



Landsbankinn Factbook

30 September 2016

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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.

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Financial Calendar

14 April 2016 - AGM

12 May 2016 - 1Q Report 2016

11 August 2016 - 1H Report 2016

27 October 2016 - Q3 Report 2016

9 February 2017 - Full Year Results 2016

22 March 2017 - AGM

This calendar may be subject to change.

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



Fact Sheet

9M 2016

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 1800.

CEO of Landsbankinn hf. is Steinthor Pálsson.

Balance sheet

	30.9.2016	31.12.2015	30.9.2016	31.12.2015
	ISKm		EURm	
Total assets	1.133.802	1.118.658	8.288	7.917
Loans to customers	837.494	811.549	6.122	5.743
Loans to financial institutions	16.835	20.791	123	147
Bonds	168.029	203.684	1.228	1.442
Equities	30.896	29.192	226	207
Deposits from customers	583.715	559.051	4.267	3.956
Deposits from financial institutions	41.307	56.731	302	401
Borrowings	221.207	209.983	1.617	1.486
Equity	251.146	264.531	1.836	1.872
Equity ratio (CAD)	29,1%	30,4%		
Loans / customers deposits	143,5%	145,2%		

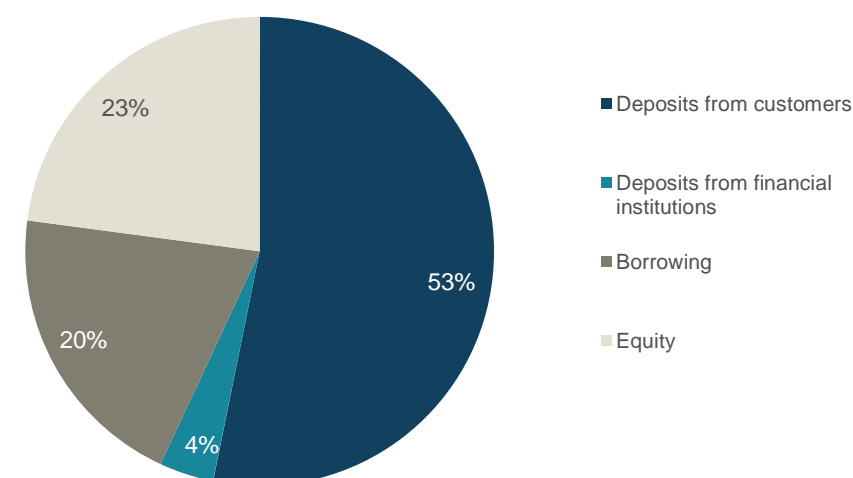
Customers and branches

	30.9.2016
Retail customers	119.700
Corporate customers	12.800
Number of branches	37
Number of employees	1.043

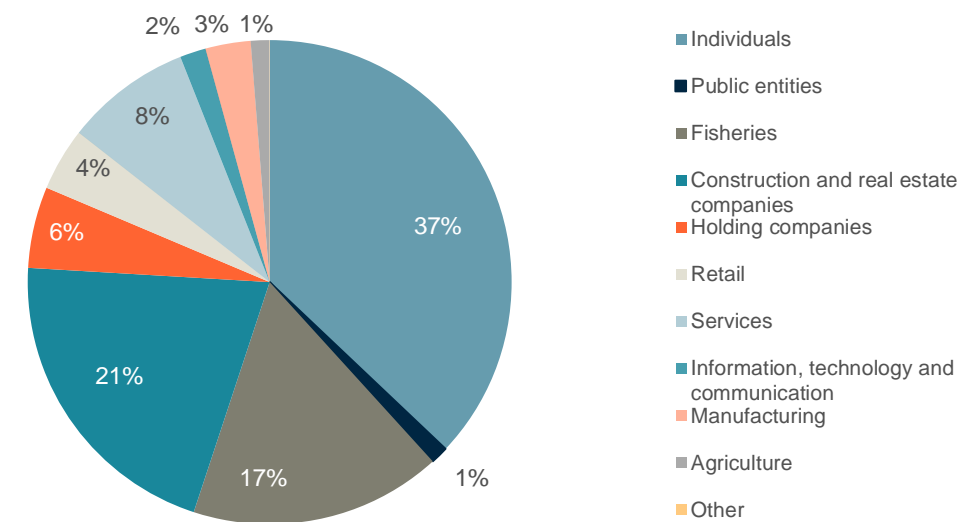
Income statement

	9M 2016	9M 2015	9M 2016	9M 2015
	ISKm		EURm	
Operating income	41.246	50.924	294	344
Profit after taxes	16.400	24.413	117	165
ROE after taxes	8,5%	13,5%		
Interest spread	2,3%	2,3%		
Cost-income ratio	47,7%	45,7%		

