

30 January 2007

Straumur-Burdarás Investment Bank ("Straumur-Burdarás")  
Annual results 2006

### **GROWING NORDIC INVESTMENT BANK**

## **DELIVERING RECORD AFTER-TAX PROFIT OF ISK 45.2 BILLION IN 2006 RETURN ON EQUITY (ROE) 42% IN 2006 FOURFOLD INCREASE IN FEES AND COMMISSIONS**

### **Fridrik Jóhannsson, CEO:**

"Straumur-Burdarás reports a net income of just over ISK 45 billion for the year 2006, bringing shareholders a return on equity of 42 per cent. These are outstanding results in a year characterised by profitable growth, foreign investments, and development of infrastructure. At the same time, we have ensured the Bank's independence from the Icelandic market through new ventures in financing. The ratio of income and projects from overseas has grown significantly, granting the Bank a robust and diverse income base. This, along with strong investment operations, will ensure continued healthy return on our shareholders' investments. Straumur-Burdarás is ready for additional internal and external growth. Our aim, to become a leading Nordic investment bank, is within reach."

### **AFTER TAX PROFIT IN Q4 ISK 24.2 BILLION – HISTORICAL RECORD**

- After-tax profit for the year 2006 totalled ISK 45,211 million, as opposed to ISK 26,718 million in 2005, which is a 69% increase. After-tax profit for the fourth quarter of 2006 amounted to ISK 24,275 million, as compared with ISK 12,616 for the same period of 2005. This is a 92% increase.
- Net income from operations in the year 2006 quarter increased by 37% year-on-year and amounted to ISK 46,369 million, compared to ISK 33,871 million for the same period in 2005. For the fourth quarter of 2006, net income from operations totalled ISK 18,149 million, as opposed to ISK 15,894 million for the same period during the prior year. This represents a 14% increase over the year 2005.
- Return on equity (ROE) was 42% for the year 2006.
- The cost-income ratio was 8.0% for the year 2006, whereas it was 3.9% in the 2005.

### **Fourfold increase in fees and commissions and multiple increase in interest income**

- Net commission income increased a little less than fourfold between years, totalling ISK 7,404 million for the year 2006, as opposed to ISK 1,951 million in 2005.
- Net interest income in the year 2006 was ISK 3,732 million, while it was negative in the amount of ISK 248 million in 2005; thus interest income for the year was many times higher than in the year 2005.

### **Balance Sheet enabling further growth**

- The Bank's total assets amounted to ISK 412,288 million at year-end, as compared with ISK 259,349 million at year-end 2005, and have therefore increased by 59% since the beginning of the year.
- The Bank's CAD ratio was 37.59%, with a Tier 1 capital ratio of 35.20%. In comparison, at year-end 2005 the CAD ratio was 19.8% and the Tier 1 capital ratio 15.3%.
- Shareholders' equity amounted to ISK 141,349 at the year-end 2006, after the deduction of own shares.

### **Executing strategy in Balance Sheet composition**

- Straumur-Burdarás' loan portfolio has more than doubled in size, growing from ISK 48,911 million at the beginning of 2006 to ISK 127,844 million at year-end 2006.
- The ratio of interest-bearing assets in the Balance Sheet has risen by 59% from the year 2005.

## Key figures from operations

<i>ISK millions</i>	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Q4 2005
Net interest income	596	1.258	1.393	485	(184)
Net commission income	2.241	1.694	1.102	2.367	994
Dividends	526	31	1.215	696	98
Net income from current assets/current liabilities	3.283	1.163	(6.000)	15.153	10.241
Net income on other assets at fair value	7.404	1.954	994	2.002	4.853
Net income on investments	812	0	0	0	0
Net foreign exchange gain or loss	3.288	(3.296)	2.499	3.501	(108)
Other operating income	0	0	0	9	0
<b>Net operating income</b>	<b>18.149</b>	<b>2.804</b>	<b>1.203</b>	<b>24.213</b>	<b>15.894</b>
Salaries and related exp.	(1.011)	(394)	(318)	(391)	(321)
Other operating expenses	(642)	(307)	(438)	(365)	(293)
<b>Total operating expenses</b>	<b>(1.653)</b>	<b>(701)</b>	<b>(756)</b>	<b>(756)</b>	<b>(614)</b>
Impairment	(296)	(180)	(296)	(266)	158
Interest in associated companies	0	0	0	0	0
<b>Pre-tax profit</b>	<b>16.200</b>	<b>1.923</b>	<b>151</b>	<b>23.191</b>	<b>15.438</b>
Income tax	8.075	(374)	156	(4.111)	(2.822)
<b>Profit</b>	<b>24.275</b>	<b>1.549</b>	<b>307</b>	<b>19.080</b>	<b>12.616</b>
<b>Profit per share</b>	<b>2,41</b>	<b>0,15</b>	<b>0,03</b>	<b>1,88</b>	<b>1,42</b>
Minority interest	235	56	89	(47)	24

