

Shareholders' Meeting of ISLANDSBANKI HF

20. December 2016

Islandsbanki hf. held its shareholders' meeting at Islandsbanki headquarters in Norðurturn, Hagasmari 3, Kopavogur on Tuesday 20 December 2018 at 14:00 hrs.

The agenda of the meeting was as follows:

1. Decision on payment of dividend
2. Any other business

Islandsbanki Chairman of the Board Fridrik Sophusson called the meeting to order and welcomed shareholders. He proposed that Tomas Sigurdsson, general counsel at Islandsbanki, be elected to chair the meeting. No other proposals were made, and Tomas took the podium. Tomas proposed that Ingibjorg Arnadottir, a lawyer at Islandsbanki, be elected meeting secretary. No other proposals were made, and Ingibjorg began her work. The meeting chairman determined the validity of the meeting. The meeting was attended by the company's shareholder. It was therefore, with the approval of shareholders, deemed qualified to take decisions on the business specified in the meeting agenda, irrespective of its calling.

1. Decision on payment of dividend

The meeting chairman proposed the following on behalf of the Board of Islandsbanki hf. regarding payment of dividends:

Shareholders' meeting of Islandsbanki hf. agrees that an extraordinary dividend of ISK 27bn be paid out to its shareholder before year-end 2016 for the previous fiscal years, in addition to the ISK 10bn paid in dividend earlier in the year. The payment is due on 28 December 2016 and it is proposed that the dividend be paid by bonds classified as RIKH18 in addition to a cash payment of ISK 2.516.499.169. The nominal value of the bonds is ISK 24.419.061.641 and value on due date with interest is ISK 24.483.500.831.

The proposal was agreed to by the shareholder's vote.

2. Any other business

None

There was no further discussion and the meeting was adjourned at 14:15.

The shareholders' meeting approved the chairman's request to permit the meeting chairman and meeting secretary to prepare the Record of Minutes after the meeting, as the minutes will be sent to shareholders by email.

Meeting Chairman

Meeting secretary

Tomas Sigurdsson

Ingibjorg Arnadottir