



First Quarter Results
2007

Agenda

1	Highlights of Q1 2007
2	Financial Accounts
3	Business Units and Key Ratios
4	Outlook

Financial highlights for Q1 2007

EXISTA

- Very strong performance
 - After-tax profit EUR 641 million (ISK 57 billion)
 - Annualised return on equity 113%
 - Earnings per share EUR 0.06 (ISK 5)
- Solid financial fundamentals
 - Total assets EUR 6,762 million (ISK 593 billion), up 54%
 - Total equity EUR 2,643 million (ISK 232 billion), up 39%
 - Equity ratio 39% at the end of the period

Changes in accounting methods

- Strategic holdings in financial companies accounted for using the equity method
 - Profit share instead of market value
 - Two companies classified as strategic holdings in financial companies: Kaupthing Bank (23.0%) and Sampo Group (15.6%)
 - Underlines commitment to financial services as the Group's core business
 - Reporting long-term holdings by the equity method reduces income fluctuations and increases stability in net earnings
- Accounting currency change to euro beginning with the first quarter of 2007

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Revenues driven by profit share in associates

(EUR millions)	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Financial assets at fair value	38.2	24.6	309.0	(95.7)	125.0
Financial assets held for trading	110.8	103.8	2.9	1.0	22.0
Dividends	5.0	58.3	0.5	0.2	21.0
Interest revenues	18.4	22.8	16.8	9.1	0.2
Insurance premiums	35.2	25.6	35.0	10.5	0.0
Share of profits of associates	457.0	0.0	0.0	0.0	0.0
Other revenues	3.3	2.4	3.7	1.1	0.0
Total revenues	668.0	237.4	367.9	(73.7)	168.2

Exceptionally strong first quarter

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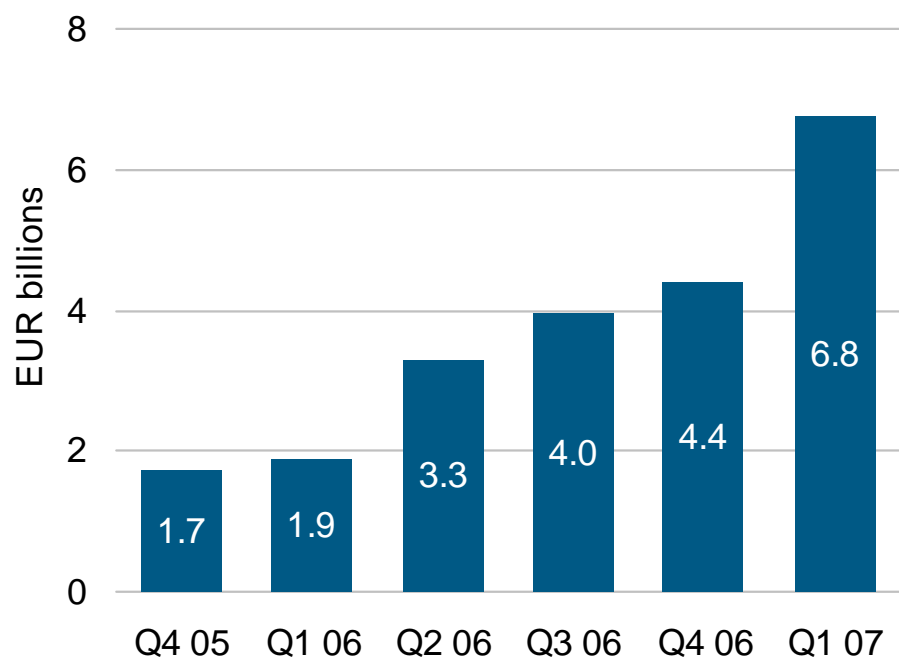
(EUR millions)	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006
Total revenues	668.0	237.4	367.9	(73.7)	168.2
Insurance claims	(26.5)	(21.8)	(28.1)	(6.8)	(0.0)
Operating expenses	(16.7)	(17.6)	(23.2)	(7.3)	(1.6)
Total expenses	(43.2)	(39.4)	(51.2)	(14.1)	(1.6)
Profit before financial expenses	624.8	198.0	316.7	(87.9)	166.6
Interest expenses	(56.4)	(37.7)	(26.7)	(21.3)	(17.3)
Net foreign exchange gains (losses)	29.0	(8.0)	20.2	(23.0)	(39.1)
Financial expenses	(27.3)	(45.7)	(6.5)	(44.3)	(56.4)
Profit before tax	597.5	152.2	310.2	(132.2)	110.2
Income tax	43.2	(4.8)	(8.2)	6.3	(3.4)
Profit for the period	640.7	147.4	302.0	(125.9)	106.8

