

Arion Bank Covered Bonds

Investor Report: August 2018



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	90.795	35.296	126.091
Average Loan Balance	15	11	14
Average Customer Balance	20	12	19
No. of Loans	6.048	3.275	9.323
No. of Borrowers	4.592	2.846	6.545
No. of Properties	4.624	2.862	6.600
WA Legal Maturity (in months)	386	364	380
WA Seasoning (in months)	33	33	33
WA LTV	58,6%	43,1%	54,3%
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%	27.304	21,7%
40 - 50%	18.306	14,5%
50 - 60%	28.566	22,7%
60 - 70%	25.730	20,4%
70 - 80%	26.185	20,8%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	126.091	100,0%

Property Type	Balance	Percent
Residential	126.091	100,0%
Total	126.091	100,0%

Payment Frequency	Balance	Percent
Monthly	125.879	99,8%
Quarterly	82	0,1%
Other	13	0,0%
Semi-Annual	118	0,1%
Total	126.091	100,0%

Valuation Type	Balance	Percent
FMR	105.930	84,0%
Contract	15.066	11,9%
External	4.533	3,6%
Internal	523	0,4%
Offer	40	0,0%
Total	126.091	100,0%

Ranking Order	Balance	Percent
1. Rank	96.689	76,7%
2. Rank	28.293	22,4%
3. Rank	1.100	0,9%
4. Rank	9	0,0%
Total	126.091	100,0%

Interest Rate Type	Balance	Percent
3.65% Indexed	28.870	22,9%
3.8% Indexed	25.056	19,9%
6% Non-Indexed	8.678	6,9%
Other	63.488	50,4%
Total	126.091	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	123.912	98,3%	9.173
0 - 30 days default	46	0,0%	7
30 - 90 days default	2.133	1,7%	121
90 - 180 days default	0	0	14
more than 180 days default	0	0	14

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Area	Balance	Percent
Reykjavik	53.315	42,3%
Capital Area excl. Reykjavik	46.463	36,8%
Norðurland Eystra	8.720	6,9%
Suðurland	7.092	5,6%
Vesturland	4.212	3,3%
Suðurnes	2.164	1,7%
Austurland	2.021	1,6%
Norðurland Vestra	1.912	1,5%
Vestfirðir	192	0,2%
Total	126.091	100,0%

Maturity	Balance	Percent
Less than 15 years	5.035	4,0%
15 - 20 years	8.519	6,8%
20 - 25 years	20.308	16,1%
25 - 30 years	17.194	13,6%
30 - 35 years	14.572	11,6%
35 - 40 years	60.463	48,0%
Total	126.091	100,0%

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