BANK OF CYPRUS EUR 3BN COVERED BOND PROGRAMME

Report Date: 30/04/2018
Completion Date: 04/05/2018

CYPRIOT 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
Nominal Value Test			
Eligible Loans (adjusted for set off and LTV) plus interest accrued on the loans	924.046.223		
Complementary Assets (in the basic cover)	0		
Hedging Contracts (mark-to-market value)	0		
Covered Bonds (outstanding amount)	650.000.000		
Result	142,16%	100,00%	PASS
Net Present Value Test			
Eligible Loans (present value of inflows)	1.158.231.680		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	665.843.750		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	64.125		
Result	173,9%	105,0%	PASS
Stress scenarios:			
1. Interest rate shift by -200bps			
Eligible Loans (present value of inflows)	1.203.455.791		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	665.843.750		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	64.125		
Result	180,7%	105,0%	PASS
2. Interest rate shift by +200bps			
Eligible Loans (present value of inflows)	1.075.810.994		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	662.837.452		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	63.650		
Result	162,3%	105,0%	PASS

3. VaR Negative shift in interest rates			
Eligible Loans (present value of inflows)	1.188.874.786		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	665.843.750		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	64.125		
Result	178,5%	105,0%	PASS
4. VaR Positive shift in interest rates			
Eligible Loans (present value of inflows)	1.134.853.249		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	665.843.750		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	64.125		
Result	170,4%	105,0%	PASS
Weighted Maturity Test			
Weighted Average Life of Cover Pool assets in the basic and supervisory cover	9,00		
Weighted average life of covered bonds	0,6		
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	33.662.241		
Outflow in the next 180 days	4.855.428		
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	47,3%	47,0%	PASS

COVER POOL INFORMATION

Cover Pool Summary	
Total LOAN BALANCE:	1.002.289.891 €
Average LOAN BALANCE:	78.359 €
NO. OF LOANS:	12.791
WA SEASONING (in months):	84,8
WA REMAINING TERM (in months):	194,7
NO. OF BORROWERS:	13.960
NO. OF PROPERTIES:	10.247
WA LTV:	54,5%
Loans to employees of group:	4,2%
WA Interest Rate on Floating rate Loans:	3,0%
WA MARGIN ON FLOATING RATE LOANS:	2,3%
WA Interest Rate on Floating rate Loans originated over last quarter:	2,9%
Percentage of VARIABLE MORTGAGES (based on bank's rates):	37,2%
WA Interest Rate on Fixed rate Loans:	2,9%
Borrower concentration: %age of largest 10 borrowers :	2,16%
Loans in arrears > 90 days:	0,0%

Supervisory Over Collateralisation	
Supplementary Assets	33.662.241 €
Transaction Account Balance	22.033.944 €
Deducting for liquidity reserve	(4.855.428)
Net supplementary assets available for OC	50.840.757 €
Contractual Over Collateralisation	
Loan balances in excess of basic cover	352.289.891 €
Adjustment to Loan balances due to set-off	59.420.626 €
Adjustment to Loan balances due to LTV	18.823.042 €
Total Cover Pool OC (allowing for set-off and LTV)	274.046.223 €
As a % of Outstanding Cover Bond Issuance	42,2%
Asset Percentage (Covered Bond Issuance as a % of Cover Assets)	70,3%
TOTAL COMMITED OVER COLLATERALISATION	
In Basic Cover	42,2%
In Supplementary Assets	5,2%
Total	**47,3%**

Cover Pool Indexed LTV Distribution

Indexed LTV ranges	Total Loan Balance	No. of Borrowers
0-≤40%	285.937.569 €	6.262
>40%-≤50%	141.243.613 €	1.788
>50%-≤60%	141.931.653 €	1.606
>60%-≤70%	156.186.618 €	1.602
>70%-≤80%	126.922.522 €	1.295
>80%-≤85%	48.941.619 €	448
>85%-≤90%	43.610.946 €	413
>90%-≤95%	36.814.607 €	342
>95%-≤100%	20.700.745 €	204
>100%-≤105%	- €	-

>105%	- €	-
TOTAL	**1.002.289.891 €**	**13.960**

Bank of Cyprus

Cover Pool Regional Distribution

Region	Total Loan Balance	% of total loan balance
Nicosia	440.590.004 €	44,0%
Limassol	316.728.059 €	31,6%
Larnaca	107.687.792 €	10,7%
Paphos	96.500.933 €	9,6%
Ammochostos	40.783.103 €	4,1%
No data		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
TOTAL	**1.002.289.891 €**	**100,0%**

Cover Pool Rate Type Distribution

Rate Type	Total Loan Balance	% of total loan balance
Floating rate	997.845.518 €	99,6%
Fixed rate with reset <2 years	810.640 €	0,1%
Fixed rate with reset ≥2 but < 5 years	331.228 €	0,0%
Fixed rate with reset ≥5 years	3.302.505 €	0,3%
TOTAL	**1.002.289.891 €**	**100,0%**

Cover Pool Occupancy Type Distribution

Occupancy Type	Total Loan Balance	% of total loan balance
Owner-occupied	871.648.294 €	87,0%
Non-owner-occupied (buy-to-let) where BORROWER has < 3 properties	51.577.553 €	5,1%
Non-owner-occupied (buy-to-let) where BORROWER has > 2 properties	- €	0,0%
Vacation/ second home	79.064.045 €	7,9%
Partially owner-occupied	- €	0,0%
Other/No data		0,0%
TOTAL	**1.002.289.891 €**	**100,0%**

Cover Pool Property Type Distribution

Property Type	Total Loan Balance	% of total loan balance
House	758.193.656 €	75,6%
Flat in block with less than 4 units	- €	0,0%
Flat in block with 4 or more units	244.096.236 €	24,4%
PARTIAL COMMERCIAL USE	- €	0,0%
Other/No data		0,0%
TOTAL	**1.002.289.891 €**	**100,0%**

Cover Pool Loan Type Distribution

Loan Type	Total Loan Balance	% of total loan balance
Purchase	661.448.484 €	66,0%
RE-MORTGAGE	- €	0,0%
EQUITY RELEASE	91.003.602 €	9,1%
RENOVATION	227.422.786 €	22,7%
Construction (new)	- €	0,0%
Other/No data	22.415.019 €	2,2%
TOTAL	**1.002.289.891 €**	**100,0%**

Cover Pool Seasoning Distribution

Seasoning (months)	Total Loan Balance	% of total loan balance
< 12	85.148.664 €	8,5%
≥12-<24	82.547.736 €	8,2%
≥24-<36	59.687.246 €	6,0%
≥36-<60	46.384.358 €	4,6%
≥60	728.521.887 €	72,7%
TOTAL	**1.002.289.891 €**	**100,0%**

Cover Pool Loans - Arrears Analysis

Months	Total Loan Balance	% of total loan balance
Not in Arrears	929.443.117 €	92,7%
<2 (and not BPI or Fce)	68.753.944 €	6,9%
≥2-<6 (and not BPI or Fce)	4.092.831 €	0,4%
≥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	**1.002.289.891 €**	**100,0%**