

# Results Q1 2021

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CFO



# Strong and clear strategy yields results

## - Sound operation and strong financial position.

Continuous development in line with new strategy - Landsbankinn, an ever-smarter bank

### Return on equity (ROE)

- Efficient and cost-effective operation yields a profit of ISK 7.6 bn in Q1 and 11.7% ROE. Positive turnaround from Q1 2020.

### Net fee & commission income

- Increased activity in asset management and capital markets result in a 6% increase in net fee & commission income, despite a contraction in payment card turnover caused by the pandemic.

### Value change in lending

- A positive value change in lending results in an ISK 2.5 bn reversal of provisions for impairment. Successful measures taken by the government to mitigate the impact of the pandemic, robust domestic demand and improved economic outlook are deciding factors.

### Strong equity position

- Core capital is ISK 32 bn higher than the Bank's target and ISK 68 bn higher than total equity requirements set by the Financial Supervisory Authority of the Central Bank of Iceland.
- Dividends paid out at the end of the quarter amounted to ISK 4.5 bn, or 43% of the previous year's profit.

### Diversified funding

- Customer deposits are around half of the Bank's total funding. Increased bond issuance on the domestic market to finance the growing housing mortgage portfolio.
- Good access to international capital markets. The Bank's initial green bond issuance in EUR achieved the most favourable terms ever offered the Bank outside of Iceland before.

Profit for the quarter

**7.6** ISK bn

11.7% ROE

Total Capital Ratio

**24.9%**

Capital requirement 18.8%

Cost-income ratio

**45.8%**

Total deposits

**794** ISK bn

Total credit portfolio

**1,287** ISK bn

Assets under management

**591** ISK bn

**BBB**  
with stable outlook

**S&P Global  
Ratings**

Landsbankinn's credit rating, issued by S&P Global Ratings, is BBB/A-2 with stable outlook.

**EUROMONEY**  
AWARDS FOR EXCELLENCE  
2020

**The Banker**  
GLOBAL FINANCIAL INTELLIGENCE SINCE 1888

Named best bank in Iceland by Euromoney and The Banker

 **SUSTAINALYTICS**

ESG risk rating at 13.5  
(low risk).

# Eventful quarter

- Focus on digital development and sustainability. Employee satisfaction has never measured higher.



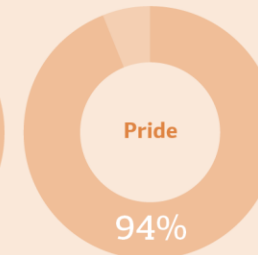
Landsbankinn published its first sustainable finance framework.



Landsbankinn carbon-offset its activity and achieved CarbonNeutral® company certification for 2020.



Landsbankinn issued EUR-denominated green bonds. The Bank was offered some of the most favourable terms it has ever achieved for bond issuance and reached a much wider investor group than before.



Employee satisfaction and pride has never measured higher.



1.900

savings accounts were created through Save in the App, a handy solution that simplifies life for customers.



83%

companies who become Landsbankinn customers through electronic channels complete the application process within 2 minutes.



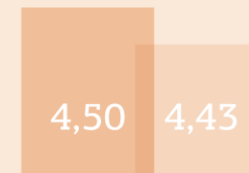
15.000

calls booked and appointments made in branches - a useful solution customers increasingly take advantage of.



82.000

customers use the app to tend to their finances.



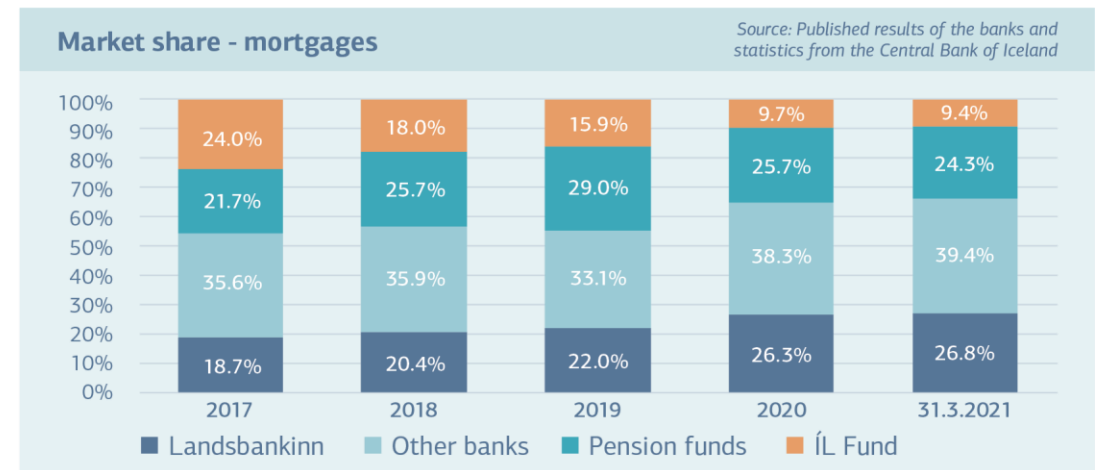
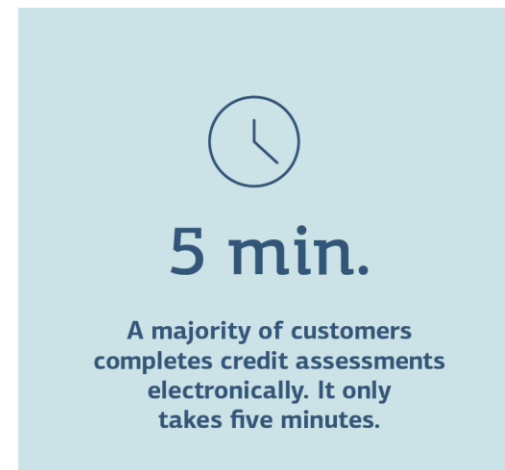
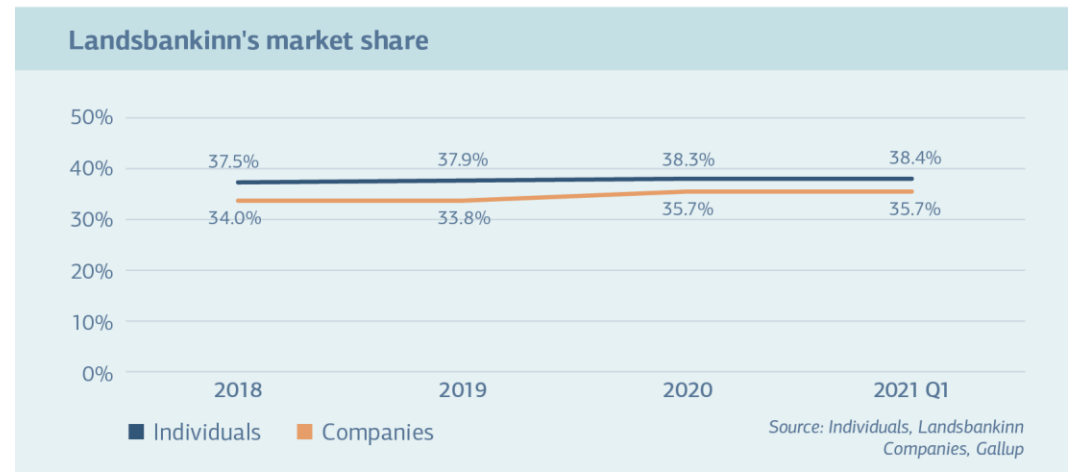
Landsbankinn Top 10

Landsbankinn ranks among top 10 domestic companies in Gallup's employee engagement survey.



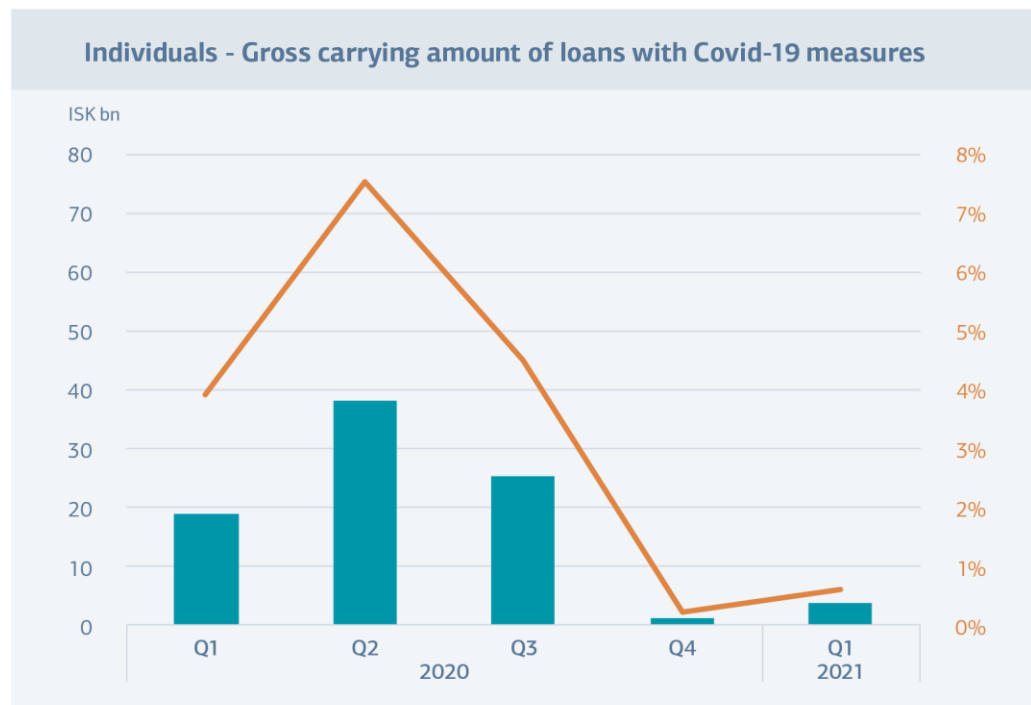
# Maintains market lead in mortgages

- Growing market share and customer satisfaction.



# Covid-19 relief measures for customers

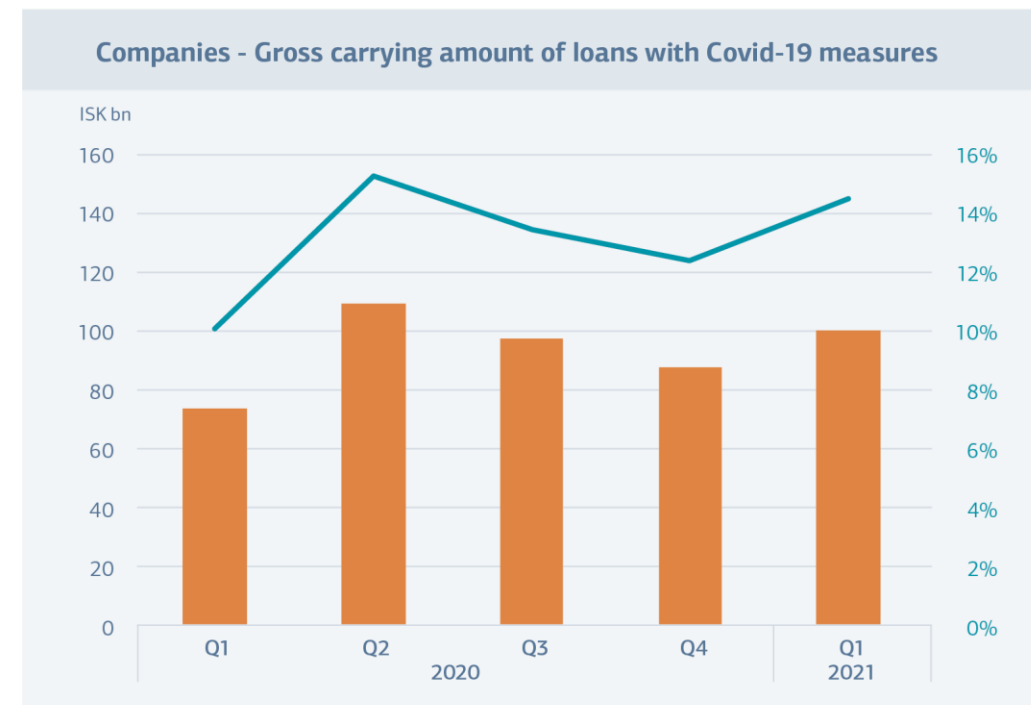
- Few individuals with active Covid-19 measures, several companies still have active Covid-19 measures.



■ Active Covid-19 measures    ■ % active measures

## Individuals

At the end of the first quarter of 2021, 0.6% of loans to individuals still have active payment holiday measures. The need for such measures has decreased significantly, with the percentage down from 8% of loans to individuals in 2020.



