

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

Current Period	
Number	Value ISK 000's
Brought Forward	7615
Replenishment	453
Repurchased	
Redemptions	
Other Movements	
Carried Forward	8068
	122.873.089

Cumulative	
Number	Value ISK 000's

Annualised one month CPR
 Annualised three month CPR
 Annualised 12 month CPR

4,4%
4,9%
5,5%

(including redemptions and repurchases)

Weighted Average Seasoning
 Weighted Average Loan size
 Weighted Average LTV
 Weighted Average Remaining Term

80,56
15,2
87,9%
30,25

* (see definition below)

Original LTV Bands

Range

0.00 - 25.00
 25.01 - 50.00
 50.01 - 75.00
 75.01 - 80.00
 80.01 - 85.00
 85.01 - 90.00
 90.01 - 95.00
 > 95.00
 Total

Number	Balance	Percentage
623	3.976.589	4,90%
1677	16.382.050	20,20%
2641	32.697.549	40,32%
893	11.918.661	14,70%
810	10.699.089	13,19%
180	1.683.585	2,08%
144	1.307.642	1,61%
264	2.423.712	2,99%
7232	81.088.876	100,00%

Current LTV Bands

Number	Balance	Percentage
301	1.781.300.380	1,46%
1024	12.070.688.168	9,87%
1766	27.110.977.271	22,16%
494	7.304.756.941	5,97%
460	7.330.572.440	5,99%
402	6.673.792.719	5,45%
488	8.068.780.382	6,60%
3100	52.003.821.553	42,51%
8035	122.344.689.854	100%

Arrears

Band

Current
 1.00 - 1.99 months
 2.00 - 2.99 months
 3.00 - 3.99 months
 4.00 - 4.99 months
 5.00 - 5.99 months
 6.00 - 11.99 months
 12 months and over
 Properties in Possession
 Total

Number	Principal ISK 000's	Overdue ISK 000's	Percentage
7821	118.153.193	16.893	96,16%
0	0	0	0,00%
120	2.313.520	21.949	1,88%
66	1.266.555	17.595	1,03%
30	551.353	10.397	0,45%
10	194.975	4.387	0,16%
9	173.130	6.392	0,14%
12	220.363	20.071	0,18%
8068	122.873.089	97.684	100%

Excess Spread

Current month
 Rolling three month average

0,47%
0,47%

Properties in possession

Stock

Brought Forward
 Repossessed in Period
 Sold in Period
 Carried Forward

Current Period	
Number	Value ISK 000's
33	665.570
11	150.280
5	85.100
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
