

Straumur Investment Bank hf. nine-month interim earnings report 2007

Consolidated profit after tax EUR 163.5m
Return on equity 15.5%

Chief results for the first nine months of 2007

- After-tax profit totalled EUR 163.5m for the first nine months of the year, as opposed to EUR 238.7m for the same period in 2006, a year-on-year decrease of 31.5%.
- Annualised return on equity for the nine-month period was 15.5% and earnings per share EUR 17, as compared with EUR 23 for the same period in 2006.
- Operating income totalled EUR 273.5m for the first nine months of 2007, down 15.0% year-on-year.
- Net interest income amounted to EUR 45.8m for the nine-month period, up 28.2% between years.
- Net commission income was EUR 94.5m for the nine-month period, up 60.5% year-on-year.
- Foreign exchange gains and trading income decreased 49% year-on-year, totalling EUR 115.8m for the first nine months of 2007.
- Operating expenses totalled EUR 72.2m for the nine-month period, up 186.4% year-on-year.
- The cost income ratio for the period was 26.41%.
- Total assets amounted to EUR 6,886.5m at the end of September 2007, up 58.0% since January 1.
- Assets under management totalled EUR 1,900m at the end of September 2007.
- The CAD ratio was 28.7% at the end of September 2007. Tier 1 capital accounted for 26.3%.

Chief results for the third quarter of 2007

- Profit after tax totalled EUR 0.2m in the third quarter, down from EUR 17.7m for the same period in 2006.
- Operating revenues amounted to EUR 32.8m in the third quarter, up 2.6% year-on-year.
- Net interest income amounted to EUR 26.3m in the third quarter, having increased by 83.5% year-on-year.
- Net commission income rose by 10.4% year-on-year and amounted to EUR 21.3m in the third quarter of 2007.
- Foreign exchange and trading income totalled EUR 23.1m in Q3 2007, as compared with a loss of EUR 2.0m during the same period in the previous year.

William Fall, CEO of Straumur, commented:

“We have continued to grow interest and fee and commission income to drive our business. In addition, we have a strong balance sheet and have decreased our equity exposure. The recent challenging market conditions have affected our financial result but we remain totally confident in delivery against our strategy and delivering value for our shareholders.”

Key numbers

<i>Thousand EUR</i>	9M 2007	9M 2006	Change	Q3 2007	Q2 2007	Change	Q3 2006	Q2 2006	Change
Operating income	273.489	321.699	-15%	32.779	148.194	-77,88%	31.958	13.721	132,91%
Operating expenses	72.242	25.228	186%	-34.226	-34.558	-0,96%	-10.043	-11.993	-16,25%
Shareholders' net earnings	157.055	237.549	-34%	-1.447	113.636	-101,27%	21.915	1.721	1173,37%
Cost/income ratio	26,41%	-7,84%	-437%	30,70%	17,56%	75%	7,80%	5,90%	32%
Earnings per share	0,017	0,023	-26%	0,00	0,010	-100%	0,023	0,022	8%
Return on equity - annualized	15,50%	26,60%		15,50%					
CAD	28,71%	33,40%		28,71%	28,40%		33,40%	31,70%	
Growth of loan portfolio	97%	83%		22%	17%		9%	6%	

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Profit and loss account

Income Statement

<i>Thousand EUR</i>	Q3 2007	Q2 2007	Q1 2007	Q 4 2006	Q3 2006	9m 2007	9m 2006
Net interest income	26.302	8.366	11.162	6.794	14.341	45.829	35.746
Net fee and commission income	21.304	42.876	30.288	25.547	19.311	94.468	58.854
Dividend income	5.083	7.163	17.128	5.996	353	29.374	22.145
Net gains on financial assets & financial liabilities held for trading	-13.793	33.927	67.554	37.426	13.252	87.687	117.591
Net gains on financial assets designated at fair value through profit & loss	-28.042	50.921	-10.021	84.393	22.282	12.858	56.437
Net foreign exchange gains (losses)	4.910	9.703	-28.719	37.483	-37.574	-14.105	30.825
Other income	17.015	-4.762	5.126	9.257	0	17.378	101
Operating income	32.779	148.194	92.518	206.896	31.965	273.489	321.699
Salaries and related expenses	-22.523	-14.926	-4.681	-11.528	-4.495	-42.130	-12.578
Other administrative expenses	-7.445	-15.090	-7.576	-7.316	-3.496	-30.112	-12.650
Operating expenses	-29.969	-30.016	-12.257	-18.844	-7.991	-72.242	-25.228
Impairment	-4.255	-4.521	-2.862	-3.374	-2.052	-11.638	-8.457
Effects of related parties	-2	-21				-22	
Profit (loss) before tax	-1.447	113.636	77.399	184.679	21.922	189.587	288.014
Income tax	1.645	-19.442	-8.242	92.054	-4.264	-26.038	-49.343
Profit (loss)	198	94.194	69.157	276.733	17.658	163.549	238.671
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Equity holders of the parent	1.828	90.288	64.890	274.054	17.020	157.005	237.549
Minority interest	-1.630	3.906	4.267	2.679	638	6.544	1.122
Earnings per share	0	0,010	0,007	0,030	0,000	0,017	0,023

