



ÍSLANDBANKI FACTBOOK
31.12.2015
**Supplementary information for market
participants**
(Unaudited)



Contents

| | |
|--------------------------------|------------------|
| Investor relations information | <u>Page</u> 3 |
|--------------------------------|------------------|

| | |
|----------------------------------|-------------|
| 5 Year Overview | Page |
| Key performance indicators | 4 |
| Income statement | 5 |
| Balance sheet | 6 |
| Net interest income | 7 |
| Net fee & commissions | 8 |
| Loans to customers | 9 |
| Capital and risk weighted assets | 10 |

| | |
|----------------------------------|----|
| 12 Month Review | |
| Key performance indicators | 11 |
| Income statement | 12 |
| Balance sheet | 13 |
| Net interest income | 14 |
| Net fee & commissions | 15 |
| Loans to customers | 16 |
| Capital and risk weighted assets | 17 |
| Other information | 18 |
| Disclaimer | 19 |

Investor Relations

IR Contact

Tinna Molphy
Head of Investor Relations

Phone: +354 440 3187
tinna.ionsdottir.molphy@islandsbanki.is



Investor relations web-site
<https://www.islandsbanki.is/english/investor-relations/>

Financial Calendar

| <u>Date</u> | <u>Event</u> |
|---------------------|---------------|
| 13-23 February 2016 | Silent period |
| 23 February 2016 | 4Q15 |
| 11 May 2016 | 1Q16 |
| 23 August 2016 | 2Q16 |
| 9 November 2016 | 3Q16 |
| 21 February 2017 | 4Q16 |

Please note that the dates are subject to change.

Investor relations calendar web-site
<https://www.islandsbanki.is/english/investor-relations/calendar/>

Key Performance Indicators - 5 years

| ISK million | 2015 | 2014 | 2013 | 2012 | 2011 |
|--|---------|---------|---------|---------|---------|
| Profitability | | | | | |
| Return on equity (after tax) | 10.8% | 12.8% | 14.7% | 17.2% | 1.5% |
| ROE 14% CET1 (regular operations) | 13.2% | 12.6% | 10.6% | 16.6% | 18.9% |
| Earnings per share | 1.87 | 2.17 | 2.30 | 2.34 | 0.19 |
| Core income / total operating income* | 0.92 | 0.91 | 0.91 | 0.89 | 0.89 |
| Net interest margin | | | | | |
| Net interest margin on total assets | 2.9% | 3.0% | 3.4% | 4.1% | 4.5% |
| Net interest margin adj. 14% CET1 | 2.5% | 2.7% | 3.1% | 3.9% | 4.3% |
| Efficiency | | | | | |
| Cost-to-income ratio** | 56.2% | 57.7% | 58.5% | 53.8% | 50.0% |
| Cost / income ratio adj. 14% CET1 | 60.6% | 62.2% | 62.0% | 56.4% | 51.5% |
| Cost-to-total assets ratio*** | 2.9% | 3.0% | 3.2% | 3.2% | 3.1% |
| Number of FTE's at period end - Consolidated | 1,184 | 1,206 | 1,201 | 1,287 | 1,470 |
| Number of FTE's at period end - Parent co. | 919 | 945 | 988 | 1,079 | 1,098 |
| Number of branches at period end | 17 | 18 | 19 | 21 | 26 |
| Assets | | | | | |
| Loans to customers | 665,711 | 634,799 | 554,741 | 557,857 | 564,394 |
| Non-performing loans | 2.2% | 3.5% | 7.4% | 12.6% | 22.3% |
| Reserve coverage ratio | 107% | 88% | 58% | 36% | 23% |
| LTV on mortgages to individuals | 69.2% | 74.0% | 78.0% | 85.0% | |
| Risk weighted assets / Total assets | 66.9% | 76.3% | 76.2% | 80.7% | 79.1% |
| Financial strength | | | | | |
| Equity as % of total assets | 19.3% | 20.4% | 19.3% | 17.9% | 15.5% |
| Liquidity | | | | | |
| Liquidity coverage ratio (LCR) | 143.0% | 130.0% | 143.0% | | |
| Liquidity coverage ratio (LCR) - Foreign currencies | 467.0% | 617.0% | 326.0% | | |
| Net stable funding ratio (NSFR) - All currencies | 120.0% | 112.0% | | | |
| Net stable funding ratio (NSFR) - Foreign currencies | 141.0% | 126.0% | | | |
| Term deposits % of total deposits | 30.0% | 34.0% | 40.0% | 36.0% | |
| Deposit-to-loan ratio | 88.3% | 82.9% | 86.7% | 83.3% | 86.5% |
| Customer deposits-to-loans to customers ratio | 89.1% | 83.4% | 88.2% | 84.5% | 82.0% |
| Capital | | | | | |
| CET1 ratio | 28.3% | 26.5% | 25.1% | 22.0% | 19.1% |
| Tier 2 ratio | 1.8% | 3.1% | 3.3% | 3.5% | 3.5% |
| Capital adequacy ratio | 30.1% | 29.6% | 28.4% | 25.5% | 22.6% |
| Leverage ratio | 18.1% | 19.5% | 18.6% | 16.3% | 14.2% |
| Risk weighted assets | 699,693 | 695,102 | 659,757 | 664,689 | 629,419 |

