Bank of Cyprus Group

Announcement

Group Financial Results
for the Six months ended 30 June 2009

- Significant recovery in profitability during 2nd quarter 2009
  - Profit before provisions €142 mn
    (24% increase compared to the 1st quarter 2009)
  - Profit after tax €85 mn
    (34% increase compared to the 1st quarter 2009)

- Profit before provisions of €256 mn for the 1st half 2009

- Profit after tax of €148 mn for the 1st half 2009

- Further strengthening of capital adequacy
  - Tier 1 capital ratio at 11,1%
  - Successful issue of €645 mn Convertible Capital Securities

- Strong liquidity
  - Loans to deposits ratio at 89%

- Extension of agreement with founding shareholders of Uniastrum Bank

Nicosia, 31 August 2009

A. Summary of Results

The Group recorded increased profitability during the second quarter 2009 compared to the first quarter 2009 despite the ongoing negative economic environment. The improvement in profitability and the Group's overall financial performance for the first half 2009 are in line with its initial targets for the year. At the same time, the prudent credit policy and risk management procedures applied by the Group ensure that it is effectively shielded from the difficult economic conditions prevailing and enable it to generate satisfactory profitability. Maintaining strong liquidity, prudent growth of operations and strengthening capital adequacy are the pillars supporting the Group in the ongoing global economic crisis.

The Group's profit before provisions for the second quarter 2009 reached €142 mn recording an increase of 24% compared to the first quarter 2009, while profit after tax for the second quarter 2009 reached €85 mn recording an increase of 34% compared to the first quarter 2009. The Group's profit before provisions and profit after tax for the first half 2009 amounted to €256 mn and €148mn, respectively.

As a result of the Group's actions and the positive impact of the gradual de-escalation of competition on the cost of deposits, net interest income of the Group for the second quarter 2009 reached €207 mn recording an increase of 14% compared to the first quarter 2009, while the net interest margin increased by 23 basis points and reached 2,36% for the second quarter 2009 (2,24% for the first half 2009).

In line with its strategic priorities set for year 2009, the Group strengthened its capital adequacy with the Tier 1 capital ratio increasing to 11,1% and the Core Tier 1 ratio to 7,5%.

At the same time, the Group maintained its strong liquidity with a loans to deposits ratio of 89% at 30 June 2009.

The main financial highlights and footings of the Group for the first half 2009 and the second quarter 2009 are set out in the tables below:

Table 1

€ mn	**Change**	**1H09**	**1H08**	Year 2008
Profit before provisions[1]	-19%	256	317	677
Profit before tax[1]	-44%	161	285	575
Profit after tax[1]	**-39%**	**148**	**244**	**502**
Earnings per share	**-17,6 cent**	**25,1 cent**	**42,7 cent**	**87,4 cent**

Return on Equity	-10,5 p.p.*	13,9%	24,4%	25,1%
Cost / Income	+12,3 p.p.*	55,9%	43,6%	44,9%
Non-performing loans ratio	+1,3 p.p. *	4,9%	3,6%	3,8%

Total Loans (€ bn)	+14%	25,3	22,2	25,1
Total Deposits (€ bn)	+14%	28,6	25,0	27,9
Loans to Deposits	-0,3 p.p.*	88,5%	88,8%	90,0%

* p.p. = percentage points, 1 percentage point = 1%

[1] After non-controlling interests

Table 2

€ mn	Change	2Q09	1Q09
Profit before provisions[1]	+24%	142	114
Profit after tax[1]	**+34%**	**85**	**63**

Return on Equity	+3,6 p.p.*	16,0%	12,4%
Cost / Income	-3,4 p.p.*	54,3%	57,7%
Net Interest Margin	+23 p.p. *	2,36%	2,13%

* p.p. = percentage points, 1 percentage point = 1%

- Profit after tax for the second quarter 2009 noted significant improvement reaching €85 mn compared to €63 mn for the first quarter 2009 and recording an increase of 34%. Profit before provisions for the second quarter 2009 reached €142 mn recording an increase of 24% compared to the first quarter 2009.

