



2008

INTERIM REPORT 1/1 – 30/9/2008

- The dividend-adjusted net asset value decreased by 6.6% during the period (+9.4%).
- The profit amounted to MEUR -10.4 (+14.9).
- The net asset value per share was EUR 9.56 (EUR 11.09)
- EUR 0.50 per share was distributed as dividend in March 2008 (EUR 0.60).

NORVESTIA
N O R V E S T I A P L C

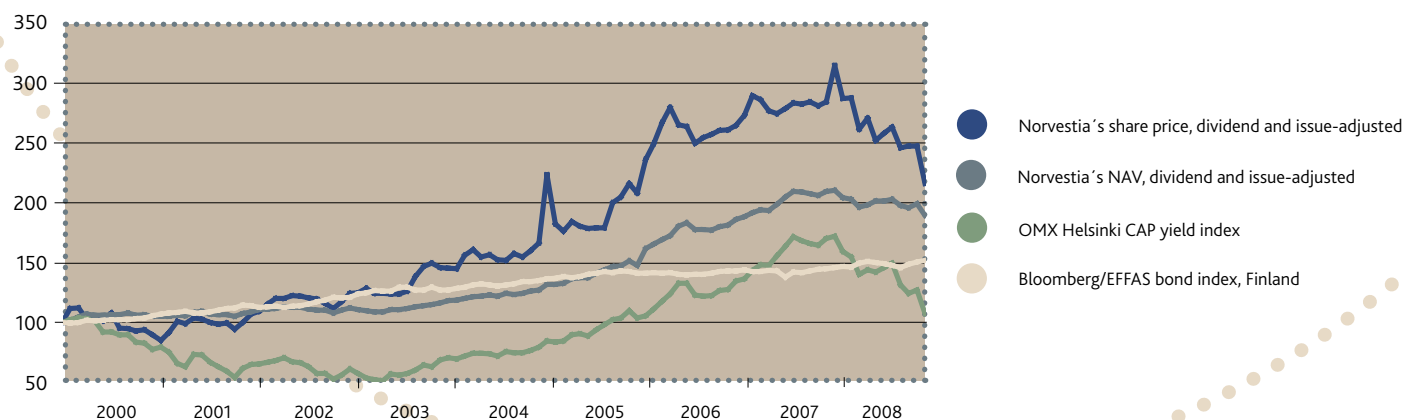
NORVESTIA IN BRIEF

- Norvestia plc is a publicly listed investment company. The Norvestia Group mainly invests in Nordic shares, equity funds, hedge funds, in the money market and in other securities.
- The aim of Norvestia's investment activities is to achieve a good risk-adjusted return.
- Norvestia plc is part of the Kaupthing Bank Group and parent company to Norvestia Industries Ltd and Norventures Ltd.

KEY FINANCIAL FIGURES

	1/1-30/9/2008	1/1-30/9/2007	1/1-31/12/2007
Earnings/share, EUR	-0.68	0.97	0.62
	30/9/2008	30/9/2007	31/12/2007
Equity ratio	96.1%	94.9 %	94.9%
Shareholders' equity/share, EUR	9.56	11.09	10.74
Net asset value/share, EUR	9.56	11.09	10.74
Net asset value, MEUR	146.4	169.8	164.5
Share price, EUR B share	6.12	8.50	8.60
Number of shares	15,316,560	15,316,560	15,316,560

PERFORMANCE OF NET ASSET VALUE, SHARE PRICE AND INDICES



STOCK MARKET

The third quarter of the year was exceptionally unstable and difficult on the capital markets. The long standing uncertainty was aggravated in September as two of the United States' largest mortgage providers, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association went bankrupt, and the US government was forced to take control of the companies' operations and recapitalize them. At the same time the USA's largest insurance company AIG found itself in difficulties and it too had to be bailed out by the government. Furthermore two traditional investment banks, Lehman Brothers and Merrill Lynch, fell into financial distress. Lehman Brothers was forced into bankruptcy.

There was one common factor behind the problems experienced by these companies considered to be well-established: years of reckless lending and excess levels of debt in the US housing markets. The various lending institutions had also converted mortgage loans into securities and sold vast amounts of these, as well as derivatives based on them, to other investors all over the world.

