BANK OF CYPRUS PUBLIC COMPANY LIMITED
(The Company was founded in Cyprus under the Cyprus Companies Law, Cap. 113)
(Company Registration no: HE165)

SUPPLEMENTARY PROSPECTUS

DATE: 2 June 2011

In compliance with the Provisions of the Commision Regulation (EC) No 809/2004 of the European Union, the Public Offer and Prospectus Law of 2005 of the Republic of Cyprus and the Cyprus Company Law Cap. 113

THE SUPPLEMENTARY PROSPECTUS IS RELATED TO BANK OF CYPRUS' PUBLIC COMPANY LIMITED PROSPECTUS DATED 5 APRIL 2011 FOR THE PUBLIC OFFERING AND LISTING ON THE CYPRUS STOCK EXCHANGE AND THE ATHENS EXCHANGE OF UP TO 1.342.422.297 CONVERTIBLE ENHANCED CAPITAL SECURITIES OF NOMINAL VALUE €1,00 EACH

THIS IS AN ENGLISH TRANSLATION OF THE SUPPLEMENTARY PROSPECTUS ISSUED IN GREEK IN THE FORMAT THAT HAS BEEN APPROVED BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION (CYSEC) AS THE COMPETENT AUTHORITY. THE GREEK TEXT OF THE SUPPLEMENTARY PROSPECTUS AS IT HAS BEEN APPROVED BY CYSEC IS BINDING. THE ENGLISH TRANSLATION IS FOR INFORMATION PURPOSES ONLY.

LEAD MANAGER

THE CYPRUS INVESTMENT AND SECURITIES CORPORATION LTD

SUPPLEMENTARY PROSPECTUS

The Supplementary Prospectus dated 2 June 2011 is related to the Bank of Cyprus' Public Company Ltd Prospectus dated 5 April 2011.

This Supplementary Prospectus has been prepared in compliance with the provisions of the Commission Regulation (EC) No 809/2004 of the European Union, the Public Offer and Prospectus Law of 2005 of the Republic of Cyprus and the Cyprus Company Caw Cap. 113.

This document is important and requires your immediate attention. If you are in any doubt about the contents of this Supplementary Prospectus you should consult the Lead Manager of the Issue the Cyprus Investment and Securities Corporation Ltd or any other professional duly authorised to give such information, accountants, lawyers, or investment advisors.

Bank of Cyprus assumes full responsibility for the information contained in this Supplementary Prospectus and declares that the information contained herein is in accordance with the facts and contains no omission likely to affect its import. The Directors of Bank of Cyprus who are signing this Supplementary Prospectus are jointly and severally responsible for the information given in the Supplementary Prospectus, and they declare that having taken all reasonable care to ensure that such is the case, the information contained in all parts of this Supplementary Prospectus, is to the best of their knowledge, in accordance with the facts and that it contains no omission likely to affect its import.

BANK OF CYPRUS PUBLIC COMPANY LIMITED

PUBLIC OFFERING AND LISTING ON THE CYPRUS STOCK EXCHANGE AND THE ATHENS EXCHANGE OF UP TO 1.342.422.297 CONVERTIBLE ENHANCED CAPITAL SECURITIES OF NOMINAL VALUE €1,00 EACH

This offer is only applicable in Cyprus, Greece and the United Kingdom and is only addressed to persons that can legally accept it. More specifically, and in compliance with relevant securities law in the following countries, this offer is not addressed in any way (in writing or otherwise), directly or indirectly, within or to the United States, Canada, Australia, South Africa, or Japan, or to any other country in which according to the laws of such a country, this offer or the postage / distribution of this offering circular is illegal or constitutes breach of any applicable law, rule or regulation. For this reason, it is forbidden to address, distribute, send or otherwise promote copies of this Supplementary Prospectus and any other relevant documents or material relating to this offer to persons in these countries.

The Supplementary Prospectus has been approved by the Cyprus Securities and Exchange Commission (CySEC) in its capacity as Cyprus competent authority for the purposes of Directive 2003/71/EC (the Prospectus Directive), of Regulation 809/2004 of the Committee of the European Union. The approval of the Supplementary Prospectus should not be considered as a recommendation to invest in the Issuer

Applications have been made by Bank of Cyprus for (a) a certificate of approval under Article 18 of Directive 2003/71/EC as implemented in Cyprus to be issued by the Cyprus Securities and Exchange Commission to the competent authority in Greece and United Kingdom and (b) the Convertible Enhanced Capital Securities to be admitted to listing and trading on the Cyprus Stock Exchange and the Athens Exchange.

