

Eyrir Invest publishes H1 2013 results

- Net loss in the first half of the year amounts to 25.4 million Euros compared to a net profit of 18.3 m Euros in first half 2012.
- Total assets are 355 million Euros, equity amounts to 162 m Euros and the equity ratio is 46%
- In early 2013 Eyrir Invest secured long term and stable financing.
- Cash and bank deposits intended to meet short term obligations amount to 29 m Euros. Eyrir Invest has requested permission from the Central Bank to prepay a Euro denominated loan with final maturity in December. Subsequently Eyrir intends to liquidate its listed bonds.
- Eyrir's core holdings are long term financed with net debt levels at 2-4x EBITDA

Eyrir Invest's core holdings are a 29% share in Marel and 17% holding in Stork TS and Fokker. In addition, Eyrir Invest invests in prominent growth companies through its venture capital subsidiary, Eyrir Sprotar slhf.

Fokker and Stork TS have been operating as independent companies from the beginning of the year, with separate governance and long term financing. Marel is listed on Nasdaq OMX Iceland and is booked at market value in Eyrir Invest's accounts. Fokker and Stork TS are booked at fair value.

Arni Oddur Thordarson, CEO:

“At the same time as we publish unsatisfactory results for the first half of the year, we remain optimistic towards the value creating potential of Eyrir Invest's assets in the coming 2-3 years. Our core holdings all operate in growth industries and hold strong competitive positions.

Eyrir's result in first half of the year is colored by a lowering of our booked valuation of Stork TS. The booked value is taken down due to weak operational results in first quarter, though we are already seeing signs of good improvements. New management took over this summer and an action plan has been initiated to increase focus, lower the cost structure and increase profitability. Stork TS has a strong competitive position and solid customer base as is evident by 6% organic growth in H1 2013 and healthy development of the order book.

Fokker has delivered good growth in recent years and operations are proceeding according to plan. Eyrir Invest is a long term investor in Marel and we remain confident in Marel's value creating potential in the coming years.”

Consolidated Statement of Comprehensive Income

(in EUR thousands)	2013/6m	2012	2012/6m	2011
Investment income:				
Change in fair value of investment securities	-19.204	-7.992	24.513	-30.977
Dividend income	2.361	2.489	2.489	0
Income from change in accounting treatment of an associate	0	0	0	30.107
Share of profit of equity accounted associates	0	0	0	11.650
Net interest expenses	-6.050	-10.528	-5.115	-12.920
Net foreign exchange gain (loss)	-1.642	3.430	-2.727	4.763
Net operating (expenses) revenue	-24.535	-12.601	19.160	2.623
Operating expenses:				
Salaries and salary related expenses	557	527	527	934
Other operating expenses	272	303	303	732
Operating expenses	829	830	830	1.666
(Loss) profit for the period	-25.364	18.330	18.330	957
Realised transl. diff. transf. to profit and loss	-554	-368	-368	-488
Total comprehensive inc./(exp.) for the period	-25.918	17.962	17.962	469
Earn. per share-eurocents (each share 1 ISK)	-2.59	1.75	1.75	0.09
Earn. Per share for compreh.income-eurocents	-2.59	1.71	1.71	0.05

Consolidated

Statement of Financial Position

	2013/6m	2012	2012/6m	2011
Assets:				
Cash and restricted cash	29.137	788	772	10.474
Share subscription	0	0	0	15.377
Investment securities	320.181	364.473	373.837	364.931
Receivables	3.199	2.820	2.992	2.282
Operating assets	2.013	2.034	2.045	2.82
Total assets	354.530	370.115	379.646	395.146
Equity and Liabilities				
Total equity	162.189	172.401	204.880	202.493
Trade and other payables	262	3.210	203	239
Liabilities	192.079	194.504	174.563	192.414
Total equity and liabilities	354.530	370.115	379.646	395.146
Equity ratio	45.8%	46.6%	54.0%	51.3%

In February 2013, Eyrir issued new B-shares for 16 m Euros. The B-shares were purchased by institutional investors. Simultaneously Eyrir secured long term and stable financing, with extension of the majority of total financing to 2015-2018.

Eyrir Invest's shareholder return has been good since the Company's foundation in mid-year 2000. Net Asset Value per share at the end of H1 2013 is 14.5 eurocents compared to 1.4 eurocents at foundation. During the same period, the MSCI World Index in Euros has declined by 24% or 2% annually on average.

Outlook

Looking ahead, there is expected to be good growth within the industries where Eyrir Invest's core holdings are placed – the food industry, energy industry and aerospace industry. In the past few years

Eyrir's core assets have strengthened their market positions and are now in a good position to harvest well. Nevertheless, results may vary from year to year.

Reykjavík, 30 August 2013

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About Eyrir

Eyrir Invest is an international investment company. Eyrir Invest places great emphasis on participating in the operations and strategic planning of its core holdings. Eyrir Invest's core holdings are a 29% share in Marel and 17% holding in Stork TS and Fokker. In addition, Eyrir Invest invests in prominent growth companies through its venture capital subsidiary, Eyrir Sprotar slhf. Eyrir's "buy and build" strategy has delivered good returns since the company's foundation in mid-year 2000.

Forward-looking statements

Statements in this press release that are not based on historical facts are forward-looking statements. Although such statements are based on management's current estimates and expectations, forward-looking statements are inherently uncertain. We, therefore, caution the reader that there are a variety of factors that could cause business conditions and results to differ materially from what is contained in our forward-looking statements, and that we do not undertake to update any forward-looking statements. All forward-looking statements are qualified in their entirety by this cautionary statement.