As prices of US real estate declined, the above mentioned activities ultimately threw the entire international financial system into complete disarray. The functioning of the entire global financial system would have been in jeopardy, were it not for the intervention of various authorities and the granting of a number of aid packages. So far the largest aid package has been the 700 billion dollars that was granted by the US government as a part of a bailout plan intended to revive US capital markets. There has also been unprecedented co-operation between EU authorities in seeking a solution to the crisis. The crisis that began from the interest rate market spread rapidly to all stock markets in the world, where trading was often carried out in a mood of panic. For example the Moscow stock exchange had to be shut down for several trading days due to drastic market reactions.

Development on the Helsinki stock exchange has followed international development. The OMX Helsinki CAP yield index fell by 18.7% during the third quarter of the year, and declined by 15.8% in September alone; its largest monthly drop in over ten years. From the beginning of the year to the end of September the yield index declined by 31.1%. The scale of the crisis becomes apparent from the fact that there are almost no shares on the Helsinki stock exchange whose return has been positive this year.

Index trends on various exchanges for the first nine months of 2008 have been as follows:

Finland/OMX Helsinki index	-40.2%
Finland/OMX Helsinki CAP yield index	-31.1%
Sweden/OMX Stockholm index	-27.7%
Norway/OBX index	-33.3%
Denmark/OMX Copenhagen index	-27.4%
USA/Nasdaq Composite index	-21.1%
USA/S&P 500 index	-20.6%
Bloomberg European 500 index	-30.3%
MSCI World index	-25.6%
Japan/Nikkei 225 index	-26.4%
Norvestia's dividend-adjusted share price	-23.0%
Norvestia's dividend-adjusted net asset value	-6.6%

NET ASSET VALUE AND SHARE PRICE

On September 30, 2008, Norvestia's net asset value stood at EUR 9.56 per share (EUR 11.09 per share on the same date last year) against EUR 10.74 at the end of 2007. Taking the dividend of EUR 0.50 into account, which was paid in March 2008, the Group's net asset value decreased by EUR -0.68 per share (+0.97) in the period under review, equal to a -6.6% decrease (+9.4%). During the third quarter the net asset value decreased by EUR -0.42 (0.00) per share.

The price of Norvestia's B share stood at EUR 6.12 (8.50) on September, 30, which corresponded to a discount in net asset value of 36 % (23%). The price of Norvestia's B share was EUR 8.60 at the end of year 2007.

GROUP RESULT ACCORDING TO IFRS

This interim report has been prepared in accordance with IFRS. The same accounting principles have been used in the interim report and in the 2007 financial statements. Formulas for calculating key financial figures remain the same as in the financial statements and annual report 2007. The diluted profit per share is not shown, as the company has issued no instruments with a diluting effect.

The profit of the Group for January – September 2008 amounted to MEUR -10.4 (14.9), and operating expenses to MEUR 1.1 (1.5). Profit for the third quarter was MEUR -6.4 (0.1).

INVESTMENTS BY THE PARENT COMPANY

The investment grade of Norvestia Group was 62% (71%) at the end of September. Norvestia has protected itself against general market risk by selling index forward contracts, which has proved an effective way of reducing the volatility of the company's portfolio. Due to these forward contracts the actual investment grade is lower than the above mentioned figure.

The parent company's investments were distributed as follows: direct share investments 40% (47%), equity funds 4% (6%), hedge funds 19% (16%), money market investments 30% (27%) and cash and bank 7% (4%). 86% of Norvestia plc's investments were in euros, 12% in Swedish krona and 2% in other currencies.

Norvestia's net asset value has fluctuated notably less month on month than has the stock market in general. During the first half of the year Norvestia focused its investments mainly on companies which paid good dividends. The dividend yield on the Helsinki stock exchange this spring was exceptionally high.

The share of short-term interest investments was kept relatively large, in order to ensure that the company is able to respond to changing market circumstances. In its investment activities Norvestia continuously takes advantage also of rapid price changes and overreactions on the stock market.

