



Landsbankinn Factbook

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

30 June 2022

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



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[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.

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

[Back to contents](#)

Financial Calender

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.



Fact Sheet



30.6.2022

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 851.

CEO of Landsbankinn hf. is Lilja Björk Einarsdóttir.

Balance sheet

| | 30.6.2022 | 31.12.2021 | 30.6.2022 | 31.12.2021 |
|--|-----------|------------|-----------|------------|
| | ISKm | | EURm | |
| Total assets | 1,728,143 | 1,729,798 | 12,460 | 11,719 |
| Loans and advances to customers | 1,445,399 | 1,387,463 | 10,421 | 9,400 |
| Loans and advances to financial institutions | 36,119 | 47,231 | 260 | 320 |
| Bonds and debt instruments | 102,018 | 150,435 | 736 | 1,019 |
| Equities and equity instruments | 27,368 | 33,347 | 197 | 226 |
| Deposits from customers | 935,123 | 900,098 | 6,742 | 6,098 |
| Due to financial institutions and Central Bank | 4,813 | 10,425 | 35 | 71 |
| Borrowings | 451,524 | 486,042 | 3,255 | 3,293 |
| Subordinated liabilities | 20,550 | 20,785 | 148 | 141 |
| Equity | 267,650 | 282,645 | 1,930 | 1,915 |
| Total capital ratio | 24.9% | 26.6% | | |
| Loans / deposits | 154.6% | 154.1% | | |

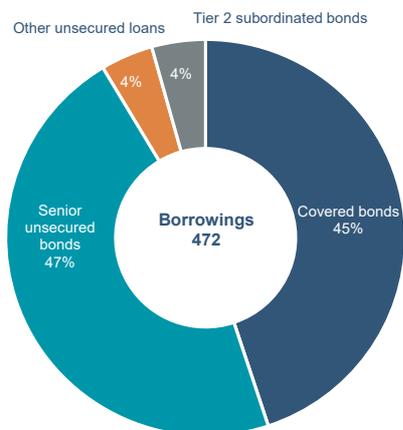
Customers and branches

| | 30.6.2022 |
|---------------------|-----------|
| Retail customers | 116,695 |
| Corporate customers | 16,367 |
| Number of branches | 36 |
| Number of employees | 786 |

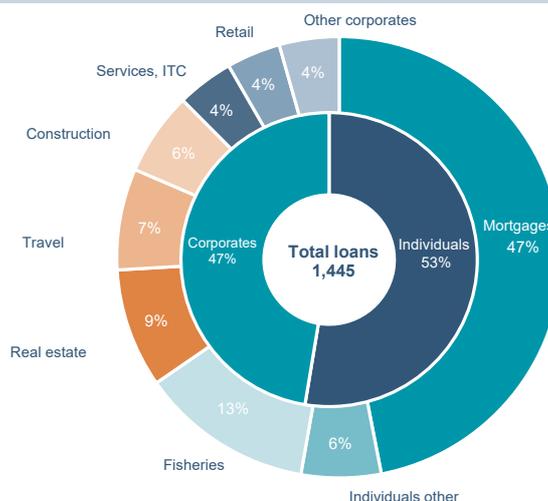
Income statement

| | 30.6.2022 | 30.6.2021 | 30.6.2022 | 30.6.2021 |
|---|-----------|-----------|-----------|-----------|
| | ISKm | | EURm | |
| Total net operating income | 22,832 | 30,267 | 162 | 200 |
| Profit (loss) for the period | 5,557 | 14,105 | 39 | 93 |
| Return on equity after taxes | 4.1% | 10.8% | | |
| Interest spread as a ratio of average of total assets | 2.5% | 2.4% | | |
| Cost-income ratio | 52.0% | 43.7% | | |

