



## Announcement

### Completion of sale of assets in Romania

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Nicosia, 12 September 2014

#### **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 280 branches, of which 144 operate in Russia, 130 in Cyprus, 1 in Romania, 4 in the United Kingdom and 1 in the Channel Islands. Bank of Cyprus also has 5 representative offices in Russia, Ukraine, China and South Africa. The Bank of Cyprus Group employs 6.747 staff worldwide. At 30 June 2014, the Group's Total Assets amounted to €28,6 bn and Total Equity was €2,8 bn.*

Further to the announcement dated 20 August 2014, Bank of Cyprus Public Company Ltd (the “Bank”, the “Group” or the “Company”) has completed the sale of its assets related to Societatea Companiilor Hoteliere Grand S.R.L. (“GHES”), a limited liability company incorporated in Romania and owner of the JW Marriott Bucharest Grand Hotel to STRABAG SE, an Austrian stock company.

The sale consideration is €95 mn, with the proceeds of the sale enhancing the Bank’s liquidity position. The accounting loss from the transaction<sup>1</sup> is around €1 mn, but there is a positive impact of approximately €7 mn on the Group’s capital position, after taking into account the reduction in risk weighted assets.

As also stated in the announcement dated 20 August 2014, the sale falls under the Group’s strategy of focusing on core businesses and markets and disposing operations that are considered as non-core and is being implemented as anticipated by the Restructuring Plan. It is also in line with the Group’s decision to gradually reduce its presence in Romania and to finally exit the Romanian market. Finally, the sale achieves an exit from a sizeable and specialised asset in Romania.

As required by the Cyprus Stock Exchange and according to paragraph 5.2.1.17(7) of Law 326/2009 (as amended), the transaction is at arm’s length, it does not relate to or affects the interests of the Company’s Secretary or of any “designated person” in accordance with the meaning given to the aforementioned term in article 137(3) of the Law.

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<sup>1</sup> Based on the latest published Group financial results