

Board of Directors and Shareholders of Icebank Ltd.

We have audited the accompanying consolidated Balance Sheet of Icebank Ltd. as of December 31, 1999, and the related Statement of Earnings and Statement of Cash Flows for the year then ended. These Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Financial Statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated Financial Statements give a true and fair view of the financial position of Icebank Ltd, as at December 31, 1999, and the results of its operations and its cash flows for the year then ended, in accordance with the law and generally accepted accounting principles in Iceland.

Reykjavík, February 14, 2000.

KPMG Endurskoðun hf.

State Authorised Public Accountants

Sigurður Jónsson

Statement of Earnings for the Year 1999

	Notes	1999	1998
Financial Income:			
Interest from credit institutions		948,842	716,584
Interest on loans		882,433	489,864
Interest on bonds	3	374,243	246,243
		2,205,518	1,452,691
Financial expenses:			
Interest to credit institutions		1,348,952	1,055,446
Interest on deposits from customers		1,273	377
Interest on borrowings		438,888	70,806
Other interest expenses		38,501	33,080
Calculated inflation adjustment	2	47,235	12,511
		1,874,849	1,172,220
Net interest income		330,669	280,471
Other operating income:			
Dividends from shares and other holdings	12,13	272,526	63,451
Income from commissions	32	113,367	79,820
Commission expenses		(15,990)	(14,860)
Exchange-rate differences		101,222	86,084
Other operating income		7,970	8,253
		479,095	222,748
Net operating income		809,764	503,219
Other operating expenses:			
Salaries and related expenses	29-31	164,260	118,913
Other administrative expenses		193,567	159,356
Depreciation of fixed assets	14	12,257	10,070
		370,084	288,339
Provisions for losses	10	(121,134)	(38,690)
Profit before taxes		318,546	176,190
Calculated income tax	20,22	(101,352)	(55,147)
Net worth tax	20	(10,319)	(10,397)
Net earnings	24	206,875	110,646

Balance Sheet

Assets

	Notes	1999	1998
Cash and amounts due from Central Bank		878,652	865,412
Treasury bills		1,239,099	162,938
Credit institutions:			
Required deposits with Central Bank		3,888,993	1,758,343
Commercial banks		1,618,023	2,245,532
Savings banks		14,323,142	10,599,982
Other credit institutions		3,575,298	5,807,382
	7-9	23,405,456	20,411,239
Loans to customers	7-10	7,709,259	4,781,260
Marketable bonds and shares in other companies:			
Marketable bonds and other fixed-income securities		5,865,851	4,248,305
Shares in other companies and other variable income securities		632,972	58,433
Shares in associated companies		670,792	253,347
	11-13	7,169,615	4,560,085
Other assets:			
Fixed assets	2,14	244,534	226,882
Other assets		17,604	11,162
Prepaid expenses and accrued income		15,030	7,705
		277,168	245,749
Total assets		40,679,249	31,026,683

Liabilities and capital

	Notes	1999	1998
Amounts owed to credit institutions:			
Central Bank		3,597,870	5,236,490
Commercial banks		14,373,171	11,622,872
Savings banks		9,861,996	6,848,783
Other credit institutions		2,078,360	2,939,292
	18	29,911,397	26,647,437
Customers accounts, on demand		3,358,499	110,268
Borrowings	19	5,268,035	2,574,767
Other liabilities:			
Sundry liabilities	34	159,394	165,649
Accrued interest		45,396	19,751
		204,790	185,400
Provision for liabilities:			
Provision for pension liabilities	21	18,009	55,364
Provision for deferred tax liability	22	116,331	33,058
		134,340	88,422
Capital:			
Paid in capital and stockholders guarantees		1,205,534	1,099,888
-stockholders guarantees	27	(602,767)	(549,944)
Capital stock		602,767	549,944
Revaluation reserve		97,016	67,570
Statutory reserve	25	241,632	137,485
Retained earnings		860,773	665,390
Capital	23-27	1,802,188	1,420,389
Total liabilities and capital		40,679,249	31,026,683

Statement of Cash Flows for the Year 1999

Cash flows from operations:

	Notes	1999	1998
Net earnings for the year		206,875	110,646
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Indexation on assets and liabilities		117,580	23,593
Calculation inflation adjustment	2	47,235	12,511
Net of subsidiaries	12,13	(272,350)	(63,250)
Exchange - rate difference		(21,431)	(19,360)
Depreciation of fixed assets	14	12,257	10,070
Provision for losses	10	121,134	38,690
Loss from sale of fixed assets		(884)	0
		210,416	112,900
Changes in assets and liabilities:			
Prepaid expenses and accrued income		(7,325)	17,766
Accrued expenses and provision for liabilities		73,418	26,289
Net cash provided by operating activities		276,509	156,955
Cash flows used in investing activities:			
Credit institutions, changes		(2,953,425)	(10,895,232)
Loans to customers, changes		(3,188,558)	(1,943,198)
Listed bonds, changes		(2,638,018)	(73,087)
Investment bonds, bought		(1,637,772)	(2,970,749)
Investment bonds, sold		1,839,246	1,937,924
Shares in other companies sold		19,611	61,616
Investment in shares in other companies		(129,019)	(44,185)
Investment in fixed assets	14	(17,350)	(91,507)
Fixed assets sold		1,500	0
Other assets		(6,442)	(10,328)
Net cash provided by investing activities		(8,710,227)	(14,028,746)
Cash flows used in financing activities:			
Amounts owed to credit institution, changes		3,250,134	13,719,144
Customers accounts, changes		3,248,231	(76,158)
Borrowings, changes		2,927,723	391,201
Other liabilities		(6,255)	70,492
Dividends paid	24	(32,997)	(38,496)
Treasury stock sold	24	136,283	0
Net cash used in financing activities		9,523,119	14,066,183
Increase in cash		1,089,401	194,392
Cash and cash equivalents at beginning of year		1,028,350	833,958
Cash and cash equivalents at end of year	5	2,117,751	1,028,350i

Amounts in ISK thousand



Summary of accounting policies

1. These Consolidated Financial Statements, which include a parent company and subsidiary, are in accordance with law and regulations on Annual Accounts of commercial banks, savings banks and other credit institutions. The daughter company, Lyngháls ehf., is fully owned by the Bank. The Annual Accounts are in all main respects based on the same accounting principles as in previous year.

2. The effects of general price-level changes on the operations and financial position are calculated and included in the Financial Statements based on the increase of the official Consumer Price Index within the year, which increased by 5.6%.

The net value of fixed assets and shares in other companies, as previously revalued to the end of 1998, has been further revalued to the end of 1999. Depreciation is entered as an expense in the Statement of Earnings at the average price-level in 1999. The effects of general price-level changes on assets and liabilities have been calculated and entered as an expense amounting to ISK 47 million. As a result of these price-level adjustments, amounts in the Balance Sheet are presented at the year-end price-level and the operating result at the average price-level.

The revaluation of assets, associated companies and the calculated inflation adjustment has been posted to the retained earnings in the Balance Sheet, as shown in note 24.

3. The bank's securities are partly presented as trading securities and partly as investment securities. Investment securities are securities that by a formal decision are expected to be held for more than one year, but other securities are categorised as trading securities.

The valuation of investment bonds is based on the required rate of return at the time of purchase, and investment shares are valued at cost price adjusted to inflation. Trading bonds are valued at the year-end market price.

4. The Bank holds shares in a number of associated companies and those shares are entered at a value corresponding to the Bank's share in their equity. Shares in other companies are entered at their inflation-adjusted cost price.

5. Cash and cash equivalents in the Statements of Cash Flows consist of cash and demand deposits with the Central Bank and Treasury bills. Cash and cash equivalents amount to ISK 2,118 million at year-end.

6. The bank's deferred income tax liability at the end of the year 1999 is ISK 116 million, as shown in the Balance Sheet. The calculation is based on the difference between Balance Sheet items as presented in the tax report, on the one hand, and in the Financial Statements on the other. This difference is due to the fact that tax assessments are based on rules which differ from the rules governing the Financial Statements.



