

NO PROSPECTUS IS REQUIRED IN ACCORDANCE WITH DIRECTIVE 2003/71/EC (AS AMENDED) FOR THE ISSUE OF NOTES DESCRIBED BELOW.

Pricing Supplement dated 17 January 2017

BANK OF CYPRUS PUBLIC COMPANY LIMITED (the “Bank”)

Issue of €250,000,000 Fixed Rate Reset Tier 2 Capital Notes due January 2027

under the **€4,000,000,000 Euro Medium Term Note Programme**

PART A – CONTRACTUAL TERMS

Any person making or intending to make an offer of the Notes may only do so in circumstances in which no obligation arises for the Bank or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer.

This document constitutes the Pricing Supplement for the Notes described herein. This document must be read in conjunction with the Offering Circular dated 16 December 2016 (the “**Offering Circular**”). Full information on the Bank and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular may be obtained from the specified office of each Paying Agent and on the website of the Luxembourg Stock Exchange (*www.bourse.lu*).

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the “**Conditions**”) set forth in the Offering Circular.

1	(i)	Series Number:	2017-1
	(ii)	Tranche Number:	1
	(iii)	Date on which the Notes become fungible:	Not Applicable
2		Specified Currency or Currencies:	Euro (“€”)
3		Aggregate Nominal Amount:	€250,000,000
	(i)	Series:	€250,000,000
	(ii)	Tranche:	€250,000,000
4		Issue Price:	100.00 per cent. of the Aggregate Nominal Amount
5		Net proceeds of issue:	€248,000,000
6	(i)	Specified Denominations:	€100,000 and integral multiples of €1,000 in excess thereof.
	(ii)	Calculation Amount:	€1,000
7	(i)	Issue Date:	19 January 2017

	(ii)	Interest Date	Commencement	Issue Date
8		Maturity Date:		19 January 2027
9		Interest Basis:		Fixed Rate Reset Notes (See paragraph 16 below)
10		Redemption/Payment Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.
11		Change of Interest Basis:		Not Applicable
12		Put/Call Options:		Issuer Call (See paragraphs 19 and 20 below)
13		Date Board approval for issuance of Notes obtained:		Not Applicable
14		Status of the Notes:		Subordinated Notes – Tier 2 Capital Notes

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15		Fixed Rate Note Provisions		Not Applicable
16		Fixed Rate Reset Note Provisions		Applicable
	(i)	Initial Rate of Interest:		9.250 per cent. per annum payable annually in arrear on each Interest Payment Date.
	(ii)	Interest Payment Date(s):		19 January in each year from and including 19 January 2018, up to and including the Maturity Date.
	(iii)	Fixed Coupon Amount to (but excluding) the First Reset Date:		€92.50 per Calculation Amount
	(iv)	Broken Amount(s):		Not Applicable
	(v)	Day Count Fraction:		Actual/Actual (ICMA)
	(vi)	Determination Dates:		19 January in each year
	(vii)	Reset Determination Date(s):		The day falling two TARGET Business Days prior to the First Reset Date.
	(viii)	First Reset Date:		19 January 2022
	(ix)	Second Reset Date:		Not Applicable
	(x)	Subsequent Reset Date(s):		Not Applicable
	(xi)	Initial Mid-Swap Rate:		0.074 per cent. per annum (quoted on annual basis)

(xii)	Mid-Swap Rate:	Single Mid-Swap Rate
(xiii)	Mid-Swap Rate Conversion:	Not Applicable
	- Original Mid-Swap Rate:	Not Applicable
(xiv)	First Reset Margin:	+9.176 per cent. per annum
(xv)	Subsequent Reset Margin:	Not Applicable
(xvi)	Relevant Screen Page:	Reuters Screen Page ICESWAP2
(xvii)	Relevant Time:	11:00 a.m. (Frankfurt time)
(xviii)	Mid-Swap Floating Leg Maturity:	6 months
17	Floating Rate Note Provisions	Not Applicable
18	Zero Coupon Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

19	Call Option	Applicable
	(i) Optional Redemption Date(s):	19 January 2022
	(ii) Optional Redemption Amount(s) of each Note and method, if any, of calculation of such amount(s):	€1,000 per Calculation Amount
	(iii) If redeemable in part:	Not Applicable
	(iv) Notice period:	Condition 6(d) applies
20	Capital Event	Applicable
21	Eligible Liabilities Event	Not Applicable
22	Put Option	Not Applicable
23	Final Redemption Amount of each Note	€1,000 per Calculation Amount
24	Early Redemption Amount	
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, upon the occurrence of a Capital Event, upon the occurrence of an Eligible Liabilities Event or on event of default or other early redemption:	€1,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 25 | Form of Notes: | Registered Notes:

Unrestricted Global Certificate registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg. |
| 26 | Notes held under the New Safekeeping System: | No |
| 27 | Financial Centre(s) or other special provisions relating to payment dates: | Not Applicable |
| 28 | Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): | No |
| 29 | Additional terms: | Condition 11(c)(<i>Substitution</i>) shall not apply to the Notes. |

Signed on behalf of the Bank

By:  
Duly authorised

Despina Kyriakidou
Group Treasurer

Dr. Chris Patsalides
Deputy CEO and Chief Operating Officer

PART B – OTHER INFORMATION

1 LISTING AND ADMISSION TO TRADING

- (i) Listing: Official List of the Luxembourg Stock Exchange
- (ii) Admission to trading: Application will be made by the Bank (or on its behalf) for the Notes to be admitted to trading on the Euro MTF with effect from 19 January 2017.

2 RATINGS

- Ratings: The Notes to be issued are expected to be rated:
Moody's: Caa3
- Moody's Investors Service Cyprus Ltd. is established in the European Union and is registered under the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to the Managers, so far as the Bank is aware, no person involved in the offer of the Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Bank and its affiliates in the ordinary course of business.

4 REASONS FOR THE OFFER

- (i) Reasons for the offer: General funding purposes

5 YIELD

- Indication of yield: 9.25 per cent. per annum

6 OPERATIONAL INFORMATION

- ISIN: XS1551761569

- Common Code: 155176156

- Any clearing system(s) other than DTC, Euroclear Bank S.A./N.V. and Clearstream Banking S.A. and the relevant identification number(s): Not Applicable

- Delivery: Delivery against payment

- Names and addresses of initial Paying Agent(s): Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom

Deutsche Bank Luxembourg S.A., 2 boulevard Konrad Adenauer, L-1115 Luxembourg

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Names (and addresses) of Calculation Agent(s): Deutsche Bank AG, London Branch, Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom

Intended to be held in a manner which would allow Eurosystem eligibility: No. Whilst the designation is specified as “no” at the date of these Pricing Supplement, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper (and registered in the name of a nominee of one of the ICSDs acting as common safekeeper). Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

7 DISTRIBUTION

- (i) Method of distribution: Syndicated
- (ii) If syndicated:
 - (A) Names of Managers: Credit Suisse Securities (Europe) Limited
Deutsche Bank AG, London Branch
HSBC Bank plc
Merrill Lynch International
 - (B) Stabilisation Manager(s) (if any): Merrill Lynch International
- (iii) If non-syndicated, name of Dealer: Not Applicable
- (iv) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA not applicable