

Eyrir Invest ehf – 2007 Results

Equity increases by 51% in 2007 due to retained earnings and new equity issue An eventful year with great transformation of Marel, Össur and Stork.

Eyrir Invest's profit for the year 2007 is ISK 797 m that equals 5.7% return on equity. Book value per share has increased annually by 49.9% from Eyrir Invest foundation in mid-year 2000 compared to a negative 3.1% average annualized return of MSCI world index, both numbers measured in Euros.

Eyrir Invest issued new shares in 2007 for ISK 5,382 million and financially sound investors have joined the company. Equity at year end is ISK 18,133 m (EUR 198 m) compared to ISK 11,995 m at the beginning of the year. Thordur Magnússon (Chairman) and Arni Oddur Thordarson (CEO) remain principal shareholders with 51% of total outstanding shares.

- Equity ratio at year end is 39%, deferred taxes 4% of total assets and high cash position
- All assets are booked at market value and no off-balance sheet equity contracts
- Average maturity of debts is close to 4 years and has been further extended in the beginning of 2008

Eyrir Invest in co-operation with Landsbanki and Candover made a recommended cash offer through its subsidiary London Acquisition B.V. for all outstanding shares in the Netherland based conglomerate Stork N.V. The offer was declared unconditional on 17th of January 2008. Total value of the transaction is 1.7 billion Euros. Simultaneously LME, previously founded by Eyrir Invest, Landsbanki and Marel, sold all of its 43% stake in Stork N.V. that was accumulated gradually during the past two years.

As an integral part of the Stork N.V. transaction, Marel Food Systems entered into an agreement to acquire its long term industrial partner Stork Food Systems for EUR 415 m on a debt and cash-free basis. The acquisition is subject to antitrust authority approval that is expected to be cleared in 1H 2008. The financing of the acquisition is fully secured and will be equally financed by equity offering and long term debts. Eyrir Invest is committed to full proportional participation in a planned pre-emptive share offering of Marel Food Systems.

- Leverage of Eyrir Invest was significantly decreased on 17th of January 2008 by sale of Stork shares
- Proceeds of Stork shares partly re-invested in London Acquisition and the planned pre-emptive equity increase of Marel Food Systems

Arni Oddur Thordarson, CEO:

"The year 2007 was an eventful year for Eyrir Invest where the prevailing theme was a conservative stance towards our trading portfolio in turbulent times and support towards the growth strategy of our core holdings. Our last year results are acceptable in light of market conditions.

The highlight of the year is the successful cash offer we made in co-operation with Landsbanki and Candover for all outstanding shares in Stork N.V. One important part of that transaction is Marel's planned acquisition of its long term industrial partner Stork Food Systems. Marel Food Systems has by acquisitions five folded its revenues in less than two years and will now swift the focus to increased internal growth and profits.

We are grateful for the good support we have from our new and existing investors and highly appreciate the trust we have from financial institutions. Turbulences in financial markets and less demanding equity prices can create opportunities to financially sound investors with a long term view. Our targeted annual return for the years 2008-2010 is 16% measured in Euros"

Keyfigures – Statement of Earnings

(in ISK thous.)	2007	2006	2005*	2004*
Operating revenue:				
Net income from securities and derivatives	1,761,577	3,061,683	5,627,640	2,846,852
Interest income	279,305	78,742	78,183	35,673
Interest expenses	-1,653,272	-922,927	-372,316	-227,640
Net foreign exchange gain (loss)	821,259	-126,242	-266,375	-28,687
Net operating revenue	1,208,869	2,091,256	5,067,132	2,626,198
Operating expenses:				
Salaries and salary related expenses	236,102	168,655	39,871	21,810
Other operating expenses	64,943	48,417	32,159	15,524
Operating expenses	301,045	217,072	72,030	37,334
Profit before income tax	907,824	1,874,184	4,995,102	2,588,864
Income tax	-111,143	-307,874	-888,368	-443,427
Net earnings	796,681	1,566,310	4,106,734	2,145,437
Basic earnings (loss) per share (ISK)	1.28	3.20		
Diluted earnings (loss) per share (ISK)	1.27	3.20		

Keyfigures – Balance Sheet	2007	2006	2005*	2004*
(in ISK thous.)				
Assets:				
Cash and cash equivalents	6,958,889	261,052	1,681,290	134,710
Securities	40,993,449	25,821,843	15,645,115	8,359,850
Receivables	33,210	31,323	85,742	68,693
Other assets	218,073	151,074	157,191	8,390
Total assets	48,203,621	26,265,292	17,569,338	8,571,643
Stockholders' Equity and Liabilities:				
Stockholders's equity	18,133,177	11,994,982	9,616,759	2,742,930
Deferred income tax liability	1,744,472	1,660,604	1,354,411	473,376
Liabilities	28,325,972	12,609,706	6,598,168	5,355,337
Total stockholders' equity and liabilities	48,203,621	26,265,292	17,569,338	8,571,643
Equity ratio	37.6%	45.7%	54.7%	32.0%

*) not in conformity with IFRS

In 2007 Eyrir Invests prepared its financial accounts in conformity with IFRS standards, the transition to IFRS has insubstantial effect on Eyrir Invests equity and financial position.

