

Arion Bank Covered Bonds

Investor Report: October 2021



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	116.519	159.868	276.388
Average Loan Balance	19	19	19
Average Customer Balance	23	22	25
No. of Loans	6.023	8.608	14.631
No. of Borrowers	5.014	7.291	11.034
No. of Properties	5.028	7.290	11.044
WA Legal Maturity (in months)	400	389	394
WA Seasoning (in months)	39	19	28
WA LTV	58,1%	56,5%	57,2%
WA Interest Rate	3,0%	4,2%	3,7%

*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%	47.086	17,0%
40 - 50%	35.211	12,7%
50 - 60%	44.777	16,2%
60 - 70%	94.112	34,1%
70 - 80%	55.201	20,0%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	276.388	100,0%

Property Type	Balance	Percent
Residential	276.367	100,0%
Other	21	0,0%
Total	276.388	100,0%

Payment Frequency	Balance	Percent
Monthly	276.324	100,0%
Other	20	0,0%
Annual	2	0,0%
Semi-Annual	42	0,0%
Total	276.388	100,0%

Valuation Type	Balance	Percent
FMR	215.210	77,9%
Contract	42.830	15,5%
Internal	15.141	5,5%
External	2.644	1,0%
Offer	564	0,2%
Total	276.388	100,0%

Ranking Order	Balance	Percent
1. Rank	241.447	87,4%
2. Rank	33.784	12,2%
3. Rank	1.116	0,4%
4. Rank	27	0,0%
5. Rank	8	0,0%
6. Rank	5	0,0%
Total	276.388	100,0%

Interest Rate Type	Balance	Percent
3.73% Non-Indexed	82.056	29,7%
2.54% Indexed	57.060	20,6%
4.49% Non-Indexed	22.581	8,2%
3.09% Indexed	15.110	5,5%
Other	99.580	36,0%
Total	276.388	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	272.619	98,6%	14.503
0 - 30 days default	172	0,1%	11
30 - 90 days default	3.597	1,3%	144
90 - 180 days default	0	0	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

Area	Balance	Percent
Reykjavik	107.508	38,9%
Capital Area excl. Reykjavik	94.190	34,1%
Suðurland	21.390	7,7%
Norðurland Eystra	20.888	7,6%
Vesturland	12.792	4,6%
Suðurnes	9.316	3,4%
Austurland	4.987	1,8%
Norðurland Vestra	4.665	1,7%
Vestfirðir	652	0,2%
Total	276.388	100,0%

Maturity	Balance	Percent
Less than 15 years	11.910	4,3%
15 - 20 years	17.146	6,2%
20 - 25 years	31.238	11,3%
25 - 30 years	30.346	11,0%
30 - 35 years	29.897	10,8%
35 - 40 years	155.851	56,4%
Total	276.388	100,0%

Arion Bank is regulated by the Icelandic Financial Supervisory Authority (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
Head of Funding: EirikurMagnusJensson@arionbanki.is