



Factbook 31 March 2025

KFI - 5 years

ISK million

Q1 2025 Q1 2024 Q1 2023 Q1 2022 Q1 2021

Profitability

Return on equity ¹	12.8%	9.1%	13.7%	13.0%	12.5%
Return on assets	1.9%	1.2%	1.7%	1.8%	2.1%
Return on risk exposure amount	3.1%	1.9%	2.8%	2.8%	3.2%
Operating income / Risk exposure amount	7.6%	6.3%	7.3%	6.9%	7.0%
Earnings per share	4.59	10.65	4.32	3.67	3.61

Net interest margin

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

Efficiency

Total cost-to-core income ratio ²	42.6%	48.4%	46.8%	47.4%	53.6%
Cost-to-income ratio	34.7%	45.3%	41.6%	39.8%	46.2%
Cost-to-total assets ratio	1.60%	1.7%	1.7%	1.7%	2.1%
Number of FTE's at year end	867	813	789	753	772

Asset quality

Share of stage 3 loans, gross ³	2.5%	1.9%	1.4%	1.6%	2.9%
Risk weighted assets / Total assets	59.5%	60.7%	60.4%	64.9%	63.9%

Financial strength

Equity as % of total assets	11.7%	12.4%	12.0%	12.9%	16.0%
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Liquidity

Liquidity coverage ratio (LCR)	186.4%	143.6%	173.6%	195.4%	191.6%
Loans-to-deposits ratio	139.5%	147.0%	143.8%	143.6%	141.3%
Loans-to-deposits ratio (without covered bonds)	110.8%	116.5%	114.4%	110.1%	115.1%
Deposits from customers as % of total funding	63.8%	64.8%	65.1%	64.5%	66.1%
Covered bonds as % of total funding	18.3%	19.8%	19.1%	21.6%	17.3%

Capital⁴

CET 1 ratio	18.3%	18.8%	18.6%	18.6%	22.0%
Tier 1 ratio	19.9%	20.3%	20.1%	19.7%	23.7%
Tier 2 ratio	1.6%	2.9%	3.6%	2.7%	3.1%
Capital adequacy ratio	21.5%	23.2%	23.7%	22.4%	26.9%
Leverage ratio	11.4%	12.0%	11.3%	12.5%	14.7%

¹ Based on net earnings attributable to shareholders of Arion Bank

² Including expenses from insurance operations

³(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

⁴Capital ratios include interim profit

Income statement - 5 year summary

ISK million	Q1 2025	Q1 2024	Q1 2023	Q1 2022	Q1 2021
Interest income	32,682	33,638	29,169	17,426	11,779
Interest expense	(20,516)	(22,393)	(18,175)	(7,950)	(4,437)
Net interest income	12,166	11,245	10,994	9,476	7,342
Fee and commission income	5,456	4,336	5,286	3,986	3,726
Fee and commission expense	(920)	(971)	(835)	(430)	(449)
Net fee and commission income	4,536	3,365	4,451	3,556	3,277
Insurance revenue	4,911	4,667	3,998	3,692	-
Insurance service expenses	(4,942)	(4,882)	(4,719)	(4,256)	-
Insurance service results	(31)	(215)	(721)	(564)	-
Net insurance income	-	-	-	-	671
Net financial (loss) income	(951)	29	796	1,120	1,500
Other operating income	3,321	50	19	432	307
Other net operating income / loss	2,370	79	815	1,552	2,478
Operating income	19,041	14,474	15,539	14,020	13,097
Operating expenses	(6,601)	(6,554)	(6,470)	(5,577)	-
Salaries and related expense	-	-	-	-	(3,271)
Other operating expenses	-	-	-	-	(2,777)
Operating expenses	(6,601)	(6,554)	(6,470)	(5,577)	(6,048)
Bank Levy	(508)	(460)	(449)	(393)	(330)
Net impairment	(378)	(315)	(52)	(495)	1,080
Earnings before income tax	11,554	7,145	8,568	7,555	7,799
Income tax expense	(3,726)	(2,704)	(2,287)	(1,716)	(1,866)
Net earnings from continuing operations	7,828	4,441	6,281	5,839	5,933
Discontinued operations held for sale, net of income tax	(11)	(9)	10	96	106
Net earnings	7,817	4,432	6,291	5,935	6,039
Attributable to					
Shareholders of Arion Bank	6,421	4,444	6,284	5,929	6,038
Non-controlling interest	1,396	(12)	7	6	1
Net earnings	7,817	4,432	6,291	5,935	6,039

Balance sheet - 5 year summary

ISK million

31.03.2025 31.12.2024 31.12.2023 31.12.2022 31.12.2021

Assets

Cash and balances with Central Bank	124,808	124,094	102,095	114,118	69,057
Loans to credit institutions	27,220	25,690	28,835	45,501	30,272
Loans to customers	1,234,006	1,230,058	1,152,789	1,084,757	936,237
Financial instruments	261,088	206,417	205,706	193,329	225,657
Investment property	12,857	9,387	9,493	7,862	6,560
Investments in associates	818	814	789	787	668
Intangible assets	8,018	7,688	8,051	8,783	9,463
Tax assets	3	2	39	135	2
Asset and disposal groups held for sale	97	111	62	61	16,047
Other assets	17,740	14,006	17,813	10,276	16,747
Total assets	1,686,655	1,618,267	1,525,672	1,465,609	1,310,710