- Profit before provisions and profit after tax for the first half 2009 reached €256 mn and €148 mn respectively compared to €317 mn and €244 mn for the first half 2008 despite the adverse economic conditions and intense competition.

- The increase of the Group's net interest income, which reached €207 mn for the second quarter 2009 recording an increase of 14% compared to the first quarter 2009, is noteworthy. The Group's net interest income for the first half 2009 reached €388 mn, recording an annual increase of 1%.

- The Group's net interest margin noted significant recovery during the second quarter 2009 and reached 2,36% compared to 2,13% for the first quarter 2009. The recovery of the net interest margin of the Group's operations in Greece, which reached 1,93% for the second quarter 2009 achieving an improvement of 39 basis points compared to the first quarter 2009 is noteworthy. As a result, the net interest income and the profit before provisions in Greece increased by 25% and 54% respectively compared to the first quarter 2009.

- The Group's Tier 1 ratio stood at 11,1% following the completion of the issue of €645 mn Convertible Capital Securities, the extension of the agreement with the founding shareholders of Uniastrum Bank and the increase in the percentage from 15% to 35% of total tier 1 capital that can be in the form of hybrid capital. In this context, the Core Tier 1 ratio and the total capital adequacy ratio stood at 7,5% and 12,4% respectively.

- The Group maintained its strong liquidity with a loans to deposits ratio of 89%. The Group enjoys strong liquidity in the two main geographic markets in which it operates, with loans to deposits ratios in Cyprus and Greece of 81% and 87% respectively at 30 June 2009.

- Group return on equity remained at a satisfactory level (13,9%) in a particularly challenging and negative environment.

- The Group maintained its efficiency, with the cost to income ratio contained at 55,9% despite the negative economic environment and the expansion of its network in Russia, Romania, Ukraine and Greece during 2008. Specifically, the Group increased its branch network significantly, from 334 branches at 30 June 2008 to 583 at 30 June 2009. The increase is

[1] After non-controlling interests

primarily due to the acquisition of Uniastrum Bank in October 2008. The significant investments for the development of the branch network, will allow the Group to benefit from the opportunities that will arise once the economic environment starts improving.

- In light of the overall economic conditions prevailing in the markets in which it operates, as well as the weak demand for lending, the Group recorded a limited increase in loans (1%) and deposits (2%) for the first half of 2009 compared to the end of 2008.

- The Group, giving particular emphasis to effective credit risk management, contained the non performing loans ratio to 4,9% at 30 June 2009. Aiming to shield the Group further, in light of the worsening economic environment, the provision charge for the impairment of loans increased to 0,76% of total loans for the first half 2009 (on an annual basis). The Group maintained a high provision coverage ratio (provisions % non-performing loans) of 60% at 30 June 2009. The remaining balance on non-performing loans is fully covered by tangible collateral. The coverage ratio including tangible collateral amounts to 123% (110% taking into account tangible collateral valued at forced sale value).

- The two main markets in which the Group operates, Cyprus and Greece, contributed positively to its profitability with profit before provisions reaching €166 mn and €54 respectively. For the first half 2009, profit after tax in Cyprus reached €141 mn, whereas profit after tax in Greece reached €7 mn.

- United Kingdom and Australia have also contributed to the Group's profitability, with profit after tax for the first half 2009 amounting to €6 mn and €1 mn, respectively. In Romania and Ukraine profit after tax for the first half of 2009 reached €5 mn and €2 mn respectively.

- In Russia, taking into consideration the current market conditions, the Group placed particular emphasis on integrating Uniastrum Bank and strengthening its infrastructure following the completion of the operational merger with Bank of Cyprus Russia. The Group followed a policy of containing lending and increased provisions in order to better manage risks and shield itself. As a result, the Group's operations in Russia recorded profit before provisions of €12 mn for the first half of 2009 while, after increased provisioning and tax, it registered a loss of €13 mn. The extensive branch network in Russia and the increasing business volumes that it will yield once economic conditions improve are expected to contribute positively to the Group's profitability.

