



# MANAGEMENT ACCOUNTS

1 JANUARY TO 31 MARCH 2016

**Kaupthing ehf.**

Borgartún 26

105 Reykjavík

Iceland

Reg. no. 560882-0419

*Unaudited*

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# STATEMENT BY THE BOARD OF DIRECTORS

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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).

In the first quarter of 2016, Kaupthing continued the active management of its diverse portfolio of assets and work on resolving disputed claims. Cash inflow during the period amounted to the equivalent of ISK 18.1 billion, thereof GBP 70.0 million (equivalent to ISK 12.4 billion) proceeds from Mortimer Street (joint venture project on Fitzroy Place).

At 31 March 2016 the Company's total assets amounted to ISK 533.5 billion (31.12.2015: ISK 816.0 billion) and total liabilities amounted to ISK 520.5 billion (31.12.2015: ISK 816.0 billion). The profit for the period ended 31 March 2016 amounts to ISK 9.6 billion which is reflected in the adjustment of the GBP Convertible Notes (as defined below) (31.12.2015: ISK 2,037.3 billion).

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 March 2016.

Pursuant to the Composition Agreement the Company issued, on 18 January 2016, the GBP 3,155,503,827 convertible notes due 2031 (the "GBP Convertible Notes"). Due to their nature and terms the payments under the GBP Convertible Notes don't 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 14 on the adjustment of value of the GBP Convertible Notes.

At end of March 2016 there were 449 shareholders registered in the Company's share registry. At 31 March the Company's total share capital amounted to ISK 13.0 billion. The share capital is divided into 12,983,767,462 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 (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 12 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 11 for further information on the distributions made during the period.

# STATEMENT BY THE BOARD OF DIRECTORS

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Following the Effective Date, the Company continued to be managed by the Winding-up Committee during an interim period. A new Board of Directors, which replaced the Winding-up Committee, was elected at a shareholders meeting in Reykjavik on 16 March 2016. The Board is comprised of the following members; Mr. Alan Carr who is the chairman, Mr. Paul Copley, Mr. Jóhannes R. Jóhannsson and Mr. Óttar Pálsson.

The Board has hired Paul Copley as Chief Executive Officer.

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 exercised its option of early redemption and redeemed GBP 200 million of Notes at their outstanding principal amount on a pro rata basis by payment in cash to Noteholders on 27 April 2016.

Reykjavik, 12 May 2016,

**Board of Directors**

Alan Carr  
*Chairman*

Jóhannes Rúnar Jóhannsson

Óttar Pálsson

Paul Copley  
*Chief Executive Officer*

# INCOME STATEMENT

from 1 January to 31 March 2016

	Notes	2016 1.1-31.3	2015 1.1-31.12
Interest income .....		1,244	6,030
Interest expense .....		(975)	-
Net reversal of impairment .....		7	17,335
Net financial income .....		64	57,875
Net foreign exchange rate gain (loss) .....		6,412	(35,177)
Changes in claims registry, Composition liabilities .....		4,691	15,332
Decrease in late filed priority claims in dispute .....		649	-
		<b>12,092</b>	<b>61,395</b>
		<b>Operating income</b>	
Salaries and related expenses .....		(200)	(1,329)
General and administrative expenses .....		(2,283)	(10,581)
		<b>(2,483)</b>	<b>(11,910)</b>
		<b>Operating expenses</b>	
Stability contribution .....		-	(135,826)
Adjustment of value of the GBP Convertible Notes relating to net asset value .....	14	(9,609)	-
Adjustment of claims pursuant to the terms of the Composition Agreement .....		-	2,123,596
		<b>(9,609)</b>	<b>1,987,770</b>
		<b>Profit before taxes</b>	<b>2,037,255</b>
Taxes .....		-	3
		<b>-</b>	<b>2,037,258</b>
		<b>Profit for the period</b>	

