



# FINANCIAL STATEMENTS

FOR THE YEAR  
ENDED 31 DECEMBER 2012

SUPPLEMENTARY MATERIAL

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- The important notice set out in the Financial Statements for the year ended 31 December 2012 published on Kaupthing's website apply to this presentation as well. Furthermore, Financial Statements for the year ended 31 December 2012 form part of this presentation.

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# OVERVIEW OF KAUPTHING'S FINANCIAL STATEMENTS

## YE 2012 - OVERVIEW

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The presentation in the financial statements have been changed from the previous Statement of Assets. The valuation in the financial statements takes into account the estimated impact of set-off when both parties agree that the entity has a legally enforceable right to set-off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Comparison for the year 2011 has been adjusted accordingly. Additional negative impact of disputed set-off claims on the valuation of total assets estimated to be ISK 0-25bn. The exact impact of disputed set-off could make a material difference to overall creditor recoveries.

### Results:

- Total assets at fair value after set-off amounted to ISK 857.8bn as at YE 2012 compared to ISK 832.4bn as at YE 2011.
- Including FX fluctuations, the value of the assets increased by ISK 25.4bn in 2012.
- The real value of the assets decreased by ISK 14.5bn in 2012.
- Kaupthing's functional currency is the Icelandic krona (ISK). The ISK depreciated by 6.6% in 2012.
- Contributors to the real value decrease in 2012 are primarily relating to loans to customers and shares and instruments with variable income.
- Cash in hand amounted to ISK 417.6bn at the end of 2012 and increased by ISK 84.7bn in 2012 primarily due to loan repayments.
- Total annualised operating costs in 2012 were approx. 0.4% of the total carrying value of assets and 1.0% of the total fair value of assets as at YE 2012.
- The year 2012 is impacted by difficult environment in major markets.

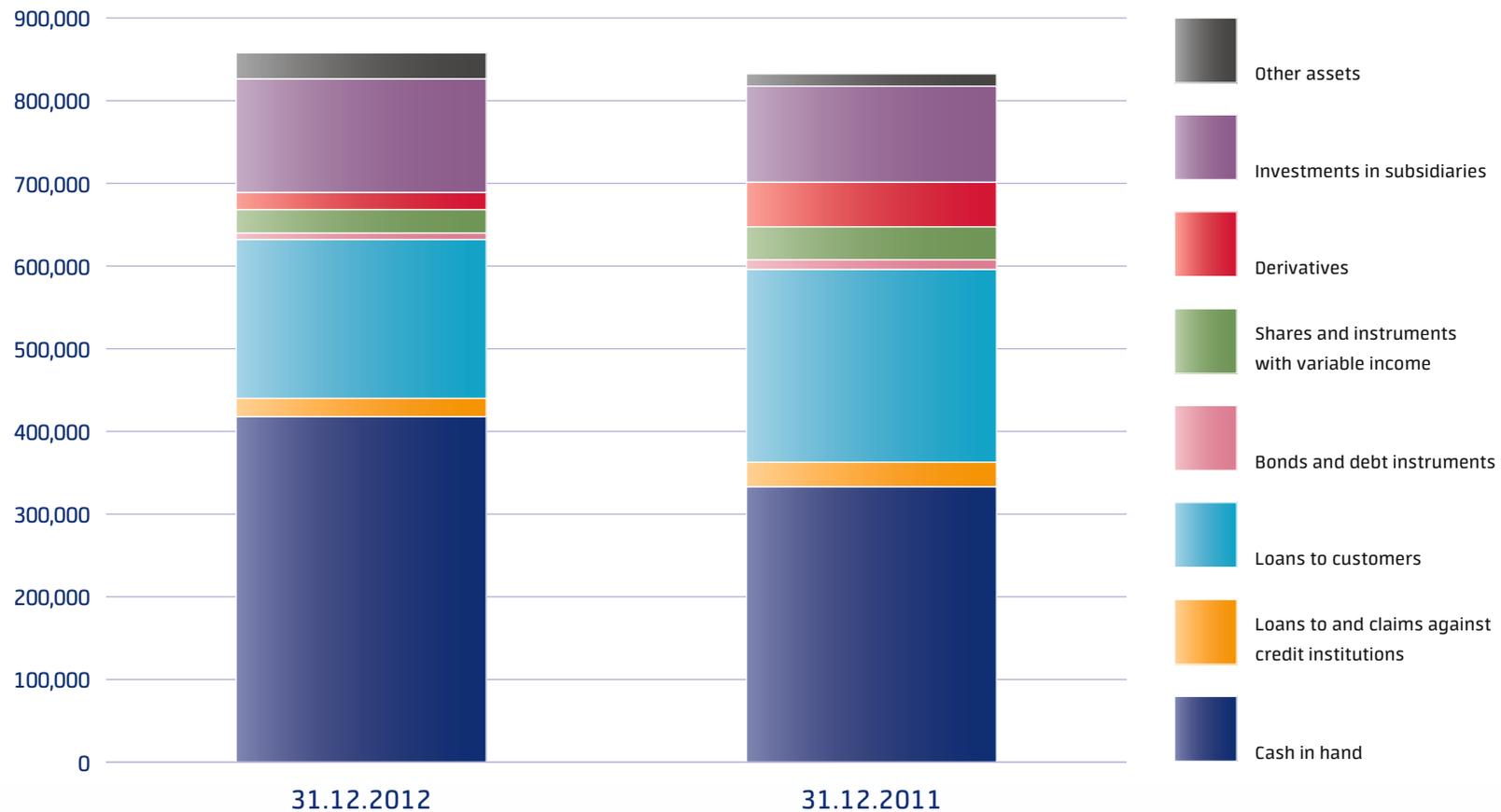
# DEVELOPMENT OF KAUPTHING'S ASSETS AND LIABILITIES IN 2012

	ISK million			EUR million		
	31.12.2012	31.12.2011	% change	31.12.2012	31.12.2011	% change
<b>Assets</b>						
Cash in hand.....	417,627	332,911	25.4%	2,473	2,096	18.0%
Loans to and claims against credit institutions.....	22,380	29,910	(25.2%)	133	188	(29.6%)
Loans to customers.....	191,891	232,881	(17.6%)	1,136	1,467	(22.5%)
Bonds and debt instruments.....	7,874	11,842	(33.5%)	47	75	(37.5%)
Shares and instruments with variable income.....	28,346	39,897	(29.0%)	168	251	(33.2%)
Derivatives.....	20,698	53,776	(61.5%)	123	339	(63.8%)
Investments in subsidiaries.....	137,377	116,347	18.1%	813	733	11.0%
Other assets.....	31,572	14,868	112.3%	186	93	99.7%
<b>Total Assets.....</b>	<b>857,765</b>	<b>832,432</b>	<b>3.0%</b>	<b>5,079</b>	<b>5,242</b>	<b>(3.1%)</b>
<b>Liabilities</b>						
Outstanding claims.....	3,067,062	3,522,838	(12.9%)	18,160	22,184	(18.1%)
Other liabilities.....	1,785	862	107.1%	11	5	94.7%
<b>Total Liabilities.....</b>	<b>3,068,847</b>	<b>3,523,700</b>	<b>(12.9%)</b>	<b>18,171</b>	<b>22,189</b>	<b>(18.1%)</b>
<b>Equity.....</b>	<b>(2,211,082)</b>	<b>(2,691,268)</b>	<b>17.8%</b>	<b>(13,092)</b>	<b>(16,947)</b>	<b>22.7%</b>
<b>Total Liabilities and Equity.....</b>	<b>857,765</b>	<b>832,432</b>	<b>3.0%</b>	<b>5,079</b>	<b>5,242</b>	<b>(3.1%)</b>

- The value of the total assets increased in 2012 by ISK 25.4bn or 3.0% and decreased by EUR 163m or 3.1% in EUR.
- Additional negative impact of disputed set-off claims on the valuation of total assets estimated to be ISK 0-25bn. Further information in note 41 in the Financial Statements as at YE 2012

All amounts in table in mISK and mEUR.

# DEVELOPMENT OF KAUPTHING'S ASSET BASE IN 2012



All amounts in mISK.

# DEVELOPMENT OF KAUPTHING'S ASSET BASE IN 2012

	Fair value as at 31.12.2012	Net principal payments	Miscellaneous** (reclassification, etc)	Fx changes	Real value changes	Fair value as at 31.12.2011	Interests, fees and dividend received in 2012
<b>Assets</b>							
Cash in hand .....	417.6	55.8	-	28.9	-	332.9	1.8
Loans to and claims against credit institutions .....	22.4	(9.1)	(0.3)	1.8	0.1	29.9	0.2
Loans to customers .....	191.9	(36.7)	(1.3)	16.3	(19.3)	232.9	7.9
Bonds and debt instruments .....	7.9	(0.8)	1.7	0.5	(5.3)	11.8	0.3
Shares and instruments with variable income .....	28.3	(0.6)	-	2.7	(13.7)	39.9	0.3
Derivatives .....	20.7	(6.9)	(30.8)	0.9	3.7	53.8	-
Investments in subsidiaries .....	137.4	-	-	0.9	20.2	116.3	0.6
Other assets .....	31.6	1.3	26.8	(11.2)	(0.2)	14.9	-
<b>Total assets at fair value*</b> .....	<b>857.8</b>	<b>3.0</b>	<b>(3.9)</b>	<b>40.8</b>	<b>(14.5)</b>	<b>832.4</b>	<b>11.1</b>

- The value of the total assets\* increased by ISK 25.4bn in 2012.
- Further explanations are provided in the respective chapters.

\* Total assets at fair value after set-off

\*\* Miscellaneous includes assets released or retrieved as part of settlements (set-off), reclassification between asset classes and other.

All amounts in table in bnISK.

# ASSETS AT CARRYING VALUE AND FAIR VALUE AS AT YE 2012

	31.12.2012			
	Carrying value	Provision	Fair value	Weighted average
<b>Assets</b>				
Cash in hand .....	417,627	-	417,627	100.0%
Loans to and claims against credit institutions .....	57,778	(35,398)	22,380	38.7%
Loans to customers .....	1,288,357	(1,096,466)	191,891	14.9%
Bonds and debt instruments .....	7,874	-	7,874	100.0%
Shares and instruments with variable income .....	28,346	-	28,346	100.0%
Derivatives .....	63,816	(43,118)	20,698	32.4%
Investments in subsidiaries .....	137,377	-	137,377	100.0%
Other assets .....	123,010	(91,438)	31,572	25.7%
<b>Total assets</b> .....	<b>2,124,185</b>	<b>(1,266,420)</b>	<b>857,765</b>	<b>40.4%</b>
Total assets (mEUR) .....	12,577	(7,498)	5,079	40.4%

- Total assets amounted to ISK 2,124.2bn at carrying value and ISK 857.8bn at fair value.