This Supplementary Prospectus includes forward-looking statements. These statements relate to the Bank's future prospects, developments and business strategies. These forward-looking statements are identified by the use of terms and phrases such as "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will" and similar terms and phrases, including references to assumptions. These forward-looking statements involve risks, uncertainties and other factors that may cause the actual future results or events to be materially different from those suggested or described in this

Supplementary Prospectus. Many of the factors that will determine these results or events are beyond the Bank's control. In view of the risks, uncertainties and assumptions, any projections mentioned herein may not be achieved. The risks described above and in the section entitled "Risk Factors" are not comprehensive. New risks, uncertainties and other factors may emerge from time to time and it is not possible for the Bank to predict all such risk factors, to assess the impact of all risk factors on its business or the extent to which any factor or combination of factors, may cause actual results or events to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, the investor should not place undue reliance on forward-looking statements as a prediction or guarantee of actual results or events.

This Supplementary Prospectus should be read and understood in conjunction with supplement hereto and the Company's Prospectus dated 5 April 2011. More specifically for a discussion of Risks involved in the Convertible Enhanced Capital Securities see discussion in Section II, Part A, Chapter 1 'Risk Factors', of the Company's Prospectus dated 5 April 2011.

THIS IS AN ENGLISH TRANSLATION OF THE SUPPLEMENTARY PROSPECTUS ISSUED IN GREEK IN THE FORMAT THAT HAS BEEN APPROVED BY THE CYPRUS SECURITIES AND EXCHANGE COMMISSION (CYSEC) AS THE COMPETENT AUTHORITY. THE GREEK TEXT OF THE PROSPECTUS AS IT HAS BEEN APPROVED BY CYSEC IS BINDING. THE ENGLISH TRANSLATION IS FOR INFORMATION PURPOSES ONLY.

C O N T E N T S

1.0 PROFESSIONAL ADVISORS

Lead Manager:	The Cyprus Investment and Securities Corporation Limited (CISCO)
Independent Auditors:	Ernst & Young Cyprus Ltd
Legal Advisers:	Chryssafinis & Polyviou
Registered Office Of **Bank Of Cyprus Public Company Ltd**	51 Stasinos Street Agia Paraskevi Strovolos 2002 Nicosia, Cyprus

2.0 INFORMATION ON THE DRAFTING OF THE SUPPLEMENTARY PROSPECTUS – PERSONS RESPONSIBLE

The Supplementary Prospectus dated 2 June 2011 is related to the Bank of Cyprus' Public Company Ltd Prospectus dated 5 April 2011.

This Supplementary Prospectus has been drafted in accordance with the relevant legislation. The Supplementary Prospectus has been approved by the Cyprus Securities and Exchange Commission as Cyprus competent authority for the purposes of Directive 2003/71/EC (the Prospectus Directive) which has approved the contents of this Supplementary Prospectus only as to the coverage of the required information of the investors, as these are provided by the Public Offer and Prospectus Law of 2005 of the Republic of Cyprus and the Commission Regulation (EC) 809/2004 of the European Union.

The Company assumes full responsibility for the information contained in this Supplementary Prospectus and declares that the information contained in this Supplementary Prospectus is in accordance with the facts and contains no omission likely to affect its import. The Directors of the Bank of Cyprus Public Company Limited signing this Supplementary Prospectus, are also responsible jointly and severally for the information contained in this Supplementary Prospectus and declare that, (a) having taken all reasonable care to ensure that such is the case, the information and facts contained in it are to the best of their knowledge, in accordance with the facts, complete and true, (b) there are no other facts and no other events have taken place, the omission of which could affect the import of the information contained in it and (c) save as disclosed in the Supplementary Prospectus no legal actions or claims of material importance are pending or threatened against the Company or the Group that could materially affect the Group's financial condition.

In accordance with the provisions of the Public Offer and Prospectus Law of 2005 this Supplementary Prospectus has been signed by the following Directors of the Bank:

Theodoros Aristodemou	Chairman – Non Executive Director
Andreas Artemis	Vice Chairman – Non Executive – Independent Director
Andreas Eliades	Executive Director
Yiannis Kypri	Executive Director
Yiannis Pechlivanides	Executive Director

The Cyprus Investment and Securities Corporation Limited (CISCO) in its capacity as Lead Manager of the Bank of Cyprus' Public Company Ltd Prospectus dated 5 April 2011 as well as of this Supplementary Prospectus, declares that, having taken all responsible care to ensure that such is the case the information contained in the Supplementary Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omissions likely to affect its import.

