

## BANK OF CYPRUS EUR 3BN COVERED BOND PROGRAMME

Report Date: 30/04/2017  
 Completion Date: 02/05/2017

### CYPRLOT COVER POOL MONTHLY INVESTOR REPORT

	Series 1	Series 2	Series 3	Series 4	Series 5
Issue	650.000.000 €				
Coupon	EURIBOR 003M + 3.25%				
Coupon Payment Frequency	Quarterly				
Coupon Payment Dates	12/3 - 12/6 - 12/9 - 12/12				
Maturity Date	12/12/2018				
Extension Period	12/12/2072				
Rating Agencies	Moody's/ Fitch				
Issue Rating	Baa3 / BBB-				
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	923.585.730		
Complementary Assets (in the basic cover)	0		
Hedging Contracts (mark-to-market value)	0		
Covered Bonds (outstanding amount)	650.000.000		
<b>Result</b>	142,09%	100,00%	PASS
<b>Net Present Value Test</b>			
Eligible Loans (present value of inflows)	1.190.724.271		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	686.968.750		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	149.625		
<b>Result</b>	173,3%	105,0%	PASS
<b>Stress scenarios:</b>			
<b>1. Interest rate shift by -200bps</b>			
Eligible Loans (present value of inflows)	1.224.401.283		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	686.968.750		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	149.625		
<b>Result</b>	178,2%	105,0%	PASS
<b>2. Interest rate shift by +200bps</b>			
Eligible Loans (present value of inflows)	1.113.185.192		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	683.245.524		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	146.722		
<b>Result</b>	162,9%	105,0%	PASS

<b>3. VaR Negative shift in interest rates</b>			
Eligible Loans (present value of inflows)	1.254.551.190		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	687.493.593		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	149.625		
<b>Result</b>	182,4%	105,0%	PASS
<b>4. VaR Positive shift in interest rates</b>			
Eligible Loans (present value of inflows)	1.164.539.099		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	686.968.750		
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	9,10		
Weighted average life of covered bonds	1,7		
<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	34.089.292		
Outflow in the next 180 days	4.850.267		
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
	5,2%	5,0%	PASS
<b>COMMITTED OVERCOLLATERALISATION TEST</b>			
Committed Overcollateralisation Requirement as per OC Notice	COVER POOL	REQUIREMENT	PASS / FAIL
	47,3%	47,0%	PASS

## COVER POOL INFORMATION

Cover Pool Summary	
Total LOAN BALANCE:	998.890.603 €
Average LOAN BALANCE:	78.314 €
NO. OF LOANS:	12.755
WA SEASONING (in months):	82,1
WA REMAINING TERM (in months):	195,6
NO. OF BORROWERS:	13.807
NO. OF PROPERTIES:	10.186
WA LTV:	55,8%
Loans to employees of group:	4,8%
WA Interest Rate on Floating rate Loans:	3,2%
WA MARGIN ON FLOATING RATE LOANS:	2,5%
WA Interest Rate on Floating rate Loans originated over last quarter:	3,4%
Percentage of VARIABLE MORTGAGES:	30,2%
WA Interest Rate on Fixed rate Loans:	4,1%
Borrower concentration: %age of largest 10 borrowers :	1,46%
Loans in arrears > 90 days:	0,0%

Supervisory Over Collateralisation	
Supplementary Assets	34.089.292 €
Transaction Account Balance	20.293.326 €
Deducting for liquidity reserve	(4.850.267)
Net supplementary assets available for OC	49.532.351 €

Contractual Over Collateralisation	
Loan balances in excess of basic cover	348.890.603 €
Adjustment to Loan balances due to set-off	51.468.570 €
Adjustment to Loan balances due to LTV	23.836.303 €
Total Cover Pool OC (allowing for set-off and LTV)	273.585.730 €
As a % of Outstanding Cover Bond Issuance	42,1%
Asset Percentage (Covered Bond Issuance as a % of Cover Assets)	70,4%

TOTAL COMMITTED OVER COLLATERALISATION	
In Basic Cover	42,1%
In Supplementary Assets	5,2%
<b>Total</b>	<b>47,3%</b>