Profit

Straumur Investment Bank recorded a pre-tax profit of EUR 189.6m for the first nine months of 2007, as opposed to EUR 288.0m for the same period in 2006. The after-tax profit amounted to EUR 163.5m for the first nine months of 2007, down 31.5% from the previous year's profit of EUR 238.7m. Earnings per share for the nine-month period totalled EUR 17, as compared with EUR 23 for the first nine months of 2006.

For Q3 2007, Straumur recorded a loss before tax of EUR 1.5m, as opposed to a profit of EUR 21.9m for Q3 2006. After-tax profit totalled EUR 0.2m in the third quarter of 2007, as compared with EUR 17.7m in Q3 2006.

Income

Operating income totalled EUR 273.5m for the first nine months of 2007, down 15.0% year-on-year from the 2006 level of EUR 321.7m. For the third quarter of 2007, operating income totalled EUR 32.8m, up 2.6% from Q3 2006, when operating income amounted to EUR 32.0m.

Net interest income amounted to EUR 45.8m for the nine-month period, as opposed to EUR 35.7m in 2006, a year-on-year increase of 28.2%. Net interest income for the third quarter of 2007 amounted to EUR 26.3m, compared with EUR 14.3m for the same period a year ago. This year-on-year increase of 83.5% is largely due to growth in the loan portfolio and increased investment in interest-bearing assets. The following table illustrate net commission income according to geographical area.

Net interest income

<i>EURm</i>	9M 2007	9M 2006	Change
Iceland	32,87	29,64	3,23
Denmark	2,25	1,7	0,55
Finland	1,33	0	1,33
Scandinavia	1,13	1,24	-0,11
UK	2,74	0,03	2,71
CEE	0,25	0,22	0,03
Other countries	5,26	2,92	2,34
Total	45,83	35,75	10,08

Net commission income amounted to EUR 94.5m for the nine-month period, as opposed to EUR 58.9m for the same period in 2006, a year-on-year increase of 60.5%. For the third quarter, net commission income totalled EUR 21.3m, compared with EUR 19.3m for Q3 2006. This 10.3% year-on-year increase stems primarily from substantially increased business activity in the Corporate Finance, Debt Finance, and Capital Markets divisions. The following table illustrate net commission income according to geographical area.

EURm	9M 2007	9M 2006	Change	
Iceland	43,15	53,98	-	17
Denmark	26,63	4,87		22
Finland	10,51			10,51
UK	12,96			12,96
CEE	1,22			1,22
Total	94,48	58,85		

Foreign exchange gains and trading income totalled EUR 115.8m for the first nine months of the year, compared with EUR 227.0m for the same period in 2006, down 49.0% between years. Trading income for the third quarter of 2007 amounted to EUR -31.8m, compared with EUR -1.7m for the same period in 2006. This change is largely a result of a diminishing overall asset position and adverse developments in the financial markets. The following table show investment income according to geographical area and operational division:

9m 2007 - EUR m	Iceland	Denmark	Scandinavia	UK	Other	Total
Net gain from bonds and fixed income securities	-0,58	-	-0,6	-	0,34	-0,6
Net gain from listed equities	47,26	9,44	11,62	5,16	5,01	78,49
Unlisted equities and variable income securities	-5,70	3,55	-	7,77	5,81	11,43
Net gain from derivative	-	-	-	11,45	0,07	11,52
Dividend income	-3,52	0,05	25,11	-	7,73	29,37
Total	37,46	13,04	36,13	24,38	18,96	129,97

Other income amounted to EUR 17m for the nine-month period. This is due to the sale of Property Group.