- Having evaluated the successful cooperation to date with the founding shareholders of Uniastrum Bank, the Group signed a new five year shareholder agreement, with which Messrs Piskov and Zakaryan will retain their managerial roles and will each continue to hold a 10% interest in Uniastrum Bank. In the medium term, the Group intends to proceed with the listing of Uniastrum Bank on a Russian stock exchange. This is expected to happen in 2014-2016. The future listing of Uniastrum Bank will increase visibility, give access to further capital in Russian rubles and establish Uniastrum as one of the major banking institutions in the Russian market.

B. Prospects

The strategic priorities of the Group focus on maintaining strong liquidity and satisfactory profitability, strengthening capital adequacy and managing risk effectively.

The Group monitors the developments in the international credit markets as well as the macroeconomic environment in the markets in which it operates and takes measures to offset the negative impact from the ongoing economic crisis. Such measures include repricing of selected loan and deposit products and services, management of non-performing loans, increase of non-interest income, cost containment and prudent expansion of the Group in the new markets which offer higher margins.

Having taken into consideration the results for the first half 2009 and the results to date, the Group estimates that it will achieve satisfactory profitability for the year 2009 that will be in line with the estimated range already announced. Specifically, the Group's net profit after tax for 2009 is expected to be between €300 mn and €400 mn.

C. Financial Footings

Table 3

Analysis of Loans and Deposits by Geographic Sector at 30.06.2009					
€ mn	**Group**	**Cyprus**	**Greece**	**Russia**	**Other countries**
Loans	25.312	12.201	9.470	1.140	2.501
Contribution		*48%*	*37%*	*5%*	*10%*
Deposits	28.586	15.098	10.838	925	1.725
Contribution		*53%*	*38%*	*3%*	*6%*

C.1 Group Loans

At 30 June 2009 the Group's loans amounted to €25,31 bn recording an annual increase of 14%. The weak demand for lending, the prudent credit policy and focus on proper risk management applied by the Group, given the conditions prevailing in the markets in which it operates, led to 1% growth of loans in the first half of 2009.

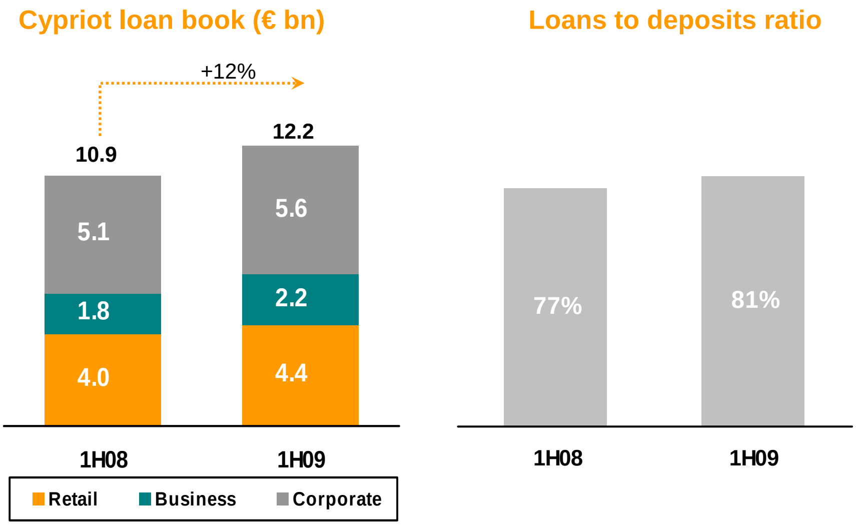
C.1.1 Loans in Cyprus

At 30 June 2009 the Group's total loans in Cyprus amounted to €12,20 bn, recording an annual increase of 12% and a 2% increase since 31 December 2008. Loans in Cyprus represented 48% of the Group's total loan portfolio.

The Group has the largest market share of total loans of commercial banks and credit cooperatives in Cyprus (27,9% as of June 2009). The preservation of our leading market share is the result of the recognition of the Bank of Cyprus leading brand name, its extensive network and the effective marketing campaigns focusing on the business sector and mortgage lending.

