



Press Release

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Arion Bank: Preliminary financial results for Q4 2020 – net earnings of approximately ISK 6 billion

The preliminary financial results for Q4 2020 show net earnings of approximately ISK 6 billion and calculated return on equity on an annual basis of more than 12%. The earnings are substantially above available analyst estimations and higher compared to prior quarters.

Net earnings from continuing operations are expected to be approximately ISK 8 billion and develop overall favorably in Q4 2020, both compared to Q3 2020 and Q4 in 2019. Net financial income and net income from investment properties are unusually high during the quarter, or approximately ISK 2.8 billion and net impairments are minimal. However there is approximately ISK 2 billion negative effect from assets held for sale, mainly from impairments on assets in Stakksberg ehf.

The financial accounts for Q4 2020 are still being finalized and audit work has not yet been completed. Therefore the aforementioned amounts are subject to change. The financial accounts will be published on 10 February.

It is appropriate to iterate that there is still uncertainty in the Bank's operational environment related to the development of the COVID-19 pandemic and its effect on the Icelandic economy. This mainly involves uncertainty in regards to the development of the Bank's assets, such as loan portfolio and securities. Arion Bank's financial position, capital ratios and liquidity reserves, continue to be robust and the Bank is therefore well positioned to tackle these unusual circumstances.

For any further information please contact:

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This information is information that Arion Bank is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2021-01-18 15:03 GMT.



Attachments

[Arion Bank: Preliminary financial results for Q4 2020 – net earnings of approximately ISK 6 billion](#)