# BALANCE SHEET

as at 31 March 2016

	Notes	31.3.2016	31.12.2015
<b>Assets</b>			
Cash at bank .....	5	78,637	410,228
Claims against credit institutions .....	6	12,624	13,399
Loans to customers .....	7	86,582	89,966
Bonds and debt instruments .....	8	95,466	6,363
Shares and instruments with variable income .....	9	253,335	271,865
Unsettled derivative receivables .....		5	5
Other assets .....	10	6,857	24,126
<b>Total assets</b>		<b>533,506</b>	<b>815,952</b>
<b>Liabilities</b>			
Composition liabilities .....	11	-	676,379
Stability Contribution .....	12	33,841	135,826
Secured Note .....	13	84,975	-
GBP Convertible Notes .....	14	398,155	-
Authorised unissued shares .....		808	-
Other liabilities .....		2,743	3,747
<b>Total liabilities</b>		<b>520,522</b>	<b>815,952</b>
<b>Equity</b>			
Share capital .....		12,984	7,270
Share premium .....		-	136,471
Accumulated deficit .....		-	(143,741)
<b>Total equity</b>	15	<b>12,984</b>	<b>-</b>
<b>Total liabilities and equity</b>		<b>533,506</b>	<b>815,952</b>
Other information .....	16-21		

# STATEMENT OF CASH FLOWS

from 1 January to 31 March 2016

	Notes	2016 1.1-31.3	2015 1.1-31.12
<b>Cash flows (to) from assets</b>			
Interest received .....		451	4,163
Dividend received .....		30	20,317
Claims against credit institutions - principal payments .....		-	4,819
Indemnification fund .....		-	(10,016)
Loans to customers - principal payments .....		1,489	10,883
Loans to customers - fee income .....		33	510
Loans to customers - principal outflow / RCF .....		(2,626)	(3,807)
Bonds and debt instruments - purchase of Arion EMTN .....		(97,053)	-
Bonds and debt instruments - principal payments .....		481	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 .....		14,825	12,316
Unsettled derivative receivables - net cash inflow .....		-	14,010
Other assets - net cash inflow .....		61	534
Other inflow .....		47	573
		<b>(82,387)</b>	<b>53,382</b>
<b>Net cash (to) from assets</b>			
<b>Cash flows to other operating activities</b>			
Other fee income .....		9	142
Operating expenses .....		(3,623)	(10,023)
Paid taxes .....		-	(9,982)
		<b>(3,614)</b>	<b>(19,863)</b>
<b>Net cash to other operating activities</b>			
<b>Cash flows to claims</b>			
Cash payments pursuant to the terms of the Composition Agreement .....	11	(238,468)	-
Custody account - claims Art. 113 in dispute .....	11	(3,105)	-
Custody account - late filed claims Art. 109 and 110 in dispute - net cash inflow .....		662	-
		<b>(240,911)</b>	<b>-</b>
<b>Net cash to claims</b>			
Net cash (to) from operating activities .....		(326,912)	33,519
Effects of foreign exchange rate adjustments on cash at bank .....		(4,679)	(24,958)
Cash at bank at the beginning of the period .....		410,228	401,667
<b>Cash at bank at the end of the period .....</b>	<b>5</b>	<b>78,637</b>	<b>410,228</b>

## 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 14 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 March 2016.

The value of assets as at 31 March 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 period.

	Balance Sheet	
	31.3.2016	31.12.2015
AUD .....	94.73	94.71
CAD .....	95.18	93.75
CHF .....	128.70	129.93
DKK .....	18.84	18.93
EUR .....	140.42	141.28
GBP .....	177.52	191.84
JPY .....	1.10	1.08
NOK .....	14.93	14.70
SEK .....	15.22	15.41
USD .....	123.37	130.08