Graph 1

Cyprus: Breakdown of loans and liquidity ratio



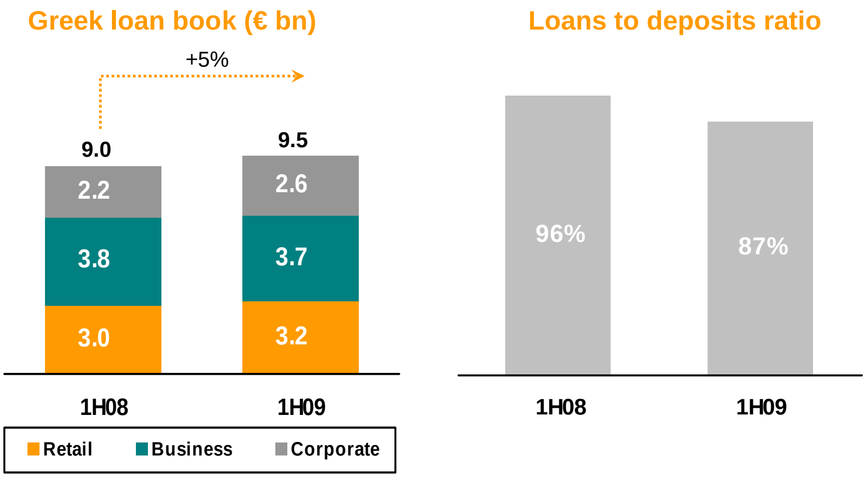
C.1.2 Loans in Greece

At 30 June 2009, the Group's total loans in Greece reached €9,47 bn, representing 37% of the Group's total loan portfolio. Total loans recorded a slight decrease of 2% during the first half of 2009, whereas the annual growth in loans amounted to 5%.

In June 2009, the Group's market share in loans in Greece was 3,7%.

Graph 2

Greece: Breakdown of loans and liquidity ratio



C.1.3 Loans in Russia

Following the completion of the operational merger between the two banks in Russia, total loans reached €1,14 bn at 30 June 2009, representing 5% of the total Group loan portfolio.

C.1.4 Loans in Other Countries

At 30 June 2009, Group loans in other countries reached €2,50 bn, recording an annual increase of 11% and representing 10% of the total Group loan portfolio.

Specifically, the loans of the Group:

- in Romania (€567 mn) and Ukraine (€212 mn) amounted to a total of €779 mn, representing 3% of the Group's total loan portfolio
- in the United Kingdom and Australia amounted to €1,21 bn and €517 mn respectively, representing 7% of the Group's total loan portfolio.

C.1.5 Loans by Customer Sector

The breakdown of the loan portfolio by customer sector for the Group and the two main markets in which the Group operates, Cyprus and Greece, is shown in the table below:

Table 4

Analysis of Loans by Customer Sector

	Group		Cyprus		Greece	
	€ mn	% portfolio	€ mn	% portfolio	€ mn	% portfolio
Corporate	9.914	39%	5.557	45%	2.540	27%
Small and Medium-sized Enterprises (SMEs)	6.999	28%	2.208	18%	3.694	39%
Retail						
▪ Housing	4.744	19%	2.775	23%	1.713	18%
▪ Other	3.655	14%	1.654	14%	1.523	16%
Total	25.312	100%	12.194	100%	9.470	100%

C.1.6 Non-Performing Loans ("NPLs")

Despite the expected negative effect of the adverse economic environment on the Group's loan portfolio, the Group maintained the quality of loans at high levels, by placing particular emphasis on credit risk management. At 30 June 2009, the ratio of loans in arrears for longer than three months which are not fully covered by tangible collateral ("non performing loans") over the total loans of the Group (non performing loans ratio), stood at 4,9%, compared to 3,6% and 3,8% at 30 June 2008 and 31 December 2008, respectively. At 30 June 2009, the non performing loans ratio for the loan portfolio in Cyprus stood at 5,0% (30 June 2008: 4,5% and 31 December 2008: 4,2%) and in Greece the ratio stood at 5,0% (30 June 2008: 3,2% and 31 December 2008: 3,4%).

