

**Icelandic insurance companies
Annual accounts
Accounting year 2002**

Introduction

The Financial Supervisory Authority (FME) publishes here the annual accounts of Icelandic Insurance Companies for the accounting year 2002 in a harmonized form. The publication includes the profit and loss accounts as well as the balance sheets, but neither cash-flow nor the notes to the accounts. The annual accounts of each insurance company are publicly accessible according to para. 3 of art. 55 of the Act of law on Insurance Activity no. 60/1994.

Each insurance company is responsible for its own annual accounts. The harmonisation in this publication consists of the names, order and sign of individual items. The publication does not imply that the FME agrees with accounting methods and methods of evaluation in all cases. Some details may be criticised by the FME, without resulting in it requiring a correction of past accounts.

At the beginning of the year 2003, there were 11 insurers authorised by Icelandic authorities carrying active insurance risk. They are:

Alþjóða líftryggingafélagið hf.
Íslensk endurtrygging hf.
Íslandstrygging
Líftryggingafélag Íslands hf.
Sameinaða líftryggingafélagið hf.
Sjóvá-Almennar tryggingar hf.
Trygging hf.
Tryggingamiðstöðin hf.
Viðlagatrygging Íslands
Vátryggingafélag Íslands hf.
Vörður vátryggingafélag (gt.)

At the end of 2002, Líftryggingamiðstöðin hf., obtained a license and started formal operation in beginning of 2003.

Other insurers were in run-off or had recently transferred their portfolio to other insurance companies.

Bátáabyrgðarfélag Vestmannaeyja ceased to carry insurance risk, some years ago. Íslensk endurtrygging hf. and Trygging hf. concentrate on running off older reinsurance risks. Trygging hf. is a wholly owned subsidiary of Tryggingamiðstöðin hf., while Íslensk endurtrygging hf. is owned by various insurance companies.

GROUPS OF INSURANCE COMPANIES:	Total all insurers (Life and non-life)	Total all insurers excl. Viðlagatrygging	All non-life insurers total	Life insurers total	Reinsurers total
PROFIT AND LOSS ACCOUNT 2002					
Technical account - non-life-insurance business:					
Premiums:					
Premiums written	23.321.840.529	22.454.544.032	23.246.919.460	74.921.069	26.625.986
Premiums written, reinsurers' share	(4.221.256.183)	(3.890.031.027)	(4.182.148.797)	(39.107.386)	(24.166.472)
<i>Premiums written for own account</i>	19.100.584.346	18.564.513.005	19.064.770.663	35.813.683	2.459.514
Change in premium reserve	(270.364.635)	(258.417.635)	(274.791.212)	4.426.577	12.813.000
Change in premium reserve, reinsurers' share	79.816.184	79.816.184	85.477.137	(5.660.953)	-
<i>Change in premium reserve for own account</i>	(190.548.451)	(178.601.451)	(189.314.075)	(1.234.376)	12.813.000
Premiums earned for own account	18.910.035.895	18.385.911.554	18.875.456.588	34.579.307	15.272.514
Investment return on non-life insurance business	2.734.935.072	2.670.116.339	2.734.588.320	346.752	24.757.108
Other technical income, net of reinsurance	-	-	-	-	-
Claims:					
Claims paid	(18.479.885.118)	(18.308.154.431)	(18.445.560.999)	(34.324.119)	(246.606.447)
Claims paid, reinsurers' share	4.657.546.011	4.657.546.011	4.635.486.506	22.059.505	106.898.640
<i>Claims paid for own account</i>	(13.822.339.107)	(13.650.608.420)	(13.810.074.493)	(12.264.614)	(139.707.807)
Change in claims reserve	(1.753.585.248)	(1.753.656.248)	(1.749.828.140)	(3.757.108)	305.932.000
Change in claims reserve, reinsurers' share	(211.896.327)	(211.896.327)	(211.858.442)	(37.885)	(103.530.000)
<i>Change in claims reserve for own account</i>	(1.965.481.575)	(1.965.552.575)	(1.961.686.582)	(3.794.993)	202.402.000
Claims incurred for own account	(15.787.820.682)	(15.616.160.995)	(15.771.761.075)	(16.059.607)	62.694.193
Changes in other technical reserve, net of reinsurance	-	-	-	-	-
Bonuses and rebates, net of reinsurance	(174.401.042)	(174.401.042)	(174.401.042)	-	-
Operating expenses:					
Acquisition costs	(2.038.814.581)	(2.038.814.581)	(2.034.743.413)	(4.071.168)	(209.557)
Change in deferred acquisition costs	-	-	-	-	-
Administrative expenses	(2.503.653.289)	(2.422.901.390)	(2.494.018.791)	(9.634.498)	(24.356.500)
Commission and profit share from reinsurers	571.725.191	571.725.191	569.829.964	1.895.227	452.562
Net operating expenses	(3.970.742.679)	(3.889.990.780)	(3.958.932.240)	(11.810.439)	(24.113.495)
Other technical costs, net of reinsurance	-	-	-	-	-
Change in equalization reserve	29.668.000	61.735.000	29.668.000	-	84.300.000
Balance on the techn. acc. for non-life insurance business	1.741.674.564	1.437.210.076	1.734.618.551	7.056.013	162.910.320
Technical account - life-assurance business:					
Premiums:					
Premiums written	2.276.009.839	2.276.009.839		2.276.009.839	
Premiums written, reinsurers' share	(543.376.162)	(543.376.162)		(543.376.162)	
Premiums written for own account	1.732.633.677	1.732.633.677		1.732.633.677	
Investment income:					
Income from affiliated undertakings	-	-	-	-	-
Income from participating interests other than affiliated undertakings	-	-	-	-	-
<i>Income from affiliated undertakings and participating interests</i>	-	-	-	-	-
Income from other shares	9.199.247	9.199.247		9.199.247	
Income from land and buildings	(389.055)	(389.055)		(389.055)	
Interest income and foreign exchange rate difference	145.319.293	145.319.293		145.319.293	
<i>Income from miscellaneous investments</i>	154.129.485	154.129.485		154.129.485	
Income from revaluation of investments	-	-		-	
Gains on realization of investments	2.038.140	2.038.140		2.038.140	
Investment income	156.167.625	156.167.625		156.167.625	
Unrealized gains on investments, risk borne by policyholder	-	-		-	
Other technical income, net of reinsurance	-	-		-	
Life assurance claims:					
Life assurance claims paid	(532.190.624)	(532.190.624)		(532.190.624)	
Life assurance claims paid, reinsurers' share	190.991.724	190.991.724		190.991.724	
<i>Life assurance claims paid for own account</i>	(341.198.900)	(341.198.900)		(341.198.900)	
Change in life assurance claims reserve	(131.795.160)	(131.795.160)		(131.795.160)	
Change in life assurance claims reserve, reinsurers' share	26.871.686	26.871.686		26.871.686	
<i>Change in life assurance claims reserve, for own account</i>	(104.923.474)	(104.923.474)		(104.923.474)	
Life assurance claims for own account	(446.122.374)	(446.122.374)		(446.122.374)	

