



## Announcement

# Bank of Cyprus signed an agreement to purchase the Ukrainian bank AvtoZAZBank

Nicosia, 19 November 2007

Bank of Cyprus Public Company Ltd (Bank of Cyprus) announces that it has signed a sale and purchase agreement for the acquisition of 95% of the share capital of the Ukrainian bank AvtoZAZBank (the Bank) for the sum of about €52 mn.

AvtoZAZBank was established in 1991 and offers full banking services. The Bank's head office is located in Kiev and it operates through a network consisting of 26 branches and 18 seasonal cash offices located in four main regions of Ukraine. The Bank employs 365 people. According to its unaudited financial statements at 31 October 2007, the net assets of the Bank amounted to €15 mn, total loans amounted to €85 mn and total deposits to €82 mn.

With the aforementioned purchase, the Bank of Cyprus Group expands in line with its strategic plan in countries with significant economic growth potential, large population, relatively low banking penetration and a high degree of recognition for Bank of Cyprus.

Ukraine has a buoyant economy with a real GDP growth of 7.1% in 2006 and total loans increasing annually by more than 70%. The low loans to GDP ratio of 54% combined with the high GDP growth rate indicate the significant growth prospects of the banking sector.

Bank of Cyprus will provide full banking services in Ukraine, also leveraging on its significant number of established relationships with businesses operating in this country.

The agreement is subject to the relevant approvals being obtained from the supervisory authorities in Cyprus and Ukraine.

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 291 branches, of which 144 operate in Cyprus, 126 in Greece, 6 in the United Kingdom, 11 in Australia, 2 in Romania, 1 in Russia and 1 in the Channel Islands. Bank of Cyprus also has representative offices in Russia, Canada and South Africa. The Bank of Cyprus Group employs 6.759 staff worldwide.

At 30 September 2007, the Group's Total Assets reached C£17,39 bn (€29,76 bn) and the Shareholders' Funds were C£1,12 bn (€1,92 bn). 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](http://www.bankofcyprus.com).