All amounts in table in mISK and mEUR.

# BREAKDOWN OF ISK AND FX ASSETS AS AT YE 2012

	ISK assets	FX from Icelandic counterparties	Total ISK assets and FX from Icelandic counterparties	FX from non-Icelandic counterparties	Total assets
<b>Assets</b>					
Cash in hand.....	17,071	36,335	53,406	364,221	417,627
Loans to and claims against credit institutions.....	-	10,911	10,911	11,469	22,380
Loans to customers.....	661	1,237	1,898	189,993	191,891
Bonds and debt instruments.....	5,313	-	5,313	2,561	7,874
Shares and instruments with variable income.....	19	274	293	28,053	28,346
Derivatives.....	1,196	-	1,196	19,502	20,698
Investments in subsidiaries.....	110,601	13,370	123,971	13,406	137,377
Other assets.....	2,554	8,384	10,938	20,634	31,572
<b>Total assets.....</b>	<b>137,415</b>	<b>70,511</b>	<b>207,926</b>	<b>649,839</b>	<b>857,765</b>
Total assets (mEUR).....	814	417	1,231	3,848	5,079

The table above is based on the registered domicile of the counterparty not the underlying assets.

All amounts in table in mISK and mEUR.

## ASSETS BY CURRENCY BREAKDOWN AT YE 2012

	EUR	GBP	NOK	SEK	USD	ISK	DKK	Other	Total
<b>Assets</b>									
Cash in hand.....	126,969	76,932	36,888	101,958	51,509	17,071	5,061	1,239	417,627
Loans to and claims against credit institutions.....	440	1,363	3,626	7,584	462	-	4,367	4,538	22,380
Loans to customers.....	26,241	127,499	3,079	15,789	14,552	661	1,059	3,011	191,891
Bonds and debt instruments.....	1,281	1,280	-	-	-	5,313	-	-	7,874
Shares and instruments with variable income.....	13,025	11,900	359	576	2,361	19	106	-	28,346
Derivatives.....	15,193	1,984	-	-	2,218	1,196	107	-	20,698
Investments in subsidiaries.....	8,654	16,748	-	1,374	-	110,601	-	-	137,377
Other assets.....	24,003	100	15	4,210	679	2,554	11	-	31,572
<b>Total assets*</b> .....	<b>215,806</b>	<b>237,806</b>	<b>43,967</b>	<b>131,491</b>	<b>71,781</b>	<b>137,415</b>	<b>10,711</b>	<b>8,788</b>	<b>857,765</b>
Total assets (mEUR).....	1,278	1,408	260	779	425	814	63	52	5,079
% of Total assets.....	25.16%	27.72%	5.13%	15.33%	8.37%	16.02%	1.25%	1.02%	

The table above specifies the currency breakdown of assets as at YE 2012 and does not specify the registered domicile of the counterparty. Non-ISK assets domiciled in Iceland are therefore included in the relevant non-ISK currency. The currency of Kaupthing's investment in non-operating subsidiaries is based on the currency of the underlying assets. Furthermore, the currency of claims on bankrupt entities or entities in winding-up prior to any potential restructuring, which have not started any cash distribution, is based on the original currency of the relevant claim.

\* Total assets at fair value after set-off.

All amounts in table in mISK and mEUR.



2

CASH IN HAND

# CASH IN HAND – DEVELOPMENTS IN 2012

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**Kaupthing's cash reserves amounted to ISK 417.6bn and increased by ISK 84.7bn in 2012.**

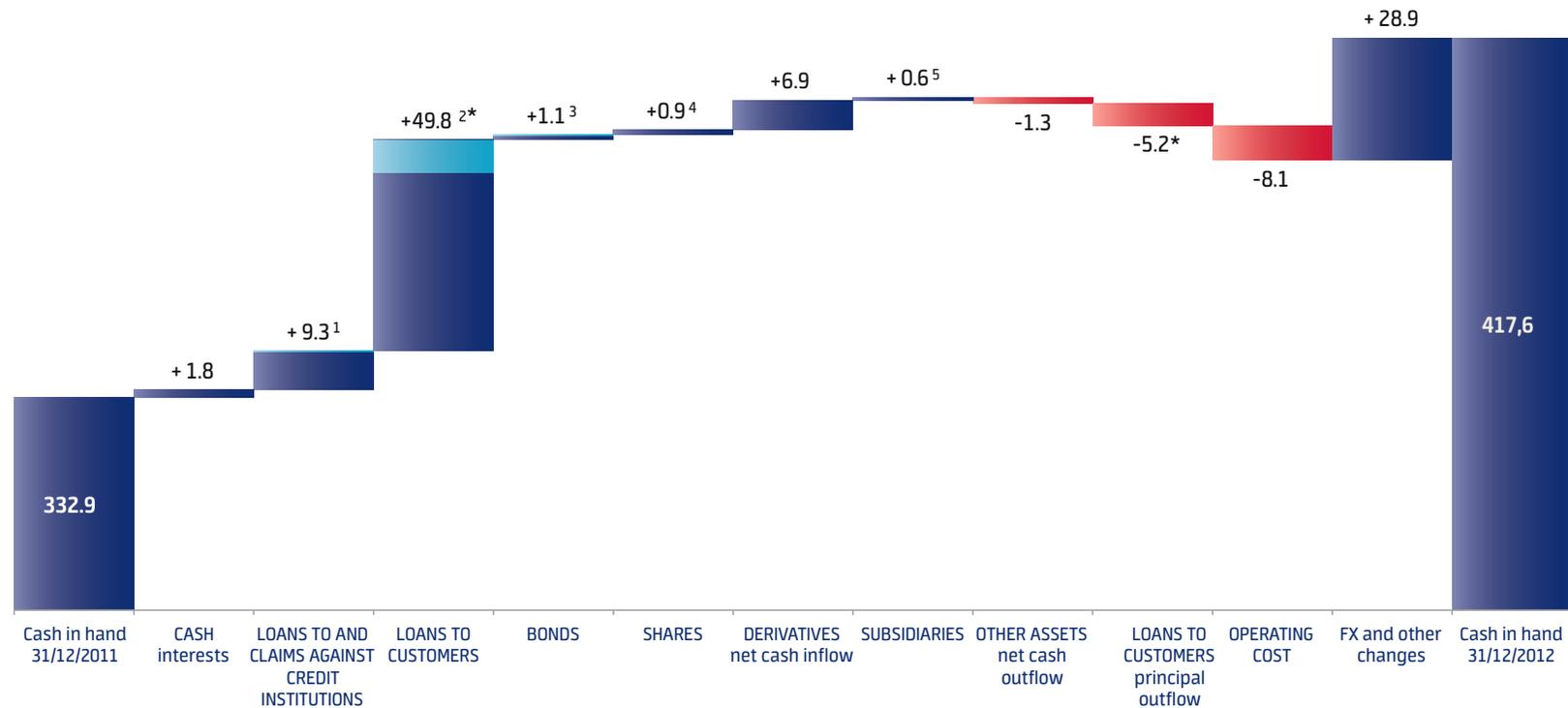
- Main factors contributing to increase in cash in hand in 2012:
  - Inflow related to Loans to customers of ISK 49.8bn\*
  - Inflow related to Loans to and claims against credit institutions of ISK 9.3bn.
  - Inflow related to Derivatives and unpaid derivatives of ISK 6.9bn.
- Main factors contributing to decrease in cash in hand in 2012:
  - ISK 5.2bn to support assets in Loans to customers\*
  - Operating costs in 2012 of ISK 8.1bn.
- Further breakdown of the development of cash in hand in 2012 is provided on the next slide.

**The cash reserve increased by approximately ISK 28.9bn due to ISK depreciation in 2012.**

**In 2008 and 2009, Kaupthing repaid priority claims related to deposits amounting to approx. ISK 130bn.**

\* Note that Kaupthing has outstanding revolving credit facilities which are drawn and repaid in the ordinary course of business and which is both reflected in "Loans to customers – principal outflow" and "Loans to customers – principal repayments". Majority of principal outflow is due to such revolving credit facilities and to a great extent a corresponding amount is also shown among principal repayments.

# CASH FLOW IN 2012



- 1** Loans to and claims against credit institutions = ISK 9.3bn: Principal payments (9.1) and interest payments (0.2)
- 2** Loans to customers = ISK 49.8bn: Principal payments (41.9), interest payments (7.7) and fee income (0.2) and principal outflow (-5.2)
- 3** Bonds = ISK 1.1bn: Principal payments (0.8) and interest payments (0.3)
- 4** Shares = ISK 0.9bn: Realization of equity stakes (0.7) and dividend payments (0.2)
- 5** Subsidiaries = ISK 0.6bn: Dividend payments (0.6)

\* Note that Kaupthing has outstanding revolving credit facilities which are drawn and repaid in the ordinary course of business and which is both reflected in "loans to customers - principal outflow" and "loans to customers - principal repayments". Majority of principal outflow is due to such revolving credit facilities and to a great extent a corresponding amount is also shown among principal repayments.

All amounts in billion ISK.