Liabilities

Due to credit institutions and Central Bank	5,785	6,618	2,771	11,697	5,000
Deposits	884,606	857,443	792,710	755,361	655,476
Financial liabilities at fair value	6,475	8,394	11,646	20,997	5,877
Tax liabilities	12,413	11,060	11,169	10,303	7,102
Liabilities associated with disposal groups held for sale	-	-	-	-	16,935
Other liabilities	50,436	49,950	46,336	39,400	34,914
Borrowings	496,821	433,178	420,460	392,563	356,637
Subordinated liabilities	33,331	44,538	41,279	47,331	35,088
Total liabilities	1,489,867	1,411,181	1,326,371	1,277,652	1,117,029

Equity

Share capital and share premium	3,594	5,686	10,634	13,372	22,684
Other reserves	12,666	13,949	12,283	10,672	12,838
Retained earnings	178,628	186,947	175,881	163,264	157,486
Total shareholders equity	194,888	206,582	198,798	187,308	193,008
Non-controlling interest	1,900	504	503	649	673
Total equity	196,788	207,086	199,301	187,957	193,681
Total liabilities and equity	1,686,655	1,618,267	1,525,672	1,465,609	1,310,710

Net interest income - 5 year summary

ISK million

Q1 2025 Q1 2024 Q1 2023 Q1 2022 Q1 2021

Interest income

Cash and balances with Central bank	1,865	1,997	1,394	392	88
Loans	28,820	29,714	26,657	16,022	10,708
Securities	1,973	1,921	1,116	1,006	939
Other	24	6	2	6	44
Interest income	32,682	33,638	29,169	17,426	11,779

Interest expense

Deposits	(12,810)	(13,705)	(9,902)	(3,478)	(1,181)
Borrowings	(6,704)	(7,605)	(6,953)	(3,947)	(2,774)
Subordinated liabilities	(968)	(1,042)	(1,271)	(482)	(453)
Other	(34)	(41)	(49)	(43)	(29)
Interest expense	(20,516)	(22,393)	(18,175)	(7,950)	(4,437)

Net interest income

12,166 11,245 10,994 9,476 7,342

Interest bearing assets

Cash and balances with Central Bank	124,808	102,405	80,272	64,395	60,479
Loans	1,261,226	1,212,482	1,177,027	1,012,251	866,413
Securities	216,586	142,340	152,487	121,722	154,346
Interest bearing assets	1,602,620	1,457,227	1,409,786	1,198,368	1,081,238

Interest bearing liabilities

Due to credit institutions and Central Bank	5,785	3,205	24,188	4,270	9,525
Deposits	884,606	802,068	775,023	679,925	592,540
Financial liabilities at fair value	6,475	10,778	20,692	12,323	6,297
Borrowings	496,821	433,047	390,734	370,026	293,747
Subordinated liabilities	33,331	41,558	46,681	33,674	34,632
Interest bearing liabilities	1,427,018	1,290,656	1,257,318	1,100,218	936,741

Interest Gap

175,602 166,571 152,468 98,150 144,497

Net interest margin on interest bearing assets

3.1% 3.1% 3.1% 3.1% 2.7%

Loans to customers - 5 year summary

ISK million

31.03.2025 31.12.2024 31.12.2023 31.12.2022 31.12.2021

Loans to customers

Individuals	639,613	639,404	609,144	582,371	526,498
Corporates	594,393	590,654	543,645	502,386	409,739
Total loans to customers	1,234,006	1,230,058	1,152,789	1,084,757	936,237

Ratios:

Share of stage 3 loans, gross*	2.5%	2.3%	1.7%	1.2%	1.9%
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Loans to individuals

Overdrafts	14,755	14,575	13,840	14,893	14,255
Credit cards	17,192	16,873	15,972	14,304	13,192
Mortgage loans	571,412	571,525	550,269	514,007	463,895
Other loans	38,510	38,925	31,536	40,942	37,044
Provision on loans	(2,256)	(2,494)	(2,473)	(1,775)	(1,888)
Total loans to individuals	639,613	639,404	609,144	582,371	526,498

Loans to corporates

Overdrafts	49,506	42,233	43,013	33,369	18,301
Credit cards	2,385	2,297	2,062	1,838	1,449
Mortgage loans	77,272	74,287	68,840	60,528	41,588
Loans at fair value	1,843	1,751	-	-	-
Other loans	470,525	476,944	435,808	411,792	354,113
Provision on loans	(7,138)	(6,858)	(6,078)	(5,141)	(5,712)
Total loans to corporates	594,393	590,654	543,645	502,386	409,739

Loans to corporates specified by sector:

Agriculture and forestry	2.1%	2.1%	2.1%	2.3%	2.5%
Services	-	-	-	3.8%	4.2%
Financial and insurance activities	7.4%	8.9%	7.6%	8.2%	11.2%
Industry, energy and manufacturing	9.9%	10.4%	10.1%	8.8%	6.8%
Information and communication technology	4.7%	5.2%	4.8%	4.9%	4.1%
Public administration, human health and social activities	1.7%	1.8%	2.6%	2.1%	1.7%
Real estate activities	20.1%	20.0%	21.0%	21.0%	22.0%
Construction	14.8%	14.3%	14.3%	11.0%	9.0%
Fishing industry	15.7%	14.8%	15.2%	18.2%	19.1%
Transportation	1.8%	1.7%	1.6%	2.8%	3.5%
Commerce and services	13.8%	12.7%	12.2%	-	-
Accommodation and food service activities	7.9%	8.1%	8.5%	-	-
Wholesale and retail trade	-	-	-	16.9%	15.9%
	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

31.03.2025 31.12.2024 31.12.2023 31.12.2022 31.12.2021

Capital base:

Total equity	196,788	207,086	199,301	187,956	193,681
Unaudited interim net earnings	(6,421)	-	-	-	-
Non-controlling interest not eligible for inclusion in CET 1 capital	(1,900)	(504)	(503)	(649)	(673)
Common Equity Tier 1 capital before regulatory adjustments	188,467	206,582	198,798	187,307	193,008
Intangible assets	(7,733)	(7,390)	(7,211)	(6,425)	(8,435)
Tax assets	-	-	-	-	-
Foreseeable dividend	-	(19,000)	(12,877)	(15,980)	(26,773)
Adjustment under IFRS 9 transitional arrangements	-	427	952	1,142	920
Other statutory deductions	(560)	(571)	(30)	(224)	(436)
Common equity Tier 1 capital	180,174	180,048	179,632	165,820	158,284
Non-controlling interest eligible for inclusion in CET1 capital	427	112	117	105	133
Additional Tier 1 capital	15,894	20,004	13,217	13,396	13,225
Tier 1 capital	196,495	200,164	192,966	179,321	171,642
Tier 2 instruments	17,437	24,534	28,062	33,935	21,863
Tier 2 instruments of financial sector entities (signif. invest.)	(1,332)	(1,306)	(1,247)	(1,155)	(1,056)
General credit risk adjustments	-	-	-	-	-
Tier 2 Capital	16,105	23,228	26,815	32,780	20,807
Total own funds	212,600	223,392	219,781	212,101	192,449

Risk weighted exposure amount (REA)

Credit Risk, loans*	811,564	798,562	732,760	707,479	623,395
Credit Risk, securities and other	64,025	59,113	52,032	56,714	69,553
Counterparty credit risk	3,358	5,875	7,442	14,645	7,761
Market Risk due to currency imbalance	3,637	2,947	4,751	1,387	4,691
Market Risk Other	14,088	12,846	11,066	7,493	8,958
Credit valuation adjustment	1,075	2,257	3,680	6,010	2,379
Operational Risk	106,011	106,011	98,740	89,166	96,085
Total risk weighted exposure amount	1,003,758	987,611	910,471	882,894	812,822

Capital ratios¹

CET 1 ratio	18.3%	18.2%	19.7%	18.8%	19.6%
Tier 1 ratio	19.9%	20.3%	21.2%	20.3%	21.2%
Capital adequacy ratio	21.5%	22.6%	24.1%	24.0%	23.8%

Leverage ratio

On-balance sheet exposures	1,638,402	1,562,622	1,477,968	1,415,353	1,256,916
Derivative exposures	11,412	16,078	15,953	32,118	4,796
Securities financing transaction exposures	11,137	10,358	10,326	10,174	720
Off-balance sheet exposures	64,439	50,982	46,087	59,723	102,016
Total exposure	1,725,390	1,640,040	1,550,334	1,517,368	1,364,448
Tier 1 capital	196,495	200,164	192,966	179,321	171,642
Leverage ratio	11.4%	12.2%	12.4%	11.8%	12.6%

Related ratios

Return on REA	3.1%	2.7%	2.8%	3.0%	3.7%
REA/Total assets	59.5%	61.0%	59.7%	60.2%	61.9%

¹Capital ratios include interim profit

Quarter summaries



KFI - 9 Quarters

ISK million	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Profitability									
Return on equity ¹	12.8%	16.4%	16.1%	11.5%	9.1%	12.7%	13.0%	15.5%	13.7%
Return on assets	1.9%	2.1%	2.0%	1.4%	1.2%	1.6%	1.6%	1.9%	1.7%
Return on risk exposure amount	3.1%	3.4%	3.3%	2.3%	1.9%	2.7%	2.7%	3.1%	2.8%
Operating income / Risk exposure amount	7.6%	7.3%	7.3%	7.0%	6.3%	7.2%	6.6%	7.6%	7.3%
Net interest margin									
Net interest margin on interest bearing assets	3.1%	2.9%	3.1%	3.2%	3.1%	3.1%	3.0%	3.2%	3.1%
Net interest margin on total assets	2.9%	2.8%	3.0%	3.1%	2.9%	3.0%	2.9%	3.0%	3.0%
Net interest income on credit risk	5.6%	5.3%	5.6%	5.8%	5.6%	5.7%	5.5%	5.8%	5.6%
Efficiency									
Total cost-to-core income ratio ²	42.6%	57.5%	37.5%	46.2%	48.4%	54.9%	38.2%	39.4%	46.8%
Cost-to-income ratio	34.7%	48.0%	34.4%	43.1%	45.3%	48.0%	36.0%	34.6%	41.6%
Cost-to-total assets ratio	1.6%	2.1%	1.5%	1.8%	1.7%	2.0%	1.4%	1.6%	1.7%
Number of FTE's at period end	867	858	851	817	813	822	800	781	789
Asset quality									
Share of stage 3 loans, gross ³	2.5%	2.3%	2.4%	2.1%	1.9%	1.7%	1.6%	1.6%	1.4%
Risk weighted assets / Total assets	59.5%	61.0%	60.4%	60.7%	60.7%	59.7%	58.9%	60.1%	60.4%