* Core income is defined as net interest income plus net fee & commission income

** Cost income ratio excludes bank tax, impairment of goodwill and expenditure deemed as one-off

*** Excludes impairment of goodwill, and one-off costs

Income statement - 5 year summary

| ISK million | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Interest income | 53,414 | 50,816 | 54,333 | 59,419 | 52,671 |
| Interest expense | (25,404) | (23,711) | (25,903) | (26,479) | (21,446) |
| Net interest income | 28,010 | 27,105 | 28,430 | 32,940 | 31,225 |
| Fee and commission income | 20,737 | 17,984 | 16,695 | 14,812 | 8,698 |
| Fee and commission expense | (7,567) | (6,501) | (6,262) | (5,353) | (2,732) |
| Net fee and commission income | 13,170 | 11,483 | 10,433 | 9,459 | 5,966 |
| Net financial income | 3,881 | 1,568 | 4,612 | 1,517 | 2,649 |
| Net foreign exchange gain (loss) | (1,490) | 165 | (2,423) | 2,737 | 937 |
| Other operating income | 1,102 | 2,122 | 1,545 | 996 | 933 |
| Other net operating income | 3,493 | 3,855 | 3,734 | 5,250 | 4,519 |
| Total operating income | 44,673 | 42,443 | 42,597 | 47,649 | 41,710 |
| Administrative expenses | (23,760) | (22,901) | (25,551) | (24,589) | (19,870) |
| Impairment of goodwill | - | - | - | (425) | (17,873) |
| Contribution to the Depositors' and Investors' Guarantee Fund | (1,067) | (1,055) | (1,016) | (1,055) | (965) |
| Bank tax | (2,878) | (2,444) | (2,321) | (858) | (682) |
| Total operating expenses | (27,705) | (26,400) | (28,888) | (26,927) | (39,390) |
| Profit before net loan impairment | 16,968 | 16,043 | 13,709 | 20,722 | 2,320 |
| Net loan impairment | 8,135 | 8,810 | 16,299 | 5,710 | (1,220) |
| Profit before tax | 25,103 | 24,853 | 30,008 | 26,432 | 1,100 |
| Income tax | (5,851) | (6,239) | (7,866) | (6,253) | (75) |
| Profit for the year from continuing operations | 19,252 | 18,614 | 22,142 | 20,179 | 1,025 |
| Profit from discontinued operations, net of income tax | 1,326 | 4,136 | 927 | 3,239 | 841 |
| Profit for the year | 20,578 | 22,750 | 23,069 | 23,418 | 1,866 |
| Basic earnings per share from profit for the year | 1.87 | 2.17 | 2.30 | 2.34 | 0.19 |

Balance sheet - 5 year summary

| ISK million | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|------------------|----------------|----------------|----------------|----------------|
| Cash and balances with Central Bank | 216,760 | 103,389 | 111,779 | 85,500 | 57,992 |
| Bonds and debt instruments | 78,606 | 87,347 | 75,186 | 64,035 | 58,662 |
| Shares and equity instruments | 18,320 | 10,531 | 9,208 | 10,445 | 11,107 |
| Derivatives | 1,981 | 1,810 | 843 | 127 | 339 |
| Loans to credit institutions | 35,534 | 35,072 | 44,078 | 54,043 | 43,655 |
| Loans to customers | 665,711 | 634,799 | 554,741 | 557,857 | 564,394 |
| Investments in associates | 716 | 570 | 1,563 | 503 | 1,070 |
| Property and equipment | 7,344 | 7,402 | 8,772 | 5,579 | 5,276 |
| Intangible assets | 1,331 | 619 | 299 | 261 | 544 |
| Other assets | 6,674 | 8,140 | 12,434 | 5,979 | 10,186 |
| Non-current assets and disposal groups held for sale | 12,792 | 21,649 | 47,106 | 39,046 | 42,690 |
| Total Assets | 1,045,769 | 911,328 | 866,009 | 823,375 | 795,915 |
| Deposits from Central Bank and credit institutions | 25,631 | 25,796 | 29,689 | 38,272 | 62,845 |
| Deposits from customers | 593,245 | 529,447 | 489,331 | 471,156 | 462,943 |
| Derivative instruments and short positions | 6,981 | 3,963 | 11,176 | 18,435 | 13,373 |
| Debt issued and other borrowed funds | 150,308 | 96,889 | 89,193 | 66,571 | 63,221 |
| Subordinated loans | 19,517 | 21,306 | 21,890 | 23,450 | 21,937 |
| Tax liabilities | 8,358 | 8,388 | 10,826 | 2,072 | 2,687 |
| Other liabilities | 36,677 | 37,262 | 37,130 | 48,954 | 37,889 |
| Non-current liabilities and disposal groups held for sale | 2,825 | 2,790 | 9,456 | 6,805 | 7,317 |
| Total Liabilities | 843,542 | 725,841 | 698,691 | 675,715 | 672,212 |
| Share capital | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Share premium | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| Other reserves | 6,002 | 2,535 | 2,471 | 2,834 | 2,661 |
| Retained earnings | 127,288 | 116,288 | 98,548 | 78,571 | 55,133 |
| Total equity attributable to the equity holders of Íslandsbanki hf. | 198,290 | 183,823 | 166,019 | 146,405 | 122,794 |
| Non-controlling interests | 3,937 | 1,664 | 1,299 | 1,255 | 909 |
| Total Equity | 202,227 | 185,487 | 167,318 | 147,660 | 123,703 |
| Total Liabilities and Equity | 1,045,769 | 911,328 | 866,009 | 823,375 | 795,915 |

Net interest income - 5 year summary

| ISK million | 2015 | 2014 | 2013 | 2012 | 2011 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Interest income: | | | | | |
| Cash and balances with Central Bank | 7,394 | 6,671 | 4,639 | 3,467 | 1,449 |
| Loans and receivables | 43,303 | 40,331 | 46,764 | 52,571 | 49,217 |
| Financial assets held for trading | 980 | 1,957 | 948 | -184 | 541 |
| Financial assets designated at fair value through profit or loss | 1,558 | 1,672 | 1,790 | 1,742 | 1,336 |
| Other assets | 179 | 185 | 192 | 118 | 128 |
| Total interest income | 53,414 | 50,816 | 54,333 | 57,714 | 52,671 |
| Interest expense: | | | | | |
| Deposits from credit institutions and Central Bank | (517) | (479) | (505) | (1,204) | (1,789) |
| Deposits from customers | (18,240) | (16,919) | (18,174) | (17,739) | (12,149) |
| Borrowings | (5,427) | (4,750) | (5,753) | (5,629) | (5,668) |
| Subordinated loans | (1,015) | (911) | (951) | (1,098) | (1,207) |
| Other financial liabilities | (147) | (295) | (367) | (546) | (392) |
| Other interest expense | (58) | (357) | (153) | (263) | (241) |
| Total interest expense | (25,404) | (23,711) | (25,903) | (26,479) | (21,446) |
| Net interest income | 28,010 | 27,105 | 28,430 | 31,235 | 31,225 |
| Interest spread (as the ratio of net interest income to the average carrying amount of total assets) | 2.9% | 3.0% | 3.4% | 3.9% | 4.5% |
| Interest bearing: | | | | | |
| Assets | | | | | |
| Balances with Central Bank | 216,760 | 103,389 | 111,779 | 83,493 | 56,016 |
| Bonds and debt instruments | 34,163 | 33,074 | 33,876 | 35,637 | 40,666 |
| Loans to credit institutions | 35,534 | 35,072 | 44,078 | 54,042 | 43,655 |
| Loans to customers | 665,710 | 637,650 | 558,419 | 559,594 | 564,394 |
| Total assets | 952,167 | 809,185 | 748,152 | 732,766 | 704,731 |
| Off-balance sheet items | 119,243 | 97,455 | 55,905 | 77,354 | 72,436 |
| Liabilities | | | | | |
| Short positions | - | - | 3,670 | 5,216 | 5,859 |
| Deposits from CB and credit institutions | 25,631 | 25,796 | 29,689 | 38,272 | 62,845 |
| Deposits from customers | 593,245 | 529,447 | 489,331 | 471,156 | 462,943 |
| Debt issued and other borrowed funds | 150,308 | 96,889 | 89,194 | 66,571 | 63,221 |
| Subordinated loans | 19,517 | 21,306 | 21,890 | 23,450 | 21,937 |
| Total liabilities | 788,701 | 673,438 | 633,774 | 604,665 | 616,805 |
| Off-balance sheet items | 131,357 | 106,555 | 57,217 | 82,680 | 75,416 |
| Net interest gap | 151,352 | 126,647 | 113,066 | 122,775 | 84,946 |

