

# Arion Bank in brief



30.06.2023



**14.5%**

Return on equity



**43.0%**

Cost-to-core income



**18.9%**

CET1 ratio



Rating from S&P

Long term: BBB

Short term: A-2

Outlook: Negative

Rating from Moody's

Long term: Baa1

Deposit rating: A3

Outlook: Positive



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
- Arion Bank plays an important role in the community through the financing of progressive and sustainable initiatives. Sustainability is a 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 Bank is a market leader in digital solutions and innovation supported by the Bank's app, which has been awarded the best banking app in Iceland seven years in a row. 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
- The Bank places a strong emphasis on customer experience, both in digital and face-to-face services, and meeting the financial needs of its customers via a customized product offering and quality financial services which contribute to the success of customers and society as a whole

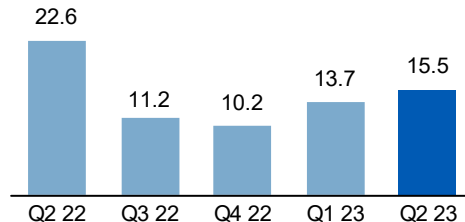
## Key figures

(ISK m)

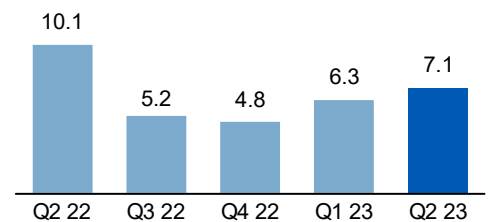
|                             | 6M 2023 | 6m 2022 |
|-----------------------------|---------|---------|
| Net earnings                | 13,382  | 15,985  |
| ROE                         | 14.5%   | 17.4%   |
| Net interest margin         | 3.1%    | 3.1%    |
| Cost to Core income ratio   | 43.0%   | 44.4%   |
| Core operating income / REA | 7.2%    | 6.8%    |

|                     | 30.06.2023 | 31.12.2022 |
|---------------------|------------|------------|
| Total assets        | 1,518,226  | 1,465,609  |
| Loans to customers  | 1,134,621  | 1,084,757  |
| Deposits            | 781,202    | 755,361    |
| Borrowings          | 405,572    | 392,563    |
| Total equity        | 186,316    | 187,956    |
| Stage 3 gross       | 1.6%       | 1.2%       |
| Leverage ratio      | 11.7%      | 11.8%      |
| Number of employees | 781        | 781        |
| EUR/ISK             | 148.70     | 151.50     |

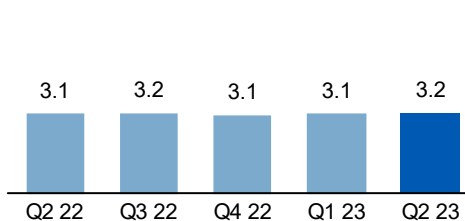
### Return on equity (%)



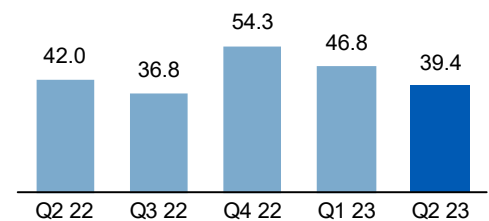
### Net earnings (ISK billion)



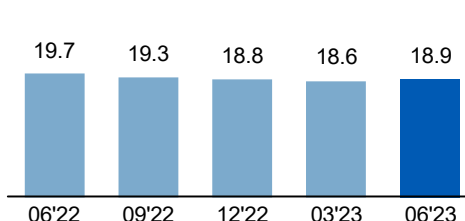
### Net interest margin (%)



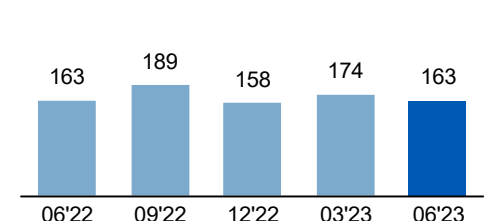
### Cost-to-core income (%)



### CET 1 ratio (%)



### LCR ratio (%)



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