BANK OF CYPRUS EUR 3BN COVERED BOND PROGRAMME

Report Date: 31/03/2017
Completion Date: 04/04/2017

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	Column1
Nominal Value Test				
Eligible Loans (adjusted for set off and LTV) plus interest accrued on the loans	923.629.426			
Complementary Assets (in the basic cover)	0			
Hedging Contracts (mark-to-market value)	0			
Covered Bonds (outstanding amount)	650.000.000			
Result	142,10%	100,00%	PASS	
Net Present Value Test				
Eligible Loans (present value of inflows)	1.195.195.746			
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			
Result	173,9%	105,0%	PASS	
Stress scenarios:				
1. Interest rate shift by -200bps				
Eligible Loans (present value of inflows)	1.228.015.117			
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			
Result	178,7%	105,0%	PASS	
2. Interest rate shift by +200bps				
Eligible Loans (present value of inflows)	1.117.545.990			
Complementary Assets (present value of inflows)	0			
Claims under hedging contracts	0			
Covered Bond Holders (present value of payments)	683.195.233			
Obligations under hedging contracts	0			
Other Cover Pool Creditors (present value of payments)	146.710			
Result	163,5%	105,0%	PASS	

3. VaR Negative shift in interest rates			
Eligible Loans (present value of inflows)	1.257.838.793		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	687.490.684		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	149.625		
Result	182,9%	105,0%	PASS
4. VaR Positive shift in interest rates			
Eligible Loans (present value of inflows)	1.167.061.146		
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		
Result	169,8%	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	1,7		
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	34.157.600		
Outflow in the next 180 days	4.864.624		
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	5,3%	5,0%	PASS

COMMITTED OVERCOLLATERALISATION TEST	COVER POOL	REQUIREMENT	PASS / FAIL
Committed Overcollateralisation Requirement as per OC Notice	47,4%	47,0%	PASS

COVER POOL INFORMATION

Cover Pool Summary	
Total LOAN BALANCE:	998.324.718 €
Average LOAN BALANCE:	78.232 €
NO. OF LOANS:	12.761
WA SEASONING (in months):	81,6
WA REMAINING TERM (in months):	195,7
NO. OF BORROWERS:	13.789
NO. OF PROPERTIES:	10.203
WA LTV:	55,9%
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:	3,3%
Percentage of VARIABLE MORTGAGES:	29,9%
WA Interest Rate on Fixed rate Loans:	4,2%
Borrower concentration: %age of largest 10 borrowers :	1,47%
Loans in arrears > 90 days:	0,0%

Supervisory Over Collateralisation	
Supplementary Assets	34.157.600
Transaction Account Balance	18.718.001 €
Deducting for liquidity reserve	(4.864.624)
Net supplementary assets available for OC	48.010.977 €
Contractual Over Collateralisation	
Loan balances in excess of basic cover	348.324.718 €
Adjustment to Loan balances due to set-off	50.855.218 €
Adjustment to Loan balances due to LTV	23.840.074 €
Total Cover Pool OC (allowing for set-off and LTV)	273.629.426 €
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	5,3%
Total	**47,4%**

Cover Pool Indexed LTV Distribution

Indexed LTV ranges	Total Loan Balance	No. of Borrowers
0-≤40%	276.260.405 €	6.134
>40%-≤50%	134.963.297 €	1.703
>50%-≤60%	136.834.070 €	1.552
>60%-≤70%	140.822.236 €	1.423
>70%-≤80%	129.012.184 €	1.319
>80%-≤85%	53.762.471 €	488
>85%-≤90%	49.048.103 €	442
>90%-≤95%	45.154.050 €	436
>95%-≤100%	32.467.902 €	292
>100%-≤105%	- €	-
>105%	- €	-
TOTAL	**998.324.718 €**	**13.789**

Bank of Cyprus

Cover Pool Regional Distribution

Region	Total Loan Balance	% of total loan balance
Nicosia	431.777.794 €	43,3%
Limassol	308.221.541 €	30,9%
Larnaca	116.827.077 €	11,7%
Paphos	101.113.279 €	10,1%
Ammochostos	40.385.028 €	4,0%
No data		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
TOTAL	**998.324.718 €**	**100,0%**

Cover Pool Rate Type Distribution

Rate Type	Total Loan Balance	% of total loan balance
Floating rate	969.366.392 €	97,1%
Fixed rate with reset <2 years	19.152.161 €	1,9%
Fixed rate with reset ≥2 but < 5 years	7.069.457 €	0,7%
Fixed rate with reset ≥5 years	2.736.709 €	0,3%
TOTAL	**998.324.718 €**	**100,0%**

Cover Pool Occupancy Type Distribution

Occupancy Type	Total Loan Balance	% of total loan balance
Owner-occupied	874.463.821 €	87,6%
Non-owner-occupied (buy-to-let) where BORROWER has < 3 properties	43.435.829 €	4,4%
Non-owner-occupied (buy-to-let) where BORROWER has > 2 properties	- €	0,0%
Vacation/ second home	80.423.744 €	8,1%
Partially owner-occupied	- €	0,0%
Other/No data	1.325 €	0,0%
TOTAL	**998.324.718 €**	**100,0%**

Cover Pool Property Type Distribution

Property Type	Total Loan Balance	% of total loan balance
House	762.436.535 €	76,4%
Flat in block with less than 4 units	- €	0,0%
Flat in block with 4 or more units	235.888.182 €	23,6%
PARTIAL COMMERCIAL USE	- €	0,0%
Other/No data		0,0%
TOTAL	**998.324.718 €**	**100,0%**

Cover Pool Loan Type Distribution

Loan Type	Total Loan Balance	% of total loan balance
Purchase	633.626.684 €	63,5%
RE-MORTGAGE	- €	0,0%
EQUITY RELEASE	86.839.938 €	8,7%
RENOVATION	255.665.108 €	25,6%
Construction (new)	- €	0,0%
Other/No data	22.192.987 €	2,2%
TOTAL	**998.324.718 €**	**100,0%**

Cover Pool Seasoning Distribution

Seasoning (months)	Total Loan Balance	% of total loan balance
< 12	72.688.253 €	7,3%
≥12-<24	58.176.737 €	5,8%
≥24-<36	27.291.230 €	2,7%
≥36-<60	51.408.802 €	5,1%
≥60	788.759.696 €	79,0%
TOTAL	**998.324.718 €**	**100,0%**

Cover Pool Loans - Arrears Analysis

Months	Total Loan Balance	% of total loan balance
Not in Arrears	899.395.456 €	90,1%
<2 (and not BPI or Fce)	96.697.250 €	9,7%
≥2-<6 (and not BPI or Fce)	2.232.012 €	0,2%
≥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	**998.324.718 €**	**100,0%**