
Cover Pool Information

04.11.2014

Covered Bond



Landsbankinn Covered Bonds report



Report date: 04.11.2014

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	2.943	5.276	8.219
Average Loan Balance	18	17	17
No. Of Loans	167	319	486
No. Of Borrowers	167	319	486
No. Of Properties	167	319	486
WA LTV	57%	55%	55%
WA Seasoning (Years)	5,58	2,33	3,50
WA Remaining terms (Years)	29,60	29,79	29,72
WA Interest Rate	4,05%	6,91%	5,89%

*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	1%
20-30	497	6%	35	7%
30-40	857	10%	58	12%
40-50	1.426	17%	87	18%
50-60	1.558	19%	92	19%
60-70	2.154	26%	122	25%
70-80	1.666	20%	87	18%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	8.219	100%	486	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	3.841	47%	229	47%
Höfuðborgarsvæðið	2.892	35%	155	32%
Norðurland eystra	410	5%	29	6%
Suðurland	259	3%	19	4%
Suðurnes	291	4%	18	4%
Vesturland	288	4%	19	4%
Vestfirðir	37	0%	3	1%
Austurland	177	2%	13	3%
Norðurland vestra	24	0%	1	0%
Total	8.219	100%	486	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	8.173	99%	483	99%
Other	46	1%	3	1%
Total	8.219	100%	486	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	7.474	91%	446	92%
1-30	668	8%	37	8%
31-60	77	1%	3	1%
31-90	0	0%	0	0%
More than 90	0	0%	0	0%
Total	8.219	100%	486	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	5.647	69%	330	68%
3-6	944	11%	60	12%
6-9	713	9%	42	9%
9-12	915	11%	54	11%
more than 12	0	0%	0	0%
Total	8.219	100%	486	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	41	1%	3	1%
5-10	87	1%	7	1%
10-20	1.349	16%	84	17%
20-30	1.927	23%	114	23%
more than 30	4.814	59%	278	57%
Total	8.219	100%	486	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	7.779	95%	473	97%
30-60	440	5%	13	3%
60-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	8.219	100%	486	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	843	10%	49	10%
5Y interest reset	2.604	32%	159	33%
Fixed	1.707	21%	100	21%
Floating	3.064	37%	178	37%
Total	8.219	100%	486	100%

Issuance	Amount
Cover Pool Eligable for Calculation - Exposure ISK	8.219
Cover Pool Eligable for Calculation - Number of Mortgages	486
Total Issuance	6.753
Substitution - Cash	52
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	22,5%

Comments from Risk Management

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.

"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.

Stress Test: Interest Rate Sensitivity

Risk factor	NPV		NPV ratio		Diff
	Assets	Liabilities	Assets	Liabilities	
Nominal	7.958	6.560	100,00%	100,00%	1.398
Base	8.114	6.753	101,97%	102,95%	1.361
Risk free interest rate - downward shift	8.362	6.938	105,07%	105,76%	1.424
Risk free interest rate - upward shift	7.896	6.575	99,23%	100,23%	1.321
Adverse behavior	7.555	6.753	94,93%	102,95%	801
Consumer Price index - downward shift	8.184	6.753	102,84%	102,95%	1.431
Consumer Price index - upward shift	8.031	6.753	100,91%	102,95%	1.277

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

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