

PRESS RELEASE

■ SUSPENSION OF PAYMENTS: KAUPTHING BANK LUXEMBOURG S.A.

The Commission de Surveillance du Secteur Financier informs the public that, in accordance with article 60-2 of the law of 5 April 1993 on the financial sector, as amended, the credit institution Kaupthing Bank Luxembourg S.A. has lodged an application for suspension of payments.

Kaupthing Bank Luxembourg S.A. is a credit institution within the meaning of article 1 of the law of 5 April 1993 on the financial sector, as amended, and offers the whole range of banking services as defined in annexe I of this law.

Kaupthing Bank Luxembourg S.A. is a subsidiary of the listed Icelandic company Kaupthing Bank hf..

The CSSF acts as administrator and supervises the management of the institution until nomination of an administrator by the *Tribunal d'arrondissement de Luxembourg* [District Court], sitting in commercial matters. This nomination shall, in principle, be made as soon as today.

Luxembourg, 9 October 2008

