

## Announcement

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Nicosia, 26 July 2013

In relation to the ongoing public discussion regarding the possible splitting of Bank of Cyprus Public Company Ltd ("Bank") into a commercial bank and a development bank, the transitional Board of Directors of the Bank announces that it has the consent of the Central Bank of Cyprus, in its capacity as the Resolution Authority, to explore this issue.

Any plan for the splitting of the Bank will be part of the overall Restructuring Plan for the Bank which will be submitted to the authorities for approval by the end of September 2013, as per the requirements of the Memorandum of Understanding between the Republic of Cyprus and Troika.

The Bank's new Board of Directors that will be elected in the next General Meeting of shareholders will be responsible for the adoption and implementation of the Restructuring Plan.

It is noted that any plan for the splitting of the Bank will not affect housing loans to individuals, which will be continued to be serviced by the commercial bank.

The transitional Board of Directors continues to focus on its main responsibility of preparing a Restructuring Plan that will ensure the continuation of the Bank's leading position in the Cypriot economy.