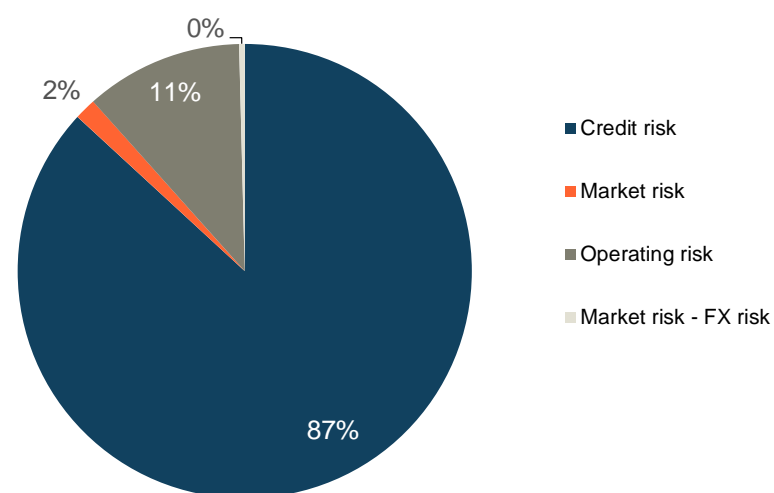
Funding profile



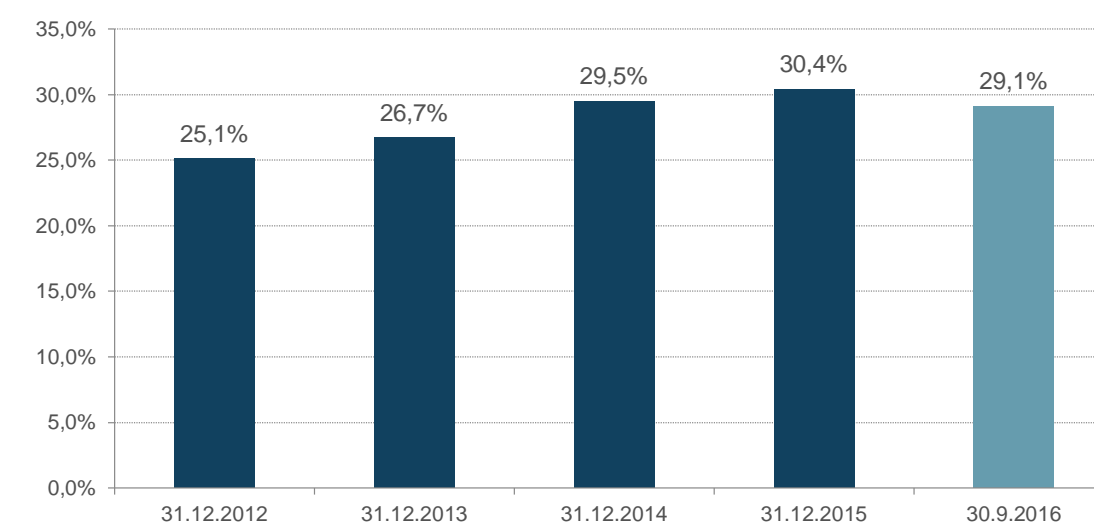
Loans and advances by industry sectors



Risk profile



Equity ratio



Income statement

ISK million	2015	2014	2013	2012	2011	2010	2009	7.10 - 31.12. 2008
Net interest income	32.324	28.073	34.314	35.584	32.649	24.685	28.105	4.291
Net valuation adjustments	18.216	20.128	13.053	-4.391	-23.587	641	-6.577	-1.256
Net interest income after valuation adjustments	50.540	48.201	47.367	31.193	9.062	25.326	21.528	3.035
Net fee commission income	6.841	5.836	5.291	4.448	4.423	3.582	4.213	987
Net foreign exchange gain (loss)	-1.277	67	1.147	4.566	-759	14.623	-2.814	32.583
Other net operating income (expenses)	16.259	9.045	11.776	8.934	18.018	7.318	7.798	-39.447
Total operating income	72.363	63.149	65.581	49.141	30.744	50.849	30.725	-2.842
Salaries and related expenses	13.754	13.567	17.304	13.176	11.990	9.331	8.468	1.506
Other operating expenses	8.061	8.545	8.050	9.168	8.712	7.174	6.428	4.806
Depreciation and amortisation	663	942	818	719	771	1.311	1.278	294
Contribution to Depositors' and Investors' Guarantee Fund	1.254	1.034	1.079	1.042	583	680	680	665
Total operating expenses	23.732	24.088	27.251	24.105	22.056	18.496	16.854	7.271
Share in profit of equity-accounted associates	248	465	2.712	2.449	1.417	291	383	193
Profit (loss) before tax	48.879	39.526	41.042	27.485	10.105	32.644	14.254	-9.920
Income tax and tax on liabilities of financial institutions	12.419	9.789	12.283	4.125	-597	8.182	615	-2.941
Profit (loss) for the year from continuing operations	36.460	29.737	28.759	23.360	10.702	24.462	13.639	-6.979
Profit for the year from discontinued operations				2.134	6.255	2.769	693	43
Profit (loss) for the year	36.460	29.737	28.759	25.494	16.957	27.231	14.332	-6.936



Income statement

ISK million	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Net interest income	8.596	10.145	7.466	7.292	8.834	8.929	7.269	5.776	7.057	7.385	7.855
Net valuation adjustments	2.144	1.964	311	5.882	10.489	249	1.596	6.101	2.581	7.276	4.170
Net interest income after valuation adjustments	10.740	12.109	7.777	13.174	19.323	9.178	8.865	11.877	9.638	14.661	12.025
Net fee commission income	2.015	1.914	1.980	1.702	1.745	1.753	1.641	1.640	1.275	1.403	1.518
