



## Íslandsbanki - Issuance plan for 2023

### Covered bonds

The Bank plans to hold regular auctions of ISK denominated covered bonds.

The issuance need will depend on development in the Bank's deposit base, upcoming maturities of covered bonds, mortgage book development and general market conditions.

- Approximately ISK 46bn of covered bonds are maturing during the year, thereof one bond series, ISB CB 23, with a nominal amount of ISK 35 billion in September.
- Auction dates will depend on market conditions. Individual auctions will be announced via the Nasdaq Iceland news system.
- Arion Bank, Kvika and Landsbankinn are the market makers for the Bank's covered bonds. Market makers have access to bond lending facilities in the relevant series.
- The Bank's covered bonds have an A rating from S&P Global Ratings.

The Bank does not expect to issue covered bonds in foreign currencies this year.

### Senior preferred bonds

The Bank expects to issue approximately €300-600m of senior preferred bonds during the year. Issuance is expected to be in a combination of ISK, € and Scandinavian currencies.

Precise timings and volumes will depend on the Bank's loan growth, market conditions as well as on upcoming maturities.

- The Bank has a EUR 300m senior preferred transaction maturing in November.
- Íslandsbanki will contemplate increasing the outstanding ISK denominated bond series and will also consider new issues.

### Capital transactions

The Bank has an upcoming call option on a SEK 500 Tier 2 bond in August 2023.

- The Bank may choose to call and replace the outgoing bond with a new transaction in ISK or foreign currencies.

The Bank has room to issue Additional Tier 1 capital instruments for the optimisation of the capital structure subject to market conditions.

### Buybacks and further diversification of funding sources

The Bank will most likely make use of buybacks in 2023, in both local and foreign markets, in order to maintain a strong balance sheet position whilst efficiently applying surplus liquidity.

The Bank is always motivated towards diversifying its funding sources further and may make use of alternative markets or products if circumstances permit.

### Disclaimer

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

### For further information

- Egill Skúli Þórólfsson, [egill.thorolfsson@islandsbanki.is](mailto:egill.thorolfsson@islandsbanki.is), +354 844 2615
- William Symington, [william.symington@islandsbanki.is](mailto:william.symington@islandsbanki.is), +354 844 4664
- Jóhann Ottó Wathne, [johann.wathne@islandsbanki.is](mailto:johann.wathne@islandsbanki.is), +354 8444607

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