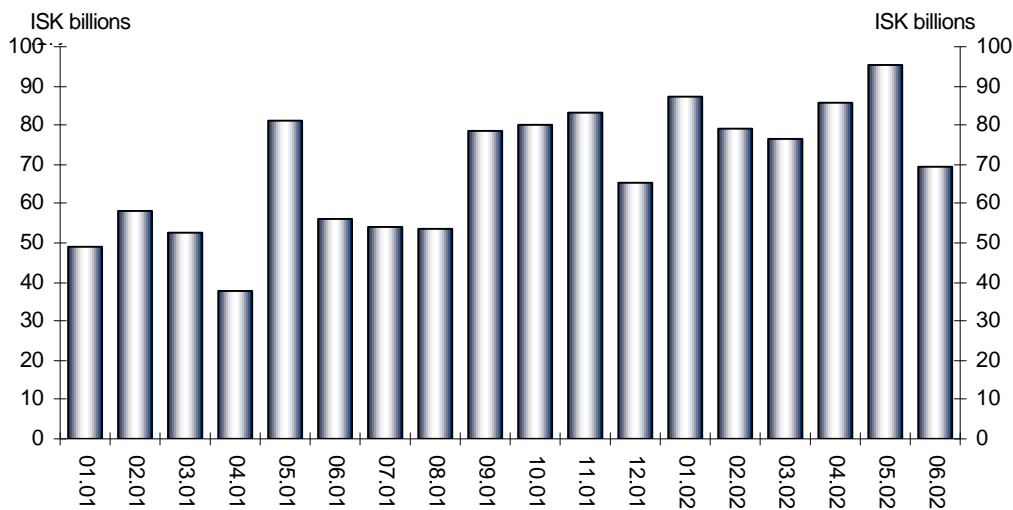


- Turnover at the Iceland Stock Exchange (ICEX) amounted to ISK 493.5 billion in the first six months of 2002 which is a 48% increase from the corresponding period in the previous year (334.5). This represents a record turnover for both equities and bonds.
- Equity trading amounted to ISK 161.5 billion. It was 134% greater than in the same period last year (69.1) and exceeded the turnover for all of last year which was ISK 137 billion.
- Turnover in bonds and bills was ISK 332.1 billion which is one-fourth higher than last year (265.4).
- The ICEX-15 index rose by 13% in the first six months of the year and stood at 1,309.1 points at the end of June. The index has risen by 21% in the last 12 months.
- No new company listed its shares on ICEX in the first half of the year but three companies were delisted.
- At the end of June there were 19 ICEX members, including one foreign member.
- **Monthly turnover - January 2001 to June 2002**

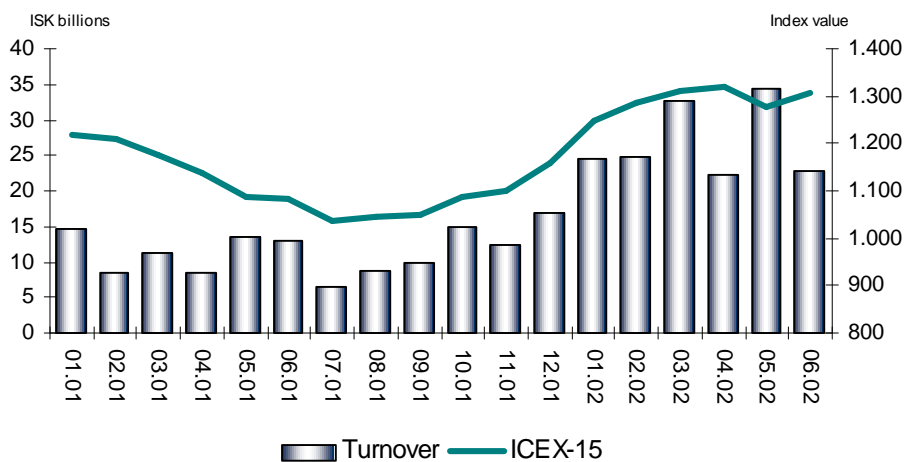


Thordur Fridjonsson, ICEX's CEO: "So far this year we have witnessed favorable developments in the trading environment. This is highlighted by a significant growth in turnover and substantial share price increases. This is particularly encouraging in light of unfavorable developments in most stock markets all over the world. The ICEX-15 index has risen by 13% since the turn of the year while the Dow Jones Industrial Average has declined by 18%, Nasdaq by 33% and FTSE by 11%. In addition, the largest companies are experiencing further growth, e.g. through mergers, which makes the Icelandic market a more interesting place for both domestic and foreign investors."

