



Announcement

REVIEW OF THE GROUP'S REQUIREMENTS FOR TIER 2 CAPITAL

Nicosia, 21 March 2006

At its meeting scheduled for 6 April 2006, the Board of Directors of Bank of Cyprus Public Company Ltd ("the Bank") will examine, among other matters, the requirements of the Bank of Cyprus Group for Tier 2 Capital, in view of the Bank's option to repay the Subordinated Bonds 2006/2011 on or after 20 June 2006. The Subordinated Bonds 2006/2011 were issued in Euro (€275 million) on 20 June 2001.

Founded in 1899, the Bank of Cyprus Group is the leading Cypriot banking and financial services group. In 1991, the Group established its first branch in Greece where it has been expanding rapidly since 1999. It has an established banking presence in the United Kingdom and in 2001 it expanded to Australia through a wholly owned subsidiary bank. In addition to retail and commercial banking, the Group's activities include finance, factoring, investment banking, brokerage, fund management, life and general insurance. The Group currently operates through a total of 274 branches, of which 147 operate in Cyprus, 110 in Greece, six in the United Kingdom, ten in Australia and one in the Channel Islands. Bank of Cyprus also has representation in the United States of America, Canada, South Africa, Russia and Romania. The Bank of Cyprus Group employs 6.065 staff worldwide.

At 31 December 2005, the Group's Total Assets reached C£12,80bn (€22,32bn) and the Group's Shareholders' Funds were C£762mn (€1,33bn). The Bank of Cyprus shares are listed on the Cyprus and Athens Stock Exchanges. Additional information can be found at the Group's website www.bankofcyprus.com