

Announcement

Nicosia, 29 April 2013

On Sunday 28 April 2013 and in accordance with the *Bailing-in of Bank of Cyprus Public Company Limited Decree of 2013*¹ of the Central Bank of Cyprus, Bank of Cyprus Public Company Ltd has proceeded with a recapitalisation through a bail-in of depositors (a deposit-to-equity conversion). In accordance with the Decree, the amount of deposits converted to Class A Shares at nominal value (€1), is based on balances, including accumulated interest, as at 22:00 on 26 March 2013.

The conversion of deposits to equity affects only those having total deposits of over €100,000, including accrued interest on 26 March 2013 with Bank of Cyprus². Any credit facilities have been netted off from the total amount of deposits over €100,000 and the resultant amount is described as the “Excess Amount”.

The conversion of deposits to equity, made in accordance with the provisions of the Decree, relates to 37,5% of the “Excess Amount” which is converted to Class A shares and which is described as the “Initial Deposit Contribution Amount”.

It is noted that:

- a) 22,5% of the “Excess Amount” remains temporarily blocked and is subject to total or partial conversion to Class A Shares and is described as the “Supplemental Deposit Contribution Amount”
- b) The remaining 30% of the “Excess Amount” remains temporarily blocked and is subject to total or partial conversion to Deposits following a written notice by Resolution Authority.

¹ Decree issued on 29 March 2013 under the *Resolution of Credit and Other Institutions Law, 2013*(www.centralbank.gov.cy)

² The conversion of deposits- to-equity does not apply to the former customers of Cyprus Popular Bank Ltd.