



MANAGEMENT ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2016

Kaupthing ehf.

Borgartún 26

105 Reykjavík

Iceland

Reg. no. 560882-0419

Unaudited

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STATEMENT BY THE BOARD OF DIRECTORS

Kaupthing ehf. (hereafter "Kaupthing" or the "Company") is a private limited liability company incorporated and domiciled in Iceland. Kaupthing's registered office is at Borgartún 26, 105 Reykjavík. The Company's main activity is the management and controlled monetisation of its diversified asset portfolio, which is comprised of cash, debt and equity holdings.

Kaupthing's winding-up proceedings were concluded on 23 December 2015 (the "Effective Date") following a final confirmation of the Company's Composition Agreement which was approved by the Company's Composition Creditors on 24 November 2015.

These Management Accounts must be read in conjunction with the Financial Statements for the Company for the year ended 31 December 2015, i.a. with respect to asset values and various notes that apply to these Management Accounts, including but not limited to note 2d (Uncertainties/use of estimates and judgements), note 4 (Risk), note 5 (Uncertainties and valuation methods) note 6 (Sensitivity analysis), note 26 (Composition liabilities and claims), note 27 (Stability Contribution) and note 28 (Effect of the CBI exemption in 2016 enabling settlement of the Composition and related agreements).

The value of assets in the Management Accounts is based on the asset values as at 31 December 2015 as published in the Financial Statements for the year 2015, adjusted for fx changes, net principal payments and other realisations. No valuation of assets have been undertaken as at 31 December 2016 in relation to the Management Accounts.

The Company expects to publish audited Financial Statements, which include asset valuations as at 31 December 2016, in March 2017.

At 31 December 2016 the Company's total assets, based on the above assumptions, amounted to ISK 368.4 billion (31.12.2015: ISK 816.0 billion) and total liabilities amounted to ISK 355.1 billion (31.12.2015: ISK 816.0 billion). The profit for the year ended 31 December 2016 amounted to ISK 64.6 billion which is reflected in the adjustment of the GBP Convertible Notes (as defined below) (31.12.2015: ISK 2,037.3 billion).

Pursuant to the Composition Agreement the Company issued, on 18 January 2016, the GBP convertible notes due 2031 (the "GBP Convertible Notes"). Due to their nature and terms, the payments under the GBP Convertible Notes do not exceed the realisation value of the underlying assets of the Company. This is reflected by adjusting the stated value of the GBP Convertible Notes in line with net asset value. Further reference is made to note 15 on the adjustment of value of the GBP Convertible Notes.

At end of the year 2016 there were 591 shareholders registered in the Company's share registry. At the end of year 2016 the Company's total share capital amounted to ISK 13.3 billion. The share capital at year end was divided into 13,343,370,393 shares, each amounting to ISK 1.

At a creditors' meeting on 13 November 2015 the creditors of the Company approved and authorised the Winding-up Committee to: i) assign a part of its assets without any consideration to the Central Bank of Iceland (the "CBI"), ii) enter into certain other arrangements for the benefit of the CBI and iii) to refinance Arion Bank (together the "Stability Contribution"). The Company completed the refinancing of Arion Bank on 11 January 2016 and the remaining Stability Contribution came into effect on 15 January 2016 when the Company was granted the relevant exemptions from the Act on Foreign Exchange no. 87/1992 (the "Foreign Exchange Act") by the CBI. Reference is made to note 13 for further information on the Stability Contribution.

In accordance with the terms of the Composition Agreement Kaupthing began making distributions of the De Minimis Cash Payments, the Composition Cash Payments, Notes and Shares on 15 January 2016. Reference is made to note 12 for further information on distributions under the Composition Agreement.

A new Board of Directors, which replaced the Winding-up Committee, was elected at a shareholders' meeting in Reykjavik on 16 March 2016 and two new board members were elected at a shareholders' meeting in Reykjavík on 23 November 2016.