¹ Based on net earnings attributable to shareholders of Arion Bank

² Including expenses from insurance operations

³(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 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Financial strength									
Equity as % of total assets	11.7%	12.8%	12.4%	12.3%	12.4%	13.1%	12.5%	12.3%	12.0%
Liquidity									
Liquidity coverage ratio (LCR)	186.4%	180.6%	178.6%	154.4%	143.6%	191.8%	179.1%	162.9%	173.6%
Loans-to-deposits ratio	139.5%	143.5%	143.8%	142.0%	147.0%	145.4%	141.8%	145.2%	143.8%
Loans-to-deposits ratio (without covered bonds)	110.8%	114.5%	114.8%	114.1%	116.5%	116.0%	112.5%	115.4%	114.4%
Deposits from customers as % of total funding	63.8%	66.1%	66.0%	66.8%	64.8%	65.2%	65.7%	64.6%	65.1%
Covered bonds as % of total funding	18.3%	19.1%	19.1%	18.7%	19.8%	19.2%	19.2%	19.3%	19.1%
Capital¹									
CET 1 ratio	18.3%	18.2%	18.8%	18.5%	18.8%	19.7%	19.4%	18.9%	18.6%
Tier 1 ratio	19.9%	20.3%	20.8%	20.0%	20.3%	21.2%	20.8%	20.4%	20.1%
Tier 2 ratio	1.6%	2.4%	2.4%	2.8%	2.9%	2.9%	3.6%	3.5%	-
Capital adequacy ratio	22.0%	22.6%	23.5%	22.8%	23.3%	24.0%	24.6%	23.8%	23.9%
Leverage ratio	11.4%	12.2%	12.0%	11.9%	12.0%	12.4%	11.8%	11.7%	11.3%

¹Capital ratios include interim profit

Income statement - 9 quarter summary

ISK million	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Interest income	32,682	29,371	33,210	36,040	33,638	32,461	30,426	31,060	29,169
Interest expense	(20,516)	(18,125)	(21,347)	(24,092)	(22,393)	(21,114)	(19,508)	(19,634)	(18,175)
Net interest income	12,166	11,246	11,863	11,948	11,245	11,347	10,918	11,426	10,994
Fee and commission income	5,456	5,157	4,744	4,934	4,336	4,882	4,765	5,187	5,286
Fee and commission expense	(920)	(1,021)	(864)	(955)	(971)	(979)	(917)	(1,000)	(835)
Net fee and commission income	4,536	4,136	3,880	3,979	3,365	3,903	3,848	4,187	4,451
Insurance revenue	4,911	5,027	5,067	4,908	4,667	4,761	4,450	4,207	3,998
Insurance service expenses	(4,942)	(4,700)	(3,535)	(4,386)	(4,882)	(5,045)	(4,055)	(3,445)	(4,719)
Insurance service results	(31)	327	1,532	522	(215)	(284)	395	762	(721)
Net financial (loss) income	(951)	2,193	524	99	29	1,370	(183)	(617)	796
Other operating income	3,321	4	(313)	37	50	(24)	8	1,586	19
Other net operating income / loss	2,370	2,197	211	136	79	1,346	(175)	969	815
Operating income	19,041	17,906	17,486	16,585	14,474	16,312	14,986	17,344	15,539
Operating expenses	(6,601)	(8,601)	(6,021)	(7,152)	(6,554)	(7,830)	(5,392)	(6,009)	(6,470)
Operating expenses	(6,601)	(8,601)	(6,021)	(7,152)	(6,554)	(7,830)	(5,392)	(6,009)	(6,470)
Bank Levy	(508)	(488)	(500)	(476)	(460)	(422)	(468)	(457)	(449)
Net impairment	(378)	913	(954)	(775)	(315)	13	(741)	(568)	(52)
Earnings before income tax	11,554	9,730	10,011	8,182	7,145	8,073	8,385	10,310	8,568
Income tax expense	(3,726)	(1,430)	(2,114)	(2,671)	(2,704)	(1,808)	(2,274)	(3,226)	(2,287)
Net earnings from continuing operations	7,828	8,300	7,897	5,511	4,441	6,265	6,111	7,084	6,281
Discontinued operations held for sale, net of income tax	(11)	(11)	(6)	(11)	(9)	(41)	20	7	10
Net earnings	7,817	8,289	7,891	5,500	4,432	6,224	6,131	7,091	6,291
Attributable to									
Shareholders of Arion Bank	6,421	8,301	7,872	5,505	4,444	6,217	6,136	7,082	6,284
Non-controlling interest	1,396	(12)	19	(5)	(12)	7	(5)	9	7
Net earnings	7,817	8,289	7,891	5,500	4,432	6,224	6,131	7,091	6,291