C.2 Group Deposits

The Group's total deposits at 30 June 2009 reached €28,59 bn, recording an annual increase of 14% and a small increase of 2% since the end of 2008.

The strong liquidity of the Group, with a loans to deposits ratio of 89% and its minimal reliance on wholesale funding (15%), provide the Group with a strong competitive advantage, particularly under the adverse conditions that prevail in international money markets.

In tandem, the Group is proceeding with loan securitisations in Greece, aiming to further strengthen its liquidity, thereby allowing the unhindered expansion of its operations.

C.2.1 Deposits in Cyprus

In Cyprus, Group deposits reached €15,10 bn, recording an annual increase of 7% and a small increase of 1% since the end of 2008.

The Group has the leading market share (28,2%) of total deposits of commercial banks and credit cooperatives as well as of foreign currency deposits (41,1%).

C.2.2 Deposits in Greece

In Greece, Group deposits reached €10,84 bn at 30 June 2009, recording an annual increase of 16% and an increase of 3% since the end of 2008, enjoying a market share of 3,9% in May 2009 (latest available data).

C.2.3 Deposits in Russia

The growth of deposits in Russia, which reached €925mn at 30 June 2009 recording an increase of 3% from 31 December 2008, is particularly encouraging.

C.2.4 Deposits in Other Countries

At 30 June 2009, the Group's deposits in other countries reached €1,72 bn, recording an annual increase of 7%.

Specifically, Group deposits:

- in the United Kingdom and Australia amounted to €1,17 bn and €414 mn respectively
- in Romania and Ukraine amounted to €93 mn and €45 mn respectively.

C.3 Shareholders' Funds

The Group's tier 1 ratio improved to 11,1% and the core tier 1 ratio reached 7,5%. The above ratios take into account the completion of the Convertible Capital Securities issue, the extension of the agreement with the founding shareholders of Uniastrum Bank and the increase in the percentage from 15% to 35% of total tier 1 capital that can be in the form of hybrid capital and without any government assistance, contrary to what happened in many countries in Europe. Following these adjustments, the Group's total capital adequacy ratio based on Basel II reached 12,4%.

It is noted that the Group has successfully completed the issue of €645 mn Convertible Capital Securities. €527 million of the total amount was received in the form of Convertible Bonds 2013/2018 and the remaining €118 million was received in cash. The Convertible Capital Securities bear a fixed interest rate of 5,50% per annum for the first five years and a floating interest rate of the 6-month Euribor plus 3,00% thereafter. The Convertible Capital Securities may be converted into ordinary shares of the Bank at the option of the holders during the conversion periods at the conversion price of €5,50 per share. The Convertible Capital Securities are perpetual, but may be redeemed at the option of the Bank at par together with any accrued interest on 30 June 2014 or on any other interest payment date thereafter, subject to the prior consent of the Central Bank of Cyprus.

Furthermore as already announced, on July 27th 2009 the Group signed an agreement to extend its cooperation with the founding shareholders of Uniastrum Bank. With the signing of the agreement the recognition of the call/put arrangement as a liability is cancelled and minority interests are recognised resulting in a positive effect on the capital adequacy of the Group.

At 30 June 2009, the Group's shareholder funds amounted to €2,22 bn.

D. Analysis of Results for the 1st Half of 2009

D.1 Net Interest Income and Net Interest Margin

Net interest income reached €207 mn for the second quarter 2009, recording an increase of 14% compared to the first quarter 2009. Net interest income for the first half 2009 amounted to €388 mn, recording an annual increase of 1% despite the decreases in the Euro and other currencies' base rates and the squeeze on deposits spreads. The Group takes measures to offset these negative consequences by evaluating market conditions and repricing its loan portfolio and its deposit products.

The net interest margin of the Group improved significantly during the second quarter 2009 and reached 2,36% compared to 2,13% for the first quarter 2009. The increase in the Group's net interest income and net interest margin is primarily the result of the de-escalation of competition especially in customer deposits noted in the second quarter of 2009 in the main markets of the Group, Cyprus and Greece. The net interest margin of the Group for the first half 2009 amounted to 2,24% compared to 2,57% for the first half 2008.

