Reitir fasteignafélag hf. - Forecast 2026-2035 and valuation as of 1 Jan 2026

Amounts are in million ISK / %	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Consolidated basis	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	31/12/2035
Statement of Comprehensive Income															
Operating revenue	11,850	13,481	15,107	16,442	18,215	19,763	20,554	21,170	21,806	22,460	23,133	23,827	24,542	25,279	26,037
Operating expenses	-4,106	-4,319	-4,957	-5,470	-6,103	-6,522	-6,783	-6,986	-7,196	-7,412	-7,634	-7,863	-8,099	-8,342	-8,592
Operating profit before valuating change	7,744	9,162	10,150	10,972	12,112	13,241	13,771	14,184	14,610	15,048	15,499	15,964	16,443	16,937	17,445
Valuation change of investment properties	8,743	1,807	10,750	17,800	11,613	10,088	10,491	8,183	8,429	8,682	8,942	9,210	9,487	9,771	10,064
Operating profit (EBIT)	16,487	10,969	20,900	28,772	23,725	23,329	24,262	22,367	23,038	23,730	24,441	25,175	25,930	26,708	27,509
Net financial expenses	-6,748	-10,677	-10,850	-9,213	-9,657	-11,231	-11,515	-10,260	-10,480	-10,681	-11,328	-11,566	-11,798	-12,035	-12,275
Profit before tax and OCI	9,739	292	10,050	19,559	14,068	12,098	12,747	12,107	12,559	13,048	13,113	13,609	14,131	14,673	15,234
Income tax	-2,156	381	-2,546	-4,293	-2,985	-2,420	-2,549	-2,421	-2,512	-2,610	-2,623	-2,722	-2,826	-2,935	-3,047
Revaluation of owner-occupied properties	26	2	-8	29	-21	18	18	14	15	15	16	16	17	17	18
Total comprehensive income	7,609	675	7,496	15,295	11,062	9,696	10,216	9,700	10,062	10,454	10,506	10,903	11,322	11,756	12,205
Operating revenue, chg. in %	10.9%	13.8%	12.1%	8.8%	10.8%	8.5%	4.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Operating expenses / operating revenue	34.6%	32.0%	32.8%	33.3%	33.5%	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)	4.8%	5.4%	5.6%	5.3%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%
EBITDA %	65.4%	68.0%	67.2%	66.7%	66.5%	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 %	5.7%	1.1%	6.2%	9.4%	5.1%	4.0%	4.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
EBIT %	139.1%	81.4%	138.3%	175.0%	130.2%	118.0%	118.0%	105.7%	105.7%	105.7%	105.7%	105.7%	105.7%	105.7%	105.7%
Interest rate on loans 1)	7.3%	10.8%	10.2%	7.6%	7.0%	7.5%	7.5%	6.5%	6.5%	6.5%	6.8%	6.8%	6.8%	6.8%	6.8%
Return on equity (ROE) 2)	14.7%	1.2%	13.9%	26.2%	15.9%	12.7%	12.8%	11.8%	11.9%	12.0%	11.7%	11.8%	11.9%	12.0%	12.1%
Financial Position															
Non-current assets	168,393	172,951	190,194	226,679	252,748	262,858	273,372	281,573	290,021	298,721	307,683	316,913	326,421	336,213	346,300
Current assets	2,731	1,929	3,187	4,690	3,313	5,975	5,829	5,839	5,868	5,902	5,933	5,972	6,017	6,067	6,121
Total assets	171,124	174,880	193,381	231,369	256,061	268,833	279,202	287,413	295,889	304,623	313,615	322,886	332,438	342,280	352,421
Equity	58,719	56,104	60,273	72,429	79,099	85,115	88,059	90,098	92,884	95,791	98,457	101,481	104,625	107,890	111,278
Non-current liabilities	105,046	108,177	121,182	150,623	163,062	165,701	174,328	180,821	186,747	192,797	199,375	205,839	212,452	219,224	226,160
Current liabilities	7,359	10,599	11,926	8,317	13,900	18,016	16,815	16,494	16,258	16,035	15,783	15,566	15,361	15,167	14,983
Total equity and liabilities	171,124	174,880	193,381	231,369	256,061	268,833	279,202	287,413	295,889	304,623	313,615	322,886	332,438	342,280	352,421
Investment properties	168,147	172,270	189,971	226,396	252,194	262,282	272,773	280,956	289,385	298,066	307,008	316,219	325,705	335,476	345,541
Net investment in investment properties	6,798	2,316	6,951	18,625	14,185	0	0	0	0	0	0	0	0	0	0
Rentable square meters in thousand	455	455	455	480	490	490	490	490	490	490	490	490	490	490	490
BV of invest. prop. per m2 in thousand ISK	370	379	418	472	515	535	557	573	591	608	627	645	665	685	705
Interest bearing liabilities (incl. leases)	96,354	102,963	114,419	135,329	150,448	154,818	159,595	163,275	166,380	169,522	173,148	176,594	180,095	183,655	187,275
Dividend paid	778	1,320	1,403	1,459	2,566	3,680	7,272	7,662	7,275	7,546	7,840	7,880	8,178	8,491	8,817
Dividend / prior-year total comp. income	39.9%	17.3%	207.9%	19.5%	16.8%	33.3%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%	75.0%
Equity ratio	34.3%	32.1%	31.2%	31.3%	30.9%	31.7%	31.5%	31.3%	31.4%	31.4%	31.4%	31.4%	31.5%	31.5%	31.6%
Valuation - ISK															
Wtd. avg. shares (m)	777	755	734	706	692	685	685	685	685	685	685	685	685	685	685
Total comp. income (million ISK)	7,609	675	7,496	15,295	11,062	9,696	10,216	9,700	10,062	10,454	10,506	10,903	11,322	11,756	12,205
EPS (including OCI)	9.8	0.9	10.2	21.7	16.0	14.2	14.9	14.2	14.7	15.3	15.3	15.9	16.5	17.2	17.8
DPS	1.0	1.7	1.9	2.1	3.7	5.4	10.6	11.2	10.6	11.0	11.4	11.5	11.9	12.4	12.9
BPS	76.6	75.2	83.5	103.3	115.5	124.3	128.6	131.5	135.6	139.8	143.7	148.1	152.7	157.5	162.4

Sensitivity analysis		**Avg. change in OpRev 2026-2035**		
		2.6%	3.6%	4.6%
Index rate avg. 2026-2035	4.6%	97.6	113.7	131.0
	3.6%	123.0	**138.7**	155.6
	2.6%	146.6	161.9	178.4

Key figures	**2021-2025**	**2026-2035**
OpRev chg.	11.3%	3.6%
Cost ratio	33.3%	33.0%
YOI	5.2%	5.1%
EBIT	132.8%	108.1%
Avg. ROE	14.4%	12.1%

Residual earnings	5.7	2.6 2.5 1.3 1.5 1.7 1.4 1.5 1.7 1.9 2.1
Discount rate	**10.0%**	1.1 1.2 1.3 1.5 1.6 1.8 1.9 2.1 2.4 2.6
Present value of RE		2.4 2.1 1.0 1.0 1.1 0.8 0.8 0.8 0.8 0.8
Total PV of RE	11.5	
PV of CV	11.7	Continuing value (CV): RE 2035 x (1 + 3%) / (10% - 3%) = 30.4
BV per share 1.1.2026	115.5	Perpetuity growth rate **3.0%**
PV per share	**138.7**	Value per share on 1.1.2026 in ISK
Outstanding shares	685	million
Equity value	**94,986**	Equity value on 1.1.2026 (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)]