

## BANK OF CYPRUS EUR 3BN COVERED BOND PROGRAMME

**Report Date:** 31/07/2020  
**Completion Date:** 04/08/2020

### CYPRLOT COVER POOL MONTHLY INVESTOR REPORT

	Series 1	Series 2	Series 3	Series 4	Series 5
<b>Issue</b>	650.000.000 €				
<b>Coupon</b>	EURIBOR 003M + 2.50%				
<b>Coupon Payment Frequency</b>	Quarterly				
<b>Coupon Payment Dates</b>	12/3 - 12/6 - 12/9 - 12/12				
<b>Maturity Date</b>	12/12/2021				
<b>Extension Period</b>	12/12/2075				
<b>Rating Agencies</b>	Moody's/ Fitch				
<b>Issue Rating</b>	Baa3/A				
<b>ISIN</b>	XS0718673311				
<b>Primary Cover Pool Assets</b>	Cypriot Residential Mortgage Loans				
<b>Trustee</b>	Bank of New York Mellon Corporate Trustee Services Ltd				
<b>Account Bank</b>	Bank of New York Mellon				
<b>Swap Counterparties</b>	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	924.924.769		
Complementary Assets (in the basic cover)	0		
Hedging Contracts (mark-to-market value)	0		
Covered Bonds (outstanding amount)	650.000.000		
<b>Result</b>	142,30%	100,00%	PASS
<b>Net Present Value Test</b>			
Eligible Loans (present value of inflows)	1.113.518.537		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	674.375.000		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	128.250		
<b>Result</b>	165,1%	105,0%	PASS
<b>Stress scenarios:</b>			
<b>1. Interest rate shift by -200bps</b>			
Eligible Loans (present value of inflows)	1.108.960.904		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	674.375.000		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	128.250		
<b>Result</b>	164,4%	105,0%	PASS
<b>2. Interest rate shift by +200bps</b>			
Eligible Loans (present value of inflows)	1.088.923.158		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	671.204.133		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	126.245		
<b>Result</b>	162,2%	105,0%	PASS

<b>3. VaR Negative shift in interest rates</b>			
Eligible Loans (present value of inflows)	1.154.908.157		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	674.386.077		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	128.174		
<b>Result</b>	171,2%	105,0%	PASS
<b>4. VaR Positive shift in interest rates</b>			
Eligible Loans (present value of inflows)	1.140.700.572		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	674.375.000		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	128.250		
<b>Result</b>	169,1%	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	1,4		
<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	33.397.045		
Outflow in the next 180 days	3.647.331		
2. if Maturity Date >30 days, <180 days		Complementary Assets > highest net outflow until bond maturity (excl. principal)	N/A
2a) First Test	N/A		N/A
2b) Second Test	N/A	Complementary/Liquid Assets >= 50% of Bond principal amount	N/A
3. if Maturity Date < 30 days		Complementary Assets > highest net outflow until bond maturity (excl. principal)	N/A
2a) First Test	N/A		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
<b>COMMITTED OVERCOLLATERALISATION TEST</b>			
Committed Overcollateralisation Requirement as per OC Notice	COVER POOL	REQUIREMENT	PASS / FAIL
	47,4%	47,0%	PASS

**COVER POOL INFORMATION**

<b>Cover Pool Summary</b>	
Total LOAN BALANCE:	1.005.051.555 €
Average LOAN BALANCE:	73.249 €
NO. OF LOANS:	13.721
WA SEASONING (in months):	87,0
WA REMAINING TERM (in months):	202,2
NO. OF BORROWERS:	15.116
NO. OF PROPERTIES:	10.854
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:	2,4%
Percentage of VARIABLE MORTGAGES (based on bank's rates):	43,0%
WA Interest Rate on Fixed rate Loans:	2,3%
Borrower concentration: %age of largest 10 borrowers :	1,99%
Loans in arrears > 90 days:	0,0%

<b>Supervisory Over Collateralisation</b>	
Supplementary Assets	33.397.045 €
Transaction Account Balance	18.905.596 €
Deducting for liquidity reserve	(3.647.331)
Net supplementary assets available for OC	48.655.310 €

<b>Contractual Over Collateralisation</b>	
Loan balances in excess of basic cover	355.051.555 €
Adjustment to Loan balances due to set-off	66.901.574 €
Adjustment to Loan balances due to LTV	13.225.212 €
Total Cover Pool OC (allowing for set-off and LTV)	274.924.769 €
As a % of Outstanding Cover Bond Issuance	42,3%
Asset Percentage (Covered Bond Issuance as a % of Cover Assets)	70,3%

