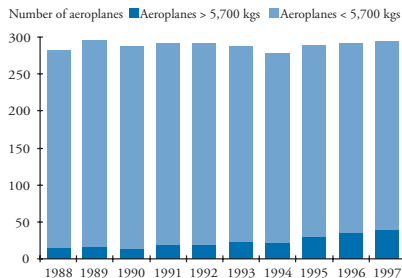


AVIATION FACT FILE

Air transport • Aircraft fleet • Personnel Licences • Air Traffic

AIRCRAFT FLEET

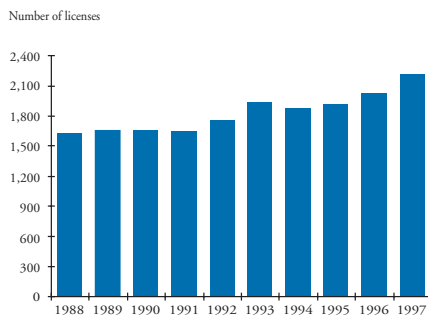


There were 332 aircraft registered in Iceland at the end of the year 1997, as compared to 330 the preceding year. The increase is 1%. The total number of registered aircraft has never been higher in the last ten years.

The number of heavy aircraft (> 5,700 kgs) increased by six while light aircraft (5,700 kgs) decreased by four. Gliders and helicopters are unchanged.

Over the past ten years the number of Icelandic aircraft has increased by an average of 1% annually. The same applies to the past five years.

PERSONNEL LICENCES

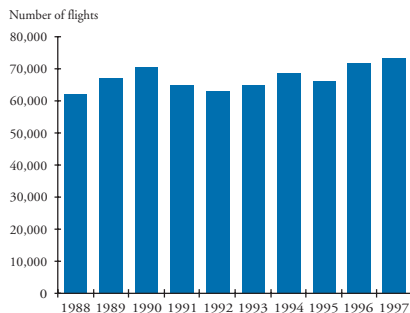


There were 2,210 valid personnel licenses at the year end 1997, an increase of 9% from the preceding year. The main groups of licenses include: 575 private pilots, 540 commercial pilots, 246 aircraft maintenance technicians, 164 student pilots, 116 flight instructors, 89 air traffic controllers, 44 flight engineers, 40 glider pilots and 29 flight dispatchers. Valid IFR ratings by year end 1997 were 251.

From 1996 to 1997 the number of licenses went up in varying proportions in the following categories: 56% student pilots, 45% flight dispatchers, 15% flight instructors, 8% commercial pilots and 6% private pilots. Pilots with IFR ratings increased by 31%. On the other hand, the number of licenses in the following categories dropped: 19% flight engineers, 9% glider pilots, 5% aircraft maintenance technicians and air traffic controllers by 5%.

Over the past ten years the number of valid personnel licenses has increased by an average of 3% annually. The average annual increase over the past five years is 4%.

REYKJAVÍK OCEANIC AIR TRAFFIC

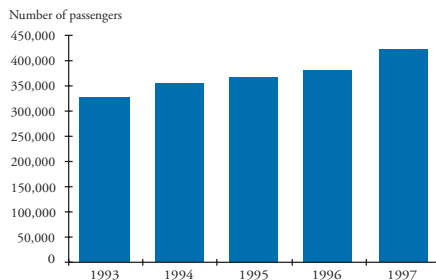
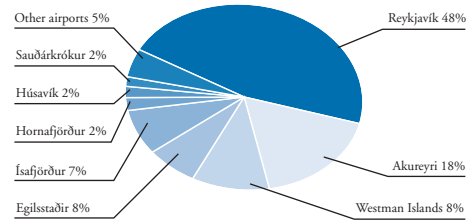


In all, 73,555 aircraft entered the Reykjavik Oceanic Control Area in 1997, up 2% from the previous year.

In 1997 commercial flights comprise 83% of the total air traffic, military flights 9% and general aviation account for 8%.

Over the past ten years oceanic air traffic in the area has increased by an average of 1% annually. The average annual change over the past five years is an increase of 3%.

