

**OMX the Nordic Exchange Reykjavík
OMX Copenhagen Stock Exchange**

Tórshavn 28 December 2007

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Swift: EIKB FO TF

Stock Exchange Announcement 28/2007

Eik Banki P/F acquires Kaupthing Bank's operation in the Faroe Islands

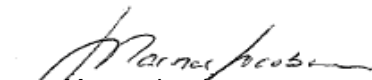
Eik Banki P/F has entered into an agreement with Kaupthing Bank hf in Iceland regarding the acquisition of Kaupthing Bank's operation in the Faroe Islands. The parties have agreed not to publish the purchase price.

Eik Banki P/F acquires all of Kaupthing Bank's activities in the Faroe Islands, this entails an approximately 15 percent increase in loans and an approximately 7 percent increase in Eik Banki's deposits. Furthermore, Eik Bank's market position regarding Investment Banking and Asset Management will be considerably enhanced.

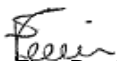
The acquisition will be effective on 31 December 2007, and will therefore not affect the expected outcome for 2007. The deposits and loans will, however, be included in Eik Banki's balance ultimo 2007. The Group balance was DKK 19.9 billion by third quarter 2007 and will increase by DKK 1.2 billion after the purchase of Kaupthing Bank's operation in the Faroe Islands.

For further details, please see the attached press release.

Sincerely



Marner Jacobsen
Chief Managing Director



Finn Danberg
CFO and Head of IR

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