Bank of Cyprus Group

Group[1] Financial Results
for the nine months ended 30 September 2017

Bank of Cyprus
The Best Bank in Cyprus 2016

21 November 2017

Financial information included in this presentation is neither reviewed nor audited by the Group's external auditors. They are presented in Euro (€) and all amounts are rounded as indicated. A comma is used to separate thousands and a dot is used to separate decimals.

(1) The Group Financial Results referred to in this Presentation relate to the consolidated financial results of Bank of Cyprus Holdings Public Limited Company (BOC Holdings), together with its subsidiary the Bank of Cyprus Public Company Limited, the "Bank", and the Bank's subsidiaries. On 18 January 2017, BOC Holdings was introduced in the Group structure as the new holding company. On 19 January 2017, the total issued share capital of BOC Holdings was admitted to listing and trading on the London Stock Exchange and the Cyprus Stock Exchange.

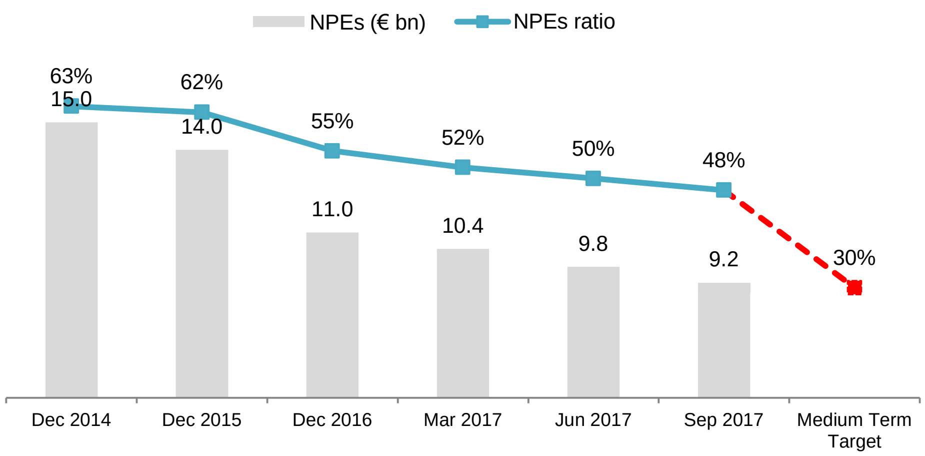
9M2017 - Highlights

Continued Progress on 'organic' Balance Sheet repair	• Ten consecutive quarters of NPE reduction • NPEs down by €588 mn qoq to €9.2 bn (down by 17% during 9M2017 and by 39% since December 2014) • Coverage at 49%; medium term target substantially achieved; coverage now above EU average[1]
Acceleration initiatives	• Launching of listed Real Estate fund in Cyprus of a size of c.€190 mn • Continue to explore other structured solutions to accelerate de-risking, potentially in the near term, in one or more transactions
Capital is sufficient	• CET1 at 12.4% and 11.9% fully loaded; Total Capital ratio at 13.8% • SREP 2018 CET1 ratio reduced to 9.375%[2] from 9.50%; SREP 2018 total capital ratio reduced to 12.875%[2] from 13.00% • IFRS 9 estimated impact based on 30 September 2017 Balance Sheet is a decrease in shareholders' equity of €250 mn - €300 mn. On a transitional basis and on a fully phased in basis after the period of transition is complete, the impact of IFRS 9 is expected to be manageable and within the Group's capital plans[3]
Improved funding and liquidity position	• Deposits up by €731 mn (4%) qoq; up by €805 mn in 9M2017 facilitating liquidity ratio compliance • Loan to deposit ratio at 85% • Compliance with LCR and NSFR liquidity requirements[4]
Resilient operating performance	• Quarterly operating profit of €124 mn (€130 mn 2Q2017) • New lending of €1.7 bn in 9M2017, exceeding new lending in FY2016 • NIM of 3.18% for 9M2017 but 2.86% in 3Q2017 reflecting accelerated de-risking and cost of liquidity compliance • Cost to income ratio of 45% for 9M2017
Preliminary 2018 EPS Guidance maintained	• EPS of c.€0.40 maintained • More normal credit cost (<1% in 2018) but pressure on NIM • Accelerated de-risking puts pressure on NIM but expected to be offset by reduced provisioning • CET 1 >13.0% and Total capital ratio >15.0%

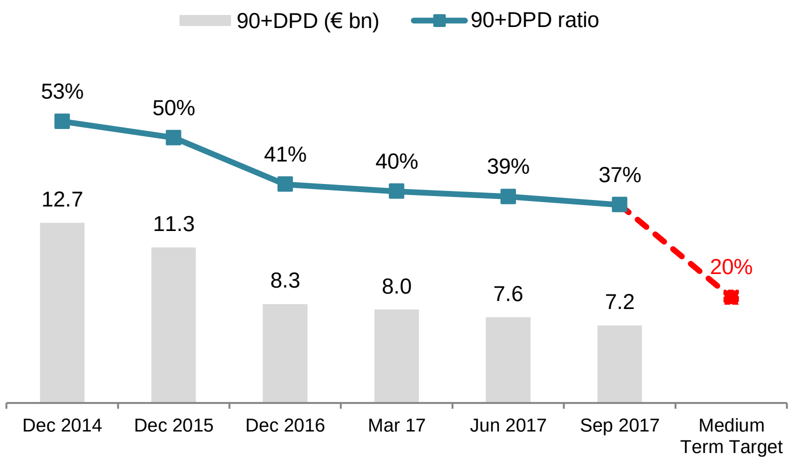
(1) Based on EBA Risk Dashboard as at 30 June 2017
(2) Effective as from 1 January 2018.As at the date of publication of this presentation these requirements remain subject to ECB's final confirmation, which is expected by the end of 2017
(3) With final transitional arrangements proposal applicable for year 2018. The IFRS 9 assessment is a "point in time" estimate and is not a forecast. The actual effect of the implementation of IFRS 9 on the Bank and the Group could vary significantly from these estimates. The Bank continues to refine models, methodologies and controls, and monitor regulatory and other developments in advance of IFRS 9 adoption on 1 January 2018. All estimates are based on the Bank's current interpretation of the requirements of IFRS 9, reflecting industry guidance and discussions to date.
(4) As at 30 September 2017, the Bank was not in compliance with all the local regulatory liquidity requirements set by the Central Bank of Cyprus (CBC), expected to be abolished by the end of 2017. CBC is expected to proceed in the direction of a measure in the form of a liquidity add-on that will be imposed on top of the LCR

Continued progress on NPEs reduction

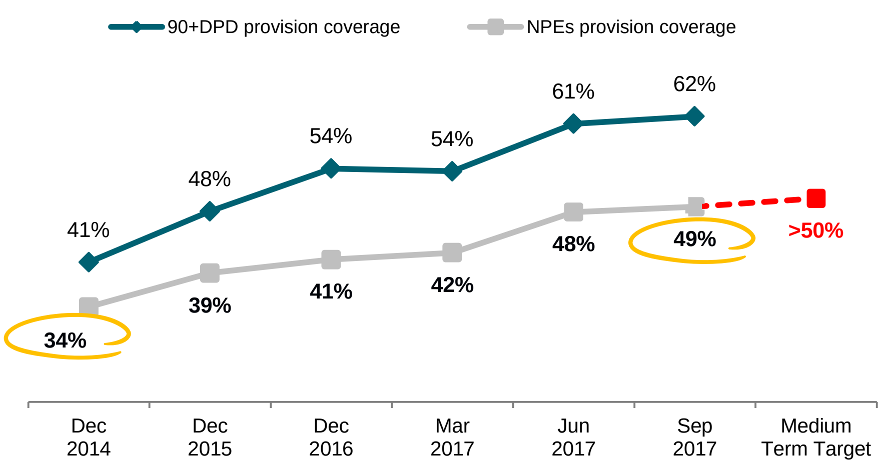
€1.9 bn reduction in NPEs in 9M2017; down by 39% since peak



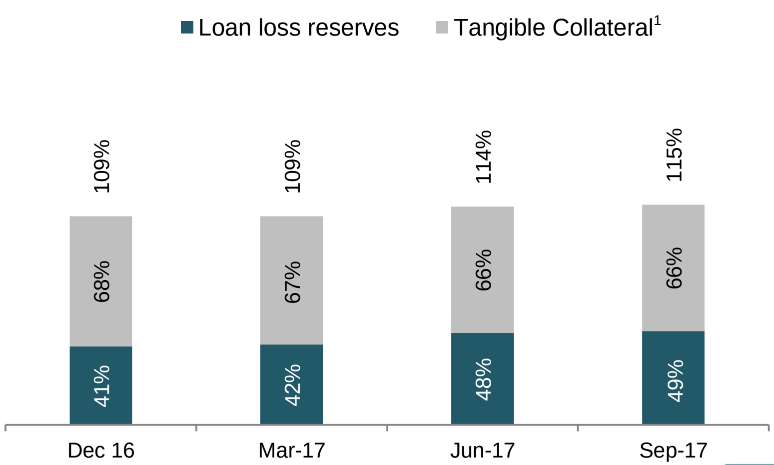
€1.1 bn reduction in 90+DPD in 9M2017; down by 45% since peak



50% NPE coverage ratio substantially achieved



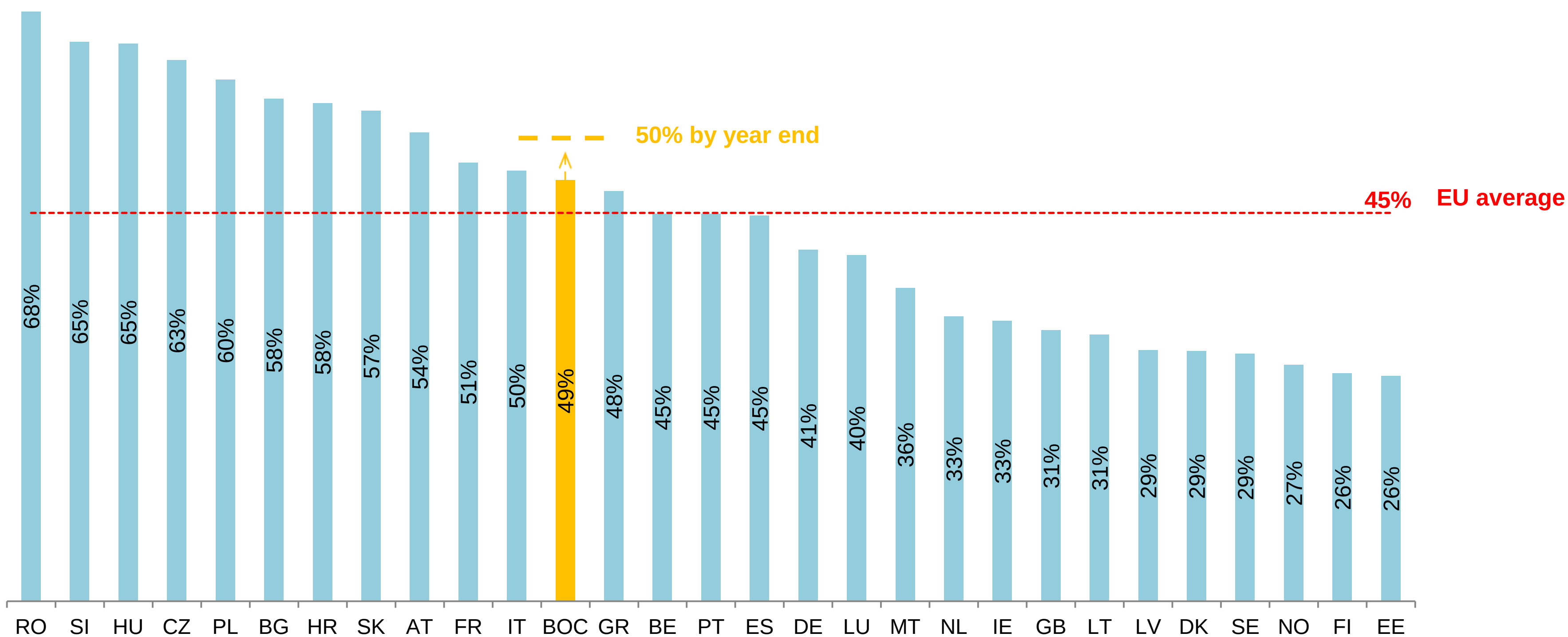
NPE total coverage at 115% when collateral included



