

Arion Bank Covered Bonds

Investor Report: August 2016



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	37.670	28.622	66.292
Average Loan Balance	13	11	12
Average Customer Balance	17	13	18
No. of Loans	2.890	2.607	5.497
No. of Borrowers	2.187	2.189	3.760
No. of Properties	2.212	2.202	3.795
WA Legal Maturity (in months)	395	370	384
WA Seasoning (in months)	24	27	25
WA LTV	63,6%	54,1%	59,5%
WA Interest Rate	4,0%	7,3%	5,4%

*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%	8.300	12,5%
40 - 50%	7.420	11,2%
50 - 60%	10.957	16,5%
60 - 70%	20.789	31,4%
70 - 80%	18.826	28,4%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	66.292	100,0%

Property Type	Balance	Percent
Residential	66.292	100,0%
Total	66.292	100,0%

Payment Frequency	Balance	Percent
Monthly	66.292	100,0%
Total	66.292	100,0%

Valuation Type	Balance	Percent
FMR	52.526	79,2%
Contract	11.015	16,6%
External	2.228	3,4%
Internal	481	0,7%
Offer	42	0,1%
Total	66.292	100,0%

Ranking Order	Balance	Percent
1. Rank	53.259	80,3%
2. Rank	12.987	19,6%
3. Rank	45	0,1%
4. Rank	1	0,0%
Total	66.292	100,0%

Interest Rate Type	Balance	Percent
3.8% Indexed	8.964	13,5%
7.45% Non-Indexed	7.770	11,7%
3.65% Indexed	7.274	11,0%
7.05% Non-Indexed	5.020	7,6%
3.6% Indexed	3.769	5,7%
3.9% Indexed	3.219	4,9%
6.45% Non-Indexed	2.823	4,3%
4.3% Indexed	2.702	4,1%
Other	24.753	37,3%
Total	66.292	100,0%

Arrears	Balance	Percent
Not in Arrears	64.811	97,8%
0 - 30 days default	104	0,2%
30 - 90 days default	1.377	2,1%
90 - 180 days default	0	0
more than 180 days default	0	0
Total	66.292	100,0%

Area	Balance	Percent
Reykjavik	28.222	42,6%
Capital Area excl. Reykjavik	25.266	38,1%
Norðurland Eystra	4.952	7,5%
Suðurland	2.837	4,3%
Vesturland	2.142	3,2%
Austurland	1.237	1,9%
Norðurland Vestra	907	1,4%
Suðurnes	632	1,0%
Vestfirðir	98	0,1%
Total	66.292	100,0%

Maturity	Balance	Percent
Less than 15 years	2.069	3,1%
15 - 20 years	4.690	7,1%
20 - 25 years	12.538	18,9%
25 - 30 years	5.717	8,6%
30 - 35 years	5.787	8,7%
35 - 40 years	35.484	53,5%
40 - 45 years	9	0,0%
Total	66.292	100,0%

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