

Announcement

Resolutions of the Shareholders Extraordinary General Meeting (EGM)

Nicosia, 13 December 2016

Group Profile

Founded in 1899, Bank of Cyprus Group is the leading banking and financial services group in Cyprus. The Group provides a wide range of financial products and services which include retail and commercial banking, finance, factoring, investment banking, brokerage, fund management, private banking, life and general insurance. The Group operates through a total of 129 branches, of which 123 operate in Cyprus, 1 in Romania, 4 in the United Kingdom and 1 in the Channel Islands. Bank of Cyprus also has representative offices in Russia, Ukraine and China. The Bank of Cyprus Group employs 4.229 staff worldwide. At 30 September 2016, the Group's Total Assets amounted to €22,4 bn and Total Equity was €3,1 bn.

An Extraordinary General Meeting ("EGM") of the shareholders of the Bank of Cyprus Public Company Ltd ("the Company" or "the Bank") was held at the Company's Headquarters on Tuesday, 13 December 2016. The EGM was attended by 520 shareholders, either in person or by proxy, who represented 4,752,773,836 shares, that is 53.265% of the total issued share capital of the Company.

The EGM approved the scheme of arrangement dated 21 November 2016 between the Company, Bank of Cyprus Holdings plc and the holders of shares in the Company and authorised the directors of the Company to take all such actions as they consider necessary or appropriate for carrying the Scheme into effect.

The EGM for the purposes of giving effect to the Scheme also approved a special resolution for:

- (i) the reduction in the issued share capital of the Company from €892,294,453.30 divided into 8,922,944,533 ordinary shares of a nominal value of €0.10 each to nil by cancelling all the shares comprising the issued share capital of the Company (the "Existing Shares") held at the Scheme Record Time (as defined in the Scheme) resulting in the creation of a capital reduction reserve in the accounts of the Company, equal to the aggregate nominal value of the Existing Shares so cancelled, and which shall be retained as a non-distributable capital reserve in accordance with the provisions of subsection (e) of section 64 of the Companies Law, Cap. 113 (the "Reduction of Capital");
- (ii) forthwith and contingent upon the Reduction of Capital taking effect, the increase in the authorised share capital of the Company to €4,767,759,272.00 divided into 47,677,592,720 ordinary shares with a nominal value of €0.10 each through the creation of 8,922,944,533 new but unissued ordinary shares with a nominal value of €0.10 each, each of which shall have the same rights and shall rank *pari passu* with the existing ordinary shares of the Company;
- (iii) forthwith and contingent upon the Reduction of Capital taking effect, and notwithstanding anything to the contrary in the articles of association of the Company, apply the reserve arising in the books of account of the Company as a result of the cancellation of the Existing Shares in paying up in full at par 8,922,944,533 new ordinary shares with a nominal value of €0.10 each in the capital of the Company, which shall be issued and allotted, credited as fully paid, to Bank of Cyprus Holdings plc or its nominee(s) in accordance with the Scheme; and
- (iv) the authorization of the directors of the Company to give effect to this special resolution and, accordingly, to effect the allotment of the new ordinary shares in the capital of the Company, provided that: (a) the maximum aggregate nominal amount of the shares which may be allotted under this authority shall be the nominal value of the new shares created pursuant to paragraph (iii) above; and (b) this authority shall be in

addition and without prejudice to any other authority under (or deemed to be given) under section 60B of the Cyprus Companies Law, previously granted and in force on the date on which this resolution is passed.

The voting results for each of the resolutions can be seen in the table below:

Resolution number	Voting For		Voting Against		Approved Yes /No
	Number of shares	% of total valid votes casted	Number of shares	% of total valid votes casted	
A	4,739,818,773	99.74%	12,366,282	0.26%	Yes
B	4,739,109,312	99.74%	12,488,839	0.26%	Yes

It is expected that any securities will be issued in reliance upon the exemption from the registration requirements of the US Securities Act of 1933 (the “Securities Act”) provided by Section 3(a)(10) of the Securities Act. To qualify for the exemption from the registration requirements of the Securities Act, the Bank will advise the Court that BOC Holdings will rely on an exemption under Section 3(a)(10) of the Securities Act based on the Court’s sanctioning of the Scheme, which will be relied upon by BOC Holdings as an approval of the Scheme following a hearing upon the fairness of the Scheme terms and conditions at which hearing all such Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme.