

Financial Statement

Q1 2016

OR Key Financial Figures

May 2016

Income Statement

| ISK millions | Actual 31.03.2016 | Budget 31.03.2016 | Actual 31.03.2016 | Difference Act. / Act. |
|--|----------------------|----------------------|----------------------|---------------------------|
| Operating revenues | 11,336 | 11,328 | 11,101 | 2,12% |
| Operating revenues, total | 11,336 | 11,328 | 11,101 | 2,12% |
| Energy purchase | -1,635 | -1,690 | -1,868 | -12,46% |
| Salaries and salary related expenses | -1,380 | -1,306 | -1,096 | 25,88% |
| Other operating expenses | -1,063 | -1,637 | -915 | 16,16% |
| Operating expenses, total | -4,079 | -4,634 | -3,880 | 5,13% |
| EBITDA | 7,257 | 6,694 | 7,230 | 0,37% |
| Depreciation | -2,406 | - | -2,399 | 0,29% |
| Results from operating activities, EDIT | 4,850 | - | 4,831 | 0,41% |
| Interest income | 15 | - | 122 | -87,38% |
| Interest expenses | -1,112 | - | -1,095 | 1,62% |
| Other expenses on financial assets and liabilities | -783 | - | 164 | -576,47% |
| Total financial income and expenses | -1,879 | - | -808 | 132,52% |
| Share in profit (loss) of associated companies | -3 | - | 0 | - |
| Profit before income tax | 2,968 | - | 4,022 | -26,22% |
| Income tax | -432 | - | -746 | -42,05% |
| Profit for the year | 2,535 | - | 3,276 | -22,62% |

