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# Cover Pool Information

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2.2.2016

Covered Bond



# Landsbankinn Covered Bonds report



Report date: 02.02.2016

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	19.874	10.843	30.717
Average Loan Balance	18	16	17
No. Of Loans	1.122	689	1.811
No. Of Borrowers	1.106	670	1.776
No. Of Properties	1.109	671	1.780
WA LTV	52%	45%	49%
WA Seasoning (Years)	5,51	3,39	4,76
WA Remaining terms (Years)	31,14	29,84	30,68
WA Interest Rate	3,97%	7,13%	5,08%

\*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	773	3%	86	5%
20-30	2.137	7%	157	9%
30-40	4.869	16%	314	17%
40-50	6.574	21%	390	22%
50-60	8.503	28%	466	26%
60-70	7.103	23%	357	20%
70-80	759	2%	41	2%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
<b>Total</b>	<b>30.717</b>	<b>100%</b>	<b>1.811</b>	<b>100%</b>

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	13.741	45%	798	44%
Höfuðborgarsvæðið	11.456	37%	631	35%
Norðurland eystra	1.778	6%	120	7%
Suðurland	1.319	4%	93	5%
Suðurnes	1.180	4%	79	4%
Vesturland	651	2%	46	3%
Vestfirðir	85	0%	7	0%
Austurland	376	1%	28	2%
Norðurland vestra	130	0%	9	0%
<b>Total</b>	<b>30.717</b>	<b>100%</b>	<b>1.811</b>	<b>100%</b>

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	30.664	100%	1.807	100%
Other	54	0%	4	0%
<b>Total</b>	<b>30.717</b>	<b>100%</b>	<b>1.811</b>	<b>100%</b>

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	27.583	90%	1646	91%
1-30	2.920	10%	156	9%
31-60	200	1%	8	0%
61-90	14	0%	1	0%
More than 90	0	0%	0	0%
<b>Total</b>	<b>30.717</b>	<b>100%</b>	<b>1.811</b>	<b>100%</b>

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	14.141	46%	786	43%
3-6	6.950	23%	428	24%
6-9	1.695	6%	111	6%
9-12	7.931	26%	486	27%
more than 12	0	0%	0	0%
<b>Total</b>	<b>30.717</b>	<b>100%</b>	<b>1.811</b>	<b>100%</b>

Remaing (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	35	0%	2	0%
5-10	106	0%	10	1%
10-20	4.016	13%	274	15%
20-30	9.614	31%	579	32%
more than 30	16.946	55%	946	52%
<b>Total</b>	<b>30.717</b>	<b>100%</b>	<b>1.811</b>	<b>100%</b>

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	27.646	90%	1728	95%
30-60	2.861	9%	80	4%
60-90	211	1%	3	0%
more than 90	0	0%	0	0%
<b>Total</b>	<b>30.717</b>	<b>100%</b>	<b>1.811</b>	<b>100%</b>

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	742	2%	51	3%
5Y interest reset	4.463	15%	290	16%
Fixed	11.282	37%	671	37%
Floating	14.230	46%	799	44%
<b>Total</b>	<b>30.717</b>	<b>100%</b>	<b>1.811</b>	<b>100%</b>

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	30.717
Cover Pool Eligible for Calculation - Number of Mortgages	1.811
Cash account linked to Cover Pool	797
Total Issuance	24.816
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	27,0%

#### Comments from Risk Management

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.

"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.

#### Stress Test: Interest Rate Sensitivity

Risk factor	NPV		NPV ratio		Diff
	Assets	Liabilities	Assets	Liabilities	
Nominal	30.696	24.080	100,00%	100,00%	6.616
Base	32.341	24.816	105,36%	103,06%	7.524
Risk free interest rate - downward shift	33.555	25.702	109,31%	106,74%	7.853
Risk free interest rate - upward shift	31.295	23.979	101,95%	99,58%	7.316
Adverse behavior	30.389	24.816	99,00%	103,06%	5.573
Consumer Price index - downward shift	32.234	24.767	105,01%	102,85%	7.467
Consumer Price index - upward shift	32.447	24.866	105,71%	103,26%	7.581

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

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