



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

# Landsbankinn Factbook

For the nine months ended 30 September 2023

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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.

### For further information, please contact:

Hanna Kristín Thoroddsen

Tel: +354 410 7328

Margrét Guðrún Valdimarsdóttir

Tel: +354 410 6716

[ir@landsbankinn.is](mailto:ir@landsbankinn.is)

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

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### Financial Calender

#### Q3 2023 Results

26 October 2023

#### Full Year Results 2023

1 February 2024

This calendar may be subject to change.



# Fact Sheet



30.9.2023

## 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

	30.9.2023	31.12.2022	30.9.2023	31.12.2022
	ISKm		EURm	
Total assets	1,982,403	1,787,024	13,597	11,796
Loans and advances to customers	1,599,871	1,544,360	10,973	10,194
Loans and advances to financial institutions	83,244	28,621	571	189
Bonds and debt instruments	131,605	125,265	903	827
Equities and equity instruments	15,785	19,106	108	126
Deposits from customers	1,065,210	967,863	7,306	6,389
Due to financial institutions and Central Bank	30,263	6,634	208	44
Borrowings	529,809	476,864	3,634	3,148
Subordinated liabilities	19,955	21,753	137	144
Equity	292,971	279,091	2,009	1,842
Total capital ratio	23.7%	24.7%		
Loans / deposits	150.2%	159.6%		

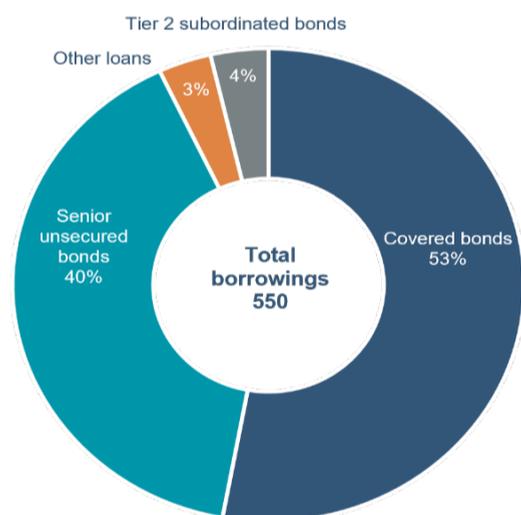
## Customers and branches

	30.9.2023
Retail customers	124,738
Corporate customers	17,005
Number of branches	34
Number of employees	818

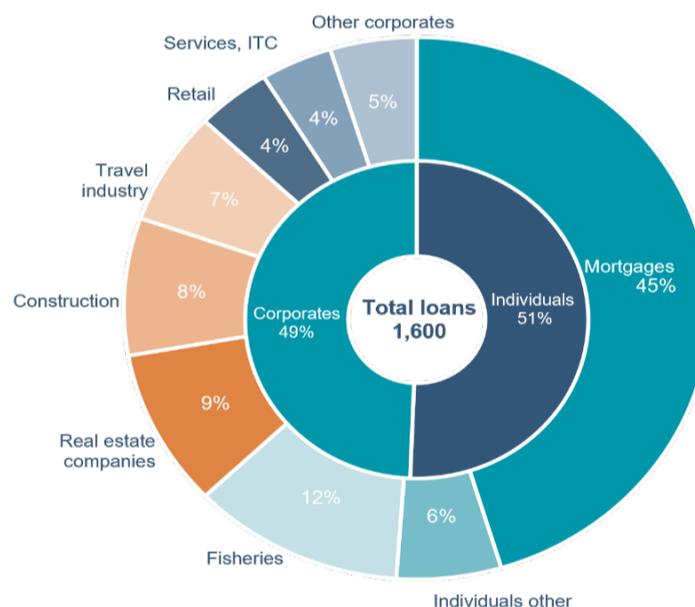
## Income statement

	30.9.2023	30.9.2022	30.9.2023	30.9.2022
	ISKm		EURm	
Total net operating income	52,013	37,687	232	267
Profit for the period	22,383	11,320	97	80
Return on equity after taxes	10.5%	5.6%		
Interest spread as a ratio of average of total assets	3.0%	2.6%		
Cost-income ratio	34.6%	48.9%		