# CASH IN HAND – RESTRICTION AND GEOGRAPHY BREAKDOWN

## Cash in hand as at 31.12.2012

### Cash in hand specified by restriction and geographical location

	Iceland	UK	Sweden	Finland	Total
<b>Non ISK</b>					
Unrestricted .....	158	326,822	174	2	327,156
Restricted after 12.3.2012.....	6,446	33,782	2,741	700	43,669
Restricted before 12.3.2012.....	29,731	-	-	-	29,731
<b>Total</b> .....	<b>36,335</b>	<b>360,604</b>	<b>2,915</b>	<b>702</b>	<b>400,556</b>
ISK .....	17,071	-	-	-	17,071
<b>Cash in hand</b> .....	<b>53,406</b>	<b>360,604</b>	<b>2,915</b>	<b>702</b>	<b>417,627</b>
Cash in hand mEUR .....	316	2,135	18	4	2,473

- Two changes have been made recently on the Foreign Exchange Act, no. 87/1992, with subsequent amendments (the "Act") which have effect on Kaupthing's assets. On 13 March 2012 Act no. 17/2012 came into force, amending the Act. Further amendments to the Act were made on 9 March 2013 when the Parliament of Iceland approved Act no 16/2013. These amendments provide for limitations on the exemptions afforded to Kaupthing in respect of the statutory prohibition against cross-border movement of foreign currency.
- Cash deposits in foreign currencies held with foreign financial undertakings or with the Central Bank of Iceland as of end of day 12 March 2012 are not subject to the currency controls, but are subject to notifications to the Central Bank of Iceland.
- Cross-border withdrawal by Kaupthing of either cash deposits in foreign currencies from any accounts held at domestic financial institutions, or cash deposits held with foreign financial undertakings or the Central Bank of Iceland after 12 March 2012, are however subject to the currency restrictions. Cross border withdrawal by Kaupthing of these cash deposits requires a prior approval from the Central Bank of Iceland. The Central Bank of Iceland has an authorisation in the Act to set rules on what conditions need to be fulfilled in order to be able to grant an exemption from such restrictions. These rules have not yet been published. Furthermore, currency controls currently in effect in Iceland do not permit Icelandic assets to be converted into foreign currency or to be transferred outside of Iceland. This could materially affect the value of Kaupthing's Icelandic assets.

All amounts in table in mISK and mEUR.

# CASH IN HAND – CURRENCY BREAKDOWN

Cash in hand in respective currencies as at 31.12.2012 and 31.12.2011.

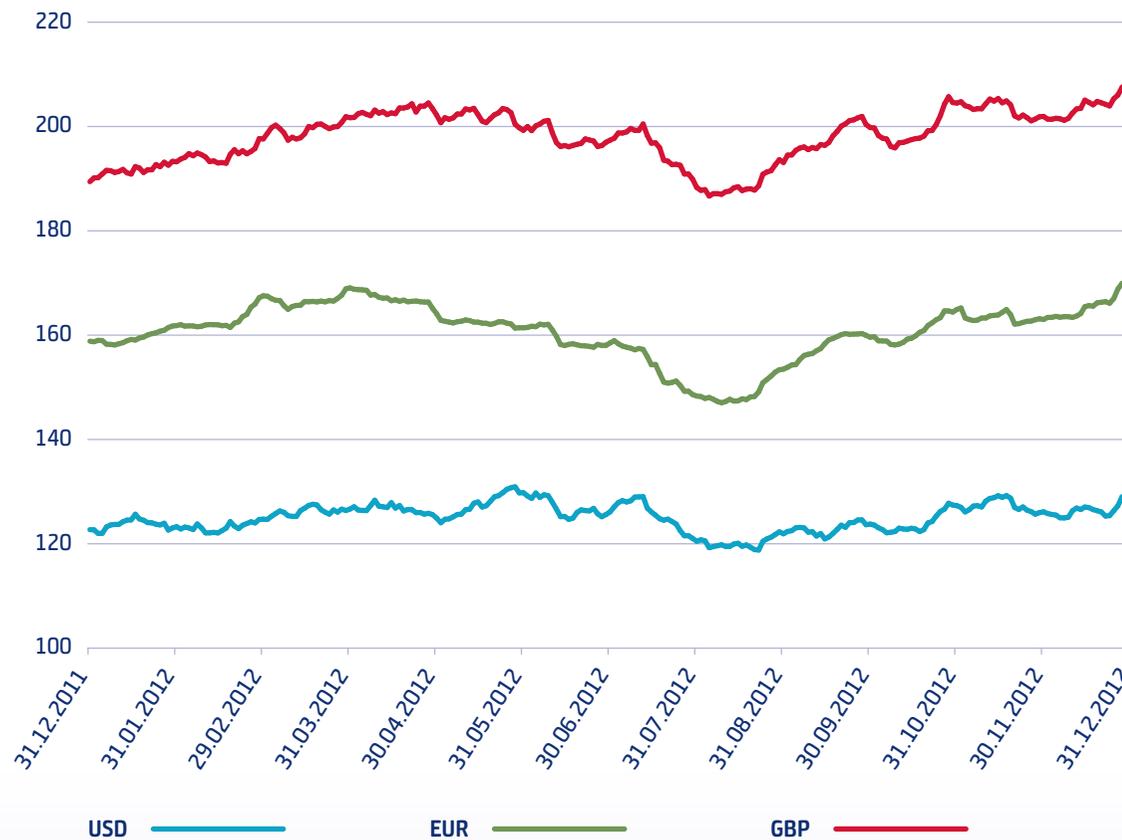
	31.12.2012		31.12.2011		Change in currency	Change in currency (%)	Change in ISK	Change in ISK (%)
	Currency	ISK	Currency	ISK				
<b>Cash in hand</b>								
EUR .....	752	126,969	642	101,891	110	17.2%	25,078	24.6%
SEK .....	5,182	101,958	4,510	80,285	672	14.9%	21,673	27.0%
GBP .....	370	76,932	324	61,572	46	14.2%	15,360	24.9%
USD .....	402	51,509	326	39,834	76	23.4%	11,675	29.3%
NOK .....	1,603	36,888	1,490	30,543	113	7.6%	6,345	20.8%
ISK .....	17,071	17,071	12,333	12,333	4,738	38.4%	4,738	38.4%
DKK .....	224	5,061	196	4,179	28	14.3%	882	21.1%
CHF .....	5	746	17	2,199	(12)	(68.6%)	(1,453)	(66.1%)
JPY .....	300	444	19	30	281	1478.9%	414	1380.0%
CAD .....	-	49	-	45	-	-	4	8.7%
<b>Cash in hand</b> .....		<b>417,627</b>		<b>332,911</b>			<b>84,716</b>	
<b>Cash in hand (mEUR)</b> .....		<b>2,473</b>		<b>2,096</b>				

- The interests yielded on Cash in hand in 2012 amounted to ISK 1.8bn.

All amounts in table in mISK and mEUR.

# CURRENCY TABLE

The ISK against major currencies as at 31.12.2012 and 31.12.2011.



	31.12.2012	31.12.2011
AUD .....	133.00	125.40
CAD .....	128.51	120.25
CHF .....	139.91	130.79
DKK .....	22.64	21.36
EUR .....	168.89	158.80
GBP .....	208.18	190.30
JPY .....	1.48	1.59
NOK .....	23.01	20.50
SEK .....	19.67	17.80
USD .....	128.09	122.24

# 3

## LOANS TO AND CLAIMS AGAINST CREDIT INSTITUTIONS

# LOANS TO AND CLAIMS AGAINST CREDIT INSTITUTIONS – DEVELOPMENTS IN 2012

Loans to and claims against credit institutions amounted to ISK 22.4bn and decreased by ISK 7.5bn in 2012, net of set-off.

- The major decrease is due to repayments of covered bonds settlement with Arion Bank of ISK 2.9bn, retrieval of frozen bank accounts of ISK 6.1bn.
- Disputed set-off may significantly affect this asset class.

	31.12.2012	31.12.2011	% change
<b>Loans to and claims against credit institutions</b>			
Restricted cash .....	10,911	9,982	9.3%
Guarantee accounts .....	6,646	5,894	12.8%
Frozen/emptied bank accounts .....	5,173	15,564	(66.8%)
Other loans .....	634	3,770	(83.2%)
<b>Loans to and claims against credit institutions before set-off against counterclaims .....</b>	<b>23,364</b>	<b>35,210</b>	<b>(33.6%)</b>
Subject to set-off .....	(984)	(5,300)	(81.4%)
<b>Loans to and claims against credit institutions after set-off against counterclaims .....</b>	<b>22,380</b>	<b>29,910</b>	<b>(25.2%)</b>
Loans to and claims against credit institutions after set-off against counterclaims (mEUR) .....	133	188	(29.6%)

All amounts in table in mISK and mEUR.

# LOANS TO AND CLAIMS AGAINST CREDIT INSTITUTIONS - OVERVIEW

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## Overview at fair value

- Restricted cash (ISK 10.9bn at fair value)
  - As part of a settlement with Arion Bank in 2011, ISK 10.9bn in 7 different currencies is deposited for 6 months. Cross-border withdrawal by Kaupthing of cash deposits in foreign currencies from any accounts held at domestic financial institutions as at 12 March 2012 requires a prior approval from the Central Bank of Iceland.
- Guarantee accounts (ISK 6.6bn at fair value)
  - These accounts are classified as conditional guarantees.
- Frozen/emptied bank accounts (ISK 5.2bn at fair value)
  - These accounts have been emptied partially or fully by the counterparty without legitimate acceptable reasons provided to Kaupthing.
  - These are related to approximately 9 different jurisdictions and the amounts range from approx. ISK 3m to ISK 3.3bn - the 3 largest of the 13 accounts covering 81% of the class value.
  - A substantial amount of these bank accounts have been subject to set-off in relation to derivative cases and hence the validity and legality of the freezing/seizure of cash will be concluded as part of the settlement of the derivative portfolio.
  - The bank accounts which are not related to derivative set-off are being handled by Kaupthing's internal legal counsel and the Winding-up Committee, in co-operation with external legal counsel in the respective jurisdictions. The validity of the freezing/seizure is analysed with respect to Icelandic bankruptcy legislation in coalition with other relevant jurisdictional legislation.
- Other loans (ISK 634m at fair value)
  - Mostly loans to Nordic financial institutions.



# 4

## LOANS TO CUSTOMERS

# LOANS TO CUSTOMERS – DEVELOPMENTS IN 2012

Loans to customers valued at ISK 191.9bn decreased by ISK 41.0bn in 2012.

- The decrease is primarily due to inflow from net principal repayments of ISK 36.7bn and real value decrease by ISK 19.3bn in 2012.

