Glitnir hf.

Statement of Assets and Liabilities

Incorporating an estimate of the value of assets as at 31 December 2013 and a computation of liabilities

12 March 2014

Disclaimer

This document includes a Statement of Assets and Liabilities as at 31 December 2013 (the “Statement”). You should carefully review the financial information and read the Supplementary Notes and Valuation Methodologies included as appendices. The actual realisable value of Glitnir’s assets and the amount of its liabilities may differ materially from the estimated value of assets and computation of liabilities set forth in this presentation. Certain factors that might cause the actual value of Glitnir’s assets and amount of liabilities to differ are set forth in Appendix 2, Supplementary Note 2, Limitations.

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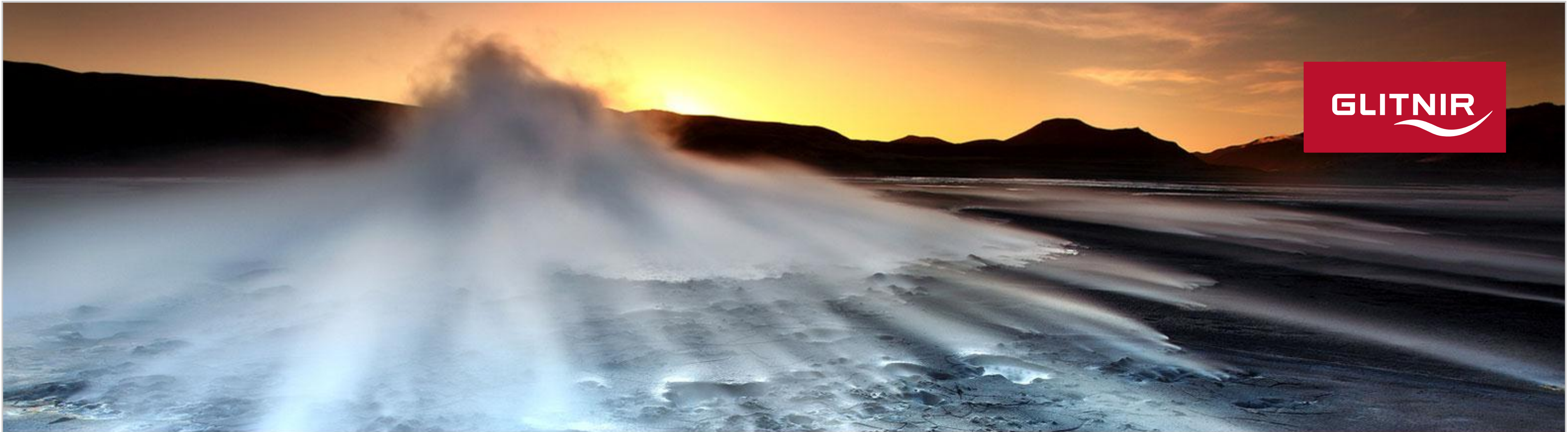
The Statement of Assets and Liabilities has been prepared by Glitnir hf. The assumptions and estimates incorporated in the Statement of Assets and Liabilities and Notes remain the sole responsibility of Glitnir hf.


GLITNIR

Introduction

- The Statement is presented in ISK throughout (with certain supporting analyses also shown in EUR) and, unless otherwise stated, foreign currency values are translated at the mid rates published by the Icelandic Central Bank for 31 December 2013 (as detailed in Appendix 1). A significant proportion of the assets of Glitnir are denominated in foreign currencies. As a result, movements in foreign exchange rates may have a material impact on the estimated values presented herein. Comparative balances have not been retranslated from the foreign exchange rates used as at that date. Detail on Glitnir’s FX strategy was published on its website on 22 September 2010.
- The Combined Balance Sheet includes the sum of the Assets and Liabilities of Glitnir and its subsidiaries, except for Íslandsbanki hf. and Reviva Capital SA.
- Glitnir’s claim register is denominated in ISK based on foreign exchange rates on 22 April 2009. As a result, the eventual amount of ISK liabilities will be determined by the claims determination process and will not be subject to exchange rate movements. Where the liabilities presented in the Statement have been translated from ISK into EUR, this is for informational purposes only and the foreign exchange rate as at 31 December 2013 was used.
- The notes and appendices included in this presentation form an integral part of the Statement and should be reviewed in conjunction with it, along with the Statements of Assets and Liabilities as at 30 June 2013 and associated notes and appendices.
- The Winding-Up board and the management of Glitnir are solely responsible for the valuation of the assets included in the Statement of Assets and Liabilities. KPMG, as Glitnir´s external auditors, has audited the valuation of assets included in the Statement of Assets and Liabilities as at 31 December 2013. Based on KPMG´s audit, nothing has come to their attention that causes it to believe that the valuation of the assets in the Statement is not, in all material respect, based on the same methods applied in Glitnir´s financial statements as at 31 December 2012, as published on Glitnir´s website.


