

Arion Bank Covered Bonds

Investor Report: November 2018



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	92.046	34.992	127.039
Average Loan Balance	15	11	14
Average Customer Balance	20	12	20
No. of Loans	6.047	3.239	9.286
No. of Borrowers	4.618	2.805	6.485
No. of Properties	4.651	2.822	6.543
WA Legal Maturity (in months)	388	362	381
WA Seasoning (in months)	34	34	34
WA LTV	60,0%	44,4%	55,7%
WA Interest Rate	4,0%	6,5%	4,7%

*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%	26.095	20,5%
40 - 50%	16.850	13,3%
50 - 60%	26.502	20,9%
60 - 70%	25.448	20,0%
70 - 80%	32.144	25,3%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	127.039	100,0%

Property Type	Balance	Percent
Residential	127.039	100,0%
Total	127.039	100,0%

Payment Frequency	Balance	Percent
Monthly	126.833	99,8%
Quarterly	102	0,1%
Semi-Annual	104	0,1%
Total	127.039	100,0%

Valuation Type	Balance	Percent
FMR	109.709	86,4%
Contract	13.524	10,6%
External	2.488	2,0%
Internal	1.290	1,0%
Offer	28	0,0%
Total	127.039	100,0%

Ranking Order	Balance	Percent
1. Rank	96.861	76,2%
2. Rank	29.145	22,9%
3. Rank	1.024	0,8%
4. Rank	9	0,0%
Total	127.039	100,0%

Interest Rate Type	Balance	Percent
3.65% Indexed	27.213	21,4%
3.8% Indexed	26.545	20,9%
6.27% Non-Indexed	7.314	5,8%
Other	65.967	51,9%
Total	127.039	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	124.547	98,0%	9.137
0 - 30 days default	1.548	1,2%	89
30 - 90 days default	749	0,6%	42
90 - 180 days default	196	0,2%	14
more than 180 days default	0	0	11

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Area	Balance	Percent
Reykjavik	53.675	42,3%
Capital Area excl. Reykjavik	46.858	36,9%
Norðurland Eystra	8.758	6,9%
Suðurland	6.892	5,4%
Vesturland	4.362	3,4%
Suðurnes	2.236	1,8%
Austurland	2.051	1,6%
Norðurland Vestra	1.984	1,6%
Vestfirðir	223	0,2%
Total	127.039	100,0%

Maturity	Balance	Percent
Less than 15 years	4.942	3,9%
15 - 20 years	8.680	6,8%
20 - 25 years	20.030	15,8%
25 - 30 years	16.346	12,9%
30 - 35 years	15.103	11,9%
35 - 40 years	61.937	48,8%
Total	127.039	100,0%

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