GROUPS OF INSURANCE COMPANIES:	Total all insurers (Life and non-life)	Total all insurers excl. Viðlagatrygging	All non-life insurers total	Life insurers total	Reinsurers total
PROFIT AND LOSS ACCOUNT 2002, continued	-	-	-	-	-
Change in premium reserve and other techn. res., net of reinsurance					
Change in premium reserve	(146.713.348)	(146.713.348)		(146.713.348)	
Change in premium reserve, reinsurers' share	35.623.969	35.623.969		35.623.969	
<i>Change in premium reserve, for own account</i>	(111.089.379)	(111.089.379)		(111.089.379)	
Change in other technical reserve, net of reinsurance	(352.937.432)	(352.937.432)		(352.937.432)	
Change in premium reserve and other techn. res., net of reinsurance	(464.026.811)	(464.026.811)		(464.026.811)	
Bonuses and rebates	-	-		-	
Operating expenses:					
Acquisition costs	(539.760.541)	(539.760.541)		(539.760.541)	
Change in deferred acquisition costs	129.564.477	129.564.477		129.564.477	
Administrative expenses	(298.244.157)	(298.244.157)		(298.244.157)	
Commission and profit share from reinsurers	76.946.207	76.946.207		76.946.207	
Net operating expenses	(631.494.014)	(631.494.014)		(631.494.014)	
Investment costs:					
Administrative expenses	(18.361.918)	(18.361.918)		(18.361.918)	
Interest costs	(28.240.207)	(28.240.207)		(28.240.207)	
Costs from revaluation of investments	(13.446.571)	(13.446.571)		(13.446.571)	
Losses on realization of investments	(3.359.869)	(3.359.869)		(3.359.869)	
Investment costs	(63.408.565)	(63.408.565)		(63.408.565)	
Unrealized losses on investments, risk borne by policyholder	(323.535.949)	(323.535.949)		(323.535.949)	
Other technical costs, net of reinsurance	-	-		-	
Allocated investm. return transf. to the non-technical acc.	(2.756.700)	(2.756.700)		(2.756.700)	
<i>Balance on the technical account - life assurance business</i>	<i>(42.543.111)</i>	<i>(42.543.111)</i>		<i>(42.543.111)</i>	
Non-technical account:					
Investment income:					
Income from affiliated undertakings	(94.600.492)	(94.600.492)	(94.600.492)	-	-
Income from participating interests other than affiliated undertakings	114.135.789	114.135.789	114.135.789	-	-
<i>Income from affiliated undertakings and participating interests</i>	<i>19.535.297</i>	<i>19.535.297</i>	<i>19.535.297</i>	-	-
Income from other shares	318.853.021	318.853.021	318.853.021	-	1.759.854
Income from land and buildings	(48.971.433)	(48.971.433)	(48.971.433)	-	2.562.679
Interest income and foreign exchange rate difference	2.985.775.815	2.830.010.417	2.984.039.705	1.736.110	(3.968.155)
<i>Income from miscellaneous assets</i>	<i>3.255.657.403</i>	<i>3.099.892.005</i>	<i>3.253.921.293</i>	<i>1.736.110</i>	<i>354.378</i>
Income from revaluation of investments	-	-	-	-	-
Gains on realization of investments	1.822.436.354	1.822.436.354	1.822.436.354	-	59.060.816
Investment income	5.097.629.054	4.941.863.656	5.095.892.944	1.736.110	59.415.194
Alloc. investment return transf. fr. the life assurance techn. acc	2.756.700	2.756.700	-	2.756.700	-
Investment costs:					
Administrative expenses	(435.479.752)	(409.334.614)	(434.699.074)	(780.678)	(1.349.361)
Interest costs	(246.907.446)	(246.907.446)	(246.907.446)	-	(10.712.020)
Costs from revaluation of investments	(566.732.697)	(566.732.697)	(566.732.697)	-	-
Losses on realization of investments	-	-	-	-	-
Investment costs	(1.249.119.895)	(1.222.974.757)	(1.248.339.217)	(780.678)	(12.061.381)
Alloc. investm. income transf. to the non-life ins. techn. acc.	(2.734.935.072)	(2.670.116.339)	(2.734.588.320)	(346.752)	(24.757.108)
Calculated inflation adjustment, income or costs	-	-	-	-	-
Balance on the non-technical account	1.116.330.787	1.051.529.260	1.112.965.407	3.365.380	22.596.705
Other income and costs on ordinary activities:					
Other income	66.461.744	66.461.744	66.461.744	-	-
Other costs	(476.904.587)	(460.679.621)	(476.904.587)	-	-
Other income and costs on ordinary activities	(410.442.843)	(394.217.877)	(410.442.843)	-	-
Income and property taxes	(356.771.360)	(305.863.143)	(360.098.410)	3.327.050	(36.359.975)
Profit or loss on ordinary activities after tax	2.048.248.037	1.746.115.205	2.077.042.705	(28.794.668)	149.147.050
Irregular income and costs:					
Irregular income	-	-	-	-	-
Irregular costs	-	-	-	-	-
Income tax on irregular income and costs	-	-	-	-	-
Irregular income and costs	-	-	-	-	-
PROFIT OR LOSS OF THE YEAR	2.048.248.037	1.746.115.205	2.077.042.705	(28.794.668)	149.147.050

GROUPS OF INSURANCE COMPANIES:	Total all insurers (Life and non-life)	Total all insurers excl. Viðlagatrygging	All non-life insurers total	Life insurers total	Reinsurers total
BALANCE SHEET 31.12.2002	-	-	-	-	-
Assets:					
Subscribed capital unpaid	-	-	-	-	-
Intangible assets	1.303.431.786	1.303.431.786	1.303.431.786	-	-
Investments:					
Land and buildings	2.675.288.532	2.675.288.532	2.447.543.175	227.745.357	59.043.990
<i>Investments in affiliated undertakings and participating interest:</i>					
Shares in affiliated undertakings	700.615.986	700.615.986	700.615.986	-	-
Loans to affiliated undertakings	7.870.948	7.870.948	7.870.948	-	-
Shares in participating interests, other than affiliated undertakings	2.720.405.181	2.720.405.181	2.720.405.181	-	-
Loans to participating interests, other than affiliated undertakings	100.748.240	100.748.240	100.748.240	-	-
<i>Investments in affiliated undertakings and participating interests</i>	<i>3.529.640.355</i>	<i>3.529.640.355</i>	<i>3.529.640.355</i>	-	-
<i>Other investments:</i>					
Variable-yield securities	25.421.002.071	23.005.073.873	24.138.647.979	1.282.354.092	640.155.037
Fixed-income securities	13.167.232.997	9.964.330.211	11.810.633.516	1.356.599.481	806.605.968
Participation in investment pools	-	-	-	-	-
Mortgage loans	12.574.268.161	12.574.072.500	12.520.019.040	54.249.121	35.939.673
Other loans	1.712.997.949	1.712.997.949	1.712.997.949	-	36.098.574
Bound deposits with credit institutions	5.275.154	5.275.154	5.275.154	-	5.275.154
Other investments	28.804.703	28.804.703	28.804.703	-	-
<i>Other investments</i>	<i>52.909.581.035</i>	<i>47.290.554.390</i>	<i>50.216.378.341</i>	<i>2.693.202.694</i>	<i>1.524.074.406</i>
Deposits due to reinsurance	52.037.616	52.037.616	52.037.616	-	902.672
Investments	59.166.547.538	53.547.520.893	56.245.599.487	2.920.948.051	1.584.021.068
Investments for the benefit of life ass. policyholders who bear the investm. risk	1.622.434.331	1.622.434.331	-	1.622.434.331	-
Reinsurers' share in technical reserve:					
Premium reserve	1.056.250.160	1.056.250.160	888.063.766	168.186.394	-
Claims reserve	3.180.821.632	3.180.821.632	3.157.556.928	23.264.704	236.301.000
Life assurance claims reserve	198.015.131	198.015.131	-	198.015.131	-
Reserve for bonuses and rebates	-	-	-	-	-
Life assurance reserve, investment risk borne by policyholders	-	-	-	-	-
Other technical reserve	-	-	-	-	-
Other life assurance reserve	-	-	-	-	-
Reinsurers' share in technical provisions	4.435.086.923	4.435.086.923	4.045.620.694	389.466.229	236.301.000
Receivables:					
<i>Receivables from affiliated undertakings and participating interests:</i>					
Receivables from affiliated undertakings	246.185.006	246.185.006	246.185.006	-	-
Receivables from participating interests other than affiliated undertakings	205.143.640	205.143.640	205.143.640	-	-
<i>Receivables from affiliated undertakings and participating interests</i>	<i>451.328.646</i>	<i>451.328.646</i>	<i>451.328.646</i>	-	-
<i>Receivables from direct insurance operations:</i>					
Receivables from policyholders, general insurance	5.928.552.210	5.760.122.021	5.928.552.210	-	-
Receivables from policyholders, life assurance	143.667.193	143.667.193	-	143.667.193	-
Receivables from intermediaries	-	-	-	-	-
Other receivables from direct insurance operations	35.095.862	35.095.862	24.524.079	10.571.783	-
<i>Receivables from direct insurance operations</i>	<i>6.107.315.265</i>	<i>5.938.885.076</i>	<i>5.953.076.289</i>	<i>154.238.976</i>	-
Receivables from reinsurance operations	575.814.545	575.814.545	569.646.839	6.167.706	12.483.636
Other receivables	245.917.786	242.513.453	231.944.324	13.973.462	131.512.685
Subscribed capital called but not paid	-	-	-	-	-
Receivables	7.380.376.242	7.208.541.720	7.205.996.098	174.380.144	143.996.321
Other assets:					
Office equipment and other tangible assets	1.018.928.883	1.018.928.883	811.933.595	206.995.288	2.590.175
Cash at bank and in hand	8.501.972.421	6.291.220.876	7.745.929.101	756.043.320	59.114.447
Own shares	10.210.708	10.210.708	10.210.708	-	-
Other assets	15.394.581	15.394.581	-	15.394.581	-
Other assets	9.546.506.593	7.335.755.048	8.568.073.404	978.433.189	61.704.622
Prepayments and accrued income:					
Accrued interests	47.134.702	47.134.702	47.134.702	-	-
Deferred acquisition costs	128.766.920	128.766.920	48.938.036	79.828.884	-
Prepayments and accrued income	1.176.476	1.176.476	1.176.476	-	-
Other prepayments and accrued income	13.571.252	13.571.252	13.571.252	-	-
Prepayments and accrued income	190.649.350	190.649.350	110.820.466	79.828.884	-
Total assets	83.645.032.763	75.643.420.051	77.479.541.935	6.165.490.828	2.026.023.011

