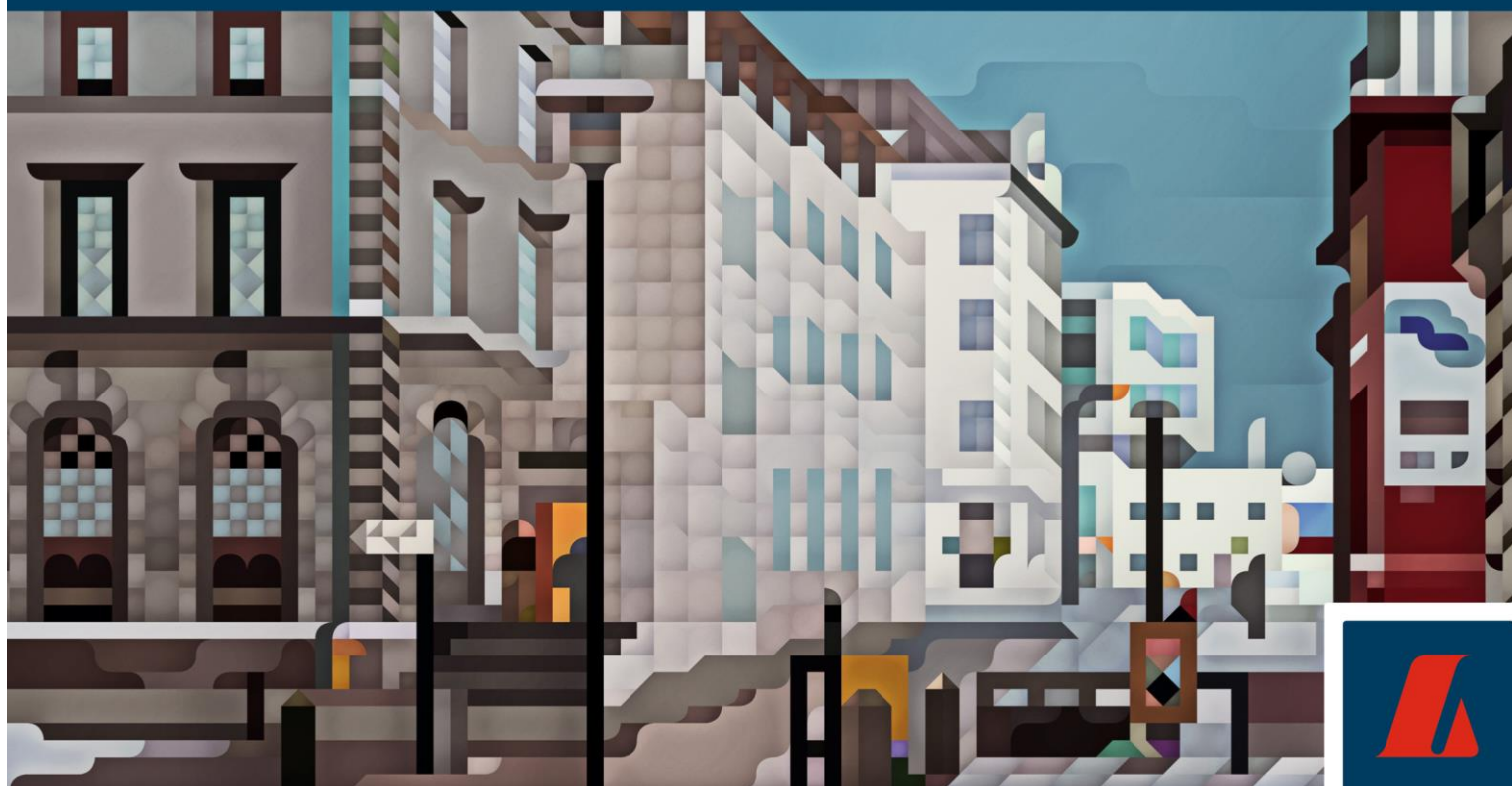

Cover Pool Information

28.02.2020

Covered Bond



Landsbankinn Covered Bonds report



Report date: 28.02.2020

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	126,734	63,221	189,955
Average Loan Balance	15	13	14
No. of Loans	8,208	5,022	13,230
No. of Borrowers	6,638	4,260	10,898
No. of Properties	6,564	4,204	10,768
WA LTV	51%	46%	49%
WA Seasoning (Years)	4.47	2.84	3.92
WA Remaining terms (Years)	31.61	29.30	30.84
WA Interest Rate	3.45%	5.52%	4.14%

*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	9,766	5%	1,727	13%
20-30	16,812	9%	1,487	11%
30-40	26,215	14%	1,929	15%
40-50	33,280	18%	2,192	17%
50-60	43,131	23%	2,672	20%
60-70	51,880	27%	2,767	21%
70-80	8,870	5%	456	3%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	189,955	100%	13,230	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	72,537	38%	4,589	35%
Höfuðborgarsvæðið	59,935	32%	3,513	27%
Norðurland eystra	14,423	8%	1,232	9%
Suðurland	12,852	7%	1,140	9%
Suðurnes	16,545	9%	1,291	10%
Vesturland	6,683	4%	585	4%
Vestfirðir	1,648	1%	262	2%
Austurland	3,575	2%	440	3%
Norðurland vestra	1,757	1%	178	1%
Total	189,955	100%	13,230	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	189,834	100%	13,213	100%
Other	121	0%	17	0%
Total	189,955	100%	13,230	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	186,583	98%	13,052	99%
1-30	2,593	1%	138	1%
31-60	702	0%	36	0%
61-90	76	0%	4	0%
More than 90	0	0%	0	0%
Total	189,955	100%	13,230	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	105,963	56%	6,101	46%
3-6	54,826	29%	4,495	34%
6-9	11,020	6%	1,102	8%
9-12	577	0%	56	0%
more than 12	17,569	9%	1,476	11%
Total	189,955	100%	13,230	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	605	0%	300	2%
5-10	2,805	1%	782	6%
10-20	20,757	11%	3,062	23%
20-30	48,613	26%	3,062	23%
more than 30	117,176	62%	6,024	46%
Total	189,955	100%	13,230	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	143,764	76%	12,032	91%
30-60	44,244	23%	1,169	9%
60-90	1,946	1%	29	0%
more than 90	0	0%	0	0%
Total	189,955	100%	13,230	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	701	0%	57	0%
5Y interest reset	3,612	2%	323	2%
Fixed	55,502	29%	3,556	27%
Floating	130,139	69%	9,294	70%
Total	189,955	100%	13,230	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	189,955
Cover Pool Eligible for Calculation - Number of Mortgages	13,230
Cash account linked to Cover Pool	2,409
Total Issuance	155,341
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	189,470	144,880	100.00%	100.00%	44,590
Base	201,578	156,079	106.39%	107.73%	45,498
Risk free interest rate - downward shift	205,406	163,932	108.41%	113.15%	41,474
Risk free interest rate - upward shift	198,204	148,767	104.61%	102.68%	49,438
Adverse behavior	182,406	156,079	96.27%	107.73%	26,327
Consumer Price index - downward shift	200,899	155,452	106.03%	107.30%	45,447
Consumer Price index - upward shift	202,256	156,707	106.75%	108.16%	45,550

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

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