Expenses

The Bank's operating expenses rose 186.5% year-on-year to EUR 72.2m for the first nine months of 2007. Operating expenses totalled EUR 25.2m for the same period in 2006. For the third quarter of 2007, operating expenses rose 275% year-on-year to EUR 30.0m, up from EUR 8.0m for the same period a year ago. The year-on-year increase is primarily due to the significant expansion of staff and the overall increase in the Bank's business activities, both in Iceland and abroad. The cost income ratio for Q3 2007 was 26.41%.

Salaries and salary-related expenses for the first nine months of 2007 totalled EUR 42.1m, up 235.0% from the same period in 2006. Salaries and salary-related expenses in Q3 2007 totalled EUR 22.5m. This is a year-on-year increase of 401.1%. Full-time position equivalents totalled 439 at the end of Q3 2007, as compared with 77 at the end of the same period a year ago. The Bank's staff therefore expanded by 355 between years.

Other operating expenses totalled EUR 30.1m during the first nine months of the year, up EUR 17.5m year-on-year. For the third quarter of 2007, other operating expenses rose 113.3% year-on-year to EUR 7.4m, up from EUR 3.4m for the same period a year ago. The growth in business activity across the Bank's divisions and the opening of new offices are the main drivers of this increase.

Loan impairment amounted to EUR 11.6m for the first nine months of the year, as compared with EUR 8.5m for the same nine-month period in 2006. Increased impairment is explained primarily by the expansion of the Bank's loan portfolio, which grew by 97% in the first nine months of 2007.

For the first nine months of the current year, income tax totalled EUR 26.0m, which is equivalent to 13.7% of profit before tax. For the same period in 2006, income tax amounted to EUR 49.3m, equivalent to 17.1% of pre-tax profit.

Balance Sheet					
<i>Thousand EUR</i>	30.9.2007	31.12.2006		30.9.2007	31.12.2006
Financial assets held for trading	1.214.075	1.330.102	Financial liabilities held for trading	69.246	87.686
Net gains on financial assets designated at fair value through profit & loss	926.920	658.355	Deposits from credit institutions	140.910	0
Financial assets available for sale	404.628	0	Other deposits	1.299.567	0
Loans and receivables	3.699.673	2.046.242	Borrowings	3.225.048	2.572.772
Investment in associated companies	0	539	Subordinated loans	114.562	88.690
Property and equipment	21.876	14.089	Tekjuskattur til greiðslu	61.060	50.861
Investment properties	0	67.784	Tekjuskattsskuldbinding	29.169	6.247
Intangible assets	407.796	186.777	Aðrar skuldir	319.431	57.489
Tax asset, deferred	1.901	0	Eigið fé	1.616.379	1.473.787
Other assets	209.655	53.874	Skuld við minnihluta	11.152	20.231

Assets

The Bank's total assets amounted to EUR 6,886.5m at the end of the nine-month period, as opposed to EUR 4,357m at the beginning of the year. The increase in total assets during the first nine months of the year amounted to 58.0%.

Financial assets totalled EUR 2,545.6m at the end of Q3 2007, as opposed to EUR 557.2m at the beginning of the year. This is an increase of 28.0%. Listed and unlisted bonds and other interest-bearing assets amounted to EUR 1,214.0m at the end of the third quarter of 2007, up 150.8% since the beginning of the year. Listed and unlisted equities and other variable-income assets totalled EUR 1,212.8m at the end of Q3 2007. In addition, the Bank holds shares valued at EUR 268m that are hedged with derivative contracts.

Listed equities totalled EUR 800.2m at the end of the third quarter of 2007, or roughly 11.6% of the Bank's total assets at the end of the quarter. The following table shows the Bank's five largest listed equity positions at the end of the third quarter:

Listed

Rank	Counterparty	Exposure	Country	Industry
1	Netia	134	Poland	Deversified Telecommunication Services
2	QXL	71	Global	Internet Software & Services
3	Forthnet	44	Greece	Deversified Telecommunication Services
4	Tanganyika Oil Company Ltd.	32	Sweden	Oil. Gas & Consumable Fuels
5	Hungarian Telephone & Cable	24	Hungary	Deversified Telecommunication Services