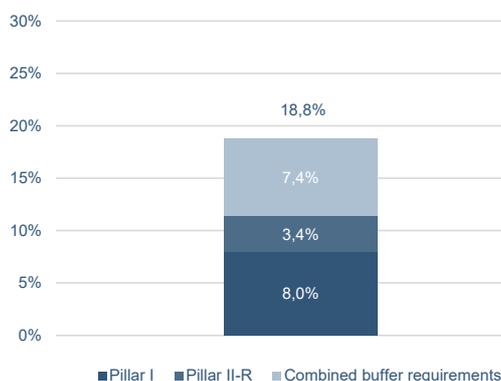
Funding profile



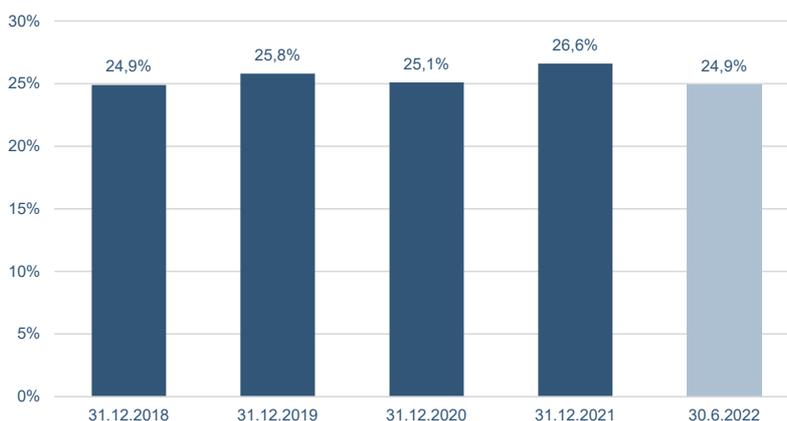
Loans and advances by industry sectors



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 |
| Total net operating income | 62,330 | 38,253 | 51,517 | 53,910 | 53,512 |
| 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 |
| Total operating expenses | 25,877 | 25,646 | 28,196 | 27,797 | 27,103 |
| Profit before tax | 36,453 | 12,607 | 23,321 | 26,113 | 26,409 |
| Income tax | 7,534 | 2,086 | 5,086 | 6,853 | 6,643 |
| Profit for the year from continuing operations | 28,919 | 10,521 | 18,235 | 19,260 | 19,766 |
| Profit for the year from discontinued operations | 0 | 0 | 0 | 0 | 0 |
| Profit for the year | 28,919 | 10,521 | 18,235 | 19,260 | 19,766 |

[Back to contents](#)



Income statement

| ISK million | Q2 2022 | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 | Q4 2020 | Q3 2020 | Q2 2020 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Net interest income | 11,152 | 10,266 | 10,395 | 9,600 | 10,332 | 8,626 | 9,694 | 9,441 | 9,512 |
| Net fee and commission income | 2,783 | 2,639 | 2,593 | 2,522 | 2,314 | 2,054 | 1,981 | 2,059 | 1,653 |
| Net foreign exchange (loss) gain | 21 | 8 | -69 | 55 | -45 | -27 | -52 | -52 | -259 |
| Net impairment changes | -735 | 778 | 3,247 | 1,008 | 293 | 2,489 | 1,535 | -120 | -8,191 |
| Other net operating income (expenses) | -2,379 | -1,701 | 551 | 2,161 | 1,614 | 2,617 | 4,919 | -427 | 3,160 |
| Total net operating income | 10,842 | 11,990 | 16,717 | 15,346 | 14,508 | 15,759 | 18,077 | 10,901 | 5,875 |
| Salaries and related expenses | 3,584 | 3,755 | 4,028 | 3,238 | 3,724 | 3,769 | 3,986 | 3,135 | 3,802 |
| Other operating expenses | 2,118 | 2,399 | 2,386 | 2,202 | 2,202 | 2,315 | 2,433 | 1,995 | 2,206 |
| Tax on liabilities of financial institutions | 505 | 510 | 508 | 525 | 513 | 467 | 400 | 540 | 425 |
| Total operating expenses | 6,207 | 6,664 | 6,922 | 5,965 | 6,439 | 6,551 | 6,819 | 5,670 | 6,433 |
| Profit (loss) before tax | 4,635 | 5,326 | 9,795 | 9,381 | 8,069 | 9,208 | 11,258 | 5,231 | -558 |
| Income tax | 2,294 | 2,110 | 2,473 | 1,889 | 1,582 | 1,590 | 1,436 | 1,245 | -899 |
| Profit (loss) for the period from continuing operations | 2,341 | 3,216 | 7,322 | 7,492 | 6,487 | 7,618 | 9,822 | 3,986 | 341 |
| Profit for the period from discontinued operations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Profit (loss) for the period | 2,341 | 3,216 | 7,322 | 7,492 | 6,487 | 7,618 | 9,822 | 3,986 | 341 |

