



Announcement

Nicosia, 29 January 2007

Bank of Cyprus has received this afternoon a copy of “the public tender offer document” which, according to Marfin Popular Bank, the latter has submitted to the Cyprus Stock Exchange.

Since the legality of the submission and the delivery of a copy of such a submission to Bank of Cyprus by Marfin Popular Bank is a subject which is still pending before the regulatory authorities and the Cyprus Supreme Court, Bank of Cyprus is not going to issue an extensive statement on the matter.

Bank of Cyprus believes that the public tender offer by Marfin Popular Bank is irregular, as it clearly contravenes the relevant Cyprus Stock Exchange Regulations on Public Tender Offers (“the Regulations”), irrespective of which body is in charge of supervising compliance with the Regulations and that, therefore, Bank of Cyprus is not a target company within the meaning of the Law.

As regards the essence of the matter and irrespective of the prospective legal developments surrounding it, the Board of Directors of Bank of Cyprus continues to believe that Marfin Popular Bank’s offer cannot be taken seriously and is not in the best interest of the shareholders of Bank of Cyprus. In addition, as we have repeatedly argued, the specific offer entails high risks for the shareholders, the staff, the customers and the wider economy.

Bank of Cyprus reserves all its legal rights and will continue to keep informed all the parties involved, always within the framework of the law and corporate ethics.

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 281 branches, of which 144 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