Credit institutions and loans to customers

7. Loans to customers itemised by types of loans:

	1999		1998	
	Credit institutions	Loans to customers	Credit institutions	Loans to customers
Required deposits with Central Bank	3,888,993	0	1,758,343	0
Overdrafts	607,228	382,311	2,340,330	340,155
Production and operations credit	1,135,978	795,039	669,164	551,144
Bills of exchange	5,726,009	100,908	4,854,297	253,852
Bonds	2,942,826	711,792	1,039,904	551,934
Foreign loans	7,155,805	5,719,209	8,631,346	3,084,175
Deposits, currency linked	1,107,520	0	675,530	0
Inter-bank loans	805,501	0	401,104	0
Subordinated loans	35,596	0	41,221	0
	<u>23,405,456</u>	<u>7,709,259</u>	<u>20,411,239</u>	<u>4,781,260</u>

8. Loans to customers itemised by sector:

	1999	1998
Municipalities	1.4%	1.6%
Business enterprises:		
Agriculture	2.4%	2.6%
Fishing industry	45.6%	56.2%
Communication	3.0%	0.3%
Services	34.9%	35.1%
Other	12.7%	4.2%
	<u>100,0%</u>	<u>100,0%</u>

9. Amounts due from credit institutions and loans to customers itemised by maturity:

	1999		1998	
	Credit institutions	Loans to customers	Credit institutions	Loans to customers
Required deposits with Central Bank	3,888,993	0	1,758,343	0
On demand	0	44,993	0	26,657
Up to 3 months	10,214,209	2,525,215	10,252,429	1,411,136
Over 3 months up to 1 year	4,587,155	1,595,677	5,455,509	1,037,408
Over 1 year up to 5 years	3,039,697	2,591,186	2,504,134	1,588,838
Over 5 years	1,675,402	952,188	440,824	717,221
	<u>23,405,456</u>	<u>7,709,259</u>	<u>20,411,239</u>	<u>4,781,260</u>

10. A provision for losses on the Bank's loan portfolio has been made to meet the estimated risk attached to the Bank's lending activities. This provision does not represent a final write-off. Certain risk factors are evaluated in addition to regular contributions for this purpose. On the one hand there are specific provisions to meet obligations of the large borrowers that have been evaluated at risk, and on the other hand a general provision to meet the general risk of lending operations. The provision has been deducted from the appropriate Balance Sheet items; however the provision for guarantees issued is posted among sundry liabilities, amounting to ISK 30 million. The changes in the provision are as follows:

	Provision for losses 1999			1998
	Special	General	Total	Total
Balance at beginning of year	0	311,254	311,254	272,564
Provision for losses over the year	102,400	18,734	121,134	38,690
Balance at year-end	102,400	329,988	432,388	311,254
Provision for losses on the loan portfolio as a percentage of loans and guarantees issued			2,3%	1,6%

Bonds and shares in other companies:

11. Bonds and other fixed income securities are itemised as follows:

	Market value	Book value
Trading bonds:		
Listed on the Iceland Stock Exchange	2,587,906	2,587,906
Bonds, unlisted		146,314
		<u>2,734,220</u>
Investing bonds:		
Listed on the Iceland Stock Exchange	1,390,886	1,376,214
Bonds, unlisted		1,755,417
		<u>3,131,631</u>
Bonds and other fixed income securities at year-end 1999		<u>5,865,851</u>
Bonds issued by public entities		3,301,461
Bonds issued by other borrowers		<u>2,564,390</u>
		<u>5,865,851</u>

12. Shares and other variable-yield securities are itemised as follows:

			Market value	Book value
Trading securities:				
Shares listed on the Iceland Stock Exchange			184,624	184,624
Foreign marketable shares			222,174	222,174
Unlisted shares				<u>192,200</u>
				<u>598,998</u>
Investing securities:				
	Owner- ship	Dividend/ interest	Nominal value	Book value
Sparisjóður Ólafsfjarðar	12.3%	0	25,000	26,855
Sparisjóður Hornarfjarðar og nágrennis	7.7%	176	3,500	5,420
Sparisjóður Suður-Pingeyinga	12.1%	0	768	843
Verðbréfabíng Íslands hf., Reykjavík	0.7%	0	256	270
Bárustígur ehf., Vestmannaeyjum	33.3%	0	200	219
Hafnarbraut ehf., Höfn	20.0%	0	120	132
Smárahúsið ehf., Kópavogi	5.0%	00	125	129
Klettháls ehf., Reykjavík	16.7%	0	100	<u>105</u>
		176		<u>33,974</u>

