



Financial statement highlights

Interim financial statements Q1 2026



Solid operations and strong position in the first quarter

- **Landsvirkjun's profit from core operations in the first quarter amounted to USD 88 million and cash flow from operations to USD 86 million.**
- **The Company's financial position remains strong, with an equity ratio of 65% and a net debt to EBITDA ratio of 1.7x.**
- **Revenue from electricity sales increased by 10% year-on-year, driven by higher electricity prices to large industrial customers as a result of rising aluminium prices.**

Hörður Arnarson
CEO



“Landsvirkjun’s operations performed well in the first quarter of the year. Revenue from electricity sales rose 10% year-on-year, and operating revenue amounted to USD 165 million. Profit from core operations amounted to USD 88 million, or around ISK 11 billion. Electricity prices for industrial customers increased somewhat compared with the previous year, primarily owing to higher aluminium prices, supporting revenue growth.

Construction of the Vaðölduver wind farm is progressing well, and half of the wind turbines will be commissioned later this year. Work on Hvammur Power Station is also going well, and it is expected to be in full swing by the end of the year.

Landsvirkjun’s financial position remains strong. Net debt decreased from USD 677 million at year-end to USD 659 million at the end of the first quarter. The equity ratio remains historically high at 65%, and the leverage ratio is 1.7 times EBITDA.

Furthermore, we received the positive news that the Norðurál aluminium smelter at Grundartangi will return to full operation much earlier than anticipated, and that Landsvirkjun is insured against the loss of revenue the company incurred due to the equipment failure last October.

Power station operations were sound throughout the period, and reservoir conditions are favourable.”

Key figures

Comparison with Q1 2025

Energy sales

3.5 TWhr ↓ 0.8%

Operating revenues

165 m. USD ↑ 1.9%

Profit before unrealised financial items

88 m. USD ↓ 3.7%

Cash flow from operations

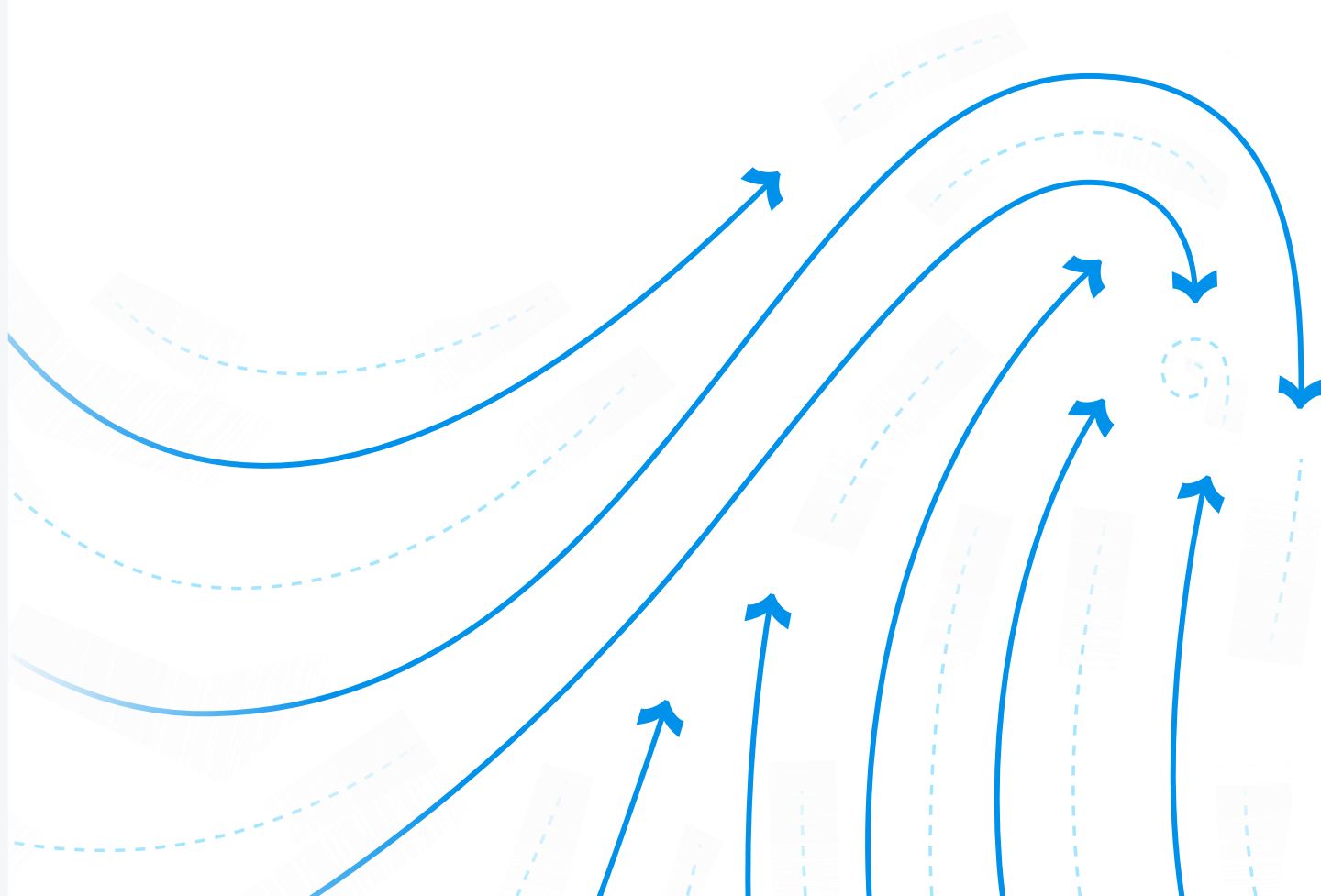
86 m. USD ↓ 17.9%

Net debt

659 m. USD ↑ 11.5%

Equity ratio

65.0% ↓ 2.0 pp.