The net interest income of the Group's operations in Cyprus reached €202 mn for the first half 2009 and €107 mn for the second quarter of 2009, recording an increase of 13% compared to the first quarter 2009. The net interest margin of the Group's operations in Cyprus improved significantly from 1,87% for the first quarter of 2009 to 2,02% for the second quarter of 2009 (1,94% for the first half 2009).

The significant increase in the net interest income of the Group's operations in Greece, which reached €61 mn for the second quarter of 2009 noting an increase of 25% compared to the first quarter of 2009 (€110 mn for the first half 2009) is noteworthy. The Group's net interest margin in Greece improved by 39 basis points and reached 1,93% for the second quarter of 2009, compared to 1,54% for the first quarter of 2009 (1,74% for the first half 2009).

The Group's net interest margin in the other countries (excluding Cyprus and Greece) was 3,35% for the first half of 2009. This includes the net interest margin for the new markets (Russia, Romania and Ukraine) which was 4,60% for the first half of 2009. The Group's objective of disciplined growth of the loan portfolio in new markets offering significantly higher interest margins is expected to lead to an increase of the Group's net interest margin.

D.2 Income from fees and commissions and foreign exchange

Net fee and commission income recorded a satisfactory annual increase of 9% and amounted to €111 mn for the first half of 2009, compared to €102 mn for the corresponding period of 2008. The foreign exchange income for the first half of 2009 amounted to €28 mn from €16 mn for the corresponding period of 2008. The increase is mainly due to gains from transactions for hedging foreign exchange risk.

D.3 Income from Insurance Business

Total income from insurance business amounted to €31 mn for the first half of 2009. Profit before tax from insurance business amounted to €21 mn contributing 13% to Group profit before tax.

D.4 Expenses

Total expenses for the first half 2009 amounted to €324 mn, recording an annual increase of 32%, mainly due to increased staff and operational costs from the Group's network expansion in Greece and the new markets. Specifically, the Group increased its branch network from 334 branches at the end of the first half of 2008 to 583 at the end of the first half of 2009, and the number of employees from 7.600 to 12.020 during the same period. Excluding Uniastrum, total expenses increased by 11% on an annual basis.

The cost to income ratio for the first half of 2009 was contained at 55,9% compared to 43,6% for the first half of 2008, despite the negative economic environment and the expansion of the Group's network in Russia, Romania, Ukraine and Greece in 2008. Excluding Uniastrum Bank, the cost to income ratio for the first half of 2009 stands at 51,8%.

The extensive and young branch network in both Greece and Russia is expected to add significant value in the forthcoming years, both in terms of business volume growth and profitability.

An analysis of the Group's branch network and human resources is shown in the table below:

Table 5

Analysis of Branches and Human Resources			
	1H09	**1H08**	**Change**
Branches	**583**	**334**	**+249**
Cyprus	143	143	-
Greece	165	144	+21
Russia	217	1	+216
Other countries	58	46	+12
Human Resource	**12.020**	**7.600**	**+4.420**
Cyprus	3.535	3.516	+19
Greece	3.177	3.146	+31
Russia	4.334	108	+4.226
Other countries	974	830	+144

Staff costs amounted to €201, recording an annual increase of 32%, mainly due to the increased costs relating to the expansion of operations in Russia, Romania, Ukraine and Greece. In contrast to the staff costs for the first half of 2008, the staff costs for the first half of 2009 include the staff costs of Uniastrum Bank and Bank of Cyprus Ukraine. Staff costs in Greece recorded an annual increase of 3%, mainly due to the staffing of 21 new branches which have commenced operations since 30 June 2008.

Other (non-staff) operating expenses of the Group, including the operating expenses for the expansion of its operations, recorded an annual increase of 32% and amounted to €123 mn.

For the first half of 2009, the cost to income ratio of the Group's operations in Cyprus stood at 47,8%. The corresponding ratio in Greece was at the very satisfactory level of 62,9%, especially considering the low maturity of the branch network, the start up cost of new branches and the intense competition.