13. The Bank has invested in shares in associated companies. The companies are not listed. Ownership in these companies is presented at a value corresponding to the Bank's share in their equity and itemised as follows:

	Owner- ship	Profit share	Nominal value	Book value
Shares in credit institution:				
SP- Fjármögnun hf., Reykjavík	29.3%	29,249	110,960	212,889
Kaupbing hf., Reykjavík	8.7%	49,935	7,719	<u>174,788</u>
		<u>79,184</u>		<u>387,677</u>
Associated companies:				
Alþjóða líftryggingarfélagið hf., Reykjavík	12.1%	450	1,394	25,855
Reiknistofa bankanna, Reykjavík	0.5%	1,434	4,066	4,066
Scandinavian Holding S.A., Lúxemborg	14.0%	190,493	56,000	246,493
Tölvumiðstöð sparisjóðanna, Kópavogi	5.0%	789	6,701	<u>6,701</u>
		<u>193,166</u>		<u>283,115</u>
Associated companies, total		<u>272,350</u>		<u>670,792</u>

Other assets

14. Fixed assets, revaluation and depreciation are as follows:

	Real estate	Fixtures, equipment and vehicles	Total
Total value 1.1. 1999	239,832	31,503	271,335
Addition during the year	1,600	15,750	17,350
Revaluation during the year	13,453	2,559	16,012
Sold during the year		(2,468)	(2,468)
Total value 31.12.1999	<u>254,885</u>	<u>47,344</u>	<u>302,229</u>
Previously depreciated	30,975	13,478	44,453
Depreciation during the year	4,051	8,206	12,257
Revaluation during the year	1,850	986	2,836
Depreciation of sold assets		(1,851)	(1,851)
Total depreciation	<u>36,876</u>	<u>20,819</u>	<u>57,695</u>
Book value 31.12.1999	<u>218,009</u>	<u>26,525</u>	<u>244,534</u>
Annual depreciation ratio	<u>2-4%</u>	<u>15-25%</u>	

At year end 1999 the official value of buildings was ISK 111 million and ISK 16 million for land or a total of ISK 127 million. The insurance valuation of the buildings amounted to ISK 301 million and insurance value of fixtures and equipment amounted to ISK 54 million at year-end 1999.

Amounts due from associated companies

15. Amounts due from associated companies are as follows:

	1999	1998
Amounts due from credit institutions	<u>1,787,829</u>	<u>4,362,914</u>

Assets and liabilities, index - linked or in foreign currencies

16. The total amount of indexed assets amounted to ISK 6,223 million at year-end, but indexed liabilities amounted to ISK 2,783 million at the same time. If capital in excess of fixed assets is taken into account, in accordance with the regulations of the Central Bank regarding indexed balances, then indexed assets are ISK 1,882 million higher than indexed liabilities. Included in assets and liabilities are contracts, see note no. 29.

17. The total amount of assets in foreign currencies amounted to ISK 27,018 million at year end, and the amount of liabilities amounted to ISK 26,534 million at the same time. Included in assets and liabilities are contracts, see note no. 29.

Liabilities to credit institutions

18. Amounts owed to credit institutions mature as follows:

	1999	1998
Up to 3 months	18,442,344	18,073,948
Over 3 months up to 1 year	2,916,050	2,313,757
Over 1 year up to 5 years	8,553,003	6,259,732
	<u>29,911,397</u>	<u>26,647,437</u>

Borrowings

19. The Banks' borrowings are itemised as follows:

	1999	1998
Bonds issued	2,281,914	1,143,698
Borrowings from credit institutions	835,120	952,088
Other	2,151,001	478,981
	<u>5,268,035</u>	<u>2,574,767</u>

The Banks' borrowings mature as follows:

Up to 3 months	1,147,534	291,985
Over 3 months up to 1 year	1,649,272	399,131
Over 1 year up to 5 years	797,418	587,844
Over 5 years	1,673,811	1,295,807
	<u>5,268,035</u>	<u>2,574,767</u>

Taxes

20. Taxes for the year 1999, such as income tax and net worth tax, have been entered in the Financial Statements.

Commitments

21. According to regulations the Bank is responsible for pension commitments to its employees. Owing to these liabilities the Bank has annually set aside a certain amount to be able to honour negotiated provisions for the employees' rights at any given time.

