
Statement of Assets

30 June 2011

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This report does not include an estimate of the likely level of recoveries for creditors. Very material uncertainties continue to exist regarding the timing and realisable value of assets and the eventual level of creditors' claims. The Resolution Committee wish to caution creditors against using the data in this report to estimate likely recovery as any such estimates are likely to be materially misleading. The actual realisable value of the Estate's assets and liabilities may differ materially from the values set forth herein. Factors which may lead to material differences include:

- (a) Resolution of issues regarding the quantum of claims
- (b) The realisation method(s) used over time
- (c) The impact of set off and netting including in connection with derivative contracts
- (d) Movements in currency exchange rates and interest rates
- (e) Prevailing market conditions

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Statement of Assets

A supplementary material to this Statement of Assets can be found in a presentation which is published on Kaupthing's website in connection with the publication of the Creditors' Report.

Valuation of Kaupthing's assets

The financial information in this report as at 30 June 2011 and 31 December 2010 was prepared by the ResCom and employees of Kaupthing with the assistance of external advisors where appropriate for Kaupthing hf., the parent company. The figures herein were not audited by an independent auditor. The financial information is presented in Icelandic krona ("ISK"), rounded to the nearest million.

The ResCom emphasizes that the valuation herein is a historic valuation only, and one which only takes into account the Estate's current strategy, to safeguard and increase the value of its assets achieved to 30 June 2011 and not thereafter. No attempts were made to assess the possible future value of assets, or to estimate likely recovery of creditors' claims. Whilst significant data is included in this report, readers are cautioned against estimating the likely level of recoveries as material uncertainties exist regarding, inter alia, the level of realizations and eventual level of recognized claims.

A formal process for the creditors to file claims against the Estate began on 30 June 2009 and ended on 30 December 2009. The liabilities of the Estate are currently being determined through a formal process administered by the WuC. The WuC completed its decision on all claims by the Creditors' Meeting on 3 December 2010. However, as many objections were filed, the decisions in question are not final. Until all disputes have been settled, the real and accurate amount of liabilities is uncertain. According to Act no. 44/2009, claims should generally have been filed as at 22 April 2009 in the relevant currency and converted into ISK at the exchange rate published by the Central Bank of Iceland on 22 April 2009. Hence, the liability side has been fixed in ISK as at that date for all relevant claims.

In the event there are discrepancies between the liabilities estimate presented by the ResCom and the accepted claims finally determined by the WuC, the determination of the latter prevails. The chapter 3.2 *Summary of claims* of the Creditors' Report includes information from the WuC's List of Claims as at September 2011.

The Estate continues work on further confirming and ascertaining earlier accounting of Kaupthing's assets. In some cases, however, the data and information used in this work is incomplete or insufficient. In such cases the Estate uses best efforts and cautious valuation methods in determining asset value. Due to the aforesaid, some discrepancies are inevitable when comparing earlier financial statements published by the Estate. The Estate endeavours to use the most accurate information available at any given time for the preparation of financial information and reserves the right to make any necessary amendments to the financial information from time to time to reflect any changes.

The valuation of assets does not fully take into account the impact of set-off. Set-off impact could clearly make a material difference to overall creditor recoveries. Further information on set-off is provided in note 25. Further information will be provided on this matter as it becomes available.

As noted in this report's disclaimer, the actual realisable value of the Estate's assets and liabilities may differ materially from the values set forth herein. Factors which may lead to material differences include:

- (a) Resolution of issues regarding the quantum of claims
- (b) The realisation method(s) used over time
- (c) The impact of set-off and netting
- (d) Movements in currency exchange rates and interest rates
- (e) Prevailing market conditions

The financial information as it appears may be a redacted version and should be viewed as such.

Readers' attention is drawn to other terms of the disclaimer at the beginning and the end of this report.

Valuation methodology

The valuation methodology for each asset class is abbreviated below .

