

Introduction

The Financial Supervisory Authority (FME) publishes here the annual accounts of Icelandic Insurance Companies for the accounting year 2004 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 2005, there were 13 insurers authorised by Icelandic authorities carrying active insurance risk. They are:

European Risk Insurance Company hf.
Íslensk endurtrygging hf.
Íslandstrygging hf.
KB líf hf. (Previously Alþjóða líftryggingarfélagið hf.)
Líftryggingafélag Íslands hf.
Líftryggingamiðstöðin hf.
Sjóvá-Almennar líftryggingar hf.
Sjóvá-Almennar tryggingar hf.
Trygging hf.
Tryggingamiðstöðin hf.
Viðlagatrygging Íslands
Vátryggingafélag Íslands hf.
Vörður vátryggingafélag hf.

In the year 2005 Íslandstrygging hf. and Vörður vátryggingafélag hf. merged under the name Vörður Íslandstrygging hf. Vátryggingafélag Íslands hf. owns majority of the shares in the merged company.

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 2004					
Technical account - non-life-insurance business:					
Premiums:					
Premiums w ritten	23.920.258.198	22.934.749.168	23.854.033.407	66.224.791	50.012
Premiums w ritten, reinsurers' share	(4.007.445.608)	(3.783.455.608)	(3.971.418.293)	(36.027.315)	-
<i>Premiums written for own account</i>	19.912.812.590	19.151.293.560	19.882.615.114	30.197.476	50.012
Change in premium reserve	471.091.126	494.726.126	472.462.652	(1.371.526)	1.500.000
Change in premium reserve, reinsurers' share	(206.617.827)	(206.617.827)	(207.124.213)	506.386	-
<i>Change in premium reserve for own account</i>	264.473.299	288.108.299	265.338.439	(865.140)	1.500.000
Premiums earned for own account	20.177.285.889	19.439.401.859	20.147.953.553	29.332.336	1.550.012
Investment return on non-life insurance business	4.527.827.980	4.418.435.094	4.523.262.965	4.565.015	43.210.384
Other technical income, net of reinsurance	-	-	-	-	-
Claims:					
Claims paid	(18.022.297.520)	(17.897.665.922)	(18.005.566.580)	(16.730.940)	(122.756.680)
Claims paid, reinsurers' share	1.868.503.943	1.868.503.943	1.860.306.951	8.196.992	52.463.546
<i>Claims paid for own account</i>	(16.153.793.577)	(16.029.161.979)	(16.145.259.629)	(8.533.948)	(70.293.134)
Change in claims reserve	(992.050.086)	(1.042.680.086)	(974.583.286)	(17.466.800)	202.128.000
Change in claims reserve, reinsurers' share	(212.807.595)	(212.807.595)	(219.495.113)	6.687.518	(87.920.000)
<i>Change in claims reserve for own account</i>	(1.204.857.681)	(1.255.487.681)	(1.194.078.399)	(10.779.282)	114.208.000
Claims incurred for own account	(17.358.651.258)	(17.284.649.660)	(17.339.338.028)	(19.313.230)	43.914.866
Changes in other technical reserve, net of reinsur	-	-	-	-	-
Bonuses and rebates, net of reinsurance	(258.037.458)	(258.037.458)	(258.037.458)	-	-
Operating expenses:					
Acquisition costs	(2.885.705.454)	(2.812.059.587)	(2.880.877.568)	(4.827.886)	-
Change in deferred acquisition costs	-	-	-	-	-
Administrative expenses	(3.301.457.199)	(3.283.474.408)	(3.291.948.960)	(9.508.239)	(23.770.202)
Commission and profit share from reinsurers	411.236.578	404.516.878	408.561.024	2.675.554	-
Net operating expenses	(5.775.926.075)	(5.691.017.117)	(5.764.265.504)	(11.660.571)	(23.770.202)
Other technical costs, net of reinsurance	-	-	-	-	-
Change in equalization reserve	34.403.000	42.150.000	34.403.000	-	42.150.000
Change on the techn. acc. for non-life insurance business	1.346.902.078	666.282.718	1.343.978.528	2.923.550	107.055.060
Technical account - life-assurance business:					
Premiums:					
Premiums w ritten	2.565.861.897	2.565.861.897	-	2.565.861.897	-
Premiums w ritten, reinsurers' share	(507.155.225)	(507.155.225)	-	(507.155.225)	-
Premiums written for own account	2.058.706.672	2.058.706.672	-	2.058.706.672	-
PROFIT AND LOSS ACCOUNT 2004, continued					
Investment income:					
Income from affiliated undertakings	-	-	-	-	-
Income from participating interests other than affiliated un	-	-	-	-	-
<i>Income from affiliated undertakings and participatir</i>	-	-	-	-	-
Income from other shares	6.613.738	6.613.738	-	6.613.738	-
Income from land and buildings	-	-	-	-	-
Interest income and foreign exchange rate difference	400.435.584	400.435.584	-	400.435.584	-
<i>Income from miscellaneous investments</i>	407.049.322	407.049.322	-	407.049.322	-
Income from revaluation of investments	258.601	258.601	-	258.601	-
Gains on realization of investments	262.802.442	262.802.442	-	262.802.442	-
Investment income	670.110.365	670.110.365	-	670.110.365	-
Unrealized gains on investments, risk borne by po	373.544.226	373.544.226	-	373.544.226	-
Other technical income, net of reinsurance	-	-	-	-	-
Life assurance claims:					
Life assurance claims paid	(718.732.574)	(718.732.574)	-	(718.732.574)	-
Life assurance claims paid, reinsurers' share	299.240.252	299.240.252	-	299.240.252	-
<i>Life assurance claims paid for own account</i>	(419.492.322)	(419.492.322)	-	(419.492.322)	-
Change in life assurance claims reserve	(177.973.905)	(177.973.905)	-	(177.973.905)	-
Change in life assurance claims reserve, reinsurers' sha	67.256.223	67.256.223	-	67.256.223	-
<i>Change in life assurance claims reserve, for own a</i>	(110.717.682)	(110.717.682)	-	(110.717.682)	-
Life assurance claims for own account	(530.210.004)	(530.210.004)	-	(530.210.004)	-