Eyrir Invests' shareholders

Eyrir Invest has a strong shareholder base. The Company's shareholders consist of successful entrepreneurs with background in various industries such as shipping, banking, insurance, fishing, pharmaceuticals and retailing. Shareholders today are:

Thórður Magnússon	27.8%
Árni Oddur Thórðarson	23.9%
Landsbanki Lux Custody	21.4%
Straumborg ehf	11.9%
Sigurjón Jónsson	11.4%
Arkur ehf	3.6%
Total Shares	100.0%

Outlook

The outlook for Eyrir Invest is positive. Fundamental values of active holdings are solid and will yield good return in the future. Eyrir Invest's average annual return on equity target is 16%, measured in Euros, for the period 2008-2010, compared to 49.9% actual annual average return for the period 2000-2007.

Major holdings

Marel Food Systems

Marel Food System's vision is to be on the innovative forefront in developing and marketing high-tech equipment and solutions for the food processing industry. With ongoing development of new innovations Marel Food Systems is able to increase productivity and profitability for its customers and maintain its success.

Marel is a strongly financed and fast growing company serving the food processing industry. Marel has been listed on the Nordic OMX Stock Exchange since 1992. The company's expansion is based on profitable internal growth as well as on acquisitions of other companies in similar fields. Eyrir Invest has been the principal owner of Marel Food Systems since early 2006, now holding 32% of outstanding shares.

The industry in which Marel operates is attractive. As food processing in general has grown in line with economic growth, advanced processing has grown faster, and sales of processing solutions have grown twice as fast, as economic growth over the last ten years.

Marel Food Systems set an ambitious growth target at its 2006 Annual General Meeting of tripling annual turnover within 3-5 years. In the months following the AGM, Marel doubled its business by acquiring two of the company's main competitors: AEW Delford in the UK and Scanvaegt in Denmark.

In November 2007 Marel Food Systems announced the acquisition of its long term industrial partner Stork Food Systems. The companies businesses are complementary where the Stork Food Systems strengths are within the poultry segments and Marel roots are within the fish processing industry. The acquisition is subject to the approval of the antitrust authorities which is anticipated in 1H 2008. Combined world-wide market share of Stork and Marel within the meat, poultry and fish processing industry will be around 16%.

Össur

Össur is a world-wide leading prosthetic solution company and a fast growing top-tier player in the fields of bracing and support.

Össur is listed on the OMX Nordic Exchange. The Company has a broad international shareholder base, as the shares are widely owned by the public, pension funds and other strong investors.

The market value of Össur at year end was USD 672 million. Eyrir Invest is the 2nd largest investor in Össur, holding 19.87% of the share capital. William Demant in Denmark is the largest shareholder holding 34.27% of the share capital.

Eyrir Invest has diligently supported the company's ambitious growth strategy. Over the last two years Össur has transformed from being a prosthetic company into one of the largest players in prosthetic and the new segments of bracing and support.

Stork N.V.

Eyrir Invest and Landsbanki joined forces with Candover to make a bid for all outstanding shares in Stork N.V., the Dutch industrial conglomerate. The bid, which was eventually made unconditional the 17th of January 2008, represents a total value of EUR 1.7 billion. Previously Eyrir, Landsbanki and Marel had become jointly, through their subsidiary LME, the single largest shareholder in Stork by acquiring 43% stake in the company. The acquisition of Stork is one of the largest one in Europe since the turbulences in financial markets started in mid year 2007.

The acquisition of Stork N.V. is made via the investment vehicle London Acquisition B.V. in which Eyrir Invest invests EUR 103,75 million. In conjunction with the transaction Stork N.V. divests Stork Food Systems to Marel Food Systems. The remaining divisions are Stork Aerospace and Stork Technical

Services with total annual turnover at 1.5 billion Euros and 13.000 employees. Both divisions are expected to show good growth and increased cash flows in the coming years.

Other holdings

Eyrir Invest other holdings are primarily in large financial institutions listed in the Nordic countries with fast growing businesses in Central and East Europe.

Further information

For further information please contact Arni Oddur Thordarson, CEO, at +354 525 0200.

Reykjavik, Februar 8th 2008

Information on Eyrir Invest ehf, is available at www.eyrir.is