Cash in hand	The balance of all cash accounts as at 30 June 2011 is without any discount and including accrued unpaid interest up to 30 June 2011.
Loans to and claims against credit institutions	Loans to and claims against credit institutions are valued at estimated fair value. Estimated credit risk of the counterparty has been taken into account in provisions for losses. Set-off, which is further discussed in note 25, may significantly affect this asset class both on pledged and unpledged basis.
Loans to customers	Loans to customers are valued at estimated fair value. The methods of assessing the fair value of the loans are based on the principles presented in the August 2010 edition of the International Private Equity and Venture Capital Valuation Guidelines (can be found at www.evca.eu), the official website of European Private Equity & Venture Capital Association ("EVCA"). The fair value derived is an estimate of the hypothetical price at which an orderly transaction would take place between market participants at the reporting date and not the price the Estate could expect to receive in a forced transaction, insolvent liquidation or a distressed sale. However, the hypothetical price takes into account the market conditions as at the reporting date. The methods applied for valuation are the following (in order of importance): 1) Valuation of loans that have traded recently is based on the transaction value (i.e. last price). The background to the respective transaction and any substantial price fluctuations (general and abstract) that may have characterized such a trade are taken into consideration; 2) Received recent offers for loans or known recent trades of comparable loans; 3) The value of the underlying collateral, in particular for asset backed loans, using 3rd party valuations of the collateral where applicable; and 4) 3rd party valuations of loans. 5) When nothing of the above was available, the Estate applied one of the following methods: a) for loans of carrying value, i.e. notional value including accrued interests, exceeding ISK 2 billion, a judgment is made of the value of individual loans applying an appropriate and reasonable valuation multiples or other valuation techniques likely to be used by a prospective purchaser of the loan and for comparable loans, taking into account ranking of the relevant loans in the capital structure, or; b) for loans with carrying value of less than ISK 2 billion a categorization into good-, medium-, and poor assets based on each account managers judgment and the data at hand. The categories were assigned with the following valuations: "Poor asset" valued at 20% of carrying value, "medium asset" valued at 50% of carrying value, and finally a "good asset" valued at 75% of carrying value. The values assigned reflect the loan market in general by taking into account various loan indices with appropriate discounts for the Estate's portfolio due to lack of liquidity and the small-scale size of these exposures. For loans with less than ISK 2 billion carrying value but where information according to valuation method 5 a) has been gathered then valuation according method 5 a) is used.
Bonds and debt instruments	Listed and liquid: The assets in this asset category are valued at estimated fair value based on the quoted closing price on 30 June 2011. Unlisted and listed illiquid: The assets in this asset category are valued at estimated fair value. The methods of assessing the fair value are based on the principles presented in the August 2010 edition of the International Private Equity and Venture Capital Valuation Guidelines and are similar to the methodology applied to Loans to customers as described above. Illiquidity discount was applied to less liquid positions. When determining the value of structured bonds, the Estate is using the services of external advisors as appropriate who specialize in structured bonds valuations and risk management services.
Shares and instruments with variable income	Listed and liquid: The assets in this asset category are valued at estimated fair value based on the quoted closing price on 30 June 2011. Unlisted and listed illiquid: The assets in this asset category are valued at estimated fair value. The methods of assessing the fair value are based on the principles presented in the August 2010 edition of the International Private Equity and Venture Capital Valuation Guidelines and are similar to the methodology applied to Loans to customers as described above. Illiquidity discount was applied to less liquid positions.

Derivatives and unpaid derivatives	<p>This category includes mainly terminated trades but some trades are still open. Terminated trades are converted to the determined termination currency as at the termination date where relevant, e.g. for ISDA counterparties, if a settlement currency has been otherwise agreed upon and for most asset swap contracts. Other contracts are booked in accordance with the original contract currencies.</p> <p>The calculated amount of derivatives before provisions is based on the Estate's own valuations, which may differ significantly from the final settlement amounts. When determining the value of more complex derivatives and structured products, the Estate is using the services of external advisors as appropriate who specialize in derivative valuations and risk management services. Derivative assets, liabilities and collateral with the same legal entity are netted and hence, each counterparty is accounted for either on the asset side or on the liability side. In cases where multiple entities/branches of a counterparty are being settled under a single legal agreement the respective positions are netted. For example if the Estate's exposure to a counterparty consists of positions held under a single ISDA with e.g. two branches where one is an asset for the Estate and one a liability, these positions are netted into a single exposure equal to the resultant asset or liability.</p> <p>Most of the derivatives are not quoted in active markets but in those cases the valuation is based on quoted prices. A market is considered active if quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. For all other derivatives fair value is determined by using valuation techniques. The Estate uses widely recognised valuation models for the common and simpler derivatives like options and interest rate and currency swaps. For more complex instruments, the Estate uses proprietary models, which usually are developed from recognised valuation models. Some of the inputs into these models may not be directly observable from market data but are commonly derived from market observables, e.g. from market prices or rates.</p> <p>Default valuation rules under the ISDA framework generally favour the non-defaulting counterparty which may result in adverse effect on the value of the derivatives. Once ISDA derivative contracts have been terminated, the non-defaulting counterparty must determine the net amounts owed by or to the defaulting counterparty. Close-out notices providing details of such calculations enable the Estate to reconcile amounts. Some provisions are made to the Estate's valuation of ISDA derivatives to account for potential disputes in valuation. For non-ISDA counterparties, a significant valuation adjustment is made on derivative assets to account for credit, legal and settlement risk.</p> <p>Foreign exposures in this category on the asset side are converted to ISK as at the date of this account, 30 June 2011, while foreign exposures in this category on the liability side are converted into ISK as at 22 April 2009. No interests are calculated on this category neither on the asset side nor on the liability side.</p> <p>Set-off, which is further discussed in note 25, may significantly affect this asset class.</p>
Investments in subsidiaries	Investments in subsidiaries are accounted for by an equity method where value is derived from the subsidiaries net assets as at 30 June 2011 or the most recent financial information available at the date of this report.
Other assets	Other assets are valued at estimated fair value. Estimated credit risk of the counterparty is taken into account in provisions for losses.
Coordinated sectoral classification	<p>This Statement of Assets features coordinated sectoral classification between asset classes which is based on sectoral classification by European Private Equity and Venture Capital Association ("EVCA") which is mapped to an international industry code system (NACE code Rev. 2 of 2007, Eurostat). An overview of EVCA sectoral classification and its mapping to the NACE standardized sectoral classification of Eurostat (NACE Rev. 2, 2007) can be found at www.evca.eu, the official website of EVCA. In addition, in order to provide more descriptive information on certain aspects of the asset base, the following sector clusters were added to the classification presented by EVCA; Holding companies, Individuals, Governments and Government Agencies.</p>

