



FINANCIAL RESULTS 2007

1 FEBRUARY 2008



AGENDA

The logo for EXISTA, featuring the word "EXISTA" in white capital letters on a dark blue square background.

- 1 HIGHLIGHTS
- 2 ANNUAL STATEMENTS
- 3 FINANCIAL SERVICES
- 4 INVESTMENTS
- 5 OUTLOOK

LÝÐUR GUÐMUNDSSON
EXECUTIVE CHAIRMAN

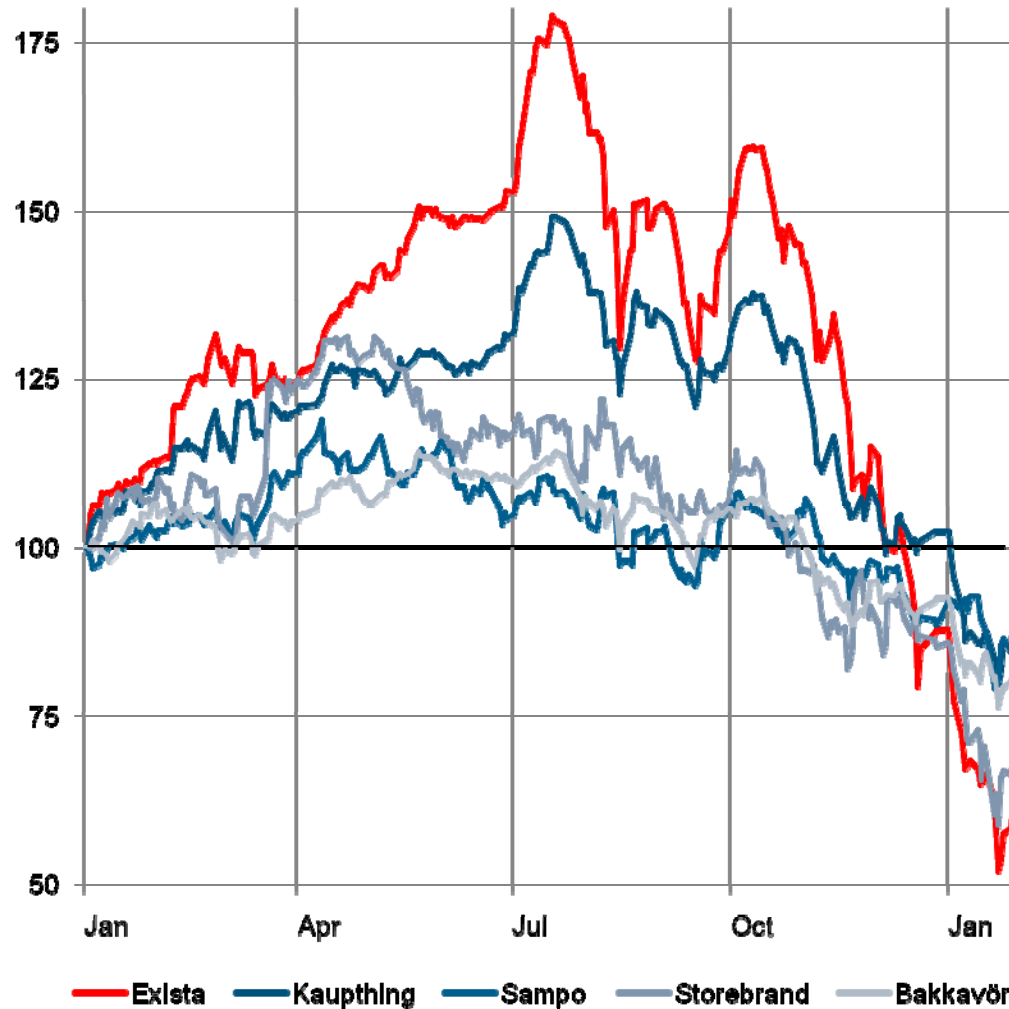
HIGHLIGHTS 2007



A YEAR OF STRONG GROWTH AND MARKET VOLATILITY

- Assets grew by 82%
- Profit for the year €574 million
- Sampo stake increased to 19.98%
- Storebrand stake increased to 8.7%
- New centralised unsecured funding structure for the Group
- Focus on strong liquidity position
- Book value of associates exceeds market value by €992 million at year-end
- Exista has demonstrated its strength in turbulent financial markets as fundamentals were put to the test

EXTREME CYCLES IN RECENT MONTHS



KEY POINTS

- Following favourable developments in the first half of 2007, financial markets tumbled in the second half of the year, as well as early 2008
- This caused significant fluctuations in trading income and marked-to-market assets
- Developments in international financial markets have put Exista's risk management, liquidity management, funding and capital structure to the test
- Exista has shown ability to cope with extremely challenging external environment

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SIGURÐUR VALTÝSSON
CEO

ABOUT THE FINANCIAL STATEMENTS



NOTES ON EXISTA'S OPERATIONS AND ACCOUNTING IN 2006 AND 2007

- The financial statements are prepared in accordance with IFRS and audited by the Group's auditors
- Insurance and asset financing operations included in the Group's accounts as of 1 June 2006, affecting revenue and expense comparison between years, as well as comparison of balance sheet items
- Group's financial statements prepared in euros from the beginning of 2007
 - Financials for 2006 translated into euros for comparison
- Equity method used for the Group's financial associates, Kaupthing Bank and Sampo Group, since the beginning of 2007
- Holdings in other companies assessed at fair value

FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS IN 2007

- After-tax profit €574 million in 2007
- Return on equity 23%
- Earnings per share 5.11 cents
- Total revenue €962 million
- Total assets €8.01 billion, up 82%
- Total equity €2.37 billion, up 25%
- Equity ratio 29.6%, including PEC 32%
- Book value of associates exceeds market value by €992 million at year-end

FINANCIAL HIGHLIGHTS IN Q4 2007

- After-tax loss €296 million
- Strategic decision to sell proprietary portfolios, changing the risk profile of the Group
- Total assets decreased by 6%
- Subordinated hybrid instrument issued
 - Preferred equity certificates amounting to €250 million

CONSOLIDATED INCOME STATEMENT



(€million)	2007	2006	Change
Financial assets measured at fair value	0.8	357.6	-356.8
Financial assets held for trading	-46.3	129.0	-175.3
Dividends	12.6	78.7	-66.1
Interest revenues	91.2	50.3	40.9
Insurance premium	129.0	73.6	55.4
Share of profits of associates	756.2	0.0	756.2
Other revenues	17.9	7.6	10.4
Total revenues	961.5	696.7	264.8
Total expenses	-169.9	-109.6	-60.2
Profit before financial expenses	791.7	587.1	204.6
Interest expenses	-350.3	-104.1	-246.2
Net foreign exchange gain (loss)	84.3	-46.4	130.7
Profit before tax	525.7	436.6	89.1
Income tax	48.2	-9.9	58.1
Profit for the period	573.9	426.7	147.2

KEY POINTS

- Turmoil in international financial markets in the latter half of 2007 severely reduced income from financial assets
- Strategic financial holdings, Kaupthing Bank and Sampo Group, are associates as of the beginning of 2007
- Dividends from associates (€135m) are recorded as a reduction in book value in the balance sheet and are not included in the income statement
- Increased financial expenses reflect the significant growth of the balance sheet in 2007

INCOME STATEMENT BY QUARTER



(€million)	Q4 07	Q3 07	Q2 07	Q1 07	Q4 06
Financial assets at fair value	-104.6	32.0	35.3	38.2	24.6
Fin. assets held for trading	-156.3	-37.3	36.4	110.8	103.8
Dividends	0.0	0.7	6.9	5.0	58.3
Interest revenues	30.3	23.2	19.3	18.4	22.8
Insurance premium	31.2	32.0	30.6	35.2	25.6
Share of profits of associates	48.4	92.5	158.3	457.0	0.0
Other revenues	7.2	4.2	3.3	3.3	2.5
Total revenues	-143.8	147.1	290.2	668.0	237.5
Total expenses	-47.1	-39.6	-40.0	-43.2	-39.4
Profit before financial exp.	-190.8	107.5	250.2	624.8	198.0
Interest expenses	-109.4	-106.2	-78.2	-56.4	-37.7
Net foreign exchange gain(loss)	-6.2	8.7	52.7	29.0	-8.0
Profit (loss) before tax	-306.5	10.0	224.7	597.5	152.3
Income tax	10.9	-2.6	-3.3	43.2	-4.8
Profit (loss) for the period	-295.6	7.4	221.4	640.7	147.4

KEY POINTS

- Adverse developments in financial markets resulted in losses in trading and fair value assets in Q4
- The proprietary trading books were liquidated in Q4, creating a significant one-off cost
- Steady growth in interest revenues and insurance premiums from operating businesses
- Share of profits from associates is affected by the difficult market conditions for financial companies in the quarter
- Market consensus for Sampo's profit €167m and for Kaupthing €87m in Q4

BALANCE SHEET



(€ million)	31 Dec 2007	31 Dec 2006	Change
Financial assets measured at fair value	1,123	2,273	-50.6%
Financial assets held for trading	210	837	-74.9%
Loans and accounts receivable	785	704	11.5%
Goodwill and other intangible assets	469	465	1.0%
Investments in associates	4,738	0	-
Cash and equivalents	568	76	-
Other assets	117	41	185.4%
Total Assets	8,010	4,395	82.3%
Total Equity	2,369	1,900	24.7%
Borrowings	5,124	2,183	134.7%
Hybrid securities	250	0	-
Technical provision	222	224	-1.1%
Deferred income tax liability	19	60	-68.7%
Other liabilities	28	28	0.0%
Total Liabilities	5,642	2,495	126.1%
Total Equity and Liabilities	8,010	4,395	82.3%

KEY POINTS

- Assets grew by 82% in 2007
- Proprietary trading books were closed in 2007, significantly reducing assets held for trading
- Goodwill is tested for impairments and is solely due to purchase of the insurance underwriting and assets financing businesses in June 2006
- Cash and equivalents amount to €568m at year-end 2007
- Total equity increased by 25% during 2007
- Preferred equity certificate, a hybrid security, was issued in the fourth quarter of 2007
- Borrowings increased by 135% during the year, reflecting the growth of the balance sheet
- Book value of associates exceeds market value by €992m

