

Supplement dated 10 February 2020
to the Base Prospectus dated 3 April 2019

Landsbankinn hf.
(incorporated in Iceland as a limited liability company)
ISK 200,000,000,000
Covered Bond Programme

This supplement (the “Supplement”) to the base prospectus dated 3 April 2019 (the “Base Prospectus”) constitutes a supplement for the purposes of Article 16 of Directive No. 2003/71/EC of the European Parliament and the Council of 4 November 2003 (the “Prospectus Directive”) as amended. The Prospectus Directive has been implemented into Icelandic law and the Supplement is prepared in accordance with Article 46 of the Securities Transactions Act No. 108/2007 (the “Act on Securities Transactions”). This supplement is supplemental to, forms part of and must be read and construed in conjunction with, the Base Prospectus dated 3 April 2019, and supplements to the Base Prospectus dated 8 April 2019, 10 May 2019, 26 July 2019 and 31 October 2019.

The Base Prospectus has been issued by Landsbankinn hf. (the “Issuer”) in respect of an ISK 200,000,000,000 Covered Bond Programme (the “Programme”) and is dated 3 April 2019.

The Supplement and the Base Prospectus are available on the Issuer’s website, www.landsbankinn.is (<http://www.landsbankinn.is/sertryggd-skuldabref>). Investors can request printed copies of the Base Prospectus and any supplements free of charge at the Issuer’s registered office at Austurstræti 11, 155 Reykjavík, Iceland.

Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement. To the extent that there is any inconsistency between a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and b) any other statement in or incorporated by reference into the Base Prospectus, the statements referred to in a) above shall prevail.

The Financial Supervisory Authority of the Central Bank of Iceland (the “FSA”) in its capacity as competent authority under the Act on Securities Transactions has scrutinised and approved this Supplement, which is published in English only.



Landsbankinn hf.

This Supplement is dated 10 February 2020

1. ISSUER'S STATEMENT

There have been no significant changes in the future prospects of the Issuer that could have a negative impact on the Issuer, since the last audited financial statements of the Issuer for the year 2019, published 6 February 2020.

There have been no significant changes in the financial position of the Issuer since the end of the last financial period for the financial year 2019, published 6 February 2020.

Chief Executive Officer and Chief Financial Officer of Landsbankinn hf., Reg. No. 471008-0280, registered office at Austurstræti 11, 155 Reykjavík, Iceland, on behalf of the Issuer, hereby declare, that having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

Reykjavík, 10 February 2020

On behalf of Landsbankinn hf.,



Lilja Björk Einarsdóttir

Chief Executive Officer



Hreiðar Bjarnason

Chief Financial Officer

2. INCORPORATION BY REFERENCE

The following document which has previously been published shall be incorporated in, and form part of this Supplement:

- i) The Consolidated Financial Statements of the Issuer for the year ended 31 December 2019, including the report of the Board of Directors and the CEO.

The Consolidated Financial Statements for the year 2019, and the report of the Board of Director and the CEO, are available for viewing on the Issuer's website, www.landsbankinn.is, and

<https://cns.omxgroup.com/cdsPublic/viewDisclosure.action?disclosureId=920592&messageId=1160088>

3. NEW PARAGRAPH IN THE SECTION ENTITLED RISK FACTORS - FAILURE TO MANAGE COMPLIANCE RISK COULD ADVERSELY AFFECT THE BANK'S BUSINESS

The following wording shall be inserted as the fourth paragraph in the section "*Risk Factors - Failure to manage compliance risk could adversely affect the Bank's business*" on page 26, in the Base Prospectus:

"The Bank notes, that on 18 October 2019 the Financial Action Task Force ("FATF") decided to place Iceland on its list of jurisdictions with deficiencies in its strategy for tackling anti-money laundering and countering the financing of terrorism ("AML/CFT"), for which they have developed an action plan with the FATF. The decision is based on the FATF's Follow-up Report and Compliance Re-Rating and the subsequent consideration by the FATF Joint Group. Iceland has implemented an action plan to address the issues concerned, which are not directed at financial institutions. The Icelandic government has stated that it expects the FATF's decision to have limited impact on financial institutions, but that the list may require counterparts of Icelandic entities to undertake

increased diligence measures. There can be no assurance that the aforementioned decision will not have a negative effect on the Bank's operation and/or reputation.”