TOURISM IN ICELAND IN FIGURES

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COVER PHOTO: RAGNAR TH. SIGURÐSSON / PORTHÖNNUN

TOURISM IN ICELAND IN FIGURES
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ECONOMIC STATISTICS IN ICELANDIC TOURISM

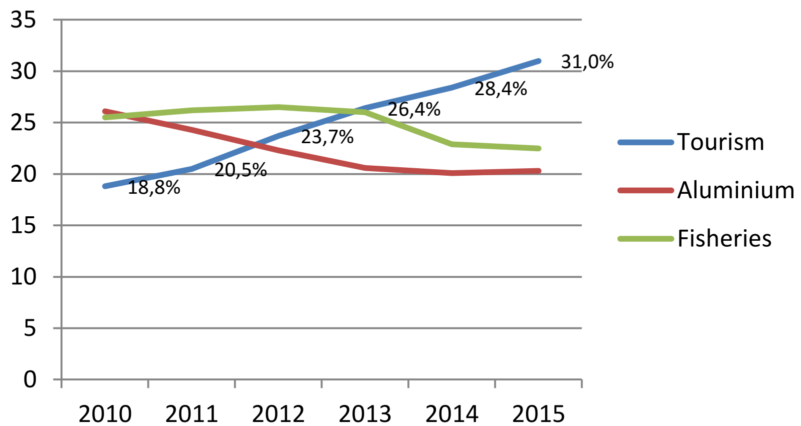
THE SHARE OF TOURISM IN EXPORT REVENUE

Tourism's share of foreign exchange earnings has grown from 18.8% to 31.0% between 2010–2015 according to measurements on the export of goods and services. At present, tourism accounts for more foreign exchange income than the fisheries industry and aluminium production.

	Export of goods and services (ISK billion)	Tourism* (ISK billions)	Share of tourism
2010	865,628	162,828	18.8%
2011	960,364	196,497	20.5%
2012	1,012,182	239,544	23.7%
2013	1,047,616	276,343	26.4%
2014	1,067,242	303,609	28.4%
2015	1,176,616	364,352	31.0%

*Total activity of Icelandic companies operating in Iceland and abroad.

EXPORT OF GOODS AND SERVICES



SPENDING OF FOREIGN VISITORS

Revenue from foreign tourists amounted to ISK 208.4 billion in 2015, i.e. ISK 49.3 billion more than in 2014. This represents a year-on-year increase of some 31%.

	Travel consumption (ISK bn. [1])	Average spent per person
2010	68,536	140,300
2011	86,937	153,700
2012	108,070	160,600
2013	130,772	162,000
2014	159,050	159,300
2015	208,351	161,600

[1]In ISK at each year's price levels. International flights and ferries are not included.

JOBS IN TOURISM-RELATED INDUSTRIES

The total amount of individuals working in tourism-related industries was 21,600 in 2014, i.e. 2,600 more than in 2013. While the number of people working nationally has increased by just more than 6% since 2010, the number of those working in tourism-related industries has increased by 37.6%.

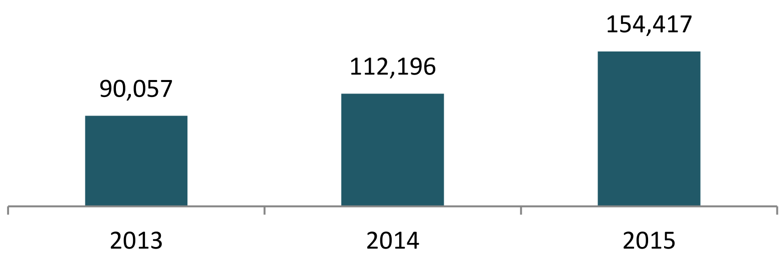
	Accommodation and restaurant operators, travel agents, tour operators	Passenger transport on land, sea and by air	Total
2010	9,800	6,300	15,700
2011	11,100	6,500	17,200
2012	11,100	6,800	17,500
2013	12,800	6,600	19,000
2014	14,500	7,600	21,600

Source: Statistics Iceland.

FOREIGN CARD TURNOVER

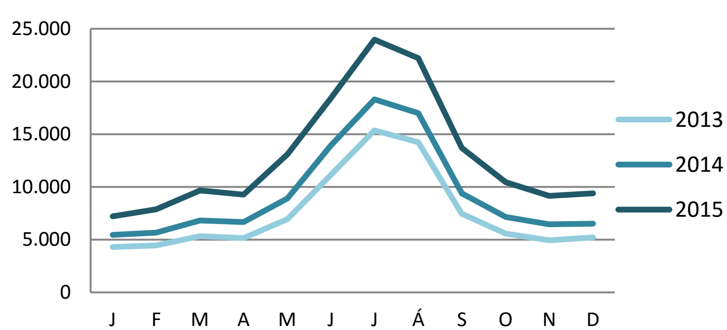
There has been considerable growth in foreign card turnover in Iceland in recent years. In 2013, card turnover was more than ISK 90 billion; this rose to more than ISK 154 billion in 2015.

TOTAL USE OF FOREIGN DEBIT AND CREDIT CARDS IN ICELAND (ISK billions)



Foreign card turnover rose sharply in every month between 2013–14 and 2014–15. Card turnover was highest in the summer months; for instance, summer turnover in 2015 was 41.8% of the year total. However, the ratio outside the summer months has increased in accordance with increased tourism.

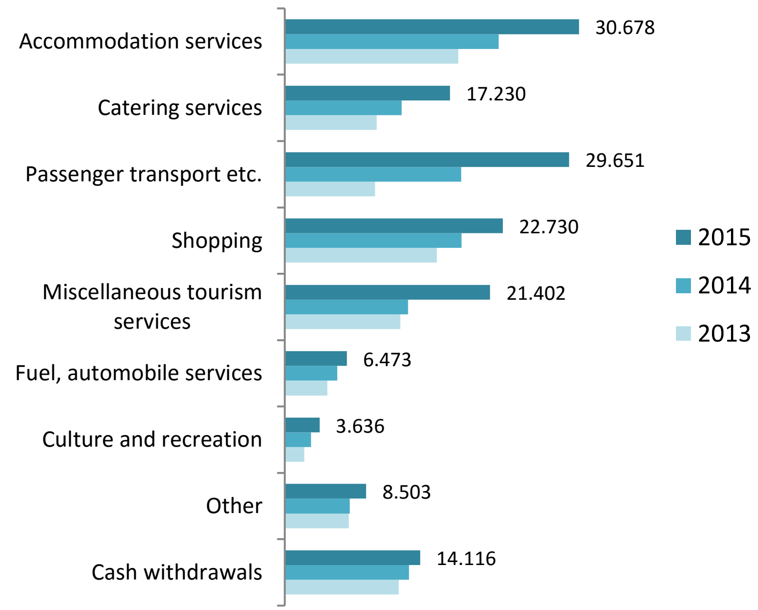
CARD TURNOVER BY MONTH (ISK billions)



FOREIGN CARD TURNOVER BY EXPENSE ITEMS*

In 2015, almost a third (31.1%) of foreign card turnover was spent on accommodation and restaurant services, 19.2% on passenger transport, 14.9% in shops, 13.9% on various types of tourism service, e.g. sightseeing tours, 4.2% on petrol services and vehicle repair and maintenance, 2.4% on culture, entertainment and recreational activities and 5.5% on other tourism-related aspects. Cash withdrawals made up 9.1% of card turnover.

CARD TURNOVER BY EXPENSE ITEM (ISK billions)



* The data on card turnover by expense items contains all payment card use, both debit and credit cards. The card turnover of foreigners who purchase travel tickets or package tours to Iceland from their home countries is not included unless the card turnover is channelled through Icelandic acquirers.

Source: Centre for Retail Studies.

PERMITS

GUESTHOUSE PERMITS

In 2015, 1,831 accommodations had a permit issued by the District Commissioner*, thereof 480 with a catering license. Most of these were in the Capital Region and North Iceland, or 465 in each area. These numbers are irrespective of the size of the companies and only indicate the number of operators.

	Catering		
	with	without	Total
Capital Region	98	367	**465**
Reykjanes	23	52	**75**
West/Westfj.	96	207	**303**
North	128	337	**465**
East	59	146	**205**
South	76	242	**318**
Total	**480**	**1351**	**1831**

**Permits from the District Commissioner are valid for a period of four years.*

NEW BUILDINGS IN REYKJAVÍK – GUEST ACCOMODATIONS AND RESTAURANTS

In 2010–2015, the Office of the Building Inspector in Reykjavík approved 57,600 m^2 of building volume for new guest accommodations and restaurants. Most were approved in 2013, or 22,000 m$^{2.}$ In 2014, a building volume of 18,000 m^2 was approved and 14,000 m^2 in 2015.

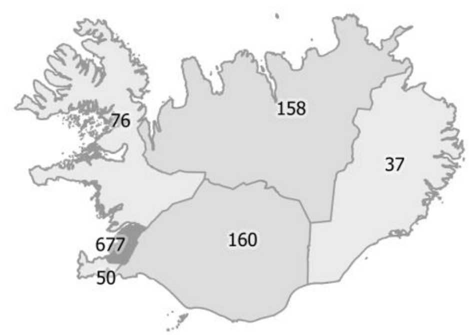
Year	m^2
2015	14,000
2014	18,000
2013	22,000
2012	300
2011	3,000
2010	300
Total	**57,600**

ISSUED TRAVEL AGENCY AND TOUR OPERATOR LICENCES

A number of new travel agency and tour operator licences were issued in 2010–2015, most in 2014, or 162, followed by 147 in 2015. The number of issued licences varies considerably between areas, with most being issued in the Capital Region and North Iceland.

	2010	2011	2012	2013	2014	2015
Capital Region	65	46	64	92	98	95
Reykjanes	3	7	5	10	8	3
West	1	5	1	3	8	3
Westfjords	8	8	6	3	7	1
North	18	13	22	19	24	12
East	0	8	4	4	3	3
South	11	20	23	11	14	30
Total	**106**	**107**	**125**	**142**	**162**	**147**

Most travel agency and tour operator licences valid in 2015 were registered in the Capital Area, or 58.5%. Outside the Capital Area, most licences were registered in North and South Iceland.



Region	No.
Capital Region	677
Reykjanes	50
West/Westfjords	76
North	158
East	37
South	160
Total	**1,158**

INTERNATIONAL VISITORS AND CRUISES

FOREIGN TOURISTS TO ICELAND

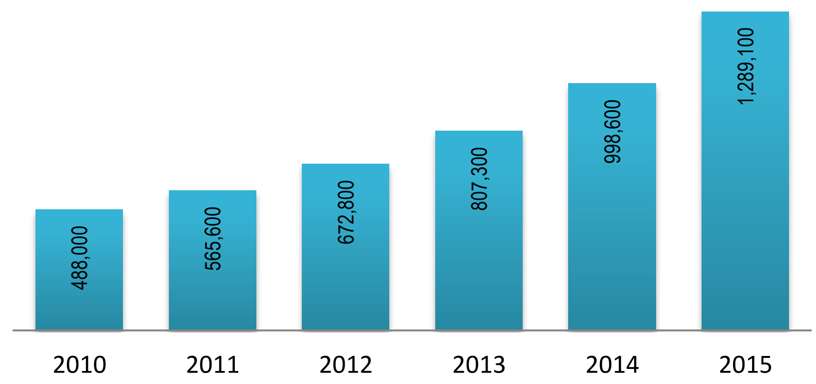
The number of foreign tourists has more than doubled since 2010. The average yearly growth rate has been 21.6% since 2010. The biggest increase was from 2014 to 2015, or 29.1%.

	Number of visitors
2010	488,600
2011	565,600
2012	672,900
2013	807,300
2014	998,600
2015	1,289,140

	Increase
2010-11	16.6%
2011-12	18.9%
2012-13	20.0%
2013-14	23.6%
2014-15	29.1%
2010-15*	**21.6%**

*Average yearly growth rate

INTERNATIONAL VISITORS TO ICELAND 2010–2015



INTERNATIONAL CRUISE SHIP PASSENGERS

Since 2010, cruise ship passengers to Iceland have increased significantly, from 72,000 in 2010 to 103,000 in 2015. The mean annual increase has been 9.1% per year.

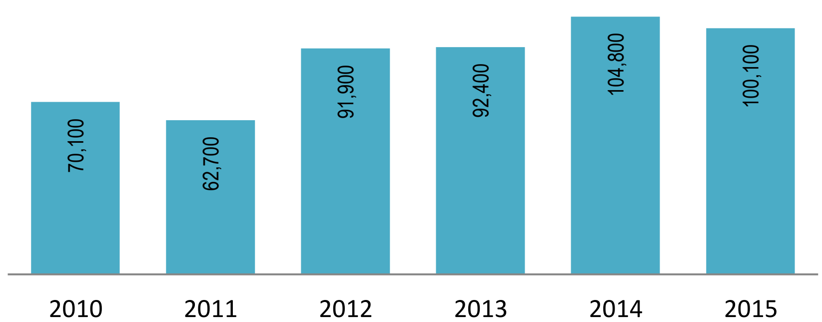
	2013		2014		2015	
	Vessels	Passengers	Vessels	Passengers	Vessels	Passengers
Reykjavík[1]	80	92,400	91	104,800	108	100,141
Akureyri	63	71,300	78	72,700	86	72,150
Ísafjördur	38	42,300	45	40,300	64	54,000
Seydisfjördur	9	6,500	10	6,700	28	19,115
Grundarfjörður	8	1,900	19	5,400	28	12,628
Vestmannaeyjar[2]	15	5,900	22	8,200	31	8,036

[1]Approximately 97% of cruise ships visit Iceland in Reykjavík.

