



Íslandsbanki Factbook

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Contents

Overview	Page
<u>Key performance indicators</u>	3
<u>Income statement</u>	4
<u>Balance sheet</u>	5
<u>Net interest income</u>	6
<u>Net fee & commissions income</u>	7
<u>Loans to customers</u>	8
<u>Capital and risk exposure amount</u>	9
<u>Personal Banking</u>	10
<u>Business Banking</u>	11
<u>Corporate & Investment Banking</u>	12
<u>Treasury & Proprietary Trading</u>	13
<u>Cost centers</u>	14
<u>Subsidiaries, eliminations and adjustments</u>	15
9 Quarters review	
<u>Key performance indicators</u>	16
<u>Income statement</u>	17
<u>Balance sheet</u>	18
<u>Net interest income</u>	19
<u>Net fee & commissions</u>	20
<u>Loans to customers</u>	21
<u>Capital and risk exposure amount</u>	22
<u>Macroeconomics</u>	23
Other	
<u>Allocation reporting</u>	24
<u>Impact reporting</u>	25
<u>Disclaimer</u>	26

All investor material is available on [the Bank's Investor Relations website](#).

Information on the Bank's credit ratings is available on the Bank's website, [here](#).

Further information is available through Íslandsbanki Investor Relations, ir@islandsbanki.is.

Key performance indicators - 5 years

	1Q25	2024	2023	2022	2021
Profitability					
Return on equity ¹	9.4%	10.9%	11.3%	11.9%	12.3%
Return on assets ¹	1.3%	1.5%	1.5%	1.7%	1.7%
Earnings per share	2.77	12.53	12.34	12.27	11.87
Core income / total operating income ²	103.0%	95.9%	97.8%	99.9%	93.5%
Net interest margin					
Net interest margin on total assets ¹	3.2%	2.9%	3.1%	2.9%	2.4%
Efficiency					
Cost-to-income ratio ^{3,4}	47.6%	43.9%	40.6%	40.8%	46.2%
Cost-to-total assets ratio ^{1,4}	1.81%	1.72%	1.62%	1.54%	1.64%
Cost of risk ^{1,5}	0.00%	(0.05%)	0.08%	(0.14%)	(0.28%)
Number of FTEs at period end - Consolidated	770	772	764	739	735
Number of FTEs at period end - Parent	731	733	725	700	702
Number of branches at period end	12	12	12	12	12
Assets					
Loans to customers (ISKm)	1,298,849	1,295,388	1,223,426	1,186,639	1,086,327
LTV on mortgages to individuals ⁶	54.0%	54.0%	57.0%	60.0%	66.0%
REA ratio	63.7%	64.7%	61.7%	63.8%	63.1%
Non-performing loans (NPL) ratio ⁷	1.8%	1.6%	1.8%	1.8%	2.0%
Asset encumbrance ratio	18.1%	19.0%	21.7%	26.5%	19.6%
Financial strength					
Equity as % of total assets	13.1%	14.1%	14.2%	14.0%	14.3%
Liquidity					
Net stable funding ratio (NSFR) - All currencies	128%	125%	124%	118%	122%
Net stable funding ratio (NSFR) - Foreign currencies	-	-	-	198%	157%
Liquidity coverage ratio (LCR) - All currencies	202%	168%	195%	205%	156%
Liquidity coverage ratio (LCR) - ISK	110%	126%	115%	109%	141%
Liquidity coverage ratio (LCR) - EUR	736%	449%	663%	-	-
Liquidity coverage ratio (LCR) - Foreign currencies	-	-	-	492%	235%
Term deposits ratio (of total deposits)	18.6%	18.1%	18.8%	18.4%	18.3%
Customer loans to customer deposits ratio	139%	140%	144%	150%	146%
Capital					
CET1 ratio	18.6%	20.1%	21.4%	18.8%	21.3%
Tier 1 ratio	19.5%	21.0%	22.5%	19.8%	22.5%
Total capital ratio	21.6%	23.2%	25.3%	22.2%	25.3%
Leverage ratio	12.1%	13.2%	13.4%	12.1%	13.6%
MREL ratio ⁸	37.8%	33.4%	41.3%	34.5%	-
Risk exposure amount (ISKm)	1,061,903	1,040,972	977,032	999,491	901,646

1. Calculated on average balances.

2. Core income is defined as net interest income plus net fee & commission income.

3. Calculated as (Administrative expenses + Contribution to the Depositors' and Investors' Guarantee Fund – One-off items) / (Total operating income – One-off items).

4. Comparative figures have been changed. Expenses recognised in the line item "Other operating expenses" in the Consolidated Financial Statements have been reclassified in the line item "Fee and commission expense". Ratios were restated accordingly.

5. Negative cost of risk means that there is a net release of impairments.

6. The average LTV can be calculated in many different ways and therefore the definition is important for comparison to other banks. The weight is Íslandsbanki's total amount outstanding on the property and the LTV used is the maximum LTV of all Íslandsbanki's loans of the property.

7. Stage 3, loans to customers, gross carrying amount.

8. MREL ratio includes the CET1 capital held to meet the combined buffer requirement.

Income statement - 5 year summary

ISK million	1Q25	2024	2023	2022	2021
Interest income calculated using the effective interest rate method	32,869	135,278	126,095	87,671	56,220
Other interest income	1,081	6,064	11,047	6,342	2,405
Interest expense	(21,011)	(94,077)	(88,531)	(50,887)	(24,582)
Net interest income	12,939	47,265	48,611	43,126	34,043
Fee and commission income	4,627	18,944	18,591	17,630	15,167
Fee and commission expense ¹	(1,560)	(5,822)	(5,308)	(4,342)	(2,318)
Net fee and commission income	3,067	13,122	13,283	13,288	12,849
Net financial income (expense)	(986)	(338)	241	(1,257)	2,499
Net foreign exchange gain	47	607	581	881	479
Other operating income	467	2,282	570	433	302
Other net operating income	(472)	2,551	1,392	57	3,280
Total operating income	15,534	62,938	63,286	56,471	50,172
Salaries and related expenses	(4,489)	(16,329)	(15,003)	(13,452)	(13,397)
Other operating expenses ¹	(2,907)	(11,299)	(10,689)	(9,401)	(9,799)
Administrative fine	-	(470)	(960)	(300)	-
Contribution to the Depositors' and Investors' Guarantee Fund	-	-	-	(165)	(688)
Bank tax	(500)	(1,900)	(1,871)	(1,858)	(1,683)
Total operating expenses	(7,896)	(29,998)	(28,523)	(25,176)	(25,567)
Profit before net impairment on financial assets	7,638	32,940	34,763	31,295	24,605
Net impairment on financial assets	(3)	645	(1,015)	1,576	3,018
Profit before tax	7,635	33,585	33,748	32,871	27,623
Income tax expense	(2,423)	(9,426)	(9,198)	(8,485)	(5,119)
Profit for the year before profit (loss) from non-current assets	5,212	24,159	24,550	24,386	22,504
Profit (loss) from non-current assets held for sale, net of tax	(3)	87	35	149	1,221
Profit for the period	5,209	24,246	24,585	24,535	23,725
Basic earnings per share from profit for the period	2.77	12.53	12.34	12.27	11.87

1. Comparative figures have been changed. Expenses of ISK 951m in 2023 and ISK 765m in 2022 recognised in the line item "Other operating expenses" in the Consolidated Financial Statements were restated in the line item "Fee and commission expense".

