



Announcement

SUCCESSFUL COMPLETION OF THE ISSUE OF SENIOR DEBT

Nicosia, 21 June 2007

The issue of €500 mn Senior Debt by Bank of Cyprus has been completed successfully under the Bank's EMTN Programme. The issue was oversubscribed within only a few hours, with the total subscription amount reaching €2 billion giving the Bank the opportunity to improve the terms of the issue.

The Notes were allocated to institutional investors, mainly from Germany, France, the United Kingdom, Portugal and Austria.

The joint lead managers of the issue were Barclays Capital, Goldman Sachs International and Natixis.

The Notes were priced at 99,915 and bear a coupon of 20 basis points (0,20%) above the three-month Euribor, resulting in a discount margin of 23 basis points (0,23%). The Notes mature on 28 June 2010.

The Notes will be listed on the Luxembourg Stock Exchange.

The proceeds of the issue will be used to fund customer loans in the new markets where the Group is expanding.

Founded in 1899, the Bank of Cyprus Group is the leading Cypriot banking and financial services group. In 1991, the Group established its first branch in Greece where it has been expanding rapidly since 1999. It has an established banking presence in the United Kingdom and in 2001 it expanded to Australia through a wholly owned subsidiary bank. In addition to retail and commercial banking, the Group's activities include finance, factoring, investment banking, brokerage, fund management, life and general insurance. The Group currently operates through a total of 283 branches, of which 144 operate in Cyprus, 121 in Greece, 6 in the United Kingdom, 11 in Australia and 1 in the Channel Islands. Soon, the first branch of the Bank in Romania will start operations. Bank of Cyprus also has representation in the United States of America, Canada, South Africa and Russia. The Bank of Cyprus Group employs 6.351 staff worldwide.

At 31 March 2007, the Group's Total Assets reached C£15,22 bn (€26,21 bn) and the Shareholders' Funds were C£961 mn (€1,66 bn). The Bank of Cyprus shares are listed on the Cyprus and Athens Stock Exchanges. Additional information can be found at the Group's website www.bankofcyprus.com