Statement of Assets

30 June 2011

	Notes	30.06.2011	31.12.2010
Assets			
Cash in hand	3	319.349	231.128
Loans to and claims against credit institutions	4-7	157.034	166.132
Loans to customers	8-13	257.703	279.249
Bonds and debt instruments	14-15	27.177	7.456
Shares and instruments with variable income	16-18	54.446	55.470
Derivatives and unpaid derivatives	19-20	89.569	95.166
Investments in subsidiaries	21	133.574	128.155
Other assets	22	1.495	2.438
		Total Assets	1.040.347
		Total Assets in mEUR	965.194
		<u>6.273</u>	<u>6.275</u>
Other information	23-26		

All amounts in ISK million unless otherwise specified.

Notes on the Statement of Assets

Notes to the Statement of Assets

1. Statement of Assets net of pledged assets, claims for the administration of the Estate and claims relating to agreements entered into after the commencement of the Resolution Committee:

	30.06.2011		31.12.2010		30.06.2010		31.12.2009		30.06.2009	
	Fair value	Pledged positions	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Assets										
Cash in hand	319.349	-	319.349	231.128	195.456	176.066	98.799			
Loans to and claims against credit institutions	157.034	(134.937)	22.097	34.136	38.650	53.481	42.899			
Loans to customers	257.703	-	257.703	279.249	304.013	366.894	357.259			
Bonds and debt instruments	27.177	-	27.177	7.456	7.178	9.539	12.344			
Shares and instruments with variable income	54.446	-	54.446	55.470	57.521	28.849	35.055			
Derivatives and unpaid derivatives	89.569	-	89.569	95.166	114.476	118.812	102.556			
Investments in subsidiaries	133.574	(16.810)	116.764	111.939	113.663	27.276	26.077			
Other assets	1.495	-	1.495	2.438	2.522	7.540	9.102			
Total assets at fair value	1.040.347	(151.747)	888.600	816.982	833.479	788.457	684.091			
Less: Claims for Estate's admin cost and claims relating to agreements entered into after commencement of ResCom*			(910)	(26.038)	(30.960)	(45.545)	(53.022)			
Total			887.690	790.944	802.519	742.912	631.069			
Total in mEUR			5.353	5.142	5.118	4.132	3.525			

* Claims for the administration of the Estate and claims relating to agreements entered into after the commencement of the Resolution Committee represent priority liabilities which are listed by the Resolution Committee in note 23.

The Winding-up Committee completed its decision on all claims by the Creditors' Meeting on 3 December 2010. However, as many objections were filed, the decisions in question are not final. Until all disputes have settled the real and accurate amount of liabilities is uncertain. Claims accepted by the Winding-up Committee are not presented in the table above. Further information on accepted and outstanding claims can be found in chapter 3 *The*. The valuation herein of the Estate's assets is based on the methodology described in chapter 2.1.1 Valuation methodology and is a historical valuation only. No attempts were made to assess the possible future value of assets or to estimate likely recovery of creditors' claims.

