

# BANK OF CYPRUS EUR 3BN COVERED BOND PROGRAMME

Report Date: 30/04/2020  
 Completion Date: 04/05/2020

## 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 |
|--|---------------|-------------|-------------|
| <b>Nominal Value Test</b>  |               |             |             |
| Eligible Loans (adjusted for set off and LTV) plus interest accrued on the loans | 925.293.094   |             |             |
| Complementary Assets (in the basic cover)  | 0             |             |             |
| Hedging Contracts (mark-to-market value)   | 0             |             |             |
| Covered Bonds (outstanding amount)   | 650.000.000   |             |             |
| <b>Result</b>  | 142,35%       | 100,00%     | PASS        |
| <b>Net Present Value Test</b>  |               |             |             |
| Eligible Loans (present value of inflows)  | 1.115.218.285 |             |             |
| Complementary Assets (present value of inflows)                                  | 0             |             |             |
| Claims under hedging contracts   | 0             |             |             |
| Covered Bond Holders (present value of payments)                                 | 678.437.500   |             |             |
| Obligations under hedging contracts  | 0             |             |             |
| Other Cover Pool Creditors (present value of payments)                           | 149.625       |             |             |
| <b>Result</b>  | 164,3%        | 105,0%      | PASS        |
| <b>Stress scenarios:</b>   |               |             |             |
| <b>1. Interest rate shift by -200bps</b>   |               |             |             |
| Eligible Loans (present value of inflows)  | 1.107.999.463 |             |             |
| Complementary Assets (present value of inflows)                                  | 0             |             |             |
| Claims under hedging contracts   | 0             |             |             |
| Covered Bond Holders (present value of payments)                                 | 678.437.500   |             |             |
| Obligations under hedging contracts  | 0             |             |             |
| Other Cover Pool Creditors (present value of payments)                           | 149.625       |             |             |
| <b>Result</b>  | 163,3%        | 105,0%      | PASS        |
| <b>2. Interest rate shift by +200bps</b>   |               |             |             |
| Eligible Loans (present value of inflows)  | 1.086.022.474 |             |             |
| Complementary Assets (present value of inflows)                                  | 0             |             |             |
| Claims under hedging contracts   | 0             |             |             |
| Covered Bond Holders (present value of payments)                                 | 674.740.870   |             |             |
| Obligations under hedging contracts  | 0             |             |             |
| Other Cover Pool Creditors (present value of payments)                           | 146.801       |             |             |
| <b>Result</b>  | 160,9%        | 105,0%      | PASS        |

| <b>3. VaR Negative shift in interest rates</b>                                |               |  |             |
|---|---------------|--|-------------|
| Eligible Loans (present value of inflows)                                     | 1.137.931.543 |  |             |
| Complementary Assets (present value of inflows)                               | 0             |  |             |
| Claims under hedging contracts  | 0             |  |             |
| Covered Bond Holders (present value of payments)                              | 678.516.313   |  |             |
| Obligations under hedging contracts   | 0             |  |             |
| Other Cover Pool Creditors (present value of payments)                        | 149.625       |  |             |
| <b>Result</b>   | 167,7%        | 105,0%   | PASS        |
| <b>4. VaR Positive shift in interest rates</b>                                |               |  |             |
| Eligible Loans (present value of inflows)                                     | 1.150.011.542 |  |             |
| Complementary Assets (present value of inflows)                               | 0             |  |             |
| Claims under hedging contracts  | 0             |  |             |
| Covered Bond Holders (present value of payments)                              | 678.437.500   |  |             |
| Obligations under hedging contracts   | 0             |  |             |
| Other Cover Pool Creditors (present value of payments)                        | 149.625       |  |             |
| <b>Result</b>   | 169,5%        | 105,0%   | PASS        |
| <b>Weighted Maturity Test</b>   |               |  |             |
| Weighted Average Life of Cover Pool assets in the basic and supervisory cover | 9,00          |  |             |
| Weighted average life of covered bonds  | 1,6           |  |             |
| <b>Result</b>   |               | D(pool) > D(bond)  | PASS        |
| <b>Liquidity Test</b>   |               |  |             |
| 1. if Maturity Date > 180 days  |               | Complementary Assets > highest net outflow in the next 180 days                  | PASS        |
| Complementary Assets  | 33.397.780    |  |             |
| Outflow in the next 180 days  | 3.673.149     |  |             |
| 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         |
| <b>SUPERVISORY OVER-COLLATERALISATION</b>                                     |               |  |             |
| Complementary Assets  | COVER POOL    | REQUIREMENT  | PASS / FAIL |
|   | 5,1%          | 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:   | 1.003.261.074 € |
| Average LOAN BALANCE:   | 72.658 €        |
| NO. OF LOANS:   | 13.808          |
| WA SEASONING (in months):   | 85,5            |
| WA REMAINING TERM (in months):  | 202,8           |
| NO. OF BORROWERS:   | 15.226          |
| NO. OF PROPERTIES:  | 10.923          |
| WA LTV:   | 52,2%           |
| Loans to employees of group:  | 3,1%            |
| WA Interest Rate on Floating rate Loans:                              | 2,4%            |
| 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):             | 43,4%           |
| WA Interest Rate on Fixed rate Loans:                                 | 2,3%            |
| Borrower concentration: %age of largest 10 borrowers :                | 1,51%           |
| Loans in arrears > 90 days:   | 0,0%            |

