
Cover Pool Information

10.9.2013

Covered Bond



Landsbankinn Covered Bonds report



Report date: 10.09.2013

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	571	894	1.465
Average Loan Balance	18	17	17
No. Of Loans	32	52	84
No. Of Borrowers	32	52	84
No. Of Properties	32	52	84
WA LTV	0,55	0,54	0,54
WA Seasoning (Years)	5,83	0,23	2,41
WA Remaining terms (Years)	29,09	29,61	29,4
WA Interest Rate	4.33%	6.91%	5.90%

*Indexed mortgage linked to the consumer price index in iceland as published by statistic Iceland (Hagstofa Íslands: www.hagstofa.is). Non Indexed are fixed rate mortgages

LTV %	Exposure (ISK)	Percentage	No. Loans	Percentage
0-20	25	2%	2	1%
20-30	97	4%	7	5%
30-40	112	7%	7	8%
40-50	266	19%	16	20%
50-60	343	27%	19	26%
60-70	456	31%	24	30%
70-80	166	11%	9	10%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	1.465	100%	84	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	758	50%	41	48%
Höfuðborgarsvæðið	481	35%	28	34%
Norðurland eystra	48	5%	3	6%
Suðurland	48	3%	3	4%
Suðurnes	35	3%	3	4%
Vesturland	51	2%	3	2%
Vestfirðir	27	1%	2	2%
Austurland	16	1%	1	1%
Norðurland vestra	0	0%	0	1%
Total	1.465	100%	84	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	1.465	100%	84	100%
Other	0	0%	0	0%
Total	1.465	100%	84	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	1.465	100%	84	100%
1-30	0	0%	0	0%
31-60	0	0%	0	0%
31-90	0	0%	0	0%
More than 90	0	0%	0	0%
Total	1.465	100%	84	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	960	65%	55	64%
3-6	113	4%	6	4%
6-9	392	30%	23	32%
9-12	0	0%	0	0%
more than 12	0	0%	0	0%
Total	1.465	100%	84	100%

Remaing (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	16	1%	1	1%
5-10	22	1%	2	1%
10-20	313	19%	18	20%
20-30	422	22%	22	21%
more than 30	692	58%	41	57%
Total	1.465	100%	84	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	1.398	95%	82	98%
30-60	67	5%	2	2%
60-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	1.465	100%	84	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	218	15%	12	14%
5Y interest reset	629	43%	38	45%
Fixed	505	35%	29	35%
Floating	112	8%	5	6%
Total	1.465	100%	84	100%

Issuance	Amount
Cover Pool Eligable for Calculation - Exposure ISK	1.465
Cover Pool Eligable for Calculation - Number of Mortgages	84
Total Issuance	1.239
Substitution - Cash	57
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	22,9%

Comments from Risk Management
<p>The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of financial assets and liabilities to various interest rate scenarios. The following table shows the current results from the net present value test as well as the stress tests that are run weekly on the cover pool. The table shows both the net present value for assets and liabilities as well as the ratio of the net present value to the nominal value of assets and liabilities. All numbers are in ISK millions.</p> <p>"Nominal" is the original value. The net present value test is labelled „Base" while the stress tests, on the interest rate level (100 bp) and consumer price index (50 bp) are labelled by the name of the risk factor that is being changed and the direction in which it is being moved. Risk factor adverse behavior is based on the "Base" net present value test and takes into account any netting possibilities.</p>

Stress Test: Interest Rate Sensitivity

Risk factor	NPV		NPV ratio		Diff
	Assets	Liabilities	Assets	Liabilities	
Nominal	1.469	1.220	100,00%	100,00%	249
Base	1.520	1.239	103,46%	101,54%	281
Risk free interest rate - downward shift	1.599	1.273	108,88%	104,31%	327
Risk free interest rate - upward shift	1.450	1.206	98,72%	98,87%	244
Adverse behavior	1.370	1.239	93,23%	101,54%	131
Consumer Price index - downward shift	1.476	1.239	100,46%	101,54%	237
Consumer Price index - upward shift	1.491	1.239	101,48%	101,54%	252

Planned frequency for updates of this summary: 4 times a year.
Landsbankinn is regulated by the Icelandic Financial Supervisory Authority (www.fme.is).

This report has been automatically generated by Landsbankinn's Risk Management. The information within are obtained from different sources, not all of which are controlled by Landsbankinn, but which Landsbankinn deems to be reliable. Whilst reasonable care has been taken to ensure that the contents of this publication are not untrue or misleading, no representation is made as to its accuracy or completeness and no liability is accepted for any loss arising from reliance on it. Landsbankinn endeavours to ensure that the information is accurate and up-to-date, and reserves the right to make corrections to the content at any time, without prior notice.

The report shall under no circumstances be used or considered as an investment advice or investment research, or an offer to sell, or a solicitation of any offer to buy any securities. It does not have regard to the specific investment objectives, financial situation or the particular needs of any person who may receive the report. Landsbankinn accepts no liability whatsoever for any direct or consequential loss arising from the use of this publication or its contents

Contact:
Investor Relations: [ir\[at \]landsbankinn.is](mailto:ir@landsbankinn.is)