

BANK OF CYPRUS EUR 3BN COVERED BOND PROGRAMME

Report Date: 31/03/2019
 Completion Date: 03/04/2019

CYPRIOI COVER POOL MONTHLY INVESTOR REPORT

| | Series 1 | Series 2 | Series 3 | Series 4 | Series 5 |
|---------------------------|--|----------|----------|----------|----------|
| Issue | 650.000.000 € | | | | |
| Coupon | EURIBOR 003M + 2.50% | | | | |
| Coupon Payment Frequency | Quarterly | | | | |
| Coupon Payment Dates | 12/3 - 12/6 - 12/9 - 12/12 | | | | |
| Maturity Date | 12/12/2021 | | | | |
| Extension Period | 12/12/2075 | | | | |
| Rating Agencies | Moody's/ Fitch | | | | |
| Issue Rating | Baa3/A | | | | |
| ISIN | XS0718673311 | | | | |
| Primary Cover Pool Assets | Cypriot Residential Mortgage Loans | | | | |
| Trustee | Bank of New York Mellon Corporate Trustee Services Ltd | | | | |
| Account Bank | Bank of New York Mellon | | | | |
| Swap Counterparties | N/A | | | | |

STATUTORY TESTS

| BASIC COVER | Value | Requirement | PASS / FAIL |
|--|---------------|-------------|-------------|
| Nominal Value Test | | | |
| Eligible Loans (adjusted for set off and LTV) plus interest accrued on the loans | 924.989.359 | | |
| Complementary Assets (in the basic cover) | 0 | | |
| Hedging Contracts (mark-to-market value) | 0 | | |
| Covered Bonds (outstanding amount) | 650.000.000 | | |
| Result | 142,31% | 100,00% | PASS |
| Net Present Value Test | | | |
| Eligible Loans (present value of inflows) | 1.106.897.117 | | |
| Complementary Assets (present value of inflows) | 0 | | |
| Claims under hedging contracts | 0 | | |
| Covered Bond Holders (present value of payments) | 694.687.500 | | |
| Obligations under hedging contracts | 0 | | |
| Other Cover Pool Creditors (present value of payments) | 235.125 | | |
| Result | 159,3% | 105,0% | PASS |
| Stress scenarios: | | | |
| 1. Interest rate shift by -200bps | | | |
| Eligible Loans (present value of inflows) | 1.106.616.092 | | |
| Complementary Assets (present value of inflows) | 0 | | |
| Claims under hedging contracts | 0 | | |
| Covered Bond Holders (present value of payments) | 694.687.500 | | |
| Obligations under hedging contracts | 0 | | |
| Other Cover Pool Creditors (present value of payments) | 235.125 | | |
| Result | 159,2% | 105,0% | PASS |
| 2. Interest rate shift by +200bps | | | |
| Eligible Loans (present value of inflows) | 1.082.648.422 | | |
| Complementary Assets (present value of inflows) | 0 | | |
| Claims under hedging contracts | 0 | | |
| Covered Bond Holders (present value of payments) | 690.132.040 | | |
| Obligations under hedging contracts | 0 | | |
| Other Cover Pool Creditors (present value of payments) | 228.311 | | |
| Result | 156,8% | 105,0% | PASS |

