

**FINANCIAL INFORMATION**

**FOR THE PERIOD FROM 1 JANUARY 2011 TO**

**30 SEPTEMBER 2011**

**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' review report, when required. These 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.

Date of approval of the interim financial statements for the period ended 30 September 2011 by the Board of Directors: 29 November 2011.

## Bank of Cyprus Group

### Extracts from the Interim Consolidated Income Statement and Statement of Comprehensive Income

for the nine months ended 30 September 2011

	<b>Nine months ended 30 September</b>	
	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
Net interest income	<b>854.478</b>	767.556
Net fee and commission income	<b>170.902</b>	170.635
Foreign exchange profit	<b>35.087</b>	27.654
Impairment of Greek Government Bonds (GGBs)	<b>(1.048.100)</b>	-
Net (losses)/gains on other financial instrument transactions	<b>(2.169)</b>	26.792
Insurance income net of insurance claims	<b>46.862</b>	45.656
Other income	<b>21.891</b>	4.862
	<b>78.951</b>	1.043.155
Staff costs	<b>(329.618)</b>	(323.327)
Other operating expenses	<b>(200.008)</b>	(208.240)
<b>(Loss)/profit before provisions</b>	<b>(450.675)</b>	511.588
Provisions for impairment of loans and advances	<b>(294.564)</b>	(229.001)
<b>(Loss)/profit before share of loss of associates</b>	<b>(745.239)</b>	282.587
Share of loss of associates	<b>(1.209)</b>	(1.818)
<b>(Loss)/profit before tax</b>	<b>(746.448)</b>	280.769
Taxation	<b>(56.423)</b>	(36.786)
<b>(Loss)/profit after tax</b>	<b>(802.871)</b>	243.983
Attributable to:		
Non-controlling interests (loss)	<b>(1.704)</b>	(3.818)
<b>Owners of the Company ((loss)/profit)</b>	<b>(801.167)</b>	247.801
<b>Basic earnings/(losses) per share (€)</b>	<b>(0,8947)</b>	0,3511
<b>(Loss)/profit after tax</b>	<b>(802.871)</b>	243.983
Other comprehensive income/(expense) after tax	<b>135.261</b>	(226.885)
<b>Total comprehensive (expense)/income for the period</b>	<b>(667.610)</b>	17.098
Attributable to:		
Non-controlling interests (loss)	<b>(4.575)</b>	(2.551)
<b>Owners of the Company ((loss)/profit)</b>	<b>(663.035)</b>	19.649

## Bank of Cyprus Group

### Extracts from the Interim Consolidated Income Statement and Statement of Comprehensive Income

for the three months from 1 July to 30 September 2011

	<b>Three months ended 30 September</b>	
	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
Net interest income	<b>301.706</b>	271.391
Net fee and commission income	<b>58.408</b>	58.843
Foreign exchange profit	<b>29.507</b>	9.492
Impairment of Greek Government Bonds (GGBs)	<b>(767.166)</b>	-
Net (losses)/gains on other financial instrument transactions	<b>(22.710)</b>	7.835
Insurance income net of insurance claims	<b>14.923</b>	15.416
Other income	<b>8.230</b>	(812)
	<b>(377.102)</b>	362.165
Staff costs	<b>(110.470)</b>	(106.219)
Other operating expenses	<b>(58.800)</b>	(72.221)
<b>(Loss)/profit before provisions</b>	<b>(546.372)</b>	183.725
Provisions for impairment of loans and advances	<b>(111.509)</b>	(83.396)
<b>(Loss)/profit before share of (loss)/profit of associates</b>	<b>(657.881)</b>	100.329
Share of (loss)/profit of associates	<b>(677)</b>	229
<b>(Loss)/profit before tax</b>	<b>(658.558)</b>	100.558
Taxation	<b>(31.450)</b>	(13.959)
<b>(Loss)/profit after tax</b>	<b>(690.008)</b>	86.599
Attributable to:		
Non-controlling interests ((loss)/profit)	<b>(1.238)</b>	1.430
<b>Owners of the Company ((loss)/profit)</b>	<b>(688.770)</b>	85.169
<b>Basic earnings/(losses) per share (€)</b>	<b>(0.7671)</b>	0,1199
<b>(Loss)/profit after tax</b>	<b>(690.008)</b>	86.599
Other comprehensive expense after tax	<b>(43)</b>	(77.300)
<b>Total comprehensive (expense)/income for the period</b>	<b>(690.051)</b>	9.299
Attributable to:		
Non-controlling interests (loss)	<b>(4.632)</b>	(2.345)
<b>Owners of the Company ((loss)/profit)</b>	<b>(685.419)</b>	11.644