GROUPS OF INSURANCE COMPANIES:	Total all insurers	Total all insurers	All non-life insurers	Life insurers	Reinsurers
PROFIT AND LOSS ACCOUNT 2004, continued					
Change in premium reserve and other techn. res.					
Change in premium reserve	(137.372.912)	(137.372.912)	-	(137.372.912)	-
Change in premium reserve, reinsurers' share	3.852.831	3.852.831	-	3.852.831	-
<i>Change in premium reserve, for own account</i>	(133.520.081)	(133.520.081)	-	(133.520.081)	-
Change in other technical reserve, net of reinsurance	(1.062.711.952)	(1.062.711.952)	-	(1.062.711.952)	-
Change in premium reserve and other techn.	(1.196.232.033)	(1.196.232.033)	-	(1.196.232.033)	-
Bonuses and rebates	(33.795.665)	(33.795.665)	-	(33.795.665)	-
Operating expenses:					
Acquisition costs	(351.026.883)	(351.026.883)	-	(351.026.883)	-
Change in deferred acquisition costs	(3.792.251)	(3.792.251)	-	(3.792.251)	-
Administrative expenses	(314.429.886)	(314.429.886)	-	(314.429.886)	-
Commission and profit share from reinsurers	51.210.093	51.210.093	-	51.210.093	-
Net operating expenses	(618.038.927)	(618.038.927)	-	(618.038.927)	-
Investment costs:					
Administrative expenses	(18.748.642)	(18.748.642)	-	(18.748.642)	-
Interest costs	(23.156.400)	(23.156.400)	-	(23.156.400)	-
Costs from revaluation of investments	-	-	-	-	-
Losses on realization of investments	(8.209.916)	(8.209.916)	-	(8.209.916)	-
Investment costs	(50.114.958)	(50.114.958)	-	(50.114.958)	-
Unrealized losses on investments, risk borne by p	-	-	-	-	-
Other technical costs, net of reinsurance	-	-	-	-	-
Allocated investm. return transf. to the non-techni	(334.056.137)	(334.056.137)	-	(334.056.137)	-
on the technical account - life assurance business	339.913.539	339.913.539	-	339.913.539	-
PROFIT AND LOSS ACCOUNT 2004, continued					
Non-technical account:					
Investment income:					
Income from affiliated undertakings	402.547.749	402.547.749	402.547.749	-	-
Income from participating interests other than affiliated un	85.511.100	85.511.100	85.511.100	-	-
<i>Income from affiliated undertakings and participatin</i>	<i>488.058.849</i>	<i>488.058.849</i>	<i>488.058.849</i>	-	-
Income from other shares	614.616.588	614.616.588	614.616.588	-	-
Income from land and buildings	(270.045.484)	(270.045.484)	(270.045.484)	-	3.372.833
Interest income and foreign exchange rate difference	4.881.505.321	4.035.020.805	4.881.505.321	-	134.178.379
<i>Income from miscellaneous assets</i>	<i>5.226.076.425</i>	<i>4.379.591.909</i>	<i>5.226.076.425</i>	-	<i>137.551.212</i>
Income from revaluation of investments	2.900.150.298	2.900.150.298	2.900.150.298	-	-
Gains on realization of investments	6.752.342.812	6.752.342.812	6.752.342.812	-	-
Investment income	15.366.628.384	14.520.143.868	15.366.628.384	-	137.551.212
Alloc. investment return transf. fr. the life assuran	329.491.122	329.491.122	-	329.491.122	-
Investment costs:					
Administrative expenses	(613.986.711)	(604.995.315)	(613.986.711)	-	(1.439.301)
Interest costs	(225.847.370)	(174.717.673)	(225.847.370)	-	(13.727.704)
Costs from revaluation of investments	(371.022.625)	(371.022.625)	(371.022.625)	-	-
Losses on realization of investments	-	-	-	-	-
Investment costs	(1.210.856.706)	(1.150.735.613)	(1,210.856.706)	-	(15.167.005)
Alloc. investm. income transf. to the non-life ins. t	(4.524.942.420)	(4,415.549.534)	(4,524.942.420)	-	(43.210.384)
Calculated inflation adjustment, income or costs	-	-	-	-	-
Balance on the non-technical account	9.960.320.380	9.283.349.843	9.630.829.258	329.491.122	79.173.823
Other income and costs on ordinary activities:					
Other income	172.080.436	172.080.436	172.080.436	-	-
Other costs	(303.865.645)	(303.865.645)	(303.865.645)	-	-
Other income and costs on ordinary activities	(131.785.209)	(131.785.209)	(131.785.209)	-	-
Income and property taxes	(1.751.483.807)	(1,666.069.720)	(1,600.552.865)	(150.930.942)	(37.006.135)
Profit or loss on ordinary activities after tax	9.763.866.981	8.491.691.171	9.242.469.712	521.397.269	149.222.748
Irregular income and costs:					
Irregular income	-	-	-	-	-
Irregular costs	(8.500.000)	-	(8.500.000)	-	-
Income tax on irregular income and costs	-	-	-	-	-
Irregular income and costs	(8.500.000)	-	(8.500.000)	-	-
PROFIT OR LOSS OF THE YEAR	9.755.366.981	8.491.691.171	9.233.969.712	521.397.269	149.222.748

GROUPS OF INSURANCE COMPANIES:	Total all insurers	Total all insurers	All non-life insurers	Life insurers	Reinsurers
BALANCE SHEET 31.12.2004					
Assets:					
Subscribed capital unpaid	-	-	-	-	-
Intangible assets	519.062.173	519.062.173	519.062.173	-	-
Investments:					
Land and buildings	2.229.847.309	2.229.847.309	2.229.847.309	-	56.091.784
<i>Investments in affiliated undertakings and participating i</i>					
Shares in affiliated undertakings	4.240.688.312	4.240.688.312	4.240.688.312	-	-
Loans to affiliated undertakings	2.803.163	2.803.163	2.803.163	-	-
Shares in participating interests, other than affiliated unde	4.657.816.990	4.657.816.990	4.657.816.990	-	-
Loans to participating interests, other than affiliated unde	-	-	-	-	-
<i>Investments in affiliated undertakings and participating</i>	<i>8.901.308.465</i>	<i>8.901.308.465</i>	<i>8.901.308.465</i>	-	-
<i>Other investments:</i>					
Variable-yield securities	31.746.929.332	28.096.687.067	29.640.719.494	2.106.209.838	496.811.803
Fixed-income securities	17.150.044.215	12.726.181.370	15.546.830.278	1.603.213.937	465.131.209
Participation in investment pools	-	-	-	-	-
Mortgage loans	13.215.303.081	13.215.303.081	13.184.882.456	30.420.625	30.053.167
Other loans	1.450.099.024	1.450.099.024	1.450.099.024	-	22.665.629
Bound deposits with credit institutions	3.968.902	3.968.902	3.968.902	-	3.968.902
Other investments	44.018.281	44.018.281	44.018.281	-	-
<i>Other investments</i>	<i>63.610.362.835</i>	<i>55.536.257.725</i>	<i>59.870.518.435</i>	<i>3.739.844.400</i>	<i>1.018.630.710</i>
Deposits due to reinsurance	39.636.732	39.636.732	39.636.732	-	759.245
Investments	74.781.155.341	66.707.050.231	71.041.310.941	3.739.844.400	1.075.481.739
Investments for the benefit of life ass.	3.631.741.769	3.631.741.769	-	3.631.741.769	-
Reinsurers' share in technical reserve:					
Premium reserve	820.556.496	820.556.496	636.038.289	184.518.207	-
Claims reserve	2.585.346.729	2.438.963.729	2.546.133.428	39.213.301	99.086.000
Life assurance claims reserve	294.534.991	440.917.991	-	294.534.991	-
Reserve for bonuses and rebates	-	-	-	-	-
Life assurance reserve, investment risk borne by policyh	-	-	-	-	-
Other technical reserve	-	-	-	-	-
Other life assurance reserve	-	-	-	-	-
Reinsurers' share in technical provisions	3.700.438.216	3.700.438.216	3.182.171.717	518.266.499	99.086.000
BALANCE SHEET 31.12.2004					
Receivables:					
<i>Receivables from affiliated undertakings and participati</i>					
Receivables from affiliated undertakings	200.603.799	200.603.799	190.427.173	10.176.626	-
Receivables from participating interests other than affiliat	24.760.225	24.760.225	24.760.225	-	-
<i>Receivables from affiliated undertakings and partic</i>	<i>225.364.024</i>	<i>225.364.024</i>	<i>215.187.398</i>	<i>10.176.626</i>	-
<i>Receivables from direct insurance operations:</i>					
Receivables from policyholders, general insurance	5.155.051.451	5.155.051.451	5.155.051.451	-	-
Receivables from policyholders, life assurance	102.211.272	102.211.272	-	102.211.272	-
Receivables from intermediaries	7.536.772	7.536.772	7.536.772	-	-
Other receivables from direct insurance operations	549.413.161	319.201.656	482.464.231	66.948.930	-
<i>Receivables from direct insurance operations</i>	<i>5.814.212.656</i>	<i>5.584.001.151</i>	<i>5.645.052.454</i>	<i>169.160.202</i>	-
Receivables from reinsurance operations	618.289.482	618.289.482	597.602.842	20.686.640	2.170.805
Other receivables	883.531.068	883.531.068	876.910.287	6.620.781	49.216.693
Subscribed capital called but not paid	53.033.847	53.033.847	53.033.847	-	-
Receivables	7.594.431.077	7.364.219.572	7.387.786.828	206.644.249	51.387.498
Other assets:					
Office equipment and other tangible assets	378.408.436	378.408.436	336.928.982	41.479.454	891.217
Cash at bank and in hand	13.701.818.548	11.721.440.949	13.021.726.089	680.092.459	29.081.454
Own shares	-	-	-	-	-
Other assets	4.216.000	4.216.000	4.216.000	-	-
Other assets	14.084.442.984	12.104.065.385	13.362.871.071	721.571.913	29.972.671
Prepayments and accrued income:					
Accrued interests	29.847.949	29.847.949	29.847.949	-	-
Deferred acquisition costs	-	-	-	-	-
Prepayments and accrued income	-	-	-	-	-
Other prepayments and accrued income	71.246.029	71.246.029	71.246.029	-	-
Prepayments and accrued income	101.093.978	101.093.978	101.093.978	-	-
Total assets	104.412.365.539	94.127.671.325	95.594.296.709	8.818.068.830	1.255.927.908