The table above does not fully take into account the impact of set-off as further described in note 25.

It should also be noted that there were significant movements in foreign exchange rates in H1 2011. Table of foreign currency conversion rates can be found in note 26.

2. Statement of assets at carrying value and fair value:

	30.6.2011			
	Carrying value	Carrying value (unpledged)	Provisions	Fair value
Cash in hand	319.349	319.349	-	319.349
Loans to and claims against credit institutions	190.172	55.235	(33.138)	22.097
Loans to customers*	1.200.019	1.200.019	(942.316)	257.703
Bonds and debt instruments	27.177	27.177	-	27.177
Shares and instruments with variable income	54.446	54.446	-	54.446
Derivatives and unpaid derivatives	175.524	175.524	(85.955)	89.569
Investments in subsidiaries	133.574	116.764	-	116.764
Other assets	74.804	74.804	(73.309)	1.495
Total assets	2.175.065	2.023.318	(1.134.718)	888.600
Total assets in mEUR	13.115	12.200	(6.842)	5.358

* Late in 2010, the Estate's financing of the Middlesex Hospital site (real-estate development in Fitzrovia, London) was sold for a 50% interest in a joint venture partnership ("JV"). The compensation has lower carrying value than the carrying value of the initial financing which Kaupthing provided in 2006. Subsequently, the carrying value as at 30 June 2011 has been adjusted downwards by the difference, i.e. ISK 14.333 million, above. For the same reasons, the carrying value as at 31 December 2010 was adjusted downwards by ISK 13.760 million.

Cash in hand

3. Cash in hand specified by currency:

	30.6.2011	31.12.2010
	Total	Total
EUR	100.743	67.432
SEK	74.096	46.983
GBP	57.800	48.560
USD	35.066	25.391
NOK	33.196	28.196
ISK	11.183	9.212
Other	7.265	5.354
Cash in hand	319.349	231.128
Cash in hand in m EUR	1.926	1.503

Loans to and claims against credit institutions

ISDA collateral, i.e. cash collateral associated with derivative liabilities posted by Kaupthing with ISDA counterparties, has been shown in previous Statements of Assets as pledged in this asset class. In this statement, the ISDA collateral accounts have been moved from this asset class and netted against the underlying derivative liabilities they are connected with. The same has been done for past periods to facilitate like-for-like comparison. Included in pledged Bank accounts below is collateral posted by Kaupthing to counterparties in secured funding agreements, primarily repurchase agreements.

4. Loans to and claims against credit institutions specified by types of loans and claims at carrying value:

	30.6.2011		31.12.2010	
	Unpledged	Pledged	Total	Total
Bank accounts	16.680	7.750	24.430	25.193
Subordinated loans to subsidiaries	29.901	127.187	157.088	168.360
Other loans	8.654	-	8.654	5.882
Loans to and claims against credit institutions	55.235	134.937	190.172	199.435
Loans to and claims against credit institutions in mEUR	333	814	1.147	1.297

5. Loans to and claims against credit institutions specified by types of loans and claims at fair value:

	30.6.2011		31.12.2010	
	Unpledged	Pledged	Total	Total
Bank accounts	16.680	7.750	24.430	25.193
Subordinated loans to subsidiaries	-	127.187	127.187	139.550
Other loans	5.417	-	5.417	1.389
Loans to and claims against credit institutions	22.097	134.937	157.034	166.132
Loans to and claims against credit institutions in mEUR	133	814	947	1.080

6. Loans to and claims against credit institutions specified by geographical location of the counterparty at carrying value:

	30.6.2011		31.12.2010	
	Unpledged	Pledged	Total	Total
Domestic	4.182	127.187	131.369	129.580
Foreign	51.053	7.750	58.803	69.855
Loans to and claims against credit institutions	55.235	134.937	190.172	199.435
Loans to and claims against credit institutions in mEUR	333	814	1.147	1.297

7. Loans to and claims against credit institutions specified by geographical location of the counterparty at fair value:

	30.6.2011		31.12.2010	
	Unpledged	Pledged	Total	Total
Domestic	967	127.187	128.154	125.315
Foreign	21.130	7.750	28.880	40.817
Loans to and claims against credit institutions	22.097	134.937	157.034	166.132
Loans to and claims against credit institutions in mEUR	133	814	947	1.080

Loans to customers

* Late in 2010, the Estate's financing of the Middlesex Hospital site (real-estate development in Fitzrovia, London) was sold for a 50% interest in a joint venture partnership ("JV"). The compensation has lower carrying value than the carrying value of the initial financing which the Kaupthing provided in 2006. Subsequently, the carrying value as at 30 June 2011 has been adjusted downwards by the difference, i.e. ISK 14.333 million, above. For the same reasons, the carrying value as at 31 December 2010 was adjusted downwards by ISK 13.760 million.

