

Arion Bank in brief

30.09.2022



14.8%

Return on equity



44.8%

Cost-to-income



19.3%

CET1 ratio



Rating from S&P

Long term: BBB

Short term: A-2

Outlook: Stable

Rating from Moody's

Long term: Baa1

Outlook: Positive



UNEP FINANCE INITIATIVE PRINCIPLES FOR RESPONSIBLE BANKING



- 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. 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 places a strong emphasis on customer experience, both in digital and face-to-face services, and meeting the financial needs of our customers via a customized product offering and quality financial services which contribute to the success of our customers and society as a whole

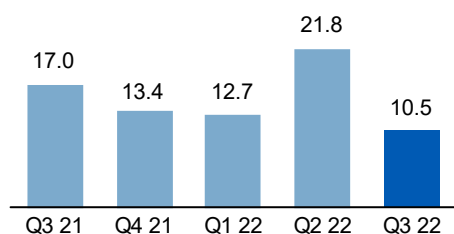
Key figures

(ISK m)

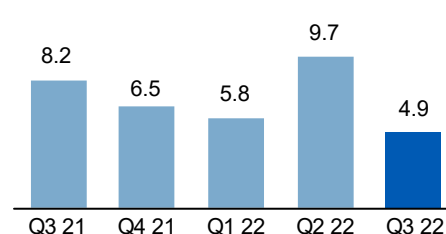
	9M 2022	9M 2021
Net earnings	20,393	22,093
ROE	14.8%	15.2%
Net interest margin	3.1%	2.7%
Cost to income ratio	44.8%	41.9%
Operating income / REA	6.5%	7.6%

	30.09.2022	31.12.2021
Total assets	1,427,886	1,313,864
Loans to customers	1,045,152	936,237
Deposits	739,969	655,476
Borrowings	376,540	356,637
Total equity	186,287	194,598
Stage 3 gross	1.4%	1.9%
Leverage ratio	12.0%	12.7%
Number of employees	777	751
EUR/ISK	141.32	147.60

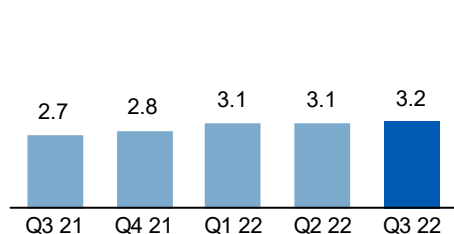
Return on equity (%)



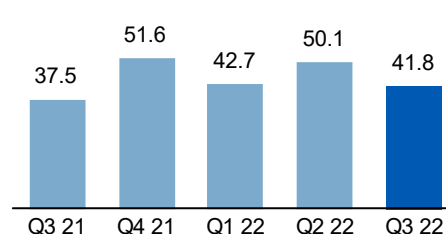
Net earnings (ISK billion)



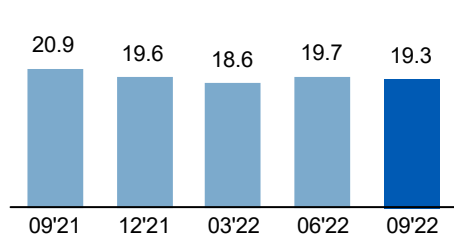
Net interest margin (%)



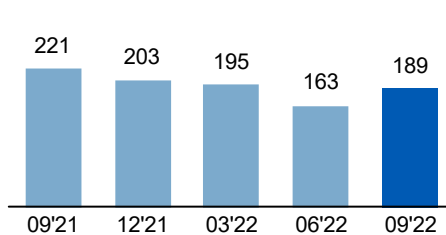
Cost-to-income ratio (%)



CET 1 ratio (%)



LCR ratio (%)



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