



Landsbankinn Factbook

31 December 2019

Contents

Disclaimer

Investor Relations

Fact Sheet

Operations year

Operations quarters

Balance sheet year

Balance sheet quarters

Key financial ratios year

Key financial ratios quarters

Segments

Key figures and ratios



Disclaimer

This presentation is for information purposes only and shall not be construed as an offer or solicitation for the subscription or purchase or sale of any financial instrument.

The information set out in this presentation has not been independently verified. No representation or warranty is made by Landsbankinn as to the accuracy, completeness or fairness of the information or opinions contained in this presentation.

This presentation may contain projections and forward-looking statements which are subject to a number of risks and uncertainties that could cause actual results to differ materially and could adversely affect the financial effects described herein.

Landsbankinn accepts no liability whatsoever for any direct or indirect loss, howsoever arising, from use of this presentation.

Landsbankinn assumes no obligation to update this presentation, provide any additional information or correct any errors, which may eventually become apparent.

[Back to contents](#)



Investor Relations

Landsbankinn Investor Relations is committed to promoting transparency and open communications through the provision of timely and relevant information about the Bank to all stakeholders and other interested parties.

For further information, please contact:

Hanna Kristín Thoroddsen

Tel: +354 410 7328

Margrét Guðrún Valdimarsdóttir

Tel: +354 410 6716

ir@landsbankinn.is

[Additional information can be found on IR-web-site](#)

[Back to contents](#)

Financial Calender

6 February 2020 - Full Year Results 2019

27 March 2020 - AMG

7 May 2020 - 3M Report 2020

30 July 2020 - Half Year Results 2020

29 October 2020 - 9M Report 2020

11 February 2021 - Full Year Results 2020

This [calendar](#) may be subject to change.



Fact Sheet

31.12.2019



Landsbankinn in brief

Landsbankinn hf. is a leading Icelandic financial institution. The Bank offers a full range of financial services and is the market leader in the Icelandic financial service sector with the largest branch network. Focused on commercial banking, Landsbankinn provides retail and corporate banking services, capital markets services and asset and wealth management for private banking clients.

Landsbankinn hf. was established on 7 October 2008 but the history of its predecessor runs back to 1886.

The Icelandic State holds 98.2% of the shares and the total number of shareholders amount to approximately 881.

CEO of Landsbankinn hf. is Lilja Björk Einarsdóttir

Balance sheet

	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	ISKm		EURm	
Total assets	1,426,328	1,326,041	10,503	9,955
Loans to customers	1,140,184	1,064,532	8,396	7,992
Loans to financial institutions	47,929	71,385	353	536
Bonds	115,262	77,058	849	579
Equities	30,019	23,547	221	177
Deposits from customers	707,813	693,043	5,212	5,203
Deposits from financial institutions	48,062	34,609	354	260
Borrowings	373,168	314,412	2,748	2,360
Equity	247,734	239,610	1,824	1,799
Total capital ratio	25.8%	24.9%		
Loans / customers deposits	161.1%	153.6%		

Customers and branches

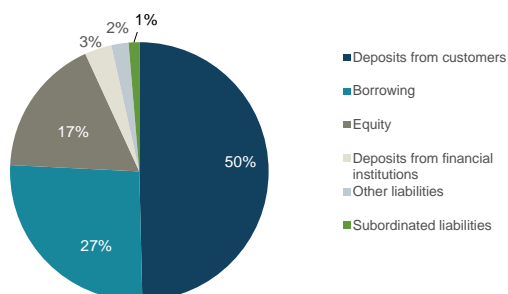
31.12.2019

Retail customers	129,943
Corporate customers	13,985
Number of branches	37
Number of employees	893

