# BANK OF CYPRUS EUR 5BN COVERED BOND PROGRAMME

**Report as at: 31 August 2012**
**Report Date: 3 September 2012**

## GREEK COVER POOL MONTHLY INVESTOR REPORT

| | Series 1 | Series 2 | Series 3 | Series 4 | Series 5 |
|---|---|---|---|---|---|
| **Issue** | 550,000,000 € | | | | |
| **Coupon** | 3M EURIBOR + 1,25% | | | | |
| **Coupon Payment Frequency** | Quarterly | | | | |
| **Coupon Payment Dates** | 18/10 - 18/1 - 18/4- 18/7 | | | | |
| **Maturity Date** | 18/7/2014 | | | | |
| **Extension Period** | 1 year | | | | |
| **Rating Agencies** | Moody's / Fitch | | | | |
| **Issue Rating** | B1 / BB | | | | |
| **ISIN** | XS0651149840 | | | | |
| **Primary Cover Pool Assets** | Greek 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 | 605,224,869 | | |
| Complementary Assets (in the basic cover) | 0 | | |
| Hedging Contracts (mark-to-market value) | 0 | | |
| | | | |
| Covered Bonds (outstanding amount) | 550,000,000 | | |
| | | | |
| **Result** | 110.04% | 100.00% | PASS |
| | | | |
| **Net Present Value Test** | | | |
| Eligible Loans (net present value of inflows) | 729,756,277 | | |
| Complementary Assets (net present value of inflows) | 0 | | |
| Claims under hedging contracts | 0 | | |
| | | | |
| Covered Bond Holders (net present value of payments) | 564,682,573 | | |
| Obligations under hedging contracts | 0 | | |
| Other Cover Pool Creditors (net present value of payments) | 170,433 | | |
| | | | |
| **Result** | 129.2% | 105.0% | PASS |
| | | | |
| **Stress scenarios:** | | | |
| | | | |
| **1. Interest rate shift by -200bps** | | | |
| Eligible Loans (net present value of inflows) | 766,990,479 | | |
| Complementary Assets (net present value of inflows) | 0 | | |
| Claims under hedging contracts | 0 | | |
| | | | |
| Covered Bond Holders (net present value of payments) | 564,148,750 | | |
| Obligations under hedging contracts | 0 | | |
| Other Cover Pool Creditors (net present value of payments) | 171,000 | | |
| | | | |
| **Result** | 135.9% | 105.0% | PASS |
| | | | |
| **2. Interest rate shift by +200bps** | | | |
| Eligible Loans (net present value of inflows) | 699,139,953 | | |
| Complementary Assets (net present value of inflows) | 0 | | |
| Claims under hedging contracts | 0 | | |
| | | | |
| Covered Bond Holders (net present value of payments) | 560,323,485 | | |
| Obligations under hedging contracts | 0 | | |
| Other Cover Pool Creditors (net present value of payments) | 166,088 | | |
| | | | |
| **Result** | 124.7% | 105.0% | PASS |
| | | | |

