

FINANCIAL INFORMATION

FOR THE PERIOD FROM 1 JANUARY 2010 TO

31 MARCH 2010

as stipulated by Decision 4/507/28.04.2009 of

the Board of Directors of the

Greek Capital Markets Commission

The financial information presented below is aiming to provide a general awareness about the financial position and results of the Bank of Cyprus Group (the 'Group') and the holding company Bank of Cyprus Public Company Ltd (the 'Company'). We recommend to the reader, before any investment decision or transaction is performed with the Group, to visit the Group's website where the financial statements prepared in accordance with International Financial Reporting Standards are available, together with the independent auditors' review report, when required. These are also available at the Registered Office of the Company (51 Stassinou Street, Ayia Paraskevi, Strovolos, P.O. Box 24884, CY-1398 Nicosia, Cyprus, Telephone: +357 22 122128, Fax: +357 22 378422).

Website: www.bankofcyprus.com - Investor Relations/Financial Information.

Date of approval of the interim financial statements for the period ended 31 March 2010 by the Board of Directors: 26 May 2010.

Bank of Cyprus Group

Extracts from the Interim Consolidated Income Statement and Statement of Comprehensive Income

for the three months ended 31 March 2010

	Three months ended 31 March	
	2010	2009
	€000	€000
Net interest income	241.542	181.254
Net fee and commission income	52.272	54.040
Foreign exchange income	7.976	20.303
Net gains/(losses) on sale, revaluation and impairment of investments and derivative financial instruments	19.031	(2.763)
Insurance income net of insurance claims	15.072	15.261
Other income	1.776	1.018
	337.669	269.113
Staff costs	(107.663)	(98.259)
Other operating expenses	(64.574)	(57.611)
Profit before provisions	165.432	113.243
Provisions for impairment of loans and advances	(73.498)	(34.878)
Profit before share of profit of associate	91.934	78.365
Share of loss of associate	(473)	(160)
Profit before tax	91.461	78.205
Taxation	(12.061)	(16.076)
Profit after tax	79.400	62.129
Attributable to:		
Non-controlling interests (loss)	(1.962)	(942)
Owners of the Company	81.362	63.071
Basic earnings per share (€)	0,1363	0,1074
Profit after tax	79.400	62.129
Other comprehensive expense after tax	(12.583)	(83.502)
Total comprehensive income/(expense) for the period	66.817	(21.373)
Attributable to:		
Non-controlling interests (profit/(loss))	2.002	(938)
Owners of the Company	64.815	(20.435)

Bank of Cyprus Group

Extracts from the Interim Consolidated Balance Sheet

as at 31 March 2010

		31 March 2010	<i>31 December 2009</i>
	Notes	€000	€000
Assets			
Cash and balances with central banks		913.186	1.043.791
Placements with banks		4.799.215	5.947.768
Reverse repurchase agreements		120.097	120.137
Investments	3	5.719.404	4.928.113
Derivative financial assets		156.464	60.739
Loans and advances to customers		26.265.962	25.635.780
Life insurance business assets attributable to policyholders		555.407	541.574
Property and equipment		411.563	406.272
Intangible assets		486.398	453.141
Other assets		295.298	267.534
Investment in associate		6.079	6.552
Total assets		39.729.073	39.411.401
Liabilities			
Obligations to central banks and amounts due to banks		4.994.262	5.290.897
Repurchase agreements		305.939	494.806
Derivative financial liabilities		264.381	139.551
Customer deposits		29.203.103	28.584.561
Insurance liabilities		636.641	618.097
Debt securities in issue		524.804	519.111
Other liabilities	4	290.037	332.037
Subordinated loan stock		956.486	946.843
Total liabilities		37.175.653	36.925.903
Equity			
Share capital		598.197	598.197
Reserves		1.890.835	1.824.915
Equity attributable to the owners of the Company		2.489.032	2.423.112
Non-controlling interests		64.388	62.386
Total equity		2.553.420	2.485.498
Total liabilities and equity		39.729.073	39.411.401

