

Arion Bank Covered Bonds

Investor Report: June 2015



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	22.495	869	23.364
Average Loan Balance	13	12	13
Average Customer Balance	17	12	18
No. of Loans	1.748	72	1.820
No. of Borrowers	1.295	72	1.296
No. of Properties	1.307	73	1.307
WA Legal Maturity (in months)	405	423	406
WA Seasoning (in months)	21	24	21
WA LTV	65,2%	77,5%	65,7%
WA Interest Rate	4,0%	7,4%	4,2%

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

LTV Ranges	Balance	Percent
Less than 40%	1.131	4,8%
40 - 50%	1.343	5,7%
50 - 60%	3.302	14,1%
60 - 70%	7.531	32,2%
70 - 80%	10.056	43,0%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	23.364	100,0%

Property Type	Balance	Percent
Residential	23.364	100,0%
Total	23.364	100,0%

Payment Frequency	Balance	Percent
Monthly	23.364	100,0%
Total	23.364	100,0%

Valuation Type	Balance	Percent
FMR	18.592	79,6%
Contract	4.037	17,3%
External	616	2,6%
Internal	101	0,4%
Offer	18	0,1%
Total	23.364	100,0%

Ranking Order	Balance	Percent
1. Rank	18.244	78,1%
2. Rank	5.120	21,9%
Total	23.364	100,0%

Interest Rate Type	Balance	Percent
3.8% Indexed	4.913	21,0%
3.85% Indexed	4.066	17,4%
3.6% Indexed	3.925	16,8%
4.3% Indexed	2.256	9,7%
4.25% Indexed	1.098	4,7%
Other	7.107	30,4%
Total	23.365	100,0%

Arrears	Balance	Percent
Not in Arrears	22.596	96,7%
0 - 30 days default	553	2,4%
30 - 90 days default	168	0,7%
90 - 180 days default	48	0,2%
more than 180 days default	0	0
Total	23.364	100,0%

Area	Balance	Percent
Reykjavik	9.955	42,6%
Capital Area excl. Reykjavik	9.055	38,8%
Norðurland Eystra	1.706	7,3%
Suðurland	1.057	4,5%
Vesturland	710	3,0%
Austurland	532	2,3%
Norðurland Vestra	193	0,8%
Suðurnes	122	0,5%
Vestfirðir	35	0,1%
Total	23.364	100,0%

Maturity	Balance	Percent
Less than 15 years	233	1,0%
15 - 20 years	530	2,3%
20 - 25 years	4.975	21,3%
25 - 30 years	1.331	5,7%
30 - 35 years	420	1,8%
35 - 40 years	15.867	67,9%
40 - 45 years	8	0,0%
Total	23.364	100,0%

Planned frequency for updates of this summary: 12 times per year.
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