[Back to contents](#)



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 |
| Total assets | 1,729,798 | 1,564,177 | 1,426,328 | 1,326,041 | 1,192,870 |
| 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 |
| Total liabilities and equity | 1,729,798 | 1,564,177 | 1,426,328 | 1,326,041 | 1,192,870 |

[Back to contents](#)



Balance sheet - quarter summary

| ISK million | 30.6.2022 | 31.3.2022 | 31.12.2021 | 30.9.2021 | 30.6.2021 | 31.3.2021 | 31.12.2020 | 30.9.2020 | 30.6.2020 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Cash and balances with Central Bank | 84,895 | 68,406 | 82,425 | 92,043 | 89,342 | 59,937 | 67,604 | 111,260 | 89,598 |
| Bonds and debt instruments | 102,018 | 129,661 | 150,435 | 129,579 | 128,208 | 134,183 | 119,330 | 104,895 | 104,758 |
| Equities and equity instruments | 27,368 | 28,990 | 33,347 | 30,527 | 35,111 | 31,811 | 26,808 | 25,445 | 26,794 |
| Loans and advances to financial institutions | 36,119 | 58,179 | 47,231 | 59,363 | 64,245 | 55,234 | 48,073 | 80,324 | 56,394 |
| Loans and advances to customers | 1,445,399 | 1,416,504 | 1,387,463 | 1,375,536 | 1,328,031 | 1,287,448 | 1,273,426 | 1,255,393 | 1,198,210 |
| Other assets | 31,785 | 31,130 | 27,992 | 30,020 | 31,147 | 30,913 | 27,298 | 31,268 | 23,913 |
| Assets classified as held for sale | 559 | 774 | 905 | 1,290 | 1,213 | 1,426 | 1,638 | 1,680 | 1,443 |
| Total assets | 1,728,143 | 1,733,644 | 1,729,798 | 1,718,358 | 1,677,297 | 1,600,952 | 1,564,177 | 1,610,265 | 1,501,110 |
| Due to financial institutions and Central Bank | 4,813 | 6,557 | 10,425 | 48,991 | 40,312 | 40,932 | 48,725 | 47,654 | 37,226 |
| Deposits from customers | 935,123 | 922,556 | 900,098 | 869,463 | 842,624 | 794,252 | 793,427 | 813,784 | 758,790 |
| Borrowings | 451,524 | 472,827 | 486,042 | 474,415 | 456,688 | 452,709 | 420,178 | 438,309 | 408,097 |
| Other liabilities | 48,483 | 45,870 | 29,803 | 29,047 | 48,913 | 30,825 | 22,226 | 40,126 | 31,023 |
| Subordinated liabilities | 20,550 | 20,524 | 20,785 | 21,099 | 20,889 | 20,850 | 21,366 | 21,959 | 21,527 |
| Equity | 267,650 | 265,310 | 282,645 | 275,343 | 267,871 | 261,384 | 258,255 | 248,433 | 244,447 |
| Total liabilities and equity | 1,728,143 | 1,733,644 | 1,729,798 | 1,718,358 | 1,677,297 | 1,600,952 | 1,564,177 | 1,610,265 | 1,501,110 |

[Back to contents](#)



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 |

[Back to contents](#)



