

Reitir fasteignafélag hf. - Forecast 2025-2034 and valuation as of 1 Jan 2025

Amounts are in million ISK / %	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
Consolidated basis	31/12/2020	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026	31/12/2027	31/12/2028	31/12/2029	31/12/2030	31/12/2031	31/12/2032	31/12/2033	31/12/2034	
Statement of Comprehensive Income																
Operating revenue	10,685	11,850	13,481	15,107	16,442	17,757	18,290	18,839	19,404	19,986	20,586	21,203	21,839	22,494	23,169	
Operating expenses	-3,934	-4,106	-4,319	-4,957	-5,470	-5,860	-6,036	-6,217	-6,403	-6,595	-6,793	-6,997	-7,207	-7,423	-7,646	
Operating profit before valuating change	6,751	7,744	9,162	10,150	10,972	11,897	12,254	12,622	13,001	13,391	13,792	14,206	14,632	15,071	15,523	
Valuation change of investment properties	2,241	8,743	1,807	10,750	17,800	9,056	7,064	7,275	7,494	7,719	7,950	8,189	8,434	8,687	8,948	
Operating profit (EBIT)	8,992	16,487	10,969	20,900	28,772	20,953	19,318	19,897	20,494	21,109	21,742	22,395	23,067	23,759	24,471	
Net financial expenses	-6,173	-6,748	-10,677	-10,850	-9,213	-10,009	-8,847	-9,036	-9,211	-9,388	-9,567	-10,166	-10,371	-10,579	-10,790	
Profit before tax and OCI	2,819	9,739	292	10,050	19,559	10,944	10,471	10,861	11,283	11,721	11,786	12,229	12,696	13,180	13,681	
Income tax	-872	-2,156	381	-2,546	-4,293	-2,189	-2,094	-2,172	-2,257	-2,344	-2,357	-2,446	-2,539	-2,636	-2,736	
Other comprehensive income	4	26	2	-8	29	0	0	0	0	0	0	0	0	0	0	
Total comprehensive income	1,951	7,609	675	7,496	15,295	8,755	8,377	8,689	9,027	9,377	9,428	9,783	10,157	10,544	10,945	
Operating revenue, chg. in %	-8.9%	10.9%	13.8%	12.1%	8.8%	8.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
Operating expenses / operating revenue	36.8%	34.6%	32.0%	32.8%	33.3%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	33.0%	
Yield on investment properties (YOI)	4.5%	4.8%	5.4%	5.6%	5.3%	5.2%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	
EBITDA %	63.2%	65.4%	68.0%	67.2%	66.7%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	67.0%	
Fair value adj. of invest. properties %	1.5%	5.7%	1.1%	6.2%	9.4%	4.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
EBIT %	84.2%	139.1%	81.4%	138.3%	175.0%	118.0%	105.6%	105.6%	105.6%	105.6%	105.6%	105.6%	105.6%	105.6%	105.6%	
Interest rate on loans 1)	7.0%	7.3%	10.8%	10.2%	7.6%	7.5%	6.5%	6.5%	6.5%	6.5%	6.8%	6.8%	6.8%	6.8%	6.8%	
Return on equity (ROE) 2)	4.0%	14.7%	1.2%	13.9%	26.2%	12.6%	11.5%	11.6%	11.7%	11.8%	11.6%	11.7%	11.7%	11.8%	11.9%	
Financial Position																
Non-current assets	152,824	168,393	172,951	190,194	226,679	235,746	242,819	250,103	257,606	265,334	273,294	281,493	289,938	298,636	307,595	
Current assets	3,667	2,731	1,929	3,187	4,690	4,519	4,600	4,685	4,771	4,860	4,952	5,046	5,143	5,243	5,346	
Total assets	156,491	171,124	174,880	193,381	231,369	240,265	247,419	254,788	262,377	270,195	278,246	286,539	295,081	303,879	312,941	
Equity	52,828	58,719	56,104	60,273	72,429	77,504	79,315	81,721	84,231	86,838	89,234	91,945	94,765	97,691	100,728	
