

## Announcement

# Cancellation of Bank of Cyprus €1billion Government Guaranteed Bonds

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Nicosia, 17 August 2016

After taking into consideration the significant reduction of ELA funding by €9,4 bn since April 2013 to a current level of €2,0 bn, the Board of Directors of Bank of Cyprus Public Company Ltd (the “Bank”), at its meeting held on 16 August 2016 decided to proceed with the cancellation of (i) Guaranteed Bonds of €500.000.000 (BOCYG ISIN CY0143940118) issued on 14 November 2012 and (ii) Guaranteed Bonds of €500.000.000 (BOCYG2 ISIN CY0143950117) issued on 27 November 2012.

The decision is subject to approvals/consents from the competent authorities.

The Guaranteed Bonds were issued under the provisions of the Law on the Granting of Government Guarantees for Loans and/or Bonds issued by Credit Institutions, of 2012 (L.156(I)/2012), as amended, and the relevant Decrees, were wholly retained by the Bank and were used as collateral for ELA funding.

Overall the Bank repaid €1,8 bn of ELA funding year to date and is on track to fully repay ELA funding by the end 2017.

### 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 136 branches, of which 130 operate in Cyprus, 1 in Romania, 4 in the United Kingdom and 1 in the Channel Islands. Bank of Cyprus also has representative offices in Russia, Ukraine and China. The Bank of Cyprus Group employs 4.550 staff worldwide. At 31 March 2016, the Group's Total Assets amounted to €22,7 bn and Total Equity was €3,1 bn.*