GROUPS OF INSURANCE COMPANIES:	Total all insurers	Total all insurers	All non-life insurers	Life insurers	Reinsurers
BALANCE SHEET 31.12.2004					
Liabilities and owners equity:					
Owners equity:					
Subscribed capital	3.498.631.976	3.498.631.976	3.049.779.976	448.852.000	352.495.081
Share premium account	1.567.147.400	1.567.147.400	1.325.604.346	241.543.054	-
Statutory reserve fund	5.301.585.729	1.031.450.478	5.137.689.250	163.896.479	40.050.198
Revaluation reserve fund	-	-	-	-	-
Other reserve funds	-	-	-	-	-
Retained earnings	25.514.819.743	20.983.611.256	23.930.616.374	1.584.203.369	209.494.028
Owners equity	35.882.184.848	27.080.841.110	33.443.689.946	2.438.494.902	602.039.307
Subordinated liabilities	-	-	-	-	-
Technical reserve:					
Premium reserve	9.979.636.597	9.631.216.597	8.812.793.097	1.166.843.500	-
Claims reserve	39.956.822.669	39.830.462.669	39.869.132.903	87.689.766	363.632.000
Life assurance claims reserve	842.323.644	842.323.644	0	842.323.644	-
Equalization reserve	3.145.615.100	2.258.657.100	3.134.589.100	11.026.000	42.332.000
Equalization reserve for bonuses	283.119.953	283.119.953	12100000	283.119.953	-
Reserve for bonuses and rebates	271.606.550	271.606.550	259.506.550	-	-
Other technical reserve	-	-	-	-	-
Other life assurance reserve	-	-	0	-	-
Technical reserve	54.479.124.513	53.117.386.513	52.088.121.650	2.391.002.863	405.964.000
Life assurance reserve, investment risk borne	3.631.741.758	3.631.741.758	-	3.631.741.758	-
Other liabilities:					
Pension liabilities	625.039.025	625.039.025	613.132.625	11.906.400	148.998.000
Tax liabilities	3.446.279.449	3.388.829.660	3.364.736.562	81.542.887	-
Other liabilities	756.389.367	756.389.367	756.389.367	-	-
Other liabilities	4.827.707.841	4.770.258.052	4.734.258.554	93.449.287	148.998.000
Deposits received from reinsurers	-	-	-	-	-
Debts:					
<i>Debts payable to affiliated undertakings and participations</i>					
Debts payable to affiliated undertakings	963.141.721	963.141.721	963.141.721	-	-
Debts payable to participating interest other than affiliated undertakings	-	-	-	-	-
<i>Debts payable to affiliated undertakings and participations</i>	<i>963.141.721</i>	<i>963.141.721</i>	<i>963.141.721</i>	-	-
Debts due to direct insurance operations	383.866.296	374.705.097	366.190.070	17.676.226	-
Debts due to reinsurance operations	697.524.745	697.524.745	594.982.916	102.541.829	16.955.015
Convertible debenture loans	11.815.000	11.815.000	11.815.000	-	-
Debts payable to credit institutions	1.285.957.311	1.285.957.311	1.285.957.311	-	-
Other bonds payable	-	-	-	-	-
Other debts	1.108.140.535	1.108.140.535	1.029.410.711	78.729.824	42.948.434
Debts	4.450.445.608	4.441.284.409	4.251.497.729	198.947.879	59.903.449
Accruals and deferred income	1.141.160.970	1.086.159.483	1.076.728.829	64.432.141	39.023.152
Total liabilities and owners equity	104.412.365.538	94.127.671.325	95.594.296.708	8.818.068.830	1.255.927.908

LIFE INSURANCE COMPANIES:	Life insurers	KB líf hf.	Líftr.fél. Íslands hf.	Líftrygginga- miðstöðin hf.	Sjóvá-Alm. líftryggingar hf.
PROFIT AND LOSS ACCOUNT 2004	Total				
Technical account - non-life-insurance business:					
Premiums:					
Premiums w ritten	66.224.791	35.926.628	-	-	30.298.163
Premiums w ritten, reinsurers' share	(36.027.315)	(18.236.589)	-	-	(17.790.726)
<i>Premiums written for own account</i>	30.197.476	17.690.039	-	-	12.507.437
Change in premium reserve	(1.371.526)	(1.276.526)	-	-	(95.000)
Change in premium reserve, reinsurers' share	506.386	582.386	-	-	(76.000)
<i>Change in premium reserve for own account</i>	(865.140)	(694.140)	-	-	(171.000)
Premiums earned for own account	29.332.336	16.995.899	-	-	12.336.437
Investment return on non-life insurance business	4.565.015	1.440.775	-	-	3.124.240
Other technical income, net of reinsurance	-	-	-	-	-
Claims:					
Claims paid	(16.730.940)	(10.558.257)	-	-	(6.172.683)
Claims paid, reinsurers' share	8.196.992	5.328.516	-	-	2.868.476
<i>Claims paid for own account</i>	(8.533.948)	(5.229.741)	-	-	(3.304.207)
Change in claims reserve	(17.466.800)	(15.915.800)	-	-	(1.551.000)
Change in claims reserve, reinsurers' share	6.687.518	6.530.518	-	-	157.000
<i>Change in claims reserve for own account</i>	(10.779.282)	(9.385.282)	-	-	(1.394.000)
Claims incurred for own account	(19.313.230)	(14.615.023)	-	-	(4.698.207)
Changes in other technical reserve, net of reinsurance	-	-	-	-	-
Bonuses and rebates, net of reinsurance	-	-	-	-	-
Operating expenses:					
Acquisition costs	(4.827.886)	(781.660)	-	-	(4.046.226)
Change in deferred acquisition costs	-	-	-	-	-
Administrative expenses	(9.508.239)	(7.445.533)	-	-	(2.062.706)
Commission and profit share from reinsurers	2.675.554	-	-	-	2.675.554
Net operating expenses	(11.660.571)	(8.227.193)	-	-	(3.433.378)
Other technical costs, net of reinsurance	-	-	-	-	-
Change in equalization reserve	-	-	-	-	-
Balance on the techn. acc. for non-life insurance business	2.923.550	(4.405.542)	-	-	7.329.092
Technical account - life-assurance business:					
Premiums:					
Premiums w ritten	2.565.861.897	795.094.568	592.037.882	40.005.299	1.138.724.148
Premiums w ritten, reinsurers' share	(507.155.225)	(174.046.181)	(92.396.072)	(8.334.469)	(232.378.503)
Premiums written for own account	2.058.706.672	621.048.387	499.641.810	31.670.830	906.345.645
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	6.613.738	870.912	5.735.620	-	7.206
Income from land and buildings	-	-	-	-	-
Interest income and foreign exchange rate difference	400.435.584	91.355.091	138.462.759	22.040.242	148.577.492
<i>Income from miscellaneous investments</i>	407.049.322	92.226.003	144.198.379	22.040.242	148.584.698
Income from revaluation of investments	258.601	-	-	-	258.601
Gains on realization of investments	262.802.442	-	262.802.442	-	-
Investment income	670.110.365	92.226.003	407.000.821	22.040.242	148.843.299
Unrealized gains on investments, risk borne by policyholder	373.544.226	39.735.606	149.520.626	-	184.287.994
Other technical income, net of reinsurance	-	-	-	-	-
Life assurance claims:					
Life assurance claims paid	(718.732.574)	(226.314.259)	(167.721.450)	(4.551.579)	(320.145.286)
Life assurance claims paid, reinsurers' share	299.240.252	83.071.651	63.795.251	1.350.000	151.023.350
<i>Life assurance claims paid for own account</i>	(419.492.322)	(143.242.608)	(103.926.199)	(3.201.579)	(169.121.936)
Change in life assurance claims reserve	(177.973.905)	(45.389.075)	(36.599.840)	(12.520.000)	(83.464.990)
Change in life assurance claims reserve, reinsurers' share	67.256.223	16.513.455	5.370.768	4.300.000	41.072.000
<i>Change in life assurance claims reserve, for own account</i>	(110.717.682)	(28.875.620)	(31.229.072)	(8.220.000)	(42.392.990)
Life assurance claims for own account	(530.210.004)	(172.118.228)	(135.155.271)	(11.421.579)	(211.514.926)

