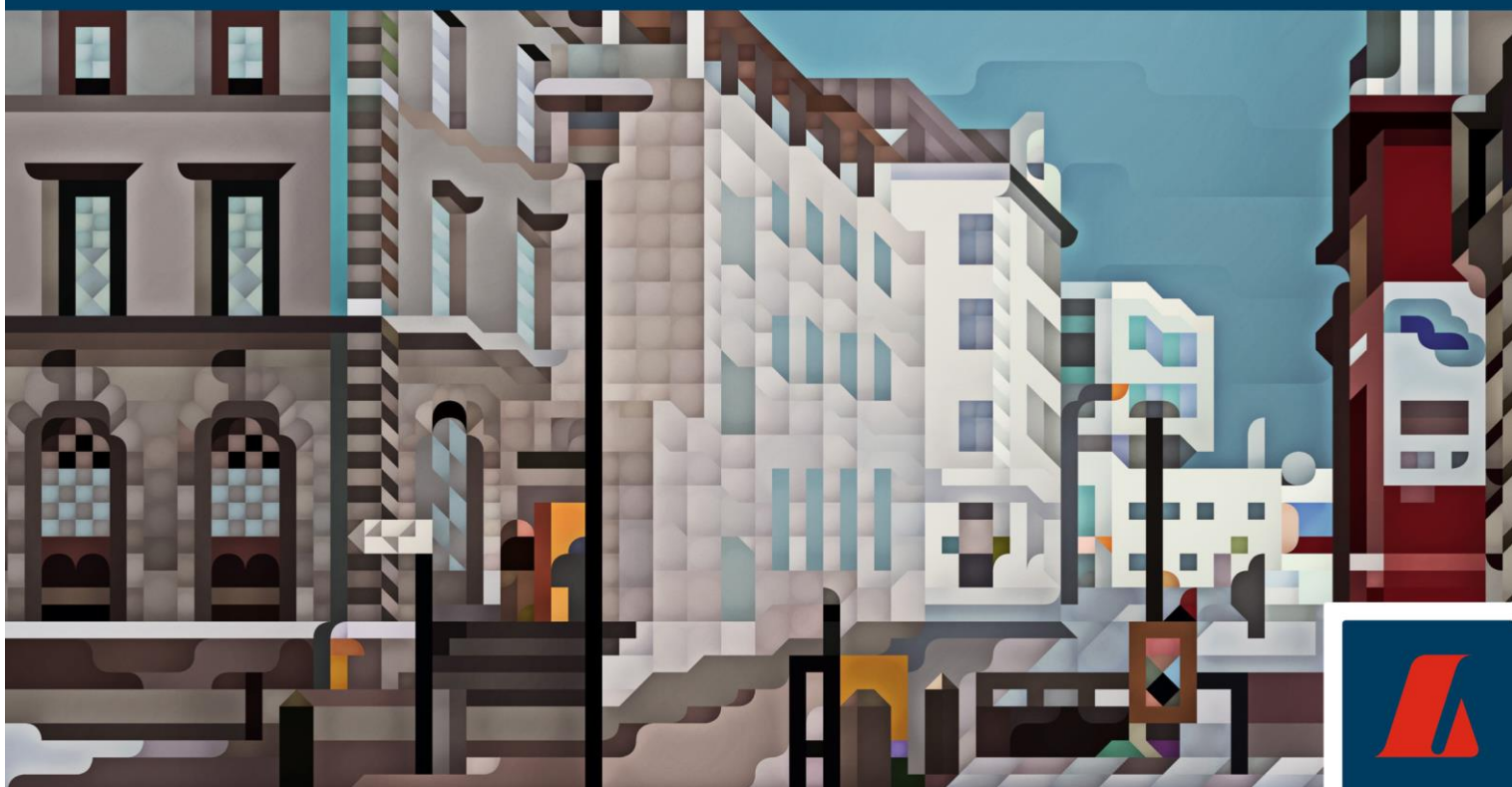

Cover Pool Information

7.11.2016

Covered Bond



Landsbankinn Covered Bonds report



Report date: 07.11.2016

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	26.046	20.561	46.607
Average Loan Balance	18	16	17
No. Of Loans	1.459	1.274	2.733
No. Of Borrowers	1.438	1.237	2.675
No. Of Properties	1.444	1.246	2.690
WA LTV	55%	49%	52%
WA Seasoning (Years)	5,37	3,32	4,46
WA Remaining terms (Years)	31,13	30,18	30,72
WA Interest Rate	3,92%	6,97%	5,26%

*Indexed mortgage linked to the consumer price index in iceland as published by statistic iceland (Hagstofa Íslands: www.hagstofa.is).

LTV %	Exposure (ISK)	Percentage	No. Loans	Percentage
0-20	1.128	2%	121	4%
20-30	2.909	6%	225	8%
30-40	6.251	13%	411	15%
40-50	8.351	18%	506	19%
50-60	11.023	24%	602	22%
60-70	12.385	27%	642	23%
70-80	4.561	10%	226	8%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	46.607	100%	2.733	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	21.077	45%	1227	45%
Höfuðborgarsvæðið	17.427	37%	948	35%
Norðurland eystra	2.398	5%	157	6%
Suðurland	1.919	4%	138	5%
Suðurnes	2.013	4%	136	5%
Vesturland	1.022	2%	72	3%
Vestfirðir	90	0%	8	0%
Austurland	512	1%	38	1%
Norðurland vestra	149	0%	9	0%
Total	46.607	100%	2.733	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	46.537	100%	2.729	100%
Other	70	0%	4	0%
Total	46.607	100%	2.733	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	44.965	96%	2643	97%
1-30	1.443	3%	80	3%
31-60	199	0%	10	0%
61-90	0	0%	0	0%
More than 90	0	0%	0	0%
Total	46.607	100%	2.733	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	23.471	50%	1296	47%
3-6	12.672	27%	778	28%
6-9	694	1%	48	2%
9-12	9.578	21%	600	22%
more than 12	192	0%	11	0%
Total	46.607	100%	2.733	100%

Remaing (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	19	0%	3	0%
5-10	241	1%	22	1%
10-20	4.984	11%	357	13%
20-30	15.342	33%	912	33%
more than 30	26.021	56%	1439	53%
Total	46.607	100%	2.733	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	41.542	89%	2596	95%
30-60	4.918	11%	135	5%
60-90	148	0%	2	0%
more than 90	0	0%	0	0%
Total	46.607	100%	2.733	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1.554	3%	94	3%
5Y interest reset	6.251	13%	402	15%
Fixed	16.907	36%	988	36%
Floating	21.895	47%	1249	46%
Total	46.607	100%	2.733	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	46.607
Cover Pool Eligible for Calculation - Number of Mortgages	2.733
Cash account linked to Cover Pool	86
Total Issuance	37.563
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20,0%
Over Collateralisation	24,3%

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	46.570	36.600	100,00%	100,00%	9.970
Base	48.488	37.563	104,12%	102,63%	10.926
Risk free interest rate - downward shift	49.671	39.100	106,66%	106,83%	10.571
Risk free interest rate - upward shift	47.440	36.118	101,87%	98,68%	11.322
Adverse behavior	46.578	37.563	100,02%	102,63%	9.015
Consumer Price index - downward shift	48.351	37.458	103,82%	102,34%	10.893
Consumer Price index - upward shift	48.626	37.667	104,41%	102,92%	10.958

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