	Fair value as at 31.12.2012	Net principal payments	Miscellaneous** (reclassification, etc)	FX changes	Real value changes	Fair value as at 31.12.2011	Interests and fees received in 2012
<b>Loans to customers</b>							
Europe.....	102.0	(21.9)	-	8.9	(8.1)	123.1	2.9
Nordic .....	47.2	(12.4)	-	3.8	(8.4)	64.2	4.9
NOA.....	42.7	(2.4)	(1.3)	3.6	(2.8)	45.6	0.1
<b>Loans to customers .....</b>	<b>191.9</b>	<b>(36.7)</b>	<b>(1.3)</b>	<b>16.3</b>	<b>(19.3)</b>	<b>232.9</b>	<b>7.9</b>

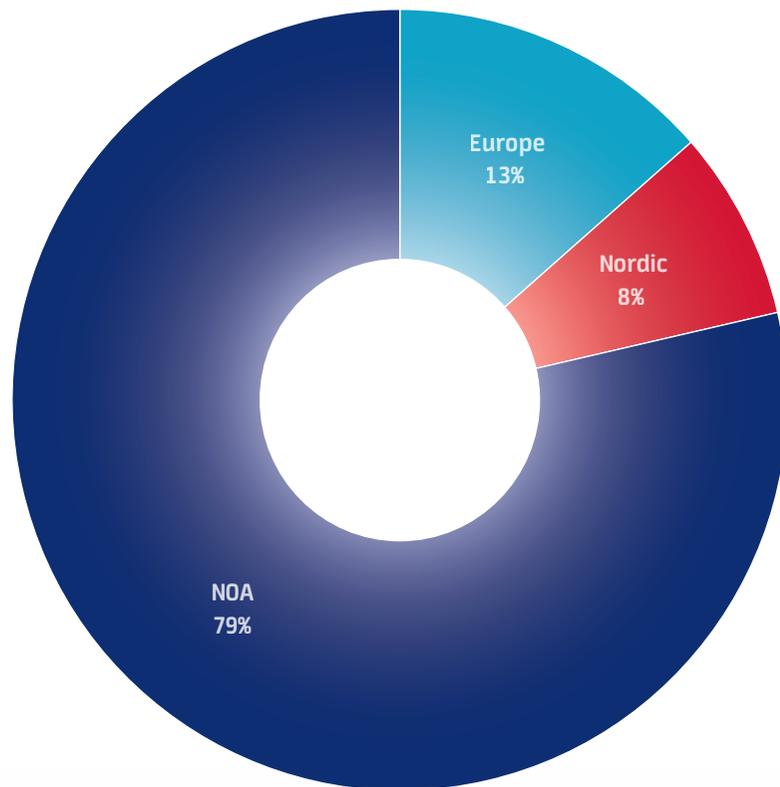
	31.12.2012			31.12.2011		
	Carrying value	Fair value	Weighted average	Carrying value	Fair value	Weighted average
<b>Loans to customers</b>						
Europe.....	174,276	101,984	58.5%	186,042	123,128	66.2%
Nordic .....	101,407	47,239	46.6%	113,823	64,218	56.4%
NOA.....	1,012,674	42,668	4.2%	935,098	45,535	4.9%
<b>Loans to customers .....</b>	<b>1,288,357</b>	<b>191,891</b>	<b>14.9%</b>	<b>1,234,963</b>	<b>232,881</b>	<b>18.9%</b>
Loans to customers (EUR).....	7,628	1,136	14.9%	7,777	1,467	18.9%

\*\* Miscellaneous includes assets released or retrieved as part of settlements (set-off), reclassification between asset classes and other.

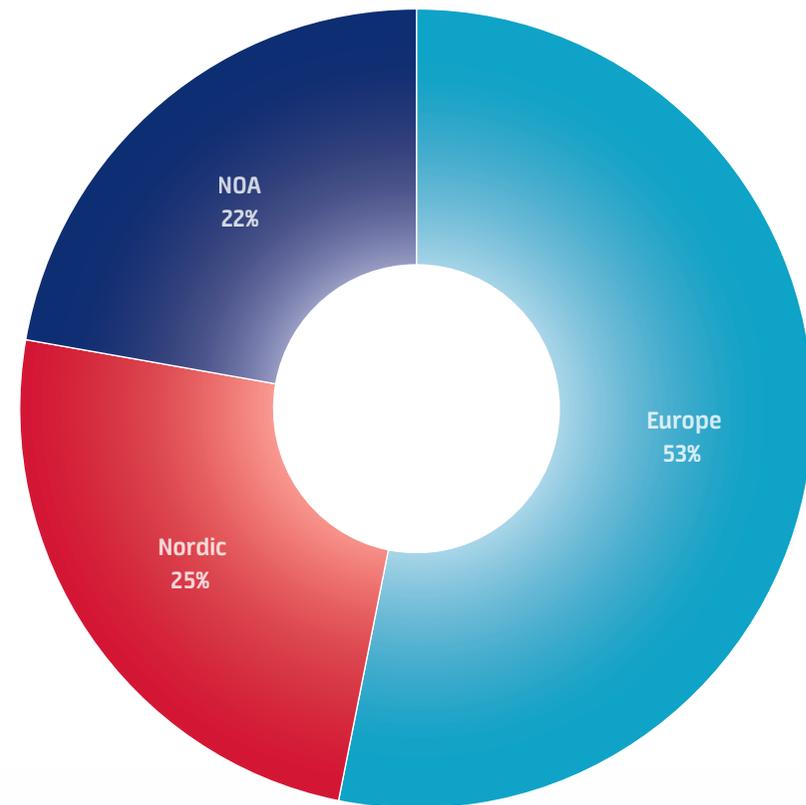
All amounts in table in mISK and mEUR.

# LOANS TO CUSTOMERS – BREAKDOWN BY PORTFOLIO AS AT 31.12.2012

Carrying value

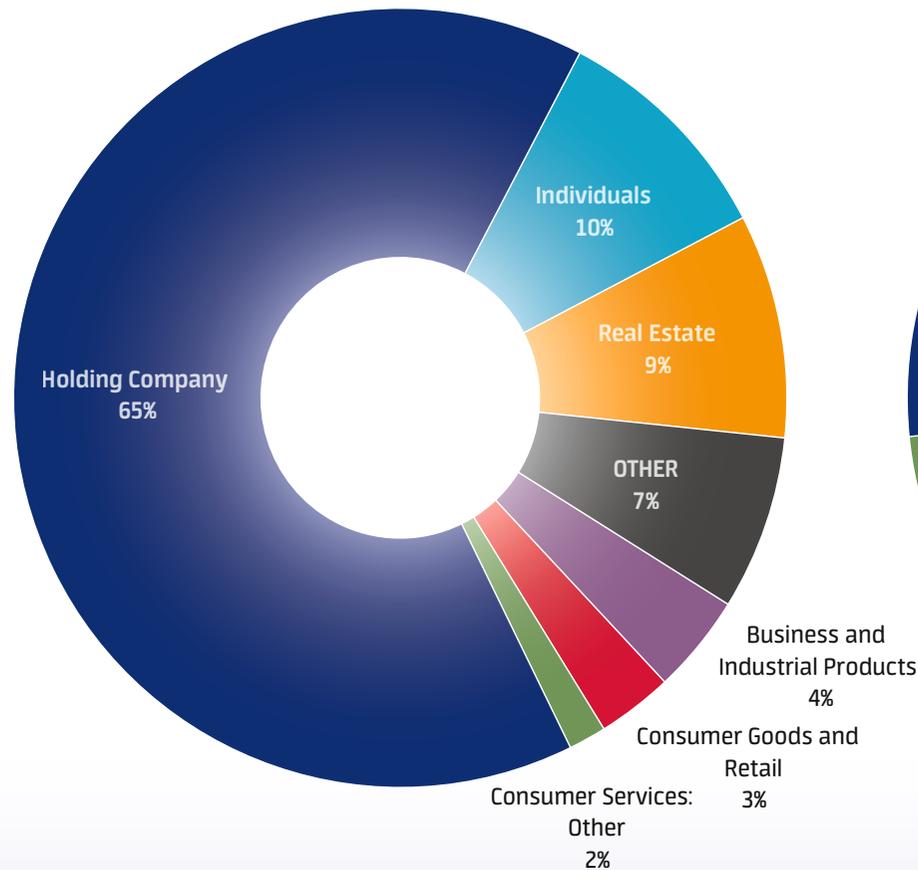


Fair value

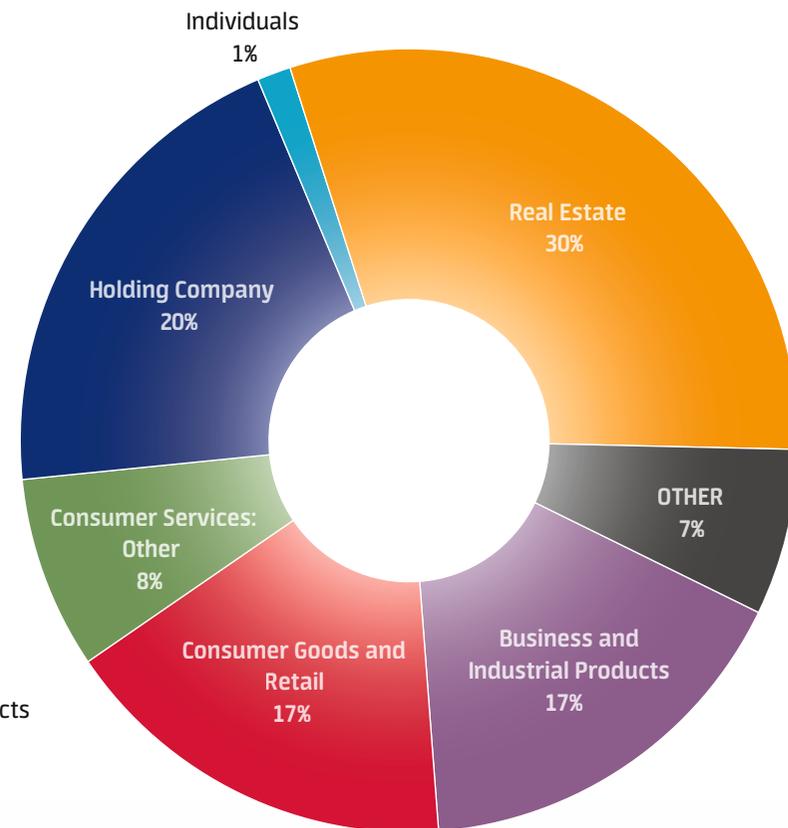


# LOANS TO CUSTOMERS – BREAKDOWN BY SECTOR AS AT 31.12.2012

Carrying value



Fair value



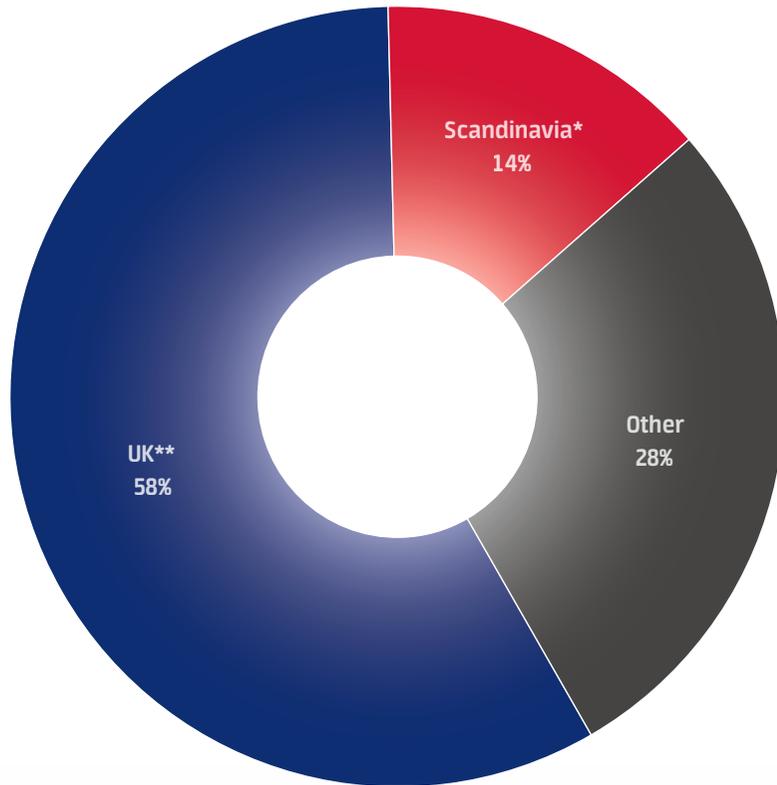
## LOANS TO CUSTOMERS – BREAKDOWN BY SECTOR

