

Ringkjøbing Landbobank's annual report for 2021

The bank's board of directors and general management today approved the annual report for 2021.

2021 was a unique year for Ringkjøbing Landbobank with a record increase in new customers, partly due to the acquisition of BIL Danmark. This resulted in two upward adjustments of the expectations to the core earnings and net profit for the year before tax, the latest on 6 January 2022. Both results were realised as announced.

Core earnings

(DKK million)	2021	2020	2019	2018	2017
Total core income	2,433	2,179	2,116	2,001	1,917
Total expenses and depreciation	817	788	805	866	845
Core earnings before impairment charges for loans	1,616	1,391	1,311	1,135	1,072
Impairment charges for loans etc.	68	223	100	43	70
Core earnings	1,548	1,168	1,211	1,092	1,002
Result for the portfolio etc.	+7	-9	+49	+77	+84
Special costs	17	15	15	217	22
Profit before tax	1,538	1,144	1,245	952	1,064

2021 – highlights

- The profit before tax is DKK 1,538 million, equivalent to an 18% p.a. return on equity
- Income increases by 12% and expenses increase by 4%, reducing the rate of costs to 33.6%
- Impairment charges decrease to DKK 68 million and the management estimates increase to DKK 631 million
- Continued increase in new customers results in growth of 14% in loans, 10% in deposits and 35% in funds in custody accounts
- Customer satisfaction and image high or highest in several surveys
- The pay-out ratio is 77% of net profit for 2021 and will be effected through a dividend of DKK 7 per share and share buy-back programmes totalling DKK 738 million
- In late 2021, the bank's share was included in the Stoxx Europe 600 index
- The expectations for profit before tax in 2022 of between DKK 1,300 million and DKK 1,650 million

Yours faithfully

Ringkjøbing Landbobank



John Fisker
CEO