## Income Statement

### Income

The Bank's after-tax profit in the year 2006 amounted to ISK 45,211 million, as opposed to ISK 26,718 million in 2005. The increase over and above the prior year is thus 69%. The Bank's after-tax profit in the fourth quarter of 2006 amounted to ISK 24,275 million, compared to ISK 12,616 million at the same time a year ago, which is a 92% increase between years.

Net income from operations in the year 2006 totalled ISK 46,369 million, whereas it was ISK 33,871 million in 2005, an increase of 37x%. Net income from operations in the fourth quarter of 2006 was ISK 18,149 million, compared to ISK 15,894 million for the same period in 2005, an increase of 14%.

The Bank's net interest and commission income totalled ISK 11,136 million for the year 2006, as opposed to ISK 1,703 million in 2005. Net fee and commission income amounted to ISK 2,837 million for the fourth quarter in 2006, as compared with ISK 810 million for the same period in 2005.

Dividend income was ISK 2,468 million in the year 2006, compared to ISK 1,597 million in 2005. Dividend income was ISK 526 million in the fourth quarter of 2006, as opposed to ISK 98 million for the same period last year.

Net income from current assets and current liabilities was ISK 13,598 million in the year 2006 and ISK 16,726 million in 2005. Net income from financial assets and financial liabilities held for trading was ISK 3,283 million in the fourth quarter and ISK 10,241 million during the same period in the prior year.

Net income on financial assets at fair value was ISK 12,354 million in the year 2006, as opposed to ISK 14,095 million in 2005. Net income on financial assets at fair value was ISK 7,404 million in the fourth quarter of 2006 and ISK 4,853 million in the same period last year.

Net currency gains totalled ISK 5,992 million in the year 2006, while they were negative in the amount of ISK 255 million in 2005. Net currency gains were positive in the amount of ISK 3,288 million during the fourth quarter of 2006 and negative by approximately ISK 108 million over the same period in 2005.

### Operating expenses

Operating expenses for the year 2006 totalled ISK 3,866 million, as opposed to ISK 1,306 million in 2005. Operating expenses for the fourth quarter of 2006 were ISK 1,653 million, compared to ISK 614 million in the fourth quarter of 2005.

## Key figures from the Balance Sheet

<i>ISK millions</i>	<b>31.12.06</b>	<b>31.12.05</b>		<b>31.12.06</b>	<b>31.12.05</b>
Loans and receivable	193.595	59.994	Borrowings	243.410	121.657
Fin. assets held for trading	125.841	92.230	Subordinated loans	8.391	5.408
Fin. assets designated at fair value through P/L	62.287	87.843	Trading liabilities	8.296	1.636
Affiliates	51	-	Tax liabilities	591	9.881
Investment property	6.413	-	Other liabilities	10.251	5.896
Property and equipment	1.333	1.126	Equity	141.349	114.871
Intangible assets	17.671	15.038			
Other assets	5.097	3.118			
<b>Assets total</b>	<b>412.288</b>	<b>259.349</b>	<b>Total liabilities and equity</b>	<b>412.288</b>	<b>259.349</b>

## Balance Sheet

As of 31 December 2006, Straumur-Burdarás' total assets were ISK 412,288 million, as opposed to ISK 259,349 million in 2005, an increase of 59%. The capital adequacy ratio, calculated on a CAD basis, was 37.59% in the year 2006, including a Tier 1 capital ratio of 35.20%.

### Assets

Loans and receivables in the year 2006 totalled ISK 193,595 million. Of that amount, loans to clients totalled ISK 127,844 million. By comparison, loans to clients amounted to ISK 48,911 million at the end of 2005.

