

Arion Bank Covered Bonds

Investor Report: January 2014



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	8,481	5,182	13,663
Average Loan Balance	12	11	12
Average Customer Balance	16	13	16
No. of Loans	710	466	1,176
No. of Borrowers	517	412	834
No. of Properties	521	414	839
WA Legal Maturity (in months)	420	377	404
WA Seasoning (in months)	15	20	17
WA LTV	69,5%	54,6%	63,9%
WA Interest Rate	4,1%	6,9%	5,2%

*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%	1,928	14,1%
40 - 50%	661	4,8%
50 - 60%	1,427	10,4%
60 - 70%	3,265	23,9%
70 - 80%	6,381	46,7%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	13,663	100,0%

Property Type	Balance	Percent
Residential	13,355	97,7%
Other	308	2,3%
Total	13,663	100,0%

Payment Frequency	Balance	Percent
Monthly	13,663	100,0%
Total	13,663	100,0%

Valuation Type	Balance	Percent
FMR	8,314	60,7%
Contract	4,796	35,0%
External	451	3,3%
Internal	76	0,6%
Offer	53	0,4%
Total	13,690	100,0%

Ranking Order	Balance	Percent
1. Rank	11.694	85,6%
2. Rank	1.944	14,2%
4. Rank	24	0,2%
Total	13.663	100,0%

Interest Rate Type	Balance	Percent
6.45% Non-Indexed	2.454	18,0%
4.3% Indexed	2.260	16,5%
3.6% Indexed	2.070	15,2%
7.45% Non-Indexed	1.897	13,9%
4.2% Indexed	729	5,3%
3.5% Indexed	708	5,2%
3.85% Indexed	660	4,8%
Other	2.885	21,1%
Total	13.663	100,0%

Arrears	Balance	Percent
Not in Arrears	13.076	95,7%
0 - 30 days default	468	3,4%
30 - 90 days default	118	0,9%
Total	13.663	100,0%

Area	Balance	Percent
Reykjavik	5.631	41,2%
Capital Area excl. Reykjavik	5.379	39,4%
Norðurland Eystra	1.049	7,7%
Suðurland	466	3,4%
Vesturland	464	3,4%
Austurland	307	2,2%
Norðurland Vestra	203	1,5%
Suðurnes	119	0,9%
Vestfirðir	45	0,3%
Total	13.663	100,0%

Maturity	Balance	Percent
Less than 15 years	166	1,2%
15 - 20 years	260	1,9%
20 - 25 years	3.640	26,6%
25 - 30 years	349	2,6%
30 - 35 years	59	0,4%
35 - 40 years	9.184	67,2%
40 - 45 years	3	0,0%
Total	13.663	100,0%

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