

A solid base for continued growth and value creation

- Net asset value is 202 m Euros at year-end 2011 compared to 193 m at beginning of the year.
- Total assets amount to 395 m Euros and the equity ratio is 51% [2010; 44%]. Cash and cash equivalents are 26 m at year-end.
- Net profit in 2011 was 1.0 million Euros [2010; EUR 52 m].
- A 10% equity increase was executed in December 2011. All the new shares were subscribed by the Pension Fund of Commerce.
- The long term outlook for Eyrir Invest and its core holdings is good. Their financials are in line with strategy and international benchmarks with net debt levels at 2-4x EBITDA.

Eyrir Invest's core holdings are a 36% share in Marel and 17% holding in Stork Technical Services and Fokker Technologies through their parent company, Stork BV. In addition, Eyrir Invest holds prominent growth companies through Eyrir sprotar slhf.

Eyrir Invest's shareholder return has been good since foundation in mid-year 2000. Net Asset Value per share is today 18.3 eurocents compared to 1.4 eurocents at foundation. During the same period, the MSCI World Index in Euros has declined by 37% or 4% annually.

Arni Oddur Thordarson, CEO:

"2011 was an eventful year for Eyrir with highlights including the stellar performance of Marel, Stork Technical Services successful acquisitions of RBG and establishment of Eyrir Sprotar backed by equity increase at the end of the year.

The slightly positive results in 2011 are acceptable in light of turbulent market circumstances in 2011. Our companies have strengthened their competitive positions by continuous innovation and further geographical expansion. All in all, we start the year 2012 cautiously optimistic."

Statement of Comprehensive Income

(in EUR thousands)	2011	2011/6m	2010	2009*
Operating revenues:				
Change in fair value of investment securities	-30.977	-15.165	64.851	4.992
Income from change in accounting treatment of an associate	30.107	0	0	0
Share of profit of equity accounted associates	11.650	2.583	7.491	-13.116
Net interest expenses	-12.920	-5.487	-15.873	-13.592
Net foreign exchange gain (loss)	4.763	5.531	-3.254	183
Net operating revenue	2.623	-12.538	53.215	-21.533
Operating expenses:				
Salaries and salary related expenses	934	451	836	889
Other operating expenses	732	370	560	1.241
Operating expenses	1.666	821	1.396	2.130
(Loss) profit for the period	957	-13.359	51.819	-23.663
Other compreh. inc./ (exp.) for the period	-488	-190	-18.639	-7.696
Total comprehensive inc./ (exp.) for the period	469	-13.549	33.180	-31.359
Earn. per share-eurocents (each share 1 ISK)	0.09	-1.33	5.14	-2.35
Earn. Per shares for compreh.income-eurocents	0.05	-1.34	3.29	-3.11

*) 2009 figures adjusted to compare to newer figures where fair-value changes in London Acquisition (Stork) is booked amongst net income from securities

Statement of Financial Position

	2011	2010	2009	2008
Assets:				
Cash and restricted cash	10.474	22.758	27.526	40.732
Share subscription	15.377	0	0	0
Investment securities	364.931	256.835	167.909	168.244
Investments in equity accounted securities	0	143.602	208.631	227.710
Trade and other receivables	2.282	1.201	615	12.741
Operating assets	2.082	2.050	2.119	2.180
Total assets	395.146	426.446	406.800	451.607
Equity and Liabilities				
Total equity	202.493	186.648	153.469	184.185
Trade and other payables	239	1.908	373	29.351
Liabilities	192.414	237.890	252.958	238.071
Total equity and liabilities	395.146	426.446	406.800	451.607
Equity ratio	51.2%	43.8%	37.7%	40.8%

Eyrir Invest reports slightly positive net profits in 2011 while the equity markets in general were weak with the MSCI world index in Euros declining by 5.2%. The equity markets were mixed with share prices of financial institutions collapsing while many technologically leading companies with truly global revenue streams and broad customer base showed healthy growth in sales and profitability leading to increases in shareholder value.

Eyrir Invest's balance sheet is strong with 395 m Euros in total assets and a 51% equity ratio, good liquidity and long term financing. A strategic 10% share increase was executed in December, subscribed fully by the Pension fund of Commerce.

All of Eyrir's assets are booked at fair value or market value in line with current accountings practices of major international investment companies. In the past years Eyrir has accounted for its holdings in Marel using the equity method. The Board of Directors has decided to account for the shares at fair

value in order to give a clear and transparent view of Eyrir's financial position. The accounting method is in accordance with *IAS 39 Financial Instruments: Recognition and measurement*.

Core assets account for more than 90% of Eyrir's total assets. Profits attributed to shares in Marel are 42 m Euros, while sale of shares in Össur results in a loss of close to 10 m Euros. Eyrir's 17% share in Stork is adjusted downward by 16 m Euros in 2011 due to trading conditions in Europe. Both Marel and Össur shares are listed on Nasdaq OMX. Stork is an unlisted company valued using a fair value method based on market and transaction multiples.

In the first half of 2011 Eyrir sold all its shares in Össur hf. At year end 2010 Eyrir held 14% of total shares. Eyrir was a major shareholder in Össur since 2004, holding 20-25% of total shares for the majority of that period. Overall Eyrir had capital gains from investments in Össur. Eyrir actively supported Össur's growth strategy and during the period of possession Össur tripled its revenues and increased profitability.

Highlights 2011

Eyrir increased its share in Marel to 36% from 32% at beginning of the year.

- Marel's share price increased to 79 eurocents per share compared to 65 eurocents at the beginning of the year. Marel showed strong and profitable organic growth in 2011. Marel's net profit increased significantly last year due to higher operating profit and reduced financing cost.
- Eyrir has been principal shareholder in Marel since 2005 and supported its growth strategy including providing significant new equity to the company. Marel's Board of Directors proposes to pay a dividend for the operating year 2011 equalling to 20% of operating profit, resulting in approximately 2.5 m Euros dividend payment to Eyrir.

Eyrir remains a 17% shareholder in Stork BV which owns and operates Fokker Technologies and Stork Technical Services (STS).

- STS expanded geographically in 2011 by acquiring RBG, a UK based supplier of inspect, assess and repair services to the global energy industry. RBG has already been rebranded as Stork Technical Services (STS). STS is a leading knowledge based asset integrity management company to the oil, gas and power companies. Following the acquisition, STS operates in North Sea, Benelux, Caspian, Africa, Middle East and the Americas and has 14.500 employees and estimated revenues of around 1.4 billion Euros.
- In 2011 Fokker Technologies celebrated 100 years of aircrafting. Total revenues in Fokker Technologies are close to 700 million Euros and Fokker employs 3.700 people.

Eyrir increased its share capital by 10% in 2011. Coinciding with the share issue, Eyrir Invest established Eyrir sprotar slhf. Eyrir sprotar will emphasise supporting promising ventures for international growth and value creation.

Outlook

Looking ahead, there is expected to be good growth within the industries where Eyrir Invests 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.

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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.

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