

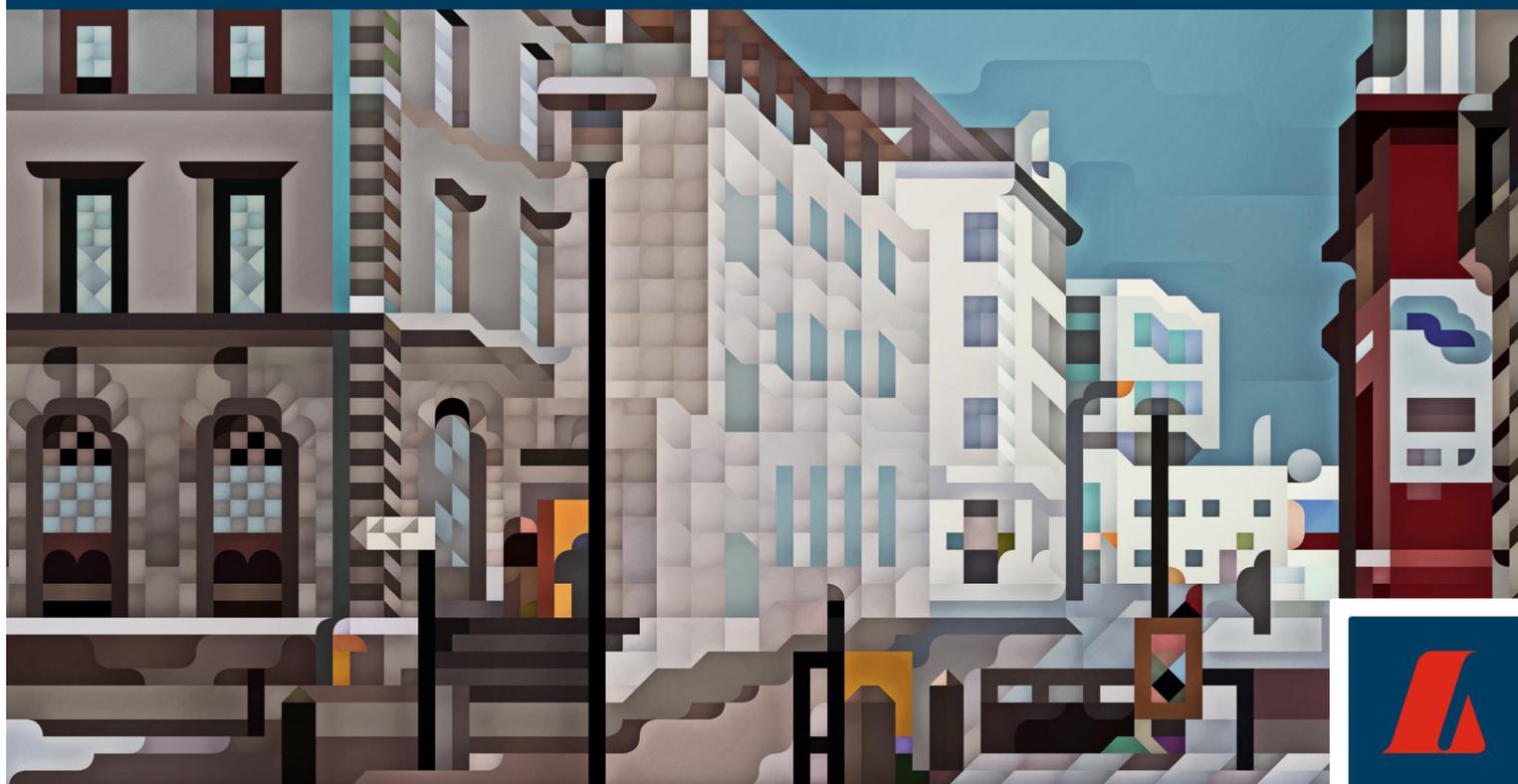
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# Cover Pool Information