FUNDING ACTIVITIES IN 2007



OVERVIEW

- Group funding strategy
 - Centralised unsecured funding structure
- Strong liquidity position at year-end
 - €1.2bn in committed liquidity covering refinancing requirements for 50 weeks
 - Cash and equivalent amounts of €568m
- Funding in 2007
 - €4.3bn raised during the course of the year including refinancing
 - Average maturity of 3.7 years
 - Funding sources expanded in Europe, US and Asia
- Milestone transactions
 - €500m senior unsecured syndicated loan
 - €500m asset backed securitisation
 - €450m in committed liquidity lines
- Subordinated hybrid instrument
 - €250m Preferred Equity Certificates

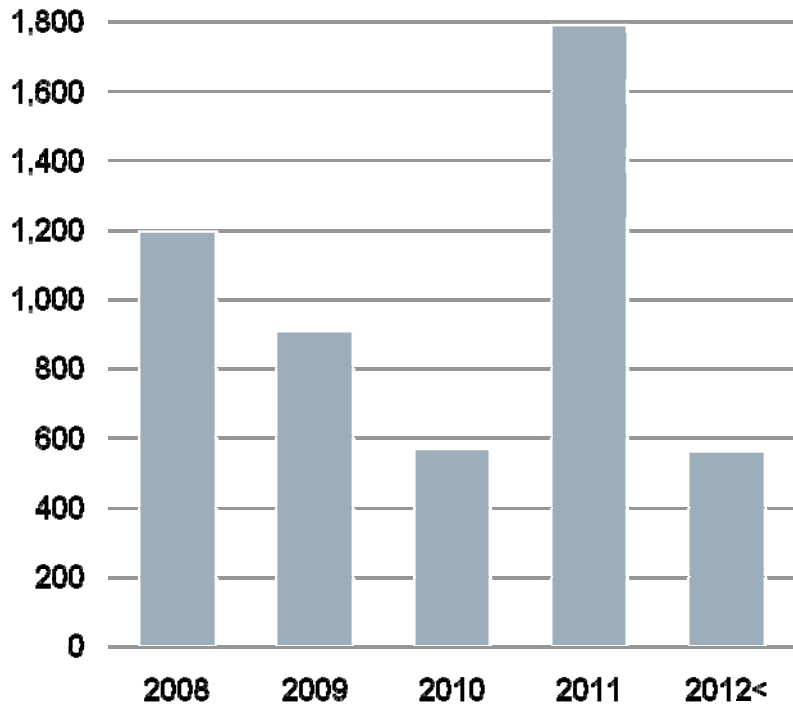
KEY POINTS 2007

Amount raised	€4.3bn
International	80%
Domestic	20%
Average maturity	3.7 years
Number of transactions	19
Number of investors	58

