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# Cover Pool Information

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6.4.2016

Covered Bond





# Landsbankinn Covered Bonds report



Report date: 06.04.2016

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	23.305	14.559	37.863
Average Loan Balance	18	16	17
No. Of Loans	1.305	912	2.217
No. Of Borrowers	1.289	892	2.181
No. Of Properties	1.293	895	2.188
WA LTV	53%	47%	51%
WA Seasoning (Years)	5,39	3,21	4,55
WA Remaining terms (Years)	31,22	30,26	30,85
WA Interest Rate	3,95%	7,15%	5,18%

\*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	921	2%	98	4%
20-30	2.344	6%	176	8%
30-40	5.689	15%	376	17%
40-50	7.550	20%	451	20%
50-60	10.133	27%	552	25%
60-70	9.507	25%	479	22%
70-80	1.720	5%	85	4%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
<b>Total</b>	<b>37.863</b>	<b>100%</b>	<b>2.217</b>	<b>100%</b>

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	16.939	45%	985	44%
Höfuðborgarsvæðið	14.107	37%	769	35%
Norðurland eystra	2.036	5%	131	6%
Suðurland	1.642	4%	116	5%
Suðurnes	1.659	4%	111	5%
Vesturland	845	2%	57	3%
Vestfirðir	84	0%	7	0%
Austurland	426	1%	32	1%
Norðurland vestra	124	0%	9	0%
<b>Total</b>	<b>37.863</b>	<b>100%</b>	<b>2.217</b>	<b>100%</b>

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	37.818	100%	2.214	100%
Other	45	0%	3	0%
<b>Total</b>	<b>37.863</b>	<b>100%</b>	<b>2.217</b>	<b>100%</b>

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	36.430	96%	2149	97%
1-30	1.289	3%	61	3%
31-60	145	0%	7	0%
61-90	0	0%	0	0%
More than 90	0	0%	0	0%
<b>Total</b>	<b>37.863</b>	<b>100%</b>	<b>2.217</b>	<b>100%</b>

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	18.861	50%	1043	47%
3-6	8.396	22%	519	23%
6-9	1.499	4%	94	4%
9-12	9.107	24%	561	25%
more than 12	0	0%	0	0%
<b>Total</b>	<b>37.863</b>	<b>100%</b>	<b>2.217</b>	<b>100%</b>

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	50	0%	4	0%
5-10	109	0%	10	0%
10-20	4.575	12%	314	14%
20-30	11.867	31%	711	32%
more than 30	21.262	56%	1178	53%
<b>Total</b>	<b>37.863</b>	<b>100%</b>	<b>2.217</b>	<b>100%</b>

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	33.940	90%	2110	95%
30-60	3.713	10%	104	5%
60-90	210	1%	3	0%
more than 90	0	0%	0	0%
<b>Total</b>	<b>37.863</b>	<b>100%</b>	<b>2.217</b>	<b>100%</b>

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1.259	3%	79	4%
5Y interest reset	5.300	14%	337	15%
Fixed	13.788	36%	814	37%
Floating	17.516	46%	987	45%
<b>Total</b>	<b>37.863</b>	<b>100%</b>	<b>2.217</b>	<b>100%</b>

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	37.863
Cover Pool Eligible for Calculation - Number of Mortgages	2.217
Cash account linked to Cover Pool	12
Total Issuance	30.020
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	26,2%

#### 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	37.797	28.840	100,00%	100,00%	8.957
Base	39.639	30.020	104,87%	104,09%	9.619
Risk free interest rate - downward shift	40.801	31.118	107,95%	107,90%	9.683
Risk free interest rate - upward shift	38.619	28.983	102,17%	100,50%	9.636
Adverse behavior	37.239	30.020	98,52%	104,09%	7.219
Consumer Price index - downward shift	39.515	29.949	104,54%	103,85%	9.566
Consumer Price index - upward shift	39.763	30.091	105,20%	104,34%	9.672

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

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