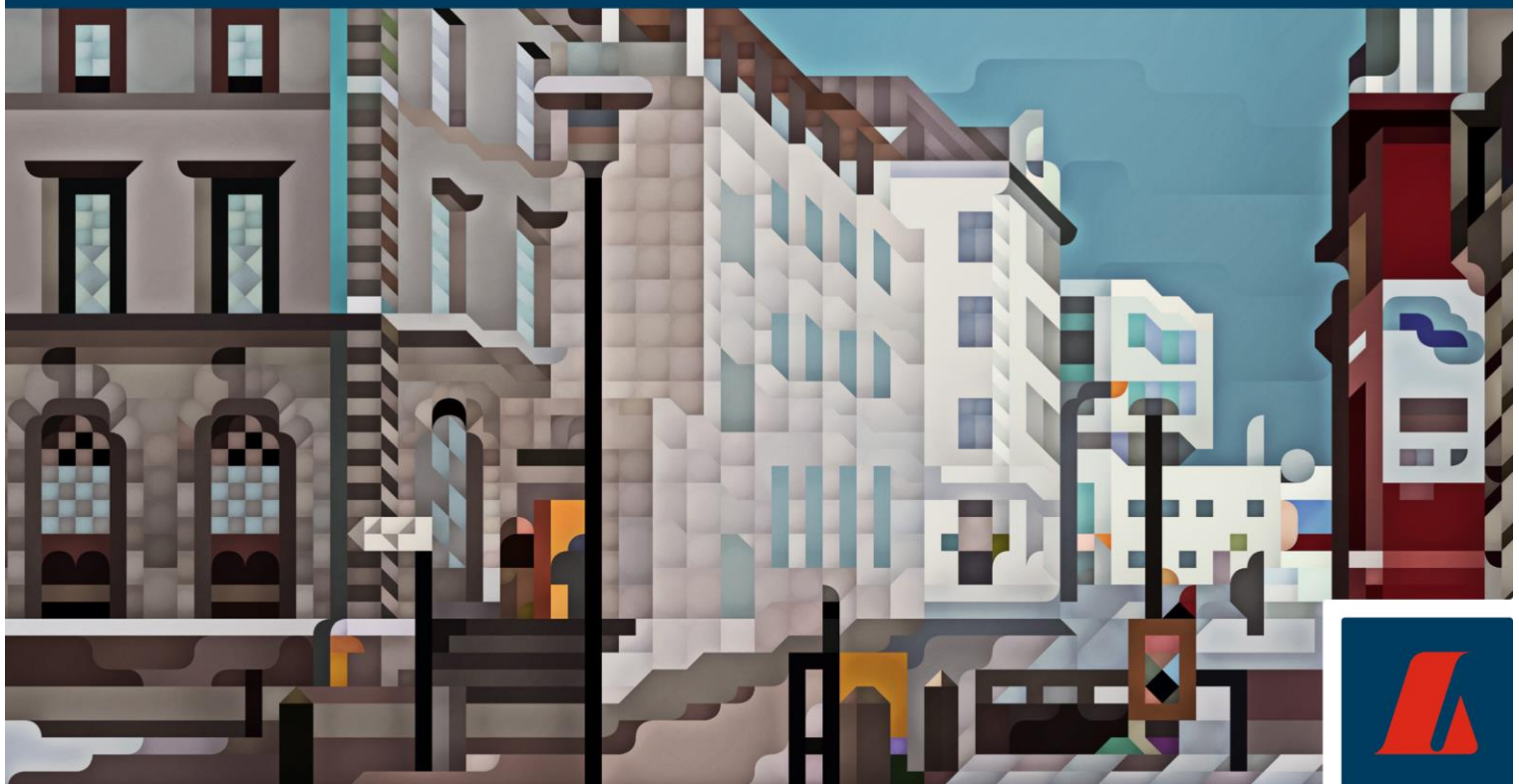

Cover Pool Information

28.06.2019

Covered Bond



Landsbankinn Covered Bonds report



Report date: 28/06/2019

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	123,338	52,476	175,814
Average Loan Balance	17	13	15
No. of Loans	7,389	4,044	11,433
No. of Borrowers	6,404	3,656	10,060
No. of Properties	6,364	3,633	9,997
WA LTV	53%	45%	51%
WA Seasoning (Years)	4.52	3.04	4.08
WA Remaining terms (Years)	31.98	28.96	31.07
WA Interest Rate	3.54%	5.95%	4.25%