GLITNIR

Statement of Assets and Liabilities - Combined

GLITNIR

31 December 2013	ISKm Combined 31 Dec 2013	ISKm Combined 30 June 2013	ISKm Combined 31 Dec 2012	EURm Combined 31 Dec 2013	EURm Combined 30 June 2013	EURm Combined 31 Dec 2012
Assets						
Loans to customers	**130.166**	**185.507**	**243.930**	821	1.152	1.437
Derivatives claims	**24.355**	**23.944**	**32.387**	154	149	191
Bonds and debt instruments	**11.894**	**20.290**	**31.139**	75	126	183
Shares and equity investments	**40.312**	**42.872**	**39.142**	254	266	231
Investments in subsidiaries	**157.974**	**132.079**	**117.027**	997	820	689
Cash and cash equivalents	**556.736**	**511.095**	**462.079**	3.513	3.173	2.721
Other assets	**6.199**	**3.670**	**9.881**	39	23	58
Total assets	**927.637**	**919.459**	**935.585**	**5.853**	**5.707**	**5.510**
Liabilities						
Claims	**2.389.735**	**2.411.236**	**2.428.494**	15.077	14.967	14.302
Other liabilities	**3.880**	**3.910**	**4.303**	24	24	25
Total liabilities	**2.393.615**	**2.415.146**	**2.432.797**	15.102	14.992	14.327
Equity	**(1.465.977)**	**(1.495.687)**	**(1.497.212)**	(9.249)	(9.284)	(8.818)
	927.637	**919.459**	**935.585**	**5.853**	**5.707**	**5.510**

Statement of Assets and Liabilities

Key trends summary

Assets

- Total combined assets have decreased by ISK7.9bn from ISK935.6bn as at 31 December 2012 to ISK927.6bn as at 31 December 2013. The key drivers for this were:
  - a negative net impact of ISK68.9bn due to movements in FX rates, principally the strengthening of the ISK against various currencies (USD, EUR, NOK and GBP);
  - an increase in the value of the loan portfolio and interest income of ISK4.1bn,
  - an increase in the value of investments in subsidiaries of ISK45.0bn;
  - an increase in the value of the bonds of ISK5.1bn and
  - an increase in the value of shares and equity investments of ISK5.3bn
- Total combined assets in EUR have increased from EUR5,510m to EUR5,853m over the period.
- Glitnir's cash balance has increased by ISK94.6bn from ISK 462.1bn as at 31 December 2012 to ISK556.7bn as at 31 December 2013.

Liabilities

- As a result of the Winding-up Board's continuing work on registered claims, certain adjustments have been made to the amount of registered claims recorded initially to arrive at the estimated computation of liabilities shown in page 6. In the current year, these adjustments resulted in a reduction to total claims of ISK38.8bn since 31 December 2012 to ISK2,389.7bn as at 31 December 2013. Further detail on these adjustments is provided in Note H of this document.
- In December 2013 an amendment to the law of taxation of Financial Institutions was passed by the Parliament to extend the taxation to the former banks in winding up proceedings. The tax rate was also increased from 0.041% to 0.376%. According to the law the tax base is the total debt at the end of each year as submitted in tax returns. The Winding up Board of Glitnir is of the opinion that this taxation of the former banks in winding up proceedings is questionable from legal perspective and expects to challenge the taxation in court. The tax is not accounted for in the financial statements. The tax payable in 2014 according to the law will be ISK 9.0bn for Glitnir.

Statement of Assets and Liabilities

Reconciliation of Glitnir's combined assets

ISKm	Balance as at 31.12.2012	Cash movements and other changes	FX movements	Changes in valuation and netting	Balance as at 31.12.2013
Assets					
Loans to customers	243.930	(99.707)	(18.200)	4.143	130.166
Derivatives claims	32.387	(8.670)	(1.404)	2.043	24.355
Bonds and debt instruments	31.139	(23.587)	(786)	5.128	11.894
Shares and equity investments	39.142	(2.129)	(1.994)	5.293	40.312
Investment in subsidiaries	117.027	(4.051)	(11)	45.010	157.974
Cash and cash equivalents	462.079	141.045	(46.388)	0	556.736
Other assets	9.881	(4.606)	(69)	994	6.199
Total assets	**935.585**	**(1.705)**	**(68.853)**	**62.611**	**927.637**

- The table above provides an analysis of the key factors which affect the movement in the estimated realisable value of Glitnir's consolidated asset portfolio between 31 December 2012 and 31 December 2013.
- The changes in valuation and netting include interest income during the period.

Statement of Assets and Liabilities

Foreign currency analysis of combined assets

31 December 2013 ISKm	EUR	ISK	NOK	USD	GBP	CAD	DKK	Other	Total
Loans to customers	26.954	32.610	40.098	7.525	8.865	340	6.275	7.500	130.166
Derivatives claims	3.249	10.778	0	10.328	0	0	0	0	24.355
Bonds and debt instruments	0	11.894	0	0	0	0	0	0	11.894
Shares and equity investments	931	18.645	7.640	879	2.449	3.480	0	6.287	40.312
Investments in subsidiaries	256	157.718	0	0	0	0	0	0	157.974
Cash and cash equivalents	199.213	62.884	58.141	122.873	78.848	27.977	256	6.544	556.736
Other assets	95	5.900	156	1	1	0	27	21	6.199
Total assets	**230.699**	**300.429**	**106.035**	**141.606**	**90.163**	**31.796**	**6.557**	**20.353**	**927.637**
Precentage of total	*24,9%*	*32,4%*	*11,4%*	*15,3%*	*9,7%*	*3,4%*	*0,7%*	*2,2%*	*100,0%*
Precentage of total (ISK without ISB)		*15,4%*							
Total assets as at 31 December 2012	**234.358**	**254.528**	**129.669**	**144.827**	**95.599**	**35.552**	**13.130**	**27.921**	**935.585**
Precentage of total 31.12.2012	*25,0%*	*27,2%*	*13,9%*	*15,5%*	*10,2%*	*3,8%*	*1,4%*	*3,0%*	*100,0%*
Precentage of total (ISK without ISB)		*14,8%*							

- The table above shows the estimated split of Glitnir’s combined assets by currency as at 31 December 2013.
- The investment in Islandsbanki is assumed to be denominated solely in ISK (although the investment may not ultimately be monetised wholly in ISK).

