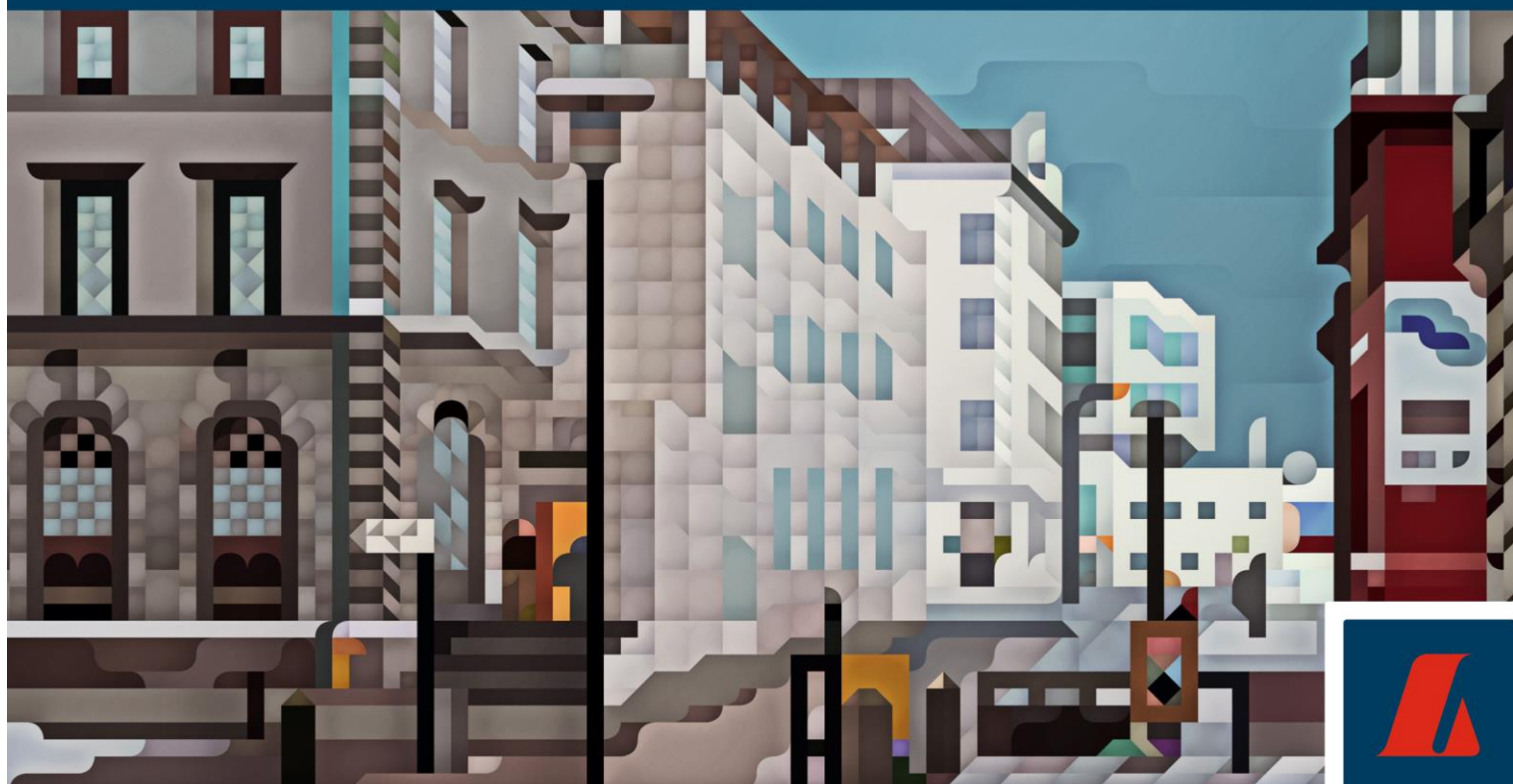

Cover Pool Information

31.05.2019

Covered Bond



Landsbankinn Covered Bonds report



Report date: 31/05/2019

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	119,286	48,380	167,666
Average Loan Balance	17	13	16
No. of Loans	6,843	3,587	10,430
No. of Borrowers	6,164	3,366	9,530
No. of Properties	6,122	3,352	9,474
WA LTV	53%	44%	50%
WA Seasoning (Years)	4.54	3.15	4.14
WA Remaining terms (Years)	32.06	28.92	31.16
WA Interest Rate	3.74%	6.16%	4.44%

*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	8,670	5%	1,394	13%
20-30	14,221	8%	1,242	12%
30-40	22,922	14%	1,538	15%
40-50	27,431	16%	1,676	16%
50-60	38,618	23%	2,125	20%
60-70	38,284	23%	1,801	17%
70-80	17,521	10%	654	6%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	167,666	100%	10,430	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	65,718	39%	3,857	37%
Höfuðborgarsvæðið	54,747	33%	2,935	28%
Norðurland eystra	12,655	8%	928	9%
Suðurland	10,704	6%	815	8%
Suðurnes	12,473	7%	866	8%
Vesturland	5,846	3%	439	4%
Vestfirðir	1,290	1%	174	2%
Austurland	2,839	2%	291	3%
Norðurland vestra	1,394	1%	125	1%
Total	167,666	100%	10,430	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	167,558	100%	10,419	100%
Other	108	0%	11	0%
Total	167,666	100%	10,430	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	165,218	99%	10,312	99%
1-30	1,062	1%	53	1%
31-60	1,039	1%	46	0%
61-90	347	0%	19	0%
More than 90	0	0%	0	0%
Total	167,666	100%	10,430	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	90,126	54%	4,730	45%
3-6	47,147	28%	3,408	33%
6-9	9,243	6%	791	8%
9-12	2,507	1%	184	2%
more than 12	18,643	11%	1,317	13%
Total	167,666	100%	10,430	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	293	0%	88	1%
5-10	1,742	1%	336	3%
10-20	17,027	10%	1,915	18%
20-30	48,403	29%	2,953	28%
more than 30	100,201	60%	5,138	49%
Total	167,666	100%	10,430	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	128,504	77%	9,415	90%
30-60	37,752	23%	994	10%
60-90	1,411	1%	21	0%
more than 90	0	0%	0	0%
Total	167,666	100%	10,430	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1,531	1%	117	1%
5Y interest reset	5,015	3%	396	4%
Fixed	53,508	32%	3,184	31%
Floating	107,612	64%	6,733	65%
Total	167,666	100%	10,430	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	167,666
Cover Pool Eligible for Calculation - Number of Mortgages	10,430
Cash account linked to Cover Pool	4067
Total Issuance	138,027
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	167,190	128,480	100.00%	100.00%	38,710
Base	180,359	137,174	107.88%	106.77%	43,185
Risk free interest rate - downward shift	185,069	143,817	110.69%	111.94%	41,251
Risk free interest rate - upward shift	176,258	131,013	105.42%	101.97%	45,245
Adverse behavior	164,717	137,174	98.52%	106.77%	27,543
Consumer Price index - downward shift	179,708	136,662	107.49%	106.37%	43,046
Consumer Price index - upward shift	181,010	137,687	108.27%	107.17%	43,323

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