

Stable operations

Landsnet's interim financial statement for the January-June, 2021 period was published today.

Guðlaug Sigurðardóttir, Landsnet's CFO, stated that operations and projects have run according to schedule this year and that predictability and stability in the regulatory framework are key factors in financing.

"Landsnet's operations and projects have run according to schedule this year, despite a challenging operating environment. We signed a USD 50 million loan with the Nordic Investment Bank in June, which confirmed that all our transmission system projects conform with the Bank's guidelines for climate change action. Lenders have shown confidence in Landsnet by providing better terms for project financing. This trust is based on our success in increasing efficiency in operations and construction and on a stable legal environment. We know that predictability and stability in the regulatory framework are important to lenders and clearly influence financing terms. These factors have remained steady in recent years, providing positive outcomes for the company."

Main points of the financial statement:

Profits in the first 6 months of the year 2021 amounted to 16.5 million USD compared with 16.3 million USD during the same period in 2020. Earnings before Interest and Taxes (EBIT) was 28.7 million USD compared with 22.0 million USD in the previous year.

The total assets of the company amounted to 950.2 million USD compared with 911.4 million USD at year end, 2020. Total liabilities amounted to 541.8 million USD compared with 506.6 million USD at year end, 2020. In June of this year, Landsnet signed a USD 50 million loan with the Nordic Investment Bank.

Equity ratio was 43.0% at end of June, compared with 44.4% at year-end, 2020. Net assets amounted to 408.4 million USD compared with 404,8 million USD at year end in 2020.

Net cash availability was 37.4 million USD at end of June and net cash provided by operating activities amounted to 36.9 million USD.

The interim report can be accessed here: www.landsnet.is

**The main results of the financial statement, key figures and balance sheet ratios
(amounts in thousands of USD):**

	USD	USD	USD	USD
<i>Amounts are in USD thousand</i>	1.1.-30.6.2021	1.1.-30.6.2020	1.1.-30.6.2019	1.1.-30.6.2018
Income Statement				
Operating revenue	73,135	63,807	73,367	76,742
Operating expenses	(44,450)	(41,830)	(43,479)	(47,513)
Operating profit (EBIT)	28,685	21,977	29,888	29,229
Net financial expenses	(8,143)	(1,663)	(5,315)	(9,104)
Share in net earnings of associated company	41	80	98	67
Profit before income tax	20,583	20,394	24,671	20,192
Income tax	(4,112)	(4,067)	(4,918)	(3,959)
Profit	16,471	16,327	19,753	16,233
Balance Sheet				
<i>Amounts are in USD thousand</i>				
	30.6.2021	31.12.2020	31.12.2019	31.12.2018
Fixed assets	884,723	858,575	799,596	780,553
Current assets	65,459	52,863	52,711	65,779
Total assets	950,182	911,438	852,307	846,332
Equity	408,371	404,848	391,311	370,303
Long-term liabilities	474,979	439,828	353,511	429,965
Short-term liabilities	66,832	66,762	107,485	46,064
Total equity and liabilities	950,182	911,438	852,307	846,332
Cash Flow				
<i>Amounts are in USD thousand</i>				
	1.1.-30.6.2021	1.1.-30.6.2020	1.1.-30.6.2019	1.1.-30.6.2018
Net cash from operating activities	36,902	25,531	37,490	36,896
Net cash to investment activities	(44,522)	(29,284)	(13,329)	(20,647)
Net cash from (to) financing activities	19,330	15,377	(18,537)	(16,960)
Effect of exchange rate changes on cash	(90)	(1,230)	(891)	(713)
Cash and cash equivalents at 1 January	25,766	30,973	38,779	49,175
Cash and cash equivalents at 30 June	37,386	41,367	43,512	47,751
Financial ratios				
<i>Amounts are in USD thousand</i>				
	1.1.-30.6.2021	1.1.-30.6.2020	1.1.-30.6.2019	1.1.-30.6.2018
EBITDA	43,719	36,682	44,643	43,777
	30.6.2021	31.12.2020	31.12.2019	31.12.2018
Equity ratio	43.0%	44.4%	45.9%	43.8%

About Landsnet

Landsnet was established in 2005 and is responsible for operating Iceland's electricity transmission system, one of the most important parts of Iceland's infrastructure. Our role is to operate and develop Iceland's electricity transmission system and administer its system operations.

More information can be provided by Guðlaug Sigurðardóttir, CFO: Tel: +354 563 9311 or Email: guðlaug@landsnet.is