INDUSTRIAL INVESTMENTS

In September 2008 Norvestia made its second industrial investment in Coronaria Hoitoketju Oy, a company which provides services to the healthcare sector. Hoitoketju offers tailored medical and healthcare services for both the public and private sectors. Norvestia's stake in Coronaria Hoitoketju was 11% at the end of September. According to the initial contract the deal will be finalized during October, when Norvestia's stake in the company will rise to 18.9%. Coronaria Hoitoketju is a rapidly

growing services company, whose long term development Norvestia will commit to with the investment. The investment was made through Norvestia Industries Ltd and has been treated as an associated company due to its strategic nature.

At the same time Juho Lipsanen M.Sc. (Econ.) and Norvestia's chairman of the board J.T. Bergqvist became shareholders in Coronaria Hoitoketju with a total stake of 3%. Lipsanen will become chairman in Coronaria Hoitoketju Oy's Board, other board members are Teppo Linden, the managing director of Coronaria Oy, and Norvestia's Executive Advisor Jan Sasse.

Furthermore, during the third quarter of the year an additional 2% of GSP Group was acquired according to the initial contract. Due to this investment Norvestia's stake in the company grew to 25%.

The aim of Norvestia's industrial investment activities is to make long term investments in services companies that have strong competitive potential in the domestic market and the possibility to take advantage of their services innovations also internationally. The company's objective is to be an active investor who, in co-operation with the other principal owners, will develop the target company's operations. This will mainly be achieved through strategic board work. According to current frames about 20-30% of investment assets may be used for industrial investments, although this amount may be exceeded. These industrial investments have no time limits and will be made when the right opportunity presents itself.

NORVESTIA GROUP

Norvestia plc is a part of the Kaupthing Bank Group and is parent company to Norvestia Industries Ltd and Norventures Ltd. Norvestia's parent company Kaupthing Bank hf. is domiciled in Reykjavik, Iceland.

The Norvestia Group mainly invests in Nordic shares, equity funds, hedge funds, in the money market and in other securities. Norvestia plc's B share is quoted on the Nasdaq OMX Helsinki Oy.

PERSONNEL AND INVESTMENTS

During the first nine months of 2008, Norvestia Group employed an average of 6 people (6). No investments were made in machines or equipment (-).

SHAREHOLDERS

At the end of September 2008, Norvestia's shareholders numbered 5,918 (6,052). 33.1% of the shares were in foreign ownership (30.9%).

The largest shareholder is Kaupthing Bank with a holding of 32.7% (30.6%), which corresponds to 56.0% (54.6%) of votes. Norvestia's second largest shareholder, Mandatum Life Insurance Company Ltd, had an 11.7% (11.7%) holding of shares and 7.6% (7.6%) of votes. The ten major shareholders held a total of 50.9% (47.5%) of shares and 67.9% (65.7%) of votes.

RISKS IN INVESTMENT ACTIVITIES

In addition to pursuing steady asset growth, the guiding principle of Norvestia's investment activity is to diversify investments and thereby reduce overall risk. Occasionally a significant proportion of investments may be focused on certain types of investments and securities, the negative development of which may substantially decrease Norvestia's result.

Norvestia's result is greatly affected by economic developments and changes in share prices both in Finland and abroad. Changes in exchange rates also impact the company's performance.

The current global financial crisis and the subsequent collapse in share prices have greatly affected also the returns of Norvestia's investment portfolio. The constant uncertainty in the financial markets increases the volatility of Norvestia's investments and thereby also increases their risk.

FUTURE PROSPECTS

According to several market analysts the ongoing crisis is the worst seen in the capital markets in almost 80 years. The generous amounts of liquidity provided by central banks has only partially managed to re-establish confidence in the markets. It is not easy to predict when the crisis which originated in the capital markets might end or even calm down. Furthermore the actual effects of the crisis have not yet been seen in the general economy, although it is apparent that the problems will indeed also spread there.

It is likely however that the forceful actions of authorities, the supplying of liquidity and interest rate cuts will eventually stabilize the functioning of the banking system, and that mutual trust between banks will gradually recover. This is a basic precondition for solving the crisis. How severely the general economy will be affected, will define the direction of share prices in the future. At the moment the collapse in share prices seems to discount the view that companies' results might collapse in the near future, that the problems in the general economy would become extremely serious and that the global economy would fall into long-term recession. If this does not happen, it is probable that share prices will recover strongly from their current levels, as many shares are currently under priced, both historically and in terms of valuation.