(1) Restricted to Gross IFRS balance

Coverage ratio above EU average

Medium term target of 50% NPE provision coverage substantially achieved

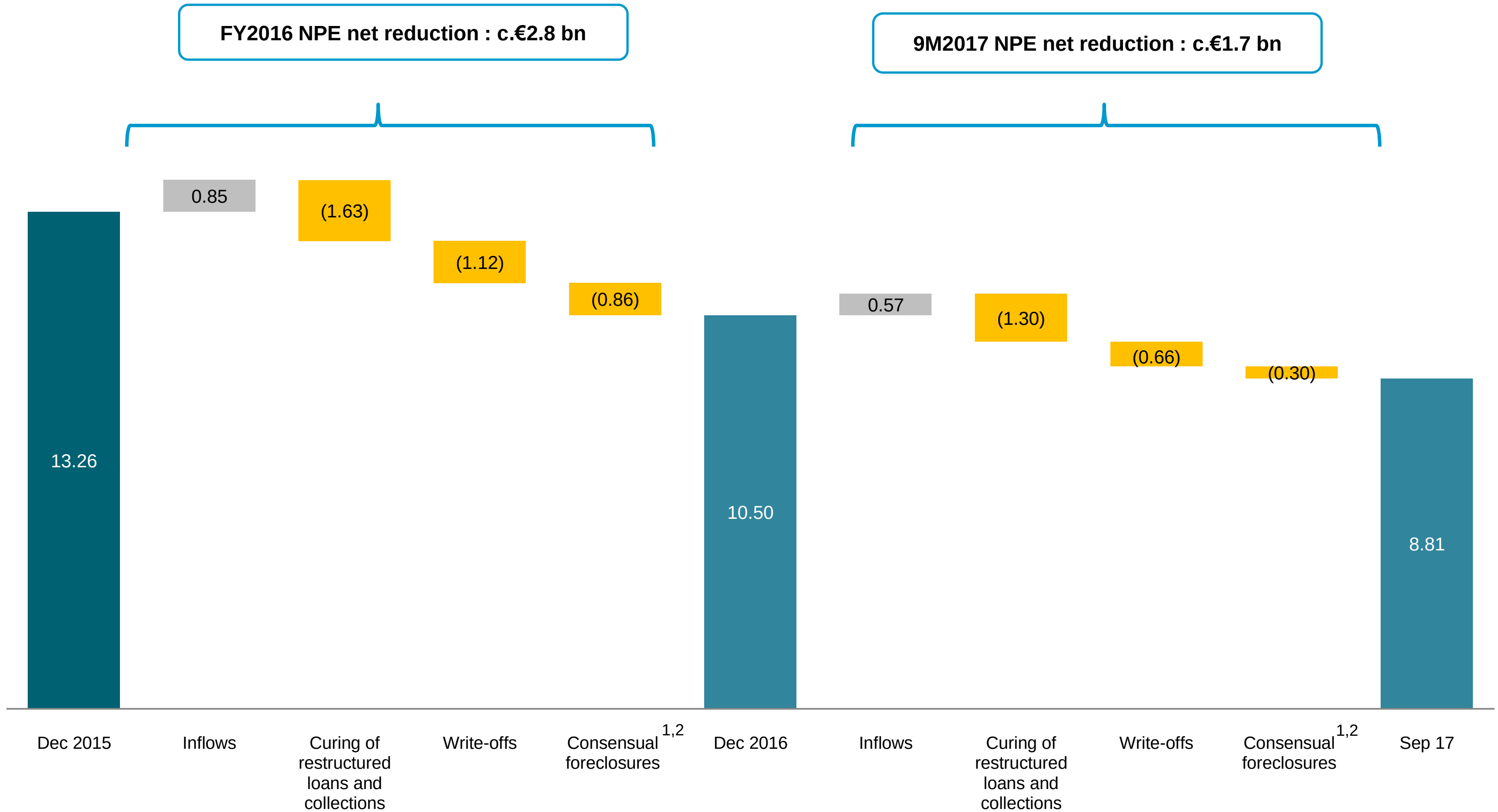


1 Based on EBA Risk Dashboard as at 30 June 2017
2 Provision Coverage for BOC relates to NPEs provision coverage as at 30 September 2017

Bank of Cyprus

€1.7 bn NPEs reduction in 9M2017 (Cy operations)

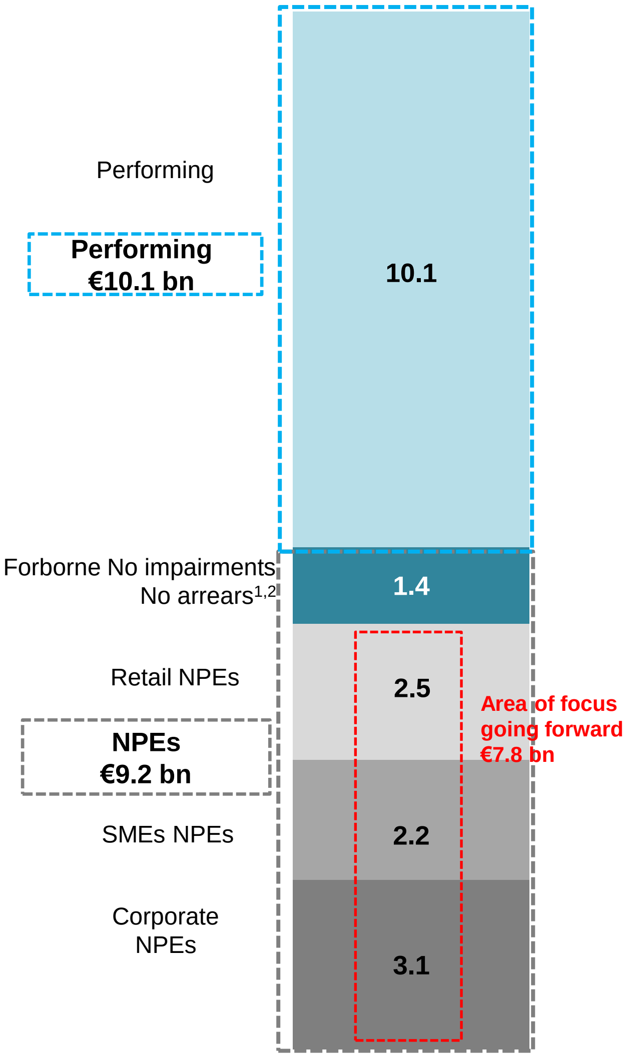
Reduction continues through curing of restructured loans, collections, write offs and consensual foreclosures (DFAs)



(1) Value of on-boarded assets is set at a conservative 25%-30% discount from open market valuations, by two independent sources
(2) Includes debt for asset swaps and debt for equity swap

Multi-tiered strategies launched to accelerate de-risking

Group -Gross loans €19.3 bn



Performing

- High quality new business
- Re-defaults of new lending in the past 24 months <2%

Forborne, no impairments no arrears

- Expect majority of €1.4 bn to exit NPE status

Retail - NPEs

- Additional focus of management on delinquent exposures
- Exploring structured solutions to accelerate de-risking
- Incremental servicing engine powered by external party

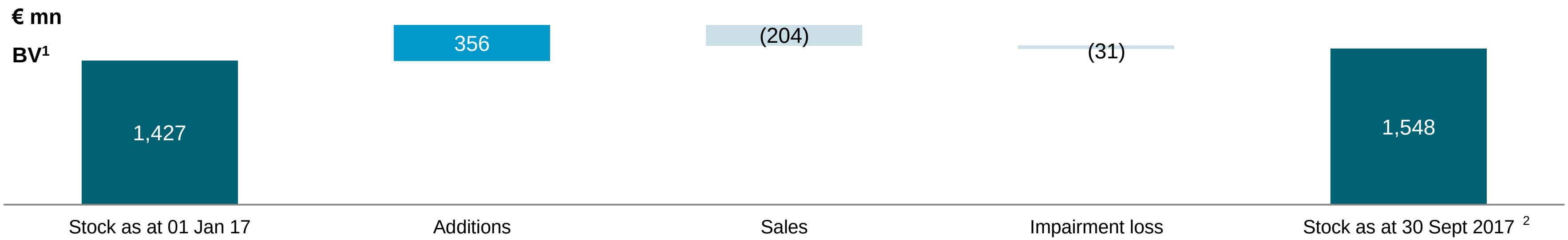
SMEs & Corporate - NPEs

- Exploring structured sale solutions to accelerate de-risking, potentially in the near term, in one or more transactions
- The portfolio is categorised into large, medium and small exposures
- Incremental servicing engine powered by external party

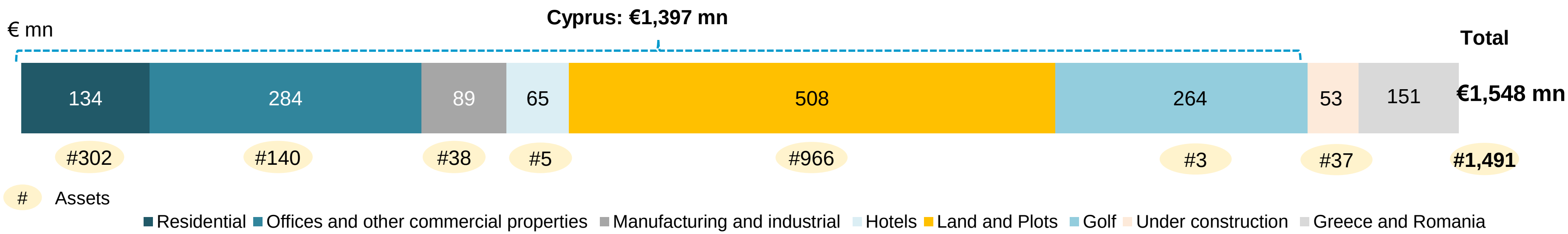
(1) In pipeline to exit NPEs subject to meeting all exit criteria
(2) Analysis based on account basis

REMU – the engine for dealing with foreclosed assets

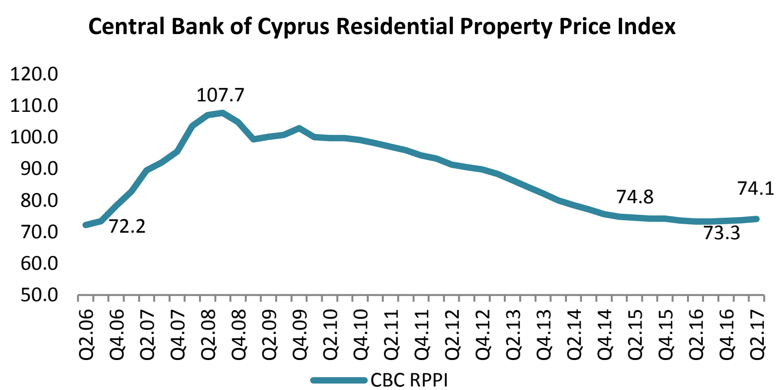
1 REMU focus now on sales (Group)

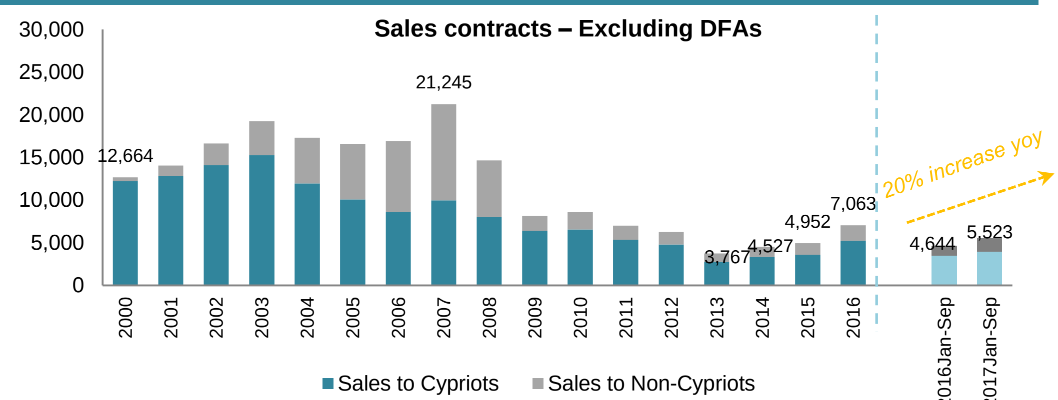


2 Property stock split – on boarded at conservative carrying value[3] (Group)



3 Encouraging trends in Real Estate Market





SOURCE: Central Bank of Cyprus, Cyprus Land Registry

(1) BV= book value = Carrying value prior to the sale of property

(2) Total stock as at 30 September 2017 excludes investment properties and investment properties held for sale

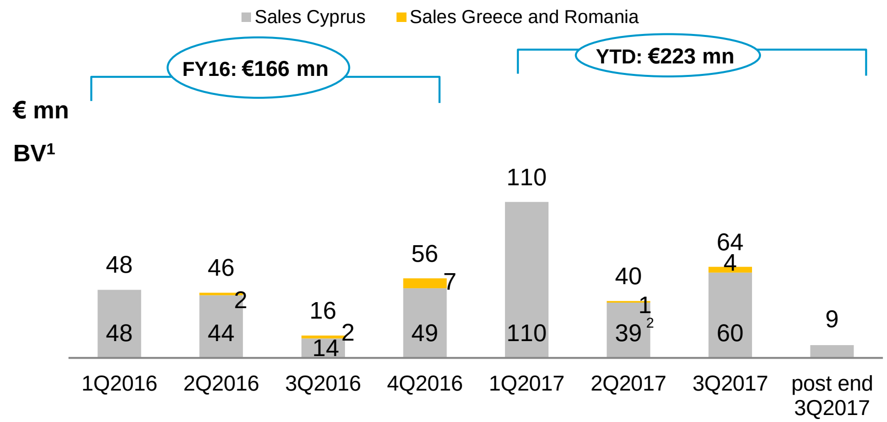
(3) As of 9M2017. Assets in REMU on boarded at conservative prices c.25%-30% discount to open market value (OMV)

Bank of Cyprus

Robust REMU sales, to be further supported by launch of Real Estate Fund

€364 mn offers accepted ytd (c.€300 mn sales agreed); REMU profit of €24 mn in 9M2017