Balance sheet - 5 year summary

ISK million	31.3.25	31.12.24	31.12.23	31.12.22	31.12.21
Cash and balances with Central Bank	69,944	65,716	87,504	94,424	113,667
Loans to credit institutions	92,259	50,486	73,475	110,364	43,988
Bonds and debt instruments	142,937	142,618	161,342	130,804	132,289
Derivatives	9,092	5,324	5,776	7,461	2,445
Loans to customers	1,298,849	1,295,388	1,223,426	1,186,639	1,086,327
Shares and equity instruments	20,606	24,330	13,241	15,868	31,677
Investments in associates	4,857	4,701	4,051	3,844	939
Investment property	2,900	2,600	-	-	-
Property and equipment	5,135	5,039	6,562	6,752	7,010
Intangible assets	2,636	2,684	2,930	3,279	3,351
Other assets	16,532	7,304	3,638	6,072	5,784
Non-current assets and disposal groups held for sale	1,682	1,617	749	728	1,344
Total Assets	1,667,429	1,607,807	1,582,694	1,566,235	1,428,821
Deposits from Central Bank and credit institutions	14,374	12,535	16,149	15,269	13,384
Deposits from customers	936,779	926,846	850,709	789,897	744,036
Derivative instruments and short positions	6,677	7,306	5,090	10,804	9,467
Debt issued and other borrowed funds	407,266	367,586	417,573	468,270	402,226
Subordinated loans	32,502	31,695	38,155	34,392	35,762
Tax liabilities	12,912	12,916	13,107	12,128	6,432
Other liabilities	39,025	21,568	17,218	16,601	12,848
Non-current liabilities and disposal groups held for sale	-	-	-	-	956
Total Liabilities	1,449,535	1,380,452	1,358,001	1,347,361	1,225,111
Share capital	9,368	9,473	9,898	10,000	10,000
Share premium	42,472	55,000	55,000	55,000	55,000
Reserves	7,673	7,102	5,083	9,158	6,086
Retained earnings	158,381	155,780	154,712	144,716	132,624
Total Equity	217,894	227,355	224,693	218,874	203,710
Total Liabilities and Equity	1,667,429	1,607,807	1,582,694	1,566,235	1,428,821

Net interest income - 5 year summary

ISK million	1Q25	2024	2023	2022	2021
Cash and balances with Central Bank	495	4,888	5,389	2,791	948
Loans to credit institutions	752	3,042	3,236	757	128
Loans to customers	29,835	121,730	117,470	84,123	55,144
Financial assets mandatorily at fair value through other comprehensive income	1,787	5,618	-	-	-
Interest income calculated using the effective interest rate method	32,869	135,278	126,095	87,671	56,220
Financial assets mandatorily at fair value through profit or loss	1,079	6,020	11,035	6,335	2,388
Other assets	2	44	12	7	17
Other interest income	1,081	6,064	11,047	6,342	2,405
Deposits from Central Bank and credit institutions	(69)	(380)	(243)	(364)	(306)
Deposits from customers	(13,782)	(60,587)	(50,073)	(23,049)	(6,815)
Financial liabilities mandatorily at fair value through profit or loss ¹	(851)	(4,882)			
Debt issued and other borrowed funds at fair value through profit and loss	(88)	(1,912)	(2,470)	(578)	(729)
Debt issued and other borrowed funds at amortised cost ¹	(5,493)	(22,780)	(25,829)	(21,709)	(14,104)
Subordinated loans	(706)	(3,357)	(3,214)	(1,538)	(829)
Lease liabilities	(18)	(76)	(79)	(82)	(84)
Other liabilities ¹	(4)	(103)	(6,623)	(3,567)	(1,715)
Total interest expense	(21,011)	(94,077)	(88,531)	(50,887)	(24,582)
Net interest income	12,939	47,265	48,611	43,126	34,043
Net interest income on loans					
Personal Banking	1,254	5,024	5,842	6,580	7,464
Business Banking	2,168	8,562	8,297	7,749	7,842
Corporate & Investment Banking	1,891	7,302	7,450	7,317	7,773
Total net interest income on loans	5,313	20,888	21,589	21,646	23,079
Net interest income on deposits					
Personal Banking	2,504	8,856	8,699	7,186	4,535
Business Banking	1,744	6,424	6,465	5,486	2,999
Corporate & Investment Banking	414	1,593	1,670	1,300	948
Total net interest income on deposits	4,662	16,873	16,834	13,972	8,482

1. The presentation of interest expense has been updated, and comparative figures have been changed accordingly. Expenses of ISK 5,895 million recognised in the line item "Other liabilities" in the Consolidated Interim Financial Statements for 2024, have been reclassified to other line items, with ISK 4,882 million reclassified as "Financial liabilities mandatorily at fair value through profit or loss" and ISK 1,013 million reclassified as "Debt issued and other borrowed funds at amortised cost".

Net fee & commission income - 5 year summary

ISK million	1Q25	2024	2023	2022	2021
Asset management	753	2,864	2,908	3,154	3,100
Investment banking and brokerage	782	3,337	3,340	3,627	3,544
Payment processing	1,896	8,390	8,072	6,774	4,979
Loans and guarantees	497	2,009	2,251	2,350	2,212
Other fee and commission income	699	2,344	2,020	1,725	1,332
Fee and commission income	4,627	18,944	18,591	17,630	15,167
Brokerage	(128)	(536)	(496)	(484)	(471)
Payment processing expenses ¹	(1,127)	(4,564)	(4,119)	(3,266)	(1,834)
Other fee and commission expense ¹	(305)	(722)	(693)	(592)	(13)
Fee and commission expense	(1,560)	(5,822)	(5,308)	(4,342)	(2,318)
Net fee and commission income	3,067	13,122	13,283	13,288	12,849

1. Comparative figures have been changed. Expenses of ISK 951m in 2023 and ISK 765m in 2022 recognised in the line item "Other operating expenses" in the Consolidated Financial Statements were reclassified in the line item "Fee and commission expense" (2023: ISK 272m as payment processing expenses and ISK 679m as other fee and commission expense. 2022: ISK 267m as payment processing expenses and ISK 498m as other fee and commission expense).

Loans to customers - 5 year summary

ISK million	31.3.25	31.12.24	31.12.23	31.12.22	31.12.21
Individuals	629,868	625,262	594,631	570,522	520,733
- thereof mortgages	568,882	563,753	530,676	507,969	457,800
Commerce and services	184,789	184,667	182,808	172,222	165,222
Construction	100,613	95,558	80,099	59,815	36,773
Energy	15,127	11,800	7,938	10,411	9,493
Financial services	974	715	214	2,622	1,978
Industrial and transportation	90,769	82,423	75,802	91,078	89,627
Investment companies	42,193	42,960	45,931	40,336	23,677
Public sector and non-profit organisations	16,106	20,448	18,476	11,046	9,987
Real estate	146,107	154,913	144,173	126,297	109,314
Seafood	72,303	76,642	73,354	102,290	119,523
Loans to customers	1,298,849	1,295,388	1,223,426	1,186,639	1,086,327

Capital and risk exposure amount - 5 year summary

ISK million	31.3.25	31.12.24	31.12.23	31.12.22	31.12.21
Ordinary share capital	9,368	9,473	9,898	10,000	10,000
Share premium	42,472	55,000	55,000	55,000	55,000
Reserves	7,673	7,102	5,083	9,158	6,086
Retained earnings	158,381	155,780	154,712	144,716	132,624
IFRS 9 reversal due to transitional rules	-	-	-	1,301	2,768
Fair value changes due to own credit standing	40	135	1,827	(1,786)	1,054
Forseeable dividend payment and approved buyback	(18,627)	(15,760)	(14,990)	(27,267)	(11,863)
Tax assets	(127)	(164)	(122)	(116)	(94)
Intangible assets	(1,777)	(2,070)	(1,922)	(3,279)	(3,351)
Insufficient coverage for non-performing exposure	(29)	(17)	(3)	-	-
Total CET1 capital	197,374	209,479	209,483	187,727	192,224
Additional Tier 1 capital	9,819	9,371	10,019	10,062	10,626
Tier 1 capital	207,193	218,850	219,502	197,789	202,850
Tier 2 capital	22,684	22,324	28,135	24,330	25,136
Total capital base	229,877	241,174	247,637	222,119	227,986
Risk exposure amount					
- due to credit risk	941,470	922,533	865,758	893,110	802,147
- due to market risk:	12,039	10,606	10,360	15,417	17,100
- due to credit valuation adjustment	1,275	714	677	2,756	1,829
- due to operational risk	107,119	107,119	100,237	88,208	80,570
Total risk exposure amount	1,061,903	1,040,972	977,032	999,491	901,646
Capital ratios					
CET1 ratio	18.6%	20.1%	21.4%	18.8%	21.3%
Tier 1 ratio	19.5%	21.0%	22.5%	19.8%	22.5%
Total capital ratio	21.6%	23.2%	25.3%	22.2%	25.3%
Leverage ratio	12.1%	13.2%	13.4%	12.1%	13.6%
MREL ratio ¹	37.8%	33.4%	41.3%	34.5%	-