D.5 Provisions for Impairment of Loans

The Group has significantly increased the provision charge for impairment of loans for the first half of 2009, having taken into consideration the worsening of the economic environment and the partial deterioration of the loan portfolio. Despite the aforementioned increase, the provision charge for impairment of loans (€96 mn) was contained to 0,76% (2008: 0,41%) of total Group loans (on an annual basis), reflecting both the high quality of the Group's loan portfolio as well as the very satisfactory level of accumulated provisions, which include an accumulated collective provision of 1% of total loans.

In parallel, a high provision coverage ratio (provisions/NPLs) was maintained which stood at 60% on 30 June 2009. The remaining balance of NPLs is fully covered by tangible collateral. The coverage ratio including tangible collateral amounts to 123% (110% taking into account tangible collateral valued at forced sale value).

Table 6

Analysis of Group Results and Other Financial Information						
In € mn	±%	1H09	1H08	±%	2Q09	1Q09
Net interest income	+1%	388	383	+14%	207	181
Net fee and commission income	+9%	111	102	+6%	57	54
Foreign exchange income	+75%	28	16	-63%	8	20
Net gains/(losses) on sale and change in fair value of financial instruments attributable to the owners of the Company**	+97%	18	9		20	(2)
Income from insurance business	+5%	31	30	+3%	16	15
Other income	-83%	4	23	+186%	2	2
Total income	**+3%**	**580**	**563**	**+15%**	**310**	**270**
Staff costs	+32%	(201)	(153)	+5%	(103)	(98)
Other operating expenses	+32%	(123)	(93)	+13%	(65)	(58)
Total expenses	**+32%**	**(324)**	**(246)**	**+8%**	**(168)**	**(156)**
Profit before provisions	**-19%**	**256**	**317**	**+24%**	**142**	**114**
Provisions for impairment of loans and advances	+265%	(96)	(26)	+74%	(61)	(35)
Share of profit/(loss) of associates	+113%	1	(6)	+674%	1	0
Profit before tax	**-44%**	**161**	**285**	**+3%**	**82**	**79**
Tax	-68%	(13)	(41)	-118%	3	(16)
Non-controlling interests **		0	0			0
Profit after tax	**-39%**	**148**	**244**	**+34%**	**85**	**63**
Number of staff	**+58%**	**12.020**	**7.600**	**+0%**	**12.020**	**11.999**
Net interest margin (NIM)	**-33 b.p.***	**2,24%**	**2,57%**	**+23 b.p.***	**2,36%**	**2,13%**
Cost/Income ratio	**+12,3 p.p.***	**55,9%**	**43,6%**	**-3,4 p.p.***	**54,3%**	**57,7%**
Return on equity (ROE)	**-10,5 p.p.***	**13,9%**	**24,4%**	**+3,6 p.p.***	**16,0%**	**12,4%**

* b.p. = basis points, 100 b.p. = 1 percentage point (1%)

** For presentation purposes the net gains or losses on sale and change in fair value of financial instruments have been calculated after the gain or loss attributable to non-controlling interests.