**Bank of Cyprus Group**  
Extracts from the Interim Consolidated Balance Sheet

as at 30 September 2011

		<b>30 September 2011</b>	<b>31 December 2010</b>
	Notes	€000	€000
<b>Assets</b>			
Cash and balances with central banks		<b>1.674.073</b>	2.241.825
Placements with banks		<b>2.920.024</b>	5.264.628
Reverse repurchase agreements		<b>304.238</b>	120.166
Investments	3	<b>2.506.607</b>	4.307.558
Investments pledged as collateral	3	<b>1.713.729</b>	1.038.036
Derivative financial assets		<b>195.387</b>	76.278
Loans and advances to customers		<b>28.386.320</b>	27.725.451
Life insurance business assets attributable to policyholders		<b>506.451</b>	561.695
Property and equipment		<b>415.743</b>	418.781
Intangible assets		<b>459.648</b>	479.058
Other assets		<b>485.657</b>	400.459
Investment in associates		<b>3.113</b>	3.805
<b>Total assets</b>		<b>39.570.990</b>	42.637.740
<b>Liabilities</b>			
Obligations to central banks and amounts due to banks		<b>2.813.703</b>	3.706.975
Repurchase agreements		<b>397.693</b>	913.109
Derivative financial liabilities		<b>380.667</b>	240.412
Customer deposits		<b>31.852.468</b>	32.952.567
Insurance liabilities		<b>600.276</b>	658.309
Debt securities in issue		<b>64.823</b>	83.957
Other liabilities	4	<b>344.792</b>	323.120
Subordinated loan stock		<b>128.845</b>	930.942
<b>Total liabilities</b>		<b>36.583.267</b>	39.809.391
<b>Equity</b>			
Share capital		<b>899.173</b>	894.948
Share premium		<b>1.164.087</b>	1.159.819
Convertible Enhanced Capital Securities		<b>860.405</b>	-
Retained earnings		<b>27.148</b>	868.531
Revaluation and other reserves		<b>(50.230)</b>	(186.253)
<b>Equity attributable to the owners of the Company</b>		<b>2.900.583</b>	2.737.045
<b>Non-controlling interests</b>		<b>87.140</b>	91.304
<b>Total equity</b>		<b>2.987.723</b>	2.828.349
<b>Total liabilities and equity</b>		<b>39.570.990</b>	42.637.740

**Bank of Cyprus Group**  
Extracts from the Interim Consolidated Statement of Changes in Equity

for the nine months ended 30 September 2011

	<b><i>Nine months ended 30 September</i></b>	
	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
<b>Total equity at 1 January</b>	<b>2.828.349</b>	2.485.498
Total comprehensive income for the period	<b>(667.610)</b>	17.098
Disposal of shares of the Company by subsidiaries and associates	<b>705</b>	1.460
Purchase of shares of the Company by subsidiaries and associates	<b>(1.634)</b>	(58)
Cost of share-based payments	<b>2.611</b>	2.620
Dividend paid and reinvested	<b>(18.463)</b>	(30.368)
Defence contribution on deemed dividend distribution	-	(570)
Issue of Convertible Enhanced Capital Securities (CECS) less buybacks	<b>857.081</b>	-
Exchange of Convertible Capital Securities and Capital Securities with CECS	<b>(13.902)</b>	-
Change in ownership percentage of subsidiary	<b>581</b>	-
Conversion of convertible bonds and convertible capital securities	<b>5</b>	136
<b>Total equity at 30 September</b>	<b>2.987.723</b>	2.475.816