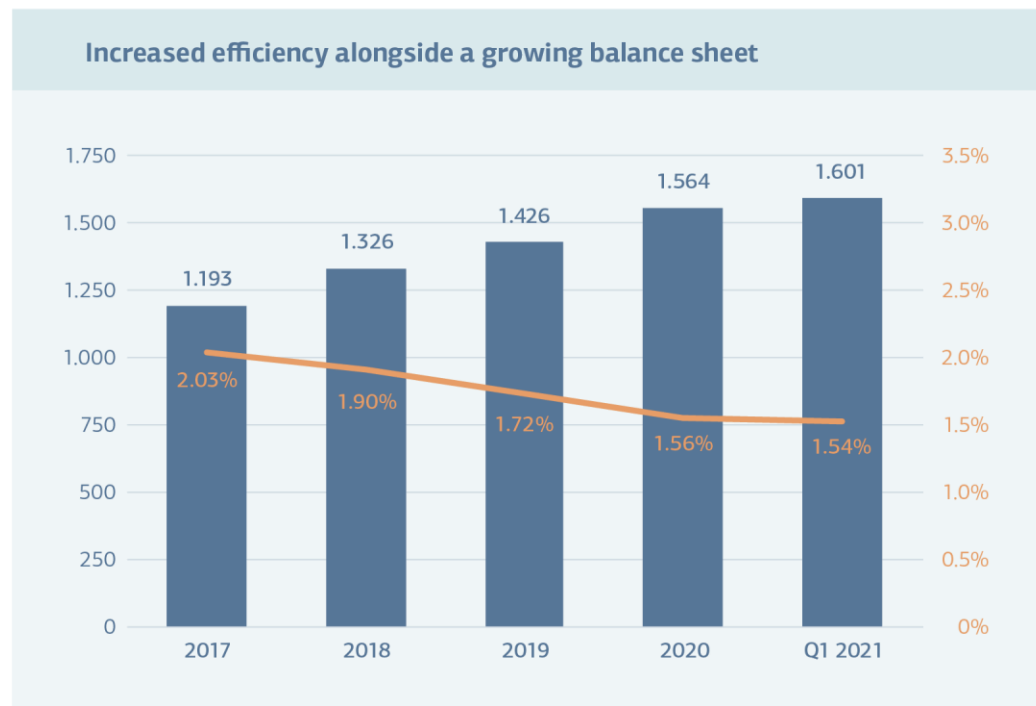
■ Active Covid-19 measures    ■ % active measures

## Corporates

A significant portion of loans to companies still have active relief measures in the form of payment holidays. At the end of the first quarter, over 14% of loans to companies still had active measures. These are for the most part companies in the travel sector.

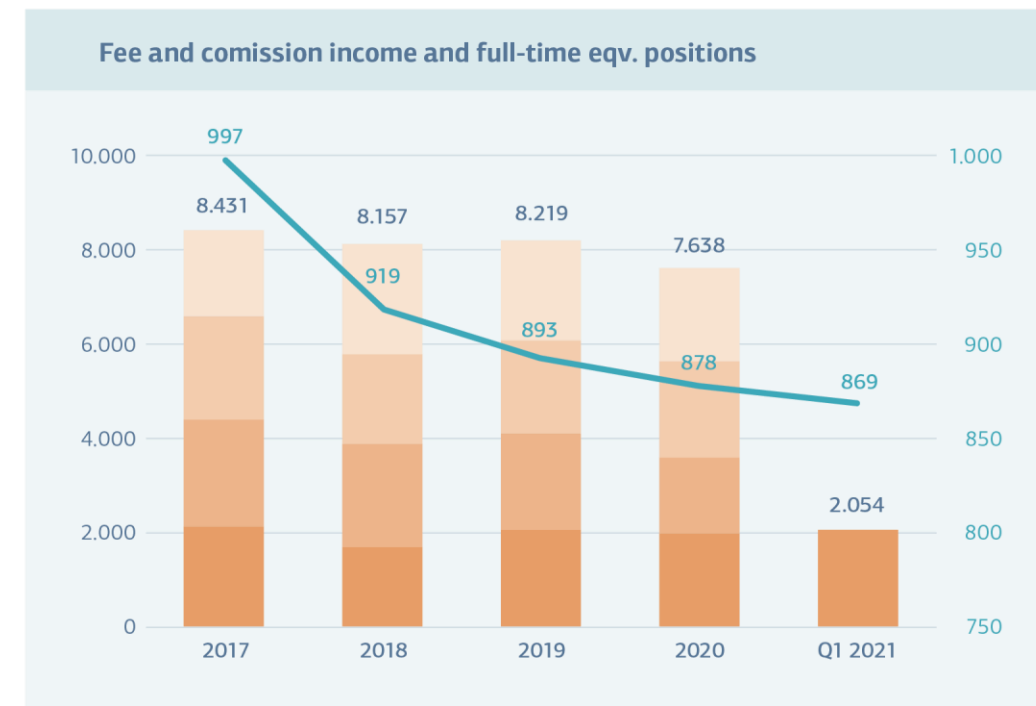
# Sound operation

- Increased efficiency and cost-effectiveness



■ Total assets (at end of period) ■ Operating expenses as a ratio of av. total asset position

The balance sheet has grown by 34% since 2017 while costs have remained unchanged. Increased efficiency and robust restraint measures have boosted economy of scale in the Bank's operation. Digital services have become more effective for customers but do not add to the cost side for the Bank. There are still opportunities to increase commission income by improving services and boosting market share in certain markets.



■ Q1 ■ Q2 ■ Q3 ■ Q4 ■ Full-time eqv. positions at end of period

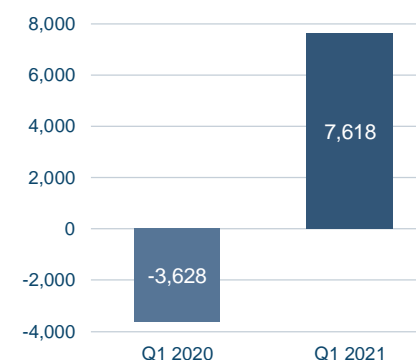
There are still opportunities to increase commission income by improving services and boosting market share in certain markets.

# Highlights – Income statement Q1 2021

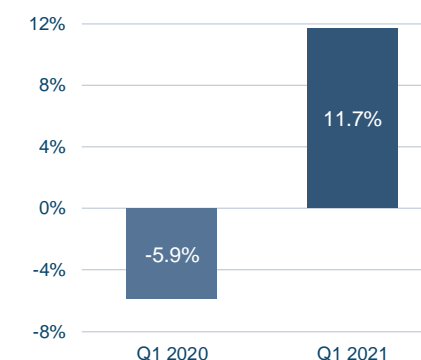
- Significant improvement in profitability, mostly related to provision write-backs and strong equity market performance.

- The Bank's after-tax profit in Q1 of 2021 was ISK 7.6 bn, as compared with a loss of ISK 3.6 bn for the same period of 2020.
- The Bank's net interest income was ISK 8.6 bn, as compared with ISK 9.4 bn in Q1 2020.
- Positive valuation changes in the amount of ISK 2.5 bn in the quarter are mainly caused by updated economic scenarios, altered by ISK 2.3 bn. The economic contraction in 2020 was less serious than expected and the outlook is for a positive turnaround in the latter half of this year. There is still a great deal of uncertainty about the impact of the pandemic.
- Individually significant loans with active COVID-19 measures were assessed manually in the quarter.
- Net fees and commissions in Q1 2021 were ISK 2.1 bn, as compared with ISK 1.9 bn in Q1 2020.
- Operating cost decreased by ISK 173 million YoY, or by 3%.
- Return on equity (ROE) was 11.7% in Q1 2021, as compared with an ROE of -5.9% for the same period in 2020.
- The cost-income ratio during the first quarter of the year was 45.8%, as compared with 72.6% for the same time last year.

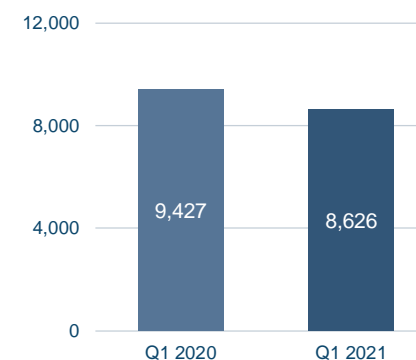
Profit (loss)



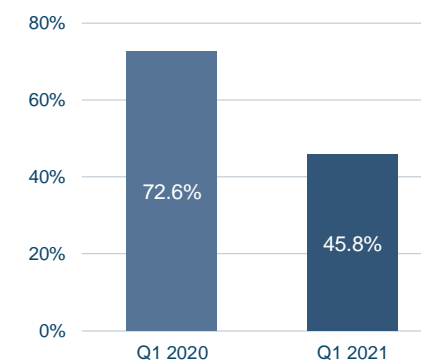
Return on equity



Net interest income



Cost / Income ratio

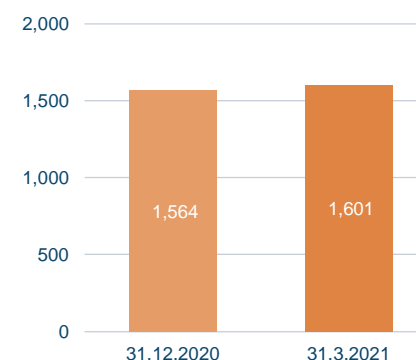


# Highlights - Balance sheet

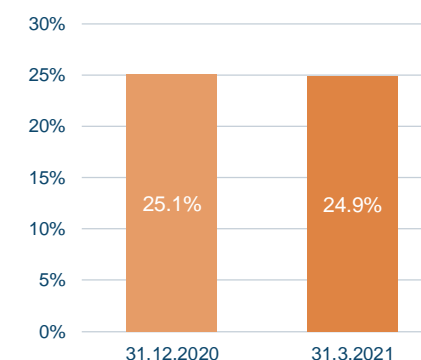
- Continued increase in mortgage lending. Capital and liquidity remain exceptionally strong.

- Total assets amounted to ISK 1,601 bn at the end of Q1 2021.
- Lending increased by ISK 14 bn from the beginning of the year.  
Lending to corporates has dwindled by ISK 12 bn since the beginning of the year, mostly due to exchange rate impact. Lending to households grew by ISK 26 bn, entirely through mortgages.
- Landsbankinn's equity was ISK 261 bn at the end of Q1 2021, up from ISK 258 bn at the beginning of this year.
- The total capital ratio was 24.9% at the end of Q1 2021, down from 25.1% at year-end 2020, and well above the regulatory requirement of 18.8%.
- The Bank's Annual General Meeting approved a motion from the Board of Directors to pay a dividend to shareholders for the operating year 2020 corresponding to ISK 0.19 per share. The amount of the dividend payment is ISK 4,489 m, the equivalent of 42.7% of 2020 profits. The dividend was paid out on 31 March 2021.
- The Bank's total liquidity coverage ratio (LCR) was 202% at the end of Q1 2021, as compared with 154% at year-end 2020. The ratios are well above regulatory requirements.

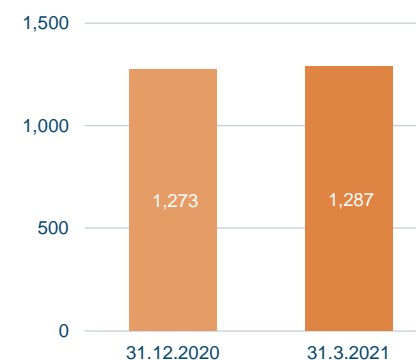
**Total assets**



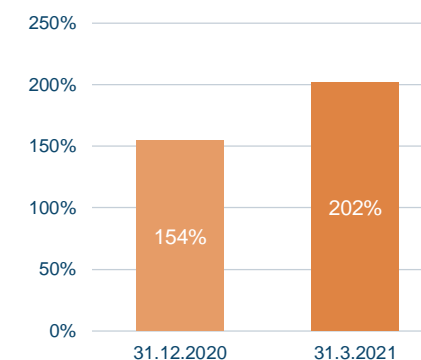
**Total capital ratio**



**Loans and advances to customers**



**Liquidity coverage ratio (LCR)**

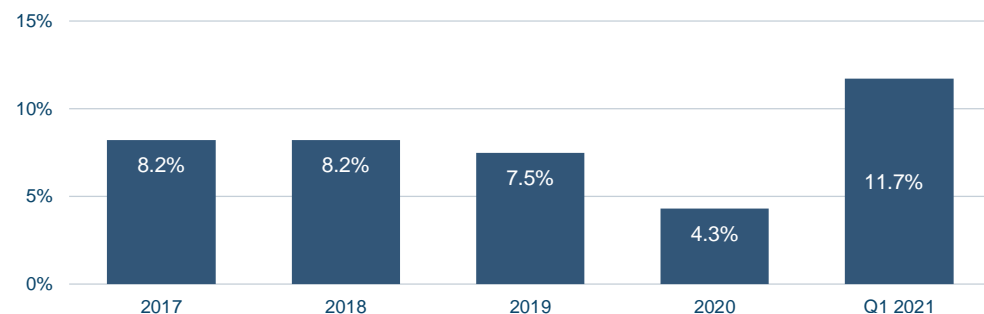




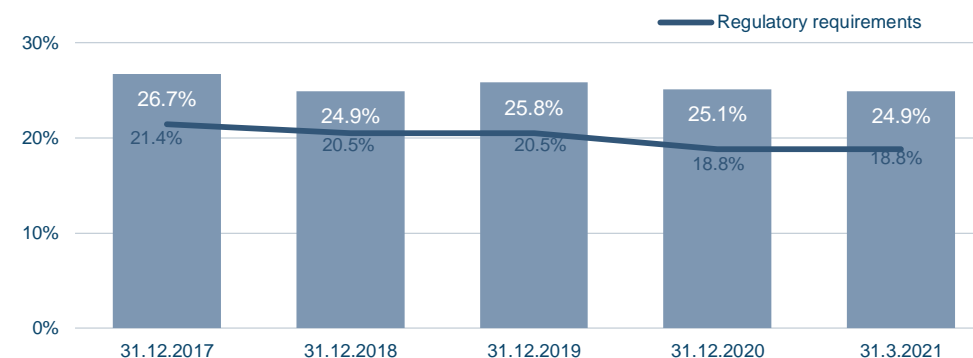
# Development of KPIs

- Profitability in first quarter well above expectations, but uncertainty remains elevated due to the pandemic.