Investors interested to obtain further information may contact the following during their regular business schedule:

- **The Lead Manager**

  The Cyprus Investment and Securities Corporation Limited (CISCO)
  Eurolife House, 4 Evrou Street, PO Box 20597, 1660 Nicosia, tel: +357 121800.

3.0 BANK OF CYPRUS GROUP FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2011

On 23 May 2011 the Board of Directors of Bank of Cyprus Public Company Limited approved the unaudited consolidated financial results of the Group for the three months ended 31 March 2011. The said unaudited interim condensed consolidated financial statements for the three months ended 31 March 2011 are incorporated to the Supplementary Prospectus by reference (see point 10 below).

The Group's total income recorded an increase of 6% reaching €356 mn for the first quarter of 2011, demonstrating the Group's ability to achieve increasing recurring income even in adverse economic conditions. The Group's profit before provisions for the first quarter of 2011 reached €172 mn recording an annual increase of 4%. Despite the increase in profit before provisions, the higher charges for provisions and the higher tax charge due to the levy of a special tax in Cyprus on financial institutions based on their deposits, resulted in profit after tax of €71 mn compared to €81 mn in the first quarter of 2010.

At the same time, the Group enjoys strong capital adequacy (Tier 1 ratio 11,1%) and healthy liquidity (loans to deposits ratio 87%). The Group's capital adequacy was further strengthened with the issue of CECS. As a result of the issue of CECS, the pro-forma capital ratio and tier 1 ratio as at 31 March 2011 reached 12,3% and 11,9% respectively. The issue of CECS is considered satisfactory given the adverse economic conditions in the money markets and shields the Group in a difficult economic environment.

Loan quality remains at adequate levels (non-performing loans ratio of 7,6%) despite its deterioration given the adverse economic conditions.

The following summarised financial information set out below was extracted from the Group's Interim Condensed Consolidated Financial Statements for the three months ended 31 March 2011 which have been prepared in accordance with the International Financial Reporting Standard IAS 34 'Interim Financial Reporting' as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

The Interim Condensed Consolidated Financial Statements of the Group for the three months ended 31 March 2011 have not been audited by the Group's statutory independent auditors.

SELECTED FINANCIAL INFORMATION EXTRACTED FROM THE INTERIM CONSOLIDATED INCOME STATEMENT for the three months ended 31 March	**2011**	**2010**
	€000	**€000**
Turnover	633.944	598.367
Net Interest Income	275.647	241.542
Profit before provisions	171.999	165.432
Profit before tax	93.256	91.461
Profit after tax	71.635	79.400
Profit after tax attributable to owners of the Company	71.184	81.362

SELECTED FINANCIAL INFORMATION EXTRACTED FROM THE INTERIM CONSOLIDATED BALANCE SHEET as at	31 March 2011	31 December 2010
	€000	€000
Total assets	41.716.239	42.637.740
Total equity	2.933.188	2.828.349
Subordinated loan stock	940.278	930.942
Share Capital	894.948	894.948
Debt Securities in Issue	69.561	83.957
Loans and Advances to customers	27.925.801	27.725.451
Customers Deposits	32.194.149	32.952.567

The main financial highlights for the first quarter of 2011 are set out in the table below:

€ mn	Change	1Q2011	1Q2010	Year 2010
Profit before provisions	+4%	172	165	725
Profit before tax	+2%	93	91	348
Profit after tax	-13%	71	81	306
Earnings per share	-3,6 cent	8,0 cent	11,6 cent	40,5 cent
Return on Equity	-3,1 p.p.*	10,2%	13,3%	11,9%
Cost / Income	+0,8 p.p.*	51,8%	51,0%	50,0%
Non - performing loans ratio	+1,6 p.p.*	7,6%	6,0%	7,3%
Total Loans (€ bn)	+7%	29,1	27,2	28,9
Total Deposits (€ bn)	+10%	32,2	29,2	33,0
Loans to Deposits ratio [1]	-3,2 p.p.*	86,7%	89,9%	84,1%

* p.p. = percentage points, 1 percentage point = 1%

- **Significant increase in total income:** The Group's total income for the first quarter of 2011 recorded an annual increase of 6% reaching €356 mn, demonstrating the Group's ability to achieve increased recurring income even in adverse economic conditions.