Balance sheet - 9 quarter summary

ISK million	31.03.2025	31.12.2024	30.09.2024	30.06.2024	31.03.2024	31.12.2023	30.09.2023	30.06.2023	31.03.2023
Assets									
Cash and balances with Central Bank	124,808	124,094	96,323	135,522	102,405	102,095	80,288	76,499	80,272
Loans to credit institutions	27,220	25,690	32,772	32,728	33,782	28,835	51,302	43,428	62,899
Loans to customers	1,234,006	1,230,058	1,220,424	1,202,616	1,178,700	1,152,789	1,143,473	1,134,621	1,114,128
Financial instruments	261,088	206,417	214,307	165,630	195,914	205,706	221,012	225,827	204,996
Investment property	12,857	9,387	9,327	9,633	9,542	9,493	9,461	9,444	7,875
Investments in associates	818	814	833	816	797	789	844	842	770
Intangible assets	8,018	7,688	7,833	7,864	7,885	8,051	8,289	8,486	8,575
Tax assets	3	2	2	39	39	39	427	383	332
Asset and disposal groups held for sale	97	111	34	68	64	62	61	61	61
Other assets	17,740	14,006	23,862	13,873	15,304	17,813	25,512	18,635	20,736
Total assets	1,686,655	1,618,267	1,605,717	1,568,789	1,544,432	1,525,672	1,540,669	1,518,226	1,500,644
Liabilities									
Due to credit institutions and Central Bank	5,785	6,618	6,715	5,067	3,205	2,771	13,144	21,702	24,188
Deposits	884,606	857,443	848,434	846,686	802,068	792,710	806,331	781,202	775,023
Financial liabilities at fair value	6,475	8,394	7,095	9,715	10,778	11,646	16,908	18,242	20,692
Tax liabilities	12,413	11,060	12,884	12,166	11,732	11,169	13,499	12,335	10,840
Other liabilities	50,436	49,950	56,620	45,497	50,628	46,336	43,479	46,380	52,555
Borrowings	496,821	433,178	431,105	415,116	433,047	420,460	407,895	405,572	390,734
Subordinated liabilities	33,331	44,538	44,184	42,091	41,558	41,279	46,853	46,478	46,681
Total liabilities	1,489,867	1,411,182	1,407,038	1,376,338	1,353,016	1,326,371	1,348,109	1,331,911	1,320,713
Equity									
Share capital and share premium	3,594	5,685	5,685	6,823	11,207	10,634	10,605	10,603	11,405
Other reserves	12,666	13,949	12,463	12,036	12,365	12,283	11,785	11,558	10,826
Retained earnings	178,628	186,947	180,026	173,107	167,353	175,881	169,510	163,489	157,044
Total shareholders equity	194,888	206,581	198,174	191,966	190,925	198,798	191,900	185,650	179,275
Non-controlling interest	1,900	504	505	485	491	503	661	665	656
Total equity	196,788	207,085	198,679	192,451	191,416	199,301	192,561	186,315	179,931
Total liabilities and equity	1,686,655	1,618,267	1,605,717	1,568,789	1,544,432	1,525,672	1,540,669	1,518,226	1,500,644

Net interest income - 9 quarter summary

ISK million	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Interest income									
Cash and balances with Central bank	1,865	2,019	1,715	2,021	1,997	1,684	1,363	1,306	1,394
Loans	28,820	25,161	29,593	32,264	29,714	28,742	27,042	28,294	26,657
Securities	1,973	2,154	1,851	1,753	1,921	1,987	2,009	1,460	1,116
Other	24	37	51	2	6	48	12	-	2
Interest income	32,682	29,371	33,210	36,040	33,638	32,461	30,426	31,060	29,169
Interest expense									
Deposits	(12,810)	(11,989)	(13,540)	(14,631)	(13,705)	(12,926)	(11,950)	(11,490)	(9,902)
Borrowings	(6,704)	(5,145)	(6,864)	(8,300)	(7,605)	(7,069)	(6,466)	(6,877)	(6,953)
Subordinated loans	(968)	(961)	(918)	(1,122)	(1,042)	(1,094)	(1,066)	(1,220)	(1,271)
Other	(34)	(30)	(25)	(39)	(41)	(25)	(26)	(47)	(49)
Interest expense	(20,516)	(18,125)	(21,347)	(24,092)	(22,393)	(21,114)	(19,508)	(19,634)	(18,175)
Net interest income	12,166	11,246	11,863	11,948	11,245	11,347	10,918	11,426	10,994
Interest bearing assets									
Cash and balances with Central Bank	124,808	124,094	96,323	135,522	102,405	102,095	80,288	76,499	80,272
Loans	1,261,226	1,255,748	1,253,196	1,235,344	1,212,482	1,181,624	1,194,775	1,178,049	1,177,027
Securities	216,586	161,399	172,045	122,892	142,340	159,392	179,737	183,351	152,487
Interest bearing assets	1,602,620	1,541,241	1,521,564	1,493,758	1,457,227	1,443,111	1,454,800	1,437,899	1,409,786
Interest bearing liabilities									
Due to credit institutions and Central Bank	5,785	6,618	6,715	5,067	3,205	2,771	13,144	21,702	24,188
Deposits	884,606	857,443	848,434	846,686	802,068	792,710	806,331	781,202	775,023
Financial liabilities at fair value	6,475	8,394	7,095	9,715	10,778	11,646	16,908	18,242	20,692
Borrowings	496,821	433,178	431,105	415,116	433,047	420,460	407,895	405,572	390,734
Subordinated liabilities	33,331	44,538	44,184	42,091	41,558	41,279	46,853	46,478	46,681
Interest bearing liabilities	1,427,018	1,350,171	1,337,533	1,318,675	1,290,656	1,268,866	1,291,131	1,273,196	1,257,318
Interest Gap	175,602	191,070	184,031	175,083	166,571	174,245	163,669	164,703	152,468
Net interest margin on interest bearing assets	3.1%	2.9%	3.1%	3.2%	3.1%	3.1%	3.0%	3.2%	3.1%

