



## PRESS RELEASE

### **Landsvirkjun issues a 10 year bond**

Today, Landsvirkjun signed a 10 year private placement amounting to USD 70 million (some 8 billion ISK).

The bond has a 4,9% fixed rate with semi-annual interest payments with a single principal payment in 2021. The dealer for the transaction is Islandsbanki. The proceeds will be used for general refinancing purposes and funding of constructions in Northeast Iceland, that is expected to start next year. Landsvirkjun puts great emphasis on prefunding future projects in light of the current market turmoil in international financial markets.

Reykjavík, August 30, 2011

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Landsvirkjun