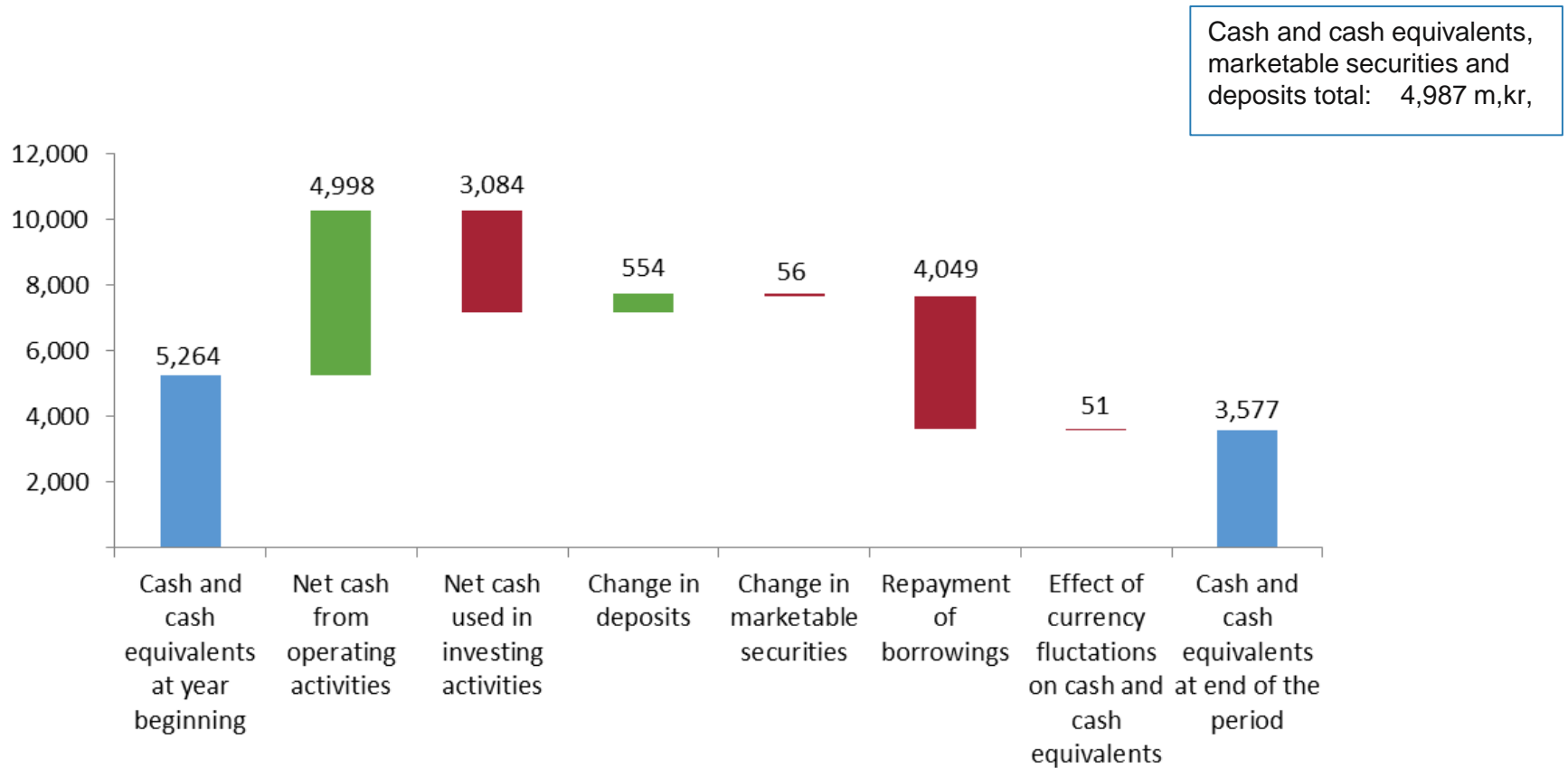
Financial income and expenses

| ISK millions | Actual 31.03.2016 | Actual 31.03.2015 |
|--|----------------------|----------------------|
| Interest income | 15 | 122 |
| Interest expense | -960 | -910 |
| Guarantee fee to owners | -152 | -185 |
| Total interest expenses | -1,112 | -1,095 |
| Fair value changes of embedded derivatives in electricity sales contracts | 490 | -1,203 |
| Fair value changes of financial assets and financial liabilities through P/L | -249 | 728 |
| Hedge contracts | -536 | -1,691 |
| Foreign exchange difference | -489 | 2,326 |
| Dividends | 1 | 4 |
| Total of other income (expenses) on financial assets and liabilities | -783 | 164 |
| Total financial income and expenses | -1,879 | -808 |

Consolidated Statement of Financial Position

| ISK millions | Actual 31.03.2016 | Actual 31.03.2015 |
|---|----------------------|----------------------|
| Assets | | |
| Property, plant, equipment and intangible assets | 273,050 | 279,677 |
| Investments in associated and other companies | 2,967 | 2,971 |
| Other financial assets | 6,954 | 5,902 |
| Total non-current assets | 282,972 | 288,550 |
| Cash and cash equivalents | 3,577 | 5,264 |
| Marketable securities | 1,409 | 1,354 |
| Deposits | 0 | 554 |
| Other receivables | 16,825 | 15,268 |
| Total current assets | 21,812 | 22,440 |
| Total assets | 304,784 | 310,990 |
| Equity and liabilities | | |
| Equity | 114,756 | 114,771 |
| Loans and borrowings | 140,079 | 146,347 |
| Embedded derivatives in electricity sales contracts | 10,713 | 11,095 |
| Other non-current liabilities | 10,701 | 10,483 |
| Total non-current liabilities | 161,492 | 167,924 |
| Current portion on non-current liabilities | 19,351 | 19,288 |
| Embedded derivatives in electricity sales contracts | 1,989 | 2,097 |
| Other current liabilities | 7,196 | 6,908 |
| Total current liabilities | 28,536 | 28,294 |
| Total liabilities | 190,028 | 196,218 |
| Total equity and liabilities | 304,784 | 310,990 |

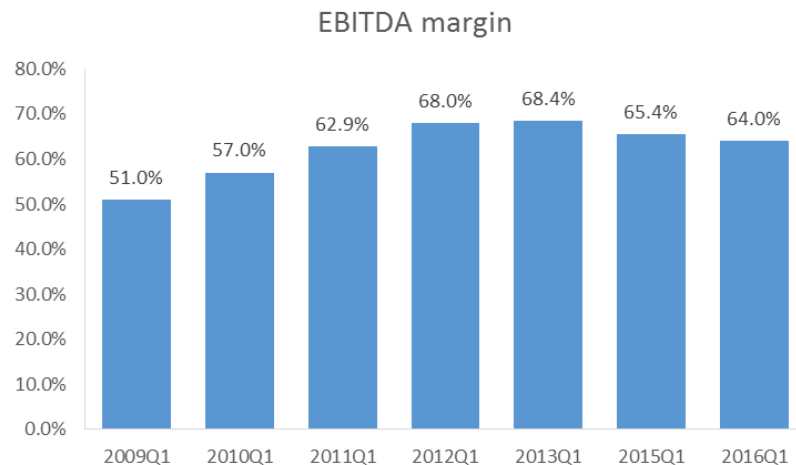
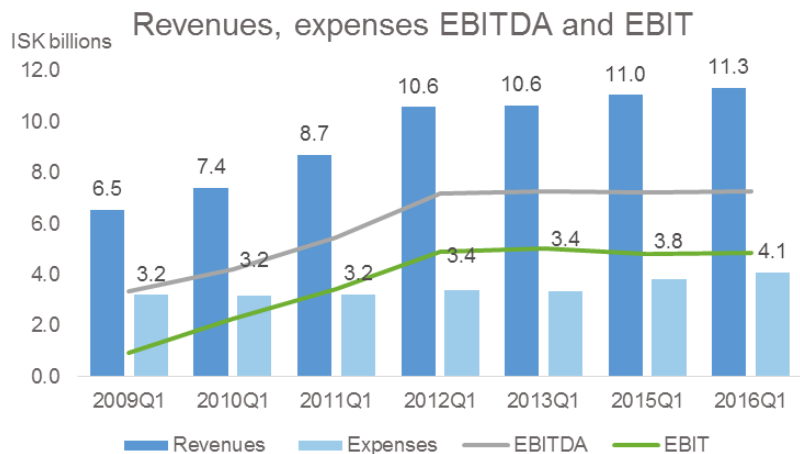
Cash flows