In December 1999 an agreement was signed between the Association of Icelandic Bank Employees and the Savings Banks Association under which unfunded pension obligations at the end of 1998 shall be settled by payments to authorized pension funds where they will be earning a return in the capacity of balances privately owned by individual employees. The Bank has already made the agreed payments in respect of its employees. There are, however, certain aspects of these matters which still need to be agreed between the parties and therefore an amount of ISK 18 million is shown as a liability in the balance sheet.

22. The Bank's deferred income tax liability at the end of the year 1999 is ISK 116 million as shown in the Balance Sheet. The calculation is based on the difference between Balance Sheet items as presented in the tax report, on the one hand, and in the Financial Statements on the other. This difference is due to the fact that tax assessments are based on rules which differ from those governing the Financial Statements because depreciation is entered earlier in the tax report than in the Financial Statements. The change in the liability is specified as follows in thousand ISK:

Provision for deferred income tax liability at the beginning of 1999	33,058
Calculated income tax for the year	101,352
Income tax in respect of 1999 to be paid in 2000	(19,934)
Indexation	1,855
Provision for deferred income tax liability at the end of 1999	116,331

The deferred income tax liabilities are divided between the following Balance Sheet items:

Shares in other companies	106,634
Fixed assets	9,697
Provision for deferred income tax liability at the end of 1999	116,331

Capital

23. According to the articles of association for the Bank, its capital stock was ISK 550 million. At a stockholders' meeting on 27 September 1999 the Board of Directors was authorized to increase the share capital of the Bank by an amount not exceeding ISK 60 million. The Board decided at a meeting on 17 November to fully utilize this authorization and to sell the new stock at a price of 2.58 times nominal value. At the end of the year shares at a nominal value of ISK 7 million were unsold. One vote is attached to each share of one ISK in the Bank.

24. Changes in capital are as follows:

	Capital stock	Revaluation reserve	Statutory reserve	Retained earnings	Total
Capital 1.1. 1999	549,944	67,570	137,485	665,390	1,420,389
Calculated inflation adjustment		47,235			47,235
Revaluation of fixed assets		13,176			13,176
Revaluation of shares in other companies		11,227			11,227
Treasury stock, sold	52,823		83,460		136,283
Dividend paid				(32,997)	(32,997)
Transferred to statutory reserve			20,687	(20,687)	0
Net earnings				206,875	206,875
Revaluation of retained earnings		(42,192)		42,192	0
Capital 31.12 1999	602,767	97,016	241,632	860,773	1,802,188

Amounts in ISK thousand

25. Statutory reserve is itemised as follows:

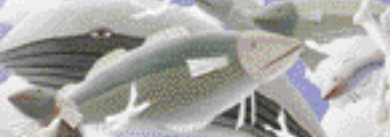
Share premium account	172,282
Statutory reserve	69,350
	<u>241,632</u>

26. Capital at year-end amounts to ISK 1,802 million, which is 4.4% of total assets. The capital ratio according to provision no. 54 in the Commercial Banks' Act is 10.2%. According to the law the ratio is not allowed to fall below 8%. The ratio is calculated as follows:

	Book value	Weighed value	
		1999	1998
Risk base:			
Assets recorded in the Financial Statements	40,679,249	14,649,029	9,762,007
Assets subtracted from capital		(218,958)	(205,494)
Guarantees and other items not included on the Balance Sheet	28,992,617	<u>1,036,797</u>	<u>1,482,727</u>
Risk base total		<u>15,466,868</u>	<u>11,039,240</u>
Capital recorded in the Financial Statements		1,802,188	1,420,389
Shares in credit institutions		<u>(218,958)</u>	<u>(205,494)</u>
Total capital and subordinated loans		<u>1,583,230</u>	<u>1,214,895</u>
Capital ratio		10.2%	11.0%

