After tax losses were ISK 2.117 million.

Finance cost was ISK 1.782 million, including a foreign exchange loss of ISK 1.083 million.

Total depreciation of assets was ISK 702 million, including impairment of goodwill in the amount of ISK 438 million.

Sales revenue was ISK 6.981 million, which is an increase of 27% compared to last year

Cash from operations before interest payments was ISK 683 million

Main results for the first six months of 2008:

- Sales revenue in the period was ISK 6.981 million which is an increase of ISK 1.486 million, or 27% when compared to the same period 2007
- Increase in pro forma sales was 7% when compared to the same period last year*
- Earnings before interest, taxes and depreciation (EBITDA) was ISK 331 million, compared to ISK 413 million in the same period in 2007
- The EBITDA proportion was 5%
- Net finance cost was ISK 1.782 million, including a foreign exchange loss of ISK 1.083 million.
- Cash and cash equivalents was ISK 207 million at the end of second quarter
- Equity was ISK 2.581 million and equity ratio was 18,1%

Main results for the second quarter of 2008:

- Sales revenue in the period was ISK 3.520 million which is an increase of ISK 706 million, or 25% when compared to the same period 2007
- Increase in pro forma sales was 4% when compared to the same period last year**
- Earnings before interest, taxes and depreciation (EBITDA) was ISK 144 million, compared to ISK 274 million in the same period in 2007
- The EBITDA proportion was 4% compared to 10% for the same period last year.
- Net finance cost was ISK 602 million.

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* Excluded from the interim financial statements for the first quarter of 2008 were EFG's foreign operations and two of Sena's subsidiaries (Concert and Þrjú Bíó, the operational company for Háskólabíó). Innn was included in the consolidated financial statements

** Excluded from the interim financial statements for the second quarter of 2008 were EFG's foreign operations and one of Sena's subsidiaries (Concert). Innn was included in the consolidated financial statements and Pósthúsið was added in the second quarter of 2008.

365 hf. Interim financial Statements for January 1st to June 30th 2008

Accounting methods and the board's confirmation
The company's interim financial statements have been prepared in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The board confirmed the interim financial statements on July 25th, 2008.

Income Statement
The operation of 365 hf. is segregated into two segments, on the one hand is the media operation which includes the 365 miðlar ehf. and Pósthúsið ehf. On the other hand is the entertainment segment which includes Sena ehf. and EFG ehf.

Consolidated Income Statement In ISK million	1Q2008	1Q2007	Change
Sales	6.981	5.495	1.486
Cost of services and goods sold	(4.771)	(3.482)	(1.289)
Gross Profit	**2.210**	**2.013**	**197**
Other revenues	8	0	8
Operating expenses	(2.151)	(1.838)	(313)
Impairment test	(438)	0	(438)
Results from operating activities (EBIT)	**(371)**	**175**	**(546)**
Net finance cost	(1.782)	(170)	(1.612)
Share of loss of associates (net of income tax)	(68)	(78)	10
Loss before income tax	**(2.221)**	**(73)**	**(2.148)**
Income tax expense	104	(7)	111
Loss	**(2.117)**	**(80)**	**(2.037)**

Sales by segments In ISK million	2007	1Q 2007	2Q 2007	3Q 2007	4Q 2007	2008	1Q 2008	2Q 2008
Media	8.182	1.864	2.005	1.945	2.368	4.673	2.255	2.418
Entertainment	4.955	1.045	980	1.091	1.839	2.966	1.502	1.463
Eliminations	(756)	(228)	(171)	(201)	(156)	(649)	(296)	(353)
Total	12.381	2.681	2.814	2.835	4.051	6.989	3.461	3.528

EBITDA by segments In ISK million	2007	1Q 2007	2Q 2007	3Q 2007	4Q 2007	2008	1Q 2008	2Q 2008
Media	900	77	229	275	319	326	185	141
Entertainment	345	65	56	72	152	70	40	30
Eliminations	(83)	(3)	(11)	(2)	(67)	(65)	(38)	(27)
Total	1.162	139	274	345	404	331	187	144

Sales revenue in the second quarter 2008 was ISK 3.520 million, an increase of 25% when compared to last year. Increase in pro forma sales was 4%. The operations' gross profit was ISK 1.088 million in the second quarter of 2008 and the gross profit margin was 30,9%. Earnings before interest, taxes and depreciation (EBITDA) was ISK 144 million in the second quarter which is ISK 130 million less than during the same period last year, when the EBITDA was ISK 274 million. The results from operating activities (EBIT) was negative by ISK 438 million, but was positive by ISK 141 million for the same period last year. Impairment loss of goodwill related to Pósthúsið was ISK 438 million. Net finance cost was ISK 602 million. The loss in the second quarter was ISK 1.147 million, compared to a loss of ISK 45 million for the same period last year.

