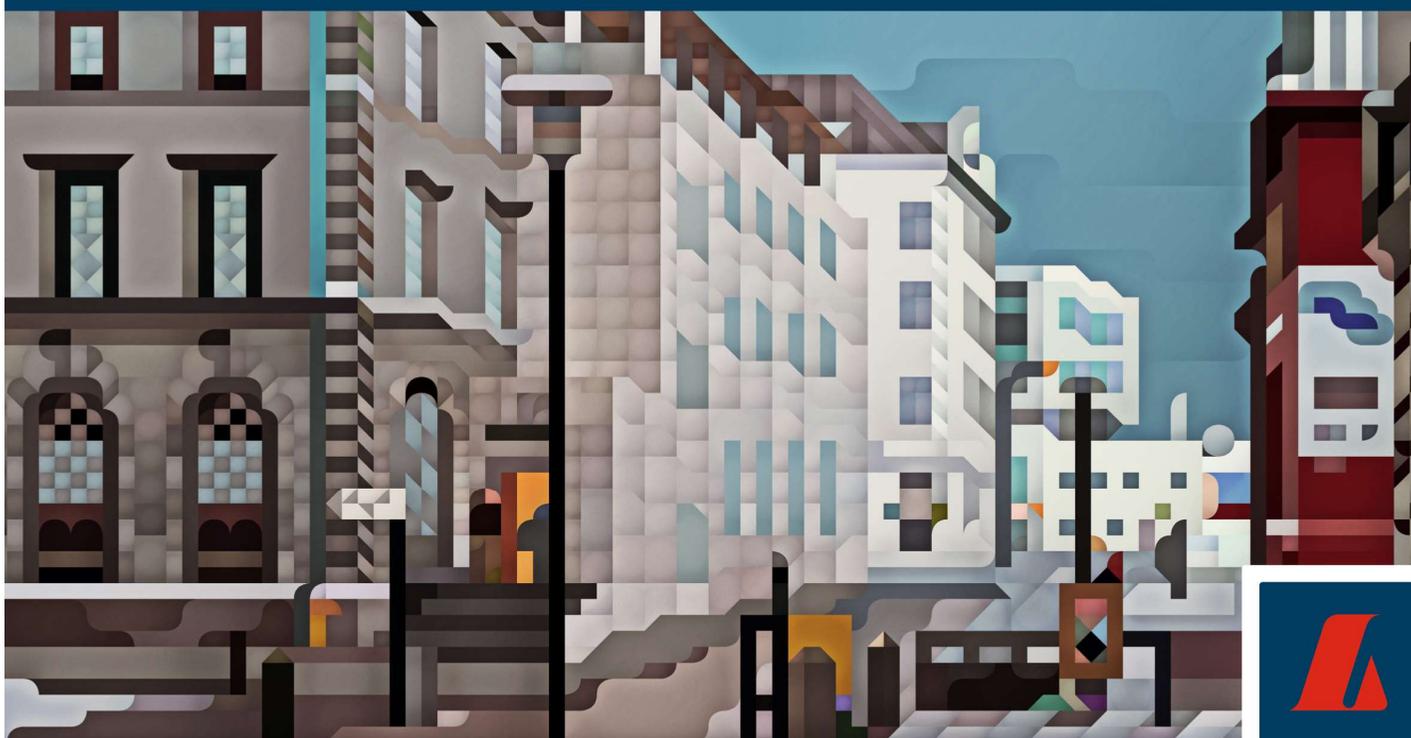

Cover Pool Information

28.9.2018

Covered Bond



Landsbankinn Covered Bonds report



Report date: 28.09.2018

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	93.565	28.918	122.483
Average Loan Balance	18	13	16
No. of Loans	5.194	2.229	7.423
No. of Borrowers	5.097	2.187	7.284
No. of Properties	5.103	2.190	7.293
WA LTV	53%	41%	50%
WA Seasoning (Years)	4,83	4,14	4,67
WA Remaining terms (Years)	31,95	28,49	31,13
WA Interest Rate	3,83%	6,09%	4,36%

*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	5.990	5%	921	12%
20-30	10.905	9%	953	13%
30-40	16.176	13%	1.110	15%
40-50	21.027	17%	1.228	17%
50-60	27.349	22%	1.401	19%
60-70	28.288	23%	1.290	17%
70-80	12.749	10%	520	7%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	122.483	100%	7.423	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	51.445	42%	2.923	39%
Höfuðborgarsvæðið	41.312	34%	2.152	29%
Norðurland eystra	7.765	6%	574	8%
Suðurland	7.349	6%	569	8%
Suðurnes	7.143	6%	540	7%
Vesturland	3.857	3%	292	4%
Vestfirðir	804	1%	98	1%
Austurland	1.920	2%	200	3%
Norðurland vestra	889	1%	75	1%
Total	122.483	100%	7.423	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	122.376	100%	7.415	100%
Other	107	0%	8	0%
Total	122.483	100%	7.423	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	120.461	98%	7.322	99%
1-30	1.828	1%	90	1%
31-60	165	0%	10	0%
61-90	29	0%	1	0%
More than 90	0	0%	0	0%
Total	122.483	100%	7.423	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	55.247	45%	2.942	40%
3-6	39.676	32%	2.546	34%
6-9	6.647	5%	531	7%
9-12	3.990	3%	291	4%
more than 12	16.922	14%	1.113	15%
Total	122.483	100%	7.423	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	177	0%	50	1%
5-10	801	1%	138	2%
10-20	11.948	10%	1.093	15%
20-30	38.045	31%	2.348	32%
more than 30	71.511	58%	3.794	51%
Total	122.483	100%	7.423	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	100.124	82%	6.828	92%
30-60	21.828	18%	587	8%
60-90	530	0%	8	0%
more than 90	0	0%	0	0%
Total	122.483	100%	7.423	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1.186	1%	91	1%
5Y interest reset	4.219	3%	334	4%
Fixed	39.381	32%	2.366	32%
Floating	77.696	63%	4.632	62%
Total	122.483	100%	7.423	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	122.483
Cover Pool Eligible for Calculation - Number of Mortgages	7.423
Cash account linked to Cover Pool	772
Total Issuance	98.807
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20%
Over Collateralisation	25%

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	122.114	93.320	100,00%	100,00%	28.794
Base	129.978	98.807	106,44%	105,88%	31.171
Risk free interest rate - downward shift	133.220	103.719	109,09%	111,14%	29.500
Risk free interest rate - upward shift	127.143	94.262	104,12%	101,01%	32.881
Adverse behavior	122.764	98.807	100,53%	105,88%	23.957
Consumer Price index - downward shift	129.475	98.432	106,03%	105,48%	31.043
Consumer Price index - upward shift	130.481	99.182	106,85%	106,28%	31.298

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

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