

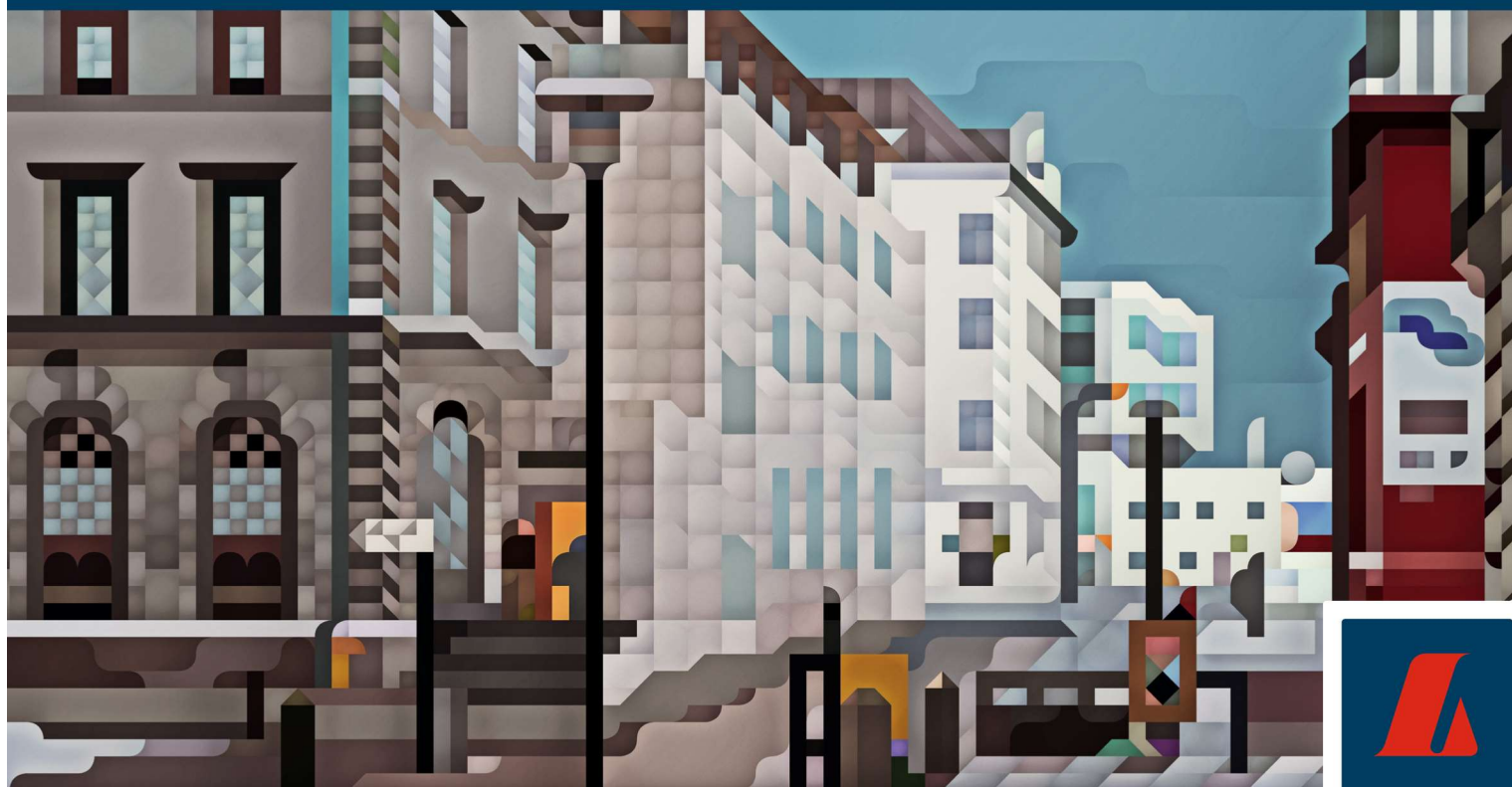
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# Cover Pool Information

