

Income Statement

Reykjavík Group

	Outcome		Budget	Budget	Budget	Budget	Budget
	Actual 2021	Forecast 2022	2023	2024	2025	2026	2027
Operating revenues							
Tax revenues.....	109.819	117.490	129.504	138.629	147.337	155.808	164.530
Contributions from Municipal Equalisation Fund.....	8.762	9.221	10.121	10.774	11.458	12.158	12.902
Other revenues.....	84.018	97.648	102.460	110.528	116.986	126.521	141.306
Total operating revenues	202.599	224.359	242.085	259.931	275.781	294.487	318.737
Operating expenses							
Wage cost and wage-related expenses.....	98.340	107.401	113.961	119.992	126.532	135.191	143.142
Changes in pension obligations, LsRb.....	(203)	3.900	1.500	1.350	1.800	1.700	1.600
Other operating expenses.....	62.622	75.346	79.853	81.832	83.336	88.874	94.391
Total operating expenses	160.759	186.647	195.314	203.173	211.669	225.764	239.132
Operating result before depreciation, EBITDA	41.840	37.713	46.771	56.758	64.112	68.723	79.605
Depreciation	(21.052)	(22.822)	(24.097)	(25.553)	(26.916)	(28.328)	(29.015)
Operating results before financial items	20.787	14.891	22.674	31.205	37.197	40.395	50.590
Financial Items							
Net financial items	(12.899)	(26.398)	(19.113)	(18.694)	(18.596)	(19.843)	(20.335)
Operating results before tax, adjustments and effects of associated companies	7.888	(11.507)	3.561	12.511	18.601	20.551	30.255
Income tax.....	(4.169)	(2.072)	(2.761)	(2.065)	(2.282)	(2.438)	(3.936)
Value adjustments of investment properties	20.521	29.511	7.754	6.753	5.441	5.780	6.139
Share in associated companies' operating results.....	(32)	(0)	0	0	0	0	0
Minority interests	(806)	(529)	(550)	(1.397)	(1.643)	(2.229)	(4.496)
Operating results.....	23.402	15.402	8.003	15.801	20.117	21.664	27.964
Amounts are in ISK M							

Statement of financial Position (Balance sheet)

	Actual 2021	Outcome Forecast 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Budget 2027
Assets							
Fixed assets:							
Intangible assets	5.011	6.262	6.892	7.965	8.909	10.033	11.146
Fixed tangible assets:							
Real estate	158.788	171.683	182.730	193.459	205.092	212.984	216.334
Utilities	352.484	365.475	380.877	402.337	426.706	441.103	451.938
Investment properties	123.732	158.527	173.344	187.828	200.356	213.855	226.156
Road systems	29.421	32.999	38.220	40.318	44.591	47.633	49.925
Machinery and equipment	11.217	12.377	13.697	15.434	16.545	17.436	18.299
Lease properties	6.703	6.343	5.639	4.935	4.231	3.526	2.822
	682.346	747.404	794.508	844.310	897.521	936.538	965.474
Investments and long-term receivables:							
Capital contributions and shares in companies	5.278	5.687	7.298	9.511	15.860	24.818	32.321
Long-term receivables from own companies	0	0	0	0	0	0	0
Prepaid cost	9.300	8.912	8.508	8.103	7.699	7.295	6.890
Embedded derivatives	0	0	0	0	0	0	0
Derivative contracts	73	54	75	80	80	80	80
Deferred tax assets	3.813	3.233	2.807	3.505	4.291	5.322	6.369
Other long-term receivables	1.097	1.356	1.209	1.204	1.209	1.213	1.218
	19.562	19.243	19.895	22.402	29.138	38.728	46.878
	Total fixed assets	706.919	772.908	821.296	874.678	935.568	985.299
							1.023.498
Current assets:							
Inventories.....	1.691	2.210	2.160	2.140	2.120	2.100	2.080
Short-term receivables:							
Unclaimed revenues and receivables	22.392	21.643	21.851	22.287	22.561	23.272	24.283
Next year's paym. of own comp. long-term receivables	0	0	0	0	0	0	0
Next year's paym. of other long-term receivables	780	1.190	271	250	239	239	239
Receivables from own companies	26	0	0	0	0	0	0
Pre-paid cost	733	714	714	714	714	714	714
Embedded derivatives	1.548	52	32	34	0	0	0
Derivative contracts	17	17	16	15	15	15	15
Other short-term receivables	11.380	11.277	5.201	5.363	5.775	6.343	7.036
Bank deposits and marketable securities.....	14.657	14.657	14.657	14.657	14.657	14.657	14.657
Cash and cash equivalents.....	30.424	22.123	57.099	39.812	22.229	12.715	12.713
	Total current assets	83.647	73.883	102.000	85.273	68.311	60.056
							61.739
Total assets.....	790.566	846.791	923.296	959.951	1.003.879	1.045.354	1.085.237

Amounts are in ISK M

	Outcome						
	Actual 2021	Forecast 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Budget 2027
Equity and liabilities							
Equity:							
Equity account.....	369.005	390.103	419.411	434.488	454.629	477.542	507.251
Minority interest.....	14.259	14.771	39.943	40.891	42.136	44.013	48.030
Total equity	383.264	404.873	459.355	475.379	496.765	521.555	555.281
Obligations:							
Pension obligations.....	35.025	36.234	35.034	33.684	32.534	31.134	29.634
Deferred tax liabilities	17.256	16.956	16.933	16.781	16.579	16.352	16.154
Capital contributions from state.....	3.698	5.386	6.721	8.209	9.575	11.136	12.464
Other obligations.....	69	82	89	92	95	98	101
Total obligations	56.048	58.658	58.776	58.766	58.783	58.720	58.353
Long-term liabilities:							
Long-term debts.....	280.563	309.073	328.665	355.471	375.850	391.779	397.597
Long-term debts, own companies.....	0	0	0	0	0	0	0
Lease liabilities.....	11.536	11.559	10.788	9.677	8.455	7.201	6.259
Embedded derivatives in electricity contracts	931	756	593	422	410	686	768
Derivative contracts	332	328	295	280	280	280	280
Total long- term liabilities	293.363	321.715	340.341	365.851	384.996	399.946	404.904
Current liabilities:							
Debts to credit institutions.....	40	122	122	122	122	122	122
Accounts payable.....	10.083	10.289	10.692	10.850	10.969	11.469	11.872
Embedded derivatives in electricity contracts	0	0	0	0	0	0	0
Next year's payment on long-term debts.....	19.779	26.855	28.878	24.748	27.299	27.312	26.287
Next year's payment on long-term debts to own companies ...	1	0	0	0	0	0	0
Next year's payment on lease liabilities.....	1.267	1.483	1.544	1.534	1.534	1.534	1.534
Pension obligations, short-term.....	2.344	2.635	2.735	2.885	2.985	3.135	3.135
Account payable to own companies	102	0	0	0	0	0	0
Derivative contracts	1.584	1.658	1.578	1.558	1.558	1.558	1.558
Pre-paid cost.....	1.951	425	520	483	447	410	373
Other payables.....	20.741	18.077	18.755	17.774	18.422	19.593	21.818
Total current liabilities	57.892	61.544	64.824	59.955	63.336	65.134	66.699
Total liabilities and obligations	407.302	441.918	463.941	484.572	507.114	523.800	529.956
Total equity and liabilities	790.566	846.791	923.296	959.951	1.003.879	1.045.354	1.085.237

Amounts are in ISK M

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Statement of Cash flow

	Actual 2021	Outcome Forecast 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Budget 2027
Cash flow from operating activities:							
Operating results.....	23.402	15.402	8.003	15.801	20.117	21.664	27.964
Adjustments not affecting cash flow:							
Gain on sold assets	(4.116)	(5.822)	(5.250)	(5.590)	(5.250)	(5.250)	(5.250)
Depreciation	21.052	22.822	24.097	25.553	26.916	28.328	29.015
Indexation, discounts and exch.rate differences	(4.397)	12.946	10.591	7.918	7.365	9.579	8.831
Embedded derivatives, change	6.573	1.390	(256)	(208)	22	276	82
Value adjustments of investments properties	(20.521)	(29.511)	(7.754)	(6.753)	(5.441)	(5.780)	(6.139)
Effect of own companies and minority interests	838	530	274	1.914	2.305	3.438	7.581
Changes in pension obligations	(203)	3.900	1.500	1.350	1.800	1.700	1.600
Changes in deferred taxes	4.170	247	1.215	389	(671)	(758)	242
Other changes	(695)	(1.000)	0	0	0	0	0
Working capital provided by operating activities	26.104	20.903	32.421	40.375	47.163	53.198	63.923
Changes in operating assets and liabilities:							
Inventories decrease (increase)	(32)	(519)	50	20	20	20	20
Current receivables increase (decrease)	(4.427)	471	(215)	(439)	(274)	(711)	(1.012)
Current liabilities increase (decrease)	1.871	858	870	131	40	(845)	(1.340)
Contributions to pension payments	(2.305)	(2.397)	(2.600)	(2.700)	(2.850)	(2.950)	(3.100)
Prepaid contribution to Brú pension fund, changes	393	391	404	404	404	404	404
Change in operating assets and liabilities	(4.500)	(1.196)	(1.491)	(2.583)	(2.660)	(4.081)	(5.028)
Net cash provided by operating activities	21.604	19.707	30.930	37.792	44.503	49.117	58.895
Investment activities:							
Investments in fixed tangible assets.....	(35.830)	(45.614)	(62.017)	(67.659)	(70.043)	(58.551)	(50.289)
Investment in investment properties	(2.952)	(4.095)	(6.767)	(7.436)	(6.822)	(7.412)	(5.811)
Investment in intangible assets	(1.715)	(3.102)	(2.900)	(1.573)	(1.500)	(1.741)	(1.796)
Road construction fees	1.965	2.400	2.500	4.000	3.000	3.000	3.000
Building permits.....	3.926	5.000	5.000	5.000	5.000	5.000	5.000
Proceeds from sale of fixed and tangible assets	792	523	1.154	824	250	2.572	2.572
Capital in associated companies - change.....	(271)	(280)	4.484	(2.213)	(6.349)	(8.958)	(7.504)
Other investment activities.....	1.001	194	(241)	0	0	0	0
Restricted bank deposits	0	0	0	0	0	0	0
Long-term receivables, change	1.252	737	1.071	28	7	(3)	(3)
Investment activities	(31.832)	(44.236)	(57.715)	(69.029)	(76.457)	(66.093)	(54.830)
Financing activities:							
Capital contributions from state.....	824	965	1.038	1.193	1.101	1.253	978
New long-term borrowings.....	41.125	37.922	46.351	44.112	40.427	35.891	23.861
New lease liabilities	0	0	0	0	0	0	0
Repayment of long-term liabilities	(25.027)	(21.406)	(33.949)	(29.356)	(25.337)	(27.874)	(27.407)
Payment on lease liabilities	(1.116)	(1.179)	(1.334)	(1.391)	(1.450)	(1.437)	(1.095)
Derivative contracts paid.....	0	0	0	0	0	0	0
Paid-in capital	0	0	50.000	0	0	0	0
Short-term borrowings, change.....	(1.266)	184	7	3	3	3	3
Dividends paid	(258)	(258)	(323)	(355)	(375)	(375)	(407)
Other financing activities	63	0	0	0	0	0	0
Financing activities	14.344	16.227	61.789	14.206	14.371	7.462	(4.067)
Increase (decrease) in cash and cash equivalents	4.116	(8.301)	35.004	(17.031)	(17.584)	(9.514)	(2)
Cash and cash equivalents at beginning of year	26.319	30.424	22.123	56.848	39.812	22.229	12.715
Effect of changes in proportion of holdings on cash.....	0	0	0	0	0	0	0
Effect of currency fluctuations on cash	(12)	0	(28)	(4)	(0)	(0)	0
Cash and cash equivalents at year-end	30.424	22.123	57.099	39.812	22.229	12.715	12.713
Amounts are in ISK M							

Income Statement

A-operation

	Actual 2021	Outcome Forecast 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Budget 2027
Operating revenues							
Tax revenues.....	110.501	118.312	130.316	139.521	148.275	156.778	165.526
Contributions from Municipal Equalisation Fund.....	8.762	9.221	10.121	10.774	11.458	12.158	12.902
Other revenues.....	23.003	25.235	25.679	28.783	30.385	31.785	33.802
Total operating revenues	142.266	152.767	166.116	179.078	190.119	200.722	212.229
Operating expenses							
Wage cost and wage-related expenses.....	84.755	91.867	96.656	101.120	106.144	112.784	119.635
Change in pension obligations.....	(212)	3.900	1.500	1.350	1.800	1.700	1.600
Other operating expenses.....	53.690	59.398	62.169	63.775	65.147	67.571	69.966
Total operating expenses	138.233	155.165	160.325	166.245	173.091	182.055	191.200
Operating result before depreciation, EBITDA	4.034	(2.398)	5.791	12.833	17.027	18.667	21.029
Depreciation	(6.529)	(7.227)	(8.095)	(8.486)	(8.861)	(9.183)	(9.168)
Operating results before financial items	(2.495)	(9.625)	(2.303)	4.346	8.166	9.484	11.861
Financial Items							
Net financial items	(1.354)	(5.653)	(3.806)	(2.180)	(2.131)	(2.417)	(2.230)
Operating results before tax, adjustments and effects of associated companies	(3.850)	(15.278)	(6.110)	2.166	6.035	7.067	9.631
Income tax.....	0	0	0	0	0	0	0
Value adjustments of investment properties	0	0	0	0	0	0	0
Share in associated companies' operating results.....	0	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0	0
Operating results	(3.850)	(15.278)	(6.110)	2.166	6.035	7.067	9.631

Amounts are in ISK M

Statement of financial Position (balance sheet)

Assets	Outcome		Budget 2023	Budget	Budget	Budget	Budget	
	Actual 2021	Forecast 2022		2024	2025	2026	2027	
Fixed assets:								
Intangible assets	2.044	3.037	3.469	4.308	5.018	5.908	6.788	
Fixed tangible assets:								
Real estate	134.340	147.302	156.319	164.176	174.659	181.793	185.085	
Utilities		0	0	0	0	0	0	
Investment properties	0	0	0	0	0	0	0	
Road systems	28.973	32.535	37.680	39.720	43.900	46.910	49.120	
Machinery and equipment	5.930	6.884	7.777	8.934	9.925	10.760	11.595	
Lease properties	5.034	4.674	3.970	3.266	2.561	1.857	1.153	
	174.278	191.394	205.746	216.096	231.045	241.320	246.953	
Investments and long-term receivables:								
Capital contributions and shares in companies	13.893	14.858	17.008	18.347	19.631	21.017	22.219	
Long-term receivables from own companies	0	0	0	0	0	0	0	
Prepaid cost	8.860	8.475	8.090	7.705	7.319	6.934	6.549	
Embedded derivatives	0	0	0	0	0	0	0	
Derivative contracts	0	0	0	0	0	0	0	
Deferred tax assets	0	0	0	0	0	0	0	
Other long-term receivables	903	1.183	1.061	1.061	1.061	1.061	1.061	
	23.656	24.516	26.159	27.113	28.012	29.012	29.829	
	Total fixed assets	199.978	218.947	235.374	247.516	264.075	276.240	283.570
Current assets:								
Short-term receivables:								
Unclaimed revenues and receivables	15.992	15.469	15.469	15.469	15.469	15.469	15.469	
Next year's paym. of own long-term receivables	0	0	0	0	0	0	0	
Next year's paym. of other long-term receivables	687	1.140	239	239	239	239	239	
Receivables from own companies	340	122	122	122	122	122	122	
Pre-paid cost	388	385	385	385	385	385	385	
Embedded derivatives	0	0	0	0	0	0	0	
Derivative contracts	0	0	0	0	0	0	0	
Other short-term receivables	3.818	4.168	4.168	4.168	4.168	4.168	4.168	
Bank deposits and marketable securities.....	0	0	0	0	0	0	0	
Cash and cash equivalents.....	15.276	14.914	11.201	9.317	8.826	8.754	9.572	
	Total current assets	36.502	36.198	31.585	29.701	29.210	29.138	29.956
	Total assets.....	236.480	255.145	266.959	277.217	293.285	305.378	313.526
					Amounts are in ISK M			

	Outcome		Budget	Budget	Budget	Budget	Budget
	Actual 2021	Forecast 2022	2023	2024	2025	2026	2027
Equity and liabilities							
Equity:							
Equity account.....	91.895	79.134	73.024	75.309	81.344	88.411	98.042
Minority interest.....							
Total equity	91.895	79.134	73.024	75.309	81.344	88.411	98.042
Obligations:							
Pension obligations.....	34.394	35.603	34.403	33.053	31.903	30.503	29.003
Deferred tax liabilities	0	0	0	0	0	0	0
Other obligations.....	0	0	0	0	0	0	0
Total obligations	34.394	35.603	34.403	33.053	31.903	30.503	29.003
Long-term liabilities:							
Long-term debts.....	75.120	100.078	114.402	127.906	138.518	144.442	144.301
Long-term debts, own companies.....	0	0	0	0	0	0	0
Lease liabilities.....	9.961	9.982	9.212	8.101	6.879	5.624	4.682
Embedded derivatives in electricity contracts	0	0	0	0	0	0	0
Derivative contracts	0	0	0	0	0	0	0
Total long- term liabilities	85.081	110.060	123.613	136.007	145.397	150.066	148.983
Current liabilities:							
Debts to credit institutions.....	40	96	96	96	96	96	96
Accounts payable.....	5.326	5.395	5.395	5.395	5.395	5.395	5.395
Embedded derivatives in electricity contracts	0	0	0	0	0	0	0
Next year's payment on long-term debts.....	3.126	5.339	11.732	8.522	10.216	11.822	12.922
Next year's payment on long-term debts to own companies ...	3	0	0	0	0	0	0
Next year's payment on lease liabilities.....	1.122	1.339	1.401	1.391	1.391	1.391	1.391
Pension obligations, short-term.....	2.309	2.600	2.700	2.850	2.950	3.100	3.100
Account payable to own companies	555	9	9	9	9	9	9
Derivative contracts	0	0	0	0	0	0	0
Pre-paid cost.....	87	77	77				
Other payables.....	12.542	15.493	14.508	14.585	14.585	14.585	14.585
Total current liabilities	25.110	30.348	35.918	32.848	34.641	36.398	37.498
Total liabilities and obligations	144.585	176.011	193.935	201.908	211.941	216.967	215.484
Total equity and liabilities	236.480	255.145	266.959	277.217	293.285	305.378	313.526

Amounts are in ISK M

Statement of Cash flow

	Actual 2021	Outcome Forecast 2022	Budget 2023	Budget 2024	Budget 2025	Budget 2026	Budget 2027
Cash flow from operating activities:							
Operating results.....	(3.850)	(15.278)	(6.110)	2.166	6.035	7.067	9.631
Adjustments not affecting cash flow:							
Gain on sold assets	(4.321)	(5.800)	(5.250)	(5.250)	(5.250)	(5.250)	(5.250)
Depreciation	6.529	7.227	8.095	8.486	8.861	9.183	9.168
Indexation, discounts and exch.rate differences	2.935	6.789	5.676	3.772	3.051	2.924	2.930
Embedded derivatives, change	0	0	0	0	0	0	0
Value adjustments of investments properties	0	0	0	0	0	0	0
Effect of own companies and minority interests	0	0	0	0	0	0	0
Changes in pension obligations	(212)	3.900	1.500	1.350	1.800	1.700	1.600
Changes in deferred taxes	0	0	0	0	0	0	0
Other changes	(712)	(1.000)	0	0	0	0	0
Working capital provided by operating activities	369	(4.161)	3.912	10.525	14.497	15.624	18.079
Changes in operating assets and liabilities:							
Inventories decrease (increase)	0	0	0	0	0	0	0
Current receivables increase (decrease)	(3.960)	387	0	0	0	0	0
Current liabilities increase (decrease)	1.492	1.489	0	0	0	0	0
Contributions to pension payments	(2.269)	(2.400)	(2.600)	(2.700)	(2.850)	(2.950)	(3.100)
Prepaid contribution to Brú pension fund, changes	373	388	385	385	385	385	385
Change in operating assets and liabilities	(4.364)	(136)	(2.215)	(2.315)	(2.465)	(2.565)	(2.715)
Net cash provided by operating activities	(3.995)	(4.297)	1.697	8.210	12.032	13.060	15.364
Investment activities:							
Investments in fixed tangible assets.....	(17.106)	(22.541)	(23.124)	(22.836)	(26.811)	(22.458)	(17.801)
Investment in investment properties	0	0	0	0	0	0	0
Investment in intangible assets	(1.195)	(2.444)	(2.255)	(839)	(710)	(890)	(880)
Road construction fees	1.965	2.400	2.500	4.000	3.000	3.000	3.000
Building permits.....	3.926	5.000	5.000	5.000	5.000	5.000	5.000
Proceeds from sale of fixed and tangible assets	1.614	375	250	250	250	250	250
Capital in associated companies - change.....	(1.257)	(836)	(2.150)	(1.338)	(1.284)	(1.386)	(1.202)
Other investment activities.....	44	938	(985)	0	0	0	0
Restricted bank deposits	0	0	0	0	0	0	0
Long-term receivables, change	4.531	665	1.022	0	0	0	0
Investment activities	(7.477)	(16.443)	(19.742)	(15.763)	(20.555)	(16.484)	(11.633)
Financing activities:							
Capital contributions from state.....	0	0	0	0	0	0	0
New long-term borrowings.....	22.873	25.000	21.000	19.000	18.000	15.000	10.000
New lease liabilities	0	0	0	0	0	0	0
Repayment of long-term liabilities	(2.751)	(3.499)	(5.334)	(11.689)	(8.518)	(10.211)	(11.818)
Payment on lease liabilities	(1.053)	(1.179)	(1.334)	(1.391)	(1.450)	(1.437)	(1.095)
Derivative contracts paid.....	0	0	0	0	0	0	0
Paid-in capital	0	0	0	0	0	0	0
Short-term borrowings, change.....	(495)	56	0	0	0	0	0
Dividends paid	0	0	0	0	0	0	0
Other financing activities	63	0	0	0	0	0	0
Financing activities	18.638	20.379	14.332	5.921	8.032	3.352	(2.913)
Increase (decrease) in cash and cash equivalents	7.165	(362)	(3.713)	(1.633)	(491)	(72)	819
Cash and cash equivalents at beginning of year	8.111	15.276	14.914	10.950	9.317	8.826	8.754
Effect of currency fluctuations on cash	0	0	0				
Cash and cash equivalents at year-end	15.276	14.914	11.201	9.317	8.826	8.754	9.572

Amounts are in ISK M