Statement of Assets and Liabilities

Assets classified as Icelandic and non-Icelandic

31 December 2013

ISKm	ISK assets	Fx from Icelandic counter-parties	Total Icelandic assets	Non Icelandic assets	Combined 31 December 2013	Icelandic assets 31 December 2012	Non Icelandic assets 31 December 2012	Combined 31 December 2012
Assets								
Loans to customers	32.610	5.752	38.362	91.804	**130.166**	77.771	166.159	**243.930**
Derivatives claims	10.778	0	10.778	13.577	**24.355**	12.435	19.951	**32.387**
Bonds and debt instruments	11.894	0	11.894	0	**11.894**	20.616	10.523	**31.139**
Shares and equity investments	18.645	0	18.645	21.667	**40.312**	14.958	24.184	**39.142**
Investments in subsidiaries	157.718	0	157.718	256	**157.974**	116.836	191	**117.027**
Cash and cash equivalents	62.884	27.987	90.870	465.865	**556.736**	41.814	420.265	**462.079**
Other assets	5.900	0	5.900	300	**6.199**	7.254	2.627	**9.881**
Total assets	**300.429**	**33.739**	**334.168**	**593.469**	**927.637**	**291.685**	**643.900**	**935.585**
Proportion - Icelandic- non Icelandic	32%	4%	36%	64%	100%	31%	69%	100%

- The table above shows the split of Glitnir's combined assets by Icelandic and non-Icelandic counterparties as at 31 December 2013.
- The Icelandic assets are loan agreements, bonds, shares and cash generated from Icelandic counterparties.
- The Icelandic assets are split between assets in ISK and assets in foreign currency from Icelandic counterparties.

Asset / liability class analysis

A: Loans to customers – reconciliation

31 December 2013	31.12.2013	31.12.2013		31.12.2012	31.12.2012	
ISKm	Carrying value	Estimated realisable value	Re-covery %	Carrying value	Estimated realisable value	Re-covery %
Opening balance	424.684	243.930	57%	710.259	311.206	44%
Capital repayments	(80.001)	(80.001)		(116.871)	(116.871)	
Interest repayments	(7.576)	(7.576)		(19.928)	(19.928)	
Write off	(34.058)	(3.127)		(26.396)	(83)	
Reclass	(3.798)	(9.002)		(196.800)	(18.639)	
New loans	0	0		27.208	22.738	
Valuation changes & netting	2.168	4.143		13.804	47.353	
Fx impact	(30.752)	(18.200)		33.407	18.154	
Total Loans to Customers	**270.666**	**130.166**	**48%**	**424.684**	**243.930**	**57%**

- The above table sets out the changes in the loan portfolio from 1 January 2013 to 31 December 2013 compared with changes in the portfolio during 2012
- The carrying values in the table above represents the values recorded in Glitnir's accounting records before any credit risk adjustments.

Asset / liability class analysis

A: Loans to customers – industry analysis

31 December 2013 ISKm	31.12.2013 Carrying value	31.12.2013 Estimated realisable value	Re-covery %	31.12.2012 Carrying value	31.12.2012 Estimated realisable value	Re-covery %
Holding Companies	95.857	7.532	8%	121.792	12.635	10%
Seafood	10.867	8.996	83%	20.070	16.779	84%
Offshore-& Transport service	24.021	21.718	90%	55.092	51.243	93%
Manufacturing	10.609	7.479	70%	33.065	24.803	75%
Property & Real Estate	83.723	56.546	68%	124.421	91.929	74%
Financial Institutions	878	455	52%	5.840	3.203	55%
Retail	17.298	10.191	59%	25.137	14.289	57%
Utilities	0	0		251	238	95%
Other	27.412	17.249	63%	39.016	28.812	74%
Total Loans to Customers	**270.666**	**130.166**	**48%**	**424.684**	**243.930**	**57%**

- Whilst loans to holding companies represents the largest element of the portfolio by carrying value (35%), it has the lowest estimated realisable value when compared to carrying value (8%).
- Property and real estate loans represents the largest element of the portfolio by estimated realisable value (42% of the total). The majority of property and real estate loans relate to the Luxembourg property portfolio.