# NOTES

## Notes to the Income Statement

4. Operating expenses is specified as follows:	2016	2015
	1.1-31.3	1.1-31.12
Salaries .....	163	1,020
Salary related expenses .....	37	309
<b>Salaries and related expenses</b> .....	<b>200</b>	<b>1,329</b>
External advisors .....	2,098	10,044
Other expenses .....	185	537
<b>General and administrative expenses</b> .....	<b>2,283</b>	<b>10,581</b>
External advisory expenses are specified as follows:		
Winding-up Committee .....	67	288
Professional service* .....	1,475	3,945
Legal services .....	453	3,392
Non recoverable VAT .....	103	712
<b>Total</b> .....	<b>2,098</b>	<b>8,337</b>
Non recoverable VAT for the years 2009-2012 .....	-	1,707
<b>External advisors</b> .....	<b>2,098</b>	<b>10,044</b>

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

# NOTES

## Notes to the Balance Sheet

### Assets

5. Cash at bank specified by geographical location:	31.3.2016			31.12.2015		
	Iceland	Other	Total	Iceland	Other	Total
Non ISK .....	-	74,225	74,225	42,026	363,696	405,722
ISK .....	4,412	-	4,412	4,506	-	4,506
<b>Cash at bank</b> .....	<b>4,412</b>	<b>74,225</b>	<b>78,637</b>	<b>46,532</b>	<b>363,696</b>	<b>410,228</b>

The Asset Support Account which amounts to GBP 134.2 million (equivalent to approx. ISK 23.8 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 claims Art. 113. Reference is made to note 17 and note 18.

6. Claims against credit institutions specified by types of claims:	31.3.2016		31.12.2015	
	Gross amount	Amortised cost	Gross amount	Amortised cost
Restricted bank accounts .....	3,060	3,060	3,090	3,090
Indemnification fund .....	9,183	9,183	9,924	9,924
Cash collateral held with banks against guarantees .....	381	381	385	385
<b>Claims against credit institutions</b> .....	<b>12,624</b>	<b>12,624</b>	<b>13,399</b>	<b>13,399</b>

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.

7. Loans to customers specified by portfolios:	31.3.2016		31.12.2015	
	Gross amount	Amortised cost	Gross amount	Amortised cost
Operating loan portfolio .....	151,185	61,301	159,217	62,772
NOA loan portfolio .....	826,922	25,281	865,663	27,194
<b>Loans to customers</b> .....	<b>978,107</b>	<b>86,582</b>	<b>1,024,880</b>	<b>89,966</b>

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.

# NOTES

8. Bonds and debt instruments specified by sectors:	31.3.2016	31.12.2015
Arion EMTN .....	92,874	-
Holding Companies .....	2,592	4,500
Financial Services .....	-	1,013
Governments - listed .....	-	438
Energy and Environment .....	-	412
<b>Bonds and debt instruments</b> .....	<b>95,466</b>	<b>6,363</b>

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

9. Shares and instruments with variable income are specified as follows:	31.3.2016	31.12.2015
Listed .....	4,881	5,216
Unlisted .....	248,454	266,649
<b>Shares and instruments with variable income</b> .....	<b>253,335</b>	<b>271,865</b>

10. Other assets specified by type:	31.3.2016		31.12.2015	
	Gross amount	Amortised cost	Gross amount	Amortised cost
Accounts receivable .....	29,129	3,463	28,682	3,531
Claims on bankrupt entities .....	30,900	41	114,529	14,947
Sundry assets .....	3,353	3,353	5,648	5,648
<b>Other assets</b> .....	<b>63,382</b>	<b>6,857</b>	<b>148,859</b>	<b>24,126</b>

## Liabilities

11. Changes in Composition liabilities is specified as follows:

	DMCP	Composition cash	GBP Convertible Notes	Shares	Adjustments of value of the GBP Convertible Notes	Total
Composition liabilities as at 1 January 2016 .....	12,633	230,244	588,091	13,870	(168,459)	676,379
Distributed to creditors .....	(12,613)	(225,856)	(576,885)	(12,984)	168,459	(659,879)
Placed on custody account due to disputed claims .....	(13)	(3,092)	(7,896)	-	-	(11,001)
Settled disputes and other changes .....	(7)	(1,296)	(3,310)	(78)	-	(4,691)
Authorised unissued shares .....	-	-	-	(808)	-	(808)
<b>Composition liabilities as at 31 March 2016</b> .....	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Reference is made to note 17.