- **Significant increase in profit before provisions**: Profit before provisions for the first quarter of 2011 reached €172 mn recording an increase of 4% compared to the first quarter of 2010 (€165 mn).

[1] Net loans to deposits

- **Improvement of interest margin**: The Group's net interest margin reached 2,77% for the first quarter of 2011 noting an increase of 17 basis points compared to 2,60% for the first quarter of 2010 and 2,72% (+5 basis points) for the fourth quarter of 2010.

- **Profit after tax reached** €71 mn for the first quarter of 2011, with positive contribution to profit from all the markets in which the Group operates. The profit after tax was affected by the higher charges for provisions and the higher tax due to the levy of a special tax in Cyprus on financial institutions based on their deposits. It is noted that the first quarter of 2010 included higher profits from the sale of bonds of €18 mn.

- **Healthy liquidity position**: Loans to deposits ratio of 86,7%.

- **High return on equity:** The return on equity (10,2%) was maintained at relatively high levels in a particularly challenging macro environment.

- **Solid capital position**: The capital adequacy ratio reached 11,6% at 31 March 2011 with the tier 1 ratio and the core tier 1 ratio reaching 11,1% and 8,2% respectively. The pro-forma capital adequacy ratio and tier 1 ratio at 31 March 2011 including the issue of CECS amount to 12,3% and 11,9% respectively.

- **Significant volume growth**: At 31 March 2011 Group loans and deposits recorded annual increases of 7% and 10% respectively.

- **Effective credit risk management**: The non-performing loans ratio reached 7,6% at 31 March 2011 compared to 7,3% at 31 December 2010 with the provisions coverage ratio (provisions as % of non-performing loans) remaining at 55%. The coverage ratio including tangible collateral amounted to 116%.

3.1 Analysis of Results for the first quarter of 2011

Geographical analysis of profitability

The Group achieved satisfactory profitability for the first quarter of 2011, with increased recurring income and positive contribution to profit from all the markets in which it operates. Profit before provisions for the first quarter of 2011 reached €172 mn, recording a year on year increase of 4% compared to the first quarter of 2010.

Despite the satisfactory increase in pre-provision profitability, the Group's conservative policy concerning provisions and the higher tax due to the levy of a special tax in Cyprus on financial institutions based on their deposits, which reached approximately €5 mn, resulted in profit after tax of €71 mn compared to €81 mn in the first quarter of 2010. It is noted that the first quarter of 2010 had higher profits from the sale of bonds of €18 mn (Cyprus €11 mn and Greece €7 mn).

In Cyprus, profit before provisions for the first quarter of 2011 reached €102 mn which is an increase of 7% compared to the first quarter of 2010, while the profit after tax reached €60 mn. In Greece, profit before provisions for the first quarter of 2011 reached €45 mn compared to the first quarter of 2010 of €52 mn. Profit after tax reached €1 mn compared to €10 mn in the first quarter of 2010.

In Russia, profit before provisions for the first quarter of 2011 reached €12 mn compared to €5 mn in the first quarter of 2010 while profit after tax for the first quarter of 2011 reached €4 mn compared to €1 mn in the first quarter of 2010.

Profit after tax for other countries (Australia, United Kingdom, Ukraine and Romania) reached €6 mn.

Net Interest Income and Net Interest Margin

By adjusting its pricing policy for the new economic environment, the Group increased its net interest income for the first quarter of 2011. Net interest income for the first quarter of 2011 reached €276 mn, recording a significant annual increase of 14% compared to the first quarter of 2010 and an increase of 1% compared to the fourth quarter of 2010, demonstrating the Group's ability to achieve increased recurring income despite continuing competition and the adverse economic environment.

Net interest income recorded an increase compared to the first quarter of 2010 in all the countries where the Group operates. In Cyprus net interest income reached €139 mn the first quarter 2011, increasing by 16% compared to the first quarter 2010, while in Greece net interest income improved to €79 mn recording an increase of 3% compared to the first quarter of 2010. In Russia net interest income reached €34 mn versus €24 mn for the first quarter of 2011 noting an increase of 43% and in the other countries net interest income reached €24 mn for the first quarter of 2011 noting an increase of 14% compared to the first quarter of 2010.

The net interest margin of the Group continued to rise in the first quarter of 2011 and reached 2,77% compared to 2,60% for the first quarter of 2010 and 2,72% for the fourth quarter of 2010.

