

# Arion Bank in brief

## Q1 2021



### 12.5%

Return on equity



### 46.2%

Cost-to-income



### 26.9%

Capital adequacy ratio



Rating from S&P

Long term: BBB

Short term: A-2

Outlook: Stable



PRINCIPLES FOR RESPONSIBLE BANKING



Equal Pay Certification



## Arion Bank

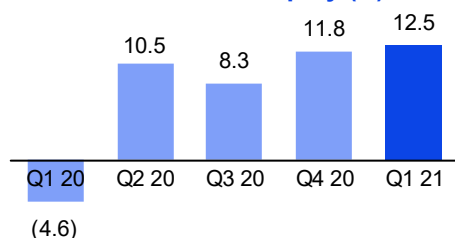
- Arion Bank and subsidiaries form a group which focuses on developing long-term relationships with its clients and is a market leader as a provider of cutting-edge and modern banking services
- The Bank's strategy is to excel by offering smart and reliable financial solutions which create future value for our customers, shareholders and society as a whole
- 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's structure has been simplified and the branch network and business premises have been streamlined
- Arion Bank has significant excess capital and aims to pay approximately ISK 50 billion in dividends and/or share buy-backs over the next years

## Key figures

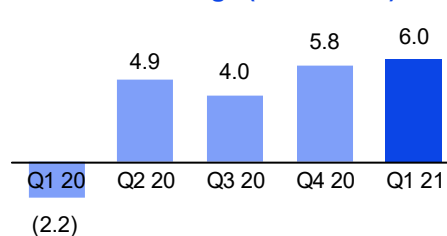
(ISK million)

	Q1 2021	Q1 2020
Net earnings	6,039	(2,171)
ROE	12.5%	(4.6%)
ROE continuing operations	12.3%	(2.7%)
Net interest margin	2.7%	2.8%
Cost to income ratio	46.2%	69.2%
Operating income / REA	7.0%	5.0%
	<b>31.03.2021</b>	<b>31.12.2020</b>
Total assets	1,181,093	1,172,706
Loans to customers	837,162	822,941
Deposits	592,540	568,424
Borrowings	293,747	298,947
Stage 3 gross	2.9%	2.6%
Leverage ratio	14.7%	15.1%
Number of employees	772	776
EUR/ISK	148.70	156.09

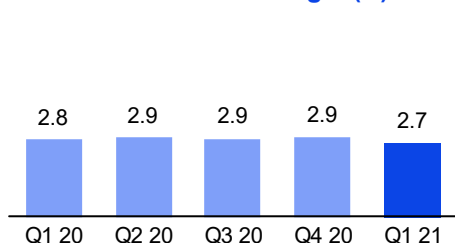
### Return on equity (%)



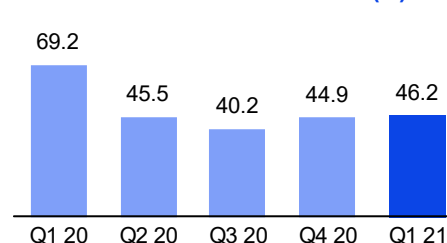
### Net earnings (ISK billion)



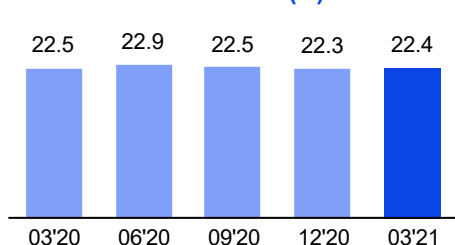
### Net interest margin (%)



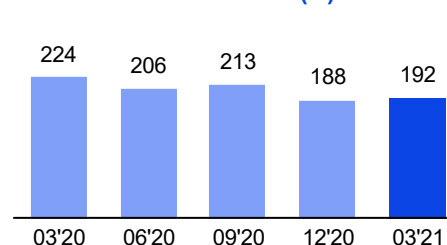
### Cost-to-income ratio (%)



### CET 1 ratio (%)



### LCR ratio (%)



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