	31.12.2012			31.12.2011		
	Carrying value	Fair value	Weighted average	Carrying value	Fair value	Weighted average
<b>Operating Assets - (Europe &amp; Nordic) breakdown by sector</b>						
Business and Industrial Products .....	53,110	31,789	59.9%	66,790	45,702	68.4%
Consumer Goods and Retail. ....	40,680	31,997	78.7%	53,510	37,764	70.6%
Consumer Services: Other. ....	20,316	15,262	75.1%	23,307	20,240	86.8%
Holding Company. ....	49,779	8,382	16.8%	46,794	15,429	33.0%
Individuals. ....	12,934	2,504	19.4%	12,885	3,682	28.6%
Real Estate. ....	93,304	58,160	62.3%	87,520	60,844	69.5%
Other .....	5,560	1,129	20.3%	9,059	3,685	40.7%
<b>Loans to customers</b> .....	<b>275,683</b>	<b>149,223</b>	<b>54.1%</b>	<b>299,865</b>	<b>187,346</b>	<b>62.5%</b>
Loans to customers (EUR) .....	1,632	883	54.1%	1,888	1,180	62.5%
<b>NOA portfolio</b>						
Holding Company. ....	787,011	30,441	3.9%	751,011	31,521	4.2%
Individuals. ....	111,449	181	0.2%	88,160	-	0.0%
Real Estate. ....	26,444	-	0.0%	22,955	-	0.0%
Other .....	87,770	12,046	13.7%	72,972	14,014	19.2%
<b>Loans to customers</b> .....	<b>1,012,674</b>	<b>42,668</b>	<b>4.2%</b>	<b>935,098</b>	<b>45,535</b>	<b>4.9%</b>
Loans to customers (EUR) .....	5,996	253	4.2%	5,889	287	4.9%

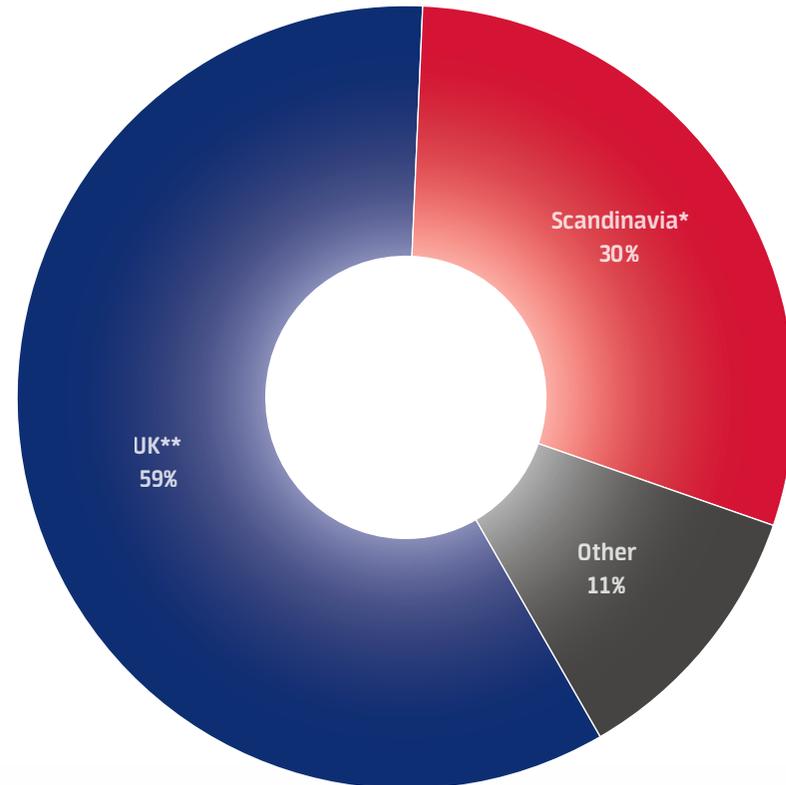
All amounts in table in mISK and mEUR.

# LOANS TO CUSTOMERS – BREAKDOWN BY GEOGRAPHY AS AT 31.12.2012

Carrying value



Fair value



\* Scandinavia includes all the Nordic countries.

\*\* UK includes UK overseas territories and Crown dependencies.

## LOANS TO CUSTOMERS – BREAKDOWN BY GEOGRAPHY

	31.12.2012			31.12.2011		
	Carrying value	Fair value	Weighted average	Carrying value	Fair value	Weighted average
<b>Operating assets (Europe &amp; Nordic)</b>						
<b>- breakdown by geography</b>						
Scandinavia* .....	146,531	56,247	38.4%	160,629	82,817	51.6%
UK** .....	106,664	82,125	77.0%	113,981	87,321	76.6%
Other .....	22,488	10,851	48.3%	25,255	17,208	68.1%
<b>Loans to customers .....</b>	<b>275,683</b>	<b>149,223</b>	<b>54.1%</b>	<b>299,865</b>	<b>187,346</b>	<b>62.5%</b>
Loans to customers (EUR) .....	1,632	883	54.1%	1,888	1,180	62.5%
<b>NOA portfolio - breakdown by geography</b>						
Scandinavia* .....	33,096	570	1.7%	155,222	-	0.0%
UK** .....	639,890	31,134	4.9%	563,180	33,014	5.9%
Other .....	339,688	10,964	3.2%	216,696	12,521	5.8%
<b>Loans to customers .....</b>	<b>1,012,674</b>	<b>42,668</b>	<b>4.2%</b>	<b>935,098</b>	<b>45,535</b>	<b>4.9%</b>
Loans to customers (EUR) .....	5,996	253	4.2%	5,889	287	4.9%

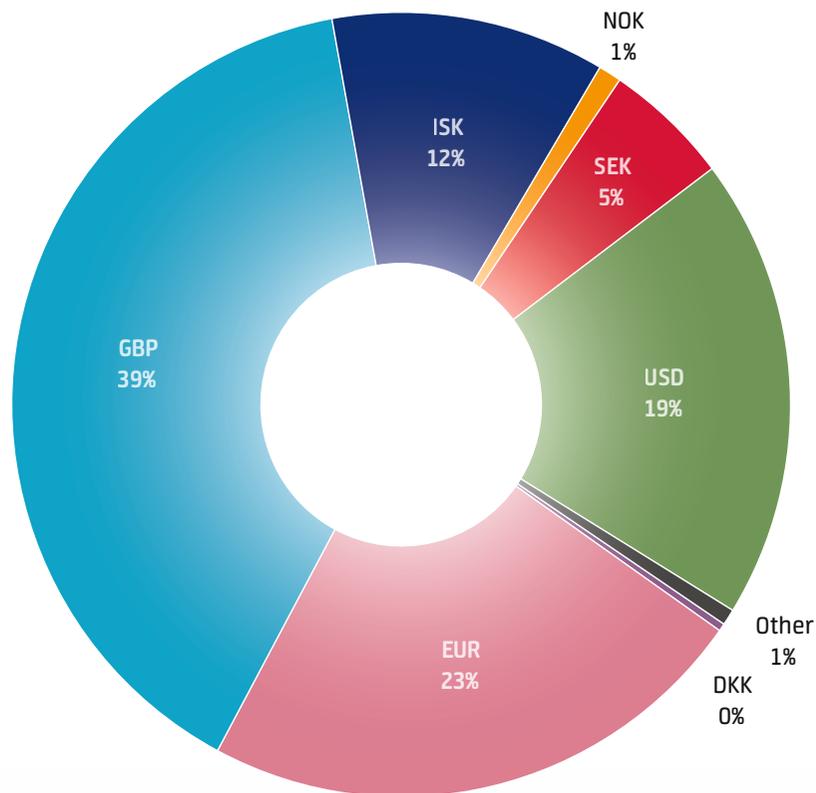
\* Scandinavia includes all the Nordic countries.

\*\* UK includes UK overseas territories and Crown dependencies.