Asset / liability class analysis

A: Loans to customers – geographical analysis

31 December 2013	31.12.2013	31.12.2013		31.12.2012	31.12.2012	
ISKm	Carrying value	Estimated realisable value	Re-covery %	Carrying value	Estimated realisable value	Re-covery %
Iceland	135.039	38.362	28%	203.817	77.771	38%
Norway	57.196	47.845	84%	97.833	85.757	88%
United States	9.388	2.542	27%	15.347	6.546	43%
UK	23.017	18.485	80%	32.809	29.288	89%
Germany	27.239	17.074	63%	41.930	26.118	62%
Canada	0	0		1.831	1.827	100%
Denmark	10.807	1.633	15%	14.934	2.550	17%
Sweden	3.008	2.481	82%	8.051	8.051	100%
Other	4.973	1.744	35%	8.132	5.989	66%
Total Loans to Customers	**270.666**	**130.166**	**48%**	**424.684**	**243.930**	**57%**

- Norway and Iceland represents the most significant element of the loans to customers portfolio by estimated realisable value, Norway 35% and Iceland 32% of the total.

Asset / liability class analysis

A: Loans to customers – currency analysis

31 December 2013	31.12.2013	31.12.2013		31.12.2012	31.12.2012	
ISKm	Carrying value	Estimated realisable value	Re-covery %	Carrying value	Estimated realisable value	Re-covery %
ISK	114.910	32.610	28%	133.530	54.397	41%
EUR	54.222	26.954	50%	91.551	41.516	45%
NOK	46.544	40.098	86%	75.941	69.381	91%
USD	12.652	7.525	59%	30.311	19.982	66%
GBP	9.698	8.865	91%	36.543	30.317	83%
DKK	15.961	6.275	39%	20.341	8.905	44%
SEK	3.794	3.556	94%	7.224	8.328	100%
CHF	7.108	1.530	22%	16.576	5.299	32%
CAD	375	340	91%	444	353	80%
JPY	4.766	1.777	37%	11.392	4.622	41%
Other	637	637	100%	830	830	100%
Total Loans to Customers	**270.666**	**130.166**	**48%**	**424.684**	**243.930**	**57%**

- NOK, ISK, EUR and GBP represents the most significant element of the loans to customers portfolio by estimated realisable value, NOK 29%, ISK 28%, EUR 20% and GBP 7%.

Asset / liability class analysis

B: Derivative claims analysis

ISKm	2013 Derivative claims - estimated realasable value	2012 Derivative claims - estimated realasable value
Opening balance	32.387	20.313
Cash payments	(8.201)	(6.058)
Valuation & netting changes	2.043	38.384
Claims paid with loans and equity	(468)	(20.671)
Fx impact	(1.404)	419
Total derivative claims	**24.355**	**32.387**
Domestic counterparties	**10.778**	**12.435**
International counterparties	**13.577**	**19.951**
Total derivative claims	**24.355**	**32.387**

- The table shows the changes in the derivative claims for the period from 1 January 2013 to 31 December 2013 compared to changes during 2012.
- Claims that have not been settled have been referred to courts.

Asset / liability class analysis

C: Bonds and debt instruments analysis

31 December 2013 ISKm	Estimated realisable value as at 31.12.2013	Estimated realisable value as at 31.12.2012
Opening balance	**31.139**	**29.771**
Repayments and sale of bonds	(23.044)	(52)
Valuation & netting changes	5.128	527
Reclass	(543)	0
Fx impact	(786)	893
Total value of bonds	**11.894**	**31.139**

ISKm	Estimated realisable value as at 31.12.2013	Estimated realisable value as at 31.12.2013
Bond positions		
Icelandic sovereign	10.799	19.041
Other Icelandic	1.095	1.576
International	0	10.523
Total value of bonds	**11.894**	**31.139**

- The table shows the movements in the bond assets from 1 January 2013 to 31 December 2013 compared to the movements during 2012.
- The International bond portfolio was sold during the period.

Asset / liability class analysis

D: Shares and equity investments analysis

31 December 2013 ISKm	Estimated realisable value 31.12.2013	Estimated realisable value 31.12.2012
Opening balance	39.142	58.094
Dividend/Sale	(10.500)	(33.041)
Equity conversion	8.371	4.335
Valuation changes	5.293	6.403
Fx impact	(1.994)	3.351
	40.312	**39.142**
Listed equities	410	383
Investment funds	3.419	10.574
Other unlisted equities	36.483	28.185
	40.312	**39.142**
UK	4.258	11.329
Iceland	18.645	14.958
Norway	7.640	8.791
Sweden	6.287	0
Canada	3.480	3.648
Other	1	417
	40.312	**39.142**

- The table shows the movements in the equities from 1 January 2013 to 31 December 2013 compared to the movements during 2012.

Asset / liability class analysis

E: Investment in subsidiaries analysis

(underlying assets not consolidated)

ISKm	31.12.2013	31.12.2012
Íslandsbanki (95%)	157.718	115.836
Steinvirki (100%)	0	1.000
Reviva Capital SA (51%)	256	191
Total investments in subsidiaries	**157.974**	**117.027**

- The estimated value of 95% share in Íslandsbanki is based on equity value.
- Steinvirki ehf. is consolidated as of 31 December 2013
- The estimated value of Reviva is based on book value of equity.

F: Other assets

Other assets ISKm	31.12.2013	31.12.2012
Accounts receivable	1.326	1.295
Claims on bankruptcy companies	964	3.507
Escrow accounts	3.910	5.080
Total other assets	**6.199**	**9.881**

- The carrying value of the claims on bankruptcy companies is ISK 171.1bn.

