

Arion Bank Covered Bonds

Investor Report: January 2015



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	15,041	15,825	30,866
Average Loan Balance	13	14	14
Average Customer Balance	17	14	17
No. of Loans	1,126	1,146	2,272
No. of Borrowers	902	1,099	1,842
No. of Properties	908	1,100	1,848
WA Legal Maturity (in months)	412	385	398
WA Seasoning (in months)	20	25	22
WA LTV	62,9%	51,1%	56,8%
WA Interest Rate	4,0%	7,1%	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%	4,512	14,6%
40 - 50%	3,828	12,4%
50 - 60%	8,299	26,9%
60 - 70%	8,150	26,4%
70 - 80%	6,077	19,7%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	30,866	100,0%

Property Type	Balance	Percent
Residential	30,866	100,0%
Total	30,866	100,0%

Payment Frequency	Balance	Percent
Monthly	30,828	99,9%
Quarterly	38	0,1%
Total	30,866	100,0%

Valuation Type	Balance	Percent
FMR	24,964	80,9%
Contract	5,176	16,8%
External	560	1,8%
Internal	123	0,4%
Offer	44	0,1%
Total	30,866	100,0%

Ranking Order	Balance	Percent
1. Rank	27.515	89,1%
2. Rank	3.344	10,8%
3. Rank	7	0,0%
Total	30.866	100,0%

Interest Rate Type	Balance	Percent
7.45% Non-Indexed	7.698	24,9%
6.45% Non-Indexed	3.963	12,8%
3.6% Indexed	3.239	10,5%
3.8% Indexed	2.687	8,7%
4.3% Indexed	2.165	7,0%
3.7% Indexed	1.990	6,4%
Other	9.124	29,6%
Total	30.866	100,0%

Arrears	Balance	Percent
Not in Arrears	30.424	98,6%
0 - 30 days default	59	0,2%
30 - 90 days default	384	1,2%
90 - 180 days default	0	0
more than 180 days default	0	0
Total	30.866	100,0%

Area	Balance	Percent
Reykjavik	13.538	43,9%
Capital Area excl. Reykjavik	12.080	39,1%
Norðurland Eystra	2.208	7,2%
Suðurland	993	3,2%
Vesturland	900	2,9%
Austurland	583	1,9%
Norðurland Vestra	318	1,0%
Suðurnes	207	0,7%
Vestfirðir	39	0,1%
Total	30.866	100,0%

Maturity	Balance	Percent
Less than 15 years	458	1,5%
15 - 20 years	812	2,6%
20 - 25 years	7.067	22,9%
25 - 30 years	1.879	6,1%
30 - 35 years	271	0,9%
35 - 40 years	20.379	66,0%
Total	30.866	100,0%

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