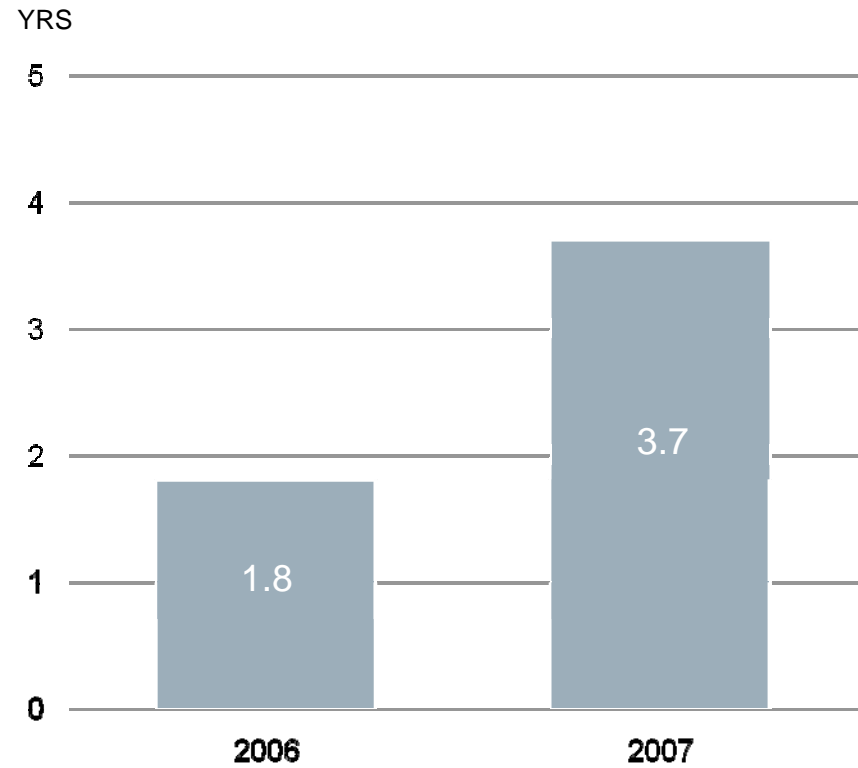
MATURITY PROFILE EXTENDED



OVERVIEW



AVERAGE MATURITY*

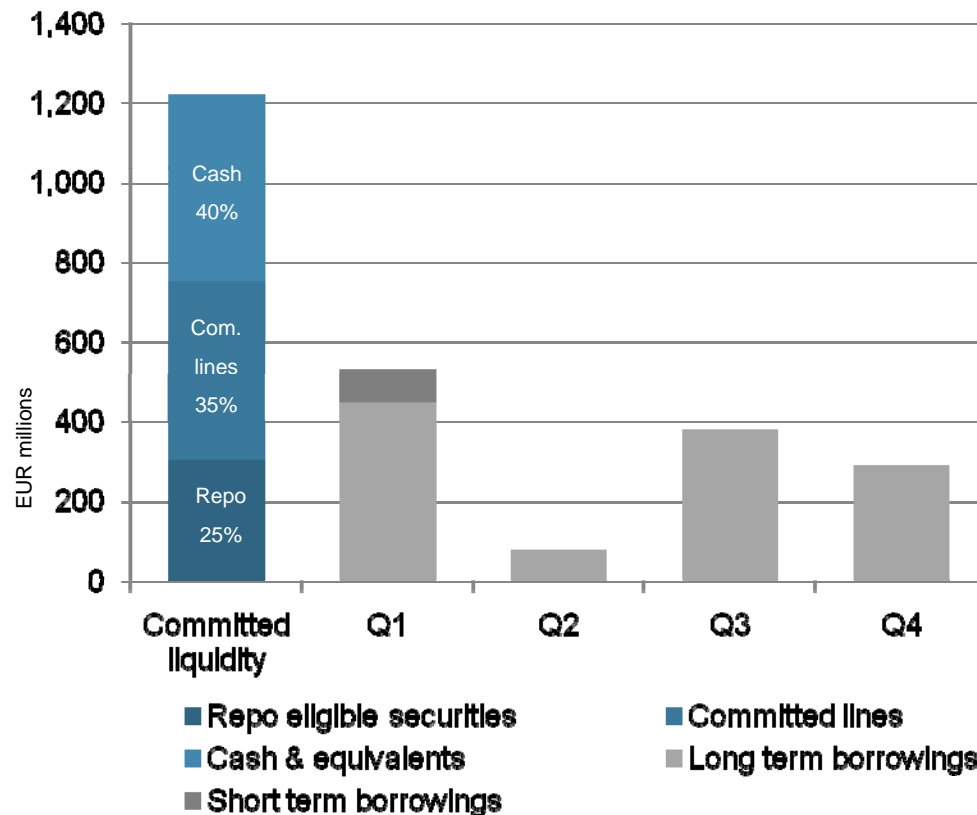


* The average maturity of new borrowings in 2006 and 2007

FOCUS ON LIQUIDITY POSITION



COMMITTED LIQUIDITY AND MATURITIES 2008



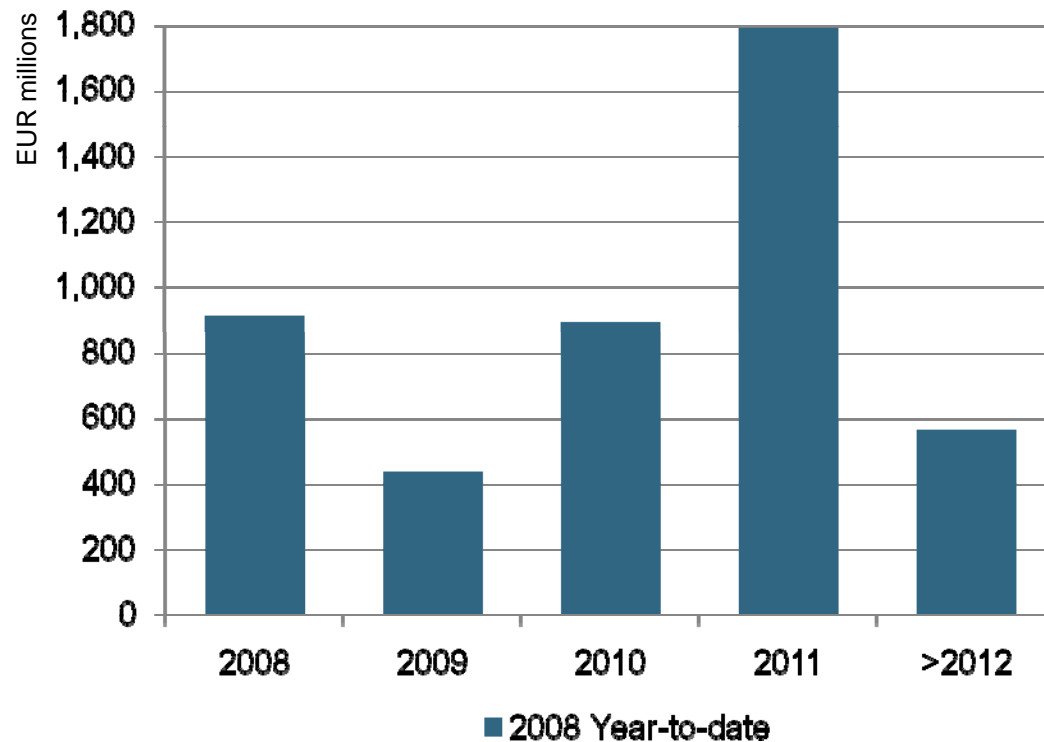
KEY POINTS

- Committed liquidity covers 50 weeks
- Committed liquidity includes:
 - Cash
 - Committed lines
 - Repo eligible securities
- Not included in committed liquidity:
 - Liquid assets
 - Income from operating subsidiaries
 - Dividends from largest holdings, which may amount to around €200m according to dividends policy