**Bank of Cyprus Group**  
Extracts from the Interim Consolidated Statement of Comprehensive Income

for the nine months ended 30 September 2011

	<b><i>Nine months ended 30 September</i></b>	
	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
<b>(Loss)/profit after tax</b>	<b>(802.871)</b>	243.983
Foreign currency translation reserve	<b>(22.440)</b>	25.274
Available-for-sale investments	<b>159.112</b>	(253.937)
Cash flow hedges	<b>(1.502)</b>	1.778
Property revaluation	<b>91</b>	-
<b>Total comprehensive (expense)/income for the period</b>	<b>(667.610)</b>	17.098

**Bank of Cyprus Group**

## Extracts from the Interim Consolidated Statement of Comprehensive Income

for the three months from 1 July to 30 September 2011

	<b>Three months ended 30 September</b>	
	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
<b>(Loss)/profit after tax</b>	<b>(690.008)</b>	86.599
Foreign currency translation reserve	<b>(21.909)</b>	(57.498)
Available-for-sale investments	<b>22.636</b>	(20.214)
Cash flow hedges	<b>(770)</b>	412
<b>Total comprehensive (expense)/income for the period</b>	<b>(690.051)</b>	9.299

**Bank of Cyprus Group**

## Extracts from the Interim Consolidated Statement of Cash Flows

for the nine months ended 30 September 2011

	<b>Nine months ended 30 September</b>	
	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
<b>Net cash flow (used in)/from operating activities</b>	<b>(3.084.464)</b>	762.379
<b>Net cash flow used in investing activities</b>	<b>208.218</b>	(816.235)
<b>Net cash flow used in financing activities</b>	<b>(11.913)</b>	(500.096)
<b>Net decrease in cash and cash equivalents for the period</b>	<b>(2.888.159)</b>	(553.952)
Exchange adjustments	<b>26.839</b>	48.329
<b>Total cash outflow for the period</b>	<b>(2.861.320)</b>	(505.623)
Cash and cash equivalents at 1 January	<b>6.339.767</b>	6.156.656
<b>Cash and cash equivalents at 30 September</b>	<b>3.478.447</b>	5.651.033

**Bank of Cyprus Public Company Ltd**  
 Extracts from the Interim Income Statement and  
 Statement of Comprehensive Income

for the nine months ended 30 September 2011

	<b><i>Nine months ended 30 September</i></b>	
	<b><i>2011</i></b>	<b><i>2010</i></b>
	<b><i>€000</i></b>	<b><i>€000</i></b>
Net interest income	<b>721.629</b>	648.449
Net fee and commission income	<b>136.671</b>	129.423
Foreign exchange profit	<b>28.219</b>	21.940
Dividends from subsidiaries	<b>14.500</b>	24.277
Impairment of Greek Government Bonds (GGBs)	<b>(1.041.009)</b>	-
Net gains on other financial instrument transactions	<b>4.994</b>	40.248
Other income	<b>6.696</b>	2.705
	<b>(128.300)</b>	867.042
Staff costs	<b>(253.107)</b>	(249.538)
Other operating expenses	<b>(145.270)</b>	(141.820)
<b>(Loss)/profit before provisions</b>	<b>(526.677)</b>	475.684
Provisions for impairment of loans and advances	<b>(259.498)</b>	(205.836)
<b>(Loss)/profit before tax</b>	<b>(786.175)</b>	269.848
Taxation	<b>(46.362)</b>	(24.624)
<b>(Loss)/profit after tax</b>	<b>(832.537)</b>	245.224
<b>Basic earnings/(losses) per share (€)</b>	<b>(0,9282)</b>	0,3469
<b>(Loss)/profit after tax</b>	<b>(832.537)</b>	245.224
Other comprehensive income/(expense) after tax	<b>171.460</b>	(251.509)
<b>Total comprehensive expense for the period</b>	<b>(661.077)</b>	(6.285)