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Asset / liability class analysis

G: Cash flow analysis

ISKm	Q1	Q2	Q3	Q4	For the year 2013
Cash inflow:					
Principal loans to customers repayments ...	16.122	23.022	23.426	17.431	80.001
Interest on loans to customers reciepts	2.093	2.307	1.752	1.426	7.576
Derivatives claims repayments	7.078	993	0	131	8.201
Sale of bonds and maturities	6.870	6.780	4.405	4.989	23.044
Dividends and sale of shares	1.046	5.511	4.098	2.820	13.475
Interest income on cash balance	860	886	826	953	3.526
Other inflow	6.877	421	450	1.697	9.445
Total cash inflows	40.945	39.919	34.957	29.447	145.268
Cash outflow:					
Operational costs	(1.797)	(1.793)	(1.321)	(1.774)	(6.686)
Other	(48)	0	(1)	0	(49)
Payment of Claims	19	487	(69)	2.074	2.512
Total cash outflows	(1.826)	(1.306)	(1.391)	300	(4.223)
Total cash movement	39.119	38.613	33.566	29.747	141.045
Effect of exchange rate fluctuations	(26.226)	(2.490)	3.169	(20.842)	(46.388)
Opening cash balance	462.079	474.972	511.095	547.831	462.079
Closing cash balance	**474.972**	**511.095**	**547.831**	**556.736**	**556.736**

- The adjacent table summarises Glitnir's cash flow for 2013. The cash flow analysis is combined for Glitnir hf., GLB Holding ehf., Steinvirki ehf., Glitnir Luxembourg SA and for Haf and Holt.
- The most significant cash inflows is related to the repayment of principal and interest from loans to customers, sale of bonds and dividend payments.
- Included in the inflow of dividends in Q2 2013 is ISK2.9bn dividend payment from Íslandsbanki.
- The yield on the total cash balance for the period was 0.8%, on average, 1.2% on deposits and 0.6% on bonds.
- The total negative impact of foreign currency movements on the cash and cash equivalents balances was ISK46.3bn.

Asset / liability class analysis

G: Cash and cash equivalents analysis

ISKm	31 December 2013	%	31 December 2012	%
Cash balance held with:				
Icelandic banks	65.184	12%	34.250	7%
Skandinavian banks	68.592	12%	42.847	9%
European banks	17.338	3%	32.741	7%
Canadian bank	9.339	2%	1.670	0%
US- bank	-	0%	13.639	3%
Icelandic Gov bonds	31.114	6%	10.587	2%
International Gov bonds	365.168	66%	326.345	71%
Total	**556.736**	100%	**462.079**	100%
Liquid asset deposited in Iceland	96.299	17%	44.837	10%
Liquid asset deposited in other jurisdictions	460.437	83%	417.242	90%
	556.736	100%	**462.079**	100%
Total deposits	159.890	29%	125.147	27%
International bonds	365.168	66%	326.345	71%
Icelandic bonds	31.678	6%	10.587	2%
	556.736	100%	**462.079**	100%

ISKm	31 December 2013	%	31 December 2012	%
Liquid assets in currencies				
EUR	199.213	36%	179.938	39%
USD	122.873	22%	102.495	22%
GBP	78.848	14%	54.836	12%
NOK	58.141	10%	51.386	11%
ISK	62.884	11%	33.111	7%
CAD	27.977	5%	31.551	7%
DKK	256	0%	2.014	0%
Other	6.544	1%	6.749	1%
Total	**556.736**	100%	**462.079**	100%

- The aim of Glitnir's cash management strategy is to minimise risk within the portfolio.
- The current liquidity strategy is to hold 10-30% of total cash and cash equivalents deposited in Iceland and 70-90% in other jurisdictions.
- The investment policy is to hold 50-100% of liquid assets in government bonds and bills and 0-50% in cash and term deposits.

Asset / liability class analysis

G: Cash and cash equivalents analysed by maturity

T-bill portfolio analysis

Liquid assets - Maturity profile

ISKm	Deposits	T-bills	Total	
Maturity:				
0-3 months	65.987	164.859	230.847	41%
3-6 months	71.280	138.797	210.078	38%
6-9 months	20.799	69.023	89.822	16%
9-12 months	0	24.167	24.167	4%
+ 12 Months	1.823	0	1.823	0%
	159.890	**396.846**	**556.736**	**100%**

ISKm	31.12.2013		31.12.2012	
USA	128.467	32%	83.667	25%
Germany	43.416	11%	44.991	13%
Norway	57.364	14%	44.978	13%
UK	46.591	12%	38.817	12%
France	48.248	12%	51.280	15%
Netherland	11.728	3%	26.431	8%
Canada	26.362	7%	29.745	9%
Iceland	31.678	8%	10.587	3%
Denmark	2.991	1%	0	0%
Sweden	0	0%	3.218	1%
Other bonds	0	0%	3.218	1%
Total liquid Bonds	**396.846**	100%	**336.932**	100%

- The table on the left summarises the maturity profile of Glitnir´s liquid asset portfolio.
- The most significant element of Glitnir’s combined cash and cash equivalents relates to T-bills portfolio as analysed in the table on the right.