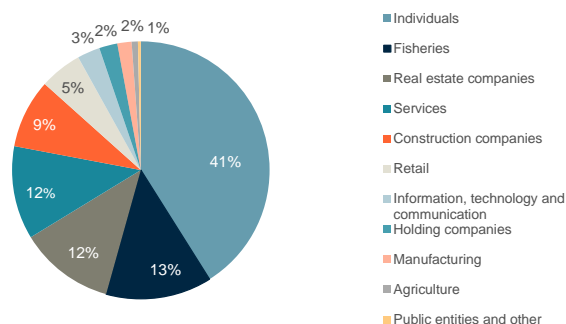
Income statement

	31.12.2019	31.12.2018	31.12.2019	31.12.2018
	ISKm		EURm	
Operating income	51,517	53,910	377	425
Profit after taxes	18,235	19,260	133	152
ROE after taxes	7.5%	8.2%		
Interest spread	2.4%	2.7%		
Cost-income ratio	42.6%	45.5%		

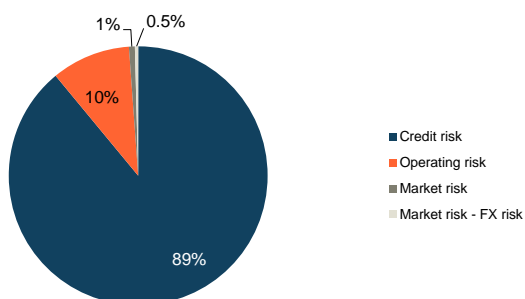
Funding profile



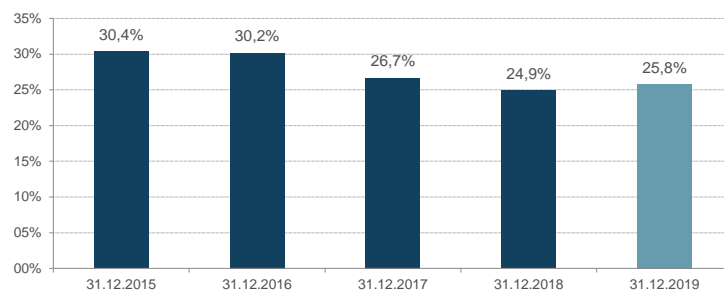
Loans and advances by industry sectors



Risk profile



Equity ratio



Income statement

ISK million	2019	2018	2017	2016	2015	2014	2013	2012
Net interest income	39,670	40,814	36,271	34,650	32,324	28,073	34,314	35,584
Net valuation adjustments and impairment	-4,827	1,352	1,785	-318	18,216	20,128	13,053	-4,391
Net interest income after valuation adjustments	34,843	42,166	38,056	34,332	50,540	48,201	47,367	31,193
Net fee commission income	8,219	8,157	8,431	7,809	6,841	5,836	5,291	4,448
Net foreign exchange gain (loss)	-584	-1,497	-1,375	-179	-1,277	67	1,147	4,566
Other net operating income (expenses)	9,039	5,084	8,400	6,738	16,507	9,510	14,488	11,383
Total operating income	51,517	53,910	53,512	48,700	72,611	63,614	68,293	51,590
Salaries and related expenses	14,458	14,589	14,061	14,049	13,754	13,567	17,304	13,176
Other operating expenses	9,534	9,348	9,789	9,465	9,978	10,521	9,947	10,929
Total operating expenses	23,992	23,937	23,850	23,514	23,732	24,088	27,251	24,105
Profit (loss) before tax	27,525	29,973	29,662	25,186	48,879	39,526	41,042	27,485
Income tax and tax on liabilities of financial institutions	9,290	10,713	9,896	8,543	12,419	9,789	12,283	4,125
Profit (loss) for the year from continuing operations	18,235	19,260	19,766	16,643	36,460	29,737	28,759	23,360
Profit for the year from discontinued operations	0	0	0	0	0	0	0	2,134
Profit (loss) for the year	18,235	19,260	19,766	16,643	36,460	29,737	28,759	25,494

[Back to contents](#)