Bank of Cyprus Public Company Ltd
 Extracts from the Interim Income Statement and
 Statement of Comprehensive Income

for the three months ended 31 March 2010

	Three months ended 31 March	
	2010	2009
	€000	€000
Net interest income	205.520	152.514
Net fee and commission income	41.983	41.878
Foreign exchange income	5.836	14.943
Net gains/(losses) on sale, revaluation and impairment of investments and derivative financial instruments	21.637	(649)
Other income	503	367
	275.479	209.053
Staff costs	(83.879)	(75.021)
Other operating expenses	(44.366)	(39.093)
Profit before provisions	147.234	94.939
Provisions for impairment of loans and advances	(66.791)	(25.550)
Profit before tax	80.443	69.389
Taxation	(8.865)	(9.065)
Profit after tax	71.578	60.324
Basic earnings per share (€)	0,1197	0,1025
Profit after tax	71.578	60.324
Other comprehensive expense after tax	(10.045)	(54.317)
Total comprehensive income for the period	61.533	6.007

Bank of Cyprus Public Company Ltd

Extracts from the Interim Balance Sheet

as at 31 March 2010

		31 March 2010	<i>31 December 2009</i>
	Notes	€000	€000
Assets			
Cash and balances with central banks		732.600	806.392
Placements with banks		4.386.615	5.574.876
Reverse repurchase agreements		120.097	120.137
Investments	3	5.629.606	4.835.360
Derivative financial assets		102.673	60.625
Loans and advances to customers		22.692.958	22.348.253
Bank accounts of Group Companies		3.800.406	3.710.358
Investments in Group Companies		964.577	901.819
Property and equipment		275.265	276.022
Intangible assets		16.566	16.123
Other assets		106.812	87.349
Investment in associates		10.984	11.457
Total assets		38.839.159	38.748.771
Liabilities			
Obligations to central banks and amounts due to banks		4.978.587	5.273.140
Repurchase agreements		305.939	494.806
Derivative financial liabilities		210.497	139.404
Customer deposits		27.365.283	26.930.934
Bank accounts of Group Companies		1.907.237	1.872.510
Debt securities in issue		511.001	498.866
Other liabilities	4	162.095	212.192
Subordinated loan stock		950.042	940.785
Total liabilities		36.390.681	36.362.637
Equity			
Share capital		598.197	598.197
Reserves		1.850.281	1.787.937
Total equity		2.448.478	2.386.134
Total liabilities and equity		38.839.159	38.748.771

Bank of Cyprus Group

Extracts from the Interim Consolidated Statement of Changes in Equity

for the three months ended 31 March 2010

	Three months ended 31 March	
	2010	2009
	€000	€000
Total equity, at 1 January	2.485.498	2.056.367
Total comprehensive income/(expense) after tax	66.817	(21.373)
Disposals/(purchases) of shares of the Company by subsidiaries and associates	249	(66)
Cost of share-based payments	856	2.015
Total equity, at 31 March	2.553.420	2.036.943

Bank of Cyprus Group

Extracts from the Interim Statement of Comprehensive Income

for the three months ended 31 March 2010

	Three months ended 31 March	
	2010	2009
	€000	€000
Profit after tax	79.400	62.129
Foreign currency translation reserve	54.486	(48.759)
Available-for-sale investments	(67.744)	(25.704)
Cash flow hedges	679	(5.930)
Property revaluation	(4)	(3.109)
Total comprehensive income/(expense) for the period	66.817	(21.373)

Bank of Cyprus Public Company Ltd
Extracts from the Interim Statement of Changes in Equity

for the three months ended 31 March 2010

	Three months ended 31 March	
	2010	2009
	€000	€000
Total equity at 1 January	2.386.134	2.134.750
Total comprehensive income after tax	61.533	6.007
Cost of share-based payments	811	1.912
Total equity, at 31 March	2.448.478	2.142.669

Bank of Cyprus Public Company Ltd
Extracts from the Interim Statement of Comprehensive Income

for the three months ended 31 March 2010

	Three months ended 31 March	
	2010	2009
	€000	€000
Profit after tax	71.578	60.324
Foreign currency translation reserve	(182)	50
Available-for-sale investments	(10.542)	(48.437)
Cash flow hedges	679	(5.930)
Total comprehensive income for the period	61.533	6.007