Unlisted equities totalled EUR 412.6m, or 6.0% of the Bank's total assets at the end of Q3 2007. This is down from 6.9% at the beginning of the year. The following table shows the Bank's five largest unlisted equity positions at the end of the third quarter:

Unlisted

Rank	Counterparty	Exposure	Country	Industry
1	P4	114	Poland	Margvísleg fjarskiptáþjónusta
2	Novator Pharma Holding 1 hf.	80	Iceland	Pharmaceuticals
3	CCP	29	Global	Internet Software & Services
4	Carera Global Investments Ltd.	25	Bulgaria	Deversified Telecommunication Services
5	TM Software hf.	22	Iceland	Software

Loans and receivables totalled EUR 3,699.7m at the end of Q3 2007, as opposed to EUR 2,046.2m at the beginning of the year, an increase of 80.8%. Loans to customers totalled EUR 2,340m at the end of Q3 2007, up 73.2% from EUR 1,351m at the beginning of the year.

Liabilities and equity

Current liabilities totalled EUR 69.3m at the end of the third quarter of 2007, down from EUR 87.7m at the beginning of the year.

Deposits amounted to EUR 1,422m at the end of third quarter. In Q3 2007 the bank was granted a commercial banking licence, which authorises it to receive deposits; therefore, this item has not appeared in previous accounting periods. Deposits as a proportion of loans to customers amounted to 61% at the end of the third quarter of 2007.

Borrowings totalled EUR 3,225.0m at the end of Q3 2007, up 25.4% from EUR 2,572.7m at the beginning of the year.

The subordinated loan position was EUR 114.6m at the end of the period, as opposed to EUR 88.7m at the beginning of the year.

The deferred tax liability totalled EUR 90.2m at the end of Q3, and other liabilities amounted to EUR 319.4m.

Equity amounted to EUR 1,627.5m at the end of the third quarter of 2007, compared with EUR 1,494.0m at the beginning of the year. This is an increase of 8.9%.

The CAD ratio was 28.7% at the end of Q3 2007, down from 37.6% at the beginning of the year. Tier 1 ratio amounted to 26.3% at the end of the period, as opposed to 35.2% at the beginning of the year. Straumur's target is to maintain a long-term CAD ratio of at least 15%.

At the end of the third quarter of 2007, the Bank's shareholders numbered 21,890. Samson Global Holding SARL, Straumur's largest shareholder, owned 32.9% of the Bank's shares at the end of the period. Samson is the only shareholder with a stake of over 10% in the Bank. At the end of the third quarter of 2007, the nominal value of issued share capital in the Bank was 10,359,144,971, divided into the same number of shares.

Operating results of business units

Straumur divides its operations into six business units and several supporting divisions. The business units are: Debt Finance, Capital Markets, Treasury, Corporate Finance, Asset Management, and Proprietary Trading.

Q3 2007 Income statement - split on business lines

	Proprietary trading	Capital markets	Corporate finance	Debt finance	Asset management	Treasury	Other operation and elimination	Total
<i>Thousand EUR</i>								
Net interest income	-8.457	-55	-4.091	42.973	2.597	12.177	685	45.829
Net fee and commission income	-415	30.526	47.747	14.531	3.464	-1.384	-1	94.468
Dividend income	25.769	48	45				3.512	29.374
Net gains on financial assets and liabilities held for trading	80.491	3.570	3.096	341	-849		1.038	87.687
Net gains on financial assets designated at fair value through profit & loss		-36	8.813	3	93	17	3.968	12.858
Net foreign exchange gains (losses)	-22.875	28	380			8.361	1	-14.105
Other income		13	15.981		7		1.377	17.378
Operating income	74.513	34.094	71.971	57.848	5.312	19.171	10.580	273.489
Operating expenses	-4.913	-13.920	-18.726	-11.041	-4.398	-11.191	-8.053	-72.242
Impairment		2	-2.147	-9.494				-11.638
Effects of related parties					-16		-6	-22
Profit (loss) before tax	69.600	20.176	51.098	37.313	898	7.980	2.521	189.587

Debt Finance

The division's operating income amounted to EUR 26.1m in Q3, a quarter-on-quarter increase of 65.2%. Total expenses were unchanged between quarters at EUR 3.8m.

