



Announcement

NOTICE OF SHAREHOLDERS' EXTRAORDINARY GENERAL MEETING

Nicosia, 11 November 2011

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 610 branches, of which 219 operate in Russia, 185 in Greece, 141 in Cyprus, 35 in Ukraine, 12 in Romania, 13 in Australia 4 in the United Kingdom and 1 in the Channel Islands. Bank of Cyprus also has 9 representative offices in Russia, Romania, Ukraine, Canada, Serbia and South Africa. The Bank of Cyprus Group employs 11.841 staff worldwide.

At 30 June 2011, the Group's Total Assets amounted to €41,80bn and the Shareholders' Funds were €3,70 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.



NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of the shareholders of Bank of Cyprus Public Company Ltd (the "Company" or the "Group") will be held at the Bank of Cyprus Group Headquarters (51 Stassinos Street, Ayia Paraskevi, Strovolos, Nicosia, Cyprus), **on Monday, 5 December 2011 at 11.00 am** at which the following matters shall be considered for approval:

CAPITAL STRENGTHENING PLAN

The Board of Directors of Bank of Cyprus Public Company Ltd, having examined the latest developments in the Eurozone and the general economic environment in the main markets in which the Group operates, the structure of the Group's capital base in light of the increased regulatory capital requirements especially regarding Core Tier 1 capital and the potential impact on the Group from possible further impairment of the Greek Government Bonds portfolio, decided to strengthen the Group's capital base through a Capital Strengthening Plan which includes a Share Capital Increase through a pre-emptive Rights Offering and a Voluntary exchange of Convertible Enhanced Capital Securities (CECS) via the issue of Mandatory Convertible Notes (MCN). The key terms of the Capital Strengthening Plan and more specifically the terms of the Rights Offering and the Mandatory Convertible Notes Issue are included in the attached documents entitled "Key terms of the Rights Offering" and "Key terms of the Mandatory Convertible Notes Issue" respectively, which have been sent to shareholders together with the invitation to the current Extraordinary General Meeting.

In view of the proposed Capital Strengthening Plan the following resolutions are proposed for approval:

A. Increase of Authorised Share Capital of the Company

Resolution pursuant to Article 59A of the Companies Law Cap 113

"That the authorised share capital of the Company be increased from €1.500.000.000 divided into 1.500.000.000 ordinary shares of nominal value €1,00 each to €3.000.000.000 divided into 3.000.000.000 ordinary shares of nominal value €1,00 each with the creation of 1.500.000.000 new ordinary shares of nominal value €1,00 each which will have the same rights (rank *pari passu*) with the existing ordinary shares of the Company."

B. Rights Offering

Special Resolutions

1. "Subject to the approval of the resolution for the increase of the authorised share capital of the Company as per resolution A above and resolutions B.2 and C below:
 - (a) the issue of Nil Paid rights (the "Rights") by the Company, for the purpose of raising capital of up to €396,3 million, the key terms of which are included in the document entitled "Key Terms of the Rights Offering" dated 11 November 2011 which has been sent to the shareholders together with the invitation to the current Extraordinary General Meeting (the "Key Terms of the Rights Offering"); and
 - (b) the extension of the offering of the Rights to the holders of securities of the Company which, according to their terms of issue, can be converted to shares (i.e. the Convertible Bonds 2013/2018, the Convertible Capital Securities and the Convertible Enhanced Capital Securities) and subsequently the offering of ordinary shares (including the Bonus Shares) which will be issued upon the exercise of the Rights in accordance with the Key Terms of the Rights Offering, which will result in the non-adherence by the Company with the shareholders' pre-emption rights in relation to the aforementioned offerings,

be and are hereby approved by the shareholders of the Company".

2. "Notwithstanding the provisions of Article 142 of the Articles of Association of the Company, the payment of the Bonus Shares that will be issued as described in the Key Terms of the Rights

Offering be made through the application of a sum from the share premium account of the Company, which shall be equal to the total nominal value of the Bonus Shares that will be issued, **be and is hereby approved by the shareholders of the Company** and that for the purpose only of the implementation of the present resolution and resolution B1 above, Article 142 of the Company's Articles of Association be considered as having been amended in such a way as to permit the issue of the Bonus Shares as described hereinabove".

C. Issue of Mandatory Convertible Notes

Special Resolutions

1. "Subject to the approval of the resolution for the increase of the authorised share capital of the Company as per resolution A above and the Rights Offering as per resolution B above and resolution C.2 below:
 - (a) the issue of mandatory convertible notes (the "Mandatory Convertible Notes") by the Company, of a total nominal value of up to €600 mil, the key terms of which are included in the document entitled "Key terms of Mandatory Convertible Notes Issue" dated 11 November 2011 which has been sent to the shareholders together with the invitation to the current Extraordinary General Meeting (the "Key Terms of the Mandatory Convertible Notes Issue"); and
 - (b) the offering of the Mandatory Convertible Notes exclusively to the Convertible Enhanced Capital Securities holders and subsequently the offering of ordinary shares (including the Bonus Shares) which will be issued for the repayment of the Mandatory Convertible Notes in accordance with the Key Terms of the Mandatory Convertible Notes Issue, which will result in the non-adherence by the Company with the shareholders' pre-emption rights in relation to the aforementioned offerings.

be and are hereby approved by the shareholders of the Company ".