Asset / liability class analysis

H: Analysis of liabilities

- The tables in this section set out an analysis of Glitnir's liabilities presented in the Statement (page 6).
- The first table summaries the claims made against Glitnir and includes the following amounts:
  - Claimed amounts – representing the amounts claimed by Glitnir's creditors and as presented at the first claims registration creditors' meeting on 17 December 2009;
  - Changes to the claims register – since 17 December 2009, certain amendments have been made to the claims register, principally in relation to correction of errors and where claims have been withdrawn;
  - Adjustments – this column includes (1) where claims have been rejected, withdrawn or closed with set-off or settlement; (2) where accepted priority claims have been paid; (3) where there were errors or duplications in the claims registration list; and
  - Estimated set-off – a high level estimate of the set-off of Glitnir, based upon a review of the claims register.
- The estimates of set-off made above are preliminary estimates only and may be subject to change in the future. The Winding-up Board's work is continuing on the claims position of Glitnir.
- The Winding-up Board's work regarding the claims registration process is continuing. As a result, there are certain material claims included in the liabilities included in the Statement that the Winding-up Board does not expect to be ultimately settled. As a result, the ultimate liabilities of Glitnir are likely to be lower than, and creditor ranking may be materially different to, that set-out in the Statement.

Asset / liability class analysis

H: Analysis of liabilities

ISKm	Article no.	Claims registration	Adjustments	Adjusted claimed amounts	Estimated set-off	Estimated liabilites after set-off as at 31.12.2013	Estimated liabilites after set-off as at 31.12.2012
Third party assets	109	33.660	(22.523)	11.137	(4.710)	6.428	6.513
Approval Costs	110	25.313	(25.313)	0	0	0	0
Secured	111	37.327	(35.195)	2.133	0	2.133	11.542
Priority	112	156.245	(155.589)	656	0	656	101
Unsecured	113	2.880.832	(486.461)	2.394.371	(21.199)	2.373.171	2.397.384
Defered	114	106.012	(98.664)	7.348	0	7.348	12.953
Total		3.239.388	(823.745)	2.415.644	(25.909)	2.389.735	2.428.494

Changes in net claims

ISKm	
Net claims as at 31.12.2012	**2.428.494**
Payments of 112 and 109 claims	(25.909)
Repaid disputed 112 claims	27.893
Changes in set-off	3.248
Decisions	(43.992)
Net claims as at 31.12.2013	**2.389.735**

- The table above provides an analysis of claims recorded in the Statement (see page 6)
- The table below shows the changes of the claim register since 31 December 2012 to 31 December 2013.

Asset / liability class analysis

H: Analysis of liabilities - Disputed priority claims

Priority claims in dispute	
Disputed claims - 16 March 2012 ..	52.979
Accepted as 113 claim	(569)
Rejected / withdrawn	(13.759)
Disputed 112 claims 31.12.2012 ..	**38.650**
Accepted as 112 claim	(25.846)
Accepted as 113 claim	(12)
Rejected / withdrawn	(2.035)
Disputed 112 claims 31.12. 2013 .	**10.756**

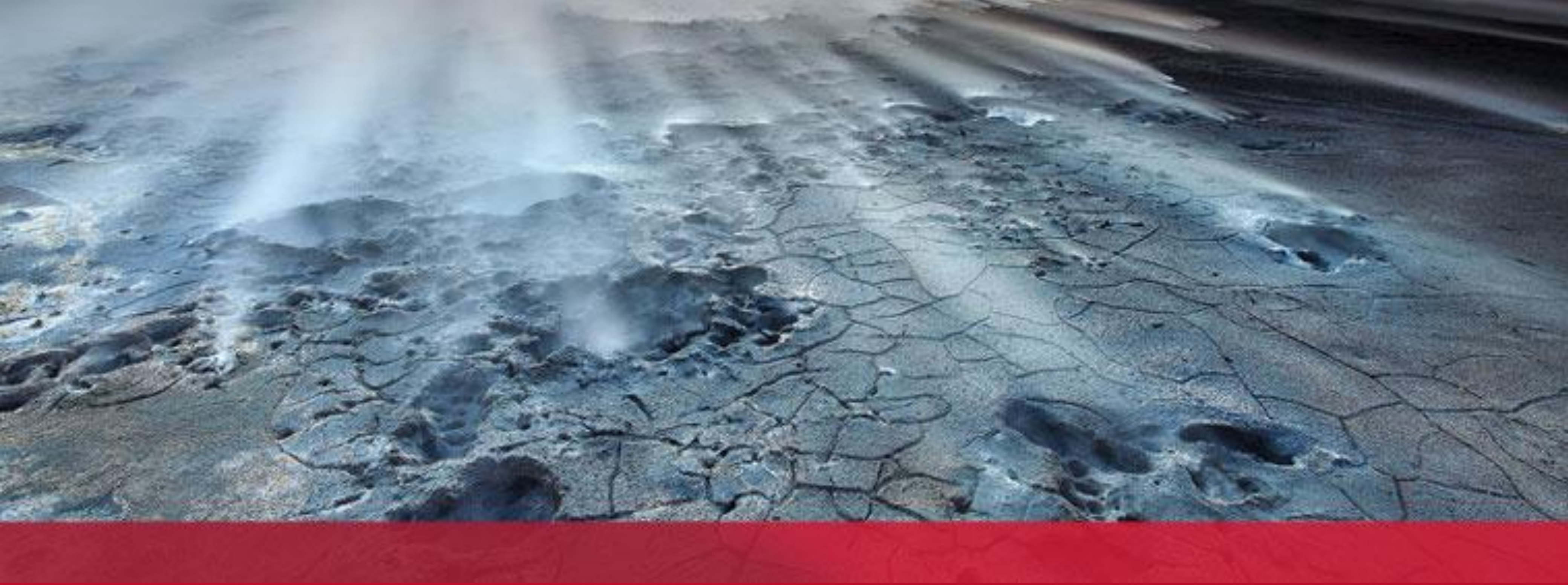
	Priority claims in dispute in escrow accounts 31.12.2013	Balance 31.12.2013 with accrued interest
	ISKm	ISKm
EUR	3.836	3.613
GBP	1.255	1.265
ISK	2.052	2.213
NOK	1.743	1.786
USD	1.871	1.660
	10.756	**10.537**