STATEMENT BY THE BOARD OF DIRECTORS

The board of directors of Kaupthing has now the following members: Mr. Alan J. Carr who is the chairman, Mr. Paul Copley who is also the Chief Executive Officer and Mr. Óttar Pálsson (all elected 16 March 2016) and Mr. Benedikt Gíslason and Mr. Piergiorgio Lo Greco (both elected 23 November 2016). Mr. Jóhannes Rúnar Jóhannsson was also elected as a member of the Board on 16 March 2016, but he resigned on 3 November 2016.

During the year 2016, Kaupthing continued the active management of its diverse portfolio of assets. Total cash inflow during the year amounted to the equivalent of ISK 204.6 billion.

A new detailed monetisation plan was developed in the first half of 2016. The focus of the plan is on monetising businesses which are in a position for an exit and managing other businesses which need more work before exit. In accordance with the plan a controlled monetisation of many of the larger assets has commenced. The monetisation work has progressed in line with expectations and in the fourth quarter of 2016 the Company successfully monetised various positions, including the sale of its 50% interest in the Fitzroy Place JV development project, the sale of Kaupthing's debt and equity positions in Asquith Day Nurseries & Pre-Schools, the sale of its property portfolio in Sweden, the sale of its direct stake, 2.5 million shares of Spirit Realty Capital, Inc., the indirect sale of 1.19 million shares of Refresco Group N.V., the sale of the Company's equity stake in Position I (a limited partnership which indirectly held a significant stake in a mid-sized European bank), the sale of 1.9 million shares of Consort Medical plc. and the sale of 0.6 million shares of Norvestia Oyj. Progress was furthermore made in settlement of disputed claims and liabilities resulting in cash payments to Kaupthing and reduction in outstanding liabilities. Total cash inflow during the fourth quarter amounted to the equivalent of ISK 115.3 billion.

The Board has determined that it is in the best interests of both the Company and its stakeholders that capital is returned to its stakeholders in an efficient and expeditious manner. The Company's objective is to deliver value to stakeholders through frequent cash distributions, when funds allow. In line with that objective the Company, in the fourth quarter of 2016, redeemed in total GBP 537.0 million of GBP Convertible Notes at their outstanding principal amount on a pro rata basis by payment in cash to Noteholders.

To date in the first quarter of 2017 the Company has furthermore redeemed in total GBP 45.6 million of GBP Convertible Notes at their outstanding principal amount on a pro rata basis by payment in cash to Noteholders. As of today, the Company has in total redeemed GBP 1,022.8 million and cancelled GBP 51.3 million of GBP Convertible Notes.

Reykjavik, 14 February 2017,

Board of Directors

Alan Carr
Chairman

Paul Copley
Chief Executive Officer

Benedikt Gíslason

Piergiorgio Lo Greco

Óttar Pálsson

INCOME STATEMENT

for the year ended 31 December 2016

	Notes	2016	2015
Interest income		5,991	6,030
Interest expense		(4,440)	-
Net reversal of impairment		2,811	17,335
Net financial income		19,888	57,875
Net foreign exchange rate gain (loss)		18,118	(35,177)
Changes in claims registry, Composition liabilities		13,597	15,332
Decrease in late filed priority claims in dispute		16,231	-
		72,196	61,395
		Operating income	
Salaries and related expenses	4	(1,649)	(1,329)
General and administrative expenses	4	(5,498)	(10,581)
		(7,147)	(11,910)
		Operating expenses	
Stability Contribution	13	(5,009)	(135,826)
Adjustment of value of the GBP Convertible Notes relating to net asset value	15	(64,581)	-
Adjustment of claims pursuant to the terms of the Composition Agreement		-	2,123,596
		(69,590)	1,987,770
		(Loss) profit before taxes	
		(4,541)	2,037,255
Taxes	5	4,541	3
		-	2,037,258
		Profit for the year	

