



Announcement

NOTICE OF SHAREHOLDERS' EXTRAORDINARY GENERAL MEETING

Nicosia, 30 July 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 300 branches, of which 130 operate in Cyprus, 164 in Russia, 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 6.898 staff worldwide. At 31 March 2014, the Group's Total Assets amounted to €29,4 bn and Total Equity was €2,7 bn.

NOTICE OF EXTRAORDINARY GENERAL MEETING

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Notice is hereby given that an Extraordinary General Meeting of the shareholders of Bank of Cyprus Public Company Ltd (the “**Bank**” or the “**Group**”) will be held at the Bank of Cyprus Group Headquarters (51 Stassinou Street, Ayia Paraskevi, Strovolos, 2002 Nicosia, Cyprus), on **Thursday, 28 August 2014 at 10.00 a.m.** for the purpose of considering, and if thought fit, passing the following Resolutions.

Unless expressly stated otherwise, terms defined in the accompanying circular to shareholders of the Bank dated 30 July 2014 (the “**Circular**”) shall have the same meaning in this Notice of Extraordinary General Meeting.

(A) SPECIAL RESOLUTIONS TO REDUCE THE NOMINAL VALUE OF EACH ORDINARY SHARE (“RESOLUTIONS A”)

1. THAT subject only to confirmation of such reduction by the District Court of Nicosia as required under section 64 of the Companies Law:-
 - (a) the authorized share capital of the Bank be reduced from EUR 4,767,759,272.00, divided into 4,767,759,272 ordinary shares with a nominal value of EUR1.00 each, to EUR 476,775,927.20 divided into 4,767,759,272 ordinary shares with a nominal value of EUR 0.10 each; and
 - (b) the issued share capital of the Bank be reduced from EUR 4,755,710,678.00, divided into 4,755,710,678 fully paid ordinary shares with a nominal value of EUR 1.00 each, to EUR 475,571,067.80 divided into 4,755,710,678 fully paid ordinary shares with a nominal value of EUR 0.10 each.

through the reduction of the nominal value of each of the ordinary shares comprising the authorized and issued share capital of the Bank from EUR 1.00 to EUR 0.10.

2. THAT from the amount of EUR 4,280,139,610.20 corresponding to the amount which shall be cancelled from Bank’s paid up share capital (though the reduction of the nominal value of each share as aforesaid), EUR 2,327,654,000.00 be applied for writing off accumulated losses of the Bank and EUR 1,952,485,610.20 be applied for the creation of a capital reduction reserve fund, in accordance with paragraph (e) of subsection (1) of section 64 of the Companies Law.
3. THAT upon the reduction of the issued and authorized share capital of the Bank, the authorized share capital of the Bank be increased from EUR 476,775,927.20 divided into 4,767,759,272 ordinary shares with a nominal value of EUR 0.10 each to EUR 4,767,759,272.00 divided into 47,677,592,720 ordinary shares of EUR 0.10 each, through the creation of 42,909,833,448 new (but unissued) ordinary shares with a nominal value of EUR 0.10 each which shall rank *pari passu* in all respects with each other and with all other ordinary shares of the Bank (except, in relation to the other ordinary shares which are listed on the CSE and ATHEX, solely with respect to the listing of such other ordinary shares).
4. THAT the Board of Directors, (or a duly authorised committee of the Board) be and is hereby, authorised to apply for, and take all actions necessary to obtain, such approval by the District Court of Nicosia in order for the abovementioned resolutions to become effective.

(B) SPECIAL RESOLUTIONS TO AUTHORISE THE ISSUE AND ALLOTMENT OF ORDINARY SHARES UNDER THE PLACING AND THE OPEN OFFER (“RESOLUTIONS B”)

1. THAT, subject to the passing of Resolutions A and to the reduction of capital contemplated thereunder becoming effective, the Board of Directors (or a duly authorised committee of the Board) be and is hereby authorised to exercise all the powers of the Bank to issue and allot ordinary shares in the Bank up to an aggregate nominal amount of €416,666,666.70 (equivalent to 4,166,666,667 ordinary shares of €0.10 each in the share capital of the Bank) in connection with and/or for the implementation of the Capital Raising at a subscription price per ordinary share of €0.24. This authority shall expire on 31 December 2014 (unless renewed, varied or revoked by the Bank prior to or on such date) save that the Bank may, before such expiry make offers or

agreements which would or might require ordinary shares to be allotted after such expiry and the Directors (or a duly authorised committee of the Board) may allot ordinary shares in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

2. THAT any pre-emptive rights the Bank's shareholders may have by operation of law and/or pursuant to the Articles of Association of the Bank and/or otherwise in connection with the authority conferred on the Board of Directors (or a duly authorised committee of the Board) for the issue and allotment of shares in the Bank as contemplated in Resolution B1, be and are hereby irrevocably and unconditionally waived.