## Equity Market

- Equity turnover in the first 6 months of the year amounted to ISK 161.5 billion compared to ISK 69.1 billion in the corresponding period last year, an increase of 134%. The turnover exceeded the turnover for all of last year which was ISK 137 billion.
- Equity trading reached record levels in the first half of the year eclipsing the record set in 2000 (112.2).
- The share of on-exchange trades was 22.4% compared to 18.9% in the corresponding period last year.
- Turnover velocity in the first half of the year was 69.8% compared to 37.1% in the first 6 months of last year.

### Monthly turnover and the closing value of ICEX-15



- No new companies were listed on ICEX during the first half of the year. Three companies were delisted, one from the Main List, one from the Growth list and one from the Alternative Market. At the end of June 55 companies were listed on the Main List, thereof six mutual funds. Ten companies were listed on the Growth List and three on the Alternative Market.
- The shares of Islandsbanki were the most traded in the first six months, or approx. ISK 19 billion. Roughly 70% of the equity turnover comes from trading in the most traded shares.

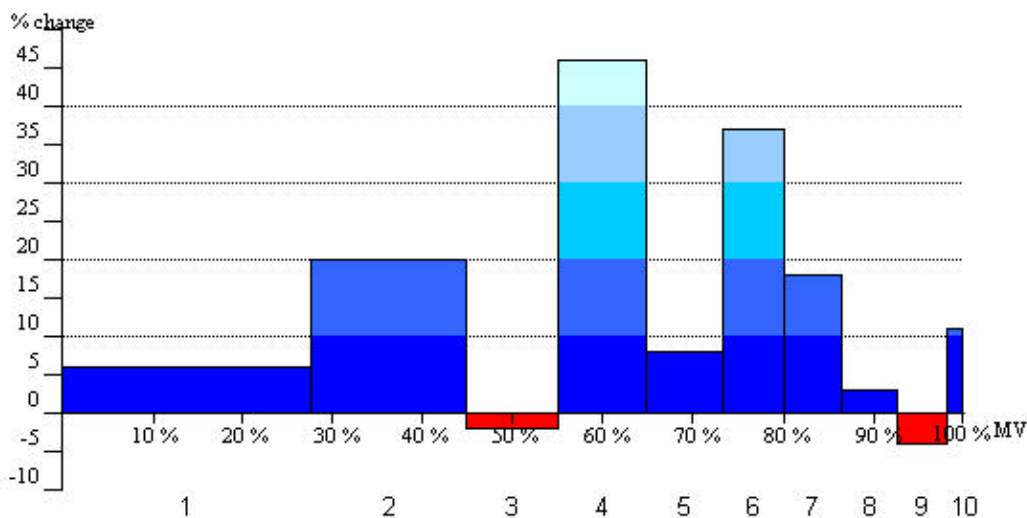
### Equity turnover - Top 10

	Turnover ISK billion	% of total	Accumulated %
Islandsbanki hf.	19,1	11,8%	11,8%
Delta hf.	13,6	8,4%	20,2%
Pharmaco hf.	13,2	8,2%	28,4%
Ossur hf.	12,9	8,0%	36,4%
Kaupthing Bank hf.	11,9	7,4%	43,8%
Landsbanki Islands hf.	10,4	6,4%	50,2%
Baugur Group hf.	9,8	6,1%	56,2%
Bunadarbanki Islands hf.	8,6	5,3%	61,5%
Samherji hf.	6,0	3,7%	65,2%
Tryggingamidstodin hf.	5,7	3,5%	68,8%

- The ICEX-15 index closed at 1,309.1 points at the end of June, gaining 13% from the beginning of the year and 21% from the same time last year. The ICEX-Main index rose by 14% during the first six months and increased by 23% in the previous twelve-month period.
- During the first half of the year, the sectoral indices developed differently. The pharmaceutical index did best, gaining 45.7%, while the transport index lagged, decreasing by 4%.
- **Development of sectoral indices – January to June 2002**

Indices	Change	% of market value
1 Finance and insurance	5,70%	29,80%
2 Fisheries	20,30%	18,00%
3 Information technology	-2,30%	10,20%
4 Pharmaceutical	45,70%	9,80%
5 Industry and manufacturing	8,30%	8,40%
6 Services and commerce	37,20%	6,30%
7 Oil distribution	18,10%	5,80%
8 Equity funds and investment companies	2,70%	5,70%
9 Transport	-4,00%	5,00%
10 Building and construction	10,50%	1,10%
		<b>100,00%</b>