Changes in the Balance Sheet

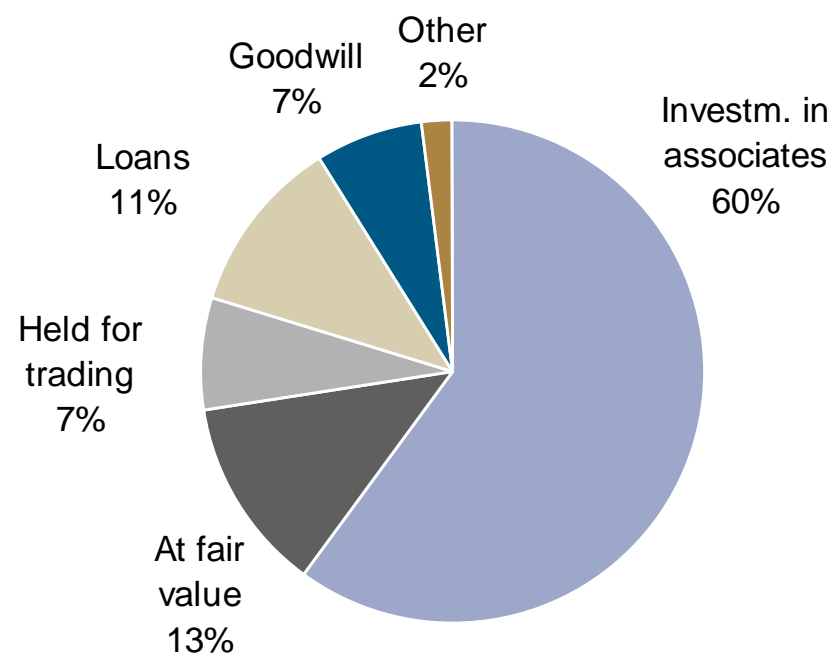
(EUR millions)	31 Mar 2007	31 Dec 2006	Change
Financial assets at fair value	850	2,273	-63%
Financial assets held for trading	478	837	-43%
Loans and accounts receivable	773	704	10%
Goodwill	465	465	0%
Investments in associates	4,057	0	
Other assets	139	117	
Total Assets	6,762	4,395	54%