Income statement

ISK million	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016
Net interest income	9,580	9,631	10,214	10,245	10,968	10,370	9,835	9,641	9,201	8,894	10,158	8,018	8,443
Net valuation adjustments and impairment	-1,399	-1,056	-1,378	-994	-286	-89	703	1,024	-282	766	-478	1,779	-4,737
Net interest income after valuation adjustments	8,181	8,575	8,836	9,251	10,682	10,281	10,538	10,665	8,919	9,660	9,680	9,797	3,706
Net fee commission income	2,125	1,958	2,076	2,060	2,355	1,926	2,185	1,691	1,840	2,159	2,316	2,116	1,900
Net foreign exchange gain (loss)	-300	-39	-87	-158	-676	-352	-399	-70	-482	-10	-518	-365	-212
Other net operating income (expenses)	2,257	860	2,042	3,880	479	197	-138	4,546	1,593	545	2,097	4,165	1,614
Total operating income	12,263	11,354	12,867	15,033	12,840	12,052	12,186	16,832	11,870	12,354	13,575	15,713	7,008
Salaries and related expenses	3,805	3,284	3,689	3,680	3,835	3,222	3,869	3,663	3,753	3,163	3,654	3,491	3,640
Other operating expenses	2,505	2,167	2,340	2,522	2,373	2,353	2,287	2,335	2,411	2,475	2,477	2,426	2,292
Total operating expenses	6,310	5,451	6,029	6,202	6,208	5,575	6,156	5,998	6,164	5,638	6,131	5,917	5,932
Profit (loss) before tax	5,953	5,903	6,838	8,831	6,632	6,477	6,030	10,834	5,706	6,716	7,444	9,796	1,076
Income tax and tax on liabilities of financial institutions	2,078	2,656	2,509	2,047	2,765	2,697	2,519	2,732	2,781	2,528	2,367	2,220	833
Profit (loss) for the period from continuing operations	3,875	3,247	4,329	6,784	3,867	3,780	3,511	8,102	2,925	4,188	5,077	7,576	243
Profit for the period from discontinued operations	0	0	0	0	0	0	0	0	0	0	0	0	0
Profit for the period	3,875	3,247	4,329	6,784	3,867	3,780	3,511	8,102	2,925	4,188	5,077	7,576	243

Further information about older dates is available in excel Factbook

[Back to contents](#)



Balance sheet

ISK million	31.12.2019	31.12.2018	31.12.2017	31.12.2016	31.12.2015	31.12.2014	31.12.2013	31.12.2012
Cash and balances with CB	69,824	70,854	55,192	30,662	25,164	10,160	21,520	25,898
Bonds and debt instruments	115,262	77,058	117,310	154,892	203,684	243,589	290,595	228,208
Equities and equity instruments	30,019	23,547	27,980	26,688	29,192	29,433	36,275	36,881
Loans and advances to fin institutions	47,929	71,385	44,866	20,408	20,791	49,789	67,916	64,349
Loans and advances to customers	1,140,184	1,064,532	925,636	853,417	811,549	718,355	680,468	666,087
Other assets	22,088	17,335	18,238	17,641	16,323	28,832	29,719	38,044
Assets classified as held for sale	1,022	1,330	3,648	7,449	11,955	18,212	25,023	25,320
Total	1,426,328	1,326,041	1,192,870	1,111,157	1,118,658	1,098,370	1,151,516	1,084,787

Due to financial institutions and CB	48,062	34,609	32,062	20,093	56,731	53,827	167,218	98,718
Deposits from customers	707,813	693,043	605,158	589,725	559,051	551,435	456,662	421,058
Borrowings	373,168	314,412	281,874	223,944	209,344	207,028	239,642	309,265
Other liabilities	30,440	30,997	27,615	24,681	26,844	32,443	42,750	29,687
Liabilities associated with assets classified as held for sale	30	30	27	1,095	1,518	2,834	3,885	893
Subordinated liabilities	19,081	13,340	77	388	639	0	0	0
Equity	247,734	239,610	246,057	251,231	264,531	250,803	241,359	225,166
Total	1,426,328	1,326,041	1,192,870	1,111,157	1,118,658	1,098,370	1,151,516	1,084,787