1. MREL ratio includes the CET1 capital held to meet the combined buffer requirement.

Operating segments - Personal Banking

ISK million	1Q25	2024	2023	2022	2021
Net interest income	4,550	15,849	17,410	15,065	12,027
Net fee and commission income ¹	798	3,983	4,206	4,198	3,850
Other net operating income	9	(19)	70	342	189
Total operating income	5,357	19,813	21,686	19,605	16,066
Salaries and related expenses	(733)	(2,763)	(2,473)	(2,355)	(2,388)
Other operating expenses ¹	(683)	(2,716)	(2,462)	(2,310)	(2,354)
Contribution to the Depositors' and Investors' Guarantee Fund	-	-	-	(129)	(538)
Bank tax	(223)	(889)	(839)	(801)	(723)
Net impairment on financial assets	(148)	660	(1,589)	(300)	318
Cost allocation	(1,505)	(5,450)	(5,225)	(4,792)	(4,539)
Profit before tax	2,065	8,655	9,098	8,918	5,842
Income tax	(595)	(2,576)	(2,584)	(2,528)	(1,707)
Profit for the period before profit from non-current assets	1,470	6,079	6,514	6,390	4,135
Net segment revenue from external customers	5,329	20,450	29,266	33,261	26,175
Net segment revenue from other segments	28	(637)	(7,450)	(13,520)	(10,109)
Fee and commission income	1,862	8,307	8,116	7,282	5,669
Depreciation, amortisation, and write-offs	(47)	(183)	(179)	(172)	(166)
At 31 March 2025					
Loans to customers	613,323	608,766	574,653	552,181	502,354
Other assets	2,752	3,654	3,176	3,158	3,609
Total segment assets	616,075	612,420	577,829	555,339	505,963
Deposits from customers	494,371	486,235	406,821	361,994	344,776
Other liabilities	2,218	3,404	3,720	2,597	1,603
Total segment liabilities	496,589	489,639	410,541	364,591	346,379
Allocated equity	45,201	44,719	41,160	39,228	37,549
Risk exposure amount	278,100	275,836	260,760	255,938	247,970

The individual segment balance sheet positions are with external customers and exclude internal transactions, thus explaining the differences in total assets, and total liabilities and equity.

1. Comparative figures have been changed. Expenses of ISK 130m in 2023 and ISK 136m in 2022 recognised in the line item "Other operating expenses" in the Consolidated Financial Statements were reclassified in the line item "Fee and commission expense".

Operating segments - Business Banking

ISK million	1Q25	2024	2023	2022	2021
Net interest income	4,847	18,736	17,980	14,493	10,867
Net fee and commission income ¹	483	2,020	2,075	2,051	2,111
Other net operating income	7	78	90	90	61
Total operating income	5,337	20,834	20,145	16,634	13,039
Salaries and related expenses	(605)	(2,349)	(2,161)	(1,900)	(1,815)
Other operating expenses ¹	(314)	(1,304)	(1,063)	(949)	(1,037)
Contribution to the Depositors' and Investors' Guarantee Fund	-	-	-	(33)	(135)
Bank tax	(121)	(471)	(454)	(407)	(344)
Net impairment on financial assets	128	(984)	(669)	796	2,401
Cost allocation	(1,265)	(4,364)	(4,058)	(3,431)	(3,113)
Profit before tax	3,160	11,362	11,740	10,710	8,996
Income tax	(853)	(3,195)	(3,170)	(2,891)	(2,428)
Profit for the period before profit from non-current assets	2,307	8,167	8,570	7,819	6,568
Net segment revenue from external customers	6,097	23,874	22,829	18,158	14,806
Net segment revenue from other segments	(760)	(3,040)	(2,551)	(1,401)	(1,767)
Fee and commission income	547	2,244	2,262	2,223	2,136
Depreciation, amortisation, and write-offs	(15)	(59)	(57)	(57)	(58)
At 31 March 2025					
Loans to customers	333,238	323,824	311,689	278,823	237,388
Other assets	1,689	1,618	2,210	2,100	2,004
Total segment assets	334,927	325,442	313,899	280,923	239,392
Deposits from customers	270,901	277,186	251,238	244,645	239,871
Other liabilities	1,613	3,997	3,828	2,054	1,630
Total segment liabilities	272,514	281,183	255,066	246,699	241,501
Allocated equity	52,625	51,133	47,210	40,433	33,738
Risk exposure amount	318,267	308,573	291,509	263,011	211,814

The individual segment balance sheet positions are with external customers and exclude internal transactions, thus explaining the differences in total assets, and total liabilities and equity.

1. Comparative figures have been changed. Expenses of ISK 133m in 2023 and ISK 123m in 2022 recognised in the line item "Other operating expenses" in the Consolidated Financial Statements were reclassified in the line item "Fee and commission expense".

Operating segments - Corporate & Investment Banking

ISK million	1Q25	2024	2023	2022	2021
Net interest income	3,553	13,661	13,854	11,108	9,282
Net fee and commission income ¹	1,106	4,497	4,492	4,480	4,384
Other net operating income	538	1,302	1,284	1,301	759
Total operating income	5,197	19,460	19,630	16,889	14,425
Salaries and related expenses	(588)	(2,273)	(2,132)	(1,819)	(1,689)
Other operating expenses ¹	(311)	(1,204)	(978)	(894)	(797)
Contribution to the Depositors' and Investors' Guarantee Fund	-	-	-	(3)	(15)
Bank tax	(132)	(533)	(489)	(520)	(516)
Net impairment on financial assets	45	944	1,163	395	121
Cost allocation	(1,068)	(3,840)	(3,569)	(3,237)	(3,170)
Profit before tax	3,143	12,554	13,625	10,811	8,359
Income tax	(755)	(3,521)	(3,660)	(2,946)	(2,308)
Profit for the period before profit from non-current assets	2,388	9,033	9,965	7,865	6,051
Net segment revenue from external customers	8,036	30,022	29,448	23,790	19,843
Net segment revenue from other segments	(2,839)	(10,562)	(9,735)	(6,824)	(5,418)
Fee and commission income	1,202	4,741	4,648	4,709	4,486
Depreciation, amortisation, and write-offs	(2)	(6)	(2)	(1)	(15)
At 31 March 2025					
Loans to customers	351,919	362,692	336,161	354,787	346,835
Other assets	11,700	4,784	889	3,859	1,335
Total segment assets	363,619	367,476	337,050	358,646	348,170
Deposits from customers	143,883	147,394	172,658	164,390	141,204
Other liabilities	14,916	10,536	5,370	5,565	4,728
Total segment liabilities	158,799	157,930	178,028	169,955	145,932
Allocated equity	67,641	65,596	63,033	62,400	59,055
Risk exposure amount	390,546	394,601	366,761	404,917	376,896

The individual segment balance sheet positions are with external customers and exclude internal transactions, thus explaining the differences in total assets, and total liabilities and equity.

1. Comparative figures have been changed. Expenses of ISK 83m in 2023 and ISK 77m in 2022 recognised in the line item "Other operating expenses" in the Consolidated Financial Statements were reclassified in the line item "Fee and commission expense".

Operating segments - Treasury & Proprietary Trading

ISK million	1Q25	2024	2023	2022	2021
Net interest income (expense)	45	(842)	(475)	2,673	2,034
Net fee and commission income (expense)	(135)	(21)	(8)	(55)	(72)
Other net operating income	(1,236)	1,539	565	398	2,694
Total operating income	(1,326)	676	82	3,016	4,656
Salaries and related expenses	(77)	(324)	(272)	(289)	(256)
Other operating expenses	(122)	(454)	(505)	(467)	(235)
Contribution to the Depositors' and Investors' Guarantee Fund	-	-	-	-	-
Bank tax	(20)	6	(77)	(116)	(86)
Net impairment on financial assets	(27)	25	80	683	94
Cost allocation	154	536	581	551	320
Profit (loss) before tax	(1,418)	465	(111)	3,378	4,493
Income tax	(112)	61	203	108	1,421
Profit (loss) for the period before profit from non-current assets	(1,530)	526	92	3,486	5,914
Net segment revenue from external customers	(4,984)	(13,899)	(19,989)	(18,922)	(12,748)
Net segment revenue from other segments	3,658	14,575	20,071	21,938	17,404
Fee and commission income	26	281	401	367	231
Depreciation, amortisation, and write-offs	-	-	-	-	-
At 31 March 2025					
Loans to customers	369	106	923	848	59
Other assets	339,996	291,344	343,823	360,594	325,158
Total segment assets	340,365	291,450	344,746	361,442	325,217
Deposits from customers	30,841	18,820	22,957	21,529	21,477
Other liabilities	486,252	428,420	487,357	540,189	465,397
Total segment liabilities	517,093	447,240	510,314	561,718	486,874
Allocated equity	47,589	61,675	69,975	73,966	70,217
Risk exposure amount	61,709	50,434	48,148	67,970	56,983

The individual segment balance sheet positions are with external customers and exclude internal transactions, thus explaining the differences in total assets, and total liabilities and equity.

Operating segments - Cost centers

ISK million	2025	2024	2023	2022	2021
Net interest income (expense)	(103)	(413)	(365)	(260)	(178)
Net fee and commission income (expense)	-	(98)	(36)	(1)	(62)
Other net operating income	48	232	374	149	203
Total operating income	(55)	(279)	(27)	(112)	(37)
Salaries and related expenses	(2,202)	(7,556)	(6,959)	(6,253)	(6,465)
Other operating expenses	(1,427)	(5,452)	(5,579)	(4,598)	(4,854)
Administrative fine	-	(470)	(860)	(300)	-
Bank tax	(4)	(13)	(13)	(14)	(14)
Net impairment on financial assets	-	-	-	-	4
Cost allocation	3,684	13,118	12,271	10,909	10,502
Profit (loss) before tax	(4)	(652)	(1,167)	(368)	(864)
Income tax	-	160	291	92	221
Profit (loss) for the period before profit from non-current assets	(4)	(492)	(876)	(276)	(643)
Net segment revenue from external customers	32	57	308	81	73
Net segment revenue from other segments	(87)	(336)	(335)	(193)	(110)
Fee and commission income	-	(2)	-	-	2
Depreciation, amortisation, and write-offs	(346)	(1,397)	(1,368)	(1,155)	(1,145)
At 31 March 2025					
Loans to customers	-	-	-	-	-
Other assets	10,429	9,180	8,716	9,387	9,108
Total segment assets	10,429	9,180	8,716	9,387	9,108
Deposits from customers	-	-	-	-	-
Other liabilities	6,127	5,635	5,768	5,785	5,711
Total segment liabilities	6,127	5,635	5,768	5,785	5,711
Allocated equity	1,237	1,218	1,145	962	894
Risk exposure amount	8,653	7,108	6,930	6,107	5,903

The individual segment balance sheet positions are with external customers and exclude internal transactions, thus explaining the differences in total assets, and total liabilities and equity.

Operating segments - Subsidiaries, eliminations & adjustments

ISK million	1Q25	2024	2023	2022	2021
Net interest income	47	274	207	47	11
Net fee and commission income ¹	815	2,741	2,554	2,615	2,638
Other net operating income	162	(581)	(991)	(2,223)	(626)
Total operating income	1,024	2,434	1,770	439	2,023
Salaries and related expenses	(284)	(1,064)	(1,006)	(836)	(784)
Other operating expenses ¹	(50)	(169)	(202)	(183)	(522)
Contribution to the Depositors' and Investors' Guarantee Fund	-	-	-	-	-
Bank tax	-	-	-	-	-
Net impairment on financial assets	(1)	-	-	2	80
Cost allocation	-	-	-	-	-
Profit (loss) before tax	689	1,201	562	(578)	797
Income tax	(108)	(355)	(278)	(320)	(318)
Profit (loss) for the period before profit from non-current assets	581	846	284	(898)	479
Net segment revenue from external customers	1,024	2,434	2,375	868	2,023
Net segment revenue from other segments	-	-	-	-	-
Fee and commission income	990	3,373	3,164	3,049	2,643
Depreciation, amortisation, and write-offs	(6)	(17)	(14)	(15)	(11)
At 31 March 2025					
Loans to customers	-	-	-	-	(309)
Other assets	2,014	1,839	454	498	1,280
Total segment assets	2,014	1,839	454	498	971
Deposits from customers	(3,217)	(2,789)	(2,965)	(2,661)	(3,292)
Other liabilities	1,630	1,614	1,249	1,274	2,006
Total segment liabilities	(1,587)	(1,175)	(1,716)	(1,387)	(1,286)
Allocated equity	3,601	3,014	2,170	1,885	2,257
Risk exposure amount	4,628	4,420	2,924	1,548	2,080

The individual segment balance sheet positions are with external customers and exclude internal transactions, thus explaining the differences in total assets, and total liabilities and equity.

1. Comparative figures have been changed. Expenses of ISK 605m in 2023 and ISK 429m in 2022 recognised in the line item "Other operating expenses" in the Consolidated Financial Statements were reclassified in the line item "Fee and commission expense".

Key performance indicators - 9 quarters

	1Q25	4Q24	3Q24	2Q24	1Q24	4Q23	3Q23	2Q23	1Q23
Profitability									
Return on equity ¹	9.4%	11.2%	13.2%	9.7%	9.8%	11.2%	11.0%	11.5%	11.6%
Return on assets ¹	1.3%	1.6%	1.8%	1.3%	1.3%	1.5%	1.5%	1.6%	1.6%
Earnings per share	2.77	3.29	3.79	2.70	2.75	3.13	3.02	3.08	3.11
Core income / total operating income ^{2,4}	103.0%	93.2%	95.5%	101.8%	93.5%	94.9%	98.5%	103.2%	95.0%
Net interest margin									
Net interest margin on total assets ¹	3.2%	2.7%	2.9%	3.1%	3.0%	2.9%	2.9%	3.2%	3.2%
Efficiency									
Cost-to-income ratio ^{3,4}	47.6%	45.7%	40.4%	45.7%	43.9%	41.1%	38.2%	41.9%	41.2%
Cost-to-total assets ratio ^{1,4}	1.81%	1.76%	1.58%	1.74%	1.76%	1.63%	1.44%	1.66%	1.74%
Cost of risk ^{1,5}	0.00%	(0.11%)	(0.27%)	(0.04%)	0.23%	0.33%	0.19%	(0.40%)	0.22%
Number of FTEs at period end - Consolidated ⁶	770	772	783	766	775	764	756	732	740
Number of FTEs at period end - Parent ⁶	731	733	744	726	735	725	716	691	701
Asset quality									
Loans to customers (ISKm)	1,298,849	1,295,388	1,274,094	1,276,608	1,248,295	1,223,426	1,210,499	1,237,758	1,218,999
LTV on mortgages to individuals ⁷	54.0%	54.0%	57.0%	58.0%	57.0%	57.0%	58.0%	58.0%	61.0%
REA ratio	63.7%	64.7%	62.9%	63.9%	61.8%	61.7%	60.0%	63.7%	64.8%
Non-performing loans (NPL) ratio ⁸	1.8%	1.6%	1.6%	1.8%	1.9%	1.8%	1.8%	1.7%	1.7%
Asset encumbrance ratio	18.1%	19.0%	18.4%	18.4%	19.8%	21.7%	23.5%	25.3%	25.1%
Financial strength									
Equity as % of total assets	13.1%	14.1%	13.8%	13.6%	13.1%	14.0%	13.4%	13.5%	13.6%
Liquidity									
Net stable funding ratio (NSFR) - All currencies	128%	125%	126%	123%	127%	124%	120%	119%	115%
Net stable funding ratio (NSFR) - Foreign currencies	-	-	-	-	-	-	290%	248%	219%
Liquidity coverage ratio (LCR) - All currencies	202%	168%	223%	190%	190%	195%	247%	259%	171%
Liquidity coverage ratio (LCR) - ISK	110%	126%	154%	129%	101%	115%	122%	145%	121%
Liquidity coverage ratio (LCR) - EUR	736%	449%	621%	575%	404%	663%	777%	333%	-
Liquidity coverage ratio (LCR) - Foreign currencies	-	-	-	-	-	-	-	-	289%
Term deposits ratio (of total deposits)	18.6%	18.1%	18.9%	19.2%	20.3%	18.8%	21.2%	21.2%	19.9%
Customer loans to customer deposits ratio	139%	140%	137%	139%	142%	144%	140%	152%	152%
Capital									
CET1 ratio ⁹	18.6%	20.1%	20.2%	19.9%	19.9%	21.4%	20.9%	20.0%	19.9%
Tier 1 ratio ⁹	19.5%	21.0%	21.2%	20.9%	20.9%	22.5%	21.9%	20.9%	20.8%
Total capital ratio ⁹	21.6%	23.2%	23.4%	23.1%	23.6%	25.3%	24.6%	23.2%	23.2%
Leverage ratio ⁹	12.1%	13.2%	13.0%	13.0%	12.6%	13.4%	12.7%	12.8%	12.9%
MREL ratio ¹⁰	37.8%	33.4%	35.6%	35.6%	39.1%	41.3%	39.2%	38.4%	33.2%
Risk exposure amount (ISKm)	1,061,903	1,040,972	1,021,243	1,019,494	1,015,161	977,032	986,355	1,015,197	1,004,978

1. Calculated based on annualised figures and on average balances.

2. Core income is defined as net interest income plus net fee & commission income.

3. Calculated as (Administrative expenses – One-off items) / (Total operating income – One-off items).

4. Comparative figures have been changed. Expenses recognised in the line item "Other operating expenses" in the Consolidated Financial Statements were restated in the line item "Fee and commission expense". Ratios have been restated accordingly.

5. Negative cost of risk means that there is a net release of impairments.

6. Numbers exclude seasonal employees.

7. The average LTV can be calculated in many different ways and therefore the definition is important for comparison to other banks. The weight is Íslandsbanki's total amount outstanding on the property and the LTV used is the maximum LTV of all Íslandsbanki's loans of the property.

8. Stage 3, loans to customers, gross carrying amount.

9. Including first quarter profit for 1Q24 and 1Q23 and third quarter profit for 3Q23.

10. MREL ratio includes the CET1 capital held to meet the combined buffer requirement.

Income statement - 9 quarter summary

ISK million	1Q25	4Q24	3Q24	2Q24	1Q24	4Q23	3Q23	2Q23	1Q23
Interest income calculated using the effective interest rate method	32,869	29,404	34,093	37,619	34,162	32,274	31,290	32,461	30,070
Other interest income	1,081	1,099	1,113	1,391	2,461	3,446	3,006	2,502	2,093
Interest expense	(21,011)	(19,628)	(23,429)	(26,519)	(24,501)	(23,990)	(22,450)	(22,351)	(19,740)
Net interest income	12,939	10,875	11,777	12,491	12,122	11,730	11,846	12,612	12,423
Fee and commission income	4,627	5,162	4,649	4,664	4,469	5,134	4,388	4,676	4,393
Fee and commission expense ¹	(1,560)	(1,555)	(1,353)	(1,455)	(1,459)	(1,640)	(1,205)	(1,266)	(1,197)
Net fee and commission income	3,067	3,607	3,296	3,209	3,010	3,494	3,183	3,410	3,196
Net financial income (expense)	(986)	169	228	(499)	(236)	455	(193)	(559)	538
Net foreign exchange gain	47	113	124	174	196	113	176	48	244
Other operating income	467	782	357	45	1,098	258	248	21	43
Other net operating income	(472)	1,064	709	(280)	1,058	826	231	(490)	825
Total operating income	15,534	15,546	15,782	15,420	16,190	16,050	15,260	15,532	16,444
Salaries and related expenses	(4,489)	(4,244)	(3,787)	(4,130)	(4,168)	(3,861)	(3,353)	(3,829)	(3,960)
Other operating expenses ¹	(2,907)	(2,856)	(2,585)	(2,916)	(2,942)	(2,730)	(2,470)	(2,680)	(2,809)
Administrative fine	-	-	-	(470)	-	(100)	-	(860)	-
Bank tax	(500)	(454)	(494)	(459)	(493)	(402)	(522)	(485)	(462)
Total operating expenses	(7,896)	(7,554)	(6,866)	(7,975)	(7,603)	(7,093)	(6,345)	(7,854)	(7,231)
Profit before net impairment on financial assets	7,638	7,992	8,916	7,445	8,587	8,957	8,915	7,678	9,213
Net impairment on financial assets	(3)	352	860	137	(704)	(1,002)	(583)	1,245	(675)
Profit before tax	7,635	8,344	9,776	7,582	7,883	7,955	8,332	8,923	8,538
Income tax expense	(2,423)	(2,058)	(2,497)	(2,403)	(2,468)	(1,737)	(2,334)	(2,792)	(2,335)
Profit for the period before profit from non-current assets	5,212	6,286	7,279	5,179	5,415	6,218	5,998	6,131	6,203
Profit (loss) from non-current assets held for sale, net of tax	(3)	(3)	1	87	2	10	9	8	8
Profit for the period	5,209	6,283	7,280	5,266	5,417	6,228	6,007	6,139	6,211

1. Comparative figures have been changed. Expenses recognised in the line item "Other operating expenses" in the Consolidated Financial Statements were reclassified in the line item "Fee and commission expense".

As payment processing expenses: 3Q24: ISK 74m, 2Q24: ISK 72m, 1Q24: ISK 85m, 4Q23: ISK 66m, 3Q23: ISK 76m, 2Q23: ISK 67m, 1Q23: ISK 63m, and 4Q22: ISK 65m.

As other fee and commission expense: 3Q24: ISK 195m, 2Q24: ISK 138m, 1Q24: ISK 201m, 4Q23: ISK 213m, 3Q23: ISK 141m, 2Q23: ISK 115m, 1Q23: ISK 210m, and 4Q22: ISK 219m.

Balance sheet - 9 quarter summary

ISK million	31.3.25	31.12.24	30.9.24	30.6.24	31.3.24	31.12.23	30.9.23	30.6.23	31.3.23
Cash and balances with Central Bank	69,944	65,716	104,777	84,981	68,746	87,504	84,332	78,275	67,764
Loans to credit institutions	92,259	50,486	58,177	46,599	114,430	73,475	117,699	97,749	81,331
Bonds and debt instruments	142,937	142,618	126,396	128,410	156,091	161,342	178,830	131,471	127,254
Derivatives	9,092	5,324	6,014	4,178	5,138	5,776	5,581	5,374	5,605
Loans to customers	1,298,849	1,295,388	1,274,094	1,276,608	1,248,295	1,223,426	1,210,499	1,237,758	1,218,999
Shares and equity instruments	20,606	24,330	18,242	19,496	20,281	13,241	13,270	12,120	13,839
Investments in associates	4,857	4,701	4,489	4,122	4,079	4,051	3,841	3,828	3,853
Investment property	2,900	2,600	2,100	2,100	2,100	-	-	-	-
Property and equipment	5,135	5,039	5,067	5,135	5,240	6,562	6,528	6,748	6,734
Intangible assets	2,636	2,684	2,686	2,715	2,862	2,930	3,120	3,241	3,252
Other assets	16,532	7,304	18,807	21,482	15,719	3,638	19,156	15,945	22,191
Non-current assets and disposal groups held for sale	1,682	1,617	1,609	70	726	749	744	730	708
Total Assets	1,667,429	1,607,807	1,622,458	1,595,896	1,643,707	1,582,694	1,643,600	1,593,239	1,551,530
Deposits from Central Bank and credit institutions	14,374	12,535	11,525	10,466	14,103	16,149	15,159	14,306	13,694
Deposits from customers	936,779	926,846	927,011	916,127	879,554	850,709	864,189	816,641	800,071
Derivative instruments and short positions	6,677	7,306	4,764	4,647	4,936	5,090	10,797	12,064	12,745
Debt issued and other borrowed funds	407,266	367,586	380,814	384,747	440,960	417,573	451,701	460,913	438,605
Subordinated loans	32,502	31,695	32,084	32,133	37,946	38,155	36,517	33,104	33,839
Tax liabilities	12,912	12,916	15,637	14,060	13,695	13,107	16,323	14,832	13,206
Other liabilities	39,025	21,568	27,235	17,215	36,795	17,218	29,220	25,855	28,985
Total Liabilities	1,449,535	1,380,452	1,399,070	1,379,395	1,427,989	1,358,001	1,423,906	1,377,715	1,341,145
Share capital	9,368	9,473	9,564	9,604	9,825	9,898	9,963	9,963	9,963
Share premium	42,472	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000
Reserves	7,673	7,102	7,211	6,263	4,831	5,083	4,598	6,642	7,676
Retained earnings	158,381	155,780	151,613	145,634	146,062	154,712	150,133	143,919	137,746
Total Equity	217,894	227,355	223,388	216,501	215,718	224,693	219,694	215,524	210,385
Total Liabilities and Equity	1,667,429	1,607,807	1,622,458	1,595,896	1,643,707	1,582,694	1,643,600	1,593,239	1,551,530

Net interest income - 9 quarter summary

ISK million	1Q25	4Q24	3Q24	2Q24	1Q24	4Q23	3Q23	2Q23	1Q23
Cash and balances with Central Bank	495	1,318	1,504	961	1,105	1,349	1,438	1,376	1,226
Loans to credit institutions	752	577	583	991	891	988	1,051	693	504
Loans to customers	29,835	25,732	30,351	34,137	31,510	29,937	28,801	30,392	28,340
Financial assets mandatorily at fair value through other comprehensive income	1,787	1,777	1,655	1,530	656	-	-	-	-
Interest income calculated using the effective interest rate method	32,869	29,404	34,093	37,619	34,162	32,274	31,290	32,461	30,070
Financial assets mandatorily at fair value through profit or loss	1,079	1,060	1,110	1,391	2,459	3,438	3,004	2,501	2,092
Other assets	2	39	3	-	2	8	2	1	1
Other interest income	1,081	1,099	1,113	1,391	2,461	3,446	3,006	2,502	2,093
Deposits from Central Bank and credit institutions	(69)	(100)	(84)	(107)	(89)	(87)	(52)	(71)	(33)
Deposits from customers	(13,782)	(13,627)	(15,537)	(16,217)	(15,206)	(14,494)	(13,180)	(12,197)	(10,202)
Financial liabilities mandatorily at fair value through profit or loss ¹	(851)	(1,035)	(1,225)	(1,286)	(1,336)				
Debt issued and other borrowed funds at fair value through profit and loss	(88)	(53)	(96)	(866)	(897)	(923)	(892)	(515)	(140)
Debt issued and other borrowed funds at amortised cost ¹	(5,493)	(4,266)	(5,717)	(6,897)	(5,900)	(5,829)	(5,662)	(7,080)	(7,258)
Subordinated loans	(706)	(528)	(748)	(1,124)	(957)	(906)	(723)	(786)	(799)
Lease liabilities	(18)	(18)	(19)	(19)	(20)	(20)	(19)	(20)	(20)
Other liabilities ¹	(4)	(1)	(3)	(3)	(96)	(1,731)	(1,922)	(1,682)	(1,288)
Total interest expense	(21,011)	(19,628)	(23,429)	(26,519)	(24,501)	(23,990)	(22,450)	(22,351)	(19,740)
Net interest income	12,939	10,875	11,777	12,491	12,122	11,730	11,846	12,612	12,423
Net interest income on loans									
Personal Banking	1,254	1,147	1,251	1,291	1,336	1,393	1,440	1,444	1,565
Business Banking	2,168	2,105	2,138	2,185	2,134	2,100	2,160	2,011	2,026
Corporate & Investment Banking	1,891	1,855	1,863	1,832	1,752	1,896	1,813	1,983	1,758
Total net interest income on loans	5,313	5,107	5,252	5,308	5,222	5,389	5,413	5,438	5,349
Net interest income on deposits									
Personal Banking	2,504	2,412	2,272	2,104	2,068	2,058	2,122	2,376	2,143
Business Banking	1,744	1,762	1,683	1,489	1,491	1,598	1,686	1,611	1,570
Corporate & Investment Banking	414	423	385	422	362	359	405	462	444
Total net interest income on deposits	4,662	4,597	4,340	4,015	3,921	4,015	4,213	4,449	4,157

1. The presentation of interest expense has been updated, and comparative figures for 2024 have been changed accordingly. Expenses recognised in the line item "Other liabilities" have been reclassified to line items "Financial liabilities mandatorily at fair value through profit or loss" and "Debt issued and other borrowed funds at amortised cost". Reclassified from "Other liabilities" to "Financial liabilities mandatorily at fair value through profit or loss" in 4Q24: ISK 1,035m, 3Q24: ISK 1,225m, 2Q24: ISK 1,286m and 1Q24: ISK 1,336m. Reclassified from "Other liabilities" to "Debt issued and other borrowed funds at amortised cost" in 4Q24: ISK 226m, 3Q24: ISK 263m, 2Q24: ISK 327m and 1Q24: ISK 197m.

Net fee and commission income - 9 quarter summary

ISK million	1Q25	4Q24	3Q24	2Q24	1Q24	4Q23	3Q23	2Q23	1Q23
Asset management	753	836	657	664	707	766	691	712	739
Investment banking and brokerage	782	883	787	874	793	916	760	838	826
Payment processing	1,896	2,278	2,128	2,118	1,866	2,254	2,007	2,062	1,749
Loans and guarantees	497	458	503	529	519	566	554	577	554
Other fee and commission income	699	707	574	479	584	632	376	487	525
Fee and commission income	4,627	5,162	4,649	4,664	4,469	5,134	4,388	4,676	4,393
Brokerage	(128)	(165)	(106)	(157)	(108)	(147)	(91)	(151)	(107)
Payment processing expenses ¹	(1,127)	(1,211)	(1,049)	(1,157)	(1,147)	(1,275)	(971)	(995)	(878)
Other fee and commission expense ¹	(305)	(179)	(198)	(141)	(204)	(218)	(143)	(120)	(212)
Fee and commission expense	(1,560)	(1,555)	(1,353)	(1,455)	(1,459)	(1,640)	(1,205)	(1,266)	(1,197)
Net fee and commission income	3,067	3,607	3,296	3,209	3,010	3,494	3,183	3,410	3,196

1. Comparative figures were reclassified in the Consolidated Financials Statements of 2024. Expenses previously recognised in the line item "Other operating expenses" were reclassified in the line item "Fee and commission expense". As payment processing expenses: 3Q24: ISK 74m, 2Q24: ISK 72m, 1Q24: ISK 85m, 4Q23: ISK 66m, 3Q23: ISK 76m, 2Q23: ISK 67m, and 1Q23: ISK 63m.

As other fee and commission expense: 3Q24: ISK 195m, 2Q24: ISK 138m, 1Q24: ISK 201m, 4Q23: ISK 213m, 3Q23: ISK 141m, 2Q23: ISK 115m, and 1Q23: ISK 210m.

Loans to customers - 9 quarter summary

ISK million	31.3.25	31.12.24	30.9.24	30.6.24	31.3.24	31.12.23	30.9.23	30.6.23	31.3.23
Individuals	629,868	625,262	618,904	611,620	603,207	594,631	590,988	585,662	579,157
- thereof mortgages	568,882	563,753	556,207	548,995	540,341	530,676	527,055	522,544	517,625
Commerce and services	184,789	184,667	185,519	190,997	185,495	182,808	181,096	189,240	180,482
Construction	100,613	95,558	91,478	91,345	90,074	80,099	78,407	73,945	68,101
Energy	15,127	11,800	7,822	8,032	7,981	7,938	8,554	10,451	10,403
Financial services	974	715	124	1,121	1,086	214	626	1,909	2,093
Industrial and transportation	90,769	82,423	79,011	80,119	75,682	75,802	77,645	93,122	91,687
Investment companies	42,193	42,960	40,558	40,401	42,034	45,931	45,275	45,669	41,548
Public sector and non-profit organisations	16,106	20,448	20,125	20,242	20,895	18,476	17,482	15,759	13,707
Real estate	146,107	154,913	158,072	158,939	151,656	144,173	135,360	134,132	130,622
Seafood	72,303	76,642	72,481	73,792	70,185	73,354	75,066	87,869	101,199
Loans to customers	1,298,849	1,295,388	1,274,094	1,276,608	1,248,295	1,223,426	1,210,499	1,237,758	1,218,999

Capital and risk exposure amount - 9 quarter summary

ISK million	31.3.25	31.12.24	30.9.24	30.6.24	31.3.24	31.12.23	30.9.23	30.6.23	31.3.23
Ordinary share capital	9,368	9,473	9,564	9,604	9,825	9,898	9,963	9,963	9,963
Share premium	42,472	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000
Reserves	7,673	7,102	7,211	6,263	4,831	5,083	4,598	6,642	7,676
Retained earnings	158,381	155,780	151,613	145,634	146,062	154,712	150,133	143,919	137,747
Unaudited interim net earnings	-	-	-	-	(5,417)	-	(6,007)	-	(6,211)
Fair value changes due to own credit standing	40	135	242	491	2,172	1,827	2,135	300	(273)
Forseeable dividend payment and approved buyback	(18,627)	(15,760)	(14,882)	(12,058)	(11,032)	(14,990)	(10,242)	(10,242)	(4,067)
Tax assets	(127)	(164)	(184)	(122)	(128)	(122)	(114)	(114)	(120)
Intangible assets	(1,777)	(2,070)	(1,847)	(1,821)	(1,948)	(1,922)	(2,020)	(2,751)	(3,252)
Insufficient coverage for non-performing exposure	(29)	(17)	(25)	(12)	(2)	(3)	(1)	(1)	(19)
Total CET1 capital	197,374	209,479	206,692	202,979	199,363	209,483	203,445	202,716	196,444
Additional Tier 1 capital	9,819	9,371	9,934	9,762	9,624	10,019	9,279	9,302	9,711
Tier 1 capital	207,193	218,850	216,626	212,741	208,987	219,502	212,724	212,018	206,155
Tier 2 capital	22,684	22,324	22,150	22,371	28,322	28,135	27,238	23,802	24,128
Total capital base	229,877	241,174	238,776	235,112	237,309	247,637	239,962	235,820	230,283
Risk exposure amount									
- due to credit risk	941,470	922,533	911,826	909,132	904,616	865,758	879,889	911,210	900,897
- due to market risk:	12,039	10,606	8,466	9,411	9,615	10,360	15,776	12,553	12,718
- due to credit valuation adjustment	1,275	714	714	714	693	677	2,482	3,226	3,155
- due to operational risk	107,119	107,119	100,237	100,237	100,237	100,237	88,208	88,208	88,208
Total risk exposure amount	1,061,903	1,040,972	1,021,243	1,019,494	1,015,161	977,032	986,355	1,015,197	1,004,978
Capital ratios									
CET1 ratio ¹	18.6%	20.1%	20.2%	19.9%	19.9%	21.4%	20.9%	20.0%	19.9%
Tier 1 ratio ¹	19.5%	21.0%	21.2%	20.9%	20.9%	22.5%	21.9%	20.9%	20.8%
Total capital ratio ¹	21.6%	23.2%	23.4%	23.1%	23.6%	25.3%	24.6%	23.2%	23.2%
Leverage ratio ¹	12.1%	13.2%	13.0%	13.0%	12.6%	13.4%	12.7%	12.8%	12.9%
MREL ratio ²	37.8%	33.4%	35.6%	35.6%	39.1%	41.3%	39.2%	38.4%	33.2%

1. Including first quarter profit for 31.3.24, 31.3.23 and third quarter profit for 30.9.23.

2. MREL ratio includes the CET1 capital held to meet the combined buffer requirement.

Macroeconomics - summary

	4Q24	3Q24	2Q24	1Q24	4Q23	3Q23	2Q23	1Q23	4Q22
YoY change, %									
GDP growth	2.1	0.4	1.3	-1.7	2.3	3.9	7.0	9.8	7.8
Total investment	15.6	1.5	6.1	6.7	-1.9	3.0	9.7	7.2	19.1
Business investment	20.0	-2.7	6.5	3.9	7.3	12.0	16.4	12.2	42.4
Residential investment	19.9	16.7	13.1	22.9	7.3	-1.9	-4.8	-9.9	-7.6
Personal consumption	0.8	1.5	-0.3	0.6	-2.8	-1.1	1.1	5.2	5.8
Unemployment rate, % of workforce	3.6	3.2	3.4	3.8	3.4	2.9	3.1	3.6	3.3
Current account, % of GDP	-8.1	4.3	3.4	-3.2	-1.6	7.3	-0.7	-2.1	-3.6
International investment position, % of GDP	42.5	40.8	38.0	38.4	33.4	28.0	26.6	23.9	23.4
Gross general govt. debt, % of GDP	59.1				62.0				67.5
Household debt, gross, % of GDP	71.2	72.1	72.4	72.4	72.1	72.4	73.0	74.3	76.0
Corporate debt, gross, % of GDP	75.4	75.5	76.9	75.6	73.9	73.8	75.3	75.1	76.7
YoY change, %									
Inflation	4.9	5.9	6.0	6.7	7.9	7.8	9.4	10.0	9.4
Residential real estate price index	4.1	5.0	0.1	-1.0	-3.8	-4.7	0.7	5.3	10.6
Wages	6.2	6.3	6.6	7.4	9.4	10.8	10.0	8.9	9.4
Real wages	1.3	0.4	0.5	0.6	1.5	2.8	0.5	-1.0	0.0
ISK index, average	192.7	196.8	196.1	195.3	195.5	189.5	195.6	200.2	194.6
Central bank policy rate (1W)	8.8	9.3	9.3	9.3	9.3	9.0	7.9	6.4	5.8
Long-term nominal yield	6.5	6.8	6.9	6.6	7.2	6.8	6.4	6.7	6.2
Long-term real yield	2.7	2.7	2.7	2.6	2.8	2.4	2.1	2.0	1.9

Allocation reporting for Íslandsbanki's Sustainable Funding Framework (2024+)

The Bank updated its Sustainable Financing Framework (2020-2024) in January 2024. The Bank advanced eligible assets to the updated Sustainable Funding Framework (2024+) during the year.