8. Loans to customers specified by portfolios:

	30.6.2011		31.12.2010	
	Carrying value	Fair value	Carrying value	Fair value
Europe*	182.597	130.935	196.506	141.460
Nordic	123.351	80.382	157.169	98.688
NOA**	894.071	46.386	795.236	39.101
Loans to customers	1.200.019	257.703	1.148.911	279.249
Loans to customers in mEUR	7.236	1.554	7.469	1.815

** Non-operating assets

9. Loans to customers specified by sectors:

	30.6.2011		31.12.2010	
	Carrying value	Fair value	Carrying value	Fair value
Real Estate*	109.343	64.177	104.112	61.390
Business and Industrial Products	67.223	53.593	69.211	53.015
Holding Company	770.191	46.835	678.626	43.425
Consumer Goods and Retail	55.533	42.142	71.104	52.509
Consumer Services: Other	22.599	21.775	32.772	24.776
Individuals	93.542	5.130	94.721	11.385
Other	81.588	24.051	98.365	32.749
Loans to customers	1.200.019	257.703	1.148.911	279.249
Loans to customers in mEUR	7.236	1.554	7.469	1.815

10. Loans to customers specified by geographical location:

	30.6.2011		31.12.2010	
	Carrying value	Fair value	Carrying value	Fair value
UK*/***	641.953	123.574	629.692	131.421
Scandinavia**	321.185	101.095	291.756	118.566
Other	236.881	33.034	227.463	29.262
Loans to customers	1.200.019	257.703	1.148.911	279.249
Loans to customers in mEUR	7.236	1.554	7.469	1.815

** Scandinavia includes all the Nordic countries

*** UK includes UK overseas territories and Crown dependencies

In almost all cases, the geographical location is determined by using the registration country of the underlying operation.

11. Ten largest loans in Loans to customers at fair value - sector and geographical location:

	30.6.2011	31.12.2010
Real Estate/UK***	11%	10%
Holding company/UK***	9%	8%
Business and Industrial Products/Scandinavia**	7%	6%
Consumer Goods and Retail/UK***/****	6%	0%
Real Estate/Other	6%	5%
Other/Other	5%	3%
Consumer Goods and Retail/UK***	5%	9%
Business and Industrial Products/Scandinavia**	5%	5%
Real Estate/Scandinavia**	5%	4%
Business and Industrial Products/Scandinavia**	4%	3%
Ten largest loans of total Loans to customers	63%	53%

** Scandinavia includes all the Nordic countries

*** UK includes UK overseas territories and Crown dependencies

**** A new borrower formed by a demerger from another borrower who also appears under the same sector and country in the table above

In almost all cases, the geographical location is determined by using the registration country of the underlying operation.

12. Loans to customers at carrying value* - portfolios specified by performance:

	30.6.2011							
	Europe		Nordic		NOA		Total	
	Carrying value*	Fair value	Carrying value	Fair value	Carrying value	Fair value	Carrying value*	Fair value
Performing loans	74,5%	95,6%	68,0%	73,2%	0,0%	0,0%	18,3%	71,4%
Loans on view list	0,0%	0,0%	14,6%	15,7%	0,0%	0,0%	1,5%	4,9%
Loans on watch list	25,5%	4,4%	17,4%	11,1%	100,0%	100,0%	80,2%	23,7%
	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%	100,0%

The performance categories are defined as follows:

Performing loans: Loans to entities where cash flow is sufficient to service debt, i.e. interest and principal repayments, and no breaches in agreements are foreseeable in the future.

Loans on view list: Loans to entities where cash flow is sufficient to service debt, i.e. interest and principal repayments, but agreements have been breached or are likely to be breached in the foreseeable future. Some banks include this category in performing loans.

Loans on watch list: Loans to entities where cash flow is insufficient to service debt, i.e. interest and principal repayments and agreements have been breached repeatedly.

