



Announcement

CONVERTIBLE BONDS 2013/18

- Revised interest rate
- Price range for the submission of irrevocable applications in the event of unsubscribed Convertible bonds

Nicosia, 11 July 2008

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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 305 branches, of which 143 operate in Cyprus, 140 in Greece, 5 in the United Kingdom, 11 in Australia, 4 in Romania, 1 in Russia and 1 in the Channel Islands. Bank of Cyprus also has representative offices in Russia, Canada and South Africa. The Bank of Cyprus Group employs 6.996 staff worldwide.

At 31 March 2008, the Group's Total Assets reached €30,85 bn and the Shareholders' Funds were €2,03 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.

Regarding the Convertible Bond issue 2013/2018, Bank of Cyprus Public Company Ltd announces to the investing public that the Board of Directors of Bank of Cyprus decided to revise the interest rate of the Convertible Bond issue 2013/2018 as follows:

- Convertible Bonds will bear a fixed interest rate of 7,5% for the first two interest periods (that is until 30 June 2009) and floating interest rate thereafter, which will be set at the beginning of each six-monthly period and will apply to the specific interest period.
- For the period commencing 30 June 2009 until 30 June 2013 the floating interest rate will be equal to the 6-month Euribor in force at the beginning of each interest period plus 1,00%.
- In the event that the Convertible Bonds are not redeemed, then for the period 1 July 2013 to 30 June 2018 the floating interest rate will be equal to the 6-month Euribor in force at the beginning of each interest period plus 3,00%.

Furthermore, relating to the price range for the Strike Price for the purpose submitting irrevocable applications in the event of unsubscribed Convertible Bonds, this price range has been set at €1.0 to €1.01. According to the terms of the issue which are described in the Securities Note dated 25 June 2008, the strike price will be determined via the method of bookbuilding.

A Supplementary Prospectus incorporating the above mentioned changes and any other significant developments since the approval of the Prospectus has been submitted to the relevant authorities for approval.

For more information shareholders can contact:

- the Lead Manager of the Issue, The Cyprus Investment and Securities Corporation Ltd (CISCO) (EuroLife House, 4 Evrou Street, Nicosia, Cyprus). Tel:+357 22 121800
- the Bank's Shares & Loans Stock Department in Cyprus (EuroLife House, 4 Evrou Street, Nicosia), tel : +357 22 121755 and
- the Bank's Custody, Shareholders and Derivatives Clearing Department in Greece (Feidipidou 26 and Chalkidonos 11527 Athens) tel: + 30 210 6477555