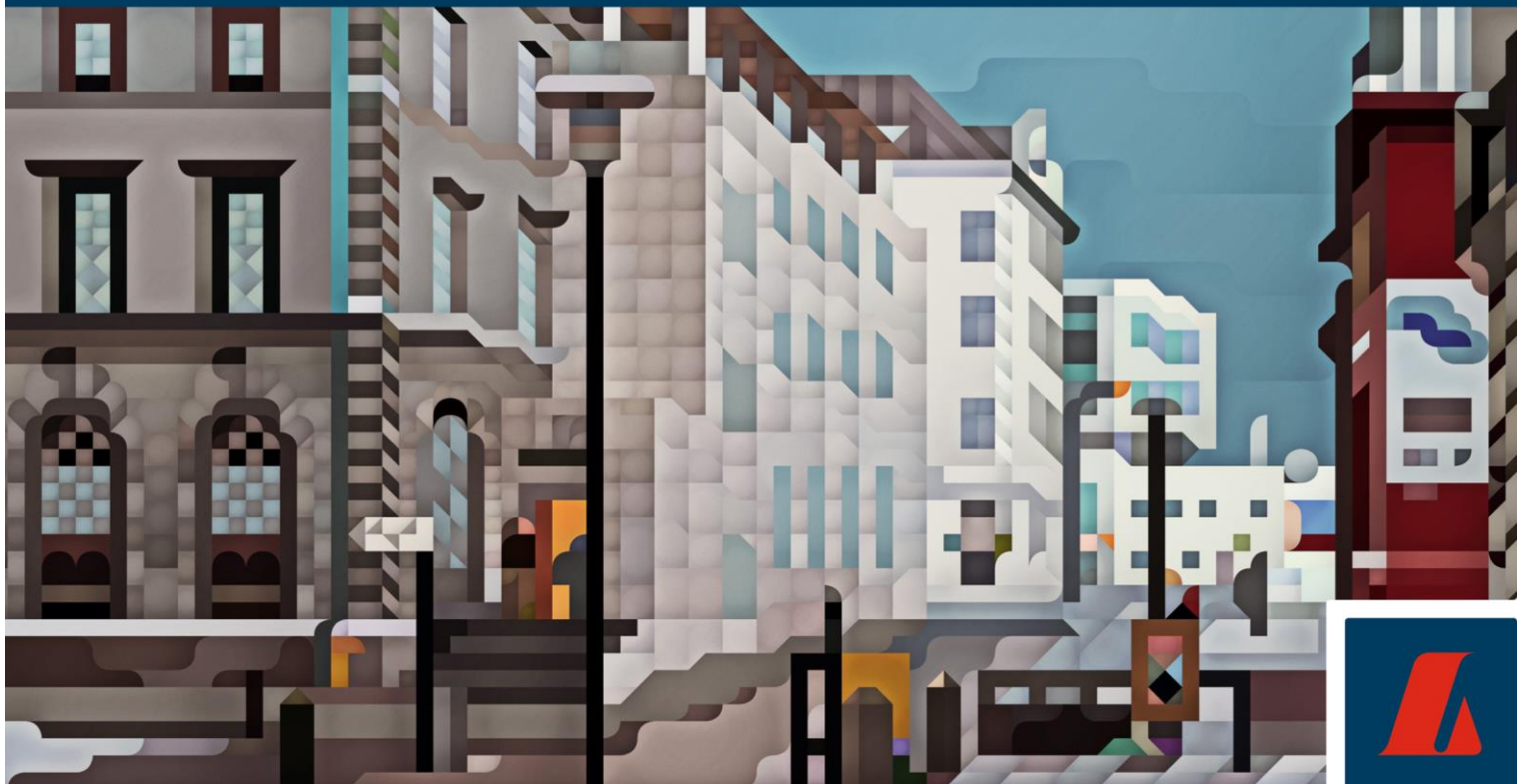

Cover Pool Information

29.11.2019

Covered Bond



Landsbankinn Covered Bonds report



Report date: 29.11.2019

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	123,137	54,853	177,990
Average Loan Balance	15	12	14
No. of Loans	8,054	4,530	12,584
No. of Borrowers	6,482	3,854	10,336
No. of Properties	6,412	3,811	10,223
WA LTV	54%	47%	52%
WA Seasoning (Years)	4.59	2.99	4.10
WA Remaining terms (Years)	31.61	28.87	30.77
WA Interest Rate	3.50%	5.67%	4.17%

*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	8,392	5%	1,547	12%
20-30	13,606	8%	1,275	10%
30-40	22,758	13%	1,660	13%
40-50	26,142	15%	1,835	15%
50-60	37,264	21%	2,385	19%
60-70	44,305	25%	2,558	20%
70-80	25,523	14%	1,324	11%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	177,990	100%	12,584	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	68,645	39%	4,430	35%
Höfuðborgarsvæðið	56,511	32%	3,375	27%
Norðurland eystra	13,834	8%	1,163	9%
Suðurland	11,724	7%	1,065	8%
Suðurnes	14,926	8%	1,195	9%
Vesturland	6,240	4%	557	4%
Vestfirðir	1,459	1%	239	2%
Austurland	3,125	2%	396	3%
Norðurland vestra	1,527	1%	164	1%
Total	177,990	100%	12,584	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	177,876	100%	12,567	100%
Other	115	0%	17	0%
Total	177,990	100%	12,584	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	175,325	99%	12,451	99%
1-30	1,946	1%	99	1%
31-60	698	0%	33	0%
61-90	22	0%	1	0%
More than 90	0	0%	0	0%
Total	177,990	100%	12,584	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	95,100	53%	5,555	44%
3-6	53,127	30%	4,399	35%
6-9	10,246	6%	1,008	8%
9-12	851	0%	87	1%
more than 12	18,666	10%	1,535	12%
Total	177,990	100%	12,584	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	586	0%	297	2%
5-10	2,574	1%	712	6%
10-20	19,865	11%	2,996	24%
20-30	48,078	27%	3,040	24%
more than 30	106,887	60%	5,539	44%
Total	177,990	100%	12,584	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	135,645	76%	11,488	91%
30-60	40,916	23%	1,075	9%
60-90	1,429	1%	21	0%
more than 90	0	0%	0	0%
Total	177,990	100%	12,584	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	872	0%	70	1%
5Y interest reset	3,738	2%	341	3%
Fixed	55,718	31%	3,591	29%
Floating	117,662	66%	8,582	68%
Total	177,990	100%	12,584	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	177,990
Cover Pool Eligible for Calculation - Number of Mortgages	12,584
Cash account linked to Cover Pool	1,035
Total Issuance	143,280
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20%
Over Collateralisation	25%

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	177,511	133,800	100.00%	100.00%	43,711
Base	188,912	143,280	106.42%	107.08%	45,633
Risk free interest rate - downward shift	192,863	150,716	108.65%	112.64%	42,147
Risk free interest rate - upward shift	185,432	136,363	104.46%	101.92%	49,069
Adverse behavior	171,712	143,280	96.73%	107.08%	28,433
Consumer Price index - downward shift	188,253	142,697	106.05%	106.65%	45,556
Consumer Price index - upward shift	189,571	143,863	106.79%	107.52%	45,709

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

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