

## Announcement

**Notice of Cancellation of Coupon Payment on Convertible Capital Securities**

Nicosia, 15 June 2012

This announcement is a notice of Bank of Cyprus Public Company Ltd (the “Bank” and/or “Company”) relating to the Convertible Capital Securities (the “Securities”) of the Bank which are traded in the Cyprus Stock Exchange under the code BCCCB/TKMAK and in the Athens Stock Exchange under the code ΒΟCΒ2/ΚΥΠΡΟ2, in accordance with Condition 4 of the Terms and Conditions of the Securities set out in the Prospectus of the Company dated 30 April 2009 (“Terms and Conditions”).

In accordance with Condition 4 the Bank has decided to cancel the coupon payment for the period 1 January 2012 – 30 June 2012. Under the Terms and Conditions, the Bank will satisfy the Cancelled Coupon Payment for the period 1 January 2012 – 30 June 2012, only on the redemption of the Securities. The Coupon Cancellation will be satisfied only through the proceeds of a share issue by the Bank in accordance with Term 6 of the Terms and Conditions. According to Condition 4 of the Terms and Conditions no interest will accrue on the Cancelled Coupon Payment.

The Bank is proceeding with a number of actions that will enable it to resume the payment of interest the soonest.

Founded in 1899, the Bank of Cyprus Group is the leading Cypriot banking and financial services group. In addition to retail and commercial banking, the Group’s activities include finance, factoring, investment banking, brokerage, fund management, private banking, life and general insurance. The Group currently operates through a total of 573 branches, of which 194 operate in Russia, 187 in Greece, 135 in Cyprus, 42 in Ukraine, 10 in Romania, 4 in the United Kingdom and 1 in the Channel Islands. Bank of Cyprus also has 6 representative offices in Russia, Romania, Ukraine, Serbia and South Africa. The Bank of Cyprus Group employs 11.175 staff worldwide.

At 31 March 2012, the Group’s Total Assets amounted to €38,66 bn and the Shareholders’ Funds were €2,85 bn. The Bank of Cyprus shares are listed on the Cyprus and Athens Stock Exchanges. Additional information can be found on the Group’s website [www.bankofcyprus.com](http://www.bankofcyprus.com).

