



## LÁNAMÁL RÍKISINS

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To newspapers, newsrooms,  
and financial institutions

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### **Government Debt Management measures concurrent with the second Central Bank of Iceland foreign currency auction**

In the announcement from Government Debt Management, dated 28 March 2011, it is stated that purchasers of foreign currency in upcoming Central Bank of Iceland auctions can sell the Treasury their Treasury bills and bonds maturing before year-end 2013 so as to finance the purchases. The foreign exchange transactions will take place through the intermediation of market makers in the foreign exchange market: Arion Bank, Íslandsbanki, and NBI (Landsbankinn). Today, the Central Bank announced that the second auction would be held on 12 July, with settlement taking place next day.

Customers that have approved offers through the intermediation of market makers in the Central Bank's foreign currency auction have the option of selling their Treasury bonds to Government Debt Management on the following terms with settlement taking place 15 July.

Series	Price	Flat interest	Series	Price without accrued interest	Flat interest
RIKV 11 0815	99.720	3.26%	RIKB 11 0722	100.090	3,06%
RIKV 11 0915	99.445	3.24%			
RIKV 11 1017	99.160	3.24%			
RIKV 11 1115	98.900	3.26%			
RIKV 11 1215	98.635	3.26%			

Customers have also option of selling RIKB 12 0824 and RIKB 13 0517 to finance their purchases of foreign currency. The price of the bonds will be announced when the market close next Friday.

Market makers that intend to act as intermediaries for foreign exchange transactions involving the above-specified Treasury bonds must so inform Government Debt Management no later than 09:00 hrs. on 13 July. The Treasury bonds must be delivered to Government Debt Management no later than 11:00 hrs. on 15 July. Payments will take place following the delivery of the bonds, and no later than at 16:00 hrs. that same day.

Further information can be obtained from Björgvin Sighvatsson, Government Debt Management, at tel +354 569 9633.