(C) SPECIAL RESOLUTIONS TO AUTHORISE THE ISSUE AND ALLOTMENT OF ORDINARY SHARES UNDER THE RETAIL OFFER ("RESOLUTIONS C")

1. THAT, subject to the passing of Resolutions A and to the reduction of capital contemplated thereunder becoming effective, the Board of Directors (or a duly authorised committee of the Board) be and is hereby authorised to exercise all the powers of the Bank to issue and allot ordinary shares in the Bank up to an aggregate nominal amount of €41,666,666.70 (equivalent to 416,666,667 ordinary shares of €0.10 each in the share capital of the Bank) in connection with and/or for the implementation of the Retail Offer at a subscription price per ordinary share of €0.24. This authority shall expire on 31 December 2014 (unless renewed, varied or revoked by the Bank prior to or on such date) save that the Bank may, before such expiry make offers or agreements which would or might require ordinary shares to be allotted after such expiry and the Directors (or a duly authorised committee of the Board) may allot ordinary shares in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.
2. THAT any pre-emptive rights the Bank's shareholders may have by operation of law and/or pursuant to the Articles of Association of the Bank and/or otherwise in connection with the authority conferred on the Board of Directors (or a duly authorised committee of the Board) for the issue and allotment of shares in the Bank as contemplated in Resolution C1, be and are hereby irrevocably and unconditionally waived.

(D) SPECIAL RESOLUTION AMENDING ARTICLE 93 OF THE BANK'S ARTICLES OF ASSOCIATION ("RESOLUTION D")

THAT Article 93 of the Bank's articles of association be amended through the deletion of paragraph (d) thereof in its entirety and through the renumbering of the paragraphs following same as appropriate.

Panayiotis Agapiou
Secretary

30 July 2014

NOTES TO THE NOTICE OF THE EXTRAORDINARY GENERAL MEETING

ENTITLEMENT TO PARTICIPATE IN THE EXTRAORDINARY GENERAL MEETING

- (1) Any person appearing as a shareholder in the register of members of the Bank on the Record Date is entitled to participate in the Extraordinary General Meeting. Each ordinary share is entitled to one vote. The Record Date for determining the right to vote at the Extraordinary General Meeting is 5.00 p.m. on Monday, 28 July 2014.
- (2) A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy to attend and vote on his behalf. Shareholders may appoint the Chairman of the Meeting or any other person as their proxy. Such proxy does not need to be a shareholder of the Bank. If a shareholder owns shares in the Bank that are held in more than one Investor Share Code, then that shareholder may, in respect of the Extraordinary General Meeting, appoint separate proxy holders for the shares appearing in each Investor Share Code. A proxy holder holding proxies from several shareholders may cast votes differently for each shareholder. Shareholders who appoint a person as a proxy to vote on their behalf, but wish to specify how their votes be cast, should indicate accordingly in the relevant boxes on the Form of Proxy.
- (3) The Form of Proxy, which is attached to the back of the Circular and has been posted on the Group's website www.bankofcyprus.com (select the "*Investor Relations/Capital Increase 2014/Phase 2 - Shareholders' Circular*" options), must be deposited at the registered office of the Bank (51 Stassinos Street, Ayia Paraskevi, Strovolos, 2002 Nicosia, Cyprus, fax: +357 22 336258 / 22 336261) **at least 48 hours before the time of the Meeting**. Shareholders may confirm that the Form of Proxy has been successfully received by the Bank by calling the Shares & Loan Stock Department at +357 22126055.
- (4) **Shareholders and/or their proxies who will attend the Extraordinary General Meeting are requested to carry with them their identity card or other proof of identification.**
- (5) Any corporation which is a shareholder of the Bank may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Bank or any class of members of the Bank, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Bank.
- (6) The Articles of the Bank do not provide for participation in the Extraordinary General Meeting by electronic means without the shareholder attending the Extraordinary General Meeting in person at the place where the Extraordinary General Meeting is held. Similarly, the Articles do not provide for participation in voting by distance voting.

VOTING PROCEDURES AT GENERAL MEETINGS

- (7) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll (before or on the declaration of the result of the show of hands) is demanded:
 - (a) by the Chairman, or
 - (b) by at least ten members present in person or by proxy, or
 - (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting, or
 - (d) by a member or members holding shares in the Bank conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

If a poll be demanded in manner aforesaid, it shall be taken at such time (within fourteen days) and place, and in such manner, as the Chairman shall direct, and the result of the poll shall be deemed to be a resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

- (8) A special resolution by a company shall be a resolution passed at a general meeting by a majority of not less than three-fourths of the number of members of the company entitled to vote at the meeting who are present in person or by proxy, for which relevant notice has been

given pursuant to Article 135 of the Companies Law, Cap 113 specifying the intention to propose the resolution as a special resolution.

- (9) A resolution pursuant to article 59 A of Companies Law Cap 113 shall be a resolution which has been approved by a properly convened general meeting (a) by a majority of two thirds of the shareholders represented at the meeting or (b) with a simple majority where at least half of the issued share capital of the Bank is represented at the general meeting.

