Reykjavíkurborg

(City of Reykjavik)

Interim Financial Statements
1 January - 30 September 2025

Reykjavíkurborg
(City of Reykjavik)
Reg. no. 530269-7609
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1 January - 30 September 2025

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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 September 2025

	Notes	Reykjavik Municipal (Section A)			Reykjavik Group (Sections A and B)		
		Interim Financial Statements Jan-Sep 2025	Budget with Annexes Jan-Sep 2025	Interim Financial Statements Jan-Sep 2024	Interim Financial Statements Jan-Sep 2025	Budget with Annexes Jan-Sep 2025	Interim Financial Statements Jan-Sep 2024
Operating revenue							
Tax revenues		119.269.848	117.017.613	108.782.961	118.607.643	116.364.142	108.144.191
Contributions from Municipal Equalisation Fund		13.555.192	13.221.477	11.400.183	13.555.192	13.221.477	11.400.183
Other revenues		22.945.090	20.811.078	20.857.895	86.946.247	90.330.130	81.860.470
Total operating revenues		**155.770.130**	**151.050.169**	**141.041.039**	**219.109.083**	**219.915.749**	**201.404.844**
Operating expenses							
Wage cost and wage-related expenses		83.807.348	83.435.499	76.952.478	98.330.684	99.232.174	90.804.819
Changes in pension obligations		5.780.161	2.392.500	1.766.667	5.839.800	2.392.500	1.844.089
Other operating expenses		55.873.774	54.672.608	53.039.172	69.846.323	71.843.618	67.043.728
Total operating expenses		**145.461.283**	**140.500.607**	**131.758.317**	**174.016.807**	**173.468.292**	**159.692.635**
Operating result before depreciation, EBITDA		**10.308.846**	**10.549.562**	**9.282.723**	**45.092.275**	**46.447.457**	**41.712.209**
Depreciation		(7.418.750)	(7.616.404)	(7.047.349)	(21.286.922)	(22.299.684)	(20.555.503)
Operating result before financial items		**2.890.097**	**2.933.158**	**2.235.373**	**23.805.353**	**24.147.772**	**21.156.706**
Net financial items		(746.676)	(858.330)	(3.314.514)	(19.785.506)	(19.211.333)	(21.663.582)
Operating result before tax, adjustments and effects of associated companies		2.143.421	2.074.828	(1.079.140)	4.019.847	4.936.440	(506.876)
Income tax		0	0	0	(856.413)	(654.850)	(326.978)
Value adjustment of investment properties		0	0	0	7.964.375	5.957.055	2.747.041
Share in associated companies' operating results		0	0	(55.200)	(35.411)	0	(51.261)
Minority interests		0	0	0	(415.807)	(356.420)	(286.248)
Operating results		**2.143.421**	**2.074.828**	**(1.134.340)**	**10.676.591**	**9.882.224**	**1.575.678**

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

Statement of Financial Position 30 September 2025

Assets

	Notes	Reykjavik Municipal (Section A)		Reykjavik Group (Sections A and B)	
		Interim Financial Statements 30.9.2025	Financial Statements 31.12.2024	Interim Financial Statements 30.9.2025	Financial Statements 31.12.2024
Fixed assets					
Intangible assets		5.246.836	5.912.636	12.170.817	12.294.118
Fixed tangible assets:					
Real estate		173.752.604	170.418.495	205.875.092	199.024.410
Utilities		0	0	423.874.839	431.068.377
Investment properties		0	0	170.903.494	161.109.336
Road systems		41.521.621	40.679.049	41.930.223	41.101.315
Machinery and equipment		8.007.202	8.555.346	16.535.953	16.363.313
Lease properties		5.161.252	5.723.522	6.190.525	6.754.108
		228.442.679	225.376.412	865.310.125	855.420.859
Investments and long-term receivables:					
Capital contributions and shares in companies		18.837.017	17.063.405	15.210.352	13.629.042
Pre-paid costs		7.418.586	7.707.452	7.786.608	8.091.700
Embedded derivatives		0	0	1.159.066	406.754
Derivative contracts		17.011	0	18.011	63.086
Deferred tax assets		0	0	6.395.047	6.171.165
Other long-term receivables		2.099.223	1.661.581	2.269.472	1.830.873
		28.371.837	26.432.439	32.838.556	30.192.619
Total fixed assets		262.061.351	257.721.487	910.319.498	897.907.596
Current assets					
Inventories		0	0	2.331.302	1.857.695
Short-term receivables:					
Unclaimed revenues and receivables		21.123.986	18.848.177	29.284.256	27.608.281
Next year's payment of other long-term receivables		887.732	869.591	896.079	887.027
Receivables from own companies		203.483	254.287	10.594	15.672
Pre-paid costs		385.156	385.156	963.498	684.032
Embedded derivatives		0	0	565.677	275.913
Derivative contracts		0	0	9.072	94.574
Investments available for sale		420.000	420.000	420.000	420.000
Other receivables		1.452.679	1.567.088	4.257.783	3.347.149
Bank deposits and marketable securities		0	0	16.100.069	11.594.110
Cash and cash equivalents		23.623.168	12.150.761	39.106.875	34.132.862
Total current assets		48.096.204	34.495.059	93.945.205	80.917.315
Total assets		310.157.555	292.216.546	1.004.264.702	978.824.910

