

Arion Bank Covered Bonds

Investor Report: March 2016



Details	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	36.102	20.670	56.772
Average Loan Balance	13	11	12
Average Customer Balance	17	13	19
No. of Loans	2.794	1.840	4.634
No. of Borrowers	2.109	1.544	3.053
No. of Properties	2.127	1.558	3.087
WA Legal Maturity (in months)	398	368	387
WA Seasoning (in months)	21	25	22
WA LTV	63,6%	56,2%	60,9%
WA Interest Rate	4,0%	7,3%	5,2%

*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%	5.697	10,0%
40 - 50%	5.434	9,6%
50 - 60%	10.062	17,7%
60 - 70%	18.381	32,4%
70 - 80%	17.198	30,3%
80 - 90%	0	0,0%
90 - 100%	0	0,0%
100 - 110%	0	0,0%
more than 110%	0	0,0%
Total	56.772	100,0%

Property Type	Balance	Percent
Residential	56.772	100,0%
Total	56.772	100,0%

Payment Frequency	Balance	Percent
Monthly	56.772	100,0%
Total	56.772	100,0%

Valuation Type	Balance	Percent
FMR	42.475	74,8%
Contract	11.523	20,3%
External	2.044	3,6%
Internal	626	1,1%
Offer	104	0,2%
Total	56.772	100,0%

Ranking Order	Balance	Percent
1. Rank	44.852	79,0%
2. Rank	11.902	21,0%
3. Rank	18	0,0%
Total	56.772	100,0%

Interest Rate Type	Balance	Percent
3.8% Indexed	7.713	13,6%
3.65% Indexed	6.657	11,7%
7.45% Non-Indexed	6.436	11,3%
3.6% Indexed	3.849	6,8%
7.05% Non-Indexed	3.632	6,4%
3.9% Indexed	3.335	5,9%
4.3% Indexed	2.741	4,8%
Other	22.410	39,5%
Total	56.772	100,0%

Arrears	Balance	Percent
Not in Arrears	55.406	97,6%
0 - 30 days default	91	0,2%
30 - 90 days default	1.182	2,1%
90 - 180 days default	93	0,2%
more than 180 days default	0	0
Total	56.772	100,0%

Area	Balance	Percent
Reykjavik	24.160	42,6%
Capital Area excl. Reykjavik	22.152	39,0%
Norðurland Eystra	4.225	7,4%
Suðurland	2.330	4,1%
Vesturland	1.632	2,9%
Austurland	963	1,7%
Norðurland Vestra	711	1,3%
Suðurnes	505	0,9%
Vestfirðir	94	0,2%
Total	56.772	100,0%

Maturity	Balance	Percent
Less than 15 years	1.732	3,1%
15 - 20 years	3.158	5,6%
20 - 25 years	11.851	20,9%
25 - 30 years	4.659	8,2%
30 - 35 years	3.064	5,4%
35 - 40 years	32.300	56,9%
40 - 45 years	8	0,0%
Total	56.772	100,0%

Planned frequency for updates of this summary: 12 times per year.
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Contact:
Investor Relations: samskiptasvidj@arionbanki.is
Head of Funding: EirikurMagnusJensson@arionbanki.is