

FINAL TERMS

9 December 2020

LANDSBANKINN HF.

Legal entity identifier (LEI): 549300TLZPT6JELDWM92

**Issue of ISK 1,040,000,000 Fixed Rate Covered Bonds
under the ISK 250,000,000,000**

Covered Bond Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Covered Bonds (the “**Terms and Conditions**”) set forth in the Base Prospectus dated 17 April 2020 and any supplements if applicable. This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of Article 8(2) of the Prospectus Regulation, as amended and must be read in conjunction with the Base Prospectus and any supplements if applicable which constitute a base prospectus for the purposes of the Prospectus Regulation. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of these Final Terms and the Base Prospectus and any supplements, if applicable. A copy of said Base Prospectus is available for viewing at the issuer’s website, www.landsbankinn.is/sertryggd-skuldabref.

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|---|---|
| 1. Issuer: | Landsbankinn hf. |
| 2. | |
| i. Series Number: | 10 |
| ii. Tranche Number: | 5 |
| 3. Specified Currency or Currencies: | ISK |
| 4. Aggregate Nominal Amount: | |
| i. Series: | 11,200,000,000 |
| ii. Tranche: | 1,040,000,000 |
| 5. Issue Price: | 101.430 per cent. of the Aggregate Nominal Amount
plus accrued interest from 17 September 2020 |
| 6. Specified Denominations: | |
| i. Specified Denominations: | 20,000,000 |
| ii. Calculation Amount: | 20,000,000 |

7.

- i. Issue Date: 15 December 2020
- ii. Interest Commencement Date: Issue Date

8.

- i. Maturity Date: 17 September 2025
- ii. Extended Maturity Date: Applicable
The Extended Maturity Date is 17 September 2028

9.

- i. Interest Basis to Maturity Date: 3.40 per cent. Fixed Rate
- ii. Interest Basis from Maturity Date to Extended Maturity Date: 3.90 per cent. Fixed Rate

10. **Redemption/Payment Basis:** One payment of principal at Maturity Date

11. **Change of Interest Basis or Redemption/Payment Basis:** Not Applicable

12. **Investor Put/Issuer Call:** Not Applicable

13. **Status of the Covered Bonds:** Senior secured

14. **Approval for Issuance of the Covered Bonds:** Date of Board approval for issuance of Covered Bonds obtained:
23 March 2020

15. **Method of Distribution:** Non-syndicated

16. **Calculation Agent:** Issuer

PROVISIONS RELATING TO INFLATION LINKED ANNUITY COVERED BONDS

17. **Inflation Linked Annuity Covered Bonds:** Not Applicable

PROVISIONS RELATING TO INFLATION LINKED EQUAL PRINCIPAL PAYMENT COVERED BONDS INCLUDING COVERED BONDS WITH ONE PAYMENT OF PRINCIPAL ON MATURITY DATE

18. **Inflation Linked Equal Principal Payment Covered Bonds:** Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

19. **Fixed Rate Covered Bond Provisions:** Applicable
- i. Rate(s) of Interest to Maturity Date: 3.40 per cent. per annum payable annually in arrears
 - ii. Rate(s) of Interest from Maturity Date to Extended Maturity Date: 3.90 per cent. per annum payable annually in arrears
 - iii. Interest Payment Date(s): 17 September in each year up to and including the Maturity Date and up to and including the Extended Maturity Date if applicable.
 - iv. Day Count Fraction: 30/360
 - v. Other terms relating to the method of calculating interest for Fixed Rate Covered Bonds: None
20. **Floating Rate Covered Bond Provisions:** Not Applicable
21. **Zero Coupon Covered Bond Provisions:** Not Applicable

PROVISIONS RELATING TO REDEMPTION

22. **Issuer Call:** Not Applicable
23. **Investor Put:** Not Applicable
24. **Final Redemption Amount of each Covered Bond:** The Principal Amount Outstanding at Maturity Date
25. **Early Redemption Amount of each Covered Bond payable on redemption and/or the method of calculating the same (if required or if different from that set out in Condition 8.7 (a)):** As set out in Condition 8.7 (a)

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

26. **New Global Covered Bond:** No
27. **Form of Covered Bonds:** NCSD System Covered Bonds

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|--|-------------------------------|
| 28. Additional Financial Centre(s) or other special provisions relating to Payment Days: | Not Applicable |
| 29. Talons for future Coupons or Receipts to be Attached to definitive Covered Bonds (and dates on which such Talons mature): | No |
| 30. Details relating to Partly Paid Covered Bonds: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequence of failure to pay, including any right of the Issuer to forfeit the Covered Bonds and interest due on late Payment: | Not Applicable |
| 31. Details relating to Instalment Covered Bonds: | |
| i. Instalment Amount(s): | Not Applicable |
| ii. Instalment Date(s): | Not Applicable |
| 32. Redenomination applicable: | Redenomination not applicable |
| 33. i. Swap Provider: | Not Applicable |
| ii. Nature of Swap: | Not Applicable |
| 34. Other final terms: | Not Applicable |

DISTRIBUTION

- | | |
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| 35. i. If syndicated, names of Managers: | Not Applicable |
| ii. Stabilizing Manager (if any): | Not Applicable |
| 36. If non-syndicated, name of relevant Dealer: | Landsbankinn hf. |
| 37. U.S. selling restrictions: | Reg. S. Compliance Category 2;
TEFRA Not Applicable |
| 38. Additional selling restrictions: | Not Applicable |

LISTING AND ADMISSION TO TRADING APPLICATION

These Final Terms comprise the final terms required for the Covered Bonds described herein *to be admitted to trading* pursuant to the ISK 250,000,000,000 Covered Bond Programme of Landsbankinn hf.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By:

Duly authorized

By:

Duly authorized

PART B – OTHER INFORMATION

1. LISTING

- i. Listing: Nasdaq Iceland
- ii. Admission to trading: Application has been made for the Covered Bonds to be admitted to trading on Nasdaq Iceland.

2. RATING

Not Applicable

3. NOTIFICATION

Not Applicable

4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Dealer, so far as the Issuer is aware, no person involved in the issue of the Covered Bonds has an interest material to the issue.

5. USE OF PROCEEDS, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- i. Use of proceeds: For general funding purposes of the Issuer
- ii. Estimated net proceeds: 1,063,280,556
- iii. Estimated total expenses: 235,000

6. YIELD (*Fixed Rate Covered Bonds Only*)

Indication of yield: 3.07%

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

7. HISTORIC INTEREST RATES (*Floating Rate Covered Bonds Only*)

Not Applicable

8. PERFORMANCE OF CPI, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING (*Inflation Linked Annuity Covered Bonds and Inflation Linked Equal Principal Payment Covered Bonds Only*)

Not Applicable

9. OPERATIONAL INFORMATION

- i. ISIN Code: IS0000031821
- ii. Common Code: LBANK CB 25
- iii. CIF: D-B-F-S-F-R
- iv. FISN: LANDSBANKINN HF/3.4 BD 20250917
- v. Any Clearing system(s) other than Euroclear Bank S.A./N.V. or Clearstream Banking, société anonyme (together with the address of each such clearing system) and the relevant identification number(s): Nasdaq CSD Iceland
Laugavegur 182, 105 Reykjavik, Iceland
Reg. No. 500797-3209
- vi. Delivery: Delivery against payment
- vii. Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- viii. Intended to be held in a manner which would allow Eurosystem eligibility: No

Undirritunarsíða

Endanlegir skilmálar LBANK CB 25
Lilja Björk Einarsdóttir

Endanlegir skilmálar LBANK CB 25
Hreiðar Bjarnason