
Cover Pool Information

18.12.2013

Covered Bond



Landsbankinn Covered Bonds report



Report date: 18.12.2013

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	907	1.452	2.358
Average Loan Balance	17	18	17
No. Of Loans	53	82	135
No. Of Borrowers	53	82	135
No. Of Properties	53	82	135
WA LTV	0,54	0,55	0,55
WA Seasoning (Years)	5,57	0,47	2,43
WA Remaining terms (Years)	29,19	29,33	29,27
WA Interest Rate	4,22%	6,89%	5,86%

*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	193	4%	14	5%
30-40	174	7%	10	8%
40-50	471	19%	28	20%
50-60	487	27%	28	26%
60-70	695	31%	37	30%
70-80	314	11%	17	10%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	2.358	100%	135	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	1.063	50%	58	48%
Höfuðborgarsvæðið	874	35%	48	34%
Norðurland eystra	134	5%	9	6%
Suðurland	59	3%	4	4%
Suðurnes	71	3%	5	4%
Vesturland	67	2%	4	2%
Vestfirðir	27	1%	2	2%
Austurland	64	1%	5	1%
Norðurland vestra	0	0%	0	1%
Total	2.358	100%	135	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	2.358	100%	135	100%
Other	0	0%	0	0%
Total	2.358	100%	135	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	2.233	95%	128	95%
1-30	125	5%	7	5%
31-60	0	0%	0	0%
31-90	0	0%	0	0%
More than 90	0	0%	0	0%
Total	2.358	100%	135	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	1.605	65%	90	64%
3-6	28	4%	2	4%
6-9	725	30%	43	32%
9-12	0	0%	0	0%
more than 12	0	0%	0	0%
Total	2.358	100%	135	100%

Remaing (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	15	1%	1	1%
5-10	45	1%	4	1%
10-20	483	19%	28	20%
20-30	690	22%	36	21%
more than 30	1.125	58%	66	57%
Total	2.358	100%	135	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	2.196	93%	130	96%
30-60	163	7%	5	4%
60-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	2.358	100%	135	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	315	13%	17	13%
5Y interest reset	1.130	48%	65	48%
Fixed	607	26%	36	27%
Floating	306	13%	17	13%
Total	2.358	100%	135	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	2.358
Cover Pool Eligible for Calculation - Number of Mortgages	135
Total Issuance	1.960
Substitution - Cash	61
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	23,4%

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	2.304	1.920	100,00%	100,00%	384
Base	2.408	1.960	104,50%	102,09%	448
Risk free interest rate - downward shift	2.512	2.014	109,05%	104,88%	499
Risk free interest rate - upward shift	2.315	1.909	100,49%	99,40%	407
Adverse behavior	2.207	1.960	95,80%	102,09%	247
Consumer Price index - downward shift	2.438	1.960	105,83%	102,09%	478
Consumer Price index - upward shift	2.375	1.960	103,06%	102,09%	414

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