Debt Finance - Results

<i>Thousand EUR</i>	Q3 2007	Q2 2007	Q1 2007	Q4 2006	Q3 2006
Net interest income	19.109	13.018	10.846	17.020	16.005
Net fee and commission income	7.286	2.092	5.153	2.428	695
Dividend income					
Net gains on financial assets and liabilities held for trading		341		125	
Net gains on financial assets designated at fair value through profit & loss	-328	331		-125	
Net foreign exchange gains (losses)					
Other income					
Operating income	26.067	15.782	15.999	19.448	16.701
Operating expenses	-3.833	-3.775	-3.433	-3.466	-1.818
Impairment	-3.380	-3.252	-2.862	-3.374	-2.052
Profit (loss) before tax	18.854	8.755	9.704	12.608	12.831

Capital Markets

Operating income during the quarter totalled EUR 4.8m, compared with EUR 19.3m in Q2 2007.

Capital Markets - Results

<i>Thousand EUR</i>	Q3 2007	Q2 2007	Q1 2007	Q4 2006	Q3 2006
Net interest income	-2.294	2.217	22	-11	-182
Net fee and commission income	9.896	10.613	10.017	9.394	5.803
Dividend income	-1	49			
Net gains on financial assets and liabilities held for trading	-2.813	6.383			
Net gains on financial assets designated at fair value through profit & loss	-36				
Net foreign exchange gains (losses)	28				
Other income	-7	20			
Operating income	4.773	19.282	10.039	9.382	5.620
Operating expenses	-7.416	-5.227	-1.277	-1.254	-866
Impairment	1	1			
Profit (loss) before tax	-2.642	14.056	8.762	8.128	4.754

Treasury

Operating income amounted to EUR 3.5m, a quarter-on-quarter drop of 65.0%.

Net interest income rose between quarters by 27.6%. Total expenses amounted to EUR 3.4m in the third quarter of 2007, down 14.1% from the previous quarter.

Treasury - Results

<i>Thousand EUR</i>	Q3 2007	Q2 2007	Q1 2007	Q4 2006	Q3 2006
Net interest income	1.044	818	10.315	19.289	18.388
Net fee and commission income	-375	-233	-776		46
Dividend income	-48	48			
Net gains on financial assets and liabilities held for trading	-920	803	116		
Net gains on financial assets designated at fair value through profit & loss		17			
Net foreign exchange gains (losses)	3.826	8.622	-4.087	30.632	844
Other income					
Operating income	3.527	10.075	5.568	49.920	19.277
Operating expenses	-3.418	-3.977	-3.796	-3.363	-1.813
Impairment					
Profit (loss) before tax	109	6.098	1.772	46.557	17.465

Corporate Finance

Operating income totalled EUR 11.3m in Q3 2007, as opposed to EUR 53.4m in the second quarter of the year. Net commission income amounted to EUR 2.2m in the third quarter of 2007, down EUR 27.2m quarter-on-quarter. Total expenses rose by EUR 0.4m in Q2 to total EUR 6.9m in the third quarter.

Corporate Finance

<i>Thousand EUR</i>	Q3 2007	Q2 2007	Q1 2007	Q4 2006	Q3 2006
Net interest income	5.561	-5.105	-4.547	-4.913	-5.483
Net fee and commission income	2.179	29.424	16.144	14.113	13.007
Dividend income	-50	95			57
Net gains on financial assets and liabilities held for trading	9.490	-6.174	-220	83.755	5.540
Net gains on financial assets designated at fair value through profit & loss	-22.208	40.262	-9.241		
Net foreign exchange gains (losses)	380				
Other income	15.981	-5.105	5.105		
Operating income	11.333	53.397	7.241	102.212	13.121
Operating expenses	-6.864	-6.415	-5.447	-8.664	-3.466
Impairment	-876	-1.270			
Profit (loss) before tax	3.593	45.712	1.794	93.548	9.656

Asset Management

The division's operating income amounted to EUR 3.2m, a quarter-on-quarter increase of 48.5%. Net commission income totalled EUR 3.2m in Q3, an increase of 110.7% from the previous quarter. Total expenses were EUR 2.7m, a quarter-on-quarter increase of 55.5%.

