BANK OF CYPRUS EUR 3BN COVERED BOND PROGRAMME

Report Date: 31/05/2019
Completion Date: 03/06/2019

CYPRIOT 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	925.049.756		
Complementary Assets (in the basic cover)	0		
Hedging Contracts (mark-to-market value)	0		
Covered Bonds (outstanding amount)	650.000.000		
Result	142,32%	100,00%	PASS
Net Present Value Test			
Eligible Loans (present value of inflows)	1.108.419.499		
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	159,5%	105,0%	PASS
Stress scenarios:			
1. Interest rate shift by -200bps			
Eligible Loans (present value of inflows)	1.105.381.577		
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	159,1%	105,0%	PASS
2. Interest rate shift by +200bps			
Eligible Loans (present value of inflows)	1.083.239.736		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	690.239.498		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	228.511		
Result	156,9%	105,0%	PASS

3. VaR Negative shift in interest rates			
Eligible Loans (present value of inflows)	1.117.519.858		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	696.325.393		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	234.838		
Result	160,4%	105,0%	PASS
4. VaR Positive shift in interest rates			
Eligible Loans (present value of inflows)	1.119.044.269		
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	161,0%	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	2,5		
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	33.543.726		
Outflow in the next 180 days	3.641.156		
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	COVER POOL	REQUIREMENT	PASS / FAIL
Complementary Assets	5,2%	5,0%	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:	1.011.911.674 €
Average LOAN BALANCE:	75.589 €
NO. OF LOANS:	13.387
WA SEASONING (in months):	83,3
WA REMAINING TERM (in months):	197,6
NO. OF BORROWERS:	14.840
NO. OF PROPERTIES:	10.706
WA LTV:	53,4%
Loans to employees of group:	3,8%
WA Interest Rate on Floating rate Loans:	2,6%
WA MARGIN ON FLOATING RATE LOANS:	2,0%
WA Interest Rate on Floating rate Loans originated over last quarter:	2,4%
Percentage of VARIABLE MORTGAGES (based on bank's rates):	45,2%
WA Interest Rate on Fixed rate Loans:	2,5%
Borrower concentration: %age of largest 10 borrowers :	2,16%
Loans in arrears > 90 days:	0,0%

Supervisory Over Collateralisation	
Supplementary Assets	33.543.726 €
Transaction Account Balance	20.402.801 €
Deducting for liquidity reserve	(3.641.156)
Net supplementary assets available for OC	50.305.371 €
Contractual Over Collateralisation	
Loan balances in excess of basic cover	361.911.674 €
Adjustment to Loan balances due to set-off	71.092.569 €
Adjustment to Loan balances due to LTV	15.769.349 €
Total Cover Pool OC (allowing for set-off and LTV)	275.049.756 €
As a % of Outstanding Cover Bond Issuance	42,3%
Asset Percentage (Covered Bond Issuance as a % of Cover Assets)	70,3%
TOTAL COMMITED 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%	298.976.052 €	6.756
>40%-≤50%	148.734.488 €	1.933
>50%-≤60%	151.717.765 €	1.773
>60%-≤70%	159.568.224 €	1.763
>70%-≤80%	128.883.817 €	1.438
>80%-≤85%	41.945.355 €	397
>85%-≤90%	35.834.503 €	342
>90%-≤95%	27.218.847 €	250
>95%-≤100%	19.032.623 €	188
>100%-≤105%	- €	-
>105%	- €	-
TOTAL	**1.011.911.674 €**	**14.840**

Cover Pool Regional Distribution

Region	Total Loan Balance	% of total loan balance
Nicosia	431.732.553 €	42,7%
Limassol	326.799.265 €	32,3%
Larnaca	110.546.200 €	10,9%
Paphos	99.998.942 €	9,9%
Ammochostos	42.834.715 €	4,2%
No data		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
TOTAL	**1.011.911.674 €**	**100,0%**

Cover Pool Rate Type Distribution

Rate Type	Total Loan Balance	% of total loan balance
Floating rate	998.737.475 €	98,7%
Fixed rate with reset <2 years	5.740.691 €	0,6%
Fixed rate with reset ≥2 but < 5 years	2.839.025 €	0,3%
Fixed rate with reset ≥5 years	4.594.483 €	0,5%
TOTAL	**1.011.911.674 €**	**100,0%**

Cover Pool Occupancy Type Distribution

Occupancy Type	Total Loan Balance	% of total loan balance
Owner-occupied	903.609.939 €	89,3%
Non-owner-occupied (buy-to-let) where BORROWER has < 3 properties	34.594.752 €	3,4%
Non-owner-occupied (buy-to-let) where BORROWER has > 2 properties	- €	0,0%
Vacation/ second home	73.327.762 €	7,2%
Partially owner-occupied	- €	0,0%
Other/No data	379.221 €	0,0%
TOTAL	**1.011.911.674 €**	**100,0%**

Bank of Cyprus

Cover Pool Property Type Distribution

Property Type	Total Loan Balance	% of total loan balance
House	769.340.279 €	76,0%
Flat in block with less than 4 units	- €	0,0%
Flat in block with 4 or more units	242.571.396 €	24,0%
PARTIAL COMMERCIAL USE	- €	0,0%
Other/No data		0,0%
TOTAL	**1.011.911.674 €**	**100,0%**

Cover Pool Loan Type Distribution

Loan Type	Total Loan Balance	% of total loan balance
Purchase	707.874.794 €	70,0%
RE-MORTGAGE	- €	0,0%
EQUITY RELEASE	91.596.870 €	9,1%
RENOVATION	185.650.422 €	18,3%
Construction (new)	- €	0,0%
Other/No data	26.789.588 €	2,6%
TOTAL	**1.011.911.674 €**	**100,0%**

Cover Pool Seasoning Distribution

Seasoning (months)	Total Loan Balance	% of total loan balance
< 12	112.495.017 €	11,1%
≥12-<24	100.315.016 €	9,9%
≥24-<36	74.514.559 €	7,4%
≥36-<60	86.137.838 €	8,5%
≥60	638.449.244 €	63,1%
TOTAL	**1.011.911.674 €**	**100,0%**

Cover Pool Loans - Arrears Analysis

Months	Total Loan Balance	% of total loan balance
Not in Arrears	952.973.900 €	94,2%
<2 (and not BPI or Fce)	57.652.489 €	5,7%
≥2-<6 (and not BPI or Fce)	1.285.285 €	0,1%
≥6-<12 (and not BPI or Fce)	- €	0,0%
>12 (and not BPI or Fce)	- €	0,0%
Bankruptcy proceedings initialted ("BPI") (and not Fce)	- €	0,0%
Foreclosure ("Fce")	- €	0,0%
TOTAL	**1.011.911.674 €**	**100,0%**