BANK OF CYPRUS EUR 3BN COVERED BOND PROGRAMME

Report Date:	30/06/2017
Completion Date:	04/07/2017

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	923.731.292		
Complementary Assets (in the basic cover)	0		
Hedging Contracts (mark-to-market value)	0		
Covered Bonds (outstanding amount)	650.000.000		
Result	142,11%	100,00%	PASS
Net Present Value Test			
Eligible Loans (present value of inflows)	1.185.417.444		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	681.687.500		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	128.250		
Result	173,9%	105,0%	PASS
Stress scenarios:			
1. Interest rate shift by -200bps			
Eligible Loans (present value of inflows)	1.224.803.136		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	681.687.500		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	128.250		
Result	179,6%	105,0%	PASS
2. Interest rate shift by +200bps			
Eligible Loans (present value of inflows)	1.106.640.874		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	678.081.956		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	126.083		
Result	163,2%	105,0%	PASS

Bank of Cyprus

3. VaR Negative shift in interest rates			
Eligible Loans (present value of inflows)	1.256.013.672		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	682.243.218		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	128.250		
Result	184,1%	105,0%	PASS
4. VaR Positive shift in interest rates			
Eligible Loans (present value of inflows)	1.158.497.318		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	681.687.500		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	128.250		
Result	169,9%	105,0%	PASS
Weighted Maturity Test			
Weighted Average Life of Cover Pool assets in the basic and supervisory cover	9,10		
Weighted average life of covered bonds	1,5		
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	33.935.559		
Outflow in the next 180 days	4.850.444		
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:	998.398.142 €
Average LOAN BALANCE:	78.380 €
NO. OF LOANS:	12.738
WA SEASONING (in months):	82,5
WA REMAINING TERM (in months):	195,7
NO. OF BORROWERS:	13.766
NO. OF PROPERTIES:	10.166
WA LTV:	55,8%
Loans to employees of group:	4,5%
WA Interest Rate on Floating rate Loans:	3,1%
WA MARGIN ON FLOATING RATE LOANS:	2,4%
WA Interest Rate on Floating rate Loans originated over last quarter:	3,2%
Percentage of VARIABLE MORTGAGES:	31,5%
WA Interest Rate on Fixed rate Loans:	4,0%
Borrower concentration: %age of largest 10 borrowers :	1,91%
Loans in arrears > 90 days:	0,0%

Supervisory Over Collateralisation	
Supplementary Assets	33.935.559 €
Transaction Account Balance	15.915.247 €
Deducting for liquidity reserve	(4.850.444)
Net supplementary assets available for OC	45.000.361 €
Contractual Over Collateralisation	
Loan balances in excess of basic cover	348.398.142 €
Adjustment to Loan balances due to set-off	51.552.842 €
Adjustment to Loan balances due to LTV	23.114.008 €
Total Cover Pool OC (allowing for set-off and LTV)	273.731.292 €
As a % of Outstanding Cover Bond Issuance	42,1%
Asset Percentage (Covered Bond Issuance as a % of Cover Assets)	70,4%
TOTAL COMMITED OVER COLLATERALISATION	
In Basic Cover	42,1%
In Supplementary Assets	5,2%
Total	**47,3%**

Cover Pool Indexed LTV Distribution

Indexed LTV ranges	Total Loan Balance	No. of Borrowers
0-≤40%	279.714.452 €	6.131
>40%-≤50%	131.184.492 €	1.686
>50%-≤60%	136.051.253 €	1.543
>60%-≤70%	148.119.183 €	1.476
>70%-≤80%	126.504.759 €	1.286
>80%-≤85%	54.540.068 €	490
>85%-≤90%	48.631.865 €	479
>90%-≤95%	44.155.660 €	398
>95%-≤100%	29.496.411 €	277
>100%-≤105%	- €	-
>105%	- €	-
TOTAL	**998.398.142 €**	**13.766**

Cover Pool Regional Distribution

Region	Total Loan Balance	% of total loan balance
Nicosia	431.912.423 €	43,3%
Limassol	313.694.297 €	31,4%
Larnaca	112.898.092 €	11,3%
Paphos	99.556.937 €	10,0%
Ammochostos	40.336.394 €	4,0%
No data		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
TOTAL	**998.398.142 €**	**100,0%**

Cover Pool Rate Type Distribution

Rate Type	Total Loan Balance	% of total loan balance
Floating rate	975.642.911 €	97,7%
Fixed rate with reset <2 years	13.676.598 €	1,4%
Fixed rate with reset ≥2 but < 5 years	6.460.234 €	0,6%
Fixed rate with reset ≥5 years	2.618.400 €	0,3%
TOTAL	**998.398.142 €**	**100,0%**

Cover Pool Occupancy Type Distribution

Occupancy Type	Total Loan Balance	% of total loan balance
Owner-occupied	871.449.021 €	87,3%
Non-owner-occupied (buy-to-let) where BORROWER has < 3 properties	48.127.547 €	4,8%
Non-owner-occupied (buy-to-let) where BORROWER has > 2 properties	- €	0,0%
Vacation/ second home	78.821.575 €	7,9%
Partially owner-occupied	- €	0,0%
Other/No data		0,0%
TOTAL	**998.398.142 €**	**100,0%**

Cover Pool Property Type Distribution

Property Type	Total Loan Balance	% of total loan balance
House	756.123.751 €	75,7%
Flat in block with less than 4 units	- €	0,0%
Flat in block with 4 or more units	242.274.391 €	24,3%
PARTIAL COMMERCIAL USE	- €	0,0%
Other/No data		0,0%
TOTAL	**998.398.142 €**	**100,0%**

Cover Pool Loan Type Distribution

Loan Type	Total Loan Balance	% of total loan balance
Purchase	639.252.269 €	64,0%
RE-MORTGAGE	- €	0,0%
EQUITY RELEASE	85.640.706 €	8,6%
RENOVATION	249.969.430 €	25,0%
Construction (new)	- €	0,0%
Other/No data	23.535.738 €	2,4%
TOTAL	**998.398.142 €**	**100,0%**

Cover Pool Seasoning Distribution

Seasoning (months)	Total Loan Balance	% of total loan balance
< 12	73.891.852 €	7,4%
≥12-<24	70.866.848 €	7,1%
≥24-<36	29.980.901 €	3,0%
≥36-<60	43.601.176 €	4,4%
≥60	780.057.366 €	78,1%
TOTAL	**998.398.142 €**	**100,0%**

Cover Pool Loans - Arrears Analysis

Months	Total Loan Balance	% of total loan balance
Not in Arrears	911.887.068 €	91,3%
<2 (and not BPI or Fce)	83.471.182 €	8,4%
≥2-<6 (and not BPI or Fce)	3.039.892 €	0,3%
≥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	**998.398.142 €**	**100,0%**