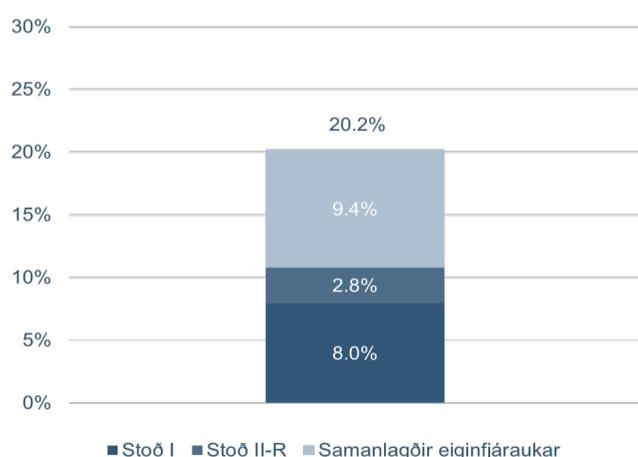
## Funding profile



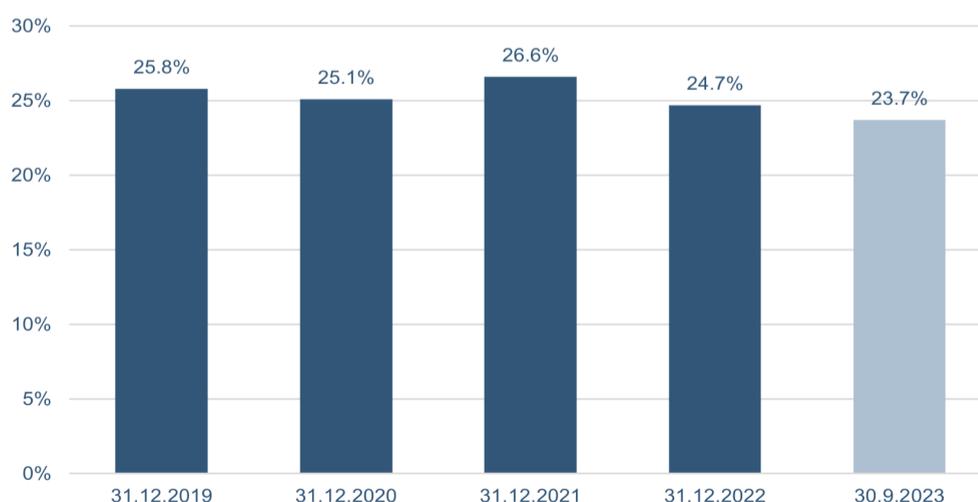
## Loans and advances by industry sectors



## Capital requirements



## Equity ratio



## Income statement

ISK million	2022	2021	2020	2019	2018
Net interest income	46,464	38,953	38,074	39,670	40,814
Net fee and commission income	10,623	9,483	7,638	8,219	8,157
Net foreign exchange gain (loss)	100	-86	-278	-584	-1,497
Net impairment changes	2,473	7,037	-12,020	-4,827	1,352
Other net operating income (expenses)	-6,407	6,943	4,839	9,039	5,084
<b>Total net operating income</b>	<b>53,253</b>	<b>62,330</b>	<b>38,253</b>	<b>51,517</b>	<b>53,910</b>
Salaries and related expenses	14,474	14,759	14,767	14,458	14,589
Other operating expenses	9,289	9,105	9,064	9,534	9,348
Tax on liabilities of financial institutions	2,097	2,013	1,815	4,204	3,860
<b>Total operating expenses</b>	<b>25,860</b>	<b>25,877</b>	<b>25,646</b>	<b>28,196</b>	<b>27,797</b>
<b>Profit before tax</b>	<b>27,393</b>	<b>36,453</b>	<b>12,607</b>	<b>23,321</b>	<b>26,113</b>
Income tax	10,396	7,534	2,086	5,086	6,853
<b>Profit for the year</b>	<b>16,997</b>	<b>28,919</b>	<b>10,521</b>	<b>18,235</b>	<b>19,260</b>

