



Announcement

INTRODUCTION FOR TRADING OF NEW SHARES WHICH HAVE RESULTED FROM THE REINVESTMENT OF DIVIDENDS

Nicosia, 4 August 2006

As a result of the reinvestment of dividends paid on 27 June 2006, 3.391.194 new ordinary shares of a nominal value of C£0,50 each were issued by Bank of Cyprus Public Company Ltd (the "Bank"). The shares were issued to the shareholders who participated in the Bank's Dividend Reinvestment Plan at a discount of 10% to the weighted average closing price of the share on the Cyprus Stock Exchange and the Athens Exchange during the first five days after the relevant ex-dividend date. The price at which the shares were issued is C£3,49 (€6,05) per share.

Following the above issue, the Bank's issued share capital comprises 549.534.327 ordinary shares, of a nominal value of C£0,50 each.

On Tuesday, 8 August 2006, the 3.391.194 new ordinary shares of the Bank will be introduced for trading on the Cyprus Stock Exchange and the Athens Exchange.

As of 8 August 2006, the opening price of the Bank's shares on the Athens Exchange will be adjusted according to the Regulation of the Athens Exchange. As of the same date, the new shares will be credited in the Dematerialised Securities System ("DSS") accounts of the beneficiaries who have elected to have their shares registered on the DSS.

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 279 branches, of which 147 operate in Cyprus, 115 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 6.100 staff worldwide.

At 30 June 2006, the Group's Total Assets reached C£13,22bn (€23,00bn) and the Group's Shareholders' Funds were C£818mn (€1,42bn). 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