GROUPS OF INSURANCE COMPANIES:	Total all insurers (Life and non-life)	Total all insurers excl. Viðlagatrygging	All non-life insurers total	Life insurers total	Reinsurers total
BALANCE SHEET 31.12.2002	-	-	-	-	-
Liabilities and owners equity:					
Owners equity:					
Subscribed capital	3.274.954.317	3.274.954.317	2.842.602.317	432.352.000	352.576.729
Share premium account	2.196.406.460	2.196.406.460	2.182.626.716	13.779.744	-
Statutory reserve fund	5.216.011.579	945.876.328	4.955.115.211	260.896.368	40.242.071
Revaluation reserve fund	164.694.944	164.694.944	142.841.811	21.853.133	142.841.811
Other reserve funds	15.015.668	15.015.668	15.015.668	-	-
Retained earnings	14.018.538.643	11.648.233.858	13.144.869.733	873.668.910	329.997.762
Owners equity	24.885.621.611	18.245.181.575	23.283.071.456	1.602.550.155	865.658.373
Subordinated liabilities	-	-	-	-	-
Technical reserve:					
Premium reserve	9.635.659.618	9.351.671.618	8.828.090.379	807.569.239	3.190.000
Claims reserve	37.435.756.829	37.281.068.829	37.376.366.656	59.390.173	753.796.000
Life assurance claims reserve	592.795.065	592.795.065	-	592.795.065	-
Equalization reserve	3.114.927.100	2.334.361.100	3.103.901.100	11.026.000	168.782.000
Equalization reserve for bonuses	295.553.354	295.553.354	-	295.553.354	-
Reserve for bonuses and rebates	177.037.017	177.037.017	177.037.017	-	-
Other technical reserve	-	-	-	-	-
Other life assurance reserve	-	-	-	-	-
Technical reserve	51.251.728.983	50.032.486.983	49.485.395.152	1.766.333.831	925.768.000
Life assurance reserve, investment risk borne by policyholders	1.622.434.323	1.622.434.323	-	1.622.434.323	-
Other liabilities:					
Pension liabilities	333.797.706	333.797.706	321.420.306	12.377.400	132.664.000
Tax liabilities	951.889.633	900.916.112	763.892.202	187.997.431	-
Other liabilities	-	-	-	-	-
Other liabilities	1.285.687.339	1.234.713.818	1.085.312.508	200.374.831	132.664.000
Deposits received from reinsurers	89.166.153	89.166.153	89.166.153	-	-
Debts:					
<i>Debts payable to affiliated undertakings and participating interests:</i>					
Debts payable to affiliated undertakings	120.224.338	120.224.338	120.224.338	-	-
Debts payable to participating interest other than affiliated undertakings	-	-	-	-	-
<i>Debts payable to affiliated undertakings and participating interests:</i>	120.224.338	120.224.338	120.224.338	-	-
Debts due to direct insurance operations	995.996.145	988.503.857	746.928.075	249.068.070	-
Debts due to reinsurance operations	594.346.742	594.346.742	593.361.660	985.082	53.288.275
Convertible debenture loans	-	-	-	-	-
Debts payable to credit institutions	260.228.875	260.228.875	73.956.956	186.271.919	-
Other bonds payable	675.560.682	675.560.682	675.560.682	-	-
Other debts	1.081.870.128	1.081.870.128	630.821.925	451.048.203	9.500.269
Debts	3.728.226.910	3.720.734.622	2.840.853.636	887.373.274	62.788.544
Accruals and deferred income	782.167.444	698.702.577	695.743.030	86.424.414	39.144.094
Total liabilities and owners equity	83.645.032.763	75.643.420.051	77.479.541.935	6.165.490.828	2.026.023.011