Net foreign exchange gain (loss)	25	-154	162	-58	-748	-147	-324	107	154	-171	-23
Other net operating income (expenses)	259	2.821	1.598	6.621	1.837	3.300	4.501	4.807	734	4.381	-877
Total operating income	13.039	16.690	11.517	21.439	22.157	14.084	14.683	18.431	11.801	20.274	12.643
Salaries and related expenses	3.096	3.559	3.754	3.407	3.466	3.179	3.702	3.805	3.019	3.288	3.455
Other operating expenses	1.760	1.940	2.043	2.223	1.757	2.011	2.070	2.635	1.740	1.965	2.205
Depreciation and amortisation	165	148	146	167	167	165	164	419	171	175	177
Contribution to Depositors' and Investors' Guarantee Fund	305	356	310	284	203	421	346	259	253	255	267
Total operating expenses	5.326	6.003	6.253	6.081	5.593	5.776	6.282	7.118	5.183	5.683	6.104
Share in profit of equity-accounted associates	71	371	4	-9	145	103	9	125	0	329	11
Profit (loss) before tax	7.784	11.058	5.268	15.349	16.709	8.411	8.410	11.438	6.618	14.920	6.550
Income tax and tax on liabilities of financial institutions	2.682	3.075	1.953	3.302	4.701	2.418	1.998	1.686	1.511	4.330	2.262
Profit (loss) for the period from continuing operations	5.102	7.983	3.315	12.047	12.008	5.993	6.412	9.752	5.107	10.590	4.288
Profit for the period from discontinued operations	0	0	0	0	0	0	0	0	0	0	0
Profit for the period	5.102	7.983	3.315	12.047	12.008	5.993	6.412	9.752	5.107	10.590	4.288

Further information about older dates is available in excel Factbook



Balance sheet

ISK million	31.12.2015	31.12.2014	31.12.2013	31.12.2012	31.12.2011	31.12.2010	31.12.2009	31.12.2008
Cash and balances with CB	25.164	10.160	21.520	25.898	8.823	47.777	26.174	30.071
Bonds and debt instruments	203.684	243.589	290.595	228.208	221.848	161.559	165.721	189.121
Equities and equity instruments	29.192	29.433	36.275	36.881	46.037	29.429	23.411	39.681
Loans and advances to fin institutions	20.791	49.789	67.916	64.349	100.133	91.882	83.129	8.845
Loans and advances to customers	811.549	718.355	680.468	666.087	639.130	592.954	667.122	705.182
Other assets	16.323	28.832	29.719	38.044	65.959	28.743	31.666	56.907
Assets classified as held for sale	11.955	18.212	25.023	25.320	53.552	128.789	63.878	7.584
Total	1.118.658	1.098.370	1.151.516	1.084.787	1.135.482	1.081.133	1.061.101	1.037.391

