

Arion Bank Covered Bonds

Investor Report: October 2018



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	87.606	32.805	120.410
Average Loan Balance	15	11	14
Average Customer Balance	20	12	19
No. of Loans	5.837	3.065	8.902
No. of Borrowers	4.444	2.674	6.236
No. of Properties	4.476	2.689	6.289
WA Legal Maturity (in months)	385	361	379
WA Seasoning (in months)	35	35	35
WA LTV	59,3%	43,1%	54,9%
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%	25.939	21,5%
40 - 50%	16.418	13,6%
50 - 60%	25.723	21,4%
60 - 70%	24.673	20,5%
70 - 80%	27.656	23,0%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	120.410	100,0%

Property Type	Balance	Percent
Residential	120.410	100,0%
Total	120.410	100,0%

Payment Frequency	Balance	Percent
Monthly	120.213	99,8%
Quarterly	81	0,1%
Other	13	0,0%
Semi-Annual	103	0,1%
Total	120.410	100,0%

Valuation Type	Balance	Percent
FMR	105.681	87,8%
Contract	11.488	9,5%
External	2.622	2,2%
Internal	591	0,5%
Offer	28	0,0%
Total	120.410	100,0%

Ranking Order	Balance	Percent
1. Rank	92.056	76,5%
2. Rank	27.318	22,7%
3. Rank	1.027	0,9%
4. Rank	9	0,0%
5. Rank	0	0
Total	120.410	100,0%

Interest Rate Type	Balance	Percent
3.65% Indexed	27.481	22,8%
3.8% Indexed	24.647	20,5%
6% Non-Indexed	8.426	7,0%
Other	59.857	49,7%
Total	120.410	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	117.788	97,8%	8.741
0 - 30 days default	103	0,1%	8
30 - 90 days default	2.520	2,1%	141
90 - 180 days default	0	0	8
more than 180 days default	0	0	11

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Area	Balance	Percent
Reykjavik	50.904	42,3%
Capital Area excl. Reykjavik	44.560	37,0%
Norðurland Eystra	8.233	6,8%
Suðurland	6.556	5,4%
Vesturland	4.116	3,4%
Austurland	2.031	1,7%
Suðurnes	1.993	1,7%
Norðurland Vestra	1.827	1,5%
Vestfirðir	191	0,2%
Total	120.410	100,0%

Maturity	Balance	Percent
Less than 15 years	4.806	4,0%
15 - 20 years	8.471	7,0%
20 - 25 years	19.345	16,1%
25 - 30 years	15.878	13,2%
30 - 35 years	14.654	12,2%
35 - 40 years	57.257	47,6%
Total	120.410	100,0%

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