BANK OF CYPRUS EUR 3BN COVERED BOND PROGRAMME

Report Date: 30/09/2017
Completion Date: 03/10/2017

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	923.485.104		
Complementary Assets (in the basic cover)	0		
Hedging Contracts (mark-to-market value)	0		
Covered Bonds (outstanding amount)	650.000.000		
Result	142,07%	100,00%	PASS
Net Present Value Test			
Eligible Loans (present value of inflows)	1.176.578.193		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	676.406.250		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	106.875		
Result	173,9%	105,0%	PASS
Stress scenarios:			
1. Interest rate shift by -200bps			
Eligible Loans (present value of inflows)	1.220.017.833		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	676.406.250		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	106.875		
Result	180,3%	105,0%	PASS
2. Interest rate shift by +200bps			
Eligible Loans (present value of inflows)	1.097.780.044		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	673.092.185		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	105.387		
Result	163,1%	105,0%	PASS

3. VaR Negative shift in interest rates			
Eligible Loans (present value of inflows)	1.221.056.024		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	676.750.084		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	106.875		
Result	180,4%	105,0%	PASS
4. VaR Positive shift in interest rates			
Eligible Loans (present value of inflows)	1.144.475.237		
Complementary Assets (present value of inflows)	0		
Claims under hedging contracts	0		
Covered Bond Holders (present value of payments)	676.406.250		
Obligations under hedging contracts	0		
Other Cover Pool Creditors (present value of payments)	106.875		
Result	169,2%	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	1,2		
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	33.973.285		
Outflow in the next 180 days	4.796.079		
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:	998.311.609 €
Average LOAN BALANCE:	78.706 €
NO. OF LOANS:	12.684
WA SEASONING (in months):	83,7
WA REMAINING TERM (in months):	195,9
NO. OF BORROWERS:	13.812
NO. OF PROPERTIES:	10.201
WA LTV:	55,6%
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:	3,0%
Percentage of VARIABLE MORTGAGES (based on bank's rates):	33,4%
WA Interest Rate on Fixed rate Loans:	3,4%
Borrower concentration: %age of largest 10 borrowers :	1,89%
Loans in arrears > 90 days:	0,0%

Supervisory Over Collateralisation	
Supplementary Assets	33.973.285 €
Transaction Account Balance	18.315.121 €
Deducting for liquidity reserve	(4.796.079)
Net supplementary assets available for OC	47.492.327 €
Contractual Over Collateralisation	
Loan balances in excess of basic cover	348.311.609 €
Adjustment to Loan balances due to set-off	52.607.269 €
Adjustment to Loan balances due to LTV	22.219.236 €
Total Cover Pool OC (allowing for set-off and LTV)	273.485.104 €
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%	278.828.069 €	6.158
>40%-≤50%	136.291.038 €	1.694
>50%-≤60%	131.053.746 €	1.514
>60%-≤70%	154.877.203 €	1.555
>70%-≤80%	122.827.057 €	1.269
>80%-≤85%	54.970.568 €	497
>85%-≤90%	48.347.869 €	461
>90%-≤95%	44.077.671 €	398
>95%-≤100%	27.038.387 €	266
>100%-≤105%	- €	-
>105%	- €	-
TOTAL	**998.311.609 €**	**13.812**

Cover Pool Regional Distribution

Region	Total Loan Balance	% of total loan balance
Nicosia	438.131.324 €	43,9%
Limassol	312.661.553 €	31,3%
Larnaca	110.808.677 €	11,1%
Paphos	95.383.908 €	9,6%
Ammochostos	41.326.147 €	4,1%
No data		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
		0,0%
TOTAL	**998.311.609 €**	**100,0%**

Cover Pool Rate Type Distribution

Rate Type	Total Loan Balance	% of total loan balance
Floating rate	993.810.589 €	99,5%
Fixed rate with reset <2 years	1.697.735 €	0,2%
Fixed rate with reset ≥2 but < 5 years	363.133 €	0,0%
Fixed rate with reset ≥5 years	2.440.151 €	0,2%
TOTAL	**998.311.609 €**	**100,0%**

Cover Pool Occupancy Type Distribution

Occupancy Type	Total Loan Balance	% of total loan balance
Owner-occupied	872.190.238 €	87,4%
Non-owner-occupied (buy-to-let) where BORROWER has < 3 properties	47.565.846 €	4,8%
Non-owner-occupied (buy-to-let) where BORROWER has > 2 properties	- €	0,0%
Vacation/ second home	78.555.525 €	7,9%
Partially owner-occupied	- €	0,0%
Other/No data		0,0%
TOTAL	**998.311.609 €**	**100,0%**

Bank of Cyprus

Cover Pool Property Type Distribution

Property Type	Total Loan Balance	% of total loan balance
House	756.896.727 €	75,8%
Flat in block with less than 4 units	- €	0,0%
Flat in block with 4 or more units	241.414.882 €	24,2%
PARTIAL COMMERCIAL USE	- €	0,0%
Other/No data		0,0%
TOTAL	**998.311.609 €**	**100,0%**

Cover Pool Loan Type Distribution

Loan Type	Total Loan Balance	% of total loan balance
Purchase	641.003.027 €	64,2%
RE-MORTGAGE	- €	0,0%
EQUITY RELEASE	88.640.780 €	8,9%
RENOVATION	245.611.111 €	24,6%
Construction (new)	- €	0,0%
Other/No data	23.056.690 €	2,3%
TOTAL	**998.311.609 €**	**100,0%**

Cover Pool Seasoning Distribution

Seasoning (months)	Total Loan Balance	% of total loan balance
< 12	72.711.584 €	7,3%
≥12-<24	76.560.544 €	7,7%
≥24-<36	37.436.903 €	3,8%
≥36-<60	39.316.000 €	3,9%
≥60	772.286.578 €	77,4%
TOTAL	**998.311.609 €**	**100,0%**

Cover Pool Loans - Arrears Analysis

Months	Total Loan Balance	% of total loan balance
Not in Arrears	905.322.481 €	90,7%
<2 (and not BPI or Fce)	90.616.565 €	9,1%
≥2-<6 (and not BPI or Fce)	2.372.563 €	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	**998.311.609 €**	**100,0%**