| Supervisory Over Collateralisation                              |               |
|---|---------------|
| Supplementary Assets  | 33.397.780 €  |
| Transaction Account Balance                                     | 34.805.319 €  |
| Deducting for liquidity reserve                                 | (3.673.149)   |
| Net supplementary assets available for OC                       | 64.529.950 €  |
| Contractual Over Collateralisation                              |               |
| Loan balances in excess of basic cover                          | 353.261.074 € |
| Adjustment to Loan balances due to set-off                      | 65.147.317 €  |
| Adjustment to Loan balances due to LTV                          | 12.820.663 €  |
| Total Cover Pool OC (allowing for set-off and LTV)              | 275.293.094 € |
| As a % of Outstanding Cover Bond Issuance                       | 42,4%         |
| Asset Percentage (Covered Bond Issuance as a % of Cover Assets) | 70,2%         |
| TOTAL COMMITTED OVER COLLATERALISATION                          |               |
| In Basic Cover  | 42,4%         |
| In Supplementary Assets   | 5,1%          |
| <b>Total</b>  | <b>47,5%</b>  |

### Cover Pool Indexed LTV Distribution

| Indexed LTV ranges | Total Loan Balance | No. of Borrowers |
|--------------------|--------------------|------------------|
| 0-≤40%             | 305.465.494 €      | 7.106            |
| >40%-≤50%          | 152.777.000 €      | 2.002            |
| >50%-≤60%          | 158.100.191 €      | 1.839            |
| >60%-≤70%          | 154.874.733 €      | 1.845            |
| >70%-≤80%          | 128.101.183 €      | 1.456            |
| >80%-≤85%          | 38.986.266 €       | 368              |
| >85%-≤90%          | 30.603.470 €       | 281              |
| >90%-≤95%          | 20.268.489 €       | 190              |
| >95%-≤100%         | 14.084.248 €       | 139              |
| >100%-≤105%        | - €                | -                |

|              |                        |               |
|--------------|------------------------|---------------|
| >105%        | - €                    | -             |
| <b>TOTAL</b> | <b>1.003.261.074 €</b> | <b>15.226</b> |

## Cover Pool Regional Distribution

| Region       | Total Loan Balance     | % of total loan balance |
|--------------|------------------------|-------------------------|
| Nicosia      | 419.799.284 €          | 41,8%                   |
| Limassol     | 321.233.890 €          | 32,0%                   |
| Larnaca      | 113.332.713 €          | 11,3%                   |
| Paphos       | 103.064.439 €          | 10,3%                   |
| Ammochostos  | 45.830.747 €           | 4,6%                    |
| No data      |                        | 0,0%                    |
|              |                        | 0,0%                    |
|              |                        | 0,0%                    |
|              |                        | 0,0%                    |
|              |                        | 0,0%                    |
| <b>TOTAL</b> | <b>1.003.261.074 €</b> | <b>100,0%</b>           |