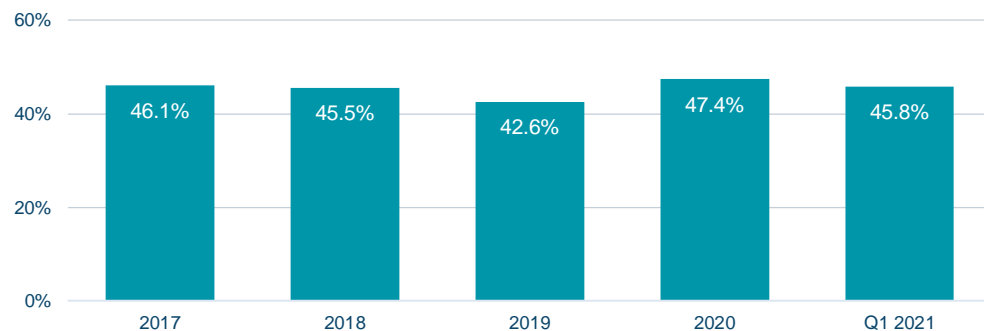
## Return on equity



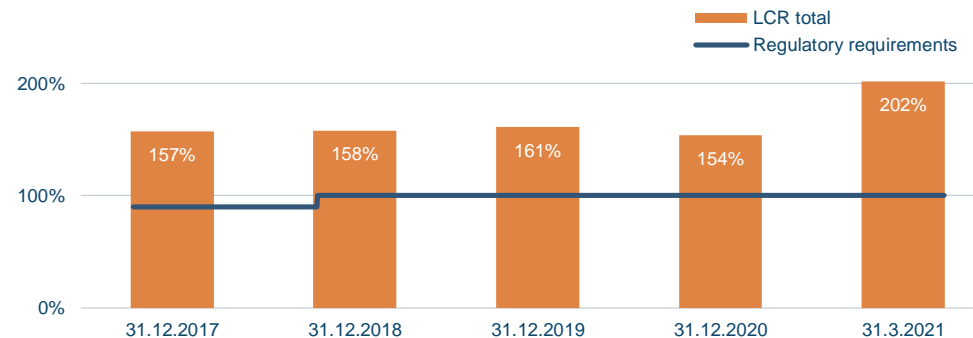
## Total capital ratio



## Cost / Income ratio



## Liquidity coverage ratio total



# Financial objectives

- Ambitious targets and strong balance sheet.

		Targets	Q1 2021	Guidelines
Profitability	Return on equity (ROE)	≥ 10%	11,7%	The Bank's long-term target is for ROE to be around or over 10%. However during the current low-interest environment, ROE is expected to range between 6-8% in 2021-2023.
Efficiency	Cost / Income ratio	≤ 45%	45,8%	The Bank's objective is to bring its cost-income ratio below 45%. This target is unlikely to be achieved in the current low-interest environment.
Financial strenght	Dividend payout ratio	~ 50%	42,7%	In addition to regular dividend payments of around 50% of previous year's profit, the aim is also to make special dividend payments to optimise the Bank's capital structure.
	Common equity tier 1 ratio (CET1)	≥ 18%	23,0%	The Bank's target include a management buffer over current capital requirements.  The Bank also aims to be in the highest category for risk-adjusted capital ratio, as determined and measured by the relevant credit rating agencies.
	Total capital ratio	≥ 22%	24,9%	The Bank will seek to issue subordinated funding provided that it is economical and favourable for its funding structure.



# LANDSBANKINN

## AN EVER-SMARTER BANK

Landsbankinn's strategy 2020-2030

### SATISFIED CUSTOMERS

—  
Simplify life  
Show initiative

Our aim is to enable customers to tend to their own banking business, anytime and anywhere. We are focused on simplifying our customers' lives and on showing initiative.

We do this by developing simple solutions that are accessible around the clock and by utilising data to provide customers with personal and professional advice.

### CONTINUOUS DEVELOPMENT

—  
Smarter operations  
Trusted banking

We advance with ever-smarter operation, utilising the Bank's data better in order to offer tailored services.

The Bank's operation shall be sound and secure, with a special emphasis on information security. We also aim to lead the way towards a sustainable future.

### PASSION FOR SUCCESS

—  
Enthusiasm for results  
Workplace of tomorrow

We share in our customers' success. Our aim is to build and foster a culture that is driven by results and develop a forward-looking workplace for the future.

A diverse and flexible workplace fosters collaboration and the development of ideas into solutions.

# Income statement



# Income statement

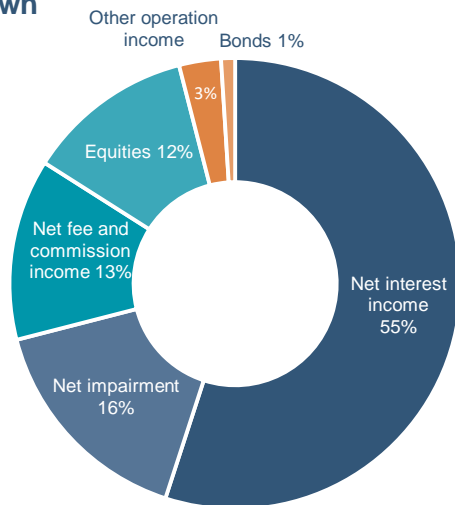
	Q1 2021	Q1 2020	Change	
Net interest income	8,626	9,427	-801	-8%
Net fee & commission income	2,054	1,945	109	6%
Net adjustments and impairment	2,489	-5,244	7,733	147%
Other net operating income	2,590	-2,728	5,318	195%
<b>Total operating income</b>	<b>15,759</b>	<b>3,400</b>	<b>12,359</b>	<b>364%</b>
Salaries and related expenses	3,769	3,844	-75	-2%
Other operating expenses	2,315	2,430	-115	-5%
Tax on liabilities of financial institutions	467	450	17	4%
<b>Total operating expenses</b>	<b>6,551</b>	<b>6,724</b>	<b>-173</b>	<b>-3%</b>
<b>Profit (loss) before tax</b>	<b>9,208</b>	<b>-3,324</b>	<b>12,532</b>	<b>-377%</b>
Income tax	1,590	304	1,286	423%
<b>Profit (loss) for the period</b>	<b>7,618</b>	<b>-3,628</b>	<b>11,246</b>	<b>-310%</b>



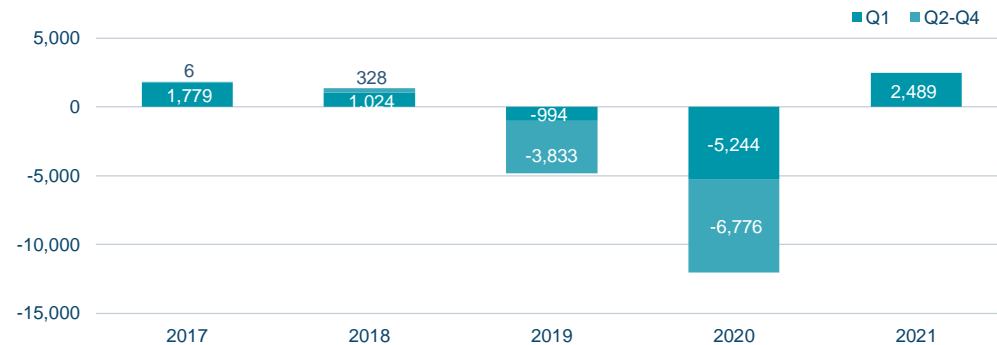
# Net operating income

- Write-backs of provision and a strong quarter in net fee and commission income. Net interest margin under pressure due to low interest rate environment.

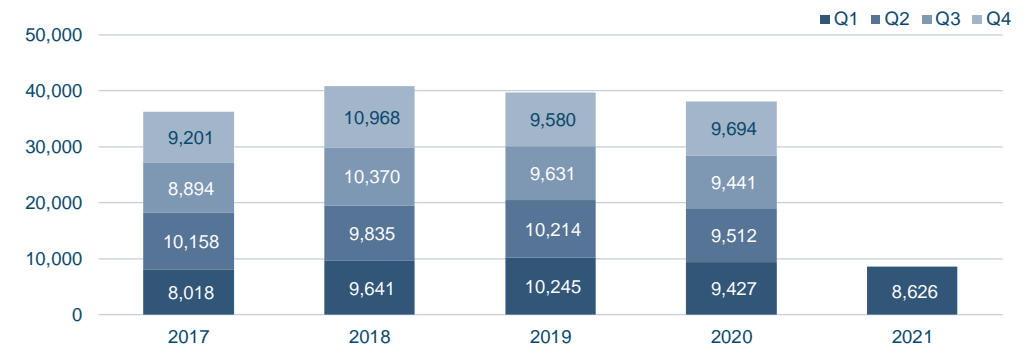
## Income breakdown



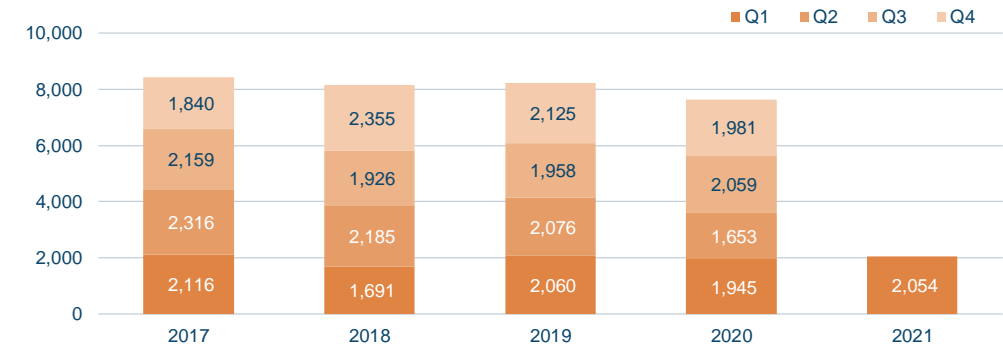
## Net adjustments and impairment



## Net interest income



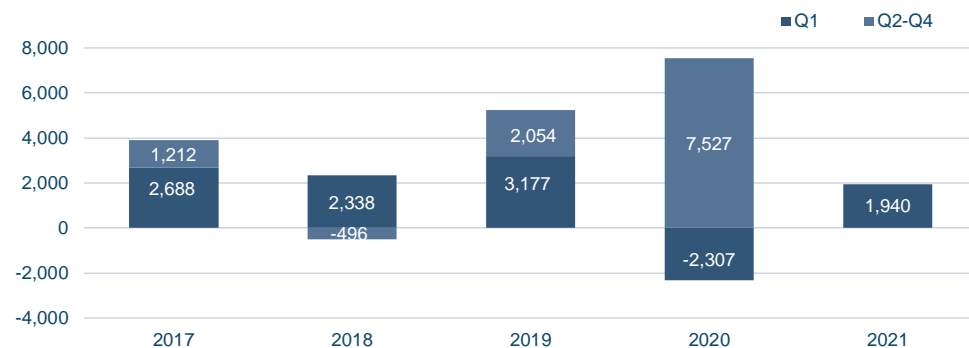
## Net fee & commission income



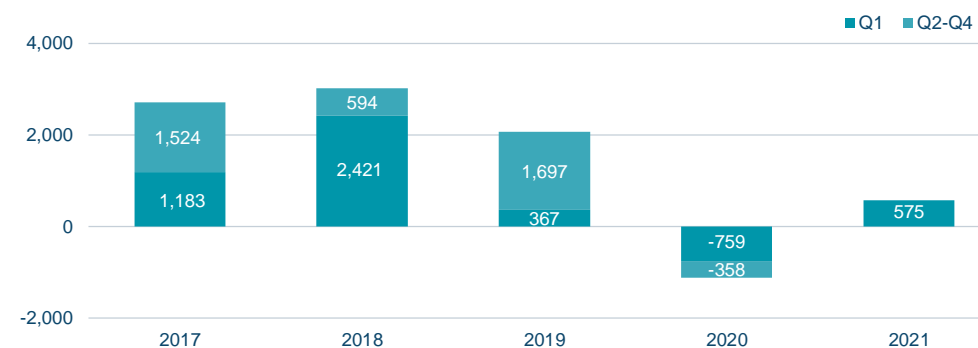
# Net operating income

- Equity holdings continue to deliver good returns, although with increased volatility during the pandemic.

