

## FINAL TERMS

9 December 2011

**BANK OF CYPRUS PUBLIC COMPANY LIMITED**  
Issue of €1,000,000,000 Series 2 Floating Rate Covered Bonds due 2014  
Under the €5 billion  
**Covered Bond Programme**

The Base Prospectus referred to below (as completed by this Final Terms) has been prepared on the basis that any offer of Covered Bonds in any Member State of the European Economic Area which has implemented the Prospectus Directive (Directive 2003/71/EC) (each, a **Relevant Member State**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Covered Bonds. Accordingly any person making or intending to make an offer in that Relevant Member State of the Covered Bonds may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Covered Bonds in any other circumstances.

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions set forth in the Base Prospectus dated 18 July 2011 and the supplement to the Base Prospectus dated 6 December 2011 which together constitute a base prospectus (the **Base Prospectus**) for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the final terms of the Covered Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of this Final Terms and the Base Prospectus. Copies of the Base Prospectus are available free of charge to the public at the registered office of the Issuer and from the specified office of each of the Paying Agents.

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|----|---|---|
| 1. | Issuer:   | Bank of Cyprus Public Company Limited   |
| 2. | Cover Pool  | Cypriot Cover Pool  |
| 3. | (i) Series Number:  | 2   |
|    | (ii) Description of relevant Cover Pool:                                  | Primary assets comprising residential loans on properties located in Cyprus, certain derivative financial instruments including but not limited to Hedging Agreements and Complementary Assets in the form of deposits with credit institutions or eligible investments (including any cash flows deriving therefrom) in accordance with the Covered Bond Legislation |
|    | (iii) Additional Cypriot Eligibility Criteria/Greek Eligibility Criteria: | Not Applicable  |

4.	Specified Currency or Currencies:	Euro (€)
5.	Aggregate Nominal Amount of Covered Bonds:	€1,000,000,000
6.	Issue Price:	100 per cent. of the Aggregate Nominal Amount
7.	(i) Specified Denominations:	€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Covered Bonds in definitive form will be issued with a denomination above €199,000
	(ii) Calculation Amount:	€100,000
8.	(i) Issue Date:	12 December 2011
	(ii) Interest Commencement Date:	Issue Date
9.	(i) Final Maturity Date:	Interest Payment Date falling in or nearest to December 2014
	(ii) Extended Final Maturity Date	Interest Payment Date falling in or nearest to December 2015
		If an Extended Final Maturity Date is specified and the Final Redemption Amount is not paid in full on the Maturity Date, payment of the unpaid amount will be automatically deferred until the Extended Final Maturity Date, provided that any amount representing the Final Redemption Amount due and remaining unpaid on the Final Maturity Date may be paid by the Issuer on any Interest Payment Date occurring thereafter up to (and including) the relevant Extended Final Maturity Date. See Condition 5 (Payments))
10.	Interest Basis:	3 month EURIBOR + 1.25 per annum Floating Rate
11.	Redemption/Payment Basis:	Bullet redemption at par (subject to Item 9 above)
12.	Change of Interest Basis or Redemption/Payment Basis:	Not Applicable
13.	Put/Call Options:	Not Applicable
14.	(i) Status of the Covered Bonds:	Senior
	(ii) Date Board approval for issuance of Covered Bonds obtained:	13 October 2011
15.	Method of distribution:	Non-syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

16.	<b>Fixed Rate Covered Bond Provisions</b>	Not Applicable
17.	<b>Floating Rate Covered Bond Provisions</b>	Applicable
(i)	Interest Period(s):	Quarterly
(ii)	Specified Interest Payment Dates:	The First Interest Payment Date and thereafter the 12th of March, June, September and December in each calendar year up to and including the Final Maturity Date (or the Extended Final Maturity Date, as applicable)
(iii)	First Interest Payment Date:	12 March 2012
(iv)	Business Day Convention:	Modified Following Business Day
(v)	Business Day(s)	London, Nicosia
(vi)	Additional Business Centre(s):	Not Applicable
(vii)	Manner in which the Rate(s) of Interest is/are to be determined:	Screen Rate Determination
(viii)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Principal Paying Agent):	Not Applicable
(ix)	Screen Rate Determination:	
	– Reference Rate:	3 month EURIBOR
	– Interest Determination Date(s):	Second day on which the TARGET2 System is open prior to the start of each Interest Period
	– Relevant Screen Page:	Reuters EURIBOR 01
	– Relevant Time:	11.00 a.m. Brussels time
	– Relevant Financial Centre:	Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)
(x)	ISDA Determination:	Not Applicable
(xi)	Margin(s):	1.25% per annum
(xii)	Minimum Rate of Interest:	Not Applicable

- (xiii) Maximum Rate of Interest: Not Applicable
- (xiv) Day Count Fraction: Actual/360
- (xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in the Conditions: Not Applicable

- 18. **Zero Coupon Covered Bond Provisions** Not Applicable
- 19. **Variable Interest Covered Bond Provisions (other than Dual Currency Covered Bonds)** Not Applicable
- 20. **Dual Currency Covered Bond Provisions** Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