[2] 5,521 passengers came to Eskifjörður, 3,598 to Djúpivogur, 3,200 to Siglufjörður, 2,176 to Húsavík and 2,000 to Grímsey in 2015.

Sources: Icelandic Tourist Board, Austfar, Isavia, Air Iceland, Faxaports and other ports that maintain a record of the number of cruise ship passengers.

INTERNATIONAL CRUISE SHIP PASSENGERS TO REYKJAVÍK 2010-2015



Cruise-ship passengers are defined as day-trip passengers, as they do not spend the night in Iceland.

INTERNATIONAL VISITORS TO ICELAND 2013-2015

The total number of foreign visitors was around 1.3 million in 2015, a 29.2% increase from 2014, when foreign visitors numbered around 998,000.

Around 1,290,000 tourists came on flights through Keflavík International Airport in 2015, or 97.9% of the total number of visitors. Around 18,000 came with Norræna through Seyðisfjörður, or around 1.4% of the total. Around 8,700 came on flights through Reykjavík Airport or Akureyri Airport, or 0.7 % of the total. It should be noted that figures for places other than Keflavík Airport are not based on counts but on assessments based on sales and passenger figures.

INTERNATIONAL VISITORS BY POINT OF ENTRY

				Increase/decrease	
	2013	2014	2015	13/14	14/15
Keflavík Airport	781,016	969,181	1,261,938	24.1%	30.2%
Seyðisfjörður seaport	16,637	18,115	18,540	8.9%	2.3%
Other airports	9,696	10,260	8,662	5.8%	-15.6%
Total	**807,349**	**997,556**	**1,289,140**	**23.6%**	**29.2%**

Sources:
-The Icelandic Tourist Board counts visitors when they leave through Keflavík Airport according to nationality and publishes the figures every month on its website.
-Austfar estimates visitor numbers with Norræna based on sales figures.
-Isavia and Air Iceland estimate visitor numbers through other airports based on passenger and sales figures.

VISITORS THROUGH KEFLAVÍK AIRPORT

By Nationality

	2013	2014	2015	13/14	14/15
Canada	23,970	38,790	46,654	61.8%	20.3%
China	17,597	26,037	47,643	48.0%	83.0%
Denmark	43,119	48,237	49,225	11.9%	2.0%
Finland	13,799	15,415	16,021	11.7%	3.9%
France	48,313	58,293	65,822	20.7%	12.9%
Germany	75,814	85,915	103,384	13.3%	20.3%
Italy	16,213	19,870	23,817	22.6%	19.9%
Japan	12,363	13,340	16,547	7.9%	24.0%
Netherlands	22,820	26,222	29,546	14.9%	12.7%
Norway	52,707	53,647	51,402	1.8%	-4.2%
Spain	17,017	20,932	27,166	23.0%	29.8%
Sweden	35,491	40,992	43,096	15.5%	5.1%
Switzerland	14,307	19,315	25,935	35.0%	34.3%
UK	137,108	180,503	241,024	31.7%	33.5%
USA	119,712	152,104	242,805	27.1%	59.6%
Other	130,666	169,569	231,851	29.8%	36.7%
Total	**781,016**	**969,181**	**1,261,938**	**24.1%**	**30.2%**

By Market Area

	2013	2014	2015	13/14	14/15
Nordic countries	145,116	158,291	159,744	9.1%	0.9%
UK	137,108	180,503	241,024	31.7%	33.5%
Central/S. Europe	194,484	230,547	275,670	18.5%	19.6%
North America	143,682	190,894	289,459	32.9%	51.6%
Other	160,626	208,946	296,041	30.1%	41.7%
Total	**781,016**	**969,181**	**1,261,938**	**24.1%**	**30.2%**

VISITORS THROUGH SEYÐISFJÖRÐUR SEAPORT

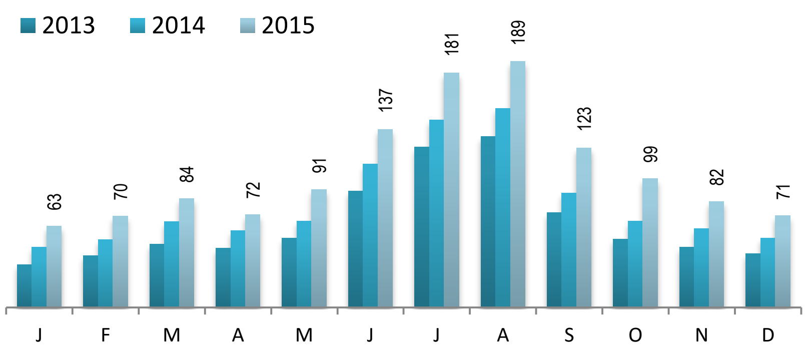
	2013	2014	2015	13/14	14/15
Nordic countries	4,650	5,340	4,806	14.8%	-10.0%
Germany	7,133	7,705	8,489	8.0%	10.2%
Central/S.Europe*	3,307	3,314	3,431	0.2%	3.5%
Other	1,547	1,756	1,814	13.5%	3.3%
Other	**16,637**	**18,115**	**18,540**	**8.9%**	**2.3%**

*Netherlands, Belgium, Austria, Switzerland, France, Spain and Italy.

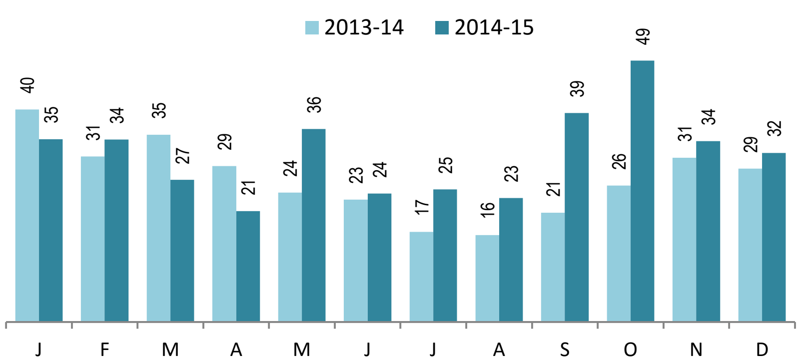
INTERNATIONAL VISITORS BY MONTHS

Over the past three years, the increase in the number of tourists has been proportionately greater in winter than in spring, summer and fall. Records were broken in all months of 2014 and 2015 in comparison with the same months in preceding years. The year-on-year increase exceeded 30% for seven months of 2015, with the highest point – 49% – in October 2015.

DEPARTURES FROM KEFLAVÍK AIRPORT BY MONTH ('000)



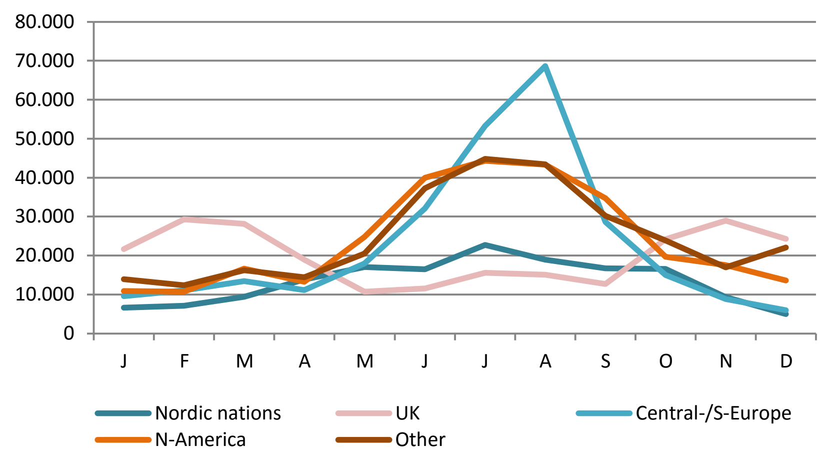
INCREASE OF VISITORS 2013-2015 (%)



DEPARTURES FROM KEFLAVÍK AIRPORT BY MARKET

Travellers from individual market areas were widely distributed in 2015. Thus, travellers from Central and South Europe were prominent during the summer months, while travellers from the Nordic countries, North America and from countries categorised as "elsewhere" were distributed evenly over the year. Travellers from the UK were the exception, as around half of these visitors came during the winter months.

TRAVELLERS THROUGH KEFLAVÍK AIRPORT BY MARKET REGION - 2015



Source: Icelandic Tourist Board.

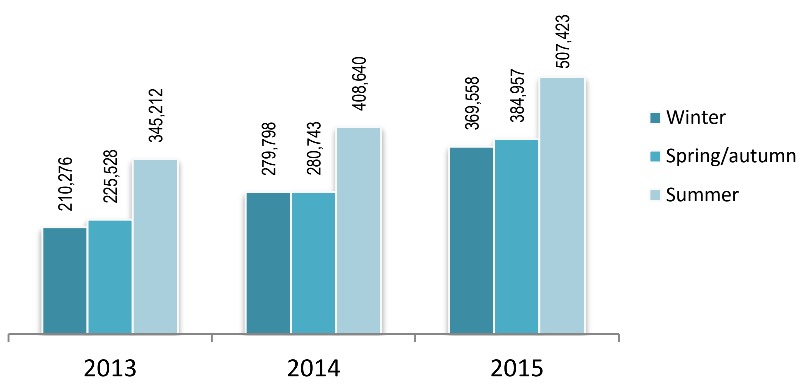
INTERNATIONAL VISITORS BY SEASON

VISITORS 2013–2015

Approximately 40% of travellers in 2015 came during the three summer months (June–August), which was a decrease in ratio from 2013 (44.2%) and 2014 (42.2%). Approximately 30% came in the spring or autumn (April–May/Sept.–Oct.) and a similar ratio during winter (Jan.–Mar. and Nov.–Dec.).

	2013		2014		2015	
	Number	%	Number	%	Number	%
Spring	99,413	12.7	125,938	13.0	162,631	12.9
Summer	345,212	44.2	408,640	42.2	507,423	40.2
Autumn	126,115	16.1	154,805	16.0	222,326	17.6
Winter	210,276	26.9	279,798	28.9	369,558	29.3
Total	**781,016**	**100**	**969,181**	**100**	**1,261,938**	**100**

VISITORS BY SEASON

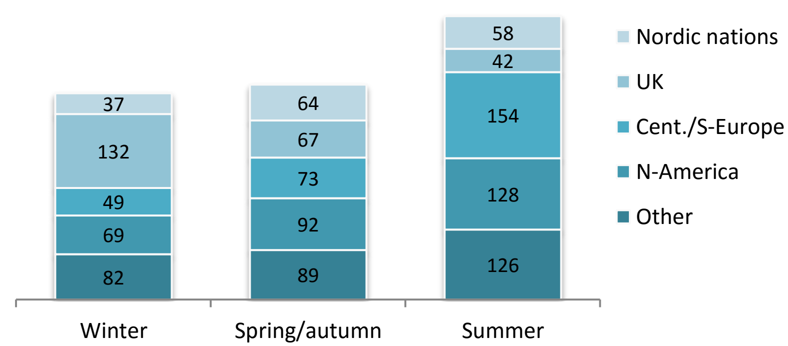


VISITORS BY MARKET 2015

In 2015, 59% of Central and Southern European visitors came during the summer, as did 44% of North American visitors, 36% of Nordic visitors, 18% of UK visitors and 42% of those categorised as from “elsewhere”. Some 40% of Nordic visitors came in the spring or autumn, as did 28% of UK visitors and 32% of North American visitors. Approximately half of UK visitors came in winter, as did nearly one-fourth of Nordic visitors, nearly one-fourth of North American visitors and approximately one-fourth categorised as coming from “elsewhere”.

	Spring		Summer		Autumn		Winter		Total
	No.	%	No.	%	No.	%	No.	%	No.
Nordic c.	30,911	19.4	58,183	36.4	33,270	20.8	37,380	23.4	159,744
UK	29,647	12.3	42,203	17.5	36,878	15.3	132,296	54.9	241,024
C/S-Eur.	29,109	10.6	153,928	55.8	43,659	15.8	48,974	17.8	275,670
N-America	38,039	13.1	127,604	44.1	54,423	18.8	69,393	24.0	289,459
Other	34,925	11.8	125,505	42.4	54,096	18.3	81,515	27.5	296,041
Total	**162,631**	**12.9**	**507,423**	**40.2**	**222,326**	**17.6**	**369,558**	**29.3**	**1,261,938**

VISITORS BY MARKET 2015 ('000)



Source: Icelandic Tourist Board.

