

# Arion Bank Covered Bonds

Investor Report: April 2012



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	2.133	3.554	5.687
Average Loan Balance	13	12	12
Average Customer Balance	21	16	18
No. of Loans	161	304	465
No. of Borrowers	100	218	310
No. of Properties	97	213	302
WA Legal Maturity (in months)	412	384	395
WA Seasoning (in months)	9	6	7
WA LTV	73,9%	62,0%	66,5%
WA Interest Rate	4,5%	6,6%	5,8%

\*Indexed mortgages linked to the consumer price index in Iceland as published by Statistics Iceland (Hagstofa Islands: [www.hagstofa.is](http://www.hagstofa.is)). Non Indexed are fixed rate mortgages

LTV Ranges	Balance	Percent
Less than 40%	699	12,3%
40 - 50%	557	9,8%
50 - 60%	657	11,5%
60 - 70%	410	7,2%
70 - 80%	3.364	59,2%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	5.687	100,0%

Property Type	Balance	Percent
Residential Property	5.687	100,0%
Other	0	0
Total	5.687	100,0%

Payment Frequency	Balance	Percent
Monthly	5.687	100,0%
Quarterly	0	0
Semi-annually	0	0
Annually	0	0
Other	0	0
Total	5.687	100,0%

Interest Rate Type	Balance	Percent
4.3% Indexed	1.814	31,9%
5.4% Indexed	319	5,6%
6.45% Non-Indexed	3.100	54,5%
7.55% Non-Indexed	453	8,0%
Total	5.687	100,0%

Valuation Type	Balance	Percent
Contract	3.542	62,3%
External	961	16,9%
FMR	832	14,6%
Internal	239	4,2%
Offer	113	2,0%
	0	0,0%
Total	5.687	100,0%

Arrears	Balance	Percent
Not in Arrears	4.286	96,7%
0 - 30 days default	68	1,5%
30 - 90 days default	80	1,8%
Total	4.434	100,0%

Prior Ranks	Balance	Percent
No Prior Ranks	5.674	99,8%
Prior Ranks	13	0,2%
Total	5.687	100,0%

Area	Balance	Percent
Reykjavík	1.917	33,7%
Capital Area (excl. Rvk.)	2.581	45,4%
Suðurnes	51	0,9%
Vesturland	236	4,1%
Vestfirðir	0	0
Norðurland vestra	97	1,7%
Norðurland eystra	578	10,2%
Austurland	76	1,3%
Suðurland	151	2,6%
Total	5.687	100,0%

Maturity	Balance	Percent
Less than 15 years	47	0,8%
15 - 20 years	13	0,2%
20 - 25 years	2.363	41,6%
35 - 40 years	3.263	57,4%
Total	5.687	100,0%