13. Loans to customers at carrying value* - portfolios specified by maturity profiles:

	30.6.2011			
	Europe*	Nordic	NOA	Total
In default	27.194	30.383	894.071	951.648
H2 2011	34.589	16.206	-	50.795
2012	49.146	19.264	-	68.410
2013	28.881	13.530	-	42.411
2014	10.185	31.360	-	41.545
2015	28.402	3.707	-	32.109
2016	4.200	4.675	-	8.875
2017+	-	4.226	-	4.226
Loans to customers	182.597	123.351	894.071	1.200.019
Loans to customers in mEUR	1.101	744	5.391	7.236

As customary in traditional loan portfolios, some loan agreements have extension clauses. The table above is based on contractual maturity specified in the underlying loan agreements unless an acceleration event has occurred. Due to restructurings and refinancing the maturity profile may change over time.

Bonds and debt instruments

Pledged bonds and debt instruments, i.e. collateral posted by Kaupthing before the collapse to counterparties in secured funding agreements, primarily repurchase agreements, have been shown in previous Statements of Assets as pledged in this asset class. In this statement, the pledged bonds and debt instruments have been moved from this asset class and netted against the underlying secured funding agreements they are connected with in contractual agreements made between counterparties and Kaupthing. The same has been done for past periods to facilitate like-for-like comparison.

14. Bond and debt instruments are specified as follows:

	30.6.2011	31.12.2010
	Total	Total
Listed	6.588	6.480
Unlisted	20.589	976
Bonds and debt instruments	27.177	7.456
Bonds and debt instruments in mEUR	164	48

15. Bonds and debt instruments specified by issuer:

	30.6.2011	31.12.2010
	Total	Total
Financial Services	11.189	374
Consumer Goods and Retail	5.539	-
Government Agencies	4.996	4.851
Holding Companies	2.522	451
Governments	1.747	1.780
Energy and Environment	1.184	-
Bonds and debt instruments	27.177	7.456
Bonds and debt instruments in mEUR	164	48

Shares and instruments with variable income

Pledged shares and instruments with variable income, i.e. collateral posted by Kaupthing before the collapse to counterparties in secured funding agreements, primarily repurchase agreements, have been shown in previous Statements of Assets as pledged in this asset class. In this statement, the pledged shares and instruments with variable income have been moved from this asset class and netted against the underlying secured funding agreements they are connected with in contractual agreements made between counterparties and Kaupthing. The same has been done for past periods to facilitate like-for-like comparison.

16. Shares and instruments with variable income are specified as follows:

	30.6.2011	31.12.2010
	Total	Total
Listed	6.342	6.123
Unlisted	48.104	49.347
Shares and instruments with variable income	54.446	55.470
Shares and instruments with variable income in mEUR	328	361

17. Shares and instruments with variable income specified by sectors:

	30.6.2011	31.12.2010
Consumer Goods and Retail	32.397	37.510
Financial Services	7.764	7.354
Real Estate	5.458	2.402
Consumer Services: Other	3.928	3.332
Energy and Environment	3.253	3.487
Life Sciences	1.411	1.210
Other	235	175
Shares and instruments with variable income	54.446	55.470
Shares and instruments with variable income in mEUR	328	361

18. Ten largest positions in Shares and instruments with variable income - sector and geographical location:

	30.6.2011	31.12.2010
Consumer Goods and Retail/Other	12.382	11.758
Consumer Goods and Retail/UK*/**	11.300	-
Financial Services/Other	7.210	6.905
Consumer Goods and Retail/UK*/**	5.866	-
Consumer Services: Other/UK**	3.915	3.313
Energy and Environment/Other	3.180	3.276
Real Estate/UK**	2.573	-
Consumer Goods and Retail/UK**	2.205	-
Real Estate/USA	1.165	551
Real Estate/UK**	1.155	891
Ten largest positions in Shares and instruments with variable income	50.951	26.694
Ten largest positions in Shares and instruments with variable income in mEUR	307	174

* In previous Statements of Assets these two positions were considered as one position which was as at 31.12.2010 valued at ISK 18,807 million.

** UK includes UK overseas territories and Crown dependencies

Derivatives and unpaid derivatives - assets

A derivative contract is accounted for as an asset if the carrying value net of collateral of all derivative contracts of the counterparty is in the Estate's favour.

Collateral comprises cash collateral associated with derivative assets posted by ISDA counterparties with Kaupthing. This collateral was part of Kaupthing's own funds and had been re-used or re-invested prior to the bank's collapse. Derivatives and unpaid derivatives carrying value after collateral includes collateral amounting to ISK 3.010 million held in excess by ISDA counterparties. In addition, ISK 1.880 million has been posted as collateral by non-ISDA counterparties. This non-ISDA collateral is a part of off-balance sheet items which are currently being held in the name of the counterparty but have been pledged to the Estate.