27. The Bank's capital amounted to ISK 1,420 million at the beginning of the year which equals ISK 1,500 million at year-end, taking into consideration an inflation rate of 5.6% within the year. According to the Balance Sheet, the capital amounts to ISK 1,802 million at year-end, or ISK 382 million higher than at the beginning of the year when compared at the December 31, 1999 price level. The changes itemised as follows:

	According to the Annual Accounts	At Dec. 31. 1999 price level
Capital 1.1.1999	1,420,389	1,500,073
Treasury stock, sold	136,283	136,283
Dividend paid	(32,996)	(33,923)
Net earnings	206,874	212,685
Revaluation of assets and calculated inflation adjustment	71,638	
Difference because of assets which do not follow general price level		(12,930)
Capital 31.12.1999	<u>1,802,188</u>	<u>1,802,188</u>



Notes, cont

28. At the end of the year the shareholders of Icebank Ltd. had provided guarantees to the benefit of the Bank that equal the capital stock commitments of the respective shareholders. These guarantees apply to the obligations of Icebank Ltd. against foreign financial institutions. The board of Icebank Ltd. is at any time authorised to make cash calls on shareholders under these guarantees if the board deems this a necessary step in providing means to fulfil the above obligations.
At year-end 1999 these guarantees amounted to ISK 603 million.

Obligations

29. The Bank has granted its clients guarantees and documentary credits. Further, it has offered forward contracts and currency and interest rate contracts to clients. These obligations are itemised as follows:

	1999	1998
Guarantees and documentary credits	765,563	1,877,018
Forward contracts, currency and interest rate contracts:		
Assets in ISK	4,442,130	1,297,325
Assets in foreign currencies	8,069,656	6,224,674
Liabilities in ISK	4,399,120	1,280,803
Liabilities in foreign currencies	8,005,047	6,259,051
Currency contracts:		
Assets in ISK	1,197,032	1,137,861
Assets in foreign currencies	494,120	1,369,666
Liabilities in ISK	378,368	362,662
Liabilities in foreign currencies	1,242,236	2,154,856

The contracts are made to limit currency and interest risk for the Bank and its customers. The Bank's risk related to the contracts due to of possible currency fluctuation or changes in interest rates. The risk is valued at ISK 197 million when calculating the capital ratio.

Personnel

30. The Banks' total number of employees is as follows:

	1999	1998
Average number of employees during the year measured as full time ..	37	33
Full time equivalent positions at year-end	43	33
Positions related to banking activities	42	32





31. Salaries and related expenses are itemised as follows:

	1999	1998
Total salaries	130,797	99,340
Salary related expenses	10,479	8,195
Contribution to Pension Fund and pension fund commitments	<u>22,984</u>	<u>11,378</u>
	<u>164,260</u>	<u>118,913</u>

32. Salaries paid to the Board of Directors and Managing Director including fees for representing the Bank on boards amounted to ISK 9.7 million during the year.

Itemisations

33. Commissions are itemised as follows:

	1999	1998
Commissions on guarantees	21,868	18,196
Other commissions	<u>91,499</u>	<u>61,624</u>
	<u>113,367</u>	<u>79,820</u>