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Statement of Financial Position 30 September 2025

Equity and liabilities

	Notes	Reykjavik Municipal (Section A)		Reykjavik Group (Sections A and B)	
		Interim Financial Statements 30.9.2025	Financial Statements 31.12.2024	Interim Financial Statements 30.9.2025	Financial Statements 31.12.2024
Equity					
Equity account		90.785.016	88.641.595	438.714.634	436.379.526
Minority interest		0	0	17.067.772	17.655.314
Total equity		90.785.016	88.641.595	455.782.406	454.034.839
Obligations					
Pension obligations		40.382.547	36.160.013	41.261.448	37.048.802
Deferred tax liabilites		0	0	22.590.683	23.479.384
Capital contributions from state		0	0	7.691.558	7.082.215
Other obligations		0	0	96.659	92.529
Total obligations		40.382.547	36.160.013	71.640.348	67.702.930
Long-term liabilites					
Long-term debts		131.017.191	124.126.396	386.216.901	375.406.114
Lease liabilities		9.822.497	10.706.605	10.067.799	10.932.706
Embedded derivatives in electricity contracts		0	0	1.639.803	1.873.970
Derivative contracts		0	0	105.915	10.643
Total long-term liabilities		140.839.688	134.833.002	398.030.418	388.223.434
Current liabilities					
Debts to credit institutions		17.643	0	779.911	200.239
Accounts payable		5.064.077	6.044.894	10.823.798	11.321.204
Next year's payments on long-term debts		8.411.477	7.424.223	29.845.450	29.332.871
Next year's payments on lease liabilities		1.904.015	1.833.335	1.947.754	1.890.627
Pension obligations, short-term		1.980.000	1.980.000	2.042.638	2.038.696
Accounts payable to own companies		729.836	725.695	114.214	166.402
Prepayments		80.409	80.409	3.184.457	355.953
Derivative contracts		121.641	0	280.215	117.432
Other payables		19.841.206	14.493.381	29.793.091	23.440.282
Total current liabilities		38.150.304	32.581.937	78.811.529	68.863.708
Total liabilities and obligations		219.372.539	203.574.951	548.482.296	524.790.071
Total equity and liabilities		310.157.555	292.216.546	1.004.264.702	978.824.910