Norvestia will continue to make investments in the actively managed portfolio focusing mainly on value shares, i.e. shares that are offered at prices that are low, both historically and in relation to the company's net asset value and performance expectations. Norvestia will also continue to seek long-term industrial investments. Investment levels between shares, funds and interest yielding investments will be assessed as circumstances dictate.

Helsinki October 21, 2008

Board of Directors

IFRS INCOME STATEMENT, NORVESTIA GROUP

EUR 1,000	1/7-30/9/2008	1/7-30/9/2007	1/1-30/9/2008	1/1-30/9/2007	1/1-31/12/2007
Trading gains and losses	-8,283	404	-16,448	17,019	9,986
Personnel expenses	-218	-254	-639	-888	-963
Depreciation	-3	-3	-9	-9	-12
Other operating expenses	-145	-160	-548	-576	-834
OPERATING PROFIT/LOSS	-8,649	-13	-17,644	15,546	8,177
Share of result in associated companies	-53	-	-8	-	-
Financial income and expenses	123	-210	34	-163	-201
RESULT BEFORE TAX	-8,579	-223	-17,618	15,383	7,976
Income tax*	2221	291	7,180	-471	1,537
RESULT FOR THE FINANCIAL PERIOD	-6,358	68	-10,438	14,912	9,513
*Based on the result for the period					
Earnings per share, EUR	-0.42	0.00	-0.68	0.97	0.62
Number of shares, issue-adjusted	15,316,560	15,316,560	15,316,560	15,316,560	15,316,560

IFRS BALANCE SHEET, NORVESTIA GROUP

EUR 1,000	30/9/2008	30/9/2007	31/12/2007
Assets			
NON-CURRENT ASSETS			
Tangible assets	23	35	33
Investments in associated companies	2,443	1,122	1,126
	2,466	1,157	1,159
CURRENT ASSETS			
Financial assets held for trading	52,936	78,890	71,481
Other financial assets designated at fair value through P/L	40,745	41,122	39,724
Available-for-sale investments	1,800	1,730	1,800
Receivables	9,630	3,042	345
Cash at bank and in hand	44,720	53,011	58,742
	149,831	177,795	172,092
	152,297	178,952	173,251
Shareholders' equity and liabilities			
SHAREHOLDERS' EQUITY			
Share capital	53,608	53,608	53,608
Share premium	6,896	6,896	6,896
Fair value reserve	83	-	83
Retained earnings	96,244	94,390	94,390
Result for the financial period	-10,438	14,912	9,513
	146,393	169,806	164,490
DEFERRED TAX LIABILITY	3,461	7,294	5,280
CURRENT LIABILITIES	2,443	1,852	3,481
	152,297	178,952	173,251

IFRS CASH FLOW STATEMENT, NORVESTIA GROUP

EUR 1,000	1/7-30/9/2008	1/7-30/9/2007	1/1-30/9/2008	1/1-30/9/2007	1/1-31/12/2007
CASH FLOW FROM OPERATING ACTIVITIES					
Result before tax	-8,579	-223	-17,618	15,383	7,976
Adjustments:					
Operations which do not include cash transactions	2,408	2,580	7,022	616	8,357
Changes in working capital	-6,171	2,357	-10,596	15,999	16,333
Change in shares and other investments	-6,868	-5,960	10,519	-11,658	-10,262
Change in receivables	-3,479	2,587	-3,529	-2,845	-166
Change in current liabilities	1,390	1,082	-848	133	1,393
Received and paid taxes	-1	-1	-585	-860	-794
CASH FLOW FROM OPERATING ACTIVITIES	-15,129	65	-5,039	769	6,504
CASH FLOW FROM INVESTING ACTIVITIES					
Aquisition of shares in associated companies	-1,235	-1,122	-1,325	-1,122	-1,126
CASH FLOW FROM INVESTING ACTIVITIES	-1,235	-1,122	-1,325	-1,122	-1,126
CASH FLOW FROM FINANCING ACTIVITIES					
Dividends paid	-	-	-7,658	-9,190	-9,190
CASH FLOW FROM FINANCING ACTIVITIES	-	-	-7,658	-9,190	-9,190
CASH FLOW FOR THE PERIOD	-16,364	-1,057	-14,022	-9,543	-3,812
Liquid assets at the beginning of the period	61,084	54,068	58,742	62,554	62,554
Liquid assets at the end of the period	44,720	53,011	44,720	53,011	58,742
Increase or decrease in liquid assets	-16,364	-1,057	-14,022	-9,543	-3,812