### Cover Pool Indexed LTV Distribution

Indexed LTV ranges	Total Loan Balance	No. of Borrowers
0-≤40%	276.738.767 €	6.151
>40%-≤50%	135.666.788 €	1.701
>50%-≤60%	137.059.736 €	1.560
>60%-≤70%	142.699.581 €	1.442
>70%-≤80%	126.925.665 €	1.303
>80%-≤85%	52.926.194 €	470
>85%-≤90%	48.952.353 €	452
>90%-≤95%	46.730.335 €	445
>95%-≤100%	31.191.184 €	283
>100%-≤105%	- €	-
>105%	- €	-
<b>TOTAL</b>	<b>998.890.603 €</b>	<b>13.807</b>

**Cover Pool Regional Distribution**

Region	Total Loan Balance	% of total loan balance
Nicosia	432.284.677 €	43,3%
Limassol	310.138.766 €	31,0%
Larnaca	115.834.389 €	11,6%
Paphos	100.228.742 €	10,0%
Ammochostos	40.404.029 €	4,0%
No data		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
<b>TOTAL</b>	<b>998.890.603 €</b>	<b>100,0%</b>

**Cover Pool Rate Type Distribution**

Rate Type	Total Loan Balance	% of total loan balance
Floating rate	971.966.449 €	97,3%
Fixed rate with reset <2 years	16.841.478 €	1,7%
Fixed rate with reset ≥2 but < 5 years	7.143.696 €	0,7%
Fixed rate with reset ≥5 years	2.938.979 €	0,3%
<b>TOTAL</b>	<b>998.890.603 €</b>	<b>100,0%</b>

**Cover Pool Occupancy Type Distribution**

Occupancy Type	Total Loan Balance	% of total loan balance
Owner-occupied	874.537.471 €	87,6%
Non-owner-occupied (buy-to-let) where BORROWER has < 3 properties	44.392.218 €	4,4%
Non-owner-occupied (buy-to-let) where BORROWER has > 2 properties	- €	0,0%
Vacation/ second home	79.960.029 €	8,0%
Partially owner-occupied	- €	0,0%
Other/No data	885 €	0,0%
<b>TOTAL</b>	<b>998.890.603 €</b>	<b>100,0%</b>

#### Cover Pool Property Type Distribution

Property Type	Total Loan Balance	% of total loan balance
House	762.576.478 €	76,3%
Flat in block with less than 4 units	- €	0,0%
Flat in block with 4 or more units	236.314.125 €	23,7%
PARTIAL COMMERCIAL USE	- €	0,0%
Other/No data	- €	0,0%
<b>TOTAL</b>	<b>998.890.603 €</b>	<b>100,0%</b>

#### Cover Pool Loan Type Distribution

Loan Type	Total Loan Balance	% of total loan balance
Purchase	635.618.674 €	63,6%
RE-MORTGAGE	- €	0,0%
EQUITY RELEASE	85.810.545 €	8,6%
RENOVATION	253.855.814 €	25,4%
Construction (new)	- €	0,0%
Other/No data	23.605.570 €	2,4%
<b>TOTAL</b>	<b>998.890.603 €</b>	<b>100,0%</b>

#### Cover Pool Seasoning Distribution

Seasoning (months)	Total Loan Balance	% of total loan balance
< 12	71.404.141 €	7,1%
≥12-<24	62.290.357 €	6,2%
≥24-<36	26.902.199 €	2,7%
≥36-<60	49.357.072 €	4,9%
≥60	788.936.834 €	79,0%
<b>TOTAL</b>	<b>998.890.603 €</b>	<b>100,0%</b>

#### Cover Pool Loans - Arrears Analysis

Months	Total Loan Balance	% of total loan balance
Not in Arrears	907.219.781 €	90,8%
<2 (and not BPI or Fce)	89.947.170 €	9,0%
≥2-<6 (and not BPI or Fce)	1.723.652 €	0,2%
≥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>998.890.603 €</b>	<b>100,0%</b>