

Press release

Date: 10 July 2009

Contacts: PricewaterhouseCoopers Luxembourg S.à r.l., represented by
Mrs Emmanuelle Caruel-Henniaux

Me Franz Fayot, attorney at law

The Administrators and the Management of Kaupthing Bank Luxembourg S.A. are extremely pleased to announce the final implementation of the restructuring plan of the Bank and the lifting of the suspension of payments.

Further to the vote of the interbank creditors in favor of the updated restructuring plan on 5 June 2009 and according to the terms of the judgment rendered by the Luxembourg District Court, sitting in commercial matters, on 22 June 2009, the Bank's court appointed administrators (PricewaterhouseCoopers S.à r.l. represented by Mrs Emmanuelle Caruel-Henniaux, Partner, and Me Franz Fayot, attorney at law) (hereafter "the Administrators") have duly verified that all the conditions precedent have been met in order to successfully finalize the implementation of the restructuring plan.

As a consequence, the demerger of Kaupthing Bank Luxembourg S.A. into a new Luxembourg bank named "Banque Havilland S.A." and a new Luxembourg securitization vehicle named "Pillar Securitisation S.à r.l." has occurred this Friday. Kaupthing Bank Luxembourg S.A. is now liquidated without dissolution and has been withdrawn from the official list of the banks authorized to operate in Luxembourg.

After the demerger, the Administrators, in their role of escrow agent of the funding received from the Luxembourg State and the Luxembourg Deposit Guarantee Scheme ("AGDL"), have undertaken today all the steps necessary for the repayments of the depositors of the Belgian and Swiss branches and of the Swiss Deposit Guarantee Scheme.

Depositors of the Belgian branch

The Belgian regulator (CBFA) has today authorized the transfer of all accounts of the Belgian branch depositors to Landbouwkrediet NV/Crédit Agricole SA and Keytrade Bank NV/SA.

The necessary funds to reimburse the depositors of the Belgian branch were sent today to Keytrade Bank NV/SA and Landbouwkrediet NV/Crédit Agricole SA.

As soon as the CBFA decision will be published in the Belgian official gazette, which is expected to occur on 14 July 2009, depositors of the Belgian branch will have to contact Keytrade Bank SA/NV (for holders of a former Kaupthing Edge account) or Crédit Agricole Belgique (for Private Banking clients or clients being both Private Banking and « Edge » clients) to get access to their deposits.

For further information please consult Credit Agricole or Keytrade Bank websites: www.creditagricole.be or www.keytradebank.com

Depositors and other creditors of the Swiss branch and Swiss Deposit Guarantee Scheme

The Administrators have transferred the funds necessary for the reimbursement of all deposit holders of Kaupthing Bank Luxembourg S.A., Geneva Branch, (the “Swiss Branch”) as well as the Swiss Deposit Guarantee Scheme today to the Swiss FINMA appointed Liquidators, Me Lionel Aeschlimann and Me Vincent Jeanneret, from the law firm Schellenberg Wittmer.

Depositors of the Swiss Branch, that were not fully repaid after the reimbursement of up to CHF 30'000 by the Deposit Protection of Swiss Banks of Securities Dealers, and other creditors whose claims against the Swiss branch has been admitted by the Swiss FINMA appointed Liquidators are expected to be fully repaid as from 17 August 2009 in accordance with applicable Swiss regulations.

For further information, please contact the Swiss FINMA appointed Liquidators at the following e-mail address: kaupthing.liquidators@swlegal.ch

Depositors of the Luxembourg head-office

Depositors of the Luxembourg head-office will have access to their funds as from Monday 13 July 2009 with Banque Havilland S.A.

For further information, please contact Banque Havilland S.A. at the following number +352 46 31 31 -1