

Results of the Annual General Meeting of Landsbankinn held at Silfurberg in Harpa on 28 March 2012

1. The meeting approved the financial statements of Landsbankinn hf. for the accounting year 2011 and the Auditor's report.
2. The meeting approved that the profit for the year 2011 shall be used to increase the equity of Landsbankinn.
3. The meeting approved the proposal of the Board of Directors for the following remuneration policy:

Article 1 - Objective

Landsbankinn hf. places great importance on recruiting and having at its disposal highly qualified and motivated employees.

The objective of the remuneration policy is to make employment with Landsbankinn an attractive option for qualified employees and thereby ensure the competitiveness of the Bank, its development and sufficient profitability.

The remuneration policy shall support healthy operations for the long term and should not encourage unreasonable risk-taking behaviour. The Bank stresses the importance of providing terms of employment for management that is competitive though not leading on the market. When determining terms of employment, responsibility and performance should be taken into consideration and generally accepted views on gender equality should also be taken into account.

In accordance with Article 79 (a) of the Companies Act No. 2/1995, the Bank's remuneration policy shall be submitted for approval at the Bank's Annual General Meeting.

Article 2 - Remuneration Committee

Landsbankinn's Remuneration Committee is comprised of three members of the Board of Directors. The role of the Remuneration Committee is to provide guidance to the Board of Directors of the Bank and the CEO concerning the employment terms of the Bank's key management and to provide advice on the remuneration policy.

The Committee shall also monitor that the remuneration of key management is within the framework of the remuneration policy and report to the Board of Directors annually on this subject in relation the Bank's Annual General Meeting.

The Committee shall also monitor the development of employment contracts, number of employees and wage related payments. The Board of Directors has written a letter of mandate to the Committee where its role is stipulated in greater detail.

Article 3 - Remuneration of the members of the Board of Directors

Members of the Board of Directors will be paid a fixed monthly remuneration in accordance with the decision of the Annual General Meeting each year, as provided for in Article 79 of the Companies Act No. 2/1995.

When determining the remuneration amount, the time devoted to work by the members of the Board shall be taken into account as well as their responsibility and the performance of the Bank. The Remuneration Committee submits a reasoned proposal to the Board of Directors on remuneration for the upcoming operating year.

The Board of Directors takes a position on the proposal of the Remuneration Committee and prepares a final proposal on remuneration to be submitted at the Annual General Meeting. The Bank also pays travel expenses in relation to work undertaken by the members of the Board of Directors who have residence outside the capital region.

No severance agreements are permitted with members of the Board.

Article 4 -The remuneration of the CEO and key management

The Board of Directors of the Bank appoints a CEO. His remuneration shall be competitive and in line with remuneration of CEO's of large companies and companies on the financial market though not leading on the market.

The CEO appoints the key management of the Bank and their salaries shall be competitive though not leading on the market.

Article 5 - Variable remuneration

In an agreement between the Minister of Finance on behalf of the State, Landsbankinn hf. and Landsbanki Íslands hf. dated 15 December 2009, it is stipulated that Landsbankinn shall implement an employee incentive scheme. The scheme shall be in accordance with the rules of the Financial Supervisory Authority regarding such schemes at financial institutions. Proposals for such a scheme and changes to the remuneration policy shall be submitted to an extraordinary general meeting. The Board of Directors is not authorised to approve such a scheme until it has been submitted to an extraordinary general meeting.

Article 6 - Disclosure

Landsbankinn shall disclose the remuneration of the members of the Board of Directors and key management in its annual report.

This remuneration policy shall be published on the Bank's website.

Article 7 - Approval of remuneration policy etc.

Landsbankinn's remuneration policy is approved by the Board of Directors. The Annual General Meeting of the Bank shall also address the remuneration policy and it shall be submitted before the meeting for approval or rejection. The remuneration policy can be reviewed more frequently than annually, all changes shall be submitted to a shareholders' meeting for approval.

The remuneration policy is a guideline for the Bank and Board of Directors. The Board of Directors shall enter into the minutes any deviations from the remuneration policy, and such deviations shall be supported by detailed reasoning. An account must be given of any deviations at the following Annual General Meeting of the Bank.

4. The meeting approved a proposal to vote the following individuals on the Board of Directors and alternates for a term of one year or until the next Annual General Meeting. In the event of the absence of a member of the Board, alternates shall be called in to attend meetings in the order of their appearance on the following list. The exception to this rule is that in the event a member of the Board of Directors who is appointed by Landskil ehf. is absent, his alternate attends meetings on his behalf and only for that member of the Board.

The first alternate shall generally take part in the meetings of the Board of Directors.

The members of the Board of Directors:

Gunnar Helgi Hálfðanarson

Andri Geir Arinbjarnarson

Sigríður Hrólfsdóttir

Þórdís Ingadóttir

Ólafur Helgi Ólafsson

Alternate members:

Jón Sigurdsson

Helga Loftsdóttir

Kristján Þ. Davíðsson

Tinna Laufey Ásgeirsdóttir

Þorsteinn Garðarsson

The first four members of the Board of Directors and alternates on the list are appointed by the Icelandic State Financial Investments while the last on the list are appointed by Landskil ehf.

5. The meeting approved the election of the Auditor General as the Bank's auditor for the financial year 2012.
6. The meeting approved that the remuneration of the members of the Board of Directors shall be ISK 350.000 per month for the period until the next Annual General Meeting to be paid in accordance with salaries paid to bank employees. The remuneration of the Chairman of the Board shall be ISK 600.000 and remuneration of the Vice Chairman of the Board shall be ISK 425.000 per month. The remuneration for each member of the Board for work in subcommittees shall be ISK 100.000 per month. Remuneration for alternates shall be ISK 175.000 for each meeting attended though never higher than the remuneration of the members of the Board for each month.