



Press Release

01 March 2024 07:00:00 GMT

Arion Bank: Capital Markets Day presentation

Arion Bank hosts today, 1 March, from 9:00 am until 12:30 GMT its Capital Markets Day at the Bank's headquarters in Iceland. The meeting will also be streamed live. Breakfast reception starts at 8:30.

The event will be led by CEO Benedikt Gíslason along with members of the management team of the Arion Bank Group.

Information about the event and registration is [here](#)

The presentation (PDF) is available [here](#)

Presentation includes:

- Strategic direction and operational landscape of the Group
- Funding and capital guidance
- Information on ongoing strategic review regarding Arion's optimal credit rating coverage. This includes a review of the appropriate number of credit rating agencies going forward. The result of this review is expected in the near term and will be disclosed when appropriate
- Progression of development projects owned by Landey
- Financial outlook and updated medium-term targets

Medium term targets

	Target	Change
Return on equity	Exceed 13%	Unchanged
Core income / REA	Exceed 7.2%	Revised from 6.7%
Cost-to-core income ratio	Below 45%	Revised from 48%
CET1 ratio above regulatory capital requirements	150-250 bps management buffer	Unchanged



Insurance revenue growth	Exceed the growth of the domestic market by more than 3 percentage points	Unchanged target but changed wording in line with IFRS 17
Insurance combined ratio of Vörður	Below 95%	New target
Dividend payout ratio*	50%	Unchanged

* Pay-out ratio of approximately 50% of net earnings attributable to shareholders through either dividends or buyback of the Bank's shares or a combination of both. Additional distributions will be considered when Arion Bank's capital levels are above the minimum requirements set by the regulators in addition to the Bank's management buffer.

For 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 2024-03-01 07:00 GMT.

Attachments

[Arion Bank: Capital Markets Day presentation](#)