

Arion Bank Covered Bonds

Investor Report: January 2021



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	123.781	115.838	239.619
Average Loan Balance	19	17	18
Average Customer Balance	23	19	24
No. of Loans	6.666	7.014	13.680
No. of Borrowers	5.427	5.994	10.131
No. of Properties	5.462	6.015	10.187
WA Legal Maturity (in months)	398	381	390
WA Seasoning (in months)	38	20	29
WA LTV	57,1%	53,7%	55,5%
WA Interest Rate	3,2%	4,4%	3,8%

*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%	46.527	19,4%
40 - 50%	33.422	13,9%
50 - 60%	41.027	17,1%
60 - 70%	75.952	31,7%
70 - 80%	42.690	17,8%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	239.619	100,0%

Property Type	Balance	Percent
Residential	239.598	100,0%
Other	21	0,0%
Total	239.619	100,0%

Payment Frequency	Balance	Percent
Monthly	239.561	100,0%
Other	13	0,0%
Annual	3	0,0%
Semi-Annual	41	0,0%
Total	239.619	100,0%

Valuation Type	Balance	Percent
FMR	157.591	65,8%
Contract	65.750	27,4%
Internal	14.230	5,9%
External	2.007	0,8%
Offer	41	0,0%
Total	239.619	100,0%

Ranking Order	Balance	Percent
1. Rank	204.877	85,5%
2. Rank	33.634	14,0%
3. Rank	1.066	0,4%
4. Rank	38	0,0%
5. Rank	3	0,0%
Total	239.619	100,0%

Interest Rate Type	Balance	Percent
3.44% Non-Indexed	53.870	22,5%
2.54% Indexed	45.940	19,2%
4.49% Non-Indexed	21.025	8,8%
3.09% Indexed	16.208	6,8%
3.8% Indexed	15.022	6,3%
Other	87.553	36,5%
Total	239.619	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	237.246	99,0%	13.588
0 - 30 days default	87	0,0%	4
30 - 90 days default	2.251	0,9%	112
90 - 180 days default	34	0,0%	13

*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	92.510	38,6%
Capital Area excl. Reykjavik	81.427	34,0%
Suðurland	19.283	8,0%
Norðurland Eystra	18.017	7,5%
Vesturland	11.055	4,6%
Suðurnes	8.002	3,3%
Austurland	4.834	2,0%
Norðurland Vestra	4.025	1,7%
Vestfirðir	465	0,2%
Total	239.619	100,0%

Maturity	Balance	Percent
Less than 15 years	9.879	4,1%
15 - 20 years	15.702	6,6%
20 - 25 years	30.577	12,8%
25 - 30 years	29.395	12,3%
30 - 35 years	24.584	10,3%
35 - 40 years	129.483	54,0%
Total	239.619	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