LIFE INSURANCE COMPANIES:	Life insurers	KB líf hf.	Líftr.fél. Íslands hf.	Líftrygginga- miðstöðin hf.	Sjóvá-Alm. líftryggingar hf.
PROFIT AND LOSS ACCOUNT, continued					
Change in premium reserve and other techn. res., net of reinsurance					
Change in premium reserve	(137.372.912)	(77.737.269)	(23.352.643)	(7.108.000)	(29.175.000)
Change in premium reserve, reinsurers' share	3.852.831	2.587.866	2.501.965	2.000.000	(3.237.000)
<i>Change in premium reserve, for own account</i>	(133.520.081)	(75.149.403)	(20.850.678)	(5.108.000)	(32.412.000)
Change in other technical reserve, net of reinsurance	(1.062.711.952)	(148.646.168)	(323.883.232)	-	(590.182.552)
Change in premium reserve and other techn. res., net of reinsurance	(1.196.232.033)	(223.795.571)	(344.733.910)	(5.108.000)	(622.594.552)
Bonuses and rebates	(33.795.665)	-	-	-	(33.795.665)
Operating expenses:					
Acquisition costs	(351.026.883)	(99.788.012)	(83.223.751)	(3.547.098)	(164.468.022)
Change in deferred acquisition costs	(3.792.251)	(3.792.251)	-	-	-
Administrative expenses	(314.429.886)	(162.237.298)	(60.916.235)	(7.432.990)	(83.843.363)
Commission and profit share from reinsurers	51.210.093	5.465.629	12.809.822	-	32.934.642
Net operating expenses	(618.038.927)	(260.351.932)	(131.330.164)	(10.980.088)	(215.376.743)
Investment costs:					
Administrative expenses	(18.748.642)	(1.706.753)	(10.454.000)	-	(6.587.889)
Interest costs	(23.156.400)	(439.193)	(2.015.371)	-	(20.701.836)
Costs from revaluation of investments	-	-	-	-	-
Losses on realization of investments	(8.209.916)	(394.329)	-	-	(7.815.587)
Investment costs	(50.114.958)	(2.540.275)	(12.469.371)	-	(35.105.312)
Unrealized losses on investments, risk borne by policyholder	-	-	-	-	-
Other technical costs, net of reinsurance	-	-	-	-	-
Allocated investm. return transf. to the non-technical acc.	(334.056.137)	(41.950.381)	(205.037.000)	(20.796.000)	(66.272.756)
Balance on the technical account - life assurance business	339.913.539	52.253.609	227.437.541	5.405.405	54.816.984
Non-technical account:					
Investment income	-	-	-	-	-
Alloc. investment return transf. fr. the life assurance techn. acc.	329.491.122	40.509.606	205.037.000	20.796.000	63.148.516
Investment costs	-	-	-	-	-
Alloc. investm. income transf. to the non-life ins. techn. acc.	-	-	-	-	-
Calculated inflation adjustment, income or costs	-	-	-	-	-
Balance on the non-technical account	329.491.122	40.509.606	205.037.000	20.796.000	63.148.516
Other income and costs on ordinary activities:					
Other income	-	-	-	-	-
Other costs	-	-	-	-	-
Other income and costs on ordinary activities	-	-	-	-	-
Income and property taxes	(150.930.942)	(19.108.937)	(102.156.541)	(4.961.203)	(24.704.261)
Profit or loss on ordinary activities after tax	521.397.269	69.248.736	330.318.000	21.240.202	100.590.331
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	521.397.269	69.248.736	330.318.000	21.240.202	100.590.331

LIFE INSURANCE COMPANIES:	Life insurers	KB líf hf.	Líftr.fél. Íslands hf.	Líftrygginga- miðstöðin hf.	Sjóvá-Alm. líftryggingar hf.
BALANCE SHEET 31.12.2004					
Assets:					
Subscribed capital unpaid	-	-	-	-	-
Intangible assets	-	-	-	-	-
Investments:					
Land and buildings	-	-	-	-	-
<i>Investments in affiliated undertakings and participating interests</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	2.106.209.838	159.394.192	998.071.324	-	948.744.322
Fixed-income securities	1.603.213.937	672.228.950	817.656.830	30.803.400	82.524.757
Participation in investment pools	-	-	-	-	-
Mortgage loans	30.420.625	21.418.389	9.002.236	-	-
Other loans	-	-	-	-	-
Bound deposits with credit institutions	-	-	-	-	-
Other investments	-	-	-	-	-
<i>Other investments</i>	3.739.844.400	853.041.531	1.824.730.390	30.803.400	1.031.269.079
Deposits due to reinsurance	-	-	-	-	-
Investments	3.739.844.400	853.041.531	1.824.730.390	30.803.400	1.031.269.079
Investments for the benefit of life ass. policyholders who bear the investm. risk	3.631.741.769	543.621.475	975.055.303	-	2.113.064.991
Reinsurers' share in technical reserve:					
Premium reserve	184.518.207	20.336.509	34.989.698	3.732.000	125.460.000
Claims reserve	39.213.301	26.125.301	-	-	13.088.000
Life assurance claims reserve	294.534.991	60.415.795	26.735.196	7.000.000	200.384.000
Life assurance reserve, investment risk borne by policyholders	-	-	-	-	-
Other technical reserve	-	-	-	-	-
Other life assurance reserve	-	-	-	-	-
Reinsurers' share in technical provisions	518.266.499	106.877.605	61.724.894	10.732.000	338.932.000
Receivables:					
<i>Receivables from affiliated undertakings and participating interests</i>					
Receivables from affiliated undertakings	10.176.626	-	-	10.176.626	-
Receivables from participating interests other than affiliated undertakings	-	-	-	-	-
<i>Receivables from affiliated undertakings and participating interests</i>	10.176.626	-	-	10.176.626	-
<i>Receivables from direct insurance operations:</i>					
Receivables from policyholders, general insurance	-	-	-	-	-
Receivables from policyholders, life assurance	102.211.272	19.769.308	-	5.507.894	76.934.070
Receivables from intermediaries	-	-	-	-	-
Other receivables from direct insurance operations	66.948.930	-	33.490.604	2.134.844	31.323.482
<i>Receivables from direct insurance operations</i>	169.160.202	19.769.308	33.490.604	7.642.738	108.257.552
Receivables from reinsurance operations	20.686.640	-	20.686.640	-	-
Other receivables	6.620.781	2.764.093	-	-	3.856.688
Subscribed capital called but not paid	-	-	-	-	-
Receivables	206.644.249	22.533.401	54.177.244	17.819.364	112.114.240
Other assets:					
Office equipment and other tangible assets	41.479.454	41.479.454	-	-	-
Cash at bank and in hand	680.092.459	6.734.080	170.134.573	267.608.391	235.615.415
Own shares	-	-	-	-	-
Other assets	-	-	-	-	-
Other assets	721.571.913	48.213.534	170.134.573	267.608.391	235.615.415
Prepayments and accrued income:					
Accrued interests	-	-	-	-	-
Deferred acquisition costs	-	-	-	-	-
Prepayments and accrued income	-	-	-	-	-
Prepayments and accrued income	-	-	-	-	-
Total assets	8.818.068.830	1.574.287.546	3.085.822.404	326.963.155	3.830.995.725

