

Arion Bank Covered Bonds

Investor Report: March 2018



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	81.358	29.810	111.167
Average Loan Balance	15	10	13
Average Customer Balance	20	12	19
No. of Loans	5.445	2.956	8.401
No. of Borrowers	4.055	2.549	5.773
No. of Properties	4.085	2.565	5.822
WA Legal Maturity (in months)	376	358	371
WA Seasoning (in months)	35	35	35
WA LTV	57,0%	39,8%	52,4%
WA Interest Rate	4,1%	6,7%	4,8%

*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%	26.616	23,9%
40 - 50%	18.804	16,9%
50 - 60%	28.308	25,5%
60 - 70%	17.416	15,7%
70 - 80%	20.030	18,0%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	111.174	100,0%

Property Type	Balance	Percent
Residential	111.167	100,0%
Total	111.167	100,0%

Payment Frequency	Balance	Percent
Monthly	111.008	99,9%
Quarterly	97	0,1%
Other	13	0,0%
Annual	1	0,0%
Semi-Annual	49	0,0%
Total	111.167	100,0%

Valuation Type	Balance	Percent
FMR	93.340	84,0%
Contract	11.712	10,5%
External	5.711	5,1%
Internal	387	0,3%
Offer	18	0,0%
Total	111.167	100,0%

Ranking Order	Balance	Percent
1. Rank	80.584	72,5%
2. Rank	29.317	26,4%
3. Rank	1.257	1,1%
4. Rank	9	0,0%
Total	111.167	100,0%

Interest Rate Type	Balance	Percent
3.65% Indexed	20.882	18,8%
3.8% Indexed	19.750	17,8%
5.6% Non-Indexed	5.559	5,0%
4.75% Indexed	4.830	4,3%
Other	60.146	54,1%
Total	111.167	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	108.537	97,6%	8.242
0 - 30 days default	94	0,1%	9
30 - 90 days default	2.537	2,3%	145
90 - 180 days default	0	0	6
more than 180 days default	0	0	8

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Area	Balance	Percent
Reykjavik	46.619	41,9%
Capital Area excl. Reykjavik	40.492	36,4%
Norðurland Eystra	8.131	7,3%
Suðurland	6.180	5,6%
Vesturland	4.016	3,6%
Suðurnes	1.969	1,8%
Austurland	1.875	1,7%
Norðurland Vestra	1.737	1,6%
Vestfirðir	146	0,1%
Total	111.167	100,0%

Maturity	Balance	Percent
Less than 15 years	4.940	4,4%
15 - 20 years	7.703	6,9%
20 - 25 years	22.133	19,9%
25 - 30 years	15.072	13,6%
30 - 35 years	12.207	11,0%
35 - 40 years	49.113	44,2%
Total	111.167	100,0%

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