

## FINANCIAL DATA AND INFORMATION FOR THE PERIOD ENDED 30 JUNE 2006 (expressed in Euro)

The financial information presented below is aiming to provide a general awareness about the financial position and financial results of the Bank of Cyprus Group (the "Group") and the holding company Bank of Cyprus Public Company Ltd (the "Company"). We therefore recommend that, before making any investment decision or other transaction with the Group, readers should visit the Group's website ([www.bankofcyprus.com](http://www.bankofcyprus.com) - Investor Relations/Financial Information) where the Interim Condensed Consolidated Financial Statements prepared in accordance with International Financial Reporting Standards are available, together with the auditor's Review Report when required and the detailed explanatory statement of results. These documents are also available at the Registered Office of the Company (51 Stassinou Street, Ayia Paraskevi, Strovolos, P.O. Box 24884, 1398 Nicosia, Cyprus, Telephone: +357 22 842128, Fax: +357 22 378422).

### BANK OF CYPRUS GROUP

#### INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT for the six months and the three months ended 30 June 2006

	Notes	Six months ended 30 June		Three months ended 30 June	
		2006 €000	2005 €000	2006 €000	2005 €000
Turnover		770.761	659.395	394.941	335.501
Net interest income		284.498	230.079	148.182	115.545
Net fee and commission income		85.488	74.889	44.037	39.148
Foreign exchange income		15.089	11.183	8.430	5.767
Net gains/(losses) on sale and change in fair value of financial instruments		32.320	(252)	17.725	(516)
Income from insurance business		22.718	20.377	10.388	10.092
Other income	2	4.068	6.562	2.317	1.811
		444.181	342.838	231.079	171.847
Staff costs		(130.381)	(128.629)	(64.004)	(62.697)
Other operating expenses	3	(78.776)	(73.949)	(40.728)	(37.500)
Profit before provisions		235.024	140.260	126.347	71.650
Provisions for bad and doubtful debts		(58.951)	(73.600)	(27.402)	(38.937)
Profit before tax		176.073	66.660	98.945	32.713
Tax		(28.212)	(12.206)	(15.817)	(6.165)
Profit after tax		147.861	54.454	83.128	26.548
Basic earnings per share (cent)		27.1	10.9	15.2	5.3
Diluted earnings per share (cent)		27.1	10.9	15.2	5.3

### BANK OF CYPRUS PUBLIC COMPANY LTD

#### INTERIM CONDENSED INCOME STATEMENT for the six months and the three months ended 30 June 2006

	Notes	Six months ended 30 June		Three months ended 30 June	
		2006 €000	2005 €000	2006 €000	2005 €000
Turnover		679.087	564.894	348.784	288.618
Net interest income		274.887	211.397	142.956	106.354
Net fee and commission income		75.687	66.781	38.939	34.761
Foreign exchange income		15.049	11.216	8.424	5.802
Net gains/(losses) on sale and change in fair value of financial instruments		32.400	(367)	17.635	(760)
Other income	2	1.318	2.034	831	689
		398.981	291.061	208.785	146.846
Staff costs		(119.750)	(115.462)	(58.439)	(56.178)
Other operating expenses	3	(71.572)	(66.433)	(37.017)	(33.939)
Profit before provisions		207.659	109.166	113.329	56.729
Provisions for bad and doubtful debts		(55.916)	(67.477)	(25.690)	(35.588)
Profit before tax		151.743	41.689	87.639	21.141
Tax		(24.007)	(7.207)	(13.898)	(3.617)
Profit after tax		127.736	34.482	73.741	17.524
Basic earnings per share (cent)		23.4	6.9	13.5	3.5
Diluted earnings per share (cent)		23.4	6.9	13.5	3.5