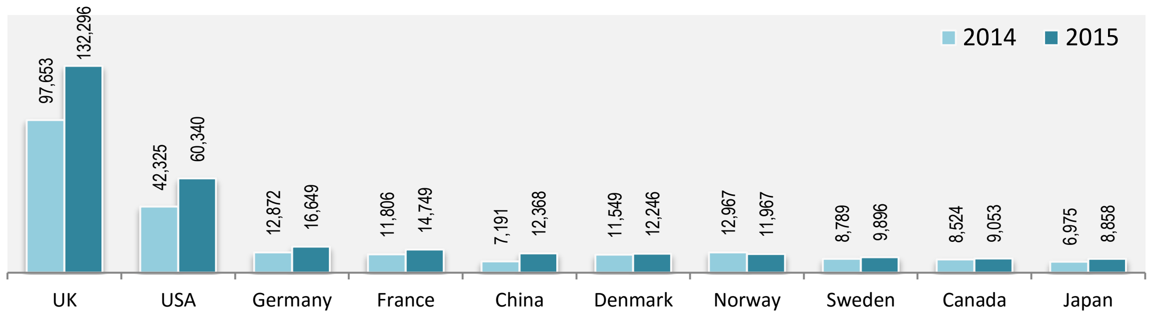
NATIONALITIES THROUGH KEFLAVÍK AIRPORT 2015/2014

WINTER: 369,558 visitors came in 2015, 33.3% more than during the winter of 2014. Broken down by nations, the largest proportion came from the UK (35.8%) and US (16.3%). Travellers from Germany (4.5%), France (4.0%), China (3.3%), Denmark (3.3%), Norway (3.2%), Sweden (2.7%), Canada (2.4%) and Japan (2.4%) came thereafter. The total number of visitors from these ten nations was 77.9% of visitors during the winter of 2015.

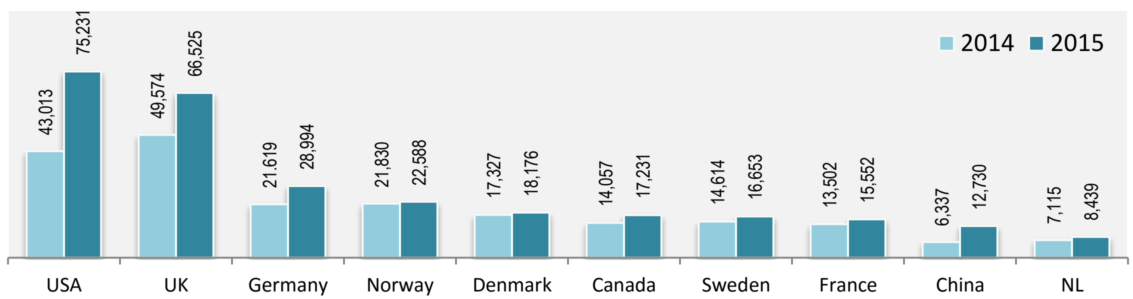
SPRING/AUTUMN: 384,957 visitors came during the spring or autumn in 2015, 37.1% more than in 2014. Most came from the US (19.5%) and the UK (17.3%). Travellers from Germany (7.5%), Norway (5.9%), Denmark (4.7%), Canada (4.5%), Sweden (4.3%), France (4.0%), China (3.3%) and the Netherlands (2.2%) came thereafter. Together, these ten nations made up to 73.2% travellers during spring or autumn in 2015.

SUMMER: 507,423 came during the summer of 2015, 24.2% more than in 2014. Most summer visitors in 2015 came from the US (21.1%), Germany (11.4%), UK (8.3%), France (7.0%), China (4.4%), Canada (4.0%), Denmark (3.7%), Norway (3.3%), Sweden (3.3%) and Spain (3.2%). In total, these ten nations comprised 69.7% of visitors in 2015.

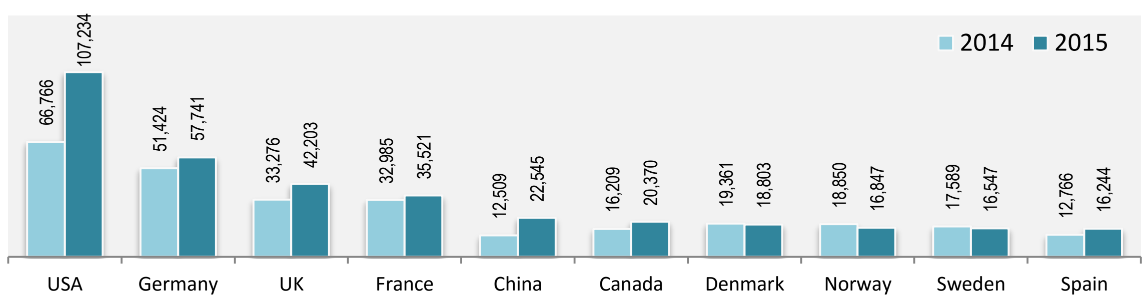
WINTER



SPRING/AUTUMN



SUMMER



Source: Icelandic Tourist Board.

MARKETING AREAS THROUGH KEFLAVIK AIRPORT 2010–2015

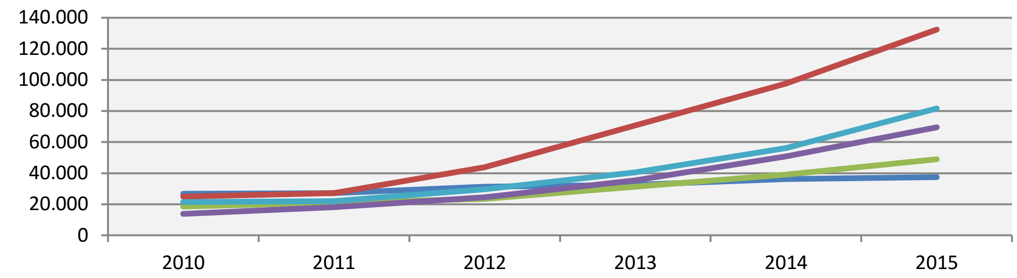
WINTER: The number of travellers in winter in 2015 was triple that of those measured in 2010. The average annual increase has been 28.9% since 2010. Visitors from the UK have increased the most, or approximately 41% on average, and became around a third of all travellers in winter in 2015.

SPRING/AUTUMN: The number of tourists has increased from approximately 147,000 during spring and autumn to approximately 466,000 in the period between 2010 and 2015, or by around 319,000 travellers. The increase has been around 26.0% per year. The Nordic countries were the largest market area to begin with, but other market areas have since grown at their expense.

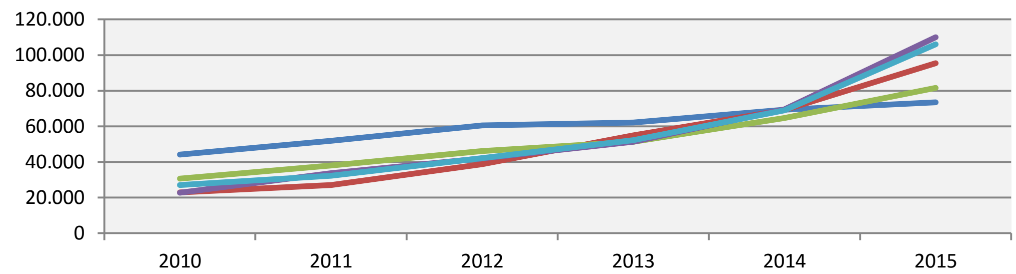
SUMMER: Travellers in summer have more than doubled since 2010, from 227,000 in 2010 to approximately 507,000 in 2015. The average annual increase has been 17.5%. The largest market share in summer is travellers from Mid- and Southern Europe, but their share has decreased from 2010, measuring at 30.3% in 2015.

Source: Icelandic Tourist Board.

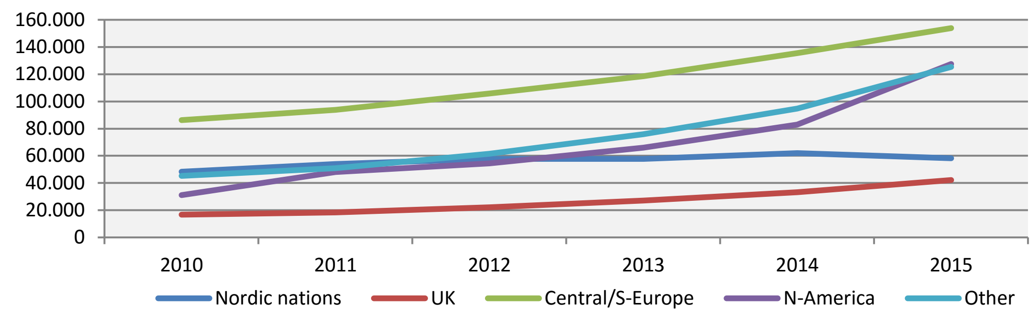
WINTER



SPRING/AUTUMN



SUMMER



DEPARTURES FROM KEFLAVÍK AIRPORT 2015

By nationality		By season*				By month											
	Total	Spring	Summer	Autumn	Winter	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Canada	46,654	6,902	20,370	10,329	9,053	1,527	1,663	2,211	2,427	4,475	6,355	7,069	6,946	6,770	3,559	2,254	1,398
China	47,643	3,984	22,545	8,746	12,368	2,149	2,107	1,862	1,690	2,294	6,961	7,483	8,101	4,364	4,382	1,464	4,786
Denmark	49,225	8,348	18,803	9,828	12,246	2,164	2,318	3,183	4,323	4,025	4,267	8,514	6,022	4,866	4,962	2,933	1,648
Finland	16,021	3,275	5,986	3,489	3,271	482	624	803	1,342	1,933	2,102	1,937	1,947	1,831	1,658	781	581
France	65,822	7,545	35,521	8,007	14,749	3,206	3,695	3,951	2,938	4,607	7,254	12,074	16,193	5,081	2,926	2,261	1,636
Germany	103,384	10,493	57,741	18,501	16,649	2,971	3,415	5,067	3,722	6,771	14,458	20,047	23,236	12,717	5,784	3,117	2079
Italy	23,817	2,137	15,801	2,910	2,969	505	502	880	809	1,328	2,234	4,504	9,063	1,977	933	710	372
Japan	16,547	1,229	2,513	3,947	8,858	2,129	1,793	1,632	659	570	700	715	1,098	2,527	1,420	1,552	1,752
Netherlands	29,546	3,609	13,607	4,830	7,500	1,150	1,906	1,819	1,105	2,504	2,929	5,086	5,592	2,725	2,105	1,539	1,086
Norway	51,402	10,818	16,847	11,770	11,967	1,933	2,551	3,135	4,915	5,903	5,640	6,053	5,154	5,522	6,248	2,945	1,403
Poland	27,079	3,366	12,479	4,850	6,384	773	599	880	958	2,408	3,919	4,915	3,645	2,663	2,187	1,451	2,681
Russia	4,877	581	2,426	839	1,031	328	158	192	175	406	539	898	989	475	364	176	177
Spain	27,166	2,871	16,244	4,986	3,065	657	438	711	1,442	1,429	2,136	5,101	9,007	3,395	1,591	743	516
Sweden	43,096	8,470	16,547	8,183	9,896	2,027	1,628	2,292	3,289	5,181	4,505	6,191	5,851	4,513	3,670	2,642	1,307
Switzerland	25,935	2,454	15,014	4,425	4,042	1,116	1118	1,035	1,100	1,354	3,038	6,460	5,516	2,760	1,665	483	290
UK	241,024	29,647	42,203	36,878	132,296	21,686	29,250	28,142	18,930	10,717	11,539	15,601	15,063	12,678	24,200	28,943	24,275
USA	242,805	31,137	107,234	44,094	60,340	9,377	9,039	14,391	10,870	20,267	33,589	37,235	36,410	27972	16,122	15,320	12,213
Other	199,895	25,765	85,542	35,714	52,874	8,579	7,674	11,669	10,914	14,851	25,149	30,796	29,597	20,204	15,510	12,295	12,657
Total	**1,261,938**	**162,631**	**507,423**	**222,326**	**369,558**	**62,759**	**70,478**	**83,855**	**71,608**	**91,023**	**137,314**	**180,679**	**189,430**	**123,040**	**99,286**	**81,609**	**70,857**

By market		By season*				By month											
	Total	Spring	Summer	Autumn	Winter	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Nordic countries	159,744	30,911	58,183	33,270	37,380	6,606	7,121	9,413	13,869	17,042	16,514	22,695	18,974	16,732	16,538	9,301	4,939
UK	241,024	29,647	42,203	36,878	132,296	21,686	29,250	28,142	18,930	10,717	11,539	15,601	15,063	12,678	24,200	28,943	24,275
Cent/S-Europe	275,670	29,109	153,928	43,659	48,974	9,605	11,074	13,463	11,116	17,993	32,049	53,272	68,607	28,655	15,004	8,853	5,979
North America	289,459	38,039	127,604	54,423	69,393	10,904	10,702	16,602	13,297	24,742	39,944	44,304	43,356	34,742	19,681	17,574	13,611
Other	296,041	34,925	125,505	54,096	81,515	13,958	12,331	16,235	14,396	20,529	37,268	44,807	43,430	30,233	23,863	16,938	22,053
Total	**1,261,938**	**162,631**	**507,423**	**222,326**	**369,558**	**62,759**	**70,478**	**83,855**	**71,608**	**91,023**	**137,314**	**180,679**	**189,430**	**123,040**	**99,286**	**81,609**	**70,857**

** Spring: April–May, Summer: June–August, Autumn: September–October, Winter: January–March/November–December.*

Source: Icelandic Tourist Board.