**Bank of Cyprus Public Company Ltd**  
**Extracts from the Interim Income Statement and**  
**Statement of Comprehensive Income**

for the three months from 1 July to 30 September 2011

	<b>Three months ended</b>	
	<b>30 September</b>	
	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
Net interest income	<b>256.017</b>	229.118
Net fee and commission income	<b>47.059</b>	43.122
Foreign exchange profit	<b>26.199</b>	7.155
Dividends from subsidiaries	<b>14.500</b>	316
Impairment of Greek Government Bonds (GGBs)	<b>(760.075)</b>	-
Net (losses)/gains on other financial instrument transactions	<b>(23.971)</b>	7.487
Other income	<b>2.842</b>	420
	<b>(437.429)</b>	287.618
Staff costs	<b>(86.190)</b>	(82.046)
Other operating expenses	<b>(48.578)</b>	(49.270)
<b>(Loss)/profit before provisions</b>	<b>(572.197)</b>	156.302
Provisions for impairment of loans and advances	<b>(99.559)</b>	(75.689)
<b>(Loss)/profit before tax</b>	<b>(671.756)</b>	80.613
Taxation	<b>(27.550)</b>	(10.605)
<b>(Loss)/profit after tax</b>	<b>(699.306)</b>	70.008
<b>Basic earnings/(losses) per share (€)</b>	<b>(0,7797)</b>	0,0990
<b>(Loss)/profit after tax</b>	<b>(699.306)</b>	70.008
Other comprehensive income/(expense) after tax	<b>14.302</b>	(57.158)
<b>Total comprehensive (expense)/income for the period</b>	<b>(685.004)</b>	12.850



**Bank of Cyprus Public Company Ltd**  
Extracts from the Interim Balance Sheet

as at 30 September 2011

		<b>30 September 2011</b>	<i>31 December 2010</i>
	Notes	€000	€000
<b>Assets</b>			
Cash and balances with central banks		<b>1.527.527</b>	2.018.869
Placements with banks		<b>2.572.734</b>	4.762.425
Reverse repurchase agreements		<b>304.238</b>	120.166
Investments	3	<b>2.437.208</b>	4.199.830
Investments pledged as collateral	3	<b>1.713.729</b>	1.038.036
Derivative financial assets		<b>195.387</b>	75.214
Loans and advances to customers		<b>24.240.196</b>	23.619.514
Bank accounts of Group Companies		<b>3.294.197</b>	4.400.993
Investments in Group Companies and joint ventures		<b>986.589</b>	972.000
Property and equipment		<b>271.432</b>	277.361
Intangible assets		<b>17.945</b>	17.141
Other assets		<b>169.801</b>	110.405
Investments in associates		<b>7.982</b>	9.189
<b>Total assets</b>		<b>37.738.965</b>	41.621.143
<b>Liabilities</b>			
Obligations to central banks and amounts due to banks		<b>2.706.512</b>	3.634.560
Repurchase agreements		<b>397.693</b>	913.109
Derivative financial liabilities		<b>380.010</b>	239.212
Customer deposits		<b>29.455.175</b>	30.828.311
Bank accounts of Group Companies		<b>1.529.695</b>	2.147.789
Debt securities in issue		<b>19.638</b>	32.698
Other liabilities	4	<b>229.278</b>	167.699
Subordinated loan stock		<b>122.274</b>	924.358
<b>Total liabilities</b>		<b>34.840.275</b>	38.887.736
<b>Equity</b>			
Share capital		<b>899.173</b>	894.948
Share premium		<b>1.164.087</b>	1.159.819
Convertible Enhanced Capital Securities		<b>860.405</b>	-
(Accumulated losses)/Retained earnings		<b>(40.921)</b>	826.164
Revaluation and other reserves		<b>15.946</b>	(147.524)
<b>Total equity</b>		<b>2.898.690</b>	2.733.407
<b>Total liabilities and equity</b>		<b>37.738.965</b>	41.621.143

