

Arion Bank Covered Bonds

Investor Report: February 2018



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	77.035	29.371	106.406
Average Loan Balance	14	10	13
Average Customer Balance	19	12	18
No. of Loans	5.418	2.938	8.356
No. of Borrowers	4.047	2.531	5.762
No. of Properties	4.076	2.544	5.805
WA Legal Maturity (in months)	381	359	375
WA Seasoning (in months)	35	35	35
WA LTV	59,4%	48,3%	56,4%
WA Interest Rate	4,0%	6,7%	4,8%

*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%	18.539	17,4%
40 - 50%	13.646	12,8%
50 - 60%	24.047	22,6%
60 - 70%	25.432	23,9%
70 - 80%	24.742	23,3%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	106.406	100,0%

Property Type	Balance	Percent
Residential	106.406	100,0%
Total	106.406	100,0%

Payment Frequency	Balance	Percent
Monthly	106.258	99,9%
Quarterly	85	0,1%
Other	13	0,0%
Annual	1	0,0%
Semi-Annual	49	0,0%
Total	106.406	100,0%

Valuation Type	Balance	Percent
FMR	84.954	79,8%
Contract	14.032	13,2%
External	6.911	6,5%
Internal	491	0,5%
Offer	18	0,0%
Total	106.406	100,0%

Ranking Order	Balance	Percent
1. Rank	80.606	75,8%
2. Rank	24.755	23,3%
3. Rank	1.036	1,0%
4. Rank	9	0,0%
Total	106.406	100,0%

Interest Rate Type	Balance	Percent
3.65% Indexed	20.851	19,6%
3.8% Indexed	19.788	18,6%
5.6% Non-Indexed	5.264	4,9%
Other	60.502	56,9%
Total	106.406	100,0%

Arrears	Balance	Percent	Count
Not in Arrears	103.811	97,6%	8.183
0 - 30 days default	1.687	1,6%	113
30 - 90 days default	908	0,9%	53
90 - 180 days default	0	0	4
more than 180 days default	0	0	7

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Area	Balance	Percent
Reykjavik	45.499	42,8%
Capital Area excl. Reykjavik	38.917	36,6%
Norðurland Eystra	7.633	7,2%
Suðurland	5.486	5,2%
Vesturland	3.617	3,4%
Suðurnes	1.798	1,7%
Austurland	1.793	1,7%
Norðurland Vestra	1.555	1,5%
Vestfirðir	108	0,1%
Total	106.406	100,0%

Maturity	Balance	Percent
Less than 15 years	4.769	4,5%
15 - 20 years	7.415	7,0%
20 - 25 years	18.915	17,8%
25 - 30 years	14.492	13,6%
30 - 35 years	12.123	11,4%
35 - 40 years	48.691	45,8%
Total	106.406	100,0%

Planned frequency for updates of this summary: 12 times per year.
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