OVERNIGHT STAYS – ALL TYPES OF ACCOMMODATION

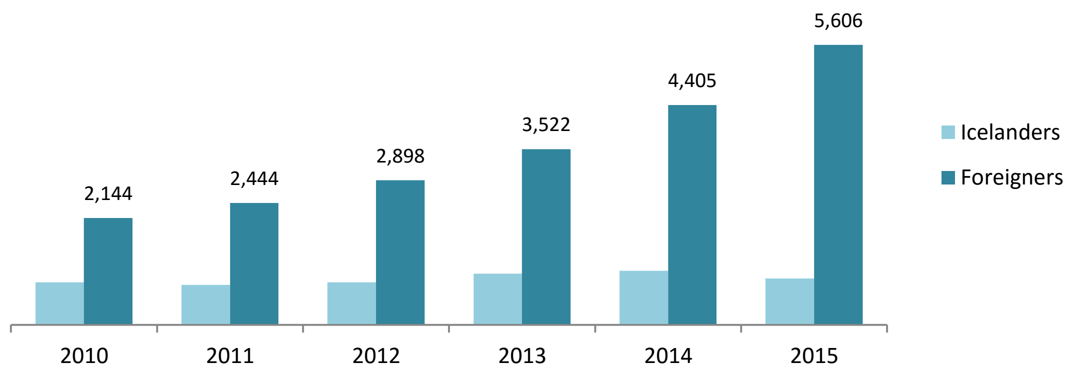
The total number of overnight stays in Iceland was around 6.5m in 2015. The overnight stays of foreign visitors were around 5.6m in 2015 and have increased by 21.3% annually since 2010. Overnight stays of Icelanders were 930,000 in 2015 and have increased by 2.4% since 2010.

OVERNIGHT STAYS BY SEASONS

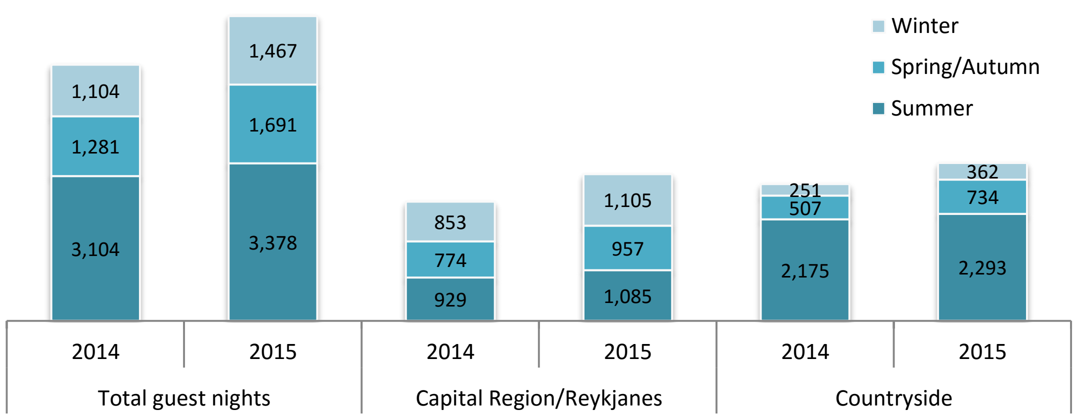
Around 52% of the total overnight stays in 2015 were during summer, 25.9% during spring and autumn and 22.4% during winter.

There were nearly 3.1 million guest nights spent in the the Capital Region and Reykjanes area in 2015, or 48.2% of the total number of guest nights. Of these, 30.4% were during spring and autumn, 34.5% during summer and 35.1% during winter. Around half (51.8%) of guest nights, or around 3.4 million, were spent in other parts of Iceland, whereof 67.7% were spent during summer, 21.6% during spring and autumn and 10.7% during winter.

OVERNIGHT STAYS IN ALL TYPES OF ACCOMMODATION 2010-2015 ('000)



OVERNIGHT STAYS 2015/2014 ('000)



Source: Statistics Iceland.

GUEST NIGHTS BY REGION

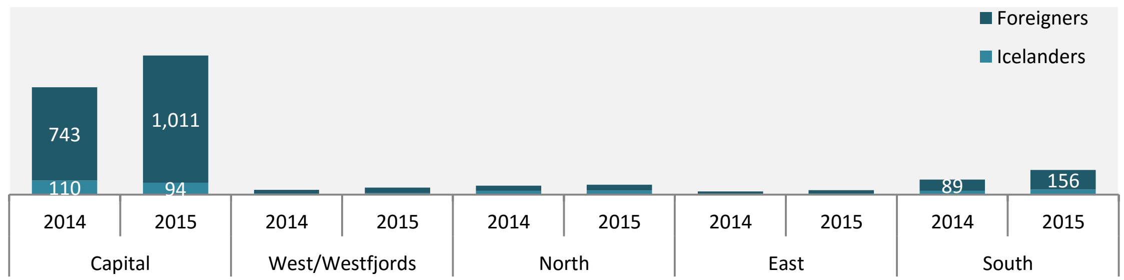
WINTER: Some 1.5 million guest nights were spent in the winter of 2015, i.e. 32.9% more than in 2014. Some 75% of guest nights (i.e. 1.1 million) were spent in the Capital Region and Reykjanes peninsula, 91.5% of which were spent by foreigners. Outside of the Capital Region and Reykjanes peninsula, most guest nights were spent in South Iceland (13.3% of the total) and North Iceland (5.2% of the total).

SUMMER: Some 3.4 million guest nights were spent in the summer of 2015, i.e. 8.8% more than in the same period in 2014. Around 32% of total guest nights were in the Capital Region and Reykjanes, 21.7% in South Iceland, 19.5% in North Iceland, 14.0 in West Iceland and the West Fjords. Foreigners accounted for 84.4% of total guest nights in Iceland in the summer of 2015. 64.8% of guest nights spent by foreigners were in rural Iceland.

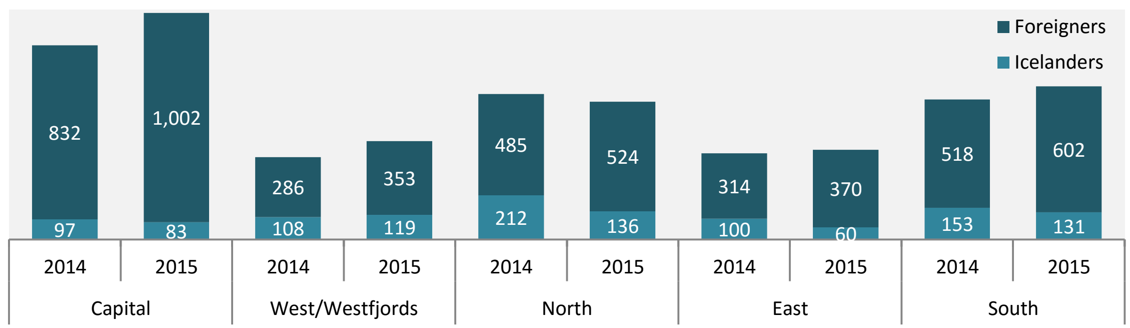
SPRING/AUTUMN: Just less than 1.7 million guest nights were spent in the spring and autumn of 2015, i.e. 32.0% more than in the same period in 2014. Around 57% of total guest nights were in the Capital Region and Reykjanes peninsula, 17.3% in South Iceland, 11.2% in North Iceland, 8% in West Iceland and the Westfjords and 6.9% in East Iceland. Foreigners accounted for 87.2% of guest nights in the spring and autumn of 2015. Around 59% of guest nights spent by foreigners were in the Capital Region and Reykjanes peninsula.

Source: Statistics Iceland.

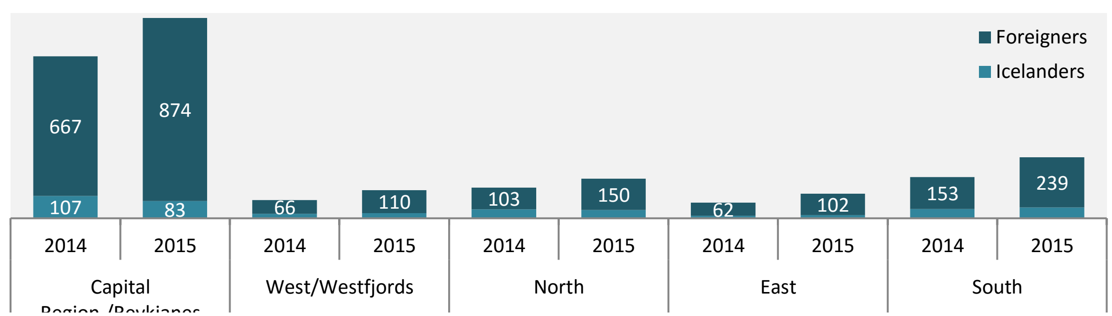
WINTER (´000)



SUMMER (´000)



SPRING/AUTUMN (´000)



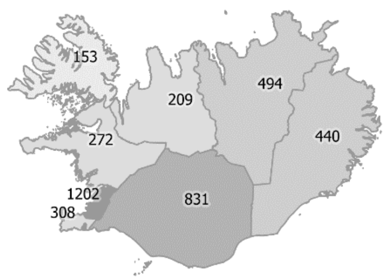
AVAILABLE ROOMS AND OCCUPANCY RATE

AVAILABLE ROOMS IN HOTELS AND GUESTHOUSES

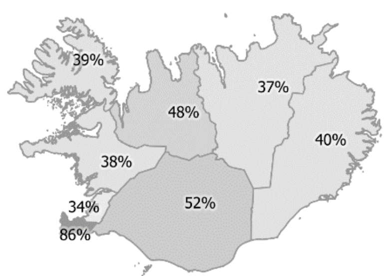
In 2015, there were 13,320 rooms available in 394 hotels and guesthouses in Iceland, when they were most numerous, 35.2% thereof in the Capital Region. Room availability in 2015 in Iceland was 9.7% higher than in 2014.

	2014		2015		Increase
	No.	%	No.	%	2014–15
Capital Region	4,045	33.3%	4,688	35.2%	15.9%
Reykjanes	588	4.8%	665	5.0%	13.1%
West	879	7.2%	981	7.4%	11.6%
Westfjords	529	4.4%	550	4.1%	4.0%
Northwest	568	4.7%	642	4.8%	13.0%
Northeast	1,720	14.2%	1,831	13.7%	6.5%
East	1,445	11.9%	1,531	11.5%	6.0%
South	2,364	19.5%	2,432	18.3%	2.9%
Total	**12,138**	**100.0%**	**13,320**	**100.0%**	**9.7%**

Rooms in hotels and guesthouses in all of Iceland have increased by 9,391, or 42%, since 2010. The most increase has been in the Capital Area, where 1,202 rooms have been added since 2010.



Proportionally, however, rooms have increased the most in Suðurnes (86%), followed by South Iceland (52%) and Northwest Iceland (48%). Other regions have seen less increase, or 34–40%.



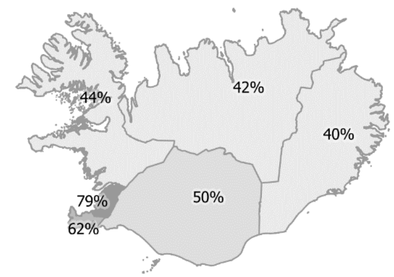
Regions are measured from administrative borders.

OCCUPANCY RATES IN HOTELS (%)

Nationwide room occupancy in year-round hotels was 64.5% in 2015, which is a 37.5% increase from 2010, when it was 46.9%.

In 2015, the best utilisation was in the Capital Region, or 79%, followed by Suðurnes with 62%.

HOTEL ROOM OCCUPANCY 2015



There was an annual increase in room occupancy from 2014 to 2015 during all months of the year in South Iceland, 11 months of the year in West Iceland and the Westfjords, 10 months in Suðurnes, 9 months in East Iceland, 6 months in the Capital Region and 4 months in North Iceland.