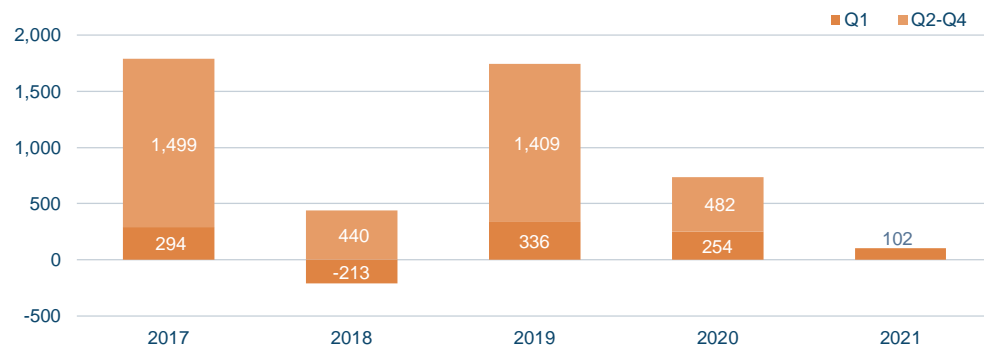
## Equity



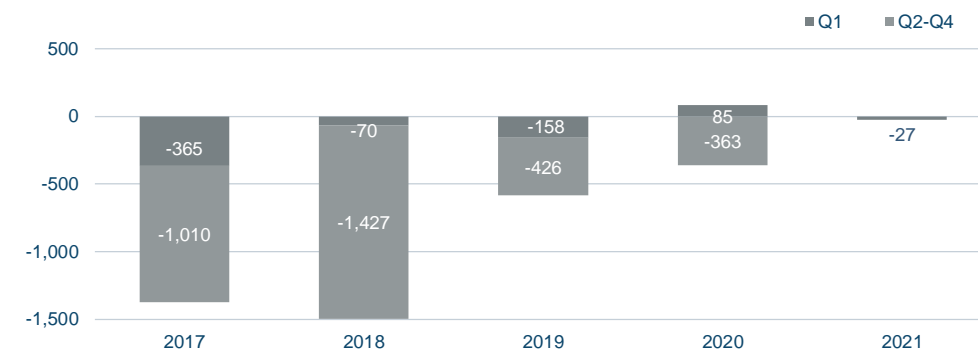
## Other operation income (expenses)



## Bonds



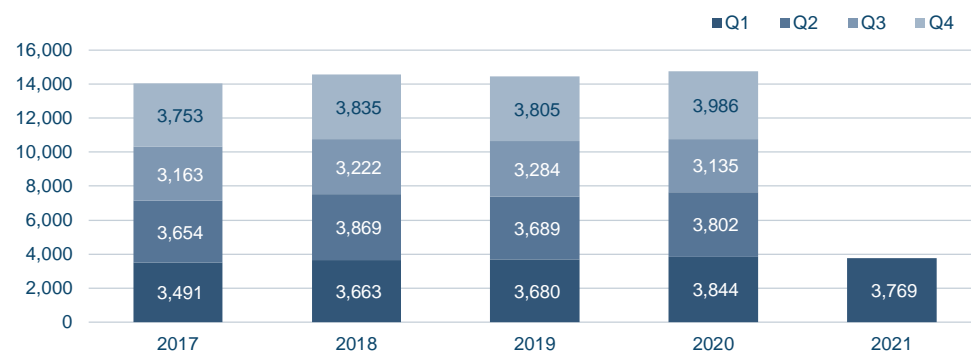
## FX gain (loss)



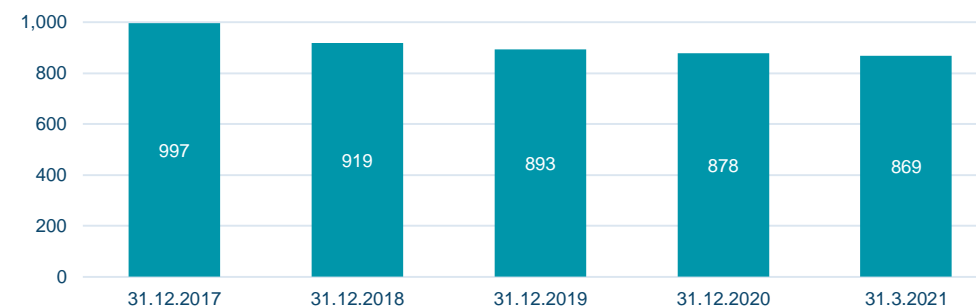
# Operating expenses

- Continued cost restraint and reduction in full-time equivalent positions alongside increased automation.

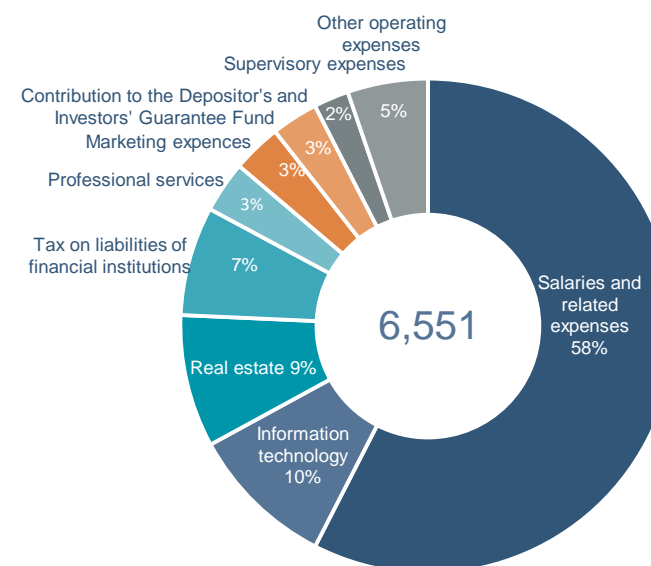
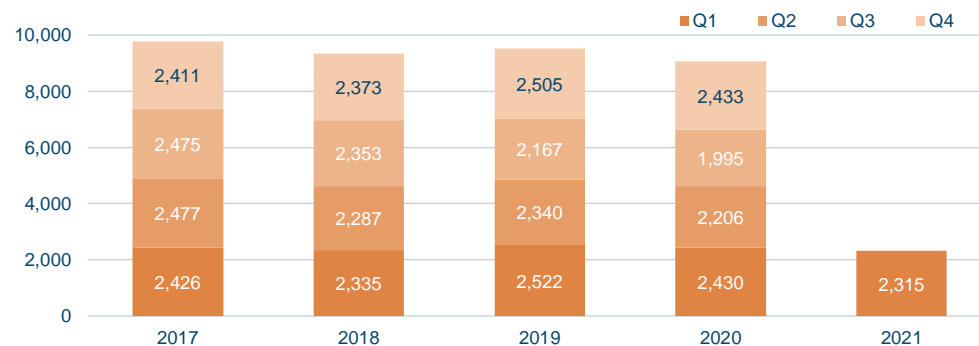
## Salaries and related expenses



## Full-time equiv. positions



## Other operating expenses

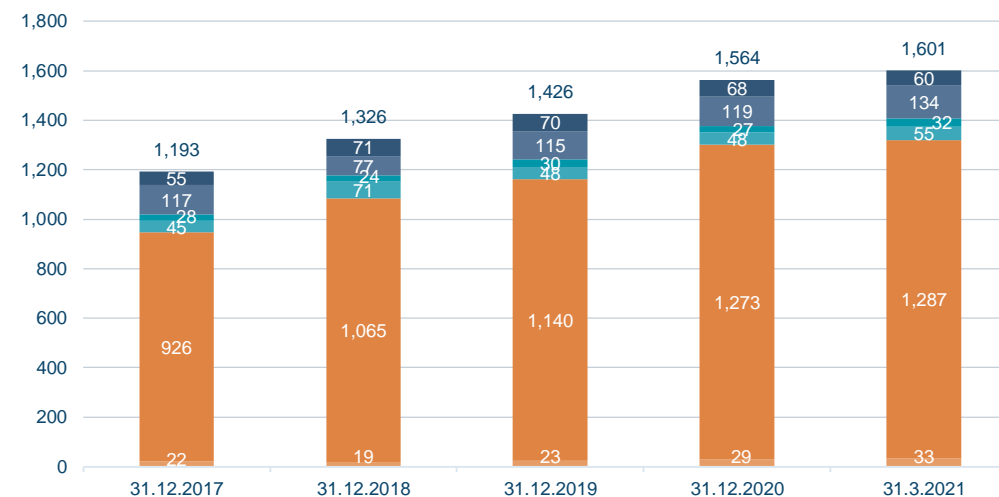
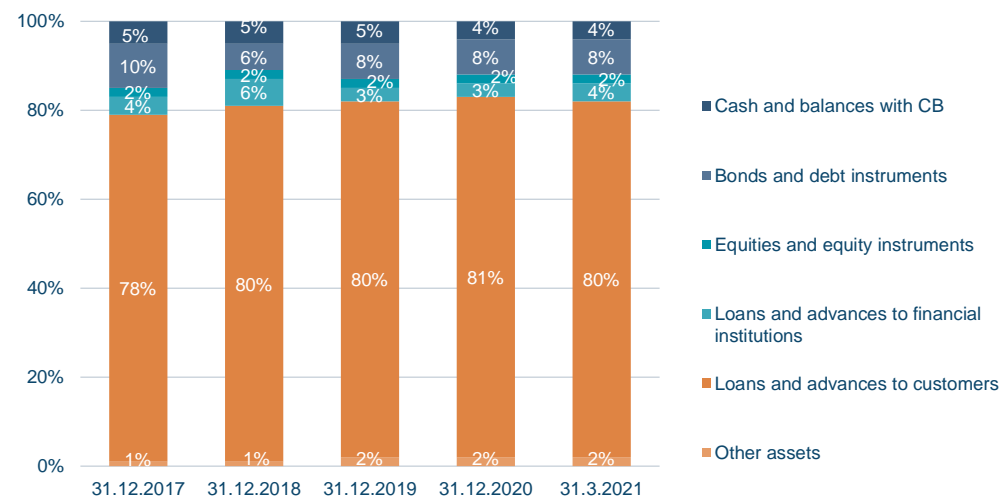
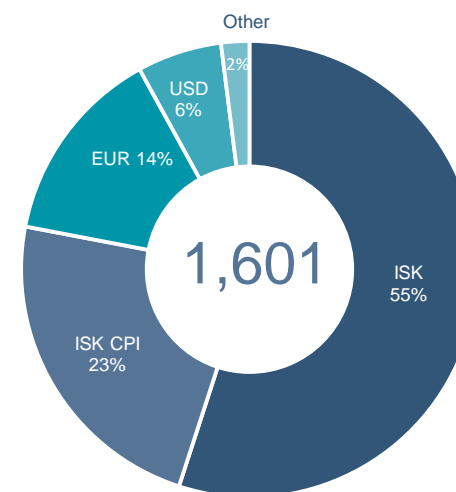


# Balance sheet



# Total assets

	31.3.2021	31.12.2020	Change	
Cash and balances with Central Bank	60	68	-8	-11%
Market bonds	134	119	15	12%
Equities	32	27	5	19%
Loans and receivables to credit institutions	55	48	7	15%
Loans and receivables to customers	1,287	1,273	14	1%
Other assets	33	29	4	12%
<b>Total</b>	<b>1,601</b>	<b>1,564</b>	<b>37</b>	<b>2%</b>

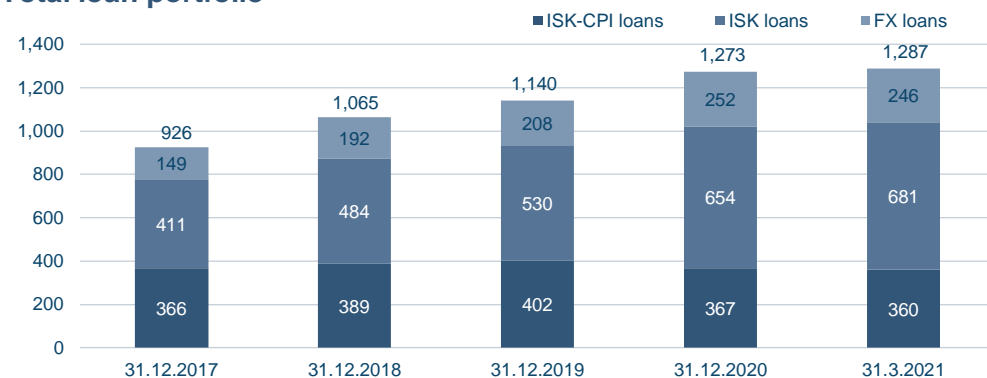




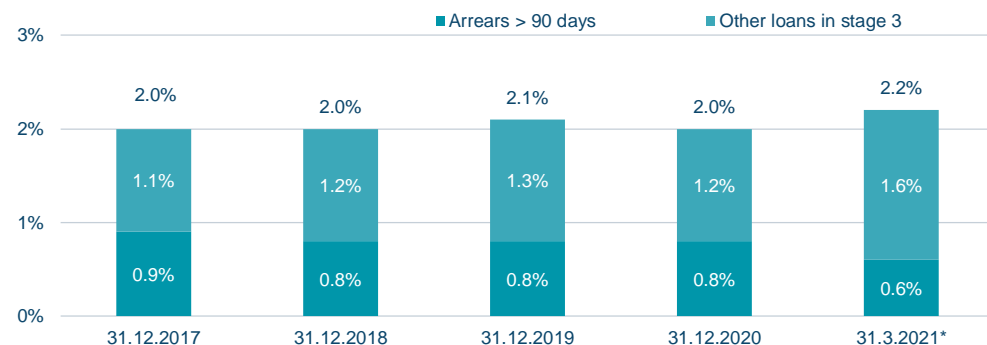
# Loans

- Modest lending growth during the first quarter and increased share of non-indexed loans.