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## Income statement

ISK million	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Net interest income	15,241	14,469	13,066	12,869	12,177	11,152	10,266	10,395	9,600
Net fee and commission income	2,336	2,703	3,048	2,745	2,456	2,783	2,639	2,593	2,522
Net foreign exchange gain (loss)	372	40	64	-214	285	21	8	-69	55
Net impairment changes	-248	520	-2,111	-192	2,622	-735	778	3,247	1,008
Other net operating income (expenses)	-165	-575	3,253	358	-2,685	-2,379	-1,701	551	2,161
<b>Total net operating income</b>	<b>17,536</b>	<b>17,157</b>	<b>17,320</b>	<b>15,566</b>	<b>14,855</b>	<b>10,842</b>	<b>11,990</b>	<b>16,717</b>	<b>15,346</b>
Salaries and related expenses	3,221	4,194	4,119	3,986	3,149	3,584	3,755	4,028	3,238
Other operating expenses	2,388	2,370	2,355	2,637	2,135	2,118	2,399	2,386	2,202
Tax on liabilities of financial institutions	643	550	570	535	547	505	510	508	525
<b>Total operating expenses</b>	<b>6,252</b>	<b>7,114</b>	<b>7,044</b>	<b>7,158</b>	<b>5,831</b>	<b>6,207</b>	<b>6,664</b>	<b>6,922</b>	<b>5,965</b>
<b>Profit before tax</b>	<b>11,284</b>	<b>10,043</b>	<b>10,276</b>	<b>8,408</b>	<b>9,024</b>	<b>4,635</b>	<b>5,326</b>	<b>9,795</b>	<b>9,381</b>
Income tax	3,374	3,326	2,520	2,731	3,261	2,294	2,110	2,473	1,889
<b>Profit for the period</b>	<b>7,910</b>	<b>6,717</b>	<b>7,756</b>	<b>5,677</b>	<b>5,763</b>	<b>2,341</b>	<b>3,216</b>	<b>7,322</b>	<b>7,492</b>

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## Balance sheet

ISK million	31.12.2022	31.12.2021	31.12.2020	31.12.2019	31.12.2018
Cash and balances with Central Bank	42,216	82,425	67,604	69,824	70,854
Bonds and debt instruments	125,265	150,435	119,330	115,262	77,058
Equities and equity instruments	19,106	33,347	26,808	30,019	23,547
Loans and advances to financial institutions	28,621	47,231	48,073	47,929	71,385
Loans and advances to customers	1,544,360	1,387,463	1,273,426	1,140,184	1,064,532
Other assets	26,948	27,992	27,298	22,088	17,335
Assets classified as held for sale	508	905	1,638	1,022	1,330
<b>Total assets</b>	<b>1,787,024</b>	<b>1,729,798</b>	<b>1,564,177</b>	<b>1,426,328</b>	<b>1,326,041</b>
Due to financial institutions and Central Bank	6,634	10,425	48,725	48,062	34,609
Deposits from customers	967,863	900,098	793,427	707,813	693,043
Borrowings	476,864	486,042	420,178	373,168	314,412
Other liabilities	34,819	29,803	22,226	30,470	31,027
Subordinated liabilities	21,753	20,785	21,366	19,081	13,340
Equity	279,091	282,645	258,255	247,734	239,610
<b>Total liabilities and equity</b>	<b>1,787,024</b>	<b>1,729,798</b>	<b>1,564,177</b>	<b>1,426,328</b>	<b>1,326,041</b>

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## Balance sheet - quarter summary

