

Arion Bank Covered Bonds

Investor Report: February 2017



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	44.745	26.629	71.374
Average Loan Balance	14	11	12
Average Customer Balance	17	12	17
No. of Loans	3.310	2.503	5.813
No. of Borrowers	2.601	2.144	4.168
No. of Properties	2.628	2.160	4.212
WA Legal Maturity (in months)	378	366	373
WA Seasoning (in months)	48	32	42
WA LTV	58,9%	49,3%	55,4%
WA Interest Rate	4,0%	7,1%	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%	12.512	17,5%
40 - 50%	9.844	13,8%
50 - 60%	16.124	22,6%
60 - 70%	20.899	29,3%
70 - 80%	11.995	16,8%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	71.374	100,0%

Property Type	Balance	Percent
Residential	71.374	100,0%
Total	71.374	100,0%

Payment Frequency	Balance	Percent
Monthly	71.274	99,9%
Quarterly	53	0,1%
Other	13	0,0%
Semi-Annual	34	0,0%
Total	71.374	100,0%

Valuation Type	Balance	Percent
FMR	63.941	89,6%
Contract	5.338	7,5%
External	1.648	2,3%
Internal	390	0,5%
Offer	58	0,1%
Total	71.374	100,0%

Ranking Order	Balance	Percent
1. Rank	59.307	83,1%
2. Rank	11.999	16,8%
3. Rank	58	0,1%
4. Rank	11	0,0%
Total	71.374	100,0%

Interest Rate Type	Balance	Percent
3.8% Indexed	9.460	13,3%
3.65% Indexed	7.155	10,0%
7.45% Non-Indexed	6.824	9,6%
4.15% Indexed	4.298	6,0%
3.6% Indexed	3.546	5,0%
3.9% Indexed	3.052	4,3%
6.8% Non-Indexed	3.047	4,3%
7.05% Non-Indexed	2.919	4,1%
Other	31.071	43,5%
Total	71.374	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	69.476	97,3%	5.713
0 - 30 days default	1.296	1,8%	80
30 - 90 days default	602	0,8%	36
90 - 180 days default	0	0	1
more than 180 days default	0	0	3

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Area	Balance	Percent
Reykjavik	31.228	43,8%
Capital Area excl. Reykjavik	27.281	38,2%
Norðurland Eystra	4.575	6,4%
Suðurland	3.010	4,2%
Vesturland	2.249	3,2%
Austurland	1.305	1,8%
Norðurland Vestra	887	1,2%
Suðurnes	745	1,0%
Vestfirðir	94	0,1%
Total	71.374	100,0%

Maturity	Balance	Percent
Less than 15 years	3.454	4,8%
15 - 20 years	5.159	7,2%
20 - 25 years	11.281	15,8%
25 - 30 years	10.645	14,9%
30 - 35 years	8.192	11,5%
35 - 40 years	32.634	45,7%
40 - 45 years	9	0,0%
Total	71.374	100,0%

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