The balance of the credit provisioning account in year 2006 was ISK 1,513 million, compared to ISK 475 million as of 31 December 2005. This is equivalent to 1.18% of total loans outstanding at the end of the fourth quarter of the year 2006.

Current assets amounted to ISK 125,841 million in year 2006, as compared to ISK 92,230 million at year-end 2005. The total value of the Bank's equity holdings recognised as current assets amounted to ISK 89,738 million as of 31 December 2006, and the value of its bond assets was ISK 32,873 million. A portion of the Bank's equity assets is balanced against derivative contracts. At the end of the quarter, the Bank's clients had obliged themselves, by means of forward contracts, to sell shares to the Bank or purchase shares from it in the amount of ISK 32,942 million. This is compared to ISK 7,949 million at year-end 2005.

Other financial assets at fair value amounted to ISK 62,287 million on 31 December 2006, as opposed to ISK 87,843 million at year-end 2005.

Fixed assets amounted to ISK 1,333 million at the end of the fourth quarter, compared to ISK 1,126 million at the beginning of 2006.

Other assets amounted to ISK 5,097 million as of 31 December 2006, compared to ISK 3,118 million at year-end 2005.

### Liabilities and shareholders' equity

Total borrowings were ISK 243,410 million as of 31 December 2006. Of this figure, the amount owed to credit institutions was ISK 146,138 million, compared to ISK 53,851 million as of 31 December 2005. Other borrowing amounted to ISK 97,272 million, compared to ISK 67,806 million at year-end 2005.

Subordinated debt amounted to ISK 8,391 million at the end of the period.

Current liabilities amounted to ISK 8,296 million in the year 2006, as compared to ISK 1,636 million at the beginning of the year.

The calculated income tax liability at the end of Q4 2006 was ISK 591 million, and other liabilities totalled ISK 10,251 million.

As of 31 December 2006, shareholders' equity amounted to ISK 141,349 million, up from ISK 114,871 million at the beginning of the year. Dividends amounting to ISK 6.733 million were paid to shareholders for the year 2005.

## The Bank's income divisions

The Bank's operations are divided into income divisions and support divisions. The income divisions are Corporate Finance, Proprietary Trading, Debt Finance, Treasury, and Capital Markets. The support divisions are Risk Management, Legal, and Operations.

All income divisions of the Bank returned a healthy profit on their operations during the year 2006. Operating expenses of support divisions are taken into account in the calculation of the profits for each income division.

<i>ISK millions</i>	<b>Proprietary Trading</b>	<b>Capital Markets</b>	<b>Corporate Finance</b>	<b>Debt Finance</b>	<b>Treasury</b>	<b>Other operations</b>	<b>Total Q1-Q4 2006</b>
Net interest income	(7.499)	(54)	(1.422)	5.173	7.768	(234)	<b>3.732</b>
Net commission income	16	2.456	4.321	705	4	(98)	<b>7.404</b>
Dividends	2.450	-	5	-	-	13	<b>2.468</b>
Net income on equity	13.809	-	11.970	11	-	320	<b>26.110</b>
Net income on bonds	(158)	-	-	-	-	-	<b>(158)</b>
Net foreign exchange gain/loss )	3.553	-	-	-	2.439	-	<b>5.992</b>
Net income on investments	-	-	812	-	-	-	<b>812</b>
Other operating income	-	-	-	-	-	9	<b>9</b>
<b>Operating income</b>	<b>12.171</b>	<b>2.402</b>	<b>15.686</b>	<b>5.889</b>	<b>10.211</b>	<b>10</b>	<b>46.369</b>
Operating expenses	(475)	(325)	(1.467)	(680)	(747)	(172)	<b>(3.866)</b>
Impairment	-	-	-	(1.038)	-	-	<b>(1.038)</b>
<b>Pre-tax profit</b>	<b>11.696</b>	<b>2.077</b>	<b>14.219</b>	<b>4.171</b>	<b>9.464</b>	<b>(162)</b>	<b>41.465</b>
						Tax	<b>3.746</b>
						<b>Profit</b>	<b>45.211</b>

## Proprietary Trading

The Bank's transactions on its own account are the responsibility of Proprietary Trading. Transactions are either part of market marking for certain classes of securities or own exposures in bonds, listed equities, FX, and derivatives of these products, on both domestic and foreign markets.

Net operating income was positive by ISK 2,139 million in the fourth quarter of 2006, an increase of 3,936 million over and above the third quarter.

