



Condensed Consolidated Interim Financial Statements

1 January - 31 March 2007

Exista hf.
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Iceland
ID 610601-2350

Exista hf.

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Endorsement by the Board of Directors and CEOs

The condensed consolidated interim financial statements for the period 1 January to 31 March 2007 consist of the consolidated interim financial statements of Exista hf. and its subsidiaries. The consolidated interim financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

According to the consolidated income statement, profit for the period amounted to EUR 641 million. Total assets, according to the balance sheet, amounted to EUR 6,762 million at the end of the period. Total equity, according to the balance sheet, amounted to EUR 2,643 million at the end of the period.

The Company purchased 11.6% in Sampo Oyj. during the period and is its largest shareholder with a total ownership of 15.6% at the end of March 2007.

It is the opinion of the board of directors and CEOs that these interim financial statements present the necessary information to evaluate the financial position of the Company at the end of March 2007 and its operating results and financial developments for the period 1 January to 31 March 2007.

The board of directors and CEOs of Exista hf. hereby confirm the condensed consolidated interim financial statements of Exista hf. for the period 1 January to 31 March 2007 with their signatures.

London, 26 April 2007

Board of Directors

Lýður Guðmundsson
Chairman

Ágúst Guðmundsson

Guðmundur Örn Hauksson

Bogi Pálsson

Sigurjón Rúnar Rafnsson

Robert Tchenguiz

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 balance sheet of Exista hf. as of March 31, 2007 and the related statements of income, changes in equity and 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 by 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, 2007, 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, 26 April 2007.

Deloitte hf.

Hilmar A. Alfreðsson
State Authorized Public Accountant

Knútur Þórhallsson
State Authorized Public Accountant

Condensed Consolidated Income Statement for the period 1 January - 31 March 2007

	Notes	<u>1/1 - 31/3 2007</u>	<u>1/1 - 31/3 2006</u>
Financial assets designated at fair value through profit and loss	5	38,163,568	125,047,544
Financial assets held for trading		110,833,298	21,967,854
Dividend	6	5,032,677	20,999,274
Interest revenues	7	18,432,947	205,830
Insurance premium	8	35,212,965	0
Share of profits of associates	18	457,023,170	0
Other revenues	10	3,261,421	0
Total revenues		<u>667,960,046</u>	<u>168,220,503</u>
Insurance claims	9	(26,503,306)	0
Operating expenses	11	(16,680,694)	(1,578,897)
Total expenses		<u>(43,184,000)</u>	<u>(1,578,897)</u>
Profit before financial expenses		624,776,047	166,641,606
Interest expenses		(56,361,785)	(17,353,746)
Net foreign exchange gains (losses)		29,049,445	(39,061,250)
		<u>(27,312,340)</u>	<u>(56,414,995)</u>
Profit before tax		597,463,707	110,226,611
Income tax	12	43,221,008	(3,436,054)
Profit for the period		<u>640,684,714</u>	<u>106,790,556</u>
Attributable to:			
Shareholders of Exista hf.		640,741,848	106,790,556
Minority interest		(57,134)	0
		<u>640,684,714</u>	<u>106,790,556</u>
Earnings per share	14	0.06	0.01

Condensed Consolidated Balance Sheet at 31 March 2007

	Notes	31/3/2007	31/12/2006
Assets			
Financial assets measured at fair value	15	849,541,004	2,272,682,903
Financial assets held for trading	16	478,116,190	837,025,419
Loans and accounts receivable	17	773,488,202	703,842,889
Goodwill		464,635,961	464,816,254
Investments in associates	18	4,056,768,213	0
Reinsurance assets	19	15,692,532	15,832,249
Property and equipment	20	13,351,554	12,200,695
Cash and equivalents		88,419,548	76,085,736
Other assets		22,195,290	12,617,761
Total assets		6,762,208,493	4,395,103,905
 Equity			
Share capital	21	120,565,318	112,344,971
Statutory reserves		22,843,139	22,843,139
Capital reserves		892,681,041	697,873,996
Translation reserves		24,355,954	0
Retained earnings		1,578,334,862	1,061,276,854
Shareholders equity		2,638,780,314	1,894,338,959
Minority interest		4,576,258	5,873,736
Total equity		2,643,356,572	1,900,212,696
 Liabilities			
Borrowings	22	3,668,338,815	2,183,000,172
Technical provisions	23	278,789,060	223,869,191
Deferred income tax liability		21,128,409	60,219,588
Other liabilities		150,595,636	27,802,258
Total liabilities		4,118,851,919	2,494,891,209