MODEST REDEMPTIONS IN 2008 AND 2009



MATURITY PROFILE 2008 AT END OF JANUARY



KEY POINTS

- Maturing debt in 2008 already funded
- Current focus on prefunding 2009
- Total maturities in coming 24 months amount to €1.34bn
- €910m in 2008
 - Fully funded
- €430 million maturing in 2009
 - Of which €200m already funded

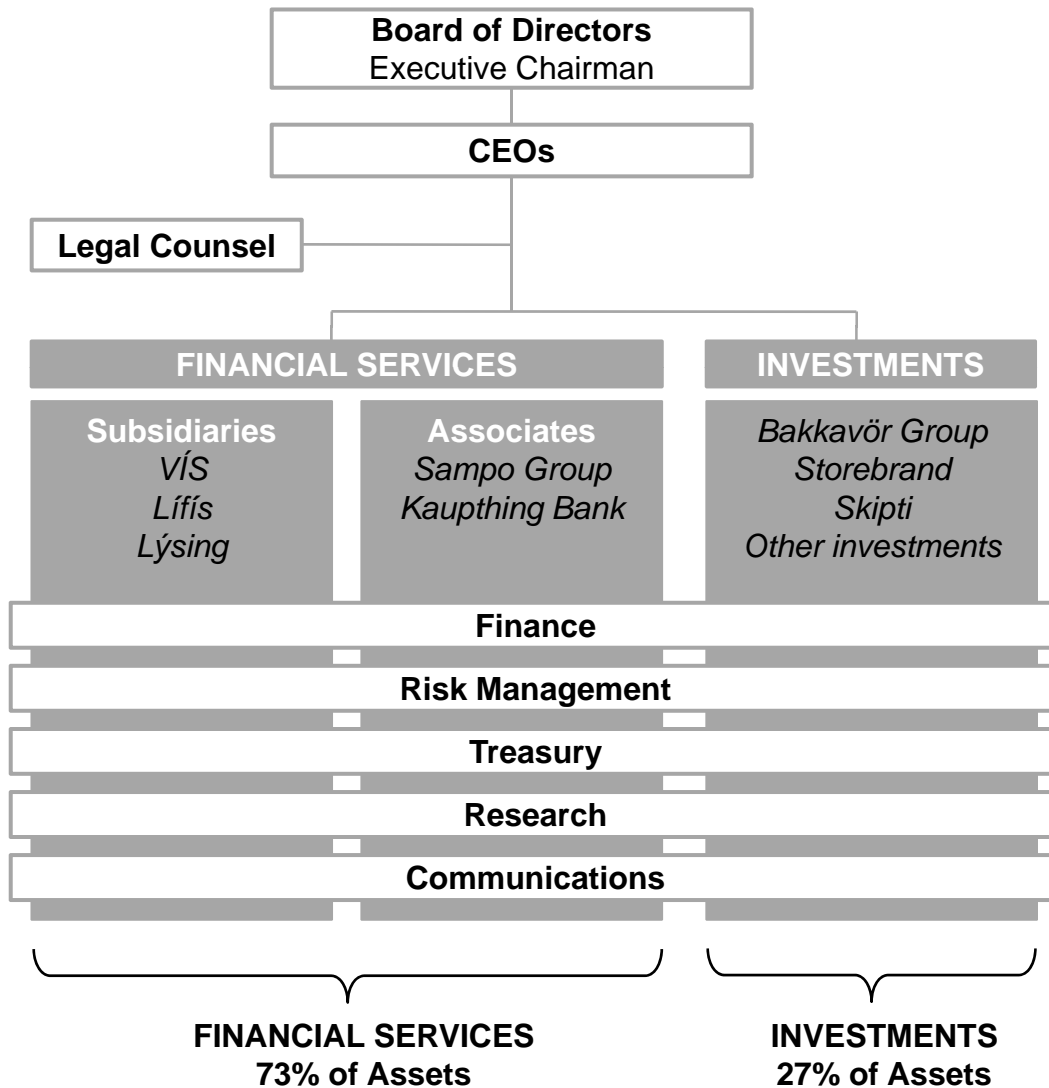
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ERLENDUR HJALTASON
CEO

EXISTA – FINANCIAL SERVICES GROUP



NEW BUSINESS SET-UP

- New business set-up further underlines financial services as Exista's core activity
- Exista combines financial services together with long-term investments in well established businesses
- Operations are based on two main divisions: Financial Services and Investments
- Two new support divisions: Research and Treasury
- Proprietary trading has been discontinued
- New business set-up does not entail changes to Exista's strategy but rather underlines current objectives

