



Announcement

COMMENTS ON PRESS ARTICLES

Nicosia, 27 November 2006

Responding to certain press articles published in the Greek and Cypriot press, the Bank of Cyprus Group states that:

There is frequent cooperation between the Bank of Cyprus Group and international investment houses aiming at obtaining their advice and evaluation of all the parameters and the strategic steps which the Group may be examining. The Group has not instructed any international investment house to prepare a specialised study on the subject of a possible cooperation with Bank of Piraeus.

It has been repetitively stated in the past that the Group's priority is its dynamic expansion in Cyprus and Greece. The Group's very good results both in terms of growth and profitability are well known, as are the Group's prospects regarding its imminent expansion to Romania and particularly Russia.

At the same time, it has been stressed that, the Group reviews the developments in all these markets and each step for cooperation or expansion is evaluated based on safeguarding the shareholders' interests.

The articles published from time to time in the Cypriot and Greek press may portray the wrong impression regarding developments. According to its policy, the Group informs the investing public with transparency and clarity on all important matters.

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 284 branches, of which 147 operate in Cyprus, 120 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 6.159 staff worldwide.

At 30 September 2006, the Group's Total Assets reached C£14,01bn (€24,29bn) and the Group's Shareholders' Funds were C£876mn (€1,52bn). 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