Condensed Consolidated Statement of changes in Equity for the period 1 January - 31 March 2007

	Share capital	Reserves	Retained earnings	Translation reserves	Minority interest	Total
Equity 1 January 2006	101,244,313	227,358,460	792,792,089	(1,568,049)	0	1,119,826,813
Dividends paid			(58,261,478)			(58,261,478)
Translation out			(1,568,049)	1,568,049		0
Profit for the period			97,632,103			97,632,103
Equity 31 March 2006	101,244,313	227,358,460	830,594,666	0	0	1,159,197,438
Equity 1 January 2007	112,344,971	720,717,134	1,061,276,854	0	5,873,736	1,900,212,695
Change in minority interest					(1,240,344)	(1,240,344)
Issue of share capital	5,918,268	139,671,126				145,589,394
Dividends paid			(123,683,840)			(123,683,840)
Profit for the period			640,741,848		(57,134)	640,684,714
Own shares sold	2,302,079	55,135,919				57,437,998
Translation difference				24,355,954		24,355,954
Equity 31 March 2007	120,565,318	915,524,180	1,578,334,862	24,355,954	4,576,258	2,643,356,572

Condensed Consolidated Cash Flow Statement for the period 1 January to 31 March 2007

	1/1 - 31/3 2007	1/1 - 31/3 2006
Net cash from (to) operating activities	60,045,226	(11,114,769)
Net cash used in investing activities	(1,358,633,861)	(51,094,517)
Net cash provided by financing activities	1,310,958,331	43,035,177
Net increase (decrease) in cash and cash equivalents	12,369,697	(19,174,109)
Cash and equivalents at beginning of year	76,085,736	66,467,861
Effect of foreign exchange rate changes	(35,885)	(6,516,697)
Cash and equivalents at the end of the period	88,419,547	40,777,055

Notes to the condensed consolidated interim financial statements

1. General information

Exista hf. is a company incorporated and domiciled in Iceland. The condensed interim consolidated financial statements for the three months ended 31 March 2007 comprise Exista hf. (the parent or the Company) and its subsidiaries (together referred as the Group).

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

2. Significant accounting policies

The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) no. IAS 34, *Interim Financial Reporting*, as adopted by the European Union. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2006. The condensed interim consolidated financial statements have been prepared under the historical cost basis, except for the following assets and liabilities that are stated at their fair value: financial instruments designated at fair value through profit and loss, financial instruments held for trading and financial liabilities held for trading.

The financial statements are prepared in euro. The change in functional currency from Icelandic krona to euro was made as of 1 January 2007 after receiving the proper authorization from regulatory authorities. This change is carried out in order to reflect in a more transparent way the focus of the group's operation and economic changes with regards to the euro exposure as it's main currency. The comparative figures for the same period in 2006 have been translated to euro.

The following are new and updated standards and interpretations that are effective for annual financial statements 2007:

- IAS 32, *Financial instruments, presentation*
- IFRS 7, *Financial instruments, disclosures*
- IFRIC 7, *Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies*
- IFRIC 8, *Scope of IFRS 2*
- IFRIC 9, *Reassessment of Embedded Derivatives*
- IFRIC 10, *Interim Financial Reporting and Impairment*

The adoption of those new and updated standards and interpretations has not resulted in changes of accounting policies applied in recognition and measurement.

Adoption of IFRS 7 in annual financial statements 2007 will in relation to financial statements 2006 result in changes and addition to information disclosed in notes regarding financial instruments. IFRS 7 is not applicable for interim reports.

Notes to the condensed consolidated interim financial statements

3. Business segments

Exista's operation is based on two foundations: the Operating Businesses and the Investment Businesses. The businesses are monitored and supported by three divisions at group level: Group Finance, Group Risk Management and Group Communications.

Operational Businesses

Exista Insurance comprises three subsidiaries that are fully or majority owned by Exista. The non-life insurance companies Vátryggingarfélag Íslands and IGI Group, and the life insurance company Líftryggingarfélag Íslands.

The asset finance business of Exista is operated through its subsidiary Lýsing hf., which offers various financing products to commercial and private clients.

Exista Trading manages proprietary trading for the parent company and handles asset management for the parent company and its subsidiaries.

Investment Businesses

The Investment Businesses are among Iceland's largest investment operations. The investment activity is divided into three businesses, Exista Strategic Holdings, Exista Other Businesses and Exista UK, where each business has a different horizon and investment policy.