<i>ISK millions</i>	<b>Q4 2006</b>	<b>Q3 2006</b>	<b>Q2 2006</b>	<b>Q1 2006</b>	<b>Q4 2005</b>
Net interest income	(2.180)	(1.173)	(2.190)	(1.956)	(1.046)
Net commission income	3	10	3	-	-
Dividends	513	26	1.215	696	85
Net income on equity	3.279	2.835	(7.303)	14.998	14.246
Net income on bonds	(37)	(188)	11	56	(72)
Net foreign exchange gain/loss	561	(3.307)	2.745	3.554	(108)
Net income on investments	-	-	-	-	-
Other operating income	-	-	-	-	-
<b>Operating income</b>	<b>2.139</b>	<b>(1.797)</b>	<b>(5.519)</b>	<b>17.348</b>	<b>13.105</b>
<i>Operating expense</i>	(129)	(118)	(70)	(158)	
Impairment	-	-	-	-	
<b>Pre-tax profit</b>	<b>2.010</b>	<b>(1.915)</b>	<b>(5.589)</b>	<b>17.190</b>	

### Capital Markets

Capital Markets handles the Bank's securities brokering and co-ordinates share and bond offers. The division's clients are primarily institutional investors, corporations, and mutual funds.

Net operating income was ISK 823 million in the fourth quarter, an increase of 67% over the third quarter.

<i>ISK millions</i>	<b>Q4 2006</b>	<b>Q3 2006</b>	<b>Q2 2006</b>	<b>Q1 2006</b>	<b>Q4 2005</b>
Net interest income	(1)	(16)	(26)	(11)	-
Net commission income	824	509	405	718	216
Dividends	-	-	-	-	-
Net income on equity	-	-	-	-	-
Net income on bonds	-	-	-	-	-
Net foreign exchange gain/loss	-	-	-	-	-
Net income on investments	-	-	-	-	-
Other operating income	-	-	-	-	-
<b>Operating income</b>	<b>823</b>	<b>493</b>	<b>379</b>	<b>707</b>	<b>216</b>
<i>Operating expense</i>	(110)	(76)	(47)	(92)	
Impairment	-	-	-	-	-
<b>Pre-tax profit</b>	<b>713</b>	<b>417</b>	<b>332</b>	<b>615</b>	

### Corporate Finance

Corporate Finance advises the Bank's clients on the acquisition, disposal and/or financing of companies and investment vehicles. The division's services may involve mergers, acquisitions, or general restructuring requiring the issuance of share capital and/or debt financing.

Net operating income was ISK 8,966 million in the fourth quarter. Net fee and commission income totalled ISK 1,238 during the quarter. Capital gains amounted to 8,159 in the fourth quarter.

<i>ISK millions</i>	<b>Q4 2006</b>	<b>Q3 2006</b>	<b>Q2 2006</b>	<b>Q1 2006</b>	<b>Q4 2005</b>
Net interest income	(431)	(481)	(265)	(245)	(136)
Net commission income	1.238	1.141	634	1.308	657
Dividends	-	5	-	-	13
Net income on equity	7.347	486	1.881	2.256	922
Net income on bonds	-	-	-	-	-
Net foreign exchange gain/loss	-	-	-	-	-
Net income on investments	812	-	-	-	-
Other operating income	-	-	-	-	-
<b>Operating income</b>	<b>8.966</b>	<b>1.151</b>	<b>2.250</b>	<b>3.319</b>	<b>1.456</b>
<i>Operating expense</i>	(760)	(304)	(186)	(217)	
Impairment	0	-	-	-	-
<b>Pre-tax profit</b>	<b>8.206</b>	<b>847</b>	<b>2.064</b>	<b>3.102</b>	

### Debt Finance

Debt Finance handles lending to corporate and institutional investors, offering comprehensive financing solutions ranging from general corporate loans to loan financing of LBOs (mezzanine and/or senior debt). Great emphasis is placed on tailoring the service offered to the needs of individual clients.

Net operating income for the division was ISK 1,706 million in the fourth quarter, an increase of 16% over and above the previous quarter. The division's net interest income was ISK 1,493 million. Net fee and commission income amounted to ISK 213 million during the quarter.

