

## **Straumur-Burðarás and customers purchase 22.6% of total share capital in Straumur-Burðarás from FL Group**

Straumur-Burðarás Investment Bank hf., together with a group of investors, has approved the purchase of 2,338,864,240 Straumur-Burðarás shares from FL Group. The shares purchased amount to 22.6% of total share capital in the Bank.

Straumur-Burðarás itself will purchase 1,025,554,736 shares, or slightly less than 10% of the Bank's share capital. Other investors will purchase a total of 1,313,309,504 shares, or nearly 13% of share capital. No single investor in this group exceeds the 5% flagging limit.

The buyers will pay ISK 18 per share in a transaction totalling ISK 42.1 billion. The purchase price will be paid with ISK 28.3 billion in cash, ISK 10.2 billion in shares in the Finnish airline Finnair, and ISK 3.5 billion in shares in listed Icelandic companies. FL Group and Hannes Smárason are primary insiders in Straumur-Burðarás.

The purchase is made subject to the acquisition of financing. It is planned that the transaction be concluded on 22 December 2006. Straumur-Burðarás Investment Bank's Corporate Finance Division acted as an intermediary in the transaction.

Straumur-Burðarás Investment Bank hf. offers comprehensive financial services to mid-sized companies in Northern Europe, with particular emphasis on the Nordic countries and the United Kingdom. The Bank's aim is to be a leading Nordic investment bank.

Fridrik Jóhannsson, CEO of Straumur-Burðarás Investment Bank hf.:

“With this purchase, we are opening up the possibility for the addition of new and interesting shareholders to the Straumur-Burðarás shareholder group. The transaction will give the Bank enhanced momentum in its continuing penetration of markets both in Iceland and abroad. As we thank FL group and its executive team for a successful collaborative relationship, we would like to welcome our new shareholders. We look forward to working with them as we take on the challenges and opportunities that await us.”

Further information can be obtained from Fridrik Jóhannsson, Chief Executive Officer (tel: +354 580 9100) and Jóhanna Vigdís Guðmundsdóttir, Director of Corporate Communications (tel: +354 840 9133).