The following is an analysis of the Group's revenue and results for the period, analysed by business segments.

	Operating	Investments	Total Q1 2007	Total Q1 2006
Investment revenues	117,647,598	493,405,115	611,052,713	168,014,672
Insurance premium	35,212,965	0	35,212,965	0
Interest revenues	17,729,048	703,899	18,432,947	205,830
Other revenues	3,200,007	61,414	3,261,421	0
Revenues.....	<u>173,789,618</u>	<u>494,170,428</u>	<u>667,960,046</u>	<u>168,220,502</u>
Insurance claims	(26,503,306)	0	(26,503,306)	0
Operating expenses	(12,423,613)	(4,257,080)	(16,680,694)	(1,578,897)
Expenses.....	<u>(38,926,919)</u>	<u>(4,257,080)</u>	<u>(43,184,000)</u>	<u>(1,578,897)</u>
<i>Profit before financial expenses</i>	134,862,699	489,913,348	624,776,047	166,641,605
Financial expenses	(4,050,931)	(23,261,409)	(27,312,340)	(56,414,995)
<i>Profit before tax</i>	<u>130,811,768</u>	<u>466,651,939</u>	<u>597,463,707</u>	<u>110,226,610</u>
Income tax	43,238,170	(17,162)	43,221,008	(3,436,054)
<i>Profit for the period</i>	<u><u>174,049,937</u></u>	<u><u>466,634,777</u></u>	<u><u>640,684,714</u></u>	<u><u>106,790,556</u></u>

Notes to the condensed consolidated interim financial statements

Segment assets			Total	Total
	Operating	Investments	31 March 2007	31 Dec. 2006
Financial assets measured at fair value	0	849,541,004	849,541,004	2,272,682,903
Financial assets held for trading	456,090,175	22,026,015	478,116,190	837,025,419
Loans and accounts receivable	764,573,805	8,914,397	773,488,202	703,842,889
Goodwill	4,463,452	460,172,509	464,635,961	464,816,254
Investments in associates	366,574,748	3,690,193,465	4,056,768,213	0
Reinsurance assets	15,692,532	0	15,692,532	15,832,249
Property and equipment	9,839,500	3,512,054	13,351,554	12,200,695
Cash and equivalents	48,640,288	39,779,260	88,419,548	76,085,736
Other assets	19,171,442	3,023,848	22,195,290	12,617,761
Assets total.....	<u>1,685,045,941</u>	<u>5,077,162,551</u>	<u>6,762,208,493</u>	<u>4,395,103,905</u>

4. Quarterly consolidated income statements

	2007		2006		
	1st quarter	4th quarter	3rd quarter	2nd quarter	1st quarter
At fair value.....	38,163,568	24,568,349	309,039,793	(95,702,033)	125,047,544
Held for trading.....	110,833,298	103,756,070	2,893,977	1,005,519	21,967,854
Dividend.....	5,032,677	58,293,665	518,289	238,030	20,999,274
Interest revenues.....	18,432,947	22,759,951	16,752,675	9,092,150	205,830
Insurance premium.....	35,212,965	25,614,815	35,040,977	10,544,217	0
Share in profit of associates.....	457,023,170	0	0	0	0
Other revenues.....	3,261,421	2,470,628	3,743,997	1,086,749	0
	<u>667,960,046</u>	<u>237,463,478</u>	<u>367,989,707</u>	<u>(73,735,368)</u>	<u>168,220,503</u>
Insurance claims.....	(26,503,306)	(21,839,457)	(28,053,863)	(6,846,249)	0
Operating expenses.....	(16,680,694)	(17,581,788)	(23,163,874)	(7,290,064)	(1,578,897)
	<u>(43,184,000)</u>	<u>(39,421,244)</u>	<u>(51,217,737)</u>	<u>(14,136,313)</u>	<u>(1,578,897)</u>
<i>Profit before financial expenses.....</i>	624,776,047	198,042,234	316,771,970	(87,871,681)	166,641,606
Interest expense.....	(56,361,785)	(37,735,388)	(26,708,830)	(21,270,389)	(17,353,746)
Net fx gains (losses).....	29,049,445	(8,043,241)	20,225,764	(23,048,808)	(39,061,250)
	<u>597,463,707</u>	<u>152,263,604</u>	<u>310,288,904</u>	<u>(132,190,878)</u>	<u>110,226,611</u>
Income tax.....	43,221,008	(4,828,419)	(8,267,098)	6,286,957	(3,436,054)
Profit (loss) for the period.....	<u><u>640,684,714</u></u>	<u><u>147,435,185</u></u>	<u><u>302,021,806</u></u>	<u><u>(125,903,922)</u></u>	<u><u>106,790,556</u></u>