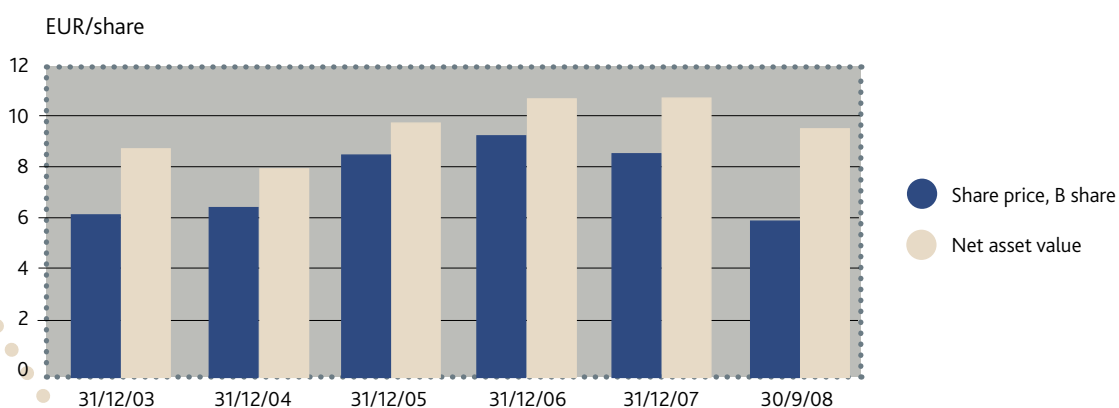
CHANGES IN SHAREHOLDERS' EQUITY, NORVESTIA GROUP

EUR 1,000	Share capital	Share premium	Fair value reserve	Retained earnings	Result for the period	Total
Opening balance 1/1/2007	53,608	6,896	0	80,122	23,458	164,084
Allocations				23,458	-23,458	0
Dividends				-9,190		-9,190
Result for the period					14,912	14,912
Closing balance 30/9/2007	53,608	6,896	0	94,390	14,912	169,806
Opening balance 1/1/2008	53,608	6,896	83	94,390	9,513	164,490
Allocations				9,513	-9,513	0
Dividends				-7,659		-7,659
Result for the period					-10,438	-10,438
Closing balance 30/9/2008	53,608	6,896	83	96,244	-10,438	146,393

NET ASSET VALUE, NORVESTIA GROUP

MEUR	30/9/2008	30/9/2007	31/12/2007		
ASSETS					
NON-CURRENT ASSETS					
Tangible assets	0.0	0.0	0.0		
Investments in associated companies	2.4	1.1	1.1		
CURRENT ASSETS					
Shares held for trading	52.9	78.9	71.5		
Other financial assets at fair value	40.8	41.2	39.8		
Other investments	1.8	1.7	1.8		
Cash and receivables	54.4	56.1	59.1		
ASSETS IN TOTAL	152.3	179.0	173.3		
Current liabilities	-2.4	-1.9	-3.5		
Deferred tax liability	-3.5	-7.3	-5.3		
NET ASSET VALUE	146.4	169.8	164.5		
Net asset value/share, EUR	9.56	11.09	10.74		
Change in NAV, dividend-adjusted					
	1/7-30/9/2008	1/7-30/9/2007	1/1-30/9/2008	1/1-30/9/2007	1/1-31/12/2007
Change, MEUR	-6.4	0.1	-10.4	14.9	9.6
Change per share, EUR	-0.42	0.00	-0.68	0.97	0.63

SHARE PRICE AND NET ASSET VALUE, ISSUE-ADJUSTED



PRINCIPLES FOR CALCULATION

Publicly listed shares, investment funds and derivatives have been measured at closing price. In case a closing price has been unavailable, the purchase quotation has been used. Unlisted shares have been measured at fair value using various valuation methods

