
Cover Pool Information

17.09.2014

Covered Bond



Landsbankinn Covered Bonds report



Report date: 17.09.2014

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	1.923	3.343	5.266
Average Loan Balance	18	17	17
No. Of Loans	105	201	306
No. Of Borrowers	105	201	306
No. Of Properties	105	202	307
WA LTV	57%	54%	55%
WA Seasoning (Years)	5,87	2,13	3,49
WA Remaining terms (Years)	29,28	29,50	29,42
WA Interest Rate	4,01%	6,93%	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	62	1%	5	2%
20-30	388	7%	28	9%
30-40	468	9%	31	10%
40-50	970	18%	56	18%
50-60	937	18%	53	17%
60-70	1.356	26%	76	25%
70-80	1.086	21%	57	19%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	5.266	100%	306	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	2.631	50%	154	50%
Höfuðborgarsvæðið	1.751	33%	93	30%
Norðurland eystra	264	5%	18	6%
Suðurland	155	3%	11	4%
Suðurnes	165	3%	10	3%
Vesturland	160	3%	10	3%
Vestfirðir	27	1%	2	1%
Austurland	89	2%	7	2%
Norðurland vestra	24	0%	1	0%
Total	5.266	100%	306	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	5.266	100%	306	100%
Other	0	0%	0	0%
Total	5.266	100%	306	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	5.130	97%	299	98%
1-30	137	3%	7	2%
31-60	0	0%	0	0%
31-90	0	0%	0	0%
More than 90	0	0%	0	0%
Total	5.266	100%	306	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	3.849	73%	225	74%
3-6	264	5%	16	5%
6-9	656	12%	37	12%
9-12	498	9%	28	9%
more than 12	0	0%	0	0%
Total	5.266	100%	306	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	24	0%	2	1%
5-10	64	1%	6	2%
10-20	940	18%	56	18%
20-30	1.267	24%	72	24%
more than 30	2.970	56%	170	56%
Total	5.266	100%	306	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	4.933	94%	296	97%
30-60	333	6%	10	3%
60-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	5.266	100%	306	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	582	11%	34	11%
5Y interest reset	1.995	38%	120	39%
Fixed	1.145	22%	64	21%
Floating	1.544	29%	88	29%
Total	5.266	100%	306	100%

Issuance	Amount
Cover Pool Eligable for Calculation - Exposure ISK	5.266
Cover Pool Eligable for Calculation - Number of Mortgages	306
Total Issuance	4.459
Substitution - Cash	146
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	21,4%

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	5.298	4.380	100,00%	100,00%	918
Base	5.384	4.459	101,63%	101,81%	925
Risk free interest rate - downward shift	5.565	4.581	105,04%	104,58%	985
Risk free interest rate - upward shift	5.224	4.342	98,61%	99,13%	882
Adverse behavior	4.883	4.459	92,17%	101,81%	424
Consumer Price index - downward shift	5.440	4.459	102,68%	101,81%	981
Consumer Price index - upward shift	5.328	4.459	100,57%	101,81%	869

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