

## Financial Information for the Period from 1 January 2016 to 30 September 2016

as stipulated by Decision 4/507/28.04.2009 of  
the Board of Directors of the Greek Capital Markets Commission

The financial information presented below is aiming to provide a general awareness about the financial position and results of the Bank of Cyprus Group (the 'Group') and the holding company Bank of Cyprus Public Company Ltd (the 'Company'). We recommend to the reader, before any investment decision or transaction is performed with the Group, to visit the Group's website where the financial statements prepared in accordance with International Financial Reporting Standards are available, together with the independent auditors' report, and the detailed explanatory statement of results. These documents are also available at the Registered Office of the Company (51 Stassinou Street, Ayia Paraskevi, Strovolos, P.O. Box 24884, CY-1398 Nicosia, Cyprus, Telephone: +357 22 122128, Fax: +357 22 378422).

Website: [www.bankofcyprus.com](http://www.bankofcyprus.com) - Investor Relations/Financial Information.

Members of the Board of Directors: Josef Ackermann (Chairman), Wilbur L. Ross Jr. (Vice Chairman), Maksim Goldman (Vice Chairman), Arne Berggren, Michael Heger, Marios Kalochoritis, Christodoulos Patsalides, Michalis Spanos, Ioannis Zographakis and John Patrick Hourican.

Date of approval of the Interim Condensed Consolidated Financial Statements for the period ended 30 September 2016 by the Board of Directors: 14 November 2016.

Independent auditors: Ernst & Young Cyprus Ltd.

Type of auditor's report: Unmodified opinion, emphasis of matter.

**BANK OF CYPRUS GROUP**
**Extracts from the Interim Consolidated Income Statement  
and Statement of Comprehensive Income**

	<b>Nine months ended 30 September</b>		<b>Three months ended 30 September</b>	
	<b>2016</b>	2015	<b>2016</b>	2015
	<b>€000</b>	€000	<b>€000</b>	€000
<b>Continuing operations</b>				
Net interest income	<b>524.487</b>	644.348	<b>164.025</b>	205.762
Net fee and commission income	<b>112.031</b>	115.037	<b>38.163</b>	35.920
Net foreign exchange gains	<b>27.904</b>	30.963	<b>11.591</b>	7.671
Net gains/(losses) on financial instrument transactions	<b>65.727</b>	28.254	<b>8.338</b>	(463)
Insurance income net of claims and commissions	<b>34.672</b>	31.818	<b>10.039</b>	11.549
Gains/(losses) from revaluation and disposal of investment properties	<b>5.649</b>	(36.128)	<b>(157)</b>	(12.744)
(Losses)/gains on disposal of stock of property	<b>(3.042)</b>	647	<b>491</b>	404
Other income	<b>10.421</b>	12.045	<b>2.844</b>	3.199
	<b>777.849</b>	826.984	<b>235.334</b>	251.298
Staff costs	<b>(233.558)</b>	(176.599)	<b>(54.279)</b>	(58.582)
Other operating expenses	<b>(163.747)</b>	(146.585)	<b>(54.191)</b>	(49.184)
	<b>380.544</b>	503.800	<b>126.864</b>	143.532
Gain on derecognition of loans and advances to customers and changes in expected cash flows	<b>37.994</b>	263.392	<b>15.828</b>	33.353
Provisions for impairment of loans and advances to customers and other customer credit losses	<b>(304.876)</b>	(592.764)	<b>(124.951)</b>	(128.838)
(Impairment)/reversal of impairment of other financial instruments	<b>(11.822)</b>	(37.105)	<b>406</b>	(5.937)
Impairment of non-financial instruments	<b>(22.012)</b>	-	<b>(12.650)</b>	-
<b>Profit before share of profit from associates and joint ventures</b>	<b>79.828</b>	137.323	<b>5.497</b>	42.110
Share of profit from associates and joint ventures	<b>3.189</b>	3.641	<b>1.583</b>	203
<b>Profit before tax from continuing operations</b>	<b>83.017</b>	140.964	<b>7.080</b>	42.313
Income tax	<b>(17.839)</b>	(17.631)	<b>(4.144)</b>	(7.156)
<b>Profit after tax from continuing operations</b>	<b>65.178</b>	123.333	<b>2.936</b>	35.157
<b>Discontinued operations</b>				
Loss after tax from discontinued operations	-	(65.107)	-	(28.840)
<b>Profit for the period</b>	<b>65.178</b>	58.226	<b>2.936</b>	6.317
<b>Attributable to:</b>				
Owners of the Company – continuing operations	<b>61.627</b>	129.048	<b>5.255</b>	39.723
Owners of the Company – discontinued operations	-	(55.839)	-	(26.734)
<b>Total profit attributable to the owners of the Company</b>	<b>61.627</b>	73.209	<b>5.255</b>	12.989
Non-controlling interests – continuing operations	<b>3.551</b>	(5.715)	<b>(2.319)</b>	(4.566)
Non-controlling interests – discontinued operations	-	(9.268)	-	(2.106)
<b>Total profit/(loss) attributable to non - controlling interests</b>	<b>3.551</b>	(14.983)	<b>(2.319)</b>	(6.672)
<b>Profit for the period</b>	<b>65.178</b>	58.226	<b>2.936</b>	6.317
<b>Basic and diluted earnings per share (€) attributable to the owners of the Company - continuing operations</b>	<b>0,0069</b>	0,0145	<b>0,0006</b>	0,0045
<b>Basic and diluted earnings per share (€) attributable to the owners of the Company</b>	<b>0,0069</b>	0,0082	<b>0,0006</b>	0,0015
<b>Profit for the period</b>	<b>65.178</b>	58.226	<b>2.936</b>	6.317
Other comprehensive (loss)/income after tax	<b>(59.339)</b>	14.829	<b>3.736</b>	31.649
<b>Total comprehensive income for the period</b>	<b>5.839</b>	73.055	<b>6.672</b>	37.966
<b>Attributable to:</b>				
Owners of the Company	<b>6.907</b>	84.729	<b>8.911</b>	37.314
Non-controlling interests	<b>(1.068)</b>	(11.674)	<b>(2.239)</b>	652
<b>Total comprehensive income for the period</b>	<b>5.839</b>	73.055	<b>6.672</b>	37.966