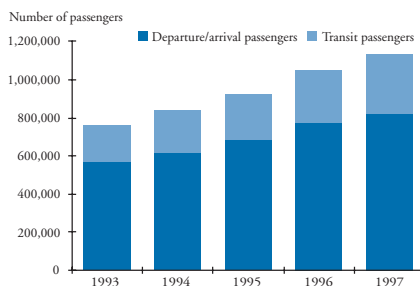
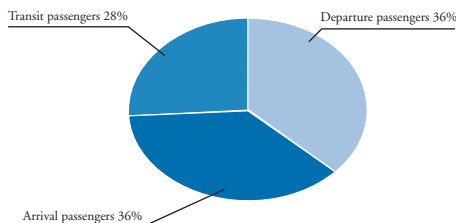
DOMESTIC PASSENGERS



In all, 415,517 domestic passengers embarked at Icelandic airports offering scheduled services in 1997, an increase of 9% from the preceding year.

Over the past ten years the total number of domestic passengers embarking at Icelandic airports with scheduled services increased by an average of 3% annually. The average annual increase over the past five years is 6%.

INTERNATIONAL PASSENGERS

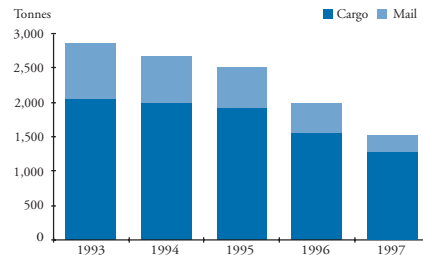


A total of 1,118,342 international passengers used Icelandic airports with scheduled services in 1997, an increase of 7% from the preceding year.

From 1996 to 1997 the number of international passengers went up by 38% at Egilsstaðir, 7% in Keflavik and 5% in Reykjavik. On the other hand international passengers dropped by 19% at Akureyri.

Over the past five years the volume of international passengers at Icelandic airports has increased by an average of 11% annually.

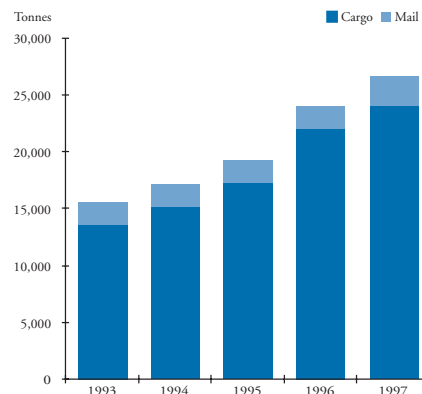
DOMESTIC MAIL AND CARGO



A total of 1,511 tonnes of mail and cargo were transported domestically in 1997, a drop of 24% from the preceding year. Cargo transport declined by 18% and mail by 45%.

Over the past ten years total domestic cargo and mail have dropped by an average of 10% annually. The average annual decrease over the past five years is 13%.

INTERNATIONAL MAIL AND CARGO

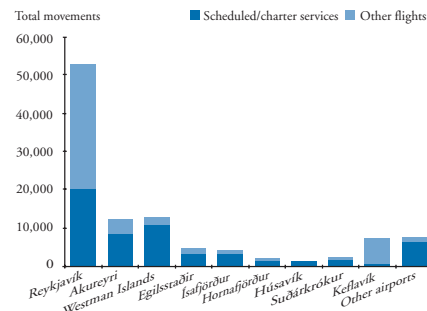


International cargo and mail increased by 11% in 1997, amounting to a total of 26,651 tonnes. Cargo increased by 12% and mail by 4%.

In 1997 international cargo and mail transported through Reykjavik increased by 37% and at Keflavik by 10%.

Over the past five years international cargo and mail transported through Icelandic airports has increased by an average of 16% annually.

AIRCRAFT MOVEMENTS



Total aircraft movements at Icelandic airports with scheduled services in 1997 were 194,641, an increase of 8% over the preceding year. Domestic movements were 170,971 and international movements 23,670.

