

Arion Bank Covered Bonds

Investor Report: June 2014



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	8,564	5,061	13,625
Average Loan Balance	12	11	12
Average Customer Balance	17	12	17
No. of Loans	697	460	1,157
No. of Borrowers	506	408	820
No. of Properties	510	410	825
WA Legal Maturity (in months)	416	374	401
WA Seasoning (in months)	21	24	22
WA LTV	68,8%	54,3%	63,4%
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%	1.835	13,5%
40 - 50%	806	5,9%
50 - 60%	1.627	11,9%
60 - 70%	3.357	24,6%
70 - 80%	6.000	44,0%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	13.625	100,0%

Property Type	Balance	Percent
Residential	13.337	97,9%
Other	288	2,1%
Total	13.625	100,0%

Payment Frequency	Balance	Percent
Monthly	13.625	100,0%
Total	13.625	100,0%

Valuation Type	Balance	Percent
FMR	11.979	87,7%
Contract	1.508	11,0%
External	165	1,2%
Total	13.652	100,0%

Ranking Order	Balance	Percent
1. Rank	11.487	84,3%
2. Rank	2.132	15,6%
3. Rank	7	0,1%
Total	13.625	100,0%

Interest Rate Type	Balance	Percent
6.45% Non-Indexed	2.382	17,5%
4.3% Indexed	2.231	16,4%
3.6% Indexed	2.047	15,0%
7.45% Non-Indexed	1.855	13,6%
4.2% Indexed	742	5,4%
3.85% Indexed	682	5,0%
3.7% Indexed	679	5,0%
Other	3.007	22,1%
Total	13.625	100,0%

Arrears	Balance	Percent
Not in Arrears	13.001	95,4%
0 - 30 days default	391	2,9%
30 - 90 days default	171	1,3%
90 - 180 days default	62	0,5%
Total	13.625	100,0%

Area	Balance	Percent
Reykjavik	5.660	41,5%
Capital Area excl. Reykjavik	5.373	39,4%
Norðurland Eystra	1.032	7,6%
Suðurland	448	3,3%
Vesturland	448	3,3%
Austurland	317	2,3%
Norðurland Vestra	190	1,4%
Suðurnes	118	0,9%
Vestfirðir	40	0,3%
Total	13.625	100,0%

Maturity	Balance	Percent
Less than 15 years	155	1,1%
15 - 20 years	255	1,9%
20 - 25 years	3.531	25,9%
25 - 30 years	358	2,6%
30 - 35 years	59	0,4%
35 - 40 years	9.266	68,0%
Total	13.625	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