Notes to the condensed consolidated interim financial statements

5. Financial assets designated at fair value through profit and loss

	Q1 2007	Q1 2006
Shares - listed	38,163,568	125,047,544
	<u>38,163,568</u>	<u>125,047,544</u>

6. Dividend

	Q1 2007	Q1 2006
Financial assets measured at fair value.....	4,875,931	20,999,274
Financial assets held for trading.....	156,746	0
	<u>5,032,677</u>	<u>20,999,274</u>

Total received dividend during the period amounted to EUR 31.7 million, thereof EUR 26.7 million from associated companies. Dividend from associated companies is not recognized in the income statement since they are accounted for by equity method.

7. Interest revenues

	Q1 2007	Q1 2006
Interest revenue from bonds.....	13,432,068	0
Other interest revenues.....	5,000,879	205,830
	<u>18,432,947</u>	<u>205,830</u>

8. Insurance premiums, net of reinsurance

	Q1 2007
Premiums written.....	70,034,806
Reinsure's share.....	(4,635,997)
Change in the gross provision for unearned premiums.....	(25,381,941)
Change in other technical provision of life assurance policyholders who bear the investment risk.....	(627,935)
Change in the provision for unearned premiums, reinsurer's share.....	(4,490,707)
Unrealized gain on investments of life-assurance policyholders who bear the investment risk.....	314,739
	<u>35,212,965</u>

9. Insurance claims, net of reinsurance

	Q1 2007
Claims paid.....	29,630,145
Claims paid, reinsure's share.....	(1,853,422)
Change in the provision for claims.....	(2,965,845)
Change in the provision for claims, reinsures' share.....	1,692,428
	<u>26,503,306</u>

Notes to the condensed consolidated interim financial statements

10. Other revenues

	Q1 2007
Security services (ÖMÍ).....	2,806,159
Other operating income.....	455,262
	3,261,421

11. Operating expenses

	Q1 2007	Q1 2006
Salaries and related expenses.....	8,023,531	756,889
Administration expenses.....	3,232,812	561,653
Depreciation and amortization.....	389,693	36,601
Other operating expenses.....	5,034,658	223,754
	16,680,694	1,578,897

12. Income tax

In line with ongoing tax planning of the Group as a whole a transferral of strategic assets between daughter companies of Exista hf. was executed in the quarter, resulting in a positive income tax (reverse tax charge) in the income statement.

13. Dividend paid

In April 2007, a dividend of ISK 1.00 per share, total dividend ISK 10,838 million (EUR 124 million) will be paid to shareholders. In the year 2006, a dividend of ISK 0.58 per share, total dividend ISK 5,000 million (EUR 57 million) was paid to shareholders.

14. Earnings per share

	Q1 2007	Q1 2006
Profit for the period (attributable to shareholders of Exista hf.)	640,741,848	106,790,556
* Weighted average number of ordinary shares for basic earnings per share calculation	11,262,427,038	8,688,786,915
Earnings per share	0.06	0.01

* Shares are registered in ISK (icelandic krona)

Notes to the condensed consolidated interim financial statements

15. Financial assets measured at fair value

	31/03/2007	31/12/2006
Shares - listed	645,416,051	2,065,249,275
Shares - other	204,124,953	207,433,628
	849,541,004	2,272,682,903

Shares in listed companies specifies as follows:

	Share %	Nominal value	Closing price	31/03/2007	31/12/2006
* Kaupthing banki hf.....	-	-	-	0	1,515,057,038
Bakkavor hf.....	39.63%	855,151,478	ISK 65.7	641,144,039	545,799,477
Flaga Group hf.....	22.01%	158,625,601	ISK 2.36	4,272,012	4,392,760
Listed shares total				645,416,051	2,065,249,275

* Investment in Kaupthing banki hf. is accounted for by equity method from 1 January 2007 and is classified among associated companies since then.