| 3. VaR Negative shift in interest rates | | | |
|---|--------------------|--|---------------------|
| Eligible Loans (present value of inflows) | 1.114.716.678 | | |
| Complementary Assets (present value of inflows) | 0 | | |
| Claims under hedging contracts | 0 | | |
| Covered Bond Holders (present value of payments) | 696.177.036 | | |
| Obligations under hedging contracts | 0 | | |
| Other Cover Pool Creditors (present value of payments) | 234.957 | | |
| Result | 160,1% | 105,0% | PASS |
| 4. VaR Positive shift in interest rates | | | |
| Eligible Loans (present value of inflows) | 1.113.432.813 | | |
| Complementary Assets (present value of inflows) | 0 | | |
| Claims under hedging contracts | 0 | | |
| Covered Bond Holders (present value of payments) | 694.687.500 | | |
| Obligations under hedging contracts | 0 | | |
| Other Cover Pool Creditors (present value of payments) | 235.125 | | |
| Result | 160,2% | 105,0% | PASS |
| Weighted Maturity Test | | | |
| Weighted Average Life of Cover Pool assets in the basic and supervisory cover | 8,90 | | |
| Weighted average life of covered bonds | 2,6 | | |
| Result | | D(pool) > D(bond) | PASS |
| Liquidity Test | | | |
| 1. if Maturity Date > 180 days | | Complementary Assets > highest net outflow in the next 180 days | PASS |
| Complementary Assets | 33.546.801 | | |
| Outflow in the next 180 days | 3.644.124 | | |
| 2. if Maturity Date >30 days, <180 days | | | |
| 2a) First Test | N/A | Complementary Assets > highest net outflow until bond maturity (excl. principal) | N/A |
| 2b) Second Test | N/A | Complementary/Liquid Assets >= 50% of Bond principal amount | N/A |
| 3. if Maturity Date < 30 days | | | |
| 2a) First Test | N/A | Complementary Assets > highest net outflow until bond maturity (excl. principal) | N/A |
| 2b) Second Test | N/A | Complementary/Liquid Assets >= 50% of Bond principal amount | N/A |
| SUPERVISORY OVER-COLLATERALISATION | | | |
| Complementary Assets | COVER POOL 5,2% | REQUIREMENT 5,0% | PASS / FAIL PASS |

| COMMITTED OVERCOLLATERALISATION TEST | COVER POOL | REQUIREMENT | PASS / FAIL |
|--|------------|-------------|-------------|
| Committed Overcollateralisation Requirement as per OC Notice | 47,5% | 47,0% | PASS |

COVER POOL INFORMATION

| Cover Pool Summary | |
|---|-----------------|
| Total LOAN BALANCE: | 1.012.135.293 € |
| Average LOAN BALANCE: | 76.038 € |
| NO. OF LOANS: | 13.311 |
| WA SEASONING (in months): | 82,7 |
| WA REMAINING TERM (in months): | 197,4 |
| NO. OF BORROWERS: | 14.740 |
| NO. OF PROPERTIES: | 10.648 |
| WA LTV: | 53,5% |
| Loans to employees of group: | 3,8% |
| WA Interest Rate on Floating rate Loans: | 2,7% |
| WA MARGIN ON FLOATING RATE LOANS: | 2,0% |
| WA Interest Rate on Floating rate Loans originated over last quarter: | 2,2% |
| Percentage of VARIABLE MORTGAGES (based on bank's rates): | 45,0% |
| WA Interest Rate on Fixed rate Loans: | 2,6% |
| Borrower concentration: %age of largest 10 borrowers : | 2,20% |
| Loans in arrears > 90 days: | 0,0% |

| Supervisory Over Collateralisation | |
|---|---------------|
| Supplementary Assets | 33.546.801 € |
| Transaction Account Balance | 17.736.748 € |
| Deducting for liquidity reserve | (3.644.124) |
| Net supplementary assets available for OC | 47.639.425 € |
| Contractual Over Collateralisation | |
| Loan balances in excess of basic cover | 362.135.293 € |
| Adjustment to Loan balances due to set-off | 71.403.640 € |
| Adjustment to Loan balances due to LTV | 15.742.294 € |
| Total Cover Pool OC (allowing for set-off and LTV) | 274.989.359 € |
| As a % of Outstanding Cover Bond Issuance | 42,3% |
| Asset Percentage (Covered Bond Issuance as a % of Cover Assets) | 70,3% |
| TOTAL COMMITTED OVER COLLATERALISATION | |
| In Basic Cover | 42,3% |
| In Supplementary Assets | 5,2% |
| Total | 47,5% |

Cover Pool Indexed LTV Distribution

| Indexed LTV ranges | Total Loan Balance | No. of Borrowers |
|--------------------|--------------------|------------------|
| 0-≤40% | 301.027.924 € | 6.728 |
| >40%-≤50% | 143.871.092 € | 1.861 |
| >50%-≤60% | 150.358.306 € | 1.767 |
| >60%-≤70% | 163.133.862 € | 1.782 |
| >70%-≤80% | 126.263.844 € | 1.394 |
| >80%-≤85% | 43.450.909 € | 420 |
| >85%-≤90% | 37.591.072 € | 358 |
| >90%-≤95% | 27.123.387 € | 243 |
| >95%-≤100% | 19.314.898 € | 187 |
| >100%-≤105% | - € | - |

| | | |
|--------------|------------------------|---------------|
| >105% | - € | - |
| TOTAL | 1.012.135.293 € | 14.740 |