SUBSIDIARIES: VÍS, LÍFÍS AND LÝSING

EXISTA

INSURANCE UNDERWRITING

- Premium growth 20.9%
- Growth in insurance policies 7.9%
- Paid losses increased by 18.0%
- Combined ratio 99.5% for the year 2007 compared with 113.3%
- Operating ratio 86.3% for the year 2007 compared with 95.6%
- Market share 34%
- Total assets €383 million

ASSET FINANCE

- Cost-income ratio 27%, down from 30% in 2006
- Return on equity 9%
- CAD 10.6 %
- Total assets €738 million
- Impairment losses in 2007
- Provisions at 2.2% of assets
- Market share 41%



ASSOCIATES: SAMPO GROUP



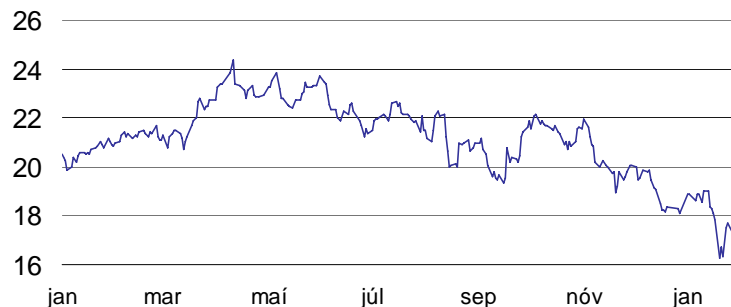
SAMPO HOLDING

- Long-term strategic holding and an associated company
- Largest shareholder in the group with 19.98% of Sampo's total share capital
- Sampo is holding 9.4% stake in Nordea and has applied for license to exceed 10% holding
- In August the board of Sampo decided to buy up to 28 million of own shares. Today own shares amount to 6.4 million shares

KEY POINTS

- The leading P&C insurance company in the Nordic region together with a sizeable life assurance business
- Equities accounting for only 10% – 11% of the investment portfolio – not driving the ROE
- Strong market position and excellent track record with average combined ratio 2002–06 at 91%
- Strong balance sheet with excess capital of €4.9bn, effectively a cash shell with market cap of 10.1bn

SHARE PRICE DEVELOPMENT 2007



MARKET ANALYSIS

- Price targets in the range of €18.50 to €28.00
- Average price target: €22.50
- Current share price: €17.47
- Market cap €10.1bn

ASSOCIATES: KAUPTHING BANK

KAUPTHING HOLDING

- Long-term strategic holding and an associated company
- Exista holds 23.7% of share capital in Kaupthing Bank
- Withdrawal from the NIBC acquisition removes necessity for rights-issue
- They hold 20% stake in Storebrand
- Kaupthing Bank has built a unique platform in Northern Europe through strategic external and organic growth

KEY POINTS

- Current management delivered steady high quality performance & profitability over more than a decade
- Has delivered CAGR in earnings of 99% between 2002-06 with an average ROE of 22%
- Net profit for 2007 ISK 70bn (€799m)
- 23.5% return on equity for 2007
- Equity ratio of over 12%. Surplus funds estimated €3.7bn, so funded for growth. Tier 1 capital over 9%
- Fitch affirmed rating and upgraded outlook to stable

SHARE PRICE DEVELOPMENT 2007



MARKET ANALYSIS

- Price targets in the range of ISK 600 to 1160
- Average price target: ISK 839
- Current share price: ISK 784
- Market Cap ISK 580 billion (€6.0bn)

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BAKKAVÖR HOLDING

- Long-term strategic holding
- Largest shareholder in the group with 39.6% of Bakkavör's total share capital
- Current market value of shareholding around €436m
- A leading international food manufacturing company specializing in fresh prepared foods and produce
- The Group operates 55 factories and employs around 20,000 people in eight countries

KEY POINTS

- Turnover was £1.5bn for 2007 up 21%, with LFL sales of 6.3%
- During 2007 the EBITDA margin was 10.1%, the EBITDA rose by 1%
- In 2007 they strengthened their global position with five acquisition in the UK, Check Republic, France, US and China
- Proposed dividend ISK 0.55 pr share

SHARE PRICE DEVELOPMENT 2007



MARKET ANALYSIS

- Price targets in the range of ISK 68 to 79.9
- Average price target: ISK 72.3
- Current share price: ISK 50.0
- Market Cap ISK 108bn (€1.1bn)

STOREBRAND

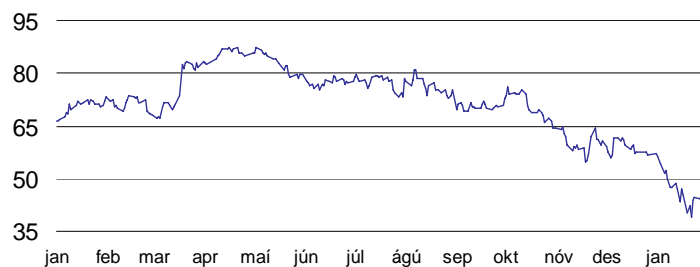
STOREBRAND HOLDING

- Long-term strategic holding
- Exista holds 8.69% of share capital in Storebrand
- Current market value of shareholding around € 209 million
- Leading player in the Nordic markets for pensions, life and health insurance, banking an asset management

