

Arion Bank Mortgages Institutional Investor Fund



Asset Coverage Report: March 2012

Principal Amount Outstanding of the Covered Bonds: ISK 129,894,165,280

Adjusted Aggregate Loan Amount: 89,592,179,370

$aA+B+C+D-W = 132,570,504,758$

where:

$aA = 89,592,179,370$

$B = 12,679,509,115$

$C = 35,059,714,376$

$D = 0$

$W = -4,760,898,102$

(where aA, B, C, D and W have the meaning given in clause 10.2 of the Fund Deed)

Asset Coverage Test: Passed