- 21. **Issuer Call** Not Applicable
- 22. **Investor Put** Not Applicable
- 23. **Final Redemption Amount of each Covered Bond** Aggregate Nominal Amount

In cases where the Final Redemption Amount is Index-Linked or other variable-linked:

- (i) Index/Formula/variable: Not Applicable
- (ii) Party responsible for calculating the Final Redemption Amount (if not the Principal Paying Agent) Not Applicable
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable: Not Applicable
- (iv) Determination Date(s): Not Applicable

- |       |  |                |
|-------|--|----------------|
| (v)   | Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted: | Not Applicable |
| (vi)  | Minimum Final Redemption Amount:   | Not Applicable |
| (vii) | Maximum Final Redemption Amount:   | Not Applicable |

24. **Early Redemption Amount**

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|--|----------------|
| Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): | Not Applicable |
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**GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS**

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|---|--|
| 25. Form of Covered Bonds:  | <b>Covered Bonds:</b><br><br>Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Definitive Covered Bonds only upon an Exchange Event |
| 26. New Global Covered Bond:  | Yes  |
| 27. Additional Financial Centre(s) or other special provisions relating to payment dates:   | Not Applicable   |
| 28. Talons for future Coupons or Receipts to be attached to Definitive Covered Bonds (and dates on which such Talons mature):   | No   |
| 29. Details relating to Partly Paid Covered Bonds: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Covered Bonds and interest due on late payment: | Not Applicable   |
| 30. Details relating to Instalment Covered  |  |

**Bonds:**

- |      |  |  |
|------|--|--|
| (i)  | Instalment Amount(s)   | Not Applicable                                       |
| (ii) | Instalment Date(s)   | Not Applicable                                       |
| 31.  | Redenomination, renominalisation and reconventioning provisions: | Not Applicable                                       |
| 32.  | Consolidation provisions:  | Not Applicable                                       |
| 33.  | Transaction Account  | Cypriot Transaction Account – Account number: 335987 |
| 34.  | Other terms or special conditions                                | Not Applicable                                       |

**DISTRIBUTION**

- |     |                                       |                                       |
|-----|---------------------------------------|---------------------------------------|
| 35. | (i) If syndicated, names of Managers: | Not Applicable                        |
|     | (ii) Stabilising Manager(s) (if any): | Not Applicable                        |
| 36. | If non-syndicated, name of Dealer:    | Bank of Cyprus Public Company Limited |
| 37. | U.S. Selling Restrictions:            | TEFRA D, Reg. S                       |
| 38. | Additional selling restrictions:      | Not Applicable                        |
| 39. | Date of Subscription Agreement        | Not Applicable                        |

**PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for issue and admission to trading on the regulated market of the Luxembourg Stock Exchange of the Covered Bonds described herein pursuant to the €5 billion Covered Bond Programme of Bank of Cyprus Public Company Limited

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed for and on behalf of the Issuer:

Signature: .....

Name: .....

Title: .....

Signature: .....

Name: .....

Title: .....

## **PART B – OTHER INFORMATION**

### **1. LISTING AND ADMISSION TO TRADING**

- (i) Admission to trading and admission to listing: Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the regulated market of the Bourse de Luxembourg with effect from 12 December 2011
- (ii) Estimate of total expenses related to admission to trading: €2,110

### **2. RATINGS**

Ratings: The Covered Bonds to be issued are expected to be rated:

Moody's: Baa3

Moody's Investor Services Limited is established in the European Union and is registered for the purposes of the EU Regulation on credit rating agencies (Regulation (EC) No.1060/2009), as amended. As such Moody's Investor Services Limited is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.

### **3. COVERED BOND SWAP**

Covered Bond Swap Provider Not Applicable

Nature of Covered Bond Swap Not Applicable

### **4. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Covered Bonds has an interest material to the offer.

### **5. YIELD (Fixed Rate Covered Bonds only)**

Indication of yield: Not Applicable

### **6. HISTORIC INTEREST RATES: (Floating Rate Covered Bonds only).**

Details of historic EURIBOR rates can be obtained from Reuters.

### **7. TRADABLE AMOUNTS:**

So long as the Covered Bonds are represented by a Global Covered Bond and Euroclear Bank S.A./N.V. and/or Clearstream Banking, société anonyme so permit, the Global Covered Bond shall be tradable in minimum principal amounts of €100,000 and integral multiples of €1,000 (the



Tradable Amount) in addition thereto.

If item 25 of Part A indicates that the Global Covered Bond is exchangeable for Definitive Covered Bonds at the option of the Covered Bondholders, the Covered Bonds will be tradable only in principal amounts of at least the Specified Denomination.

## 8. OPERATIONAL INFORMATION

ISIN Code: XS0718673311

Common Code: 071867331

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

Delivery: Delivery free of payment

Names and addresses of initial Paying Agent(s): The Bank of New York Mellon  
One Canada Square, London, E14 5AL

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

Intended to be held in a manner which would allow Eurosystem eligibility: Yes

Note that the designation "yes" simply means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Covered Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met