Occupancy was more than 75% in the Capital Region nine months of the year in 2015. In Suðurnes, occupancy was more than 75% three months of the year in 2015. Occupancy was at its highest in the summer months outside the Capital Region. Off-peak, occupancy fell below 25% in many regions outside of the Capital Region and Reykjanes.

	Capital Region		Reykjanes peninsula		West, Westfjords		North		East		South	
	'14	'15	'14	'15	'14	'15	'14	'15	'14	'15	'14	'15
J	59	73	33	36	16	25	14	17	12	6	16	21
F	81	88	55	59	29	32	27	25	17	13	34	40
M	84	85	46	60	32	32	27	24	26	21	36	45
A	72	71	43	54	22	26	35	29	16	18	32	34
M	75	76	56	71	34	43	40	42	31	38	39	45
J	87	82	68	83	62	72	70	63	61	72	60	72
J	91	90	79	88	84	87	88	78	87	91	78	89
A	91	87	86	81	75	76	82	75	81	88	77	82
S	78	75	58	69	53	55	58	54	37	53	45	59
O	77	77	48	59	26	34	36	30	18	27	38	48
N	74	77	48	43	22	24	18	22	11	13	25	32
D	62	66	39	38	12	13	11	13	4	7	18	26
All	**78**	**79**	**56**	**62**	**40**	**44**	**43**	**42**	**35**	**40**	**43**	**50**

>75% **50-74%** **25-49%** **<24%**

Source: Statistics Iceland.

GUEST NIGHTS BY TYPE OF ACCOMODATION

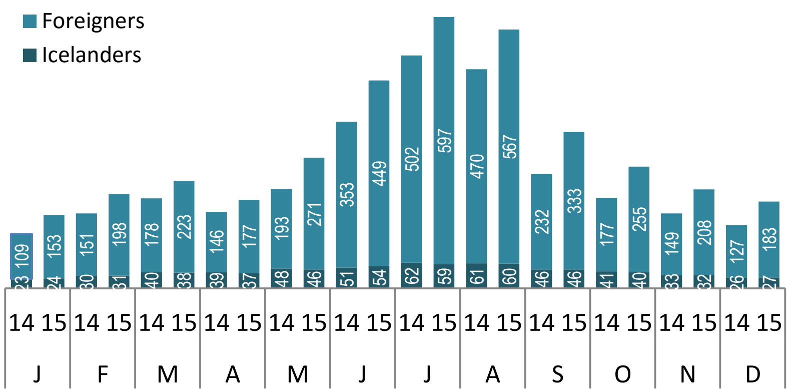
GUEST NIGHTS IN HOTELS AND GUESTHOUSES

In 2015, the total number of guest nights in hotels and guesthouses was approximately 4.1 million, i.e. 25% more than in 2014. Guest nights spent by foreigners were 87.9% of the 2015 total and accounted for all the increase in guest nights between years.

	2014		2015		Increase/decrease 2014–15
	Number	%	Number	%	
Foreigners	2,787,254	84.8%	3,613,046	87.9%	29.6%
Icelanders	499,907	15.2%	495,844	12.1%	-0.8%
Total	**3,287,161**	**100%**	**4,108,890**	**100%**	**25.0%**

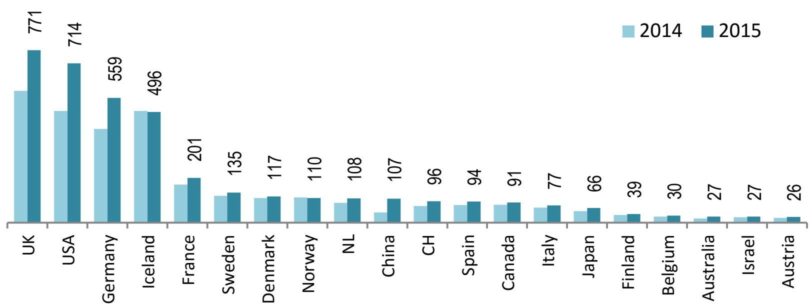
Guest nights in hotels and guest houses increased every month in 2015 as compared to the previous year. The proportional distribution of guest nights across the seasons in 2015 was as follows: 43.6% in summer, 29.3% in spring and autumn and 27.2% in winter. Seasonal fluctuations applied to a lesser extent to Icelanders.

OVERNIGHT STAYS IN HOTELS AND GUESTHOUSES



Twenty nationalities accounted for 94.7% of guest nights in hotels and guesthouses in 2015. The British, Americans, Germans and Icelanders were by far the most numerous. Icelanders spent fewer nights in hotels and guesthouses in 2015 than in 2014.

GUEST NIGHTS ('000) BY NATIONALITY



OTHER ACCOMMODATION ('000)

Guest nights in accommodation other than hotels and guest houses were 2.4 million in 2015, an increase of 10.2% on 2014. Most were in campsites (35.4%), apartments (20.7%) and hostels (19.7%). Foreigner guest nights accounted for 82.1% of the total number of guest nights in other accommodation. This is 23.2% greater than in 2014, with the biggest growth appearing in foreigner guest nights in private home accommodation and apartments.

	Foreigners		Icelanders		Total	
	2014	2015	2014	2015	2014	2015
Camping sites	531	578	415	281	946	859
Apartments	362	482	49	20	411	502
Youth hostels	339	440	37	38	376	478
Holiday centres	170	223	38	42	208	265
Private home acc.	149	206	26	27	175	233
Lodges / sleeping bag	66	63	20	27	86	90
Total	**1.617**	**1.993**	**585**	**435**	**2.202**	**2.427**

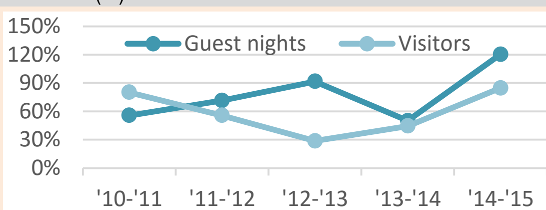
Source: Statistics Iceland.

NUMBER AND DEVELOPMENT OF GUEST NIGHTS AND TRAVELLERS

Here is an overview of the number of guest nights with reference to the number of visitors through Keflavík airport (KEF) in 2010 to 2015. 2010 is the base year, and numbers on guest nights and travellers from year to year are proportional indices. This way, it can be determined whether the number of guest nights have been consistent with the increased number of travellers. The figures show the development since 2010, and the charts below illustrate the changes between years.

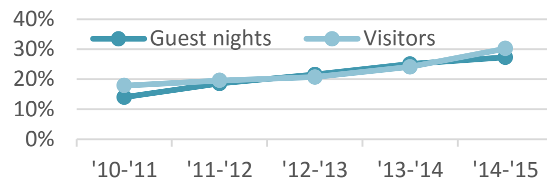
Visitors from China

	'10	'11	'12	'13	'14	'15
Guest nights ('000)	9	14	24	46	69	152
Increase (%)	100	145	250	487	725	1612
Visitors KEF ('000)	5	9	14	18	26	48
Increase (%)	100	169	270	339	501	917



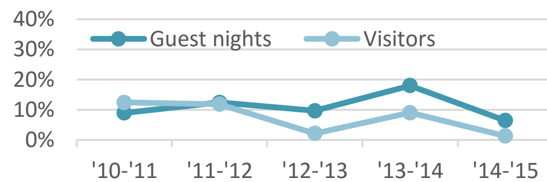
Visitors Total

	'10	'11	'12	'13	'14	'15
Guest nights ('000)	2.144	2.444	2.898	3.522	4.405	5.606
Increase (%)	100	114	135	164	205	261
Visitors KEF ('000)	459	541	647	781	969	1.262
Increase (%)	100	118	141	170	211	275



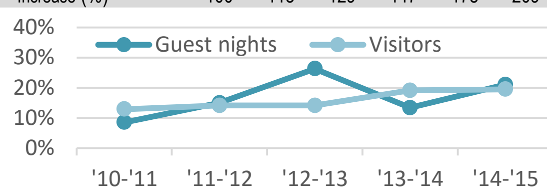
Visitors from Scandinavia

	'10	'11	'12	'13	'14	'15
Guest nights ('000)	348	379	426	467	551	586
Increase (%)	100	109	122	134	158	168
Visitors KEF ('000)	113	127	142	145	158	160
Increase (%)	100	113	126	129	140	142



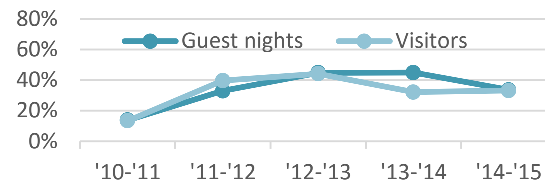
Visitors from Central and Southern Europe

	'10	'11	'12	'13	'14	'15
Guest nights ('000)	931	1.010	1.161	1.466	1.662	2.011
Increase (%)	100	108	125	157	179	216
Visitors KEF ('000)	132	149	170	194	231	276
Increase (%)	100	113	129	147	175	209



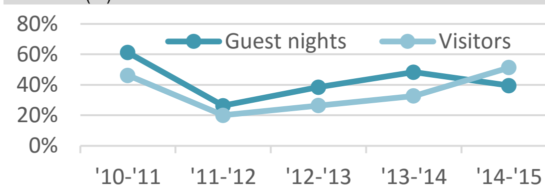
Visitors from the UK

	'10	'11	'12	'13	'14	'15
Guest nights ('000)	261	297	395	572	829	1.107
Increase (%)	100	114	151	219	317	424
Visitors KEF ('000)	60	68	95	137	181	241
Increase (%)	100	112	157	227	299	400



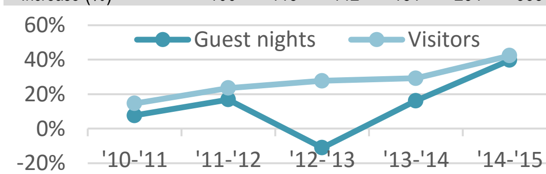
Visitors from North America

	'10	'11	'12	'13	'14	'15
Guest nights ('000)	201	324	409	566	839	1.170
Increase (%)	100	161	203	282	417	582
Visitors KEF ('000)	65	95	114	144	191	289
Increase (%)	100	148	176	222	295	448



Other Visitors

	'10	'11	'12	'13	'14	'15
Guest nights ('000)	403	434	507	451	524	732
Increase/decrease (%)	100	108	126	112	130	182
Visitors KEF ('000)	89	102	126	161	208	296
Increase (%)	100	115	142	181	234	333



NUMBER OF VISITORS AT TOURIST LOCATIONS

Here are the results from the counting of visitors to six popular destinations in South and West Iceland, part of research on the tolerance limits of these locations. This project is a collaboration between the Icelandic Tourist Board and the University of Iceland. The results are based on vehicle traffic on the access routes to the destination, using vehicle counters, and measurements of average passenger numbers in private vehicles and buses. The measurement period was one year, February 2015 to February 2016.

NUMBER OF VISITORS BY PERIOD ('000)

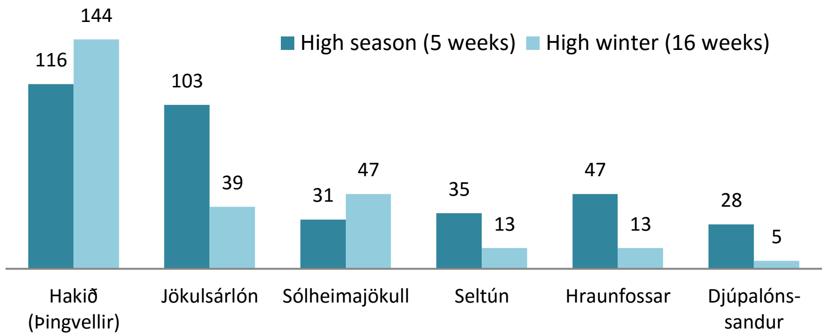
	Hakið Þingvellir	Jökulsárlón	Sólheima jökull Glacier	Hraun-fossar	Seltún Krýsuvík	Djúpa-lóns-sandur
Late winter	65	36	23	7	11	4
End of winter	75	48	24	14	20	10
Spring	87	77	23	31	27	21
High season	116	103	31	47	35	28
Autumn	103	88	34	31	25	19
Early winter	84	49	27	15	14	7
High winter	144	39	47	13	13	5
Total	674	439	210	157	144	94

Late winter: weeks 8–15, End of winter: weeks 16–22, Spring: weeks 23–27, High season: week 28-32, Autumn: weeks 33–37, Early winter: week 38-43, High winter: weeks 44 –07

NUMBER OF VISITORS BY PERIODS AND MONTHS

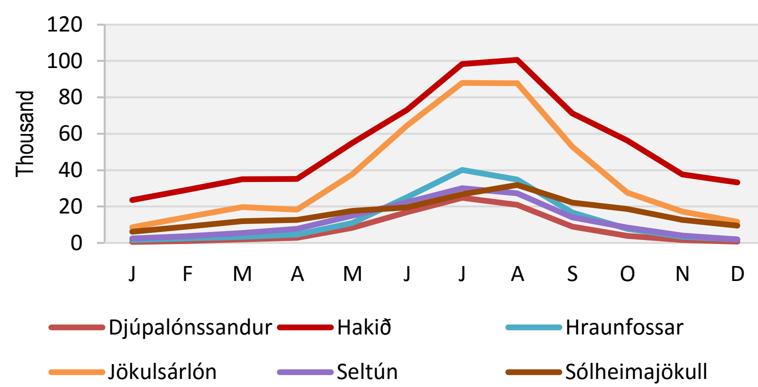
Here is the number of guests in the high season from early July to mid-August and in high winter, from November to February.