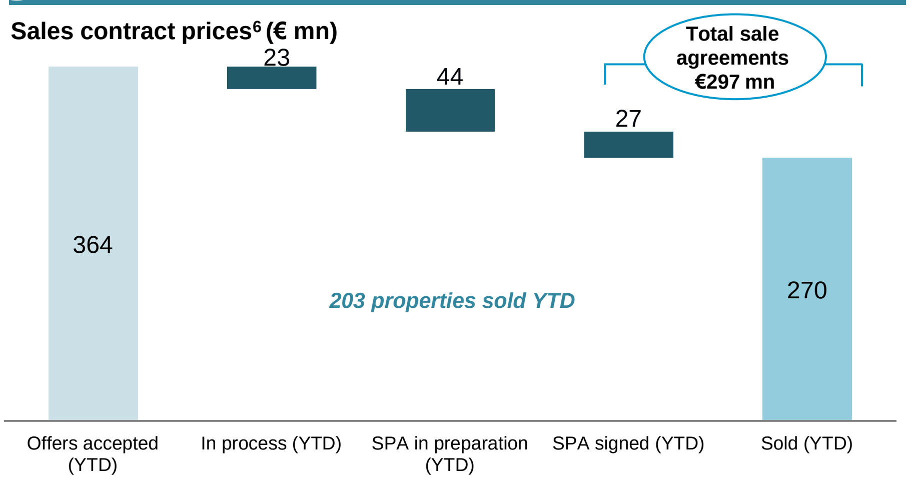
4 Sales > €380 mn achieved since REMU established (Group)



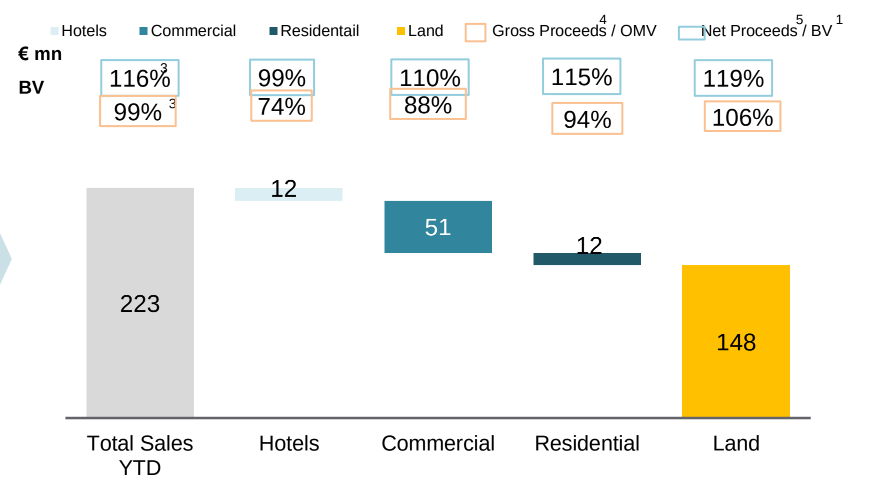
- Launching of listed Real Estate fund in Cyprus of a size of c.€190 mn
- CySEC granted approval to register CyREIT as an Alternative Investment Fund (AIF) subject to meeting certain conditions
- Fund will comprise exclusively of commercial income generating real estate assets in Cyprus with Core/ Core+ strategy
- Fund to be listed on the Non Tradable Investment Schemes Market of the CSE
- Annual distribution of >80% of available distributable net proceeds in cash dividends

5 Year to date sale agreements of c.€300 mn[5] (Group)

Sales contract prices[6] (€ mn)



6 Prices achieved on average well above Book Value (Group)



(1) BV= book value = Carrying value prior to the sale of property
(2) 2Q2017 sales include a disposal of a property (€10 mn) which was classified in investment properties held for disposal
(3) Positively affected by 2 major sales. Adjusting for these two sales Gross Proceeds/OMV at 97% and Net Proceeds/BV at 114%
(4) Proceeds before selling charge and other leakages
(5) Proceeds after selling charges and other leakages
(6) Amounts as per SPAs

Bank of Cyprus

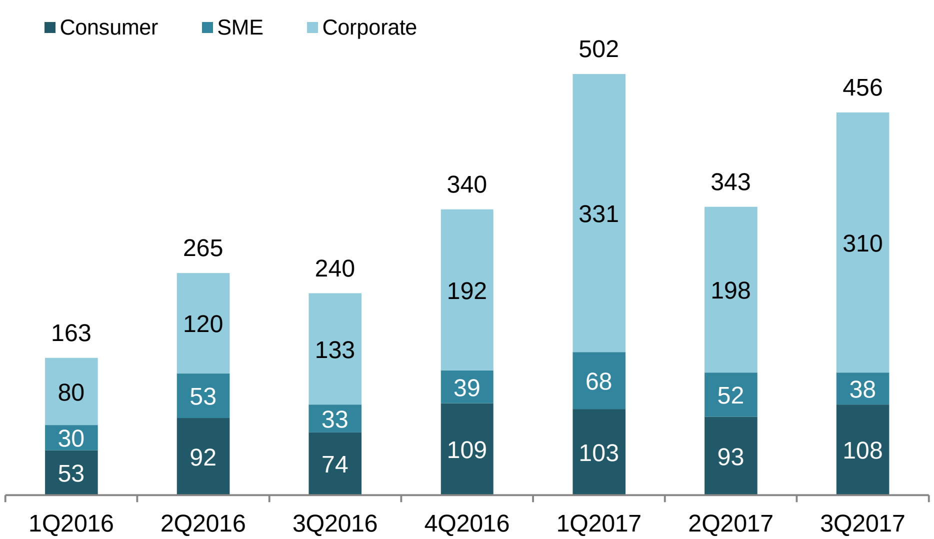
New lending of €1.7 bn in 9M2017 exceeding new lending in FY2016

Focused on new Good Quality Business; Robust new lending, supporting the Cypriot economy

9M2017– Total New Lending of €1.7 bn (Group)

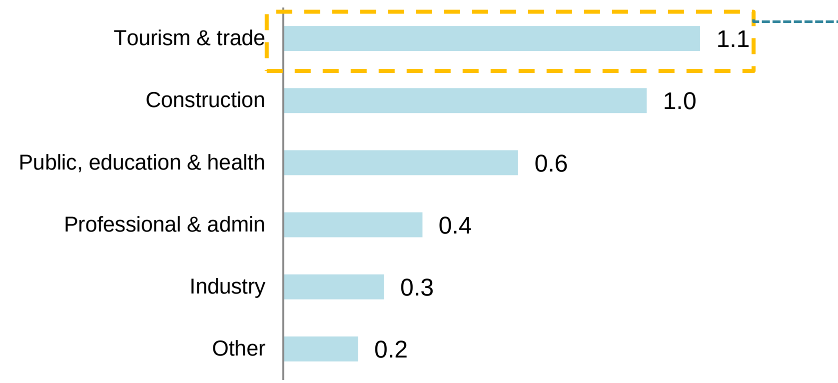
FY16: €1,008 mn

9M17: €1,301 mn



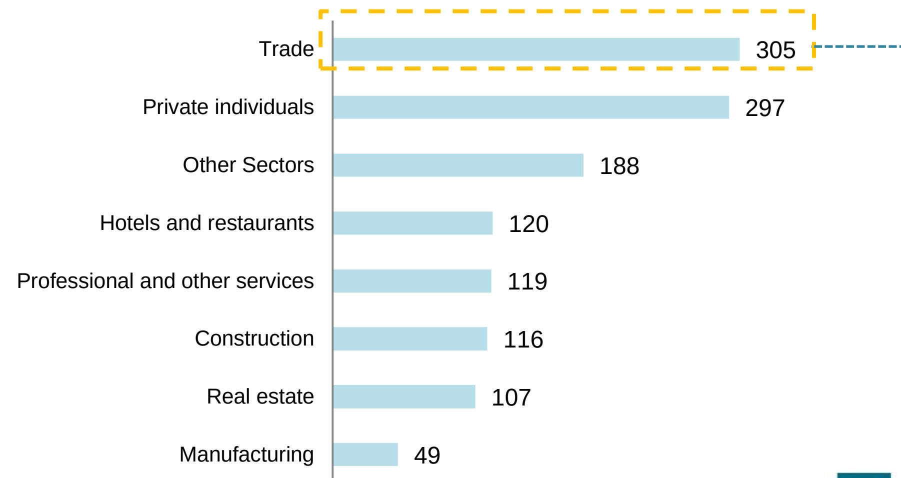
Tourism & Trade core sectors

Contribution to 1H2017 Real GDP growth in p.p. (total 3.6%)



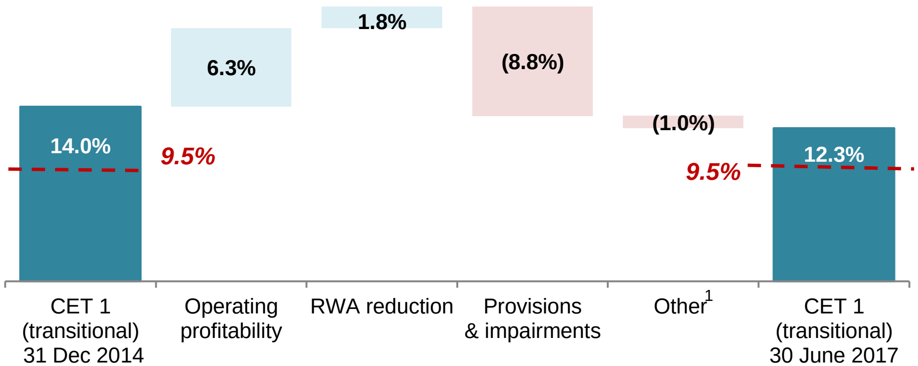
New lending maps core sectors driving GDP growth

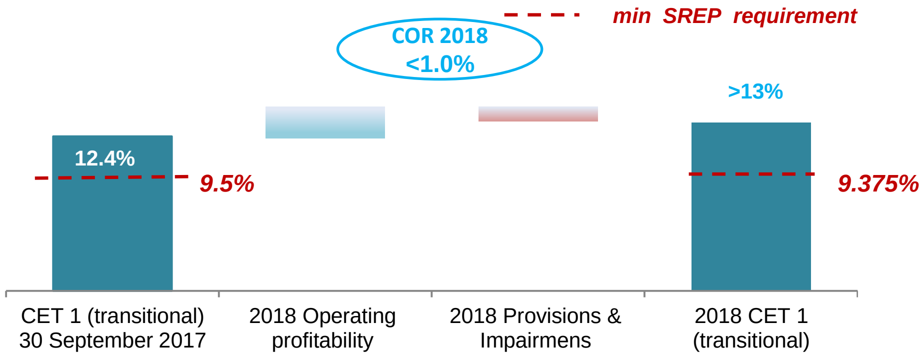
New lending Cyprus (€ mn) – 1H2017



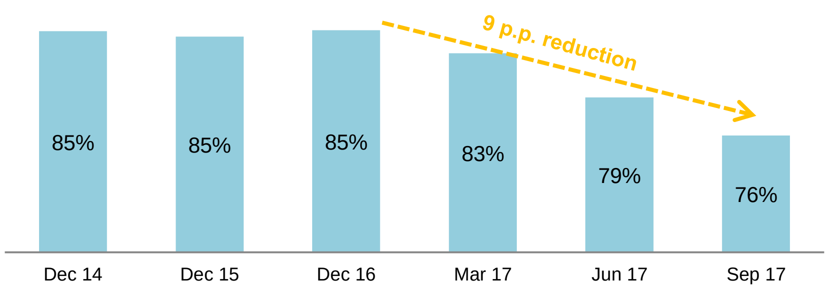
Capital ratios remain adequate

Organic capital rebuild through operating profitability and b/sheet management

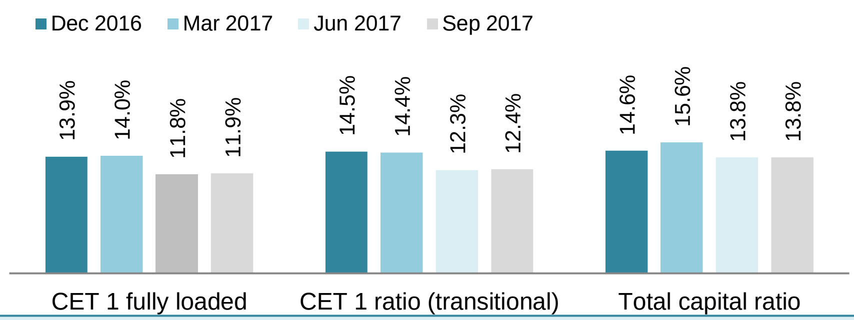




RWA intensity[2] reducing as de-risking continues



Evolution of capital ratios



IFRS 9 update[3,4]

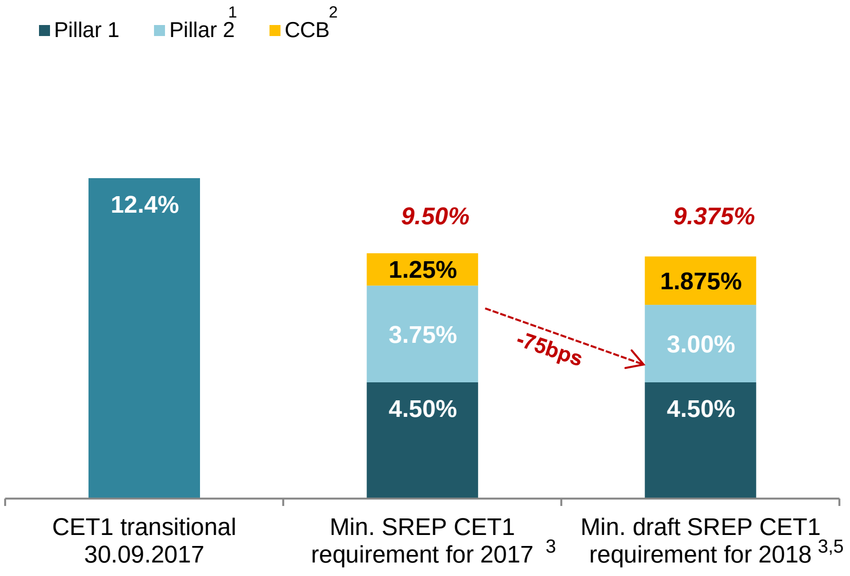
Expected impact based on 30 September 2017 balance sheet:

- Decrease of shareholders' equity ranging between €250 mn and €300 mn primarily driven by credit impairment provisions; Decrease in TNAV of €0.56 to €0.67 per share
- The Group expects to implement transitional arrangements for regulatory capital purposes currently being finalised by European regulators[5] which would result in only c.5% of the estimated IFRS 9 impact affecting the capital ratios during 2018
- **On a transitional basis and on a fully phased in basis after the period of transition is complete, the impact of IFRS 9 is expected to be manageable and within the Group's capital plans.**

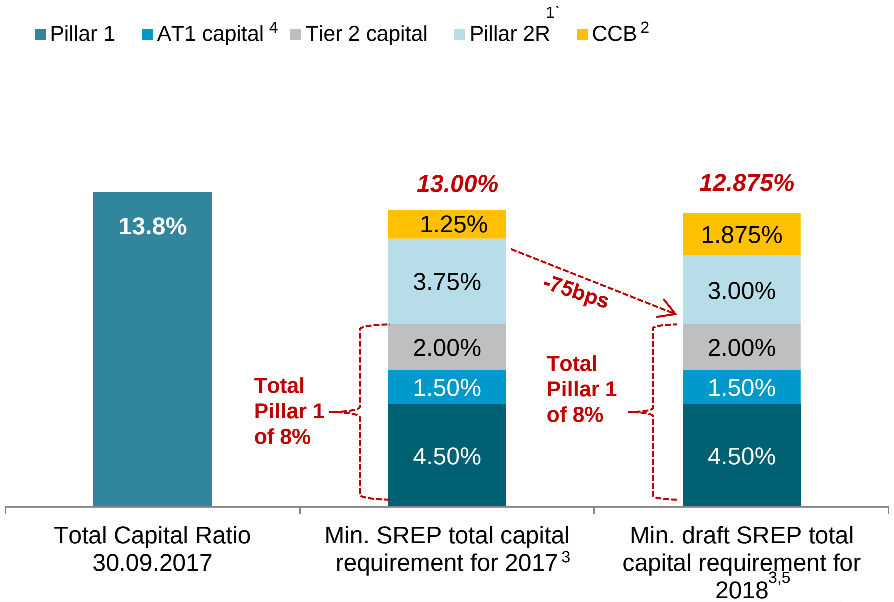
(1) Capital deductions, phase-in adjustments & reserve movements
(2) Risk Weighted Assets over Total Assets
(3) Based on data as at 30 September 2017
(4) The IFRS 9 assessment is a "point in time" estimate and is not a forecast. The actual effect of the implementation of IFRS 9 on the Bank and the Group could vary significantly from these estimates. The Bank continues to refine models, methodologies and controls, and monitor regulatory and other developments in advance of IFRS 9 adoption on 1 January 2018. All estimates are based on the Bank's current interpretation of the requirements of IFRS 9, reflecting industry guidance and discussions to date.
(5) http://data.consilium.europa.eu/doc/document/ST-13725-2017-INIT/en/pdf

Lower SREP capital requirement expected for 2018

SREP 2018[5]: CET1 ratio reduced to 9.375%



SREP 2018[5]: Total Capital ratio reduced to 12.875%



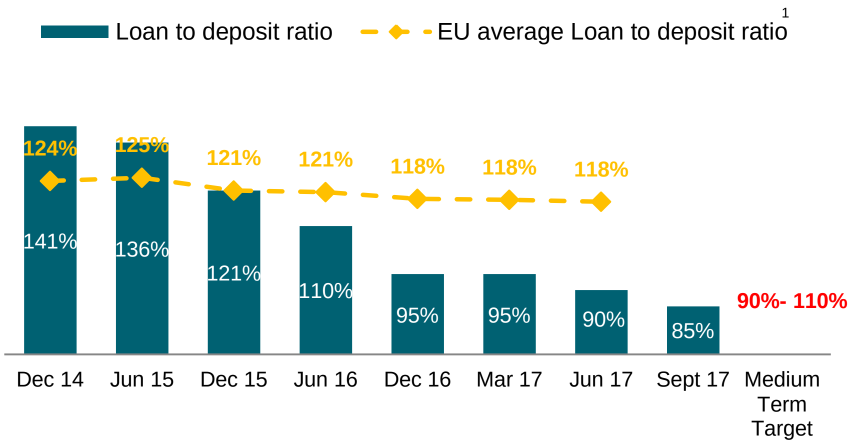
- 75 bps improvement in Pillar 2 requirement, partly set off by the 62.5 bps phasing-in of the CCB requirement
    - Phased-in CET1 at 9.375% (-12.5 bps)
    - Total capital ratio at 12.875% (-12.5 bps)
- ECB has also provided revised lower non-public guidance for additional Pillar 2 CET1 buffer
- Final confirmation expected by ECB in December 2017
- New SREP requirements effective as of 1 Jan 2018

(1) Pillar 2 requirement in the form of CET1
(2) In accordance with the legislation in Cyprus which has been set for all credit institutions the applicable rate of the CCB is 1.875% for 2018 and 2.5% for 2019 (fully phased-in)
(3) Since 2015, the Bank has been designated as an Other Systemically Important Institution (O-SII). The Central Bank of Cyprus set the O-SII buffer for the Group at 2%. This buffer will be phased-in gradually, starting from 1 January 2019 at 0.5% and increasing by 0.5% every year thereafter, until being fully implemented (2.0%) on 1 January 2022
(4) Additional Tier 1 Capital
(5) The new SREP requirements will be effective as from 1 January 2018, and as at the date of publication of this announcement these requirements remain subject to ECB final confirmation, which is expected by the end of 2017

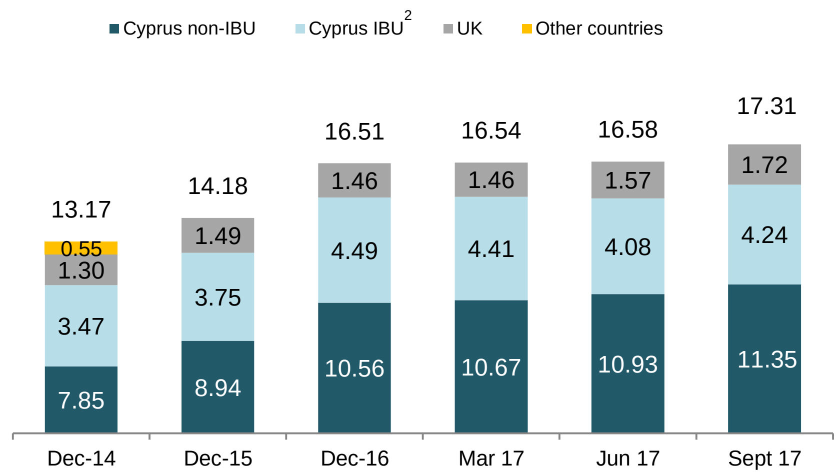
Improved funding and liquidity position putting pressure on NIM

Lower L/D ratio due to increase in deposits

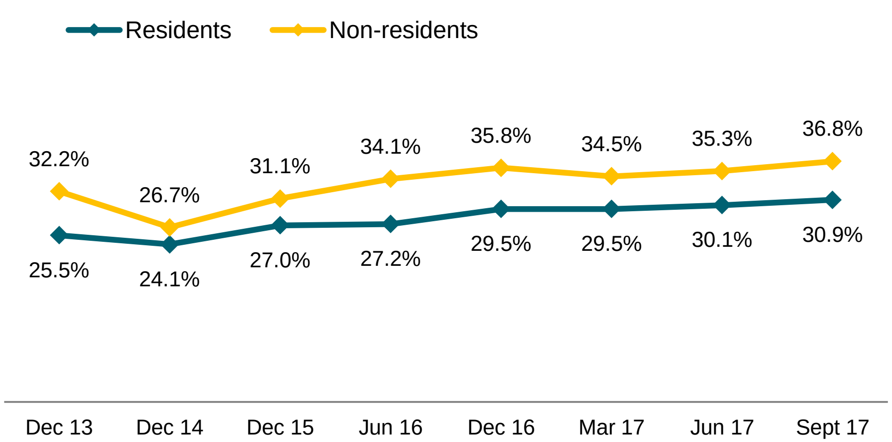
Downward pressure on L/D due to increase in deposits



c.€730 mn increase in deposits in 3Q2017



Strong market shares in resident and non-resident deposits



- LCR (Liquidity Coverage Ratio) compliance
- NSFR (Net stable Funding Ratio) compliance ahead of introduction in Jan 2018
- Not compliant with all CBC liquidity ratios; expected to be abolished by the end of 2017. CBC is expected to proceed in the direction of a measure in the form of a liquidity add-on that will be imposed on top of the LCR.

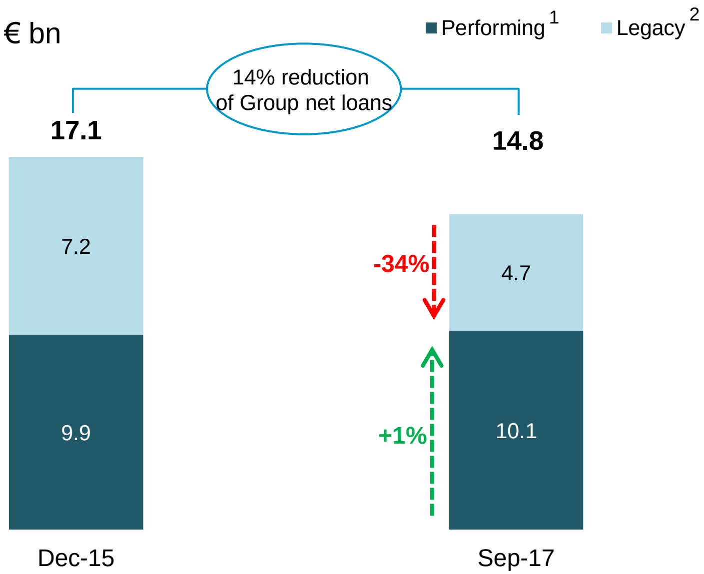
(1) Based on EBA Risk Dashboard Report, Data as at 30 June 2017
(2) International Business Unit

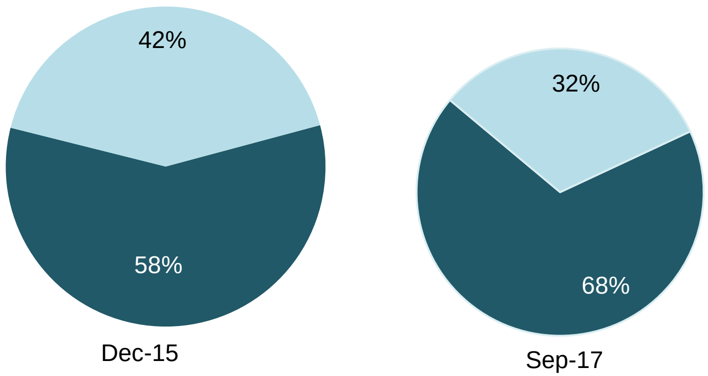
Bank of Cyprus

De-risking is reducing net loans…

Group Net Loans down 14% driven by 34% reduction of Legacy Net Loans

Net Loans € bn





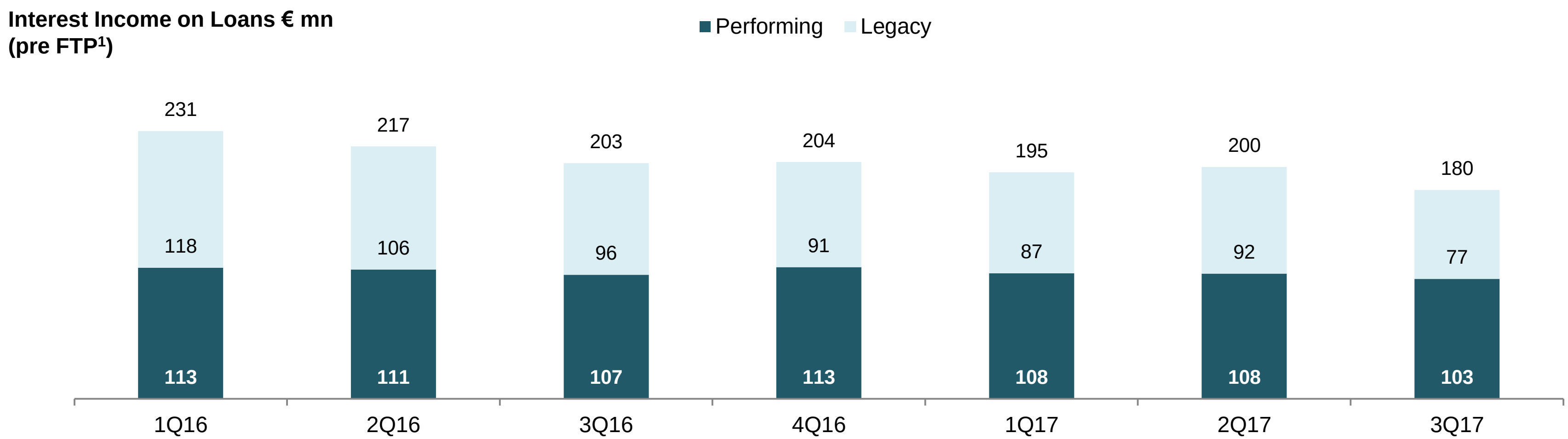
Performing
- Net loans broadly flat, yet share increasing
- c.40% market share in new lending as at 30 September 2017
- €1.7 bn of new lending in 9M2017