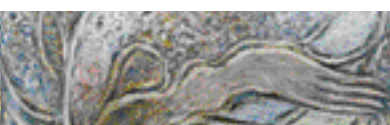
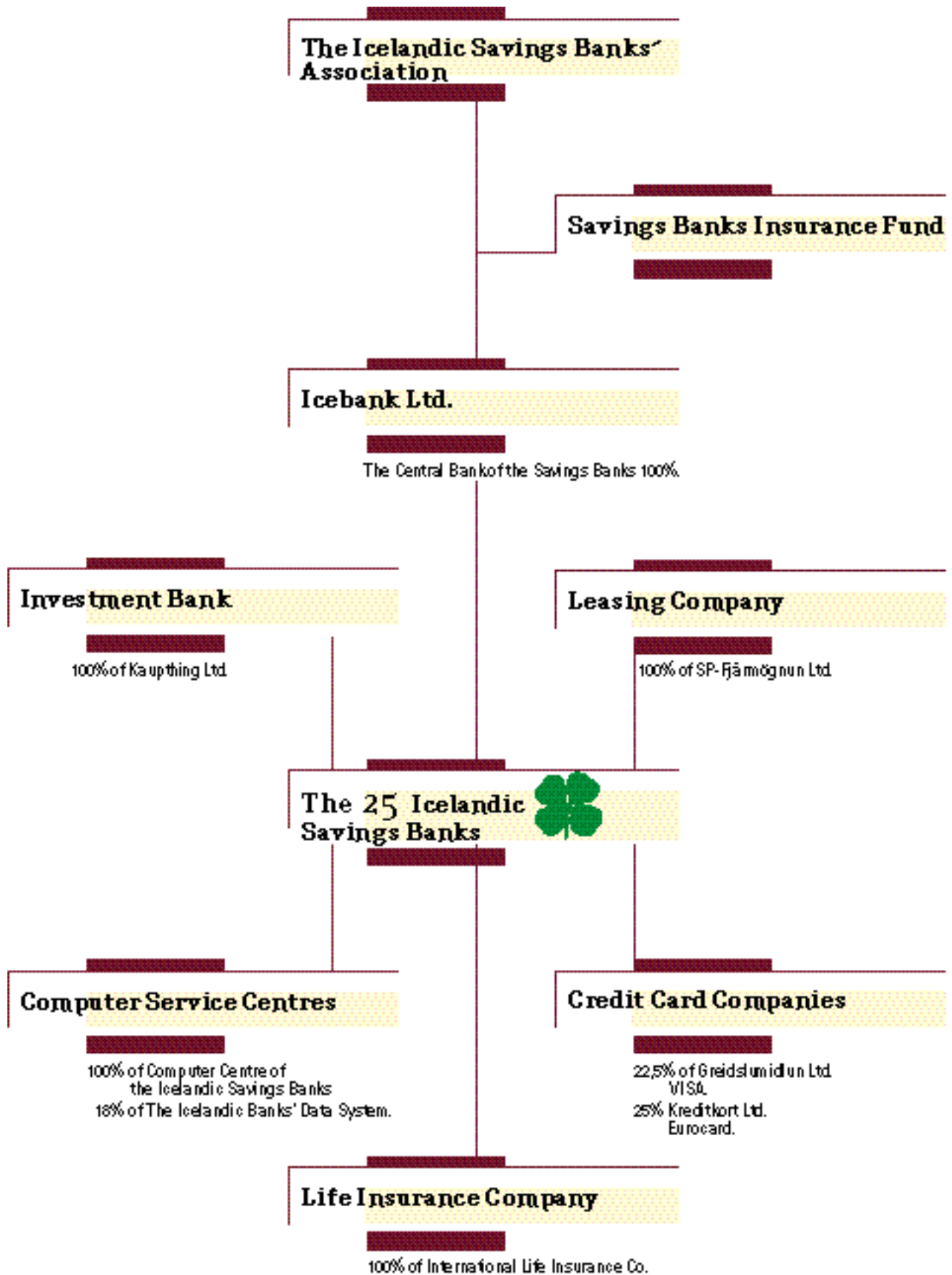
34. Sundry liabilities are itemised as follows:

Provision for losses on guarantees	30,000	42,500
Income tax and net worth tax	30,253	55,426
Other liabilities	<u>99,141</u>	<u>87,474</u>
	<u>159,394</u>	<u>185,400</u>





The Savings Banks' Network





ICEBANK LTD.