The net interest margin in Cyprus improved further and reached 2,19% for the first quarter 2011, compared to 2,10% for the first quarter 2010 and 2,13% for the fourth quarter 2010.

The net interest margin in Greece improved significantly to 2,56% for the first quarter 2011 versus 2,14% for the first quarter 2010 and 2,39% for the fourth quarter 2010.

The net interest margin in Russia reached 6,19% in the first quarter 2011 (compared to 5,05% for the first quarter 2010 and 6,31% for the fourth quarter 2010), while the net interest margin for other countries for the first quarter 2011 reached 2,63%, compared to 2,64% in the first quarter 2010 and 2,53% for the fourth quarter 2010.

Income from fees and commissions, foreign exchange income and net gains from financial instruments

Net fee and commission income amounted to €56 mn for first quarter of 2011 compared to €52 mn for the first quarter of 2010 which is an increase of 7%.

Foreign exchange income and net gains from financial instruments for the first quarter of 2011 amounted to €5 mn versus €27 mn for the first quarter of 2010. It is noted that the first quarter of 2010 included €18mn higher gains from the sale of bonds.

Expenses

Total expenses for the first quarter of 2011 amounted to €184 mn, recording a year on year increase of 7% compared to €173 mn for the first quarter of 2010 with the cost to income ratio at 51,8% (51,0% for the first quarter of 2010). The increase in the expenses is mainly due to the expansion of the retail network in Greece, Ukraine and the other countries and the upgrade of the Group's IT systems.

Employee costs amounted to €115 mn recording an increase of 7% compared to the first quarter of 2010 while other operating expenses (excluding employee costs) amounted to €69 mn recording an increase of 7% compared to the first quarter of 2010.

Despite the higher expenses, the cost to income ratio for the first quarter of 2011 in Cyprus and in Greece remained at adequate levels at 45,6% and 53,4% respectively (45,7% and 48,9% for the first quarter of 2010).

3.2 Credit Risk Management

The quality of the Group's loan portfolio remains at adequate levels taking into consideration the continuing economic crisis. At 31 March 2011, the ratio of loans in arrears for longer than three months which are not fully covered by tangible collateral ("non-performing loans") over the total loans of the Group (non-performing loans ratio) was 7,6%, compared to 7,3% at 31 December 2010 recording an increase of 30 basis points.

At 31 March 2011, the relevant ratio for Cyprus was 7,2% (31 December 2010: 7,0%) and for Greece was 8,8% (31 December 2010: 8,3%).

The Group, taking into consideration the macro-economic environment and the deterioration of its loan portfolio, maintained the high charge for impairment of loans, which reached 1,09% of total loans on an annual basis (first quarter 2010: 1,09%).

Due to increased provisions, the provision coverage ratio (provisions/NPLs) was 55% at 31 March 2011. The remaining balance of NPLs is fully covered by tangible collateral. The coverage ratio including tangible collateral amounted to 116%.

3.3 Balance Sheet Analysis

Group Loans
At 31 March 2011 Group loans amounted to €29,14 bn recording an annual increase of 7% compared to the first quarter of 2010 and 1% compared to 31 December 2010.

Analysis of Loans by Geographic Sector at 31.03.2011			
	€ mn	annual +%	Contribution
Cyprus	14.151	8%	49%
Greece	10.167	3%	35%
Russia	1.915	18%	7%
Other countries	2.910	10%	9%
Group	**29.143**	**7%**	**100%**

Loans by Customer Sector

The breakdown of the loan portfolio by customer sector for the Group and for the two main markets in which the Group operates, Cyprus and Greece, is shown in the table below.

Analysis of Loans by Customer Sector						
	Group		**Cyprus**		**Greece**	
	€ mn	% Portfolio	€ mn	% Portfolio	€ mn	% Portfolio
Corporate[2]	12.134	42%	6.567	46%	3.298	32%
Small and Medium-sized Enterprises (SMEs)[2]	7.733	27%	2.408	17%	3.701	36%
Retail						
- Housing	5.571	19%	3.467	25%	1.747	17%
- Other	3.705	12%	1.709	12%	1.421	15%
Total	29.143	100%	14.151	100%	10.167	100%

Group Deposits
The Group's total deposits at 31 March 2011 reached €32,19 bn recording an annual increase of 10% compared to the first quarter of 2010 (a decline of 2% compared to 31 December 2010).