| | | | |
|---|---|---|---|
| **3. VaR Negative shift in interest rates** | | | |
| Eligible Loans (net present value of inflows) | 747,131,452 | | |
| Complementary Assets (net present value of inflows) | 0 | | |
| Claims under hedging contracts | 0 | | |
| | | | |
| Covered Bond Holders (net present value of payments) | 566,155,417 | | |
| Obligations under hedging contracts | 0 | | |
| Other Cover Pool Creditors (net present value of payments) | 170,834 | | |
| | | | |
| **Result** | 131.9% | 105.0% | PASS |
| | | | |
| **4. VaR Positive shift in interest rates** | | | |
| Eligible Loans (net present value of inflows) | 715,829,786 | | |
| Complementary Assets (net present value of inflows) | 0 | | |
| Claims under hedging contracts | 0 | | |
| | | | |
| Covered Bond Holders (net present value of payments) | 563,787,530 | | |
| Obligations under hedging contracts | 0 | | |
| Other Cover Pool Creditors (net present value of payments) | 169,840 | | |
| | | | |
| **Result** | 126.9% | 105.0% | PASS |
| | | | |
| **Weighted Maturity Test** | | | |
| | | | |
| Weighted Average Life of Cover Pool assets in the basic and supervisory cover | 9.18 | | |
| | | | |
| Weighted average life of covered bonds | 1.72 | | |
| | | | |
| **Result** | | D(pool) > D(bond) | PASS |
| | | | |
| **Liquidity Test** | | | |
| 1. if Maturity Date > 180 days | Supplementary Assets 35.000.000 Outflow in the next 180 days 2.117.500 | Supplementary Assets > highest net outflow in the next 180 days | PASS |
| 2. if Maturity Date >30 days, <180 days | | | |
| 2a) First Test | N/A | Supplementary Assets > highest net outflow until bond maturity (excl. principal) | N/A |
| 2b) Second Test | N/A | Supplementatry/Liquid Assets >= 50% of Bond principal amount | N/A |
| 3. if Maturity Date < 30 days | | | |
| 2a) First Test | N/A | Supplementary Assets > highest net outflow until bond maturity (excl. principal) | N/A |
| 2b) Second Test | N/A | Supplementary/Liquid Assets >= 50% of Bond principal amount | N/A |

| SUPERVISORY OVER-COLLATERALISATION | COVER POOL | REQUIREMENT | PASS / FAIL |
|---|---|---|---|
| Complementary Assets | 5.0% | 5.0% | PASS |

| OC Percentage | COVER POOL | REQUIREMENT | PASS / FAIL |
|---|---|---|---|
| Asset Percentage Test | 85.0% | 85.0% | PASS |
| Breakdown of Total Cover Pool Assets: | | | |
| Residential Loans (unadjusted balance) | 619,603,100 | | |
| Complementary Assets | 27,500,000 | | |
| Total Cover Pool Assets | 647,103,100 | | |

# COVER POOL INFORMATION

| Cover Pool Summary | |
|---|---|
| Total LOAN BALANCE: | 619,603,100 € |
| Average LOAN BALANCE: | 52,345 € |
| NO. OF LOANS: | 11,837 |
| WA SEASONING (in months): | 60.4 |
| WA REMAINING TERM (in months): | 202.0 |
| NO. OF BORROWERS: | 9,315 |
| NO. OF PROPERTIES: | 9,011 |
| WA LTV: | 54.8% |
| Loans to employees of group: | 6.7% |
| WA Interest Rate on Floating rate Loans: | 2.6% |
| WA MARGIN ON FLOATING RATE LOANS: | 1.5% |
| WA Interest Rate on Floating rate Loans originated over last quarter: | 4.4% |
| Percentage of VARIABLE MORTGAGES: | 13.5% |
| WA Interest Rate on Fixed rate Loans: | 4.8% |
| Borrower concentration: %age of largest 10 borrowers : | 1.1% |
| Loans in arrears > 90 days: | 0.0% |

| Supervisory Over Collateralisation | |
|---|---|
| Supplementary Assets | 27,500,000 € |
| As a % of Outstanding Cover Bond Issuance | 5.0% |

**Cover Pool Unindexed LTV Distribution**

| Unindexed LTV ranges | Total Loan Balance | No. of Borrowers |
|---|---|---|
| 0-≤40% | 175,697,361 € | 4,342 |
| >40%-≤50% | 82,351,392 € | 1,219 |
| >50%-≤60% | 88,783,439 € | 1,100 |
| >60%-≤70% | 90,499,693 € | 1,034 |
| >70%-≤80% | 81,938,991 € | 846 |
| >80%-≤85% | 42,254,686 € | 382 |
| >85%-≤90% | 35,023,886 € | 311 |
| >90%-≤95% | 19,648,617 € | 155 |
| >95%-≤100% | 3,405,035 € | 25 |
| >100%-≤105% | - € | - |
| >105% | - € | - |
| **TOTAL** | **619,603,100 €** | **9,414** |