LIFE INSURANCE COMPANIES:	Life insurers	KB líf hf.	Líftr.fél. Íslands hf.	Líftrygginga- miðstöðin hf.	Sjóvá-Alm. líftryggingar hf.
BALANCE SHEET 31.12.2004					
Liabilities and owners equity:					
Owners equity:					
Subscribed capital	448.852.000	16.500.000	100.000.000	250.000.000	82.352.000
Share premium account	241.543.054	241.388.654	-	-	154.400
Statutory reserve fund	163.896.479	-	139.699.513	3.608.966	20.588.000
Revaluation reserve fund	-	-	-	-	-
Other reserve funds	-	-	-	-	-
Retained earnings	1.584.203.369	267.528.857	888.090.049	32.480.704	396.103.759
Owners equity	2.438.494.902	525.417.511	1.127.789.562	286.089.670	499.198.159
Subordinated liabilities	-	-	-	-	-
Technical reserve:					
Premium reserve	1.166.843.500	238.610.467	472.494.033	13.408.000	442.331.000
Claims reserve	87.689.766	48.638.766	-	-	39.051.000
Life assurance claims reserve	842.323.644	144.257.264	257.261.380	20.520.000	420.285.000
Equalization reserve	11.026.000	1.500.000	-	-	9.526.000
Equalization reserve for bonuses	283.119.953	20.833.000	92.762.080	-	169.524.873
Other technical reserve	-	-	-	-	-
Other life assurance reserve	-	-	-	-	-
Technical reserve	2.391.002.863	453.839.497	822.517.493	33.928.000	1.080.717.873
Life assurance reserve, investment risk borne by policy	3.631.741.758	543.621.475	975.055.292	-	2.113.064.991
Other liabilities:					
Pension liabilities	11.906.400	-	11.906.400	-	-
Tax liabilities	81.542.887	3.740.573	76.891.277	49.572	861.465
Other liabilities	-	-	-	-	-
Other liabilities	93.449.287	3.740.573	88.797.677	49.572	861.465
Deposits received from reinsurers	-	-	-	-	-
Debts:					
<i>Debts payable to affiliated undertakings and participating inter</i>					
Debts payable to affiliated undertakings	-	-	-	-	-
Debts payable to participating interest other than affiliated under	-	-	-	-	-
<i>Debts payable to affiliated undertakings and participating</i>					
Debts due to direct insurance operations	17.676.226	17.676.226	-	-	-
Debts due to reinsurance operations	102.541.829	-	-	-	102.541.829
Convertible debenture loans	-	-	-	-	-
Debts payable to credit institutions	-	-	-	-	-
Other bonds payable	-	-	-	-	-
Other debts	78.729.824	29.992.264	8.446.295	6.895.913	33.395.352
Debts	198.947.879	47.668.490	8.446.295	6.895.913	135.937.181
Accruals and deferred income	64.432.141	-	63.216.085	-	1.216.056
Total liabilities and owners equity	8.818.068.830	1.574.287.546	3.085.822.404	326.963.155	3.830.995.725

NON-LIFE INSURANCE COMPANIES:	Non-life insurers Total	European Risk Insurance Company hf.	Íslandstrygging	Íslensk endurtr. hf.	Sjóvá-Alm. tryggingar hf. (parent company)
PROFIT AND LOSS ACCOUNT 2004					
Technical account - non-life-insurance business:					
Premiums:					
Premiums w ritten	23.854.033.407	7.535.004	865.006.254	50.012	8.574.015.039
Premiums w ritten, reinsurers' share	(3.971.418.293)	(778.638)	(249.097.587)	-	(1.147.431.039)
<i>Premiums written for own account</i>	19.882.615.114	6.756.366	615.908.667	50.012	7.426.584.000
Change in premium reserve	472.462.652	(6.681.264)	(193.162.331)	1.500.000	243.118.320
Change in premium reserve, reinsurers' share	(207.124.213)	718.236	78.057.690	-	(264.683.487)
<i>Change in premium reserve for own account</i>	265.338.439	(5.963.028)	(115.104.641)	1.500.000	(21.565.167)
Premiums earned for own account	20.147.953.553	793.338	500.804.026	1.550.012	7.405.018.833
Investment return on non-life insurance business	4.523.262.965	(1.679.455)	46.542.249	43.210.384	1.658.957.031
Other technical income, net of reinsurance	-	-	-	-	-
Claims:					
Claims paid	(18.005.566.580)	-	(366.491.785)	(122.756.680)	(6.313.031.353)
Claims paid, reinsurers' share	1.860.306.951	-	62.483.717	52.463.546	562.020.915
<i>Claims paid for own account</i>	(16.145.259.629)	-	(304.008.068)	(70.293.134)	(5.751.010.438)
Change in claims reserve	(974.583.286)	(225.430)	(353.436.142)	202.128.000	(766.517.834)
Change in claims reserve, reinsurers' share	(219.495.113)	-	150.129.874	(87.920.000)	(88.610.013)
<i>Change in claims reserve for own account</i>	(1.194.078.399)	(225.430)	(203.306.268)	114.208.000	(855.127.847)
Claims incurred for own account	(17.339.338.028)	(225.430)	(507.314.336)	43.914.866	(6.606.138.285)
Changes in other technical reserve, net of reinsurance	-	-	-	-	-
Bonuses and rebates, net of reinsurance	(258.037.458)	-	-	-	(248.375.045)
Operating expenses:					
Acquisition costs	(2.880.877.568)	(146.565)	(67.288.676)	-	(1.505.817.793)
Change in deferred acquisition costs	-	-	-	-	-
Administrative expenses	(3.291.948.960)	(8.288.154)	(144.193.456)	(23.770.202)	(998.002.912)
Commission and profit share from reinsurers	408.561.024	-	43.729.543	-	137.334.510
Net operating expenses	(5.764.265.504)	(8.434.719)	(167.752.589)	(23.770.202)	(2.366.486.195)
Other technical costs, net of reinsurance	-	-	-	-	-
Change in equalization reserve	34.403.000	-	-	42.150.000	-
Balance on the techn. acc. for non-life insurance business	1.343.978.528	(9.546.266)	(127.720.650)	107.055.060	(157.023.661)
Non-technical account:					
Investment income:					
Income from affiliated undertakings	402.547.749	-	-	-	100.590.331
Income from participating interests other than affiliated undertakings	85.511.100	-	-	-	38.334.673
<i>Income from affiliated undertakings and participating interests</i>	488.058.849	-	-	-	138.925.004
Income from other shares	614.616.588	-	14.249	-	180.628.298
Income from land and buildings	(270.045.484)	-	134.505	3.372.833	(59.130.801)
Interest income and foreign exchange rate difference	4.881.505.321	-	64.734.757	134.178.379	1.626.780.841
<i>Income from miscellaneous assets</i>	5.226.076.425	-	64.883.511	137.551.212	1.748.278.338
Income from revaluation of investments	2.900.150.298	-	138.370	-	2.900.011.928
Gains on realization of investments	6.752.342.812	-	680.586	-	2.088.423.286
Investment income	15.366.628.384	-	65.702.467	137.551.212	6.875.638.556
Investment costs:					
Administrative expenses	(613.986.711)	-	(583.786)	(1.439.301)	(356.429.610)
Interest costs	(225.847.370)	-	(2.287)	(13.727.704)	(108.336.061)
Costs from revaluation of investments	(371.022.625)	-	(2.662.149)	-	(316.117.509)
Losses on realization of investments	-	-	-	-	-
Investment costs	(1.210.856.706)	-	(3.248.222)	(15.167.005)	(780.883.180)
Calculated inflation adjustment, income or costs	-	-	-	-	-
Alloc. investm. income transf. to the non-life ins. techn. acc.	(4.524.942.420)	-	(46.542.249)	(43.210.384)	(1.658.957.031)
Balance on the non-technical account	9.630.829.258	-	15.911.996	79.173.823	4.435.798.345
Other income and costs on ordinary activities:					
Other income	172.080.436	-	1.302.294	-	48.867.341
Other costs	(303.865.645)	-	(6.493.331)	-	-
Other income and costs on ordinary activities	(131.785.209)	-	(5.191.037)	-	48.867.341
Income and property taxes	(1.600.552.865)	1.812.849	21.062.508	(37.006.135)	(737.417.893)
Profit or loss on ordinary activities after tax	9.242.469.712	(7.733.417)	(95.937.183)	149.222.748	3.590.224.132
Irregular income and costs:					
Irregular income	-	-	-	-	-
Irregular costs	(8.500.000)	-	-	-	-
Income tax on irregular income and costs	-	-	-	-	-

NON-LIFE INSURANCE COMPANIES:	Non-life insurers Total	European Risk Insurance Company hf.	Íslandstrygging	Íslensk endurtr. hf.	Sjóvá-Álm. tryggingar hf. (parent company)
Irregular income and costs	(8.500.000)	-	-	-	-
PROFIT OR LOSS OF THE YEAR	9.233.969.712	(7.733.417)	(95.937.183)	149.222.748	3.590.224.132

