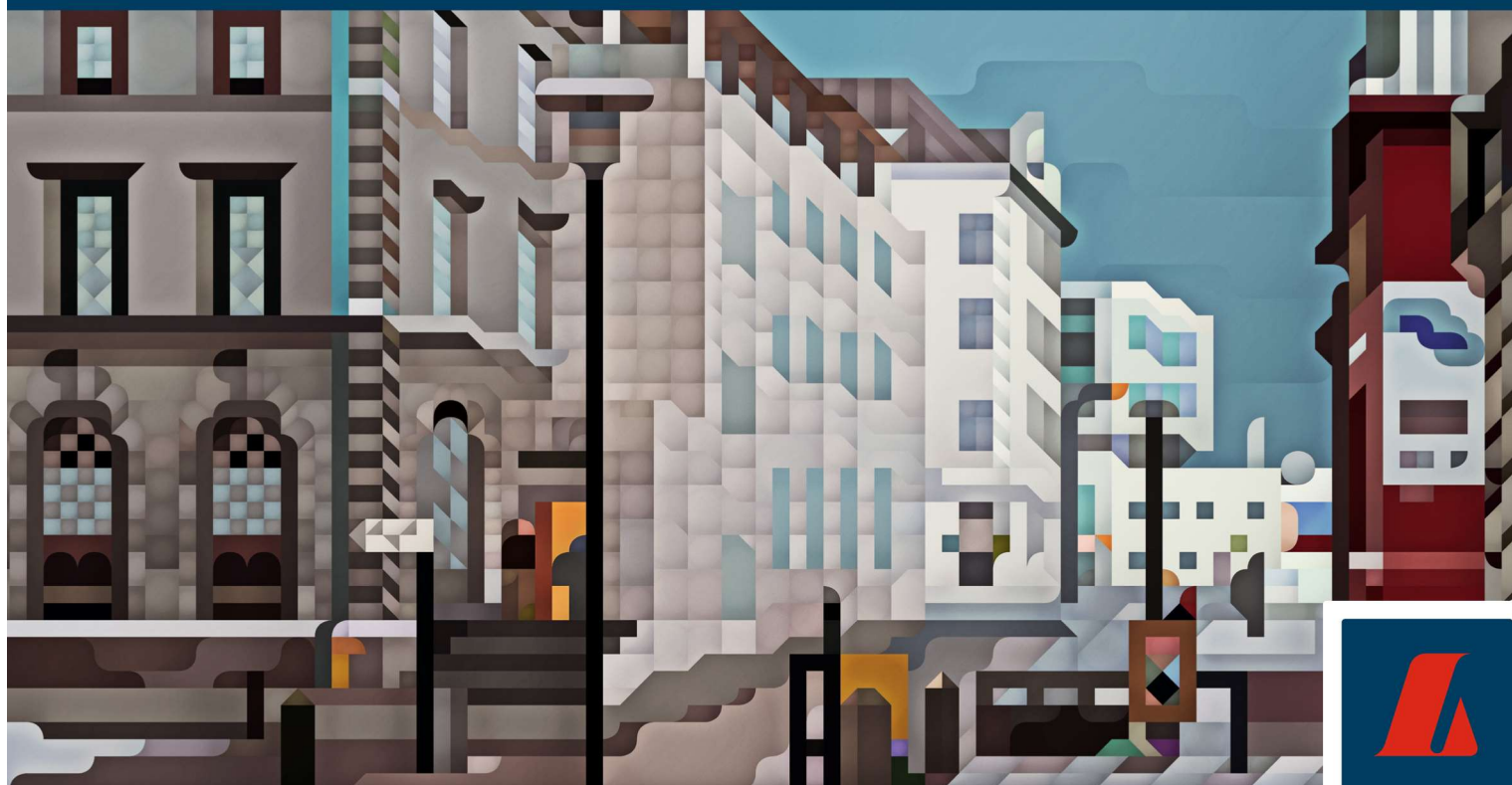

Cover Pool Information

30.11.2018

Covered Bond



Landsbankinn Covered Bonds report



Report date: 30.11.2018

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	98.205	29.676	127.881
Average Loan Balance	18	13	17
No. of Loans	5.362	2.260	7.622
No. of Borrowers	5.265	2.221	7.486
No. of Properties	5.270	2.225	7.495
WA LTV	54%	42%	51%
WA Seasoning (Years)	4,69	4,02	4,53
WA Remaining terms (Years)	32,01	28,33	31,16
WA Interest Rate	3,78%	6,08%	4,31%

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

LTV %	Exposure (ISK)	Percentage	No. Loans	Percentage
0-20	5.885	5%	913	12%
20-30	10.771	8%	955	13%
30-40	15.922	12%	1.098	14%
40-50	20.566	16%	1.203	16%
50-60	26.528	21%	1.356	18%
60-70	30.634	24%	1.380	18%
70-80	17.575	14%	717	9%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	127.881	100%	7.622	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	53.630	42%	2.968	39%
Höfuðborgarsvæðið	42.355	33%	2.173	29%
Norðurland eystra	8.589	7%	625	8%
Suðurland	7.885	6%	601	8%
Suðurnes	7.556	6%	562	7%
Vesturland	4.132	3%	303	4%
Vestfirðir	844	1%	106	1%
Austurland	1.906	1%	203	3%
Norðurland vestra	984	1%	81	1%
Total	127.881	100%	7.622	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	127.786	100%	7.615	100%
Other	95	0%	7	0%
Total	127.881	100%	7.622	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	125.827	98%	7.526	99%
1-30	1.862	1%	85	1%
31-60	113	0%	6	0%
61-90	79	0%	5	0%
More than 90	0	0%	0	0%
Total	127.881	100%	7.622	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	59.537	47%	3.103	41%
3-6	40.749	32%	2.584	34%
6-9	7.315	6%	580	8%
9-12	3.676	3%	267	4%
more than 12	16.605	13%	1.088	14%
Total	127.881	100%	7.622	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	172	0%	49	1%
5-10	934	1%	151	2%
10-20	12.371	10%	1.124	15%
20-30	39.230	31%	2.379	31%
more than 30	75.175	59%	3.919	51%
Total	127.881	100%	7.622	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	102.487	80%	6.950	91%
30-60	24.729	19%	662	9%
60-90	666	1%	10	0%
more than 90	0	0%	0	0%
Total	127.881	100%	7.622	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1.332	1%	98	1%
5Y interest reset	4.505	4%	347	5%
Fixed	40.155	31%	2.387	31%
Floating	81.890	64%	4.790	63%
Total	127.881	100%	7.622	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	127.881
Cover Pool Eligible for Calculation - Number of Mortgages	7.622
Cash account linked to Cover Pool	2210
Total Issuance	104.704
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	127.491	99.600	100,00%	100,00%	27.891
Base	137.696	104.704	108,00%	105,12%	32.991
Risk free interest rate - downward shift	141.609	109.951	111,07%	110,39%	31.658
Risk free interest rate - upward shift	134.301	99.847	105,34%	100,25%	34.453
Adverse behavior	129.817	104.704	101,82%	105,12%	25.112
Consumer Price index - downward shift	137.158	104.299	107,58%	104,72%	32.859
Consumer Price index - upward shift	138.233	105.110	108,43%	105,53%	33.123

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

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