Domestic transport movements (take-off and landings) increased in the area of scheduled and charter services by 1%, to a total of 56,635. Touch-and-go movements numbered 65,522, a increase of 17% and other domestic movements at were 48,814 giving an increase of 8%.



AVIATION FACT FILE

Air transport • Aircraft fleet • Personnel Licences • Air Traffic

Aircraft on Icelandic register 1988 - 1997

Year	Aeropl. > 5,700 kgs	Aeropl. < 5,700 kgs	Gliders	Helicopters	Total	Change f.prec. year
1988	16	267	25	3	311	12.3%
1989	16	279	24	4	323	3.9%
1990	14	273	25	3	315	-2.5%
1991	18	273	24	5	320	1.6%
1992	19	271	24	5	319	-0.3%
1993	24	264	26	5	319	0.0%
1994	22	257	29	5	313	-1.9%
1995	30	259	29	6	324	3.5%
1996	35	259	31	5	330	1.9%
1997	41	255	31	5	332	0.6%

Valid personnel licences 1988 - 1997

Year	Issued	Renewal	Number of licences	Change from prec. year
1988	271	316	1,630	9.1%
1989	311	360	1,649	1.2%
1990	267	337	1,659	0.6%
1991	232	423	1,642	-1.0%
1992	230	532	1,753	6.8%
1993	256	155	1,920	9.5%
1994	260	148	1,865	-2.9%
1995	267	309	1,910	2.4%
1996	391	448	2,031	6.3%
1997	486	525	2,210	8.8%

Valid personnel licences 31/12 1997

Licence type	Issued	Renewal	Number	Change 97/96	Part
Commercial pilots / aeroplane	44	38	272	19.3%	12.3%
Commercial pilots / helicopter	0	4	10	-16.7%	0.5%
Airline transport pilots / aeroplane	10	88	250	-2.7%	11.2%
Airline transport pilots / helicopter	1	1	8	60.0%	0.4%
Instrument ratings	44	50	251	30.7%	11.4%
Private pilots / aeroplane	95	96	572	5.7%	25.9%
Private pilots / helicopter	0	0	3	0.0%	0.1%
Flight instructors	26	21	116	14.9%	5.2%
Student pilots	159	5	164	56.2%	7.4%
Air traffic controllers	2	37	89	-5.3%	4.0%
Flight dispatchers	3	6	29	45.0%	1.3%
Flight engineers	8	22	44	-18.5%	2.0%
Aircraft maintenance technicians	13	83	246	-4.7%	11.1%
Validation of licences	80	72	116	-0.9%	5.2%
Glider pilots	1	2	40	-9.1%	1.8%
Total	486	525	2,210	8.8%	100.0%

Traffic in the Icelandic oceanic area 1988 - 1997

Year	To/from Iceland	Overflights	Number of flights	Change from prec. year
1988	-	-	62,174	17.1%
1989	-	-	66,929	7.6%
1990	-	-	70,589	5.5%
1991	-	-	64,660	-8.4%
1992	-	-	63,102	-2.4%
1993	18,142	46,813	64,955	2.9%
1994	18,706	49,973	68,679	5.7%
1995	20,940	45,352	66,292	-3.5%
1996	22,382	49,249	71,631	8.1%
1997	23,576	49,779	73,355	2.4%

Traffic in the Icelandic oceanic area by category 1993 - 1997

Year	Civil flights	General aviation	Military flights	Total	Part of military flights
1993	-	57,769*)	7,186	64,955	11%
1994	57,160	5,086	6,433	68,679	9%
1995	54,338	5,130	6,824	66,292	10%
1996	58,824	5,191	7,616	71,631	11%
1997	61,343	5,671	6,341	73,355	9%

*) Civil flights and general aviation.