BANK OF CYPRUS GROUP  
Extracts from the Interim Consolidated Balance Sheet

		<b>30 September 2016</b>	31 December 2015
<b>Assets</b>	<i>Notes</i>	<b>€000</b>	€000
Cash and balances with central banks		<b>1.587.386</b>	1.422.602
Loans and advances to banks		<b>1.183.579</b>	1.314.380
Derivative financial assets		<b>11.965</b>	14.023
Investments	3	<b>193.308</b>	588.255
Investments pledged as collateral	3	<b>401.914</b>	421.032
Loans and advances to customers		<b>15.939.593</b>	17.191.632
Life insurance business assets attributable to policyholders		<b>490.503</b>	475.403
Prepayments, accrued income and other assets		<b>232.731</b>	281.780
Stock of property		<b>1.304.628</b>	515.858
Investment properties		<b>37.519</b>	34.628
Property and equipment		<b>282.127</b>	264.333
Intangible assets		<b>142.297</b>	133.788
Investments in associates and joint ventures		<b>112.582</b>	107.753
Deferred tax assets		<b>450.397</b>	456.531
Non-current assets and disposal group held for sale		<b>11.569</b>	48.503
<b>Total assets</b>		<b>22.382.098</b>	23.270.501
<b>Liabilities</b>			
Deposits by banks		<b>371.378</b>	242.137
Funding from central banks		<b>1.950.045</b>	4.452.850
Repurchase agreements		<b>329.325</b>	368.151
Derivative financial liabilities		<b>50.460</b>	54.399
Customer deposits		<b>15.642.924</b>	14.180.681
Insurance liabilities		<b>574.586</b>	566.925
Accruals, deferred income and other liabilities	4	<b>315.576</b>	282.831
Debt securities in issue		-	712
Deferred tax liabilities		<b>45.140</b>	40.807
Non-current liabilities and disposal group held for sale		-	3.677
<b>Total liabilities</b>		<b>19.279.434</b>	20.193.170
<b>Equity</b>			
Share capital		<b>892.294</b>	892.294
Share premium		<b>552.618</b>	552.618
Capital reduction reserve		<b>1.952.486</b>	1.952.486
Revaluation and other reserves		<b>240.647</b>	258.709
Accumulated losses		<b>(575.442)</b>	(601.152)
<b>Equity attributable to the owners of the Company</b>		<b>3.062.603</b>	3.054.955
<b>Non-controlling interests</b>		<b>40.061</b>	22.376
<b>Total equity</b>		<b>3.102.664</b>	3.077.331
<b>Total liabilities and equity</b>		<b>22.382.098</b>	23.270.501