2. "Notwithstanding the provisions of Article 142 of the Articles of Association of the Company, the payment of the Bonus Shares that will be issued as described in the Key Terms of the Mandatory Convertible Notes Issue, be made through the application of a sum from the share premium account of the Company, which shall be equal to the total nominal value of the Bonus Shares that will be issued, **be and is hereby approved by the shareholders of the Company** and that for the purpose only of the implementation of the present resolution and resolution C1 above, Article 142 of the Company's Articles of Association be considered as having been amended in such a way as to permit the Bonus Shares as described hereinabove".

Y. Kypri
Secretary

11 November 2011

NOTES TO THE NOTICE OF THE EXTRAORDINARY GENERAL MEETING

ENTITLEMENT TO PARTICIPATE IN THE EXTRAORDINARY GENERAL MEETING

- (1) Any person appearing as a shareholder in the Register of Members of the Company on the record date is entitled to participate in the Extraordinary General Meeting. Each ordinary share is entitled to one vote. The record date for determining the right to vote at the Extraordinary General Meeting is 28 November 2011.
- (2) A member entitled to attend and vote at the Extraordinary General Meeting is entitled to appoint a proxy to attend and vote on his behalf. Shareholders may appoint the Chairman of the Meeting or any other person as their proxy. Such proxy need not be a member of the Company. If a shareholder owns shares in the Company that are held in more than one Investor Share Code, then that shareholder may, in respect of the Extraordinary General Meeting, appoint separate proxy holders for the shares appearing in each Investor Share Code. A proxy holder holding proxies from several shareholders may cast votes differently for each shareholder. Shareholders who appoint a person as a proxy to vote on their behalf, but wish to specify how their votes be cast, should indicate accordingly in the relevant boxes on the Form of Proxy.
- (3) The instrument appointing a proxy, which is enclosed and has been posted on the Group's website www.bankofcyprus.com (under Inv. Relations/Press Releases), must be deposited at the registered office of the Company (51 Stassinos Street, Ayia Paraskevi, Strovolos, 2002 Nicosia, Cyprus, fax +357 22 336258) at least 48 hours before the time of the Meeting. Shareholders should confirm that the form of proxy has been successfully received by the Company by calling the Shares & Loan Stock Department at +357 22121755.
- (4) Shareholders and/or their proxies who will attend the Meeting are requested to carry with them their identity card or other proof of identification.
- (5) Any corporation which is a shareholder of the Company may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company.
- (6) The Articles of the Company do not provide for participation in the General Meeting by electronic means without the Shareholder attending the Meeting in person at the place where the Meeting is held. Similarly, the Articles do not provide for participation in voting by distance voting.

VOTING PROCEDURES AT GENERAL MEETINGS

- (7) At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll (before or on the declaration of the result of the show of hands) is demanded:
 - (a) by the Chairman, or
 - (b) by at least ten members present in person or by proxy, or
 - (c) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting, or
 - (d) by a member or members holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

If a poll be demanded in manner aforesaid, it shall be taken at such time (within fourteen days) and place, and in such manner, as the Chairman shall direct, and the result of the poll shall be deemed to be resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn.

- (8) A special resolution by a company shall be a resolution passed at a general meeting by a majority of not less than three-fourths of the number of members of the company entitled to vote at the meeting who are present in person or by proxy, for which relevant notice has been given pursuant to Article 135 of the Companies Law, Cap 113 specifying the intention to propose the resolution as a special resolution.
- (9) A resolution pursuant to article 59 A of Companies Law Cap 113 shall be a resolution which has been approved by a properly convened general meeting (a) by a majority of two thirds of the shareholders represented at the meeting or (b) with a simple majority where at least half of the issued share capital of the Company is represented at the general meeting.

MINORITY RIGHTS AT THE EXTRAORDINARY GENERAL MEETING

- (10) Pursuant to article 127B of Companies Law Cap 113, shareholders of the Company have the right
- (i) to put an item on the agenda of the annual general meeting, provided that the item is accompanied by a written explanation justifying the inclusion of the item or a proposed resolution for approval at the general meeting, and
 - (ii) to table a draft resolution for inclusion in the agenda of a general meeting provided that:
 - a) the shareholder or group of shareholders hold at least 5% of the issued share capital of the Company, representing at least 5% of the voting rights of shareholders entitled to vote at the meeting for which an item has been added on the agenda and
 - b) the shareholders' request to put an item on the agenda or resolution (as described above) is received by the Company's Secretary in hard copy or electronically at the addresses indicated below at least 42 days prior to the relevant meeting.

