

Financial statement highlights

Interim financial statements Q1 2025



Solid operations in challenging weather conditions

- Landsvirkjun's profit from core operations for the first quarter of the year amounted to USD 91 million and cash flow from operations USD 104 million.
- The Company's financial position has never been stronger, the equity ratio is 67% and the net debt to EBITDA ratio is 1.4x.
- Operating revenues increased compared with the same period of the prior year after a downturn following the record year 2023.

Hörður Arnarson
CEO



„Following a temporary downturn in revenues due to challenging reservoir levels, Landsvirkjun's operations have now returned to previous stability. A winter of heavy precipitation in the Icelandic highlands has led to above-average water levels in all reservoirs, marking a decisive improvement from the historically low levels of the latter part of last year.

First quarter revenues amounted to USD 162 million, increasing by 13% compared to the same period of the previous year.

Profit before unrealised financial items in the quarter increased by 18% year-on-year and amounted to USD 91 million. At 67%, the equity ratio is at an all-time-high, placing Landsvirkjun in a strong financial position at the start of the upcoming construction period, with the building of Vaðölduver wind farm and Hvammsvirkjun hydropower station, as well as the expansion of Sigalda hydropower station. Net debt continues to decrease and amounts to 1.4 times EBITDA.“

Key figures

Energy sales

3.5 TWhr ↓ 1.2%

Operating revenues

162 m. USD ↑ 13.0%

Profit before unrealised financial items

91 m. USD ↑ 17.8%

Cash flow from operations

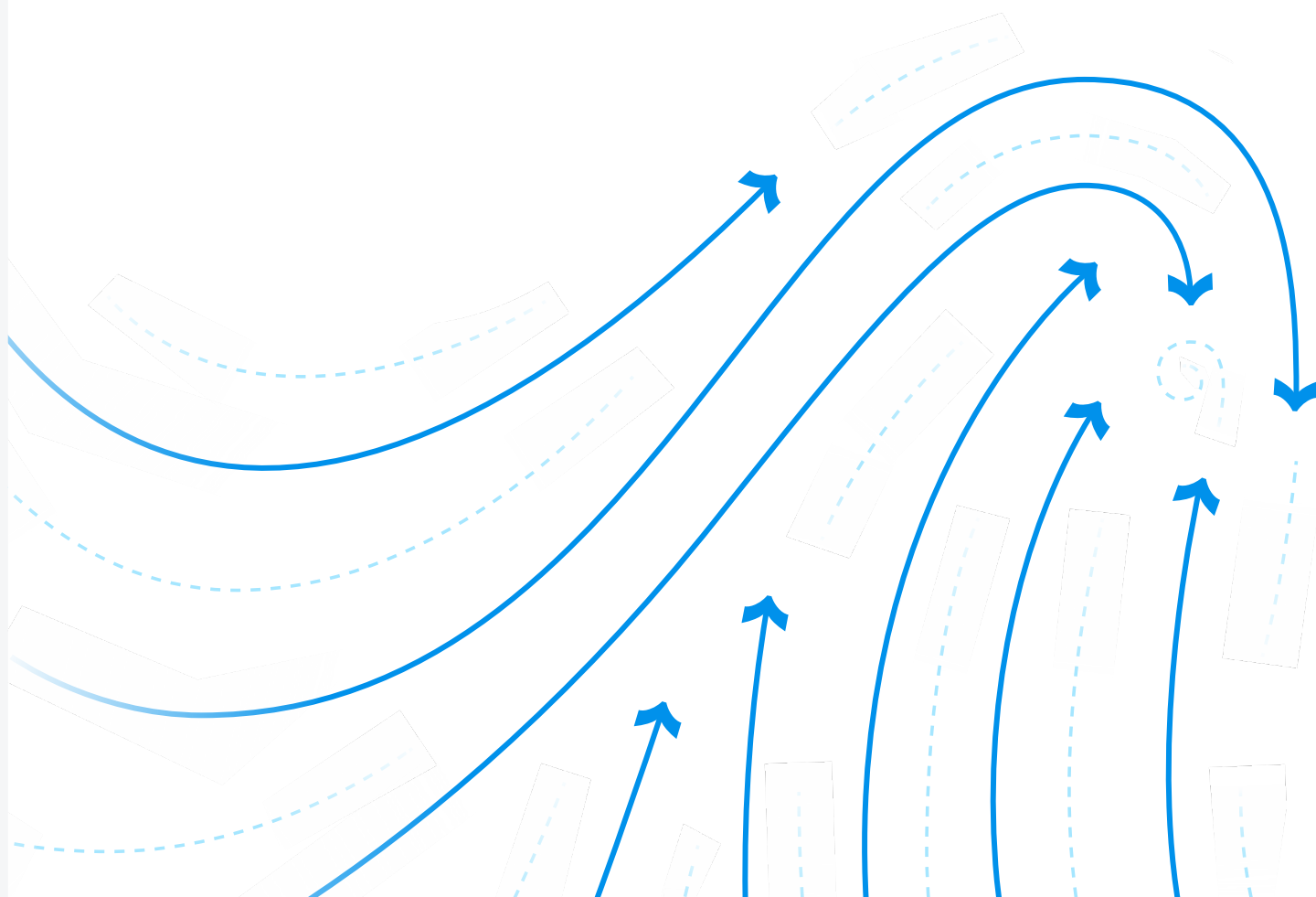
104 m. USD ↑ 2.8%

Net debt

591 m. USD ↓ 1.9%

Equity ratio

