

Arion Bank Structured Covered Bonds
Covered Bond Fund Periodic Report for Period 31 January 2013 to 28 February 2014

Current Period	
Number	Value ISK 000's
Brought Forward	7.805
Replenishment	
Repurchased	
Redemptions	
Other Movements	- 1.227.038
Carried Forward	7.805

Cumulative	
Number	Value ISK 000's

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

4,1%
3,9%
3,4%

(including redemptions and repurchases)

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

100,92
15,1
77,9%
28,36

* (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 kr.	2,99%
Total	7232	81.088.876	100%

Current LTV Bands

Number	Balance 000's	Percentage
437	2.944.498.614 kr.	2,50%
1335	16.859.494.202 kr.	14,31%
2093	31.705.283.688 kr.	26,92%
463	7.243.540.348 kr.	6,15%
488	8.246.061.660 kr.	7,00%
445	7.259.168.060 kr.	6,16%
533	9.019.522.219 kr.	7,66%
2010	34.519.788.653 kr.	29,30%
7804	117.797.357.444	100%

Arrears

Band	Number	Principal ISK 000's	Overdue ISK 000's	Percentage
Current	7641	114.744.490	16.687	97,41%
1.00 - 1.99 months	112	2.092.019	20.728	1,78%
2.00 - 2.99 months	38	689.431	10.390	0,59%
3.00 - 3.99 months	8	148.462	2.827	0,13%
4.00 - 4.99 months	2	8.199	210	0,01%
5.00 - 5.99 months	1	21.932	650	0,02%
6.00 - 11.99 months	3	92.509	2.668	0,08%
12 months and over	0	0	0	0,00%
Properties in Possession				
Total	7.805	117.797.042	54.160	100%

Excess Spread
 Current month
 Rolling three month average

0,62%
0,61%

Properties in possession

Stock

Current Period	
Number	Value ISK 000's

Cumulative	
Number	Value ISK 000's

Brought Forward
 Repossessed in Period
 Sold in Period
 Carried Forward

* Arion Bank now buys trouble loans immediately from the fund, at face value. This means the fund will never come into possession of any housing assets.