Delivery Address for Hard Copy:

Secretary, Bank of Cyprus Public Company Limited, 51 Stassinos Street,
Ayia.Paraskevi Strovolos, 2002, Nicosia, Cyprus or by fax at +357 22 379655

Electronic address: investors@bankofcyprus.com

- (11) Pursuant to section 128C of the Companies Act Chapter 113, shareholders have a right to ask questions related to items on the agenda and to have such questions answered by the Board of Directors of the Company subject to any reasonable measures the Company may take to ensure the identification of shareholders. An answer is not required if (a) it would interfere unduly with preparation for the meeting or the confidentiality or business interests of the Company or (b) an answer has already been given on the Company's website in the form of a "Q&A" or (c) the Chairman deems that it is undesirable in the interests of good order of the meeting that the question be answered. Shareholders may submit questions in writing before the Extraordinary General Meeting by sending a letter, together with evidence of their shareholding, at least four days before the meeting (i.e. by 1st November 2011) to the Company Secretary of the Company at Bank of Cyprus Public Company Ltd, 51 Stassinos Street, Ayia Paraskevi, Strovolos 2002, Nicosia, Cyprus or by fax at +357 22 379655 or by email to investors@bankofcyprus.com.

OTHER INFORMATION AND AVAILABLE DOCUMENTS

- (12) As at 11 November 2011 (being the date of the issue of this Notice), the outstanding issued share capital of the Company is €899.173.181 divided into 899.173.181 ordinary shares of nominal value €1,00 each.
- (13) The notice to the Extraordinary General Meeting, the Form of Proxy and the proposed resolutions shall be made available in electronic form on the website of the Company www.bankofcyprus.com (Investor Relations/Press Releases) and in hard copy at the Company's Shares & Loan Stock Department, 4 Evrou Street, Eurolife House, 3rd floor, Strovolos, Nicosia.

KEY TERMS OF THE CAPITAL STRENGTHENING PLAN

I. KEY TERMS OF THE RIGHTS OFFERING

ISSUER	Bank of Cyprus Public Company Ltd (the “Bank, the “Company”)
SECURITIES OFFERED	Nil Paid Rights (“Rights”)
RIGHTS ISSUE	<p>To all the shareholders and holders of securities of the Bank which, according to their terms of issue, can be converted to shares (“Eligible Securities”) (i.e the Convertible Bonds 2013/2018, Convertible Capital Securities, Convertible Enhanced Capital Securities (“CECS”) of the Bank) as if these securities had been converted into shares on the date before the record date as will be announced by the Bank (the “Eligible Securities Holders”) (subject to the restrictions for Exempt Countries as described below).</p> <p>This issue will not be offered to any shareholders or Eligible Securities Holders in any country in which, according to the laws of such country, such an offer is illegal or constitutes breach of any applicable law, rule or regulation (Exempt Countries) (e.g. United States, Canada, Australia, South Africa, Japan).</p>
RIGHTS ALLOCATION RATIO	One (1) Right for each existing ordinary share held by shareholders on the record date and one (1) Right for each share that would have been held by the holders of Eligible Securities on record date as if these were converted into shares of the Company according to their Terms of Issue at their effective conversion price.
RIGHTS SUBSCRIPTION RATIO FOR NEW SHARES	Every three (3) Rights exercised will be converted to one (1) fully paid new ordinary share of nominal value of €1,00.
NEW SHARES’ SUBSCRIPTION PRICE	€1,00 per New Share
ISSUE OF BONUS SHARES	Immediately following the completion of the Rights subscription period and the issue of the New Shares resulting from the Rights Offering, bonus shares will be issued and granted in the ratio of one fully paid bonus ordinary share for each New Share resulting from the Rights Offering . The payment of the Bonus Shares will be effected through the allocation of an amount equal to the total nominal value of the Bonus Shares issued from the share premium account of the Company.
ISSUED SHARE CAPITAL PRIOR TO RIGHTS OFFERING	€99.173.181 divided into 899.173.181 ordinary shares of nominal value of €1,00 each.
NUMBER OF RIGHTS TO BE ISSUED	1.188.939.626 <i>(the exact number will be determined on the record date as per the note below)</i> .
TOTAL SHARE CAPITAL TO BE LISTED (IN THE EVENT THAT ALL RIGHTS ARE EXERCISED)	<p>Up to €396,3 mil divided into 396,3 mil ordinary shares of nominal value of €1,00 each from the exercise of the Rights and up to €396,3 mil divided into 396,3 mil ordinary shares of nominal value of €1,00 each from the issue of bonus shares to the holders of New Shares resulting from the Rights Offering though capitalisation of reserves. <i>(the exact number will be determined on the record date as per the note below)</i></p> <p>In total up to €792,6 mil divided into 792,6 mil ordinary shares of nominal value of €1,00 each. <i>(the exact number will be determined on the record date as per the note below)</i></p>
RANKING OF NEW SHARES	All new shares issued and granted following the exercise of the Rights from eligible holders and the subsequent issue and granting of Bonus Shares will rank pari passu with existing issued shares in all respects.
USE OF PROCEEDS OF THE RIGHTS ISSUE	The proceeds of the issue will be used to strengthen the Group’s capital adequacy and specifically its Core Tier 1 capital.
LISTING AND TRADING	The Nil Paid Rights will be listed and traded on the Cyprus Stock Exchange and the Athens Exchange upon receiving the necessary approvals from the competent authorities.

