

Arion Bank Covered Bonds

Investor Report: December 2013



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	8,904	5,220	14,124
Average Loan Balance	13	11	12
Average Customer Balance	17	13	17
No. of Loans	710	468	1,178
No. of Borrowers	517	413	835
No. of Properties	521	416	841
WA Legal Maturity (in months)	420	378	405
WA Seasoning (in months)	14	19	16
WA LTV	70,6%	56,1%	65,3%
WA Interest Rate	4,1%	6,9%	5,1%

*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%	1,774	12,6%
40 - 50%	787	5,6%
50 - 60%	1,043	7,4%
60 - 70%	3,235	22,9%
70 - 80%	7,285	51,6%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	14,124	100,0%

Property Type	Balance	Percent
Residential	13,815	97,8%
Other	309	2,2%
Total	14,124	100,0%

Payment Frequency	Balance	Percent
Monthly	14,124	100,0%
Total	14,124	100,0%

Valuation Type	Balance	Percent
FMR	8,330	58,8%
Contract	5,175	36,5%
External	515	3,6%
Internal	93	0,7%
Offer	53	0,4%
Total	14,166	100,0%

Ranking Order	Balance	Percent
1. Rank	11.696	82,8%
2. Rank	2.404	17,0%
4. Rank	24	0,2%
Total	14.124	100,0%

Interest Rate Type	Balance	Percent
6.45% Non-Indexed	2.460	17,4%
4.3% Indexed	2.250	15,9%
3.6% Indexed	2.081	14,7%
7.45% Non-Indexed	1.921	13,6%
4.2% Indexed	752	5,3%
3.5% Indexed	711	5,0%
3.85% Indexed	681	4,8%
Other	3.268	23,1%
Total	14.124	100,0%

Arrears	Balance	Percent
Not in Arrears	13.691	96,9%
0 - 30 days default	22	0,2%
30 - 90 days default	411	2,9%
Total	14.124	100,0%

Area	Balance	Percent
Reykjavik	5.915	41,9%
Capital Area excl. Reykjavik	5.482	38,8%
Norðurland Eystra	1.065	7,5%
Vesturland	485	3,4%
Suðurland	480	3,4%
Austurland	319	2,3%
Norðurland Vestra	211	1,5%
Suðurnes	119	0,8%
Vestfirðir	48	0,3%
Total	14.124	100,0%

Maturity	Balance	Percent
Less than 15 years	173	1,2%
15 - 20 years	268	1,9%
20 - 25 years	3.814	27,0%
25 - 30 years	363	2,6%
30 - 35 years	59	0,4%
35 - 40 years	9.443	66,9%
40 - 45 years	3	0,0%
Total	14.124	100,0%

Planned frequency for updates of this summary: 12 times per year.
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Contact:
Investor Relations: samskiptasvidj@arionbanki.is
Head of Funding: Eirikur Magnus Jenson, eirikur.jenson@arionbanki.is
Risk Management: Otto S. Michelsen, otto.michelsen@arionbanki.is