Net fee & commission income - 5 year summary

| ISK million | 2015 | 2014 | 2013 | 2012 | 2011 |
|---|----------------|----------------|----------------|----------------|----------------|
| Fee and commission income: | | | | | |
| Asset management | 1,778 | 1,683 | 1,564 | 1,490 | 1,205 |
| Investment Banking and brokerage | 2,132 | 1,833 | 2,005 | 2,071 | 1,454 |
| Payment processing | 13,664 | 11,627 | 10,484 | 8,546 | 4,214 |
| Loans and guarantees | 1,498 | 1,267 | 1,141 | 1,104 | 906 |
| Other fees and commissions income | 1,665 | 1,574 | 1,501 | 1,601 | 919 |
| Total fees and commission income | 20,737 | 17,984 | 16,695 | 14,812 | 8,698 |
| Commission expenses: | | | | | |
| Interbank charges | - | (157) | (331) | (232) | (536) |
| Brokerage | (121) | (128) | (126) | (165) | (143) |
| Clearing and settlement | (7,415) | (6,179) | (5,702) | (4,878) | (1,968) |
| Other commission expenses | (31) | (37) | (103) | (78) | (85) |
| Total commission expenses | (7,567) | (6,501) | (6,262) | (5,353) | (2,732) |
| Net fee and commission income | 13,170 | 11,483 | 10,433 | 9,459 | 5,966 |

Loans to customers - 5 year summary

| ISK million | 2015 | 2014 | 2013 | 2012 | 2011 |
|--|----------------|----------------|----------------|----------------|----------------|
| Individuals | 272,610 | 262,848 | 255,044 | 244,426 | 228,586 |
| Commerce and services | 89,781 | 79,658 | 81,522 | 68,805 | 64,066 |
| Construction | 23,013 | 18,751 | 18,640 | 16,465 | 14,725 |
| Energy | 3,737 | 7,315 | 3,614 | 4,942 | 3,511 |
| Financial services | 105 | 121 | 34 | 254 | 1,403 |
| Government secured customer | - | - | - | - | 38,798 |
| Industrial and transportation | 60,726 | 61,878 | 46,433 | 43,660 | 34,028 |
| Investment companies | 19,362 | 13,911 | 10,306 | 16,023 | 24,434 |
| Public sector and non-profit organisations | 13,878 | 12,216 | 6,894 | 10,934 | 9,555 |
| Real estate | 99,094 | 99,540 | 66,647 | 72,941 | 75,460 |
| Seafood | 85,872 | 81,412 | 69,289 | 81,145 | 70,743 |
| Loans to customers before collective impairment allowance | 668,178 | 637,650 | 558,423 | 559,595 | 565,309 |
| Collective impairment allowance | (2,467) | (2,851) | (3,682) | (1,738) | (915) |
| Loans to customers | 665,711 | 634,799 | 554,741 | 557,857 | 564,394 |

Loans to customers - by product

| | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|
| Overdrafts | 38,654 | 37,228 | 39,439 | 33,356 | 33,539 |
| Creditcards | 18,166 | 17,690 | 18,080 | 17,869 | 17,926 |
| Mortgages | 197,307 | 186,583 | 176,421 | 164,416 | 140,762 |
| Leases | 42,118 | 36,231 | 33,736 | 32,913 | 29,307 |
| Other loans | 371,933 | 359,918 | 290,747 | 311,041 | 343,775 |
| Loans to customers before collective impairment allowance | 668,178 | 637,650 | 558,423 | 559,595 | 565,309 |
| Collective impairment allowance | (2,467) | -2,851 | -3,682 | -1,738 | -915 |
| Loans to customers | 665,711 | 634,799 | 554,741 | 557,857 | 564,394 |

Asset quality

| | | | | | |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Neither past due nor impaired | 636,685 | 595,903 | 496,705 | 469,435 | 413,849 |
| Past due but not impaired | 23,572 | 27,619 | 34,618 | 42,205 | 66,491 |
| thereof past due more than 90 days | 6,954 | 8,223 | 14,114 | 22,556 | 40,928 |
| Classified as impaired | 7,921 | 14,128 | 27,100 | 47,955 | 84,969 |
| Total | 668,178 | 637,650 | 558,423 | 559,595 | 565,309 |

Impairment allowance

| | | | | | |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|
| Specific impairment allowance | -13,406 | -16,908 | -20,410 | -23,913 | -27,415 |
| Collective impairment allowance | -2,467 | -2,851 | -3,682 | -1,738 | -915 |
| Total | -15,873 | -19,759 | -24,092 | -25,651 | -28,330 |

