



January 19, 2007

OPERATING REVENUES OF ISK 42.4 BILLION

Financial Overview of 2006

- **Operating revenues of ISK 42.4 billion**
- **Pre-tax loss ISK 12.5 million**
- **EBITDA ISK 4.4 billion - EBIT ISK 2.5 million**
- **Net loss amounted to ISK 187 million**
- **Total assets at October 31 ISK 64.5 billion (150% increase)**
- **Working capital from operating activities ISK 3.2 billion**
- **Total equity at October 31 ISK 18.6 billion - equity ratio 29.1%**
- **Current ratio 1.16**
- **Eimskip's financials statements to be published in EUR as of 1. Nov 2006**

Baldur Guðnason, CEO of Eimskip, Hf. Eimskipafélag Íslands' subsidiary:

"Eimskip experienced high growth rate in 2006 and performed well. The company invested in several foreign companies and all investments supported Eimskip's vision of increasing its market share in temperature controlled logistics and strengthening its global distribution network."

At the beginning of August Eimskip's parent company, Hf. Eimskipafélag Íslands, announced its intention to make a takeover bid to acquire all of the outstanding trust units of Atlas Cold Storage Income Trust (TSX: FZR.UN) at a price of CDN\$7.00 cash per Unit. The aggregate acquisition cost, including assumed debt of the Trust, will be CDN \$630 million. The offer was made through Eimskip Atlas Canada, Inc. a wholly-owned subsidiary of Eimskip. After the offer was extended three times Eimskip reached an agreement with Atlas Cold Storage to acquire all units of the company at the price of CDN \$7.50 cash per Unit. Following an extensive review of strategic alternatives, the Board of Trustees of Atlas determined that the revised Eimskip offer is fair to unitholders and unanimously recommended that its unitholders accepted the offer.

At the end of September Innovate Holding Limited, Eimskip's subsidiary, acquired the entire share capital of Corby Chilled Distribution Limited, one of the leading players in the UK temperature-controlled primary food distribution market. This acquisition furthers Eimskip's strategy to be a leading logistics provider globally, adding to its existing UK coldstore infrastructure a strong road transportation and cross dock hub network with comprehensive coverage of the UK and substantial capacity for growth. The businesses of Innovate and Corby are highly complementary and together will be able to offer our customers an enhanced range of services in temperature-controlled logistics in the UK.

Eimskip also finalised the acquisition of 65% share in Containerships in September. Containerships and Kursia Linija are now being merged under the name of Containerships and together, these companies become one of the biggest short sea supplier in Europe. Eimskip aims to be the leading short sea supplier in the Baltic states and Russia which is a rapid growth area.

In October Eimskip acquired a 100% share in the transportation company Pacific Trampler Services, Inc. (PTI). PTI has been leading in reefer tramping service for frozen fish in remote Alaska fisheries for over 20 years. The company has its headquarters in Seattle, US and also runs significant port logistics operations in Dutch Harbor, Alaska including, fishing vessel service, stevedoring, and a cold storage. The acquisition strengthened Eimskip's position in Alaska, i.e. with further development of coldstores and modern logistics in Dutch Harbour and China Hub tramper service to Europe and Asia. The plan is also to connect Alaska and the Northwest USA to Eimskip's worldwide cold storage and logistics network.

In December Eimskip opened up its third office in China and signed an agreement with the port officials in Qingdao regarding the operation of the biggest cold store in Qingdao which is a very exciting project.

In January Eimskip announced the acquisition of an additional 60% equity stake in the Dutch cold store company Daalimpex beheer B.V. in the Netherlands. Eimskip previously held 40% of Daalimpex's equity interest.

Daalimpex is one of the largest cold store companies in Europe and operates six cold stores in the Netherlands. This acquisition significantly strengthens Eimskip's reefer logistics in Europe and is a good platform for further development of reefer service in Europe. This acquisition is part of Eimskip's strategy to be a key international player in temperature-controlled cargo globally. Daalimpex is the biggest cold store company in the Netherlands and one of the biggest in Europe. With the acquisition of a majority stake in Innovate and Corby and now the acquisition of 100% share in Daalimpex, Eimskip has become a leading European cold store company and a leading cold store company globally with the acquisition of Atlas Cold Storage in Canada and USA.

