

Arion Bank in brief

31.03.2022



12.7%

Return on equity



42.7%

Cost-to-income



19.1%

CET1 ratio



Rating from S&P

Long term: BBB

Short term: A-2

Outlook: Stable



PRINCIPLES FOR RESPONSIBLE BANKING



Equal Pay Certification



Arion Bank

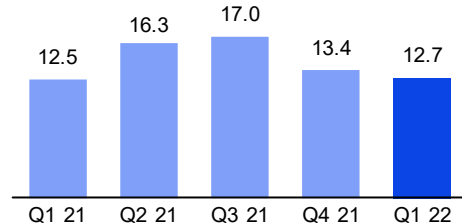
- Arion Bank provides services to households, corporates, institutions and investors. The Bank has three business segments: Retail Banking, Corporate & Investment Banking (CIB), and Markets. The service offering is further augmented by the subsidiaries Stefnir and Vördur. Stefnir is an Icelandic fund management company, and Vördur is an insurance company providing non-life and life insurance with sales channels through CIB and Retail Banking.
- Arion Bank plays an important role in the community through financing of progressive and sustainable initiatives in the community and sustainability is an integral part of the Bank's day-to-day activities, its decision-making and processes
- The diverse service offering at Arion Bank means that the revenue base is broad and the loan portfolio is well diversified between retail and corporate customers. The high percentage of mortgages and the healthy distribution of loans across different sectors reduces credit risk
- The Bank is a market leader in digital solutions and innovation. Numerous new digital solutions have been launched in the past few years, enhancing service to customers and making the Bank's operations more efficient, which in the long term reduces operating expenses across the Bank
- The Bank is emphasizing customer experience in all aspects of the Bank
- At 31.03.2022 Arion Bank has ISK 18.6bn in excess capital and will continue to manage towards 17% CET1 target. Further capital distribution considered in parallel with business growth opportunities and will be related to completion of sale of Valitor

Key figures

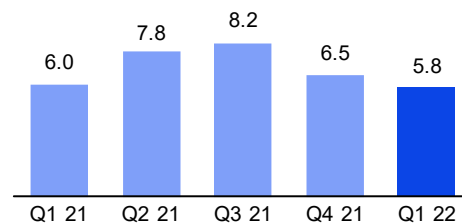
(ISK million)

	Q1 2022	Q1 2021
Net earnings	5,818	6,039
ROE	12.7%	12.5%
Net interest margin	3.1%	2.7%
Cost to income ratio	42.7%	46.2%
Operating income / REA	6.9%	7.0%
	31.03.2022	31.12.2021
Total assets	1,341,015	1,313,864
Loans to customers	976,383	936,237
Deposits	679,925	655,476
Borrowings	370,026	356,637
Stage 3 gross	1.6%	1.9%
Leverage ratio	12.5%	12.6%
Number of employees	753	751
EUR/ISK	142.00	147.60

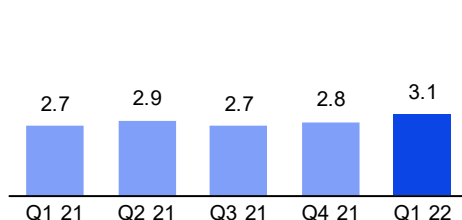
Return on equity (%)



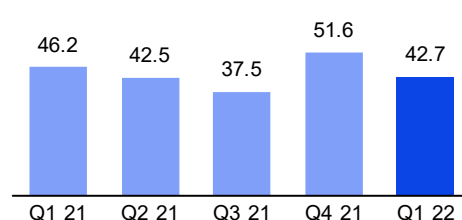
Net earnings (ISK billion)



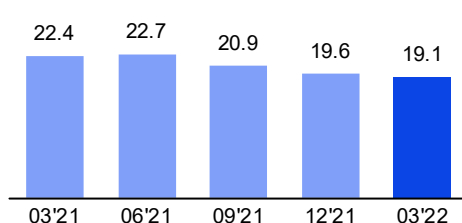
Net interest margin (%)



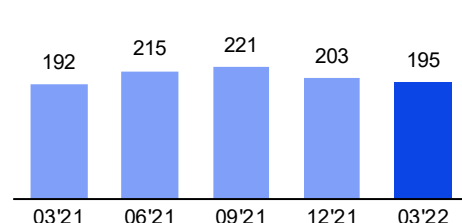
Cost-to-income ratio (%)



CET 1 ratio (%)



LCR ratio (%)



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