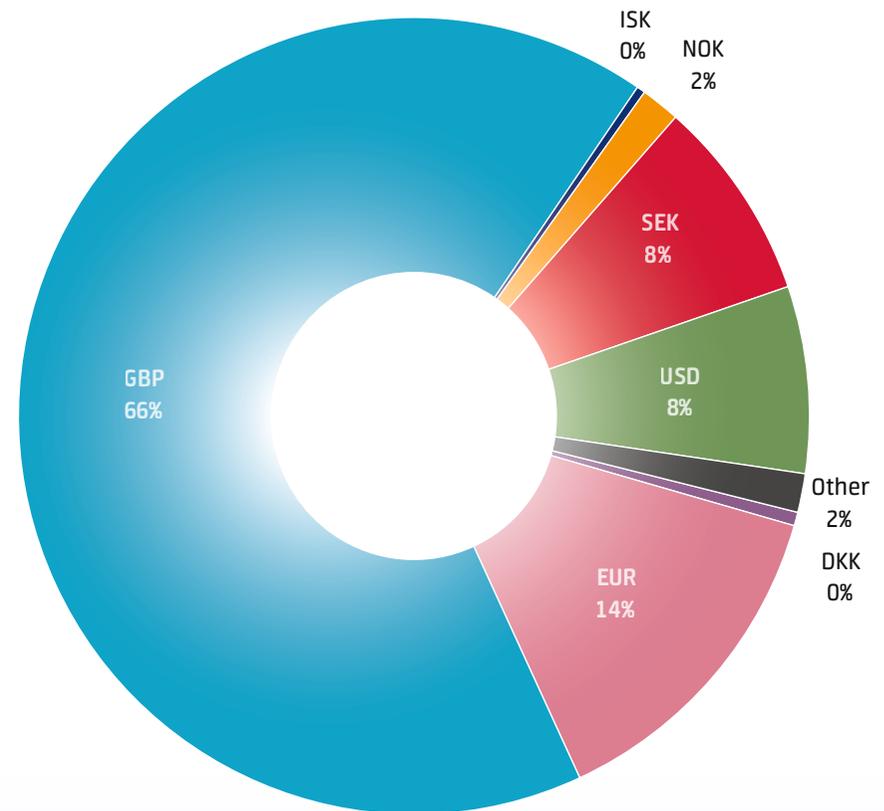
All amounts in table in mISK and mEUR.

# LOANS TO CUSTOMERS – BREAKDOWN BY CURRENCY AS AT 31.12.2012

Carrying value

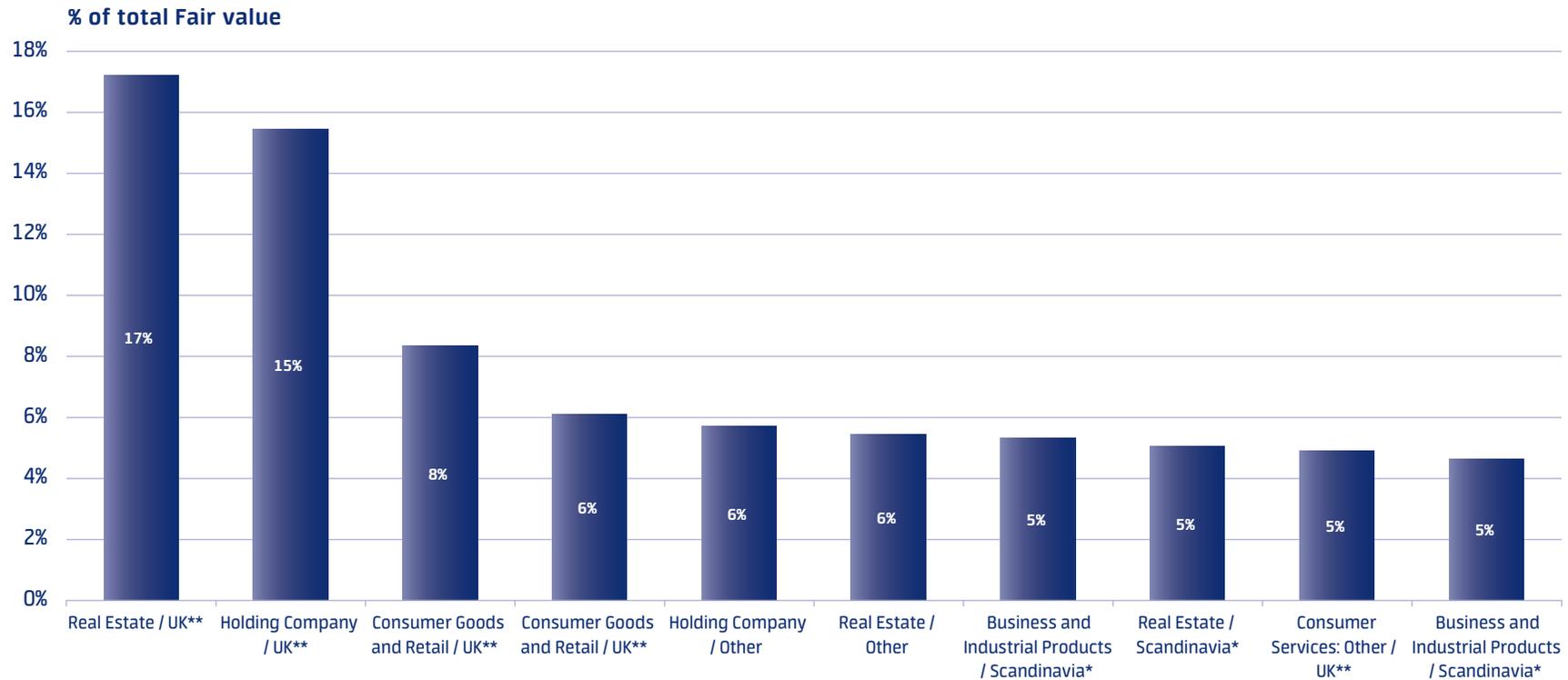


Fair value



All amounts in table in mISK and mEUR.

# TEN LARGEST LOANS TO CUSTOMERS AT FAIR VALUE – SECTOR AND GEOGRAPHICAL LOCATION



Ten largest loans to customers by sector and country at fair value add up to 78% of total loans to customers as at 31.12.2012

\* Scandinavia includes all the Nordic countries.

\*\* UK includes UK overseas territories and Crown dependencies.



# 5

## BONDS AND DEBT INSTRUMENTS

# BONDS AND DEBT INSTRUMENTS – DEVELOPMENTS IN 2012

**Bonds and debt instruments are valued at ISK 7.9bn as at YE 2012 and decreased by ISK 4.0bn in 2012 net of set-off.**

- Government agencies bonds subject to set-off as a part of a settlement.
- Bond acquired at ISK 1.7bn as part of a settlement.
- In addition, interest payments received amounted to ISK 0.3bn, principal payments amounted to ISK 0.8bn and real value decrease amounted to ISK 5.3bn.
- Increased by ISK 0.5bn due to FX and other changes.

	31.12.2012	31.12.2011	Change in ISK	% change
<b>Bonds and debt instruments</b>				
Listed.....	1,649	7,024	(5,375)	(76.5%)
Unlisted.....	6,225	10,194	(3,969)	(38.9%)
<b>Bonds and debt instruments before set-off against counterclaims</b> .....	<b>7,874</b>	<b>17,218</b>	<b>(9,344)</b>	<b>(54.3%)</b>
Subject to set-off .....	-	(5,376)	5,376	(100.0%)
<b>Bonds and debt instruments after set-off</b> .....	<b>7,874</b>	<b>11,842</b>	<b>(3,968)</b>	<b>(33.5%)</b>
Bonds and debt instruments (mEUR).....	47	75	(28)	(37.5%)
<b>Bonds and debt instruments</b>				
Holding Companies .....	2,939	1,928	1,011	52.4%
Governments .....	1,649	1,648	1	0.1%
Consumer Goods and Retail.....	1,281	6,012	(4,731)	(78.7%)
Financial Services.....	1,031	1,100	(69)	(6.2%)
Energy and Environment .....	974	1,154	(180)	(15.6%)
Government Agencies .....	-	5,376	(5,376)	(100.0%)
<b>Bonds and debt instruments before set-off against counterclaims</b> .....	<b>7,874</b>	<b>17,218</b>	<b>(9,344)</b>	<b>(54.3%)</b>
Subject to set-off .....	-	(5,376)	5,376	(100.0%)
<b>Bonds and debt instruments</b> .....	<b>7,874</b>	<b>11,842</b>	<b>(3,968)</b>	<b>(33.5%)</b>
Bonds and debt instruments (mEUR).....	47	75	(28)	(37.5%)

All amounts in table in mISK and mEUR.



# 6

## SHARES AND INSTRUMENTS WITH VARIABLE INCOME

# SHARES AND INSTRUMENTS WITH VARIABLE INCOME – DEVELOPMENTS IN 2012

- Shares and instruments with variable income valued at ISK 28.3bn and decreased by ISK 11.6bn in 2012.
  - Increased by ISK 2.7bn due to FX and other changes.
  - Real value decrease by ISK 13.7bn.
  - Shares were sold for ISK 0.6bn
- Dividend payments in this asset class amounted to ISK 0.3bn in 2012.

	31.12.2012	31.12.2011	Change in ISK	% change
<b>Shares and instruments with variable income</b>				
Listed.....	4,710	5,228	(518)	(9.9%)
Unlisted.....	23,636	34,669	(11,033)	(31.8%)
<b>Shares and instruments with variable income</b> .....	<b>28,346</b>	<b>39,897</b>	<b>(11,551)</b>	<b>(29.0%)</b>
Shares and instruments with variable income (mEUR) .....	168	251	(83)	(33.1%)
<b>Shares and instruments with variable income</b>				
Consumer Goods and Retail*.....	7,242	19,718	(12,476)	(63.3%)
Financial Services.....	7,170	6,720	450	6.7%
Real Estate.....	6,286	5,752	534	9.3%
Consumer Services: Other.....	4,164	4,098	66	1.6%
Life Sciences.....	1,874	1,547	327	21.1%
Energy and Environment .....	1,609	2,061	(452)	(21.9%)
Other .....	1	1	-	0.0%
<b>Shares and instruments with variable income</b> .....	<b>28,346</b>	<b>39,897</b>	<b>(11,551)</b>	<b>(29.0%)</b>
Shares and instruments with variable income (mEUR) .....	168	251	(83)	(33.1%)

\* Consumer goods & retail declined by 12.476m from YE 2011. These are assets where Kaupthing owns the whole capital structure and where less portion of the total asset is in form of shares and as such highly leveraged. Majority of these assets are in Europe where the market has been hit by decreasing consumer confidence and household disposable income. As a result the profitability of companies operating in consumer good & retail has come down.

All amounts in table in mISK and mEUR.



7

# DERIVATIVES

# DERIVATIVES

## – DEVELOPMENTS IN 2012

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

- Derivatives claims after set-off amounted to ISK 20.7bn at fair value and ISK 63.8bn at carrying value at YE 2012.
- Derivatives claims after set-off decreased by ISK 33.1bn at fair value in 2012.
  - Revaluations, including gain/loss from settlement negotiations, increased the position by ISK 3.7bn.
  - FX movements had a positive impact of ISK 0.9bn on derivatives and unpaid derivatives as reported in ISK.
  - ISK 34.3bn received in cash, short-term receivables and securities in partial or complete settlements. Included in this figure is the ISK value of the derivatives claims against the pension funds after set-off as determined by the settlement agreement from November 2012. As payments were delayed and made after year-end a reclassification from derivatives to other assets was made. As the funds then opted to pay mostly in foreign currency at an offshore rate in accordance with the terms of the agreement, an FX difference was realised in the books and is reflected in the asset class other assets.
  - Realised and unrealised changes in set-off against derivatives claims in 2012 was ISK 3.4bn.
- There are 36 counterparties remaining on the asset side compared to 99 as at YE 2011.
- Disputed set-off may significantly affect this asset class.