## Cover Pool Rate Type Distribution

| Rate Type                              | Total Loan Balance     | % of total loan balance |
|--|------------------------|-------------------------|
| Floating rate                          | 985.189.248 €          | 98,2%                   |
| Fixed rate with reset <2 years         | 5.912.801 €            | 0,6%                    |
| Fixed rate with reset ≥2 but < 5 years | 6.199.602 €            | 0,6%                    |
| Fixed rate with reset ≥5 years         | 5.959.423 €            | 0,6%                    |
| <b>TOTAL</b>                           | <b>1.003.261.074 €</b> | <b>100,0%</b>           |

## Cover Pool Occupancy Type Distribution

| Occupancy Type  | Total Loan Balance     | % of total loan balance |
|---|------------------------|-------------------------|
| Owner-occupied  | 897.226.313 €          | 89,4%                   |
| Non-owner-occupied (buy-to-let) where BORROWER has < 3 properties | 31.202.285 €           | 3,1%                    |
| Non-owner-occupied (buy-to-let) where BORROWER has > 2 properties | - €                    | 0,0%                    |
| Vacation/ second home   | 74.566.750 €           | 7,4%                    |
| Partially owner-occupied  | - €                    | 0,0%                    |
| Other/No data   | 265.725 €              | 0,0%                    |
| <b>TOTAL</b>  | <b>1.003.261.074 €</b> | <b>100,0%</b>           |

## Cover Pool Property Type Distribution

| Property Type                        | Total Loan Balance     | % of total loan balance |
|--------------------------------------|------------------------|-------------------------|
| House                                | 759.311.763 €          | 75,7%                   |
| Flat in block with less than 4 units | - €                    | 0,0%                    |
| Flat in block with 4 or more units   | 243.949.310 €          | 24,3%                   |
| PARTIAL COMMERCIAL USE               | - €                    | 0,0%                    |
| Other/No data                        | - €                    | 0,0%                    |
| <b>TOTAL</b>                         | <b>1.003.261.074 €</b> | <b>100,0%</b>           |

## Cover Pool Loan Type Distribution

| Loan Type          | Total Loan Balance     | % of total loan balance |
|--------------------|------------------------|-------------------------|
| Purchase           | 704.378.929 €          | 70,2%                   |
| RE-MORTGAGE        | - €                    | 0,0%                    |
| EQUITY RELEASE     | 101.885.228 €          | 10,2%                   |
| RENOVATION         | 167.241.095 €          | 16,7%                   |
| Construction (new) | - €                    | 0,0%                    |
| Other/No data      | 29.755.821 €           | 3,0%                    |
| <b>TOTAL</b>       | <b>1.003.261.074 €</b> | <b>100,0%</b>           |

## Cover Pool Seasoning Distribution

| Seasoning (months) | Total Loan Balance     | % of total loan balance |
|--------------------|------------------------|-------------------------|
| < 12               | 92.663.696 €           | 9,2%                    |
| ≥12-<24            | 114.491.210 €          | 11,4%                   |
| ≥24-<36            | 82.521.421 €           | 8,2%                    |
| ≥36-<60            | 125.725.813 €          | 12,5%                   |
| ≥60                | 587.858.934 €          | 58,6%                   |
| <b>TOTAL</b>       | <b>1.003.261.074 €</b> | <b>100,0%</b>           |

## Cover Pool Loans - Arrears Analysis

| Months   | Total Loan Balance     | % of total loan balance |
|--|------------------------|-------------------------|
| Not in Arrears   | 963.720.345 €          | 96,1%                   |
| <2 (and not BPI or Fce)                                | 38.848.884 €           | 3,9%                    |
| ≥2-<6 (and not BPI or Fce)                             | 691.845 €              | 0,1%                    |
| ≥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%                    |
| <b>TOTAL</b>   | <b>1.003.261.074 €</b> | <b>100,0%</b>           |