ISK million	30.9.2023	30.6.2023	31.3.2023	31.12.2022	30.9.2022	30.6.2022	31.3.2022	31.12.2021	30.9.2021
Cash and balances with Central Bank	114,774	106,299	96,986	42,216	93,799	84,895	68,406	82,425	92,043
Bonds and debt instruments	131,605	116,515	117,798	125,265	91,951	102,018	129,661	150,435	129,579
Equities and equity instruments	15,785	15,504	17,561	19,106	20,559	27,368	28,990	33,347	30,527
Loans and advances to financial institutions	83,244	31,628	78,355	28,621	42,706	36,119	58,179	47,231	59,363
Loans and advances to customers	1,599,871	1,595,392	1,576,589	1,544,360	1,496,347	1,445,399	1,416,504	1,387,463	1,375,536
Other assets	36,793	30,542	29,199	26,948	25,235	31,785	31,130	27,992	30,020
Assets classified as held for sale	331	489	505	508	531	559	774	905	1,290
<b>Total assets</b>	<b>1,982,403</b>	<b>1,896,369</b>	<b>1,916,993</b>	<b>1,787,024</b>	<b>1,771,128</b>	<b>1,728,143</b>	<b>1,733,644</b>	<b>1,729,798</b>	<b>1,718,358</b>
Due to financial institutions and Central Bank	30,263	22,132	23,907	6,634	5,059	4,813	6,557	10,425	48,991
Deposits from customers	1,065,210	1,012,482	1,001,580	967,863	967,965	935,123	922,556	900,098	869,463
Borrowings	529,809	493,201	532,691	476,864	459,365	451,524	472,827	486,042	474,415
Other liabilities	44,195	48,796	46,532	34,819	44,596	48,483	45,870	29,803	29,047
Subordinated liabilities	19,955	34,698	33,940	21,753	20,729	20,550	20,524	20,785	21,099
Equity	292,971	285,060	278,343	279,091	273,414	267,650	265,310	282,645	275,343
<b>Total liabilities and equity</b>	<b>1,982,403</b>	<b>1,896,369</b>	<b>1,916,993</b>	<b>1,787,024</b>	<b>1,771,128</b>	<b>1,728,143</b>	<b>1,733,644</b>	<b>1,729,798</b>	<b>1,718,358</b>

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## Key financial ratios

ISK million	2022	2021	2020	2019	2018
Profit after taxes	16,997	28,919	10,521	18,235	19,260
Return on equity before taxes	10.1%	13.6%	5.1%	9.6%	11.1%
Return on equity after taxes	6.3%	10.8%	4.3%	7.5%	8.2%
Return on assets	1.0%	1.7%	0.7%	1.3%	1.5%
Cost-income ratio	46.8%	43.2%	47.4%	42.6%	45.5%
Operating expenses as a ratio of average total assets	1.4%	1.4%	1.6%	1.7%	1.9%
Net interest income	46,464	38,953	38,074	39,670	40,814
Interest spread as a ratio of average total assets	2.7%	2.3%	2.5%	2.8%	3.2%
Earnings per share	0.72	1.22	0.45	0.77	0.81
Total capital ratio	24.7%	26.6%	25.1%	25.8%	24.9%
Minimum Requirement for Own Funds and Eligible Liabilities (MREL)	40.4%	-	-	-	-
Total assets	1,787,024	1,729,798	1,564,177	1,426,328	1,326,041
Loans / deposits	159.6%	154.1%	160.5%	161.1%	153.6%
Liquidity coverage ratio total (LCR)	134%	179%	154%	161%	158%
Liquidity coverage ratio FX (LCR)	351%	556%	424%	769%	534%
Net stable funding ratio FX (NSFR)	132%	142%	132%	143%	166%
Full-time eqv.positions	813	816	878	893	919
Dividend per share	0.61	0.19	0.00	0.42	1.05

