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# Cover Pool Information

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5.11.2015

Covered Bond



# Landsbankinn Covered Bonds report



Report date: 05.11.2015

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	15.705	8.088	23.793
Average Loan Balance	17	16	17
No. Of Loans	899	514	1.413
No. Of Borrowers	893	510	1.403
No. Of Properties	894	509	1.403
WA LTV	55%	48%	53%
WA Seasoning (Years)	5,65	3,42	4,90
WA Remaining terms (Years)	30,64	29,70	30,32
WA Interest Rate	3,99%	7,03%	5,02%

\*Indexed mortgage linked to the consumer price index in Iceland as published by statistic Iceland (Hagstofa Íslands: [www.hagstofa.is](http://www.hagstofa.is)). Non Indexed are fixed rate mortgages

LTV %	Exposure (ISK)	Percentage	No. Loans	Percentage
0-20	374	2%	41	3%
20-30	1.335	6%	98	7%
30-40	3.017	13%	203	14%
40-50	4.529	19%	276	20%
50-60	5.605	24%	313	22%
60-70	7.572	32%	409	29%
70-80	1.361	6%	73	5%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
<b>Total</b>	<b>23.793</b>	<b>100%</b>	<b>1.413</b>	<b>100%</b>

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	10.762	45%	635	45%
Höfuðborgarsvæðið	8.800	37%	482	34%
Norðurland eystra	1.291	5%	88	6%
Suðurland	916	4%	65	5%
Suðurnes	988	4%	67	5%
Vesturland	577	2%	41	3%
Vestfirðir	70	0%	6	0%
Austurland	324	1%	24	2%
Norðurland vestra	65	0%	5	0%
<b>Total</b>	<b>23.793</b>	<b>100%</b>	<b>1.413</b>	<b>100%</b>

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	23.738	100%	1.409	100%
Other	54	0%	4	0%
<b>Total</b>	<b>23.793</b>	<b>100%</b>	<b>1.413</b>	<b>100%</b>

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	22.700	95%	1355	96%
1-30	1.011	4%	54	4%
31-60	67	0%	3	0%
61-90	15	0%	1	0%
More than 90	0	0%	0	0%
<b>Total</b>	<b>23.793</b>	<b>100%</b>	<b>1.413</b>	<b>100%</b>

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	10.439	44%	587	42%
3-6	5.144	22%	322	23%
6-9	1.617	7%	107	8%
9-12	6.593	28%	397	28%
more than 12	0	0%	0	0%
<b>Total</b>	<b>23.793</b>	<b>100%</b>	<b>1413</b>	<b>100%</b>

Remaing (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	13	0%	1	0%
5-10	100	0%	9	1%
10-20	3.494	15%	236	17%
20-30	7.513	32%	441	31%
more than 30	12.674	53%	726	51%
<b>Total</b>	<b>23.793</b>	<b>100%</b>	<b>1.413</b>	<b>100%</b>

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	21.716	91%	1356	96%
30-60	1.995	8%	56	4%
60-90	81	0%	1	0%
more than 90	0	0%	0	0%
<b>Total</b>	<b>23.793</b>	<b>100%</b>	<b>1.413</b>	<b>100%</b>

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	612	3%	40	3%
5Y interest reset	3.959	17%	251	18%
Fixed	8.686	37%	519	37%
Floating	10.535	44%	603	43%
<b>Total</b>	<b>23.793</b>	<b>100%</b>	<b>1413</b>	<b>100%</b>

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	23.793
Cover Pool Eligible for Calculation - Number of Mortgages	1.413
Cash account linked to Cover Pool	431
Total Issuance	19.321
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	25,4%

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	23.772	18.940	100,00%	100,00%	4.832
Base	24.547	19.321	103,26%	102,01%	5.226
Risk free interest rate - downward shift	25.419	20.058	106,93%	105,90%	5.361
Risk free interest rate - upward shift	23.793	18.627	100,09%	98,35%	5.166
Adverse behavior	23.074	19.321	97,06%	102,01%	3.752
Consumer Price index - downward shift	24.465	19.277	102,92%	101,78%	5.189
Consumer Price index - upward shift	24.628	19.366	103,60%	102,25%	5.262

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