OBLIGATIONS

	30/9/2008	30/9/2007	31/12/2007
Pledges, MEUR			
As security for the limit of the cheque account, MEUR 0.0 (MEUR 2.0)			
Shares at market value	-	5.5	5.0
Other obligations			
Investment commitment in Sponsor Fund Ky	-	0.3	-

DERIVATIVES

Norvestia has used standardized derivatives to make the portfolio management more effective. The market values of the derivatives as well as the underlying values are given in the table below. The market values have been adjusted for the corresponding share's dividend income. All amounts are gross amounts. The derivative contracts are recognised at fair value and changes are therefore recorded in the income statement. Hedge accounting has not been used.

	30/9/2008	30/9/2007	31/12/2007
Equity derivatives, EUR 1,000			
Sold call options, open positions			
Underlying value	346	-	-
Market value	24	-	-
Sold put options, open positions			
Underlying value	674	-	-
Market value	-48	-	-
Index derivatives, EUR 1,000			
Sold futures, open positions			
Underlying value	22,812	-	-
Market value	21	-	-

RELATED PARTY TRANSACTIONS

Norvestia has related party transactions with companies in the Kaupthing Bank Group. In the table below the numbers are shown for the whole Kaupthing Bank Group. Related parties include Kaupthing Bank hf. (parent), Kaupthing Bank Oyj, Kaupthing Bank hf., Suomen sivuliike and Fron Insurance Ltd.

	1/7-30/9/2008	1/7-30/9/2007	1/1-30/9/2008	1/1-30/9/2007	1/1-31/12/2007
Income statement					
Kaupthing Bank hf. including subsidiaries					
Purchases	-35	-50	-91	-144	-188
Interest income	52	26	99	52	79

	30/9/2008	30/9/2007	31/12/2007
Balance sheet			
Kaupthing Bank hf. including subsidiaries			
ASSETS			
Cash at bank and in hand*	4,063	1,992	1,989
Accrued income and prepaid expenses	14	47	29
Receivables, shares	1,790	-	-
LIABILITIES			
Accounts payable, shares	1,507	-	-

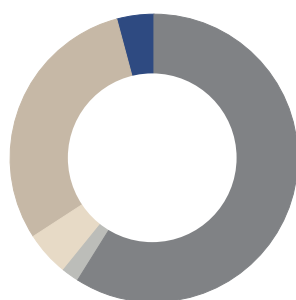
* In a stock exchange release dated October 9, 2008 Norvestia announced that the company has MEUR 1.6 in bank deposits in the Kaupthing Bank Group. In addition to the bank deposit Norvestia has no other receivables from the Kaupthing Bank Group.