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## Key financial ratios

ISK million	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Profit after taxes	7,910	6,717	7,756	5,677	5,763	2,341	3,216	7,322	7,492
Return on equity before taxes	15.6%	14.3%	14.7%	12.2%	13.3%	7.0%	7.8%	14.0%	13.8%
Return on equity after taxes	10.9%	9.5%	11.1%	8.2%	8.5%	3.5%	4.7%	10.5%	11.0%
Return on assets	1.6%	1.4%	1.7%	1.3%	1.3%	0.5%	0.7%	1.7%	1.8%
Cost-income ratio	31.5%	39.5%	33.3%	42.0%	43.2%	49.3%	54.9%	47.6%	37.9%
Operating expenses as a ratio of average total assets	1.2%	1.4%	1.4%	1.5%	1.2%	1.3%	1.4%	1.5%	1.3%
Net interest income	15,241	14,469	13,066	12,869	12,177	11,152	10,266	10,395	9,600
Interest spread as a ratio of average total assets	3.1%	3.0%	2.8%	2.9%	2.8%	2.6%	2.4%	2.4%	2.3%
Total capital ratio	23.7%	25.3%	25.3%	24.7%	24.2%	24.9%	24.3%	26.6%	24.9%
Minimum Requirement for Own Funds and Eligible Liabilities (MREL)	37.8%	35.5%	39.4%	40.4%	-	-	-	-	-
Total assets	1,982,403	1,896,369	1,916,993	1,787,024	1,771,128	1,728,143	1,733,644	1,729,798	1,718,358
Loans / deposits	150.2%	157.6%	157.4%	159.6%	154.6%	154.6%	153.5%	154.1%	158.2%
Liquidity coverage ratio total (LCR)	238%	165%	235%	134%	147%	144%	142%	179%	172%
Liquidity LCR EUR (LCR FX until 31.12.2022)	1227%	623%	724%	351%	204%	184%	292%	556%	443%
Net stable funding ratio FX (NSFR)	150%	136%	145%	132%	142%	136%	143%	142%	122%
Number of full-time positions at end of the period	818	801	825	813	824	786	791	816	837

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## Segments - 9 months 2023

ISK million	Personal Banking	Corporate Banking	Asset Management & Capital Market	Treasury & Market Making	Other divisions	Reconciliation	Total
Net interest income	14,199	16,370	400	11,470	251	86	42,776
Net fee and commission income	2,485	2,152	3,662	-222	122	-112	8,087
Net impairment changes	-616	-1,226	-	3	-	-	-1,839
Other net operating income (expenses)	80	-16	-51	2,842	148	-14	2,989
<b>Total operating income (expenses)</b>	<b>16,148</b>	<b>17,280</b>	<b>4,011</b>	<b>14,093</b>	<b>521</b>	<b>-40</b>	<b>52,013</b>
Operating expenses	-5,323	-2,525	-1,692	-716	-8,515	124	-18,647
Tax on liabilities of financial institutions	-687	-377	-5	-687	-7	-	-1,763
<b>Profit (loss) before cost allocation and tax</b>	<b>10,138</b>	<b>14,378</b>	<b>2,314</b>	<b>12,690</b>	<b>-8,001</b>	<b>84</b>	<b>31,603</b>
Allocated expenses	-3,385	-2,269	-890	-779	7,323	-	0
<b>Profit (loss) before tax</b>	<b>6,753</b>	<b>12,109</b>	<b>1,424</b>	<b>11,911</b>	<b>-678</b>	<b>84</b>	<b>31,603</b>
Income tax	-1,914	-3,221	-469	-3,747	131	-	-9,220
<b>Profit (loss) for the period</b>	<b>4,839</b>	<b>8,888</b>	<b>955</b>	<b>8,164</b>	<b>-547</b>	<b>84</b>	<b>22,383</b>
Net revenue (expenses) from external customers	27,312	38,038	4,326	-17,827	204	-	52,053
Net revenue (expenses) from other segments	-11,164	-20,758	-315	31,920	317	-	0
<b>Total operating income (expense)</b>	<b>16,148</b>	<b>17,280</b>	<b>4,011</b>	<b>14,093</b>	<b>521</b>	<b>0</b>	<b>52,053</b>

As at 30 September 2023

Total assets	862,196	735,740	8,422	765,098	22,448	-411,501	1,982,403
Total liabilities	808,849	610,390	4,671	658,402	18,621	-411,501	1,689,432
Allocated capital	53,347	125,350	3,751	106,696	3,827		292,971

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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
Minimum Requirement for Own Funds and Eligible Liabilities (MREL)	Total capital base + eligible liabilities / Total risk-weighted exposure amount
Loans / deposits	Loans and advances to customers / deposits from customers
Deposits / total assets	Deposits from customers / total assets
Liquidity coverage ratio (LCR)	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
Number of full-time positions at end of the period	Number of full-time equivalent positions at end of the period
Dividend per share	Dividends paid / number of shares outstanding

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