# NOTES

## 12. Stability Contribution

Stability Contribution are specified as follows:	31.3.2016	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 .....	5,199	5,159
<b>Total Stability Contribution .....</b>	<b>33,841</b>	<b>135,826</b>

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.

## 13. Secured Note

The Secured Note is denominated in ISK and include accrued interest interests until 31 March 2016.

## 14. GBP Convertible Notes

GBP Convertible Notes issued 18 January 2016 .....	588,091	-
Held by Kaupthing in relation to settled dispute .....	(3,310)	-
Foreign exchange rate changes .....	(27,776)	-
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 March 2016 .....	9,609	-
<b>Total GBP Convertible Notes .....</b>	<b>398,155</b>	<b>-</b>

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 nominal amount outstanding at each time.

The Company exercised its option of early redemption and redeemed GBP 200 million of Notes at their outstanding principal amount on a pro rata basis by payment in cash to Noteholders on 27 April 2016.

## Equity

### 15. Changes in equity is specified as follows:

	Share capital	Share premium	Accumulated deficit	Total
<b>Changes in equity from 1 January to 31 March 2016</b>				
Equity as at 1 January 2016 .....	7,270	136,471	(143,741)	-
Cancelled equity .....	(7,270)	(136,471)	143,741	-
New shares issued .....	12,984	-	-	12,984
Profit for the period (refer to note 14) .....	-	-	-	-
<b>Equity as at 31 March 2016 .....</b>	<b>12,984</b>	<b>-</b>	<b>-</b>	<b>12,984</b>
<b>Changes in equity in 2015</b>				
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
<b>Equity as at 31 December 2015 .....</b>	<b>7,270</b>	<b>136,471</b>	<b>(143,741)</b>	<b>-</b>

The share capital is divided into 12.983.767.462 shares each amounting to ISK 1.

# NOTES

## Off Balance Sheet information

### 16. Obligations

	31.3.2016	31.12.2015
Undrawn RCF .....	2,929	3,837
Undrawn funding obligations* .....	4,858	5,355
Arion Bank contingent support** .....	6,900	6,900
<b>Total obligations</b> .....	<b>14,687</b>	<b>16,092</b>

\* 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.

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

De Minimis Cash Payment (DMCP) .....	13	18
Composition Cash Payment .....	3,092	4,439
GBP Convertible Notes .....	7,896	11,338
Authorised unissued shares .....	186	267
<b>Total reserves for disputed Art. 113 claims pursuant to the Compositon Agreement</b> .....	<b>11,187</b>	<b>16,062</b>

### 18. Late filed priority claims in dispute

Late filed priority claims in dispute and related custody accounts at the beginning of the period .....	19,332	19,218
New late filed priority claims under Art. 109/110 during the period .....	-	27
Withdrawal of late filed priority claims under Art. 109/110 during the period .....	(649)	(27)
Foreign exchange rate difference .....	(817)	114
<b>Total late filed priority claims under Art. 109/110 in dispute at the end of the period</b> .....	<b>17,866</b>	<b>19,332</b>
Cash on custody accounts at the end of the period .....	(17,866)	(19,332)
<b>Total</b> .....	<b>-</b>	<b>-</b>

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

ISK .....	499	1,164
USD .....	14,393	15,177
EUR .....	587	590
SEK .....	2,392	2,421
<b>Total</b> .....	<b>17,871</b>	<b>19,352</b>

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.