	31.12.2012		31.12.2011
	Carrying value	Fair value	Fair value
<b>Derivatives - Assets</b>			
Derivatives claims, before set-off against counterclaims .....	72,560	29,351	81,216
Subject to set-off .....	(8,744)	(8,653)	(27,440)
<b>Derivatives claims, after set-off .....</b>	<b>63,816</b>	<b>20,698</b>	<b>53,776</b>
Total derivatives, after set-off (mEUR) .....	378	123	339

All amounts in table in mISK and mEUR.

## DERIVATIVES – OVERVIEW

- Provisions primarily reflect estimated creditworthiness of each counterparty. The provision level is decided on a counterparty level, not a product level, and is reviewed on regular basis.

	31.12.2012		31.12.2011
	Carrying value	Fair value	Fair value
<b>Derivatives - Assets</b>			
<b>ISDA counterparties</b>			
Derivatives claims, before set-off against counterclaims .....	28,563	28,046	41,641
Subject to set-off.....	(8,744)	(8,653)	(23,505)
Derivatives claims, after set-off .....	19,819	19,393	18,136
<b>Non-ISDA counterparties</b>			
Derivatives claims, before set-off against counterclaims .....	43,997	1,305	39,575
Subject to set-off.....	-	-	(3,935)
Derivatives claims, after set-off .....	43,997	1,305	35,640
<b>Total derivatives, before set-off.....</b>	<b>72,560</b>	<b>29,351</b>	<b>81,216</b>
<b>Total derivatives, after set-off .....</b>	<b>63,816</b>	<b>20,698</b>	<b>53,776</b>
Total derivatives, after set-off (mEUR).....	378	123	339

All amounts in table in mISK and mEUR.



# 8

## INVESTMENTS IN SUBSIDIARIES

# INVESTMENTS IN SUBSIDIARIES – DEVELOPMENTS IN 2012

Investments in subsidiaries amounted to ISK 137.4bn and increased by ISK 21.1bn in 2012.

- Real value increase of ISK 20.2bn.
- Increased by ISK 0.9bn due to FX fluctuations.
- Dividend payments amounted to ISK 0.6bn, primarily from Norvestia.

	31.12.2012	31.12.2011	% change
<b>Investments in Subsidiaries</b>			
Kaupskil ehf. (Arion Bank), Iceland .....	110,596	96,175	15.0%
Kirna ehf., Iceland .....	13,370	7,978	67.6%
Norvestia Oyj, Finland .....	7,597	7,087	7.2%
Kaupthing Holding Isle of Man Ltd, Isle of Man .....	3,378	2,953	14.4%
Kaupthing Sverige AB, Sweden .....	1,374	1,098	25.1%
Other .....	1,062	1,056	0.6%
<b>Investments in subsidiaries .....</b>	<b>137,377</b>	<b>116,347</b>	<b>18.1%</b>
Investments in subsidiaries (mEUR) .....	813	733	11.0%

All amounts in table in mISK and mEUR.



# 9

## OTHER ASSETS

# OTHER ASSETS

## – DEVELOPMENTS IN 2012

**Other assets valued at ISK 31.6bn at fair value after set-off and increased by ISK 16.7bn in 2012.**

- Increased by ISK 2.3bn due to prepaid additional tax on Financial Institutions.
- Increased by ISK 26.8bn due to reclassification. Mostly due to short-term receivables resulting from settlements.
- Decreased by ISK 11.2bn due to FX change, primarily due to settlements.
- Decreased by ISK 0.8bn due to principal payments.

	31.12.2012	31.12.2011	% change
<b>Other Assets</b>			
Accounts receivables .....	4,988	4,351	14.6%
Claims on bankrupt entities .....	10,747	11,887	(9.6%)
Sundry assets .....	20,391	3,249	527.6%
<b>Other assets before set-off against counterclaims .....</b>	<b>36,126</b>	<b>19,487</b>	<b>85.4%</b>
Subject to set-off .....	(4,554)	(4,619)	(1.4%)
<b>Other assets after set-off against counterclaims .....</b>	<b>31,572</b>	<b>14,868</b>	<b>112.3%</b>
Other assets after set-off against counterclaims (mEUR) .....	186	93	99.7%

All amounts in table in mISK and mEUR.



10

# LIABILITIES - THE CLAIMS PROCESS

## OVERVIEW OF CLAIMS

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- The liabilities of Kaupthing are currently being determined through a formal process administered by the Winding-up Committee (“WuC”).
- A total of 28,167 claims were lodged before the deadline at 30 December 2009, amounting to ISK 7,316bn. However, as at YE 2012, the total amount of claims registered in the list of claims, amounted to ISK 4,345bn (excluding claims lodged as subordinated under Art. 114). The list of claims however incorporates all claims lodged against Kaupthing except those claims which were filed and later withdrawn by creditors. The list of claims therefore includes claims which have been finally rejected by the WuC.
  - As at YE 2012, outstanding claims amounted to ISK 3,067bn.
- The WuC completed its decision on all claims by the Creditors' Meeting on 3 December 2010. 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 ICB on 22 April 2009. Hence, the liability side has been fixed in ISK as at that date for all relevant claims.
- A continuous effort is being made by Kaupthing to settle disputed claims. This work has progressed well and has already resulted in a significant reduction of claims in addition to an increase in finally recognised claims.
- In 2012, two claims amounting to the equivalent of ISK 16.4bn were lodged against the Company under Art. 109. The Winding-up Committee rejected both claims with reference to Art. 118 of the Bankruptcy Act. The deadline for submitting claims was 30 December 2009. As these claims were not filed within the aforementioned time limit and do not meet the conditions of Art. 109 they were not added to the claims registry and are not included in the claims tables in the financial statements and the supplementary material.
- *All amounts on the following slides are based on the claim registry as at YE 2012.*

# CHANGES IN CLAIM REGISTRY

Claims lodged under Art. 109-113	2012	2011	Changes
<b>Total lodged</b> .....	<b>4,345,162</b>	<b>4,648,842</b>	<b>(303,680)</b>
<b>Total accepted</b> .....	<b>2,848,112</b>	<b>2,844,498</b>	<b>3,614</b>
<i>Thereof, finally accepted</i> .....	<i>2,568,938</i>	<i>2,563,530</i>	<i>5,408</i>
Art. 109 .....	7	7	-
Art. 110 .....	203	203	-
Art. 111 .....	-	-	-
Art. 112 .....	586	585	1
Art. 113 .....	2,568,142	2,562,735	5,407
<i>Thereof, accepted Art. 113 but disputed</i> .....	<i>279,174</i>	<i>280,968</i>	<i>(1,794)</i>
of which in dispute due to priority .....	207,177	207,052	125
of which in set-off dispute .....	71,997	73,916	(1,919)
<b>Amendments under Art. 113</b>			
Kaupthing's own bonds under US MTN 144a programme .....	(92,318)	(92,318)	-
Subject to set-off* .....	(16,085)	(36,211)	20,126
<b>Rejected in dispute</b> .....	<b>327,353</b>	<b>806,869</b>	<b>(479,516)</b>
Art. 109 .....	7,642	23,407	(15,765)
Art. 110 .....	-	55	(55)
Art. 111 .....	5,157	5,157	-
Art. 112 .....	3,336	9,800	(6,464)
Art. 113 .....	311,218	768,450	(457,232)
<b>Total outstanding claims excluding Kaupthing's own bonds under US MTN 144a programme and claims subject to set-off</b> .....	<b>3,067,062</b>	<b>3,522,838</b>	<b>(455,776)</b>
<b>Finally rejected</b> .....	<b>1,169,697</b>	<b>997,475</b>	<b>172,222</b>

The claim registry is presented net of finally accepted set-off, comparison for 2011 has been adjusted accordingly.

\*This shows claim amounts subject to set-off, where the right to set-off is not disputed but the set-off has not been finalised.

All amounts in table in mISK.

# MAJOR EVENTS POST 31 DECEMBER 2012 WHICH AFFECT THE STATUS OF CLAIMS

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- On 22 March 2013, the Supreme Court of Iceland pronounced its judgment regarding the dispute on the priority status of the FRB deposit agreements. The Supreme Court upheld the Winding-up Committee's decision and dismissed the appellant's (BNAP S.A.R.L) arguments that the claims should enjoy priority status under Art. 112 of the Bankruptcy Act. The judgment affects disputed claims under the FRB deposit agreements amounting to ISK 195bn, as the decided claim from BNAP S.A.R.L amounts to ISK 86.5bn while the other pending FRB cases amount to ISK 108.5bn. This judgment should thus lead to considerable reduction in disputed priority claims in the winding-up proceedings. The Winding-up Committee considers the judgment from the Supreme Court to be clear and decisive and that it gives a clear precedent regarding other disputed FRB cases.
  - Accepted claims under Art. 113 but in dispute due to priority (ISK 207,177m as at 31 December 2012) will as a result of this judgement decrease by ISK 86.5bn in the table above, Finally Accepted 113 claims (ISK 2,568,142m as at 31 December 2012) will increase accordingly. Further movements as a result of the above judgement is anticipated but is subject to withdrawals of objections from other creditors holding FRB claims or judgements from the Courts in the relevant cases.
  
- Post YE 2012, Kaupthing Singer & Friedlander Isle of Man Limited amended their claim under a parental guarantee from ISK 88bn to ISK 16bn which was categorised as rejected disputed claim under Art. 113.
  - Rejected disputed Art. 113 claims (ISK 311,218m as at 31 December 2012) will as a result decrease by ISK 72bn in the table above.
  
