Reykjavíkurborg

(City of Reykjavik)

Interim Financial Statements

1 January - 30 June 2025

Reykjavíkurborg
(City of Reykjavik)
Reg. no. 530269-7609
City hall
Tjarnargötu 11
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Interim Financial Statements
1 January - 30 June 2025

Table of contents

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 2025

	Notes	Reykjavik Municipal (Section A)			Reykjavik Group (Sections A and B)		
		Interim Financial Statements Jan-Jun 2025	Budget with Annexes Jan-Jun 2025	Interim Financial Statements Jan-Jun 2024	Interim Financial Statements Jan-Jun 2025	Budget with Annexes Jan-Jun 2025	Interim Financial Statements Jan-Jun 2024
Operating revenue							
Tax revenues		79.207.388	75.827.324	72.524.720	78.765.918	75.391.677	72.098.873
Contributions from Municipal Equalisation Fund		8.829.432	8.685.219	7.429.124	8.829.432	8.685.219	7.429.124
Other revenues		15.396.916	14.345.015	14.615.885	57.678.213	60.691.050	54.648.672
Total operating revenues		**103.433.737**	**98.857.559**	**94.569.728**	**145.273.563**	**144.767.946**	**134.176.669**
Operating expenses							
Wage cost and wage-related expenses		55.938.912	55.706.065	50.756.758	65.883.326	66.237.181	60.061.735
Changes in pension obligations		5.045.161	1.885.000	1.325.000	5.281.084	1.885.000	1.380.696
Other operating expenses		39.139.272	37.364.083	36.540.208	47.245.576	48.811.423	44.445.141
Total operating expenses		**100.123.345**	**94.955.147**	**88.621.966**	**118.409.986**	**116.933.604**	**105.887.572**
Operating result before depreciation, EBITDA		**3.310.391**	**3.902.412**	**5.947.762**	**26.863.578**	**27.834.341**	**28.289.097**
Depreciation		(4.907.964)	(5.076.636)	(4.589.948)	(14.164.172)	(14.865.489)	(13.573.009)
Operating result before financial items...		**(1.597.573)**	**(1.174.224)**	**1.357.814**	**12.699.406**	**12.968.852**	**14.716.087**
Net financial items		1.550.806	1.611.765	(1.106.331)	(14.100.665)	(12.814.194)	(15.009.823)
Operating result before tax, adjustments and effects of associated companies		(46.767)	437.541	251.484	(1.401.259)	154.659	(293.735)
Income tax		0	0	0	(441.571)	(436.567)	(658.805)
Value adjustment of investment properties		0	0	0	7.277.846	3.971.370	1.659.110
Share in associated companies' operating results		0	0	(55.200)	(26.648)	0	(50.697)
Minority interests		0	0	0	(313.862)	(237.614)	(249.724)
Operating results..		**(46.767)**	**437.541**	**196.284**	**5.094.507**	**3.451.848**	**406.149**

City of Reykjavik Interim Financial Statement January - June 2025 2 All amounts in ISK thousand

Statement of Financial Position 30 June 2025

Assets

	Notes	Reykjavik Municipal (Section A)		Reykjavik Group (Sections A and B)	
		Interim Financial Statements 30.6.2025	Financial Statements 31.12.2024	Interim Financial Statements 30.6.2025	Financial Statements 31.12.2024
Fixed assets					
Intangible assets		5.508.881	5.912.636	12.057.269	12.294.118
Fixed tangible assets:					
Real estate		170.974.045	170.418.495	201.517.520	199.024.410
Utilities		0	0	419.721.501	431.068.377
Investment properties		0	0	169.458.082	161.109.336
Road systems		41.420.281	40.679.049	41.834.529	41.101.315
Machinery and equipment		8.075.126	8.555.346	16.344.708	16.363.313
Lease properties		5.401.365	5.723.522	6.446.783	6.754.108
		225.870.817	225.376.412	855.323.122	855.420.859
Investments and long-term receivables:					
Capital contributions and shares in companies		17.686.871	17.063.405	14.079.906	13.629.042
Pre-paid costs		7.514.874	7.707.452	7.887.670	8.091.700
Embedded derivatives		0	0	606.100	406.754
Derivative contracts		49.538	0	67.700	63.086
Deferred tax assets		0	0	6.595.431	6.171.165
Other long-term receivables		1.961.029	1.661.581	2.129.285	1.830.873
		27.212.313	26.432.439	31.366.091	30.192.619
Total fixed assets		258.592.010	257.721.487	898.746.482	897.907.596
Current assets					
Inventories		0	0	1.839.631	1.857.695
Short-term receivables:					
Unclaimed revenues and receivables		22.931.423	18.848.177	31.555.952	27.608.281
Next year's payment of other long-term receivables		3.203.920	869.591	3.212.267	887.027
Receivables from own companies		4.222.406	254.287	224.305	15.672
Pre-paid costs		385.156	385.156	1.230.706	684.032
Embedded derivatives		0	0	316.727	275.913
Derivative contracts		0	0	46.514	94.574
Investments available for sale		420.000	420.000	420.000	420.000
Other receivables		2.141.554	1.567.088	4.333.925	3.347.149
Bank deposits and marketable securities		0	0	14.418.175	11.594.110
Cash and cash equivalents		12.840.724	12.150.761	38.402.313	34.132.862
Total current assets		46.145.183	34.495.059	96.000.515	80.917.315
Total assets		304.737.193	292.216.546	994.746.998	978.824.910