# NOTES

## Other Information

### 19. Assets specified by currencies:

	31.3.2016							Total assets
	GBP	EUR	ISK	SEK	USD	NOK	Other	
Cash at bank .....	64,998	4,006	4,412	1,165	4,034	-	22	78,637
Claims against credit institutions ....	9,183	-	-	381	-	-	3,060	12,624
Loans to customers .....	49,007	16,814	157	10,425	9,748	-	431	86,582
Bonds and debt instruments .....	-	157	-	93	95,216	-	-	95,466
Shares and instruments								
with variable income .....	60,931	15,660	171,754	1,233	3,683	17	57	253,335
Unsettled derivative receivables .....	-	-	5	-	-	-	-	5
Other assets .....	62	328	3,090	3,277	6	-	94	6,857
<b>Total assets</b> .....	<b>184,181</b>	<b>36,965</b>	<b>179,418</b>	<b>16,574</b>	<b>112,687</b>	<b>17</b>	<b>3,664</b>	<b>533,506</b>
% of Total assets .....	34.52%	6.93%	33.63%	3.11%	21.12%	0.00%	0.69%	

	31.12.2015							Total assets
	GBP	EUR	ISK	SEK	USD	NOK	Other	
Cash at bank .....	69,553	133,432	4,506	77,691	93,553	30,247	1,246	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	17	58	271,865
Unsettled derivative receivables .....	-	-	5	-	-	-	-	5
Other assets .....	2,613	14,498	3,596	3,319	4	-	96	24,126
<b>Total assets</b> .....	<b>211,254</b>	<b>181,768</b>	<b>183,186</b>	<b>93,264</b>	<b>110,821</b>	<b>30,264</b>	<b>5,395</b>	<b>815,952</b>
% of Total assets .....	25.89%	22.28%	22.45%	11.43%	13.58%	3.71%	0.66%	

### 20. Assets, classification and measurement:

	31.3.2016				
	Gross amount	Impairment	Amortised cost	Fair value	Total
Cash at bank .....	78,637	-	78,637	-	78,637
Loans to and claims against credit institutions .....	12,624	-	12,624	-	12,624
Loans to customers .....	978,107	(891,525)	86,582	-	86,582
Bonds and debt instruments .....	95,466	-	-	95,466	95,466
Shares and instruments with variable income .....	253,335	-	-	253,335	253,335
Unsettled derivative receivables .....	29,534	(29,529)	5	-	5
Other assets .....	63,382	(56,525)	6,857	-	6,857
<b>Total assets</b> .....	<b>1,511,085</b>	<b>(977,579)</b>	<b>184,705</b>	<b>348,801</b>	<b>533,506</b>

# NOTES

## 21. Development January to March:

	31.03.2016	Net principal payments	Miscel- laneous (reclassifi- cation,etc)	FX changes	Value changes	31.12.2015	Interests, fees and dividend received in Q1 2016
<b>Assets</b>							
Cash at bank .....	78,637	(326,965)	-	(4,679)	53	410,228	43
Claims against credit institutions .....	12,624	-	84	(875)	16	13,399	-
Loans to customers .....	86,582	1,137	(15)	(4,618)	112	89,966	418
Bonds and debt instruments .....	95,466	96,572	(3,250)	(4,883)	664	6,363	23
Shares and instruments with variable income .....	253,335	(14,700)	2,408	(6,238)	-	271,865	30
Unsettled derivative receivables .....	5	-	-	-	-	5	-
Other assets .....	6,857	(61)	(17,078)	(133)	3	24,126	-
<b>Total assets</b> .....	<b>533,506</b>	<b>(244,017)</b>	<b>(17,851)</b>	<b>(21,426)</b>	<b>848</b>	<b>815,952</b>	<b>514</b>
<b>Liabilities</b>							
Composition liabilities .....	-	(241,573)	(434,806)	-	-	676,379	-
Stability Contribution .....	33,841	38	(102,023)	-	-	135,826	-
Secured Note .....	84,975	-	84,000	-	975	-	-
GBP Convertible Notes .....	398,155	-	416,384	(27,838)	9,609	-	-
Authorised unissued share capital .....	808	-	808	-	-	-	-
Other liabilities .....	2,743	(3,623)	2,619	-	-	3,747	-
<b>Total liabilities</b> .....	<b>520,522</b>	<b>(245,158)</b>	<b>(33,018)</b>	<b>(27,838)</b>	<b>10,584</b>	<b>815,952</b>	<b>-</b>

Value changes include changes in fair value as a result of asset realisation, net impairment and unpaid accrued interests.

**Kaupthing ehf.**

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