Steady growth in assets

Total assets by quarter



Composition of assets

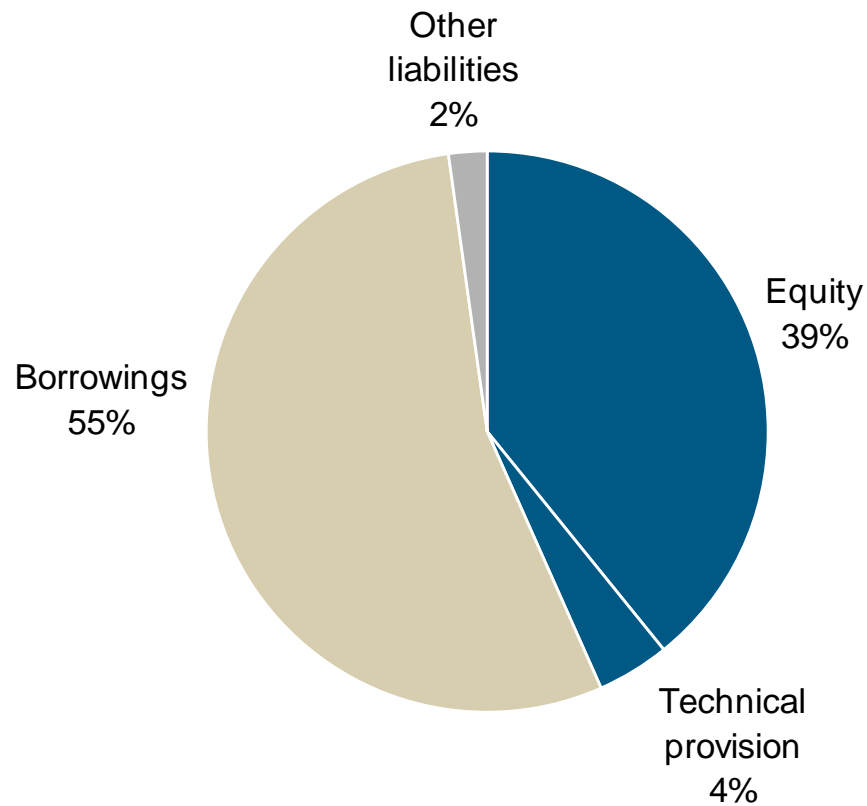


Equity and Liabilities

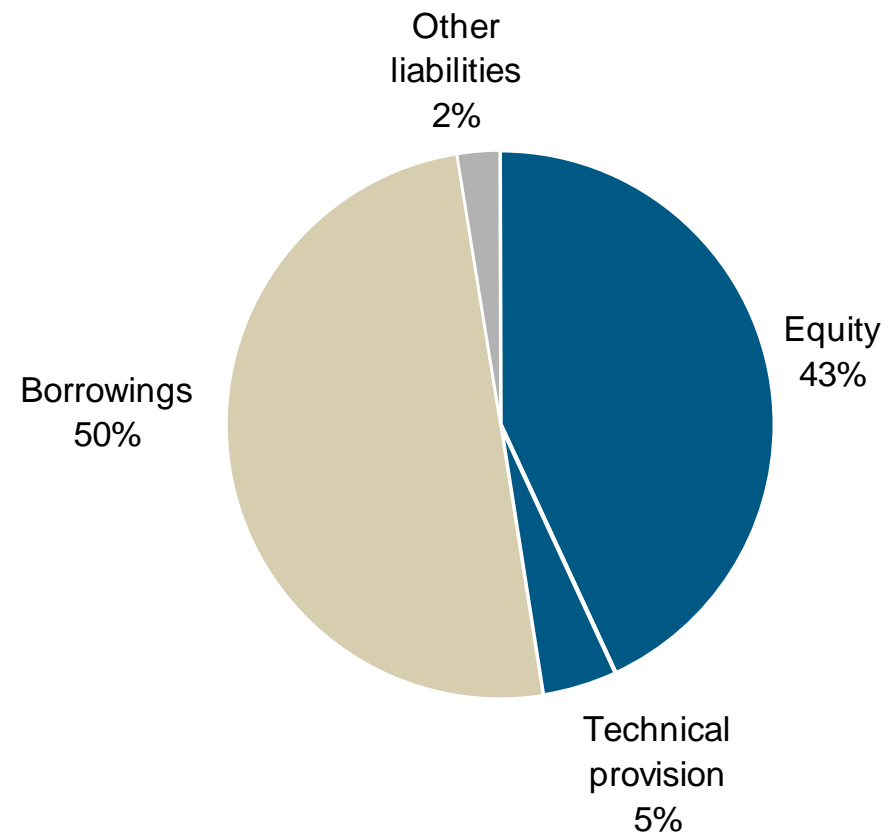
(EUR millions)	31 Mar 2007	31 Dec 2006	Change
Shareholders' equity	2,639	1,894	39%
Minority interest	5	6	-22%
Total equity	2,643	1,900	39%
Borrowings	3,668	2,183	68%
Technical provision	279	224	25%
Deferred income tax liability	21	60	-65%
Other liabilities	151	28	
Total liabilities	4,119	2,495	65%
Total equity and liabilities	6,762	4,395	54%