LIFE INSURANCE COMPANIES:	Life insurers Total	Alþjóða lífr.fél. hf.	Lífr.fél. Íslands hf.	Líftrygginga- miðstöðin	Sameinaða lífr.fél. hf.
PROFIT AND LOSS ACCOUNT 2002					
Technical account - non-life-insurance business:					
Premiums:					
Premiums written	74.921.069	42.686.380	-	-	32.234.689
Premiums written, reinsurers' share	(39.107.386)	(20.767.330)	-	-	(18.340.056)
<i>Premiums written for own account</i>	<i>35.813.683</i>	<i>21.919.050</i>	-	-	<i>13.894.633</i>
Change in premium reserve	4.426.577	238.577	-	-	4.188.000
Change in premium reserve, reinsurers' share	(5.660.953)	270.047	-	-	(5.931.000)
<i>Change in premium reserve for own account</i>	<i>(1.234.376)</i>	<i>508.624</i>	-	-	<i>(1.743.000)</i>
Premiums earned for own account	34.579.307	22.427.674	-	-	12.151.633
Investment return on non-life insurance business	346.752	810.698	-	-	(463.946)
Other technical income, net of reinsurance	-	-	-	-	-
Claims:					
Claims paid	(34.324.119)	(20.518.434)	-	-	(13.805.685)
Claims paid, reinsurers' share	22.059.505	13.561.560	-	-	8.497.945
<i>Claims paid for own account</i>	<i>(12.264.614)</i>	<i>(6.956.874)</i>	-	-	<i>(5.307.740)</i>
Change in claims reserve	(3.757.108)	3.725.892	-	-	(7.483.000)
Change in claims reserve, reinsurers' share	(37.885)	(2.158.885)	-	-	2.121.000
<i>Change in claims reserve for own account</i>	<i>(3.794.993)</i>	<i>1.567.007</i>	-	-	<i>(5.362.000)</i>
Claims incurred for own account	(16.059.607)	(5.389.867)	-	-	(10.669.740)
Changes in other technical reserve, net of reinsurance	-	-	-	-	-
Bonuses and rebates, net of reinsurance	-	-	-	-	-
Operating expenses:					
Acquisition costs	(4.071.168)	(113.891)	-	-	(3.957.277)
Change in deferred acquisition costs	-	-	-	-	-
Administrative expenses	(9.634.498)	(7.781.034)	-	-	(1.853.464)
Commission and profit share from reinsurers	1.895.227	-	-	-	1.895.227
Net operating expenses	(11.810.439)	(7.894.925)	-	-	(3.915.514)
Other technical costs, net of reinsurance	-	-	-	-	-
Change in equalization reserve	-	-	-	-	-
Balance on the techn. acc. for non-life insurance business	7.056.013	9.953.580	-	-	(2.897.567)
Technical account - life-assurance business:					
Premiums:					
Premiums written	2.276.009.839	674.355.652	559.393.843	-	1.042.260.344
Premiums written, reinsurers' share	(543.376.162)	(233.939.258)	(80.049.277)	-	(229.387.627)
Premiums written for own account	1.732.633.677	440.416.394	479.344.566	-	812.872.717
Investment income:					
Income from affiliated undertakings	-	-	-	-	-
Income from participating interests other than affiliated undertakings	-	-	-	-	-
<i>Income from affiliated undertakings and participating interests</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Income from other shares	9.199.247	181.440	7.807.552	-	1.210.255
Income from land and buildings	(389.055)	1.011.710	-	-	(1.400.765)
Interest income and foreign exchange rate difference	145.319.293	24.896.899	117.280.530	-	3.141.864
<i>Income from miscellaneous investments</i>	<i>154.129.485</i>	<i>26.090.049</i>	<i>125.088.082</i>	-	<i>2.951.354</i>
Income from revaluation of investments	-	-	-	-	-
Gains on realization of investments	2.038.140	-	-	-	2.038.140
Investment income	156.167.625	26.090.049	125.088.082	-	4.989.494
Unrealized gains on investments, risk borne by policyholder	-	-	-	-	-
Other technical income, net of reinsurance	-	-	-	-	-
Life assurance claims:					
Life assurance claims paid	(532.190.624)	(202.583.164)	(95.219.131)	-	(234.388.329)
Life assurance claims paid, reinsurers' share	190.991.724	61.100.238	31.388.260	-	98.503.226
<i>Life assurance claims paid for own account</i>	<i>(341.198.900)</i>	<i>(141.482.926)</i>	<i>(63.830.871)</i>	-	<i>(135.885.103)</i>
Change in life assurance claims reserve	(131.795.160)	(61.809.140)	(43.939.020)	-	(26.047.000)
Change in life assurance claims reserve, reinsurers' share	26.871.686	25.537.221	6.468.465	-	(5.134.000)
<i>Change in life assurance claims reserve, for own account</i>	<i>(104.923.474)</i>	<i>(36.271.919)</i>	<i>(37.470.555)</i>	-	<i>(31.181.000)</i>
Life assurance claims for own account	(446.122.374)	(177.754.845)	(101.301.426)	-	(167.066.103)

LIFE INSURANCE COMPANIES:	Life insurers Total	Alþjóða lífr.fél. hf.	Líftr.fél. Íslands hf.	Líftrygginga- miðstöðin	Sameinaða lífr.fél. hf.
PROFIT AND LOSS ACCOUNT, continued					
Change in premium reserve and other techn. res., net of reinsurance					
Change in premium reserve	(146.713.348)	(58.377.713)	(28.015.033)	-	(60.320.602)
Change in premium reserve, reinsurers' share	35.623.969	14.487.422	5.932.547	-	15.204.000
<i>Change in premium reserve, for own account</i>	(111.089.379)	(43.890.291)	(22.082.486)	-	(45.116.602)
Change in other technical reserve, net of reinsurance	(352.937.432)	(5.185.357)	(156.651.263)	-	(191.100.812)
Change in premium reserve and other techn. res., net of reinsurance	(464.026.811)	(49.075.648)	(178.733.749)	-	(236.217.414)
Bonuses and rebates	-	-	-	-	-
Operating expenses:					
Acquisition costs	(539.760.541)	(200.260.256)	(83.601.614)	-	(255.898.671)
Change in deferred acquisition costs	129.564.477	129.564.477	-	-	-
Administrative expenses	(298.244.157)	(122.506.415)	(55.872.955)	-	(119.864.787)
Commission and profit share from reinsurers	76.946.207	14.730.005	12.072.312	-	50.143.890
Net operating expenses	(631.494.014)	(178.472.189)	(127.402.257)	-	(325.619.568)
Investment costs:					
Administrative expenses	(18.361.918)	(707.415)	(9.611.000)	-	(8.043.503)
Interest costs	(28.240.207)	(721.959)	(2.634.779)	-	(24.883.469)
Costs from revaluation of investments	(13.446.571)	-	(6.435.535)	-	(7.011.036)
Losses on realization of investments	(3.359.869)	-	(3.359.869)	-	-
Investment costs	(63.408.565)	(1.429.374)	(22.041.183)	-	(39.938.008)
Unrealized losses on investments, risk borne by policyholder	(323.535.949)	(72.859.089)	(56.178.057)	-	(194.498.803)
Other technical costs, net of reinsurance	-	-	-	-	-
Allocated investm. return transf. to the non-technical acc.	(2.756.700)	16.161.099	(23.562.000)	-	4.644.201
Balance on the technical account - life assurance business	(42.543.111)	3.076.397	95.213.976	-	(140.833.484)
Non-technical account:					
Investment income	1.736.110	-	-	1.736.110	-
Alloc. investment return transf. fr. the life assurance techn. acc.	2.756.700	(16.161.099)	23.562.000	-	(4.644.201)
Investment costs	(780.678)	-	-	(780.678)	-
Alloc. investm. income transf. to the non-life ins. techn. acc.	(346.752)	(810.698)	-	-	463.946
Calculated inflation adjustment, income or costs	-	-	-	-	-
Balance on the non-technical account	3.365.380	(16.971.797)	23.562.000	955.432	(4.180.255)
Other income and costs on ordinary activities:					
Other income	-	-	-	-	-
Other costs	-	-	-	-	-
Other income and costs on ordinary activities	-	-	-	-	-
Income and property taxes	3.327.050	(896.778)	(23.725.000)	(171.978)	28.120.806
Profit or loss on ordinary activities after tax	(28.794.668)	(4.838.598)	95.050.976	783.454	(119.790.500)
Irregular income and costs:					
Irregular income	-	-	-	-	-
Irregular costs	-	-	-	-	-
Income tax on irregular income and costs	-	-	-	-	-
Irregular income and costs	-	-	-	-	-
PROFIT OR LOSS OF THE YEAR	(28.794.668)	(4.838.598)	95.050.976	783.454	(119.790.500)