Financial statements November 1 2005 to October 31 2006 *

Million ISK	Actual 2006	Actual 2005	Dff. 2005
Transportation income.....	42.437	24.250	18.187
Transportation cost.....	(38.631)	(21.803)	(16.828)
Gross profit.....	3.806	2.447	1.359
Gain on sale of fixed assets.....	420	114	305
Administration.....	(1.629)	(1.284)	(345)
EBIT.....	2.597	1.277	1.319
Financial income and expenses.....	(2.666)	(70)	(2.596)
Influence of affiliated companies.....	56	(10)	67
Profit before taxes.....	(13)	1.197	(1.210)
Income tax.....	(175)	(212)	38
Profit.....	(187)	985	(1.172)
EBITDA.....	4.469	2.615	
EBITDA / Income.....	10,4%	10,8%	
EBIT / Income.....	6,1%	5,3%	
Profit / Income.....	-0,4%	4,1%	

Operating revenue amounted to ISK 42,437 million and increased by 75% compared to 2005. Operating expenses were ISK 38,630 million and increased by 77% compared to last year.

The Group's pre-tax loss was ISK 187 million for the year 2006 and in 2005 there was profit of ISK 985 million.

Eimskip's financial expenses amounted to ISK 2,666 million with approximately ISK 2,000 million in unrealised loss in 2006. Eimskip's board of directors has decided that as of November 1st 2006, Eimskip's financial statements will be published in EUR.

*This annual statement includes twelve months of financial data. The comparison figures for 2005 include ten month figures

Balance sheet

Million ISK	31.10.2006	31.10.2005	Diff.
Assets			
Fixed assets.....	33.110	17.497	15.613
Current assets.....	31.482	8.370	23.112
Total assets.....	64.592	25.867	38.725
Equity			
Stockholders equity.....	16.756	7.363	9.393
Minority interest.....	2.060	99	1.961
Total equity.....	18.816	7.462	11.354
Liabilities			
Long term debt.....	18.661	12.513	6.148
Current liabilities.....	27.114	5.892	21.222
Total liabilities.....	45.775	18.405	27.370
Total equity and liabilities.....	64.592	25.867	38.725
Equity ratio	29,1%	28,8%	
Current ratio	1,16	1,42	

During the year, the balance sheet changed considerably, mostly because of significant acquisitions.

Total assets were ISK 64,591 million in 2006 which is an increase of ISK 38,725 million compared to 2005 and equity increased from ISK 7,461 million to ISK 18,816 million during the year. Loss per share were ISK 0.05 during the year. Current ratio is 1.16 but was 1.42 at year end 2005.

At year end the company held cash available amounting to 14.017 million

Cash flow, main figures

Eimskip's working capital from operations was 3.207 million for the period. Cash flow from operating activities was 2.701 million. Capital expenditure amounted to 8.065 million compared with 4.657 million last year which represents more than a 70% increase.

Future prospects

Eimskip's budget forecasts an improvement in the profitability in the year 2007 compared to the year 2006. Projected turnover in the year 2007 is approximately ISK 100 billion and projected EBITDA is 10 billion.

Eimskip's operations are subject to considerable seasonal fluctuation. As a rule the first quarter is generally the worst performing quarter and the fourth quarter is generally the best performing quarter.

Presentation of annual results

A meeting for shareholders and market participants will be held on January 19 at Eimskip's headquarters in Sundaklettur, Korngörðum 2, at 8:30 to present the Group's annual results. The presentation will be published on the Group's website as soon as the meeting is finished. Magnús Thorsteinsson, Executive Chairman and Baldur Guðnason, CEO of Eimskip will present the Group's results and answer questions.

The Annual Results can be viewed at Eimskip's website: www.eimskip.is

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