

Satisfactory performance in Q3 2025

4.11.2025 08:00:00 CET | Føroya Banki | Interim report (Q1 and Q3)

Announcement no. 12/2025

“We’re pleased to present a third quarter profit of DKK 80m before tax, a slight improvement on our original profit guidance. The positive performance was driven by strong customer activity and positive momentum across several business areas. Costs were in line with our full-year guidance, and we noted with satisfaction that our customers are generally financially robust, as is reflected in a reversal of impairment charges for the quarter. We maintain our guidance for the rest of the year,” said Føroya Banki CEO Turið F. Arge.

Highlights of Føroya Banki’s interim report for Q3 2025

Highlights and ratios									
DKKm	Q1-Q3 2025	Q1-Q3 2024	Index	Q3 2025	Q2 2025	Index	Q1 2025	Q4 2024	Q3 2024
Net interest income	237	269	88	77	84	91	76	78	87
Net fee and commission income	60	54	111	21	19	110	20	19	18
Net insurance income	56	46	122	14	27	53	16	10	20
Other operating income (less reclassification)	48	32	151	11	24	44	13	9	10
Operating income	402	401	100	123	154	80	125	117	135
Operating costs	210	202	104	73	68	107	69	72	69
Profit before impairment charges	192	200	96	50	86	58	56	46	66
Impairment charges, net	-2	10	-16	-9	2	-483	5	-11	-6
Operating profit	194	189	102	58	84	69	51	57	72
Investment portfolio earnings	77	106	73	22	30	73	25	31	48
Profit before tax	271	295	92	80	115	70	76	88	119
Tax	53	57	93	17	21	78	15	15	23
Net profit	218	238	91	64	93	68	61	72	96
Loans and advances	9.598	9.072	106	9.598	9.695	99	9.270	9.086	9.072
Deposits and other debt	10.803	9.354	115	10.803	10.383	104	10.299	10.003	9.354
Mortgage credit	2.789	2.579	108	2.789	2.909	96	2.906	2.741	2.579
Equity	1.945	2.004	97	1.945	1.881	103	1.788	2.076	2.004
Total capital ratio, incl. MREL capital, %	36,6	37,9		36,6	35,9		36,0	36,3	37,9
CET 1 capital, %	23,1	25,1		23,1	22,7		23,5	23,8	25,1
ROE, %	14,4	16,5		13,3	20,3		12,6	14,2	19,6
Liquidity Coverage Ratio (LCR), %	294,5	302,2		294,5	259,7		261,1	337,4	302,2

Operating cost/income, %	52	50		59	44		55	61	51
Number of FTE, end of period	202	206	98	202	199	101	204	207	206

Business developments

Overall, the performance for the period from Q3 2024 to Q3 2025 was characterised by business growth, reflected in a 6% increase in lending, a 15% increase in deposits and 8% mortgage lending growth. The increase in lending was generated by corporate customers and personal customers domiciled in the Faroe Islands. The increase in deposits stemmed from corporate customers and personal customers domiciled in the Faroe Islands and Greenland, respectively.

Capital ratios

At 30 September 2025, the Group's CET 1 capital ratio was 23.1%, against 23.8% at 31 December 2024. The total capital ratio including MREL was 36.6% at 30 September 2025, against 36.3% at 31 December 2024. The reduction in the CET 1 capital ratio was mainly due to growth in risk-weighted assets due to the Bank's loan portfolio having increased by approximately DKK 500m since the end of 2024.

The net profit of DKK 217.7m for the period Q1-Q3 2025 is not included in the calculation of capital ratios.

Guidance for 2025

On 28 January, Føroya Banki announced expectations of a net profit for 2025 in the DKK 210-240m range. Subsequently, on 15 July 2025, the Bank revised its net profit guidance upwards to a range of DKK 235-265m. The guidance is subject to uncertainty related to interest rate developments, adverse economic consequences of the geopolitical unrest and the risk of an intensified trade war.

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 15.2bn and 202 employees. The Bank is subject to the supervision of the Danish Financial Supervisory Authority and is listed on Nasdaq Copenhagen.

Further details are available in the Q3 2025 interim report.

For further information, please call:

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Attachments

- [Interim Report Q3 2025.pdf](#)
- [Q3 2025 Investor Presentation.pdf](#)