The Group's healthy liquidity position, with a loans to deposits ratio of 87% and its minimal reliance on wholesale funding (deposits to total assets ratio of 77% at 31 March 2011) provide a strong competitive

2 Corporate clients are enterprises that have total loans above €4 mn and turnover of above €2 mn for Cyprus and turnover of above €30 mn for Greece SMEs are enterprises that have total loans less that €4 mn and turnover less that €2 mn for Cyprus and turnover less than €30 mn or total loans less than €10 mn for Greece.

advantage given the adverse conditions prevailing in the international money markets and the intense competition on deposits in the main markets in which the Group operates.

Analysis of Deposits by Geographic Sector at 31.03.2011				
	€ mn	annual +%	Contribution	Loans to Deposits ratio [3]
Cyprus	19.096	+24%	59%	71%
Greece	9.538	-10%	30%	102%
Russia	1.224	+8%	4%	148%
Other countries	2.336	+15%	7%	122%
Group	**32.194**	**+10%**	**100%**	**87%**

Capital Base

At 31 March 2011, the Group's shareholder funds amounted to €2,93 bn. The Group's total capital adequacy ratio based on Basel II requirements reached 11,6% with the core tier 1 ratio at 8,2% and the tier 1 ratio at 11,1%.

The Group's capital adequacy was further strengthened with the issue of Convertible Enhanced Capital Securities (CECS). According to the Group's announcement dated 20 May 2011 the Bank proceeded with the issue of €890 mn CECS. As a result, the pro-forma capital ratio and tier 1 ratio as at 31 March 2011 reached 12,3% and 11,9% respectively. The issue of CECS is considered satisfactory given the adverse economic conditions strengthening the Group in difficult economic conditions in the money markets and shields the Group in a difficult economic environment.

4.0 INVESTMENTS

The Group's major investments for the three months ended 31 March 2011 are presented as follows:

	31 March 2011	**31 December 2010**
	€000	**€000**
Investments at fair value through profit and loss	198.872	200.855
Investments available-for-sale	2.493.905	2.320.239
Investments held-to-maturity	996.721	1.022.850
Investments classified as loans and receivables	1.852.894	1.801.650
Total	**5.542.392**	**5.345.594**

3 Net loans to deposits

Reclassification of trading investments

On 1 April 2010, the Group reclassified certain debt securities from trading investments to investments classified as loans and receivables in view of the fact that the Group had no intention to trade or sell these debt securities in the near future and these securities met the definition of loans and receivables at the date of reclassification. The book value and fair value of the reclassified debt securities is presented below:

	31 March 2011		31 December 2010		1 April 2010
	Book value	Fair value	Book value	Fair value	Book value and fair value
	€000	€000	€000	€000	€000
Trading investments reclassified to loans and receivables	34.771	33.834	132.226	131.095	132.570

Had the Group not reclassified the debt securities on 1 April 2010, the consolidated income statement would have included gains from the revaluation of these debt securities of €146 thousand (year 2010: losses of €344 thousand).

On 1 April 2010, the effective interest rate of the reclassified debt securities ranged from 1,2% to 4,4% per annum. The Group expects to recover all cash flows relating to these debt securities.

On 1 July 2008, in light of the rare circumstances arising as a result of the deterioration of the world's markets in 2008, the Group identified the investments which it had no intention to trade or sell in the foreseeable future. These investments in debt securities were reclassified from trading investments to available-for-sale investments. The book value of the reclassified debt securities which is equal to their fair value is presented below:

	31 March 2011	31 December 2010	1 July 2008
	€000	€000	€000
Trading investments reclassified to availablefor- sale investments	19.753	19.939	17.385

Had the Group not reclassified the debt securities on 1 July 2008, the consolidated income statement would have included losses from the revaluation of these securities of €185 thousand (year 2010: gains of €852 thousand) which, following the reclassification, were recorded in the revaluation reserve of available-for-sale investments in equity.

On 1 July 2008, the effective interest rate of the reclassified debt securities ranged from 5,3% to 7,4% with expected recoverable cash flows of €30 million.

