



Press Release

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Arion Bank hf.: S&P assigns an A- preliminary credit rating to Arion Bank's covered bond program

S&P Global Ratings has assigned a preliminary A- long-term credit rating with stable outlook to Arion Bank's covered bond program and related euro-denominated and Icelandic krona (ISK) denominated covered bond issuances.

The legal and regulatory framework for Icelandic covered bonds stipulates that assets in the cover pool are isolated from the issuer's insolvency risk. The asset isolation allows S&P to rate the covered bond program at a higher rating level than the long-term issuer credit rating on Arion Bank, which is currently BBB. S&P also conducted a review of Arion Bank's mortgage operations, which they view as prudent.

For any further information please contact:

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Attachments

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