Due to financial institutions and CB	56.731	53.827	167.218	98.718	112.876	147.478	98.228	132.219
Deposits from customers	559.051	551.435	456.662	421.058	443.590	371.558	452.655	431.006
Borrowings	209.344	207.028	239.642	309.265	337.902	287.823	316.734	305.056
Subordinated liabilities	639	0	0	0	0	0	0	0
Other liabilities	26.844	32.443	42.750	29.687	31.485	27.800	14.203	21.385
Liabilities associated with assets classified as held for sale	1.518	2.834	3.885	893	9.385	61.609	21.689	4.440
Equity	264.531	250.803	241.359	225.166	200.244	184.866	157.592	143.285
Total	1.118.658	1.098.370	1.151.516	1.084.787	1.135.482	1.081.133	1.061.101	1.037.391



Balance sheet - quarter summary

ISK million	30.9.2016	30.6.2016	31.3.2016	31.12.2015	30.9.2015	30.6.2015	31.3.2015	31.12.2014	30.9.2014	30.6.2014	31.3.2014	31.12.2013
Cash and balances with CB	52.822	43.997	23.228	25.164	27.120	38.719	14.347	10.160	38.820	7.964	34.024	21.520
Bonds and debt instruments	168.029	157.898	195.175	203.684	235.788	248.604	250.005	243.589	293.796	297.141	284.418	290.595
Equities and equity instruments	30.896	29.042	29.381	29.192	26.467	25.498	33.354	29.433	40.991	42.221	36.414	36.275
Loans and advances to financial institutions	16.835	21.885	15.221	20.791	46.511	68.707	86.951	49.789	68.192	67.163	63.896	67.916
Loans and advances to customers	837.494	827.241	814.669	811.549	807.033	761.290	735.479	718.355	719.627	699.648	681.883	680.468
Other assets	19.653	21.523	21.255	16.323	20.070	17.104	34.638	28.832	20.222	18.342	28.615	29.719
Assets classified as held for sale	8.073	8.258	7.771	11.955	12.815	12.747	17.606	18.212	19.599	22.119	24.554	25.023
Total	1.133.802	1.109.844	1.106.700	1.118.658	1.175.804	1.172.669	1.172.380	1.098.370	1.201.247	1.154.598	1.153.804	1.151.516

Due to financial institutions and CB	41.307	34.643	42.606	56.731	49.550	62.428	57.019	53.827	179.085	166.172	174.031	167.218
Deposits from customers	583.715	556.841	545.208	559.051	624.924	621.023	624.063	551.435	497.583	473.356	468.661	456.662
Borrowings	220.800	220.837	217.658	209.344	207.699	212.792	210.902	207.028	233.785	231.378	234.844	239.642
Subordinated liabilities	407	412	632	639	775	414	427	0	0	0	0	0
Other liabilities	34.913	48.310	31.445	26.844	38.854	34.710	43.140	32.443	46.593	43.972	46.681	42.750
Liabilities associated with assets classified as held for sale	1.514	1.510	1.305	1.518	1.518	1.450	2.969	2.834	3.214	3.826	4.195	3.885
Equity	251.146	247.291	267.846	264.531	252.484	239.852	233.860	250.803	240.987	235.894	225.392	241.359
Total	1.133.802	1.109.844	1.106.700	1.118.658	1.175.804	1.172.669	1.172.380	1.098.370	1.201.247	1.154.598	1.153.804	1.151.516

Further information about older dates is available in excel Factbook



Key financial ratios

ISK million	2015	2014	2013	2012	2011	2010	2009
Profit after taxes	36.460	29.737	28.759	25.494	16.957	27.213	14.332
Return on equity before taxes	19,9%	16,7%	17,6%	14,0%	8,1%	20,8%	9,9%
Return on equity after taxes	14,8%	12,5%	12,4%	12,0%	8,4%	16,0%	9,5%
After tax return on average assets*	3,2%	2,6%	2,6%	2,3%	1,5%	2,5%	
Total capital ratio (CAR)	30,4%	29,5%	26,7%	25,1%	21,4%	19,5%	15,0%
Net interest income	32.324	28.073	34.314	35.584	32.649	24.685	14.574
Interest spread as a ratio of assets and liabilities**	2,2%	1,9%	2,4%	2,6%	2,4%	1,6%	
Cost-income ratio***	43,8%	56,0%	42,9%	45,0%	40,6%	36,8%	70,9%
Net stable funding ratio NSFR FX	136%	134%					
Liquidity ratio LCR total	113%	131%	102%				
Liquidity LCR FX	360%	614%	208%				
Operating expenses as a ratio of average total assets****	2,1%	2,1%	2,0%	2,2%	2,0%	1,7%	1,6%
Total assets	1.118.658	1.098.370	1.151.516	1.084.787	1.135.482	1.081.133	1.061.101
Loans / deposits ratio	145,2%	130,3%	149,0%	158,2%	144,1%	159,6%	147,4%
Full-time eqv.positions	1.063	1.126	1.183	1.233	1.311	1.146	1.161
Earnings per share	1,54	1,26	1,22	1,06	0,71	1,13	0,60
Dividend per share	1,00	0,84	0,42	0,00	0,00	0,00	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



