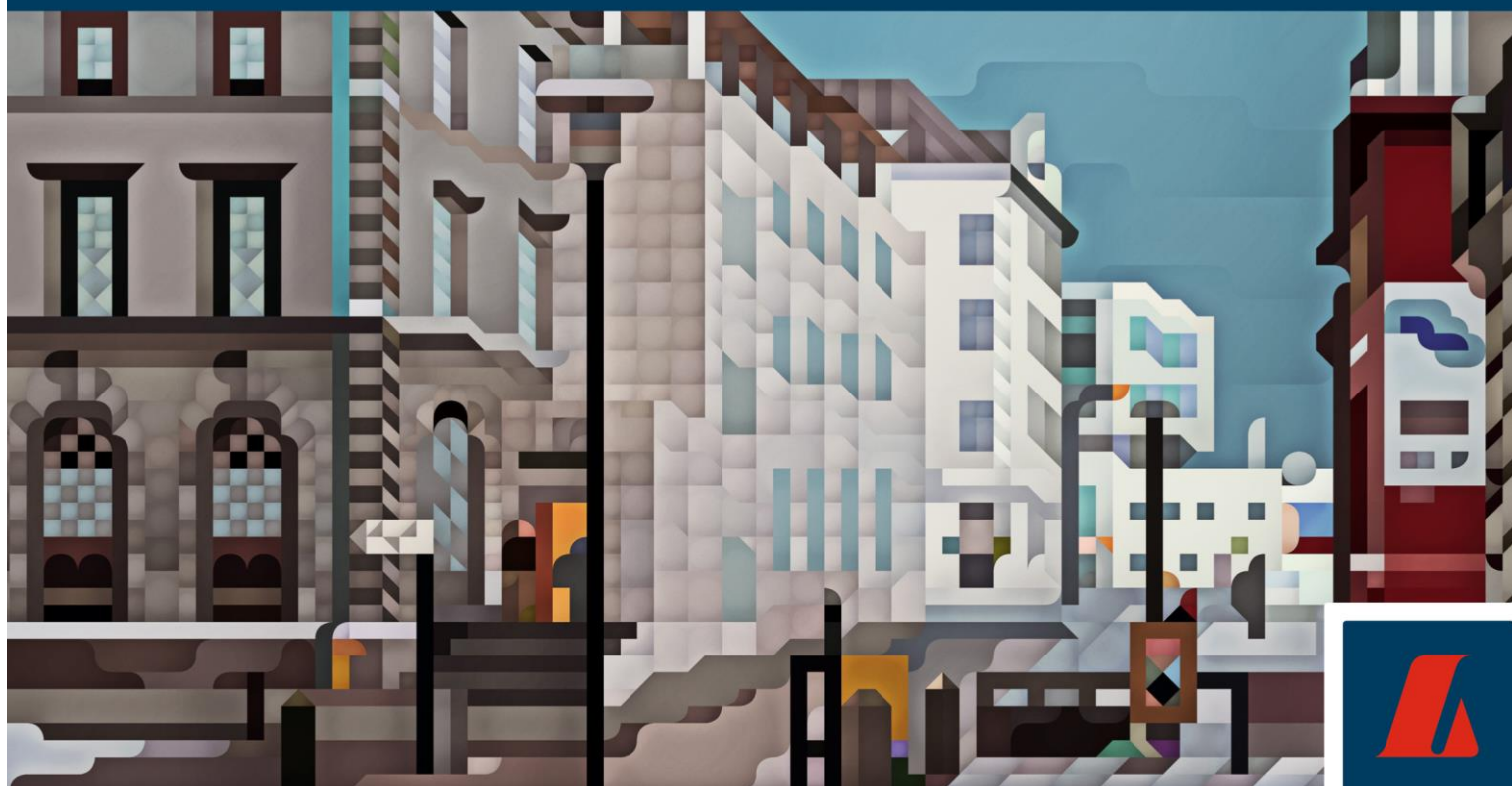

Cover Pool Information

30.06.2020

Covered Bond



Landsbankinn Covered Bonds report



Report date: 30.06.2020

Portfolio Characteristics	Indexed*	Non-Indexed	Total
Total Cover Pool Balance	137,025	68,257	205,282
Average Loan Balance	17	14	16
No. of Loans	8,060	4,990	13,050
No. of Borrowers	6,696	4,370	11,066
No. of Properties	6,621	4,319	10,940
WA LTV	55%	49%	53%
WA Seasoning (Years)	4.11	2.68	3.64
WA Remaining terms (Years)	32.09	30.42	31.54
WA Interest Rate	2.46%	4.33%	3.08%