**Bank of Cyprus Public Company Ltd**  
Extracts from the Interim Statement of Changes in Equity

for the nine months ended 30 September 2011

	<b><i>Nine months ended 30 September</i></b>	
	<b><i>2011</i></b>	<b><i>2010</i></b>
	<b><i>€000</i></b>	<b><i>€000</i></b>
<b>Total equity at 1 January</b>	<b>2.733.407</b>	2.386.134
Total comprehensive expense for the period	<b>(661.077)</b>	(6.285)
Disposal of shares of the Company by subsidiaries and associates	<b>(822)</b>	-
Cost of share-based payments	<b>2.461</b>	2.475
Dividend paid and reinvested	<b>(18.463)</b>	(30.368)
Defence contribution on deemed dividend distribution	-	(570)
Issue of Convertible Enhanced Capital Securities (CECS) less buybacks	<b>857.081</b>	-
Conversion of Convertible Bonds and Convertible Capital Securities	<b>5</b>	136
Exchange of Convertible Capital Securities and Capital Securities with CECS	<b>(13.902)</b>	-
<b>Total equity at 30 September</b>	<b>2.898.690</b>	2.351.522

**Bank of Cyprus Public Company Ltd**  
Extracts from the Interim Statement of Comprehensive Income

for the nine months ended 30 September 2011

	<b><i>Nine months ended 30 September</i></b>	
	<b><i>2011</i></b>	<b><i>2010</i></b>
	<b><i>€000</i></b>	<b><i>€000</i></b>
<b>(Loss)/profit after tax</b>	<b>(832.537)</b>	245.224
Foreign currency translation reserve	<b>(608)</b>	(12.250)
Available-for-sale investments	<b>155.770</b>	(243.316)
Investments in Group Companies	<b>16.876</b>	2.279
Cash flow hedges	<b>(657)</b>	1.778
Property revaluation	<b>79</b>	-
<b>Total comprehensive expense for the period</b>	<b>(661.077)</b>	(6.285)

**Bank of Cyprus Public Company Ltd**  
Extracts from the Interim Statement of Comprehensive Income

for the three months from 1 July to 30 September 2011

	<b>Three months ended 30 September</b>	
	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
<b>(Loss)/profit after tax</b>	<b>(699.306)</b>	70.008
Foreign currency translation reserve	<b>(5.126)</b>	(2.196)
Available-for-sale investments	<b>22.706</b>	(22.951)
Investments in Group Companies	<b>(3.066)</b>	(32.423)
Cash flow hedges	<b>(212)</b>	412
<b>Total comprehensive (expense)/income for the period</b>	<b>(685.004)</b>	12.850

**Bank of Cyprus Public Company Ltd**  
Extracts from the Interim Statement of Cash Flows

for the nine months ended 30 September 2011

	<b>Nine months ended 30 September</b>	
	<b>2011</b>	<b>2010</b>
	<b>€000</b>	<b>€000</b>
<b>Net cash flow (used in)/from operating activities</b>	<b>(3.785.675)</b>	1.013.998
<b>Net cash flow from/(used in) investing activities</b>	<b>1.148.418</b>	(794.175)
<b>Net cash flow used in financing activities</b>	<b>(5.646)</b>	(499.190)
<b>Net decrease in cash and cash equivalents for the period</b>	<b>(2.642.903)</b>	(279.367)
Exchange adjustments	<b>27.678</b>	30.555
<b>Total cash outflow for the period</b>	<b>(2.615.225)</b>	(248.812)
Cash and cash equivalents at 1 January	<b>5.758.237</b>	5.609.211
<b>Cash and cash equivalents at 30 September</b>	<b>3.143.012</b>	5.360.399