Key financial ratios

| ISK million | Q2 2022 | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 | Q4 2020 | Q3 2020 | Q2 2020 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Profit after taxes (loss) | 2,341 | 3,216 | 7,322 | 7,492 | 6,487 | 7,618 | 9,822 | 3,986 | 341 |
| Return on equity before taxes | 7.0% | 7.8% | 14.0% | 13.8% | 12.2% | 14.2% | 17.8% | 8.5% | -0.9% |
| Return on equity after taxes | 3.5% | 4.7% | 10.5% | 11.0% | 9.8% | 11.7% | 15.5% | 6.5% | 0.6% |
| Return on assets | 0.5% | 0.7% | 1.7% | 1.8% | 1.6% | 1.9% | 2.5% | 1.0% | 0.1% |
| Cost-income ratio | 49.3% | 54.9% | 47.6% | 37.9% | 41.7% | 45.8% | 38.8% | 46.6% | 42.7% |
| Operating expenses as a ratio of average total assets | 1.3% | 1.4% | 1.5% | 1.3% | 1.4% | 1.5% | 1.6% | 1.3% | 1.6% |
| Net interest income | 11,152 | 10,266 | 10,395 | 9,600 | 10,332 | 8,626 | 9,694 | 9,441 | 9,512 |
| Interest spread as a ratio of average total assets | 2.6% | 2.4% | 2.4% | 2.3% | 2.5% | 2.2% | 2.4% | 2.4% | 2.5% |
| Total capital ratio | 24.9% | 24.3% | 26.6% | 24.9% | 25.1% | 24.9% | 25.1% | 24.7% | 24.9% |
| Total assets | 1,728,143 | 1,733,644 | 1,729,798 | 1,718,358 | 1,677,297 | 1,600,952 | 1,564,177 | 1,610,265 | 1,501,110 |
| Loans / deposits | 154.6% | 153.5% | 154.1% | 158.2% | 157.6% | 162.1% | 160.5% | 154.3% | 157.9% |
| Liquidity coverage ratio total (LCR) | 144% | 142% | 179% | 172% | 180% | 202% | 154% | 186% | 191% |
| Liquidity coverage ratio FX (LCR) | 184% | 292% | 556% | 443% | 420% | 477% | 424% | 379% | 476% |
| Net stable funding ratio FX (NSFR) | 136% | 143% | 142% | 122% | 140% | 140% | 132% | 116% | 121% |
| Full-time eqv.positions | 786 | 791 | 816 | 837 | 844 | 869 | 878 | 884 | 872 |

[Back to contents](#)



Segments - 6 months 2022

| ISK million | Personal Banking | Corporate Banking | Asset Management & Capital Market | Treasury & Market Making | Other segments | Reconciliation | Total |
|--|------------------|-------------------|-----------------------------------|--------------------------|----------------|----------------|---------------|
| Net interest income | 8,332 | 9,340 | 358 | 3,306 | -27 | 109 | 21,418 |
| Net fee and commission income | 1,486 | 1,073 | 3,055 | -130 | 16 | -78 | 5,422 |
| Net impairment changes | -153 | 197 | -1 | - | - | - | 43 |
| Net other operating income (expenses) | -63 | -21 | -329 | -4,272 | 646 | -12 | -4,051 |
| Total operating income (expenses) | 9,602 | 10,589 | 3,083 | -1,096 | 635 | 19 | 22,832 |
| Operating expenses | -3,153 | -1,546 | -996 | -507 | -5,744 | 90 | -11,856 |
| Tax on liabilities of financial institutions | -403 | -205 | -4 | -398 | -5 | - | -1,015 |
| Allocated expenses | -2,096 | -1,412 | -538 | -482 | 4,528 | - | 0 |
| Profit (loss) before tax | 3,950 | 7,426 | 1,545 | -2,483 | -586 | 109 | 9,961 |
| Income tax | -1,140 | -1,951 | -746 | -711 | 144 | - | -4,404 |
| Profit (loss) for the period | 2,810 | 5,475 | 799 | -3,194 | -442 | 109 | 5,557 |

As at 30 June 2022

| | | | | | | | |
|-------------------|---------|---------|--------|---------|--------|----------|-----------|
| Total assets | 808,794 | 626,580 | 11,036 | 688,467 | 22,054 | -428,788 | 1,728,143 |
| Total liabilities | 767,514 | 522,012 | 6,150 | 571,551 | 22,054 | -428,788 | 1,460,493 |
| Allocated capital | 41,280 | 104,568 | 4,886 | 116,916 | - | - | 267,650 |

[Back to contents](#)



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 total (LCR) | 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 |

[Back to contents](#)

