

Arion Bank Structured Covered Bonds
Covered Bond Fund Periodic Report for Period 30 April 2012 to 31 May 2012

	Current Period	
	Number	Value ISK 000's
Brought Forward	8106	125.426.983
Replenishment		
Repurchased	-491	-8.451.739
Redemptions		
Other Movements		
Carried Forward	7615	116.975.244

Cumulative	
Number	Value ISK 000's

Annualised one month CPR	5,7%
Annualised three month CPR	4,9%
Annualised 12 month CPR	5,5%

(including redemptions and repurchases)

Weighted Average Seasoning	83,56
Weighted Average Loan size	15,4
Weighted Average LTV	88,6%
Weighted Average Remaining Term	30,11

* (see definition below)

Original LTV Bands

Range	Number	Balance	Percentage
0.00 - 25.00	623	3.976.589	4,90%
25.01 - 50.00	1677	16.382.050	20,20%
50.01 - 75.00	2641	32.697.549	40,32%
75.01 - 80.00	893	11.918.661	14,70%
80.01 - 85.00	810	10.699.089	13,19%
85.01 - 90.00	180	1.683.585	2,08%
90.01 - 95.00	144	1.307.642	1,61%
> 95.00	264	2.423.712	2,99%
Total	7232	81.088.876	100,00%

Current LTV Bands

Number	Balance	Percentage
271	1.526.305.521	1,31%
940	10.857.340.435	9,29%
1556	23.843.610.980	20,40%
459	7.148.052.991	6,12%
417	6.860.572.047	5,87%
415	7.098.649.772	6,07%
476	7.795.110.040	6,67%
3076	51.759.004.144	44,28%
7610	116.888.645.930	100%

Arrears

Band	Number	Principal ISK 000's	Overdue ISK 000's	Percentage
Current	7189	109.130.579	88	93,29%
1.00 - 1.99 months	193	3.388.395	15.529	2,90%
2.00 - 2.99 months	115	2.159.609	20.076	1,85%
3.00 - 3.99 months	70	1.441.782	20.430	1,23%
4.00 - 4.99 months	13	256.430	4.717	0,22%
5.00 - 5.99 months	6	86.751	2.052	0,07%
6.00 - 11.99 months	14	266.721	9.417	0,23%
12 months and over	15	244.976	21.516	0,21%
Properties in Possession				
Total	7615	116.975.244	93.826	100%

Excess Spread

Current month	0,47%
Rolling three month average	0,47%

Properties in possession

Stock

	Current Period	
	Number	Value ISK 000's
Brought Forward	33	665.570
Repossessed in Period	11	150.280
Sold in Period	5	85.100
Carried Forward	39	730.750

Cumulative	
Number	Value ISK 000's
73	1.472.250
34	741.500
39	730.750

Average time Possession to Sale	277
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