
Cover Pool Information

10.12.2013

Covered Bond



Landsbankinn Covered Bonds report



Report date: 10.12.2013

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	589	919	1.508
Average Loan Balance	18	18	18
No. Of Loans	33	52	85
No. Of Borrowers	33	52	85
No. Of Properties	33	52	85
WA LTV	0,56	0,55	0,55
WA Seasoning (Years)	5,95	0,49	2,62
WA Remaining terms (Years)	29,16	29,37	29,29
WA Interest Rate	4,25%	6,88%	5,85%

*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%	1	1%
20-30	97	4%	7	5%
30-40	116	7%	7	8%
40-50	331	19%	20	20%
50-60	284	27%	16	26%
60-70	408	31%	21	30%
70-80	247	11%	13	10%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	1.508	100%	85	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	789	50%	42	48%
Höfuðborgarsvæðið	499	35%	28	34%
Norðurland eystra	48	5%	3	6%
Suðurland	46	3%	3	4%
Suðurnes	35	3%	3	4%
Vesturland	50	2%	3	2%
Vestfirðir	27	1%	2	2%
Austurland	15	1%	1	1%
Norðurland vestra	0	0%	0	1%
Total	1.508	100%	85	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	1.508	100%	85	100%
Other	0	0%	0	0%
Total	1.508	100%	85	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	1.467	97%	83	98%
1-30	41	3%	2	2%
31-60	0	0%	0	0%
31-90	0	0%	0	0%
More than 90	0	0%	0	0%
Total	1.508	100%	85	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	1.007	65%	56	64%
3-6	0	4%	0	4%
6-9	501	30%	29	32%
9-12	0	0%	0	0%
more than 12	0	0%	0	0%
Total	1.508	100%	85	100%

Remaing (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	15	1%	1	1%
5-10	22	1%	2	1%
10-20	311	19%	18	20%
20-30	442	22%	23	21%
more than 30	719	58%	41	57%
Total	1.508	100%	85	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	1.409	93%	82	96%
30-60	99	7%	3	4%
60-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	1.508	100%	85	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	214	14%	12	14%
5Y interest reset	659	44%	38	45%
Fixed	501	33%	29	34%
Floating	135	9%	6	7%
Total	1.508	100%	85	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	1.508
Cover Pool Eligible for Calculation - Number of Mortgages	85
Total Issuance	1.258
Substitution - Cash	57
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	24,5%

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	1.563	1.258	106,38%	103,08%	305
Risk free interest rate - downward shift	1.641	1.292	111,68%	105,91%	348
Risk free interest rate - upward shift	1.495	1.224	101,74%	100,36%	270
Adverse behavior	1.378	1.258	93,78%	103,08%	120
Consumer Price index - downward shift	1.583	1.258	107,78%	103,08%	326
Consumer Price index - upward shift	1.534	1.258	104,42%	103,08%	276

Planned frequency for updates of this summary: 4 times a year.
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