Capital and Risk Weighted Assets - 5 year summary

| ISK million | 2015 | 2014 | 2013 | 2012 | 2011 |
|--|----------------|----------------|----------------|----------------|----------------|
| Ordinary share capital | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Share premium | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| Other reserves | 6,002 | 2,535 | 2,471 | 2,834 | 2,661 |
| Retained earnings | 127,288 | 116,288 | 98,548 | 78,571 | 55,133 |
| Non-controlling interests | 3,937 | 1,664 | 1,299 | 1,255 | 909 |
| Tax assets | - | (521) | (1,275) | (864) | (2,629) |
| Intangible assets | (1,331) | (619) | (299) | (261) | (544) |
| Other regulatory adjustments | (2,779) | - | (159) | (321) | - |
| Total Tier 1 capital | 198,117 | 184,347 | 165,585 | 146,214 | 120,530 |
| Tier 2 capital | | | | | |
| Qualifying subordinated liabilities | 19,517 | 21,306 | 21,890 | 23,450 | 21,937 |
| Adjustment to eligible capital liabilities | (3,903) | - | (160) | (322) | - |
| Other regulatory adjustments | (2,779) | - | - | - | - |
| Total regulatory capital | 210,952 | 205,653 | 187,315 | 169,342 | 142,467 |
| Risk weighted assets | | | | | |
| - due to credit risk | 606,591 | 583,375 | 551,938 | 549,535 | 532,301 |
| - due to market risk: | 16,607 | 33,326 | 28,849 | 33,940 | 16,695 |
| Market risk, trading book | 9,931 | 6,594 | 5,105 | 6,006 | 1,895 |
| Currency risk FX | 6,676 | 26,732 | 23,744 | 27,934 | 14,800 |
| - due to operational risk | 76,495 | 78,401 | 78,970 | 81,214 | 80,423 |
| Total risk weighted assets | 699,693 | 695,102 | 659,757 | 664,689 | 629,419 |
| Capital ratios | | | | | |
| CET1 ratio | 28.3% | 26.5% | 25.1% | 22.0% | 19.1% |
| Tier 2 ratio | 1.8% | 3.1% | 3.3% | 3.5% | 3.5% |
| Capital adequacy ratio | 30.1% | 29.6% | 28.4% | 25.5% | 22.6% |
| Leverage ratio | 18.2% | 19.5% | 18.6% | 16.3% | 14.2% |

| Key Performance indicators - 9 Quarters ISK million | Q4 2015 | Q3 2015 | Q2 2015 | Q1 2015 | Q4 2014 | Q3 2014 | Q2 2014 | Q1 2014 | Q4 2013 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Profitability | | | | | | | | | |
| Return on equity | 7.9% | 12.5% | 11.7% | 11.8% | 9.9% | 7.9% | 14.5% | 19.3% | 18.7% |
| ROE 14% CET1 (regular operations)* | 13.6% | 11.1% | 12.8% | 15.0% | 11.1% | 14.4% | 9.1% | 15.8% | 7.1% |
| Earnings per share | 0.39 | 0.55 | 0.45 | 0.53 | 0.46 | 0.31 | 0.57 | 0.82 | 0.77 |
| Net interest margin | | | | | | | | | |
| Net interest margin on total assets | 2.7% | 3.0% | 3.1% | 2.7% | 2.8% | 3.1% | 3.1% | 3.0% | 3.1% |
| Net interest margin adj. 14% CET1 | 2.4% | 2.7% | 2.8% | 2.4% | 2.5% | 2.7% | 2.7% | 2.7% | 2.8% |
| Efficiency | | | | | | | | | |
| Cost-to-income ratio* | 55.7% | 57.1% | 56.6% | 55.3% | 62.6% | 52.0% | 61.1% | 55.1% | 59.0% |
| Cost / income ratio adj. 14% CET1 | 60.5% | 62.0% | 60.3% | 59.0% | 67.6% | 56.2% | 60.7% | 58.9% | - |
| Cost-to-total assets ratio** | 1.5% | 2.7% | 3.0% | 2.9% | 3.1% | 2.7% | 3.0% | 3.1% | 4.1% |
| Number of FTE´s at period end - Consolidated | 1,184 | 1,197 | 1,291 | 1,186 | 1,206 | 1,229 | 1,330 | 1,229 | 1,207 |
| Number of FTE´s at period end - Parent co. | 919 | 933 | 1,030 | 930 | 945 | 965 | 1,059 | 969 | 995 |
| Asset quality | | | | | | | | | |
| Loans to customers | 665,711 | 660,308 | 653,728 | 637,877 | 634,799 | 608,328 | 603,697 | 565,952 | 554,741 |
| Non-performing loans | 2.2% | 2.4% | 2.7% | 3.0% | 3.5% | 5.8% | 5.9% | 7.7% | 7.4% |
| Reserve coverage ratio | 107% | 104% | 105% | 96% | 88% | 62% | 66% | 57% | 58% |
| LTV on mortgages to individuals | 69.2% | 69.0% | 68.0% | 72.0% | 74.0% | 74.0% | 80.0% | 79.0% | 78.0% |
| Risk weighted assets / Total assets | 66.9% | 71.1% | 73.8% | 75.9% | 76.3% | 73.5% | 74.3% | 72.9% | 76.2% |
| Financial strength | | | | | | | | | |
| Equity as % of total assets | 19.3% | 19.2% | 19.2% | 19.6% | 20.4% | 19.5% | 19.3% | 19.8% | 19.3% |
| Liquidity | | | | | | | | | |
| Liquidity coverage ratio (LCR) | 143.0% | 156.0% | 151.0% | 134.0% | 130.0% | 154.0% | 138.0% | 148.0% | |
| Liquidity coverage ratio (LCR) - Foreign currencies | 467.0% | 409.0% | 442.0% | 401.0% | 617.0% | 431.0% | 302.0% | 332.0% | 326.0% |
| Net stable funding ratio (NSFR) - All currencies | 120.0% | 111.0% | 107.0% | 112.0% | 112.0% | | | | |
| Net stable funding ratio (NSFR) - Foreign currencies | 141.0% | 124.0% | 120.0% | 124.0% | 126.0% | | | | |
| Term deposits % of total deposits | 30.0% | 38.0% | 36.0% | 35.0% | 34.0% | 28.0% | 28.0% | 26.0% | 40.0% |
| Deposit-to-loan ratio | 88.3% | 87.0% | 83.7% | 80.3% | 82.9% | 86.2% | 83.7% | 86.3% | 86.7% |
| Customer deposits-to-loans to customers ratio | 89.1% | 88.0% | 86.7% | 81.6% | 83.4% | 88.1% | 86.2% | 88.9% | 88.2% |
| Capital | | | | | | | | | |
| CET 1 ratio | 28.3% | 26.9% | 25.8% | 25.7% | 26.5% | 26.3% | 26.1% | 27.0% | 25.1% |
| Tier 2 ratio | 1.8% | 2.3% | 2.5% | 2.7% | 3.1% | 3.1% | 3.2% | 3.3% | 3.3% |
| Capital adequacy ratio | 30.1% | 29.2% | 28.3% | 28.4% | 29.6% | 29.4% | 29.3% | 30.3% | 28.4% |
| Leverage ratio ¹ | 18.1% | 18.3% | 18.3% | 18.8% | 19.5% | 18.7% | 18.8% | 19.1% | 18.6% |
| Risk weighted assets | 699,693 | 713,592 | 720,552 | 703,188 | 695,102 | 683,858 | 674,099 | 644,434 | 659,757 |