Asset Management - Results

<i>Thousand EUR</i>	Q3 2007	Q2 2007
Net interest income	1.956	641
Net fee and commission income	2.349	1.115
Dividend income		
Net gains on financial assets and liabilities held for trading	-951	102
Net gains on financial assets designated at fair value through profit & loss	93	
Net foreign exchange gains (losses)		
Other income	-273	280
Operating income	3.174	2.138
Operating expenses	-2.677	-1.721
Impairment		
Effects of related parties		-16
Hagnaður fyrir tekjuskatt	497	401

Proprietary Trading

The division's operating income was negative in the amount of EUR 16.7m in Q3 2007, compared with an operating profit of EUR 36.8m in the second quarter of the year.

Proprietary Trading - Results

<i>Thousand EUR</i>	Q3 2007	Q2 2007	Q1 2007	Q4 2006	Q3 2006
Net interest income	712	-3.631	-5.538	-24.852	-13.372
Net fee and commission income	-31	-134	-250	34	114
Dividend income	1.670	6.971	17.128	5.848	296
Net gains on financial assets and liabilities held for trading	-19.716	32.549	67.658	37.380	32.319
Net gains on financial assets designated at fair value through profit & loss				-422	-2.143
Net foreign exchange gains (losses)	675	1.040	-24.590	6.395	-37.699
Other income					
Operating income	-16.690	36.795	54.408	24.384	-20.486
Operating expenses	-1.967	-1.380	-1.566	-1.471	-1.345
Impairment					
Profit (loss) before tax	-18.657	35.415	52.842	22.914	-21.831

Three year overview

EUR m	9m 2007	2006	2005	2004
Total assets	6887	4.358	3.472	1.073
Equity at end of period	1628	1.494	1.538	383
Shares at end of period	104	100	139	65
Net operating income	273	490	453	103
Operating costs	-72	-41	-17	-6
Profit before tax	190	438	431	96
Profit after tax	164	478	358	80
Return on equity on annual basis	15,50%	42,00%	46,50%	34,50%
Full-time equivalent positions	439	109	52	17
Net operating income/total assets	4,00%	11,2%	13,1%	9,6%
Net operating cost/total assets	1,4%	0,9%	0,5%	0,6%
Cost/income	26,4%	8,3%	3,9%	6,1%

Events in the third quarter

Straumur formally opened its office in Stockholm.

The Financial Supervisory Authority issued Straumur a commercial banking licence, which grants the Bank increased authority to receive deposits.

In September the Financial Supervisory Authority approved Straumur's acquisition of a 50% stake in the Czech investment bank Wood & Company.

A new Chief Executive Officer was engaged, and a 90-day period of review and re-evaluation of the Bank's current policies and operational model ensued. The results of that review were presented on 10 September 2007.

Financing and credit rating

Deposits

The Financial Supervisory Authority recently granted the Bank a commercial banking licence, which authorises it to receive deposits. The Bank's objective is to solicit deposits in the markets in which it operates and to increase the ratio of deposits to total liabilities.

Strong liquid asset position

The Bank's liquid asset position has grown stronger. At the end of third quarter, cash, cash equivalents and committed loan facilities support the bank's commitment for 120 days.

Developments in credit ratings

Fitch Ratings confirmed Straumur's credit rating on 25 May 2007: Default BBB-, Short-term F3, Individual C/D, Support 3, Outlook stable.

Auditing

The annual financial statements for Q3 2007 have been examined by the Bank's auditor, KPMG Endurskodun hf.

Personnel

At end of the quarter, there were 439 full-time position equivalents at Straumur Investment Bank.

Information disclosure

Straumur Investment Bank is dedicated to providing timely, reliable, correct, and appropriate information to the market, both through the OMXI Stock Exchange News System, on its own website, and in the press. The Bank's aim is to guarantee all stakeholders access to explicit and accurate information on its operations and projects at any given time.

Publication of next earnings reports

The publication of the annual and Q4 financial statements is scheduled for 29 January 2008.

Presentation of results

A presentation will be held for shareholders and market participants at Gamla Rúgbraudsgerdin, Borgartún 6, top floor, on Thursday 25 October 2007. The CEO of Straumur Investment Bank, will present the Bank's operating results and answer questions. The presentation will take place in English.

The meeting will begin punctually at 08:30 a.m. Refreshments will be offered beginning at 08:00 a.m.

Agenda:

08:00 Building open; refreshments offered

08:30 Straumur CEO William Fall presents the Bank's operating results for the third quarter of 2007

08:50 Questions from the floor; previously submitted questions answered

09:15 Meeting adjourned

The meeting will be chaired by Kristinn D. Grétarsson.