Non-current liabilities	97,774	105,046	108,177	121,182	150,623	154,801	160,086	164,987	170,004	175,151	180,741	186,255	191,908	197,709	203,661	
Current liabilities	5,889	7,359	10,599	11,926	8,317	7,960	8,019	8,080	8,142	8,206	8,272	8,339	8,409	8,479	8,552	
Total equity and liabilities	156,491	171,124	174,880	193,381	231,369	240,265	247,419	254,788	262,377	270,195	278,246	286,539	295,081	303,879	312,941	
Investment properties	152,606	168,147	172,270	189,971	226,396	235,452	242,515	249,791	257,285	265,003	272,953	281,142	289,576	298,263	307,211	
Net investment in investment properties	1,482	6,798	2,316	6,951	18,625	0	0	0	0	0	0	0	0	0	0	
Rentable square meters in thousand	445	455	455	455	480	480	480	480	480	480	480	480	480	480	480	
BV of invest. prop. per m2 in thousand ISK	343	370	379	418	472	491	505	520	536	552	569	586	603	621	640	
Interest bearing liabilities (incl. leases)	90,031	96,354	102,963	114,419	135,329	137,318	140,509	143,238	145,998	148,801	152,034	155,102	158,216	161,381	164,596	
Dividend paid	1,090	778	1,320	1,403	1,459	3,680	6,566	6,283	6,517	6,770	7,033	7,071	7,337	7,618	7,908	
Dividend / prior-year total comp. income	32.8%	39.9%	17.3%	207.9%	19.5%	24.1%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	
Equity ratio	33.8%	34.3%	32.1%	31.2%	31.3%	32.3%	32.1%	32.1%	32.1%	32.1%	32.1%	32.1%	32.1%	32.1%	32.2%	
Valuation - ISK																
Wtd. avg. shares (m)	681	777	755	734	706	701	701	701	701	701	701	701	701	701	701	
Total comp. income (million ISK)	1,951	7,609	675	7,496	15,295	8,755	8,377	8,689	9,027	9,377	9,428	9,783	10,157	10,544	10,945	
EPS (including OCI)	2.9	9.8	0.9	10.2	21.7	12.5	11.9	12.4	12.9	13.4	13.5	14.0	14.5	15.0	15.6	
DPS	1.6	1.0	1.7	1.9	2.1	5.2	9.4	9.0	9.3	9.7	10.0	10.1	10.5	10.9	11.3	
BPS	67.9	76.6	75.2	83.5	103.3	110.6	113.1	116.6	120.2	123.9	127.3	131.2	135.2	139.4	143.7	
Sensitivity analysis																
Index rate	Avg. change in OpRev 2025-2034			Residual earnings ...	13.3	2.2	0.9	1.1	1.2	1.4	1.1	1.2	1.4	1.5	1.7	
	4.63%	85.7	99.7													114.8
2025-2034	3.63%	107.5	121.2	Total PV of RE	8.4	2.0	0.7	0.8	0.8	0.8	0.6	0.6	0.6	0.6	0.6	
	2.63%	127.8	141.2	155.6												
Key figures				PV of CV	9.5	Continuing value (CV): RE 2034 x (1 + 3%) / (10% - 3%) =										24.7
2020-2024				2025-2034				Perpetuity growth rate								3.0%
OpRev chg.	7.0%	3.5%														
Cost ratio	33.9%	33.0%														
YOI	5.1%	5.1%														
EBIT	123.6%	106.9%														
Avg. ROE	12.0%	11.8%														
				BV per share 1.1.2025	103.3											
				PV per share	121.2	Value per share on 1.1.2025 in ISK										
				Outstanding shares	701 million											
				Equity value	84,954	Equity value on 1.1.2025 (ISK million)										
1) Interest rate on loans = Finance expenses ÷ [(Interest-bearing liabilities 1 Jan + 31 Dec) / 2]																
2) ROE = Total comprehensive income ÷ [Equity at 1 Jan - (9/12 × Dividends) ± (6/12 × Other changes)]																