Legacy
- Net loans down by 34% through
  - Increased provisions
  - Curing
  - DFAs
- BOC responsible for 83% of NPEs reduction in Cyprus

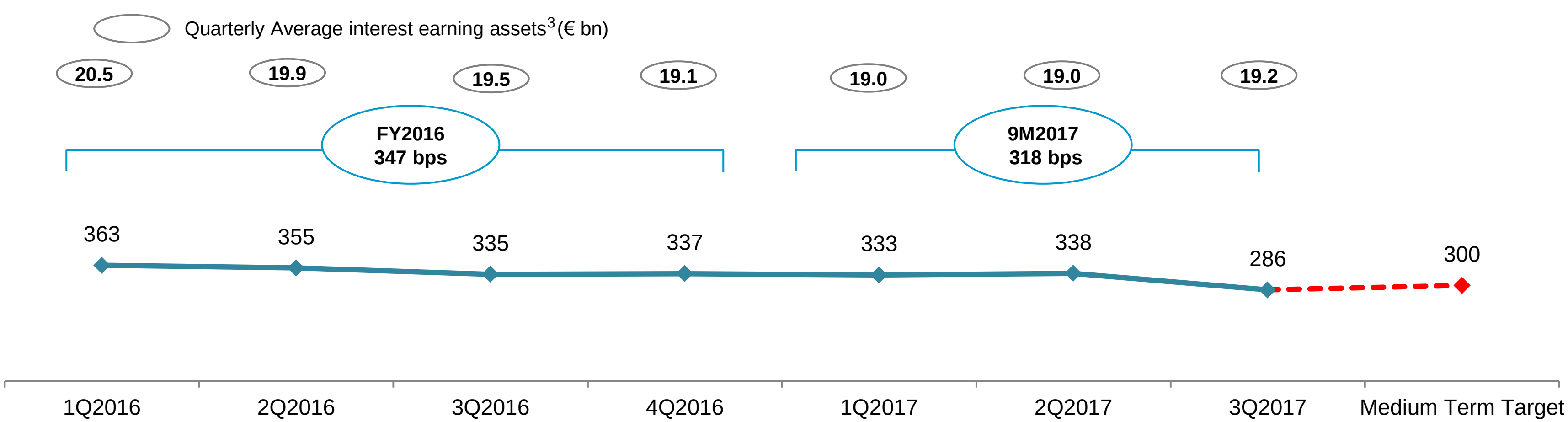
1. Performing portfolio relates to all business lines excludes Restructuring and Recoveries Division (RRD), REMU and non-core overseas exposures
2. Legacy relates to RRD, REMU and non-core overseas exposures.

…resulting in lower Interest Income and NIM

Interest Income declines due to Lower Interest Income on loans



52 bps NIM reduction in 3Q2017



1) FTP:Transfer pricing methodologies applied between the business lines to present their results on an arm's length basis
2) Interest earning assets include placements with banks and central bank, reverse repurchase agreements, net loans and advances to customers and investments excluding equity and mutual funds

NII & NIM trends – Performing vs Legacy

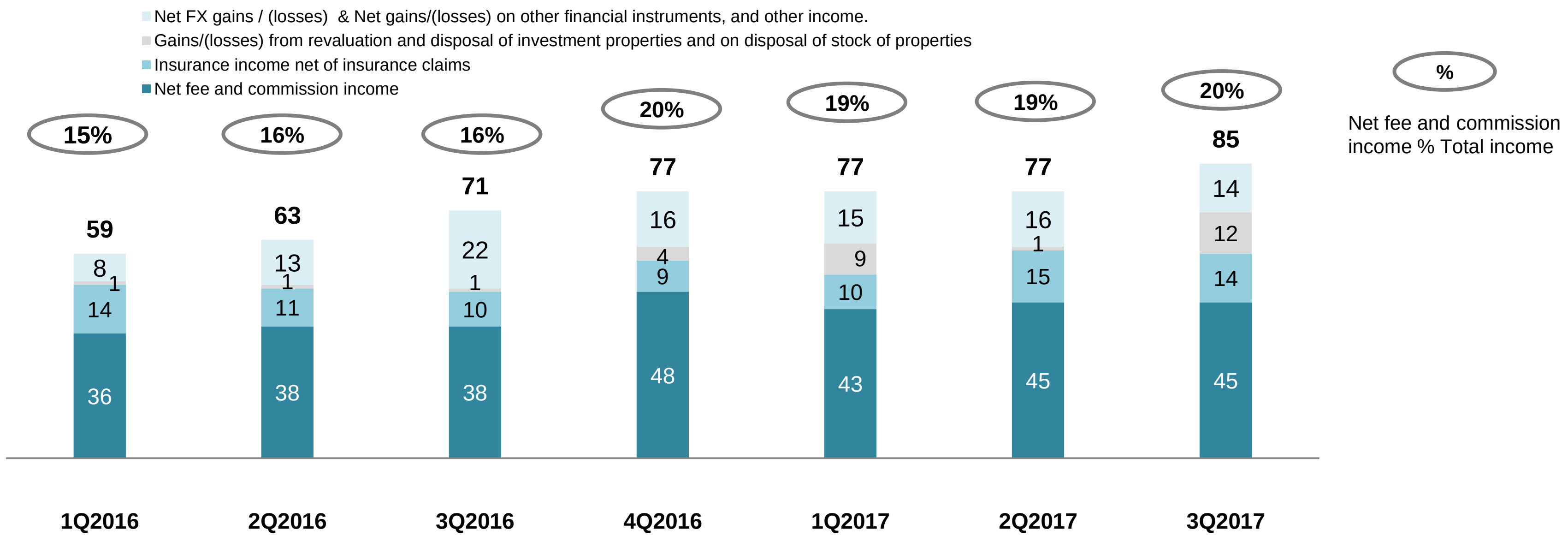
30 September 2017		Performing[1]	Legacy[2]	Additional Provisions in 2Q2017	Group
Profitability	**Interest Income on loans (€ mn) (9M2017)** *(pre FTP)[3]*	318	257		**575**
	Provisions[4] (€ mn)	13	(256)	(486)	**(729)**
	Interest Income net of provisions[4] (€ mn)	**331**	**1**		**332**
	Effective Yield[4,5]	4.25%	7.94%		**5.18%**
	Risk adjusted Yield[4,6]	4.42%	0.03%		**2.99%**
Balance Sheet	**Net Loans[4] (€ mn)**	9,984	4,313	486	**14,783**
	Total assets[4] (€ bn)	16.3	6.1	0.5	**22.9**
Capital	**RWA[4] (€ bn)**	10.0	6.8	0.5	**17.3**
	RWA intensity[4]	61%	111%	111%	**76%**

- Performing Book is expected to grow and to increasingly drive Group results
- Legacy book revenues predominantly driven by provisioning unwinding (but partly offset via provisions for neutral P&L impact)
- Risk adjusted yield strong in Performing book, near zero in Legacy due to high provisions
- **As Legacy book reduces :**
  - ➢ **Group risk adjusted yield expected to rise**
  - ➢ **Group Risk intensity expected to fall supporting CET1 ratio build**

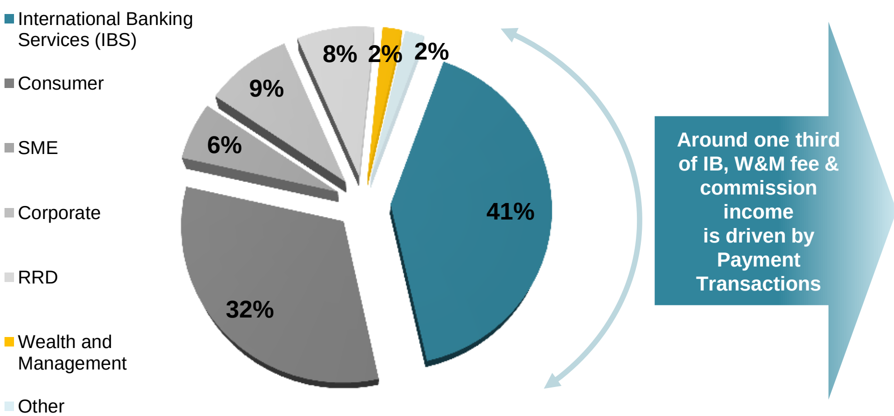
1) Performing portfolio relates to all business lines excluding RRD, REMU and non-core overseas exposures
2) Legacy relates to RRD, REMU and non-core overseas exposures
3) FTP:Transfer pricing methodologies applied between the business lines to present their results on an arm's length basis
4) Performing and Legacy breakdown excludes €486 mn additional provisioning charge in 2Q2017 to accelerate de-risking
5) Interest Income on Loans /Net Loans
6) Interest Income on Loans net of provisions /Net Loans

Non interest income up 11% qoq, driven by €12 mn profit on REMU sales

Analysis of Non Interest Income (€ mn) – Quarterly

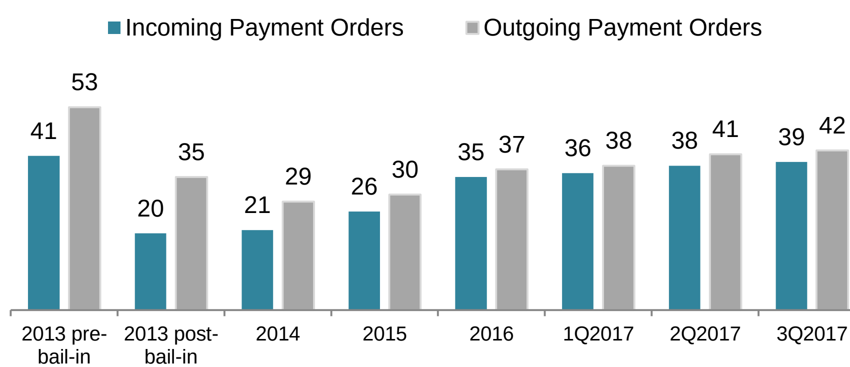


Fee & commission income in Cyprus by business line



Payment Transactions are increasing

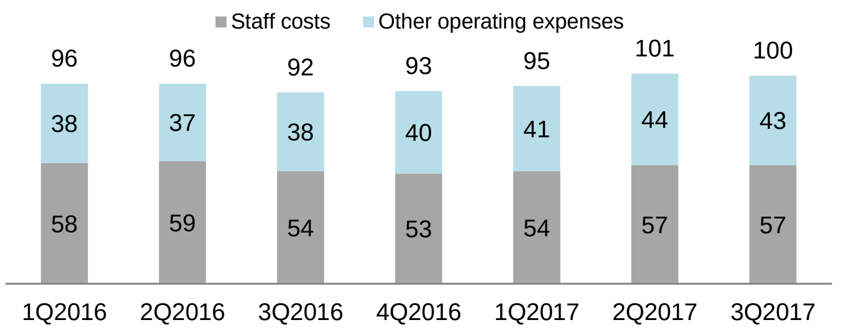
Average Number of Payment Transactions per month (thousands)



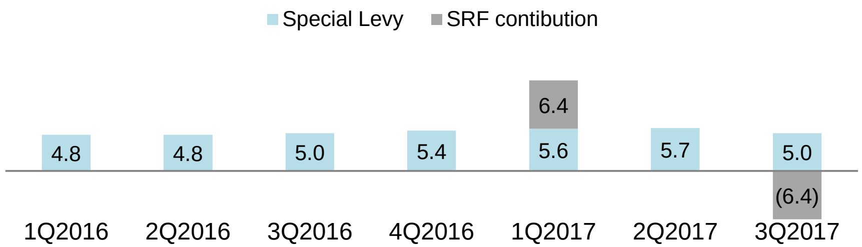
(1) Excluding non-recurring fees of approximately €7 mn

Total expenses stable; Focus on costs containment initiatives

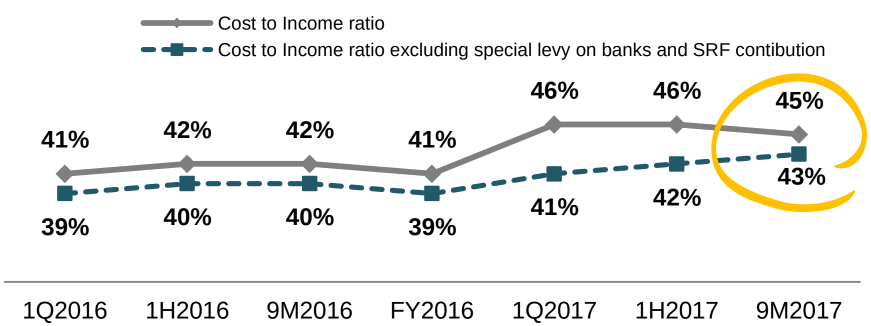
Total operating expenses (€ mn)



