

Factbook
31 March 2024

KFI - 5 years

ISK million

Q1 2024 Q1 2023 Q1 2022 Q1 2021 Q1 2020

Profitability

Return on equity	9.1%	13.7%	12.9%	12.5%	(4.6%)
Return on assets	1.2%	1.7%	1.8%	2.1%	(0.8%)
Return on risk exposure amount	1.9%	2.8%	2.8%	3.2%	(1.2%)
Operating income / Risk exposure amount	6.3%	7.3%	6.9%	7.0%	5.0%
Earnings per share	3.07	4.32	3.67	3.61	(1.25)

Net interest margin

Net interest margin on interest bearing assets	3.1%	3.1%	3.1%	2.7%	2.8%
Net interest margin on total assets	2.9%	3.0%	2.9%	2.5%	2.6%
Net interest income on credit risk	5.6%	5.6%	5.3%	4.6%	4.8%

Efficiency

Cost-to-core income ratio*	48.4%	46.8%	47.6%	53.6%	57.3%
Cost-to-income ratio*	35.7%	46.9%	44.2%	46.2%	69.2%
Cost-to-total assets ratio	1.3%	2.0%	1.9%	2.1%	2.2%
Number of FTE´s at year end	813	789	753	772	814

Asset quality

Share of stage 3 loans, gross**	1.9%	1.4%	1.6%	2.9%	2.9%
Risk weighted assets / Total assets	60.7%	60.4%	64.9%	63.9%	60.0%

Financial strength

Equity as % of total assets	12.4%	12.0%	12.9%	16.0%	15.5%
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Liquidity

Liquidity coverage ratio (LCR)	143.6%	173.6%	195.4%	191.6%	224.2%
Loans-to-deposits ratio	147.0%	143.8%	143.6%	141.3%	144.4%
Loans-to-deposits ratio (without covered bonds)	116.5%	114.4%	110.1%	115.1%	116.7%
Deposits from customers as % of total funding	64.8%	65.1%	64.5%	66.1%	62.0%
Covered bonds as % of total funding	19.8%	19.1%	21.6%	17.3%	17.2%

Capital

CET 1 ratio	18.8%	18.6%	18.6%	22.0%	22.5%
Tier 1 ratio	20.3%	20.1%	19.7%	23.7%	24.6%
Tier 2 ratio	2.9%	3.6%	2.7%	3.1%	3.0%
Capital adequacy ratio	23.2%	23.7%	22.4%	26.9%	27.5%
Leverage ratio	12.0%	11.3%	12.5%	14.7%	14.5%

*Including expenses from insurance operations

** (Gross carrying value of stage 3 loans + gross carrying value of POCI loans in Risk class 4 or lower) / Gross carrying value of loans to customers

Income statement - 5 year summary

ISK million

	Q1 2024	Q1 2023	Q1 2022	Q1 2021	Q1 2020
Interest income	33,638	29,168	17,426	11,779	12,044
Interest expense	(22,393)	(18,175)	(7,950)	(4,437)	(4,791)
Net interest income	11,245	10,993	9,476	7,342	7,253
Fee and commission income	4,336	5,286	3,986	3,726	3,481
Fee and commission expense	(971)	(842)	(430)	(449)	(405)
Net fee and commission income	3,365	4,444	3,556	3,277	3,076
Insurance revenue	4,667	3,962	3,692	-	-
Insurance service expenses	(4,882)	(4,698)	(4,256)	-	-
Insurance service results	(215)	(736)	(564)	-	-
Net insurance income	-	-	-	671	501
Net financial (loss) income	29	794	1,120	1,500	(2,000)
Other operating income	50	14	432	307	170
Other net operating income / loss	79	808	1,552	2,478	(1,329)
Operating income	14,474	15,509	14,020	13,097	9,000
Operating expenses	(6,554)	(6,440)	(5,577)	-	-
Salaries and related expense	-	-	-	(3,271)	(3,130)
Other operating expenses	-	-	-	(2,777)	(3,077)
Operating expenses	(6,554)	(6,440)	(5,577)	(6,048)	(6,207)
Bank Levy	(460)	(449)	(393)	(330)	(331)
Net impairment	(315)	(52)	(495)	1,080	(2,860)
Earnings before income tax	7,145	8,568	7,555	7,799	(398)
Income tax expense	(2,704)	(2,287)	(1,716)	(1,866)	(860)
Net earnings from continuing operations	4,441	6,281	5,839	5,933	(1,258)
Discontinued operations held for sale, net of income tax	(9)	10	96	106	(889)
Net earnings	4,432	6,291	5,935	6,039	(2,147)
Attributable to					
Shareholders of Arion Bank	4,444	6,284	5,929	6,038	(2,167)
Non-controlling interest	(12)	7	6	20	(4)
Net earnings	4,432	6,291	5,935	6,058	(2,171)

Balance sheet - 5 year summary

ISK million

31.03.2024 31.12.2023 31.12.2022 31.12.2021 31.12.2020

Assets

Cash and balances with Central Bank	102,405	102,095	114,118	69,057	42,136
Loans to credit institutions	33,782	28,835	45,501	30,272	28,235
Loans to customers	1,178,700	1,152,789	1,084,757	936,237	822,941
Financial instruments	195,914	205,706	193,329	225,657	227,251
Investment property	9,542	9,493	7,862	6,560	6,132
Investments in associates	797	789	787	668	891
Intangible assets	7,885	8,051	8,783	9,463	9,689
Tax assets	39	39	135	2	2
Asset and disposal groups held for sale	64	62	61	16,047	16,811
Other assets	15,304	17,813	10,277	16,747	18,618
Total assets	1,544,432	1,525,672	1,465,610	1,310,710	1,172,706