# Bank of Cyprus Group

## Notes

1. The Interim Condensed Consolidated Financial Statements for the nine months ended 30 September 2011 have been prepared in accordance with the International Financial Reporting Standard IAS 34 'Interim Financial Reporting' as adopted by the European Union.
2. The accounting policies adopted for the preparation of the Interim Condensed Consolidated Financial Statements for the nine months ended 30 September 2011 are consistent with those followed for the preparation of the annual financial statements for the year 2010, except for the adoption by the Group of the following standards, amendments and interpretations as of 1 January 2011, which did not have any material impact on the Group's financial statements:
  - Revised IAS 24 'Related Party Disclosures'
  - IAS 32 'Financial Instruments: Presentation'
  - Amendment to IFRIC 14 'Prepayments of a Minimum Funding Requirement'
  - Improvements to IFRSs (issued in May 2010)
    - IFRS 1 'First-time adoption'
    - IFRS 7 'Financial Instruments: Disclosures'
    - IAS 1 'Presentation of Financial Statements'
    - IAS 34 'Interim Financial Reporting'
    - IFRS 3 'Business Combinations'
    - IAS 27 'Consolidated and Separate Financial Statements'
    - IFRIC 13 'Customer Loyalty Programmes'
3. Investments of the Group and the Company are analysed as follows:

	<b>30 September 2011</b>	<i>31 December 2010</i>
<b>Group</b>	<b>€000</b>	<b>€000</b>
<b>Investments</b>		
Investments at fair value through profit or loss	<b>29.248</b>	174.043
Investments available-for-sale	<b>851.734</b>	1.549.345
Investments held-to-maturity	<b>800.386</b>	811.970
Investments classified as loans and receivables	<b>825.239</b>	1.772.200
	<b>2.506.607</b>	4.307.558
<b>Investments pledged as collateral</b>		
Investments at fair value through profit or loss	<b>25.955</b>	26.812
Investments available-for-sale	<b>821.871</b>	770.894
Investments held-to-maturity	<b>146.431</b>	210.880
Investments classified as loans and receivables	<b>719.472</b>	29.450
	<b>1.713.729</b>	1.038.036
	<b>4.220.336</b>	5.345.594

# Bank of Cyprus Group

## Notes

	<b>30 September 2011</b>	<i>31 December 2010</i>
<b>Company</b>	<b>€000</b>	<b>€000</b>
<b>Investments</b>		
Investments at fair value through profit or loss	<b>19.073</b>	155.657
Investments available-for-sale	<b>798.565</b>	1.467.671
Investments held-to-maturity	<b>794.331</b>	804.302
Investments classified as loans and receivables	<b>825.239</b>	1.772.200
	<b>2.437.208</b>	4.199.830
<b>Investments pledged as collateral</b>		
Investments at fair value through profit or loss	<b>25.955</b>	26.812
Investments available-for-sale	<b>821.871</b>	770.894
Investments held-to-maturity	<b>146.431</b>	210.880
Investments classified as loans and receivables	<b>719.472</b>	29.450
	<b>1.713.729</b>	1.038.036
	<b>4.150.937</b>	5.237.866

4. Other liabilities at 30 September 2011 include provisions for pending litigation or claims of €3.372 thousand for the Group and €3.228 thousand for the Company and other provisions of €16.492 thousand for the Group and €14.852 thousand for the Company. There are no other significant pending litigation, claims or assessments against the Group or the Company, the outcome of which would have a material effect on the Group's or Company's financial position or operations.
5. The number of persons employed by the Group at 30 September 2011 was 11.551 persons (30 September 2010: 11.929) and by the Company was 6.559 persons (30 September 2010: 6.576).
6. Shares of the Company held by entities controlled by the Group and by associates (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 2011 was 8.230 thousand and their cost of acquisition was €30.903 thousand.
7. The Group subsidiaries, branches, associates and joint venture as at 30 September 2011 and the method of consolidation used are set out in Note 24 of the Interim Condensed Consolidated Financial Statements.