[Back to contents](#)



Balance sheet - quarter summary

ISK million	31.12.2019	30.9.2019	30.6.2019	31.3.2019	31.12.2018	30.9.2018	30.6.2018	31.3.2018	31.12.2017	30.9.2017	30.6.2017	31.3.2017	31.12.2016
Cash and balances with CB	69,824	56,680	63,990	63,014	70,854	61,155	68,372	82,266	55,192	33,157	32,216	35,826	30,662
Bonds and debt instruments	115,262	96,786	84,830	80,954	77,058	88,749	97,214	100,216	117,310	160,223	162,520	147,992	154,892
Equities and equity instruments	30,019	29,150	27,658	25,151	23,547	27,766	28,756	25,666	27,980	31,049	30,934	30,868	26,688
Loans and advances to financial institutions	47,929	71,222	71,812	88,664	71,385	84,513	47,937	41,796	44,866	41,485	49,292	70,230	20,408
Loans and advances to customers	1,140,184	1,136,804	1,130,915	1,095,376	1,064,532	1,038,005	989,481	936,636	925,636	905,927	870,483	872,350	853,417
Other assets	22,088	23,476	22,348	24,744	17,335	15,399	16,261	17,455	18,238	22,740	20,317	19,009	17,641
Assets classified as held for sale	1,022	1,144	1,282	1,395	1,330	1,618	1,832	2,113	3,648	4,377	4,866	6,192	7,449
Total	1,426,328	1,415,262	1,402,835	1,379,298	1,326,041	1,317,205	1,249,853	1,206,148	1,192,870	1,198,958	1,170,628	1,182,467	1,111,157

Due to financial institutions and CB	48,062	47,860	34,430	36,636	34,609	34,714	27,504	30,943	32,062	21,946	23,486	31,613	20,093
Deposits from customers	707,813	703,762	697,898	694,820	693,043	692,675	654,689	622,021	605,158	638,781	627,954	594,565	589,725
Borrowings	373,168	366,337	377,680	351,005	314,412	308,362	297,684	284,484	281,874	267,853	242,274	244,649	223,944
Other liabilities	30,440	39,980	37,768	36,701	30,997	32,614	37,764	39,984	27,615	26,862	37,441	76,261	24,681
Liabilities associated with assets classified as held for sale	30	30	30	30	30	73	27	41	27	155	155	1,095	1,095
Subordinated liabilities	19,081	13,433	14,417	13,900	13,340	12,875	72	74	77	229	374	390	388
Equity	247,734	243,860	240,612	246,206	239,610	235,892	232,113	228,601	246,057	243,132	238,944	233,894	251,231
Total	1,426,328	1,415,262	1,402,835	1,379,298	1,326,041	1,317,205	1,249,853	1,206,148	1,192,870	1,198,958	1,170,628	1,182,467	1,111,157

Further information about older dates is available in excel Factbook

[Back to contents](#)



