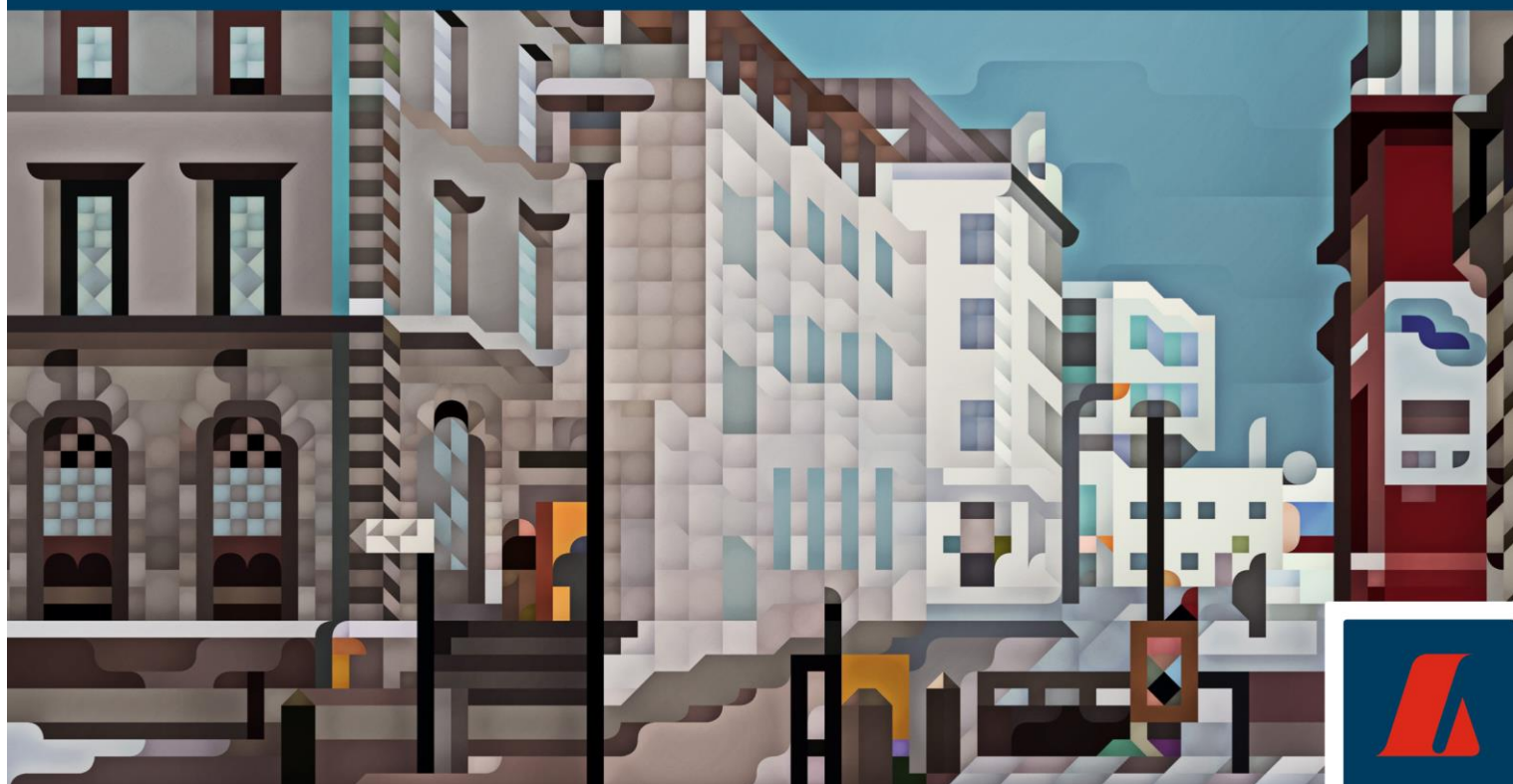

Cover Pool Information

28.3.2018

Covered Bond



Landsbankinn Covered Bonds report



Report date: 28.03.2018

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	78.273	26.355	104.628
Average Loan Balance	17	13	16
No. of Loans	4.618	2.042	6.660
No. of Borrowers	4.510	1.998	6.508
No. of Properties	4.517	2.010	6.527
WA LTV	49%	38%	46%
WA Seasoning (Years)	5,09	4,34	4,90
WA Remaining terms (Years)	31,45	28,54	30,71
WA Interest Rate	3,86%	6,21%	4,45%

*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	5.809	6%	827	12%
20-30	11.466	11%	992	15%
30-40	16.496	16%	1.132	17%
40-50	21.905	21%	1.271	19%
50-60	30.813	29%	1.573	24%
60-70	17.591	17%	838	13%
70-80	547	1%	27	0%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	104.628	100%	6.660	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	45.365	43%	2.725	41%
Höfuðborgarsvæðið	35.642	34%	1.975	30%
Norðurland eystra	6.053	6%	472	7%
Suðurland	6.047	6%	500	8%
Suðurnes	5.898	6%	470	7%
Vesturland	2.807	3%	230	3%
Vestfirðir	631	1%	73	1%
Austurland	1.694	2%	165	2%
Norðurland vestra	492	0%	50	1%
Total	104.628	100%	6.660	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	104.447	100%	6.649	100%
Other	181	0%	11	0%
Total	104.628	100%	6.660	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	103.144	99%	6.580	99%
1-30	1.255	1%	67	1%
31-60	183	0%	11	0%
61-90	45	0%	2	0%
More than 90	0	0%	0	0%
Total	104.628	100%	6.660	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	45.534	44%	2.692	40%
3-6	34.703	33%	2.265	34%
6-9	3.374	3%	265	4%
9-12	5.057	5%	372	6%
more than 12	15.960	15%	1.066	16%
Total	104.628	100%	6.660	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	138	0%	35	1%
5-10	746	1%	121	2%
10-20	11.352	11%	1.036	16%
20-30	34.803	33%	2.213	33%
more than 30	57.588	55%	3.255	49%
Total	104.628	100%	6.660	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	89.388	85%	6.244	94%
30-60	14.962	14%	412	6%
60-90	278	0%	4	0%
more than 90	0	0%	0	0%
Total	104.628	100%	6.660	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1.355	1%	105	2%
5Y interest reset	3.650	3%	304	5%
Fixed	38.224	37%	2.381	36%
Floating	61.398	59%	3.870	58%
Total	104.628	100%	6.660	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	104.628
Cover Pool Eligible for Calculation - Number of Mortgages	6.660
Cash account linked to Cover Pool	1311
Total Issuance	85.257
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	104.307	81.280	100,00%	100,00%	23.027
Base	112.983	85.257	108,32%	104,89%	27.726
Risk free interest rate - downward shift	116.961	89.690	112,13%	110,35%	27.271
Risk free interest rate - upward shift	109.573	81.165	105,05%	99,86%	28.409
Adverse behavior	106.507	85.257	102,11%	104,89%	21.251
Consumer Price index - downward shift	112.552	84.953	107,91%	104,52%	27.599
Consumer Price index - upward shift	113.413	85.560	108,73%	105,27%	27.853

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

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