

Results of foreign currency auctions

On 9 December 2014, the Central Bank of Iceland offered to purchase euros in exchange for Icelandic krónur for long-term investment in the Icelandic economy, or in exchange for payment in Treasury bond series RIKS 33 0321. The Bank also advertised for bids on the sale of Icelandic krónur for cash payment in foreign currency. The two euro purchase auctions took place between 9:30 hrs. and 10:30 hrs. today and the króna purchase auction took place between 10:45 hrs. and 11:45 hrs. The auctions were an element in the removal of restrictions on movement of capital as set forth in the Central Bank's capital account liberalisation strategy, published on 25 March 2011. Further information can be found in the Central Bank of Iceland Terms of foreign exchange transactions according to the Investment Programme for capital account liberalisation, with subsequent amendments, dated 18 November 2011.

Results of EUR purchase auction

In all, 130 bids totalling 62.4 million euros were submitted, and bids in the amount of 60.7 million euros were accepted. The auction that was part of the Bank's Investment Programme was structured with a single-price format, so that all accepted bids were accepted at the same price, which was set at 195 kr. per euro. The auction that was part of the Treasury Bond programme was also structured with a single-price format; therefore, all accepted bids were accepted at the same price, which was set at 178 kr. per euro. Bids submitted with a price of 178 krónur per euro were reduced proportionally by 44.1011%.

Highlights	Total	Treasury bonds	Investment Programme
Number of bids	130	38	92
Total amount in EUR	62.4 m	3.9 m	58.5 m
Accepted bids in EUR	60.7 m	2.2 m	58.5 m

Investors selling foreign currency according to the Treasury bond option will receive indexed RIKS 33 0321 bonds as payment. Bonds sold in the series totalled 355 m.kr. nominal value. As payment for

foreign currency sold, investors participating in the Investment Programme will receive Icelandic krónur for long-term investment in the Icelandic economy. Euros purchased in the two auctions totalled the equivalent of 11.8 b.kr.

Results of ISK purchase auction

The auction was structured with a single-price format, so that all accepted offers were made available to primary dealers at the same price, which was set at 200 kr. per euro. In all, 81 bids were submitted in the amount of 57.9 b.kr., and bids totalling 11.8 b.kr. were accepted. Bids submitted at 200 kr. per euro were reduced pro rata by 51.8816%.

Highlights	Total
Number of bids	81
Total amount in b.kr.	57.9
Accepted bids in b.kr.	11.8

Further information can be obtained from Arnór Sighvatsson, Deputy Governor of the Central Bank of Iceland, at tel: +354 569-9600.