Special Levy and SRF contribution (€ mn)



Cost to Income Ratio (C/I ratio)



- **Staff costs at €57 mn for 3Q2017**, at same levels as 2Q17
- **Other operating expenses at €43 mn for 3Q2017,** at same levels as 2Q17
- Special levy and SRF contribution for 3Q2017 amounted to (€1 mn) as there was a reversal of the 2017 annual SRF contribution of €6 mn, following the amendment of the legislation to allow the offsetting of the SRF contribution with the special levy charge.
- C/I ratio at 45% for 9M2017, compared to 46% for 1H2017. **Excluding the special levy and contribution to the SRF, C/I ratio at 43%** for 9M2017, compared to 42% for 1H2017.
- **Actions for focused, targeted cost containment:**
  - ➢ Tangible savings through a targeted cost reduction program for operating expenses
  - ➢ Introduction of appropriate technology/ processes to enhance product distribution channels and reduce operating costs
  - ➢ Introduction of HR policies aimed at enhancing productivity

Operating profitability of 3Q2017 directed to provisions

€ mn	9M2017	9M2016	3Q2017	2Q2017	qoq %	(9M) yoy%
Net Interest Income	**454**	**524**	**138**	**160**	**-14%**	**-13%**
Non interest income	239	193	85	77	11%	24%
Total income	**693**	**717**	**223**	**237**	**-6%**	**-3%**
Total expenses	**(313)**	**(299)**	**(99)**	**(107)**	**-7%**	**5%**
Profit before provisions and impairments[1]	**380**	**418**	**124**	**130**	**-4%**	**-9%**
Loan loss provisions[2]	(729)	(267)	(73)	(592)	-88%	173%
Impairments of other financial and non financial instruments	(38)	(34)	(2)	(4)	-61%	11%
Provision for litigation and regulatory matters	(73)	0	(38)	(18)	109%	-
Total Provisions and impairments	***(840)***	***(301)***	***(113)***	***(614)***	***-82%***	***180%***
Share of profit from associates and joint ventures	5	3	1	2	-36%	64%
(Loss)/profit before tax and restructuring costs	**(455)**	**120**	**12**	**(482)**	**-102%**	**-**
Tax	(76)	(16)	(4)	(66)	-95%	361%
Profit/(loss) attributable to NCIs	(1)	(3)	(0)	(1)	3%	-75%
(Loss)/profit after tax and before restr. costs	**(532)**	**101**	**8**	**(549)**	**-101%**	**-**
Advisory, VEP and other restr. costs[3]	(21)	(98)	(7)	(7)	7%	-79%
Net gain on disposal of non-core assets	-	59	-	-	-	-
(Loss)/profit after tax	**(553)**	**62**	**1**	**(556)**	**-**	**-**
Net interest margin	**3.18%**	**3.51%**	**2.86%**	**3.38%**	**-52bps**	**-33bps**
Cost-to-Income ratio	**45%**	**42%**	**44%**	**45%**	**-1 p.p.**	**+3 p.p.**
Cost-to-Income ratio adjusted for the special levy and SRF contribution	**43%**	**40%**	**45%**	**43%**	**+2 p.p.**	**+3 p.p.**

Key Highlights

- **NII and NIM for 3Q2017 amounted to €138 mn and 2.86% respectively, compared to €160 mn and 3.38% in 2Q2017.** The decline reflects primarily lower cash collections of interest on delinquent exposures not previously recognised usually arising on the curing of NPEs, lower volumes of loans, the low interest rate environment and the cost of liquidity compliance
- **Expenses for 3Q17** positively affected by the reversal of the SRF contribution following the amendment in legislation
- **Operating profitability directed to provisions** as previously guided
- **Provisions for litigation and regulatory matters of €38 mn** primarily resulting from redress provisions for UK operations, following further analysis of the customer remediation from a pilot exercise which completed in 3Q2017
- **Profit after tax of €1 mn for 3Q2017 and loss after tax of €553 mn for 9M2017**

(1) Profit before provisions and impairments, gains/(losses) on derecognition and changes on expected cash flows , restructuring costs and discontinued operations
(2) Provisions for impairment of customer loans and gains /(losses) on derecognition of loans and changes in expected cash flows on acquired loans
(3) Advisory, VEP and other restructuring costs comprise mainly: 1) fees of external advisors in relation to: (i) disposal of operations and non-core assets (ii) customer loan restructuring activities which are not part of the effective interest rate and (iii) the listing on the London Stock Exchange and 2) voluntary exit plan cost

Basis for forward guidance

Reaffirming 2018 Preliminary Guidance of EPS ~c. €0.40 and CET1 > 13%

Revenue Outlook	• Interest Income impacted by the reduction of Legacy Loans, 2018 NIM expected ~2.75% • Short term outlook is dependent on speed of reduction of Legacy book and growth of Performing book • Focus shifting to New Lending • Positive contribution from REMU property sales
Cost Outlook	• Investment in digitalisation puts pressure on costs in the near term
Cost of Risk Outlook	• Legacy loans are reducing • CoR in 2018 expected to be <1%
Capital	• As asset quality improves, RWA intensity expected to improve • Positive impact on CET 1 and Total Capital Ratio

On track to deliver Group KPIs

Type	Key performance indicators	Dec-2016	Sept-2017	Medium Term Targets	Preliminary 2018 EPS[6] Guidance maintained
Asset quality	90+ DPD ratio	41%	37%	**<20%**	**<30%**
	NPEs ratio	55%	48%	**<30%**	**<40%**
	NPEs coverage	41%	49%	**>50%**	**Substantially delivered**
	Provisioning charge[1]	1.7%	4.1%[2]	**<1.0%**	**<1.0%**
Funding	Net Loans % Deposits	95%	85%	**90%-110%**	**<100%**
Capital	CET1	14.5%	12.4%	**>13%[5]**	**>13%[5]**
	Total capital ratio	14.6%	13.8%	**>15%[5]**	**>15%[5]**
Margins and efficiency	Net interest margin	3.5%	3.2%	**~3.00%**	**<3%; 25 bps pressure on 2018 target due to change in balance sheet shape**
	Fee and commission income/total income	17%[3]	19%	**>20%**	**Delivered but efforts for further improvement continuing**
	Cost to income ratio	41%[4]	45%[4]	**40%-45%**	**Falling revenue puts pressure on C/I**
Balance Sheet	Total assets	€22.2 bn	€22.9 bn	**>€25 bn**	**Total assets to reach c.€24 bn by Dec 2018**
EPS	EPS (€ cent)	0.71	(123.92)		**~€0.40[6]**

(1) Provisions for impairment of customer loans and gains /(losses) on derecognition of loans and changes in expected cash flows on acquired loans over average gross loans
(2) Including impairments of other financial instruments, the provisioning charge was 1.2% and 4.1% for 3Q2017and 9M2017, respectively. Additional provisions of c.€500 mn charged in 2Q2017 are included in Cost of Risk but are not annualised
(3) Excluding non-recurring fees of approximately €7 mn
(4) Adjusted for the special levy, and SRF contribution the cost to income ratio for 9M2017 was 43% compared to 39% for FY2016
(5) On an IFRS 9 phased-in basis (per the Proposal of the Council of the European Union) - http://data.consilium.europa.eu/doc/document/ST-13725-2017-INIT/en/pdf
(6) Excluding the impact of any unplanned or unforeseen risk reduction trades or macro events

Key takeaways

Continued Progress on 'organic' Balance Sheet repair

- Ten consecutive quarters of NPE reduction
- NPEs down by €588 mn qoq to €9.2 bn (down by 17% during 9M2017 and by 39% since December 2014)
- Coverage at 49%; medium term target substantially achieved; coverage now above EU average[1]

Acceleration initiatives

- Launching of listed Real Estate fund in Cyprus of a size of c.€190 mn
- Continue to explore other structured solutions to accelerate de-risking potentially in the near term, in one or more transactions

Capital is sufficient

- CET1 at 12.4% and 11.9% fully loaded; Total Capital ratio at 13.8%
- SREP 2018 CET1 ratio reduced to 9.375%[2] from 9.50%; SREP 2018 total capital ratio reduced to 12.875%[2] from 13.00%
- IFRS 9 estimated impact based on the 30 September 2017 Balance Sheet is a decrease in shareholders' equity of €250 mn - €300 mn. On a transitional basis and on a fully phased in basis after the period of transition is complete, the impact of IFRS 9 is expected to be manageable and within the Group's capital plans[3]

Improved funding and liquidity position

- Deposits up by €731 mn (4%) qoq; up by €805 mn in 9M2017 facilitating liquidity ratio compliance
- Loan to deposit ratio at 85%
- Compliance with LCR and NSFR liquidity requirements[4]

Resilient operating performance

- Quarterly operating profit of €124 mn (€130 mn 2Q2017)
- New lending of c.€1.7 bn in 9M2017, exceeding new lending in FY2016
- NIM of 3.18% for 9M2017 but 2.86% in 3Q2017 reflecting accelerated de-risking and cost of liquidity compliance
- Cost to income ratio of 45% for 9M2017

Preliminary 2018 EPS Guidance maintained

- EPS of c.€0.40 maintained
- More normal credit cost (<1% in 2018) but pressure on NIM
- Accelerated de-risking puts pressure on NIM but expected to be offset by reduced provisioning
- CET 1 >13.0% and Total capital ratio >15.0%

(1) Based on EBA Risk Dashboard as at 30 June 2017
(2) Effective as from 1 January 2018.As at the date of publication of this presentation these requirements remain subject to ECB's final confirmation, which is expected by the end of 2017
(3) With final transitional arrangements proposal applicable for year 2018
(4) As at 30 September 2017, the Bank was not in compliance with all the local regulatory liquidity requirements set by the Central Bank of Cyprus (CBC), expected to be abolished by the end of 2017. CBC is expected to proceed in the direction of a measure in the form of a liquidity add-on that will be imposed on top of the LCR

Key Information and Contact Details

Credit Ratings:

Standard & Poor's Global Ratings:
Long-term issuer credit rating: Assigned at B/B on 23 October 2017 (positive outlook)
Short-term issuer credit rating: Assigned at B/B on 23 October 2017

Fitch Ratings:
Long-term Issuer Default Rating: Affirmed to "B-" on 13 April 2017 (stable outlook)
Short-term Issuer Default Rating: Affirmed to "B" on 13 April 2017
Viability Rating: Affirmed to "b-" on 13 April 2017

Moody's Investors Service:
Baseline Credit Assessment: Upgraded to caa1 on 29 June 2017
Short-term deposit rating: Affirmed at "Not Prime" on 29 June 2017
Long-term deposit rating: Upgraded to Caa1 on 29 June 2017(positive outlook)
Counterparty Risk Assessment: Assigned at B1(cr) / Not-Prime (cr) on 29 June 2017

Listing:

LSE – BOCH, CSE – BOCH/TPKH, ISIN IE00BD5B1Y92

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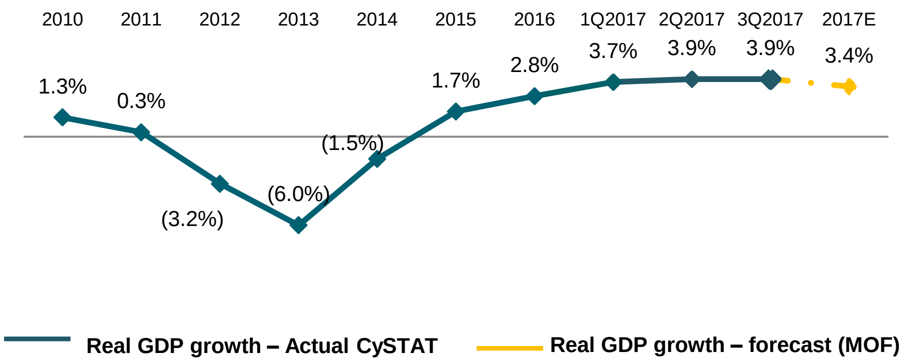
Visit our website at: www.bankofcyprus.com

Appendix – Macroeconomic overview

Cypriot economy on a sustainable growth path

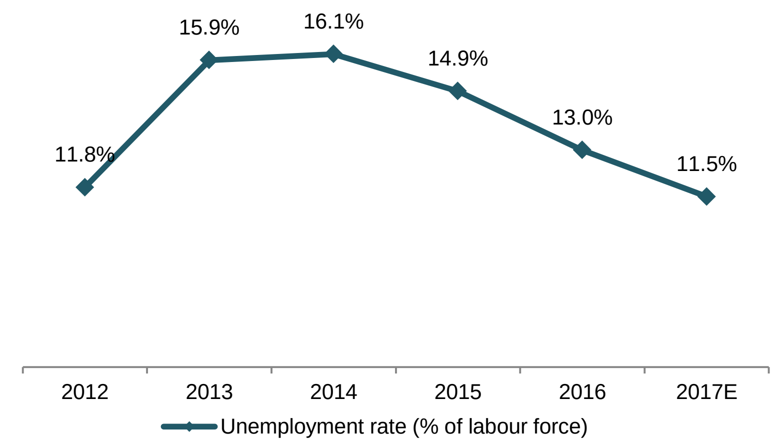
GDP growth of 3.9% in 3Q2017

Real GDP growth (%)