NON-LIFE INSURANCE COMPANIES:	Non-life insurers Total	European Risk Insurance Company hf.	Íslandstrygging	Íslensk endurtr. hf.	Sjóvá-Álm. tryggingar hf. (parent company)
BALANCE SHEET 31.12.2004					
Assets:					
Subscribed capital unpaid	-	-	-	-	-
Intangible assets	519.062.173	-	-	-	-
Investments:					
Land and buildings	2.229.847.309	-	11.981.114	56.091.784	1.146.464.880
Investments in affiliated undertakings and participating interest:					
Shares in affiliated undertakings	4.240.688.312	-	-	-	870.544.449
Loans to affiliated undertakings	2.803.163	-	-	-	-
Shares in participating interests, other than affiliated undertakings	4.657.816.990	-	-	-	1.096.128.740
Loans to participating interests, other than affiliated undertakings	-	-	-	-	-
<i>Investments in affiliated undertakings and participating interest</i>	<i>8.901.308.465</i>	-	-	-	<i>1.966.673.189</i>
<i>Other investments:</i>					
Variable-yield securities	29.640.719.494	-	44.765.885	496.811.803	7.916.013.250
Fixed-income securities	15.546.830.278	-	79.689.180	465.131.209	4.747.251.931
Participation in investment pools	-	-	-	-	-
Mortgage loans	13.184.882.456	-	99.422.434	30.053.167	5.750.930.364
Other loans	1.450.099.024	-	43.788.200	22.665.629	471.241.697
Bound deposits with credit institutions	3.968.902	-	-	3.968.902	-
Other investments	44.018.281	-	-	-	-
<i>Other investments</i>	<i>59.870.518.435</i>	-	<i>267.665.699</i>	<i>1.018.630.710</i>	<i>18.885.437.242</i>
Deposits due to reinsurance	39.636.732	-	-	759.245	20.349.656
Investments	71.041.310.941	-	279.646.813	1.075.481.739	22.018.924.967
Reinsurers' share in technical reserve:					
Premium reserve	636.038.289	718.236	143.923.058	-	83.213.924
Claims reserve	2.546.133.428	-	162.640.795	99.086.000	955.193.339
Reserve for bonuses and rebates	-	-	-	-	-
Other technical reserve	-	-	-	-	-
Reinsurers' share in technical provisions	3.182.171.717	718.236	306.563.853	99.086.000	1.038.407.263
Receivables:					
<i>Receivables from affiliated undertakings and participating interest:</i>					
Receivables from affiliated undertakings	190.427.173	-	-	-	81.307.271
Receivables from participating interests other than affiliated undertakings	24.760.225	-	-	-	3.428.827
<i>Receivables from affiliated undertakings and participating interest</i>	<i>215.187.398</i>	-	-	-	<i>84.736.098</i>
<i>Receivables from direct insurance operations:</i>					
Receivables from policyholders, general insurance	5.155.051.451	-	292.227.200	-	1.684.881.270
Receivables from intermediaries	7.536.772	7.536.772	-	-	-
Other receivables from direct insurance operations	482.464.231	-	14.784.456	-	182.769.333
<i>Receivables from direct insurance operations</i>	<i>5.645.052.454</i>	<i>7.536.772</i>	<i>307.011.656</i>	-	<i>1.867.650.603</i>
Receivables from reinsurance operations	597.602.842	-	-	2.170.805	149.968
Other receivables	876.910.287	-	51.697.546	49.216.693	157.181.556
Subscribed capital called but not paid	53.033.847	-	53.033.847	-	-
Receivables	7.387.786.828	7.536.772	411.743.049	51.387.498	2.109.718.225
Other assets:					
Office equipment and other tangible assets	336.928.982	-	29.361.911	891.217	82.258.080
Cash at bank and in hand	13.021.726.089	40.994.458	176.644.680	29.081.454	5.446.245.469
Own shares	-	-	-	-	-
Other assets	4.216.000	-	4.216.000	-	-
Other assets	13.362.871.071	40.994.458	210.222.591	29.972.671	5.528.503.549
Prepayments and accrued income:					
Accrued interests	29.847.949	-	-	-	-
Deferred acquisition costs	-	-	-	-	-
Deferred prepayments and accrued income	-	-	-	-	-
Other prepayments and accrued income	71.246.029	1.812.731	-	-	-
Prepayments and accrued income	101.093.978	1.812.731	-	-	-
Total assets	95.594.296.709	51.062.197	1.208.176.307	1.255.927.908	30.695.554.004

NON-LIFE INSURANCE COMPANIES:	Non-life insurers Total	European Risk Insurance Company hf.	Íslandstrygging	Íslensk endurtr. hf.	Sjóvá-Álm. tryggingar hf. (parent company)
BALANCE SHEET 31.12.2004					
Liabilities and owners equity:					
Owners equity:					
Subscribed capital	3.049.779.976	36.000.000	325.000.000	352.495.081	525.000.000
Share premium account	1.325.604.346	-	140.391.137	-	97.412.724
Statutory reserve fund	5.137.689.250	-	-	40.050.198	131.250.000
Revaluation reserve fund	-	-	-	-	-
Other reserve funds	-	-	-	-	-
Retained earnings	23.930.616.374	(8.258.532)	(230.888.686)	209.494.028	7.714.194.329
Owners equity	33.443.689.946	27.741.468	234.502.451	602.039.307	8.467.857.053
Subordinated liabilities	-	-	-	-	-
Technical reserve:					
Premium reserve	8.812.793.097	6.681.264	454.612.695	-	3.422.654.375
Claims reserve	39.869.132.903	225.430	466.403.096	363.632.000	14.770.159.640
Equalization reserve	3.134.589.100	-	-	42.332.000	605.561.000
Reserve for bonuses and rebates	259.506.550	-	-	-	259.506.550
Other technical reserve	-	-	-	-	-
Technical reserve	52.088.121.650	6.906.694	921.015.791	405.964.000	19.057.881.565
Other liabilities:					
Pension liabilities	613.132.625	-	-	148.998.000	415.123.000
Tax liabilities	3.364.736.562	-	-	-	1.694.028.202
Other liabilities	756.389.367	-	-	-	-
Other liabilities	4.734.258.554	-	-	148.998.000	2.109.151.202
Deposits received from reinsurers	-	-	-	-	-
Debts:					
<i>Debts payable to affiliated undertakings and participating inte</i>					
Debts payable to affiliated undertakings	963.141.721	-	-	-	-
Debts payable to participating interest other than affiliated unde	-	-	-	-	-
<i>Debts payable to affiliated undertakings and participating</i>	963.141.721	-	-	-	-
Debts due to direct insurance operations	366.190.070	4.599.035	46.898.865	-	-
Debts due to reinsurance operations	594.982.916	-	-	16.955.015	53.514.845
Convertible debenture loans	11.815.000	11.815.000	-	-	-
Debts payable to credit institutions	1.285.957.311	-	-	-	215.571.309
Other bonds payable	-	-	-	-	-
Other debts	1.029.410.711	-	-	42.948.434	509.194.116
Debts	4.251.497.729	16.414.035	46.898.865	59.903.449	778.280.270
Accruals and deferred income	1.076.728.829	-	5.759.200	39.023.152	282.383.914
Total liabilities and owners equity	95.594.296.708	51.062.197	1.208.176.307	1.255.927.908	30.695.554.004

