

Arion Bank Covered Bonds

Investor Report: June 2017



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	52.826	27.900	80.726
Average Loan Balance	13	10	12
Average Customer Balance	18	12	17
No. of Loans	3.995	2.738	6.733
No. of Borrowers	2.991	2.332	4.628
No. of Properties	3.029	2.345	4.677
WA Legal Maturity (in months)	376	360	370
WA Seasoning (in months)	45	34	41
WA LTV	62,2%	51,3%	58,4%
WA Interest Rate	4,1%	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%	12.813	15,9%
40 - 50%	9.778	12,1%
50 - 60%	13.469	16,7%
60 - 70%	20.739	25,7%
70 - 80%	23.927	29,6%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	80.726	100,0%

Property Type	Balance	Percent
Residential	80.726	100,0%
Total	80.726	100,0%

Payment Frequency	Balance	Percent
Monthly	80.619	99,9%
Quarterly	52	0,1%
Other	13	0,0%
Annual	7	0,0%
Semi-Annual	35	0,0%
Total	80.726	100,0%

Valuation Type	Balance	Percent
FMR	73.117	90,6%
Contract	5.027	6,2%
External	2.309	2,9%
Internal	273	0,3%
Total	80.726	100,0%

Ranking Order	Balance	Percent
1. Rank	63.760	79,0%
2. Rank	16.261	20,1%
3. Rank	694	0,9%
4. Rank	11	0,0%
Total	80.726	100,0%

Interest Rate Type	Balance	Percent
3.8% Indexed	11.894	14,7%
3.65% Indexed	9.101	11,3%
7.45% Non-Indexed	6.657	8,2%
4.15% Indexed	4.177	5,2%
3.6% Indexed	3.433	4,3%
Other	45.465	56,3%
Total	80.726	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	79.365	98,3%	6.673
0 - 30 days default	888	1,1%	64
30 - 90 days default	454	0,6%	23
90 - 180 days default	18	0,0%	4
more than 180 days default	0	0	4

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Area	Balance	Percent
Reykjavik	34.363	42,6%
Capital Area excl. Reykjavik	31.183	38,6%
Norðurland Eystra	5.051	6,3%
Suðurland	3.430	4,2%
Vesturland	3.116	3,9%
Austurland	1.397	1,7%
Suðurnes	1.111	1,4%
Norðurland Vestra	969	1,2%
Vestfirðir	106	0,1%
Total	80.726	100,0%

Maturity	Balance	Percent
Less than 15 years	4.078	5,1%
15 - 20 years	5.938	7,4%
20 - 25 years	13.653	16,9%
25 - 30 years	11.828	14,7%
30 - 35 years	10.026	12,4%
35 - 40 years	35.194	43,6%
40 - 45 years	9	0,0%
Total	80.726	100,0%

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