## Bank of Cyprus Group

### Notes

8. The payment of the final dividend for 2010 of €0,03 per share amounting to €26.848 thousand, was approved at the Annual General Meeting of shareholders on 24 May 2011 and was paid to shareholders on 16 June 2011.

In June 2010 the final dividend for year 2009 of €0,08 per share, amounting to €47.856 thousand was paid to shareholders.

9. Related party transactions:

- (a) Loans and other advances to members of the Board of Directors and key management personnel: €7.866 thousand for the Group and the Company.
- (b) Loans and other advances to other connected persons: €260.363 thousand for the Group and €3.554.560 thousand for the Company.
- (c) Contingent liabilities and commitments (mainly documentary credits, guarantees and commitments to lend): €132.628 thousand for the Group and the Company.
- (d) Deposits by members of the Board of Directors and key management personnel: €64.458 thousand for the Group and the Company.
- (e) Deposits by other connected persons: €48.558 thousand for the Group and €1.578.253 thousand for the Company.
- (f) Income (mainly interest income): €10.606 thousand for the Group and €108.560 thousand for the Company.
- (g) Expense (mainly interest expense): €3.296 thousand for the Group and €37.764 thousand for the Company.
- (h) Remuneration and other transactions of members of the Board of Directors, key management personnel and connected persons: €3.707 thousand for the Group and €3.404 thousand for the Company.
- (i) Debt securities in issue and subordinated loan stock to members of the Board of Directors and key management personnel: €22.706 thousand for the Group and the Company.
- (j) Debt securities in issue and subordinated loan stock to other connected persons: €3.034 thousand for the Group and the Company.

## Bank of Cyprus Group Notes

10. On 2 November 2011 the Group examined, among other issues, the latest developments in the Eurozone, the general economic environment in the main markets in which the Group operates, the structure of the Group's capital base in light of the increased regulatory capital requirements and the potential impact on the Group from possible further impairment of the Greek Government Bonds portfolio and has decided to strengthen the Group's capital base through a Capital Strengthening Plan. The Plan includes' share capital increase through a pre-emptive rights offering to raise up to €396 million and a voluntary exchange of Convertible Enhanced Capital Securities (CECS) via the issue of up to €600 million Mandatory Convertible Notes (MCN) of nominal value €1,00 each and tender exchange offer offered exclusively to existing CECS holders.

The rights (Rights) will be issued and allocated to shareholders and to holders of eligible securities of the Company as if they were shareholders on the basis of their current conversion price into shares, in the ratio of one Right for each existing ordinary share. Every three Rights that are exercised will be converted into one new ordinary share of nominal value €1,00 (New Share) at the subscription price of €1,00 per New Share. In addition, Bonus Shares will be issued and granted as fully paid in the ratio of one Bonus Share for each New Share arising from the exercise of the Rights.

The holders of CECS may exchange their CECS with MCN of equivalent nominal value. The MCN will not bear interest and will mature eight calendar days following their date of issue. On maturity of the MCN, the Company will redeem each MCN with the issue of one fully paid New Share. In addition, Bonus Shares will be issued and granted in the ratio of one Bonus Share for every three New Shares arising from the conversion of MCN.

The Board of Directors has called an Extraordinary General Meeting to obtain the relevant approvals from shareholders including waiving of pre-emption rights by shareholders and the increase of the authorised share capital of the Company from €1.500 million to €3.000 million with the creation of 1.500 million new ordinary shares of the Company of nominal value €1,00 each.

Upon completion of the Rights Offering, the Company will issue up to 792.600 thousand New Shares (up to 396.300 thousand new ordinary shares from the exercise of Rights and up to 396.300 thousand New Shares from the subsequent issue and granting of Bonus Shares).

Upon the completion of the MCN issue in its entirety and their conversion into shares, the Company will issue up to 800 million shares (up to 600 million new ordinary shares from the conversion of MCN and up to 200 million new ordinary shares from the subsequent issue and granting of Bonus Shares).