

# Arion Bank Covered Bonds

Investor Report: April 2015



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	18.551	15.470	34.021
Average Loan Balance	13	14	13
Average Customer Balance	17	14	17
No. of Loans	1.467	1.134	2.601
No. of Borrowers	1.087	1.089	1.974
No. of Properties	1.094	1.091	1.980
WA Legal Maturity (in months)	404	383	395
WA Seasoning (in months)	21	27	24
WA LTV	65,5%	51,6%	59,2%
WA Interest Rate	4,1%	7,1%	5,5%

\*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%	4.168	12,3%
40 - 50%	4.100	12,1%
50 - 60%	7.197	21,2%
60 - 70%	9.166	26,9%
70 - 80%	9.390	27,6%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	34.021	100,0%

Property Type	Balance	Percent
Residential	34.021	100,0%
Total	34.021	100,0%

Payment Frequency	Balance	Percent
Monthly	33.983	99,9%
Quarterly	38	0,1%
Total	34.021	100,0%

Valuation Type	Balance	Percent
FMR	28.882	84,9%
Contract	4.232	12,4%
External	744	2,2%
Internal	136	0,4%
Offer	27	0,1%
Total	34.021	100,0%

Ranking Order	Balance	Percent
1. Rank	28.978	85,2%
2. Rank	5.036	14,8%
3. Rank	7	0,0%
Total	34.021	100,0%

Interest Rate Type	Balance	Percent
7.45% Non-Indexed	7.548	22,2%
6.45% Non-Indexed	3.875	11,4%
3.8% Indexed	3.609	10,6%
3.6% Indexed	3.401	10,0%
4.07% Indexed	2.380	7,0%
4.3% Indexed	2.228	6,5%
Other	10.979	32,3%
Total	34.021	100,0%

Arrears	Balance	Percent
Not in Arrears	33.144	97,4%
0 - 30 days default	700	2,1%
30 - 90 days default	177	0,5%
90 - 180 days default	0	0
more than 180 days default	0	0
Total	34.021	100,0%

Area	Balance	Percent
Reykjavik	14.879	43,7%
Capital Area excl. Reykjavik	13.359	39,3%
Norðurland Eystra	2.445	7,2%
Suðurland	1.178	3,5%
Vesturland	941	2,8%
Austurland	597	1,8%
Norðurland Vestra	374	1,1%
Suðurnes	209	0,6%
Vestfirðir	39	0,1%
Total	34.021	100,0%

Maturity	Balance	Percent
Less than 15 years	497	1,5%
15 - 20 years	931	2,7%
20 - 25 years	8.171	24,0%
25 - 30 years	2.026	6,0%
30 - 35 years	339	1,0%
35 - 40 years	22.056	64,8%
Total	34.021	100,0%

Planned frequency for updates of this summary: 12 times per year.  
Arion Bank is regulated by the Icelandic Financial Supervisory Authority ([www.fme.is](http://www.fme.is)).

This report has been automatically generated by Arion Bank's Risk Management. The information within are obtained from different sources, not all of which are controlled by Arion Bank, but which Arion Bank deems to be reliable. Whilst reasonable care has been taken to ensure that the contents of this publication are not untrue or misleading, no representation is made as to its accuracy or completeness and no liability is accepted for any loss arising from reliance on it. Arion Bank endeavours to ensure that the information is accurate and up-to-date, and reserves the right to make corrections to the content at any time, without prior notice. However, Arion Bank cannot guarantee that such information is complete or that it has not been modified by an outside party, by means of a virus or system intrusion, for example.

The report is prepared for general circulation and general information only, but it is not intended for any person in the United States. This publication may not be re-produced in whole or in part without permission.

The report shall under no circumstances be used or considered as an investment advice or investment research, or an offer to sell, or a solicitation of any offer to buy any securities. It does not have regard to the specific investment objectives, financial situation or the particular needs of any person who may receive the report. Arion Bank accepts no liability whatsoever for any direct or consequential loss arising from the use of this publication or its contents.

Contact:  
Investor Relations: [samskiptasvidj@arionbanki.is](mailto:samskiptasvidj@arionbanki.is)  
Head of Funding: [EirikurMagnusJensson@arionbanki.is](mailto:EirikurMagnusJensson@arionbanki.is)