

Arion Bank Covered Bonds

Investor Report: May 2018



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	84.613	36.204	120.817
Average Loan Balance	15	11	13
Average Customer Balance	20	12	19
No. of Loans	5.768	3.358	9.126
No. of Borrowers	4.336	2.917	6.315
No. of Properties	4.371	2.935	6.373
WA Legal Maturity (in months)	385	365	379
WA Seasoning (in months)	34	31	33
WA LTV	57,2%	42,5%	52,8%
WA Interest Rate	4,0%	6,5%	4,7%

*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%	28.033	23,2%
40 - 50%	19.393	16,1%
50 - 60%	29.825	24,7%
60 - 70%	22.261	18,4%
70 - 80%	21.306	17,6%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	120.817	100,0%

Property Type	Balance	Percent
Residential	120.817	100,0%
Total	120.817	100,0%

Payment Frequency	Balance	Percent
Monthly	120.596	99,8%
Quarterly	84	0,1%
Other	13	0,0%
Annual	1	0,0%
Semi-Annual	123	0,1%
Total	120.817	100,0%

Valuation Type	Balance	Percent
FMR	99.554	82,4%
Contract	14.736	12,2%
External	6.008	5,0%
Internal	502	0,4%
Offer	17	0,0%
Total	120.817	100,0%

Ranking Order	Balance	Percent
1. Rank	92.574	76,6%
2. Rank	27.266	22,6%
3. Rank	932	0,8%
4. Rank	9	0,0%
5. Rank	30	0,0%
6. Rank	6	0,0%
Total	120.817	100,0%

Interest Rate Type	Balance	Percent
3.65% Indexed	25.080	20,8%
3.8% Indexed	22.096	18,3%
5.75% Non-Indexed	8.500	7,0%
Other	65.141	53,9%
Total	120.817	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	117.924	97,6%	8.930
0 - 30 days default	137	0,1%	12
30 - 90 days default	2.756	2,3%	161
90 - 180 days default	0	0	19
more than 180 days default	0	0	10

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Area	Balance	Percent
Reykjavik	51.328	42,5%
Capital Area excl. Reykjavik	44.641	36,9%
Norðurland Eystra	8.479	7,0%
Suðurland	6.354	5,3%
Vesturland	4.081	3,4%
Suðurnes	2.120	1,8%
Austurland	1.838	1,5%
Norðurland Vestra	1.818	1,5%
Vestfirðir	158	0,1%
Total	120.817	100,0%

Maturity	Balance	Percent
Less than 15 years	5.023	4,2%
15 - 20 years	8.218	6,8%
20 - 25 years	20.085	16,6%
25 - 30 years	16.480	13,6%
30 - 35 years	13.504	11,2%
35 - 40 years	57.508	47,6%
Total	120.817	100,0%

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