- On 25 February 2013 The Supreme Court of Iceland gave judgement in case no. 17/2013, Kaupthing hf. against The Bank of Tokyo Mitsubishi UFJ Ltd. ("Bank of Tokyo"). The claim was based on a forward FX swap between Kaupthing and Bank of Tokyo. The maturity date was on 9th October 2008 and Bank of Tokyo sought to have their payment to Kaupthing of USD 50,000,000 returned as a "third party asset" under Article 109 of the Bankruptcy Act as Kaupthing did not pay its leg of the FX forward. In its ruling the Supreme Court found that Kaupthing should have returned the funds in October 2008 and accepted a claim from Bank of Tokyo of USD 47,512,950 under Article 109 of the Bankruptcy Act.
  - Accepted Art. 109 claims (ISK 7m as at 31 December 2012 ) will as a result of this judgement increase by USD 47.5m or the equivalent of ISK 6.1bn in the table above.

# SUMMARY OF CLAIMS

Article	Art. 109	Art. 110	Art. 111	Art. 112	Art. 113	Total
<b>Total Lodged</b> .....	<b>27,749</b>	<b>846</b>	<b>88,931</b>	<b>263,534</b>	<b>3,964,102</b>	<b>4,345,162</b>
Total Adjusted (1) .....	18,091	669	16,251	53,222	4,256,929	4,345,162
<b>Accepted</b> .....	<b>7</b>	<b>203</b>	<b>-</b>	<b>586</b>	<b>2,847,316</b>	<b>2,848,112</b>
Thereof, Finally Accepted Claims (2) .....	7	203	-	586	2,568,142	2,568,938
Thereof, Accepted but in dispute due to priority (4) .....	-	-	-	-	207,177	207,177
Thereof, Accepted but in dispute due to set-off (3) .....	-	-	-	-	71,997	71,997
<b>Rejected (5)</b> .....	<b>18,084</b>	<b>466</b>	<b>16,251</b>	<b>52,636</b>	<b>1,409,614</b>	<b>1,497,050</b>
Thereof, finally .....	10,442	466	11,094	49,300	1,098,395	1,169,697
Thereof, in dispute .....	7,642	-	5,157	3,336	311,218	327,353
<b>Adjusted outstanding claims (1)</b> .....	<b>7,649</b>	<b>203</b>	<b>5,157</b>	<b>3,922</b>	<b>3,158,534</b>	<b>3,175,465</b>
Kaupthing's own bonds under US MTN 144a Programme .....					-92,318	(92,318)
Subject to set-off (6) .....					-16,085	(16,085)
<b>Adjusted outstanding claims - excluding accepted set-off claims, Kaupthing's own bonds under US MTN 144a Programme and claims lodged under Art. 114</b>	<b>7,649</b>	<b>203</b>	<b>5,157</b>	<b>3,922</b>	<b>3,050,131</b>	<b>3,067,062</b>

- 1 In several cases the WuC accepts a claim with different priority than lodged. Adjusted amounts in the table above are based on the WuC decisions and represent the total amounts of all claims that decisions have been made under respective article, i.e. accepted or rejected. Adjusted outstanding claims represent the adjusted amounts under each article excluding finally rejected claims.
- 2 Include all accepted claims which are not objected by creditors. In addition to claims which have been accepted, but are still in dispute and objected only by the respective claimant but not other creditors, the accepted amount in these cases will never be lower than what has been accepted by the WuC.
- 3 Claims accepted by the Winding-Up Committee as Art. 113 claims, but where there is a dispute as to either: (i) the right of the holders to assert set-off against the accepted claim or (ii) the amount the holders may set-off against the accepted claim.

- 4 In these cases, there is a dispute between the WuC and individual creditors regarding priority status of claims. The priority of an accepted claim can therefore change, from Art. 113 to Art. 109-112, in accordance with final outcome of that claim. Claims lodged under Art. 109-112 but have been categorised as accepted under Art. 113 (only disputed by the claimant) amounted to ISK 207bn.
- 5 Claims that have been rejected, moved under Art. 114 or where no decision will be taken. With reference to the final sentence of the first paragraph of Article 119 of the Act on Bankruptcy, etc., No. 21/1991, no decisions will be made on subordinate claims.
- 6 This shows claim amounts subject to set-off, where the right to set-off is not disputed but the set-off has not been finalised.

All amounts in table in mISK.

# TOTAL ADJUSTED OUTSTANDING CLAIMS

- Total adjusted outstanding claims shown by article and type - excluding accepted set-off claims, Kaupthing's own bonds under US MTN 144a programme and claims lodged under Art. 114

Type	Art. 109	Art. 110	Art. 111	Art. 112	Art. 113	Total
Guarantees .....	-	-	-	2,472	107,335	109,807
Derivatives .....	7,505	-	5,157	-	66,267	78,929
Miscellaneous.....	1	179	-	-	106,119	106,299
Deposit Agreements .....	-	-	-	699	296,121	296,820
Deposits .....	-	-	-	-	-	-
Reimbursements .....	-	-	-	17	680	697
Loan Agreements.....	-	-	-	-	421,226	421,226
Invoices.....	-	21	-	-	1,652	1,673
Contracts .....	-	-	-	-	47,650	47,650
Damages .....	143	3	-	2	31,004	31,152
Bonds.....	-	-	-	-	1,971,258	1,971,258
Interests.....	-	-	-	732	819	1,551
<b>Total .....</b>	<b>7,649</b>	<b>203</b>	<b>5,157</b>	<b>3,922</b>	<b>3,050,131</b>	<b>3,067,062</b>

**Adjusted outstanding amounts** in the table above are based on the WuC's decisions and represent the outstanding amounts of all claims that decisions have been made under respective article, i.e. accepted or rejected dispute claims, finally rejected claims are excluded.

There might still be outstanding disputes concerning priority of claims as in several cases the WuC accepts a claim with different priority than lodged. Thus, the priority of claims in the table above might change as courts might rule against WuC's decision on priority of claims.

All amounts in table in mISK.

# ACCEPTED CLAIMS – FINAL AND IN DISPUTE

Type	Art. 109	Art. 110	Art. 111	Art. 112	Art. 113	Total
<b>Finally Accepted Claims by article and type</b>						
Guarantees .....	-	-	-	-	16,442	16,442
Derivatives .....	-	-	-	-	30,146	30,146
Miscellaneous.....	-	179	-	-	68,101	68,280
Deposit Agreements .....	-	-	-	-	11,976	11,976
Deposits .....	-	-	-	-	-	-
Reimbursements .....	-	-	-	17	514	531
Loan Agreements.....	-	-	-	-	415,492	415,492
Invoices.....	-	21	-	-	1,642	1,663
Contracts .....	-	-	-	-	42	42
Damages .....	7	3	-	-	806	816
Bonds.....	-	-	-	-	2,022,163	2,022,163
Interests.....	-	-	-	569	818	1,387
<b>Total .....</b>	<b>7</b>	<b>203</b>	<b>-</b>	<b>586</b>	<b>2,568,142</b>	<b>2,568,938</b>
<b>Accepted claims in dispute due to priority or set-off by article and type</b>						
Guarantees .....	-	-	-	-	-	-
Derivatives .....	-	-	-	-	724	724
Miscellaneous.....	-	-	-	-	0	0
Deposit Agreements .....	-	-	-	-	246,378	246,378
Deposits .....	-	-	-	-	-	-
Reimbursements .....	-	-	-	-	73	73
Loan Agreements.....	-	-	-	-	9,128	9,128
Invoices.....	-	-	-	-	10	10
Contracts .....	-	-	-	-	-	-
Damages .....	-	-	-	-	19	19
Bonds.....	-	-	-	-	22,842	22,842
Interests.....	-	-	-	-	-	-
<b>Total .....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>279,174</b>	<b>279,174</b>

All amounts in table in mISK.

# REJECTED CLAIMS

Type	Art. 109	Art. 110	Art. 111	Art. 112	Art. 113	Total
<b>Finally rejected claims by article and type</b>						
Guarantees .....	378	-	3	36,006	6,395	42,782
Derivatives .....	1,408	-	3,669	26	7,907	13,010
Miscellaneous.....	1,580	27	-	12	41,780	43,399
Deposit Agreements .....	-	-	-	2	643	645
Deposits .....	1,611	-	-	7,791	35,835	45,237
Reimbursements .....	-	-	-	674	130	804
Loan Agreements.....	-	-	7,056	18	11,763	18,837
Invoices.....	-	343	-	12	860	1,215
Contracts .....	-	1	-	-	63	64
Damages .....	136	95	-	531	19,128	19,890
Bonds.....	5,252	0	319	2,149	973,444	981,165
Interests.....	75	0	46	2,080	447	2,648
<b>Total .....</b>	<b>10,442</b>	<b>466</b>	<b>11,094</b>	<b>49,300</b>	<b>1,098,395</b>	<b>1,169,697</b>
<b>Rejected disputed claims by article and type</b>						
Guarantees .....	-	-	-	2,472	90,893	93,365
Derivatives .....	7,505	-	5,157	-	35,398	48,061
Miscellaneous.....	-	-	-	-	38,017	38,017
Deposit Agreements .....	-	-	-	699	38,500	39,199
Deposits .....	-	-	-	-	-	-
Reimbursements .....	-	-	-	-	93	93
Loan Agreements.....	-	-	-	-	2,528	2,528
Invoices.....	-	-	-	-	-	-
Contracts .....	-	-	-	-	47,608	47,608
Damages .....	137	-	-	2	30,179	30,318
Bonds.....	-	-	-	-	28,000	28,000
Interests.....	-	-	-	163	1	164
<b>Total .....</b>	<b>7,642</b>	<b>-</b>	<b>5,157</b>	<b>3,336</b>	<b>311,218</b>	<b>327,353</b>

All amounts in table in mISK.



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# OPERATING COSTS

# OPERATING COSTS IN 2012

The table below shows the operating costs of Kaupthing in 2012.

	2012	2011
Salaries and salary related cost .....	1,234	1,089
Winding-up Committee .....	269	230
External Legal Services .....	3,376	1,827
- Domestic .....	242	131
- Foreign .....	3,134	1,696
Other External Advisors .....	1,969	1,964
- Domestic .....	131	462
- Foreign .....	1,838	1,502
Other expenses .....	839	883
VAT .....	959	313
<b>Total .....</b>	<b>8,646</b>	<b>6,306</b>

- Total operating costs in 2012 were ISK 8.6bn or approximately 0.4% of the total carrying value of assets and 1.0% of the total fair value of assets as at YE 2012.
- The largest items in external legal services and other external advisors are related to Kaupthing's potential restructuring. The cost in relation to the potential restructuring amounted to ISK 4.2bn in 2012 compared to ISK 1.1bn in 2011.
- Other expenses include expenses related to IT services, housing, offices, custody services, travelling and other staff and administration items.

All amounts in table in mISK.