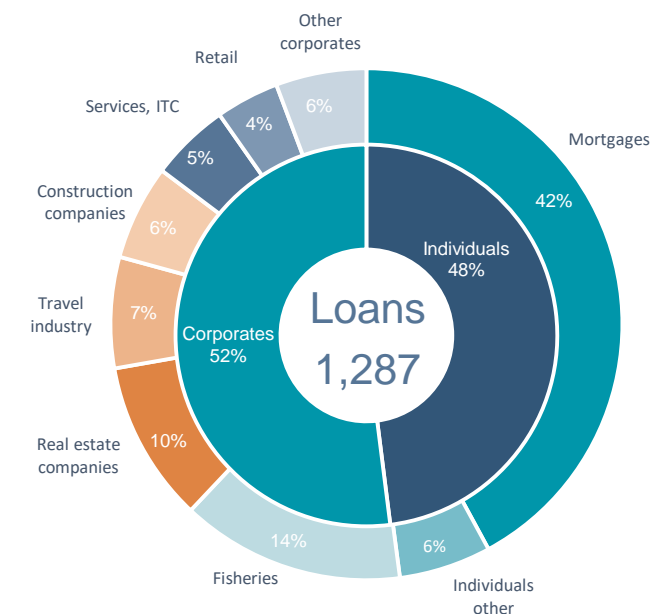
## Total loan portfolio



## Problem loans



\*Temporary COVID-19 measures and payment holidays lead to lower values for loans 90 days in arrears



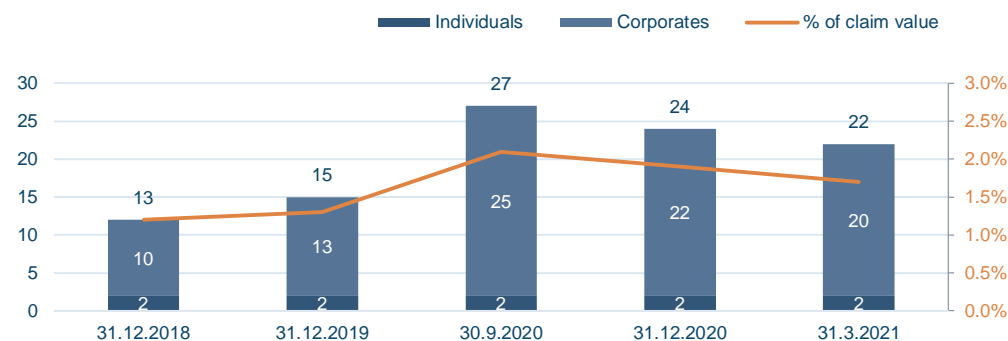
## Loan staging

	Gross carrying amount		Allowance for impairment		Carrying amount	
Stage 1	1,096	83.7%	2	0.2%	1,094	85.0%
Stage 2	152	11.6%	6	3.9%	146	11.3%
Stage 3	42	3.2%	14	33.3%	28	2.2%
Fair value	19	1.5%			19	1.5%
<b>Total</b>	<b>1,309</b>	<b>100%</b>	<b>22</b>	<b>1.7%</b>	<b>1,287</b>	<b>100%</b>

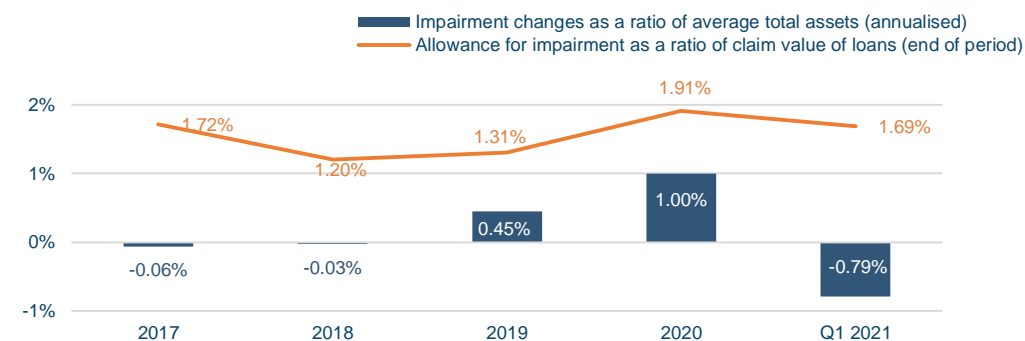
# Impairment on loans

-Write-backs of provisions during the quarter lead to a decrease in overall impairments. Impairment account still at conservative and elevated levels.

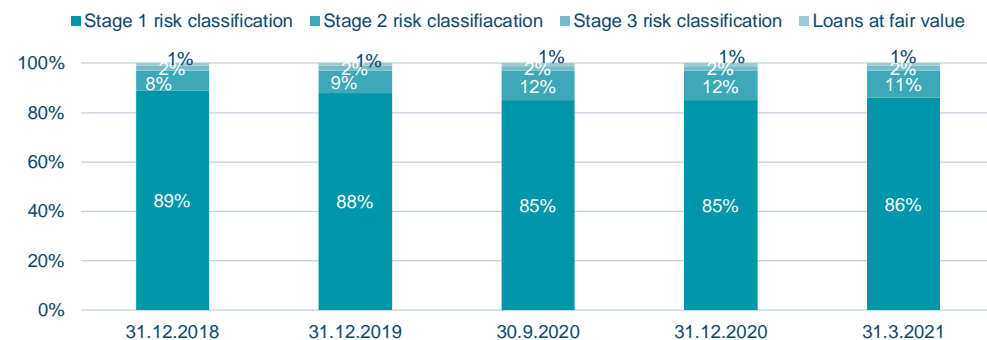
## Allowance for impairment on loans and advances to customers



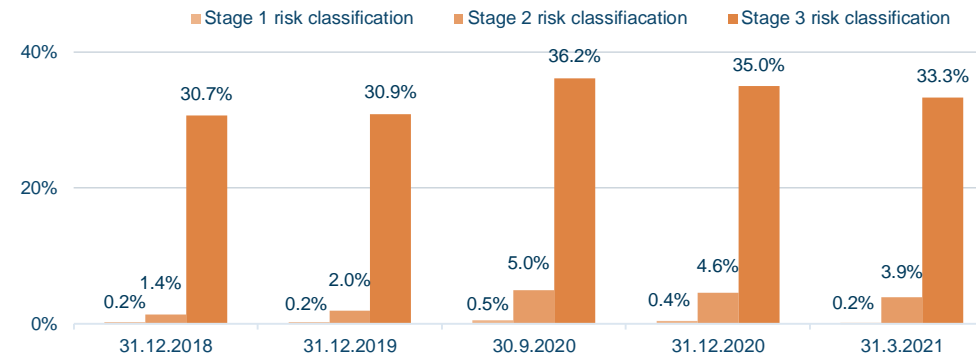
## Cost of risk



## Loans by allocation to risk classes



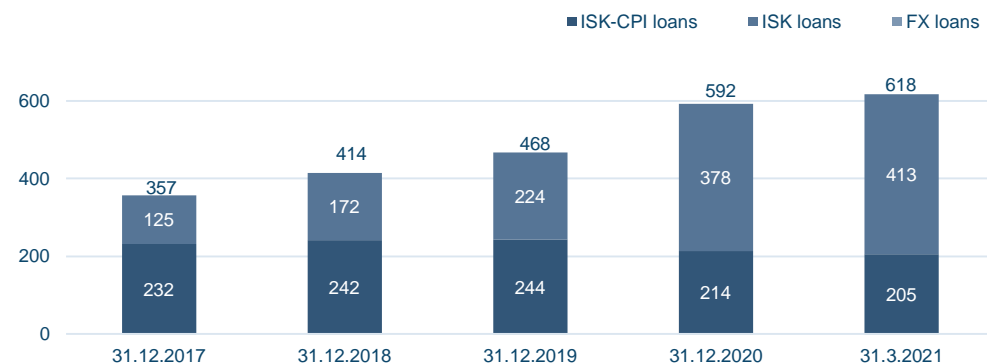
## Allowance as percentage of gross carrying amount



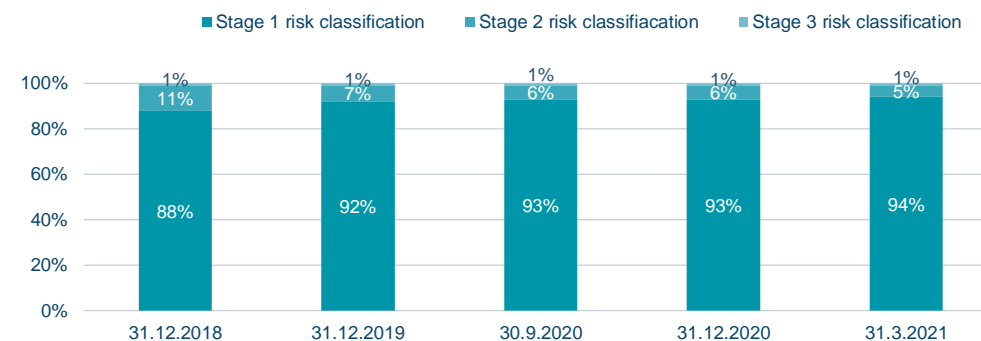
# Loans to individuals

- Strong growth in non-indexed mortgage lending, whilst net repayments of CPI-indexed loans continue

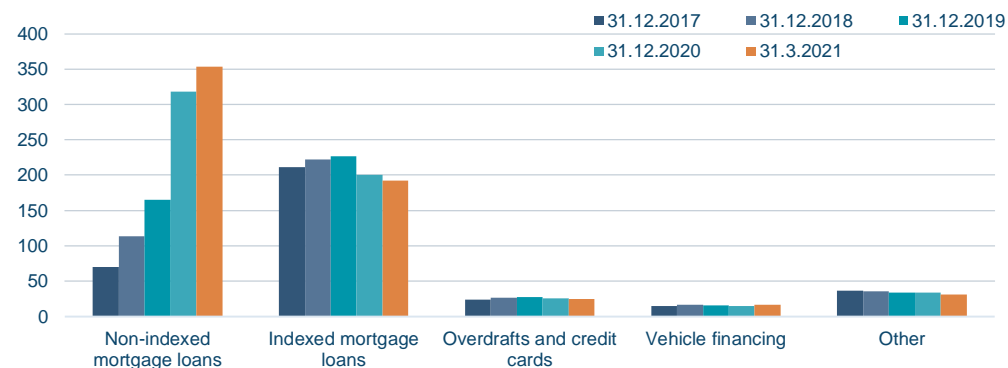
## Loans to individuals



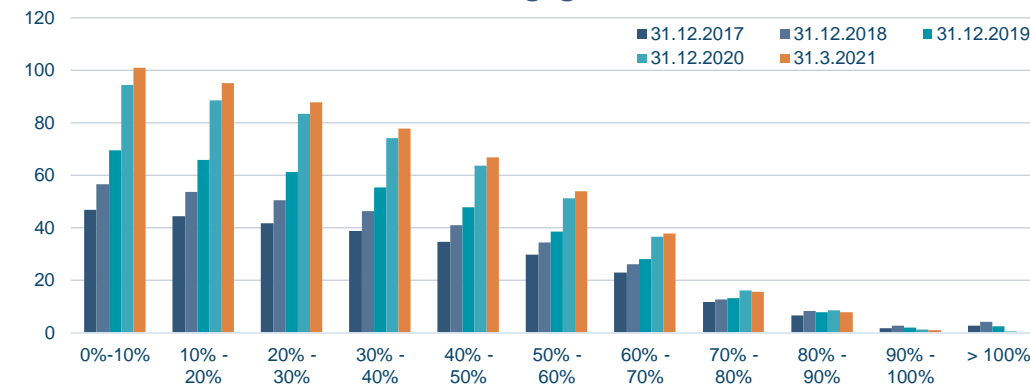
## Loans to individuals by allocation to risk classes



