
Cover Pool Information

10.03.2014

Covered Bond



Landsbankinn Covered Bonds report



Report date: 10.03.2014

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	911	1.439	2.350
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	0,52	0,52	0,52
WA Seasoning (Years)	5,83	0,72	2,70
WA Remaining terms (Years)	28,95	29,13	29,06
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	266	4%	17	13%
30-40	201	7%	12	9%
40-50	491	19%	30	22%
50-60	453	27%	26	19%
60-70	749	31%	40	30%
70-80	166	11%	9	7%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	2.350	100%	135	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	1.057	50%	58	43%
Höfuðborgarsvæðið	872	35%	48	36%
Norðurland eystra	134	5%	9	7%
Suðurland	59	3%	4	3%
Suðurnes	71	3%	5	4%
Vesturland	66	2%	4	3%
Vestfirðir	27	1%	2	1%
Austurland	63	1%	5	4%
Norðurland vestra	0	0%	0	0%
Total	2.350	100%	135	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	2.350	100%	135	100%
Other	0	0%	0	0%
Total	2.350	100%	135	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	2.280	97%	131	97%
1-30	69	3%	4	3%
31-60	0	0%	0	0%
31-90	0	0%	0	0%
More than 90	0	0%	0	0%
Total	2.350	100%	135	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	1.592	65%	90	64%
3-6	28	4%	2	4%
6-9	700	30%	41	32%
9-12	30	0%	2	0%
more than 12	0	0%	0	0%
Total	2.350	100%	135	100%

Remaing (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	14	1%	1	1%
5-10	44	1%	4	1%
10-20	482	19%	28	20%
20-30	683	22%	36	21%
more than 30	1.127	58%	66	57%
Total	2.350	100%	135	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	2.188	93%	130	96%
30-60	162	7%	5	4%
60-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	2.350	100%	135	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	313	13%	17	13%
5Y interest reset	979	42%	57	42%
Fixed	753	32%	44	33%
Floating	304	13%	17	13%
Total	2.350	100%	135	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	2.350
Cover Pool Eligible for Calculation - Number of Mortgages	135
Total Issuance	1.977
Substitution - Cash	100
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	23,9%

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	2.444	1.977	106,06%	102,96%	467
Risk free interest rate - downward shift	2.559	2.031	111,07%	105,78%	528
Risk free interest rate - upward shift	2.343	1.925	101,69%	100,25%	418
Adverse behavior	2.211	1.977	95,95%	102,96%	234
Consumer Price index - downward shift	2.296	1.977	99,64%	102,96%	319
Consumer Price index - upward shift	2.404	1.977	104,33%	102,96%	427

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