#### INTERIM CONDENSED CONSOLIDATED BALANCE SHEET as at 30 June 2006

	Notes	30 June 2006 €000	31 Dec. 2005 €000
<b>Assets</b>			
Cash and balances with central banks		1.037.481	1.063.793
Placements with banks		3.888.410	4.484.000
Investments at fair value through profit or loss		294.243	155.358
Loans and other advances to customers		13.288.602	12.146.454
Investments available-for-sale and held-to-maturity		3.397.475	3.383.063
Property and equipment		272.327	277.677
Intangible assets		17.972	19.003
Other assets	4	356.892	332.188
		22.553.402	21.861.536
Life assurance business net assets attributable to policyholders		443.534	403.141
<b>Total assets</b>		22.996.936	22.264.677
<b>Liabilities</b>			
Amounts due to banks		619.818	309.129
Customer deposits and other accounts		18.562.445	18.651.278
Debt securities in issue		974.677	553.419
Other liabilities	5	418.803	389.045
		20.575.743	19.902.871
Life assurance business liabilities to policyholders		443.534	403.141
Subordinated loan stock		554.224	634.054
<b>Equity</b>			
Share capital		477.856	474.188
Reserves		945.579	850.423
		1.423.435	1.324.611
<b>Total liabilities and equity</b>		22.996.936	22.264.677
<b>Contingent liabilities and commitments</b>			
Contingent liabilities		1.397.123	1.340.537
Commitments		2.304.814	2.416.899
<b>V. G. Rologis</b>	Chairman		
<b>A. Artemis</b>	Vice-Chairman		
<b>A. Eliades</b>	Group Chief Executive Officer		
<b>C. G. Stavrakis</b>	Chief Executive Officer-Cyprus and Deputy Group Chief Executive Officer		
<b>Y. Kypr</b>	Group Chief General Manager		
<b>Chr. Hadjimitsis</b>	Group General Manager Finance		

#### INTERIM CONDENSED BALANCE SHEET as at 30 June 2006

	Notes	30 June 2006 €000	31 Dec. 2005 €000
<b>Assets</b>			
Cash and balances with central banks		1.037.477	1.056.304
Placements with banks		3.794.117	4.420.506
Investments at fair value through profit or loss		278.151	138.602
Loans and other advances to customers		11.902.083	10.439.219
Bank accounts of Group companies		1.224.049	1.563.532
Investments available-for-sale and held-to-maturity		3.339.943	3.331.424
Investments in Group companies		327.254	322.998
Property and equipment		226.193	229.847
Intangible assets		15.917	16.282
Other assets	4	219.249	195.185
<b>Total assets</b>		22.374.433	21.713.899
<b>Liabilities</b>			
Amounts due to banks		613.174	305.917
Customer deposits and other accounts		18.157.096	18.259.360
Bank accounts of Group companies		361.861	394.490
Debt securities in issue		974.176	552.918
Other liabilities	5	290.063	242.143
		20.396.370	19,754,828
Subordinated loan stock		554.224	634.054
<b>Equity</b>			
Share capital		477.856	474.188
Reserves		945.983	850.829
		1.423.839	1,325,017
<b>Total liabilities and equity</b>		22.374.433	21,713,899
<b>Contingent liabilities and commitments</b>			
Contingent liabilities		1.451.357	1,402,779
Commitments		2,271,350	2,385,468
<b>V. G. Rologis</b>	Chairman		
<b>A. Artemis</b>	Vice-Chairman		
<b>A. Eliades</b>	Group Chief Executive Officer		
<b>C. G. Stavrakis</b>	Chief Executive Officer - Cyprus and Deputy Group Chief Executive Officer		
<b>Y. Kypr</b>	Group Chief General Manager		
<b>Chr. Hadjimitsis</b>	Group General Manager Finance		

#### INFORMATION EXTRACTED FROM THE INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the six months ended 30 June 2006

	Six months ended 30 June	
	2006 €000	2005 €000
Total equity, at 1 January	1.324.611	972.370
Profit after tax	147.861	54.454
Exercise of share options	4.692	---
Dividend reinvestment	20.583	7.353
Dividend paid	(66.454)	(32.332)
Net (losses)/profits recognised directly in equity	(7.858)	27.963
Total equity, at 30 June	1,423,435	1,029,808

#### INFORMATION EXTRACTED FROM THE INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY for the six months ended 30 June 2006