City of Reykjavik Interim Financial Statement January - June 2025 3 All amounts in ISK thousand

Statement of Financial Position 30 June 2025

Equity and liabilities

	Notes	Reykjavik Municipal (Section A)		Reykjavik Group (Sections A and B)	
		Interim Financial Statements 30.6.2025	Financial Statements 31.12.2024	Interim Financial Statements 30.6.2025	Financial Statements 31.12.2024
Equity					
Equity account		88.594.828	88.641.595	431.957.341	436.379.526
Minority interest		0	0	18.136.175	17.655.314
Total equity		88.594.828	88.641.595	450.093.516	454.034.839
Obligations					
Pension obligations		40.179.876	36.160.013	41.074.218	37.048.802
Deferred tax liabilites		0	0	22.698.608	23.479.384
Capital contributions from state		0	0	7.653.341	7.082.215
Other obligations		0	0	94.943	92.529
Total obligations		40.179.876	36.160.013	71.521.110	67.702.930
Long-term liabilites					
Long-term debts		127.948.163	124.126.396	383.656.231	375.406.114
Lease liabilities		10.237.742	10.706.605	10.483.470	10.932.706
Embedded derivatives in electricity contracts		0	0	1.668.453	1.873.970
Derivative contracts		0	0	48.201	10.643
Total long-term liabilities		138.185.906	134.833.002	395.856.356	388.223.434
Current liabilities					
Debts to credit institutions		995	0	527.295	200.239
Accounts payable		4.533.608	6.044.894	9.910.507	11.321.204
Next year's payments on long-term debts		8.046.226	7.424.223	29.765.757	29.332.871
Next year's payments on lease liabilities		1.900.279	1.833.335	1.946.735	1.890.627
Pension obligations, short-term		1.980.000	1.980.000	2.031.068	2.038.696
Accounts payable to own companies		883.525	725.695	114.394	166.402
Prepayments		80.409	80.409	2.609.819	355.953
Derivative contracts		121.190	0	216.056	117.432
Other payables		20.230.352	14.493.381	30.154.385	23.440.282
Total current liabilities		37.776.584	32.581.937	77.276.016	68.863.708
Total liabilities and obligations		216.142.365	203.574.951	544.653.482	524.790.071
Total equity and liabilities		304.737.193	292.216.546	994.746.998	978.824.910

City of Reykjavik Interim Financial Statement January - June 2025 4 All amounts in ISK thousand