BALANCE SHEET

as at 31 December 2016

	Notes	31.12.2016	31.12.2015
Assets			
Cash at bank	6	32,662	410,228
Claims against credit institutions	7	66,779	13,399
Loans to customers	8	51,594	89,966
Bonds and debt instruments	9	31,420	6,363
Shares and instruments with variable income	10	183,995	271,865
Other assets	11	1,993	24,131
Total assets		368,443	815,952
Liabilities			
Composition liabilities	12	-	676,379
Stability Contribution	13	29,001	135,826
Secured Note	14	88,440	-
GBP Convertible Notes	15	235,044	-
Authorised unissued shares		301	-
Other liabilities		2,314	3,747
Total liabilities		355,100	815,952
Equity			
Share capital		13,343	7,270
Share premium		-	136,471
Accumulated deficit		-	(143,741)
Total equity	16	13,343	-
Total liabilities and equity		368,443	815,952
Other information	17-22		

STATEMENT OF CASH FLOWS

for the year ended 31 December 2016

	Notes	2016	2015
Cash flows (to) from assets			
Interest received		4,384	4,163
Dividend received		2,950	20,317
Claims against credit institutions - principal payments		351	4,819
Claims against credit institutions - pledged funds invested in MM funds	7	(59,809)	-
Indemnification fund		-	(10,016)
Loans to customers - principal payments		23,944	10,883
Loans to customers - fee income		228	510
Loans to customers - principal outflow / RCF		(4,766)	(3,807)
Bonds and debt instruments - purchase of Arion EMTN		(97,053)	-
Bonds and debt instruments - payments from Arion EMTN (including interests)	9	58,626	-
Bonds and debt instruments - principal payments		961	2,052
Shares and instruments with variable income - purchase of equity stakes		(125)	(2,972)
Shares and instruments with variable income - realisation of equity stakes		83,064	12,316
Other assets - net cash inflow		6,207	14,544
Other inflow		2,843	573
		21,805	53,382
Cash flows to other operating activities			
Other fee income		9	142
Operating expenses		(9,215)	(10,023)
Stability Contribution	13	(9,810)	-
Taxes	5	4,794	(9,982)
		(14,222)	(19,863)
Cash flows to claims and Convertible Notes			
Cash payments pursuant to the terms of the Composition Agreement	12	(239,041)	-
Custody account - claims Art. 113 in dispute	12	(40)	-
Custody account - late filed claims Art. 109 and 110 in dispute - net cash inflow		16,260	-
GBP Convertible Notes - Early Redemption		(151,821)	-
		(374,642)	-
Net cash (to) from operating activities		(367,059)	33,519
Effects of foreign exchange rate adjustments on cash at bank		(10,507)	(24,958)
Cash at bank at the beginning of the year		410,228	401,667
Cash at bank at the end of the year	6	32,662	410,228

Significant non cash transactions

The Company completed the refinancing of Arion Bank on 11 January 2016 and the remaining Stability Contribution came into effect on 15 January 2016 when the Company was granted the relevant exemptions from the Foreign Exchange Act by the CBI.

The granting of the relevant exemptions from the Foreign Exchange Act in January 2016 enabled Kaupthing to settle its obligations established under the Composition Agreement. The existing share capital of Kaupthing was cancelled and new equity was issued to relevant creditors and the GBP Convertible Notes were issued.

Changes in net asset value are reflected in adjustment of the stated value of the GBP Convertible Notes. Further reference is made to note 26 in the Financial Statements for the Company for the year ended 31 December 2015 and to note 15 in these Management Accounts.

NOTES

General information

1. Reporting entity

Kaupthing ehf. ("Kaupthing" or the "Company") is a company domiciled in Iceland. The Company's registered office is at Borgartún 26, 105 Reykjavík.

2. Basis of preparation

These Management Accounts are unaudited.

No valuations of assets have been undertaken as at 31 December 2016.

The value of assets as at 31 December 2016 refers to value of assets as at 31 December 2015, adjusted for fx changes, net principal payments and other realisations.