Liabilities

Due to credit institutions and Central Bank	3,205	2,771	11,697	5,000	13,031
Deposits	802,068	792,710	755,361	655,476	568,424
Financial liabilities at fair value	10,778	11,646	20,997	5,877	5,240
Tax liabilities	11,732	11,169	10,303	7,102	4,262
Liabilities associated with disposal groups held for sale	-	-	-	16,935	16,183
Other liabilities	50,628	46,336	39,401	34,914	32,714
Borrowings	433,047	420,460	392,563	356,637	298,947
Subordinated liabilities	41,558	41,279	47,331	35,088	36,060
Total liabilities	1,353,016	1,326,371	1,277,653	1,117,029	974,861

Equity

Share capital and share premium	11,207	10,634	13,372	22,684	51,331
Other reserves	12,365	12,283	10,672	12,838	11,320
Retained earnings	167,353	175,881	163,264	157,486	135,021
Total shareholders equity	190,925	198,798	187,308	193,008	197,672
Non-controlling interest	491	503	649	673	173
Total equity	191,416	199,301	187,957	193,681	197,845
Total liabilities and equity	1,544,432	1,525,672	1,465,610	1,310,710	1,172,706

Net interest income - 5 year summary

ISK million	Q1 2024	Q1 2023	Q1 2022	Q1 2021	Q1 2020
Interest income					
Cash and balances with Central bank	1,997	1,394	392	88	774
Loans	29,710	26,656	16,022	10,708	10,690
Securities	1,921	1,116	1,006	939	550
Other	10	2	6	44	30
Interest income	33,638	29,168	17,426	11,779	12,044
Interest expense					
Deposits	(13,705)	(9,902)	(3,478)	(1,181)	(2,011)
Borrowings	(7,605)	(6,953)	(3,947)	(2,774)	(2,443)
Subordinated liabilities	(1,042)	(1,271)	(482)	(453)	(313)
Other	(41)	(49)	(43)	(29)	(24)
Interest expense	(22,393)	(18,175)	(7,950)	(4,437)	(4,791)
Net interest income	11,245	10,993	9,476	7,342	7,253
Interest bearing assets					
Cash and balances with Central Bank	102,405	80,272	64,395	60,479	118,174
Loans	1,212,482	1,177,027	1,012,251	866,413	812,620
Securities	142,340	152,487	121,722	154,346	163,127
Interest bearing assets	1,457,227	1,409,786	1,198,368	1,081,238	1,093,921
Interest bearing liabilities					
Due to credit institutions and Central Bank	3,205	24,188	4,270	9,525	8,323
Deposits	802,068	775,023	679,925	592,540	539,312
Financial liabilities at fair value	10,778	20,692	12,323	6,297	4,687
Borrowings	433,047	390,734	370,026	293,747	322,470
Subordinated liabilities	41,558	46,681	33,674	34,632	35,837
Interest bearing liabilities	1,290,656	1,257,318	1,100,218	936,741	910,629
Interest Gap	166,571	152,468	98,150	144,497	183,292
Net interest margin on interest bearing assets	3.1%	3.1%	3.1%	2.7%	2.8%

Loans to customers - 5 year summary

ISK million

31.03.2024 31.12.2023 31.12.2022 31.12.2021 31.12.2020

Loans to customers

Individuals	617,796	609,144	582,371	526,498	433,336
Corporates	560,904	543,645	502,386	409,739	389,605
Total loans to customers	1,178,700	1,152,789	1,084,757	936,237	822,941

Ratios:

Share of stage 3 loans, gross*	1.9%	1.7%	1.2%	1.9%	2.6%
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* (Gross carrying value of stage 3 loans + gross carrying value of POCI loans in Risk class 4 or lower) / Gross carrying value of loans to customers

Loans to individuals

Overdrafts	13,294	13,840	14,893	14,255	12,875
Credit cards	16,781	15,972	14,304	13,192	12,260
Mortgage loans	559,986	550,269	514,007	463,895	378,554
Other loans	30,788	31,536	40,942	37,044	32,122
Provision on loans	(3,053)	(2,473)	(1,775)	(1,888)	(2,475)
Total loans to individuals	617,796	609,144	582,371	526,498	433,336

Loans to customers - 5 year summary

ISK million

31.03.2024 31.12.2023 31.12.2022 31.12.2021 31.12.2020

Loans to corporates

Overdrafts	47,702	43,013	33,369	18,301	15,471
Credit cards	2,138	2,062	1,838	1,449	1,086
Mortgage loans	66,097	68,840	60,528	41,588	32,175
Other loans	450,954	435,808	411,792	354,113	350,455
Provision on loans	(5,987)	(6,078)	(5,141)	(5,712)	(9,582)
Total loans to corporates	560,904	543,645	502,386	409,739	389,605

Loans to corporates specified by sector:

Agriculture and forestry	2.1%	2.1%	2.3%	2.5%	2.1%
Services	4.0%	4.1%	3.8%	4.2%	3.4%
Financial and insurance activities	7.9%	7.6%	8.2%	11.2%	9.2%
Industry, energy and manufacturing	10.3%	10.1%	8.8%	6.8%	8.0%
Information and communication technology	5.2%	4.8%	4.9%	4.1%	5.3%
Public administration, human health and social activities	2.5%	2.6%	2.1%	1.7%	1.7%
Real estate activities and construction	34.8%	35.3%	31.9%	31.1%	32.8%
Fishing industry	14.8%	15.2%	18.2%	19.1%	20.9%
Transportation	1.6%	1.6%	2.8%	3.5%	3.3%
Wholesale and retail trade	16.8%	16.6%	16.9%	15.9%	13.2%
	100.0%	100.0%	100.0%	100.0%	100.0%