NUMBER OF GUESTS DURING HIGH SEASON AND HIGH WINTER ('000)



NUMBER OF VISITORS BY MONTH

As can be seen, most visit Hakið (Þingvellir) and Jökulsárlón all months of the year.



Source: [Icelandic Tourist Board and University of Iceland](#).

TRAVELS OF ICELANDERS 2015/2014

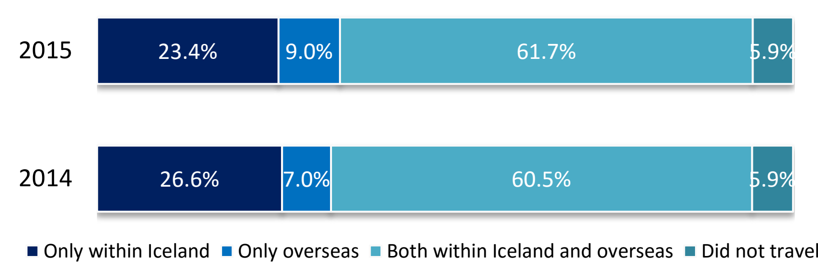
The Icelandic Tourist Board has for many years conducted surveys among Icelanders on their domestic and international travels. A survey from January 2016 was based on a 1400-person sample selected randomly from MMR's 18,000-person opinion group, which was randomly selected from the National Register. The response proportion was 66.0%. The results were processed according to several demographic categories: gender, age, residence, education, employment, income and length of stay.

GENDER	2014	2015
Female	47%	49%
Male	53%	51%
AGE		
18–39 years	47%	44%
40–59 years	40%	36%
60–80 years	13%	19%
RESIDENCY		
Capital Region	62%	64%
Communities near the Capital Region	14%	12%
Rest of Iceland	24%	24%
HOUSEHOLD INCOME (ISK)		
Less than 249,000	14%	12%
250,000-399,000	17%	15%
400,000-599,000	21%	21%
600,000-799,000	17%	17%
800,000 and more	31%	35%
JOB		
Managers and experts	28%	29%
Technicians and office workers	13%	14%
Waiters and shop assistants	12%	15%
Tradesmen & industrial specialists	8%	9%
Machinists/workers/seamen/farmers	9%	8%
Students	15%	11%
Not employed outside the home	15%	14%

TRIPS UNDERTAKEN IN ICELAND OR OVERSEAS 2015

Approximately 85% of respondents travelled domestically in 2015, slightly fewer than in 2014. 71% travelled abroad in 2015, an increase from the 67.5% in 2014.

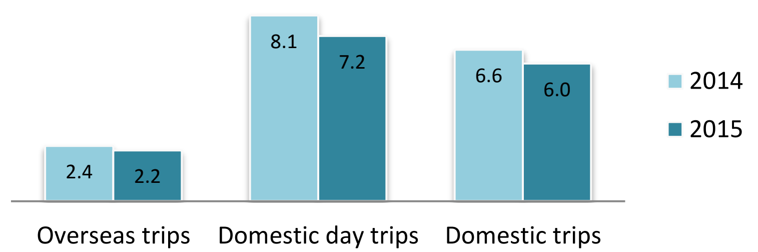
TRAVELS IN ICELAND OR ABROAD



NUMBER OF TRIPS

Those taking a foreign holiday in 2015 went on average 2.2 times, which is less than the year before. Those taking day-trips in 2015 went on average 7.2 times, slightly less in 2014. Those taking domestic trips away from home with at least one overnight stay took, on average, 6 such trips, fewer than in 2014.

NUMBER OF TRIPS TAKEN

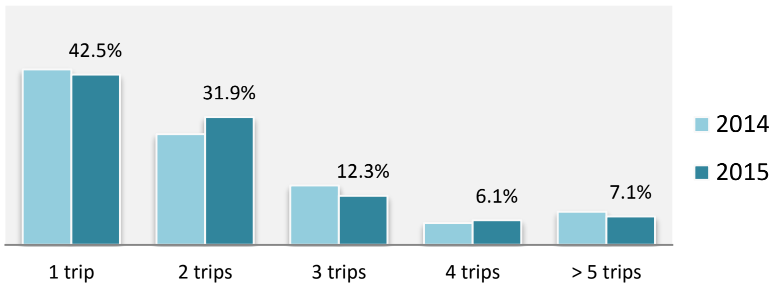


- OVERSEAS TRIPS

NUMBER OF TRIPS AND LENGTH OF STAY

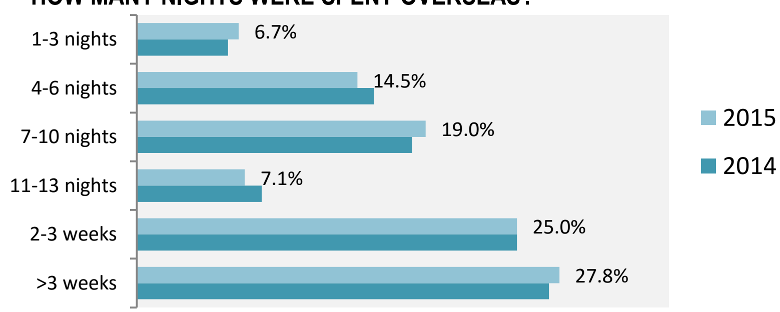
Some 71% took a foreign holiday in 2015, on average 2.2 times. Most, or 42.5%, went on one trip, 32% took two trips and 25.5% took three or more trips.

HOW MANY OVERSEAS TRIPS WERE TAKEN ?



The average length of stay for overseas trips was 17.5 nights [1] in 2015, i.e. the same as in 2014. A fifth of travellers stayed less than a week, around a quarter 1–2 weeks, a quarter 2–3 weeks and just more than a quarter more than three weeks.

HOW MANY NIGHTS WERE SPENT OVERSEAS?

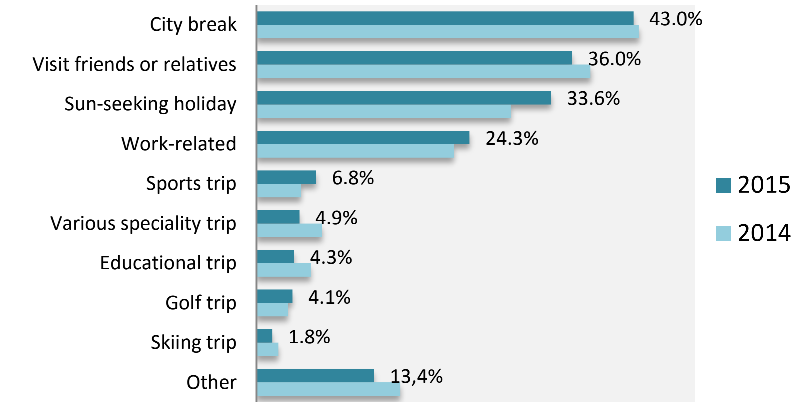


[1]Those staying longer than 100 nights were not included in the data.

WHAT KIND OF TRIP AND WHERE?

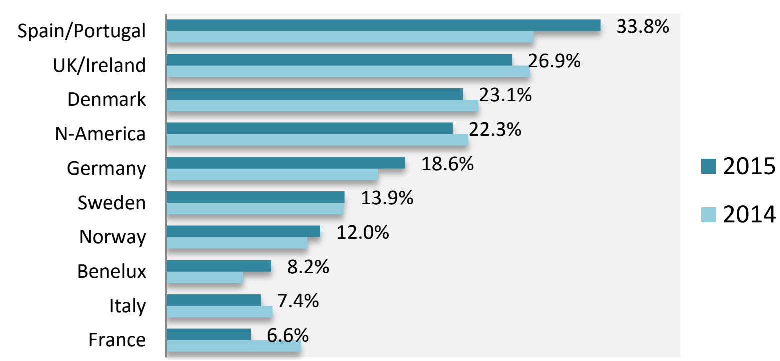
The majority went on a city or town break overseas, a visit to friends or relatives, sun-seeking holidays and a work-related trip in 2015.

WHAT KIND OF OVERSEAS TRIP WAS TAKEN?



Travels of Icelanders in 2015 were largely limited to Spain, Portugal, the UK, Scandinavia, North America, Germany, Benelux countries, Italy and France.

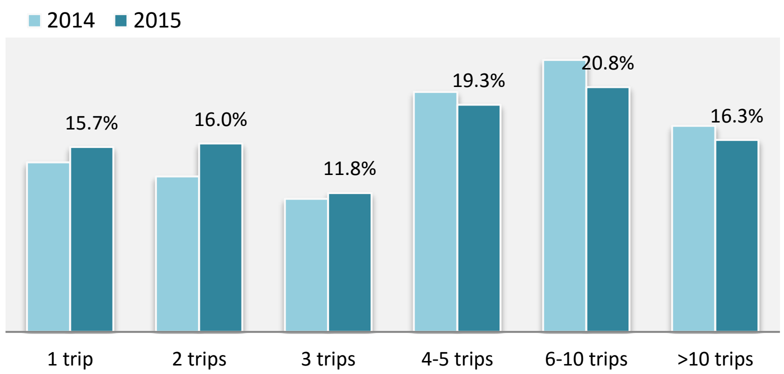
WHICH COUNTRIES WERE VISITED?



- DOMESTIC DAY TRIPS[1]

Some 72% took a day-trip in 2015, on average 7.2 times. Close to a third went on 1–2 trips, just less than a third on 3–5 trips, and two out of every five on six trips or more.

HOW MANY DAY-TRIPS WERE TAKEN?



Most day-trips were to South Iceland, followed by West Iceland, Reykjanes, Greater Reykjavík and North Iceland.

WHERE WERE DAY-TRIPS TAKEN IN 2015?

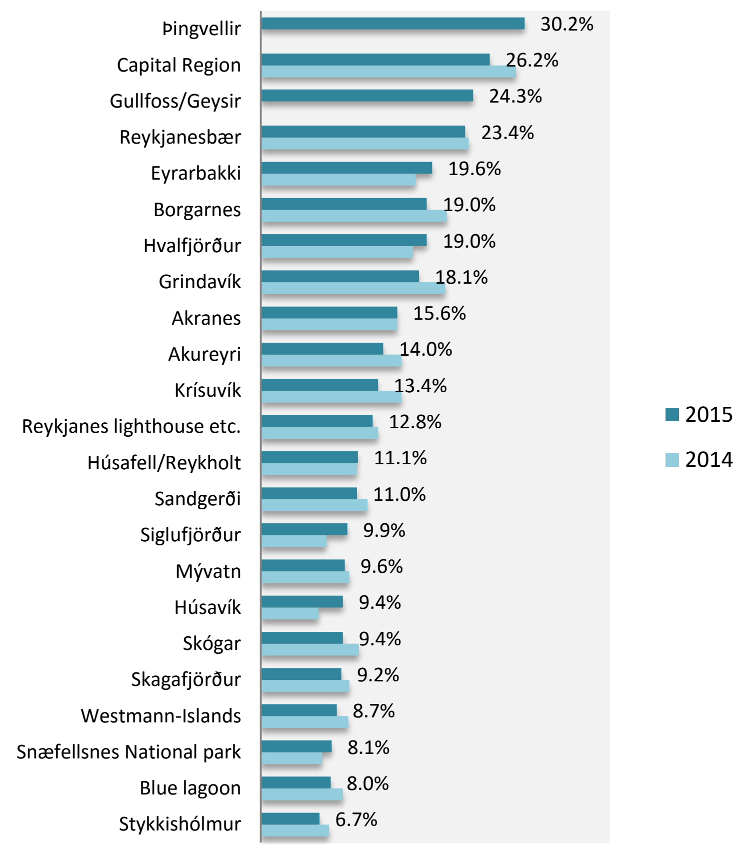
	Took a daytrip	Average no. of trips
South	58.5%	4.7
West	33.5%	3.5
Reykjanes	30.2%	4.9
Capital Region	26.2%	8.2
North	24.6%	4.6
East	7.5%	4.2
Highlands	5.4%	3.9
Westfjords	4.2%	4.0

[1] *Recreational trip lasting at least 5 hours and spent away from the home without staying overnight.*

LOCATIONS VISITED ON DAY-TRIPS IN 2015

Of the 56 locations asked about in various part of Iceland, the following were most often visited.

WHICH AREAS/PLACES WERE VISITED ON DAY-TRIPS?



