

## Satisfactory Q1 financial results

30.4.2025 08:00:00 CEST | Føroya Banki | Interim report (Q1 and Q3)

### Announcement no. 6/2025

“Today, we can present a satisfactory profit after tax of DKK 61m for the first quarter. The first three months of the year were characterised by increasing customer numbers and decent growth across deposits, lending and mortgage credit. Interest, fee and insurance activity incomes were a little above expectations due, in particular, to higher lending growth and a solid insurance result. Costs were in line with expectations, while impairment charge levels reflect the still sound creditworthiness of our customers. Our ongoing work to develop excellent digital solutions for our customers passed yet another milestone with the launch of a new chatbot designed to make being a customer of the Bank easier – and which is also the first chatbot that can understand and respond to customers’ enquiries in Faroese. We have a positive outlook on the rest of the year, though with the proviso that we have not yet felt the full impact of the ongoing rate cuts or of the potential negative economic consequences of the current geopolitical unrest and the risk of an intensified trade war,” says Turið F. Arge, CEO Føroya Banki.

### Highlights from Føroya Banki’s interim report for Q1 2025

DKKm	Q1 2025	Q1 2024	Index	Q1 2025	Q4 2024	Index	Q3 2024	Q2 2024	Q1 2024
Net interest income	76	92	83	76	78	98	87	90	92
Net fee and commission income	20	19	102	20	19	103	18	17	19
Net insurance income	16	12	131	16	10	151	20	15	12
Other operating income (less reclassification)	13	11	117	13	9	138	10	10	11
Operating income	125	135	93	125	117	106	135	132	135
Operating costs	-69	-65	106	-69	-72	96	-69	-68	-65
Profit before impairment charges	56	70	80	56	46	123	66	63	70
Impairment charges, net	-5	-23	22	-5	11	-45	6	7	-23
Operating profit	51	47	107	51	57	89	72	70	47
Non-recurring items	0	0		0	0		0	0	0
Profit before investment portfolio earnings and tax	51	47	107	51	57	89	72	70	47
Investment portfolio earnings	25	23	109	25	31	81	48	35	23
Profit before tax	76	70	108	76	88	86	119	105	70
Tax	15	15	98	15	15	97	23	18	15
Net profit	61	55	111	61	72	84	96	87	55

Loans and advances	9.272	8.915	104	9.272	9.086	102	9.072	9.023	8.915
Deposits and other debt	10.306	8.930	115	10.306	10.007	103	9.359	9.180	8.930
Mortgage credit	2.906	2.621	111	2.906	2.741	106	2.579	2.585	2.621
Equity	1.788	1.824	98	1.788	2.076	86	2.004	1.909	1.824
Total capital ratio, incl. MREL capital, %	36,0	39,9		36,0	36,3		37,9	40,8	39,9
CET 1 capital, %	23,5	25,0		23,5	23,8		25,1	25,6	25,0
ROE, %	12,6	12,0		12,6	14,2		19,6	18,6	12,0
ROE, excl. one-offs, %	12,6	12,0		12,6	14,2		19,6	18,6	12,0
Liquidity Coverage Ratio (LCR), %	261,1	283,6		261,1	337,4		302,2	285,6	283,6
Operating cost/income, %	55	48		55	61		51	52	48
Number of FTE, end of period	204	209	98	204	207	98	206	209	209

### Business developments

Overall, Q1 2025 was characterised by an increase in business activity, underpinned by lending growth of 2%, deposit growth of 3% and an increase in brokered mortgage credit of 6% compared with Q4 2024.

### Capital ratios

The CET 1 capital ratio at 31 March 2025 was 23.5% compared with 23.8% at 31 December 2024. The total capital ratio including MREL was 36.0% at 31 March 2025 against 36.3% at 31 December 2024. The net profit of DKK 60.9m for Q1 2025 is not included in the capital ratios.

### Guidance for 2025

The Bank reconfirms its guidance of a net profit for 2025 in the range DKK 210-240m. The guidance is subject to uncertainty and will, among other things, depend on economic developments, loan impairment charges and market value adjustments.

**Føroya Banki** has banking activities in Greenland and the Faroe Islands and insurance activities in the Faroe Islands. Founded in the Faroe Islands more than a century ago, the Group has total assets of DKK 14.8bn and 204 employees. The Bank is subject to the supervision of the Danish Financial Supervisory Authority and is listed on Nasdaq Copenhagen.

Further information is available in the Interim Report for Q1 2025 (published in English only).

### Further information:

Rúna N. Rasmussen, Investor Relations, tel.: (+298) 230 478

### Attachments

- [Interim Report Q1 2025.pdf](#)
- [Q1 2025 Investor Presentation.pdf](#)