

**SUPPLEMENT TO THE BASE PROSPECTUS DATED 6 APRIL 2017
THE DATE OF THIS SUPPLEMENT IS 14 NOVEMBER 2017**



LANDSBANKINN HF.
(incorporated with limited liability in Iceland)
€2,000,000,000
Euro Medium Term Note Programme

This supplement (“**Supplement**”) to the base prospectus dated 6 April 2017 as supplemented by the supplement dated 14 June 2017 (the “**Base Prospectus**”) constitutes a supplement to the Base Prospectus for the purposes of Article 16 of Directive 2003/71/EC as amended (the “**Prospectus Directive**”) (as implemented in the Republic of Ireland by the Prospectus (Directive 2003/71/EC) Regulations 2005, as amended) and is prepared in relation to the €2,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) of Landsbankinn hf. (the “**Bank**” or the “**Issuer**”).

This Supplement has been approved by the Central Bank of Ireland as a competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Supplement as meeting the requirements imposed under Irish and European Union law pursuant to the Prospectus Directive. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this Supplement. This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and all documents which are incorporated herein or therein by reference.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into this Supplement and (b) any statement in or incorporated by reference in the Base Prospectus, the statements referred to in (a) will prevail.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

This Supplement is and will be available on the website of the Central Bank of Ireland at www.centralbank.ie for a period of 12 months from the date of the approval of the Base Prospectus. This Supplement and the documents incorporated by reference may be obtained on written request and without charge from the registered office of the Issuer at Austurstræti 11, 155 Reykjavík, Iceland.

Purpose of this Supplement

The purpose of this Supplement is to (i) incorporate by reference into the Base Prospectus the Q3 2017 Interim Financial Statements (as defined below); (ii) confirm that there has been no significant change in the financial or trading position of the Group since 30 September 2017; (iii) confirm that there has been no material adverse change in the prospects of the Bank since 31 December 2016; and (iv) update the credit rating of the Bank.

Documents incorporated by reference

By virtue of this Supplement the Bank's Condensed Consolidated Interim Financial Statements for the first nine months of 2017, ended 30 September 2017 (the “ **Q3 2017 Interim Financial Statements**”), (<https://www.landsbankinn.com/uploads/documents/arsskyrsluroguppjor/Consolidated-Financial-Report-Q3-2017-EN.pdf>), which have previously been published on the website of the Issuer and have been filed with the Central Bank of Ireland, shall be incorporated in, and form part of, the Base Prospectus.

Significant change

There has been no significant change in the financial or trading position of the Group since 30 September 2017 and there has been no material adverse change in the prospects of the Bank since 31 December 2016.

Any documents themselves incorporated by reference in the documents incorporated by reference do not (and shall not be deemed to) form part of this Supplement for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference.

Ratings

On 25 October 2017, the international rating agency Standard & Poor's upgraded the long term rating and affirmed the short term rating of the Bank from BBB/A-2 to BBB+/A-2 with a stable outlook.