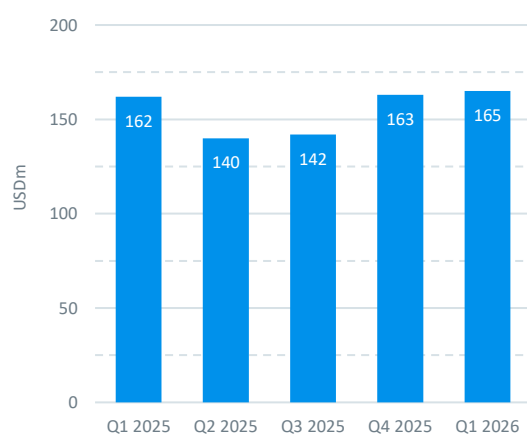
Operations

USD million	Q1 2026	Q1 2025	%
Operating revenues	165.5	162.4	1.9%
EBITDA	116.6	117.4	-0.7%
Profit before unr. fin. items	87.8	91.1	-3.7%
Energy sales (TWhr)	3.5	3.5	-0.8%

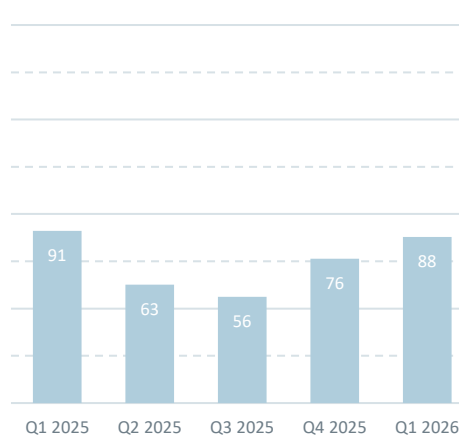
Operating revenues in the first quarter increased by 2% compared with the same period last year. Higher aluminium prices led to 10% higher revenue from electricity sales, or approximately USD 14 million. Realised hedges were negative by USD 4 million during the period.

Profit from core operations (profit before unrealised financial items) decreased by 4% year-on-year, mainly due to higher operating costs.

Operating revenues



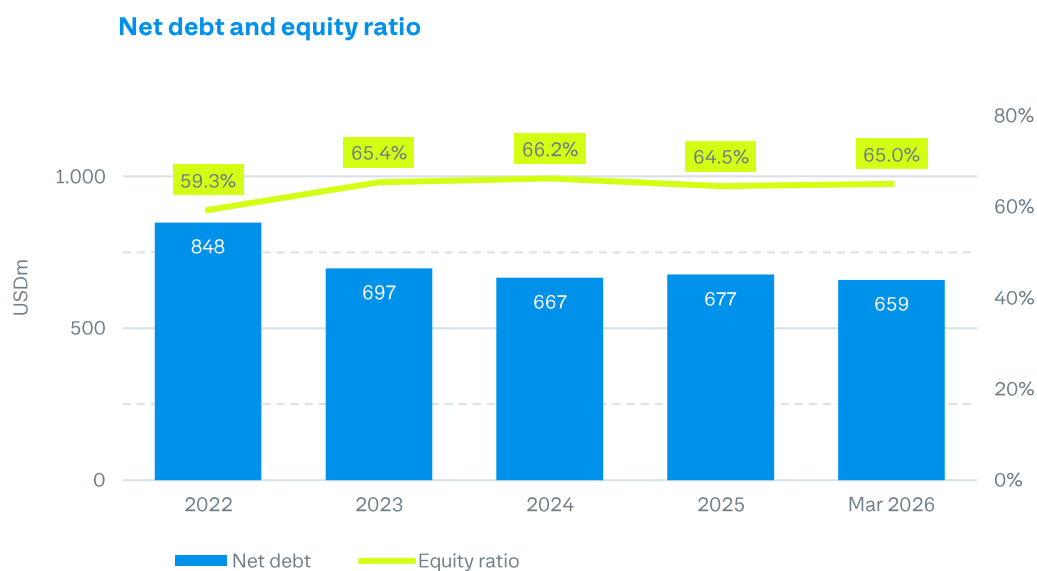
Profit before unrealised financial items



Financial position

USD million	31.3. 2026	31.12. 2025	%
Total assets	3,616.8	3,583.8	0.9%
Total liabilities	1,267.6	1,272.8	-0.4%
Net debt	658.6	676.8	-2.7%
Equity ratio	65.0%	64.5%	0.5 pp.

Net debt decreased by 3% since year-end and the equity ratio rose to 65%. Landsvirkjun is on solid footing for the construction period currently underway, with the building of the Vaðalda wind farm and Hvammur hydropower station, as well as the expansion of the Sigalda hydropower station.



Cash flow

USD million	Q1 2026	Q1 2025	%
Funds from operations (FFO)	112.2	112.3	-0.1%
Cash flow from operations	85.5	104.1	-17.9%
Investing activities	-69.7	-23.7	193.6%
Financing activities	-12.9	-72.9	-82.3%

Cash flow from operations amounted to USD 86 million in the first quarter, decreasing by 18% year-on-year. Investments during the period amounted to USD 70 million, mainly due to construction at Vaðalda and Hvammur, and were approximately three times higher than in the same period last year. Loan repayments amounted to USD 13 million.