Capital and Risk Weighted Assets

ISK million

31.03.2024 31.12.2023 31.12.2022 31.12.2021 31.12.2020

Capital base:

Total equity	191,416	199,301	187,956	193,681	197,845
Deductions related to the consolidated situation	-	-	-	-	-
Unaudited interim net earnings	(4,444)	-	-	-	-
Non-controlling interest not eligible for inclusion in CET 1 capital	(491)	(503)	(649)	(673)	(173)

Common Equity Tier 1 capital before regulatory adjustments

Intangible assets	(7,423)	(7,211)	(6,425)	(8,435)	(13,092)
Tax assets	-	-	-	-	-
Foreseeable dividend	(5,000)	(12,877)	(15,980)	(26,773)	(17,990)
Adjustment under IFRS 9 transitional arrangements	511	952	1,142	920	1,890
Other statutory deductions	(216)	(227)	(224)	(437)	(2,520)

Common equity Tier 1 capital

Non-controlling interest eligible for inclusion in CET1 capital	116	117	105	133	173
Additional Tier 1 capital	13,410	13,217	13,396	13,225	13,498

Tier 1 capital

Tier 2 instruments	28,148	28,062	33,935	21,863	22,562
Tier 2 instruments of financial sector entities (signif. invest.)	(1,279)	(1,247)	(1,155)	(1,056)	(1,007)
General credit risk adjustments	-	-	-	-	-

Tier 2 Capital

Total own funds	214,748	219,584	212,101	192,448	201,186
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Risk weighted exposure amount (REA)

Credit Risk, loans*	754,354	732,760	707,479	623,395	570,554
Credit Risk, securities and other	52,996	52,032	56,714	69,553	60,813
Counterparty credit risk	9,641	7,442	14,645	7,761	3,462
Market Risk due to currency imbalance	4,641	4,751	1,387	4,691	8,569
Market Risk Other	12,975	11,066	7,493	8,958	13,063
Credit valuation adjustment	3,713	3,680	6,010	2,379	842
Operational Risk	98,740	98,740	89,166	96,085	88,462
Total risk weighted exposure amount	937,060	910,471	882,894	812,822	745,765

Capital ratios*

CET 1 ratio	18.8%	19.7%	18.8%	19.6%	22.3%
Tier 1 ratio	20.3%	21.2%	20.3%	21.2%	24.1%
Capital adequacy ratio	23.2%	24.1%	24.0%	23.8%	27.0%

Leverage ratio

On-balance sheet exposures	1,496,916	1,477,968	1,415,353	1,256,916	1,114,450
Derivative exposures	20,120	15,953	32,118	4,796	9,124
Securities financing transaction exposures	10,510	10,326	10,174	720	512
Off-balance sheet exposures	43,553	46,087	59,723	102,016	65,425

Total exposure

Total exposure	1,571,099	1,550,334	1,517,368	1,364,448	1,189,511
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Tier 1 capital

Tier 1 capital	187,879	192,769	179,321	171,641	179,631
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Leverage ratio

Leverage ratio	12.0%	12.4%	77.0%	12.6%	15.1%
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Related ratios

Return on REA	1.9%	2.8%	3.0%	3.7%	1.7%
REA/Total assets	60.7%	59.7%	60.2%	61.9%	63.6%

*Capital ratios include interim profit

Quarter summaries



KFI - 9 Quarters

ISK million

Q1 2024 Q4 2023 Q3 2023 Q2 2023 Q1 2023 Q4 2022 Q3 2022 Q2 2022 Q1 2022

Profitability

Return on equity	9.1%	12.7%	12.9%	15.5%	13.7%	10.6%	10.9%	22.6%	12.9%
Return on assets	1.2%	1.6%	1.6%	1.9%	1.7%	1.4%	1.4%	2.9%	1.8%
Return on risk exposure amount	1.9%	2.7%	2.7%	3.1%	2.8%	2.3%	2.3%	4.5%	2.8%
Operating income / Risk exposure amount	6.3%	7.2%	6.6%	7.6%	7.3%	7.1%	6.4%	6.1%	6.9%

Net interest margin

Net interest margin on interest bearing assets	3.1%	3.1%	3.0%	3.2%	3.1%	3.1%	3.2%	3.1%	3.1%
Net interest margin on total assets	2.9%	3.0%	2.9%	3.0%	3.0%	2.9%	3.0%	2.9%	2.9%
Net interest income on credit risk	5.6%	5.7%	5.5%	5.8%	5.6%	5.6%	5.5%	5.3%	5.3%

Efficiency

Cost-to-core income ratio*	48.4%	54.9%	38.2%	39.4%	46.8%	42.0%	47.4%	47.6%	57.4%
Cost-to-income ratio	35.7%	53.2%	40.3%	38.9%	46.9%	56.9%	43.0%	50.7%	44.2%
Cost-to-total assets ratio	1.3%	2.3%	1.6%	1.8%	2.0%	2.3%	1.7%	2.0%	1.9%
Number of FTE 's at period end	813	822	800	781	789	781	777	746	753

Asset quality

Share of stage 3 loans, gross**	1.9%	1.7%	1.6%	1.6%	1.4%	1.2%	1.4%	1.4%	1.6%
Risk weighted assets / Total assets	60.7%	59.7%	58.9%	60.1%	60.4%	60.2%	61.0%	62.3%	64.9%

*Including expenses from insurance operations

** (Gross carrying value of stage 3 loans + gross carrying value of POCI loans in Risk class 4 or lower) / Gross carrying value of loans to customers