Solid equity base

Equity and Liabilities Q1 2007



E&L excluding operational liabilities

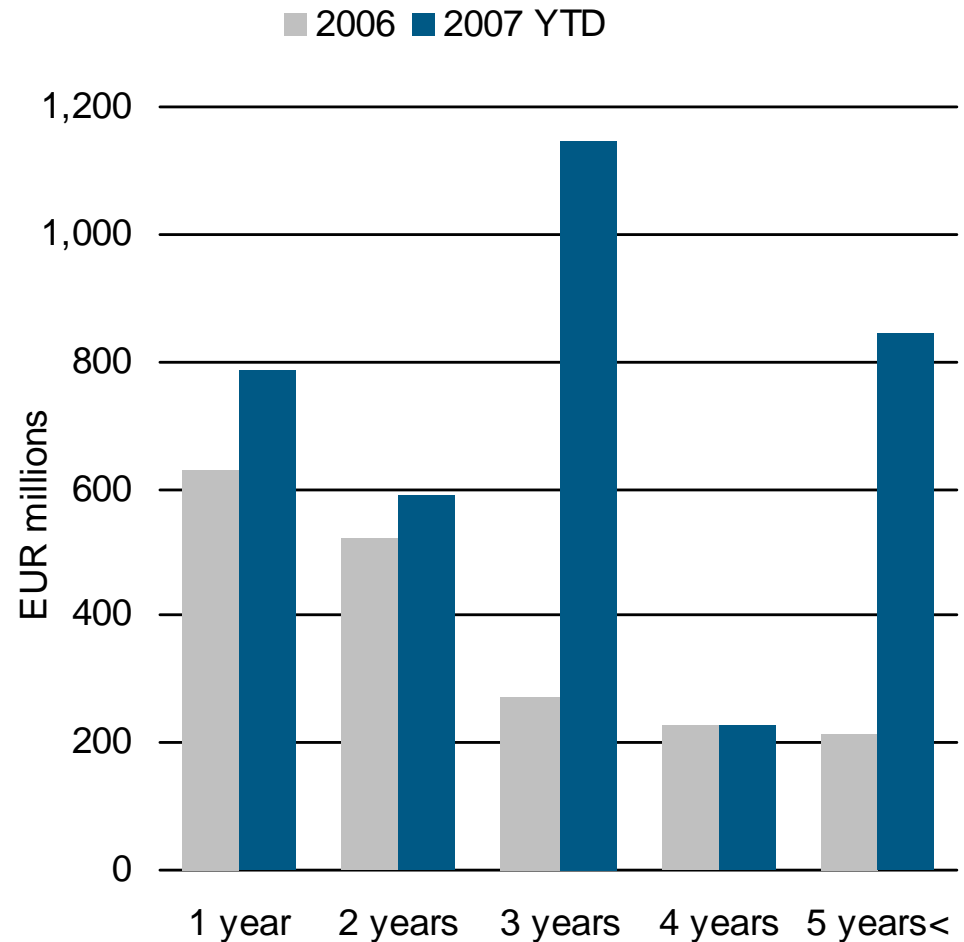


Strong access to funding

Funding overview

- Exista has raised funds amounting to €2.1 billion 2007 year-to-date
- Average maturity is increasing as funding efforts have been focused on three and five years
- Approximately 77% was drawn from the international capital markets and 23% from domestic funding sources
- Exista benefits from strong relationships with international banks, advisors and investors
- Access to external financing is healthier than ever and liquidity is robust

Maturity profile



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Operating Businesses and Investment Businesses

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(EUR millions)	Operating	Investments
Investment income	117.7	493.4
Insurance premiums	35.2	0.0
Interest	17.7	0.7
Other revenues	3.2	0.1
Total revenues	173.8	494.2
Insurance claims	(26.5)	(0.0)
Operating expenses	(12.4)	(4.3)
Total expenses	(38.9)	(4.3)
Profit before financial expenses	134.9	489.9
Financial expenses	(4.0)	(23.3)
Profit before tax	130.8	466.6
Income tax	43.2	(0.0)
Profit for the period	174.0	466.6