*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	9,018	4%	1,610	12%
20-30	15,028	7%	1,310	10%
30-40	24,602	12%	1,738	13%
40-50	29,510	14%	1,892	14%
50-60	37,965	18%	2,266	17%
60-70	57,447	28%	2,862	22%
70-80	31,713	15%	1,372	11%
80-90	0	0%	0	0%
more than 90	0	0%	0	0%
Total	205,282	100%	13,050	100%

Area	Exposure (ISK)	Percentage	No. Loans	Percentage
Reykjavík	78,025	38%	4,514	35%
Höfuðborgarsvæðið	63,962	31%	3,420	26%
Norðurland eystra	15,109	7%	1,191	9%
Suðurland	15,071	7%	1,182	9%
Suðurnes	18,499	9%	1,315	10%
Vesturland	7,282	4%	557	4%
Vestfirðir	1,770	1%	266	2%
Austurland	3,613	2%	419	3%
Norðurland vestra	1,951	1%	186	1%
Total	205,282	100%	13,050	100%

Payment frequency	Exposure (ISK)	Percentage	No. Loans	Percentage
Monthly	205,202	100%	13,037	100%
Other	80	0%	13	0%
Total	205,282	100%	13,050	100%

Days in arrears	Exposure (ISK)	Percentage	No. Loans	Percentage
Not in arrears	203,581	99%	12,964	99%
1-30	1,130	1%	63	0%
31-60	208	0%	8	0%
61-90	364	0%	15	0%
More than 90	0	0%	0	0%
Total	205,282	100%	13,050	100%

Seasoning (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-3	120,075	58%	6,293	48%
3-6	57,123	28%	4,288	33%
6-9	12,704	6%	1,248	10%
9-12	691	0%	60	0%
more than 12	14,689	7%	1,161	9%
Total	205,282	100%	13,050	100%

Remaining (Years)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-5	497	0%	246	2%
5-10	2,575	1%	720	6%
10-20	19,619	10%	2,715	21%
20-30	45,361	22%	2,742	21%
more than 30	137,230	67%	6,627	51%
Total	205,282	100%	13,050	100%

Loan Balance (m.)	Exposure (ISK)	Percentage	No. Loans	Percentage
0-30	147,701	72%	11,571	89%
30-60	55,053	27%	1,441	11%
60-90	2,528	1%	38	0%
more than 90	0	0%	0	0%
Total	205,282	100%	13,050	100%

Interest type	Exposure (ISK)	Percentage	No. Loans	Percentage
3Y interest reset	455	0%	34	0%
5Y interest reset	2,360	1%	227	2%
Fixed	47,875	23%	2,923	22%
Floating	154,592	75%	9,866	76%
Total	205,282	100%	13,050	100%

Issuance	Amount
Cover Pool Eligible for Calculation - Exposure ISK	205,282
Cover Pool Eligible for Calculation - Number of Mortgages	13,050
Cash account linked to Cover Pool	6,518
Total Issuance	171,739
Substitution - Cash	0
Substitution - Government Bond	0
Minimum Over Collateralisation	20%
Over Collateralisation	23%

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	205,040	157,440	100.00%	100.00%	47,600
Base	205,745	170,518	100.34%	108.31%	35,228
Risk free interest rate - downward shift	207,712	178,663	101.30%	113.48%	29,049
Risk free interest rate - upward shift	203,944	162,914	99.47%	103.48%	41,030
Adverse behavior	185,653	170,518	90.54%	108.31%	15,135
Consumer Price index - downward shift	205,060	169,863	100.01%	107.89%	35,197
Consumer Price index - upward shift	206,430	171,173	100.68%	108.72%	35,257

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

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