	Six months ended 30 June	
	2006 €000	2005 €000
Total equity, at 1 January	1.325.017	972.777
Profit after tax	127.736	34.482
Exercise of share options	4.692	---
Dividend reinvestment	20.583	7.353
Dividend paid	(66.454)	(32.332)
Net profits recognised directly in equity	10.828	47.936
Transfer of reserves of subsidiary companies following their merger with the holding company	1.437	---
Total equity, at 30 June	1,423,839	1,030,216

#### INFORMATION EXTRACTED FROM THE INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT for the six months ended 30 June 2006

	Six months ended 30 June	
	2006 €000	2005 €000
Net cash flow (used in)/from operating activities	(270.295)	1.138.602
Net cash flow from investing activities	35.704	1.593
Net cash flow used in financing activities	(124.607)	(38.218)
Net (decrease)/increase in cash and cash equivalents for the six months	(359.198)	1,101,977
<b>Cash and cash equivalents</b>		
At 1 January	4.834.962	2,784,579
Exchange adjustments	66	(10)
Net (decrease)/increase in cash and cash equivalents for the six months	(359.198)	1,101,977
At 30 June	4,475,830	3,886,546

#### INFORMATION EXTRACTED FROM THE INTERIM CONDENSED CASH FLOW STATEMENT for the six months ended 30 June 2006

	Six months ended 30 June	
	2006 €000	2005 €000
Net cash flow (used in)/from operating activities	(287.388)	1,137,791
Net cash flow from investing activities	42.555	1,504
Net cash flow used in financing activities	(124.607)	(38,218)
Net (decrease)/increase in cash and cash equivalents for the six months	(369.440)	1,101,077
<b>Cash and cash equivalents</b>		
At 1 January	4,804,449	2,712,179
Exchange adjustments	30	(297)
Net (decrease)/increase in cash and cash equivalents for the six months	(369.440)	1,101,077
At 30 June	4,435,039	3,812,959

#### NOTES:

- The Interim Condensed Consolidated Financial Statements were authorised for issue by a resolution of the Board of Directors on 27 July 2006. The Interim Condensed Consolidated Financial Statements for the six months ended 30 June 2006 have been prepared in accordance with International Financial Reporting Standards (IFRSs) applicable to interim financial reporting as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union (EU) (IAS 34 Interim Financial Reporting). The financial statements are presented in Cyprus pounds (€). For information purposes, extracts from the Interim Condensed Consolidated Financial Statements of the Group and the Company are presented in this announcement in Euro. The translation from Cyprus Pounds to Euro for information relating to the current period as well as prior periods presented, was carried out using the average Euro-Cyprus Pound exchange rate as at 30 June 2006, which was €1=€0.5750.
- Other income for the six months ended 30 June 2006 includes dividend income of €176 thousand (corresponding period of 2005: €197 thousand) for the Group and €110 thousand (corresponding period of 2005: €90 thousand) for the Company. The dividend for the three months ended 30 June 2006 amounts to €146 thousand (corresponding period of 2005: €89 thousand) for the Group and €82 thousand (corresponding period of 2005: €17 thousand) for the Company.
- Other operating expenses for the six months ended 30 June 2006 include depreciation of property and equipment and amortisation of intangible assets of €16.207 thousand (corresponding period of 2005: €17.184 thousand) for the Group and €15.236 thousand (corresponding period of 2005: €15.689 thousand) for the Company. The depreciation and amortisation for the three months ended 30 June 2006 amount to €7.997 thousand (corresponding period of 2005: €8.551 thousand) for the Group and €7.520 thousand (corresponding period of 2005: €7.833 thousand) for the Company.
- Other assets as at 30 June 2006 for the Group and the Company include the positive fair value of derivative financial instruments of €43.191 thousand (31 December 2005: €14.311 thousand).
- Other liabilities as at 30 June 2006 for the Group and the Company include the negative fair value of derivative financial instruments of €15.577 thousand (31 December 2005: €21.927 thousand) and provisions for pending litigation or claims of €3.522 thousand (31 December 2005: €3.522 thousand).
- The number of persons employed by the Group as at 30 June 2006 was 6,100 (31 December 2005: 6,065) and by the Company was 5,576 (31 December 2005: 5,435).

