

Arion Bank Structured Covered Bonds
Covered Bond Fund Periodic Report for Period 30 November 2012 to 31 December 2012

Current Period	
Number	Value ISK 000's
Brought Forward	7.969
Replenishment	
Repurchased	
Redemptions	-6
Other Movements	87.766
Carried Forward	7963
	121.541.062

Cumulative	
Number	Value ISK 000's

Annualised one month CPR	3,9%
Annualised three month CPR	3,5%
Annualised 12 month CPR	4,0%

(including redemptions and repurchases)

Weighted Average Seasoning	86,45
Weighted Average Loan size	15,3
Weighted Average LTV	88,3%
Weighted Average Remaining Term	29,32

* (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
309	1.758.396.500 kr.	1,46%
1005	11.805.070.444 kr.	9,82%
1757	27.096.620.535 kr.	22,54%
468	6.789.681.274 kr.	5,65%
443	7.012.816.639 kr.	5,83%
408	6.909.748.005 kr.	5,75%
473	7.822.678.500 kr.	6,51%
3013	51.026.386.898 kr.	42,44%
7876	120.221.398.795	100%

Arrears

Band	Number	Principal ISK 000's	Overdue ISK 000's	Percentage
Current	7.480	112.302.950	185	92,40%
1.00 - 1.99 months	223	4.210.305	19.508	3,46%
2.00 - 2.99 months	128	2.325.572	21.985	1,91%
3.00 - 3.99 months	51	1.093.021	14.855	0,90%
4.00 - 4.99 months	25	447.733	8.085	0,37%
5.00 - 5.99 months	10	210.153	4.435	0,17%
6.00 - 11.99 months	39	798.278	29.137	0,66%
12 months and over	7	153.051	17.771	0,13%
Properties in Possession				
Total	7.963	121.541.062	115.961	100%

Excess Spread

Current month	0,59%
Rolling three month average	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
	730750
	54400
	785.150

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

Average time Possession to Sale	265
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