Loans to customers - 9 quarter summary

ISK million	31.03.2025	31.12.2024	30.09.2024	30.06.2024	31.03.2024	31.12.2023	30.09.2023	30.06.2023	31.03.2023
Loans to customers									
Individuals	639,613	639,404	640,939	633,620	617,796	609,144	601,463	592,571	588,989
Corporates	594,393	590,654	579,485	568,996	560,904	543,645	542,010	542,050	525,139
Total loans to customers	1,234,006	1,230,058	1,220,424	1,202,616	1,178,700	1,152,789	1,143,473	1,134,621	1,114,128
Share of stage 3 loans, gross*	2.5%	2.3%	2.4%	2.1%	1.9%	1.7%	1.6%	1.6%	1.4%
Loans to individuals									
Overdrafts	14,755	14,575	14,268	13,590	13,294	13,840	14,059	13,988	14,582
Credit cards	17,192	16,873	17,533	15,890	16,781	15,972	14,179	15,754	14,716
Mortgage loans	571,412	571,525	581,665	576,185	559,986	550,269	541,219	530,958	520,421
Other loans	38,510	38,925	30,088	30,630	30,788	31,536	34,393	34,103	41,194
Provision on loans	(2,256)	(2,494)	(2,615)	(2,675)	(3,053)	(2,473)	(2,387)	(2,232)	(1,924)
Total loans to individuals	639,613	639,404	640,939	633,620	617,796	609,144	601,463	592,571	588,989
Loans to corporates									
Overdrafts	49,506	42,233	43,433	47,240	47,702	43,013	39,813	40,673	36,921
Credit cards	2,385	2,297	2,427	2,251	2,138	2,062	2,054	1,927	1,976
Mortgage loans	77,272	74,287	69,758	66,072	66,097	68,840	65,583	66,118	57,081
Loans at fair value	1,843	1,751	1,665	1,562	-	-	-	-	-
Other loans	470,525	476,944	469,456	458,136	450,954	435,808	440,811	438,718	434,348
Provision on loans	(7,138)	(6,858)	(7,254)	(6,265)	(5,987)	(6,078)	(6,251)	(5,386)	(5,187)
Total loans to corporates	594,393	590,654	579,485	568,996	560,904	543,645	542,010	542,050	525,139
Loans to corporates specified by sector:									
Agriculture and forestry	2.1%	2.1%	2.2%	2.2%	2.1%	2.1%	2.2%	2.9%	2.2%
Services	0.0%	0.0%	0.0%	4.1%	4.0%	0.0%	3.9%	3.7%	3.6%
Financial and insurance activities	7.4%	8.9%	8.9%	8.5%	7.9%	7.6%	7.7%	8.0%	8.1%
Industry, energy and manufacturing	9.9%	10.4%	10.1%	10.3%	10.3%	10.1%	9.7%	9.6%	9.4%
Information and communication technology	4.7%	5.2%	5.0%	5.3%	5.2%	4.8%	4.9%	5.0%	5.3%
Public administration, human health and social activities	1.7%	1.8%	2.2%	2.2%	2.5%	2.6%	2.4%	2.3%	2.2%
Real estate activities	20.1%	20.0%	21.3%	21.2%	20.2%	21.0%	21.0%	20.7%	19.9%
Construction	14.8%	14.3%	13.9%	13.1%	14.6%	14.3%	13.9%	12.9%	11.8%
Fishing industry	15.7%	14.8%	14.3%	14.9%	14.8%	15.2%	16.6%	15.0%	17.0%
Transportation	1.8%	1.7%	1.6%	1.6%	1.6%	1.6%	1.5%	2.6%	2.7%
Commerce and services	13.8%	12.7%	12.5%	-	0.0%	-	-	-	-
Accommodation and food service activities	7.9%	8.1%	8.2%	-	0.0%	-	-	-	-
Wholesale and retail trade	-	-	0.0%	16.7%	16.8%	0.0%	16.3%	17.4%	17.9%
	100.0%	100.0%	100.0%	100.0%	100.0%	79.3%	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

31.03.2025 31.12.2024 30.09.2024 30.06.2024 31.03.2024 31.12.2023 30.09.2023 30.06.2023 31.03.2023

Capital base:

Total equity	196,788	207,086	198,680	192,451	191,416	199,301	192,560	186,316	179,932
Unaudited interim net earnings	(6,421)	-	(7,872)	-	(4,444)	-	(6,135)	-	(6,284)
Non-controlling interest not eligible for inclusion in CET1 capital	(1,900)	(504)	(505)	(485)	(491)	(503)	(661)	(665)	(656)
Common Equity Tier 1 capital before regulatory adjustments	188,467	206,582	190,303	191,966	186,481	198,798	185,764	185,651	172,992
Intangible assets	(7,733)	(7,390)	(7,521)	(7,539)	(7,423)	(7,211)	(7,073)	(6,888)	(6,601)
Foreseeable dividend	-	(19,000)	(4,974)	(7,933)	(5,000)	(12,877)	(6,683)	(6,683)	(897)
Adjustment under IFRS 9 transitional arrangements	-	427	518	512	511	952	1,041	766	687
Other statutory deductions	(560)	(571)	(374)	(361)	(4,840)	(30)	(247)	(254)	(234)
Common equity Tier 1 capital	180,174	180,048	177,952	176,645	169,729	179,632	172,802	172,592	165,947
Non-controlling interest eligible for inclusion in CET1 capital	427	112	132	121	116	117	115	102	103
Additional Tier 1 capital	15,894	20,004	19,364	13,659	13,410	13,217	12,932	12,931	12,869
Tier 1 capital	196,495	200,164	197,448	190,425	183,255	192,966	185,849	185,625	178,919
Tier 2 instruments	17,437	24,534	24,820	28,432	28,148	28,062	33,921	33,547	33,812
Tier 2 instruments of financial sector entities (signif. invest.)	(1,332)	(1,306)	(1,317)	(1,291)	(1,279)	(1,247)	(1,242)	(1,216)	(1,200)
Tier 2 Capital	16,105	23,228	23,503	27,141	26,869	26,815	32,679	32,331	32,612
Total own funds	212,600	223,392	220,951	217,566	210,124	219,781	218,528	217,956	211,531

Risk weighted exposure amount (REA)

