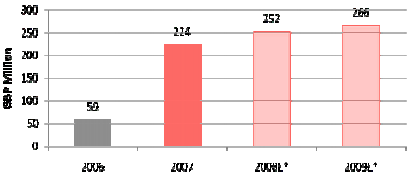
INTERBULK GROUP

ATORKA

HIGHLIGHTS IN 2007

- Interbulk aquiried UBC a leading European company in containerized dry bulk transport with about 50% market share in Europe
- Established a wholly foreign owned enterprise (WFOE) in China to strengthen the development in that fast growing market
- UTT, UBC and Inbulk unified under the Interbulk brand
- Further strengthening of organisational structure and management team

TURNOVER



*Based on Analysis from Arden Partners, January 2008

FINANCIAL HIGHLIGHTS*

- Estimated turnover 2008 GBP 252 m
- Estimated EBITDA 2008 GBP 26 m

NWF

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THE COMPANY

- Four growing business units with common history:
  - Distribution - grocery logistics to supermarkets
  - Feeds – mainly for dairy cows
  - Fuels – for homes, businesses and vehicles
  - Garden centers – six large centers
- NWF is listed on the AIM marked in London
- Atorka has 22% holding

THE MARKET

- The markets that NWF operates on are all fragmented with good potential for growth
- Many interesting options for consolidation

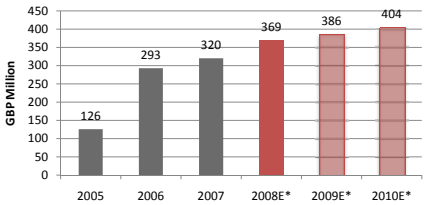
HIGHLIGHTS IN 2007

- Warehousing capacity increased by 60.000 pallets to 130.000
- NWF with strong market position in all its markets
- New CEO appointed in October

FINANCIAL HIGHLIGHTS*

- Estimated turnover 2008 GBP 369 m
- Estimated EBITDA 2008 GBP 10.6 m

TURNOVER



*Based on analysis from Charles Stanley, February 2008

BJÖRGUN

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THE COMPANY

- Björgun is a pioneer in the construction of wharves and coastal areas in Iceland
- Björgun has developed about 600 building lots in the past 5 years
- Is currently with few hundred lots under development
- Björgun is also a leading contractor in Iceland in dredging, landfills and quay construction
- Björgun is a primary investor in the Cement Factory in Iceland, with 33% holding
- Atorka has 100% holding

HIGHLIGHTS IN 2007

- Good progress on the Karsnes project in Kopavogur
- Increased activities in dredging, landfills, quay and harbour construction
- The year was a record-breaking year in material processing

THE MARKET

- High demand for building sites in costal areas
- Many interesting future projects in land development in the pipelines
- Few large harbour projects expected in the next few years such as Landeyjahöfn on the south coast and Bakkahöfn near Húsavík

FUTURE PROSPECTS

ATORKA

- Atorka has a strong financial position after a successful year
- Atorka will focus on enlarging existing platforms with internal and external growth
- Participation in Geysir Green Energy offers opportunity to create considerable value in the fast growing renewable energy sector
- Promens will continue to grow within selected segments with special focus on buy and build in Eastern Europe
- Atorka will support current investments in Amiad and Asia Environment in the fast growing water treatment sector
- Interbulk will continue to develop a unique logistics company for the chemical industry with comprehensive global solutions for containerized transport of liquid and dry bulk
- Atorka will invest further in the sector of environmental technology
- Current market condition are volatile but Atorka is in a good position to take advantage of new opportunities due to strong financial status

DISCLAIMER

ATORKA

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