

**STANDARD FORM – NOTIFICATION OF THE ACQUISITION OR DISPOSAL OF
MAJOR PROPORTIONS OF VOTING RIGHTS**

**VOTING RIGHTS ATTACHED TO SHARES– ARTICLE 85 OF THE ACT ON SECURITIES TRANSACTIONS
NO. 108/2007**

1. Identity of the issuer or the underlying issuer of existing shares to which voting rights are attached ⁱ: **Vatryggingafelag Islands HF**

2. Reason for the notification (please tick the appropriate box or boxes):
☒ an acquisition or disposal of voting rights

☐ an acquisition or disposal of financial instruments which may result in the acquisition of shares already issued to which voting rights are attached

☐ an event changing the breakdown of voting rights

3. Full name of person(s) subject to the notification obligation ⁱⁱ:
¹Lansdowne Partners International Limited;
²Lansdowne Partners Limited;
³Lansdowne Partners (UK) LLP

4. Full name of shareholder(s) (if different from the person mentioned in point 3.) ⁱⁱⁱ:
Lansdowne European Structural Recovery Fund

5. Date of the transaction and date on which the threshold is crossed or reached ^{iv} **9 November 2017**

6. Threshold(s) that is/are crossed or reached: **5%**

7. Notified details:

A) Voting rights attached to shares					
Class/type of shares (if possible using the ISIN CODE)	Situation previous to the Triggering transaction		Resulting situation after the triggering transaction ^{vi}		
	Number of Shares	Number of Voting rights ^{vii}	Number of shares	Number of voting rights ^{viii}	% of voting rights

			Direct	Direct ^{ix}	Indirect ^x	Direct	Indirect
IS0000007078	Below 5%	Below 5%	140,399,924	140,399,924		6.31%	
SUBTOTAL A (based on aggregate voting rights)			140,399,924	140,399,924		6.31%	

B) Financial Instruments				
Resulting situation after the triggering transaction ^{xi}				
Type of financial instrument	Expiration Date ^{xii}	Exercise/Conversion Period/ Date ^{xiii}	Number of voting rights that may be acquired if the instrument is exercised/converted	% of voting rights
		SUBTOTAL B (in relation to all expiration dates)		

Total (A+B) [if applicable]	number of voting rights	% of voting rights
140,399,924	140,399,924	6.31%

8. Chain of controlled undertakings through which the voting rights and/or the financial instruments are effectively held, if applicable ^{xiv}:

Lansdowne Partners International Limited is the parent undertaking of Lansdowne Partners Limited which is the First Corporate Member of Lansdowne Partners (UK) LLP.

9. In case of proxy voting: [name of the proxy holder] will cease to hold [number] voting rights as of [date]. N/A

10. Additional information: **Done at London on 10 November 2017.**