67.0% ↑ 1.1 pp.



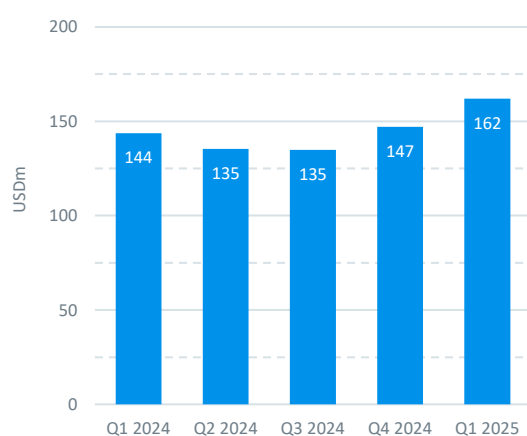
Operations

USD million	Q1 2025	Q1 2024	%
Operating revenues	162.4	143.7	13.0%
EBITDA	117.4	105.2	11.7%
Profit before unr. fin. items	91.1	77.4	17.8%
Energy sales (TWhr)	3.5	3.5	-1.2%

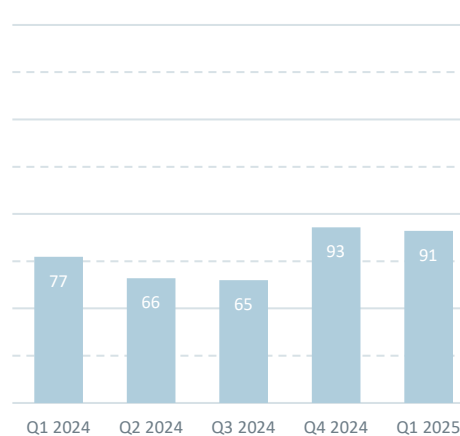
Operating revenues in the first quarter increased by 13% from the same period last year and have not been as strong since the third quarter of 2023. Following a difficult start to the current water year, requiring power delivery curtailments, conditions have improved recently, and the prospects are good for healthy reservoir levels next autumn.

Profit before unrealised financial items increased in line with revenues.

Operating revenues



Profit before unrealised financial items



Financial position

USD million	31.3. 2025	31.12. 2024	%
Total assets	3,527.3	3,477.9	1,4%
Total liabilities	1,165.4	1,174.1	-0.7%
Net debt	590.5	666.9	-11.5%
Equity ratio	67.0%	66,2%	0.8 pp.

Net debt decreased by 12% compared to year end and the equity ratio rose to 67%, a historical record for the Company. Landsvirkjun is therefore well positioned to undertake the construction of Vaðölduver wind farm and Hvammsvirkjun hydropower station, as well as the expansion of Sigalda hydropower station.

Net debt and equity ratio



Cash flow

USD million	Q1 2025	Q1 2024	%
Funds from operations (FFO)	112.3	102.3	9.8%
Cash flow from operations	104.1	101.3	2.8%
Investing activities	23.7	8.1	192.2%
Financing activities	-72.9	-12.8	467.7%

Capital formation continues to be strong and Landsvirkjun will continue to demonstrate operational prudence, maximising value creation for the Icelandic nation. Cash flow from operations amounted to USD 104 million in the first quarter, representing a slight increase on the prior year.

