BANK OF CYPRUS EUR 3BN COVERED BOND PROGRAMME

Report Date: 31/08/2019
Completion Date: 09/09/2019

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	924.984.023		
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)	1.109.159.907		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	690.625.000		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	213.750		
Result	160,6%	105,0%	PASS
Stress scenarios:			
1. Interest rate shift by -200bps			
Eligible Loans (present value of inflows)	1.101.286.235		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	690.625.000		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	213.750		
Result	159,4%	105,0%	PASS
2. Interest rate shift by +200bps			
Eligible Loans (present value of inflows)	1.084.347.368		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	686.740.806		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	208.950		
Result	157,8%	105,0%	PASS

3. VaR Negative shift in interest rates			
Eligible Loans (present value of inflows)	1.133.316.612		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	690.625.000		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	213.750		
Result	164,0%	105,0%	PASS
4. VaR Positive shift in interest rates			
Eligible Loans (present value of inflows)	1.136.405.832		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	692.757.223		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	213.336		
Result	164,0%	105,0%	PASS
Weighted Maturity Test			
Weighted Average Life of Cover Pool assets in the basic and supervisory cover	8,70		
Weighted average life of covered bonds	2,2		
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	33.614.350		
Outflow in the next 180 days	3.624.544		
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:	1.003.694.738 €
Average LOAN BALANCE:	74.663 €
NO. OF LOANS:	13.443
WA SEASONING (in months):	83,3
WA REMAINING TERM (in months):	196,8
NO. OF BORROWERS:	14.821
NO. OF PROPERTIES:	10.693
WA LTV:	53,0%
Loans to employees of group:	3,8%
WA Interest Rate on Floating rate Loans:	2,5%
WA MARGIN ON FLOATING RATE LOANS:	2,0%
WA Interest Rate on Floating rate Loans originated over last quarter:	2,5%
Percentage of VARIABLE MORTGAGES (based on bank's rates):	44,8%
WA Interest Rate on Fixed rate Loans:	2,4%
Borrower concentration: %age of largest 10 borrowers :	2,22%
Loans in arrears > 90 days:	0,0%

Supervisory Over Collateralisation	
Supplementary Assets	33.614.350 €
Transaction Account Balance	19.686.270 €
Deducting for liquidity reserve	(3.624.544)
Net supplementary assets available for OC	49.676.075 €
Contractual Over Collateralisation	
Loan balances in excess of basic cover	353.694.738 €
Adjustment to Loan balances due to set-off	64.392.192 €
Adjustment to Loan balances due to LTV	14.318.523 €
Total Cover Pool OC (allowing for set-off and LTV)	274.984.023 €
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%	303.028.861 €	6.836
>40%-≤50%	142.588.294 €	1.832
>50%-≤60%	151.288.624 €	1.785
>60%-≤70%	161.974.927 €	1.809
>70%-≤80%	128.422.526 €	1.449
>80%-≤85%	44.418.567 €	425
>85%-≤90%	31.596.566 €	312
>90%-≤95%	25.268.190 €	224
>95%-≤100%	15.108.184 €	149
>100%-≤105%	- €	-

>105%	- €	-
TOTAL	**1.003.694.738 €**	**14.821**

Cover Pool Regional Distribution

Region	Total Loan Balance	% of total loan balance
Nicosia	425.065.084 €	42,4%
Limassol	328.153.803 €	32,7%
Larnaca	108.079.714 €	10,8%
Paphos	97.641.598 €	9,7%
Ammochostos	44.754.540 €	4,5%
No data		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
TOTAL	**1.003.694.738 €**	**100,0%**

Cover Pool Rate Type Distribution

Rate Type	Total Loan Balance	% of total loan balance
Floating rate	988.939.853 €	98,5%
Fixed rate with reset <2 years	5.967.501 €	0,6%
Fixed rate with reset ≥2 but < 5 years	3.732.141 €	0,4%
Fixed rate with reset ≥5 years	5.055.243 €	0,5%
TOTAL	**1.003.694.738 €**	**100,0%**

Cover Pool Occupancy Type Distribution

Occupancy Type	Total Loan Balance	% of total loan balance
Owner-occupied	894.940.550 €	89,2%
Non-owner-occupied (buy-to-let) where BORROWER has < 3 properties	34.593.807 €	3,4%
Non-owner-occupied (buy-to-let) where BORROWER has > 2 properties	- €	0,0%
Vacation/ second home	73.799.818 €	7,4%
Partially owner-occupied	- €	0,0%
Other/No data	360.563 €	0,0%
TOTAL	**1.003.694.738 €**	**100,0%**

Cover Pool Property Type Distribution

Property Type	Total Loan Balance	% of total loan balance
House	761.205.406 €	75,8%
Flat in block with less than 4 units	- €	0,0%
Flat in block with 4 or more units	242.489.333 €	24,2%
PARTIAL COMMERCIAL USE	- €	0,0%
Other/No data		0,0%
TOTAL	**1.003.694.738 €**	**100,0%**

Cover Pool Loan Type Distribution

Loan Type	Total Loan Balance	% of total loan balance
Purchase	702.421.836 €	70,0%
RE-MORTGAGE	- €	0,0%
EQUITY RELEASE	95.039.877 €	9,5%
RENOVATION	177.542.760 €	17,7%
Construction (new)	- €	0,0%
Other/No data	28.690.265 €	2,9%
TOTAL	**1.003.694.738 €**	**100,0%**

Cover Pool Seasoning Distribution

Seasoning (months)	Total Loan Balance	% of total loan balance
< 12	115.594.986 €	11,5%
≥12-<24	100.774.776 €	10,0%
≥24-<36	75.152.441 €	7,5%
≥36-<60	97.949.000 €	9,8%
≥60	614.223.535 €	61,2%
TOTAL	**1.003.694.738 €**	**100,0%**

Cover Pool Loans - Arrears Analysis

Months	Total Loan Balance	% of total loan balance
Not in Arrears	956.018.617 €	95,2%
<2 (and not BPI or Fce)	45.228.798 €	4,5%
≥2-<6 (and not BPI or Fce)	2.447.324 €	0,2%
≥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	**1.003.694.738 €**	**100,0%**