Key financial ratios

ISK million	2019	2018	2017	2016	2015	2014	2013	2012
Profit after taxes	18,235	19,260	19,766	16,643	36,460	29,737	28,759	25,494
Return on equity before taxes	11.3%	12.8%	12.3%	9.9%	19.9%	16.7%	17.6%	14.0%
Return on equity after taxes	7.5%	8.2%	8.2%	6.6%	14.8%	12.5%	12.4%	12.0%
Return on assets	1.3%	1.5%	1.7%	1.5%	3.2%	2.6%	2.6%	2.3%
Total capital ratio	25.8%	24.9%	26.7%	30.2%	30.4%	29.5%	26.7%	25.1%
Net interest income	39,670	40,814	36,271	34,650	32,324	28,073	34,314	35,584
Interest spread as a ratio of assets and liabilities**	2.4%	2.7%	2.5%	2.3%	2.2%	1.9%	2.4%	2.6%
Cost-income ratio***	42.6%	45.5%	46.1%	48.4%	43.8%	56.0%	42.9%	45.0%
Net stable funding ratio NSFR FX	143%	166%	179%	154%	136%	134%		
Liquidity ratio LCR total	161%	158%	157%	128%	113%	131%	102%	
Liquidity LCR FX	769%	534%	931%	743%	360%	614%	208%	
Operating expenses as a ratio of average total assets****	1.7%	1.9%	2.0%	2.1%	2.1%	2.1%	2.0%	2.2%
Total assets	1,426,328	1,326,041	1,192,870	1,111,157	1,118,658	1,098,370	1,151,516	1,084,787
Loans / deposits ratio	161.1%	153.6%	153.0%	144.7%	145.2%	130.3%	149.0%	158.2%
Full-time eqv.positions	893	919	997	1,012	1,063	1,126	1,183	1,233
Earnings per share	0.77	0.81	0.84	0.70	1.54	1.26	1.22	1.06
Dividend per share	0.42	1.05	1.05	1.20	1.00	0.84	0.42	0.00

*After tax return on average assets = profit (loss) for the year / average total assets

**Interest spread as a ratio of assets and liabilities = interest income as a percentage of average total assets - interest expense as a percentage of average total liabilities

***Cost-income ratio = total operating expenses excl. Equity settled employee share-based salaries / (total operating income - net valuation adjustments)

****Excluding equity settled employee share-based payments

[Back to contents](#)



Key financial ratios

ISK million	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016
Profit after taxes	3,875	3,247	4,329	6,784	3,867	3,780	3,511	8,102	2,925	4,188	5,077	7,576	243
Return on equity before taxes*	9.7%	9.7%	11.2%	14.5%	11.2%	11.1%	10.5%	18.3%	9.3%	11.1%	12.6%	16.2%	1.7%
Return on equity after taxes	6.3%	5.4%	7.1%	11.2%	6.5%	6.5%	6.1%	13.7%	4.8%	6.9%	8.6%	12.5%	0.4%
Return on assets	1.1%	0.9%	1.2%	2.0%	1.2%	1.2%	1.1%	2.7%	1.0%	1.4%	1.7%	2.7%	0.1%
Total capital ratio	25.8%	23.6%	23.7%	23.8%	24.9%	24.8%	24.1%	24.7%	26.7%	26.8%	27.6%	27.4%	30.2%
Net interest income	9,580	9,631	10,214	10,245	10,968	10,370	9,835	9,641	9,201	8,894	10,158	8,018	8,443
Interest spread as a ratio of assets and liabilities***	2.3%	2.3%	2.3%	2.5%	2.8%	2.7%	2.7%	2.7%	2.5%	2.5%	2.9%	2.2%	2.2%
Cost-income ratio****	46.2%	43.9%	42.3%	38.7%	47.3%	45.9%	53.6%	37.9%	50.7%	48.7%	43.6%	42.5%	50.7%
Net stable funding ratio NSFR FX	143%	158%	164%	165%	166%	168%	165%	168%	179%	185%	169%	159%	154%
Liquidity ratio LCR total	161%	186%	174%	243%	158%	154%	164%	171%	157%	158%	183%	158%	128%
Liquidity LCR FX	769%	577%	555%	434%	534%	392%	743%	751%	931%	873%	470%	153%	743%
Operating expenses as a ratio of average total assets	1.8%	1.5%	1.7%	1.8%	1.9%	1.7%	2.0%	2.0%	2.1%	1.9%	2.1%	2.1%	2.1%
Total assets	1,426,328	1,415,262	1,402,835	1,379,298	1,326,041	1,317,205	1,249,853	1,206,148	1,192,870	1,198,958	1,170,628	1,182,467	1,111,157
Loans / deposits ratio	161.1%	161.5%	162.0%	157.6%	153.6%	149.9%	151.1%	150.6%	153.0%	141.8%	138.6%	146.7%	144.7%
Full-time eqv.positions	893	903	903	922	919	948	955	998	997	998	988	1,000	1,012