Shares in unlisted companies specifies as follows:

	Share %	Acquisition price	Closing price	31/03/2007	31/12/2006
Skipti hf.....	43.60%	ISK 13,501,019,634	-	154,168,532	142,794,985
Other.....	-	-	-	49,956,421	64,638,643
Unlisted shares total				204,124,953	207,433,628

16. Financial assets held for trading

	31/03/2007	31/12/2006
Shares - listed	264,113,053	678,609,904
Shares - unlisted	2,019,743	29,921,052
Funds - listed.....	20,804,368	31,793,684
Funds - unlisted.....	21,784,898	15,421,316
Bonds - listed.....	71,929,435	66,734,510
Bonds - unlisted.....	10,859,552	10,181,741
Other.....	86,605,141	4,363,212
	478,116,190	837,025,419

17. Loans and accounts receivable

	31/03/2007	31/12/2006
Leasing contracts	602,632,878	562,308,438
Bonds and bills	103,637,644	93,765,013
Insurance receivables	65,350,298	35,056,854
Other	1,867,382	12,712,583
	773,488,202	703,842,889

Notes to the condensed consolidated interim financial statements

18. Investments in associates

Changes in investments in associates:

	31/03/2007
Investments in associates at the beginning of the year	10,700,285
Purchases of shares in associates	1,501,706,793
Transfers	1,984,613,120
* Share of results	457,023,170
Foreign exchange translation difference	102,724,845
Investments in associates at the end of period	4,056,768,213

* Share in profit of Sampo and Kaupthing is based on estimates, performed and published by market analysts.

Investments in associates specifies as follows:

Name of associate	Nominal value	Incorporation	Ownership	Principal activity	Market value 31/03/2007
Kaupthing banki hf.	170,439,413	Iceland	23.02%	Banking	2,001,393,997
** Sampo Oyj	90,121,408	Finland	15.58%	Financial services	2,047,558,390
Other	-	-	-	-	10,171,346
Associates total					4,059,123,733

** During the period, Exista completed an agreement to acquire 55,340,400 A-shares in Sampo, held by Exafin B.V. an indirect wholly-owned subsidiary registered in the Netherlands. Exafin B.V. was previously an indirect subsidiary of the Tchenguiz Family Trust. Prior to this transaction, Exista had control of 34,781,008 A-shares in Sampo via Exista Trading ehf. and Vátryggingafélag Íslands hf., two wholly-owned subsidiaries registered in Iceland.

At 31 March 2007, Exista is the largest shareholder and controls 90,121,408 A-shares in Sampo, representing 15.58% of total share capital.

Market value compared to book value:

	31/03/2007
Market value of associates	4,059,123,733
Book value of associates	4,056,768,213
Market value exceeding book value	2,355,520

19. Reinsurance assets

	31/03/2007	31/12/2006
Reinsurance share in the technical provisions:		
Premium reserve	8,566,541	6,110,159
Claims reserve	7,125,991	9,722,089
Reinsurance assets, total	15,692,532	15,832,249

Notes to the condensed consolidated interim financial statements

20. Property and equipment

	Property	Equipment	Total
Cost or valuation			
At 1 January 2007.....	12,313,816	9,822,502	22,136,318
Additions.....		634,843	634,843
Disposals.....		(53,159)	(53,159)
Net foreign currency exchange difference.....	980,834	676,637	1,657,471
At 31 March 2007.....	<u>13,294,650</u>	<u>11,080,823</u>	<u>24,375,473</u>
Accumulated depreciation			
At 1 January 2007.....	5,381,690	4,553,933	9,935,623
Charge for the period.....	109,006	280,687	389,693
Eliminated on disposal.....		(25,521)	(25,521)
Net foreign currency exchange difference.....	430,426	293,698	724,124
At 31 March 2007.....	<u>5,921,122</u>	<u>5,102,797</u>	<u>11,023,919</u>
Carrying Amount			
At 1 January 2007.....	<u>6,932,126</u>	<u>5,268,569</u>	<u>12,200,695</u>
At 31 March 2007.....	<u>7,373,528</u>	<u>5,978,026</u>	<u>13,351,554</u>
Depreciation rates.....	2-4%	20-35%	

The assessment- and insurance value for the company's assets is analyzed as the following:

	Assessment value	Insurance value
Property	14,923,506	16,796,873
Equipment		4,505,021

21. Share capital

Share capital at 31 March 2007 amounted to ISK 11,361,092,458 (EUR 120,565,318) with the nominal value of each share amounting ISK 1. Share capital was increased during the period by ISK 522,346,339 (EUR 5,918,268).

