

Arion Bank Covered Bonds

Investor Report: December 2012



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	2,547	3,229	5,776
Average Loan Balance	12	11	12
Average Customer Balance	19	16	17
No. of Loans	208	291	499
No. of Borrowers	133	208	333
No. of Properties	135	208	335
WA Legal Maturity (in months)	420	381	399
WA Seasoning (in months)	15	14	15
WA LTV	72,6%	63,4%	67,5%
WA Interest Rate	4,4%	6,5%	5,6%

*Indexed mortgages linked to the consumer price index in Iceland as published by Statistics Iceland (Hagstofa Islands: www.hagstofa.is). Non Indexed are fixed rate mortgages

LTV Ranges	Balance	Percent
Less than 40%	572	9,9%
40 - 50%	439	7,6%
50 - 60%	499	8,6%
60 - 70%	674	11,7%
70 - 80%	3,592	62,2%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	5,776	100,0%

Property Type	Balance	Percent
Residential	5,623	97,3%
Other	153	2,7%
Total	5,776	100,0%

Payment Frequency	Balance	Percent
Monthly	5,776	100,0%
Total	5,776	100,0%

Valuation Type	Balance	Percent
FMR	5,399	93,5%
Contract	300	5,2%
External	77	1,3%
Total	5,776	100,0%

Ranking Order	Balance	Percent
1. Rank	5,291	91,6%
2. Rank	485	8,4%
Total	5,776	100,0%

Interest Rate Type	Balance	Percent
6.45% Non-Indexed	2.966	51,4%
4.3% Indexed	2.077	36,0%
7.55% Non-Indexed	263	4,5%
5.4% Indexed	204	3,5%
3.85% Indexed	128	2,2%
4.2% Indexed	44	0,8%
3.75% Indexed	44	0,8%
4.7% Indexed	18	0,3%
4.85% Indexed	17	0,3%
4.95% Indexed	12	0,2%
5.3% Indexed	3	0,0%
4.22% Indexed	0	0,0%
3.96% Indexed	0	0,0%
Total	5.776	100,0%

Arrears	Balance	Percent
Not in Arrears	5.626	97,4%
0 - 30 days default	28	0,5%
30 - 90 days default	121	2,1%
more than 180 days default	0	0
Total	5.776	100,0%

Area	Balance	Percent
Capital Area excl. Reykjavik	2.595	44,9%
Reykjavik	2.024	35,0%
Norðurland Eystra	514	8,9%
Vesturland	261	4,5%
Suðurland	166	2,9%
Norðurland Vestra	94	1,6%
Austurland	66	1,1%
Suðurnes	57	1,0%
Total	5.776	100,0%

Maturity	Balance	Percent
Less than 15 years	35	0,6%
15 - 20 years	18	0,3%
20 - 25 years	2.083	36,1%
35 - 40 years	3.640	63,0%
Total	5.776	100,0%

Planned frequency for updates of this summary: 12 times per year.
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