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

Statement of Cash Flows 1 January - 30 September 2025

	Notes	Reykjavik Municipal (Section A)			Reykjavik Group (Sections A and B)		
		Interim Financial Statements Jan-Sep 2025	Budget with Annexes Jan-Sep 2025	Interim Financial Statements Jan-Sep 2024	Interim Financial Statements Jan-Sep 2025	Budget with Annexes Jan-Sep 2025	Interim Financial Statements Jan-Sep 2024
Cash flows from operating activities							
Operating results		2.143.421	2.074.828	(1.134.340)	10.676.591	9.882.224	1.575.678
Adjustments not affecting cash flow:							
Gain on sold assets		(4.270.883)	(3.852.000)	(1.668.786)	(4.460.723)	(3.852.000)	(1.736.495)
Depreciation		7.418.750	7.616.404	7.047.349	21.286.922	22.299.684	20.555.503
Indexation, discounts and exch.rate differences		3.566.162	2.821.627	4.276.479	9.932.145	7.727.013	11.008.644
Changes in marketable securities		0	0	0	(3.953.381)	0	0
Embedded derivatives, change		0	0	0	(650.256)	0	456.311
Fair value change of hedge		104.630	0	0	388.632	0	0
Value adjustment of investment properties		0	0	0	(7.964.375)	(5.957.055)	(2.747.041)
Effect of own companies and minority interests		0	0	55.200	451.219	255.923	337.509
Changes in pension obligations		5.780.161	2.175.000	1.766.667	5.815.439	2.224.861	1.827.178
Provision for losses		(3.000)	0	(4.000)	(3.000)	0	(4.000)
Prepaid contribution to Brú pension fund, changes		288.867	288.867	288.867	303.185	303.257	300.698
Changes in deferred taxes		0	0	0	(945.891)	(683.825)	(1.186.196)
Working capital provided by operating activities		**15.028.108**	**11.124.726**	**10.627.435**	**30.876.507**	**32.200.082**	**30.387.790**
Changes in operating assets and liabilities:							
Inventories decrease (increase)		0	0	0	(473.892)	118.903	71.591
Current receivables (increase) decrease		(2.110.597)	(716.438)	(26.017)	(4.603.343)	(847.122)	548.594
Current liabilities (decrease) increase		4.378.092	72.106	2.505.652	9.731.174	249.124	6.390.910
Contributions to pension payments		(1.557.627)	(1.500.000)	(1.353.076)	(1.598.107)	(1.505.092)	(1.391.984)
Change in operating assets and liabilities		**709.869**	**(2.144.332)**	**1.126.559**	**3.055.832**	**(1.984.188)**	**5.619.111**
Net cash provided by operating activities		**15.737.977**	**8.980.394**	**11.753.994**	**33.932.338**	**30.215.895**	**36.006.901**
Investment activities							
Investments in fixed tangible assets		(13.578.854)	(19.267.500)	(13.529.567)	(38.495.893)	(50.615.400)	(35.490.840)
Investment in investment properties		0	0	0	(1.476.189)	(4.997.606)	(1.230.297)
Investments in intangible assets		(600.584)	(802.500)	(1.528.902)	(1.788.910)	(1.746.000)	(3.181.339)
Paid road construction fees		2.646.735	2.049.000	1.535.756	2.646.735	2.049.000	1.535.756
Sales of building rights		2.709.217	2.073.000	1.645.833	2.709.217	2.073.000	1.671.376
Proceeds from sale of fixed tangible assets		1.750.702	1.779.000	91.075	2.696.418	2.413.498	306.270
Change in shareholdings		(1.773.612)	(1.061.739)	(1.086.271)	(1.610.354)	(512.559)	(1.045.440)
Short-term investments		0	0	629.675	0	0	(345.570)
Long-term receivables, change		1.241.203	0	120.170	1.250.821	20.693	148.511
Investment activities		**(7.605.195)**	**(15.230.739)**	**(12.122.231)**	**(34.068.157)**	**(51.315.374)**	**(37.631.574)**
Financing activities							
Capital contributions from state		0	0	0	376.206	823.769	493.310
New long-term borrowings		9.834.752	12.375.000	11.051.825	27.412.493	38.417.003	25.923.499
Repayment of liabilities, before maturity		0	0	0	(675.401)	0	0
Repayments of long-term liabilities		(5.096.424)	(5.033.971)	(9.144.352)	(20.639.399)	(22.515.822)	(23.652.834)
Payments on lease liabilities		(1.409.403)	(1.388.687)	(1.306.097)	(1.400.429)	(1.388.687)	(1.303.000)
Paid-in capital		0	0	0	0	6.765.511	0
Prepaid revenue		0	0	0	32.817	0	13.021
Dividends paid		0	0	0	(419.964)	(420.055)	(258.440)
Short-term debts to credit institutions, change		17.643	0	86.119	635.741	(35.368)	266.792
Other financing activities		(6.943)	0	(698)	(6.943)	0	(698)
Financing activities		**3.339.624**	**5.952.342**	**686.797**	**5.315.121**	**21.646.351**	**1.481.649**
(Decrease) Increase in cash and cash equivalents		**11.472.407**	**(298.003)**	**318.561**	**5.179.302**	**546.872**	**(143.023)**
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**	**(10.971)**	**0**	**424**
Effect of currency fluctuations on cash		0	**0**	**0**	**(194.318)**	**116**	**116.126**
Cash and cash equivalents at year-end		**23.623.168**	**10.214.259**	**11.824.379**	**39.106.875**	**32.014.086**	**27.058.408**
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		1.600.000	0	0	1.600.000	0	0
Long-term receivables, change		(950.000)	0	0	(950.000)	0	0
Next year's payments on long-term debts		(650.000)	0	0	(650.000)	0	0
Investments in fixed tangible assets		0	0	0	466.484	0	(75.477)
Short-term borrowings, change		0	0	0	(466.484)	0	75.477
Investments in intangible assets		0	0	0	0	0	858.547
Short-term borrowings, change		0	0	0	0	0	(858.547)
Other payables		0	0	0	0	0	64.610
Unpaid dividents		0	0	0	0	0	(64.610)

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