LIFE INSURANCE COMPANIES:	Life insurers Total	Alþjóða lífr.fél. hf.	Lífr.fél. Íslands hf.	Líftrygginga- miðstöðin	Sameinaða lífr.fél. hf.
BALANCE SHEET 31.12.2002					
Assets:					
Subscribed capital unpaid	-	-	-	-	-
Intangible assets	-	-	-	-	-
Investments:					
Land and buildings	227.745.357	15.018.035	-	-	212.727.322
<i>Investments in affiliated undertakings and participating interest:</i>					
Shares in affiliated undertakings	-	-	-	-	-
Loans to affiliated undertakings	-	-	-	-	-
Shares in participating interests, other than affiliated undertakings	-	-	-	-	-
Loans to participating interests, other than affiliated undertakings	-	-	-	-	-
<i>Investments in affiliated undertakings and participating interests</i>	-	-	-	-	-
<i>Other investments:</i>					
Variable-yield securities	1.282.354.092	104.442.055	545.957.832	-	631.954.205
Fixed-income securities	1.356.599.481	223.174.111	1.108.734.672	-	24.690.698
Participation in investment pools	-	-	-	-	-
Mortgage loans	54.249.121	22.684.957	31.564.164	-	-
Other loans	-	-	-	-	-
Bound deposits with credit institutions	-	-	-	-	-
Other investments	-	-	-	-	-
<i>Other investments</i>	2.693.202.694	350.301.123	1.686.256.668	-	656.644.903
Deposits due to reinsurance	-	-	-	-	-
Investments	2.920.948.051	365.319.158	1.686.256.668	-	869.372.225
Investments for the benefit of life ass. policyholders who bear the investm. risk	1.622.434.331	244.462.937	539.327.179		838.644.215
Reinsurers' share in technical reserve:					
Premium reserve	168.186.394	16.285.410	31.894.984	-	120.006.000
Claims reserve	23.264.704	9.339.704	-	-	13.925.000
Life assurance claims reserve	198.015.131	44.341.071	18.762.060	-	134.912.000
Life assurance reserve, investment risk borne by policyholders	-	-	-	-	-
Other technical reserve	-	-	-	-	-
Other life assurance reserve	-	-	-	-	-
Reinsurers' share in technical provisions	389.466.229	69.966.185	50.657.044	-	268.843.000
Receivables:					
<i>Receivables from affiliated undertakings and participating interests:</i>					
Receivables from affiliated undertakings	-	-	-	-	-
Receivables from participating interests other than affiliated undertakings	-	-	-	-	-
<i>Receivables from affiliated undertakings and participating interests</i>	-	-	-	-	-
<i>Receivables from direct insurance operations:</i>					
Receivables from policyholders, general insurance	-	-	-	-	-
Receivables from policyholders, life assurance	143.667.193	25.187.685	23.380.130	-	95.099.378
Receivables from intermediaries	-	-	-	-	-
Other receivables from direct insurance operations	10.571.783	3.615.887	-	-	6.955.896
<i>Receivables from direct insurance operations</i>	154.238.976	28.803.572	23.380.130	-	102.055.274
Receivables from reinsurance operations	6.167.706	-	6.167.706	-	-
Other receivables	13.973.462	6.285.552	-	173.611	7.514.299
Subscribed capital called but not paid	-	-	-	-	-
Receivables	174.380.144	35.089.124	29.547.836	173.611	109.569.573
Other assets:					
Office equipment and other tangible assets	206.995.288	32.507.117	-	-	174.488.171
Cash at bank and in hand	756.043.320	72.216.787	394.420.140	250.781.821	38.624.572
Own shares	-	-	-	-	-
Other assets	15.394.581	-	-	-	15.394.581
Other assets	978.433.189	104.723.904	394.420.140	250.781.821	228.507.324
Prepayments and accrued income:					
Accrued interests	-	-	-	-	-
Deferred acquisition costs	79.828.884	79.828.884	-	-	-
Prepayments and accrued income	-	-	-	-	-
Prepayments and accrued income	79.828.884	79.828.884	-	-	-
Total assets	6.165.490.828	899.390.192	2.700.208.867	250.955.432	2.314.936.337

LIFE INSURANCE COMPANIES:	Life insurers Total	Alþjóða lífr.fél. hf.	Lífr.fél. Íslands hf.	Líftrygginga- miðstöðin	Sameinaða lífr.fél. hf.
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BALANCE SHEET 31.12.2002					
Liabilities and owners equity:					
Owners equity:					
Subscribed capital	432.352.000	-	100.000.000	250.000.000	82.352.000
Share premium account	13.779.744	13.625.344	-	-	154.400
Statutory reserve fund	260.896.368	100.530.510	139.699.513	78.345	20.588.000
Revaluation reserve fund	21.853.133	-	21.853.133	-	-
Other reserve funds	-	-	-	-	-
Retained earnings	873.668.910	167.824.403	510.630.870	705.109	194.508.528
Owners equity	1.602.550.155	281.980.257	772.183.516	250.783.454	297.602.928
Subordinated liabilities	-	-	-	-	-
Technical reserve:					
Premium reserve	807.569.239	17.796.097	421.959.142	-	367.814.000
Claims reserve	59.390.173	20.015.173	-	-	39.375.000
Life assurance claims reserve	592.795.065	110.644.588	175.511.477	-	306.639.000
Equalization reserve	11.026.000	1.500.000	-	-	9.526.000
Equalization reserve for bonuses	295.553.354	20.833.000	92.779.347	-	181.941.007
Other technical reserve	-	-	-	-	-
Other life assurance reserve	-	-	-	-	-
Technical reserve	1.766.333.831	170.788.858	690.249.966	-	905.295.007
Life assurance reserve, investment risk borne by policyholders	1.622.434.323	244.462.937	539.327.171	-	838.644.215
Other liabilities:					
Pension liabilities	12.377.400	-	12.377.400	-	-
Tax liabilities	187.997.431	4.936.989	183.060.442	-	-
Other liabilities	-	-	-	-	-
Other liabilities	200.374.831	4.936.989	195.437.842	-	-
Deposits received from reinsurers	-	-	-	-	-
Debts:					
<i>Debts payable to affiliated undertakings and participating interests:</i>					
Debts payable to affiliated undertakings	-	-	-	-	-
Debts payable to participating interest other than affiliated undertaking	-	-	-	-	-
<i>Debts payable to affiliated undertakings and participating interest</i>	-	-	-	-	-
Debts due to direct insurance operations	249.068.070	186.718.462	-	-	62.349.608
Debts due to reinsurance operations	985.082	-	985.082	-	-
Convertible debenture loans	-	-	-	-	-
Debts payable to credit institutions	186.271.919	-	-	-	186.271.919
Other bonds payable	-	-	-	-	-
Other debts	451.048.203	10.502.689	439.305.505	171.978	1.068.031
Debts	887.373.274	197.221.151	440.290.587	171.978	249.689.558
Accruals and deferred income	86.424.414	-	62.719.785	-	23.704.629
Total liabilities and owners equity	6.165.490.828	899.390.192	2.700.208.867	250.955.432	2.314.936.337