* Cost income ratio excludes bank tax, impairment of goodwill and expenditure deemed as one-off.

** Excludes impairment of goodwill, and one-off costs

| Income statement - 9 quarter summary | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|
| ISK million | 2015 | 2015 | 2015 | 2015 | 2014 | 2014 | 2014 | 2014 | 2013 |
| Net interest income | 7,003 | 7,457 | 7,359 | 6,191 | 6,469 | 7,068 | 6,922 | 6,646 | 6,547 |
| Net fee and commission income | 3,235 | 3,512 | 3,518 | 2,905 | 2,962 | 2,849 | 2,818 | 2,854 | 2,849 |
| Net financial income | 1,455 | 387 | 275 | 1,764 | 603 | 83 | 19 | 863 | 2,747 |
| Net foreign exchange (loss) gain | (137) | (1,072) | (141) | (140) | 116 | 352 | (12) | (291) | (1,117) |
| Other operating income | 403 | 158 | 252 | 289 | 509 | 233 | 267 | 1,113 | 100 |
| Other net operating income | 1,721 | (527) | 386 | 1,913 | 1,228 | 668 | 274 | 1,685 | 1,730 |
| Total operating income | 11,959 | 10,442 | 11,263 | 11,009 | 10,659 | 10,585 | 10,014 | 11,185 | 11,126 |
| Administrative expenses | (6,518) | (5,310) | (6,109) | (5,823) | (6,411) | (5,231) | (5,350) | (5,909) | (7,928) |
| Contribution to the Depositors' and Investors' Guarantee Fund | (270) | (263) | (265) | (269) | (265) | (272) | (260) | (258) | (262) |
| Bank tax | (818) | (732) | (710) | (618) | (565) | (664) | (623) | (592) | (2,113) |
| Total operating expenses | (7,606) | (6,305) | (7,084) | (6,710) | (7,241) | (6,167) | (6,233) | (6,759) | (10,303) |
| Profit before net loan impairment | 4,353 | 4,137 | 4,179 | 4,299 | 3,418 | 4,418 | 3,781 | 4,426 | 823 |
| Net loan impairment | 409 | 3,418 | 1,977 | 2,331 | 3,006 | 65 | 4,219 | 1,520 | 7,894 |
| Profit before tax | 4,762 | 7,555 | 6,156 | 6,630 | 6,424 | 4,483 | 8,000 | 5,946 | 8,717 |
| Income tax | (1,147) | (1,784) | (1,524) | (1,396) | (1,434) | (1,255) | (2,156) | (1,394) | (2,501) |
| Profit for the period from continuing operations | 3,615 | 5,771 | 4,632 | 5,234 | 4,990 | 3,228 | 5,844 | 4,552 | 6,216 |
| Profit (loss) for the period from discontinued operations | 274 | 128 | 762 | 162 | (430) | 307 | 515 | 3,744 | 1,456 |
| Profit for the period | 3,889 | 5,899 | 5,394 | 5,396 | 4,560 | 3,535 | 6,359 | 8,296 | 7,672 |

