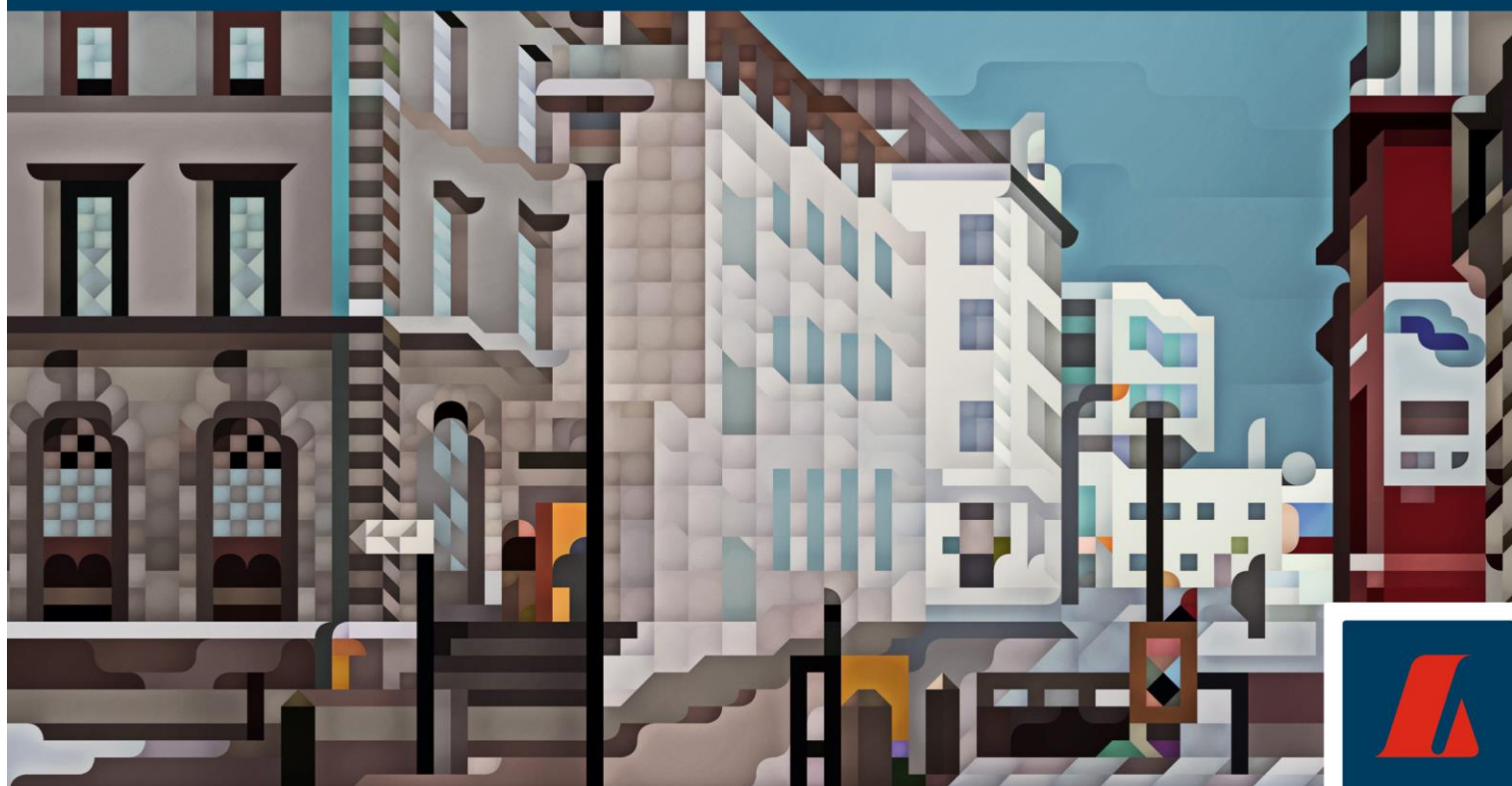

Cover Pool Information

31.10.2019

Covered Bond



Landsbankinn Covered Bonds report



Report date: 31.10.2019

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	121,660	55,213	176,873
Average Loan Balance	15	12	14
No. of Loans	7,968	4,571	12,539
No. of Borrowers	6,422	3,877	10,299
No. of Properties	6,354	3,837	10,191
WA LTV	54%	47%	52%
WA Seasoning (Years)	4.65	2.97	4.13
WA Remaining terms (Years)	31.61	28.93	30.77
WA Interest Rate	3.53%	5.75%	4.22%

*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	8,500	5%	1,560	12%
20-30	13,740	8%	1,279	10%
30-40	22,581	13%	1,648	13%
40-50	26,629	15%	1,864	15%
50-60	37,198	21%	2,397	19%
60-70	44,114	25%	2,552	20%
70-80	24,112	14%	1,239	10%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	176,873	100%	12,539	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	67,705	38%	4,381	35%
Höfuðborgarsvæðið	56,745	32%	3,392	27%
Norðurland eystra	13,746	8%	1,163	9%
Suðurland	11,556	7%	1,058	8%
Suðurnes	14,827	8%	1,195	10%
Vesturland	6,217	4%	560	4%
Vestfirðir	1,478	1%	240	2%
Austurland	3,129	2%	391	3%
Norðurland vestra	1,470	1%	159	1%
Total	176,873	100%	12,539	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	176,759	100%	12,522	100%
Other	115	0%	17	0%
Total	176,873	100%	12,539	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	173,800	98%	12,387	99%
1-30	1,533	1%	80	1%
31-60	1,108	1%	54	0%
61-90	432	0%	18	0%
More than 90	0	0%	0	0%
Total	176,873	100%	12,539	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	94,864	54%	5,586	45%
3-6	51,867	29%	4,311	34%
6-9	9,975	6%	984	8%
9-12	928	1%	94	1%
more than 12	19,240	11%	1,564	12%
Total	176,873	100%	12,539	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	564	0%	290	2%
5-10	2,498	1%	688	5%
10-20	19,596	11%	2,988	24%
20-30	48,845	28%	3,094	25%
more than 30	105,371	60%	5,479	44%
Total	176,873	100%	12,539	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	135,247	76%	11,464	91%
30-60	40,139	23%	1,053	8%
60-90	1,487	1%	22	0%
more than 90	0	0%	0	0%
Total	176,873	100%	12,539	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	1,008	1%	81	1%
5Y interest reset	4,060	2%	366	3%
Fixed	56,902	32%	3,661	29%
Floating	114,903	65%	8,431	67%
Total	176,873	100%	12,539	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	176,873
Cover Pool Eligible for Calculation - Number of Mortgages	12,539
Cash account linked to Cover Pool	3,185
Total Issuance	145,330
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	176,344	133,520	100.00%	100.00%	42,824
Base	188,824	144,515	107.08%	108.23%	44,309
Risk free interest rate - downward shift	193,190	152,046	109.55%	113.87%	41,144
Risk free interest rate - upward shift	184,997	137,516	104.91%	102.99%	47,481
Adverse behavior	173,148	144,515	98.19%	108.23%	28,633
Consumer Price index - downward shift	188,168	143,932	106.71%	107.80%	44,236
Consumer Price index - upward shift	189,480	145,098	107.45%	108.67%	44,382

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

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Contact:

Investor Relations: [ir\[at \]landsbankinn.is](mailto:ir@landsbankinn.is)