	1999 ISK '000	1998 ISK '000	1997 ISK '000	1996 ISK '000	1995 ISK '000
Profit and loss account					
Financial income	2,205,518	1,452,691	922,866	629,190	506,105
Financial expenses	(1,874,849)	(1,172,220)	(672,957)	(427,031)	(331,597)
Net interest income	330,669	280,471	249,909	202,159	174,508
Other operating income	479,095	222,748	166,920	145,726	92,866
Net operating income	809,764	503,219	416,829	347,885	267,374
Other operating expenses	(370,084)	(288,339)	(210,565)	(159,037)	(135,150)
Provision for losses	(121,134)	(38,690)	(42,161)	(47,250)	(10,051)
Profit before taxes	318,546	176,190	164,103	141,598	122,173
Income and net worth tax	(111,671)	(65,544)	(52,584)	(29,004)	(30,717)
Net earnings	206,875	110,646	111,519	112,594	91,456
Assets					
Cash and treasury bills	2,117,751	1,028,350	833,958	2,638,269	1,911,984
Loans	31,114,715	25,192,499	12,362,454	6,822,052	3,831,702
Securities and shareholding	7,169,615	4,560,085	3,452,828	1,338,576	1,157,759
Other assets	277,168	245,749	169,748	159,155	147,077
Total assets	40,679,249	31,026,683	16,818,988	10,958,052	7,048,522
Liabilities and capital					
Deposits	33,269,896	26,757,705	13,102,229	8,525,384	5,958,540
Funding	5,268,035	2,574,767	2,204,706	1,214,549	41,000
Other liabilities	204,790	185,400	113,004	104,272	95,057
Provision for liabilities	134,340	88,422	67,924	51,222	45,690
Total liabilities	38,877,061	29,606,294	15,487,863	9,895,426	6,140,288
Capital	1,802,188	1,420,389	1,331,125	1,062,626	908,234
Total liabilities and capital	40,679,249	31,026,683	16,818,988	10,958,052	7,048,522
Off-balance sheet items					
Letters of credit and guarantees	765,563	1,877,018	1,774,712	1,017,636	933,191



Savings Banks 1995 - 1999



	1999 ISK '000	1998 ISK '000	1997 ISK '000	1996 ISK '000	1995 ISK '000
Profit and loss account					
Financial income	11,400,876	7,280,523	6,494,563	5,721,060	4,892,375
Financial expenses	(7,002,905)	(3,833,550)	(3,409,154)	(2,821,013)	(2,195,323)
Net interest income	4,397,971	3,446,973	3,085,409	2,900,047	2,697,052
Other operating income	3,352,294	1,931,106	1,440,058	1,284,975	1,131,182
Net operating income	7,750,265	5,378,079	4,525,467	4,185,022	3,828,234
Other operating expenses	(4,744,187)	(3,784,923)	(3,169,473)	(2,822,921)	(2,504,961)
Provision for losses	(1,291,156)	(674,211)	(955,356)	(460,409)	(466,823)
Profit before taxes	1,714,922	918,945	400,638	901,692	856,450
Income and net worth tax	(510,900)	(243,197)	(263,240)	(260,703)	(295,839)
Net earnings	1,204,022	675,748	663,878	640,989	560,611
Assets					
Cash and treasury bills	1,553,546	11,294,064	533,837	553,323	590,986
Loans	31,114,715	25,192,499	12,362,454	6,822,052	3,831,702
Loans to credit institutions and customer	95,358,833	64,912,646	56,645,345	48,973,114	43,545,510
Securities and shareholding	16,116,921	13,117,280	10,963,363	6,465,260	5,821,225
Total assets	116,373,166	91,898,866	70,414,598	58,200,599	52,050,440
Liabilities and capital					
Deposits	59,263,468	51,867,160	42,900,139	36,245,911	34,717,660
Funding	22,018,091	16,992,690	14,097,476	10,962,350	7,972,356
Other liabilities	22,001,353	12,623,810	4,209,875	2,546,172	1,892,275
Provision for liabilities	2,410,402	2,069,211	1,767,021	1,517,510	1,356,054
Total liabilities	105,693,314	83,552,871	62,974,511	51,271,943	45,938,345
Capital	10,679,852	8,345,995	7,440,087	6,928,701	6,112,095
Total liabilities and capital	116,373,166	91,898,866	70,414,598	58,200,644	52,050,440
Off-balance sheet items					
Letters of credit and guarantees	4,601,192	3,594,519	2,984,084	2,557,148	2,403,215