Key ratios of VÍS and Lýsing in Q1 2007

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VÍS Insurance

- Premium growth 26.7% year-on-year
- Growth in insurance policies 7.2% year-on-year
- Combined ratio 110%



Lýsing Asset Financing

- Total assets increased by 36% year-on-year
- Cost income ratio 30%, as opposed to 32% in 2006
- Annualised return on equity 28.2%
- Total assets EUR 697 million (ISK 61 billion)

Iceland Telecom's performance in Q1 2007

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(ISK millions)	Q1 2007	Q1 2006	Q1 2005
Total revenues	7,416	5,631	4,947
Operating profit	1,167	948	669
Financial income (expenses)	568	(5,010)	853
Income tax	(302)	732	(290)
Profit for the period	1,433	(3,330)	1,223
EBITDA	2,075	1,990	1,674
EBITDA ratio	27.9%	34.4%	33.1%
Cash generated by operations	2,123	2,373	2,201

Key ratios and shareholders

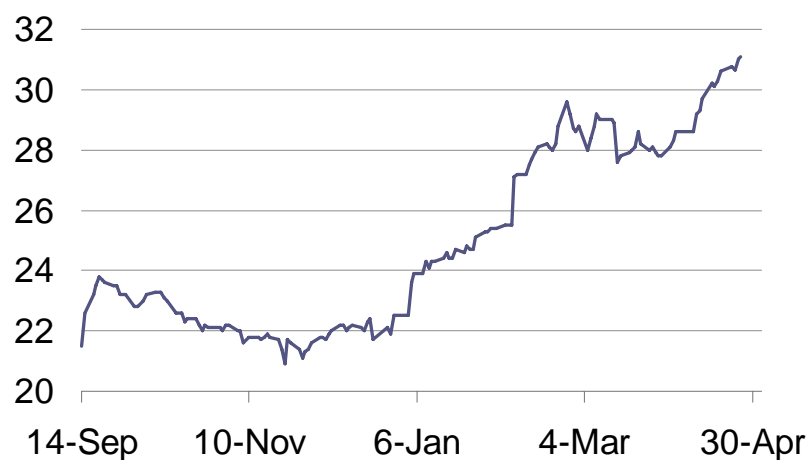
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Ratios

Q1 2007

Price-earnings – P/E	5.63
Price-to-book – P/B	1.36
Annualised return on equity	112.8%
Equity ratio	39.1%

Share price development since listing (ISK)



Shareholder list 25 April 2007

Bakkabraedur Holding B.V.	45.21%
Kista (savings banks)	5.96%
Samvinnutryggingar Holding	5.42%
Castel (Luxembourg) S.a.r.l.	5.10%
SPRON (Reykjavík Savings Bank)	4.54%
Hesteyri (holding company)	3.65%
Icebank (savings bank)	2.49%
AB 47 (holding company)	2.16%
Gildi Pension Fund	1.76%
Stofn (holding company)	1.63%
Ten largest shareholders	77.92%
Other shareholders	22.08%
Arion (nominee accounts)	4.10%

Market predictions for Q1 2007

ISK billions	Q1 2007			EXISTA	12M 2007		
	Glitnir	KAUP	Average		Glitnir	KAUP	Average
Total revenues	57.5	56.7	57.1	59.6	111.5	109.3	110.4
Profit for the period	54.6	52.1	53.4	57.2	76.2	77.6	76.9
Key ratios							
Earnings per share (EPS)	-	-	-	5.40	-	6.83	6.83
Price-earnings – P/E	-	-	-	5.63	4.0	4.3	4.15
Price-to-book – P/B	-	-	-	1.36	1.38	1.31	1.345
Return on equity	-	-	-	-	32.2%	35.5%	33.85%

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Outlook for 2007

- Exista's operations are sound and the revenue base is steadily growing stronger
- Changes in accounting methods should enhance stability and diminish fluctuations in future revenues
- Measures to enhance insurance operations are proceeding according to plan
- Asset financing operations are robust and the outlook is good
- Outlook is generally positive for strategic holdings
- Exista continues to focus on solid long-term growth and shareholder value

