



Issuance Plan of Íslandsbanki for 2020

Íslandsbanki hereby publishes its plan for market-based funding for the year 2020.

Further information on the Bank's funding activities can be found on the Bank's website, <https://www.islandsbanki.is/en/product/about/funding>.

Covered bonds

- Íslandsbanki estimates that the total issuance of covered bonds will be ISK 20–25 billion.
- One bond series, ISLA CBI 20, is maturing in 2020 with a nominal amount of ISK 4.1 billion.
- Total nominal amount of outstanding covered bonds issued by Íslandsbanki at year end 2019 is approximately ISK 140 billion.
- Auction dates will depend on market conditions and the arrangement of individual auctions will be announced via the Nasdaq Iceland news system.
- Arion Bank, Kvika and Landsbankinn are the market makers for Íslandsbanki's covered bonds.
- Market makers have access to bond lending facilities in the relevant series.

Senior unsecured bonds in local currency

- Íslandsbanki aims to increase the outstanding bond series ISLA 24 1125 and will also look into issuing new series.
- The issuance amount is undecided and will depend on market conditions.

Commercial paper

- The issuance amount is undecided and will depend on market conditions.

Senior unsecured bonds in foreign currencies

- Issuance under the Banks GMTN Programme will depend on the Bank's loan growth in foreign currencies as well as on upcoming maturities

Other funding

- The Bank will contemplate issuing Additional Tier 1 capital instruments in foreign and/or local currencies.
- The Bank's Tier 2 bucket is currently fully utilised.
- Íslandsbanki plans to diversify the Bank's funding sources and will examine other funding options if it is considered suitable for the Bank.
- The Bank will explore buybacks or refinancing of outstanding transactions in 2020, in both local and foreign currencies, in a continuing effort to maintain a strong balance sheet position while efficiently applying surplus liquidity.

Disclaimer

- Íslandsbanki reserves the right to deviate from the above plan at its own discretion without prior notice.

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