Bank of Cyprus Group

Extracts from the Interim Consolidated Statement of Cash Flows

for the three months ended 31 March 2010

	Three months ended 31 March	
	2010	2009
	€000	€000
Net cash flow (used in)/from operating activities	(420.225)	367.332
Net cash flow used in investing activities	(762.980)	(168.089)
Net cash flow used in financing activities	(498)	(81.900)
Net (decrease)/increase in cash and cash equivalents for the period	(1.183.703)	117.343
Exchange adjustments	(2.860)	(105.685)
Total cash (outflow)/inflow for the period	(1.186.563)	11.658
Cash and cash equivalents, at 1 January	6.156.656	4.787.851
Cash and cash equivalents, at 31 March	4.970.093	4.799.509

Bank of Cyprus Public Company Ltd

Extracts from the Interim Statement of Cash Flows

for the three months ended 31 March 2010

	Three months ended 31 March	
	2010	2009
	€000	€000
Net cash flow (used in)/from operating activities	(245.611)	130.139
Net cash flow used in investing activities	(806.989)	(171.436)
Net cash flow used in financing activities	(37.284)	(79.556)
Net decrease in cash and cash equivalents for the period	(1.089.884)	(120.853)
Exchange adjustments	(29.511)	(70.078)
Total cash outflow for the period	(1.119.395)	(190.931)
Cash and cash equivalents, at 1 January	5.609.211	4.295.310
Cash and cash equivalents, at 31 March	4.489.816	4.104.379

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Notes

1. The Interim Condensed Consolidated Financial Statements for the three months ended 31 March 2010 have been prepared in accordance with the International Financial Reporting Standard IAS 34 'Interim Financial Reporting' as adopted by the European Union.
2. The accounting policies adopted for the preparation of the Interim Condensed Consolidated Financial Statements for the three months ended 31 March 2010 are consistent with those followed for the preparation of the annual financial statements for year 2009, except for the adoption by the Group of the following standards, amendments and interpretations as of 1 January 2010, which did not have any material impact on the Group's financial statements:
 - Amendments to IFRS 1 'First-time Adoption of International Financial Reporting Standards — Additional Exemptions for First-time Adopters'.
 - Amendments to IFRS 2 'Group Cash-settled Share-based Payment Arrangements'.
 - Amendment to IAS 39 'Financial Instruments: Recognition and Measurement — Eligible Hedged Items'.
 - IFRIC 17 'Distributions of Non-cash Assets to Owners'.
 - Improvements to International Financial Reporting Standards (issued in 2009).
3. Investments of the Group and the Company are analysed as follows:

	31 March	<i>31 December</i>
	2010	<i>2009</i>
Group	€000	€000
Investments of fair value through profit or loss	345.957	346.127
Investments available-for-sale	4.987.381	4.168.056
Investments held-to-maturity	68.039	93.079
Investments classified as loans and receivables	318.027	320.851
	5.719.404	4.928.113
Company		
Investments of fair value through profit or loss	313.723	312.495
Investments available-for-sale	4.926.843	4.110.674
Investments held-to-maturity	71.013	91.340
Investments classified as loans and receivables	318.027	320.851
	5.629.606	4.835.360

4. Other liabilities at 31 March 2010 include provisions for pending litigation or claims of €9.692 thousand for the Group and €3.244 thousand for the Company and other provisions of €19.332 thousand for the Group and €18.715 thousand for the Company. There are no other significant pending litigation, claims or assessments against the Group or the Company, the outcome of which would have a material effect on the Group's or Company's financial position or operations.

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5. The number of persons employed by the Group at 31 March 2010 was 12,127 persons (31 March 2009: 11,999) and by the Company was 6,577 persons (31 March 2009: 6,626).
6. The number of shares of the Company held by its subsidiaries and associates (including shares that are held by life insurance subsidiaries which hold the shares as part of financial assets that are invested for the benefit of insurance policyholders) at 31 March 2010 was 5,692 thousand and their cost of acquisition was €33,066 thousand.
7. The companies and branches that are included in the consolidated financial statements of the Group at 31 March 2010 and the method of consolidation used are set out in Note 17 of the Interim Condensed Consolidated Financial Statements.