Further information about older dates is available in excel Factbook

*Return on equity before taxes = profit (loss) for the period before taxes / average total equity

**After tax return on average assets = profit (loss) for the period / average total assets

***Interest spread as a ratio of assets and liabilities = interest income as a percentage of average total assets - interest expense as a percentage of average total liabilities

****Cost-income ratio = total operating expenses excl. Equity settled employee share-based salaries / (total operating income - net valuation adjustments)

[Back to contents](#)



Segments - 12 months 2019							
ISK million	Personal	Corporate			Support	Recon-	
	Banking	Banking	Markets	Treasury	functions	ciliation	Total
Net interest income (expense)	16,674	18,821	709	3,597	-68	-63	39,670
Net valuation adjustments and impairment	-1,424	-3,409	1	4	1	0	-4,827
Net fee and commission income	4,114	699	3,761	-276	159	-238	8,219
Other net operating income	808	26	-134	7,591	220	-56	8,455
Total operating income (expences)	20,172	16,137	4,337	10,916	312	-357	51,517
Operating expenses	-6,550	-2,121	-2,368	-1,666	-11,542	255	-23,992
Profit (loss) before cost allocation and tax	13,622	14,016	1,969	9,250	-11,230	-102	27,525
Cost allocated from support functions to business segments	-4,651	-2,829	-1,506	-885	9,871	0	0
Profit before tax	8,971	11,187	463	8,365	-1,359	-102	27,525
Total assets	510,568	599,414	13,601	548,039	17,659	-262,953	1,426,328
Total liabilities	466,799	481,045	7,325	468,719	17,659	-262,953	1,178,594
Allocated capital	43,769	118,369	6,276	79,320	0	0	247,734

[Back to contents](#)



Key figures and ratios

Key figures and ratios	Definition
Return on equity before taxes	Profit before taxes / average total equity
Return on equity after taxes	Profit after taxes / average total equity
Return on assets	Profit (loss) for the year / average total assets
Total capital ratio	Total capital base / risk-exposure amount
Interest spread	(Interest income / average total assets) - (interest expenses / average total liabilities)
Cost-income ratio	Total operating expenses / (total operating income - net valuation adjustments)
Liquidity coverage ratio (LCR) total	High quality liquid assets / total net liquidity outflows over 30 days under stressed conditions
Net stable funding ratio FX (NSFR)	Available amount of stable funding / required amount of stable funding
Liquidity coverage ratio (LCR) FX	Stock of high - quality liquid assets / Max (25% outflows; outflows - inflows)
Operating expenses as a ratio of average total assets	Total operating expenses as a ratio of average total assets
Loans/ deposits	Loans and advances to customers/ deposits from customers
Deposits / total assets	Deposits from customers/ total assets
Total capital base	CET1 + AT1 + T2
Common equity Tier 1 capital (CET1)	Total equity - deductions (intangible assets, deferred tax assets)
Additional Common equity Tier 1 capital (AT1)	Capital instruments under Tier 1 other than (CET1)
Tier 1 capital (T1)	Common equity Tier 1 capital + additional Common equity Tier 1 capital
Tier 2 capital (T2)	Subordinated liabilities - regulatory amortisation
Number of full-time equivalent positions at year-end	Number of full-time equivalent positions at year-end
Earnings per share	Profit for the year attributable to owners of the Bank / Weighted average number of shares outstanding
Dividend per share	Dividends paid/ number of shares outstanding

[Back to contents](#)