Statement of Cash Flows 1 January - 30 June 2025

	Notes	Reykjavik Municipal (Section A)			Reykjavik Group (Sections A and B)		
		Interim Financial Statements Jan-Jun 2025	Budget with Annexes Jan-Jun 2025	Interim Financial Statements Jan-jun 2024	Interim Financial Statements Jan-Jun 2025	Budget with Annexes Jan-Jun 2025	Interim Financial Statements Jan-jun 2024
Cash flows from operating activities							
Operating results		(46.767)	437.541	196.284	5.094.507	3.451.848	406.149
Adjustments not affecting cash flow:							
Gain on sold assets		(2.414.276)	(2.778.000)	(911.301)	(2.598.874)	(2.778.000)	(974.671)
Depreciation		4.907.964	5.076.636	4.589.948	14.164.172	14.865.489	13.573.009
Indexation, discounts and exch.rate differences		2.603.600	1.886.538	3.345.214	7.495.790	5.156.795	7.793.710
Changes in marketable securities		0	0	0	(2.574.893)	0	0
Embedded derivatives, change		0	0	0	(149.860)	0	353.335
Fair value change of hedge		71.651	0	0	179.628	0	303.462
Value adjustment of investment properties		0	0	0	(7.277.846)	(3.971.370)	(1.659.110)
Effect of own companies and minority interests		0	0	55.200	340.510	170.615	300.420
Changes in pension obligations		5.045.161	1.450.000	1.325.000	5.070.357	1.483.240	1.370.145
Prepaid contribution to Brú pension fund, changes		192.578	192.578	192.578	202.123	192.578	200.466
Changes in deferred taxes		0	0	0	(735.719)	(455.883)	(871.199)
Working capital provided by operating activities		**10.359.911**	**6.265.293**	**8.792.923**	**19.209.894**	**18.115.313**	**20.795.718**
Changes in operating assets and liabilities:							
Inventories decrease (increase)		0	0	0	17.778	79.269	(36.583)
Current receivables (increase) decrease		(8.625.831)	(1.432.875)	(6.719.126)	(6.688.985)	(1.519.998)	(3.267.313)
Current liabilities (decrease) increase		4.390.458	48.071	2.051.660	7.773.967	166.083	5.553.742
Contributions to pension payments		(1.025.298)	(1.000.000)	(868.907)	(1.051.826)	(1.003.395)	(894.970)
Change in operating assets and liabilities		**(5.260.671)**	**(2.384.805)**	**(5.536.373)**	**50.934**	**(2.268.448)**	**1.354.876**
Net cash provided by operating activities		**5.099.240**	**3.880.488**	**3.256.550**	**19.260.828**	**15.846.865**	**22.150.594**
Investment activities							
Investments in fixed tangible assets		(7.631.606)	(10.100.000)	(8.085.009)	(22.398.962)	(30.998.600)	(21.983.160)
Investment in investment properties		0	0	0	(810.393)	(3.331.737)	(825.412)
Investments in intangible assets		(440.501)	(535.000)	(1.082.020)	(1.086.810)	(1.164.000)	(1.996.077)
Paid road construction fees		1.365.631	1.050.000	1.005.123	1.365.631	1.050.000	1.005.123
Sales of building rights		789.081	1.074.000	912.192	789.081	1.074.000	937.735
Proceeds from sale of fixed tangible assets		841.443	1.704.000	575	1.844.436	2.126.998	133.823
Change in shareholdings		(623.466)	(707.826)	(254.463)	(470.044)	(341.706)	(234.798)
Short-term investments		0	0	181.029	0	0	(1.169.361)
Long-term receivables, change		25.359	0	206.504	35.537	13.796	220.998
Investment activities		**(5.674.058)**	**(7.514.826)**	**(7.116.070)**	**(20.731.522)**	**(31.571.249)**	**(23.911.130)**
Financing activities							
Capital contributions from state		0	0	0	348.381	549.179	453.884
New long-term borrowings		5.612.485	8.250.000	6.961.543	22.916.643	25.611.335	17.769.168
Repayment of liabilities, before maturity		0	0	0	(675.401)	0	0
Repayments of long-term liabilities		(3.415.765)	(3.487.580)	(7.809.601)	(15.762.293)	(15.142.147)	(17.814.450)
Payments on lease liabilities		(925.991)	(925.791)	(865.686)	(915.548)	(925.791)	(857.420)
Paid-in capital		0	0	0	0	4.510.341	0
Prepaid revenue		0	0	0	65.545	0	94.464
Dividends paid		0	0	0	(209.983)	(420.055)	0
Short-term debts to credit institutions, change		995	0	1.574.639	275.391	(23.579)	1.717.040
Other financing activities		(6.943)	0	(698)	(6.943)	0	(698)
Financing activities		**1.264.781**	**3.836.629**	**(139.804)**	**6.035.794**	**14.159.283**	**1.361.987**
(Decrease) Increase in cash and cash equivalents		**689.963**	**202.291**	**(3.999.323)**	**4.565.099**	**(1.565.102)**	**(398.549)**
Cash and cash equivalents at beginning of year		**12.150.761**	**10.512.262**	**11.505.818**	**34.132.862**	**31.467.099**	**27.084.881**
Effect of changes in ownership ratio on cash		0	**0**	**0**	**(10.811)**	**0**	**424**
Effect of currency fluctuations on cash		0	**0**	**0**	**(284.838)**	**77**	**121.895**
Cash and cash equivalents at year-end		**12.840.724**	**10.714.553**	**7.506.495**	**38.402.313**	**29.902.074**	**26.808.651**
Investment and financing activities without cash flow effect							
New lease assets		(154.449)	0	(440.469)	(254.295)	0	(540.153)
New lease liabilities		154.449	0	440.469	254.295	0	540.153
Proceeds from sale of fixed tangible assets		2.567.161	0	0	2.567.161	0	0
Long-term receivables, change		(2.567.161)	0	0	(2.567.161)	0	0
Investments in intangible assets		0	0	0	0	0	430.000
Short-term borrowings, change		0	0	0	0	0	(430.000)
Other payables		0	0	0	209.981	0	323.050
Unpaid dividents		0	0	0	(209.981)	0	(323.050)

City of Reykjavik Interim Financial Statement January - June 2025 5 All amounts in ISK thousand