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List of Securities

BANK OF CYPRUS PUBLIC COMPANY LTD

BOCY

Issue of Tier 2 Capital (en)

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Attachment:

1. **Issue of Tier 2 Capital**

Non Regulated

Publication Date: 12/01/2017

Announcement

Issue of Tier 2 Capital

Nicosia, 12 January 2017

The Bank of Cyprus Public Company Limited (the “**Bank**” or the “**Group**”) has successfully launched and priced an issue of €250 million unsecured and subordinated Tier 2 Capital Notes (the “**Notes**”) under the Bank’s EMTN Programme. It is expected that settlement will occur on 19 January 2017.

Credit Suisse and HSBC acted as Global Coordinators and Joint Bookrunners for the issue, and BofA Merrill Lynch and Deutsche Bank acted as Joint Bookrunners.

The Notes were priced at par with a coupon of 9,25%. The Notes mature on 19 January 2027. The Bank will have the option to redeem the Notes early on 19 January 2022, subject to applicable regulatory consents.

The Notes will be listed on the Luxembourg Stock Exchange’s Euro MTF market.

The issuance of the Notes is part of the Bank’s strategy to optimise the level and composition of its capital and liabilities, with a positive impact of approximately 130 basis points¹ on the Bank’s total capital ratio.

John Patrick Hourican, Chief Executive Officer of Bank of Cyprus Group, commented: “The Bank’s successful return to the debt capital markets demonstrates the confidence of international investors in the Bank. This is a further step in the normalisation of the Bank’s funding structure, following the recent full repayment of Emergency Liquidity Assistance (ELA) funding, and is another significant milestone in the Bank’s journey back to strength.”

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.

¹ Based on the latest published Group financial results for the nine months ended 30 September 2016.

