



# Landsbankinn Factbook

LANDSBANKINN HF. | Reg. No. 471008-0280 | LANDSBANKINN.IS

2021

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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 Calender

#### Full Year Results 2021

3 February 2022

#### Annual General Meeting

23 March 2022

#### Q1 2022 Results

5 May 2022

#### Q2 2022 Results

21 July 2022

#### Q3 2022 Results

27 October 2022

#### Full Year Results 2022

2 February 2023

This calendar may be subject to change.





31.12.2021

## 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 855.

CEO of Landsbankinn hf. is Lilja Björk Einarsdóttir.

## Balance sheet

	31.12.21	31.12.20	31.12.21	31.12.20
	ISKm		EURm	
<b>Total assets</b>	1,729,798	1,564,177	11,719	10,020
<b>Loans and advances to customers</b>	1,387,463	1,273,426	9,400	8,158
<b>Loans and advances to financial institutions</b>	47,231	48,073	320	308
<b>Bonds and debt instruments</b>	150,435	119,330	1,019	764
<b>Equities and equity instruments</b>	33,347	26,808	226	172
<b>Deposits from customers</b>	900,098	793,427	6,098	5,083
<b>Due to financial institutions and Central Bank</b>	10,425	48,725	71	312
<b>Borrowings</b>	486,042	420,178	3,293	2,692
<b>Subordinated liabilities</b>	20,785	21,366	141	137
<b>Equity</b>	282,645	258,255	1,915	1,654
<b>Total capital ratio</b>	26.6%	25.1%		
<b>Loans / deposits</b>	154.1%	160.5%		

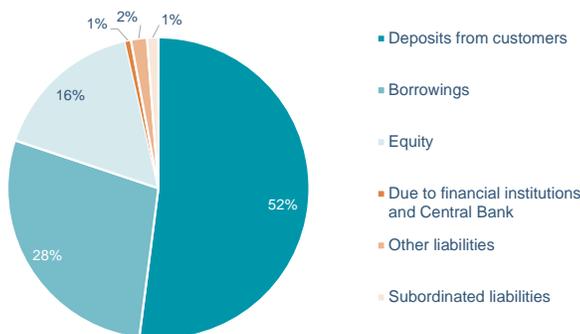
## Customers and branches

	31.12.21
<b>Retail customers</b>	115,515
<b>Corporate customers</b>	16,276
<b>Number of branches</b>	36
<b>Number of employees</b>	816

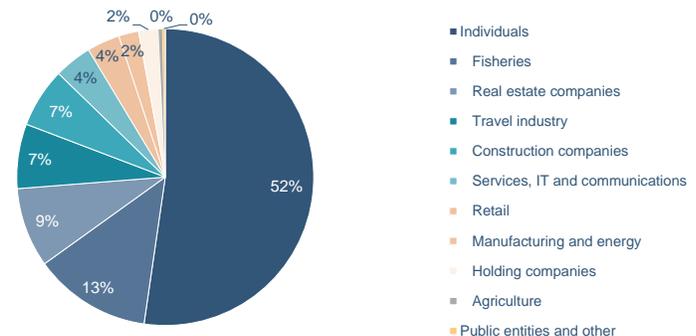
## Income statement

	31.12.21	31.12.2020	31.12.21	31.12.2020
	ISKm		EURm	
<b>Total net operating income</b>	62,330	38,253	415	249
<b>Profit (loss) for the period</b>	28,919	10,521	193	68
<b>Return on equity after taxes</b>	10.8%	4.3%		
<b>Interest spread as a ratio of average of total assets</b>	2.3%	2.5%		
<b>Cost-income ratio</b>	43.2%	47.4%		

## Funding profile



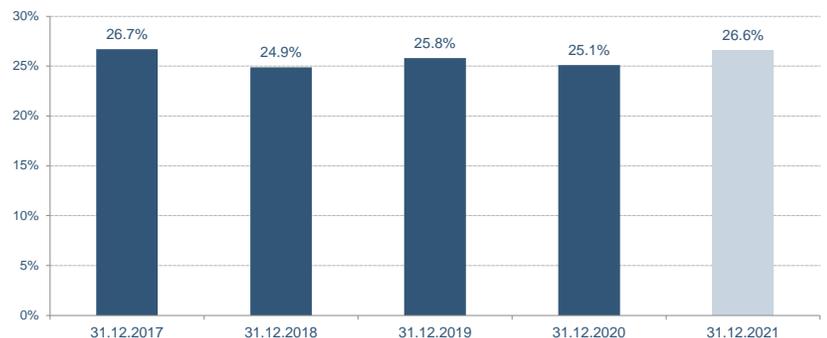
## Loans and advances by industry sectors