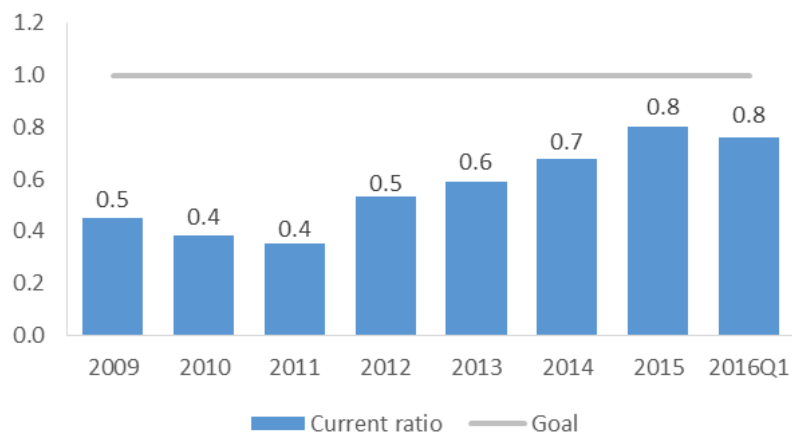
The Plan

| Actions in ISK billions | The Plan | | | Actual |
|---|-------------|-------------|----------|-------------|
| | 2011-2016 | 2011-2016Q1 | | 2011-2016Q1 |
| Reduction of investments in utility systems | 15,0 | 12,8 | ✓ | 15,5 |
| Sale of assets | 10,0 | 10,0 | ✗ | 9,0 |
| Reduction in operating costs | 5,0 | 4,2 | ✓ | 6,6 |
| Reduction of other investments | 1,3 | 1,1 | ✓ | 1,5 |
| Postponement of investments in sewerage | 0,0 | 0,7 | ✓ | 2,0 |
| Total | 31,3 | 28,8 | ✓ | 34,7 |
| Subordinated loans from owners | 12,0 | 12,0 | ✓ | 12,0 |
| Increased revenues due to higher tariffs | 8,0 | 6,8 | ✓ | 9,5 |
| Total | 20,0 | 18,8 | ✓ | 21,5 |
| The Plan Total | 51,3 | 47,7 | ✓ | 56,2 |

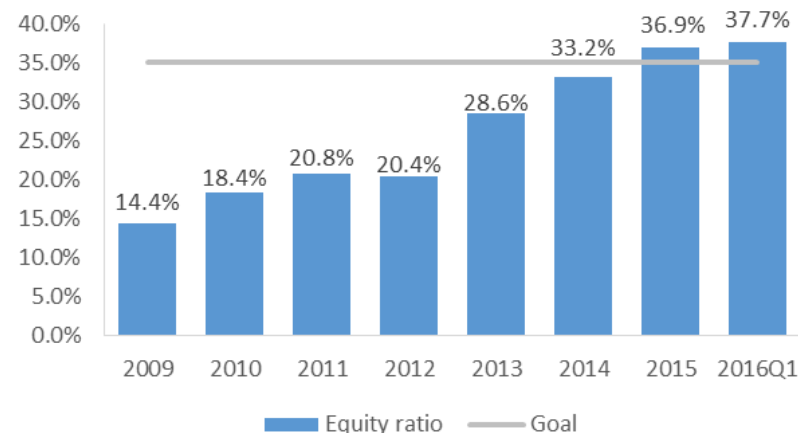
Key figures



Current ratio
(goal > 1)