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31.12.2018

Covered Bond



# Landsbankinn Covered Bonds report



Report date: 31.12.2018

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	101.623	31.508	133.131
Average Loan Balance	18	13	17
No. of Loans	5.549	2.363	7.912
No. of Borrowers	5.453	2.321	7.774
No. of Properties	5.466	2.329	7.795
WA LTV	49%	38%	46%
WA Seasoning (Years)	4,68	3,86	4,48
WA Remaining terms (Years)	32,04	28,28	31,15
WA Interest Rate	3,75%	6,13%	4,31%

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

LTV %	Exposure (ISK)	Percentage	No. Loans	Percentage
0-20	7.869	6%	1.155	15%
20-30	13.748	10%	1.141	14%
30-40	21.385	16%	1.368	17%
40-50	26.420	20%	1.439	18%
50-60	36.263	27%	1.708	22%
60-70	26.826	20%	1.078	14%
70-80	620	0%	23	0%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
<b>Total</b>	<b>133.131</b>	<b>100%</b>	<b>7.912</b>	<b>100%</b>

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	55.207	41%	3.052	39%
Höfuðborgarsvæðið	44.566	33%	2.258	29%
Norðurland eystra	8.874	7%	648	8%
Suðurland	8.252	6%	628	8%
Suðurnes	7.868	6%	585	7%
Vesturland	4.417	3%	325	4%
Vestfirðir	906	1%	114	1%
Austurland	1.986	1%	213	3%
Norðurland vestra	1.056	1%	89	1%
<b>Total</b>	<b>133.131</b>	<b>100%</b>	<b>7.912</b>	<b>100%</b>

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	133.037	100%	7.905	100%
Other	94	0%	7	0%
<b>Total</b>	<b>133.131</b>	<b>100%</b>	<b>7.912</b>	<b>100%</b>

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	131.032	98%	7.812	99%
1-30	1.085	1%	54	1%
31-60	899	1%	41	1%
61-90	115	0%	5	0%
More than 90	0	0%	0	0%
<b>Total</b>	<b>133.131</b>	<b>100%</b>	<b>7.912</b>	<b>100%</b>

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	63.612	48%	3.300	42%
3-6	41.114	31%	2.602	33%
6-9	7.693	6%	618	8%
9-12	3.602	3%	265	3%
more than 12	17.109	13%	1.127	14%
<b>Total</b>	<b>133.131</b>	<b>100%</b>	<b>7.912</b>	<b>100%</b>

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	205	0%	57	1%
5-10	1.086	1%	168	2%
10-20	12.778	10%	1.171	15%
20-30	40.739	31%	2.464	31%
more than 30	78.324	59%	4.052	51%
<b>Total</b>	<b>133.131</b>	<b>100%</b>	<b>7.912</b>	<b>100%</b>

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	105.555	79%	7.187	91%
30-60	26.829	20%	714	9%
60-90	747	1%	11	0%
more than 90	0	0%	0	0%
<b>Total</b>	<b>133.131</b>	<b>100%</b>	<b>7.912</b>	<b>100%</b>

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1.331	1%	96	1%
5Y interest reset	4.505	3%	349	4%
Fixed	42.164	32%	2.506	32%
Floating	85.131	64%	4.961	63%
<b>Total</b>	<b>133.131</b>	<b>100%</b>	<b>7.912</b>	<b>100%</b>

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	133.131
Cover Pool Eligible for Calculation - Number of Mortgages	7.912
Cash account linked to Cover Pool	3.835
Total Issuance	111.014
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20%
Over Collateralisation	23%

#### 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	132.737	105.120	100,00%	100,00%	27.617
Base	143.143	111.014	107,84%	105,61%	32.129
Risk free interest rate - downward shift	147.155	116.533	110,86%	110,86%	30.622
Risk free interest rate - upward shift	139.660	105.900	105,22%	100,74%	33.759
Adverse behavior	134.729	111.014	101,50%	105,61%	23.715
Consumer Price index - downward shift	142.588	110.582	107,42%	105,20%	32.006
Consumer Price index - upward shift	143.698	111.446	108,26%	106,02%	32.252

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

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