## BANK OF CYPRUS GROUP

## Extracts from the Interim Consolidated Statement of Changes in Equity

	<b>Nine months ended 30 September</b>	
	<b>2016</b>	2015
	<b>€000</b>	€000
<b>Total equity at 1 January</b>	<b>3.077.331</b>	3.481.047
Profit for the period	<b>65.178</b>	58.226
Other comprehensive (loss)/income after tax for the period	<b>(59.339)</b>	14.829
Issue of share capital	-	135
Acquisition of subsidiary	<b>18.753</b>	-
Disposal of subsidiaries	-	(18.112)
Dividend paid to non-controlling interests	-	(918)
Disposals of treasury shares	<b>741</b>	2.867
<b>Total equity at 30 September</b>	<b>3.102.664</b>	3.538.074

## BANK OF CYPRUS GROUP

## Extracts from the Interim Consolidated Statement of Comprehensive Income

	Nine months ended 30 September		Three months ended 30 September	
	2016	2015	2016	2015
	€000	€000	€000	€000
<b>Profit for the period</b>	<b>65.178</b>	58.226	<b>2.936</b>	6.317
Foreign currency translation reserve	<b>3.139</b>	18.687	<b>(203)</b>	33.620
Available-for-sale investments	<b>(43.662)</b>	(3.603)	<b>7.591</b>	(1.538)
Property revaluation	<b>159</b>	(255)	<b>180</b>	(433)
Actuarial loss for the defined benefit plans	<b>(18.975)</b>	-	<b>(3.832)</b>	-
<b>Total comprehensive income for the period</b>	<b>5.839</b>	73.055	<b>6.672</b>	37.966

## BANK OF CYPRUS GROUP

## Extracts from the Interim Consolidated Statement of Cash Flows

	<b>Nine months ended 30 September</b>	
	<b>2016</b>	2015
	<b>€000</b>	€000
<b>Net cash flow from operating activities</b>	<b>2.151.824</b>	1.639.225
<b>Net cash flow from investing activities</b>	<b>429.815</b>	1.087.841
<b>Net cash flow used in financing activities</b>	<b>(2.530.113)</b>	(2.944.667)
<b>Net increase/(decrease) in cash and cash equivalents for the period</b>	<b>51.526</b>	(217.601)
Foreign exchange adjustments	<b>6.687</b>	18.373
<b>Total cash inflow/(outflow) for the period</b>	<b>58.213</b>	(199.228)
Cash and cash equivalents at 1 January	<b>2.406.344</b>	2.238.601
<b>Cash and cash equivalents at 30 September</b>	<b>2.464.557</b>	2.039.373

BANK OF CYPRUS PUBLIC COMPANY LTD  
Extracts from the Interim Income Statement and Statement  
of Comprehensive Income

	Nine months ended 30 September		Three months ended 30 September	
	2016	2015	2016	2015
	€000	€000	€000	€000
Net interest income	<b>505.896</b>	624.364	<b>158.387</b>	198.865
Net fee and commission income	<b>97.915</b>	103.165	<b>33.139</b>	31.620
Net foreign exchange gains	<b>57.832</b>	9.691	<b>17.125</b>	3.690
Net gains/(losses) on financial instrument transactions	<b>45.267</b>	5.388	<b>8.762</b>	(22.631)
Dividends from subsidiary companies	<b>24.000</b>	-	-	-
Gains/(losses) from revaluation and disposal of investment properties	<b>4.792</b>	(30.489)	<b>(156)</b>	(7.472)
Losses on disposal of stock of property	<b>(162)</b>	-	<b>(43)</b>	-
Other income	<b>4.759</b>	11.565	<b>1.695</b>	3.275
	<b>740.299</b>	723.684	<b>218.909</b>	207.347
Staff costs	<b>(205.522)</b>	(153.179)	<b>(45.706)</b>	(50.777)
Other operating expenses	<b>(136.248)</b>	(125.776)	<b>(41.160)</b>	(42.172)
	<b>398.529</b>	444.729	<b>132.043</b>	114.398
Gain on derecognition of loans and advances to customers and changes in expected cash flows	<b>37.994</b>	263.392	<b>15.828</b>	33.354
Provisions for impairment of loans and advances to customers and other customer credit losses	<b>(296.143)</b>	(559.393)	<b>(124.705)</b>	(100.829)
Impairment of other financial instruments	<b>(41.883)</b>	(51.120)	<b>(4.532)</b>	(9.120)
Impairment of non-financial instruments	<b>(9.735)</b>	-	<b>(3.191)</b>	-
<b>Profit before tax</b>	<b>88.762</b>	97.608	<b>15.443</b>	37.803
Income tax	<b>(11.174)</b>	(13.296)	<b>(2.347)</b>	(4.762)
<b>Profit for the period</b>	<b>77.588</b>	84.312	<b>13.096</b>	33.041
<b>Basic and diluted earnings per share (€)</b>	<b>0,0087</b>	0,0094	<b>0,0015</b>	0,0037
<b>Profit for the period</b>	<b>77.588</b>	84.312	<b>13.096</b>	33.041
Other comprehensive (loss)/income after tax	<b>(45.733)</b>	(592)	<b>2.369</b>	(10.570)
<b>Total comprehensive income for the period</b>	<b>31.855</b>	83.720	<b>15.465</b>	22.471

