

# Arion Bank in brief

30.9.2021



**15.2%**

Return on equity



**41.9%**

Cost-to-income



**25.4%**

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

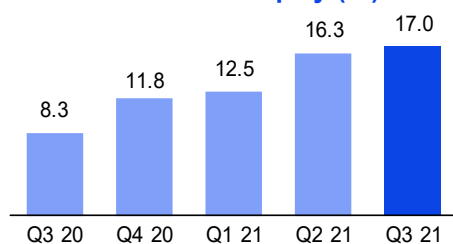
- Arion Bank and subsidiaries form a group which focuses on developing long-term relationships with its clients and is a market leader as a provider of cutting-edge and modern banking services
- The Bank's strategy is to excel by offering smart and reliable financial solutions which create future value 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 is emphasizing on customer experience in all aspects of the Bank by centralizing shared services to increase cost efficiency and effectiveness. This includes incorporating Vordur insurance into both Retail and CIB
- Arion Bank has significant excess capital and expects to pay dividend and/or buy-back own shares in excess of ISK 30 billion over the next years in addition to already foreseeable dividend and buy-back of ISK 21.3 billion included in equity

## Key figures

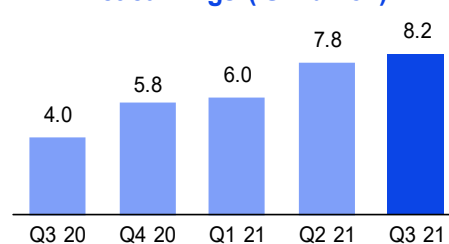
(ISK million)

	9M 2021	9M 2020
Net earnings	22,093	6,708
ROE	15.2%	4.7%
ROE continuing operations	14.6%	6.1%
Net interest margin	2.7%	2.9%
Cost to income ratio	41.9%	49.5%
Operating income / REA	7.6%	6.7%
	<b>30.09.2021</b>	<b>31.12.2020</b>
Total assets	1,346,092	1,172,706
Loans to customers	896,940	822,941
Deposits	641,306	568,424
Borrowings	397,031	298,947
Stage 3 gross	2.6%	2.6%
Leverage ratio	12.4%	15.1%
Number of employees	763	776
EUR/ISK	151.10	156.09

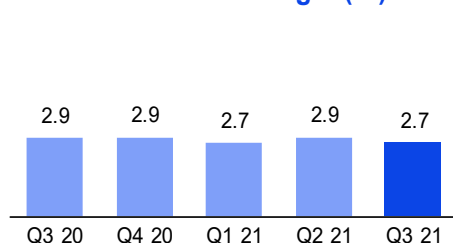
### Return on equity (%)



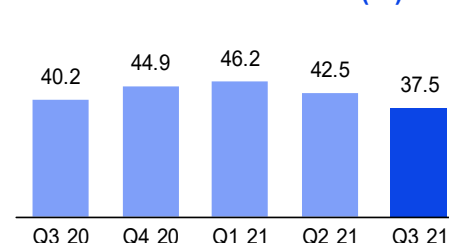
### Net earnings (ISK billion)



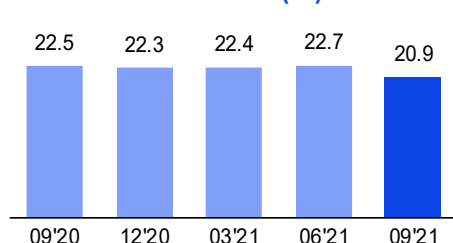
### Net interest margin (%)



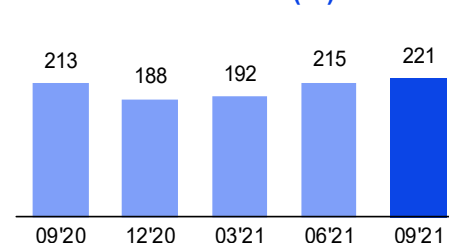
### Cost-to-income ratio (%)



### CET 1 ratio (%)



### LCR ratio (%)



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