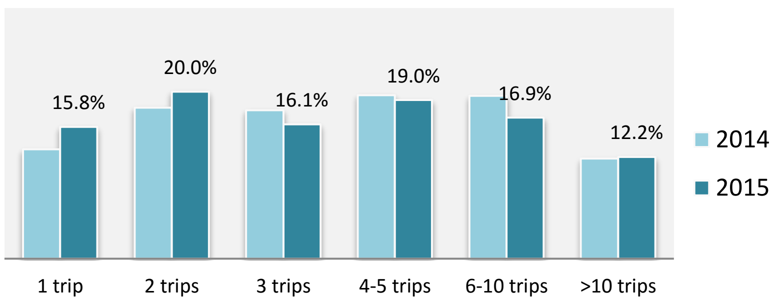
**There were separate queries for Þingvellir and Geysir/Gullfoss for the first time in January 2016.*

- DOMESTIC TRAVELS[1]

LENGTH OF STAY IN ICELAND

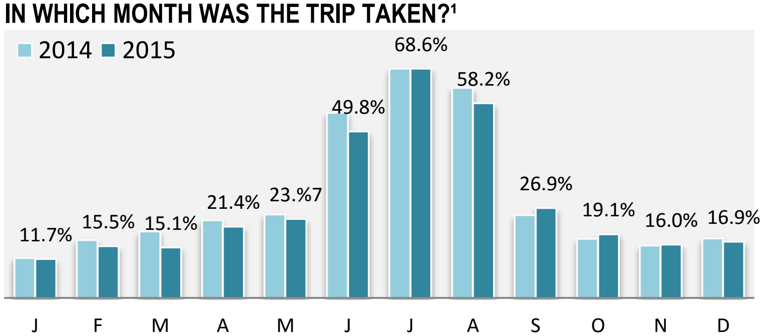
Approximately 85% travelled domestically in 2015, on average six times. Just over a third went on 1–2 trips, just more a third on 3–5 trips and just less than a third on six or more.

HOW MANY TRIPS WERE TAKEN?



July was the most popular month for trips in 2015, closely followed by August and June. Fewer travelled at other times.

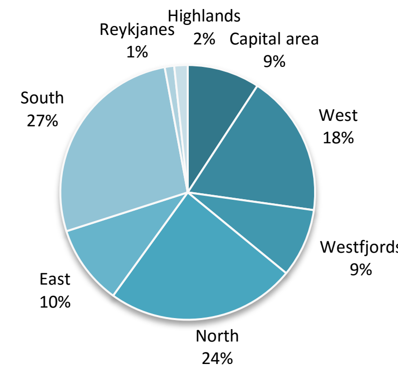
IN WHICH MONTH WAS THE TRIP TAKEN?[1]



[1] *Travel away from home and staying away for one or more nights.*

OVERNIGHT STAYS BY REGION

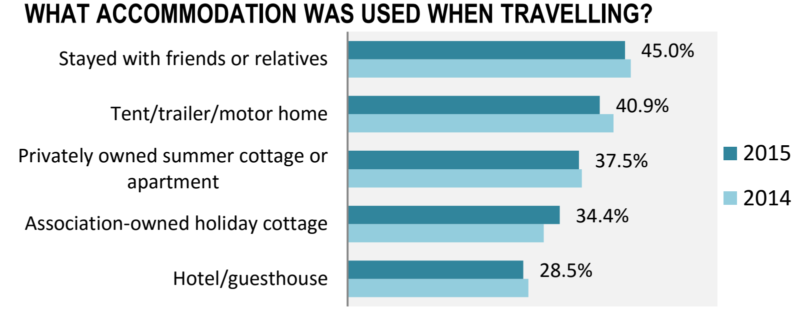
The average duration in 2015 was 14.7 nights, one night less than in 2014. Approximately 30% was less than a week, 28% 1–2 weeks, 23% 2–3 weeks and 19.5% more than 3 weeks. The findings on length of stay by region show that around half of guest nights were spent in South Iceland and North Iceland in 2015, similar to 2014.



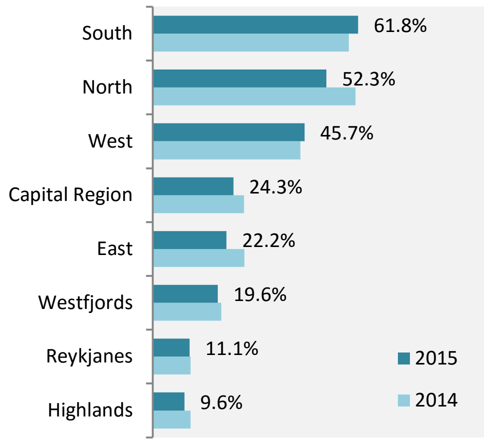
ACCOMMODATION OPTIONS USED DURING TRAVEL

The majority stayed with friends or relatives, in a tent, trailer tent or motor home and in summer cottages or privately owned apartments. Stays in cottages or apartments owned by associations were also extensively used, while hotels and guesthouses came thereafter. Other forms of accommodation were less used.

WHAT ACCOMMODATION WAS USED WHEN TRAVELLING?



REGIONS AND PLACES VISITED BY ICELANDERS



MOST VISITED DESTINATIONS

Of the 56 locations specifically mentioned in the survey carried out by the Tourist Board, the following were most visited in 2015:

1.	Akureyri	41.3%
2.	Capital Region	24.3%
3.	Borgarnes	23.4%
4.	Þingvellir	20.4%
5.	Geysir/Gullfoss	19.5%
6.	Skagafjörður	17.7%
7.	Húsafell/Reykholt	16.4%
8.	Egilsstaðir/Hallormsstaður	15.7%
9.	Siglufjördur	13.9%
10.	Snæfellsnes National Park	13.3%
11.	Stykkishólmur	13.1%

	2014	2015
Reykjanes peninsula	**11.4%**	**11.1%**
Reykjanesbær	8.9%	8.9%
Grindavik	5.1%	5.4%
Sandgerði	2.6%	3.9%
Reykjanes lighthouse & surr.	2.3%	2.9%
Krísuvík	1.9%	2.3%
Blue Lagoon	2.6%	2.0%
West	**44.5%**	**45.7%**
Borgarnes	23.6%	23.4%
Húsafell/Reykholt	12.2%	16.4%
Snæfellsnes National Park	9.5%	13.3%
Stykkishólmur	13.1%	13.1%
Hvalfjördur	12.7%	11.2%
Akranes	10.6%	9.5%
Dalir	10.8%	9.4%
Westfjords	**20.7%**	**19.6%**
Ísafjördur	11.2%	11.4%
Hólmavík/Strandir	9.0%	8.2%
Patreksfjörður	7.1%	6.5%
Hrafnseyri	2.2%	3.3%
Látrabjarg	3.1%	3.0%
Djúpavík	3.4%	2.1%
Hornstrandir	1.9%	2.0%
Flatey in Breidafjördur	1.7%	1.7%
North	**61.0%**	**52.3%**
Akureyri	49.6%	41.3%
Skagafjörður	20.5%	17.7%
Siglufjördur	16.9%	13.9%
Mývatn	17.8%	11.5%
Húsavík	18.4%	10.4%
Hvammstangi	7.7%	7.2%
Ásbyrgi	8.8%	6.1%
Dettifoss	7.0%	5.9%
Þórshöfn	3.8%	3.2%

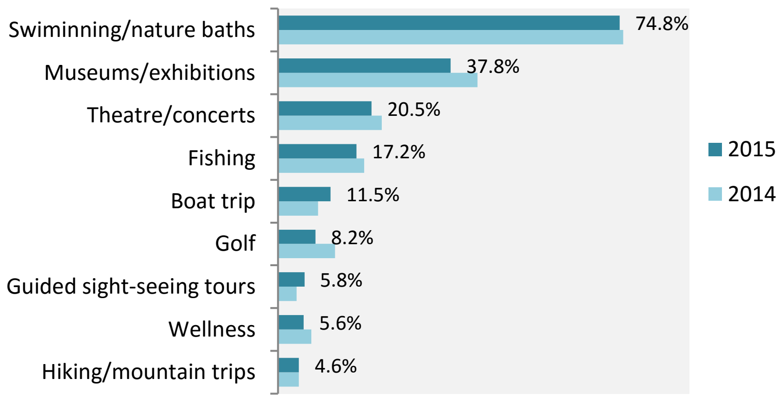
	2014	2015
East	**27.6%**	**22.2%**
Egilsstaðir/Hallormsstaður	20.3%	15.7%
Djúpivogur	9.0%	6.5%
Borgarfjördur eystri	5.4%	6.4%
Eskifjörður	9.3%	6.3%
Seydisfjördur	8.9%	4.1%
Vopnafjördur	4.8%	3.3%
Stöðvarfjörður	7.2%	3.3%
South	**59.0%**	**61.8%**
Þingvellir*		20.4%
Geysir/Gullfoss*		19.5%
Kirkjubæjarklaustur	13.1%	12.2%
Vestmannaeyjar	14.2%	12.0%
Vík	13.4%	10.9%
Skógar	12.6%	10.6%
Eyrarbakki	11.7%	9.7%
Hornafjördur	11.7%	9.3%
Jökulsárlón-Glacier Lagoon	10.9%	7.5%
Skaftafell National Park	8.0%	7.0%
Þórsmörk	5.5%	4.0%
Highlands	**11.4%**	**9.6%**
Landmannalaugar	4.3%	3.9%
Kjölur (incl. Hveravellir)	2.8%	2.7%
Sprengisandur	2.9%	2.4%
Kárahnjúkar	1.9%	1.0%
Herdubreidalindir/Askja	1.6%	0.7%
Lakagígar	0.4%	0.5%
Kverkfjöll	0.9%	0.1%

**There were separate queries for Þingvellir and Geysir/Gullfoss for the first time in January 2016.*

RECREATIONAL ACTIVITIES

The most popular recreational activities paid for on trips in 2015 were: swimming and nature baths, museums and exhibitions, concerts and theatre, fishing, boat trips and golf. Travellers partook of other recreational options, such as wellness programmes, various sightseeing tours, whale watching, horse riding tours and snowmobile trips, to a lesser extent.

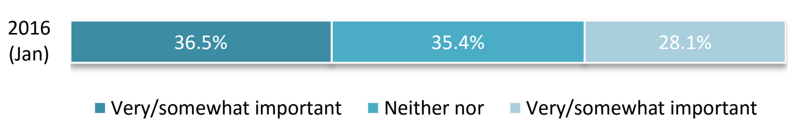
WHAT RECREATIONAL ACTIVITIES WERE PAID FOR WHEN



QUALITY AWARENESS

More than a fifth of respondents to the 2016 questionnaire were of the opinion that a recognised quality certification was a rather important or very important factor when it came to choosing a tour operator.

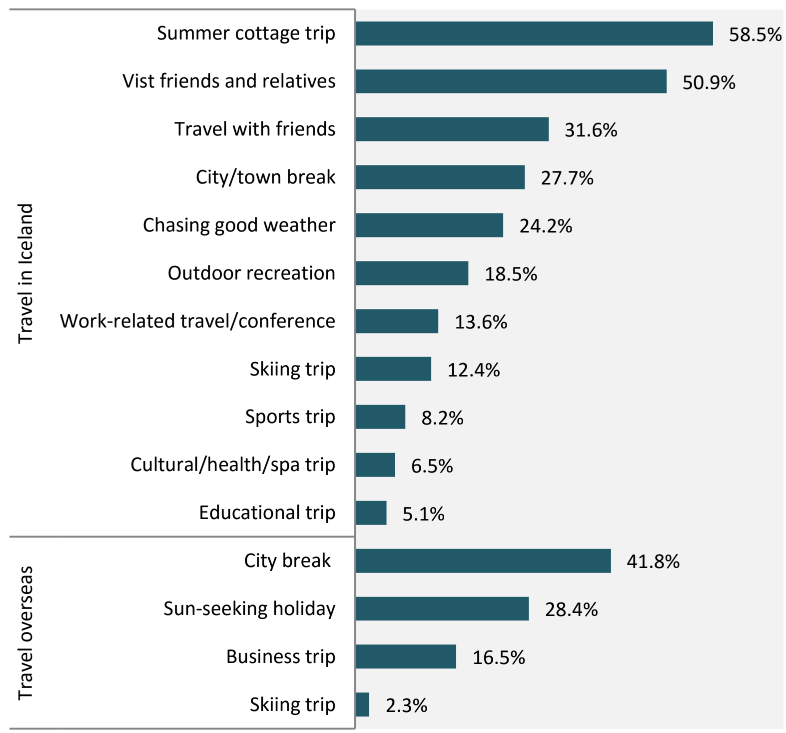
HOW MUCH OR LITTLE EFFECT DOES A QUALITY OR ENVIRONMENTAL CERTIFICATION HAVE ON YOUR CHOICE OF A TRAVEL SERVICE COMPANY WHEN TRAVELLING DOMESTICALLY?