<i>ISK millions</i>	<b>Q4 2006</b>	<b>Q3 2006</b>	<b>Q2 2006</b>	<b>Q1 2006</b>	<b>Q4 2005</b>
Net interest income	1.493	1.404	1.311	965	495
Net commission income	213	61	90	341	123
Dividends	-	-	-	-	-
Net income on equity	11	-	-	-	-
Net income on bonds	(11)	-	11	-	-
Net foreign exchange gain/loss	-	-	-	-	-
Net income on investments	-	-	-	-	-
Other operating income	-	-	-	-	-
<b>Operating income</b>	<b>1.706</b>	<b>1.465</b>	<b>1.412</b>	<b>1.306</b>	<b>618</b>
<i>Operating expense</i>	(304)	(159)	(113)	(104)	
Impairment	(296)	(180)	(296)	(266)	
<b>Pre-tax profit</b>	<b>1.106</b>	<b>1.126</b>	<b>1.003</b>	<b>936</b>	

### Treasury

Treasury is responsible for the Bank's financing and management of short-term cash flow, interest rate balance, and FX balance.

The Treasury division's net operating income totalled ISK 4,379 million during the fourth quarter.

<i>ISK millions</i>	<b>Q4 2006</b>	<b>Q3 2006</b>	<b>Q2 2006</b>	<b>Q1 2006</b>	<b>Q4 2005</b>
Net interest income	1.692	1.613	2.672	1.791	506
Net commission income	-	4	-	-	(3)
Dividends	-	-	-	-	-
Net income on equity	-	-	-	-	-
Net income on bonds	-	-	-	-	-
Net foreign exchange gain/loss	2.687	74	(215)	(107)	-
Net income on investments	-	-	-	-	-
Other operating income	-	-	-	-	-
<b>Operating income</b>	<b>4.379</b>	<b>1.691</b>	<b>2.457</b>	<b>1.684</b>	<b>503</b>
<i>Operating expense</i>	(295)	(159)	(142)	(151)	
Impairment	-	-	-	-	
<b>Pre-tax profit</b>	<b>4.084</b>	<b>1.532</b>	<b>2.315</b>	<b>1.533</b>	

## Profitability and share capital

Return on equity in the year 2006 was 42%.

As of 31 December 2006, the nominal value of the outstanding share capital of Straumur-Burðarás Investment Bank was ISK 9,487 million.

## Shareholders

As of 31 December 2006, shareholders numbered 20,666, as opposed to 22,031 at year-end 2005. At the end of the fourth quarter, one shareholder owned holdings of over 10% in the Bank.

### Shareholdings

Samson Global Holdings..... 30.2%

## Events in Q4 2006

**On 23 November** Straumur-Burðarás Investment Bank hf. announced that the Bank had raised EUR200.000.000 through the issuance of a senior notes structure in the international debt market, under a tailored collateralised loan obligation structure (CLO). This underpinned Straumur's growing participation in the international leverage loan markets and represented an important milestone in further strengthening the Bank's interest bearing asset base and interest income. Dresdner Bank AG London Branch is the buyer of the notes that mature in 2012.

**On 30 November**, Fitch Ratings affirmed Straumur-Burðarás Investment Bank ("Straumur") ratings at Issuer Default 'BBB-' (BBB minus), Short-term 'F3', Individual 'C/D', and Support '3'. The Outlook on the Issuer Default rating is Stable.

**On 15 December**, Straumur-Burðarás Investment Bank hf., together with a group of investors, purchased 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 purchased 1,025,554,736 shares, or slightly less than 10% of the Bank's share capital. Other investors purchased 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 paid ISK 18 per share in a transaction totalling ISK 42.1 billion. The purchase price was 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. The purchase is made subject to the acquisition of financing. The transaction was concluded **on 22 December 2006**. Straumur-Burðarás Investment Bank's Corporate Finance Division acted as an intermediary in the transaction.

**On 19 December**, Straumur-Burðarás Investment Bank hf. decided to carry out the Bank's accounting and prepare its annual financial statements in euros effective from 1 January 2007. This decision also means that the Bank's equity will be denominated in euros. The decision was made with consideration given to the long-term interests of the Bank and its shareholders. An ever-increasing portion of the Bank's assets and revenues is in foreign currencies, and the proportion of the Icelandic króna in its business transactions is steadily decreasing. The Bank is of the opinion that this change will bolster foreign investors' interest in Straumur-Burðarás, as well as broadening the Bank's shareholder group and supporting continuing international growth.

