
Cover Pool Information

18.03.2014

Covered Bond



Landsbankinn Covered Bonds report



Report date: 18.03.2014

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	1.570	2.570	4.140
Average Loan Balance	18	17	17
No. Of Loans	87	152	239
No. Of Borrowers	86	151	237
No. Of Properties	87	152	239
WA LTV	0,58	0,54	0,56
WA Seasoning (Years)	5,31	0,63	2,41
WA Remaining terms (Years)	30,24	30,41	30,35
WA Interest Rate	4,10%	6,94%	5,86%

*Indexed mortgage linked to the consumer price index in iceland as published by statistic iceland (Hagstofa Islands: www.hagstofa.is). Non Indexed are fixed rate mortgages

LTV %	Exposure (ISK)	Percentage	No. Loans	Percentage
0-20	48	1%	3	1%
20-30	332	8%	22	9%
30-40	489	12%	29	12%
40-50	618	15%	39	16%
50-60	759	18%	43	18%
60-70	1.129	27%	62	26%
70-80	764	18%	41	17%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	4.140	100%	239	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	2.094	51%	119	50%
Höfuðborgarsvæðið	1.416	34%	76	32%
Norðurland eystra	190	5%	13	5%
Suðurland	154	4%	11	5%
Suðurnes	81	2%	6	3%
Vesturland	79	2%	5	2%
Vestfirðir	27	1%	2	1%
Austurland	75	2%	6	3%
Norðurland vestra	25	1%	1	0%
Total	4.140	100%	239	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	4.140	100%	239	100%
Other	0	0%	0	0%
Total	4.140	100%	239	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	3.992	96%	232	97%
1-30	149	4%	7	3%
31-60	0	0%	0	0%
31-90	0	0%	0	0%
More than 90	0	0%	0	0%
Total	4.140	100%	239	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	2.932	71%	170	71%
3-6	75	2%	5	2%
6-9	1.083	26%	61	26%
9-12	50	1%	3	1%
more than 12	0	0%	0	0%
Total	4.140	100%	239	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	28	1%	2	1%
5-10	67	2%	6	3%
10-20	805	19%	47	20%
20-30	923	22%	51	21%
more than 30	2.317	56%	133	56%
Total	4.140	100%	239	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	3.881	94%	231	97%
30-60	259	6%	8	3%
60-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	4.140	100%	239	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	478	12%	27	11%
5Y interest reset	1.755	42%	103	43%
Fixed	1.091	26%	62	26%
Floating	816	20%	47	20%
Total	4.140	100%	239	100%

Issuance	Amount
Cover Pool Eligable for Calculation - Exposure ISK	4.140
Cover Pool Eligable for Calculation - Number of Mortgages	239
Total Issuance	3.516
Substitution - Cash	105
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	20,8%

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	4.140	3.420	100,00%	100,00%	720
Base	4.225	3.516	102,05%	102,79%	709
Risk free interest rate - downward shift	4.404	3.677	106,38%	107,51%	727
Risk free interest rate - upward shift	4.067	3.483	98,24%	101,85%	584
Adverse behavior	3.740	3.578	90,34%	104,63%	162
Consumer Price index - downward shift	4.278	3.578	103,33%	104,63%	699
Consumer Price index - upward shift	4.168	3.578	100,68%	104,63%	590

Planned frequency for updates of this summary: 4 times a year.
Landsbankinn is regulated by the Icelandic Financial Supervisory Authority (www.fme.is).

This report has been automatically generated by Landsbankinn's Risk Management. The information within are obtained from different sources, not all of which are controlled by Landsbankinn, but which Landsbankinn deems to be reliable. Whilst reasonable care has been taken to ensure that the contents of this publication are not untrue or misleading, no representation is made as to its accuracy or completeness and no liability is accepted for any loss arising from reliance on it. Landsbankinn endeavours to ensure that the information is accurate and up-to-date, and reserves the right to make corrections to the content at any time, without prior notice.

The report shall under no circumstances be used or considered as an investment advice or investment research, or an offer to sell, or a solicitation of any offer to buy any securities. It does not have regard to the specific investment objectives, financial situation or the particular needs of any person who may receive the report. Landsbankinn accepts no liability whatsoever for any direct or consequential loss arising from the use of this publication or its contents

Contact:
Investor Relations: [ir\[at\]landsbankinn.is](mailto:ir@landsbankinn.is)