| Balance sheet - 9 quarter summary | | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 |
|---|--|------------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ISK million | | 2015 | 2015 | 2015 | 2015 | 2014 | 2014 | 2014 | 2014 | 2013 |
| Cash and balances with Central Bank | | 216,760 | 177,652 | 126,900 | 98,274 | 103,389 | 135,138 | 128,135 | 136,735 | 111,779 |
| Bonds and debt instruments | | 78,606 | 80,053 | 85,274 | 91,201 | 87,347 | 86,007 | 72,380 | 76,165 | 75,186 |
| Shares and equity instruments | | 18,320 | 9,004 | 11,041 | 11,900 | 10,531 | 10,884 | 12,006 | 11,795 | 9,208 |
| Derivatives | | 1,981 | 2,199 | 1,581 | 1,843 | 1,810 | 2,165 | 1,348 | 1,328 | 843 |
| Loans to credit institutions | | 35,534 | 35,522 | 52,139 | 40,688 | 35,072 | 41,720 | 45,334 | 47,895 | 44,078 |
| Loans to customers | | 665,711 | 660,308 | 653,728 | 637,877 | 634,799 | 608,328 | 603,697 | 565,952 | 554,741 |
| Investments in associates | | 716 | 648 | 612 | 607 | 570 | 797 | 1,583 | 1,556 | 1,563 |
| Property and equipment | | 7,344 | 7,550 | 7,600 | 7,521 | 7,402 | 8,129 | 8,610 | 8,691 | 8,772 |
| Intangible assets | | 1,331 | 1,143 | 1,058 | 655 | 619 | 339 | 357 | 292 | 299 |
| Other assets | | 6,674 | 16,232 | 20,561 | 14,620 | 8,140 | 14,565 | 10,085 | 9,518 | 12,434 |
| Non-current assets and disposal groups held for sale | | 12,792 | 13,946 | 15,763 | 21,203 | 21,649 | 22,897 | 23,996 | 24,116 | 47,106 |
| Total Assets | | 1,045,769 | 1,004,257 | 976,257 | 926,389 | 911,328 | 930,969 | 907,531 | 884,043 | 866,009 |
| Deposits from Central Bank and credit institutions | | 25,631 | 24,208 | 24,017 | 24,437 | 25,796 | 24,405 | 23,287 | 26,847 | 29,689 |
| Deposits from customers | | 593,245 | 581,095 | 566,678 | 520,740 | 529,447 | 536,104 | 520,128 | 502,925 | 489,331 |
| Derivative instruments and short positions | | 6,981 | 8,472 | 5,992 | 7,203 | 3,963 | 8,118 | 8,288 | 8,806 | 11,176 |
| Debt issued and other borrowed funds | | 150,308 | 120,957 | 107,421 | 100,602 | 96,889 | 97,714 | 100,249 | 95,035 | 89,193 |
| Subordinated loans | | 19,517 | 19,717 | 20,336 | 20,336 | 21,306 | 21,089 | 21,278 | 21,437 | 21,890 |
| Tax liabilities | | 8,358 | 9,090 | 8,627 | 8,731 | 8,388 | 14,103 | 13,554 | 11,672 | 10,826 |
| Other liabilities | | 36,677 | 44,866 | 53,177 | 59,543 | 37,262 | 44,554 | 39,542 | 38,501 | 37,130 |
| Non-current liabilities and disposal groups held for sale | | 2,825 | 2,965 | 3,000 | 3,167 | 2,790 | 3,565 | 3,483 | 3,447 | 9,456 |
| Total Liabilities | | 843,542 | 811,370 | 789,248 | 744,759 | 725,841 | 749,652 | 729,809 | 708,670 | 698,691 |
| Share capital | | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Share premium | | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| Other reserves | | 6,002 | 2,538 | 2,559 | 2,516 | 2,535 | 2,369 | 2,317 | 2,327 | 2,471 |
| Retained earnings | | 127,288 | 123,450 | 117,852 | 112,605 | 116,288 | 112,374 | 109,012 | 106,767 | 98,548 |
| Total equity attributable to the equity holders of Íslandsbanki hf. | | 198,290 | 190,988 | 185,411 | 180,121 | 183,823 | 179,743 | 176,329 | 174,094 | 166,019 |
| Non-controlling interests | | 3,937 | 1,899 | 1,598 | 1,509 | 1,664 | 1,574 | 1,393 | 1,279 | 1,299 |
| Total Equity | | 202,227 | 192,887 | 187,009 | 181,630 | 185,487 | 181,317 | 177,722 | 175,373 | 167,318 |
| Total Liabilities and Equity | | 1,045,769 | 1,004,257 | 976,257 | 926,389 | 911,328 | 930,969 | 907,531 | 884,043 | 866,009 |

| Net interest income - 9 quarter summary | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ISK million | 2015 | 2015 | 2015 | 2015 | 2014 | 2014 | 2014 | 2014 | 2013 |
| Interest income: | | | | | | | | | |
| Cash and balances with Central Bank | 2,780 | 2,135 | 1,319 | 1,160 | 1,484 | 1,739 | 1,695 | 1,753 | 1,285 |
| Loans and receivables | 8,655 | 12,057 | 12,697 | 9,894 | 8,702 | 10,540 | 10,841 | 10,248 | 10,757 |
| Financial assets held for trading | 505 | 161 | 115 | 199 | 593 | 595 | 376 | 393 | 239 |
| Financial assets designated at fair value through profit or loss | 449 | 384 | 375 | 350 | 416 | 399 | 442 | 415 | 419 |
| Other assets | 44 | 72 | 30 | 33 | 42 | 45 | 45 | 53 | 119 |
| Total interest income | 12,433 | 14,809 | 14,536 | 11,636 | 11,237 | 13,318 | 13,399 | 12,862 | 12,819 |
| Interest expense: | | | | | | | | | |
| Deposits from credit institutions and Central Bank | (220) | (98) | (108) | (91) | (97) | (119) | (124) | (139) | (87) |
| Deposits from customers | (4,172) | (5,197) | (5,023) | (3,848) | (3,612) | (4,487) | (4,544) | (4,276) | (4,360) |
| Borrowings | (752) | (1,729) | (1,810) | (1,136) | (602) | (1,310) | (1,449) | (1,389) | (1,446) |
| Subordinated loans | (248) | (251) | (257) | (259) | (223) | (226) | (232) | (230) | (237) |
| Other financial liabilities | (31) | (49) | (34) | (33) | (42) | (73) | (87) | -93 | (110) |
| Other interest expense | (7) | (28) | 55 | (78) | (192) | (35) | (41) | (89) | (32) |
| Total interest expense | (5,430) | (7,352) | (7,177) | (5,445) | (4,768) | (6,250) | (6,477) | (6,216) | (6,272) |
| Net interest income | 7,003 | 7,457 | 7,359 | 6,191 | 6,469 | 7,068 | 6,922 | 6,646 | 6,547 |
| Assets | | | | | | | | | |
| Balances with Central Bank | 216,760 | 177,652 | 126,900 | 98,274 | 103,389 | 132,492 | 128,135 | 136,735 | 111,779 |
| Bonds and debt instruments | 34,163 | 34,973 | 34,566 | 31,791 | 33,074 | 33,682 | 33,153 | 33,241 | 33,876 |
| Loans to credit institutions | 35,534 | 35,522 | 52,139 | 40,688 | 35,072 | 41,720 | 45,334 | 47,895 | 44,078 |
| Loans to customers | 665,710 | 662,955 | 656,290 | 637,877 | 637,650 | 611,181 | 607,026 | 569,178 | 558,419 |
| Total assets | 952,167 | 911,102 | 869,895 | 808,630 | 809,185 | 819,075 | 813,648 | 787,049 | 748,152 |
| Off-balance sheet items | 119,243 | 107,904 | 101,730 | 96,622 | 97,455 | 90,706 | 89,723 | 64,745 | 55,905 |
| Liabilities | | | | | | | | | |
| Short positions | - | - | - | - | - | 3,055 | 4,065 | 1,052 | 3,670 |
| Deposits from CB and credit institutions | 25,631 | 24,208 | 24,017 | 24,437 | 25,796 | 24,405 | 23,287 | 26,847 | 29,689 |
| Deposits from customers | 593,245 | 581,095 | 566,678 | 520,740 | 529,447 | 536,104 | 520,128 | 502,925 | 489,331 |
| Debt issued and other borrowed funds | 150,308 | 120,982 | 107,421 | 100,602 | 96,889 | 97,714 | 100,249 | 95,035 | 89,194 |
| Subordinated loans | 19,517 | 19,717 | 20,336 | 20,336 | 21,306 | 21,089 | 21,278 | 21,437 | 21,890 |
| Total liabilities | 788,701 | 746,002 | 718,452 | 666,115 | 673,438 | 682,367 | 669,007 | 647,296 | 633,774 |
| Off-balance sheet items | 131,357 | 118,971 | 113,487 | 108,666 | 106,555 | 95,431 | 95,035 | 66,146 | 57,217 |
| Net interest gap | 151,352 | 154,033 | 139,686 | 130,471 | 126,647 | 131,983 | 139,329 | 138,352 | 113,066 |