**NOTES:**

7. The Interim Condensed Consolidated Financial Statements of the Group as at 30 June 2006 include the following companies, by country of incorporation: **Cyprus:** Bank of Cyprus Public Company Ltd, Mortgage Bank of Cyprus Ltd, Cyprus Investment and Securities Corporation Ltd (CISCO), General Insurance of Cyprus Ltd, EuroLife Ltd, Kermia Ltd, Kermia Properties & Investments Ltd, Kermia Hotels Ltd, BOC Ventures Ltd, Tefkros Investments Ltd, Bank of Cyprus Mutual Funds Ltd and JCC Payment Systems Ltd. **Greece:** Bank of Cyprus Public Company Ltd (branch), Kyprou Leasing SA, Kyprou Commercial SA, Kyprou Securities SA, Kyprou Mutual Fund Management Company (AEDAK), Kyprou Properties SA, Kyprou Insurance Services Ltd, Kyprou Zois (branch of EuroLife Ltd) and Kyprou Asfalistikí (branch of General Insurance of Cyprus Ltd). **United Kingdom:** Bank of Cyprus United Kingdom (branch of Bank of Cyprus Public Company Ltd) and Old Company (BCL) Ltd. **Channel Islands:** Bank of Cyprus (Channel Islands) Ltd and Tefkros Investments (CI) Ltd. **Australia:** Bank of Cyprus Australia Pty Ltd. **Ireland:** BOC International Fund Management Ltd. All companies are wholly owned subsidiaries (100%) of the Group, except for JCC Payment Systems Ltd, in which the Company owns 45% of the issued share capital. This company is accounted for as an interest in a jointly controlled entity. During 2005, the Group decided the termination of the activities of the subsidiary company BOC International Funds Management Ltd, in the context of its restructuring process aiming to achieve synergies, and has started the dissolution process. On 1 January 2006, the operations, assets and liabilities of the Group subsidiary companies Bank of Cyprus Finance Corporation Ltd and Bank of Cyprus Factors Ltd were transferred to Bank of Cyprus Public Company Ltd, with the parallel dissolution, without receivership, of the two subsidiaries. There was no other change in the companies that were consolidated or in the method of consolidation compared to 30 June and 31 December 2005.
8. At the Annual General Meeting held on 30 May 2006 the payment of a dividend of £0,07 (€0,12) per share was approved. The total dividend amounted to €66.454 thousand and was paid on 27 June 2006. During 2005, dividend amounting to €32.332 thousand (£0,04 (€0,07) per share) was paid.
9. There are no fixed charges in favour of third parties over the Group's property and equipment as at 30 June 2006.
10. The Group's provision for pending litigation or claims as at 30 June 2006 is set out in Note 5. There are no other significant pending litigation, claims or assessments against the Group, the outcome of which would have a material effect on the Group's financial position or operations.
11. On 30 June 2006 there were loans and other advances to members of the Board of Directors of the Company, key management personnel and their connected persons amounting to €147.784 thousand for the Group and €1.371.833 thousand for the Company. There were also contingent liabilities in the form of documentary credits, guarantees and commitments to lend amounting to €79.793 thousand for the Group and the Company. Deposits of related parties on 30 June 2006 amounted to €20.567 thousand for the Group and €382.428 thousand for the Company. Interest income and expense from related parties for the six months ended 30 June 2006 amounted to €4.329 thousand and €219 thousand respectively for the Group and €36.504 thousand and €6.452 thousand for the Company respectively.
12. On 22 June 2006, the Company made a Public Tender Offer to all the shareholders of Emporiki Bank of Greece S.A. ("Emporiki Bank") for 100% of the shares of Emporiki Bank. The offer consideration was €6,00 in cash and 3,25 Company shares for every Emporiki Bank share. The offer was subject to the approval of the appropriate regulatory authorities and the General Meeting of the Company's shareholders. On 21 July 2006, the Company received a negative response by the Central Bank of Cyprus to its application for approval of investing in Emporiki Bank. As a result of the Central Bank of Cyprus' decision, which is final, Bank of Cyprus' Public Tender Offer for Emporiki is no longer valid and lapses, in accordance with clause 2.14 (A) (b) of the Information Memorandum for the Public Tender Offer by the Company for the shares of Emporiki Bank, approved by the Hellenic Capital Markets Commission.