



# Glitnir banki hf.

## Statement of intended FX strategy

27 September 2010

# Introduction and disclaimer



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# Intended FX strategy



## Introduction

- As detailed in previous Statements of Assets and Liabilities, Glitnir's asset portfolio is denominated in various foreign currencies. A summary of the FX mix of Glitnir's asset portfolio is shown on the following page. Furthermore, in accordance with Act No. 125 / 2008, Glitnir's liabilities were translated into ISK at the foreign exchange rate as at 22 April 2009.
- Given the imbalance between the FX mix of Glitnir's assets and liabilities, Glitnir has decided to publicly state its intended FX strategy such that creditors are best placed to manage their own FX exposure relating to Glitnir.
- Glitnir has held various discussions with the Informal Creditors' Committee ("ICC") to determine the most appropriate FX strategy, and feedback received from the ICC has been incorporated into the overall FX strategy.
- Following feedback from the ICC, and extensive consultation with external advisers, the Resolution Committee and Winding-Up Board has decided that:
  - assets that are monetised will be kept in the same currency as pre monetisation. For example, the repayments received on a loan denominated in EUR will be kept in EUR; and
  - the currency mix of assets (as shown on the following page), including cash position, will be published on Glitnir's website each quarter, together with other summary financial information.

# Statement of Assets and Liabilities

## Summary foreign currency analysis



### Foreign currency analysis as at 30 June 2010

ISKbn	EUR	ISK	NOK	USD	GBP	Other	Balance as at 30.06.2010
<b>Assets</b>							
Loans to customers	20	5	67	29	17	18	<b>157</b>
Loans to banks	0	-	5	1	-	0	<b>6</b>
Derivatives	2	22	-	1	-	-	<b>25</b>
Bonds and debt instruments	0	4	-	-	3	-	<b>7</b>
Shares and equity investments	0	4	0	2	39	6	<b>52</b>
Investment in subsidiaries	26	136	26	47	27	59	<b>320</b>
Cash and cash equivalents	99	26	16	77	15	13	<b>245</b>
<b>Total assets</b>	<b>148</b>	<b>196</b>	<b>114</b>	<b>158</b>	<b>101</b>	<b>95</b>	<b>812</b>
<i>Percentage of total</i>	<i>18.2%</i>	<i>24.2%</i>	<i>14.0%</i>	<i>19.4%</i>	<i>12.4%</i>	<i>11.7%</i>	<i>100.0%</i>

- The above table shows the estimated split of Glitnir's asset by currency as at 30 June 2010.
- The investment in Islandsbanki is assumed to be denominated solely in ISK. The estimated realisable value arising from Glitnir Luxembourg is denominated in the currencies of the underlying assets and liabilities.