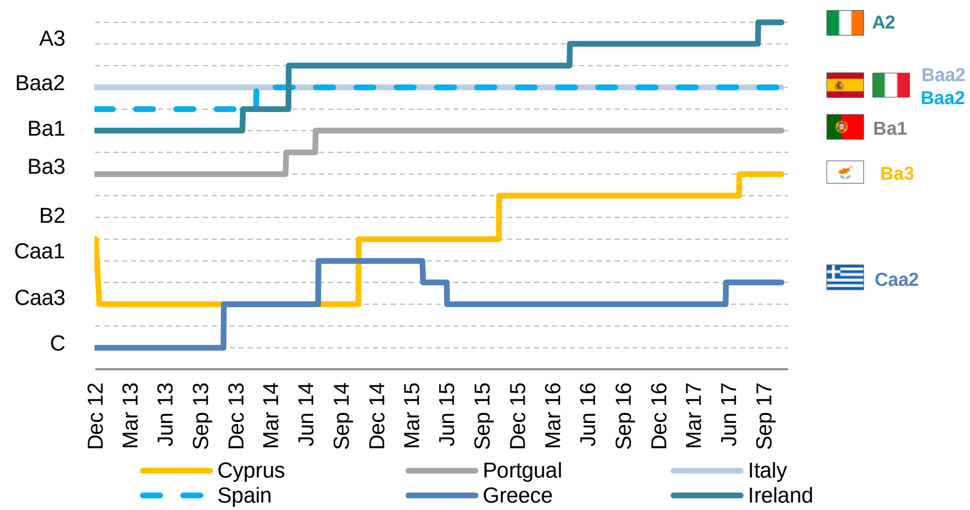
Falling unemployment rate

Unemployment rate



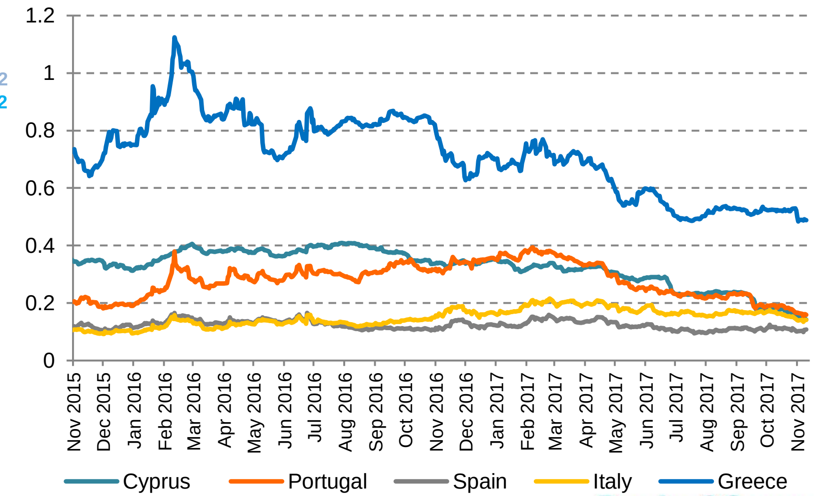
Credit ratings improving faster than peers…

Moody's credit ratings



…reflected in reduced government bond yields

Spreads (%)



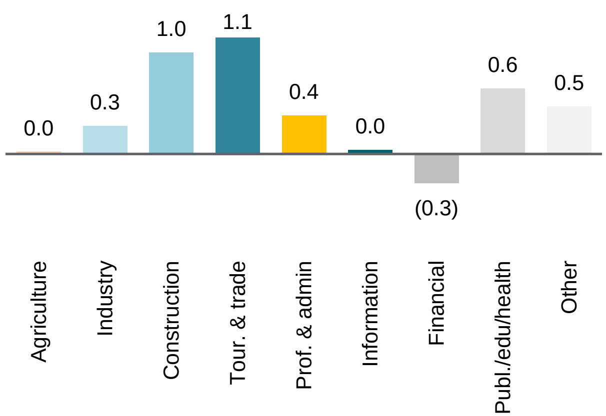
Bank of Cyprus

SOURCE: Statistical Service of Republic of Cyprus; Bloomberg; European Commission Winter Forecasts 2017; Ministry of Finance; Calculations by BOC Economic Research

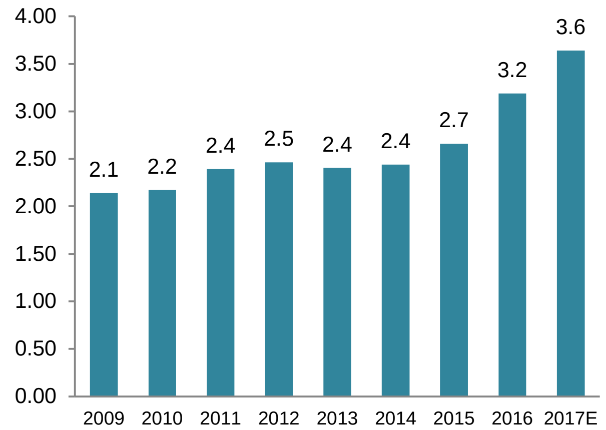
on the back of improving macro fundamentals

Economic activity has been broadly based with main drivers tourism and construction

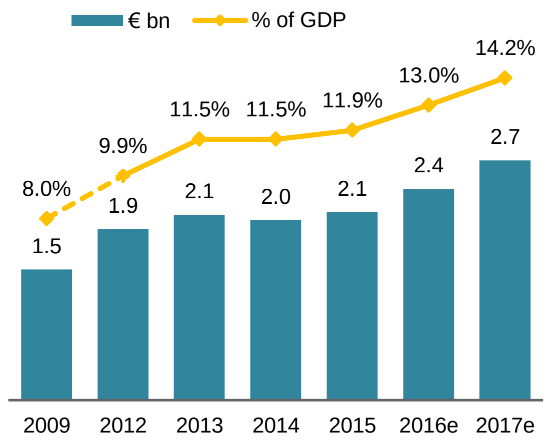
Contribution to 2017H1 Real GDP growth in percentage points (total 3,6%)



Tourism arrivals (mn)

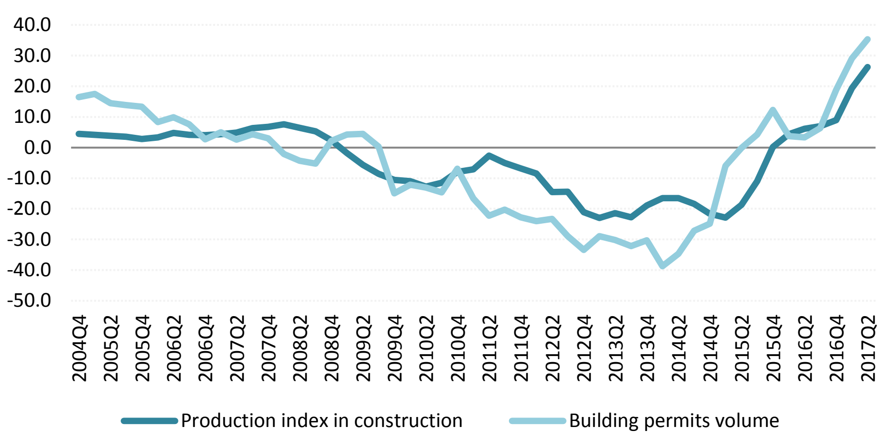


Tourism Revenues



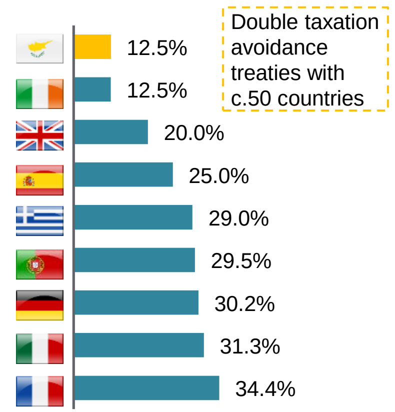
Construction activity - signs of recovery

% changes year-on-year of yearly moving averages



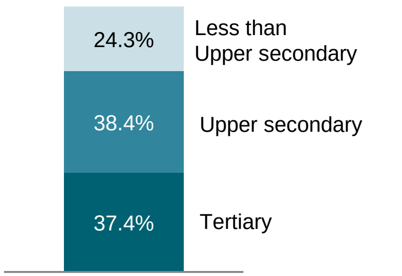
Support from key business enablers

Corporate tax rate (2016)



Level of education 2016, age 15-64

Cyprus has the highest number of university graduates in the population in the EU after the UK and Ireland



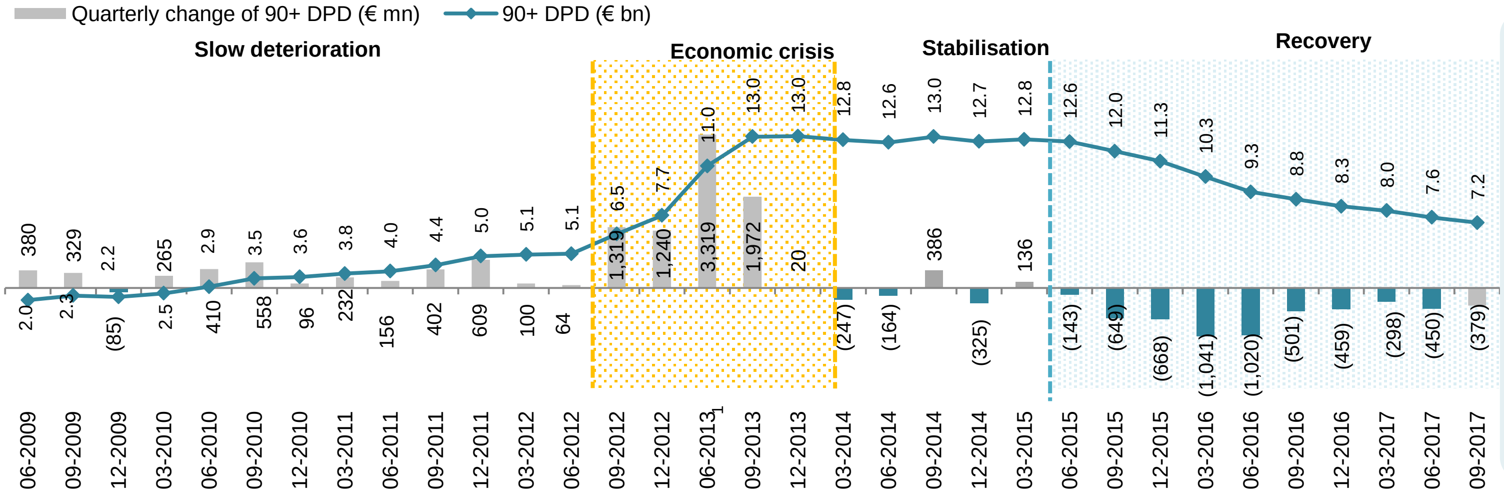
SOURCES: Statistical Service of Republic of Cyprus, Eurostat; Calculations by BOC Economic Research

Appendix – Additional asset quality slides

Bank of Cyprus

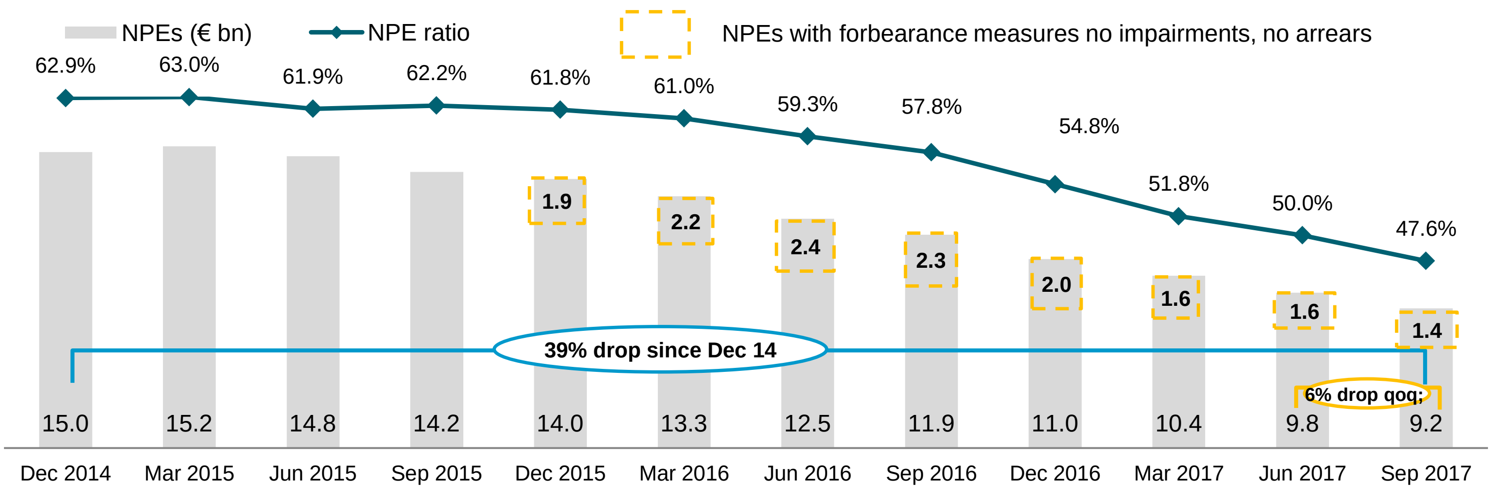
Ten consecutive quarters of improving credit quality trends

High correlation between formation of problem loans & economic cycle



- €1.1 bn or 14% drop in 90+DPD in 9M2017
- 90+ DPD reduced by 43% since Dec 2014

