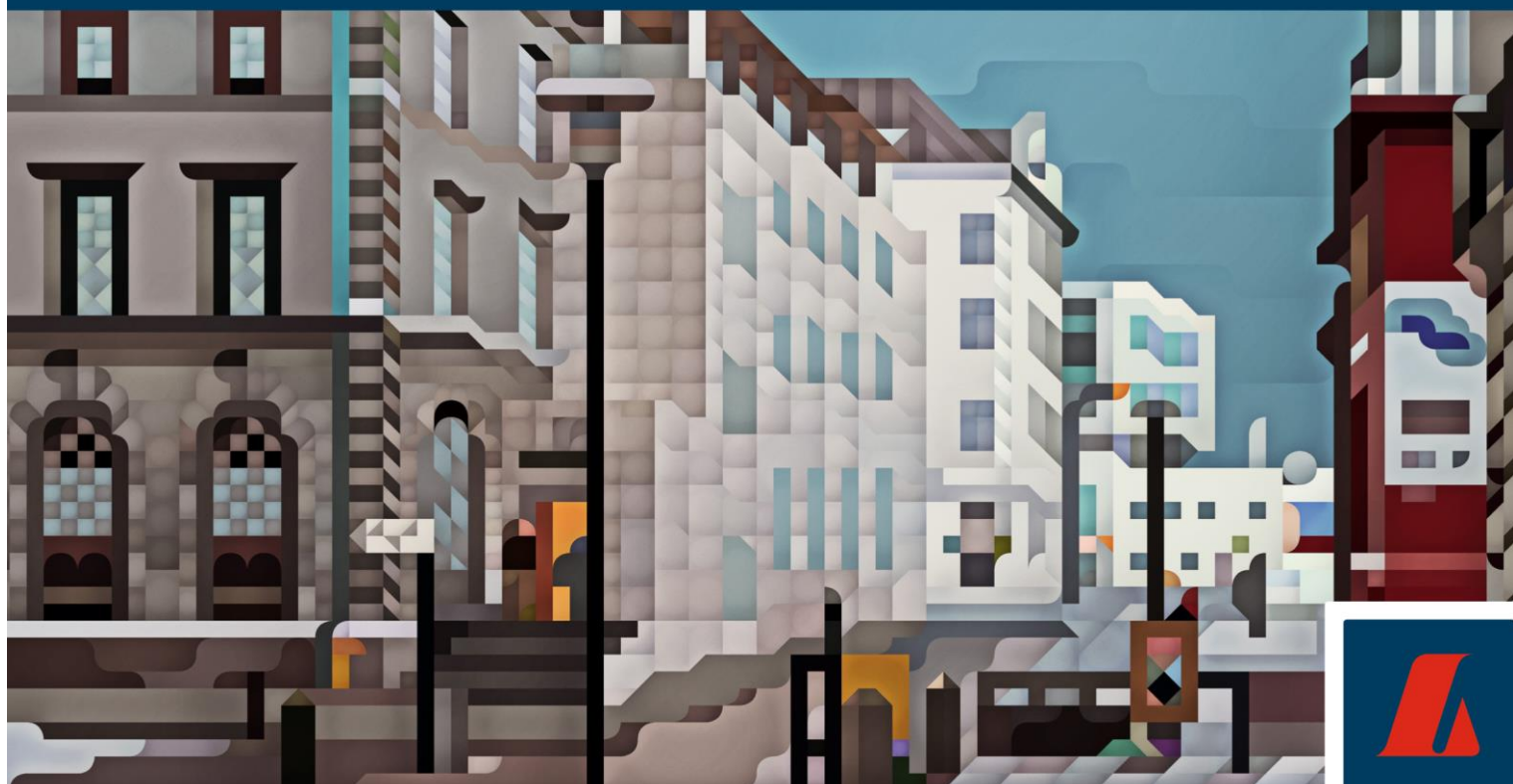
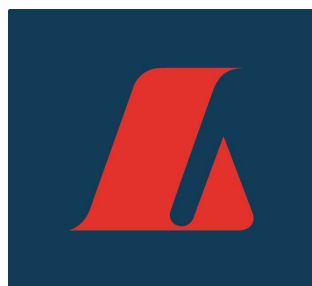

Cover Pool Information

31.1.2018

Covered Bond



Landsbankinn Covered Bonds report



Report date: 31.01.2018

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	71.897	25.467	97.364
Average Loan Balance	17	14	16
No. of Loans	4.185	1.873	6.058
No. of Borrowers	4.090	1.833	5.923
No. of Properties	4.101	1.847	5.948
WA LTV	49%	39%	46%
WA Seasoning (Years)	5,21	4,19	4,94
WA Remaining terms (Years)	31,46	28,63	30,72
WA Interest Rate	3,87%	6,24%	4,49%

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

LTV %	Exposure (ISK)	Percentage	No. Loans	Percentage
0-20	4.946	5%	658	11%
20-30	10.601	11%	899	15%
30-40	15.014	15%	1.013	17%
40-50	20.671	21%	1.185	20%
50-60	29.980	31%	1.534	25%
60-70	15.883	16%	754	12%
70-80	269	0%	15	0%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	97.364	100%	6.058	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	42.592	44%	2.521	42%
Höfuðborgarsvæðið	34.064	35%	1.863	31%
Norðurland eystra	5.250	5%	400	7%
Suðurland	5.307	5%	426	7%
Suðurnes	5.197	5%	405	7%
Vesturland	2.572	3%	207	3%
Vestfirðir	518	1%	56	1%
Austurland	1.421	1%	138	2%
Norðurland vestra	441	0%	42	1%
Total	97.364	100%	6.058	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	97.201	100%	6.048	100%
Other	162	0%	10	0%
Total	97.364	100%	6.058	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	95.460	98%	5.960	98%
1-30	1.234	1%	64	1%
31-60	556	1%	27	0%
61-90	114	0%	7	0%
More than 90	0	0%	0	0%
Total	97.364	100%	6.058	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	43.197	44%	2.528	42%
3-6	31.235	32%	1.989	33%
6-9	2.381	2%	183	3%
9-12	6.086	6%	416	7%
more than 12	14.464	15%	942	16%
Total	97.364	100%	6.058	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	110	0%	26	0%
5-10	623	1%	97	2%
10-20	10.502	11%	925	15%
20-30	33.174	34%	2.055	34%
more than 30	52.954	54%	2.955	49%
Total	97.364	100%	6.058	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	83.521	86%	5.678	94%
30-60	13.701	14%	378	6%
60-90	142	0%	2	0%
more than 90	0	0%	0	0%
Total	97.364	100%	6.058	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1.329	1%	99	2%
5Y interest reset	3.807	4%	295	5%
Fixed	37.142	38%	2.261	37%
Floating	55.085	57%	3.403	56%
Total	97.364	100%	6.058	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	97.364
Cover Pool Eligible for Calculation - Number of Mortgages	6.058
Cash account linked to Cover Pool	825
Total Issuance	78.980
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20%
Over Collateralisation	24%

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	97.034	76.020	100,00%	100,00%	21.014
Base	105.348	78.980	108,57%	103,89%	26.368
Risk free interest rate - downward shift	109.313	83.054	112,65%	109,25%	26.259
Risk free interest rate - upward shift	101.961	75.216	105,08%	98,94%	26.745
Adverse behavior	101.757	78.980	104,87%	103,89%	22.777
Consumer Price index - downward shift	104.952	78.703	108,16%	103,53%	26.249
Consumer Price index - upward shift	105.745	79.257	108,98%	104,26%	26.488

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

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