INVESTMENTS SEPTEMBER 30, 2008

	Number of shares/units	Purchase price EUR 1,000	Market value EUR 1,000	Share of market value
NORVESTIA PLC				
LISTED COMPANIES				
Ahlstrom Corporation	58,000	1,193	750	0.8%
Amer Sports Corporation	39,000	530	332	0.4%
Atria Group plc	87,705	1,512	1,039	1.2%
Cargotec Corporation	25,500	612	363	0.4%
Comptel Corporation	133,000	221	166	0.2%
Cramo Oyj	16,500	150	110	0.1%
Elisa Corporation	162,065	2,293	2,227	2.5%
Finnair plc	236,960	1,884	957	1.1%
Fortum Corporation	123,000	3,024	2,900	3.2%
HKScan Corporation A share	36,000	333	202	0.2%
Huhtamäki Oyj	366,731	3,978	2,050	2.3%
Kemira Group	279,876	2,599	2,323	2.6%
Kesko Corporation B share	82,412	1,871	1,477	1.6%
Kone Corporation b share	10,000	166	190	0.2%
Konecranes plc	36,683	693	609	0.7%
Lännen Tehtaat plc	74,294	914	1,148	1.3%
Metso Corporation	159,827	3,800	2,728	3.0%
M-Real Corporation B share	320,000	545	403	0.4%
Neste Oil Corporation	243,934	4,443	3,554	3.9%
Nokia Corporation	218,045	3,038	2,813	3.1%
Nokian Tyres plc	6,000	66	101	0.1%
Okmetic Oyj	48,200	113	145	0.2%
Oriola-KD Corporation A share	18,600	22	37	0.0%
Oriola-KD Corporation B share	91,100	157	182	0.2%
Orion Corporation A share	18,600	153	227	0.3%
Orion Corporation B share	134,445	1,806	1,607	1.8%
Outokumpu Oyj	289,854	4,355	3,206	3.5%
Pohjola Bank plc A share	221,584	2,585	2,247	2.5%
Raisio plc V share	458,400	854	724	0.8%
Ramirent plc	159,531	1,381	700	0.8%
Rautaruukki Corporation K share	95,123	1,928	1,324	1.5%
Sampo plc A share	56,001	1,000	886	1.0%
SanomaWSOY Corporation	54,730	1,146	727	0.8%
Sponda Plc	30,000	187	127	0.1%
Stora Enso Oyj R share	244,533	2,879	1,670	1.9%
UPM-Kymmene Corporation	308,240	3,550	3,372	3.7%
Uponor Corporation	75,826	1,104	673	0.7%
Wärtsilä Corporation	14,000	637	412	0.5%
YIT Corporation	176,534	1,963	1,289	1.4%
3Com Corp.	84,000	227	137	0.2%
AstraZeneca Plc	6,600	254	205	0.2%
BP Plc	28,100	234	165	0.2%
Deutsche Telekom AG	19,750	227	213	0.2%
France Telekom S.A.	12,500	206	248	0.3%
Nordea Bank AB FDR	355,000	3,144	2,954	3.3%
Powershares QQQ	29,100	1,123	792	0.9%
Rexel S.A.	2,354	39	23	0.0%
S&P Depos Recpts SK	4,000	366	324	0.4%
Sanofi-aventis	3,800	242	177	0.2%
StatoilHydro ASA	8,000	200	133	0.1%
TeliaSonera AB	335,000	1,972	1,343	1.5%
Valeo S.A.	9,420	260	200	0.2%
		68,179	52,911	58.7%

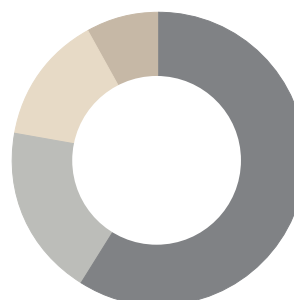
	Number of shares/units	Purchase price EUR 1,000	Market value EUR 1,000	Share of market value
FUNDS				
Avenir B	2,518	2,523	4,104	4.6%
Arvo Finland Value K	741,356	1,000	701	0.8%
Brummer & Partners Nektar	34,753	5,823	6,837	7.6%
Brummer & Partners Zenit	934	0	4,361	4.8%
Didner & Gerge Aktiefond	24,382	1,686	1,813	2.0%
eQ High yield bond 2 K	14,126	2,100	1,902	2.1%
Futuris	20,985	2,733	7,449	8.3%
OP-Eurooppa Arvo A	7,571	1,731	1,295	1.4%
OP-Suomi Arvo A	10,068	680	1,171	1.3%
RAM One	42,443	3,991	4,158	4.6%
		22,267	33,791	37.5%
BONDS				
	nominal value			
M-Real Serla, expires 15/12/2010	2,000	1,673	1,661	1.8%
		1,673	1,661	1.8%
NORVESTIA PLC IN TOTAL				
		92,119	88,363	98.0%
NORVENTURES LTD				
UNLISTED COMPANIES				
Polystar Instruments AB	266,000	1,717	1,800	2.0%
NORVENTURES LTD IN TOTAL				
		1,717	1,800	2.0%
NORVESTIA GROUP IN TOTAL				
		93,836	90,163	100.0%

NORVESTIA GROUP'S INVESTMENTS 30.9.2008



Listed companies	59%
Unlisted companies	2%
Equity funds	5%
Hedge funds	30%
Bonds	4%

GEOGRAPHIC BREAKDOWN OF NORVESTIA GROUP'S INVESTMENTS 30.9.2008



Finland	59%
Other Nordic countries	19%
Other European countries	14%
Outside Europe	8%

This interim report has not been audited by the company's auditor.



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