These Management Accounts must be read in conjunction with the Financial Statements for the Company for the year ended 31 December 2015, i.a. with respect to asset values and various notes that apply to these Management Accounts, including but not limited to note 2d (Uncertainties/use of estimates and judgements), note 4 (Risk), note 5 (Uncertainties and valuation methods) note 6 (Sensitivity analysis), note 26 (Composition liabilities and claims), note 27 (Stability Contribution) and note 28 (Effect of the CBI exemption in 2016 enabling settlement of the Composition and related agreements).

3. Foreign exchange rates

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the spot foreign exchange rates as quoted on Reuters at 16:30 on the Balance Sheet date. Profits and losses arising on exchange are included in net profit/loss for the year.

	Balance Sheet	
	31.12.2016	31.12.2015
AUD	81.63	94.71
CAD	84.05	93.75
CHF	111.13	129.93
DKK	16.03	18.93
EUR	119.18	141.28
GBP	139.38	191.84
JPY	0.97	1.08
NOK	13.12	14.70
SEK	12.44	15.41
USD	112.90	130.08

NOTES

Notes to the Income Statement

4. Operating expenses is specified as follows:

	31.12.2016	31.12.2015
Salaries	1,417	1,020
Salary related expenses	232	309
Salaries and related expenses	1,649	1,329
External advisors	4,958	10,044
Other expenses	540	537
General and administrative expenses	5,498	10,581
External advisory expenses are specified as follows:		
Winding-up Committee	67	288
Professional services*	2,214	3,945
Legal services	1,613	3,392
Non recoverable VAT	608	712
Total	4,502	8,337
Non recoverable VAT for the years 2009-2012	(356)	1,707
Non recoverable VAT for the years 2013-2015**	812	-
External advisors	4,958	10,044

* Includes cost approved at a shareholders meeting on 16 March 2016.

** On 6 July 2016 the Internal Revenue Board issued a ruling in case no. 154/2016 regarding a dispute on VAT for the years 2009 - 2012 on foreign service. Following the ruling Kaupthing has made corrections on its filings in relation to VAT on foreign services for the years 2013-2015.

5. Taxes

On 27 April 2016 the Internal Revenue Board issued a ruling in case no. 80/2016 regarding a dispute on Surcharge on Income Tax. Following the ruling Kaupthing received a payment on 29 June 2016 of previously paid taxes plus interest in an amount of ISK 4,794 million. The ISK amount received is subject to the ISK Cash Sweep pursuant to the terms of the Stability Contribution. Reference is made to Note 13 regarding the Stability Contribution.

NOTES

Notes to the Balance Sheet

Assets

6. Cash at bank	31.12.2016			31.12.2015		
	Iceland	Other	Total	Iceland	Other	Total
Cash at bank specified by geographical location:						
Non ISK	136	29,115	29,251	42,026	363,696	405,722
ISK	3,411	-	3,411	4,506	-	4,506
Cash at bank	3,547	29,115	32,662	46,532	363,696	410,228

The Asset Support Account which amounts to GBP 63.5 million (equivalent to approx. ISK 8.8 billion) is included above.

The ISK funds will not be available for distribution to stakeholders and are partly subject to the ISK cash sweep established pursuant to the terms of the Company's Stability Contribution.

The above cash balance does not include reserves paid into custody accounts in relation to disputed late filed priority claims and disputed Art. 113 claims. Reference is made to note 18 and note 19.

7. Claims against credit institutions	31.12.2016		31.12.2015	
	Gross amount	Amortised cost	Gross amount	Amortised cost
Claims against credit institutions specified by types of claims:				
Restricted bank accounts	2,645	2,645	3,090	3,090
MM funds pledged to the CBI pursuant to the Pledge Agreement	56,916	56,916	-	-
Indemnification fund	7,218	7,218	9,924	9,924
Cash collateral held with banks against guarantees	-	-	385	385
Claims against credit institutions	66,779	66,779	13,399	13,399

The Indemnification fund is as approved by the creditors of the Company on 30 September 2015. The indemnity covers various parties in relation to the winding-up proceedings and the Composition and is held by third party trustee on behalf of the relevant indemnified parties.