KFI - 9 Quarters

ISK million

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Financial strength									
Equity as % of total assets	12.4%	13.1%	12.5%	12.3%	12.0%	12.8%	13.1%	13.2%	12.9%
Liquidity									
Liquidity coverage ratio (LCR)	143.6%	191.8%	179.1%	162.9%	173.6%	158.5%	189.3%	163.2%	195.4%
Loans-to-deposits ratio	147.0%	145.4%	141.8%	145.2%	143.8%	143.6%	141.2%	139.0%	143.6%
Loans-to-deposits ratio (without covered bonds)	116.5%	116.0%	112.5%	115.4%	114.4%	115.4%	113.1%	107.8%	110.1%
Deposits from customers as % of total funding	64.8%	65.2%	65.7%	64.6%	65.1%	65.1%	66.0%	66.4%	64.5%
Covered bonds as % of total funding	19.8%	19.2%	19.2%	19.3%	19.1%	18.4%	18.6%	20.8%	21.6%
Capital**									
CET 1 ratio	18.8%	19.7%	19.4%	18.9%	18.6%	18.8%	19.3%	19.7%	18.6%
Tier 1 ratio	20.3%	21.2%	20.5%	20.4%	20.1%	20.3%	20.5%	20.9%	19.7%
Tier 2 ratio	2.9%	2.9%	3.9%	3.5%	3.6%	3.7%	2.5%	2.6%	-
Capital adequacy ratio	23.3%	24.0%	24.6%	23.8%	23.9%	24.0%	23.3%	23.2%	22.4%
Leverage ratio	12.0%	12.4%	11.8%	11.7%	11.3%	11.8%	12.0%	12.7%	12.5%

Income statement - 9 quarter summary

ISK million	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Interest income	33,638	32,461	30,426	31,060	29,168	22,033	23,446	20,610	17,426
Interest expense	(22,393)	(21,114)	(19,508)	(19,634)	(18,175)	(11,410)	(13,089)	(10,865)	(7,950)
Net interest income	11,245	11,347	10,918	11,426	10,993	10,623	10,357	9,745	9,476
Fee and commission income	4,336	4,882	4,765	5,187	5,286	5,010	4,773	4,972	3,986
Fee and commission expense	(971)	(979)	(917)	(1,000)	(842)	(756)	(716)	(390)	(430)
Net fee and commission income	3,365	3,903	3,848	4,187	4,444	4,254	4,057	4,582	3,556
Insurance revenue	4,667	4,761	4,450	4,207	3,962	3,938	3,739	3,736	3,692
Insurance service expenses	(4,882)	(5,045)	(4,055)	(3,445)	(4,698)	(4,170)	(3,252)	(2,812)	(4,256)
Insurance service results	(215)	(284)	395	762	(736)	(232)	487	924	(564)
Net insurance income	-	-	-	-	-	-	-	-	-
Net financial (loss) income	29	1,370	(183)	(617)	794	(52)	(1,476)	(2,878)	1,120
Other operating income	50	(24)	8	1,586	14	52	98	732	432
Other net operating income / loss	79	1,346	(175)	969	808	-	(1,378)	(2,146)	1,552
Operating income	14,474	16,312	14,986	17,344	15,509	14,645	13,523	13,105	14,020
Operating expenses	(6,554)	(7,830)	(5,392)	(6,009)	(6,440)	(7,474)	(5,222)	(6,056)	-
Salaries and related expense	-	-	-	-	-	-	-	-	(3,540)
Other operating expenses	-	-	-	-	-	-	-	-	(2,661)
Operating expenses	(6,554)	(7,830)	(5,392)	(6,009)	(6,440)	(7,474)	(5,222)	(6,056)	(6,201)
Bank Levy	(460)	(422)	(468)	(457)	(449)	(496)	(444)	(416)	(393)
Net impairment	(315)	13	(741)	(568)	(52)	411	42	186	(495)
Earnings before income tax	7,145	8,073	8,385	10,310	8,568	7,086	7,899	6,819	6,931
Income tax expense	(2,704)	(1,808)	(2,274)	(3,226)	(2,287)	(1,755)	(2,885)	(3,588)	(1,716)
Net earnings from continuing operations	4,441	6,265	6,111	7,084	6,281	5,331	5,014	3,231	5,215
Discontinued operations held for sale, net of income tax	(9)	(41)	20	7	10	(366)	(6)	6,819	96
Net earnings	4,432	6,224	6,131	7,091	6,291	4,965	5,008	10,050	5,311
Attributable to									
Shareholders of Arion Bank	4,444	6,217	6,136	7,082	6,284	4,959	5,014	10,043	5,929
Non-controlling interest	(12)	7	(5)	9	7	6	(6)	7	6
Net earnings	4,432	6,224	6,131	7,091	6,291	4,965	5,008	10,050	5,935

Balance sheet - 9 quarter summary

ISK million

31.03.2024 31.12.2023 30.09.2023 30.06.2023 31.03.2023 31.12.2022 30.09.2022 30.06.2022 31.03.2022

Assets

Cash and balances with Central Bank	102,405	102,095	80,288	76,499	80,272	114,118	68,149	78,011	64,395
Loans to credit institutions	33,782	28,835	51,302	43,428	62,899	45,501	52,643	40,195	35,868
Loans to customers	1,178,700	1,152,789	1,143,473	1,134,621	1,114,128	1,084,757	1,045,152	1,010,666	976,383
Financial instruments	195,914	205,706	221,012	225,827	204,996	193,329	223,142	203,740	185,680
Investment property	9,542	9,493	9,461	9,444	7,875	7,862	6,617	6,615	6,586
Investments in associates	797	789	844	842	770	787	785	724	700
Intangible assets	7,885	8,051	8,289	8,486	8,575	8,783	8,816	9,038	9,239
Tax assets	39	39	427	383	332	135	2,886	1,247	754
Asset and disposal groups held for sale	64	62	61	61	61	61	2,152	2,126	14,706
Other assets	15,304	17,813	25,512	18,635	20,736	10,276	13,700	26,870	46,704
Total assets	1,544,432	1,525,672	1,540,669	1,518,226	1,500,644	1,465,609	1,424,042	1,379,232	1,341,015