BANK OF CYPRUS PUBLIC COMPANY LTD  
Extracts from the Interim Balance Sheet

		<b>30 September 2016</b>	31 December 2015
<b>Assets</b>	<i>Notes</i>	<b>€000</b>	€000
Cash and balances with central banks		<b>1.322.946</b>	1.111.354
Loans and advances to banks		<b>1.037.817</b>	1.112.337
Derivative financial assets		<b>11.965</b>	14.022
Investments	3	<b>137.361</b>	512.631
Investments pledged as collateral	3	<b>401.914</b>	421.032
Loans and advances to customers		<b>14.709.492</b>	16.005.878
Balances with Group companies		<b>1.334.370</b>	735.579
Prepayments, accrued income and other assets		<b>123.544</b>	167.486
Stock of property		<b>427.089</b>	276.095
Investment properties		<b>12.351</b>	11.688
Property and equipment		<b>198.876</b>	198.227
Intangible assets		<b>17.044</b>	14.773
Investments in associates and joint ventures		<b>97.293</b>	97.293
Investments in Group companies		<b>249.739</b>	207.781
Deferred tax assets		<b>450.350</b>	456.479
Non-current assets held for sale		<b>346</b>	9.767
<b>Total assets</b>		<b>20.532.497</b>	21.352.422
<b>Liabilities</b>			
Deposits by banks		<b>366.957</b>	237.860
Funding from central banks		<b>1.950.045</b>	4.452.850
Repurchase agreements		<b>329.325</b>	368.151
Derivative financial liabilities		<b>50.450</b>	54.408
Customer deposits		<b>14.211.959</b>	12.694.130
Balances with Group companies		<b>590.262</b>	568.486
Accruals, deferred income and other liabilities	4	<b>258.660</b>	233.084
Debt securities in issue		-	712
Deferred tax liabilities		<b>20.111</b>	19.868
<b>Total liabilities</b>		<b>17.777.769</b>	18.629.549
<b>Equity</b>			
Share capital		<b>892.294</b>	892.294
Share premium		<b>551.368</b>	551.368
Capital reduction reserve		<b>1.952.486</b>	1.952.486
Revaluation and other reserves		<b>77.790</b>	76.462
Accumulated losses		<b>(719.210)</b>	(749.737)
<b>Total equity</b>		<b>2.754.728</b>	2.722.873
<b>Total liabilities and equity</b>		<b>20.532.497</b>	21.352.422



BANK OF CYPRUS PUBLIC COMPANY LTD  
 Extracts from the Interim Statement of Changes in Equity

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	<b>Nine months ended 30 September</b>	
	<b>2016</b>	2015
	<b>€000</b>	€000
<b>Total equity at 1 January</b>	<b>2.722.873</b>	3.128.679
Profit for the period	<b>77.588</b>	84.312
Other comprehensive loss after tax for the period	<b>(45.733)</b>	(592)
Issue of shares	-	135
<b>Total equity at 30 September</b>	<b>2.754.728</b>	3.212.534

BANK OF CYPRUS PUBLIC COMPANY LTD  
 Extracts from the Interim Statement of Comprehensive Income

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	<b>Nine months ended 30 September</b>		<b>Three months ended 30 September</b>	
	<b>2016</b>	2015	<b>2016</b>	2015
	<b>€000</b>	€000	<b>€000</b>	€000
<b>Profit for the period</b>	<b>77.588</b>	84.312	<b>13.096</b>	33.041
Foreign currency translation reserve	<b>(348)</b>	(422)	<b>(21)</b>	(11.748)
Available-for-sale investments	<b>(26.841)</b>	(170)	<b>6.231</b>	1.178
Property revaluation	<b>(21)</b>	-	-	-
Actuarial loss on defined benefit plans	<b>(18.523)</b>	-	<b>(3.841)</b>	-
<b>Total comprehensive income for the period</b>	<b>31.855</b>	83.720	<b>15.465</b>	22.471