1 For the calculation of the number of Rights resulting from the CECS issued in US Dollars, the indicative exchange rate of 1€=1,39\$ was used. The exact number of Rights to be issued and as a result the maximum share capital to be listed will be determined by the exchange rate between the €/\$ on the record date. Fractions will be ignored.

II. KEY TERMS OF THE MANDATORY CONVERTIBLE NOTES ISSUE

ISSUER	Bank of Cyprus Public Company Limited (the “Bank”, the “Issuer”, the “Company”)
SECURITIES OFFERED FOR EXCHANGE	Mandatory Convertible Notes (“MCN”)
TOTAL ISSUE SIZE	Up to €600,000,000
MCN NOMINAL VALUE	€1,00 (one Euro)
MCN ISSUE PRICE	At par and multiples thereof
COUPON	Zero
DURATION	Eight (8) calendar days from issue date.
VOLUNTARY TENDER EXCHANGE OFFER	<p>MCN will be offered to all registered Convertible Enhanced Capital Securities (“CECS”) holders (Eligible CECS Holders) as at record date for the exchange of CECS of nominal value €1,00 each with MCN of a corresponding nominal value.</p> <p>This Tender Exchange Offer will not be offered to any CECS’ holders in any country in which, according to the laws of such country, such an offer is illegal or constitutes breach of any applicable law, rule or regulation (Exempt Countries) (e.g. United States, Canada, Australia, South Africa, Japan).</p>
EXCHANGE RATIO	1 MCN with nominal value €1,00 each for every CECS of nominal value €1,00 each.
EXCHANGE OF CECS WITH MCN	<p>The holders of CECS will be eligible to participate in the Voluntary Tender Exchange Offer for the exchange of CECS with MCN of a corresponding nominal value.</p> <p>Any CECS that will be exchanged and accepted by the Bank for subscription to the issue of MCN, will be cancelled and the Bank will cease to have any obligations in relation to the cancelled CECS thereof.</p>
EXCHANGE OF CECS ISSUED IN US DOLLARS	The holders of CECS issued in US Dollars will be eligible to participate in the Tender Exchange Offer for the exchange of CECS with MCN of a corresponding nominal value in Euro, calculated using the €/\$ exchange rate at record date of the Tender Exchange Offer as will be announced by the Bank. Fractional MCN will be ignored.
ALLOTMENT IN CASE OF OVER ACCEPTANCE	If acceptance of the Tender Exchange Offer exceeds the aggregate amount of €600mil MCN, the final allocation of MCN will be on a pro-rata basis of the subscribed amount.
REDEMPTION OF MCN WITH SHARES	Upon Maturity, each MCN of nominal value €1,00 will be fully redeemed by the Bank with the issuance of one new ordinary share of nominal value €1,00 without any further consideration to be paid.
EFFECT OF REDEMPTION	Cancellation of MCN and respective increase of the share capital of the Issuer by an equal amount.
ISSUE OF BONUS SHARES	Immediately following the completion of the Tender Exchange Offer and the issuance of the new ordinary shares from the redemption of MCN, new Bonus Shares will be issued and granted in the ratio of one fully paid bonus share for every 3 new ordinary shares resulting from the redemption of MCN i.e. up to 200 mil Bonus Shares will be issued. Fractional Bonus Shares will not be issued. The payment of the Bonus Shares will be effected, through the allocation of an amount equal to the total nominal value of the Bonus Shares issued, from the share premium account of the Company.
TENDER EXCHANGE OFFER RATIONALE	Strengthening of the Group’s Core Tier 1 capital.
LISTING AND TRADING	MCN will not be transferable and will not be listed and traded on any organised market. The New Shares from the MCN’s redemption and the Bonus Shares will be listed and traded on the Cyprus Stock Exchange and the Athens Exchange, upon receiving all necessary approvals from the competent regulatory authorities.

11 November 2011