

# Reykjavíkurborg

(City of Reykjavik)

## Interim Financial Statements 1 January - 30 June 2024



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(City of Reykjavik)  
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## Interim Financial Statements

### 1 January - 30 June 2024

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**Please note:**

This is an English translation of the Icelandic Interim Financial Statements of Reykjavíkurborg (the City of Reykjavik). In the event of any discrepancy between the English and Icelandic versions the original Icelandic text shall prevail.

# Income Statement 1 January - 30 June 2024

Notes	Reykjavik Municipal (Section A)			Reykjavik Group (A and B operations)		
	Interim		Interim	Interim		Interim
	Financial	Budget with	Financial	Financial	Budget with	Financial
	Statements	Annexes	Statements	Statements	Annexes	Statements
	Jan-Jun 2024	Jan-Jun 2024	Jan-Jun 2023	Jan-Jun 2024	Jan-Jun 2024	Jan-Jun 2023
<b>Operating revenue</b>						
Tax revenues .....	72.524.720	71.412.627	67.434.481	72.098.873	70.991.196	66.887.474
Contributions from Municipal Equalisation Fund .....	7.429.124	7.451.651	5.893.475	7.429.124	7.451.651	5.893.475
Other revenues .....	14.615.885	14.431.022	13.738.612	54.161.670	55.277.974	48.895.753
<b>Total operating revenues</b>	<b>94.569.728</b>	<b>93.295.300</b>	<b>87.066.569</b>	<b>133.689.667</b>	<b>133.720.821</b>	<b>121.676.701</b>
<b>Operating expenses</b>						
Wage cost and wage-related expenses .....	50.756.758	49.966.830	48.302.598	60.061.735	60.363.325	57.226.260
Changes in pension obligations, LsRb .....	1.325.000	1.325.000	1.750.000	1.380.696	1.325.000	1.829.464
Other operating expenses .....	36.540.208	34.902.151	32.906.686	43.958.139	44.058.685	39.485.589
<b>Total operating expenses</b>	<b>88.621.966</b>	<b>86.193.981</b>	<b>82.959.284</b>	<b>105.400.570</b>	<b>105.747.010</b>	<b>98.541.313</b>
<b>Operating result before depreciation, EBITDA .....</b>	<b>5.947.762</b>	<b>7.101.319</b>	<b>4.107.285</b>	<b>28.289.097</b>	<b>27.973.811</b>	<b>23.135.388</b>
Depreciation .....	( 4.589.948 )	( 4.659.254 )	( 4.141.402 )	( 13.573.009 )	( 13.541.044 )	( 12.527.852 )
<b>Operating result before financial items.....</b>	<b>1.357.814</b>	<b>2.442.065</b>	<b>( 34.118 )</b>	<b>14.716.087</b>	<b>14.432.767</b>	<b>10.607.536</b>
Net financial items .....	( 1.106.331 )	( 538.776 )	( 886.902 )	( 15.009.823 )	( 12.741.654 )	( 18.609.316 )
Operating result before tax, adjustments and effects of associated companies	251.484	1.903.289	( 921.020 )	( 293.735 )	1.691.114	( 8.001.780 )
Income tax .....	0	0	0	( 658.805 )	( 442.202 )	559.944
Value adjustment of investment properties .....	0	0	0	1.659.110	2.630.457	702.031
Share in associated companies' operating results .....	( 55.200 )	0	0	( 50.697 )	0	37.625
Minority interests .....	0	0	0	( 249.724 )	( 265.628 )	( 28.243 )
<b>Operating results.....</b>	<b>196.284</b>	<b>1.903.289</b>	<b>( 921.020 )</b>	<b>406.149</b>	<b>3.613.741</b>	<b>( 6.730.424 )</b>

# Statement of Financial Position 30 June 2024

## Assets

	Notes	Reykjavik Municipal (Section A)		Reykjavik Group (A and B operations)	
		Interim Financial Statements 30.6.2024	Financial Statements 31.12.2023	Interim Financial Statements 30.6.2024	Financial Statements 31.12.2023
<b>Fixed assets</b>					
Intangible assets .....		5.785.824	5.272.080	11.965.509	11.114.604
Fixed tangible assets:					
Real estate .....		165.059.404	162.241.089	191.866.726	188.038.699
Utilities .....		0	0	421.063.154	416.885.856
Investment properties .....		0	0	159.678.170	157.086.147
Road systems .....		39.288.659	38.250.309	39.725.953	38.705.015
Machinery and equipment .....		8.398.393	8.727.652	15.921.887	14.679.189
Lease properties .....		5.868.979	5.899.166	6.896.454	6.857.269
		<u>218.615.435</u>	<u>215.118.217</u>	<u>835.152.343</u>	<u>822.252.175</u>
Investments and long-term receivables:					
Capital contributions and shares in companies .....		15.746.003	15.546.740	6.148.475	5.964.566
Pre-paid costs .....		7.900.030	8.092.608	8.293.871	8.495.866
Embedded derivatives .....		0	0	2.061.456	1.914.127
Derivative contracts .....		0	0	38.593	50.239
Deferred tax assets .....		0	0	4.906.780	4.792.230
Other long-term receivables .....		1.223.164	1.228.185	1.401.786	1.402.847
		<u>24.869.197</u>	<u>24.867.534</u>	<u>22.850.961</u>	<u>22.619.875</u>
<b>Total fixed assets</b>		<u>249.270.457</u>	<u>245.257.831</u>	<u>869.968.813</u>	<u>855.986.654</u>
<b>Current assets</b>					
Inventories .....		0	0	1.913.236	1.876.626
Short-term receivables:					
Unclaimed revenues and receivables .....		21.525.538	19.016.139	30.136.303	26.666.348
Next year's payment of other long-term receivables .....		210.094	411.577	237.396	455.481
Receivables from own companies .....		169.982	265.818	70.166	2.590
Pre-paid costs .....		385.156	385.156	874.689	783.106
Embedded derivatives .....		0	0	434.219	15.306
Derivative contracts .....		0	0	73.863	218.901
Investments available for sale .....		443.171	624.200	6.650.171	6.831.200
Other receivables .....		6.565.694	2.260.131	3.037.562	3.758.027
Bank deposits and marketable securities .....		0	0	10.359.449	8.670.016
Cash and cash equivalents .....		7.506.495	11.505.818	26.808.651	27.084.881
<b>Total current assets</b>		<u>36.806.129</u>	<u>34.468.838</u>	<u>80.595.704</u>	<u>76.362.484</u>
<b>Total assets</b> .....		<u>286.076.586</u>	<u>279.726.670</u>	<u>950.564.517</u>	<u>932.349.137</u>

# Statement of Financial Position 30 June 2024

## Equity and liabilities

Notes	Reykjavik Municipal (Section A)		Reykjavik Group (A and B operations)	
	Interim Financial	Financial	Interim Financial	Financial
	Statements	Statements	Statements	Statements
	30.6.2024	31.12.2023	30.6.2024	31.12.2023
<b>Equity</b>				
Equity account .....	81.450.259	81.253.976	421.692.341	419.892.773
Minority interest .....	0	0	17.218.636	17.195.856
<b>Total equity</b>	<b>81.450.259</b>	<b>81.253.976</b>	<b>438.910.977</b>	<b>437.088.628</b>
<b>Obligations</b>				
Pension obligations .....	39.201.325	38.745.232	40.076.924	39.601.689
Deferred tax liabilities .....	0	0	23.099.099	23.399.924
Capital contributions from state .....	0	0	6.648.457	6.457.488
Other obligations .....	0	0	89.338	85.890
<b>Total obligations</b>	<b>39.201.325</b>	<b>38.745.232</b>	<b>69.913.819</b>	<b>69.544.991</b>
<b>Long-term liabilities</b>				
Long-term debts .....	118.113.166	111.752.513	355.959.439	342.089.494
Lease liabilities .....	11.130.902	11.258.268	11.307.267	11.391.824
Embedded derivatives in electricity contracts .....	0	0	1.991.067	1.896.603
Derivative contracts .....	0	0	147.377	110.834
<b>Total long-term liabilities</b>	<b>129.244.068</b>	<b>123.010.781</b>	<b>369.405.150</b>	<b>355.488.754</b>
<b>Current liabilities</b>				
Debts to credit institutions .....	1.601.396	26.757	1.793.389	28.141
Accounts payable .....	4.193.881	7.073.456	8.985.051	12.468.014
Next year's payments on long-term debts .....	6.916.427	11.188.614	25.551.793	29.974.516
Next year's payments on lease liabilities .....	1.760.450	1.649.613	1.832.019	1.713.908
Pension obligations, short-term .....	1.908.000	1.908.000	1.961.129	1.961.124
Accounts payable to own companies .....	573.986	882.255	126.501	167.129
Prepayments .....	80.409	80.409	2.326.874	391.915
Derivative contracts .....	0	0	192.292	82.057
Other payables .....	19.146.385	13.907.578	29.565.523	23.439.960
<b>Total current liabilities</b>	<b>36.180.933</b>	<b>36.716.682</b>	<b>72.334.571</b>	<b>70.226.763</b>
<b>Total liabilities and obligations</b>	<b>204.626.326</b>	<b>198.472.694</b>	<b>511.653.540</b>	<b>495.260.509</b>
<b>Total equity and liabilities .....</b>	<b>286.076.586</b>	<b>279.726.670</b>	<b>950.564.517</b>	<b>932.349.137</b>

# Statement of Cash Flows 1 January - 30 June 2024

Notes	Reykjavik Municipal (Section A)			Reykjavik Group (A and B operations)		
	Interim		Interim	Interim		Interim
	Financial	Budget with	Financial	Financial	Budget with	Financial
	Statements	Annexes	Statements	Statements	Annexes	Statements
	Jan-Jun 2024	Jan-Jun 2024	Jan-jun 2023	Jan-Jun 2024	Jan-Jun 2024	Jan-jun 2023
<b>Cash flows from operating activities</b>						
Operating results.....	196.284	1.903.289	( 921.020 )	406.149	3.613.741	( 6.730.424 )
Adjustments not affecting cash flow:						
Gain on sold assets .....	( 911.301 )	( 2.549.000 )	( 1.964.177 )	( 974.671 )	( 2.549.000 )	( 1.927.797 )
Depreciation .....	4.589.948	4.659.254	4.141.402	13.573.009	13.541.044	12.527.852
Indexation, discounts and exch.rate differences .....	3.345.214	2.821.630	4.166.678	8.097.173	7.001.134	10.611.178
Embedded derivatives, change .....	0	0	0	353.335	( 368.765 )	1.647.248
Value adjustment of investment properties .....	0	0	0	( 1.659.110 )	( 2.630.457 )	( 702.031 )
Effect of own companies and minority interests .....	55.200	0	0	300.420	265.628	( 9.382 )
Changes in pension obligations .....	1.325.000	1.325.000	1.750.000	1.370.145	1.325.000	1.829.464
Prepaid contribution to Brú pension fund, changes .....	192.578	192.578	192.578	200.466	202.167	202.167
Changes in deferred taxes .....	0	0	0	( 871.199 )	( 541.509 )	( 412.271 )
<b>Working capital provided by operating activities</b>	<b>8.792.923</b>	<b>8.352.751</b>	<b>7.365.461</b>	<b>20.795.718</b>	<b>19.858.983</b>	<b>17.036.004</b>
Changes in operating assets and liabilities:						
Inventories decrease (increase) .....	0	0	0	( 36.583 )	( 2.267 )	( 425.169 )
Current receivables (increase) decrease .....	( 6.719.126 )	( 1.347.828 )	( 3.535.302 )	( 3.267.313 )	5.932.088	( 5.050.448 )
Current liabilities (decrease) increase .....	2.051.660	( 44.888 )	3.942.434	5.553.742	252.076	7.195.925
Contributions to pension payments .....	( 868.907 )	( 865.000 )	( 1.323.347 )	( 894.970 )	( 865.000 )	( 1.344.303 )
<b>Change in operating assets and liabilities</b>	<b>( 5.536.373 )</b>	<b>( 2.257.717 )</b>	<b>( 916.215 )</b>	<b>1.354.876</b>	<b>5.316.897</b>	<b>376.005</b>
<b>Net cash provided by operating activities</b>	<b>3.256.550</b>	<b>6.095.034</b>	<b>6.449.246</b>	<b>22.150.594</b>	<b>25.175.879</b>	<b>17.412.009</b>
<b>Investment activities</b>						
Investments in fixed tangible assets .....	( 8.085.009 )	( 8.843.000 )	( 10.329.994 )	( 21.983.160 )	( 35.822.447 )	( 20.854.001 )
Investment in investment properties .....	0	0	0	( 825.412 )	( 3.246.419 )	( 1.466.508 )
Investments in intangible assets .....	( 1.082.020 )	( 968.502 )	( 642.070 )	( 1.996.077 )	( 1.331.982 )	( 995.826 )
Paid road construction fees .....	1.005.123	999.600	1.163.485	1.005.123	999.600	1.163.485
Sales of building rights .....	912.192	2.000.000	1.272.756	937.735	2.000.000	1.272.756
Proceeds from sale of fixed tangible assets .....	575	549.000	918.466	133.823	582.500	924.896
Change in shareholdings .....	( 254.463 )	( 1.072.971 )	( 421.308 )	( 234.798 )	( 875.904 )	( 340.521 )
Short-term investments .....	181.029	0	( 984.800 )	( 1.169.361 )	( 60.542 )	( 301.745 )
Long-term receivables, change .....	206.504	0	391.249	220.998	14.222	411.716
<b>Investment activities</b>	<b>( 7.116.070 )</b>	<b>( 7.335.873 )</b>	<b>( 8.632.216 )</b>	<b>( 23.911.130 )</b>	<b>( 37.740.972 )</b>	<b>( 20.185.748 )</b>
<b>Financing activities</b>						
Capital contributions from state .....	0	0	0	453.884	695.418	282.037
New long-term borrowings .....	6.961.543	8.250.000	14.783.550	17.769.168	23.753.110	30.075.188
Short-term debts to credit institutions, change .....	1.574.639	0	54.605	1.717.040	1.329	1.107.635
Repayments of long-term liabilities .....	( 7.809.601 )	( 7.767.043 )	( 2.201.889 )	( 17.814.450 )	( 20.208.277 )	( 16.178.032 )
Payments on lease liabilities .....	( 865.686 )	( 750.888 )	( 688.409 )	( 857.420 )	( 750.888 )	( 726.737 )
Derivative contracts paid .....	0	0	0	0	0	0
Paid-in capital .....	0	0	0	0	12.721.175	0
Prepaid revenue .....	0	0	0	94.464	0	0
Dividends paid .....	0	0	0	0	0	( 355.355 )
Other financing activities .....	( 698 )	0	0	( 698 )	0	0
<b>Financing activities</b>	<b>( 139.804 )</b>	<b>( 267.931 )</b>	<b>11.947.857</b>	<b>1.361.987</b>	<b>16.211.867</b>	<b>14.204.736</b>
<b>(Decrease) Increase in cash and cash equivalents.....</b>	<b>( 3.999.323 )</b>	<b>( 1.508.770 )</b>	<b>9.764.888</b>	<b>( 398.549 )</b>	<b>3.646.774</b>	<b>11.430.997</b>
<b>Cash and cash equivalents at beginning of year.....</b>	<b>11.505.818</b>	<b>12.316.614</b>	<b>10.220.904</b>	<b>27.084.881</b>	<b>22.853.215</b>	<b>21.922.047</b>
<b>Effect of changes in ownership ratio on cash.....</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>424</b>	<b>0</b>	<b>3.643</b>
<b>Effect of currency fluctuations on cash.....</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>121.895</b>	<b>0</b>	<b>( 62.511 )</b>
<b>Cash and cash equivalents at year-end.....</b>	<b>7.506.495</b>	<b>10.807.844</b>	<b>19.985.791</b>	<b>26.808.651</b>	<b>26.499.989</b>	<b>33.294.176</b>
<b>Investment and financing activities without cash flow effect</b>						
New lease assets .....	( 440.469 )	0	( 168.019 )	( 540.153 )	0	( 170.235 )
New lease liabilities .....	440.469	0	168.019	540.153	0	170.235
Proceeds from sale of fixed tangible assets .....	0	0	423.463	0	0	423.463
Long-term receivables, change .....	0	0	( 423.463 )	0	0	( 423.463 )
Investments in fixed tangible assets .....	0	0	0	705.698	0	( 134.665 )
Short-term borrowings, change .....	0	0	0	( 705.698 )	0	134.665
Investments in intangible assets .....	0	0	0	430.000	0	0
Short-term borrowings, change .....	0	0	0	( 430.000 )	0	0
Other payables .....	0	0	0	323.050	323.050	0
Unpaid dividends .....	0	0	0	( 323.050 )	( 323.050 )	0