



## Announcement

# Information for the conversion procedure of Convertible Bonds and Capital Securities

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Nicosia, 8 February 2012

Founded in 1899, the Bank of Cyprus Group is the leading Cypriot banking and financial services group. 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 609 branches, of which 209 operate in Russia, 185 in Greece, 141 in Cyprus, 44 in Ukraine, 12 in Romania, 13 in Australia 4 in the United Kingdom and 1 in the Channel Islands. Bank of Cyprus also has 7 representative offices in Russia, Ukraine, Canada, Serbia and South Africa. The Bank of Cyprus Group employs 11.551 staff worldwide.

At 30 September 2011, the Group's Total Assets amounted to €39,57 bn and the Shareholders' Funds were €2,99 bn. The Bank of Cyprus shares are listed on the Cyprus and Athens Stock Exchanges. Additional information can be found on the Group's website [www.bankofcyprus.com](http://www.bankofcyprus.com).



Holders of Bank of Cyprus Public Company Ltd ("the Bank") Convertible Bonds 2013/2018, Convertible Capital Securities and Convertible Enhanced Capital Securities (CECS) listed on the Cyprus Stock Exchange and Athens Exchange are informed that, the next **Period of Conversion** of the above Convertible bonds and Capital Securities to Bank of Cyprus shares according to their terms of issue is:

- Convertible Bonds 2013/2018 (ISIN:CY0140740115): 15-31 March 2012 at the current conversion price €8,11 per share
- Convertible Capital Securities (ISIN:CY0141000212): 15-31 March 2012 at the current conversion price €4,24 per share
- Convertible Enhanced Capital Securities in Euro (ISIN:CY0141890117): 1-15 March 2012 at the current conversion price €3,30 per share
- Convertible Enhanced Capital Securities in US Dollars (ISIN:CY0141900114): 1-15 March 2012 at the current conversion price €3,30 per share.

The conversion procedure as well as the application for conversion, are available on the Group's website [www.bankofcyprus.com](http://www.bankofcyprus.com) (Inv. Relations/Shareholder Structure and Share/ Convertible Capital Securities and Convertible Bonds).

As already announced, the Bank has decided to strengthen its capital base through a Capital Strengthening Plan which includes:

- A. A Share Capital Increase through a pre-emptive **Rights Offering** to raise up to €396mn. The rights ("Rights") will be issued and allocated in the ratio of one Right for each existing ordinary share. Every three Rights that are exercised will be converted into one new ordinary share of nominal value €1,00 ("New Share") at the subscription price of €1,00 per New Share. In addition, Bonus Shares will be issued and granted as fully paid in the ratio of one Bonus Share for each New Share arising from the exercise of the Rights.

Nil paid Rights will also be offered to holders of securities of the Bank which, according to their terms of issue, can be converted to shares (Convertible Bonds 2013/2018, Convertible Capital Securities, Convertible Enhanced Capital Securities).

- B. **Voluntary exchange of Convertible Enhanced Capital Securities** via the issue of up to €600mn Mandatory Convertible Notes (MCN) of nominal value €1,00 each and Tender Exchange Offer offered exclusively to existing CECS holders. The holders of CECS may exchange their CECS with MCN of equivalent nominal value. The MCN will not bear interest and will mature eight calendar days following their date of issue. On maturity of the MCN, the Bank will redeem each MCN with the issue of one fully paid New Share. In addition, Bonus Shares will be issued and granted in the ratio of one Bonus Share for every three New Shares arising from the conversion of MCN.

**The Timetable in relation to the tender offer for voluntary exchange of CECS via the issue of MCN is as follows:**

**ACCEPTANCE PERIOD OF THE VOLUNTARY TENDER EXCHANGE OFFER**

23 February – 19 March 2012 (inclusive)

**ISSUE DATE OF MCN**

20 March 2012

**DATE OF REDEMPTION OF MCN WITH NEW SHARES AND ISSUE OF BONUS SHARES**

27 March 2012