In 2016 Kaupthing invested USD 503,084,086.43, the total amount previously paid to Kaupthing by Arion Bank pursuant to the Arion EMTN, in JP Morgan Institutional US Dollar Liquidity Fund (ISIN: LU1307332475). The investment in the fund remains pledged and subject to the current security arrangements between Kaupthing and the CBI.

8. Loans to customers specified by portfolios:	31.12.2016		31.12.2015	
	Gross amount	Amortised cost	Gross amount	Amortised cost
Operating loan portfolio	76,012	31,199	159,217	62,772
NOA loan portfolio	467,227	20,395	865,663	27,194
Loans to customers	543,239	51,594	1,024,880	89,966

Loans to customers are divided into two sub-portfolios due to the way the Company organises the management of its assets. "Operating loan portfolio" which is predominantly made up of loans to borrowers with underlying operating businesses, and the "NOA loan portfolio" which is made up of loans to borrowers with little or no underlying business operations.

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9. Bonds and debt instruments

Bonds and debt instruments specified by sectors:	31.12.2016	31.12.2015
Arion EMTN	29,317	-
Holding Companies	2,103	4,500
Financial Services	-	1,013
Governments - listed	-	438
Energy and Environment	-	412
Bonds and debt instruments	31,420	6,363

The Arion EMTN include accrued interests until 31 December 2016 and are pledged as a security for the Secured Note.

Arion Bank made prepayments of the Arion EMTN in 2016 amounting to USD 489,817,000, plus accrued interest of USD 10,037,843.91. Following these prepayments, the outstanding principal of the Arion EMTN amounted to USD 257,664,000. Reference is made to note 7 regarding investment of those funds.

10. Shares and instruments with variable income are specified as follows:

	31.12.2016	31.12.2015
Listed	542	5,216
Unlisted	183,453	266,649
Shares and instruments with variable income	183,995	271,865

11. Other assets specified by type:

	31.12.2016		31.12.2015	
	Gross amount	Amortised cost	Gross amount	Amortised cost
Accounts receivable	21,804	34	28,682	3,531
Claims on bankrupt entities	245	17	114,529	14,947
Unsettled derivative receivables	23,399	5	32,001	5
Sundry assets	2,532	1,937	5,648	5,648
Other assets	47,980	1,993	180,860	24,131

Liabilities

12. Changes in Composition liabilities is specified as follows:

	DMCP	Composition cash	GBP Convertible Notes	Shares	Adjustments of value of the GBP Convertible	Total
					Notes	
Composition liabilities as at 1 January 2016	12,633	230,244	588,091	13,870	(168,459)	676,379
Distributed to creditors	(12,584)	(226,457)	(578,425)	(13,343)	168,459	(662,350)
Placed on custody account due to disputed claims	(5)	(35)	(89)	(2)	-	(131)
Settled disputes and other changes	(44)	(3,752)	(9,577)	(224)	-	(13,597)
Authorised unissued shares	-	-	-	(301)	-	(301)
Composition liabilities as at 31 December 2016	-	-	-	-	-	-

Reference is made to note 18.

NOTES

13. Stability Contribution

Unpaid Stability Contribution are specified as follows:	31.12.2016	31.12.2015
The Secured Note	-	84,000
The Arion Bank Profit Sharing Agreement	28,483	28,483
Transferred Assets	-	18,025
Proceeds of Certain Claims	159	159
ISK Cash Sweep	359	5,159
Total unpaid Stability Contribution	29,001	135,826

Increase in the Stability Contribution due to taxes and other ISK claims amounting in total to ISK 5,009 million is recognised in the Income Statement. Further reference is made to note 5.

The Secured Note and the Transferred Assets were delivered in January 2016 but other assets will be delivered as and when they are realised in ISK.

14. Secured Note

The Secured Note is denominated in ISK and includes accrued interests until 31 December 2016.