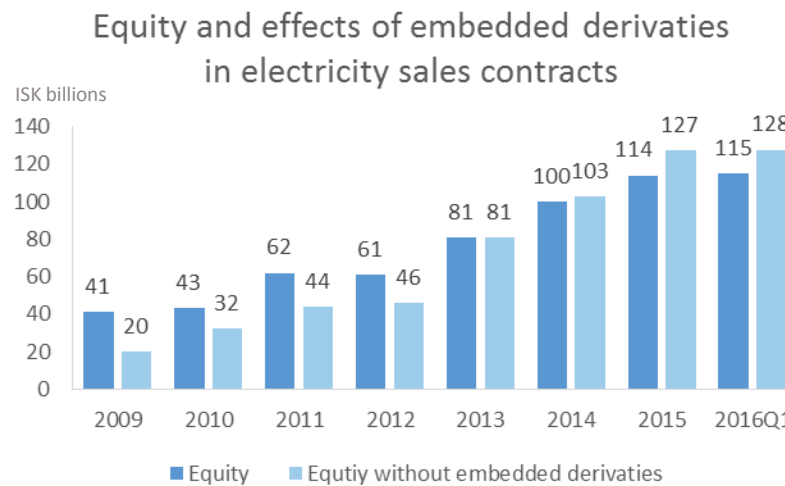
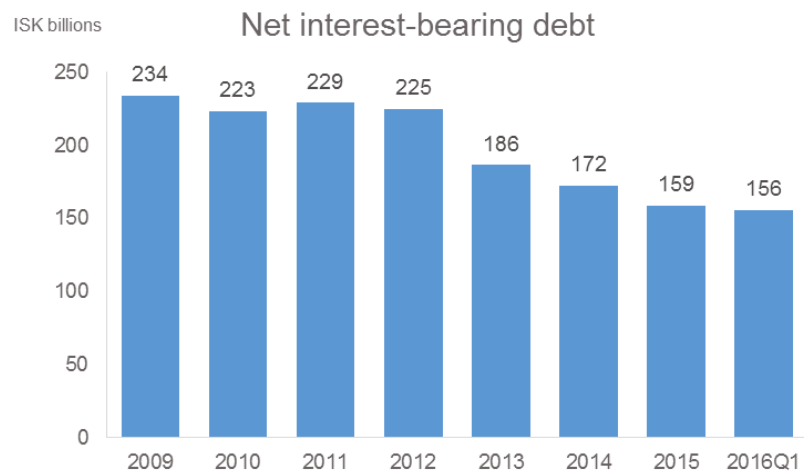
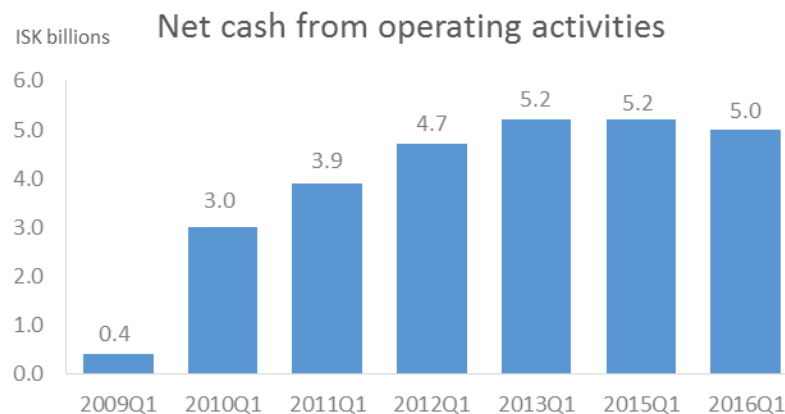
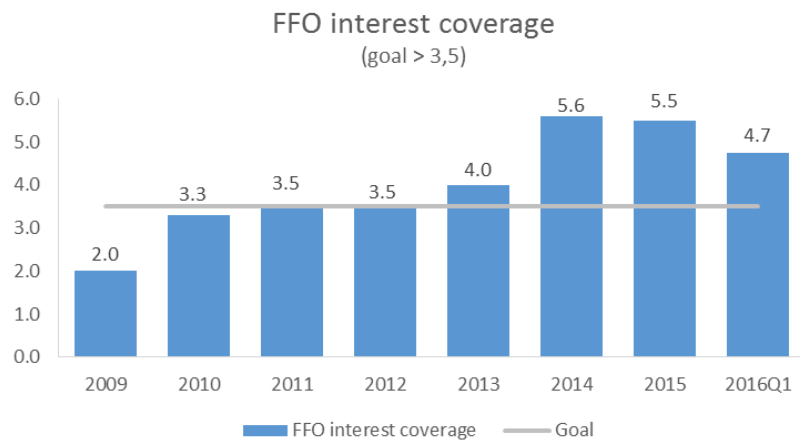


Equity ratio
(goal > 35%)



Q1 for 2014 was not published

Key ratios



Q1 for 2014 was not published