- On 16 March 2012 payments were made to priority claimholder that had undisputed claims. On that date sufficient cash was placed into escrow accounts to fully pay disputed priority claims. The claims in dispute on 16 March 2012 were ISK 53.0bn. These escrow accounts are not included in the Balance Sheet of Glitnir. Amounts that are not paid to priority claimholders when the disputes are resolved are paid back to Glitnir. The table above shows changes in the escrow accounts from 16 March 2012 to end of December 2013.
- The tables below provides an analysis of the amounts in the escrow accounts broken down by currencies. The amounts are based on foreign exchange rates on 22 April 2009.
- The balance which includes accrued interests is based on foreign exchange rate on 31 December 2013

I: Operating expenses analysis

ISKm	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Total 2013	Budget	Variance to budget	
Salaries and Salary- related costs	149	146	123	156	**573**	658	(84)	-13%
Islandsbanki Service Agreement	77	123	67	73	**341**	340	1	0%
Winding-Up Board fee	59	52	58	61	**231**	235	(5)	-2%
External Legal Services	304	191	169	308	**973**	1.702	(729)	-43%
Domestic	*110*	*142*	*84*	*143*	***479***	*583*	*(104)*	-18%
International	*195*	*50*	*86*	*165*	***494***	*1.119*	*(625)*	-56%
Other External Advisors	577	531	502	487	**2.098**	1.988	110	6%
Domestic	*108*	*77*	*79*	*93*	***357***	*233*	*124*	53%
International	*469*	*454*	*424*	*394*	***1.741***	*1.755*	*(14)*	-1%
Other Expenses	176	179	171	236	**762**	691	71	10%
Total Expenses	**1.343**	**1.223**	**1.091**	**1.321**	**4.978**	**5.613**	(635)	-11%

- The table above sets out the operating costs of Glitnir hf. (subsidiaries not included) for the 12 months ended 31 December 2013.



Appendices

Appendix 1: Foreign exchange rates

Appendix 2: Supplementary notes to financial information

Appendix 3: Valuation methodology

Appendix 4: Consolidated Income statement

Appendix 1

Foreign exchange rates

Currency	22 April 2009	31 December 2011	31 December 2012	31 December 2013	Changes from 31 Dec 2012 to 31 Dec 2013
EUR	168,76	158,84	169,80	158,50	-7,1%
USD	130,40	122,71	128,74	115,03	-11,2%
GBP	190,62	189,43	208,15	190,21	-9,5%
CAD	105,16	120,21	129,36	108,07	-17,7%
DKK	22,66	21,37	22,83	21,25	-7,4%
NOK	19,26	20,40	23,04	18,92	-20,2%
SEK	15,28	17,79	19,76	17,95	-10,2%
CHF	111,68	130,66	140,64	129,19	-8,8%
JPY	1,33	1,59	1,50	1,10	-25,2%

- All rates quoted above are the Central Bank of Iceland mid rates at the given dates.

Appendix 2

Supplementary notes to financial information

1. Basis of preparation

- The financial information has been prepared on the basis that Glitnir is able to manage the realisation of its assets and transact its ongoing business having appropriate regard to the interests of all its creditors. Accordingly, the estimate of value attributed to each asset is dependent on the realisation strategy presently adopted for assets, which varies between available for sale, manage to sale, or hold to maturity. As such, the estimated values for certain asset classes represented in the financial information are not necessarily intended to represent prices at which an orderly transaction could take place between market participants as at 31 December 2013. Rather, such values are intended to represent the value of assets based on a longer term estimate of recoverable values.
- The reported liabilities as at 31 December 2013 have been based upon the claims received by Glitnir as part of the claims registration process. The process for agreeing claims is ongoing and so the liabilities included in the financial information may not be complete or accurate as a number of the existing and potential liabilities are subject to legal uncertainty. As a result, the liabilities included in the financial information will be subject to change and clarification when the claims registration process is complete. It is likely that the ultimate liabilities determined by the Winding-Up Board or Courts will be less than those reported in the financial information presented here.

