



Announcement

RESOLUTIONS OF THE SHAREHOLDERS' EXTRAORDINARY GENERAL MEETING held on 28 August 2014

Nicosia, 28 August 2014

Group Profile

Founded in 1899, Bank of Cyprus Group is the leading banking and financial services group in Cyprus. The Group provides a wide range of financial products and services which include retail and commercial banking, finance, factoring, investment banking, brokerage, fund management, private banking, life and general insurance. The Group operates through a total of 280 branches, of which 144 operate in Russia, 130 in Cyprus, 1 in Romania, 4 in the United Kingdom and 1 in the Channel Islands. Bank of Cyprus also has 5 representative offices in Russia, Ukraine, China and South Africa. The Bank of Cyprus Group employs 6.747 staff worldwide. At 30 June 2014, the Group's Total Assets amounted to €28,6 bn and Total Equity was €2,8 bn.

The Extraordinary General Meeting (EGM) of the shareholders of Bank of Cyprus Public Company Ltd (the “**Bank**” or the “**Group**”) was held on 28 August 2014 in Nicosia. The EGM was attended by the 1.496 shareholders, either in person or by proxy, who represented 1.950.622.863 shares, that is 41,016% of the total issued share capital.

The EGM discussed and approved:

(A) REDUCE THE NOMINAL VALUE OF EACH ORDINARY SHARE (“RESOLUTIONS A”)

1. (a) The reduction of the authorized share capital of the Bank from EUR 4,767,759,272.00, divided into 4,767,759,272 ordinary shares with a nominal value of EUR1.00 each, to EUR 476,775,927.20 divided into 4,767,759,272 ordinary shares with a nominal value of EUR 0.10 each; and

(b) The reduction of the issued share capital of the Bank from EUR 4,755,710,678.00, divided into 4,755,710,678 fully paid ordinary shares with a nominal value of EUR 1.00 each, to EUR 475,571,067.80 divided into 4,755,710,678 fully paid ordinary shares with a nominal value of EUR 0.10 each.

through the reduction of the nominal value of each of the ordinary shares comprising the authorized and issued share capital of the Bank from EUR 1.00 to EUR 0.10.
2. The application from the amount of EUR 4,280,139,610.20 corresponding to the amount cancelled from Bank’s paid up share capital (though the reduction of the nominal value of each share as aforesaid), an amount of EUR 2,327,654,000.00 for writing off accumulated losses of the Bank and an amount of EUR 1,952,485,610.20 for the creation of a capital reduction reserve fund, in accordance with paragraph (e) of subsection (1) of section 64 of the Companies Law.
3. The increase of the authorized share capital of the Bank from EUR 476,775,927.20 divided into 4,767,759,272 ordinary shares with a nominal value of EUR 0.10 each to EUR 4,767,759,272.00 divided into 47,677,592,720 ordinary shares of EUR 0.10 each, through the creation of 42,909,833,448 new (but unissued) ordinary shares with a nominal value of EUR 0.10 each which shall rank *pari passu* in all respects with each other and with all other ordinary shares of the Bank (except, in relation to the other ordinary shares which are listed on the CSE and ATHEX, solely with respect to the listing of such other ordinary shares).
4. The authorisation of the Board of Directors, (or a duly authorised committee of the Board) to apply for, and take all actions necessary to obtain, such approval by the District Court of Nicosia in order for the abovementioned resolutions to become effective.

Resolutions A were approved by holders of shares representing the 87,25% of the existing ordinary shares voted at the EGM.

(B) ISSUE AND ALLOTMENT OF ORDINARY SHARES UNDER THE PLACING AND THE OPEN OFFER (“RESOLUTIONS B”)

1. The issue and allotment of ordinary shares in the Bank up to an aggregate nominal amount of €416,666,666.70 (equivalent to 4,166,666,667 ordinary shares of €0.10 each in the share capital of the Bank) in connection with and/or for the implementation of the Capital Raising at a subscription price per ordinary share of €0.24.
2. The irrevocable and unconditional waiving of the pre-emptive rights the Bank’s shareholders have by operation of law and/or pursuant to the Articles of Association of the Bank and/or otherwise in connection with the authority conferred on the Board of Directors (or a duly authorised committee of the Board) for the issue and allotment of shares in the Bank as contemplated in Resolution B1.

Resolutions B were approved by holders of shares representing the 87,49% of the existing ordinary shares voted at the EGM.

(C) ISSUE AND ALLOTMENT OF ORDINARY SHARES UNDER THE RETAIL OFFER (“RESOLUTIONS C”)

1. The issue of and allotment of ordinary shares in the Bank up to an aggregate nominal amount of €41,666,666.70 (equivalent to 416,666,667 ordinary shares of €0.10 each in the share capital of the Bank) in connection with and/or for the implementation of the Retail Offer at a subscription price per ordinary share of €0.24.
2. The irrevocable and unconditional waiving of the pre-emptive rights the Bank’s shareholders have by operation of law and/or pursuant to the Articles of Association of the Bank and/or otherwise in connection with the authority conferred on the Board of Directors (or a duly authorised committee of the Board) for the issue and allotment of shares in the Bank as contemplated in Resolution C1.

Resolutions C were approved by holders of shares representing the 87,47% of the existing ordinary shares voted at the EGM.

(D) AMENDMENT OF ARTICLE 93 OF THE BANK’S ARTICLES OF ASSOCIATION (“RESOLUTION D”)

The amendment of Article 93 of the Bank’s articles of association through the deletion of paragraph (d) thereof in its entirety and through the renumbering of the paragraphs following same as appropriate.

Resolution D was approved by holders of shares representing the 87,31% of the existing ordinary shares voted at the EGM.