Assets are shown back in time based on the category they were advanced to if it is relevant.

Allocation to Eligible Projects (outstanding amount)

ISK million	31.12.24	31.12.23	31.12.22	31.12.21	31.12.20
Clean Transportation	6,690	-	-	-	-
Eco-efficient products	763	796	828	-	-
Renewable energy	10,450	5,988	6,257	6,332	6,307
Green buildings	33,150	26,343	16,100	9,688	1,502
Pollution prevention and control	1,044	1,025	772	836	902
Energy efficiency	6,764	880	5,283	5,055	-
Sustainable management of living natural resources and land use	27,593	25,958	26,535	20,187	-
Employment Generation	630	1,455	2,757	3,636	3,271
Affordable housing	8,951	3,521	356	366	2,242
Access to Essential Services – Education and vocational training	3,053	253	96	431	7,061
Socioeconomic Advancement and Empowerment	10,454	8,593	7,141	4,988	-
<i>Sustainable Financing Framework (2020-2023)</i>					
Clean Transportation ¹	10,328	22,579	12,444	6,259	3,392
Total sustainable assets	119,870	97,391	78,570	57,778	24,677

1. Assets from Sustainable Financing Framework that are not eligible in the Bank's Sustainable Funding Framework and will not advance to the updated framework.

ISK million	31.12.24	31.12.23	31.12.22	31.12.21	31.12.20
Green bonds (ISK)	16,860	10,320	10,320	6,603	2,709
Green bonds (NOK)	6,107	-	-	-	-
Green bonds (SEK)	6,284	-	-	-	-
Sustainable bonds (EUR)	21,424	45,150	87,420	44,657	46,944
Loan from the Nordic Investment Bank (USD)	12,023	12,337	12,337	-	-
Sustainable deposits (ISK)	124	153	10	-	-
Total sustainable debt	62,822	67,960	110,087	51,260	49,653
Thereoff older than 18 months at year end ¹	43,856	46,543	44,950	-	-
Allocation ratio of debt issued more than 18 months old ²	100%	100%	100%	100%	100%
Allocation ratio of debt issued less than 18 months old ³	100%	100%	52%	113%	50%

1. Íslandsbanki is committed to allocating all sustainable funding within 18 months of disbursement.

2. While any proceeds or Sustainability Instruments remain unallocated to Sustainability Loans, Íslandsbanki will temporarily hold or invest any unallocated net proceeds at its own discretion in its liquidity portfolios. Íslandsbanki strives, over time, to maintain a level of allocation for Eligible Assets which matches or exceeds the balance of net proceeds from its outstanding Sustainability Instruments.

3. Íslandsbanki strives, over time, to maintain a level of allocation for Eligible Assets which matches or exceeds the balance of net proceeds from its outstanding Sustainability Instruments.

Impact of Eligible Projects for Íslandsbanki's Sustainable Financing Framework 2024

	Allocation to Eligible Projects			Selected impact indicators													Avoided greenhouse gas emissions per million ISK	Avoided greenhouse gas emissions per million EUR ⁷
	Amount outstanding 31.12.2024	Share of funding*	Share of capex ³	Avoided GHG emissions	Clean vehicles ⁵	Fiber optic cables laid	Additional waste recycled	Clean energy produced	Green buildings	MSC certified products sold	Eco-efficient products	Students reached	Dwellings	Companies supported ⁶	Loans to gender balanced companies			
	ISK million	%	%	tCO2e	number of	number of	GWh	number of	tonnes	km	tonnes	number of	number of	number of	number of	tCO2e	tCO2e	
Clean Transportation	6,690	100%	85%	2,373	1,553											0.358	51.519	
Energy Efficiency ²	6,764	100%	100%			4,500												
Pollution prevention and control	1,044	61%	100%	3,952			11,811									6.079	874.758	
Renewable energy ⁴	10,450	85%	100%	1,379				162								0.151	21.744	
Green Buildings ¹	33,150	82%	100%						78,921									
Sustainable management of living natural resources and land use	27,593	70%	95%							28,508								
Eco-efficient products	763	96%	100%								66,973							
Education and vocational training	3,053	100%	100%									125	106					
Affordable housing	8,951	90%	100%										398					
Employment Generation	630	n.a.	0%											84				
Equality, diversity and empowerment	10,454	n.a.	94%												19			
Sustainable Financing Framework (2020-2023)																		
Clean Transportation	10,328	100%	100%	4,760	3,431											0.46	66.32	
	119,870			12,464												0.471	67.840	

1. A benchmark for building emissions in Iceland is currently being developed. Once available, Íslandsbanki will report on the estimated reduced/avoided GHG emissions (tonnes CO2e) per year from the green buildings financed as per its Sustainable Financing Framework.

2. No benchmark is available for GHG emissions from using copper-based broadband technology in Iceland. Estimated avoided emissions in this category are therefore omitted from the report.

3. Share of capex = how much of Íslandsbanki's share of funding finances capital expenditures.

4. Calculated using the average GHG emission intensity of electricity generation in Iceland. The Icelandic benchmark emission factor for 2022 is estimated to be 8.54 gCO2 e/kWh, and has not been updated since.

5. In addition 28 electric bikes were funded.

6. Average loan size ISK 7.5m.

7. EUR/ISK=143.9 on 31.12.2024.

* Estimated based on Share of funding from 2023, will be updated later in 2025 and flagged if significant changes.

Impact of Eligible Projects for Íslandsbanki's Sustainable Financing Framework 2023

Allocation to Eligible Projects				Selected impact indicators													Avoided greenhouse gas emissions per million ISK	Avoided greenhouse gas emissions per million EUR ⁷
	Amount outstanding 31.12.2023	Share of funding	Share of capex ³	Avoided greenhouse gas emissions ⁴	Clean vehicles ⁵	Certified products sold	Clean energy produced	Green building	Additional waste recycled	Fiber optic cables laid	MSC certified products sold	Companies supported ⁶	Dwellings	Students reached	Loans to empowered companies			
	ISK million	%	%	tCO2e	number of	number of	GWh	number of	tonnes	km	tonnes	number of	number of	number of	number of		tCO2e	
Clean transportation	22,637	100%	84%	8,843	6,101												0.4	
Eco-certified products	796	100%	96%			63,633											59	
Renewable energy	5,988	100%	100%	1,150			131										29	
Green buildings ¹	26,343	74%	100%					21										
Certified organic farms	734	n.a.	100%									2						
Sustainable waste management	1,025	23%	100%	6.915*					4.649*								5.3	
Information and communication technology ²	880	100%	100%							4,500							793	
Sustainable seafood products	25,224	90%	100%								n.a.*							
Government defined company support	1,517	n.a.	0%									102						
Affordable housing	3,521	100%	100%										171					
Education and vocational training	253	100%	96%											125				
Equality, diversity and empowerment	8,593	n.a.	87%												117			
	97,511		93%	16,908														

1. A benchmark for building emissions in Iceland is currently being developed. Once available, Íslandsbanki will report on the estimated reduced/avoided GHG emissions (tonnes CO2e) per year from the green buildings financed as per its Sustainable Financing Framework.

2. No benchmark is available for GHG emissions from using copper-based broadband technology in Iceland. Estimated avoided emissions in this category are therefore omitted from the report.

3. Share of capex = how much of Íslandsbanki's share of funding finances capital expenditures.

4. Calculated using the average GHG emission intensity of electricity generation in Iceland. The Icelandic benchmark emission factor for 2021 is estimated to be 10.3 gCO2 e/kWh, and has not been updated since.

5. In addition 93 charging stations and electric bikes were funded.

6. Average loan size ISK 7.1m.

7. EUR/ISK=150.5 on 31.12.2023.

* Significant decrease as share of funding decreased by 4%, decreasing avoided emissions by 1 ktCO₂ and 1 t additional waste recycled

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