KEY POINTS

- Purchase of SPP for €1.7bn
- Rights issue in Dec 2007 for 200.1m shares at NOK 45.0 per share represented an 80% increase in the number of shares. Issue oversubscribed by 27%
- The issue raised NOK 9.0bn
- Opportunity to emulate success in existing Norwegian life insurance business in SPP's underperforming Swedish operations
- Gjensidige has the permission from the Norwegian FSA to increase its share up to 20%

SHARE PRICE DEVELOPMENT 2007



MARKET ANALYSIS

- Price targets in the range of NOK 48 to 100
- Average price target: NOK 79.5
- Current share price: NOK 43.1
- Market Cap NOK 19.4bn (€2.4bn)

SKIPTI PERFORMANCE

(ISK million)	2007	2006
Total revenues	33,358	25,295
Operating profit	5,291	4,606
Financial income (expenses)	(3,300)	(8,943)
Taxes	(305)	777
Discontinued operation	1,396	
Net income (loss)	3,082	(3,560)
EBITDA	9,493	8,443
EBITDA ratio	28.5%	33.4%
Cash generated by operations	8,291	8,654

OWNERSHIP

- Privatised in 2005
- Exista's holding 43.7%
- Largest unlisted holding in Exista's portfolio

ABOUT SKIPTI

- Largest telecom company in Iceland
- Operations in the UK and Scandinavia
- Negotiations continue with the Slovenian government regarding their planned sale of the Slovenian telecom company Telekom Slovenije. Current plans call for the Government of Slovenia selling a large proportion of their shareholding in the company to a core investor.

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EXECUTIVE CHAIRMAN

A REAL TEST

Turmoil in international financial markets has affected Exista's largest holdings, as asset prices have fallen significantly during the last quarter of 2007 and in the first month of 2008



INVESTMENTS IN ASSOCIATES



EQUITY ACCOUNTING

- Book value exceeds market value by €992 million
- Impairment tested at year-end
- Equity accounting reflects the long term view and emphasis on financial services as Exista's core business
- Reflects the robust operations and strong fundamentals of the associates

MARKET VALUE COMPARED TO BOOK VALUE

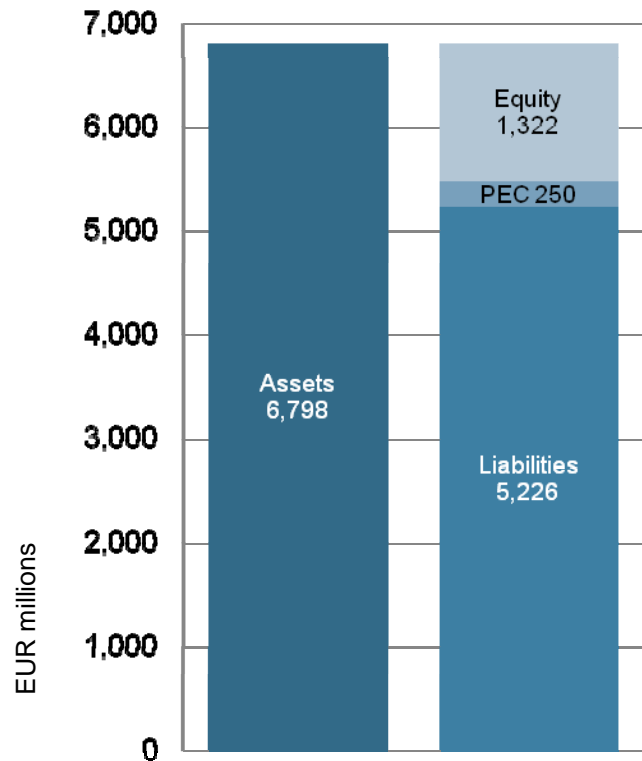
(€MILLIONS)	31.12.2007
Book value of associates	4,737.6
Market value of associates	3,745.3
Book value exceeding market value	992.3

ADJUSTED EQUITY RATIOS - END OF JANUARY



MARKED TO MARKET ADJUSTED RATIO

- The adjusted equity ratio was 23% at end of January
- Excluding preferred equity, the ratio was 19%

