

August 29th 2012

Press Release from Eimskipafélag Íslands hf.

- **EBITDA for the first half of the year was EUR 19.0 million**
 - **Net earnings after taxes was EUR 8.0 million**
 - **Listing on NASDAQ OMX Iceland expected to take place in Q4 2012**
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Increase in operating revenue and earnings

Eimskip's operating revenue for the first half of the year 2012 was EUR 198.1 million compared to EUR 186.5 million for the first half of 2011. Taking into account a one off item in the year 2011 in the amount of EUR 6.4 million, operating revenue increased by 10.0% from previous year.

EBITDA for the first half of 2012 was EUR 19.0 million compared to EUR 17.9 million for the same period of 2011 taking into account one off items.

It should be noted that in the first half of 2011, one off items affected both the operating revenue and earnings as the Company collected a claim that was previously fully written off, in the amount of EUR 6.4 million. Additionally the stranding of Godafoss had a negative effect in the amount of EUR 0.7 million.

In the year 2012 the Company is operating two vessels on the America route compared to one vessel in 2011. The additional vessel is beginning to build volume, but has not yet reached full utilization, which affects the comparison of EBITDA between years.

The profit after taxes for the first six months of 2012 was EUR 8.0 million.

Strong balance sheet

Eimskip's total assets as at 30 June 2012 amounted to EUR 299.8 million, interest bearing debts were EUR 61.9 million and the equity ratio was 61.6%. Cash and cash equivalents as at 30 June 2012 amounted to EUR 27.2 million and had decreased by EUR 16.3 million from year end 2011 mainly due to investment in vessels.

Gylfi Sigfússon, CEO:

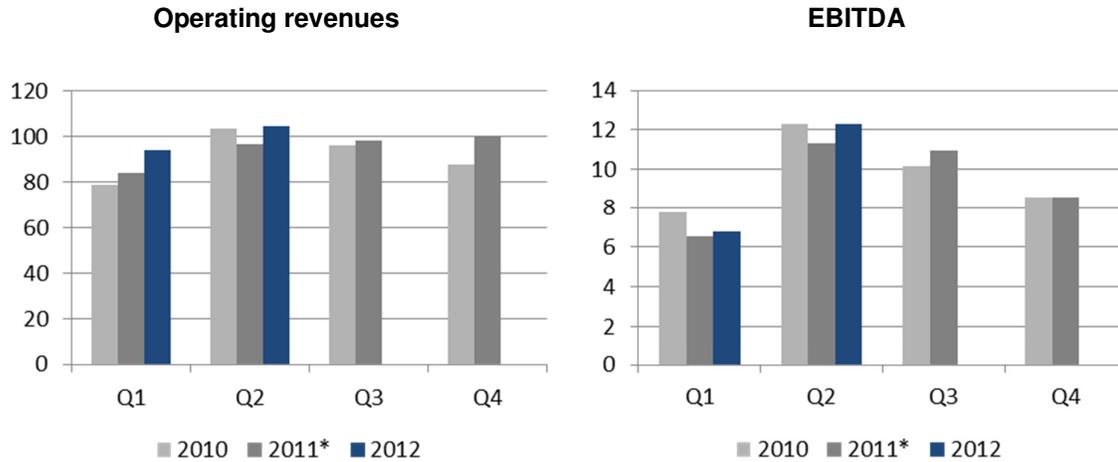
"Eimskip's operating performance during the first six months of the year exceeded the Company's expectations.

The new sailing route between Northern Norway and North-America has been well-received by the market and is beginning to build volume. The Company's total liner transport volume during the first six months of 2012 increased by 7.4% compared to the same period last year. Transported volume of Eimskip's international reefer forwarding services was stable between the years for the first six months while the Company has at the same time increased its international dry forwarding volume considerably between years.

Eimskip expects to receive the two new container vessels being built in China in the first half of 2013. The new vessels will strengthen the reliability and service of Eimskip's sailing system as well as create new jobs.

Eimskip is preparing for its potential listing on NASDAQ OMX Iceland which is expected to take place before the end of the year. The growth in the Company's operations and strong earnings in the past few years support the Company's listing plans."

Key figures (EUR million)



*2011 operating revenue and EBITDA are corrected for one off items: EUR 6.4 million one off revenue item in Q1 due to collection of a claim which had been written off and one off cost item in the amount of EUR 0.7 million on Q2 due to the stranding of Godafoss.

About Eimskip

Eimskip runs a network of 49 operational bases in 17 countries and operates 17 vessels. Total number of employees is around 1,300, whereof around 750 are located in Iceland. About half of Eimskip's operating revenue comes from operations outside Iceland. The company's vision is to provide outstanding transportation services through a dependable transport system in the North-Atlantic, as well as offering extensive worldwide network of reefer logistics services.

Eimskip's financial statements are accessible on the company's website, www.eimskip.is.