15. GBP Convertible Notes

GBP Convertible Notes issued 18 January 2016	588,091	-
GBP Convertible Notes Cancelled	(3,272)	-
Held by Kaupthing (reserves)	(6,305)	-
Outstanding notes	578,514	-
Cash sweep and early redemption	(151,821)	-
Foreign exchange rate changes	(87,771)	-
Adjustment of value of the GBP Convertible Notes relating to net asset value 31 December 2015	(168,459)	-
Adjustment of value of the GBP Convertible Notes relating to net asset value 31 December 2016	64,581	-
Total GBP Convertible Notes	235,044	-

The GBP Convertible Notes have a final maturity on 2031, are non-interest bearing, unsecured, convertible into equity in certain circumstances and contain certain restrictions on dealing with the Company's assets. In accordance with Icelandic law it is allowed when exiting winding-up proceedings to offer payments under composition which have uncertain recoveries. The Composition Agreement of the Company has such a clause. Pursuant to their terms the payments under the GBP Convertible Notes could not (except in a case of an acceleration following an event of default thereunder) exceed the realisation value of the underlying assets of the Company. This is reflected by adjusting the stated value of the GBP Convertible Notes in line with net asset value (net income statement). Increase in net asset value can later lead to an increase in the stated value of the GBP Convertible Notes. Such increase can never lead to a higher stated value than the principal amount outstanding at each time.

During the year 2016 the Company has, both through early redemptions and quarterly cash sweeps, redeemed in total GBP 987.9 million of the GBP Convertible Notes at their outstanding principal amount on a pro rata basis by payment in cash. The Company has furthermore redeemed in total GBP 45.6 million of GBP Convertible Notes at their outstanding principal amount on a pro rata basis by payment in cash to Noteholders on 18 January 2017.

NOTES

Equity

16. Changes in equity is specified as follows:

	Share capital	Share premium	Accumulated deficit	Total
Changes in equity in 2016				
Equity as at 1 January 2016	7,270	136,471	(143,741)	-
Cancelled equity	(7,270)	(136,471)	143,741	-
New shares issued	13,343	-	-	13,343
Profit for the year (refer to note 15)	-	-	-	-
Equity as at 31 December 2016	13,343	-	-	13,343
Changes in equity in 2015				
Equity as at 1 January 2015	7,270	136,471	(2,180,999)	(2,037,258)
Profit for the year	-	-	2,037,258	2,037,258
Equity as at 31 December 2015	7,270	136,471	(143,741)	-

The share capital is divided into 13.343.370.393 shares each amounting to ISK 1.

Off Balance Sheet information

17. Obligations

	31.12.2016	31.12.2015
Undrawn RCF	906	3,837
Undrawn funding obligations*	-	5,355
Arion Bank contingent support**	6,900	6,900
Total obligations	7,806	16,092

* Calculated net funding obligation, which Kaupthing entered into in regards to JV Project Fitzroy.

** In accordance with the FME's conditions when Arion Bank was acquired by Kaupskil, Kaupthing undertook to maintain certain liquid funds which could be used to support Arion Bank if needed. This amount is currently ISK 6.9 billion.

18. Reserves for disputed Art. 113 claims pursuant to the Compositon Agreement

De Minimis Cash Payment (DMCP)	5	18
Composition Cash Payment	35	4,439
GBP Convertible Notes	89	11,338
Authorised unissued shares	2	267
Total reserves for disputed Art. 113 claims pursuant to the Compositon Agreement	131	16,062

NOTES

19. Late filed priority claims in dispute

	31.12.2016	31.12.2015
Late filed priority claims in dispute and related custody accounts at the beginning of the year	19,332	19,218
New late filed priority claims under Art. 109/110 during the year	-	27
Withdrawal of late filed priority claims under Art. 109/110 during the year	(16,231)	(27)
Payment of late filed priority claims under Art. 109/110 during the year	(125)	-
Foreign exchange rate difference	(1,023)	114
Total late filed priority claims under Art. 109/110 in dispute at the end of the year	1,953	19,332
Cash on custody accounts at the end of the year	(1,953)	(19,332)
Total	-	-

Cash on custody accounts due to late filed priority claims as at 31 December 2016, including accrued negative interest.