*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	8,787	5%	1,482	13%
20-30	14,367	8%	1,278	11%
30-40	23,429	13%	1,604	14%
40-50	27,616	16%	1,756	15%
50-60	39,410	22%	2,315	20%
60-70	41,528	24%	2,108	18%
70-80	20,675	12%	890	8%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	175,814	100%	11,433	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	68,157	39%	4,129	36%
Höfuðborgarsvæðið	57,123	32%	3,189	28%
Norðurland eystra	13,533	8%	1,048	9%
Suðurland	11,278	6%	921	8%
Suðurnes	13,633	8%	981	9%
Vesturland	6,176	4%	485	4%
Vestfirðir	1,387	1%	199	2%
Austurland	3,078	2%	339	3%
Norðurland vestra	1,448	1%	142	1%
Total	175,814	100%	11,433	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	175,704	100%	11,420	100%
Other	109	0%	13	0%
Total	175,814	100%	11,433	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	172,533	98%	11,268	99%
1-30	2,434	1%	126	1%
31-60	699	0%	33	0%
61-90	148	0%	6	0%
More than 90	0	0%	0	0%
Total	175,814	100%	11,433	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	96,066	55%	5,262	46%
3-6	48,761	28%	3,715	32%
6-9	9,578	5%	859	8%
9-12	2,079	1%	175	2%
more than 12	19,330	11%	1,422	12%
Total	175,814	100%	11,433	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	361	0%	147	1%
5-10	2,067	1%	455	4%
10-20	18,605	11%	2,367	21%
20-30	49,863	28%	3,073	27%
more than 30	104,917	60%	5,391	47%
Total	175,814	100%	11,433	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	134,514	77%	10,364	91%
30-60	39,747	23%	1,046	9%
60-90	1,552	1%	23	0%
more than 90	0	0%	0	0%
Total	175,814	100%	11,433	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1,441	1%	115	1%
5Y interest reset	4,950	3%	403	4%
Fixed	56,304	32%	3,427	30%
Floating	113,119	64%	7,488	65%
Total	175,814	100%	11,433	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	175,814
Cover Pool Eligible for Calculation - Number of Mortgages	11,433
Cash account linked to Cover Pool	1653
Total Issuance	142,213
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	175,320	132,400	100.00%	100.00%	42,920
Base	189,140	142,213	107.88%	107.41%	46,928
Risk free interest rate - downward shift	193,899	149,014	110.60%	112.55%	44,885
Risk free interest rate - upward shift	184,988	135,901	105.51%	102.64%	49,087
Adverse behavior	173,470	142,213	98.94%	107.41%	31,257
Consumer Price index - downward shift	188,467	141,685	107.50%	107.01%	46,783
Consumer Price index - upward shift	189,814	142,741	108.27%	107.81%	47,073

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

Landsbankinn is regulated by the Icelandic Financial Supervisory Authority (www.fme.is).

This report has been automatically generated by Landsbankinn's Risk Management. The information within are obtained from different sources, not all of which are controlled by Landsbankinn, but which Landsbankinn deems to be reliable. Whilst reasonable care has been taken to ensure that the contents of this publication are not untrue or misleading, no representation is made as to its accuracy or completeness and no liability is accepted for any loss arising from reliance on it. Landsbankinn endeavours to ensure that the information is accurate and up-to-date, and reserves the right to make corrections to the content at any time, without prior notice.

The report shall under no circumstances be used or considered as an investment advice or investment research, or an offer to sell, or a solicitation of any offer to buy any securities. It does not have regard to the specific investment objectives, financial situation or the particular needs of any person who may receive the report. Landsbankinn accepts no liability whatsoever for any direct or consequential loss arising from the use of this publication or its contents

Contact:

Investor Relations: ir@landsbankinn.is