Credit Risk, loans	811,564	798,562	791,680	775,820	754,354	732,760	737,824	736,432	730,700
Credit Risk, securities and other	64,025	59,113	54,723	51,782	52,996	52,032	55,066	56,425	54,540
Counterparty credit risk	3,358	5,875	7,065	7,588	9,641	7,442	12,567	15,923	16,257
Market Risk due to currency imbalance	3,637	2,947	844	1,389	4,641	4,751	1,907	1,417	2,851
Market Risk Other	14,088	12,846	14,441	13,526	12,975	11,066	7,165	8,628	8,647
Credit valuation adjustment	1,075	2,257	2,470	4,177	3,713	3,680	3,494	3,709	4,931
Operational Risk	106,011	106,011	98,740	98,740	98,740	98,740	89,166	89,166	89,166
Total risk weighted exposure amount	1,003,758	987,611	969,963	953,022	937,060	910,471	907,189	911,700	907,092

Capital and Risk Weighted Assets

ISK million

31.03.2025 31.12.2024 30.09.2024 30.06.2024 31.03.2024 31.12.2023 30.09.2023 30.06.2023 31.03.2023

Capital ratios¹

CET 1 ratio	18.3%	18.2%	18.8%	18.5%	18.8%	19.7%	19.4%	18.9%	18.6%
Tier 1 ratio	19.9%	20.3%	20.8%	20.0%	20.3%	21.2%	20.8%	20.4%	20.1%
Capital adequacy ratio	21.5%	22.6%	23.2%	22.8%	23.2%	24.1%	24.4%	23.9%	23.7%

Leverage ratio

On-balance sheet exposures	1,638,402	1,562,622	1,554,679	1,530,996	1,496,916	1,477,968	1,490,781	1,475,365	1,457,202
Derivative exposures	11,412	16,078	18,741	17,478	20,120	15,953	23,872	28,229	30,411
Securities financing transaction exposures	11,137	10,358	10,430	10,107	10,510	10,326	10,020	28,903	39,705
Off-balance sheet exposures	64,439	50,982	58,955	50,138	43,553	46,087	52,682	56,058	57,645
Total exposure	1,725,390	1,640,040	1,642,805	1,608,719	1,571,099	1,550,334	1,577,355	1,588,555	1,584,963
Tier 1 capital	196,495	200,164	197,448	190,425	183,255	192,966	185,849	185,625	178,919
Leverage ratio	11.4%	12.2%	12.0%	11.8%	11.7%	12.4%	11.8%	11.7%	11.3%

Related ratios

Return on REA	3.1%	2.7%	2.5%	2.1%	1.9%	2.8%	2.9%	3.0%	2.8%
REA/Total assets	59.5%	61.0%	60.4%	60.7%	60.7%	59.7%	58.9%	60.1%	60.4%

¹Capital ratios include interim profit in Q1 and Q3 figures

Operating segments - Quarters summary									
	Q4 2024	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Markets and Stefnir:									
Net interest income	340	352	297	296	312	264	283	237	227
Net fee and commission income	1,415	1,285	1,294	1,382	1,354	1,213	1,259	1,460	1,562
Insurance service results	-	-	-	-	-	-	-	-	-
Net financial income (loss)	(9)	26	53	(28)	43	55	(11)	11	19
Other operating income	-	2	1	1	-	1	1	2	2
Total operating income	1,746	1,665	1,645	1,651	1,709	1,533	1,532	1,710	1,810
Operating expenses	(635)	(943)	(587)	(645)	(618)	(930)	(543)	(646)	(595)
Allocated expenses	(802)	(1,161)	(392)	(687)	(654)	(720)	(507)	(536)	(589)
Bank levy	(11)	(10)	(11)	(14)	(11)	(9)	(11)	(13)	(11)
Net impairment	18	(24)	7	4	(11)	-	-	(11)	(2)
Earnings before income tax	316	(473)	662	309	415	(126)	471	504	613
Total assets	112,511	101,204	100,669	98,972	99,522	96,319	100,054	99,343	102,264
Total liabilities	103,613	92,199	91,458	89,720	90,691	87,502	91,737	91,007	93,034
Allocated equity	8,898	9,005	9,211	9,252	8,831	8,817	8,317	8,336	9,230
Corporate & Investment Bank including insurance:									
Net interest income	6,793	6,417	6,913	6,604	6,124	5,682	5,271	5,075	4,961
Net fee and commission income	1,907	1,600	1,370	1,323	933	1,208	941	1,245	1,512
Insurance service results	(232)	107	217	(124)	(151)	(246)	46	(151)	(157)
Net financial income (loss)	(248)	335	258	629	126	442	167	(88)	166
Other operating income (loss)	(1)	(4)	2	1	2	(1)	-	3	(9)
Total operating income	8,219	8,455	8,760	8,433	7,034	7,085	6,425	6,084	6,473
Operating expenses	(440)	(880)	(430)	(457)	(394)	(523)	(352)	(264)	(340)
Allocated expenses	(1,361)	(2,075)	(728)	(1,480)	(1,255)	(1,239)	(868)	(993)	(1,041)
Bank levy	(194)	(181)	(184)	(179)	(150)	(140)	(154)	(146)	(146)
Net impairment	(597)	423	(1,074)	(651)	286	175	(901)	(335)	111
Earnings (loss) before income tax	5,627	5,742	6,344	5,666	5,521	5,358	4,150	4,346	5,057
Total assets	607,517	602,420	584,421	571,092	564,979	486,908	484,780	486,710	472,235
Total liabilities	490,735	496,912	479,631	470,759	469,859	405,484	405,093	403,378	391,699
Allocated equity	116,782	105,508	104,790	100,333	95,120	81,424	79,687	83,332	80,536