NON-LIFE INSURANCE COMPANIES:	Non-life insurers Total	Bátaáb.fél. Vestm.	Íslandstrygging hf.	Íslensk endurtr. hf.	Sjóvá-Alm. tryggingar hf.
PROFIT AND LOSS ACCOUNT 2002					
Technical account - non-life-insurance business:					
Premiums:					
Premiums written	23.246.919.460	-	42.231.587	26.625.986	8.217.170.342
Premiums written, reinsurers' share	(4.182.148.797)	-	(16.500.337)	(24.166.472)	(1.638.979.509)
<i>Premiums written for own account</i>	<i>19.064.770.663</i>	-	<i>25.731.250</i>	<i>2.459.514</i>	<i>6.578.190.833</i>
Change in premium reserve	(274.791.212)	-	(35.795.998)	12.813.000	(100.550.369)
Change in premium reserve, reinsurers' share	85.477.137	-	13.781.005	-	29.548.686
<i>Change in premium reserve for own account</i>	<i>(189.314.075)</i>	-	<i>(22.014.993)</i>	<i>12.813.000</i>	<i>(71.001.683)</i>
Premiums earned for own account	18.875.456.588	-	3.716.257	15.272.514	6.507.189.150
Investment return on non-life insurance business	2.734.588.320	-	460.320	24.757.108	640.179.443
Other technical income, net of reinsurance	-	-	-	-	-
Claims:					
Claims paid	(18.445.560.999)	-	(307.000)	(246.606.447)	(5.390.960.405)
Claims paid, reinsurers' share	4.635.486.506	-	-	106.898.640	980.000.375
<i>Claims paid for own account</i>	<i>(13.810.074.493)</i>	-	<i>(307.000)</i>	<i>(139.707.807)</i>	<i>(4.410.960.030)</i>
Change in claims reserve	(1.749.828.140)	-	(3.877.348)	305.932.000	(1.026.554.176)
Change in claims reserve, reinsurers' share	(211.858.442)	-	271.915	(103.530.000)	316.121.828
<i>Change in claims reserve for own account</i>	<i>(1.961.686.582)</i>	-	<i>(3.605.433)</i>	<i>202.402.000</i>	<i>(710.432.348)</i>
Claims incurred for own account	(15.771.761.075)	-	(3.912.433)	62.694.193	(5.121.392.378)
Changes in other technical reserve, net of reinsurance	-	-	-	-	-
Bonuses and rebates, net of reinsurance	(174.401.042)	-	-	-	(172.067.584)
Operating expenses:					
Acquisition costs	(2.034.743.413)	-	(1.344.047)	(209.557)	(1.082.377.545)
Change in deferred acquisition costs	-	-	-	-	-
Administrative expenses	(2.494.018.791)	-	(35.267.670)	(24.356.500)	(677.110.010)
Commission and profit share from reinsurers	569.829.964	-	262.955	452.562	330.844.486
Net operating expenses	(3.958.932.240)	-	(36.348.762)	(24.113.495)	(1.428.643.069)
Other technical costs, net of reinsurance	-	-	-	-	-
Change in equalization reserve	29.668.000	-	-	84.300.000	(22.565.000)
Balance on the techn. acc. for non-life insurance business	1.734.618.551	-	(36.084.618)	162.910.320	402.700.562
Non-technical account:					
Investment income:					
Income from affiliated undertakings	(94.600.492)	-	-	-	(80.665.458)
Income from participating interests other than affiliated undertakings	114.135.789	-	-	-	44.609.274
<i>Income from affiliated undertakings and participating interests</i>	<i>19.535.297</i>	-	-	-	<i>(36.056.184)</i>
Income from other shares	318.853.021	-	-	1.759.854	137.214.101
Income from land and buildings	(48.971.433)	-	-	2.562.679	(14.763.913)
Interest income and foreign exchange rate difference	2.984.039.705	4.537	5.605.163	(3.968.155)	939.390.681
<i>Income from miscellaneous assets</i>	<i>3.253.921.293</i>	<i>4.537</i>	<i>5.605.163</i>	<i>354.378</i>	<i>1.061.840.869</i>
Income from revaluation of investments	-	-	-	-	-
Gains on realization of investments	1.822.436.354	-	-	59.060.816	457.909.002
Investment income	5.095.892.944	4.537	5.605.163	59.415.194	1.483.693.687
Investment costs:					
Administrative expenses	(434.699.074)	(29.274)	-	(1.349.361)	(220.060.776)
Interest costs	(246.907.446)	(115)	(32.236)	(10.712.020)	(180.635.806)
Costs from revaluation of investments	(566.732.697)	-	-	-	(212.064.384)
Losses on realization of investments	-	-	-	-	-
Investment costs	(1.248.339.217)	(29.389)	(32.236)	(12.061.381)	(612.760.966)
Calculated inflation adjustment, income or costs	-	-	-	-	-
Alloc. investm. income transf. to the non-life ins. techn. acc.	(2.734.588.320)	-	(460.320)	(24.757.108)	(640.179.443)
Balance on the non-technical account	1.112.965.407	(24.852)	5.112.607	22.596.705	230.753.278
Other income and costs on ordinary activities:					
Other income	66.461.744	-	-	-	-
Other costs	(476.904.587)	-	(40.080.848)	-	(31.756.780)
Other income and costs on ordinary activities	(410.442.843)	-	(40.080.848)	-	(31.756.780)
Income and property taxes	(360.098.410)	-	13.571.252	(36.359.975)	(100.501.225)
Profit or loss on ordinary activities after tax	2.077.042.705	(24.852)	(57.481.607)	149.147.050	501.195.835
Irregular income and costs:					
Irregular income	-	-	-	-	-
Irregular costs	-	-	-	-	-
Income tax on irregular income and costs	-	-	-	-	-
Irregular income and costs	-	-	-	-	-
PROFIT OR LOSS OF THE YEAR	2.077.042.705	(24.852)	(57.481.607)	149.147.050	501.195.835

NON-LIFE INSURANCE COMPANIES:	Non-life insurers Total	Bátaáb.fél. Vestm.	Íslandstrygging hf.	Íslensk endurtr. hf.	Sjóvá-Alm. tryggingar hf.
BALANCE SHEET 31.12.2002					
Assets:					
Subscribed capital unpaid	-	-	-	-	-
Intangible assets	1.303.431.786	-	-	-	636.634.285
Investments:					
Land and buildings	2.447.543.175	-	-	59.043.990	1.293.330.890
Investments in affiliated undertakings and participating interest:					
Shares in affiliated undertakings	700.615.986	-	-	-	178.561.757
Loans to affiliated undertakings	7.870.948	-	-	-	-
Shares in participating interests, other than affiliated undertakings	2.720.405.181	-	-	-	1.399.355.482
Loans to participating interests, other than affiliated undertakings	100.748.240	-	-	-	-
<i>Investments in affiliated undertakings and participating interest</i>	<i>3.529.640.355</i>	-	-	-	<i>1.577.917.239</i>
<i>Other investments:</i>					
Variable-yield securities	24.138.647.979	-	1.142.800	640.155.037	8.146.547.555
Fixed-income securities	11.810.633.516	-	-	806.605.968	1.173.350.215
Participation in investment pools	-	-	-	-	-
Mortgage loans	12.520.019.040	-	-	35.939.673	5.805.431.130
Other loans	1.712.997.949	-	28.241.328	36.098.574	780.193.207
Bound deposits with credit institutions	5.275.154	-	-	5.275.154	-
Other investments	28.804.703	-	-	-	-
<i>Other investments</i>	<i>50.216.378.341</i>	-	<i>29.384.128</i>	<i>1.524.074.406</i>	<i>15.905.522.107</i>
Deposits due to reinsurance	52.037.616	-	-	902.672	25.218.483
Investments	56.245.599.487	-	29.384.128	1.584.021.068	18.801.988.719
Reinsurers' share in technical reserve:					
Premium reserve	888.063.766	-	13.781.005	-	511.498.205
Claims reserve	3.157.556.928	-	271.915	236.301.000	1.328.984.282
Reserve for bonuses and rebates	-	-	-	-	-
Other technical reserve	-	-	-	-	-
Reinsurers' share in technical provisions	4.045.620.694	-	14.052.920	236.301.000	1.840.482.487
Receivables:					
<i>Receivables from affiliated undertakings and participating interests:</i>					
Receivables from affiliated undertakings	246.185.006	-	-	-	27.000.769
Receivables from participating interests other than affiliated undertakings	205.143.640	-	-	-	-
<i>Receivables from affiliated undertakings and participating interest</i>	<i>451.328.646</i>	-	-	-	<i>27.000.769</i>
<i>Receivables from direct insurance operations:</i>					
Receivables from policyholders, general insurance	5.928.552.210	-	25.967.915	-	2.006.900.383
Receivables from intermediaries	-	-	-	-	-
Other receivables from direct insurance operations	24.524.079	-	-	-	17.180.622
<i>Receivables from direct insurance operations</i>	<i>5.953.076.289</i>	-	<i>25.967.915</i>	-	<i>2.024.081.005</i>
Receivables from reinsurance operations	569.646.839	-	-	12.483.636	115.065
Other receivables	231.944.324	-	19.573.239	131.512.685	63.158.583
Subscribed capital called but not paid	-	-	-	-	-
Receivables	7.205.996.098	-	45.541.154	143.996.321	2.114.355.422
Other assets:					
Office equipment and other tangible assets	811.933.595	-	15.064.213	2.590.175	511.894.751
Cash at bank and in hand	7.745.929.101	224.952	100.454.283	59.114.447	1.359.850.438
Own shares	10.210.708	-	-	-	10.210.708
Other assets	-	-	-	-	-
Other assets	8.568.073.404	224.952	115.518.496	61.704.622	1.881.955.897
Prepayments and accrued income:					
Accrued interests	47.134.702	-	-	-	-
Deferred acquisition costs	48.938.036	-	852.329	-	-
Deferred prepayments and accrued income	1.176.476	-	1.176.476	-	-
Other prepayments and accrued income	13.571.252	-	13.571.252	-	-
Prepayments and accrued income	110.820.466	-	15.600.057	-	-
Total assets	77.479.541.935	224.952	220.096.755	2.026.023.011	25.275.416.810