MINORITY RIGHTS AT GENERAL MEETINGS

- (10) Pursuant to article 127B of Companies Law Cap 113, shareholders of the Bank have the right (i) to put an item on the agenda of the annual general meeting, provided that the item is accompanied by a written explanation justifying the inclusion of the item or a proposed resolution for approval at the general meeting, and (ii) to table a draft resolution for inclusion in the agenda of a general meeting provided that:
- a) the shareholder or group of shareholders hold at least 5% of the issued share capital of the Bank, representing at least 5% of the voting rights of shareholders entitled to vote at the meeting for which an item has been added on the agenda and
 - b) the shareholders' request to put an item on the agenda or resolution (as described above) is received by the Bank's Secretary in hard copy or electronically at the addresses indicated below at least 42 days prior to the relevant meeting.

Delivery Address for Hard Copy:

Secretary, Bank of Cyprus Public Company Limited, 51 Stassinos Street, Ayia Paraskevi, Strovolos, 2002 Nicosia, Cyprus or by fax at +357 22 378456

Electronic address: investors@bankofcyprus.com

- (11) Pursuant to section 128C of the Companies Act Chapter 113, shareholders have the right to ask questions related to items on the agenda and to have such questions answered by the Board of Directors of the Bank subject to any reasonable measures the Bank may take to ensure the identification of shareholders. An answer is not required if (a) it would interfere unduly with preparation for the meeting or the confidentiality or business interests of the Bank or (b) an answer has already been given on the Bank's website in the form of a "Q&A" (and for this purpose, it should be noted that the Circular, which has been published on the Bank's website contains a Q&A section) or (c) the Chairman deems that it is undesirable in the interests of good order of the meeting that the question be answered. Shareholders may submit questions in writing before the Extraordinary General Meeting by sending a letter, together with evidence of their shareholding, at least four days before the meeting (i.e. by 24 August 2014) to the Bank's Secretary at Bank of Cyprus Public Company Ltd, 51 Stassinos Street, Ayia Paraskevi, Strovolos, 2002 Nicosia, Cyprus or by fax at +357 22 378456 or by email to investors@bankofcyprus.com.

OTHER INFORMATION AND AVAILABLE DOCUMENTS

- (12) As of 28 July 2014 (being the Record Date), the outstanding issued share capital of the Bank is €4,755,710,678 divided into 4,755,710,678 ordinary shares of nominal value €1.00 each.
- (13) The Circular (which includes this Notice of EGM and the Form of Proxy) shall be made available in electronic form on the website of the Bank www.bankofcyprus.com (select the "*Investor Relations/Capital Increase 2014/Phase 2 - Shareholders' Circular*" options) and in hard copy at the Bank's Shares & Loan Stock Department, 4 Evrou Street, EuroLife House, 3rd floor, Strovolos, 2003 Nicosia.

FORM OF PROXY

Bank of Cyprus Group



Shares & Loan Stock Department
51 Stassinou Street, Ayia Paraskevi, Strovolos
P.O. Box 24884, 1398 Nicosia, Cyprus
Tel: +357 22126055
Fax: +357 22 336258 / 22 336261

FORM OF PROXY

I/We _____ from _____

with ID number/Passport number/Company Registration number _____

being a member/members of Bank of Cyprus Public Company Ltd (the "Bank"), hereby appoint (choose one of the following two options):

1. The Chairman of the Extraordinary General Meeting _____

2. Mr/Ms _____

from _____ with ID number _____

or failing him/her, Mr/Ms _____

from _____ with ID number _____

as my/our proxy to vote on my/our behalf at the Extraordinary General Meeting of the Bank, to be held on Thursday, 28 August 2014, at 10.00 a.m. at the Bank of Cyprus Group Headquarters (51 Stassinou Street, Ayia Paraskevi, Strovolos, Nicosia, Cyprus), and at any adjournment thereof.

My/our proxy is authorised to vote as he/she thinks fit, unless the manner of voting is indicated in the boxes below.

RESOLUTION		FOR	AGAINST
A.	Special Resolutions to Reduce the Nominal Value of Each Ordinary Share		
B.	Special Resolutions to Authorise the Issue and Allotment of Ordinary Shares under the Placing and the Open Offer		
C.	Special Resolutions to Authorise the Issue and Allotment of Ordinary Shares under the Retail Offer		
D.	Special Resolution to Authorise the Amendment of Article 93 of the Bank's Articles of Association		

Date _____ Signature _____

Contact details _____ Telephone _____ Fax _____

Notes:

1. The Record Date for determining the right to vote at the Extraordinary General Meeting is 5.00 p.m. on 28 July 2014.
2. This Form of Proxy must be deposited at the registered office of the Bank (as per the above address and fax number), at least 48 hours before the time appointed for holding the Extraordinary General Meeting.
3. If such appointor is a company, the Form of Proxy must bear the name of the company, and be signed by its duly authorised officer/s.
4. In the case of joint shareholders, the Form of Proxy can only be signed by the person whose name appears first in the register of members of the Bank.