## Outlook for 2007

In the beginning of 2007, The British Financial Services Authority (FSA) granted Straumur-Burðarás Investment Bank a permit to operate a branch in London. Operation of the London office commenced on 1 January 2007. The activities of the London office will centre initially on lending activities, with particular emphasis on syndicated loans where Straumur-Burðarás will act variously as participant or lead arranger. In London, the Bank is allied with Stamford Partners. Our objective is to bring all the London operations together under one roof during the coming year and enhance it even further; i.e., by building up the Capital Markets division.

Straumur-Burðarás' aim is to enhance stability in its income sources. The Bank will continue to diversify its operation. In three years' time, no business stream or geographic sector should represent more than 20 per cent of the Bank's revenue. The intention of opening offices in more countries will help to facilitate this – although the focus will still be on keeping the cost/income ratio low.

Continued profitable growth is a permanent objective. The Nordic countries and the UK will remain the Bank's core markets, but opportunities elsewhere will still be considered based on their individual merits. Straumur-Burðarás' strategy of becoming the leading Nordic investment bank is well within

our reach. The Bank's goal is to increase the customer base threefold by the end of 2009. By that time, we also aim to earn 20 per cent of our revenue from new products and services and to achieve an ROE of over 15 per cent.

The Bank's balance sheet is strong and supports its external and internal growth. Our goal, to become a leading Nordic Investment bank, is within reach.

## Five-year overview

<i>ISK millions</i>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>
Total assets	412.288	259.349	89.589	22.530	7.986
Equity at end of period (ISK millions)	141.349	114.871	32.006	16.094	7.761
Shares at end of period (ISK millions)	9.487	10.359	5.400	4.083	2.540
Equity per share	15	11	6	4	3
<b>Net operating income</b>	<b>46.369</b>	<b>33.871</b>	<b>8.615</b>	<b>4.287</b>	<b>1.070</b>
Operating costs	-3.866	-1.691	-494	-317	-106
Profit before tax (ISK millions)	41.465	32.180	8.039	3.969	967
<b>Profit after tax (ISK millions)</b>	<b>45.211</b>	<b>26.718</b>	<b>6.683</b>	<b>3.815</b>	<b>812</b>
Return on equity on annual basis	42,00%	46,50%	34,50%	40,10%	10,90%
Profit (losses) per share	2,41	3,5	1,51	1,17	0,32
Dividend per share	0,65	0,65	0,35	0,35	0,18
<b>Full-time-equivalent positions</b>	<b>109</b>	<b>52</b>	<b>17</b>	<b>12</b>	<b>4</b>
Net op. Income/Total assets	11,2%	13,1%	9,6%	13,3%	13,4%
Op. Expenses/Total assets	0,9%	0,7%	0,6%	1,4%	1,3%
Cost/Income	8,3%	5,0%	5,7%	7,4%	9,9%

## Accounting

The interim financial statements for the fourth quarter 2006 have been examined by KPMG Endurskodun hf., which is the Bank's auditor.

## Personnel

At end of the year 2006, there were 109 full-time equivalent positions at Straumur-Burdarás Investment Bank.

## Information disclosure

Straumur-Burdarás is dedicated to providing timely, reliable, correct, and appropriate information to the market, through the Iceland Stock Exchange News System and its own website and in the press. The Bank's aim is to guarantee all stakeholders access to clear and exact information on the Bank's operations and projects at any given time.

## Financial calendar for 2006

Q4 30<sup>th</sup> of January

The Annual General Meeting will take place on the 8<sup>th</sup> of March 2007.

Publication of the results for the first three months (Q1) is scheduled on the 26<sup>th</sup> of April 2007.

## Presentation of results

A presentation for investors and other parties in the market will be held at 8:30 a.m. on Wednesday 31 January 2007, at the Bank's headquarters at Borgartún 25, 8th floor. Chief Executive Officer Fridrik

Jóhannsson will present the results and a survey of company operations during 2006.

### **The Interim Financial Statements and Further Information**

For further information, please contact Fridrik Jóhannsson, CEO, and Jóhanna Vígdís Guðmundsdóttir (johanna@straumur.net, mobile number: +354 8409133). The interim financial statements for 2006 will be available at the Bank's offices and will be accessible, together with other information on the Bank, on its website: [www.straumur.net](http://www.straumur.net).



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