| Net fee and commission - 9 quarter summary | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ISK million | 2015 | 2015 | 2015 | 2015 | 2014 | 2014 | 2014 | 2014 | 2013 |
| Fee and commission income: | | | | | | | | | |
| Asset management | 481 | 436 | 457 | 404 | 458 | 397 | 435 | 393 | 559 |
| Investment Banking and brokerage | 423 | 550 | 737 | 422 | 164 | 399 | 576 | 694 | 552 |
| Payment processing | 3,537 | 3,510 | 3,468 | 3,149 | 2,953 | 3,093 | 2,740 | 2,841 | 2,826 |
| Loans and guarantees | 390 | 447 | 327 | 334 | 307 | 325 | 307 | 328 | 274 |
| Other fee and commission income | 497 | 414 | 385 | 369 | 678 | 324 | 311 | 261 | 322 |
| Total fee and commission income | 5,328 | 5,357 | 5,374 | 4,678 | 4,560 | 4,538 | 4,369 | 4,517 | 4,533 |
| Commission expenses: | | | | | | | | | |
| Interbank charges | - | - | - | - | (10) | - | - | (147) | 363 |
| Brokerage | (39) | (40) | (20) | (22) | (33) | (25) | (36) | (34) | (30) |
| Clearing and settlement | (2,047) | (1,796) | (1,826) | (1,746) | (1,740) | (1,655) | (1,452) | (1,332) | (1,964) |
| Other commission expenses | (7) | (9) | (10) | (5) | 185 | (9) | (63) | (150) | (53) |
| Total commission expenses | (2,093) | (1,845) | (1,856) | (1,773) | (1,598) | (1,689) | (1,551) | (1,663) | (1,684) |
| | - | - | - | - | - | - | - | - | - |
| Net fee and commission income | 3,235 | 3,512 | 3,518 | 2,905 | 2,962 | 2,849 | 2,818 | 2,854 | 2,849 |

| Loans to customers - 9 quarter summary | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ISK million | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 |
| | 2015 | 2015 | 2015 | 2015 | 2014 | 2014 | 2014 | 2014 | 2013 |
| Individuals | 272,610 | 268,842 | 259,792 | 258,380 | 262,848 | 260,504 | 258,385 | 254,627 | 255,044 |
| Commerce and services | 89,781 | 87,268 | 90,865 | 84,033 | 79,658 | 78,341 | 79,165 | 74,655 | 81,522 |
| Construction | 23,013 | 20,361 | 19,764 | 18,816 | 18,751 | 18,126 | 18,656 | 18,272 | 18,640 |
| Energy | 3,737 | 4,761 | 3,791 | 3,755 | 7,315 | 3,636 | 3,676 | 3,578 | 3,614 |
| Financial services | 105 | 97 | 106 | 456 | 121 | 72 | 563 | 188 | 34 |
| Government secured customer | - | - | - | - | - | - | - | - | - |
| Industrial and transportation | 60,726 | 64,623 | 66,594 | 62,703 | 61,878 | 60,620 | 61,246 | 50,402 | 46,433 |
| Investment companies | 19,362 | 17,115 | 18,346 | 17,583 | 13,911 | 17,156 | 17,268 | 13,259 | 10,306 |
| Public sector and non-profit organisations | 13,878 | 12,010 | 11,524 | 11,161 | 12,216 | 11,374 | 10,883 | 11,271 | 6,894 |
| Real estate | 99,094 | 102,022 | 103,320 | 103,160 | 99,540 | 80,694 | 78,822 | 73,851 | 66,647 |
| Seafood | 85,872 | 85,857 | 82,188 | 80,375 | 81,412 | 80,660 | 78,362 | 69,075 | 69,289 |
| Loans to customers before collective impairment allowance | 668,178 | 662,956 | 656,290 | 640,422 | 637,650 | 611,183 | 607,026 | 569,178 | 558,423 |
| Collective impairment allowance | (2,467) | -2,648 | -2,562 | -2,545 | -2,851 | -2,855 | -3,329 | -3,226 | -3,682 |
| Loans to customers | 665,711 | 660,308 | 653,728 | 637,877 | 634,799 | 608,328 | 603,697 | 565,952 | 554,741 |
| Loans to customers - by product | | | | | | | | | |
| Overdrafts | 38,654 | 36,964 | 39,457 | 38,275 | 37,228 | 38,516 | 39,337 | 39,495 | 39,439 |
| Creditcards | 18,166 | 17,820 | 17,188 | 16,362 | 17,690 | 17,056 | 17,090 | 15,732 | 18,080 |
| Mortgages | 197,307 | 193,066 | 184,994 | 183,872 | 186,583 | 184,263 | 181,516 | 178,968 | 176,421 |
| Leases | 42,118 | 41,348 | 43,382 | 37,442 | 36,231 | 37,120 | 39,470 | 34,277 | 33,736 |
| Other loans | 371,933 | 373,758 | 371,269 | 364,471 | 359,918 | 334,228 | 329,613 | 300,706 | 290,747 |
| Loans to customers before collective impairment allowance | 668,178 | 662,956 | 656,290 | 640,422 | 637,650 | 611,183 | 607,026 | 569,178 | 558,423 |
| Collective impairment allowance | -2,467 | -2,648 | -2,562 | -2,545 | -2,851 | -2,855 | -3,329 | -3,226 | -3,682 |
| Loans to customers | 665,711 | 660,308 | 653,728 | 637,877 | 634,799 | 608,328 | 603,697 | 565,952 | 554,741 |
| Asset quality | | | | | | | | | |
| Neither past due nor impaired | 636,685 | 627,745 | 614,469 | 599,739 | 595,903 | 553,618 | 544,914 | 500,111 | 496,705 |
| Past due but not impaired | 23,572 | 26,937 | 31,009 | 27,906 | 27,619 | 34,113 | 37,857 | 38,531 | 34,618 |
| thereof past due more than 90 days | 6,954 | 7,517 | 7,010 | 6,542 | 8,223 | 12,112 | 11,283 | 13,275 | 14,114 |
| Classified as impaired | 7,921 | 8,274 | 10,812 | 12,777 | 14,128 | 23,452 | 24,255 | 30,536 | 27,100 |
| Total | 668,178 | 662,956 | 656,290 | 640,422 | 637,650 | 611,183 | 607,026 | 569,178 | 558,423 |
| Impairment allowance | | | | | | | | | |
| Specific impairment allowance | -13,406 | -13,752 | -16,097 | -16,076 | -16,908 | -19,320 | -20,178 | -21,537 | -20,410 |
| Collective impairment allowance | -2,467 | -2,648 | -2,562 | -2,545 | -2,851 | -2,855 | -3,329 | -3,226 | -3,682 |
| Total | -15,873 | -16,400 | -18,659 | -18,621 | -19,759 | -22,175 | -23,507 | -24,763 | -24,092 |