## Capital requirements



## Equity ratio



## Income statement

ISK million	2021	2020	2019	2018	2017
Net interest income	38,953	38,074	39,670	40,814	36,271
Net fee and commission income	9,483	7,638	8,219	8,157	8,431
Net foreign exchange (loss) gain	-86	-278	-584	-1,497	-1,375
Net impairment changes	7,037	-12,020	-4,827	1,352	1,785
Other net operating income	6,943	4,839	9,039	5,084	8,400
<b>Total net operating income</b>	<b>62,330</b>	<b>38,253</b>	<b>51,517</b>	<b>53,910</b>	<b>53,512</b>
Salaries and related expenses	14,759	14,767	14,458	14,589	14,061
Other operating expenses	9,105	9,064	9,534	9,348	9,789
Tax on liabilities of financial institutions	2,013	1,815	4,204	3,860	3,253
<b>Total operating expenses</b>	<b>25,877</b>	<b>25,646</b>	<b>28,196</b>	<b>27,797</b>	<b>27,103</b>
<b>Profit before tax</b>	<b>36,453</b>	<b>12,607</b>	<b>23,321</b>	<b>26,113</b>	<b>26,409</b>
Income tax	7,534	2,086	5,086	6,853	6,643
<b>Profit for the year from continuing operations</b>	<b>28,919</b>	<b>10,521</b>	<b>18,235</b>	<b>19,260</b>	<b>19,766</b>
Profit for the year from discontinued operations	0	0	0	0	0
<b>Profit for the year</b>	<b>28,919</b>	<b>10,521</b>	<b>18,235</b>	<b>19,260</b>	<b>19,766</b>

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## Income statement

ISK million	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
Net interest income	10,395	9,600	10,332	8,626	9,694	9,441	9,512	9,427	9,580
Net fee and commission income	2,593	2,522	2,314	2,054	1,981	2,059	1,653	1,945	2,125
Net foreign exchange (loss) gain	-69	55	-45	-27	-52	-52	-259	85	-300
Net impairment changes	3,247	1,008	293	2,489	1,535	-120	-8,191	-5,244	-1,399
Other net operating income (expenses)	551	2,161	1,614	2,617	4,919	-427	3,160	-2,813	2,257
<b>Total net operating income</b>	<b>16,717</b>	<b>15,346</b>	<b>14,508</b>	<b>15,759</b>	<b>18,077</b>	<b>10,901</b>	<b>5,875</b>	<b>3,400</b>	<b>12,263</b>
Salaries and related expenses	4,028	3,238	3,724	3,769	3,986	3,135	3,802	3,844	3,805
Other operating expenses	2,386	2,202	2,202	2,315	2,433	1,995	2,206	2,430	2,505
Tax on liabilities of financial institutions	508	525	513	467	400	540	425	450	1,064
<b>Total operating expenses</b>	<b>6,922</b>	<b>5,965</b>	<b>6,439</b>	<b>6,551</b>	<b>6,819</b>	<b>5,670</b>	<b>6,433</b>	<b>6,724</b>	<b>7,374</b>
<b>Profit (loss) before tax</b>	<b>9,795</b>	<b>9,381</b>	<b>8,069</b>	<b>9,208</b>	<b>11,258</b>	<b>5,231</b>	<b>-558</b>	<b>-3,324</b>	<b>4,889</b>
Income tax	2,473	1,889	1,582	1,590	1,436	1,245	-899	304	1,014
<b>Profit (loss) for the period from continuing operations</b>	<b>7,322</b>	<b>7,492</b>	<b>6,487</b>	<b>7,618</b>	<b>9,822</b>	<b>3,986</b>	<b>341</b>	<b>-3,628</b>	<b>3,875</b>
Profit for the period from discontinued operations	0	0	0	0	0	0	0	0	0
<b>Profit (loss) for the period</b>	<b>7,322</b>	<b>7,492</b>	<b>6,487</b>	<b>7,618</b>	<b>9,822</b>	<b>3,986</b>	<b>341</b>	<b>-3,628</b>	<b>3,875</b>

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## Balance sheet

ISK million	31.12.2021	31.12.2020	31.12.2019	31.12.2018	31.12.2017
Cash and balances with Central Bank	82,425	67,604	69,824	70,854	55,192
Bonds and debt instruments	150,435	119,330	115,262	77,058	117,310
Equities and equity instruments	33,347	26,808	30,019	23,547	27,980
Loans and advances to financial institutions	47,231	48,073	47,929	71,385	44,866
Loans and advances to customers	1,387,463	1,273,426	1,140,184	1,064,532	925,636
Other assets	27,992	27,298	22,088	17,335	18,238
Assets classified as held for sale	905	1,638	1,022	1,330	3,648
<b>Total assets</b>	<b>1,729,798</b>	<b>1,564,177</b>	<b>1,426,328</b>	<b>1,326,041</b>	<b>1,192,870</b>
Due to financial institutions and Central Bank	10,425	48,725	48,062	34,609	32,062
Deposits from customers	900,098	793,427	707,813	693,043	605,158
Borrowings	486,042	420,178	373,168	314,412	281,874
Other liabilities	29,803	22,226	30,470	31,027	27,642
Subordinated liabilities	20,785	21,366	19,081	13,340	77
Equity	282,645	258,255	247,734	239,610	246,057
<b>Total liabilities and equity</b>	<b>1,729,798</b>	<b>1,564,177</b>	<b>1,426,328</b>	<b>1,326,041</b>	<b>1,192,870</b>

