



## FINANCIAL DATA AND INFORMATION FOR THE PERIOD ENDED 31 MARCH 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 parent 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 Condensed Interim Consolidated Financial Statements prepared in accordance with the International Financial Reporting Standards (IFRSs) 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 22842128, Fax: +357 22378112).

### Bank of Cyprus Group Condensed Consolidated Income Statement for the three months ended 31 March 2006

	Notes	Three months ended 31 Mar.	
		2006 €000	2005 €000
Turnover		375.167	323.332
Net interest income		136.078	114.335
Net fee and commission income		41.380	35.679
Foreign exchange income		6.648	5.406
Net gains on sale and change in fair value of financial instruments		14.569	264
Income from insurance business		12.309	10.267
Other income	2	1.748	4.743
		<u>212.732</u>	<u>170.694</u>
Staff costs		(66.262)	(65.818)
Other operating expenses	3	(37.981)	(36.385)
<b>Profit before provisions</b>		<b>108.489</b>	<b>68.491</b>
Provisions for bad and doubtful debts		(31.495)	(34.602)
<b>Profit before tax</b>		<b>76.994</b>	<b>33.889</b>
Tax		(12.374)	(6.031)
<b>Profit after tax</b>		<b>64.620</b>	<b>27.858</b>
<b>Basic and diluted earnings per share (cent)</b>		<b>11.9</b>	<b>5.6</b>

### Condensed Consolidated Balance Sheet as at 31 March 2006

	Notes	31 Mar.	31 Dec.
		2006 €000	2005 €000
<b>Assets</b>			
Cash and balances with central banks		627.359	1.061.946
Placements with banks		3.753.474	4.476.215
Investments at fair value through profit or loss		249.283	155.089
Loans and other advances to customers		12.586.359	12.125.366
Investments available-for-sale and held-to-maturity		3.531.974	3.377.189
Property and equipment		275.200	277.194
Intangible assets		18.523	18.970
Other assets	5	405.663	331.613
		<u>21.447.835</u>	<u>21.823.582</u>
Life assurance business net assets attributable to policyholders		437.274	402.441
<b>Total assets</b>		<b>21.885.109</b>	<b>22.226.023</b>
<b>Liabilities</b>			
Amounts due to banks		480.144	308.592
Customer deposits and other accounts		17.992.988	18.618.898
Debt securities in issue		556.951	552.458
Other liabilities	6	393.349	388.370
		<u>19.423.432</u>	<u>19.868.318</u>
Life assurance business liabilities to policyholders		437.274	402.441
Subordinated loan stock		636.106	632.953
<b>Total liabilities</b>		<b>20.496.812</b>	<b>21.273.711</b>
<b>Equity</b>			
Share capital		473.646	473.365
Reserves		914.651	848.946
		<u>1.388.297</u>	<u>1.322.311</u>
<b>Total liabilities and equity</b>		<b>21.885.109</b>	<b>22.226.023</b>
<b>Contingent liabilities and commitments</b>			
Contingent liabilities		1.408.436	1.338.210
Commitments		2.283.542	2.412.703

V. G. Rologis, Chairman  
A. Artemis, Vice Chairman  
A. Eliades, Group Chief Executive Officer

C. G. Stavrakis, Chief Executive Officer - Cyprus  
& Deputy Group Chief Executive Officer  
Y. Kyprri, Group Chief General Manager  
Chr. Hadjimitsis, Group General Manager Finance

### Information extracted from the Condensed Consolidated Statement of Changes in Equity for the three months ended 31 March 2006

	Three months ended 31 Mar.	
	2006 €000	2005 €000
Total equity, 1 January	1.322.311	970.682
Profit after tax	64.620	27.858
Exercise of share options	1.833	-
Net (losses)/profits recognised directly in equity	(467)	3.878
Total equity, 31 March	<u>1.388.297</u>	<u>1.002.418</u>