Liabilities

Due to credit institutions and Central Bank	3,205	2,771	13,144	21,702	24,188	11,697	5,099	4,604	4,270
Deposits	802,068	792,710	806,331	781,202	775,023	755,361	739,969	726,948	679,925
Financial liabilities at fair value	10,778	11,646	16,908	18,242	20,692	20,997	21,800	14,353	12,323
Tax liabilities	11,732	11,169	13,499	12,335	10,840	10,303	15,596	11,733	8,080
Liabilities associated with disposal groups held for sale	-	-	-	-	-	-	-	-	15,122
Other liabilities	50,628	46,336	43,479	46,379	52,554	39,401	44,796	42,550	44,582
Borrowings	433,047	420,460	407,895	405,572	390,734	392,563	376,540	363,375	370,026
Subordinated liabilities	41,558	41,279	46,853	46,478	46,681	47,331	34,089	33,392	33,674
Total liabilities	1,353,016	1,326,371	1,348,110	1,331,911	1,320,712	1,277,653	1,237,889	1,196,954	1,168,002

Equity

Share capital and share premium	11,207	10,634	10,603	10,603	11,406	13,371	16,765	18,955	18,955
Other reserves	12,365	12,283	11,785	11,558	10,826	10,672	9,675	9,523	11,631
Retained earnings	167,353	175,881	169,510	163,489	157,044	163,264	159,033	153,114	141,747
Total shareholders equity	190,925	198,798	191,898	185,650	179,276	187,307	185,473	181,592	172,333
Non-controlling interest	491	503	661	665	656	649	680	686	680
Total equity	191,416	199,301	192,559	186,315	179,932	187,956	186,153	182,278	173,013
Total liabilities and equity	1,544,432	1,525,672	1,540,669	1,518,226	1,500,644	1,465,609	1,424,042	1,379,232	1,341,015

Net interest income - 9 quarter summary

ISK million	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Interest income									
Cash and balances with Central bank	1,997	1,684	1,363	1,306	1,394	1,228	993	721	392
Loans	29,710	28,742	27,042	28,294	26,657	20,107	21,488	19,442	16,022
Securities	1,921	1,987	2,009	1,460	1,116	569	967	446	1,006
Other	10	48	12	-	2	129	(2)	1	6
Interest income	33,638	32,461	30,426	31,060	29,169	22,033	23,446	20,610	17,426
Interest expense									
Deposits	(13,705)	(12,926)	(11,950)	(11,490)	(9,902)	(6,865)	(7,158)	(5,250)	(3,478)
Borrowings	(7,605)	(7,069)	(6,466)	(6,877)	(6,953)	(3,809)	(5,269)	(5,002)	(3,947)
Subordinated loans	(1,042)	(1,094)	(1,066)	(1,220)	(1,271)	(667)	(624)	(565)	(482)
Other	(41)	(25)	(26)	(47)	(49)	(69)	(38)	(48)	(43)
Interest expense	(22,393)	(21,114)	(19,508)	(19,634)	(18,175)	(11,410)	(13,089)	(10,865)	(7,950)
Net interest income	11,245	11,347	10,918	11,426	10,994	10,623	10,357	9,745	9,476
Interest bearing assets									
Cash and balances with Central Bank	102,405	102,095	80,288	76,499	80,272	114,118	68,149	78,011	64,395
Loans	1,212,482	1,181,624	1,194,775	1,178,049	1,177,027	1,130,258	1,097,795	1,050,861	1,012,251
Securities	142,340	159,392	179,737	183,351	152,487	142,064	164,915	143,174	121,722
Interest bearing assets	1,457,227	1,443,111	1,454,800	1,437,899	1,409,786	1,386,440	1,330,859	1,272,046	1,198,368
Interest bearing liabilities									
Due to credit institutions and Central Bank	3,205	2,771	13,144	21,702	24,188	11,697	5,099	4,604	4,270
Deposits	802,068	792,710	806,331	781,202	775,023	755,361	739,969	726,948	679,925
Financial liabilities at fair value	10,778	11,646	16,908	18,242	20,692	20,997	21,800	14,353	12,323
Borrowings	433,047	420,460	407,895	405,572	390,734	392,563	376,540	363,375	370,026
Subordinated liabilities	41,558	41,279	46,853	46,478	46,681	47,331	34,089	33,392	33,674
Interest bearing liabilities	1,290,656	1,268,866	1,291,131	1,273,196	1,257,318	1,227,949	1,177,497	1,142,672	1,100,218
Interest Gap	166,571	174,245	163,669	164,703	152,468	158,491	153,362	129,374	98,150
Net interest margin on interest bearing assets	3.1%	3.1%	3.0%	3.2%	3.1%	3.1%	3.2%	3.1%	3.1%

Loans to customers - 9 quarter summary

ISK million

31.03.2024 31.12.2023 30.09.2023 30.06.2023 31.03.2023 31.12.2022 30.09.2022 30.06.2022 31.03.2022

Loans to customers

Individuals	617,796	609,144	601,463	592,571	588,989	582,371	571,487	549,524	534,395
Corporates	560,904	543,645	542,010	542,050	525,139	502,386	473,665	461,142	441,988
Total loans to customers	1,178,700	1,152,789	1,143,473	1,134,621	1,114,128	1,084,757	1,045,152	1,010,666	976,383