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29.12.2017

Covered Bond



# Landsbankinn Covered Bonds report



Report date: 29.12.2017

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	67.994	25.236	93.230
Average Loan Balance	18	14	16
No. of Loans	3.881	1.856	5.737
No. of Borrowers	3.796	1.816	5.612
No. of Properties	3.807	1.830	5.637
WA LTV	57%	45%	53%
WA Seasoning (Years)	5,22	4,11	4,92
WA Remaining terms (Years)	31,55	28,64	30,77
WA Interest Rate	3,87%	6,26%	4,52%

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

LTV %	Exposure (ISK)	Percentage	No. Loans	Percentage
0-20	3.180	3%	463	8%
20-30	6.285	7%	578	10%
30-40	11.284	12%	842	15%
40-50	13.221	14%	810	14%
50-60	18.972	20%	1.066	19%
60-70	26.116	28%	1.318	23%
70-80	14.172	15%	660	12%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
<b>Total</b>	<b>93.230</b>	<b>100%</b>	<b>5.737</b>	<b>100%</b>

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	40.965	44%	2.405	42%
Höfuðborgarsvæðið	33.160	36%	1.815	32%
Norðurland eystra	4.854	5%	363	6%
Suðurland	4.898	5%	385	7%
Suðurnes	4.839	5%	373	7%
Vesturland	2.380	3%	188	3%
Vestfirðir	471	1%	50	1%
Austurland	1.277	1%	123	2%
Norðurland vestra	386	0%	35	1%
<b>Total</b>	<b>93.230</b>	<b>100%</b>	<b>5.737</b>	<b>100%</b>

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	93.068	100%	5.727	100%
Other	162	0%	10	0%
<b>Total</b>	<b>93.230</b>	<b>100%</b>	<b>5.737</b>	<b>100%</b>

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	91.693	98%	5.660	99%
1-30	1.367	1%	68	1%
31-60	169	0%	9	0%
61-90	0	0%	0	0%
More than 90	0	0%	0	0%
<b>Total</b>	<b>93.230</b>	<b>100%</b>	<b>5.737</b>	<b>100%</b>

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	41.763	45%	2.417	42%
3-6	29.533	32%	1.891	33%
6-9	2.064	2%	152	3%
9-12	6.331	7%	423	7%
more than 12	13.539	15%	854	15%
<b>Total</b>	<b>93.230</b>	<b>100%</b>	<b>5.737</b>	<b>100%</b>

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	95	0%	24	0%
5-10	600	1%	91	2%
10-20	9.983	11%	865	15%
20-30	31.843	34%	1.951	34%
more than 30	50.709	54%	2.806	49%
<b>Total</b>	<b>93.230</b>	<b>100%</b>	<b>5.737</b>	<b>100%</b>

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	80.044	86%	5.375	94%
30-60	13.045	14%	360	6%
60-90	141	0%	2	0%
more than 90	0	0%	0	0%
<b>Total</b>	<b>93.230</b>	<b>100%</b>	<b>5.737</b>	<b>100%</b>

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1.343	1%	99	2%
5Y interest reset	3.894	4%	300	5%
Fixed	35.831	38%	2.131	37%
Floating	52.162	56%	3.207	56%
<b>Total</b>	<b>93.230</b>	<b>100%</b>	<b>5.737</b>	<b>100%</b>

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	93.230
Cover Pool Eligible for Calculation - Number of Mortgages	5.737
Cash account linked to Cover Pool	1008
Total Issuance	75.677
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20%
Over Collateralisation	25%

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	92.930	73.200	100,00%	100,00%	19.730
Base	101.420	75.677	109,14%	103,38%	25.743
Risk free interest rate - downward shift	105.426	79.591	113,45%	108,73%	25.835
Risk free interest rate - upward shift	98.005	72.062	105,46%	98,45%	25.943
Adverse behavior	96.169	75.677	103,48%	103,38%	20.491
Consumer Price index - downward shift	101.042	75.416	108,73%	103,03%	25.626
Consumer Price index - upward shift	101.798	75.938	109,54%	103,74%	25.860

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