Cover Pool Regional Distribution

| Region | Total Loan Balance | % of total loan balance |
|--------------|------------------------|-------------------------|
| Nicosia | 431.830.075 € | 42,7% |
| Limassol | 327.579.213 € | 32,4% |
| Larnaca | 111.278.410 € | 11,0% |
| Paphos | 99.505.392 € | 9,8% |
| Ammochostos | 41.942.203 € | 4,1% |
| No data | | 0,0% |
| | | 0,0% |
| | | 0,0% |
| | | 0,0% |
| | | 0,0% |
| TOTAL | 1.012.135.293 € | 100,0% |

Cover Pool Rate Type Distribution

| Rate Type | Total Loan Balance | % of total loan balance |
|--|------------------------|-------------------------|
| Floating rate | 999.692.601 € | 98,8% |
| Fixed rate with reset <2 years | 5.513.204 € | 0,5% |
| Fixed rate with reset ≥2 but < 5 years | 2.814.817 € | 0,3% |
| Fixed rate with reset ≥5 years | 4.114.672 € | 0,4% |
| TOTAL | 1.012.135.293 € | 100,0% |

Cover Pool Occupancy Type Distribution

| Occupancy Type | Total Loan Balance | % of total loan balance |
|---|------------------------|-------------------------|
| Owner-occupied | 903.676.386 € | 89,3% |
| Non-owner-occupied (buy-to-let) where BORROWER has < 3 properties | 35.514.598 € | 3,5% |
| Non-owner-occupied (buy-to-let) where BORROWER has > 2 properties | - € | 0,0% |
| Vacation/ second home | 72.546.710 € | 7,2% |
| Partially owner-occupied | - € | 0,0% |
| Other/No data | 397.599 € | 0,0% |
| TOTAL | 1.012.135.293 € | 100,0% |

Cover Pool Property Type Distribution

| Property Type | Total Loan Balance | % of total loan balance |
|--------------------------------------|------------------------|-------------------------|
| House | 769.127.266 € | 76,0% |
| Flat in block with less than 4 units | - € | 0,0% |
| Flat in block with 4 or more units | 243.008.028 € | 24,0% |
| PARTIAL COMMERCIAL USE | - € | 0,0% |
| Other/No data | - € | 0,0% |
| TOTAL | 1.012.135.293 € | 100,0% |

Cover Pool Loan Type Distribution

| Loan Type | Total Loan Balance | % of total loan balance |
|--------------------|------------------------|-------------------------|
| Purchase | 703.925.838 € | 69,5% |
| RE-MORTGAGE | - € | 0,0% |
| EQUITY RELEASE | 91.713.461 € | 9,1% |
| RENOVATION | 190.531.522 € | 18,8% |
| Construction (new) | - € | 0,0% |
| Other/No data | 25.964.472 € | 2,6% |
| TOTAL | 1.012.135.293 € | 100,0% |

Cover Pool Seasoning Distribution

| Seasoning (months) | Total Loan Balance | % of total loan balance |
|--------------------|------------------------|-------------------------|
| < 12 | 122.999.811 € | 12,2% |
| ≥12-<24 | 85.416.126 € | 8,4% |
| ≥24-<36 | 86.505.629 € | 8,5% |
| ≥36-<60 | 72.034.071 € | 7,1% |
| ≥60 | 645.179.657 € | 63,7% |
| TOTAL | 1.012.135.293 € | 100,0% |

Cover Pool Loans - Arrears Analysis

| Months | Total Loan Balance | % of total loan balance |
|--|------------------------|-------------------------|
| Not in Arrears | 959.431.447 € | 94,8% |
| <2 (and not BPI or Fce) | 49.913.626 € | 4,9% |
| ≥2-<6 (and not BPI or Fce) | 2.790.220 € | 0,3% |
| ≥6-<12 (and not BPI or Fce) | - € | 0,0% |
| >12 (and not BPI or Fce) | - € | 0,0% |
| Bankruptcy proceedings initiated ("BPI") (and not Fce) | - € | 0,0% |
| Foreclosure ("Fce") | - € | 0,0% |
| TOTAL | 1.012.135.293 € | 100,0% |