Share of stage 3 loans, gross*	1.9%	1.7%	1.6%	1.6%	1.4%	1.2%	1.4%	1.4%	1.6%
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Loans to individuals

Overdrafts	13,294	13,840	14,059	13,988	14,582	14,893	15,008	14,803	15,262
Credit cards	16,781	15,972	14,179	15,754	14,716	14,304	14,605	14,582	13,270
Mortgage loans	559,986	550,269	541,219	530,958	520,421	514,007	502,537	482,196	469,877
Other loans	30,788	31,536	34,393	34,103	41,194	40,942	41,200	39,745	37,856
Provision on loans	(3,053)	(2,473)	(2,387)	(2,232)	(1,924)	(1,775)	(1,863)	(1,802)	(1,870)
Total loans to individuals	617,796	609,144	601,463	592,571	588,989	582,371	571,487	549,524	534,395

Loans to corporates

Overdrafts	47,702	43,013	39,813	40,673	36,921	33,369	28,933	26,675	20,371
Credit cards	2,138	2,062	2,054	1,927	1,976	1,838	1,835	1,750	1,526
Mortgage loans	66,097	68,840	65,583	66,118	57,081	60,528	60,573	54,991	46,508
Other loans	450,954	435,808	440,811	438,718	434,348	411,792	388,476	383,678	379,685
Provision on loans	(5,987)	(6,078)	(6,251)	(5,386)	(5,187)	(5,141)	(6,152)	(5,952)	(6,102)
Total loans to corporates	560,904	543,645	542,010	542,050	525,139	502,386	473,665	461,142	441,988

Loans to corporates specified by sector:

Agriculture and forestry	2.1%	2.1%	2.2%	2.9%	2.2%	2.3%	2.5%	2.5%	2.5%
Services	4.0%	4.1%	3.9%	3.7%	3.6%	3.8%	4.1%	4.4%	4.3%
Financial and insurance activities	7.9%	7.6%	7.7%	8.0%	8.1%	8.2%	9.4%	9.8%	10.6%
Industry, energy and manufacturing	10.3%	10.1%	9.7%	9.6%	9.4%	8.8%	8.6%	8.1%	7.9%
Information and communication technology	5.2%	4.8%	4.9%	5.0%	5.3%	4.9%	4.9%	3.9%	5.3%
Public administration, human health and social activities	2.5%	2.6%	2.4%	2.3%	2.2%	2.1%	1.8%	1.6%	1.6%
Real estate activities and construction	34.8%	35.3%	34.8%	33.5%	31.6%	31.9%	32.0%	33.1%	31.0%
Fishing industry	14.8%	15.2%	16.6%	15.0%	17.0%	18.2%	17.9%	18.0%	17.6%
Transportation	1.6%	1.6%	1.5%	2.6%	2.7%	2.8%	3.2%	3.2%	3.0%
Wholesale and retail trade	16.8%	16.6%	16.3%	17.4%	17.9%	16.9%	15.5%	15.4%	16.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

* (Gross carrying value of stage 3 loans + gross carrying value of POCI loans in Risk class 4 or lower) / Gross carrying value of loans to customers

Capital and Risk Weighted Assets

ISK million

31.03.2024 31.12.2023 30.09.2023 30.06.2023 31.03.2023 31.12.2022 30.09.2022 30.06.2022 31.03.2022

Capital base:

Total equity	191,416	199,301	192,560	186,316	179,932	187,956	186,153	182,277	173,013
Deductions related to the consolidated situation	-	-	-	-	-	-	-	-	-
Unaudited interim net earnings	(4,444)	-	-	-	(6,291)	-	(4,863)	-	(5,818)
Non-controlling interest not eligible for inclusion in CET1 capital	(491)	(503)	(661)	(665)	(656)	(649)	(680)	(686)	(680)
Common Equity Tier 1 capital before regulatory adjustments	186,481	198,798	191,899	185,657	172,985	187,307	180,610	181,591	166,515
Intangible assets	(7,423)	(7,211)	(7,073)	(6,888)	(6,601)	(6,425)	(6,055)	(6,011)	(8,490)
Tax assets	-	-	-	-	-	-	-	-	-
Foreseeable dividend	(5,000)	(12,877)	(6,683)	(6,683)	(897)	(15,980)	(10,570)	(7,759)	-
Adjustment under IFRS 9 transitional arrangements	511	952	1,041	766	687	1,142	1,018	890	1,199
Other statutory deductions	(216)	(227)	(247)	(4,878)	(37)	(224)	(254)	(227)	4,417
Common equity Tier 1 capital	174,353	179,435	178,937	167,974	166,137	165,820	164,749	168,484	163,641
Non-controlling interest eligible for inclusion in CET1 capital	116	117	115	102	103	105	87	91	89
Additional Tier 1 capital	13,410	13,217	12,932	12,931	12,869	13,396	13,297	12,714	12,315
Tier 1 capital	187,879	192,769	191,984	181,007	179,109	179,321	178,133	181,289	176,045
Tier 2 instruments	28,147	28,061	33,920	33,547	33,812	33,935	20,792	20,678	21,359
Tier 2 instruments of financial sector entities (signif. invest.)	(1,279)	(1,247)	(1,242)	(1,216)	(1,200)	(1,155)	(1,154)	(1,111)	(1,089)
Tier 2 Capital	26,868	26,814	32,678	32,331	32,612	32,780	19,638	19,567	20,270
Total own funds	214,747	219,583	224,662	213,338	211,721	212,101	197,771	200,856	196,315

Risk weighted exposure amount (REA)