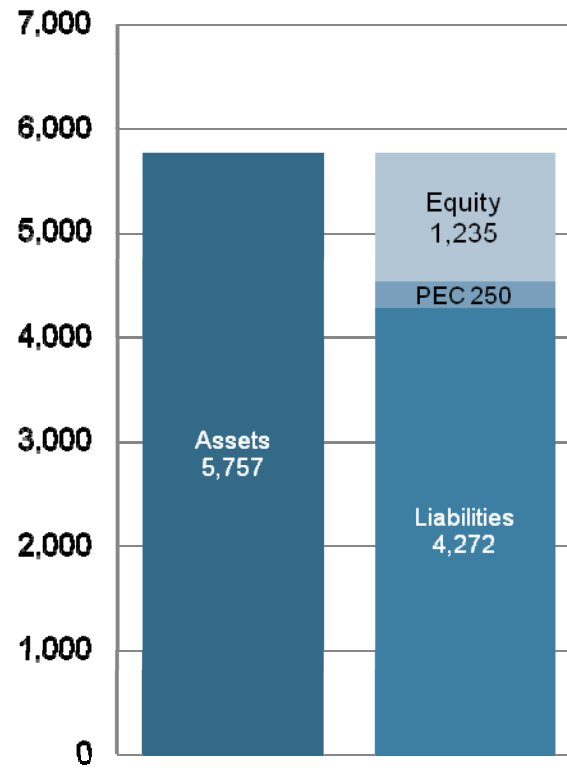


EQUITY RATIO: 23%

Equity ratios include Preferred Equity Certificates (PEC)

INVESTMENT ACTIVITIES

- Excluding insurance and asset finance operations, the adjusted equity ratio for investment activities becomes 26%

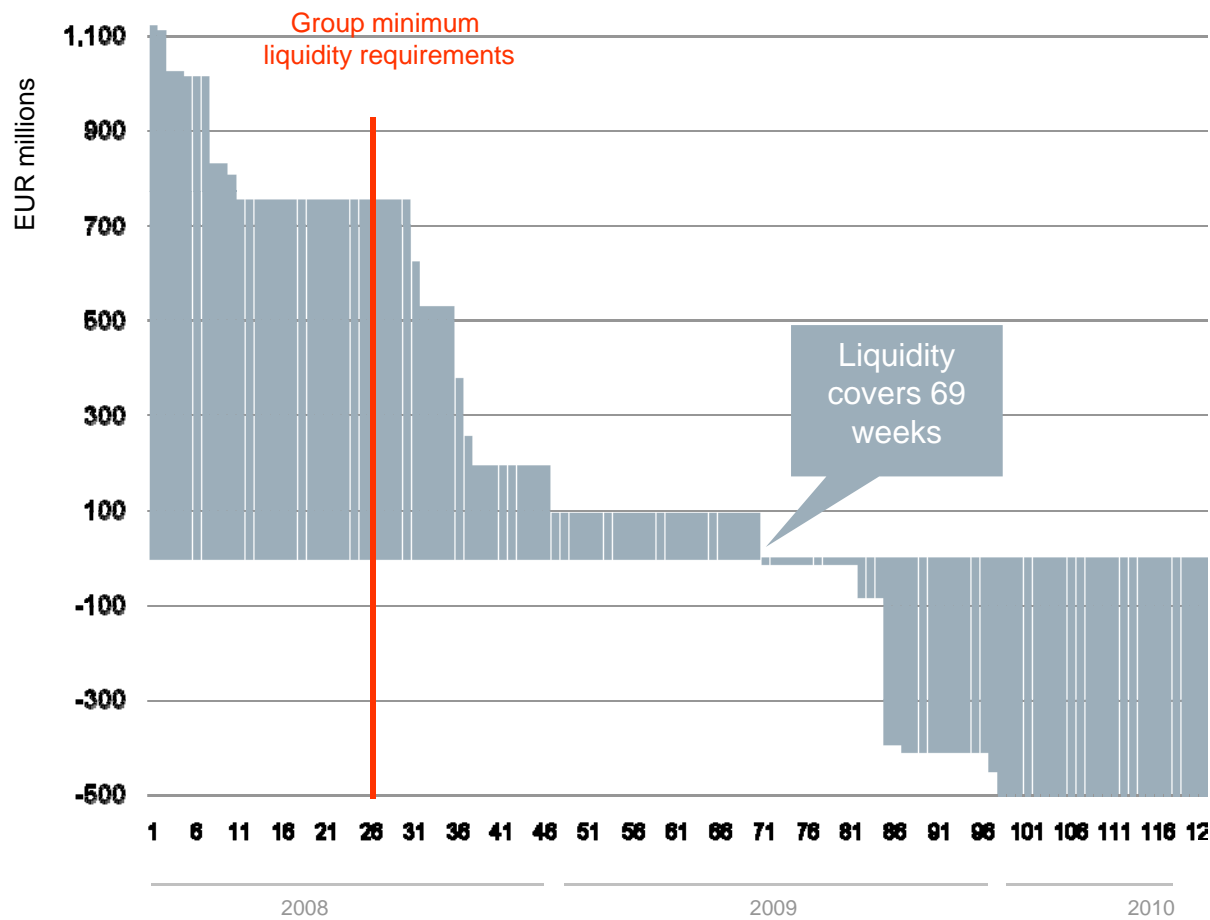


ADJUSTED EQUITY RATIO: 26%

LIQUIDITY POSITION TODAY



COMMITTED LIQUIDITY BY WEEKS



KEY POINTS

- Liquidity has improved from year-end
- Committed liquidity now covers 69 weeks of outflows
- The Group is funded well into 2009

OUTLOOK



- Exista is prepared for continued volatile markets
- Exista has secured funding for the whole year
- Strong fundamentals of subsidiaries and associates
- Exista is committed to its strategic holdings



FINANCIAL RESULTS 2007

1 FEBRUARY 2008