Notes to the condensed consolidated interim financial statements

22. Borrowings

Borrowings specifies as follows:

	31/03/2007	31/12/2006
Debts in CHF	247,055,340	225,188,115
Debts in DKK	43,554,798	43,256,889
Debts in EUR	2,115,631,377	786,447,232
Debts in GBP	54,852,424	54,845,672
Debts in JPY	177,401,339	160,387,218
Debts in NOK	62,537,995	61,943,282
Debts in USD	153,906,366	154,235,253
Debts in ISK	780,020,862	674,198,738
	<u>3,634,960,501</u>	<u>2,160,502,399</u>
Accrued interests	33,378,314	22,497,773
	<u>3,668,338,815</u>	<u>2,183,000,172</u>
On demand	18,653,575	16,324,276
Up to 3 months	1,444,604,324	268,150,349
Over 3 months and up to a year	1,159,139,950	801,631,766
Over 1 year and up to 5 years	983,710,270	1,057,120,990
Over 5 years	62,230,696	39,772,791
	<u>3,668,338,815</u>	<u>2,183,000,172</u>
Bonds issued	240,359,166	318,018,462
Bills issued	282,105,719	123,735,602
Money market loans	76,950,412	47,537,677
Other loans	3,068,923,518	1,693,708,431
	<u>3,668,338,815</u>	<u>2,183,000,172</u>

23. Technical provision

	31/03/2007	31/12/2006
Technical provisions total		
Claims reported and loss adjustment expenses	168,061,526	141,733,845
Claims incurred but not reported	27,719,626	26,192,203
Claims outstanding	195,781,152	167,926,047
Provision for unearned premiums	83,007,908	55,943,143
Technical provisions	<u>278,789,060</u>	<u>223,869,191</u>
Reinsurers' share		
Claims reported and loss adjustment expenses	7,819,781	8,519,657
Claims incurred but not reported	1,067,400	1,202,433
Claims outstanding	8,887,181	9,722,089
Provision for unearned premiums	6,805,351	6,110,159
Reinsurers' share	<u>15,692,532</u>	<u>15,832,249</u>

Notes to the condensed consolidated interim financial statements

24. Subsidiaries and associated companies

Name of subsidiary	Incorporation	Ownership	Principal activity
Áskaup ehf.	Iceland	62.50%	Holding company
Exafin B.V.	Netherlands	100.00%	Holding company
Exista B.V.	Netherlands	100.00%	Investments
Exista Holding B.V.	Netherlands	100.00%	Holding company
Exista Properties ehf.	Iceland	100.00%	Real-estate
Exista Trading ehf.	Iceland	100.00%	Investments
Exista UK Ltd.	United Kingdom	100.00%	Investments
Flutningar ehf.	Iceland	100.00%	Holding company
Frásögn ehf.	Iceland	100.00%	Holding company
IGI Group Ltd.	United Kingdom	54.40%	Insurance
LÍFÍS 3 ehf.	Iceland	100.00%	Holding company
Líftryggingarfélag Íslands hf.	Iceland	100.00%	Life insurance
Lýsing hf.	Iceland	100.00%	Leasing
Pond Street Investments ehf.	Iceland	100.00%	Investments
Vátryggingarfélag Íslands hf.	Iceland	100.00%	Insurance
VÍS 3 ehf.	Iceland	100.00%	Holding company
VÍS International Invest ehf.	Iceland	100.00%	Holding company
Öryggismidstöð Íslands hf.	Iceland	55.44%	Security
<hr/>			
Name of associated company	Incorporation	Ownership	Principal activity
Árkaup ehf.	Iceland	35.70%	Holding company
Framtíðarsýn hf.	Iceland	49.99%	Publishing
Haed 14 ehf.	Iceland	50.00%	Real-estate
Íslensk endurtrygging hf.	Iceland	28.80%	Insurance
Kaupthing banki hf.	Iceland	23.02%	Banking
Sampo Oyj	Finland	15.57%	Financial services

25. Events after the balance sheet date

There have been no material post balance sheet events which would require disclosure or adjustments to the condensed consolidated interim financial statements for the period ended 31 March 2007.

Notes to the condensed consolidated interim financial statements

26. Approval of interim financial statements

The condensed consolidated interim financial statements were approved by the board of directors and CEOs and authorised for issue on 26 April 2007.

27. Key Ratios

	Q1 2007	Q1 2006
Earnings per share (EPS)	0.06	0.01
Return on equity	28.2%	10.0%
Price earnings (P/E)	5.63	-
Price to book (P/B)	1.36	-
Price pr. share in ISK	27.8	-
Equity ratio	39.1%	56.4%
Internal value of shares	21.92	11.45