Table 7

Geographical Sector Analysis of Results and Other Financial Information									
In € mn	Cyprus			Greece			Other countries		
	±%	1H 2009	1H 2008	±%	1H 2009	1H 2008	±%	1H 2009	1H 2008
Net interest income	-6%	202	216	-21%	110	139	+173%	76	28
Net fee and commission income	-7%	60	64	-20%	25	31	+303%	26	7
Foreign exchange income	+46%	19	13	-42%	1	2	+527%	8	1
Net gains on sale and change in fair value of financial instruments attributable to the owners of the Company**	+156%	9	4	+4%	5	5	-	3	0
Net income from insurance business	+4%	26	25	+17%	5	4	-	-	-
Other income	-90%	3	23	-40%	0	1	+889%	1	0
Total income	**-7%**	**319**	**345**	**-20%**	**146**	**182**	**+219%**	**114**	**36**
Staff costs	+21%	(108)	(89)	+3%	(52)	(50)	+207%	(41)	(14)
Other operating expenses	+3%	(45)	(44)	+6%	(40)	(38)	+236%	(38)	(11)
Total expenses	**+15%**	**(153)**	**(133)**	**+4%**	**(92)**	**(88)**	**+220%**	**(79)**	**(25)**
Profit before provisions	**-22%**	**166**	**212**	**-42%**	**54**	**94**	**+215%**	**35**	**11**
Contribution		*65%*	*67%*		*21%*	*30%*		*14%*	*3%*
Provisions for impairment of loans and advances	+1233%	(24)	(2)	+72%	(41)	(24)	+7119%	(30)	(0)
Share of profit/(loss) of associates	-133%	1	(6)		0	0	-	0	0
Profit before tax	**-30%**	**143**	**204**	**-82%**	**13**	**70**	**-56%**	**5**	**11**
Contribution		*89%*	*72%*		*8%*	*25%*		*3%*	*3%*
Tax	-91%	(2)	(25)	-59%	(6)	(15)	+195%	(5)	(2)
Non-controlling interests **									
Profit after tax	**-21%**	**141**	**179**	**-88%**	**7**	**55**	**-102%**	**0**	**9**
Contribution		*95%*	*74%*		*5%*	*23%*		*0%*	*3%*
Number of staff	**+0,5%**	**3.535**	**3.516**	**+1%**	**3.177**	**3.146**	**+466%**	**5.308**	**938**
Net interest margin (NIM)	**-39 b.p***	**1,94%**	**2,33%**	**-78 b.p***	**1,74%**	**2,52%**	**+146 b.p***	**3,35%**	**1,89%**
Cost/Income ratio	**+9,3 p.p.***	**47,8%**	**38,5%**	**+14,5p.p.***	**62,9%**	**48,4%**	**+30 b.p.***	**69,4%**	**69,1%**
Return on equity (ROE)	**-11,5 p.p.***	**28,7%**	**40,2%**	**-16,6 p.p.***	**2,1%**	**18,7%**	**-**	**-**	**13,0%**

* b.p. = basis points, 100 b.p. = 1 percentage point (1%)

** For presentation purposes, the net gains or losses on sale and change in fair value of financial instruments have been calculated after the gain or loss attributable to non-controlling interests.

Table 8

Balance Sheet Overview				
In € mn	±%	30.06.2009	30.06.2008	31.12.2008
Cash and balances with central banks	+22%	911	750	1.017
Placements with banks and reverse repurchase agreements	+14%	4.688	4.120	4.702
Debt securities, Treasury bills and equity investments	+50%	5.528	3.744	4.241
Net loans and advances to customers	+13%	24.559	21.650	24.449
Other assets	+31%	1.702	1.301	1.698
Total assets	**+18%**	**37.388**	**31.565**	**36.107**
Amounts due to banks and repurchase agreements	+117%	3.928	1.812	3.137
Customer deposits	+14%	28.586	25.029	27.936
Debt securities in issue	-47%	572	1.088	959
Other liabilities	+11%	1.117	1.006	1.085
Subordinated loan stock	+69%	968	574	934
Non-controlling interests	-32%	18	27	15
Equity attributable to the owners of the Company	**+8%**	**2.199**	**2.029**	**2.041**

Notes:

1. All geographical sector analyses are presented following restatements made to bring each sector's capital to the same percentage level of the sector's risk weighted assets.

2. The Mid - year financial report for the six months ended 30 June 2009, are available at Registered Office of the Bank of Cyprus Public Company Ltd and on the Group's website, as follows:

   - Registered Office: 51 Stassinos Street, Ayia Paraskevi, Strovolos, P.O. Box 24884, 1398 Nicosia, Cyprus Telephone: +357 2212 2128, Fax: +357 2237 8422
   - Website: **www.bankofcyprus.com** (Investor Relations/ Financial Information)

3. The detailed presentation of the financial results for the 1H09 is posted on the Group's website **www.bankofcyprus.com** (Investor Relations/ Presentations)