On 31 October 2008, the Company acquired (through BOC Russia (Holdings) Ltd) 80% of the share capital of CB Uniastrum Bank LLC and Uniastrum Leasing LLC in Russia. The two founding shareholders who lead the management of CB Uniastrum Bank LLC and Uniastrum Leasing LLC maintain, through BOC Russia (Holdings) Ltd, a 10% interest each.

Until 27 July 2009, this residual shareholding in CB Uniastrum Bank LLC was subject to a put/call option arrangement over a three year period, payable in cash, depending on the financial performance of the two companies during this period. This arrangement was accounted for in the consolidated financial statements as a liability. This resulted in accounting as if the Group had already acquired the shares subject to this arrangement. Therefore, no non-controlling interest was recognised for reporting purposes in relation to the shares that were subject to this arrangement. On 27 July 2009 the Company signed a new five year owner agreement with the two founding shareholders of CB Uniastrum Bank LLC, by which they will maintain their management roles as well as continue to hold a residual 10% interest in Uniastrum each.

The signing of the above agreement resulted in a change in the accounting treatment of CB Uniastrum Bank LLC in the consolidated financial statements of the Group. Pursuant to the signing of the agreement and the cancellation of the put/call option arrangement and extinguishment of the related liability, CB Uniastrum Bank LLC is included in the consolidated financial statements of the Group as an 80% subsidiary with the corresponding recognition of a 20% non-controlling interest. Upon this change in ownership, the difference between the extinguished liability and the share of assets and liabilities attributable to the non-controlling interests was treated as a transaction between owners.

On 1 September 2009 Cyprus Leasing LLC and Uniastrum Leasing LLC merged to form Leasing Company Uniastrum Leasing which provides finance lease services in Russia and is 100% owned by the Group.

During 2009 the Group proceeded with a reduction in the share capital of the subsidiary company LLC CB Bank of Cyprus, which was renamed to Leadbank LLC on 26 January 2010. On 4 February 2010 the Group signed an agreement to sell 100% of the share capital of Leadbank LLC.

During 2009, Katoikia I Mortgage Finance Plc, Katoikia I Holdings Ltd, Misthosis Funding Plc and Misthosis Funding (Holding) Ltd were incorporated as special purpose entities for the securitisation of housing loans and finance lease receivables. The securitisations aim at further enhancing the prudential liquidity ratios of the Group.

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All Group companies are accounted for as subsidiaries using the consolidation method, except for JCC Payment Systems Ltd for which proportional consolidation is used and Interfund Investments Plc for which the equity method is used.

There were no other changes in the companies being consolidated and their accounting treatment compared to 31 March 2009, except as described above.

8. On 24 February 2010, the Board of Directors decided to propose the payment of a final dividend of €0,08 per share amounting to €47.856 thousand, which will be proposed for approval at the Annual General Meeting of the shareholders on 26 May 2010. The proposed ex-dividend date will be 2 June 2010, that is buy transactions that will take place before market close of the Cyprus Stock Exchange and Athens Exchange on 1 June 2010 will be eligible to receive the dividend, which will be paid on 17 June 2010.
9. Related party transactions:
 - (a) Loans and other advances to members of the Board of Directors and key management personnel: €9.994 thousand for the Group and the Company.
 - (b) Loans and other advances to other connected persons: €208.355 thousand for the Group and €4.008.761 thousand for the Company.
 - (c) Contingent liabilities and commitments (mainly documentary credits, guarantees and commitments to lend): €57.412 thousand for the Group and the Company.
 - (d) Deposits by members of the Board of Directors and key management personnel: €77.856 thousand for the Group and the Company.
 - (e) Deposits by other connected persons: €42.265 thousand for the Group and €1.949.502 thousand for the Company.
 - (f) Interest income: €2.470 thousand for the Group and €33.973 thousand for the Company.
 - (g) Interest expense: €1.464 thousand for the Group and €16.348 thousand for the Company.
 - (h) Remuneration and other transactions of members of the Board of Directors, key management personnel and connected persons: €1.727 thousand for the Group and €1.623 thousand for the Company.
 - (i) Debt securities in issue and subordinated loan stock to members of the Board of Directors and key management personnel: €17.215 thousand for the Group and the Company.
 - (j) Debt securities in issue and subordinated loan stock to other connected persons: €3.547 thousand for the Group and the Company.