BANK OF CYPRUS PUBLIC COMPANY LTD  
 Extracts from the Interim Statement of Cash Flows

	<b>Nine months ended 30 September</b>	
	<b>2016</b>	2015
	<b>€000</b>	€000
<b>Net cash flow from operating activities</b>	<b>2.284.495</b>	1.864.057
<b>Net cash flow from investing activities</b>	<b>393.470</b>	1.099.378
<b>Net cash flow used in financing activities</b>	<b>(2.530.854)</b>	(2.944.858)
<b>Net increase in cash and cash equivalents for the period</b>	<b>147.111</b>	18.577
Foreign exchange adjustments	<b>9.320</b>	(197)
<b>Total cash inflow for the period</b>	<b>156.431</b>	18.380
Cash and cash equivalents at 1 January	<b>1.902.429</b>	1.486.608
<b>Cash and cash equivalents at 30 September</b>	<b>2.058.860</b>	1.504.988

1. The Interim Condensed Consolidated Financial Statements for the nine months ended 30 September 2016 have been prepared in accordance with the International Accounting Standard (IAS) applicable to interim financial reporting as adopted by the EU ('IAS 34').
2. The accounting policies adopted for the preparation of the Interim Condensed Consolidated Financial Statements for the nine months ended 30 September 2016 are consistent with those followed for the preparation of the Annual Consolidated Financial Statements for the year ended 31 December 2015. In addition, the Group has adopted the following new standards, amendments and interpretations, which did not have a material impact on the Interim Condensed Consolidated Financial Statements:
  - IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets (Amendment): Clarification of Acceptable Methods of Depreciation and Amortisation
  - IFRS 11 Joint arrangements: Accounting for Acquisitions of Interests in Joint Operations
  - IAS 27 Separate Financial Statements (Amendment)
  - IAS 1: Disclosure Initiative (Amendment)
  - Annual Improvements IFRSs 2012-2014 Cycle issued by the International Accounting Standards Board (IASB), which is a collection of amendments to IFRS. These improvements include:
    - IFRS 5 Non-current Assets Held for Sale and Discontinued Operations – Amendments
    - IFRS 7 Financial Instruments: Disclosures – Amendments
    - IAS 19 Employee Benefits – Amendments
    - IAS 34 Interim Financial Reporting – Amendments
  - IAS 19 Employee benefits (Amended): Employee contributions
  - Annual Improvements IFRSs 2010-2012 Cycle issued by the IASB, which is a collection of amendments to IFRSs. These improvements include:
    - IFRS 2 Share-based Payment
    - IFRS 3 Business Combinations
    - IFRS 8 Operating Segments
    - IFRS 13 Fair Value Measurement
    - IAS 16 Property, Plant & Equipment
    - IAS 24 Related Party Disclosures
    - IAS 38 Intangible Assets
3. Investments of the Group and the Company are analysed as follows:

	<b>30 September 2016</b>	31 December 2015
<b>Group</b>	<b>€000</b>	€000
<b>Investments</b>		
Investments at fair value through profit or loss	<b>46.013</b>	50.785
Investments available-for-sale	<b>113.947</b>	100.535
Investments classified as loans and receivables	<b>33.348</b>	436.935
	<b>193.308</b>	588.255
<b>Investments pledged as collateral</b>		
Investments available-for-sale	<b>352.889</b>	421.032
Investments classified as loans and receivables	<b>49.025</b>	-
	<b>401.914</b>	421.032
	<b>595.222</b>	1.009.287

3. Investments of the Group and the Company are analysed as follows: (continued)

	<b>30 September 2016</b>	31 December 2015
<b>Company</b>	<b>€000</b>	€000
<b>Investments</b>		
Investments at fair value through profit or loss	<b>15.030</b>	19.727
Investments available-for-sale	<b>88.983</b>	55.969
Investments classified as loans and receivables	<b>33.348</b>	436.935
	<b>137.361</b>	512.631
<b>Investments pledged as collateral</b>		
Investments available-for-sale	<b>352.889</b>	421.032
Investments classified as loans and receivables	<b>49.025</b>	-
	<b>401.914</b>	421.032
	<b>539.275</b>	933.663