| Capital and Risk Weighted Assets | | | | | | | | | |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ISK million | Q4 2015 | Q3 2015 | Q2 2015 | Q1 2015 | Q4 2014 | Q3 2014 | Q2 2014 | Q1 2014 | Q4 2013 |
| Ordinary share capital | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Share premium | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 | 55,000 |
| Other reserves | 6,002 | 2,538 | 2,559 | 2,516 | 2,535 | 2,369 | 2,317 | 2,327 | 2,471 |
| Retained earnings | 127,288 | 123,450 | 117,852 | 112,605 | 116,288 | 112,374 | 109,012 | 106,767 | 98,548 |
| Non-controlling interests | 3,937 | 1,899 | 1,598 | 1,509 | 1,664 | 1,574 | 1,393 | 1,279 | 1,299 |
| Tax assets | - | (22) | (45) | (270) | (521) | (694) | (981) | (1,155) | (1,275) |
| Intangible assets | (1,331) | (1,143) | (1,058) | (655) | (619) | (339) | (357) | (292) | (299) |
| Other regulatory adjustments | (2,779) | - | - | - | - | (160) | (160) | (160) | (159) |
| Total Tier 1 capital | 198,117 | 191,722 | 185,906 | 180,705 | 184,347 | 180,124 | 176,224 | 173,766 | 165,585 |
| Tier 2 capital | | | | | | | | | |
| Qualifying subordinated liabilities | 19,517 | 19,717 | 20,336 | 19,319 | 21,306 | 21,089 | 21,278 | 21,437 | 21,890 |
| Adjustment to eligible capital liabilities | -3,903 | -2,958 | -2,034 | 0 | 0 | -160 | -160 | -160 | -160 |
| Other regulatory adjustments | -2,779 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total regulatory capital | 210,952 | 208,481 | 204,208 | 200,024 | 205,653 | 201,053 | 197,342 | 195,043 | 187,315 |
| Risk weighted assets | | | | | | | | | |
| - due to credit risk | 606,591 | 608,621 | 614,472 | 596,831 | 583,375 | 573,009 | 563,361 | 533,186 | 551,938 |
| - due to market risk: | 16,607 | 26,570 | 27,679 | 27,957 | 33,326 | 31,879 | 31,768 | 32,278 | 28,849 |
| Market risk, trading book | 9,931 | 4,500 | 5,392 | 4,680 | 6,594 | 9,122 | 9,942 | 7,950 | 5,105 |
| Currency risk FX | 6,676 | 22,070 | 22,287 | 23,277 | 26,732 | 22,757 | 21,826 | 24,328 | 23,744 |
| - due to operational risk | 76,495 | 78,401 | 78,401 | 78,400 | 78,401 | 78,970 | 78,970 | 78,970 | 78,970 |
| Total risk weighted assets | 699,693 | 713,592 | 720,552 | 703,188 | 695,102 | 683,858 | 674,099 | 644,434 | 659,757 |
| Capital ratios | | | | | | | | | |
| CET1 ratio | 28.3% | 26.9% | 25.8% | 25.7% | 26.5% | 26.3% | 26.1% | 27.0% | 25.1% |
| Tier 2 ratio | 1.8% | 2.3% | 2.5% | 2.7% | 3.1% | 3.1% | 3.2% | 3.3% | 3.3% |
| Capital adequacy ratio | 30.1% | 29.2% | 28.3% | 28.4% | 29.6% | 29.4% | 29.3% | 30.3% | 28.4% |

Other - 5 years

| ISK million | 2015 | 2014 | 2013 | 2012 | 2011 |
|------------------------------------|--------|--------|--------|--------|--------|
| Currencies (annual average) | | | | | |
| USD | 131.85 | 116.75 | 122.23 | 125.05 | 116.07 |
| GBP | 201.58 | 192.17 | 131.22 | 198.16 | 186.00 |
| EUR | 146.30 | 154.86 | 162.38 | 160.73 | 161.42 |
| DKK | 19.62 | 20.77 | 21.77 | 21.59 | 21.67 |
| SEK | 15.64 | 17.03 | 18.78 | 18.47 | 17.88 |
| CHF | 137.08 | 127.50 | 131.91 | 133.35 | 131.20 |

Disclaimer

“The information herein is unaudited and is only intended to serve as a supplementary information. Íslandsbanki cannot guarantee that the information contained herein is without fault or entirely accurate. The information in this Fact Book is based on sources that ÍSB believes to be reliable, however Íslandsbanki cannot guarantee that all information is correct. Furthermore, information and opinions may change without notice. ÍSB is under no obligation to make amendments or changes to this publication if errors are found or opinions or information change. Íslandsbanki accepts no responsibility for the accuracy of its sources. ”