## Loans to individuals by loan types



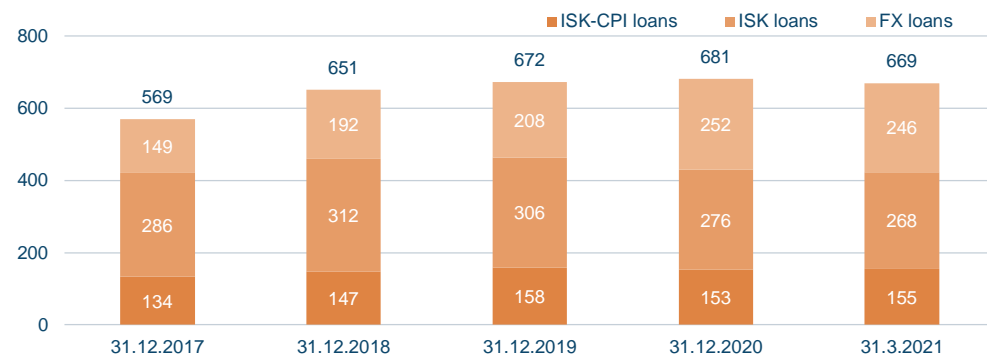
## Continuous LTV distribution of mortgage



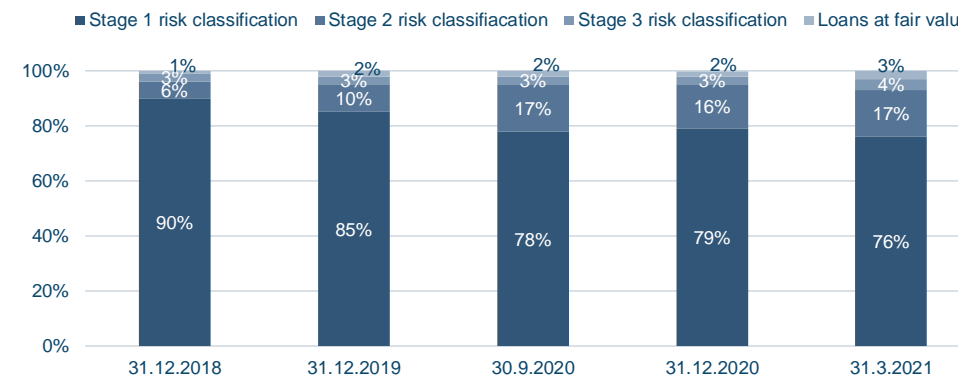
# Loans to corporates

- Loans to corporates decrease during the quarter, mostly due to exchange rate impact.

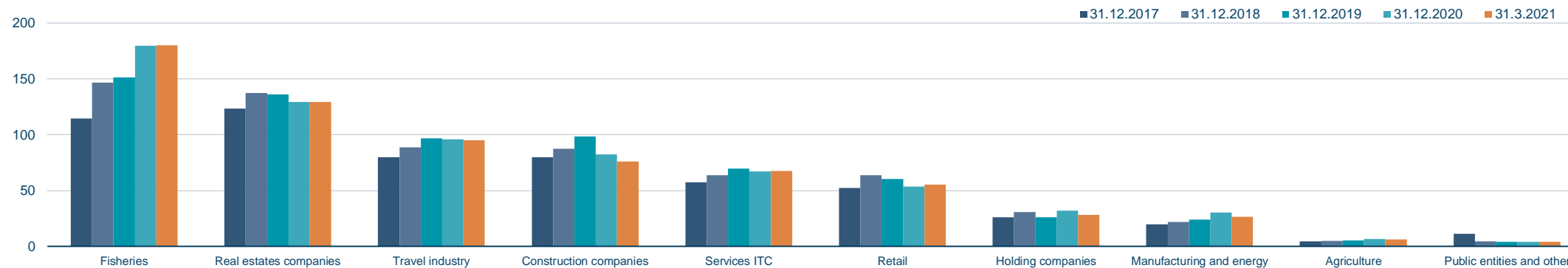
## Loans to corporates



## Loans to corporates by allocation



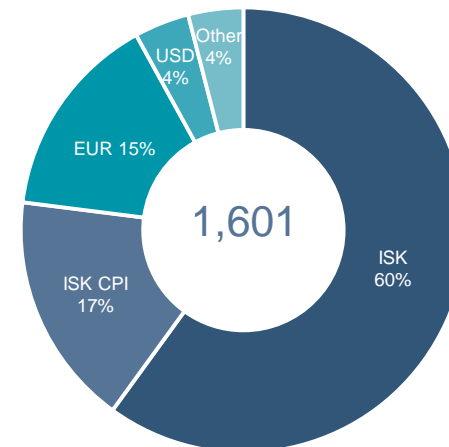
## Loans to corporates by industry sector



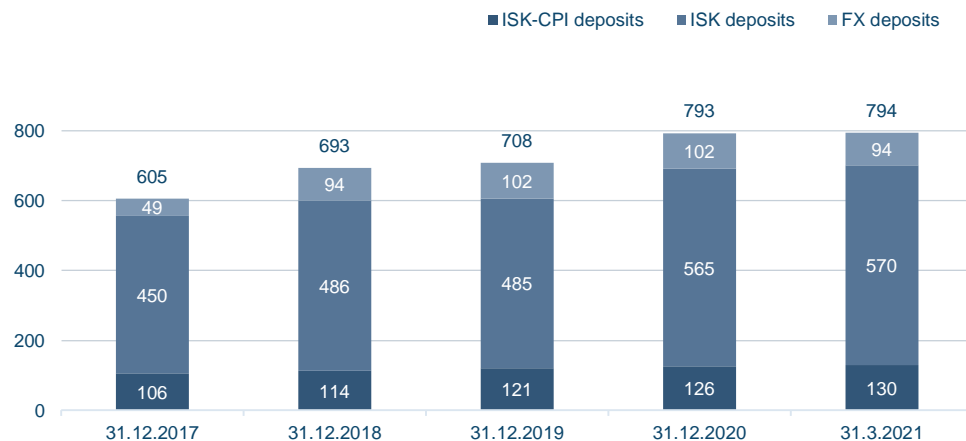
# Liabilities and equity

- Deposits remain as the most important source of funding for the bank, but borrowings continue to increase.

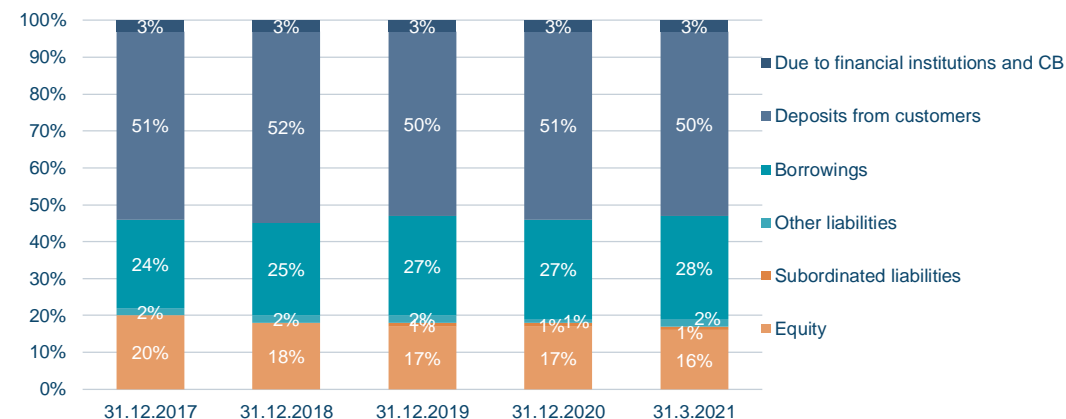
	31.3.2021	31.12.2020	Change	
Due to financial institutions and CB	41	49	-8	-16%
Deposits from customers	794	793	1	0%
Borrowings	453	420	33	8%
Other liabilities	31	23	8	39%
Subordinated liabilities	21	21	0	-2%
Equity	261	258	3	1%
<b>Total</b>	<b>1,601</b>	<b>1,564</b>	<b>37</b>	<b>2%</b>



## Deposits from customers



## Liabilities and equity

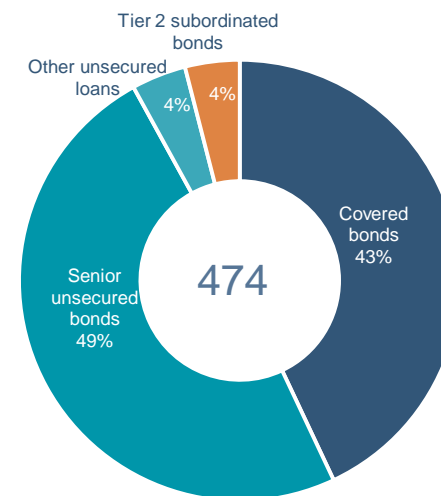
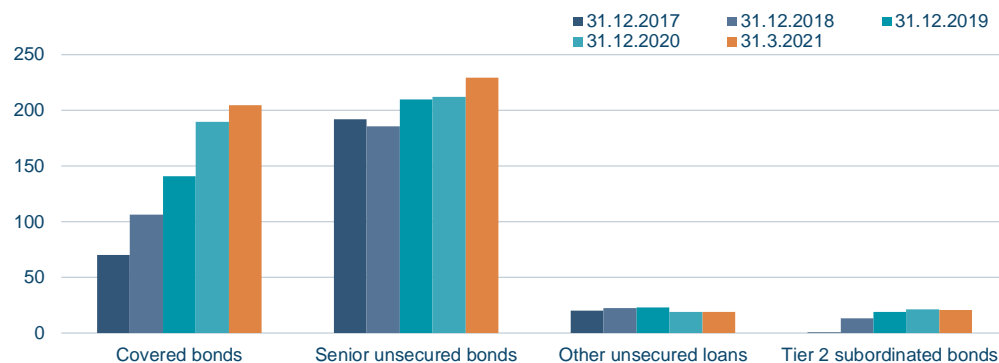




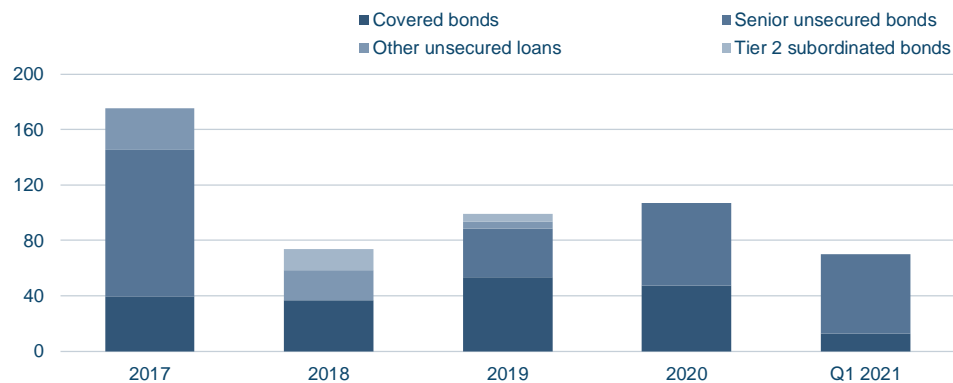
# Borrowings

- Steady growth in the issuance of covered bonds in recent years.

