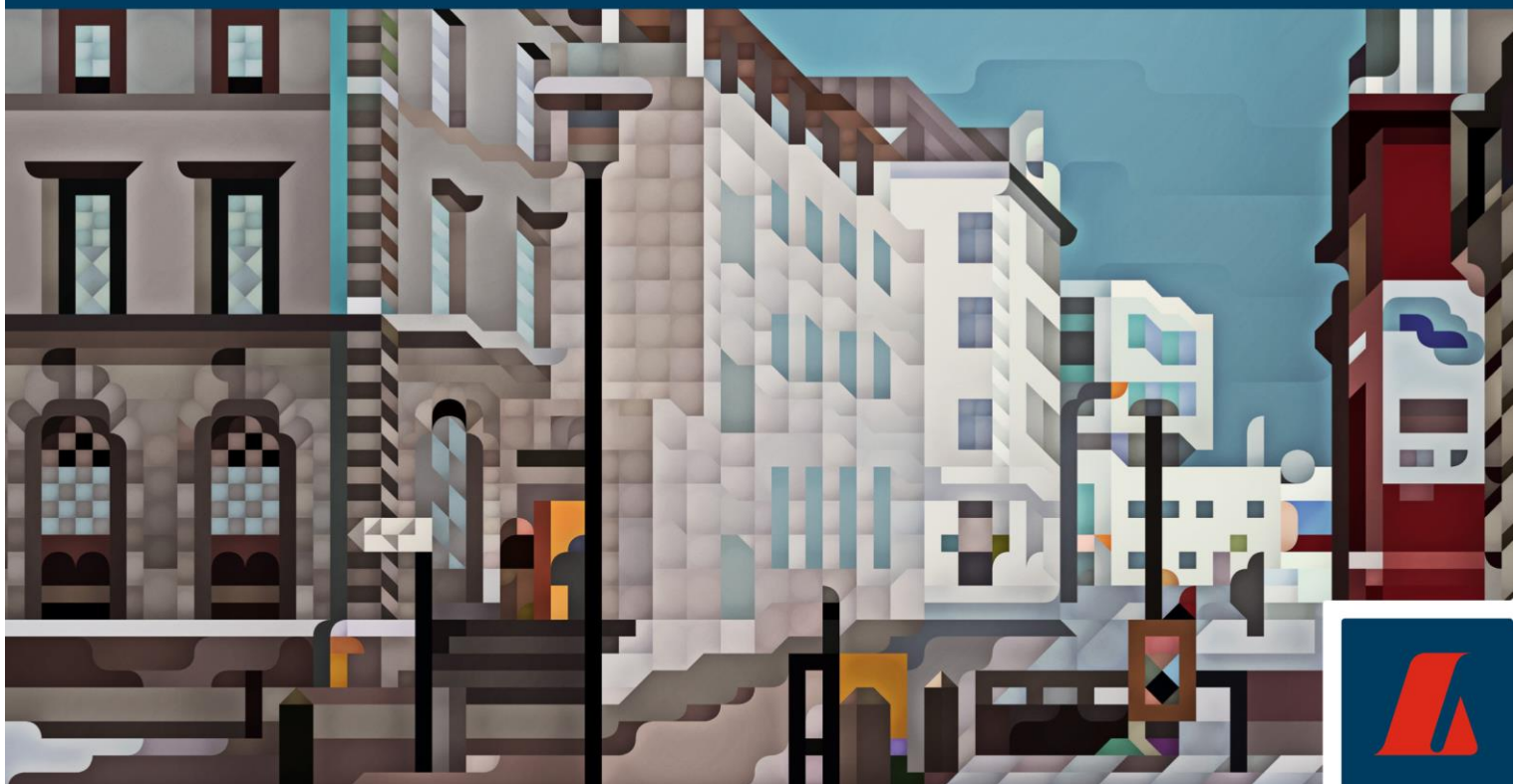

Cover Pool Information

31.01.2020

Covered Bond



Landsbankinn Covered Bonds report



Report date: 31.01.2020

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	123,111	61,298	184,410
Average Loan Balance	15	12	14
No. of Loans	7,997	4,919	12,916
No. of Borrowers	6,460	4,163	10,623
No. of Properties	6,391	4,114	10,505
WA LTV	51%	45%	49%
WA Seasoning (Years)	4.56	2.84	3.99
WA Remaining terms (Years)	31.57	29.25	30.80
WA Interest Rate	3.46%	5.59%	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	9,590	5%	1,701	13%
20-30	16,603	9%	1,467	11%
30-40	25,722	14%	1,885	15%
40-50	32,992	18%	2,179	17%
50-60	41,885	23%	2,640	20%
60-70	50,044	27%	2,649	21%
70-80	7,575	4%	395	3%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	184,410	100%	12,916	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	70,850	38%	4,502	35%
Höfuðborgarsvæðið	58,297	32%	3,432	27%
Norðurland eystra	14,193	8%	1,211	9%
Suðurland	12,066	7%	1,092	8%
Suðurnes	15,778	9%	1,242	10%
Vesturland	6,424	3%	576	4%
Vestfirðir	1,585	1%	256	2%
Austurland	3,484	2%	429	3%
Norðurland vestra	1,734	1%	176	1%
Total	184,410	100%	12,916	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	184,287	100%	12,898	100%
Other	123	0%	18	0%
Total	184,410	100%	12,916	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	181,747	99%	12,764	99%
1-30	973	1%	62	0%
31-60	1,298	1%	74	1%
61-90	392	0%	16	0%
More than 90	0	0%	0	0%
Total	184,410	100%	12,916	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	101,404	55%	5,889	46%
3-6	53,878	29%	4,412	34%
6-9	10,675	6%	1,069	8%
9-12	740	0%	71	1%
more than 12	17,713	10%	1,475	11%
Total	184,410	100%	12,916	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	604	0%	298	2%
5-10	2,783	2%	775	6%
10-20	20,364	11%	3,008	23%
20-30	48,178	26%	3,037	24%
more than 30	112,482	61%	5,798	45%
Total	184,410	100%	12,916	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	139,478	76%	11,752	91%
30-60	43,169	23%	1,138	9%
60-90	1,763	1%	26	0%
more than 90	0	0%	0	0%
Total	184,410	100%	12,916	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	748	0%	60	0%
5Y interest reset	3,519	2%	319	2%
Fixed	55,594	30%	3,559	28%
Floating	124,549	68%	8,978	70%
Total	184,410	100%	12,916	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	184,410
Cover Pool Eligible for Calculation - Number of Mortgages	12,916
Cash account linked to Cover Pool	2,294
Total Issuance	150,432
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	183,900	139,600	100.00%	100.00%	44,300
Base	195,528	150,207	106.32%	107.60%	45,320
Risk free interest rate - downward shift	199,352	157,851	108.40%	113.07%	41,502
Risk free interest rate - upward shift	192,151	143,093	104.49%	102.50%	49,058
Adverse behavior	177,812	150,207	96.69%	107.60%	27,605
Consumer Price index - downward shift	194,869	149,599	105.96%	107.16%	45,271
Consumer Price index - upward shift	196,186	150,816	106.68%	108.03%	45,370

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

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