19. Derivatives and unpaid derivatives specified by status:

	30.6.2011		31.12.2010	
	Carrying value	Provisions	Fair value	Fair value
Derivatives	1.509	(302)	1.207	1.292
Unpaid derivatives*	174.015	(85.653)	88.362	93.874
Derivatives and unpaid derivatives	175.524	(85.955)	89.569	95.166
Derivatives and unpaid derivatives in mEUR	1.058	(518)	540	619

* Matured and terminated trades, and unpaid cash flow from open trades

20. Derivatives specified by ISDA and non-ISDA counterparties:

	30.6.2011		31.12.2010	
	Carrying value	Provisions	Fair value	Fair value
ISDA counterparties	56.292	(11.242)	45.050	50.060
Non-ISDA counterparties	119.232	(74.713)	44.519	45.106
Derivatives and unpaid derivatives	175.524	(85.955)	89.569	95.166
Derivatives and unpaid derivatives in mEUR	1.058	(518)	540	619

Investments in subsidiaries

21. Investments in subsidiaries specified by entities and geographical location:

	Functional currency	Ownership	30.6.2011		31.12.2010	
			Unpledged	Pledged	Total	Total
Kaupskil ehf. (Arion Bank), Iceland*	ISK	100,0%	95.524	-	95.524	92.191
Kaupthing Mortgages Inst. Investor Fund, Iceland	ISK	100,0%	-	16.810	16.810	16.216
Norvestia Oyj, Finland**	EUR	32,7%	7.814	-	7.814	7.816
Kaupthing Sverige AB, Sweden	SEK	100,0%	5.089	-	5.089	4.792
Kirna ehf., Iceland	ISK	100,0%	4.954	-	4.954	4.122
Kaupthing Holding Isle of Man, UK***	DKK	0,0%	2.801	-	2.801	2.474
Other			582	-	582	544
Investments in subsidiaries			116.764	16.810	133.574	128.155
Investments in subsidiaries in mEUR			704	101	805	833

* Kaupskil ehf. owns 87% in Arion Bank on behalf of Kaupthing.

** The Estate controls 56.0% of the votes in Norvestia Oyj despite holding only 32.74% of outstanding shares, and the company is thus considered to be a subsidiary of the Estate.

*** UK includes UK overseas territories and Crown dependencies

Other assets

22. Other assets are specified as follows:

	30.6.2011	31.12.2010
	Total	Total
Accounts receivables	38.433	37.494
Accepted claims on bankrupt entities	28.838	28.843
Sundry assets	7.533	4.772
Other assets at carrying value	74.804	71.109
Provisions	(73.309)	(68.671)
Other assets at fair value	1.495	2.438
Other assets at fair value in mEUR	9	16

Other Information

Further information on the claim registry and outstanding claims can be found in chapter 3 The Claiming Process.

23. Claims for administration of the Estate and claims relating to agreements entered into after the commencement of the Resolution Committee:

The breakdown below is put forth for illustrative purposes only and represents claims for the administration of the Estate and claims relating to agreements entered into after the commencement of the Resolution Committee. Until all disputes have been settled, the real and accurate amount of liabilities is uncertain. It should also be noted that this table is put forth by the Resolution Committee and does not reflect the decisions of the Winding-up Committee on individual claims.

	30.6.2011	31.12.2010
Compensation instrument with Arion Bank hf.*	-	24.188
Accounts payable - costs related to managing the Estate while in winding-up proceedings	910	958
Other	-	892
Claims for the administration of the Estate and claims relating to agreements entered into after the commencement of the Resolution Committee	910	26.038
Claims for the administration of the Estate and claims relating to agreements entered into after the commencement of the Resolution Committee in mEUR	5	169

* In October 2008, all of the Estate's deposit liabilities in Iceland were transferred to Arion Bank hf. (previously New Kaupthing Bank hf.), and also the bulk of the Estate's assets that relate to its Icelandic operations. This transfer was done according to the FME's Transfer Decision dated 21 October 2008. Negotiations on the valuation of the assets and liabilities were concluded on 3 September 2009 when the Government and the Estate agreed not to conclude the valuation of the assets at present but in 3 years time. This solution allowed the Estate to capture further upside in the valuation of the Estate was to provide cover for any negative initial value ("valuation gap") from the transfer of assets and liabilities from the Estate to Arion Bank; the valuation gap was assessed at ISK 38.358 million as at 22 October 2008 and had decreased to ISK 24.188 million as at 31 December 2010.