- **Sectoral indices, change and percentage of market value**



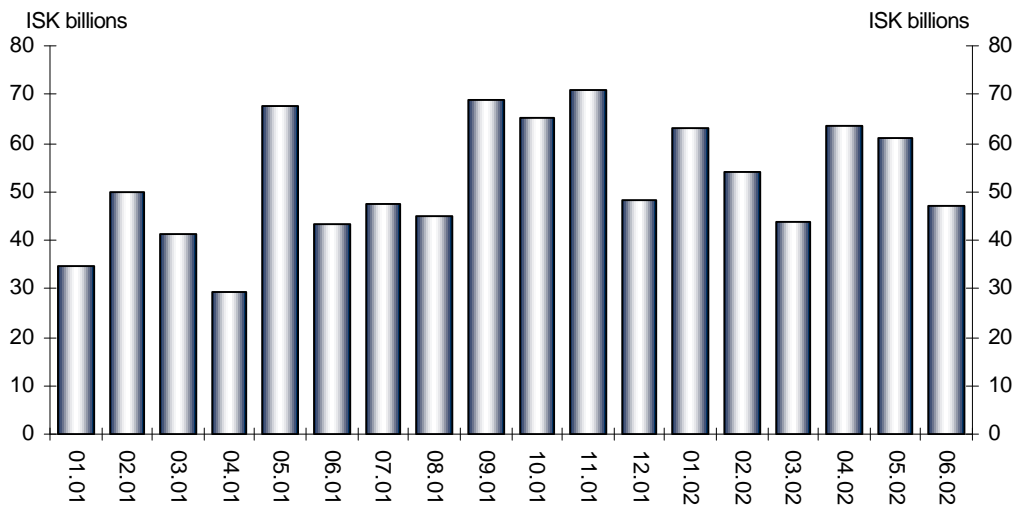
- **Members' share in equity turnover – Top 5**

*Percentage of volume by market value*

Kaupthing Bank	34%
Landsbanki Islands	22%
Bunadarbanki Islands	20%
Islandsbanki	17%
Islensk Verdbref	2%

## Bond Market

- The total turnover of bonds and bills during the six-month period amounted to ISK 332.1 billion which is more than ever before during the first half of the year. This is an increase of 25% from the record turnover in the same period of last year (ISK 265.4 billion).
- On-exchange trading accounted for 63.5% of the turnover in the first half of the year compared to 66.4% last year.
- **Monthly turnover of bonds and bills**



- **Turnover broken down by type of instrument (ISK billion):**

Housing Bonds	124,5
T-Notes	52,6
T-Bonds	51,1
Housing Authority Bonds	45,2
Bank Bills	39,5
T-Bills	11,1
Other Corporate Bonds	8,1
<b>Total</b>	<b>332,1</b>

- The most traded bond is the housing bond 98 2 (IBH 37 1215). Its turnover was approx. ISK 43 billion. Around 75% of the total bond trading is accounted for by 10 housing bonds, house bonds, T-notes and T-bonds. There was a considerable decrease in yields on non-indexed T-notes during the first half of the year. Yields on indexed short-term bonds also decreased.

Symbol	ISK billion	% of total	Accumu- lated %	Yield	
				31.12.2001	30.6.2002
IBH 37 1215	42,8	12,9%	12,9%	5,59%	5,68%
IBH 41 0315	38,2	11,5%	24,4%	5,50%	5,63%
RIKB 07 0209	29,7	8,9%	33,3%	9,08%	8,25%
IBN 38 0101	26,5	8,0%	41,3%	5,43%	5,51%
RIKB 03 1010	21,5	6,5%	47,8%	9,86%	8,33%
IBH 22 1215	19,8	6,0%	53,8%	5,99%	5,84%
RIKS 05 0410	19,3	5,8%	59,6%	6,24%	5,40%
IBN 20 0101	18,7	5,6%	65,2%	5,91%	5,71%
RIKS 15 1001	17,0	5,1%	70,3%	5,07%	5,41%
RIKS 03 0210	13,6	4,1%	74,4%	6,38%	5,70%

- Members' share in fixed instrument turnover – Top 5**

*Percentage of volume by market value*

Kaupthing Bank	26%
Landsbanki Islands	21%
Islandsbanki	21%
Bunadarbanki Islands	15%
Sparisjodur Reykjavikur og nagrennis	6%