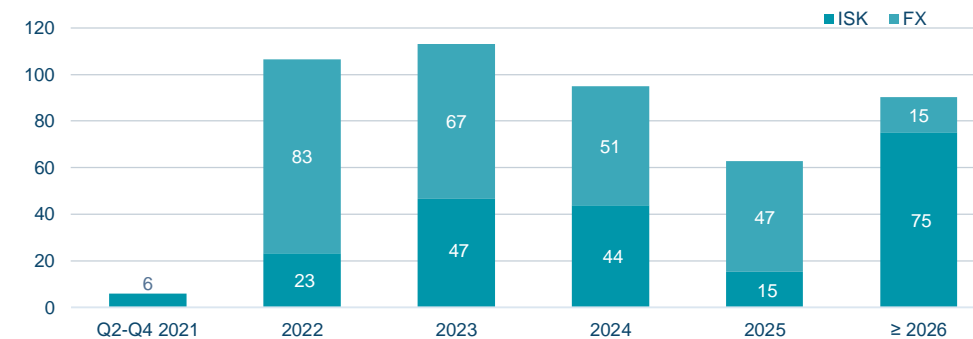
## Borrowings



## Borrowing issuance



## Maturity profile\*

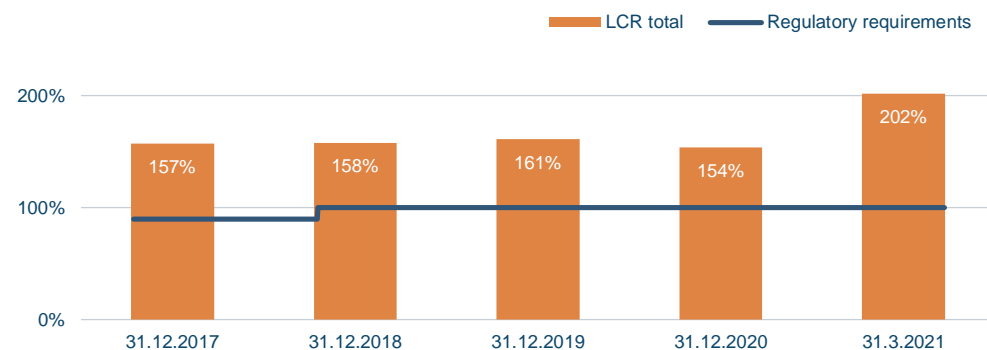


\*EUR 100 m subordinated debt matures in 2028 with a 10NC5 structure.  
ISK 5.5 bn subordinated debt matures in 2029 with a 10NC5 structure.

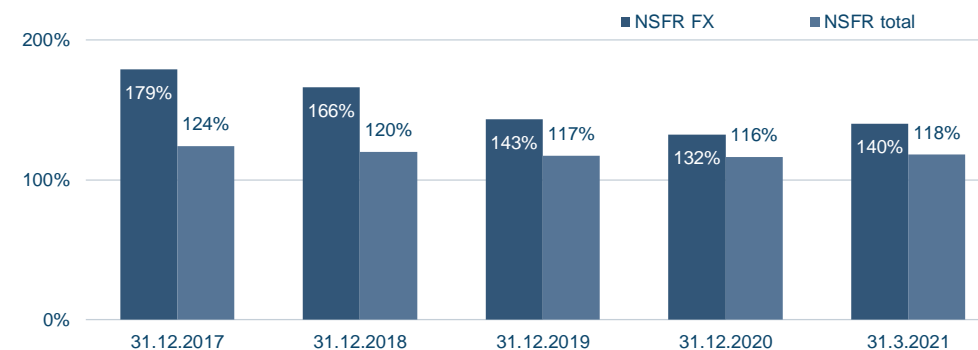
# Liquidity ratio and net stable funding ratio

- Strong liquidity and funding ratios.

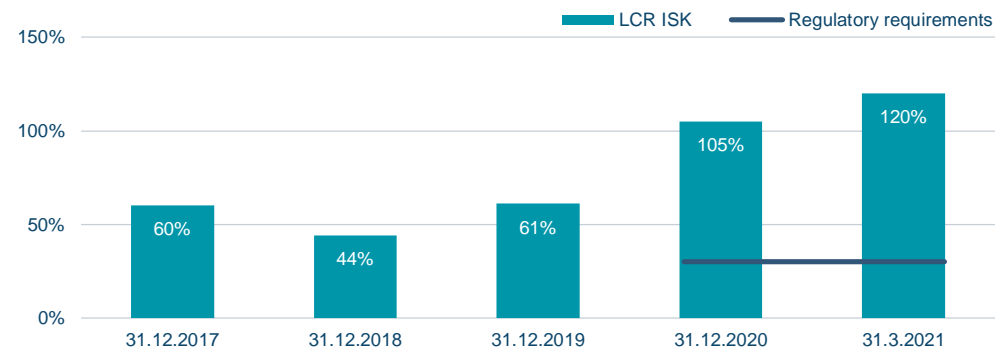
## Liquidity coverage ratio total



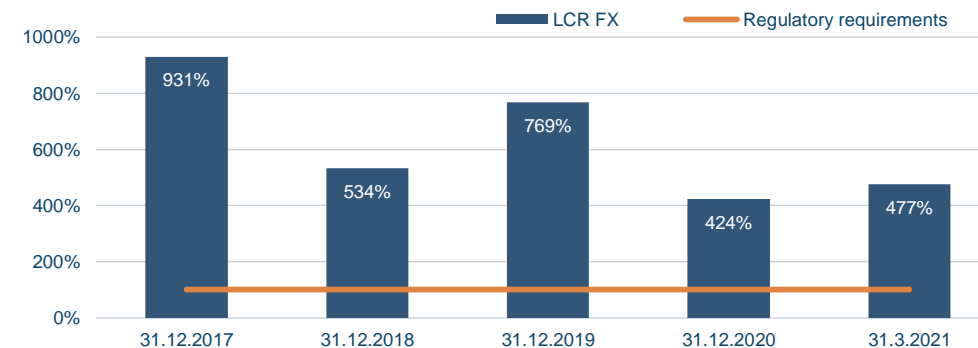
## Net stable funding ratio



## Liquidity coverage ratio ISK



## Liquidity coverage ratio FX

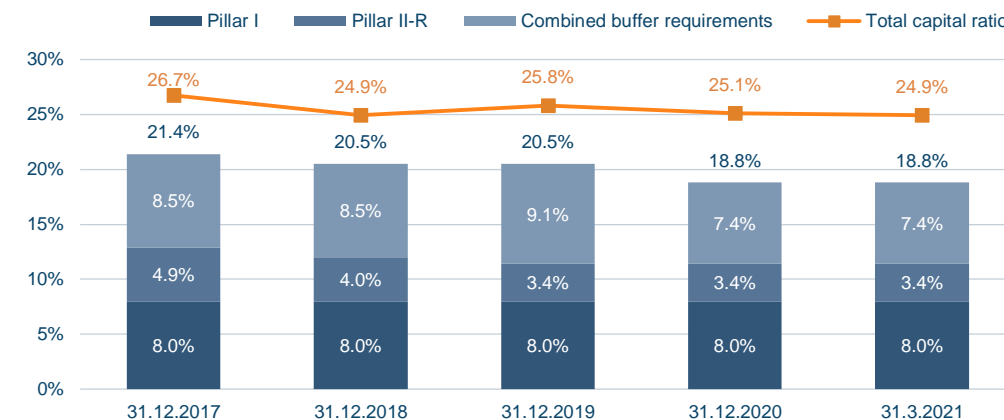


# Capital requirements

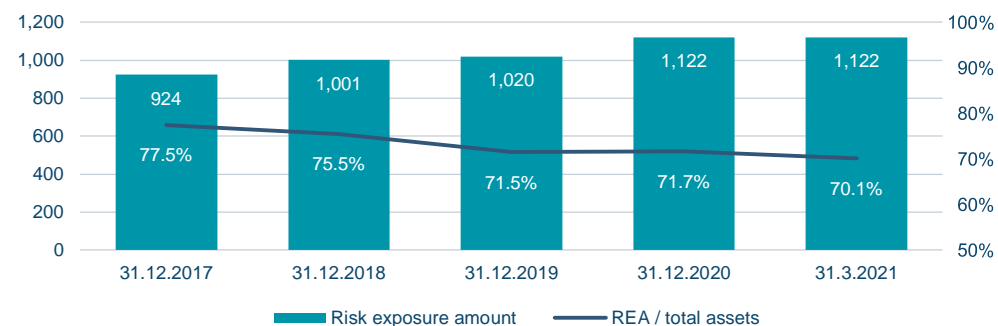
- Capital ratios well above minimum requirements.

	CET1	Tier 1	Total
Pillar I	4.5%	6.0%	8.0%
Pillar II-R	1.9%	2.6%	3.4%
<b>Minimum requirement under Pillar I and Pillar II-R</b>	<b>6.4%</b>	<b>8.6%</b>	<b>11.4%</b>
Systemic risk buffer	2.89%	2.89%	2.89%
Capital buffer for systematically important institutions	2.00%	2.00%	2.00%
Countercyclical capital buffer	0.00%	0.00%	0.00%
Capital conservation buffer	2.50%	2.50%	2.50%
<b>Combined buffer requirements under Pillar II-G</b>	<b>7.39%</b>	<b>7.39%</b>	<b>7.39%</b>
<b>Total capital requirement</b>	<b>13.8%</b>	<b>16.0%</b>	<b>18.8%</b>
<b>Total capital ratio as at 31.3.2021</b>	<b>23.0%</b>	<b>23.0%</b>	<b>24.9%</b>

## Regulatory total capital requirement as a ratio of REA



## Risk exposure amount



- The Group basis calculation of Pillar 1 capital requirements for lending and market risk on the standardised approach. The basic indicator approach is used to calculate operational risk. The Bank applies the dynamic approach in terms of the IFRS 9 transitional arrangements.

# Dividends and capital ratio

- Dividends for 2021 complies with the maximum benchmark set by the Central Bank.

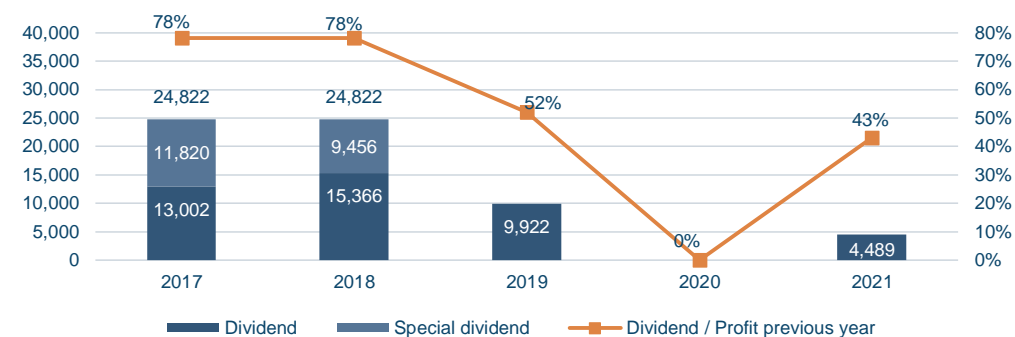
## Dividend 2021

- The AGM of Landsbankinn, held on 24 March 2021, approved the motion of the Board of Directors to pay a dividend of ISK 0.19 per share to shareholders for the operating year 2020. The total dividend of ISK 4,489 million corresponds to about 43% of the consolidated profit in 2020.
- The dividend payment is in accordance with the maximum guidance for dividend payments set by the Central Bank's Financial Supervision Committee on 13 January 2021.
- The dividend was paid to shareholders on 31. March 2021

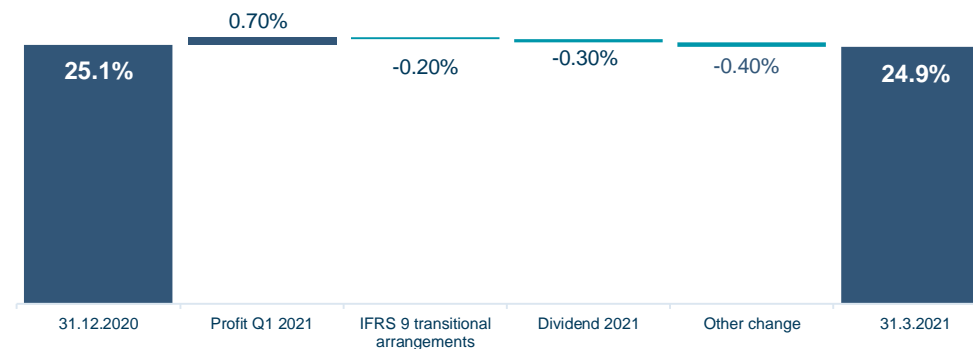
## Landsbankinn's dividend policy

- Landsbankinn aims to pay regular dividends to shareholders amounting in general to around 50% of the previous year's profit. To achieve Landsbankinn's target capital ratio, the aim is also to make special dividend payments to optimise the Bank's capital structure.
- In determining the amount of dividend payments, the Bank's continued strong financial position shall be ensured. Regard shall be had for risk in the Bank's internal and external environment, growth prospects and the maintenance of a long-term, robust equity and liquidity position, as well as compliance with regulatory requirements of financial standing at any given time.