4. Accruals, deferred income and other liabilities at 30 September 2016 include provisions for pending litigation and claims of €31.805 thousand for the Group and €25.825 thousand for the Company and other provisions of €23.904 thousand for the Group and €23.049 thousand for the Company. The Group's provision for pending litigation and claims at 30 September 2016 is set out in Note 23 of the Interim Condensed Consolidated Financial Statements. There are no other significant pending litigation, claims or assessments against the Group, the outcome of which would have a material effect on the Group's financial position or operations.
5. The number of persons employed by the Group as at 30 September 2016 was 4.229 (30 September 2015: 4.610) and by the Company was 3.671 (30 September 2015: 4.035).
6. Shares of the Company held by entities controlled by the Group (including shares that are held by life insurance subsidiary which holds the shares as part of financial assets that are invested for the benefit of insurance policyholders) at 30 September 2016 were 2.889 thousand and their cost of acquisition was €25.333 thousand.
7. The Group subsidiaries, branches, associates and joint ventures as at 30 September 2016 and the method of consolidation used are set out in Notes 32 and 34 of the Interim Condensed Consolidated Financial Statements.
8. **Related party transactions:**
- (a) Loans and other advances to members of the Board of Directors and key management personnel: €2.866 thousand for the Group and the Company.
  - (b) Loans and other advances to other connected persons: €429 thousand for the Group and €1.334.799 thousand for the Company.
  - (c) Contingent liabilities and commitments (mainly documentary credits, guarantees and commitments to lend): €429 thousand for the Group and the Company.
  - (d) Deposits by members of the Board of Directors and key management personnel: €2.730 thousand for the Group and the Company.
  - (e) Deposits by other connected persons: €3.108 thousand for the Group and €593.370 thousand for the Company.
  - (f) Interest income: €75 thousand for the Group and €17.907 thousand for the Company.
  - (g) Interest expense: €54 thousand for the Group and €4.253 thousand for the Company.

**8. Related party transactions:** (continued)

- (h) Remuneration and other transactions of members of the Board of Directors, key management personnel and connected persons: €5.255 thousand for the Group and €4.782 thousand for the Company.

**9. Other information**

The total capital expenditure of the Group for the period ended 30 September 2016 amounted to €21.001 thousand.

**10. Events after the reporting date**

**Apply for a listing on the London Stock Exchange and the Cyprus Stock Exchange using a Holding Company structure**

The Board of Directors decided to proceed with an application for a standard listing on the London Stock Exchange (LSE). The Company intends to maintain a listing on the Cyprus Stock Exchange and will no longer be listed on the Athens Exchange.

The London listing is in line with the Company's long-term strategic commitment to list on a major European stock exchange. The Company continues to work towards a premium listing on the LSE, and intends to apply for a step up to the premium segment of the LSE at a future date, with the intention of becoming eligible for inclusion in the FTSE UK Index series. Work is ongoing and the standard listing is an intermediate step on this long-term path.

In order to be considered eligible for future inclusion in the FTSE UK index series following a step up to a premium listing, the Company has decided to incorporate a new holding company in Ireland, which is a FTSE eligible jurisdiction. The newly set up company, Bank of Cyprus Holdings plc (BOC Holdings), was incorporated in Ireland earlier this year for this purpose.

It is intended that BOC Holdings will own all of the existing shares of the Company, and existing shareholders of the Company will receive shares in BOC Holdings in proportion to their current ownership.

The Group's headquarters, management and operations will all remain in Cyprus and the new holding company will be, and the Company will remain, tax residents in Cyprus. The Group will continue to be regulated by the ECB and the CBC.

The change in the Group's structure will be implemented by means of a Cypriot law scheme of arrangement (Scheme) and is therefore subject, amongst other things, to the approval/sanctioning of the Scheme by (i) the shareholders at an extraordinary general meeting, (ii) the Company's regulators (including the ECB and the CBC) and (iii) the Courts of Cyprus following a hearing upon the fairness of the Scheme terms. It is intended that a circular setting out full details of the Scheme will be made available to the Company's shareholders in the coming days and a prospectus in relation to the shares in the new holding company is intended to be published thereafter.

**Other events after the reporting date**

In May 2016 the Company has also concluded a repurchase transaction which is its first wholesale funding transaction since 2013. This was partially repaid in August 2016 and fully terminated by the Company in October 2016.

In August 2016 the CBC has released loans and advances with contractual value of €2 billion held as collateral for ELA and in October 2016 it has released additional loans and advances with contractual value of €2,5 billion.