Appendix 2

Supplementary notes to financial information

2. Limitations

Estimated value

- The methodology used to estimate the values of assets within each asset class has been based on the application of Glitnir's present asset realisation strategy. The methodology does not represent an exhaustive attempt to take into account all factors that Glitnir or other market participants would consider when performing an in-depth valuation exercise.
- The asset realisation strategy and valuation methodology are likely to change over time as Glitnir continues its systematic assessment and categorisation of each asset class and refines its approach to realisation having appropriate regard to the interests of all its creditors.
- The assumptions used to estimate the value of assets are sensitive to changes in market conditions (including interest rates, foreign exchange rates, equity prices, market indices and counterparty credit worthiness) and, as such, the values presented are estimates based on the application of a high-level asset realisation strategy at a point in time.
- The financial information is presented in ISK throughout (with certain supporting analyses in EUR), with asset values translated at the mid rates published by the Icelandic Central Bank for 31 December 2013 (see Appendix 1). A significant proportion of the assets and liabilities of Glitnir are denominated in foreign currencies. As a result, the estimated asset values and the computation of liabilities presented here in ISK may be materially impacted by future movements in foreign exchange rates. Where comparative balances are presented, these have not been retranslated from the foreign exchange rates used as at that date.
- Given the current economic climate there are limited active markets for many of the financial instruments held by Glitnir. To the extent that the estimated asset values and computation of liabilities are based on inputs that are less observable or unobservable in the market, the estimation of value requires more judgment. Accordingly, the Winding-up Board has applied considerable judgement in determining the estimate of values for certain assets and liabilities, notably those relating to loans to customers, unlisted equity instruments and complex derivative products.

Appendix 2

Supplementary notes to financial information

2. Limitations (continued)

Estimated value (continued)

- An agreement between Glitnir and the Icelandic government was reached regarding the recapitalisation of Islandsbanki. As part of this agreement, Glitnir took 95 percent shareholding of Islandsbanki. The investment in Islandsbanki is valued at 95% shareholders equity. The ultimate value realised through the shareholding in Islandsbanki could be materially higher or lower than the equity value. The value of, timing of and mechanism for realising value from the shareholding remains subject to considerable uncertainty.

Information included in the financial information

- Financial information provided in this document was prepared using Glitnir's records, based on current available data and assumptions, which is subject to confirmation and change. Glitnir may amend, supplement or otherwise change the financial information it has previously provided. Due to the related uncertainties, the actual realisable value of Glitnir's assets and the amount of its liabilities may differ materially from the values set forth in this document.

3. Valuation principles

- A detailed description of the methodology for each asset category is shown in Appendix 3.

Appendix 3

Valuation methodology

1. Loans to customers

- The estimated values have been derived after consideration of Glitnir's present asset realisation strategy. The measurement methodology is designed on the assumption that the loan portfolio will not be subject to forced market sales in the near-term and loans will be held to maturity or worked out over the relevant timeframe. As such, the estimated values represented in the Statement of Assets and Liabilities are not necessarily intended to represent prices at which an orderly transaction could take place between market participants as at 31 December 2013. Rather, such values are intended to represent the value of assets based on a longer term estimate of recoverable values.
- Within the risk categories the portfolio was subject to a high level review of borrower performance, collateral quality and subordination levels as well as a review of more general information about the economic outlook of each underlying sector. In the absence of specific indicators of a deterioration of value at a borrower level, default and recovery assumptions have been applied consistently.

2. Derivatives

- Derivative assets amounts in the Statement of Assets and Liabilities represent net positions after consideration of the effects of set-off and valuation adjustments.
- Given the volume of business undertaken by Glitnir and the complexities involved in reviewing the population of transactions, a number of assumptions have been made regarding the legal status of derivative positions in the Statement of Assets and Liabilities.

Appendix 3

Valuation methodology

3. Bonds

- The estimated value of the bond portfolio assumed to be unencumbered is based primarily on observable market inputs. The values represent an estimate of prices at which an orderly transaction could have been expected to take place between market participants on 31 December 2013 and accordingly has been based on quoted prices or indicative broker quotes.

4. Equities

- The estimated value for the listed equities portfolio assumed to be unencumbered is based primarily on observable market inputs. The value represents an estimate of prices at which an orderly transaction could have been expected to take place between market participants on 31 December 2013 and accordingly has been based on quoted prices or indicative broker quotes.
- The estimated value for the unlisted equities portfolio assumed to be unencumbered is based primarily on unobservable market inputs. Glitnir has estimated values based on the fundamentals of each holding, including the initial transaction price and an underlying analysis of the performance of each issuer. The values also include assumptions as to the liquidity of positions.

5. Investment in subsidiaries

- The estimated value for investment in subsidiaries is based on equity of the subsidiaries.

6. Cash and cash equivalents

- The estimated value for cash and cash equivalents is book value.

Appendix 4

Consolidated Income Statement

January - December 2013	ISKm Consolidated
Net interest income	**9.816**
Valuation adjustments and provisions	**71.202**
Claims rejected and other changes in the claims	**34.450**
Net financial income and expenses *	**(75.747)**
Net interest income less impairment losses and write-offs	**39.721**
Net fee and commission expenses	**(614)**
Administrative expenses	**(5.385)**
Profit before tax	**33.722**
Income tax	**30**
Profit for the period	**33.752**

* Net financial income and expenses:	
Dividend income	2.004
Net trading income	4.320
Net foreign exchange losses	(82.070)
	(75.747)