In H1 2011, settlement and release of claims agreement was signed between Kaupthing and Arion Bank to finalize the settlement of the Compensation instrument and various other claims lodged by Arion Bank against Kaupthing. In the settlement, the valuation gap is reassessed and it is agreed to terminate the Compensation instrument. As a result of the settlement, neither party shall have any payment obligations towards the other under the Compensation instrument.

24. Statement of Assets (unpledged) at fair value specified by currency:

	30.06.2011								
	EUR	GBP	NOK	SEK	USD	ISK	DKK	Other	Fair Value
Cash in hand	100.743	57.800	33.196	74.096	35.066	11.183	3.518	3.747	319.349
Loans to and claims									
against credit institutions	10.696	159	-	9	412	967	5.497	4.357	22.097
Loans to customers	40.853	134.606	6.915	32.844	33.412	560	2.986	5.527	257.703
Bonds and debt instruments	12.863	5.539	-	-	440	8.335	-	-	27.177
Shares and instruments with variable income	20.056	31.973	359	555	1.274	19	210	-	54.446
Derivatives and unpaid									
derivatives	26.781	14.852	-	35	3.156	43.631	85	1.029	89.569
Investments in subsidiaries	8.126	3.066	-	5.089	-	100.483	-	-	116.764
Other assets	573	22	-	227	206	399	68	0	1.495
Total	220.691	248.017	40.470	112.855	73.966	165.577	12.364	14.660	888.600
Total in mEUR	1.331	1.495	244	680	446	998	75	88	5.358
% of Total assets	24,84%	27,91%	4,55%	12,70%	8,32%	18,63%	1,39%	1,65%	

25. Set-off

The valuation of assets in this report does not take fully into account the impact of set-off.

Until all disputes have been concluded the real and accurate amount of claims accepted for set-off remains uncertain. The Winding-up Committee received set-off claims from close to 100 counterparties amounting to approximately ISK 650 billion. This number was later corrected by the Winding-up Committee to ISK 537 billion due to double counting of a large set-off claim. It should be noted that set-off claims are lodged in different ways and many of them are lodged at a maximum level. Not all claims regarding set-off fulfil the conditions that a declaration for set-off must fulfil according to Icelandic law and in some cases creditors only reserve the rights to a possible set-off. In addition, several counterparties who have not lodged a set-off claim or not formally requested a set-off in their filed claim have indicated their intention to set-off. All amounts regarding set-off must be reviewed bearing the aforesaid in mind.

The Resolution Committee has independently reviewed the list of set-off claims provided by the Winding-up Committee and currently estimates, on a preliminary basis, total set-off effects on unpledged assets to be in the order of ISK 35-70 billion. This set-off analysis is based on number of assumptions including Winding-up Committee's decisions, as at the reporting date, with regards to the validity of the relevant claim and rights to set-off where applicable. As the Resolution Committee has noted before, the exact set-off effects on the assets and liabilities side will differ. It should also be stressed that this estimation is put forth by the Resolution Committee and does not reflect the decisions of the Winding-up Committee on individual claims.

Set-off impacts can make a material difference to overall creditor recoveries. Further information will be provided on this matter as it becomes available.

26. Foreign exchange rates

The foreign exchange rates used in the Statement of Assets as at 30 June 2011 are based on Reuters foreign exchange rates as at 16:30 on that date. The table below shows the relevant foreign exchange rates as at 30 June 2011 and the foreign exchange rates for past comparison period.

	30.6.2011	31.12.2010
AUD	122,49	117,39
CAD	118,46	115,32
CHF	135,77	122,79
DKK	22,24	20,64
EUR	165,85	153,82
GBP	187,78	179,11
JPY	1,42	1,41
NOK	21,25	19,72
SEK	18,11	17,07
USD	114,19	114,71

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This report does not include an estimate of the likely level of recoveries for creditors. Very material uncertainties continue to exist regarding the timing and realisable value of assets and the eventual level of creditors' claims. The Resolution Committee wish to caution creditors against using the data in this report to estimate likely recovery as any such estimates are likely to be materially misleading. The actual realisable value of the Estate's assets and liabilities may differ materially from the values set forth herein. Factors which may lead to material differences include:

- (a) Resolution of issues regarding the quantum of claims
- (b) The realisation method(s) used over time
- (c) The impact of set off and netting including in connection with derivative contracts
- (d) Movements in currency exchange rates and interest rates
- (e) Prevailing market conditions

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