NON-LIFE INSURANCE COMPANIES:	Non-life insurers Total	Bátaáb.fél. Vestm.	Íslandstrygging hf.	Íslensk endurtr. hf.	Sjóvá-Alm. tryggingar hf.
BALANCE SHEET 31.12.2002					
Liabilities and owners equity:					
Owners equity:					
Subscribed capital	2.842.602.317	-	230.240.000	352.576.729	585.000.000
Share premium account	2.182.626.716	-	2.272.335	-	1.312.551.760
Statutory reserve fund	4.955.115.211	-	-	40.242.071	146.250.000
Revaluation reserve fund	142.841.811	-	-	142.841.811	-
Other reserve funds	15.015.668	-	-	-	-
Retained earnings	13.144.869.733	93.289	(57.216.482)	329.997.762	3.897.756.603
Owners equity	23.283.071.456	93.289	175.295.853	865.658.373	5.941.558.363
Subordinated liabilities	-	-	-	-	-
Technical reserve:					
Premium reserve	8.828.090.379	-	35.795.998	3.190.000	3.526.935.251
Claims reserve	37.376.366.656	-	3.877.348	753.796.000	13.066.182.567
Equalization reserve	3.103.901.100	-	-	168.782.000	554.815.000
Reserve for bonuses and rebates	177.037.017	-	-	-	163.537.017
Other technical reserve	-	-	-	-	-
Technical reserve	49.485.395.152	-	39.673.346	925.768.000	17.311.469.835
Other liabilities:					
Pension liabilities	321.420.306	-	-	132.664.000	135.143.000
Tax liabilities	763.892.202	-	-	-	239.308.998
Other liabilities	-	-	-	-	-
Other liabilities	1.085.312.508	-	-	132.664.000	374.451.998
Deposits received from reinsurers	89.166.153	-	-	-	89.166.153
Debts:					
<i>Debts payable to affiliated undertakings and participating interests:</i>					
Debts payable to affiliated undertakings	120.224.338	131.663	-	-	-
Debts payable to participating interest other than affiliated und	-	-	-	-	-
<i>Debts payable to affiliated undertakings and participating</i>	<i>120.224.338</i>	<i>131.663</i>	-	-	-
Debts due to direct insurance operations	746.928.075	-	-	-	439.629.559
Debts due to reinsurance operations	593.361.660	-	-	53.288.275	79.568.655
Convertible debenture loans	-	-	-	-	-
Debts payable to credit institutions	73.956.956	-	-	-	-
Other bonds payable	675.560.682	-	-	-	633.385.724
Other debts	630.821.925	-	3.460.589	9.500.269	323.713.018
Debts	2.840.853.636	131.663	3.460.589	62.788.544	1.476.296.956
Accruals and deferred income	695.743.030	-	1.666.967	39.144.094	82.473.505
Total liabilities and owners equity	77.479.541.935	224.952	220.096.755	2.026.023.011	25.275.416.810

NON-LIFE INSURANCE COMPANIES:	Trygging hf.	Trygginga- miðstöðin hf.	Vátrygg.fél. Íslands hf.	Viðlagatr. Íslands	Vörður Vátr.félag
PROFIT AND LOSS ACCOUNT 2002					
Technical account - non-life-insurance business:					
Premiums:					
Premiums written	-	6.332.325.700	7.487.361.915	867.296.497	273.907.433
Premiums written, reinsurers' share	-	(941.055.965)	(1.052.349.342)	(331.225.156)	(177.872.016)
<i>Premiums written for own account</i>	-	5.391.269.735	6.435.012.573	536.071.341	96.035.417
Change in premium reserve	-	(55.410.000)	(81.400.000)	(11.947.000)	(2.500.845)
Change in premium reserve, reinsurers' share	-	(5.604.000)	44.300.000	-	3.451.446
<i>Change in premium reserve for own account</i>	-	(61.014.000)	(37.100.000)	(11.947.000)	950.601
Premiums earned for own account	-	5.330.255.735	6.397.912.573	524.124.341	96.986.018
Investment return on non-life insurance business	-	829.519.000	1.164.650.000	64.818.733	10.203.716
Other technical income, net of reinsurance	-	-	-	-	-
Claims:					
Claims paid	-	(6.916.802.719)	(5.581.172.552)	(171.730.687)	(137.981.189)
Claims paid, reinsurers' share	-	2.769.507.337	710.679.361	-	68.400.793
<i>Claims paid for own account</i>	-	(4.147.295.382)	(4.870.493.191)	(171.730.687)	(69.580.396)
Change in claims reserve	(7.500.000)	(376.330.000)	(573.407.372)	71.000	(68.162.244)
Change in claims reserve, reinsurers' share	-	(416.398.000)	(74.700.000)	-	66.375.815
<i>Change in claims reserve for own account</i>	(7.500.000)	(792.728.000)	(648.107.372)	71.000	(1.786.429)
Claims incurred for own account	(7.500.000)	(4.940.023.382)	(5.518.600.563)	(171.659.687)	(71.366.825)
Changes in other technical reserve, net of reinsurance	-	-	-	-	-
Bonuses and rebates, net of reinsurance	-	-	(2.333.458)	-	-
Operating expenses:					
Acquisition costs	-	(372.103.568)	(560.857.118)	-	(17.851.578)
Change in deferred acquisition costs	-	-	-	-	-
Administrative expenses	-	(616.063.455)	(1.006.929.000)	(80.751.899)	(53.540.257)
Commission and profit share from reinsurers	-	34.346.760	161.458.167	-	42.465.034
Net operating expenses	-	(953.820.263)	(1.406.327.951)	(80.751.899)	(28.926.801)
Other technical costs, net of reinsurance	-	-	-	-	-
Change in equalization reserve	-	-	-	(32.067.000)	-
Balance on the techn. acc. for non-life insurance business	(7.500.000)	265.931.090	635.300.601	304.464.488	6.896.108
Non-technical account:					
Investment income:					
Income from affiliated undertakings	-	(5.858.215)	(8.076.819)	-	-
Income from participating interests other than affiliated undertakings	-	6.214.340	63.312.175	-	-
<i>Income from affiliated undertakings and participating interests</i>	-	356.125	55.235.356	-	-
Income from other shares	2.278.383	106.694.046	70.296.246	-	610.391
Income from land and buildings	(1.123.848)	(13.627.610)	(28.254.909)	-	6.236.168
Interest income and foreign exchange rate difference	(231.312)	710.957.896	1.154.229.824	155.765.398	22.285.673
<i>Income from miscellaneous assets</i>	923.223	804.024.332	1.196.271.161	155.765.398	29.132.232
Income from revaluation of investments	-	-	-	-	-
Gains on realization of investments	-	651.006.754	654.459.782	-	-
Investment income	923.223	1.455.387.211	1.905.966.299	155.765.398	29.132.232
Investment costs:					
Administrative expenses	(2.023.001)	(77.001.000)	(104.165.000)	(26.145.138)	(3.925.524)
Interest costs	-	(45.921.496)	(2.146.726)	-	(7.459.047)
Costs from revaluation of investments	-	(70.759.868)	(280.897.580)	-	(3.010.865)
Losses on realization of investments	-	-	-	-	-
Investment costs	(2.023.001)	(193.682.364)	(387.209.306)	(26.145.138)	(14.395.436)
Calculated inflation adjustment, income or costs	-	-	-	-	-
Alloc. investm. income transf. to the non-life ins. techn. acc.	-	(829.519.000)	(1.164.650.000)	(64.818.733)	(10.203.716)
Balance on the non-technical account	(1.099.778)	432.185.847	354.106.993	64.801.527	4.533.080
Other income and costs on ordinary activities:					
Other income	-	29.522.188	36.939.556	-	-
Other costs	-	(230.369.700)	(147.989.914)	(16.224.966)	(10.482.379)
Other income and costs on ordinary activities	-	(200.847.512)	(111.050.358)	(16.224.966)	(10.482.379)
Income and property taxes	1.958.109	(42.527.256)	(144.817.149)	(50.908.217)	(513.949)
Profit or loss on ordinary activities after tax	(6.641.669)	454.742.169	733.540.087	302.132.832	432.860
Irregular income and costs:					
Irregular income	-	-	-	-	-
Irregular costs	-	-	-	-	-
Income tax on irregular income and costs	-	-	-	-	-
Irregular income and costs	-	-	-	-	-
PROFIT OR LOSS OF THE YEAR	(6.641.669)	454.742.169	733.540.087	302.132.832	432.860