## Dividends



## Total capital ratio, changes in Q1 2021



# Appendix

## Further information

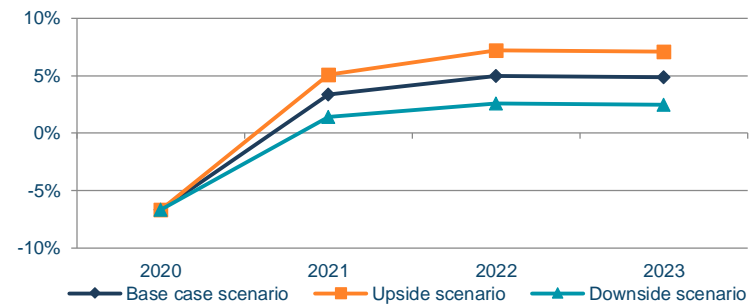




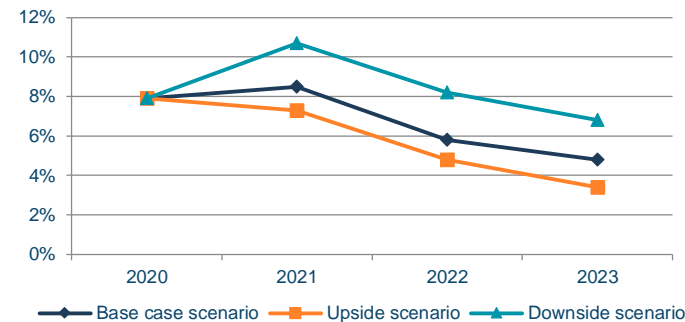
# Economic scenarios for expected credit loss

- Landsbankinn Economic Research prepares scenarios to support forecasts for important economic variables.
- These scenarios show key economic variables used to calculate expected credit loss (ECL) for stages 1 and 2.
- The forecasts show averages for the 12-month outlook and to the medium-term forecast horizon.
- In calculating ECL, the optimistic scenario is given 25% weight, the baseline 50% weight and the pessimistic scenario 25% weight.

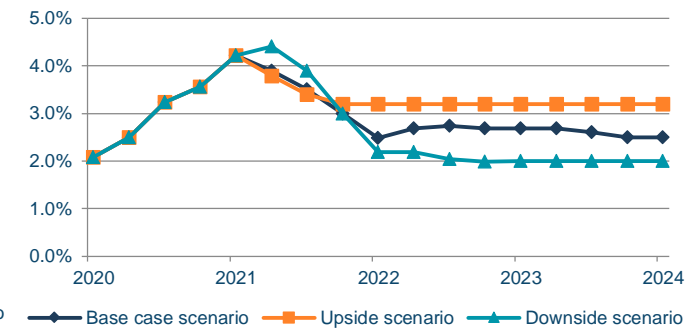
## Economic growth



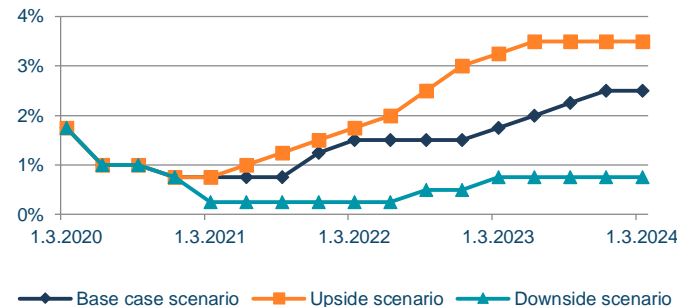
## Unemployment



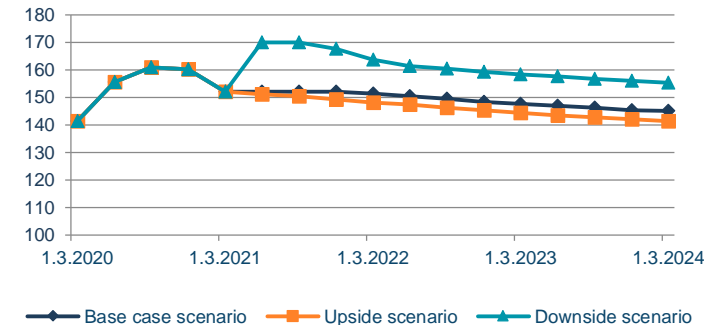
## Inflation



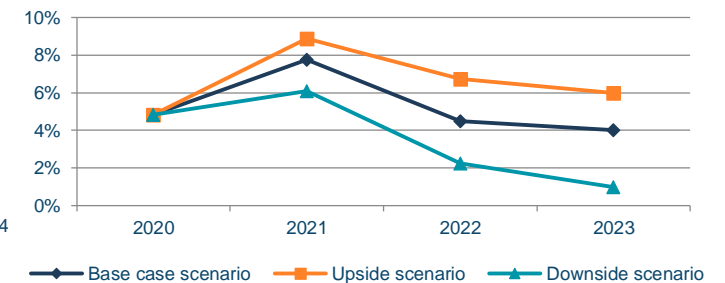
## CBI+s key rate (seven-day term deposits)



## EUR/ISK



## Housing price (YoY change)



# Key financial ratios

	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	2020	2019	2018	2017	2016
Profit (loss) after taxes	7,618	9,822	3,986	341	-3,628	10,521	18,235	19,260	19,766	16,643
Return on equity before taxes	14.2%	17.8%	8.5%	-0.9%	-5.4%	5.1%	9.6%	11.1%	11.0%	8.7%
Return on equity after taxes	11.7%	15.5%	6.5%	0.6%	-5.9%	4.3%	7.5%	8.2%	8.2%	6.6%
After-tax return on average assets	1.9%	2.5%	1.0%	0.1%	-1.0%	0.7%	1.3%	1.5%	1.7%	1.5%
Total capital ratio	24.9%	25.1%	24.7%	24.9%	24.8%	25.1%	25.8%	24.9%	26.8%	30.2%
Net interest income	8,626	9,694	9,441	9,512	9,427	38,074	39,670	40,814	36,271	34,650
Interest spread as a ratio of average total assets	2.2%	2.4%	2.4%	2.5%	2.6%	2.5%	2.8%	3.2%	3.1%	3.1%
Cost-income ratio	45.8%	38.8%	46.6%	42.7%	77.6%	47.4%	42.6%	45.5%	46.1%	48.4%
Liquidity ratio LCR total	202%	154%	186%	191%	196%	154%	161%	158%	157%	128%
Liquidity LCR FX	477%	424%	379%	476%	489%	424%	769%	534%	931%	743%
Liquidity LCR ISK	120%	105%	107%	114%	96%	105%	61%	44%	60%	90%
Net stable funding ratio NSFR total	118%	116%	115%	117%	115%	116%	117%	120%	124%	123%
Net stable funding ratio NSFR FX	140%	132%	116%	121%	127%	132%	143%	166%	179%	154%
Operating expenses as a ratio of average total assets	1.5%	1.6%	1.3%	1.6%	1.7%	1.6%	1.7%	1.9%	2.0%	2.1%
Total assets	1,600,952	1,564,177	1,610,265	1,501,110	1,523,188	1,564,177	1,426,328	1,326,041	1,192,870	1,111,157
Loans / deposits ratio	162.1%	160.5%	154.3%	157.9%	157.7%	160.5%	161.1%	153.6%	153.0%	144.7%
Full-time equiv. positions	869	878	884	872	886	878	893	919	997	1,012

# Operations

	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Net interest income	8,626	9,694	9,441	9,512	9,427
Net fee & commission income	2,054	1,981	2,059	1,653	1,945
Net valuation adjustments	2,489	1,535	-120	-8,191	-5,244
Net foreign exchange gain (loss)	-27	-52	-52	-259	85
Other net operating income	2,618	4,919	-427	3,160	-2,813
<b>Total operating income</b>	<b>15,759</b>	<b>18,077</b>	<b>10,901</b>	<b>5,875</b>	<b>3,400</b>
Salaries and related expenses	3,769	3,986	3,135	3,802	3,844
Other operating expenses	2,315	2,433	1,995	2,206	2,430
Tax on liabilities of financial institutions	467	400	540	425	450
<b>Total operating expenses</b>	<b>6,551</b>	<b>6,819</b>	<b>5,670</b>	<b>6,433</b>	<b>6,724</b>
<b>Profit (loss) before tax</b>	<b>9,208</b>	<b>11,258</b>	<b>5,231</b>	<b>-558</b>	<b>-3,324</b>
Income tax	1,590	1,436	1,245	-899	304
<b>Profit (loss) for the period</b>	<b>7,618</b>	<b>9,822</b>	<b>3,986</b>	<b>341</b>	<b>-3,628</b>

	2020	2019	2018	2017	2016
Net interest income	38,074	39,670	40,814	36,271	34,650
Net fee & commission income	7,638	8,219	8,157	8,431	7,809
Net valuation adjustments	-12,020	-4,827	1,352	1,785	-318
Net foreign exchange gain (loss)	-278	-584	-1,497	-1,375	-179
Other net operating income	4,839	9,039	5,084	8,400	6,738
<b>Total operating income</b>	<b>38,253</b>	<b>51,517</b>	<b>53,910</b>	<b>53,512</b>	<b>48,700</b>
Salaries and related expenses	14,767	14,458	14,589	14,061	14,049
Other operating expenses	9,064	9,534	9,348	9,789	9,465
Tax on liabilities of financial institutions	1,815	4,204	3,860	3,253	2,973
<b>Total operating expenses</b>	<b>25,646</b>	<b>28,196</b>	<b>27,797</b>	<b>27,103</b>	<b>26,487</b>
<b>Profit (loss) before tax</b>	<b>12,607</b>	<b>23,321</b>	<b>26,113</b>	<b>26,409</b>	<b>22,213</b>
Income tax	2,086	5,086	6,853	6,643	5,570
<b>Profit (loss) for the period</b>	<b>10,521</b>	<b>18,235</b>	<b>19,260</b>	<b>19,766</b>	<b>16,643</b>

# Balance sheet

	31.3.2021	31.12.2020	Change	
Cash and balances with CB	59,937	67,604	-7,667	-11%
Bonds and debt instruments	134,183	119,330	14,853	12%
Equities and equity instruments	31,811	26,808	5,003	19%
Loans and advances to fin institutions	55,234	48,073	7,161	15%
Loans and advances to customers	1,287,448	1,273,426	14,022	1%
Other assets	32,339	28,936	3,403	12%
<b>Total assets</b>	<b>1,600,952</b>	<b>1,564,177</b>	<b>36,775</b>	<b>2%</b>
Due to financial institutions and CB	40,932	48,725	-7,793	-16%
Deposits from customers	794,252	793,427	825	0%
Borrowing	452,709	420,178	32,532	8%
Other liabilities	30,825	22,227	8,598	39%
Subordinated liabilities	20,850	21,366	-516	-2%
Equity	261,384	258,255	3,129	1%
<b>Total liabilities and equity</b>	<b>1,600,952</b>	<b>1,564,177</b>	<b>36,775</b>	<b>2%</b>

	31.12.2019	31.12.2018	31.12.2017
	69,824	70,854	55,192
	115,262	77,058	117,310
	30,019	23,547	27,980
	47,929	71,385	44,866
	1,140,184	1,064,532	925,636
	23,110	18,665	21,886
	<b>1,426,328</b>	<b>1,326,041</b>	<b>1,192,870</b>
	48,062	34,609	32,062
	707,813	693,043	605,158
	373,168	314,412	281,874
	30,470	31,027	27,642
	19,081	13,340	77
	247,734	239,610	246,057
	<b>1,426,328</b>	<b>1,326,041</b>	<b>1,192,870</b>

# Operating segments

1.1.2020 - 31.3.2021	Personal Banking	Corporate Banking	Asset Management & Capital Market	Treasury and Market Making	Other segments	Reconciliation	Total
Net interest income	4,017	4,590	113	-77	-17	0	8,626
Net fee and commission income	615	295	1,237	-83	90	-100	2,054
Net impairment changes	477	2,012	-1	1	0	0	2,489
Net other operating income (expense)	75	57	100	2,203	159	-4	2,590
<b>Total operating income (expense)</b>	<b>5,184</b>	<b>6,954</b>	<b>1,449</b>	<b>2,044</b>	<b>232</b>	<b>-104</b>	<b>15,759</b>
Operating expenses	-1,680	-721	-520	-204	-3,064	105	-6,084
Tax on liabilities of financial institutions	-187	-83	-3	-194	0	0	-467
Allocated expenses	-1,109	-708	-278	-229	2,324	0	0
<b>Profit (loss) before tax</b>	<b>2,208</b>	<b>5,442</b>	<b>648</b>	<b>1,417</b>	<b>-508</b>	<b>1</b>	<b>9,208</b>
Income tax	-559	-1,316	196	-13	102	0	-1,590
<b>Profit (loss) for the period</b>	<b>1,649</b>	<b>4,126</b>	<b>844</b>	<b>1,404</b>	<b>-406</b>	<b>1</b>	<b>7,618</b>
Total assets	667,563	627,192	14,623	656,722	2,770	-367,918	1,600,952
Total liabilities	635,415	505,867	8,246	555,188	2,770	-367,918	1,339,568
Allocated capital	32,148	121,325	6,377	101,534	0		261,384

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