

Arion Bank Covered Bonds

Investor Report: March 2017



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	46.130	27.219	73.349
Average Loan Balance	14	11	12
Average Customer Balance	17	12	17
No. of Loans	3.406	2.581	5.987
No. of Borrowers	2.644	2.211	4.267
No. of Properties	2.671	2.226	4.309
WA Legal Maturity (in months)	378	365	373
WA Seasoning (in months)	47	32	41
WA LTV	59,8%	49,8%	56,1%
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%	12.572	17,1%
40 - 50%	9.672	13,2%
50 - 60%	15.376	21,0%
60 - 70%	21.119	28,8%
70 - 80%	14.610	19,9%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	73.349	100,0%

Property Type	Balance	Percent
Residential	73.349	100,0%
Total	73.349	100,0%

Payment Frequency	Balance	Percent
Monthly	73.249	99,9%
Quarterly	53	0,1%
Other	13	0,0%
Semi-Annual	35	0,0%
Total	73.349	100,0%

Valuation Type	Balance	Percent
FMR	64.653	88,1%
Contract	6.251	8,5%
External	2.060	2,8%
Internal	352	0,5%
Offer	33	0,0%
Total	73.349	100,0%

Ranking Order	Balance	Percent
1. Rank	60.547	82,5%
2. Rank	12.629	17,2%
3. Rank	163	0,2%
4. Rank	11	0,0%
5. Rank	0	0
Total	73.349	100,0%

Interest Rate Type	Balance	Percent
3.8% Indexed	9.985	13,6%
3.65% Indexed	7.720	10,5%
7.45% Non-Indexed	6.693	9,1%
4.15% Indexed	4.217	5,7%
3.6% Indexed	3.475	4,7%
3.9% Indexed	3.029	4,1%
6.8% Non-Indexed	3.023	4,1%
Other	35.207	48,0%
Total	73.349	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	71.801	97,9%	5.906
0 - 30 days default	131	0,2%	10
30 - 90 days default	1.417	1,9%	92
90 - 180 days default	0	0	3
more than 180 days default	0	0	3

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Area	Balance	Percent
Reykjavik	30.552	41,7%
Capital Area excl. Reykjavik	28.883	39,4%
Norðurland Eystra	4.426	6,0%
Vesturland	3.022	4,1%
Suðurland	2.977	4,1%
Austurland	1.296	1,8%
Suðurnes	1.213	1,7%
Norðurland Vestra	887	1,2%
Vestfirðir	94	0,1%
Total	73.349	100,0%

Maturity	Balance	Percent
Less than 15 years	3.611	4,9%
15 - 20 years	5.204	7,1%
20 - 25 years	11.874	16,2%
25 - 30 years	10.723	14,6%
30 - 35 years	8.493	11,6%
35 - 40 years	33.435	45,6%
40 - 45 years	9	0,0%
Total	73.349	100,0%

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