

Arion Bank Structured Covered Bonds
Covered Bond Fund Periodic Report for Period 30 September 2014 to 31 October 2014

Current Period	
Number	Value ISK 000's
Brought Forward	7.670
Replenishment	
Repurchased	
Redemptions	23
Other Movements	
Carried Forward	7.647
	115.970.835

Cumulative	
Number	Value ISK 000's

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

3,0%
3,6%
4,0%

(including redemptions and repurchases)

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

108,01
15,2
78,5%
28,45

* (see definition below)

Original LTV Bands

Range

0.00 - 25.00
 25.01 - 50.00
 50.01 - 75.00
 75.01 - 80.00
 80.01 - 85.00
 85.01 - 90.00
 90.01 - 95.00
 > 95.00
 Total

Number	Balance	Percentage
623	3.976.589	4,90%
1677	16.382.050	20,20%
2641	32.697.549	40,32%
893	11.918.661	14,70%
810	10.699.089	13,19%
180	1.683.585	2,08%
144	1.307.642	1,61%
264	2.423.712 kr.	2,99%
7232	81.088.876	100%

Current LTV Bands

Number	Balance 000's	Percentage
422	2.716.017.637 kr.	2,34%
1327	16.474.115.380 kr.	14,21%
2048	31.305.777.275 kr.	26,99%
435	6.759.910.344 kr.	5,83%
471	8.012.861.386 kr.	6,91%
431	7.090.147.118 kr.	6,11%
484	8.325.237.643 kr.	7,18%
2029	35.286.768.507 kr.	30,43%
7647	115.970.835.290	100%

Arrears

Band

Current
 1.00 - 1.99 months
 2.00 - 2.99 months
 3.00 - 3.99 months
 4.00 - 4.99 months
 5.00 - 5.99 months
 6.00 - 11.99 months
 12 months and over
 Properties in Possession
 Total

Number	Principal ISK 000's	Overdue ISK 000's	Percentage
7322	109.994.361	454	94,85%
170	3.064.275	15.643	2,64%
89	1.667.976	16.857	1,44%
44	831.677	12.322	0,72%
6	115.833	2.232	0,10%
13	241.109	5.872	0,21%
2	37.621	1.068	0,03%
1	17.982	1.438	0,02%
7.647	115.970.835	55.886	100%

Excess Spread
 Current month
 Rolling three month average

0,61%
0,61%

Properties in possession

Stock

Brought Forward
 Repossessed in Period
 Sold in Period
 Carried Forward

Current Period	
Number	Value ISK 000's

Cumulative	
Number	Value ISK 000's

* Arion Bank now buys trouble loans immediately from the fund, at face value. This means the fund will never come into possession of any housing assets.