<b>TOTAL COMMITTED OVER COLLATERALISATION</b>	
In Basic Cover	42,3%
In Supplementary Assets	5,1%
<b>Total</b>	<b>47,4%</b>

**Cover Pool Indexed LTV Distribution**

Indexed LTV ranges	Total Loan Balance	No. of Borrowers
0-≤40%	304.401.181 €	7.028
>40%-≤50%	153.414.617 €	1.980
>50%-≤60%	160.717.206 €	1.849
>60%-≤70%	154.916.638 €	1.821
>70%-≤80%	128.336.808 €	1.462
>80%-≤85%	38.549.151 €	362
>85%-≤90%	30.532.065 €	280
>90%-≤95%	22.124.149 €	206
>95%-≤100%	12.059.739 €	128
>100%-≤105%	- €	-
>105%	- €	-
<b>TOTAL</b>	<b>1.005.051.555 €</b>	<b>15.116</b>

## Cover Pool Regional Distribution

Region	Total Loan Balance	% of total loan balance
Nicosia	416.717.160 €	41,5%
Limassol	324.718.520 €	32,3%
Larnaca	114.289.516 €	11,4%
Paphos	103.396.880 €	10,3%
Ammochostos	45.929.478 €	4,6%
No data		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
<b>TOTAL</b>	<b>1.005.051.555 €</b>	<b>100,0%</b>

## Cover Pool Rate Type Distribution

Rate Type	Total Loan Balance	% of total loan balance
Floating rate	987.439.187 €	98,2%
Fixed rate with reset <2 years	4.963.573 €	0,5%
Fixed rate with reset ≥2 but < 5 years	7.002.115 €	0,7%
Fixed rate with reset ≥5 years	5.646.680 €	0,6%
<b>TOTAL</b>	<b>1.005.051.555 €</b>	<b>100,0%</b>

## Cover Pool Occupancy Type Distribution

Occupancy Type	Total Loan Balance	% of total loan balance
Owner-occupied	899.509.647 €	89,5%
Non-owner-occupied (buy-to-let) where BORROWER has < 3 properties	31.077.866 €	3,1%
Non-owner-occupied (buy-to-let) where BORROWER has > 2 properties	- €	0,0%
Vacation/ second home	74.273.175 €	7,4%
Partially owner-occupied	- €	0,0%
Other/No data	190.866 €	0,0%
<b>TOTAL</b>	<b>1.005.051.555 €</b>	<b>100,0%</b>

#### Cover Pool Property Type Distribution

Property Type	Total Loan Balance	% of total loan balance
House	760.602.509 €	75,7%
Flat in block with less than 4 units	- €	0,0%
Flat in block with 4 or more units	244.449.046 €	24,3%
PARTIAL COMMERCIAL USE	- €	0,0%
Other/No data	- €	0,0%
<b>TOTAL</b>	<b>1.005.051.555 €</b>	<b>100,0%</b>

#### Cover Pool Loan Type Distribution

Loan Type	Total Loan Balance	% of total loan balance
Purchase	708.502.486 €	70,5%
RE-MORTGAGE	- €	0,0%
EQUITY RELEASE	104.348.170 €	10,4%
RENOVATION	162.720.244 €	16,2%
Construction (new)	- €	0,0%
Other/No data	29.480.654 €	2,9%
<b>TOTAL</b>	<b>1.005.051.555 €</b>	<b>100,0%</b>

#### Cover Pool Seasoning Distribution

Seasoning (months)	Total Loan Balance	% of total loan balance
< 12	76.561.825 €	7,6%
≥12-<24	111.801.505 €	11,1%
≥24-<36	94.660.298 €	9,4%
≥36-<60	134.149.656 €	13,3%
≥60	587.878.271 €	58,5%
<b>TOTAL</b>	<b>1.005.051.555 €</b>	<b>100,0%</b>

#### Cover Pool Loans - Arrears Analysis

Months	Total Loan Balance	% of total loan balance
Not in Arrears	993.087.142 €	98,8%
<2 (and not BPI or Fce)	11.909.374 €	1,2%
≥2-<6 (and not BPI or Fce)	55.039 €	0,0%
≥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>1.005.051.555 €</b>	<b>100,0%</b>