

Arion Bank in brief

3M 2020



(4.6%)

Return on equity



69.2%

Cost-to-income



27.5%

Capital adequacy ratio



Rating from S&P

Long term: BBB

Short term: A-2

Outlook: Stable



Equal Pay
Certification

THE
ALLBRIGHT.

In 25th place out of
333 listed in Sweden
in gender equality

Arion Bank

- Arion Bank is a leading universal relationship bank in Iceland which provides a full range of financial services.
- After a long period of strong economic growth the economy has come to an abrupt halt due to Covid-19. The Great Lockdown, as named by the IMF, will heavily impact the Icelandic economy due to its dependency on tourism. However, both fiscal and monetary policy have ammunition to support the economy.
- Arion Bank intends to maintain its leading position in digital banking, which has proven effective during the pandemic.
- The balance sheet is extraordinarily strong which is prudent at this time due to Covid-19 but not efficient, under normal circumstances.
- The Bank is very well positioned to meet the funding requirements of its customers in both ISK and FX and to provide customers with solutions through the Covid-19 pandemic.

Key figures

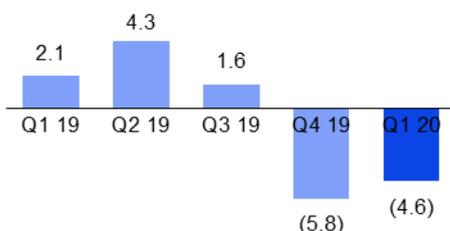
(ISK million)

	3M 2020	3M 2019
Net earnings (loss)	(2,171)	1,949
ROE	(4.6%)	3.6%
ROE continuing operations	(2.7%)	4.5%
Net interest margin	2.8%	2.7%
Cost to income ratio	69.2%	62.5%
Operating income / REA	5.0%	5.9%

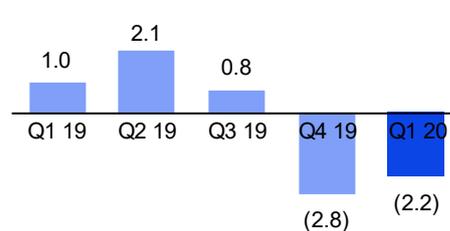
31.03.2020 31.12.2019

Total assets	1,187,820	1,081,855
Loans to customers	778,823	773,955
Deposits	539,312	492,916
Borrowings	322,470	304,745
Stage 3 gross	2.9%	2.7%
Leverage ratio	14.5%	14.1%
Number of employees	814	801
EUR/ISK	155.30	135.83

Return on equity (%)



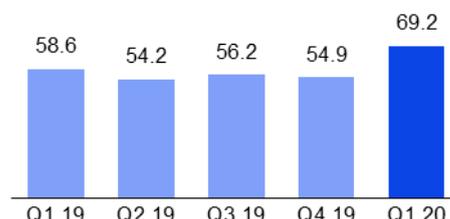
Net earnings (ISK billion)



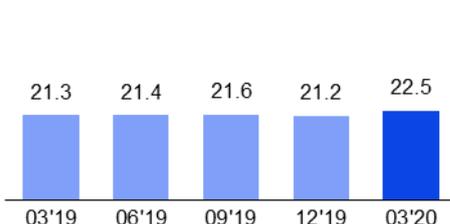
Net interest margin (%)



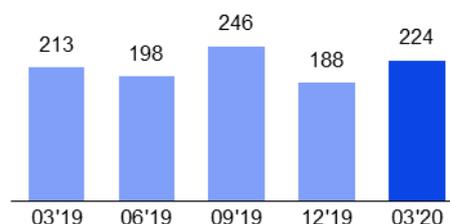
Cost-to-income ratio (%)



CET 1 ratio (%)



LCR ratio (%)



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