

Arion Bank Structured Covered Bonds
Covered Bond Fund Periodic Report for Period 30 September 2012 to 31 October 2012

Current Period	
Number	Value ISK 000's
Brought Forward	8.023
Replenishment	
Repurchased	
Redemptions	-23
Other Movements	
Carried Forward	8000
	121.674.943

Cumulative	
Number	Value ISK 000's

Annualised one month CPR
 Annualised three month CPR
 Annualised 12 month CPR

3,2%
2,7%
4,5%

(including redemptions and repurchases)

Weighted Average Seasoning
 Weighted Average Loan size
 Weighted Average LTV
 Weighted Average Remaining Term

84,54
15,2
87,0%
30,29

*(see definition below)

Original LTV Bands

Range	Number	Balance	Percentage
0.00 - 25.00	623	3.976.589	4,90%
25.01 - 50.00	1677	16.382.050	20,20%
50.01 - 75.00	2641	32.697.549	40,32%
75.01 - 80.00	893	11.918.661	14,70%
80.01 - 85.00	810	10.699.089	13,19%
85.01 - 90.00	180	1.683.585	2,08%
90.01 - 95.00	144	1.307.642	1,61%
> 95.00	264	2.423.712 kr.	2,99%
Total	7232	81.088.876	100%

Current LTV Bands

Number	Balance 000's	Percentage
313	1.809.545.681 kr.	1,49%
1044	12.286.052.689 kr.	10,14%
1802	27.675.077.958 kr.	22,84%
495	7.190.517.728 kr.	5,94%
434	6.968.895.342 kr.	5,75%
411	6.980.093.147 kr.	5,76%
471	7.760.943.383 kr.	6,41%
2990	50.474.566.461 kr.	41,66%
7960	121.145.692.389	100%

Arrears

Band	Number	Principal ISK 000's	Overdue ISK 000's	Percentage
Current	7.539	113.246.404	236	93,07%
1.00 - 1.99 months	199	3.427.534	16.125	2,82%
2.00 - 2.99 months	136	2.594.011	24.303	2,13%
3.00 - 3.99 months	54	1.021.751	13.786	0,84%
4.00 - 4.99 months	23	416.689	7.669	0,34%
5.00 - 5.99 months	9	186.514	4.151	0,15%
6.00 - 11.99 months	33	631.075	19.235	0,52%
12 months and over	7	150.964	16.153	0,12%
Properties in Possession				
Total	8.000	121.674.943	101.659	100%

Excess Spread
 Current month
 Rolling three month average

0,59%
0,59%

Properties in possession

Stock

Current Period	
Number	Value ISK 000's
Brought Forward	39
Repossessed in Period	2
Sold in Period	0
Carried Forward	41
	785.150

Cumulative	
Number	Value ISK 000's
	89
	1784450
	48
	999300
	41
	785.150

Average time Possession to Sale

265
