

## ROE

6.6%

## CET 1

23.6%

## Cost to income

56.1%

## Gross impaired/ Gross loans

1.6%

## 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
- Improving economic environment in Iceland with 4.3% GDP growth (first nine months of 2017), 3.0% unemployment (September 2017) and 2.4% inflation (Jan. 2018)
- 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)

	2017	2016
Net earnings	14,419	21,739
ROE	6.6%	10.5%
Net interest margin	2.9%	3.1%
Cost to income ratio	56.1%	56.0%

## 31.12.2017 31.12.2016

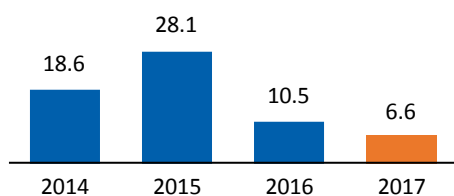
Total assets	1,147,754	1,036,024
Loans to customers	765,101	712,422
Deposits	462,161	412,064
Borrowings	384,998	339,476
Gross imp/gross loans	1.6%	3.2%
Leverage ratio	15.4%	18.0%
Number of employees	1,284	1,239
EUR/ISK	125.05	119.13

## Arion Bank rating from S&P

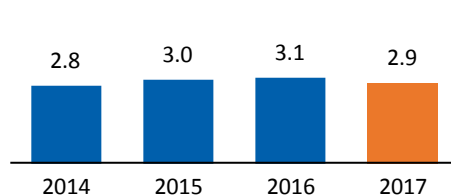
Long term: BBB+ Short term: A-2

Outlook: Stable

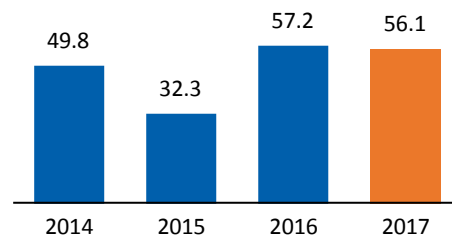
Return on equity (%)



Net interest margin (%)

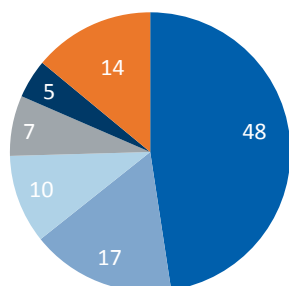


Cost-to-income ratio (%)

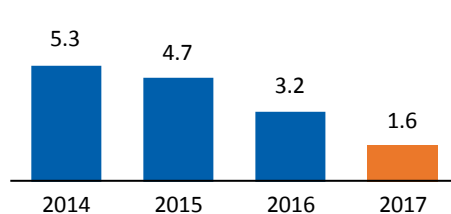


Loans to customers (%)

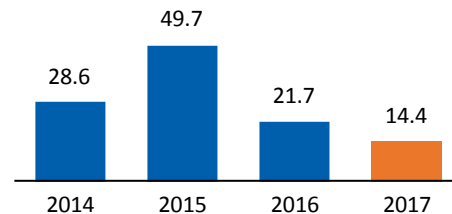
- Individuals (48%)
- Real estate (17%)
- Fishing industry (10%)
- Wholesale and retail (7%)
- Finance and insurance (5%)
- Other (14%)



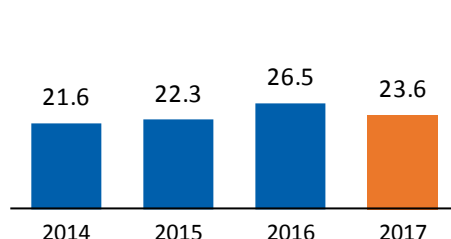
Gross impaired / Gross loans



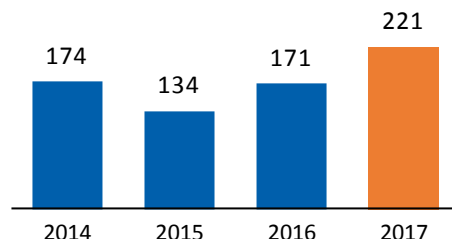
Net earnings (ISK billion)



CET 1 ratio (%)\*



LCR ratio (%)



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