

Arion Bank Covered Bonds

Investor Report: March 2015



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	18,161	15,543	33,703
Average Loan Balance	12	14	13
Average Customer Balance	17	14	17
No. of Loans	1,470	1,135	2,605
No. of Borrowers	1,088	1,089	1,974
No. of Properties	1,095	1,092	1,982
WA Legal Maturity (in months)	406	384	396
WA Seasoning (in months)	20	26	23
WA LTV	65,1%	51,7%	58,9%
WA Interest Rate	4,1%	7,1%	5,5%

*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%	4,236	12,6%
40 - 50%	4,023	11,9%
50 - 60%	7,420	22,0%
60 - 70%	9,043	26,8%
70 - 80%	8,982	26,6%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	33,703	100,0%

Property Type	Balance	Percent
Residential	33,703	100,0%
Total	33,703	100,0%

Payment Frequency	Balance	Percent
Monthly	33,665	99,9%
Quarterly	38	0,1%
Total	33,703	100,0%

Valuation Type	Balance	Percent
FMR	27,944	82,9%
Contract	4,903	14,5%
External	690	2,0%
Internal	127	0,4%
Offer	40	0,1%
Total	33,703	100,0%

Ranking Order	Balance	Percent
1. Rank	28.886	85,7%
2. Rank	4.810	14,3%
3. Rank	7	0,0%
Total	33.703	100,0%

Interest Rate Type	Balance	Percent
7.45% Non-Indexed	7.570	22,5%
6.45% Non-Indexed	3.893	11,6%
3.8% Indexed	3.578	10,6%
3.6% Indexed	3.386	10,0%
4.2% Indexed	3.217	9,5%
4.3% Indexed	2.200	6,5%
Other	9.858	29,2%
Total	33.703	100,0%

Arrears	Balance	Percent
Not in Arrears	33.128	98,3%
0 - 30 days default	39	0,1%
30 - 90 days default	537	1,6%
90 - 180 days default	0	0
more than 180 days default	0	0
Total	33.703	100,0%

Area	Balance	Percent
Reykjavik	14.753	43,8%
Capital Area excl. Reykjavik	13.217	39,2%
Norðurland Eystra	2.439	7,2%
Suðurland	1.136	3,4%
Vesturland	934	2,8%
Austurland	606	1,8%
Norðurland Vestra	368	1,1%
Suðurnes	209	0,6%
Vestfirðir	42	0,1%
Total	33.703	100,0%

Maturity	Balance	Percent
Less than 15 years	502	1,5%
15 - 20 years	920	2,7%
20 - 25 years	8.050	23,9%
25 - 30 years	2.021	6,0%
30 - 35 years	338	1,0%
35 - 40 years	21.873	64,9%
Total	33.703	100,0%

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