
Cover Pool Information

19.12.2014

Covered Bond



Landsbankinn Covered Bonds report



Report date: 19.12.2014

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	3.464	6.121	9.585
Average Loan Balance	18	17	17
No. Of Loans	197	370	567
No. Of Borrowers	197	370	567
No. Of Properties	197	370	567
WA LTV	57%	54%	55%
WA Seasoning (Years)	4,79	2,39	3,26
WA Remaining terms (Years)	30,64	29,79	30,10
WA Interest Rate	3,99%	6,83%	5,80%

*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	72	1%	6	1%
20-30	547	6%	40	7%
30-40	1.044	11%	70	12%
40-50	1.704	18%	103	18%
50-60	1.849	19%	107	19%
60-70	2.780	29%	157	28%
70-80	1.589	17%	84	15%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	9.585	100%	567	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	4.389	46%	259	46%
Höfuðborgarsvæðið	3.444	36%	186	33%
Norðurland eystra	521	5%	37	7%
Suðurland	329	3%	24	4%
Suðurnes	320	3%	20	4%
Vesturland	339	4%	23	4%
Vestfirðir	36	0%	3	1%
Austurland	196	2%	14	2%
Norðurland vestra	11	0%	1	0%
Total	9.585	100%	567	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	9.539	100%	564	99%
Other	46	0%	3	1%
Total	9.585	100%	567	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	9.411	98%	558	98%
1-30	102	1%	6	1%
31-60	44	0%	2	0%
61-90	28	0%	1	0%
More than 90	0	0%	0	0%
Total	9.585	100%	567	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	6.597	69%	384	68%
3-6	1.412	15%	89	16%
6-9	550	6%	33	6%
9-12	1.026	11%	61	11%
more than 12	0	0%	0	0%
Total	9.585	100%	567	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	40	0%	3	1%
5-10	86	1%	7	1%
10-20	1.428	15%	92	16%
20-30	2.391	25%	138	24%
more than 30	5.639	59%	327	58%
Total	9.585	100%	567	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	8.856	92%	546	96%
30-60	729	8%	21	4%
60-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	9.585	100%	567	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	806	8%	47	8%
5Y interest reset	3.006	31%	180	32%
Fixed	1.795	19%	105	19%
Floating	3.977	41%	235	41%
Total	9.585	100%	567	100%

Issuance	Amount
Cover Pool Eligable for Calculation - Exposure ISK	9.585
Cover Pool Eligable for Calculation - Number of Mortgages	567
Total Issuance	7.822
Substitution - Cash	194
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	25,0%

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	9.452	7.460	100,00%	100,00%	1.992
Base	9.474	7.822	100,24%	104,85%	1.653
Risk free interest rate - downward shift	9.742	8.037	103,07%	107,74%	1.705
Risk free interest rate - upward shift	9.239	7.614	97,74%	102,06%	1.625
Adverse behavior	8.848	7.822	93,61%	104,85%	1.027
Consumer Price index - downward shift	9.557	7.822	101,11%	104,85%	1.736
Consumer Price index - upward shift	9.393	7.822	99,37%	104,85%	1.571

Planned frequency for updates of this summary: 4 times a year.
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Contact:
Investor Relations: [ir\[at\]landsbankinn.is](mailto:ir[at]landsbankinn.is)