ISK	-	1,164
USD	-	15,177
EUR	-	590
SEK	1,934	2,421
Total	1,934	19,352

Late filed priority claims and related custody accounts are not included in the Company's Balance Sheet. Once a final conclusion has been reached on a dispute, the share of this claim of the amount on deposit in the custody account, together with accrued interest, shall be paid to the creditor to the extent the claim has been recognised; any funds remaining are returned to the Company.

Other Information

20. Assets specified by currencies:

	31.12.2016						
	GBP	EUR	ISK	SEK	USD	Other	Total assets
Cash at bank	22,548	3,567	3,411	199	2,918	19	32,662
Claims against credit institutions	7,218	-	-	-	56,916	2,645	66,779
Loans to customers	31,312	12,504	157	298	6,956	367	51,594
Bonds and debt instruments	-	109	-	-	31,311	-	31,420
Shares and instruments with variable income	7,042	7,107	168,276	933	622	15	183,995
Other assets	582	196	1,187	23	4	1	1,993
Total assets	68,702	23,483	173,031	1,453	98,727	3,047	368,443
% of Total assets	18.65%	6.37%	46.96%	0.39%	26.80%	0.83%	

	31.12.2015						
	GBP	EUR	ISK	SEK	USD	Other	Total assets
Cash at bank	69,553	133,432	4,506	77,691	93,553	31,493	410,228
Claims against credit institutions	9,924	-	-	385	-	3,090	13,399
Loans to customers	50,162	17,314	159	10,560	10,866	905	89,966
Bonds and debt instruments	-	588	3,167	94	2,514	-	6,363
Shares and instruments with variable income	79,002	15,936	171,753	1,215	3,884	75	271,865
Other assets	2,613	14,498	3,601	3,319	4	96	24,131
Total assets	211,254	181,768	183,186	93,264	110,821	35,659	815,952
% of Total assets	25.89%	22.28%	22.45%	11.43%	13.58%	4.37%	

NOTES

21. Assets, classification and measurement:

	31.12.2016				
	Gross amount	Impairment	Amortised cost	Fair value	Total
Cash at bank	32,662	-	32,662	-	32,662
Claims against credit institutions	66,779	-	66,779	-	66,779
Loans to customers	543,239	(491,645)	51,594	-	51,594
Bonds and debt instruments	31,420	-	-	31,420	31,420
Shares and instruments with variable income	183,995	-	-	183,995	183,995
Other assets	47,980	(45,987)	1,993	-	1,993
Total assets	906,075	(537,632)	153,028	215,415	368,443

22. Development for the year ended 31 December 2016:

	31.12.2016	Cash flow	Miscellaneous (reclassification, etc)	FX changes	Interests, dividend and value changes	31.12.2015
Assets						
Cash at bank	32,662	(367,410)	(65)	(10,507)	416	410,228
Claims against credit institutions	66,779	59,457	84	(6,311)	150	13,399
Loans to customers	51,594	(23,325)	42	(20,718)	5,629	89,966
Bonds and debt instruments	31,420	37,351	(3,594)	(11,188)	2,488	6,363
Shares and instruments with variable income	183,995	(85,889)	1,816	(20,597)	16,800	271,865
Other assets	1,993	(6,207)	(15,412)	(523)	4	24,131
Total assets	368,443	(386,023)	(17,129)	(69,844)	25,487	815,952
Liabilities						
Composition liabilities	-	(239,081)	(437,298)	-	-	676,379
Stability Contribution	29,001	(9,810)	(97,015)	-	-	135,826
Secured Note	88,440	4,440	84,000	-	-	-
GBP Convertible Notes	235,044	(151,821)	410,055	(87,771)	64,581	-
Authorised unissued share capital	301	-	301	-	-	-
Other liabilities	2,314	(9,296)	8,054	(191)	-	3,747
Total liabilities	355,100	(405,568)	(31,903)	(87,962)	64,581	815,952

Kaupthing ehf.

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