Reclassification of available-for-sale investments

On 1 April 2010, the Group reclassified certain available-for-sale debt securities to investments classified as loans and receivables in view of the fact that there was no active market for these debt securities and the Group had the intention and ability to hold these securities for the foreseeable future. The book value and fair value of the reclassified debt securities is presented below:

	31 March 2011		31 December 2010		1 April 2010
	Book value	**Fair value**	**Book value**	**Fair value**	**Book value and fair value**
	€000	**€000**	**€000**	**€000**	**€000**
Trading investments reclassified to loans and receivables	1.307.650	988.792	1.316.801	970.033	1.328.231

Had the Group not reclassified these debt securities on 1 April 2010, the Group's equity would have included additional losses from the revaluation of these debt securities of €339.439 thousand (year 2010: losses of €375.431 thousand).

On 1 April 2010, the effective interest rate of the reclassified debt securities ranged from 3,4% to 6,1% per annum. The Group expects to recover all cash flows relating to these debt securities.

The Group had also reclassified certain available-for-sale debt securities to investments classified as loans and receivables as from 1 October 2008, in view of the fact that there was no active market for these debt securities and the Group had the intention and ability to hold these securities for the foreseeable future. The book value and fair value of the reclassified debt securities is presented below:

	31 March 2011		31 December 2010		1 October 2008
	Book value	**Fair value**	**Book value**	**Fair value**	**Book value and fair value**
	€000	**€000**	**€000**	**€000**	**€000**
Available-for sale investments reclassified to loans and receivables	166.936	163.077	169.038	165.072	169.196

Had the Group not reclassified these debt securities on 1 October 2008, the Group's equity would have included gains from the revaluation of these debt securities of €964 thousand (year 2010: losses of €6.011 thousand) which would have been otherwise included in the revaluation reserve of available-for-sale investments in equity.

On 1 October 2008, the effective interest rate of the reclassified debt securities ranged from 4,6% to 4,7% with expected recoverable cash flows of €221 million.

On 1 April 2010 the Group reclassified certain debt securities from available-for-sale investments to investments held-to-maturity, in view of the fact that the Group had the intention and ability to hold these investments until their maturity. The book value and fair value of the reclassified debt securities is presented below:

	31 March 2011		31 December 2010		1 April 2010
	Book value	Fair value	Book value	Fair value	Book value and fair value
	€000	€000	€000	€000	€000
Available-for sale investments reclassified to held-to-maturity investments	496.759	401.247	493.970	402.484	498.237

Had the Group not reclassified these debts securities on 1 April 2010, the Group's equity would have included losses from the revaluation of these debt securities of €96.990 thousand (year 2010: losses of €93.959 thousand) which would have been included in the revaluation reserve of available-for-sale investments.

On 1 April 2010, the effective interest rate of the reclassified debt securities ranged from 4,0% to 6,3% per annum. The Group expects to recover all cash flows relating to these debt securities.

On 1 October 2010 the Group reclassified certain debt securities from available-for-sale investments to investments held-to-maturity, in view of the fact that the Group had the intention and ability to hold these investments until their maturity. The book value and fair value of the reclassified debt securities is presented below:

	31 March 2011		31 December 2010		1 October 2010
	Book value	Fair value	Book value	Fair value	Book value and fair value
	€000	€000	€000	€000	€000
Available-for sale investments reclassified to held-to-maturity investments	365.342	304.847	374.756	334.502	363.114

Had the Group not reclassified these debt securities on 1 October 2010, the Group's equity would have included losses from the revaluation of these debt securities of €58.267 thousand (year 2010: losses of €38.415 thousand) which would have been included in the revaluation reserve of available-for-sale investments in equity.

On 1 October 2010 the effective interest rate of the reclassified debt securities ranged from 1,4% to 5,0% per annum. The Group expects to recover all cash flows relating to these debt securities.

5.0 RELATED PARTY TRANSACTIONS

There were no significant related party transactions from 31 March 2011 and until the date of this Supplementary Prospectus.

6.0 DIVIDEND

On 28 February 2011, the Board of Directors decided to propose the distribution of a final dividend of €0,03 per share, of a total amount of €26.848 thousand which was approved at the Shareholders' Annual General Meeting held on 24 May 2011

The record date is Thursday, 2 June 2011. The ex-dividend day is Tuesday, 31 May 2011. The dividend, will be paid to the eligible shareholders on Thursday, 16 June 2011.

7.0 COOPERATION WITH CHINA DEVELOPMENT BANK

On 10 May 2011 it was announced that China Development Bank Corporation approved a loan for the amount of €300 mn to Bank of Cyprus. The loan will have a duration of five years.

As announced on 20 January 2011, the Group has signed a Memorandum of Understanding with China Development Bank Corporation the main purpose of which is to jointly finance investments particularly in the areas of shipping, renewable energy and infrastructure projects which will actively strengthen the economic cooperation between Cyprus, Greece and China.

