

Arion Bank Covered Bonds

Investor Report: February 2019



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	107.818	47.540	155.357
Average Loan Balance	16	12	15
Average Customer Balance	21	14	21
No. of Loans	6.713	3.974	10.687
No. of Borrowers	5.139	3.486	7.479
No. of Properties	5.181	3.512	7.551
WA Legal Maturity (in months)	392	368	385
WA Seasoning (in months)	31	29	30
WA LTV	56,5%	42,2%	52,1%
WA Interest Rate	4,1%	6,5%	4,8%

*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%	36.353	23,4%
40 - 50%	26.317	16,9%
50 - 60%	38.798	25,0%
60 - 70%	29.555	19,0%
70 - 80%	24.334	15,7%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	155.357	100,0%

Property Type	Balance	Percent
Residential	155.357	100,0%
Total	155.357	100,0%

Payment Frequency	Balance	Percent
Monthly	155.150	99,9%
Quarterly	103	0,1%
Semi-Annual	104	0,1%
Total	155.357	100,0%

Valuation Type	Balance	Percent
FMR	125.161	80,6%
Contract	21.372	13,8%
Internal	6.185	4,0%
External	2.520	1,6%
Offer	120	0,1%
Total	155.357	100,0%

Ranking Order	Balance	Percent
1. Rank	118.976	76,6%
2. Rank	35.238	22,7%
3. Rank	1.134	0,7%
4. Rank	10	0,0%
Total	155.357	100,0%

Interest Rate Type	Balance	Percent
3.89% Indexed	34.068	21,9%
3.8% Indexed	32.108	20,7%
6.6% Non-Indexed	12.659	8,1%
5.95% Non-Indexed	9.676	6,2%
Other	66.847	43,0%
Total	155.357	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	151.013	97,2%	10.443
0 - 30 days default	2.749	1,8%	158
30 - 90 days default	1.596	1,0%	73
90 - 180 days default	0	0	12
more than 180 days default	0	0	7

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Area	Balance	Percent
Reykjavik	63.654	41,0%
Capital Area excl. Reykjavik	56.313	36,2%
Norðurland Eystra	11.799	7,6%
Suðurland	9.548	6,1%
Vesturland	5.574	3,6%
Suðurnes	3.201	2,1%
Norðurland Vestra	2.512	1,6%
Austurland	2.488	1,6%
Vestfirðir	268	0,2%
Total	155.357	100,0%

Maturity	Balance	Percent
Less than 15 years	5.895	3,8%
15 - 20 years	10.255	6,6%
20 - 25 years	23.754	15,3%
25 - 30 years	19.626	12,6%
30 - 35 years	16.004	10,3%
35 - 40 years	79.823	51,4%
Total	155.357	100,0%

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