Operating segments - Quarters summary

	Q4 2024	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Retail Bank including insurance:									
Net interest income	3,008	3,020	3,935	3,853	4,245	4,808	4,868	4,845	4,983
Net fee and commission income	941	907	1,010	951	855	1,211	1,266	1,123	1,012
Insurance service results	145	128	1,205	551	(107)	(32)	357	906	(513)
Net financial income (loss)	(374)	1,362	459	49	103	631	(94)	(266)	512
Other operating income	12	18	19	1	7	(6)	18	14	15
Total operating income	3,732	5,435	6,628	5,405	5,103	6,612	6,415	6,622	6,009
Operating expenses	(637)	(936)	(660)	(808)	(778)	(1,154)	(779)	(925)	(901)
Allocated expenses	(1,993)	(3,042)	(1,167)	(2,219)	(2,110)	(2,491)	(1,798)	(2,048)	(2,245)
Bank levy	(209)	(203)	(212)	(200)	(214)	(197)	(212)	(205)	(209)
Net impairment	201	531	114	(127)	(589)	(186)	129	(281)	(188)
Earnings before income tax	1,094	1,785	4,703	2,051	1,412	2,584	3,755	3,163	2,466
Total assets	661,988	664,122	671,631	665,330	647,536	701,794	692,160	680,835	674,966
Total liabilities	603,007	607,401	616,114	612,061	594,545	642,302	635,382	619,437	614,219
Allocated equity	58,981	56,721	55,517	53,269	52,991	59,492	56,778	61,398	60,747
Treasury and Market making:									
Net interest income	2,062	1,495	756	1,227	610	624	549	1,334	887
Net fee and commission income	182	180	154	213	125	186	221	203	161
Net insurance income	-	-	-	-	-	-	-	-	-
Net financial income (loss)	(316)	470	(258)	(549)	(243)	291	(200)	(405)	223
Other operating income	2	-	-	-	-	3	(10)	11	2
Total operating income (loss)	1,930	2,145	652	891	492	1,104	560	1,143	1,273
Operating expenses	(141)	(272)	(181)	(235)	(229)	(227)	(150)	(159)	(221)
Allocated expenses	(351)	(532)	(191)	(398)	(342)	(342)	(270)	(294)	(346)
Bank levy	(94)	(94)	(93)	(83)	(85)	(86)	(91)	(93)	(83)
Net impairment	-	(17)	(2)	(1)	-	-	2	1	3
Earnings (loss) before income tax	1,344	1,230	185	174	(164)	449	51	598	626
Total assets	576,207	550,360	549,764	520,064	560,085	555,321	584,518	574,141	601,762
Total liabilities	574,471	523,796	528,148	498,349	534,657	514,881	546,407	551,071	581,182
Allocated equity	1,736	26,564	21,616	21,715	25,428	40,440	38,111	23,070	20,580

Operating segments - Quarters summary

	Q4 2024	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Subsidiaries excluding Stefnir and Vördur:									
Net interest income (expense)	(2)	(20)	(59)	(55)	(60)	(44)	(74)	(68)	(65)
Net fee and commission income (expense)	70	86	83	72	51	(24)	49	46	98
Net insurance income	(7)	-	-	-	-	-	-	-	-
Net financial income (loss)	4	3	20	-	-	(50)	(38)	147	(124)
Other operating income	3,277	(13)	(340)	26	18	52	2	1,565	8
Total operating income (loss)	3,342	56	(296)	43	9	(66)	(61)	1,690	(83)
Operating expenses	(133)	(112)	(107)	(122)	(68)	(105)	(86)	(90)	(116)
Allocated expenses	(32)	(31)	(30)	(31)	(31)	(50)	(3)	6	(20)
Bank levy	-	-	-	-	-	-	-	-	-
Net impairment	-	-	-	-	-	20	27	60	21
Earnings (loss) before income tax	3,177	(87)	(433)	(110)	(90)	(201)	(123)	1,666	(198)
Total assets	19,056	19,332	16,961	16,971	17,893	17,733	18,486	18,901	17,039
Total liabilities	8,665	10,044	9,415	9,090	8,847	8,605	8,819	8,721	8,200
Allocated equity	10,391	9,288	7,546	7,881	9,046	9,128	9,667	10,180	8,839
Supporting units and eliminations:									
Net interest income (loss)	(35)	(18)	21	23	14	13	21	4	-
Net fee and commission income (expense)	21	78	(31)	38	47	109	112	108	108
Net insurance income (expense)	63	92	110	95	43	(6)	(8)	7	(51)
Net financial income (loss)	(8)	(3)	(8)	(2)	-	1	(7)	(15)	(1)
Other operating income (loss)	31	1	5	8	23	(73)	(3)	(10)	2
Total operating income (loss)	72	150	97	162	127	44	115	94	58
Operating expenses	(4,615)	(5,458)	(4,056)	(4,885)	(4,467)	(4,891)	(3,482)	(3,930)	(4,292)
Allocated expenses	4,539	6,841	2,508	4,815	4,392	4,842	3,446	3,865	4,241
Bank levy	-	-	-	-	-	10	-	-	-
Net impairment	-	-	1	-	(1)	4	2	(2)	3
Earnings (loss) before income tax	(4)	1,533	(1,450)	92	51	9	81	27	10
Total assets	(290,624)	(319,171)	(317,729)	(303,640)	(345,583)	(332,403)	(339,329)	(341,704)	(367,622)
Total liabilities	(290,624)	(319,171)	(317,729)	(303,641)	(345,583)	(332,403)	(339,329)	(341,704)	(367,622)
Allocated equity	-								

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