

ROE

3.6%

CET 1

23.6%

Cost to income

70.8%

Share of stage 3 loans, gross

3.2%

Arion Bank

- Arion Bank is a leading franchise in financial services in Iceland. Arion Bank is a universal relationship bank which provides a full range of financial services
- Continued Improving economic environment in Iceland
- Strong balance sheet with equal split between retail and corporate loans, high capital ratios and improving NPLs
- The Bank was named bank of the year in Iceland for 2017 by Euromoney and the best investment bank in Iceland by Global Finance

Key figures

(ISK million)

	Q1 2018	Q1 2017
Net earnings	1,949	3,353
ROE	3.6%	6.3%
Net interest margin	2.6%	2.8%
Cost to income ratio	70.8%	64.4%

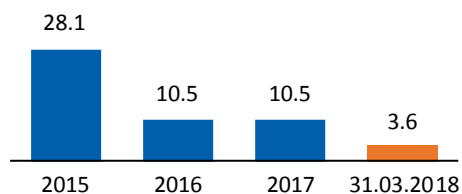
	31.03.2018	31.12.2017
Total assets	1,131,769	1,147,754
Loans to customers	782,255	765,101
Deposits	453,059	462,161
Borrowings	400,855	384,998
Stage 3 gross	3.2%	N/A
Leverage ratio	15.4%	15.4%
Number of employees	1,299	1,284
EUR/ISK	121.50	125.05

Arion Bank rating from S&P

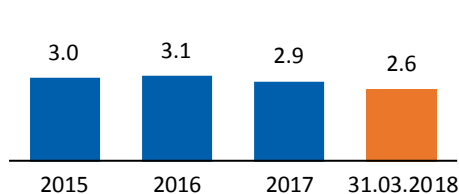
Long term: BBB+ Short term: A-2

Outlook: Stable

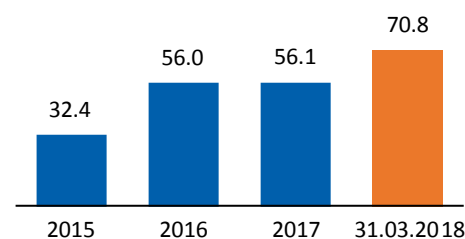
Return on equity (%)



Net interest margin (%)

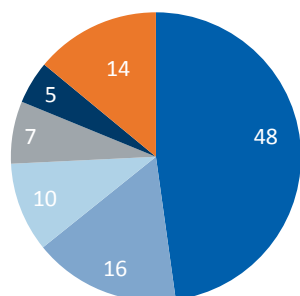


Cost-to-income ratio (%)

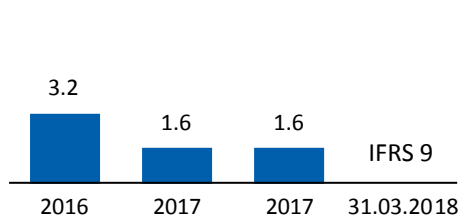


Loans to customers (%)

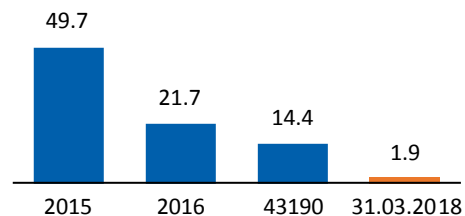
- Individuals (48%)
- Real estate (16%)
- Fishing industry (10%)
- Wholesale and retail (7%)
- Finance and insurance (5%)
- Other (14%)



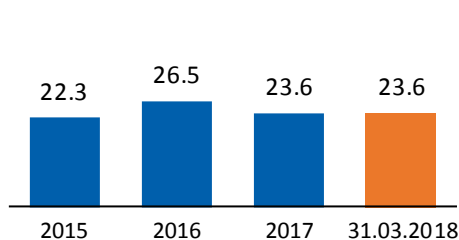
Gross impaired / Gross loans



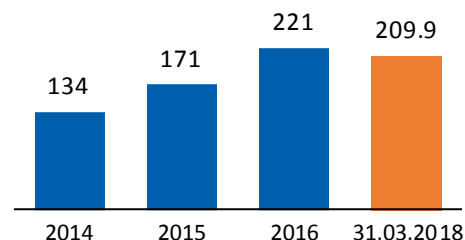
Net earnings (ISK billion)



CET 1 ratio (%)*



LCR ratio (%)



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