Bank of Cyprus

**Cover Pool Regional Distribution**

| Region | Total Loan Balance | % of total loan balance |
|---|---|---|
| Attiki (including Athens) | 257,004,454 € | 41.5% |
| Central Greece (exl Attiki) | 42,859,564 € | 6.9% |
| Peloponissos | 26,678,074 € | 4.3% |
| Ionian Islands | 35,913,757 € | 5.8% |
| Ipiros | 23,718,089 € | 3.8% |
| Thessalia | 21,463,881 € | 3.5% |
| Makedonia | 101,657,771 € | 16.4% |
| Thraki | 8,294,781 € | 1.3% |
| Aegean Islands | 26,431,541 € | 4.3% |
| Crete | 73,024,551 € | 11.8% |
| No data | 2,556,637 € | 0.4% |
| **TOTAL** | **619,603,100 €** | **100.0%** |

**Cover Pool Rate Type Distribution**

| Rate Type | Total Loan Balance | % of total loan balance |
|---|---|---|
| Floating rate | 552,752,225 € | 89.2% |
| Fixed rate with reset <2 years | 44,130,594 € | 7.1% |
| Fixed rate with reset ≥2 but < 5 years | 11,593,892 € | 1.9% |
| Fixed rate with reset ≥5 years | 11,126,389 € | 1.8% |
| **TOTAL** | **619,603,100 €** | **100.0%** |

**Cover Pool Occupancy Type Distribution**

| Occupancy Type | Total Loan Balance | % of total loan balance |
|---|---|---|
| Owner-occupied | 494,794,480 € | 79.9% |
| Non-owner-occupied (buy-to-let) where BORROWER has < 3 properties | 27,865,367 € | 4.5% |
| Non-owner-occupied (buy-to-let) where BORROWER has > 2 properties | - € | 0.0% |
| Vacation/ second home | 78,514,336 € | 12.7% |
| Partially owner-occupied | 4,358,227 € | 0.7% |
| Other/No data | 14,070,691 € | 2.3% |
| **TOTAL** | **619,603,100 €** | **100.0%** |

### Cover Pool Property Type Distribution

| Property Type | Total Loan Balance | % of total loan balance |
|---|---|---|
| House | 210,361,014 € | 34.0% |
| Flat in block with less than 4 units | - € | 0.0% |
| Flat in block with 4 or more units | 409,022,882 € | 66.0% |
| PARTIAL COMMERCIAL USE | - € | 0.0% |
| Other/No data | 219,204 € | 0.0% |
| **TOTAL** | **619,603,100 €** | **100.0%** |

### Cover Pool Loan Type Distribution

| Loan Type | Total Loan Balance | % of total loan balance |
|---|---|---|
| Purchase | 329,432,581 € | 53.2% |
| RE-MORTGAGE | - € | 0.0% |
| EQUITY RELEASE | 10,062,104 € | 1.6% |
| RENOVATION | 78,845,243 € | 12.7% |
| Construction (new) | 152,056,662 € | 24.5% |
| Other/No data | 49,206,510 € | 7.9% |
| **TOTAL** | **619,603,100 €** | **100.0%** |

### Cover Pool Seasoning Distribution

| Seasoning (months) | Total Loan Balance | % of total loan balance |
|---|---|---|
| < 12 | 9,126,729 € | 1.5% |
| ≥12-<24 | 45,297,859 € | 7.3% |
| ≥24-<36 | 75,822,267 € | 12.2% |
| ≥36-<60 | 200,010,457 € | 32.3% |
| ≥60 | 289,345,789 € | 46.7% |
| **TOTAL** | **619,603,100 €** | **100.0%** |

### Cover Pool Loans - Arrears Analysis

| Months | Total Loan Balance | % of total loan balance |
|---|---|---|
| | | |
| <2 (and not BPI or Fce) | 612,544,054 € | 98.9% |
| ≥2-<6 (and not BPI or Fce) | 7,059,046 € | 1.1% |
| ≥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** | **619,603,100 €** | **100.0%** |