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# Cover Pool Information

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25.11.2015

Covered Bond



# Landsbankinn Covered Bonds report



Report date: 25.11.2015

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	16.164	8.444	24.608
Average Loan Balance	17	16	17
No. Of Loans	926	537	1.463
No. Of Borrowers	920	532	1.452
No. Of Properties	922	531	1.453
WA LTV	55%	48%	52%
WA Seasoning (Years)	5,66	3,46	4,90
WA Remaining terms (Years)	30,62	29,82	30,35
WA Interest Rate	3,99%	7,09%	5,05%

\*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	404	2%	44	3%
20-30	1.420	6%	105	7%
30-40	3.196	13%	216	15%
40-50	4.519	18%	274	19%
50-60	5.748	23%	323	22%
60-70	7.847	32%	421	29%
70-80	1.475	6%	80	5%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
<b>Total</b>	<b>24.608</b>	<b>100%</b>	<b>1.463</b>	<b>100%</b>

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	11.075	45%	654	45%
Höfuðborgarsvæðið	9.051	37%	496	34%
Norðurland eystra	1.387	6%	95	6%
Suðurland	1.038	4%	73	5%
Suðurnes	1.022	4%	69	5%
Vesturland	576	2%	41	3%
Vestfirðir	70	0%	6	0%
Austurland	312	1%	23	2%
Norðurland vestra	77	0%	6	0%
<b>Total</b>	<b>24.608</b>	<b>100%</b>	<b>1.463</b>	<b>100%</b>

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	24.554	100%	1.459	100%
Other	55	0%	4	0%
<b>Total</b>	<b>24.608</b>	<b>100%</b>	<b>1.463</b>	<b>100%</b>

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	23.849	97%	1421	97%
1-30	637	3%	36	2%
31-60	123	0%	6	0%
61-90	0	0%	0	0%
More than 90	0	0%	0	0%
<b>Total</b>	<b>24.608</b>	<b>100%</b>	<b>1.463</b>	<b>100%</b>

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	10.788	44%	606	41%
3-6	5.392	22%	337	23%
6-9	1.650	7%	109	7%
9-12	6.779	28%	411	28%
more than 12	0	0%	0	0%
<b>Total</b>	<b>24.608</b>	<b>100%</b>	<b>1.463</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	3.583	15%	241	16%
20-30	7.796	32%	463	32%
more than 30	13.117	53%	749	51%
<b>Total</b>	<b>24.608</b>	<b>100%</b>	<b>1.463</b>	<b>100%</b>

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	22.362	91%	1401	96%
30-60	2.166	9%	61	4%
60-90	81	0%	1	0%
more than 90	0	0%	0	0%
<b>Total</b>	<b>24.608</b>	<b>100%</b>	<b>1.463</b>	<b>100%</b>

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	561	2%	38	3%
5Y interest reset	3.830	16%	245	17%
Fixed	9.243	38%	554	38%
Floating	10.974	45%	626	43%
<b>Total</b>	<b>24.608</b>	<b>100%</b>	<b>1.463</b>	<b>100%</b>

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	24.608
Cover Pool Eligible for Calculation - Number of Mortgages	1.463
Cash account linked to Cover Pool	590
Total Issuance	20.298
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	24,1%

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	24.581	19.840	100,00%	100,00%	4.741
Base	26.056	20.298	106,00%	102,31%	5.757
Risk free interest rate - downward shift	27.050	21.078	110,05%	106,24%	5.972
Risk free interest rate - upward shift	25.199	19.564	102,52%	98,61%	5.636
Adverse behavior	24.596	20.298	100,06%	102,31%	4.298
Consumer Price index - downward shift	25.968	20.249	105,64%	102,06%	5.719
Consumer Price index - upward shift	26.143	20.348	106,36%	102,56%	5.796

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