

Arion Bank Covered Bonds

Investor Report: April 2017



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	49.528	27.136	76.664
Average Loan Balance	14	11	12
Average Customer Balance	18	12	18
No. of Loans	3.664	2.575	6.239
No. of Borrowers	2.795	2.213	4.359
No. of Properties	2.824	2.228	4.402
WA Legal Maturity (in months)	378	364	373
WA Seasoning (in months)	45	32	41
WA LTV	60,8%	50,5%	57,2%
WA Interest Rate	4,0%	7,1%	5,1%

*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%	12.599	16,4%
40 - 50%	9.484	12,4%
50 - 60%	14.949	19,5%
60 - 70%	21.368	27,9%
70 - 80%	18.265	23,8%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	76.664	100,0%

Property Type	Balance	Percent
Residential	76.664	100,0%
Total	76.664	100,0%

Payment Frequency	Balance	Percent
Monthly	76.513	99,8%
Quarterly	52	0,1%
Other	13	0,0%
Semi-Annual	86	0,1%
Total	76.664	100,0%

Valuation Type	Balance	Percent
FMR	67.087	87,5%
Contract	6.517	8,5%
External	2.583	3,4%
Internal	478	0,6%
Total	76.664	100,0%

Ranking Order	Balance	Percent
1. Rank	62.390	81,4%
2. Rank	14.075	18,4%
3. Rank	188	0,2%
4. Rank	11	0,0%
5. Rank	0	0
Total	76.664	100,0%

Interest Rate Type	Balance	Percent
3.8% Indexed	10.812	14,1%
3.65% Indexed	8.896	11,6%
7.45% Non-Indexed	6.562	8,6%
4.15% Indexed	4.171	5,4%
3.6% Indexed	3.476	4,5%
3.9% Indexed	3.070	4,0%
Other	39.678	51,8%
Total	76.664	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	75.163	98,0%	6.165
0 - 30 days default	913	1,2%	61
30 - 90 days default	588	0,8%	34
90 - 180 days default	0	0	4
more than 180 days default	0	0	3

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Area	Balance	Percent
Reykjavik	32.198	42,0%
Capital Area excl. Reykjavik	29.792	38,9%
Norðurland Eystra	4.850	6,3%
Suðurland	3.146	4,1%
Vesturland	3.106	4,1%
Austurland	1.342	1,8%
Suðurnes	1.221	1,6%
Norðurland Vestra	912	1,2%
Vestfirðir	98	0,1%
Total	76.664	100,0%

Maturity	Balance	Percent
Less than 15 years	3.704	4,8%
15 - 20 years	5.435	7,1%
20 - 25 years	12.875	16,8%
25 - 30 years	10.788	14,1%
30 - 35 years	9.083	11,8%
35 - 40 years	34.769	45,4%
40 - 45 years	9	0,0%
Total	76.664	100,0%

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