### Information extracted from the Condensed Consolidated Cash Flow Statement for the three months ended 31 March 2006

	Three months ended 31 Mar.	
	2006 €000	2005 €000
<b>Net cash flow (used in)/from operating activities</b>	<b>(787.119)</b>	<b>193.761</b>
<b>Net cash flow (used in)/from investing activities</b>	<b>(136.396)</b>	<b>262</b>
<b>Net cash flow used in financing activities</b>	<b>(7.835)</b>	<b>(6.634)</b>
<b>Net (decrease)/increase in cash and cash equivalents for the three months</b>	<b>(931.350)</b>	<b>187.389</b>
<b>Cash and cash equivalents</b>		
At 1 January	4.826.568	2.779.745
Exchange adjustments	49	486
Net (decrease)/increase in cash and cash equivalents for the three months	<u>(931.350)</u>	<u>187.389</u>
<b>At 31 March</b>	<b>3.895.267</b>	<b>2.967.620</b>

### Bank of Cyprus Public Company Ltd Condensed Income Statement for the three months ended 31 March 2006

	Notes	Three months ended 31 Mar.	
		2006 €000	2005 €000
Turnover		329.729	275.797
Net interest income		131.702	104.861
Net fee and commission income		36.683	31.965
Foreign exchange income		6.613	5.405
Net gains on sale and change in fair value of financial instruments		14.381	392
Other income	2	486	1.342
		<u>189.865</u>	<u>143.965</u>
Staff costs		(61.205)	(59.182)
Other operating expenses	3	(34.495)	(32.438)
<b>Profit before provisions</b>		<b>94.165</b>	<b>52.345</b>
Provisions for bad and doubtful debts		(30.174)	(31.833)
<b>Profit before tax</b>		<b>63.991</b>	<b>20.512</b>
Tax		(10.092)	(3.583)
<b>Profit after tax</b>		<b>53.899</b>	<b>16.929</b>
<b>Basic and diluted earnings per share (cent)</b>		<b>9.9</b>	<b>3.4</b>

### Condensed Balance Sheet as at 31 March 2006

	Notes	31 Mar.	31 Dec.
		2006 €000	2005 €000
<b>Assets</b>			
Cash and balances with central banks		621.078	1.054.470
Placements with banks		3.675.306	4.412.832
Investments at fair value through profit or loss		232.066	138.361
Loans and other advances to customers		11.239.837	10.421.095
Bank accounts of Group companies	4	1.188.903	1.560.818
Investments available-for-sale and held-to-maturity		3.477.063	3.325.641
Investments in Group companies		327.186	322.438
Property and equipment		228.689	229.448
Intangible assets		16.344	16.253
Other assets	5	267.075	194.845
<b>Total assets</b>		<b>21.273.547</b>	<b>21.676.201</b>
<b>Liabilities</b>			
Amounts due to banks		480.688	305.385
Customer deposits and other accounts		17.595.200	18.227.660
Bank accounts of Group companies	4	350.708	393.806
Debt securities in issue		556.451	551.958
Other liabilities	6	265.694	241.722
		<u>19.248.741</u>	<u>19.720.531</u>
Subordinated loan stock		636.106	632.953
<b>Total liabilities</b>		<b>20.496.812</b>	<b>21.273.711</b>
<b>Equity</b>			
Share capital		473.646	473.365
Reserves		915.054	849.352
		<u>1.388.700</u>	<u>1.322.717</u>
<b>Total liabilities and equity</b>		<b>21.273.547</b>	<b>21.676.201</b>
<b>Contingent liabilities and commitments</b>			
Contingent liabilities		2.253.146	1.400.344
Commitments		1.472.082	2.381.326

V. G. Rologis, Chairman  
A. Artemis, Vice Chairman  
A. Eliades, Group Chief Executive Officer

C. G. Stavrakis, Chief Executive Officer - Cyprus  
& Deputy Group Chief Executive Officer  
Y. Kyprri, Group Chief General Manager  
Chr. Hadjimitsis, Group General Manager Finance

### Information extracted from the Condensed Statement of Changes in Equity for the three months ended 31 March 2006

	Three months ended 31 Mar.	
	2006 €000	2005 €000
Total equity, 1 January	1.322.717	971.089
Profit after tax	53.899	16.929
Exercise of share options	1.833	-
Net profits recognised directly in equity	8.817	14.857
Transfer of reserves of subsidiary companies following their merger with the parent company	1.434	-
Total equity, 31 March	<u>1.388.700</u>	<u>1.002.875</u>

