

NOT FOR DISTRIBUTION IN OR INTO ANY JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS ANNOUNCEMENT

13 June 2019. The Republic of Iceland (the **Offeror**) announces today the results of its invitation to holders of its €750,000,000 2.50 per cent. Notes due 15 July 2020 (ISIN: XS1086879167) (of which €352,422,000 in aggregate nominal amount is outstanding as at the date hereof) (the **Notes**) to tender their Notes for purchase by the Offeror for cash (such invitation, the **Offer**).

The Offer was announced on 5 June 2019 and was made on the terms and subject to the conditions contained in the tender offer memorandum dated 5 June 2019 (the **Tender Offer Memorandum**) prepared by the Offeror in connection with the Offer. Capitalised terms used in this announcement but not defined have the meaning given to them in the Tender Offer Memorandum.

The Expiration Deadline for the Offer was 5.00 p.m. (CET) on 12 June 2019.

The Offeror announces today that it has decided to accept all Notes validly tendered pursuant to the Offer and, accordingly, subject to the satisfaction (or waiver) of the New Financing Condition on or prior to the Tender Offer Settlement Date, it will accept for purchase €60,486,000 in aggregate nominal amount of the Notes pursuant to the Offer.

Subject to satisfaction (or waiver) of the New Financing Condition on or prior to the Tender Offer Settlement Date, the Purchase Price the Offeror will pay for those Notes accepted for purchase pursuant to the Offer is 103.112 per cent. of their nominal amount. The Offeror will also pay an Accrued Interest Payment in respect of such Notes.

A summary of the final results of the Offer appears below:

Description of the Notes	ISIN / Common Code	Aggregate nominal amount of Notes accepted for purchase pursuant to the Offer	Purchase Price
€750,000,000 2.50 per cent. Notes due 15 July 2020	XS1086879167 / 108687916	€60,486,000	103.112 per cent.

The Tender Offer Settlement Date is expected to be 20 June 2019. Following settlement of the Offer, €291,936,000 in aggregate nominal amount of the Notes will remain outstanding.

Barclays Bank PLC (Telephone: +44 20 3134 8515; Attention: Liability Management Group; Email: eu.lm@barclays.com); **J.P. Morgan Securities plc** (Telephone: +44 20 7134 2468; Attention: Liability Management; Email: emea_lm@jpmorgan.com); **Morgan Stanley & Co. International plc** (Telephone: +44 20 7677 7799; Attention: Liability Management; Email: liabilitymanagementeuropa@morganstanley.com); and **Nomura International plc** (Telephone: +44 20 7103 6597; Attention: Liability Management; Email: liability.management@nomura.com) are acting as Dealer Managers for the Offer.

Citibank, N.A., London Branch (Telephone: +44 20 7508 3867; Attention: Exchange Team; Email: citiexchanges@citi.com) is acting as Tender Agent for the Offer.

DISCLAIMER

This announcement must be read in conjunction with the Tender Offer Memorandum. No offer or invitation to acquire any securities is being made pursuant to this announcement. The distribution of this announcement and the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement and/or the Tender Offer Memorandum comes are required by each of the Offeror, the Dealer Managers and the Tender Agent to inform themselves about, and to observe, any such restrictions.