NON-LIFE INSURANCE COMPANIES:	Trygging hf.	Trygginga- miðstöðin hf.	Vátrygg.fél. Íslands hf.	Viðlagatr. Íslands	Vörður Vátr.félag
BALANCE SHEET 31.12.2002					
Assets:					
Subscribed capital unpaid	-	-	-	-	-
Intangible assets	-	666.797.501	-	-	-
Investments:					
Land and buildings	35.042.417	425.415.980	561.272.744	-	73.437.154
Investments in affiliated undertakings and participating interest					
Shares in affiliated undertakings	-	503.485.143	18.569.086	-	-
Loans to affiliated undertakings	-	-	7.870.948	-	-
Shares in participating interests, other than affiliated undertakings	-	685.720.293	635.329.406	-	-
Loans to participating interests, other than affiliated undertakings	-	100.748.240	-	-	-
<i>Investments in affiliated undertakings and participating interest</i>	-	<i>1.289.953.676</i>	<i>661.769.440</i>	-	-
<i>Other investments:</i>					
Variable-yield securities	82.203.059	6.091.646.370	6.757.603.132	2.415.928.198	3.421.828
Fixed-income securities	-	921.196.102	5.601.218.013	3.202.902.786	105.360.432
Participation in investment pools	-	-	-	-	-
Mortgage loans	-	2.870.800.896	3.750.561.560	195.661	57.090.120
Other loans	-	738.899.038	124.881.095	-	4.684.707
Bound deposits with credit institutions	-	-	-	-	-
Other investments	20.926.840	-	-	-	7.877.863
<i>Other investments</i>	<i>103.129.899</i>	<i>10.622.542.406</i>	<i>16.234.263.800</i>	<i>5.619.026.645</i>	<i>178.434.950</i>
Deposits due to reinsurance	-	25.916.461	-	-	-
Investments	138.172.316	12.363.828.523	17.457.305.984	5.619.026.645	251.872.104
Reinsurers' share in technical reserve:					
Premium reserve	-	14.765.000	289.300.000	-	58.719.556
Claims reserve	-	889.503.000	603.300.000	-	99.196.731
Reserve for bonuses and rebates	-	-	-	-	-
Other technical reserve	-	-	-	-	-
Reinsurers' share in technical provisions	-	904.268.000	892.600.000	-	157.916.287
Receivables:					
<i>Receivables from affiliated undertakings and participating interest</i>					
Receivables from affiliated undertakings	120.092.675	-	99.091.562	-	-
Receivables from participating interests other than affiliated undertakings	-	-	205.143.640	-	-
<i>Receivables from affiliated undertakings and participating interest</i>	<i>120.092.675</i>	<i>-</i>	<i>304.235.202</i>	<i>-</i>	<i>-</i>
<i>Receivables from direct insurance operations:</i>					
Receivables from policyholders, general insurance	-	1.372.275.627	2.251.243.451	168.430.189	103.734.645
Receivables from intermediaries	-	-	-	-	-
Other receivables from direct insurance operations	-	1.195.850	-	-	6.147.607
<i>Receivables from direct insurance operations</i>	<i>-</i>	<i>1.373.471.477</i>	<i>2.251.243.451</i>	<i>168.430.189</i>	<i>109.882.252</i>
Receivables from reinsurance operations	897.587	119.432.301	432.398.620	-	4.319.630
Other receivables	-	-	13.997.579	3.404.333	297.905
Subscribed capital called but not paid	-	-	-	-	-
Receivables	120.990.262	1.492.903.778	3.001.874.852	171.834.522	114.499.787
Other assets:					
Office equipment and other tangible assets	2.937.359	151.184.905	119.511.364	-	8.750.828
Cash at bank and in hand	41.944.385	1.533.734.769	2.401.534.341	2.210.751.545	38.319.941
Own shares	-	-	-	-	-
Other assets	-	-	-	-	-
Other assets	44.881.744	1.684.919.674	2.521.045.705	2.210.751.545	47.070.769
Prepayments and accrued income:					
Accrued interests	-	-	47.134.702	-	-
Deferred acquisition costs	-	-	48.085.707	-	-
Deferred prepayments and accrued income	-	-	-	-	-
Other prepayments and accrued income	-	-	-	-	-
Prepayments and accrued income	-	-	95.220.409	-	-
Total assets	304.044.322	17.112.717.476	23.968.046.950	8.001.612.712	571.358.947

NON-LIFE INSURANCE COMPANIES:	Trygging hf.	Trygginga- miðstöðin hf.	Vátrygg.fél. Íslands hf.	Viðlagatr. Íslands	Vörður Vátr.félag
BALANCE SHEET 31.12.2002					
Liabilities and owners equity:					
Owners equity:					
Subscribed capital	203.599.696	932.396.168	538.782.743	-	6.981
Share premium account	-	867.802.621	-	-	-
Statutory reserve fund	19.699.333	58.300.000	420.488.556	4.270.135.251	-
Revaluation reserve fund	-	-	-	-	-
Other reserve funds	-	-	15.015.668	-	-
Retained earnings	2.278.383	2.915.305.140	3.594.564.127	2.370.304.785	91.786.126
Owners equity	225.577.412	4.773.803.929	4.568.851.094	6.640.440.036	91.793.107
Subordinated liabilities	-	-	-	-	-
Technical reserve:					
Premium reserve	-	1.500.453.000	3.395.200.000	283.988.000	82.528.130
Claims reserve	52.500.000	9.278.284.000	13.850.251.327	154.688.000	216.787.414
Equalization reserve	-	908.000.000	684.000.000	780.566.000	7.738.100
Reserve for bonuses and rebates	-	-	13.500.000	-	-
Other technical reserve	-	-	-	-	-
Technical reserve	52.500.000	11.686.737.000	17.942.951.327	1.219.242.000	307.053.644
Other liabilities:					
Pension liabilities	-	-	53.613.306	-	-
Tax liabilities	8.435.769	123.641.672	341.532.242	50.973.521	-
Other liabilities	-	-	-	-	-
Other liabilities	8.435.769	123.641.672	395.145.548	50.973.521	-
Deposits received from reinsurers	-	-	-	-	-
Debts:					
<i>Debts payable to affiliated undertakings and participating interest</i>					
Debts payable to affiliated undertakings	-	120.092.675	-	-	-
Debts payable to participating interest other than affiliated undertakings	-	-	-	-	-
<i>Debts payable to affiliated undertakings and participating interest</i>	-	120.092.675	-	-	-
Debts due to direct insurance operations	-	86.834.001	174.728.223	7.492.288	38.244.004
Debts due to reinsurance operations	14.883.456	52.655.109	347.768.695	-	45.197.470
Convertible debenture loans	-	-	-	-	-
Debts payable to credit institutions	-	-	4.814.469	-	69.142.487
Other bonds payable	-	42.174.958	-	-	-
Other debts	2.647.685	160.923.374	115.957.879	-	14.619.111
Debts	17.531.141	462.680.117	643.269.266	7.492.288	167.203.072
Accruals and deferred income	-	65.854.758	417.829.715	83.464.867	5.309.124
Total liabilities and owners equity	304.044.322	17.112.717.476	23.968.046.950	8.001.612.712	571.358.947