### Information extracted from the Condensed Cash Flow Statement for the three months ended 31 March 2006

	Three months ended 31 Mar.	
	2006 €000	2005 €000
<b>Net cash flow (used in)/from operating activities</b>	<b>(806.472)</b>	<b>190.839</b>
<b>Net cash flow (used in)/from investing activities</b>	<b>(135.868)</b>	<b>1.766</b>
<b>Net cash flow used in financing activities</b>	<b>(3.606)</b>	<b>(6.634)</b>
<b>Net (decrease)/increase in cash and cash equivalents for the three months</b>	<b>(945.946)</b>	<b>185.971</b>
<b>Cash and cash equivalents</b>		
At 1 January	4.796.108	2.707.470
Exchange adjustments	42	163
Net (decrease)/increase in cash and cash equivalents for the three months	<u>(945.946)</u>	<u>185.971</u>
<b>At 31 March</b>	<b>3.850.204</b>	<b>2.893.604</b>

- The Condensed Interim Consolidated Financial Statements were authorised for issue by a resolution of the Board of Directors on 11 May 2006. The Condensed Interim Consolidated Financial Statements for the three months ended 31 March 2006 have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and the International Financial Reporting Standards as issued by the International Accounting Standards Board, including International Accounting Standard 34 "Interim Financial Reporting". The financial statements are presented in Cyprus pounds (€). For information purposes, extracts from the condensed interim 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 at 31 March 2006, which was €1 = C£0.5760.
- Other income for the three months ended 31 March 2006 includes dividend income of €30 thousand (corresponding period of 2005: €108 thousand) for the Group and €28 thousand (corresponding period of 2005: €73 thousand) for the Company.
- Other operating expenses for the three months ended 31 March 2006 include depreciation of property and equipment and amortisation of intangible assets of €8.196 thousand (corresponding period of 2005: €8.618 thousand) for the Group and €7.703 thousand (corresponding period of 2005: €7.839 thousand) for the Company.
- The balances of receivables and payables derived from transactions of the Company with subsidiary and associated companies are set out in the Company balance sheet as "Bank accounts of Group companies".
- Other assets at 31 March 2006 for the Group and the Company include the positive fair value of derivative financial instruments of €30.313 thousand (31 December 2005: €14.286 thousand).
- Other liabilities at 31 March 2006 for the Group and the Company include the negative fair value of derivative financial instruments of €15.078 thousand (31 December 2005: €21.889 thousand) and provisions for pending litigation or claims of €3.516 thousand (31 December 2005: €3.516 thousand).
- The number of persons employed by the Group as at 31 March 2006 was 6.062 (31 December 2005: 6.065) and by the Company was 5.553 (31 December 2005: 5.435).
- The Condensed Interim Consolidated Financial Statements of the Group at 31 March 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). **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. 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 31 March and 31 December 2005.
- On 27 February 2006, The Board of Directors of the Company decided to propose the payment of a dividend of C£0.07 (€0.12) per share, amounting to €66.311 thousand. The proposed dividend will be submitted for approval to the Annual General Meeting of the shareholders which will take place on 30 May 2006. The Board of Directors also proposes that the ex-dividend date will be on 2 June 2006. As a result, registered shareholders on 1 June 2006 will be eligible to receive the dividend. The proposed dividend is not recognised as a liability in the financial statements until its approval by the Annual General Meeting and its subsequent payment to shareholders. The payment of the dividend will be based on the exchange rate in force on the working day immediately preceding the ex-dividend date, which may be different than the rate used for the purposes of this announcement.
- There are no fixed charges in favour of third parties over the Group's property and equipment as at 31 March 2006.
- The Group's provision for pending litigation or claims at 31 March 2006 is set out in Note 6. 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.
- As at 31 December 2005 there were loans and other advances to members of the Company's Board of Directors, key management personnel and connected persons amounting to €157.710 thousand for the Group and €153.201 thousand for the Company. There were also contingent liabilities in the form of documentary credits, guarantees and commitments to lend amounting to €71.212 thousand for the Group and €70.377 thousand for the Company. Connected persons include spouses, minor children and companies in which directors or key management personnel hold, directly or indirectly, at least 20% of the voting rights. Related party deposits with the Group and the Company amounted to €17.757 thousand.