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## Balance sheet - quarter summary

ISK million	31.12.2021	30.9.2021	30.6.2021	31.3.2021	31.12.2020	30.9.2020	30.6.2020	31.3.2020	31.12.2019
Cash and balances with Central Bank	82,425	92,043	89,342	59,937	67,604	111,260	89,598	92,440	69,824
Bonds and debt instruments	150,435	129,579	128,208	134,183	119,330	104,895	104,758	116,568	115,262
Equities and equity instruments	33,347	30,527	35,111	31,811	26,808	25,445	26,794	25,923	30,019
Loans and advances to financial institutions	47,231	59,363	64,245	55,234	48,073	80,324	56,394	69,740	47,929
Loans and advances to customers	1,387,463	1,375,536	1,328,031	1,287,448	1,273,426	1,255,393	1,198,210	1,190,536	1,140,184
Other assets	27,992	30,020	31,147	30,913	27,298	31,268	23,913	26,851	22,088
Assets classified as held for sale	905	1,290	1,213	1,426	1,638	1,680	1,443	1,130	1,022
<b>Total assets</b>	<b>1,729,798</b>	<b>1,718,358</b>	<b>1,677,297</b>	<b>1,600,952</b>	<b>1,564,177</b>	<b>1,610,265</b>	<b>1,501,110</b>	<b>1,523,188</b>	<b>1,426,328</b>
Due to financial institutions and Central Bank	10,425	48,991	40,312	40,932	48,725	47,654	37,226	41,495	48,062
Deposits from customers	900,098	869,463	842,624	794,252	793,427	813,784	758,790	755,160	707,813
Borrowings	486,042	474,415	456,688	452,709	420,178	438,309	408,097	412,591	373,168
Other liabilities	29,803	29,047	48,913	30,825	22,226	40,126	31,023	48,457	30,470
Subordinated liabilities	20,785	21,099	20,889	20,850	21,366	21,959	21,527	21,379	19,081
Equity	282,645	275,343	267,871	261,384	258,255	248,433	244,447	244,106	247,734
<b>Total liabilities and equity</b>	<b>1,729,798</b>	<b>1,718,358</b>	<b>1,677,297</b>	<b>1,600,952</b>	<b>1,564,177</b>	<b>1,610,265</b>	<b>1,501,110</b>	<b>1,523,188</b>	<b>1,426,328</b>

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## Key financial ratios

ISK million	2021	2020	2019	2018	2017
Profit after taxes	28,919	10,521	18,235	19,260	19,766
Return on equity before taxes	13.6%	5.1%	9.6%	11.1%	11.0%
Return on equity after taxes	10.8%	4.3%	7.5%	8.2%	8.2%
Return on assets	1.7%	0.7%	1.3%	1.5%	1.7%
Cost-income ratio	43.2%	47.4%	42.6%	45.5%	46.1%
Operating expenses as a ratio of average total assets	1.4%	1.6%	1.7%	1.9%	2.0%
Net interest income	38,953	38,074	39,670	40,814	36,271
Interest spread as a ratio of average total assets	2.3%	2.5%	2.8%	3.2%	3.1%
Earnings per share	1.22	0.45	0.77	0.81	0.84
Total capital ratio	26.6%	25.1%	25.8%	24.9%	26.7%
Total assets	1,729,798	1,564,177	1,426,328	1,326,041	1,192,870
Loans / deposits	154.1%	160.5%	161.1%	153.6%	153.0%
Liquidity coverage ratio total (LCR)	179%	154%	161%	158%	157%
Liquidity coverage ratio FX (LCR)	556%	424%	769%	534%	931%
Net stable funding ratio FX (NSFR)	142%	132%	143%	166%	179%
Full-time eqv.positions	816	878	893	919	997
Dividend per share	0.19	0.00	0.42	1.05	1.05