TYPE OF TRIPS PLANNED FOR 2016

Approximately 90% said they have plans for travel in 2016. Of these, 58.5% say they intend to spend time in a summer cottage in Iceland, 51% plan to visit friends or family, 42% plan to take a city break overseas, 32% plan to travel in Iceland with friends, 28.4% plan to go on a sun-seeking holiday abroad, 27.7% plan to take a city or town break in Iceland, 18.5% plan to go on a domestic outdoor recreation trip of some sort and 24.2% plan to simply go where the weather is good.

WHAT KIND OF TRIPS ARE PLANNED FOR 2016?

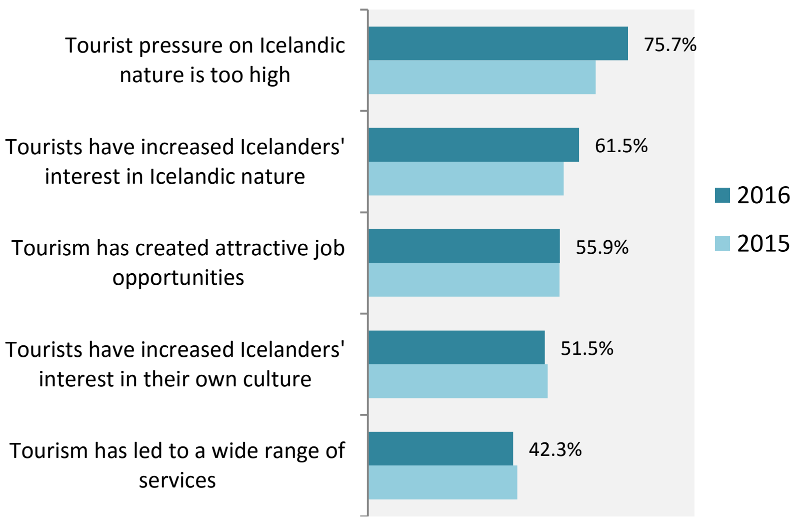


- SUBJECTIVE ASSESSMENT

EFFECTS OF TOURISM AND FOREIGN TRAVELLERS

An increasing number believe that tourism causes too much of a strain on Icelandic nature, or 75% compared to 66.3% a year ago. This year, around 62% believed that tourists had increased Icelanders' interest in Icelandic nature, slighty more than in the 2015 survey. A similar number, around 52%, believed this year that tourists had increased Icelanders' interest in their own culture. There is also little difference response between years as to whether tourism has created attractive job opportunities and whether tourism has led to a wider range of services utilised by the respondents.

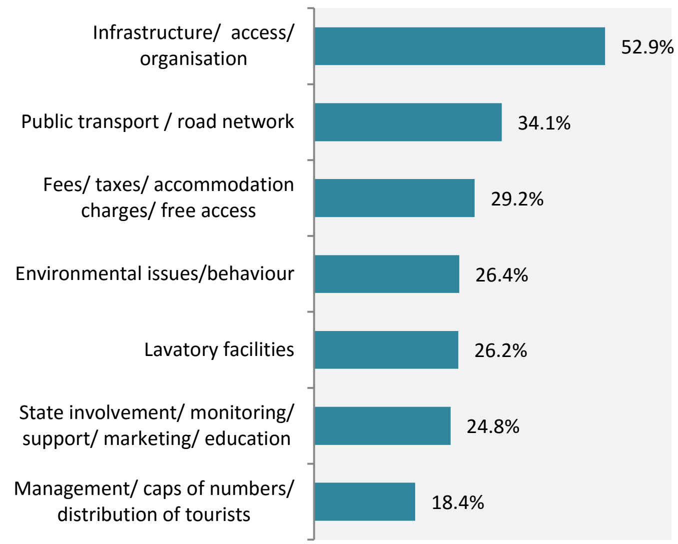
ASSESSMENT OF THE EFFECTS OF TOURISM
-Those (%) who agreed with the statements



TOURISM DEVELOPMENT

Just more than a fifth of respondents were of the opinion that development in the tourism industry should focus on developing infrastructure, organisation and improved infrastructure. Just less than a third consider fee-charging and tax issues important, just more than a quarter consider important various issues related to state involvement in tourism, monitoring, support, marketing and education, and a quarter consider important issues regarding the road network and public transport generally. Other factors include management of tourist numbers and distribution, lavatory facilities, pricing and the proposed "Nature Pass".

WHAT SHOULD THE STATE FOCUS ON TO PROMOTE DEVELOPMENT OF ICELANDIC TOURISM?



Survey among Icelanders may be found on ITB website.

SURVEY AMONG TOURISM COMPANIES

In early 2016, the Icelandic Tourist Board enlisted Gallup to conduct an Internet survey among Icelandic tourism companies in order to assess their performance in 2015 and the outlook for 2016. The survey was sent to 1,680 e-mail addresses from the Board's database. The response ratio was 35%. The results reflect the responses from individual companies and are analysed according to type of activity, location, number of employees, ratio of foreign companies, turnover and whether the company is operated during part of the year or year-round.

The sample

The sample extended to companies in the following categories obtained from the Icelandic Tourist Board's database:
1. Boat trips, 2. Straight from the farm, 3. Car rental companies,
4. Booking services, 5. Farmhouse accommodation, 6. Day-trips,
7. Private accommodation, 8. Hostels, 9. Tour operators,
10. Travel agencies, 11. Guesthouses, 12. Hikes, 13. Hotels and
14. Bus trips.

LOCATION

36.3% of the companies were in the Capital Region, 19.5% in North Iceland, 16.9% in South Iceland, 7.7% in West Iceland, 7.7% in the Westfjords, 6.5% in East Iceland and 5.5% in Reykjanes.

LENGTH OF TIME IN OPERATION

38.7% of the companies had been in operation for more than 10 years, 22.5% for 6–10 years, 34.1% for 1–5 years and 4.6% for less than a year.

TIME OF YEAR IN OPERATION

77.6% of the companies were operated year-round and 27.4% during part of the year.

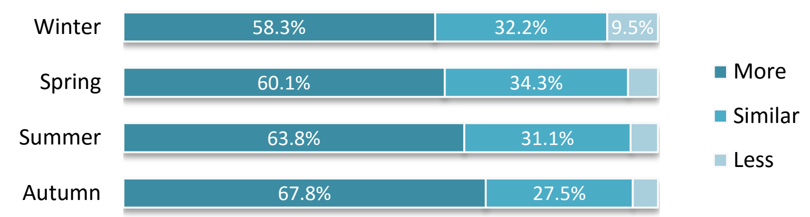
TYPE OF OPERATION

20.1% of respondents were guesthouses or hostels, 16.4% hotels, 13.1% other accommodation, 12% package/jeep/glacier/boat tours, 9.5% day-trips, 8.9% nature experiences, 8.0% communications, 6.6.% travel agencies and tour organisers and 5.1% catering and other services.

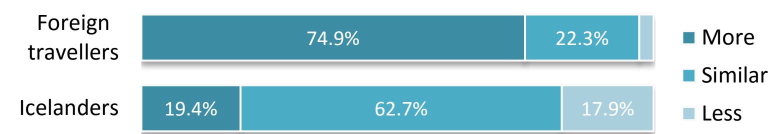
COMPANY'S 2015 TURNOVER COMPARED TO 2014

Most said that there was more turnover in all seasons in 2015, compared to 2014, mostly due to increased business with foreign travellers.

WAS THE TURNOVER IN WINTER/SPRING/SUMMER/AUTUMN 2015 GREATER, SIMILAR OR LESS THAN IN 2014?



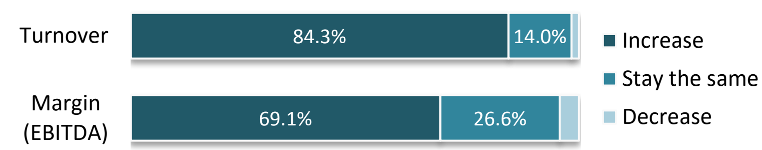
WAS TURNOVER DUE TO TRANSACTIONS WITH FOREIGN TRAVELLERS AND ICELANDERS GREATER, SIMILAR OR LESS IN 2015 THAN IN 2014?



TURNOVER AND MARGIN 2016

The vast majority (84.3%) believed that turnover would increase in 2016 compared to 2015, and the same applies to the companies' margin, although the number of those who believed that it would increase was slightly lower, or 69.1%.

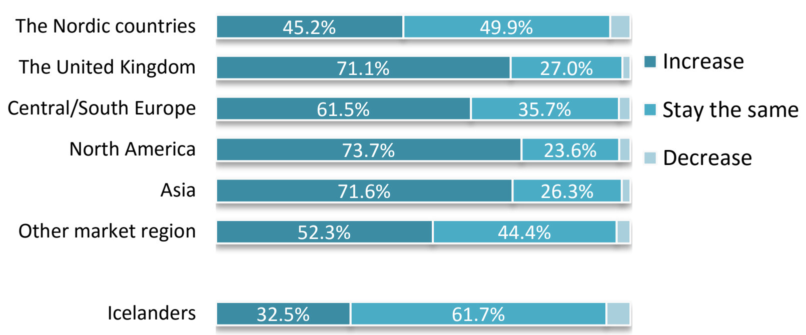
DO YOU BELIEVE THAT THE COMPANY'S TURNOVER AND MARGIN WILL INCREASE, STAY THE SAME OR DECREASE IN 2016 COMPARED TO 2015?



DEMAND IN 2016

When asked about the demand for the companies' products and services by market regions, most believed that there would be a great increase in demand (+70%) due to travellers from North America, Asia and the UK and a significant increase (+45–65%) due to travellers from Central and South Europe and other market regions. Most, however, believed that demand from Icelanders would stay the same.

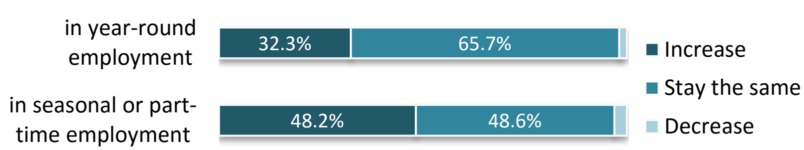
DO YOU BELIEVE THAT DEMAND FOR THE COMPANY'S PRODUCTS AND SERVICES FROM THE FOLLOWING REGIONS WILL INCREASE, STAY THE SAME OR DECREASE IN 2016?



DEMAND IN 2016

Almost half of the respondents believed that their company would have to increase seasonal or part-time employees, and about a third believed that they would have to increase full-time employees.

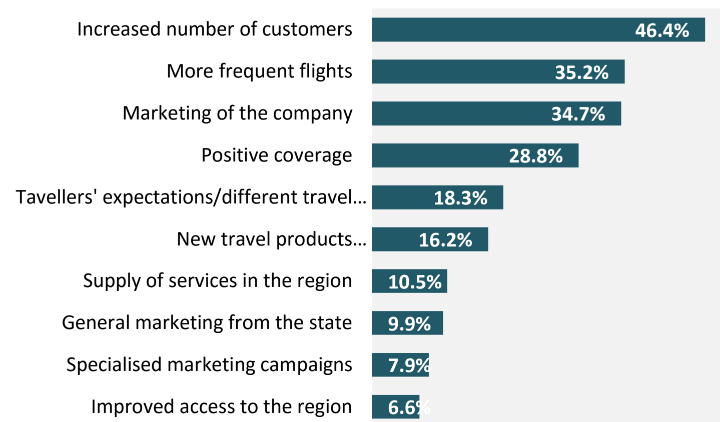
DO YOU BELIEVE THAT THE COMPANY WILL HAVE AN INCREASED OR DECREASED NUMBER OF EMPLOYEES IN 2016?



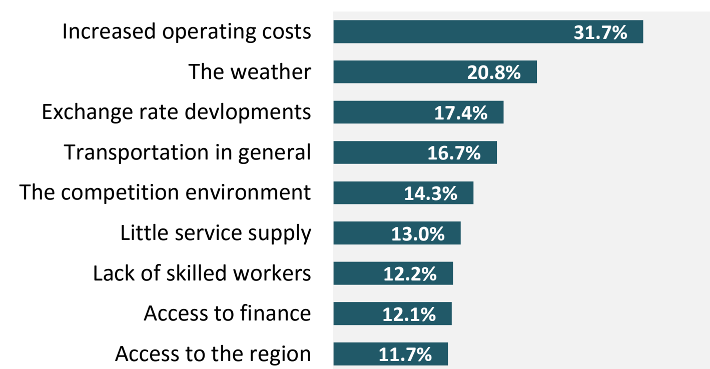
FACTORS THAT AFFECTED THE COMPANY'S PERFORMANCE IN 2015

Respondents were asked to name three factors that they believed had a positive effect on the company's performance during the year and number them in order of importance. Likewise, they had to name three factors that they believed had a negative effect. The following was most frequently mentioned.

POSITIVE FACTORS



NEGATIVE FACTORS



The company survey is available at [the Tourist Board of Iceland's website].