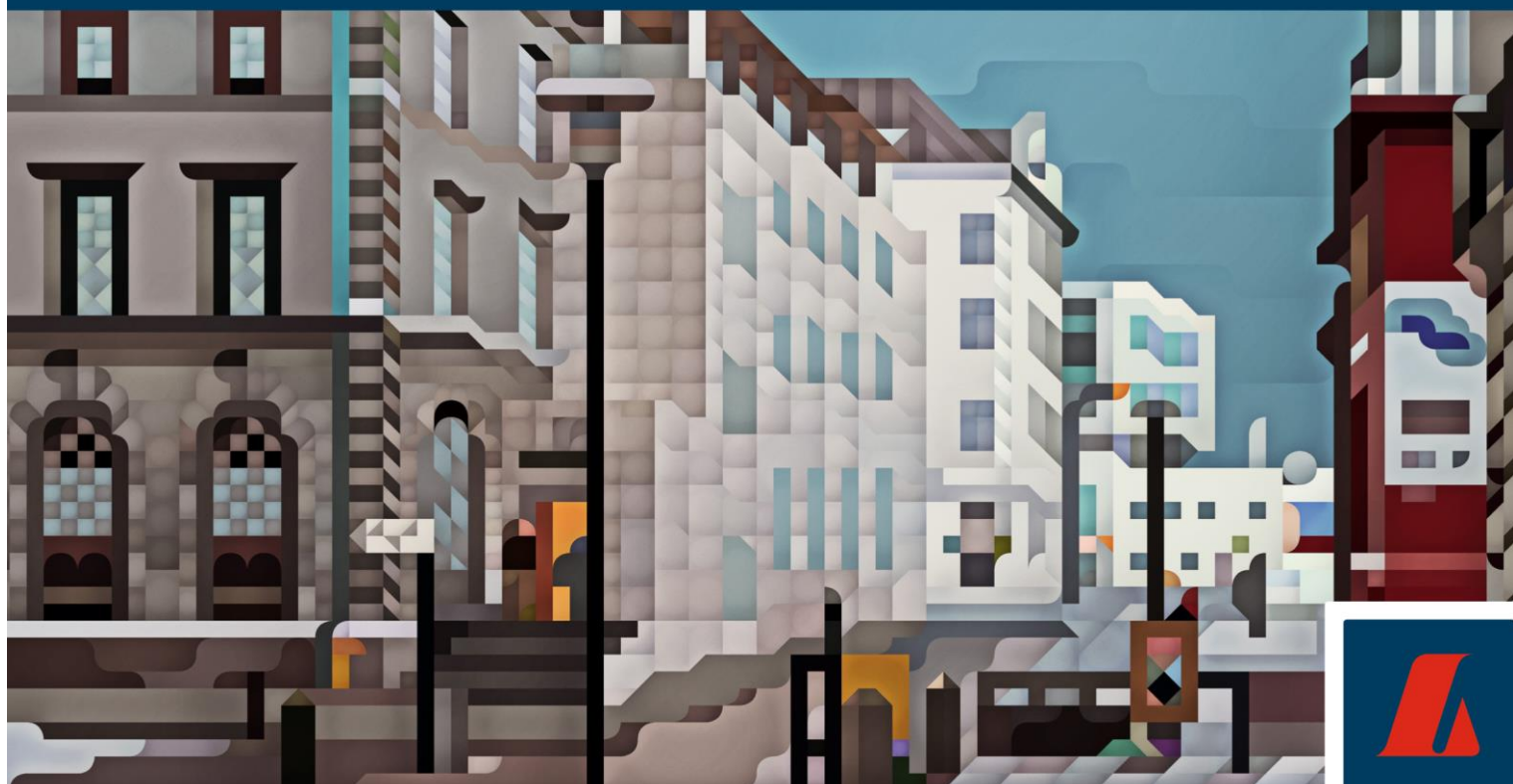

Cover Pool Information

29.06.2018

Covered Bond



Landsbankinn Covered Bonds report



Report date: 29.06.2018

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	86.162	27.611	113.773
Average Loan Balance	17	13	16
No. of Loans	4.928	2.169	7.097
No. of Borrowers	4.824	2.125	6.949
No. of Properties	4.829	2.132	6.961
WA LTV	51%	39%	48%
WA Seasoning (Years)	4,92	4,27	4,76
WA Remaining terms (Years)	31,77	28,45	30,97
WA Interest Rate	3,84%	6,16%	4,40%

*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	5.979	5%	903	13%
20-30	11.444	10%	997	14%
30-40	16.376	14%	1.133	16%
40-50	21.482	19%	1.253	18%
50-60	29.489	26%	1.508	21%
60-70	22.881	20%	1.054	15%
70-80	6.121	5%	249	4%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	113.773	100%	7.097	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	48.792	43%	2.846	40%
Höfuðborgarsvæðið	38.582	34%	2.085	29%
Norðurland eystra	6.944	6%	534	8%
Suðurland	6.563	6%	530	7%
Suðurnes	6.519	6%	514	7%
Vesturland	3.166	3%	253	4%
Vestfirðir	699	1%	86	1%
Austurland	1.779	2%	182	3%
Norðurland vestra	729	1%	67	1%
Total	113.773	100%	7.097	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	113.665	100%	7.089	100%
Other	108	0%	8	0%
Total	113.773	100%	7.097	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	111.705	98%	6.998	99%
1-30	1.862	2%	88	1%
31-60	189	0%	10	0%
61-90	17	0%	1	0%
More than 90	0	0%	0	0%
Total	113.773	100%	7.097	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	49.692	44%	2.776	39%
3-6	37.941	33%	2.476	35%
6-9	5.381	5%	424	6%
9-12	4.337	4%	327	5%
more than 12	16.422	14%	1.094	15%
Total	113.773	100%	7.097	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	158	0%	43	1%
5-10	816	1%	138	2%
10-20	11.756	10%	1.083	15%
20-30	35.891	32%	2.278	32%
more than 30	65.152	57%	3.555	50%
Total	113.773	100%	7.097	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	94.671	83%	6.581	93%
30-60	18.637	16%	509	7%
60-90	466	0%	7	0%
more than 90	0	0%	0	0%
Total	113.773	100%	7.097	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1.289	1%	100	1%
5Y interest reset	4.007	4%	330	5%
Fixed	38.734	34%	2.380	34%
Floating	69.744	61%	4.287	60%
Total	113.773	100%	7.097	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	113.773
Cover Pool Eligible for Calculation - Number of Mortgages	7.097
Cash account linked to Cover Pool	2714
Total Issuance	93.695
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20%
Over Collateralisation	24%

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	113.406	88.840	100,00%	100,00%	24.566
Base	122.286	93.695	107,83%	105,46%	28.592
Risk free interest rate - downward shift	126.255	98.509	111,33%	110,88%	27.746
Risk free interest rate - upward shift	118.875	89.248	104,82%	100,46%	29.627
Adverse behavior	115.269	93.695	101,64%	105,46%	21.574
Consumer Price index - downward shift	121.816	93.349	107,42%	105,07%	28.467
Consumer Price index - upward shift	122.757	94.040	108,25%	105,85%	28.717

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