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## Key financial ratios

ISK million	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
Profit after taxes (loss)	7,322	7,492	6,487	7,618	9,822	3,986	341	-3,628	3,875
Return on equity before taxes	14.0%	13.8%	12.2%	14.2%	17.8%	8.5%	-0.9%	-5.4%	8.0%
Return on equity after taxes	10.5%	11.0%	9.8%	11.7%	15.5%	6.5%	0.6%	-5.9%	6.3%
Return on assets	1.7%	1.8%	1.6%	1.9%	2.5%	1.0%	0.1%	-1.0%	1.1%
Cost-income ratio	47.6%	37.9%	41.7%	45.8%	38.8%	46.6%	42.7%	72.6%	46.2%
Operating expenses as a ratio of average total assets	1.5%	1.3%	1.4%	1.5%	1.6%	1.3%	1.6%	1.7%	1.8%
Net interest income	10,395	9,600	10,332	8,626	9,694	9,441	9,512	9,427	9,580
Interest spread as a ratio of average total assets	2.4%	2.3%	2.5%	2.2%	2.4%	2.4%	2.5%	2.6%	2.7%
Total capital ratio	26.6%	24.9%	25.1%	24.9%	25.1%	24.7%	24.9%	24.8%	25.8%
Total assets	1,729,798	1,718,358	1,677,297	1,600,952	1,564,177	1,610,265	1,501,110	1,523,188	1,426,328
Loans / deposits	154.1%	158.2%	157.6%	162.1%	160.5%	154.3%	157.9%	157.7%	161.1%
Liquidity coverage ratio total (LCR)	179%	172%	180%	202%	154%	186%	191%	196%	161%
Liquidity coverage ratio FX (LCR)	556%	443%	420%	477%	424%	379%	476%	489%	769%
Net stable funding ratio FX (NSFR)	121%	118%	140%	140%	132%	116%	121%	127%	143%
Full-time eqv.positions	816	837	844	869	878	884	872	886	893

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## Segments - 12 months 2021

ISK million	Personal Banking	Corporate Banking	Asset Management & Capital Market	Treasury & Market Making	Other segments	Reconciliation	Total
Net interest income	16,986	18,754	468	2,843	-62	-36	38,953
Net fee and commission income	3,072	1,612	5,388	-241	-2	-346	9,483
Net impairment changes	1,424	5,596	0	13	4	0	7,037
Net other operating income (expenses)	238	100	559	5,305	670	-15	6,857
<b>Total operating income (expenses)</b>	<b>21,720</b>	<b>26,062</b>	<b>6,415</b>	<b>7,920</b>	<b>610</b>	<b>-397</b>	<b>62,330</b>
Operating expenses	-6,783	-2,981	-2,102	-1,528	-10,835	365	-23,864
Tax on liabilities of financial institutions	-845	-370	-8	-776	-14	0	-2,013
Allocated expenses	-4,245	-2,786	-1,079	-920	9,030	0	0
<b>Profit (loss) before tax</b>	<b>9,847</b>	<b>19,925</b>	<b>3,226</b>	<b>4,696</b>	<b>-1,209</b>	<b>-32</b>	<b>36,453</b>
Income tax	-2,609	-5,061	264	-382	254	0	-7,534
<b>Profit (loss) for the period</b>	<b>7,238</b>	<b>14,864</b>	<b>3,490</b>	<b>4,314</b>	<b>-955</b>	<b>-32</b>	<b>28,919</b>
Total assets	772,724	613,071	12,004	672,837	20,214	-361,052	1,729,798
Total liabilities	728,841	491,925	7,259	559,966	20,214	-361,052	1,447,153
Allocated capital	43,883	121,146	4,745	112,871	-		282,645

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## Key figures and ratios

Key figures and ratios	Definition
Return on equity before taxes	Profit (loss) before taxes / average total equity
Return on equity after taxes	Profit (loss) after taxes / average total equity
Cost-income ratio	(Total operating expenses - tax on liabilities of financial institutions) / (total net operating income - net valuation adjustments)
Operating expenses as a ratio of average total assets	(Total operating expenses - tax on liabilities of financial institutions) / average total assets
Return on assets	Profit for the period / average total assets
Interest spread	(Interest income - interest expenses) / average total assets
Earnings per share	Profit (loss) for the year attributable to owners of the Bank / Weighted average number of shares outstanding
Total capital ratio	Total capital base / risk-exposure amount
CET1 ratio	Common equity tier 1 capital (CET1) / Risk exposure amount
Common equity Tier 1 capital (CET1)	Total equity - adjustments according to CRR II
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
Total capital base	CET1 + AT1 + T2
Loans/ deposits	Loans and advances to customers / deposits from customers
Deposits / total assets	Deposits from customers / total assets
Liquidity coverage ratio (LCR) total	High quality liquid assets / total net liquidity outflows over 30 days under stressed conditions
Liquidity coverage ratio (LCR) FX	Stock of high - quality liquid assets / Max (25% outflows; outflows - inflows)
Number of full-time equivalent positions at the end of the period	Number of full-time equivalent positions at the end of the period
Dividend per share	Dividends paid/ number of shares outstanding

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