Domestic passengers in Icelandic airports with scheduled services 1997*)

Airport	Number of passengers	Change 97/96	Part
Reykjavik	393,541	12.0%	47.4%
Akureyri	152,231	10.4%	18.3%
Westman Islands	70,080	-11.7%	8.4%
Egilsstaðir	66,021	22.0%	7.9%
Ísafjörður	60,480	2.8%	7.3%
Hornafjörður	18,501	4.8%	2.2%
Húsavík	16,373	13.5%	2.0%
Sauðárkrökur	14,964	28.9%	1.8%
Other airports	38,842	-0.1%	4.7%
Total	831,033	8.7%	100.0%

*) Each passenger is counted twice, i.e. both departing and arriving, but 17,324 transit passengers are excluded.

International passengers in Icelandic airports with scheduled services 1997

Airport	Dep./arr. passengers	Transit passengers	Total	Change 97/96	Part
Keflavík	774,887	317,065	1,091,952	6.8%	97.6%
Reykjavik	21,812	0	21,812	4.8%	2.0%
Akureyri	3,878	0	3,878	-18.5%	0.3%
Egilsstaðir	263	437	700	38.1%	0.1%
Total	800,840	317,502	1,118,342	6.6%	100.0%

Domestic cargo and mail in Icelandic airports with scheduled services 1997**)

Airport	Cargo / Tonnes	Mail / Tonnes	Total / Tonnes	Change 97/96	Part
Reykjavik	1,074.6	143.8	1,218.4	-22.3%	40.3%
Akureyri	440.8	111.9	552.8	-25.1%	18.3%
Egilsstaðir	226.5	2.1	228.4	-17.3%	7.6%
Ísafjörður	176.1	12.4	188.5	-44.2%	6.2%
Westman Islands	123.6	28.6	152.2	-16.0%	5.0%
Sauðárkrökur	103.5	0.0	103.5	-31.7%	3.4%
Hornafjörður	65.6	2.1	67.7	-34.4%	2.2%
Húsavík	38.9	0.0	38.9	-0.7%	1.3%
Other airports	286.4	185.9	472.3	-21.2%	15.6%
Total	2,536.0	486.8	3,022.8	-24.3%	100.0%

**) Cargo and mail is counted twice, i.e. both departing and arriving.

International cargo and mail in Icelandic airports with scheduled services 1997

Airport	Cargo / Tonnes	Mail / Tonnes	Total / Tonnes	Change 97/96	Part
Keflavík	23,569.7	2,041.8	25,611.4	10.0%	96.1%
Reykjavik	958.4	81.6	1,040.0	37.1%	3.9%
Total	24,528.0	2,123.4	26,651.4	10.8%	100.0%

Domestic a/c movements on Icelandic airports with scheduled services 1997

Airport	Scheduled/charter services	Other flights	Touch-and-go land.	Total	Change 97/96	Part
Reykjavik	19,888	32,744	37,162	89,794	11.3%	52.5%
Akureyri	8,251	3,984	2,182	14,417	8.5%	8.4%
Westman Islands	10,858	1,796	182	12,836	-13.5%	7.5%
Egilsstaðir	3,327	1,086	624	5,037	10.4%	2.9%
Ísafjörður	3,182	568	0	3,750	-6.8%	2.2%
Hornafjörður	1,414	464	18	1,896	-1.1%	1.1%
Húsavík	1,264	146	123	1,533	0.1%	0.9%
Sauðárkrökur	1,919	224	12	2,155	36.8%	1.3%
Keflavík	288	6,599	24,924	31,811	26.3%	18.6%
Other airports	6,244	1,203	295	7,742	-18.3%	4.5%
Total	56,635	48,814	65,522	170,971	8.9%	100.0%

International a/c movements on Icelandic airports with scheduled services 1997

Airport	Scheduled/charter services	Other flights	Total	Change 97/96	Part
Keflavík	12,695	6,787	19,482	4.6%	82.3%
Reykjavik	1,442	2,380	3,822	6.9%	16.1%
Akureyri	313	0	313	-7.9%	1.3%
Egilsstaðir	31	22	53	29.3%	0.2%
Total	14,481	9,189	23,670	4.8%	100.0%