Key financial ratios

ISK million	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Profit after taxes	5.102	7.983	3.315	12.047	12.008	5.993	6.412	9.752	5.107	10.590	4.288
Return on equity before taxes*	12,5%	17,2%	7,9%	23,8%	27,2%	14,2%	13,9%	18,6%	11,1%	25,9%	11,2%
Return on equity after taxes	8,2%	12,4%	5,0%	18,6%	19,5%	10,1%	10,6%	15,9%	8,6%	18,4%	7,3%
After tax return on average assets**	1,8%	2,9%	1,2%	4,2%	4,1%	2,0%	2,3%	3,4%	1,7%	3,7%	1,5%
Total capital ratio (CAR)	29,1%	28,9%	31,2%	30,4%	29,2%	28,0%	26,7%	29,5%	27,1%	26,8%	24,8%
Net interest income	8.596	10.145	7.466	7.292	8.834	8.929	7.269	5.776	7.057	7.385	7.855
Interest spread as a ratio of assets and liabilities***	2,4%	2,8%	1,9%	1,9%	2,4%	2,4%	2,0%	1,5%	1,8%	2,0%	2,1%
Cost-income ratio****	48,9%	40,8%	55,8%	39,1%	47,9%	41,7%	48,0%	57,7%	56,2%	43,7%	72,0%
Net stable funding ratio NSFR FX	149%	145%	133%	136%	120%	139%	142%	134%			
Liquidity ratio LCR total	140%	123%	134%	113%	109%	119%	118%	131%	108%	110%	104%
Liquidity LCR FX	594%	684%	496%	360%	190%	377%	379%	614%	222%	208%	224%
Operating expenses as a ratio of average total assets*****	1,9%	2,2%	2,2%	2,1%	1,9%	2,0%	2,2%	2,5%	1,8%	2,0%	2,1%
Total assets	1.133.802	1.109.844	1.106.700	1.118.658	1.175.804	1.172.669	1.172.380	1.098.370	1.201.247	1.154.598	1.153.804
Loans / deposits ratio	143,5%	148,6%	149,4%	145,2%	129,1%	122,6%	117,9%	130,3%	144,6%	147,8%	145,5%
Full-time eqv.positions	1.043	1.040	1.063	1.063	1.092	1.088	1.102	1.126	1.166	1.162	1.178

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)

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



Segments - 9 months 2016							
ISK million	Personal	Corporate			Support	Recon-	Total
	Banking	Banking	Markets	Treasury	functions	ciliation	
Net interest income (expense)	10.257	11.189	267	4.831	7	-344	26.207
Net valuation adjustments	2.855	1.582	0	-18	0	0	4.419
Net fee and commission income	2.629	633	3.100	-242	74	-285	5.909
Other net operating income	908	83	-243	2.130	1.494	339	4.711
Total operating income (expences)	16.649	13.487	3.124	6.701	1.575	-290	41.246
Operating expenses	-4.780	-1.143	-1.613	-1.198	-9.151	303	-17.582
Share in profit of equity-accounted associates	498	0	0	-52	0	0	446
Profit (loss) before cost allocation and tax	12.367	12.344	1.511	5.451	-7.576	13	24.110
Cost allocated from support functions to business segments	-3.732	-2.722	-1.000	-933	8.387	0	0
Profit before tax	8.635	9.622	511	4.518	811	13	24.110
<hr/>							
Total assets	384.278	475.088	38.469	458.931	16.088	-239.052	1.133.802
Total liabilities	339.191	375.152	33.032	358.245	16.088	-239.052	882.656
Allocated capital	45.087	99.936	5.437	100.686	0	0	251.146

