

IS Non-Index Fund

Objective and investment policy

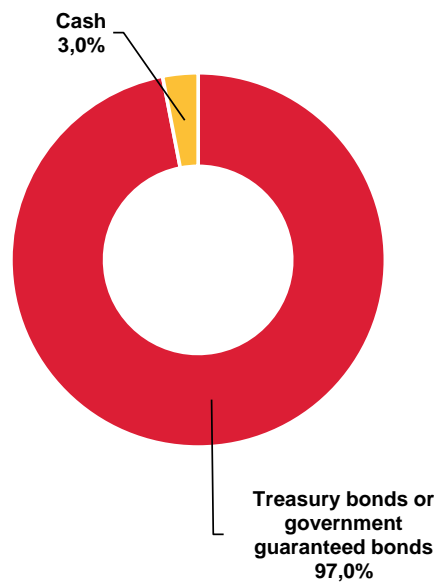
IS Non-Index Fund is a non-UCITS investment fund that invests in non-indexed government bonds and non-indexed deposits. The Fund may invest up to 100% in non-indexed government-guaranteed bonds. The Fund may also invest up to 20% in bank deposits and up to 20% in derivatives to reduce risk. The provisions of article 59 of Act no. 128/2011, excluding paragraph 2 and 5, shall apply to the fund. The fund may also invest in accordance with article 38 of Act 128/2011 regarding secure securities.

The Fund is a non-UCITS fund and its investment authorizations are based on Act no. 128/2011.

Investment authorisation

Non-indexed government guaranteed securities	50-100%	97,0%
Derivatives	0-20%	
Bank deposits	0-20%	
Cash		3,0%

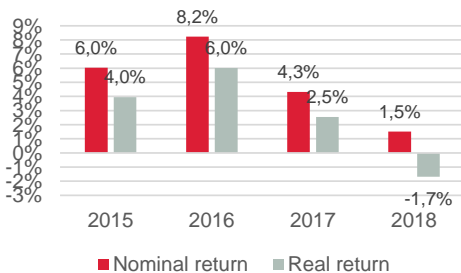
Holdings



Largest holdings

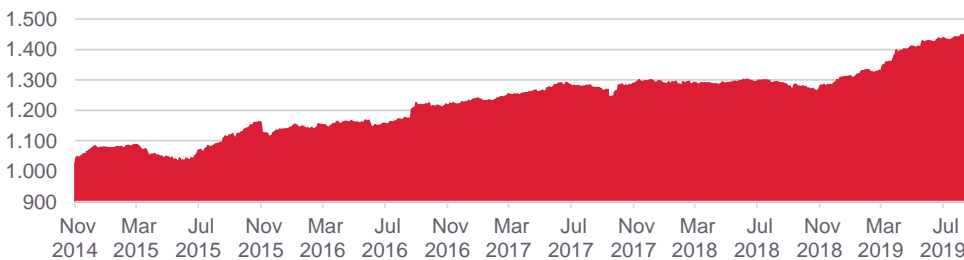
RIKB 25 0612	28,2%
RIKB 22 1026	23,8%
RIKB 28 1115	21,6%
RIKB 31 0124	14,2%
RIKB 20 0205	9,0%

Return and price history



Period	Price change	Annual nominal return
1 month	1,2%	1,2%
3 months	2,1%	2,1%
6 months	9,4%	9,4%
1 year	13,5%	13,5%
2 years	14,5%	7,0%
5 years		
YTD	11,1%	11,1%
From inception*	45,7%	8,0%

Price change



General information

Inception	2014
Size [m. ISK]	3.499
Fund type	Non-UCITS
Mgmt. company	IS Funds Ltd.
Custodian	Íslandsbanki Ltd.
ISIN	IS0000025203
Ticker	OVTRSJ
Fund managers	Helga Óskarsdóttir Ingólfur S. Kristjánsson
Business time	10:00-15:00
Settlement cycle	2 business days (T+2)
Minimum purchase	10.000 kr
Minimum subscription	5.000 kr
Management fee	1,0%
Initial fee	0,9%
Service charge	See distributors pricelist

Statistics

Risk and reward profile	3/7
Bond portfolio duration, years	4,72
Indexed	0,0%
Benchmark	NOMIXNOM

Further information

Iceland Funds Ltd.
Hagasmari 3, 201 Kopavogur
Tel. +354 440-4920
www.icelandfunds.com

Distributor:
Íslandsbanki Ltd.
www.islandsbanki.is

*The fund has been operating since October 7, 2014.

Áhætta og fyrirvari

Various financial risks are always related to investment activities, such as the risk of no yield or the risk of losing the capital invested. It should further be noted that international investing includes risks related to political and economic uncertainties as well as currency risk. **Past performance does not indicate nor guarantee future performance of an investment.** The Fund seeks to diversify its investments and minimize fluctuations on the price of the Fund as a result of market situation. Investing in the Fund does involve risk. The Fund's price can decrease as well as increase. The price and return of the Fund reflects market fluctuations, if interest rates rise, bonds at a fixed income rate drop in value and bonds with long maturities drop more than short-term bonds, based on the same changes in yield. Investment in mutual fund is, however, less risky than investments in individual securities. Investors should bear in mind that investing in a mutual fund does involve risk, the value of assets in a fund may at some point be lower than earlier point during the period of ownership.

Each investor's investment objectives and financial situation is different. Before making an investment decision, it is important to seek expert advice and familiarise oneself with the investment market and different investment alternatives. Investors are encouraged to familiarise themselves with the IS Non-Index Fund Fund prospectus, especially regarding risk. The funds prospectus and simplified prospectus are available on www.isfunds.is

This summary is informative in nature, and should not be interpreted as a recommendation to take, or not to take, any particular investment action. This summary does not represent an offer or an invitation to buy, sell or subscribe to any particular financial instruments.