Credit Risk, loans	754,354	732,760	737,824	736,432	730,700	707,479	693,037	664,294	664,568
Credit Risk, securities and other	52,996	52,032	55,066	56,425	54,540	56,714	64,164	78,607	72,948
Counterparty credit risk	9,641	7,442	12,567	15,923	16,257	14,645	11,946	9,371	7,505
Market Risk due to currency imbalance	4,641	4,751	1,907	1,417	2,851	1,387	1,778	4,262	8,476
Market Risk Other	12,975	11,066	7,165	8,628	8,647	7,493	10,315	15,678	18,925
Credit valuation adjustment	3,713	3,680	3,494	3,709	4,931	6,010	2,830	1,708	2,171
Operational Risk	98,740	98,740	89,166	89,166	89,166	89,166	84,670	84,670	96,085
Total risk weighted exposure amount	937,060	910,471	907,189	911,700	907,092	882,894	868,740	858,590	870,678

Capital and Risk Weighted Assets

ISK million

31.03.2024 31.12.2023 30.09.2023 30.06.2023 31.03.2023 31.12.2022 30.09.2022 30.06.2022 31.03.2022

Capital ratios**

CET 1 ratio	18.8%	19.7%	19.4%	18.9%	18.6%	18.8%	19.3%	19.7%	18.6%
Tier 1 ratio	20.3%	21.2%	20.5%	20.4%	20.1%	20.3%	20.5%	20.9%	19.7%
Capital adequacy ratio	23.2%	24.1%	24.4%	23.9%	23.7%	24.0%	23.1%	23.5%	22.4%

Leverage ratio

On-balance sheet exposures	1,496,916	1,477,968	1,490,781	1,475,365	1,457,202	1,415,353	1,380,093	1,340,969	1,313,520
Derivative exposures	20,120	15,953	23,872	28,229	30,411	32,118	25,837	18,745	13,737
Securities financing transaction exposures	10,510	10,326	10,020	28,903	39,705	10,174	10,943	10,549	354
Off-balance sheet exposures	43,553	46,087	52,682	56,058	57,645	59,723	63,019	68,435	76,115
Total exposure	1,571,099	1,550,334	1,577,355	1,588,555	1,584,963	1,517,368	1,479,892	1,438,698	1,403,726
Tier 1 capital	187,879	192,769	187,366	185,822	178,912	179,321	178,133	181,289	176,045
Leverage ratio	12.0%	12.4%	11.9%	11.7%	11.3%	11.8%	12.0%	12.6%	12.5%

Related ratios

Return on REA	1.9%	2.8%	2.9%	3.0%	2.8%	3.0%	3.2%	3.7%	2.8%
REA/Total assets	60.7%	59.7%	58.9%	60.1%	60.4%	60.2%	61.0%	62.1%	64.9%

*Capital ratios include interim profit in Q1 and Q3 figures

Operating segments - Quarters summary

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Markets and Stefair:									
Net interest income	312	264	283	237	227	738	1,103	715	477
Net fee and commission income	1,354	1,213	1,259	1,460	1,562	1,325	1,434	1,488	1,521
Insurance service results	-	-	-	-	-	-	-	-	-
Net financial income (loss)	43	55	(11)	11	19	66	(8)	(67)	(35)
Other operating income	-	1	1	2	2	11	-	-	-
Total operating income	1,709	1,533	1,532	1,710	1,810	2,140	2,529	2,136	1,963
Operating expenses	(618)	(930)	(543)	(646)	(595)	(792)	(433)	(544)	(513)
Allocated expenses	(654)	(720)	(507)	(536)	(589)	(584)	(442)	(492)	(483)
Bank levy	(11)	(9)	(11)	(13)	(11)	(17)	(16)	(18)	(16)
Net impairment	(11)	-	-	(11)	(2)	1	(1)	1	(1)
Earnings before income tax	415	(126)	471	504	613	748	1,637	1,083	950
Total assets	99,522	96,319	100,054	99,343	102,264	87,985	91,257	88,234	80,834
Total liabilities	90,691	87,502	91,737	91,007	93,034	79,038	83,002	80,791	73,121
Allocated equity	8,831	8,817	8,317	8,336	9,230	8,947	8,255	7,443	7,713

Corporate & Investment Bank including insurance:

Net interest income	6,124	5,682	5,271	5,075	4,961	5,694	5,543	4,443	4,406
Net fee and commission income	933	1,208	941	1,245	1,512	1,247	882	2,162	1,159
Insurance service results	(151)	(246)	46	(151)	(157)	(341)	(167)	94	(225)
Net financial income (loss)	126	442	167	(88)	166	(25)	(162)	(115)	132
Other operating income (loss)	2	(1)	-	3	(9)	2	(2)	114	(4)
Total operating income	7,034	7,085	6,425	6,084	6,473	6,577	6,094	6,698	5,468
Operating expenses	(394)	(523)	(352)	(264)	(340)	(596)	(288)	(424)	(474)
Allocated expenses	(1,255)	(1,239)	(868)	(993)	(1,041)	(1,135)	(824)	(1,002)	(825)
Bank levy	(150)	(140)	(154)	(146)	(146)	(161)	(143)	(133)	(120)
Net impairment	286	175	(901)	(335)	111	375	(221)	810	(418)
Earnings (loss) before income tax	5,521	5,358	4,150	4,346	5,057	5,060	4,618	5,949	3,631
Total assets	564,979	486,908	484,780	486,710	472,235	439,461	427,885	410,271	372,152
Total liabilities	469,859	405,484	405,093	403,378	391,699	364,637	354,447	342,611	310,867
Allocated equity	95,120	81,424	79,687	83,332	80,536	74,824	73,437	67,660	61,285