8.0 PROSPECTS

The Group continues its business expansion and remains strong despite the continued negative environment in the main European markets in which it operates. The consistency, flexibility, prudent risk management, healthy liquidity and strong capital position ensure that the Group will be able to achieve future targets and take advantage of future challenges.

The strategic priorities of the Group for the year 2011 focus on maintaining its healthy liquidity position and strong capital adequacy, on achieving satisfactory profitability with improved efficiency and cost containment, and on effectively managing risks. In addition, the Group aims to further enhance its presence in the new markets in which it operates, which have strong growth potential, thereby creating long term diversification of income, profitability and risks.

Based on the results of the first quarter of 2011 and the performance to date, the Group expects that for the financial year 2011 it will achieve satisfactory profitability in line with its stated targets which have already been communicated. In particular, the Group expects that the profit before provisions and the profit before tax for 2011 will be higher relative to 2010, while the profit after tax for 2011 is estimated to be at around similar levels as 2010, with a positive contribution from all the markets in which the Group operates. Regarding the operations in Russia, the Group expects the consistent business expansion and improvement in profitability to continue, resulting in a higher contribution to Group profitability.

9.0 ISSUE AND LISTING ON THE CSE AND THE ATHEX OF CONVERTIBLE ENHANCED CAPITAL SECURITIES (CECS)

In the context of the Issue of the Convertible Enhanced Capital Securities (CECS), the Terms of which are stipulated in the Prospectus dated 5th April 2011, the Bank has received subscriptions for 820.000.000 CECS denominated in Euro and 95.000.000 CECS denominated in United States dollar. Specifically, subscriptions totalling €695.346.012 resulted from exchanges of Existing Eligible Securities (Convertible Bonds 2013/2018, Convertible Capital Securities and Capital Securities 12/2007 at par) as per the Terms of Issue of the CECS.

The Issue Date of the CECS, the Terms of which are stipulated in the Prospectus dated 5th April 2011 is 18 May 2011. The letters of allotment have been sent to the holders of the CECSs on 30 May 2011.

The Bank has submitted applications to the relevant authorities for the listing of the CECS on the CSE and the ATHEX. Once the listing applications are approved, the listing and trading date of the CECS will be as of 10th of June 2011. Once the Convertible Enhanced Capital Securities are listed, the register of holders of Convertible Enhanced Capital Securities will be maintained in dematerialized form by the Central Registry/ Depository of the CSE and the Dematerialized Securities System (DSS) of the ATHEX.

The Convertible Enhanced Capital Securities in Euros will be traded on the CSE and the ATHEX with ISIN code CY0141890117 while the Convertible Enhanced Capital Securities in US Dollars will be traded on the CSE and the ATHEX with ISIN code CY0141900114.

10.0 INCORPORATIONS BY REFERENCE

The Group's unaudited Interim Condensed Consolidated Financial Statements for the three months ended 31 March 2011 have been incorporated to this Supplementary Prospectus by reference pursuant to article 28 of the Commission Regulation 809/2004 of the European Union.

Investors may obtain a free copy of them during working days, between 9.00 a.m. and 12.00 noon, from the Bank's headquarters, 51 Stassinou Street, Ayia Paraskevi, Nicosia, Cyprus during the period that the Prospectus shall be valid, as well as on the Group's website www.bankofcyprus.com (select Investor Relations / Annual Report).

DIRECTORS DECLARATIONS

The present Supplementary Prospectus of Bank of Cyprus Public Company Limited dated 2 June 2011 has been signed by the following Directors of the Company. The Directors of the Company ensure that to the best of their knowledge and belief (after taking all reasonable care), the information contained in this Supplementary Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Theodoros Aristodemou	Chairman – Non Executive
Andreas Artemis	Vice Chairman – Non Executive - Independent Director
Andreas Eliades	Executive Director
Yiannis Kypri	Executive Director
Yiannis Pechlivanides	Executive Director

LEAD MANAGER'S DECLARATION

The present Supplementary Prospectus of Bank of Cyprus Public Company Limited dated 2 June 2011 has been signed by the Lead Manager of the issue The Cyprus Investment and Securities Corporation Limited which declares that, having taken all responsible care to ensure that such is the case the information contained in the Prospectus is to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

The Cyprus Investment and Securities Corporation Limited (CISCO)