NON-LIFE INSURANCE COMPANIES:		Trygginga- miðstöðin hf. (parent company)	Vátrygg.fél. Íslands hf. (parent company)	Viðlagatr. Íslands
	Trygging hf.			
PROFIT AND LOSS ACCOUNT 2004				
Technical account - non-life-insurance business:				
Premiums:				
Premiums written	-	5.842.135.978	7.177.569.961	985.509.030
Premiums written, reinsurers' share	-	(976.571.571)	(1.195.429.081)	(223.990.000)
<i>Premiums written for own account</i>	-	4.865.564.407	5.982.140.880	761.519.030
Change in premium reserve	-	65.296.000	451.500.000	(23.635.000)
Change in premium reserve, reinsurers' share	-	8.206.000	(27.800.000)	-
<i>Change in premium reserve for own account</i>	-	73.502.000	423.700.000	(23.635.000)
Premiums earned for own account	-	4.939.066.407	6.405.840.880	737.884.030
Investment return on non-life insurance business	5.370.000	995.268.000	1.653.787.000	109.392.886
Other technical income, net of reinsurance	-	-	-	-
Claims:				
Claims paid	(11.702)	(5.064.051.585)	(5.725.732.348)	(124.631.598)
Claims paid, reinsurers' share	-	481.333.544	555.812.718	-
<i>Claims paid for own account</i>	(11.702)	(4.582.718.041)	(5.169.919.630)	(124.631.598)
Change in claims reserve	(12.500.000)	288.204.000	(219.389.500)	50.630.000
Change in claims reserve, reinsurers' share	-	(262.723.000)	(43.015.000)	-
<i>Change in claims reserve for own account</i>	(12.500.000)	25.481.000	(262.404.500)	50.630.000
Claims incurred for own account	(12.511.702)	(4.557.237.041)	(5.432.324.130)	(74.001.598)
Changes in other technical reserve, net of reinsurance	-	-	-	-
Bonuses and rebates, net of reinsurance	-	-	(9.662.413)	-
Operating expenses:				
Acquisition costs	-	(458.690.728)	(696.897.326)	(73.645.867)
Change in deferred acquisition costs	-	-	-	-
Administrative expenses	-	(738.651.746)	(1.249.069.000)	(17.982.791)
Commission and profit share from reinsurers	-	23.812.922	177.985.569	6.719.700
Net operating expenses	-	(1.173.529.552)	(1.767.980.757)	(84.908.958)
Other technical costs, net of reinsurance	-	-	-	-
Change in equalization reserve	-	-	-	(7.747.000)
Balance on the techn. acc. for non-life insurance business	(7.141.702)	203.567.814	849.660.580	680.619.360
Non-technical account:				
Investment income:				
Income from affiliated undertakings	-	16.480.001	285.477.417	-
Income from participating interests other than affiliated undertakings	-	(40.758.506)	87.934.933	-
<i>Income from affiliated undertakings and participating interests</i>	-	(24.278.505)	373.412.350	-
Income from other shares	-	295.715.042	135.876.053	-
Income from land and buildings	(717.530)	(35.611.305)	(178.371.086)	-
Interest income and foreign exchange rate difference	(17.675.097)	626.084.935	1.563.597.896	846.484.516
<i>Income from miscellaneous assets</i>	(18.392.627)	886.188.672	1.521.102.863	846.484.516
Income from revaluation of investments	-	-	-	-
Gains on realization of investments	-	2.604.544.296	2.058.694.644	-
Investment income	(18.392.627)	3.466.454.463	3.953.209.857	846.484.516
Investment costs:				
Administrative expenses	(2.025.070)	(110.997.548)	(129.200.000)	(8.991.396)
Interest costs	-	(22.709.588)	(21.234.291)	(51.129.697)
Costs from revaluation of investments	-	(37.731.303)	(14.511.664)	-
Losses on realization of investments	-	-	-	-
Investment costs	(2.025.070)	(171.438.439)	(164.945.955)	(60.121.093)
Calculated inflation adjustment, income or costs	-	-	-	-
Alloc. investm. income transf. to the non-life ins. techn. acc.	(5.370.000)	(995.268.000)	(1.653.787.000)	(109.392.886)
Balance on the non-technical account	(25.787.697)	2.299.748.024	2.134.476.902	676.970.537
Other income and costs on ordinary activities:				
Other income	27.124.277	72.000.000	22.786.524	-
Other costs	-	(227.056.453)	(44.846.575)	-
Other income and costs on ordinary activities	27.124.277	(155.056.453)	(22.060.051)	-
Income and property taxes	1.044.921	(368.336.288)	(437.244.852)	(85.414.087)
Profit or loss on ordinary activities after tax	(4.760.201)	1.979.923.097	2.524.832.579	1.272.175.810
Irregular income and costs:				
Irregular income	-	-	-	-
Irregular costs	-	-	-	(8.500.000)
Income tax on irregular income and costs	-	-	-	-

NON-LIFE INSURANCE COMPANIES:				
	Trygging hf.	Trygginga- miðstöðin hf. (parent company)	Vátrygg.fél. Íslands hf. (parent company)	Viðlagatr. Íslands
Irregular income and costs	-	-	-	(8.500.000)
PROFIT OR LOSS OF THE YEAR	(4.760.201)	1.979.923.097	2.524.832.579	1.263.675.810

NON-LIFE INSURANCE COMPANIES:		Trygginga- miðstöðin hf. (parent company)	Vátrygg.fél. Íslands hf. (parent company)	Viðlagatr. Íslands
BALANCE SHEET 31.12.2004	Trygging hf.			
Assets:				
Subscribed capital unpaid	-	-	-	-
Intangible assets	-	444.533.501	-	-
Investments:				
Land and buildings	32.738.049	400.659.983	511.184.978	-
Investments in affiliated undertakings and participating interest:				
Shares in affiliated undertakings	-	509.497.810	2.860.646.053	-
Loans to affiliated undertakings	-	-	2.803.163	-
Shares in participating interests, other than affiliated undertakings	-	2.605.446.440	956.241.810	-
Loans to participating interests, other than affiliated undertakings	-	-	-	-
<i>Investments in affiliated undertakings and participating interests</i>	-	<i>3.114.944.250</i>	<i>3.819.691.026</i>	-
<i>Other investments:</i>				
Variable-yield securities	57.475.385	5.618.311.376	11.854.469.668	3.650.242.265
Fixed-income securities	-	634.284.638	5.069.257.812	4.423.862.845
Participation in investment pools	-	-	-	-
Mortgage loans	-	2.403.036.505	4.728.622.840	-
Other loans	-	780.428.394	129.288.202	-
Bound deposits with credit institutions	-	-	-	-
Other investments	35.685.121	-	-	-
<i>Other investments</i>	<i>93.160.506</i>	<i>9.436.060.913</i>	<i>21.781.638.522</i>	<i>8.074.105.110</i>
Deposits due to reinsurance	-	18.527.831	-	-
Investments	125.898.555	12.970.192.977	26.112.514.526	8.074.105.110
Reinsurers' share in technical reserve:				
Premium reserve	-	19.689.000	329.200.000	-
Claims reserve	-	386.746.000	644.410.000	-
Reserve for bonuses and rebates	-	-	-	-
Other technical reserve	-	-	-	-
Reinsurers' share in technical provisions	-	406.435.000	973.610.000	-
Receivables:				
<i>Receivables from affiliated undertakings and participating interests</i>				
Receivables from affiliated undertakings	8.161.890	-	100.958.012	-
Receivables from participating interests other than affiliated undertakings	-	-	21.331.398	-
<i>Receivables from affiliated undertakings and participating interests</i>	<i>8.161.890</i>	<i>-</i>	<i>122.289.410</i>	<i>-</i>
<i>Receivables from direct insurance operations:</i>				
Receivables from policyholders, general insurance	-	1.112.263.543	1.944.764.276	-
Receivables from intermediaries	-	-	-	-
Other receivables from direct insurance operations	-	6.998.542	41.532.679	230.211.505
<i>Receivables from direct insurance operations</i>	<i>-</i>	<i>1.119.262.085</i>	<i>1.986.296.955</i>	<i>230.211.505</i>
Receivables from reinsurance operations	677.494	90.048.361	504.556.214	-
Other receivables	89.054	600.790.000	6.407.472	-
Subscribed capital called but not paid	-	-	-	-
Receivables	8.928.438	1.810.100.446	2.619.550.051	230.211.505
Other assets:				
Office equipment and other tangible assets	562.663	92.549.312	118.135.322	-
Cash at bank and in hand	171.751.362	4.412.649.964	756.567.337	1.980.377.599
Own shares	-	-	-	-
Other assets	-	-	-	-
Other assets	172.314.025	4.505.199.276	874.702.659	1.980.377.599
Prepayments and accrued income:				
Accrued interests	-	-	29.847.949	-
Deferred acquisition costs	-	-	-	-
Deferred prepayments and accrued income	-	-	-	-
Other prepayments and accrued income	-	-	69.433.298	-
Prepayments and accrued income	-	-	99.281.247	-
Total assets	307.141.018	20.136.461.200	30.679.658.483	10.284.694.214