Operating segments - Quarters summary

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Retail Bank including insurance:									
Net interest income	4,245	4,808	4,868	4,845	4,983	5,571	5,085	4,511	4,517
Net fee and commission income	855	1,211	1,266	1,123	1,012	1,280	1,452	1,095	1,006
Insurance service results	(107)	(32)	357	906	(513)	179	656	966	(410)
Net financial income (loss)	103	631	(94)	(266)	512	16	(511)	(647)	429
Other operating income	7	(6)	18	14	15	52	29	12	33
Total operating income	5,103	6,612	6,415	6,622	6,009	7,098	6,711	5,937	5,575
Operating expenses	(778)	(1,154)	(779)	(925)	(901)	(1,164)	(852)	(722)	(937)
Allocated expenses	(2,110)	(2,491)	(1,798)	(2,048)	(2,245)	(2,535)	(1,763)	(1,883)	(1,700)
Bank levy	(214)	(197)	(212)	(205)	(209)	(233)	(205)	(194)	(185)
Net impairment	(589)	(186)	129	(281)	(188)	(106)	104	265	(78)
Earnings before income tax	1,412	2,584	3,755	3,163	2,466	3,060	3,995	3,403	2,675
Total assets	647,536	701,794	692,160	680,835	674,966	647,788	625,240	608,236	574,849
Total liabilities	594,545	642,302	635,382	619,437	614,219	589,226	567,556	551,047	527,652
Allocated equity	52,991	59,492	56,778	61,398	60,747	58,562	57,685	57,189	47,197

Treasury and Market making:

Net interest income	610	624	549	1,334	887	(1,212)	(1,312)	65	96
Net fee and commission income	125	186	221	203	161	179	185	214	150
Net insurance income	-	-	-	-	-	-	-	-	-
Net financial income (loss)	(243)	291	(200)	(405)	223	(158)	(861)	(2,411)	611
Other operating income	-	3	(10)	11	2	1	-	2	(1)
Total operating income (loss)	492	1,104	560	1,143	1,273	(1,190)	(1,988)	(2,130)	856
Operating expenses	(229)	(227)	(150)	(159)	(221)	(152)	(196)	(146)	(152)
Allocated expenses	(342)	(342)	(270)	(294)	(346)	(373)	(270)	(330)	(284)
Bank levy	(85)	(86)	(91)	(93)	(83)	(96)	(80)	(71)	(72)
Net impairment	-	-	2	1	3	-	1	1	(2)
Earnings (loss) before income tax	(164)	449	51	598	626	(1,811)	(2,533)	(2,676)	346
Total assets	560,085	555,321	584,518	574,141	601,762	534,231	487,621	498,298	499,348
Total liabilities	534,657	514,881	546,407	551,071	581,182	500,807	453,937	476,122	451,638
Allocated equity	25,428	40,440	38,111	23,070	20,580	33,424	33,684	22,176	47,710

Operating segments - Quarters summary

Q1 2024 Q4 2023 Q3 2023 Q2 2023 Q1 2023 Q4 2022 Q3 2022 Q2 2022 Q1 2022

Subsidiaries excluding Stefmir and Vördur:

Net interest income (expense)	(60)	(44)	(74)	(68)	(65)	(58)	(14)	4	3
Net fee and commission income (expense)	51	(24)	49	46	98	(45)	(608)	37	24
Net insurance income	-	-	-	-	-	-	(2)	-	-
Net financial income (loss)	-	(50)	(38)	147	(124)	207	(66)	525	19
Other operating income	18	52	2	1,565	8	9	10	28	5
Total operating income (loss)	9	(66)	(61)	1,690	(83)	113	(680)	594	51
Operating expenses	(68)	(105)	(86)	(90)	(116)	(81)	(90)	(75)	(33)
Allocated expenses	(31)	(50)	(3)	6	(20)	-	(29)	(1)	(1)
Bank levy	-	-	-	-	-	-	-	-	-
Net impairment	-	20	27	60	21	412	(39)	-	-
Earnings (loss) before income tax	(90)	(201)	(123)	1,666	(198)	444	(838)	518	17
Total assets	17,893	17,733	18,486	18,901	17,039	32,423	31,630	37,015	38,792
Total liabilities	8,847	8,605	8,819	8,721	8,200	21,893	21,380	18,470	20,180
Allocated equity	9,046	9,128	9,667	10,180	8,839	10,530	10,250	18,545	18,612

Supporting units and eliminations:

Net interest income (loss)	14	13	21	4	-	(27)	(48)	11	(27)
Net fee and commission income (expense)	47	109	112	108	108	87	712	(519)	(199)
Net insurance income (expense)	43	(6)	(8)	7	(51)	(1)	-	(4)	(61)
Net financial income (loss)	-	1	(7)	(15)	(1)	(105)	132	(168)	(31)
Other operating income (loss)	23	(73)	(3)	(10)	2	(14)	61	575	400
Total operating income (loss)	127	44	115	94	58	(60)	857	(105)	82
Operating expenses	(4,467)	(4,891)	(3,482)	(3,930)	(4,292)	(4,689)	(3,363)	(4,039)	(3,574)
Allocated expenses	4,392	4,842	3,446	3,865	4,241	4,627	3,328	3,708	3,293
Bank levy	-	10	-	-	-	11	-	-	-
Net impairment	(1)	4	2	(2)	3	(271)	198	(891)	4
Earnings (loss) before income tax	51	9	81	27	10	(382)	1,020	(1,327)	(195)
Total assets	(345,583)	(332,403)	(339,329)	(341,704)	(367,622)	(314,002)	(280,272)	(301,039)	(286,390)
Total liabilities	(345,583)	(332,403)	(339,329)	(341,704)	(367,622)	(314,002)	(280,272)	(301,039)	(286,390)
Allocated equity	-								

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