The sales revenues for the media segment were ISK 2.418 million and increased by ISK 413 million from last year, which is an increase of 21%. This increase is due to a new subscription product at 365 miðlar and the consolidation of Pósthúsið. Pósthúsið was a part of the Group from April and a new station Stöð2Sport2, which shows the English football games, was started in the latter part of 2007. The EBITDA for the media segment was ISK 141 million in the second quarter of 2008 and decreased by ISK 88 million from 2007, which is a decrease of 38% from last year. The sales revenues for the entertainment segment were ISK 1.463 million in the second quarter of 2008, but were ISK 980 million in the second quarter of last year, which is an increase of 49%. The main contributor to this increase is the addition of the foreign sector EFG in the latter part of 2007. The EBITDA for the entertainment segment was ISK 30 million and decreased by ISK 26 million from 2007.

Balance sheet
Total assets according to the balance sheet on June 30th 2008 were ISK 14.221 million, compared to ISK 14.683 million at the end of 2007. The current ratio was 0,67 at the end of June 2008, compared to 0,87 at the end of 2007. Equity ratio was 18,1% compared to 31% at the end of 2007. The largest shareholders of the Company have agreed to provide additional share capital for the company to be able to make payments on long-term loans due within the next few months and to strengthen the financial position of the Company.

Interest bearing debt at the end of June 2008 was ISK 8.698 million, but was ISK 7.269 on December 31st, 2007, which is an increase of ISK 1.429 million, due to the devaluation of the Icelandic Krona and growing inflation. Net interest bearing debt was ISK 8.491 million at the end of June 2008 compared to ISK 7.078 at the end of 2007.

Consolidated balance Sheet In ISK million	31.3.2008	31.12.2007	Change
Assets			
Non current assets	11.011	10.897	114
Current assets	3.210	3.786	(576)
Accounts receivables	1.535	2.080	(545)
Total Assets	**14.221**	**14.683**	**(462)**
Equity and liabilities			
Equity	2.581	4.545	(1.964)
Liabilities			
Long term debt	6.864	5.780	1.084
Short term debt	4776	4.358	418
Interest bearing debt	8.698	7.269	1.429
Liabilities total	11.640	10.138	1.502
Total Equity and Liabilities	**14.221**	**14.683**	**(462)**

Cash Flow
Cash provided by operations before interest and taxes was ISK 683 million, but after interest the cash from operating activities was ISK 255 million. The decrease in cash flows used in investing activities was ISK 393 million, including net acquisition of fixed assets of ISK 204 million. The increase in cash flows from financing activities was ISK 135 million. Cash and cash equivalents at the end of June 2008 was ISK 207 million.

Consolidated Cash Flow In ISK million	1Q2008	1Q2007
Loss for the year	(2.117)	(80)
Activities not influencing cash flow	2.800	(170)
Cash provided by / (used in) operations before interests and taxes	**683**	**(250)**
Interest expense paid	121	55
Financial cost paid	(549)	(462)
	255	**(657)**
Net cash provided by (used in) operating activites		
Investments activities	(393)	24
Financing activities	135	422
Changes in cash and cash equivalents	**(3)**	**(211)**
Cash and cash equivalents at 1 January	190	944
Effect of excange rate fluctuations on cash held	20	0
Cash and cash equivalents at 31 December	**207**	**733**

The forecast for 2008
The management believes that the operations will be close to issued budget, which is considered acceptable considering the current turmoil in the Icelandic economy.

De-listing from OMX
The OMX Nordic Exchange Iceland hf. has approved 365 hf. application for de-listing of the company's shares from the exchange. The sale of the company's shares will be stopped after closing of the exchange on August 8th 2008. Due to the planned de-listing the share holders of the company were given the option to sell their shares to the company at the rate of ISK 1,20 per share. About 7,2% of share holders in 365 hf., or 185 share holders accepted the offer. Nearly 93% of the shareholders (including 2% of treasury shares), or 625 share holders, will retain their shares in the unlisted company.

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