NON-LIFE INSURANCE COMPANIES:			Vátrygg.fél. Íslands hf. (parent company)	Viðlagatr. Íslands
BALANCE SHEET 31.12.2004	Trygging hf.	Trygginga- miðstöðin hf. (parent company)		
Liabilities and owners equity:				
Owners equity:				
Subscribed capital	203.599.696	932.396.168	545.286.895	-
Share premium account	-	867.802.621	-	-
Statutory reserve fund	19.808.444	58.300.000	618.145.357	4.270.135.251
Revaluation reserve fund	-	-	-	-
Other reserve funds	-	-	-	-
Retained earnings	-	5.133.183.704	6.777.023.354	4.531.208.487
Owners equity	223.408.140	6.991.682.493	7.940.455.606	8.801.343.738
Subordinated liabilities	-	-	-	-
Technical reserve:				
Premium reserve	-	1.317.601.000	3.111.500.000	348.420.000
Claims reserve	65.000.000	9.020.485.000	14.537.612.569	126.360.000
Equalization reserve	-	908.000.000	684.000.000	886.958.000
Reserve for bonuses and rebates	-	-	-	-
Other technical reserve	-	-	-	-
Technical reserve	65.000.000	11.246.086.000	18.345.212.569	1.361.738.000
Other liabilities:				
Pension liabilities	-	-	49.011.625	-
Tax liabilities	7.334.422	717.303.332	888.620.817	57.449.789
Other liabilities	-	756.389.367	-	-
Other liabilities	7.334.422	1.473.692.699	937.632.442	57.449.789
Deposits received from reinsurers	-	-	-	-
Debts:				
<i>Debts payable to affiliated undertakings and participating inte</i>				
Debts payable to affiliated undertakings	-	18.338.516	944.803.205	-
Debts payable to participating interest other than affiliated unde	-	-	-	-
<i>Debts payable to affiliated undertakings and participating</i>	-	18.338.516	944.803.205	-
Debts due to direct insurance operations	-	88.490.255	167.738.929	9.161.199
Debts due to reinsurance operations	11.398.456	75.076.380	438.038.220	-
Convertible debenture loans	-	-	-	-
Debts payable to credit institutions	-	-	996.541.946	-
Other bonds payable	-	-	-	-
Other debts	-	104.255.805	373.012.356	-
Debts	11.398.456	286.160.956	2.920.134.656	9.161.199
Accruals and deferred income	-	138.839.052	536.223.210	55.001.487
Total liabilities and owners equity	307.141.018	20.136.461.200	30.679.658.483	10.284.694.213

NON-LIFE INSURANCE COMPANIES:	Vörður Vátr.félag hf.
PROFIT AND LOSS ACCOUNT 2004	
Technical account - non-life-insurance business:	
Premiums:	
Premiums written	402.212.129
Premiums written, reinsurers' share	(178.120.377)
<i>Premiums written for own account</i>	224.091.752
Change in premium reserve	(65.473.073)
Change in premium reserve, reinsurers' share	(1.622.652)
<i>Change in premium reserve for own account</i>	(67.095.725)
Premiums earned for own account	156.996.027
Investment return on non-life insurance business	12.414.870
Other technical income, net of reinsurance	-
Claims:	
Claims paid	(288.859.529)
Claims paid, reinsurers' share	146.192.511
<i>Claims paid for own account</i>	(142.667.018)
Change in claims reserve	(163.476.380)
Change in claims reserve, reinsurers' share	112.643.026
<i>Change in claims reserve for own account</i>	(50.833.354)
Claims incurred for own account	(193.500.372)
Changes in other technical reserve, net of reinsurance	-
Bonuses and rebates, net of reinsurance	-
Operating expenses:	
Acquisition costs	(78.390.613)
Change in deferred acquisition costs	-
Administrative expenses	(111.990.699)
Commission and profit share from reinsurers	18.978.780
Net operating expenses	(171.402.532)
Other technical costs, net of reinsurance	-
Change in equalization reserve	-
Balance on the techn. acc. for non-life insurance business	(195.492.007)
Non-technical account:	
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	2.382.946
Income from land and buildings	277.900
Interest income and foreign exchange rate difference	37.319.094
<i>Income from miscellaneous assets</i>	39.979.940
Income from revaluation of investments	-
Gains on realization of investments	-
Investment income	39.979.940
Investment costs:	
Administrative expenses	(4.320.000)
Interest costs	(8.707.742)
Costs from revaluation of investments	-
Losses on realization of investments	-
Investment costs	(13.027.742)
Calculated inflation adjustment, income or costs	-
Alloc. investm. income transf. to the non-life ins. techn. acc.	(12.414.870)
Balance on the non-technical account	14.537.328
Other income and costs on ordinary activities:	
Other income	-
Other costs	(25.469.286)
Other income and costs on ordinary activities	(25.469.286)
Income and property taxes	40.946.112
Profit or loss on ordinary activities after tax	(165.477.853)
Irregular income and costs:	
Irregular income	-
Irregular costs	-
Income tax on irregular income and costs	-

NON-LIFE INSURANCE COMPANIES:	Vörður Vátr.félag hf.
Irregular income and costs	-
PROFIT OR LOSS OF THE YEAR	(165.477.853)

NON-LIFE INSURANCE COMPANIES:	Vörður Vátr.félag hf.
BALANCE SHEET 31.12.2004	
Assets:	
Subscribed capital unpaid	-
Intangible assets	74.528.672
Investments:	
Land and buildings	70.726.521
Investments in affiliated undertakings and participating interest:	
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 interest</i>	-
<i>Other investments:</i>	
Variable-yield securities	2.629.862
Fixed-income securities	127.352.663
Participation in investment pools	-
Mortgage loans	172.817.146
Other loans	2.686.902
Bound deposits with credit institutions	-
Other investments	8.333.160
<i>Other investments</i>	313.819.733
Deposits due to reinsurance	-
Investments	384.546.254
Reinsurers' share in technical reserve:	
Premium reserve	59.294.071
Claims reserve	298.057.294
Reserve for bonuses and rebates	-
Other technical reserve	-
Reinsurers' share in technical provisions	357.351.365
Receivables:	
<i>Receivables from affiliated undertakings and participating interest</i>	
Receivables from affiliated undertakings	-
Receivables from participating interests other than affiliated undertakings	-
<i>Receivables from affiliated undertakings and participating interest</i>	-
<i>Receivables from direct insurance operations:</i>	
Receivables from policyholders, general insurance	120.915.162
Receivables from intermediaries	-
Other receivables from direct insurance operations	6.167.716
<i>Receivables from direct insurance operations</i>	127.082.878
Receivables from reinsurance operations	-
Other receivables	11.527.966
Subscribed capital called but not paid	-
Receivables	138.610.844
Other assets:	
Office equipment and other tangible assets	13.170.477
Cash at bank and in hand	7.413.766
Own shares	-
Other assets	-
Other assets	20.584.243
Prepayments and accrued income:	
Accrued interests	-
Deferred acquisition costs	-
Deferred prepayments and accrued income	-
Other prepayments and accrued income	-
Prepayments and accrued income	-
Total assets	975.621.378

NON-LIFE INSURANCE COMPANIES:	Vörður Vátr.félag hf.
BALANCE SHEET 31.12.2004	
Liabilities and owners equity:	
Owners equity:	
Subscribed capital	130.002.136
Share premium account	219.997.864
Statutory reserve fund	-
Revaluation reserve fund	-
Other reserve funds	-
Retained earnings	(195.340.310)
Owners equity	154.659.690
Subordinated liabilities	-
Technical reserve:	
Premium reserve	151.323.763
Claims reserve	519.255.168
Equalization reserve	7.738.100
Reserve for bonuses and rebates	-
Other technical reserve	-
Technical reserve	678.317.031
Other liabilities:	
Pension liabilities	-
Tax liabilities	-
Other liabilities	-
Other liabilities	-
Deposits received from reinsurers	-
Debts:	
<i>Debts payable to affiliated undertakings and participating inter</i>	
Debts payable to affiliated undertakings	-
Debts payable to participating interest other than affiliated unde	-
<i>Debts payable to affiliated undertakings and participating</i>	-
Debts due to direct insurance operations	49.301.787
Debts due to reinsurance operations	-
Convertible debenture loans	-
Debts payable to credit institutions	73.844.056
Other bonds payable	-
Other debts	-
Debts	123.145.843
Accruals and deferred income	19.498.814
Total liabilities and owners equity	975.621.378