

**STANDARD FORM – NOTIFICATION OF THE ACQUISITION OR DISPOSAL OF
MAJOR PROPORTIONS OF VOTING RIGHTS**

**VOTING RIGHTS ATTACHED TO SHARES– ARTICLE 85 OF THE ACT ON SECURITIES TRANSACTIONS
NO. 108/2007**

1. Identity of the issuer or the underlying issuer of existing shares to which voting rights are attached ⁱ: **ARION**
2. Reason for the notification (please tick the appropriate box or boxes):
☒ an acquisition or disposal of voting rights
☐ an acquisition or disposal of financial instruments which may result in the acquisition of shares already issued to which voting rights are attached
☐ an event changing the breakdown of voting rights
3. Full name of person(s) subject to the notification obligation ⁱⁱ: **Kaupskil ehf.**
4. Full name of shareholder(s) (if different from the person mentioned in point 3.) ⁱⁱⁱ:
5. Date of the transaction and date on which the threshold is crossed or reached ^{iv}: 3 April 2019
6. Threshold(s) that is/are crossed or reached: **Gone below 25%**
7. Notified details:

A) Voting rights attached to shares							
Class/type of shares (if possible using the ISIN CODE)	Situation previous to the Triggering transaction		Resulting situation after the triggering transaction ^{vi}				
			Number of shares	Number of voting rights ^{viii}		% of voting rights	
	Number of Shares	Number of Voting rights ^{vii}		Direct	Direct ^{ix} Indirect ^x	Direct	Indirect
ARION IS0000028157 og SE0010413567	653,471,629	505,337,566	453,471,629	453,471,629		22,67%	



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THE FINANCIAL SUPERVISORY AUTHORITY, ICELAND

SUBTOTAL A (based on aggregate voting rights)					
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B) Financial Instruments				
Resulting situation after the triggering transaction ^{xi}				
Type of financial instrument	Expiration Date ^{xii}	Exercise/Conversion Period/ Date ^{xiii}	Number of voting rights that may be acquired if the instrument is exercised/converted	% of voting rights
		SUBTOTAL B (in relation to all expiration dates)		

Total (A+B) [if applicable]	number of voting rights	% of voting rights

8. Chain of controlled undertakings through which the voting rights and/or the financial instruments are effectively held, if applicable ^{xiv}:

9. In case of proxy voting: [name of the proxy holder] will cease to hold [number] voting rights as of [date].

10. Additional information:

The number of votes and percentage of votes is based on the number of currently issued shares in Arion Bank, which are in total 2,000,000,000. Kaupskil's ownership, excluding treasury shares held by Arion Bank, is now 25.00%.

Done at Reykjavík on 3 April 2019

On behalf of Kaupskil ehf.

Þröstur Ríkharðsson Attorney