NPEs down by €1.87 bn (17%) in 9M2017; down by €588 mn (6%) qoq;

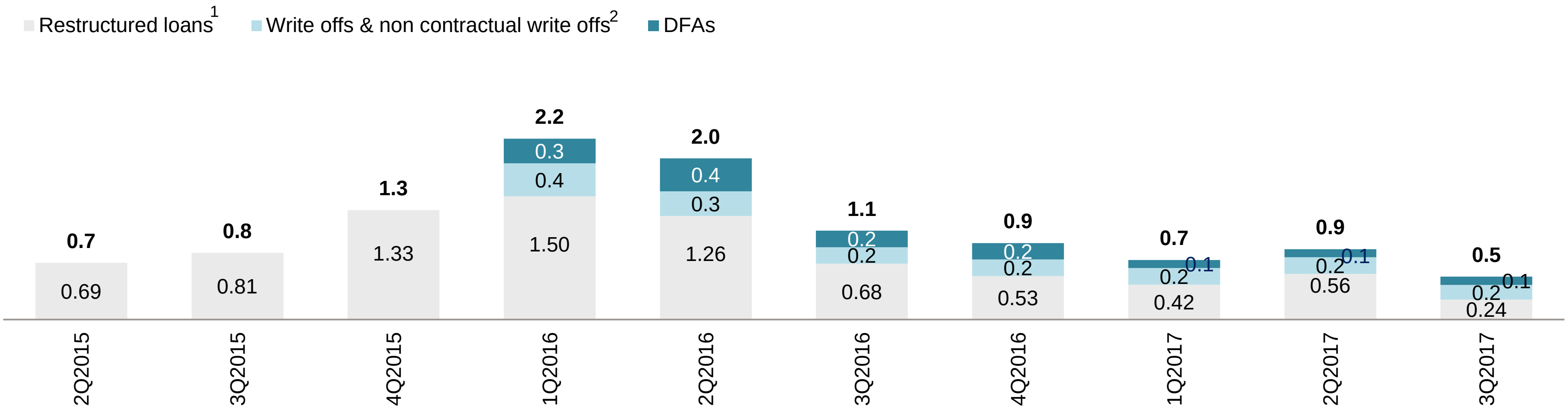


- NPEs reduced by €5.8 bn (39%) since Dec 2014
- NPEs ratio reduced by 15.3 p.p[2] since Dec 2014

(1) Information for 1Q2013 and 2Q2013 is not available as it was not possible to publish the financial results for the three months ended 31 March 2013
(2) Percentage points

Restructuring efforts continue; re-default level stable

Quarterly evolution of restructuring activity (€ bn) (Cy operations)



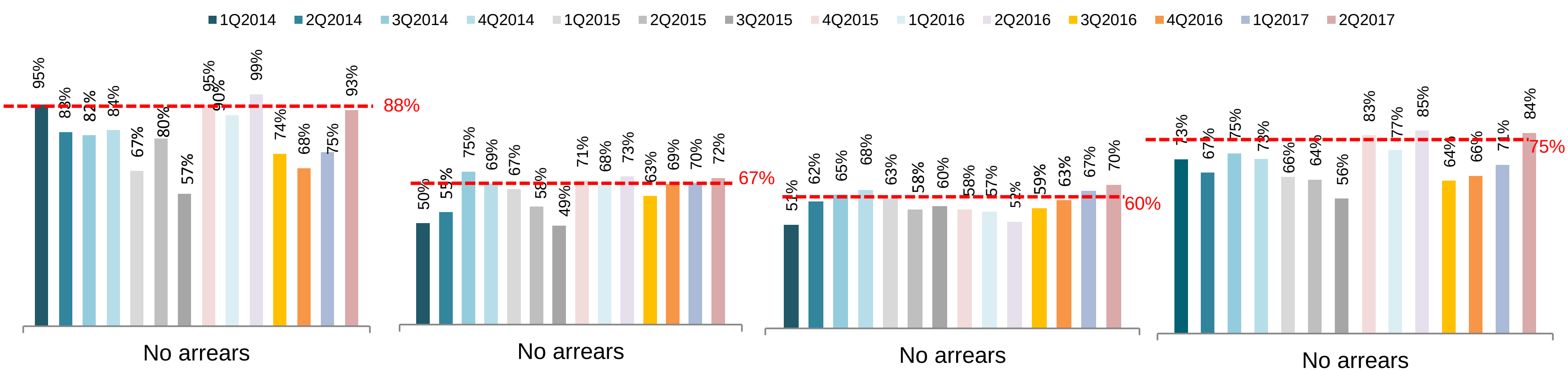
Cohort analysis of restructured [3,4] loans; 75% of restructured loans present no arrears

Corporate

SMEs

Retail

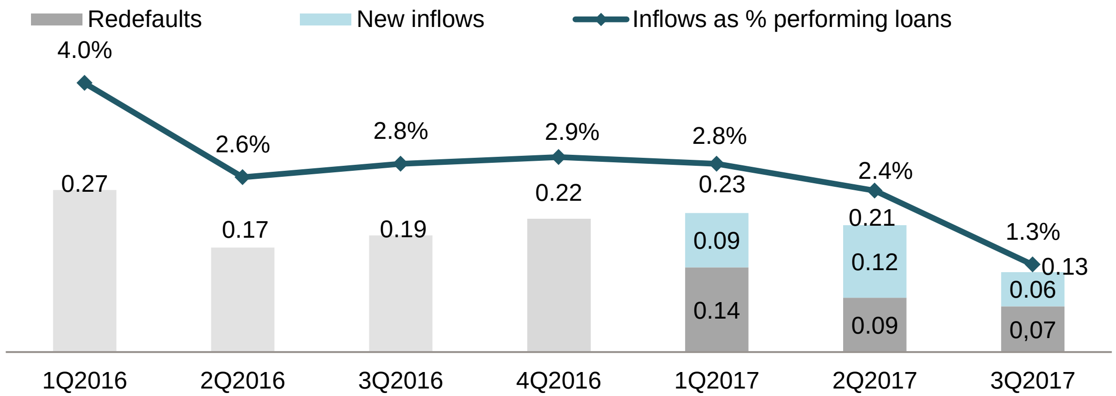
Total Bank – Cyprus



(1) Restructuring activity within quarter as recorded at each quarter end and includes restructurings of 90+ DPD, NPEs, performing loans and re-restructurings
(2) Loans together with the associated provisions are written off when there is no realistic prospect of future recovery. Partial write-offs, including non-contractual write-offs, may occur when it is considered that there is no realistic prospect for the recovery of the contractual cash flows. In addition, write-offs may reflect restructuring activity with customers and are part of the terms of the agreement and subject to satisfactory performance
(3) Restructured loans post 31 December 2013 excluding write offs & non contractual write offs and DFAs
(4) The performance of loans restructured during 3Q2017 is not presented in this graph as it is too early to assess

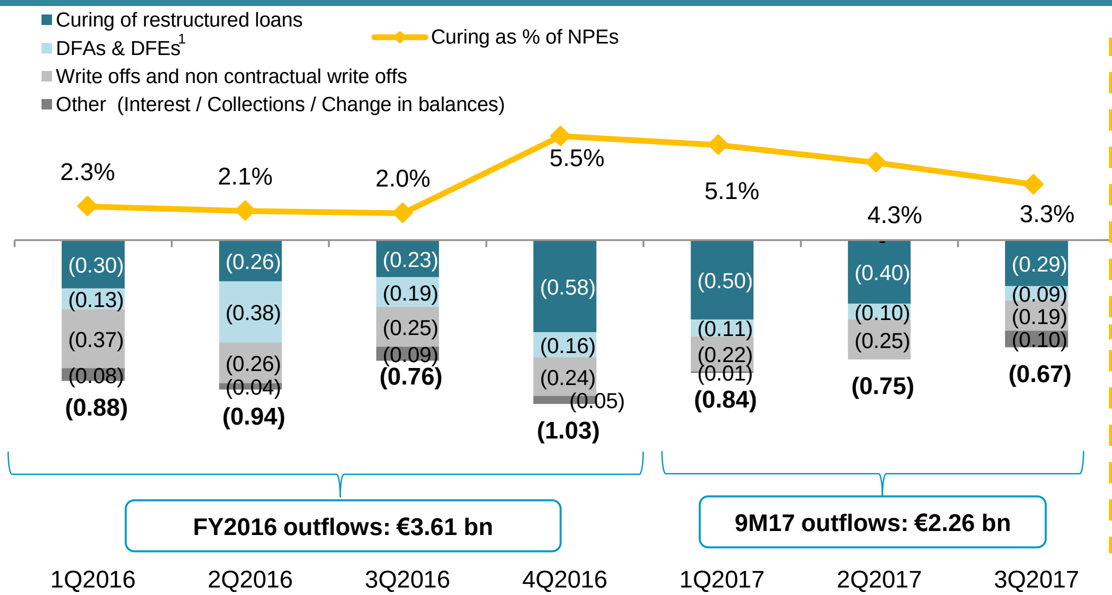
NPE inflows reduced by c.40% qoq; NPE exits as expected (Cy)

NPEs inflows (€ bn)

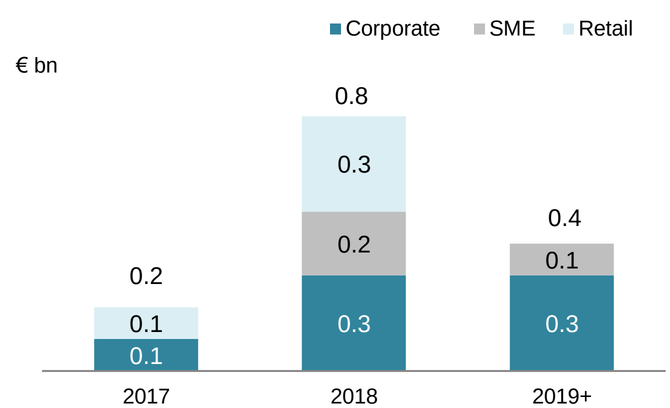


- **Slowing of new inflows confirm:**
  - ✓ **quality of new lending**
  - ✓ **success of prior restructurings**
  - ✓ **support by improvement of underlying economic macro**

Outflows of NPEs on curing and exits (€ bn)



€1.4 bn forborne NPEs with no impairments or arrears[2,3]

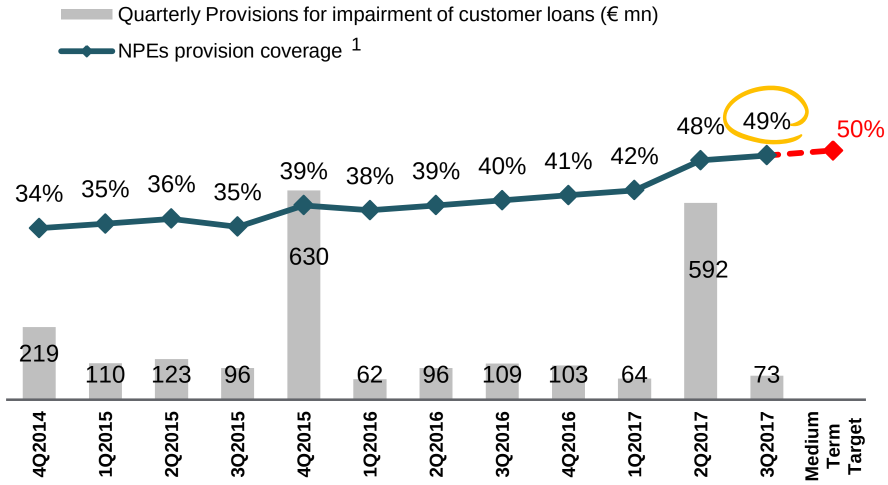


(1) Comprises of debt for asset swaps and debt for equity swap
(2) In pipeline to exit NPEs subject to meeting all exit criteria
(3) Analysis based on account basis

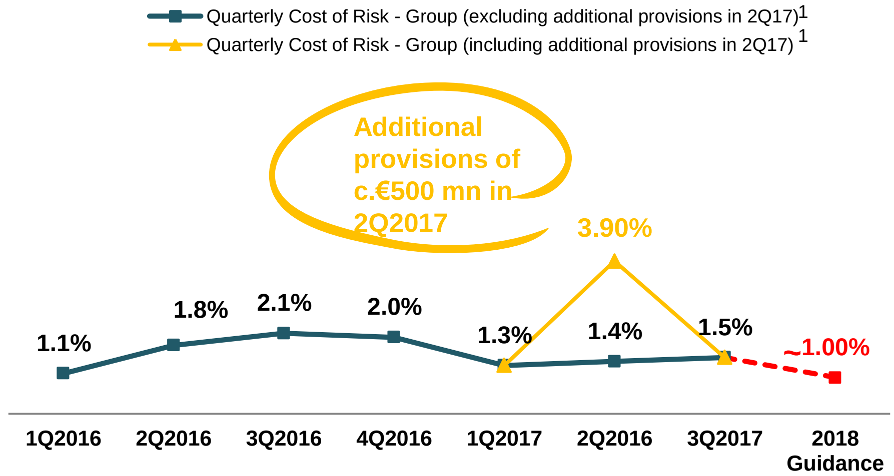
Bank of Cyprus

50% NPE provision coverage substantially achieved

On track to meet medium-term-target by year end



Quarterly CoR at 1.5% and approaching medium term target



Back-testing of provisions supports past provision adequacy

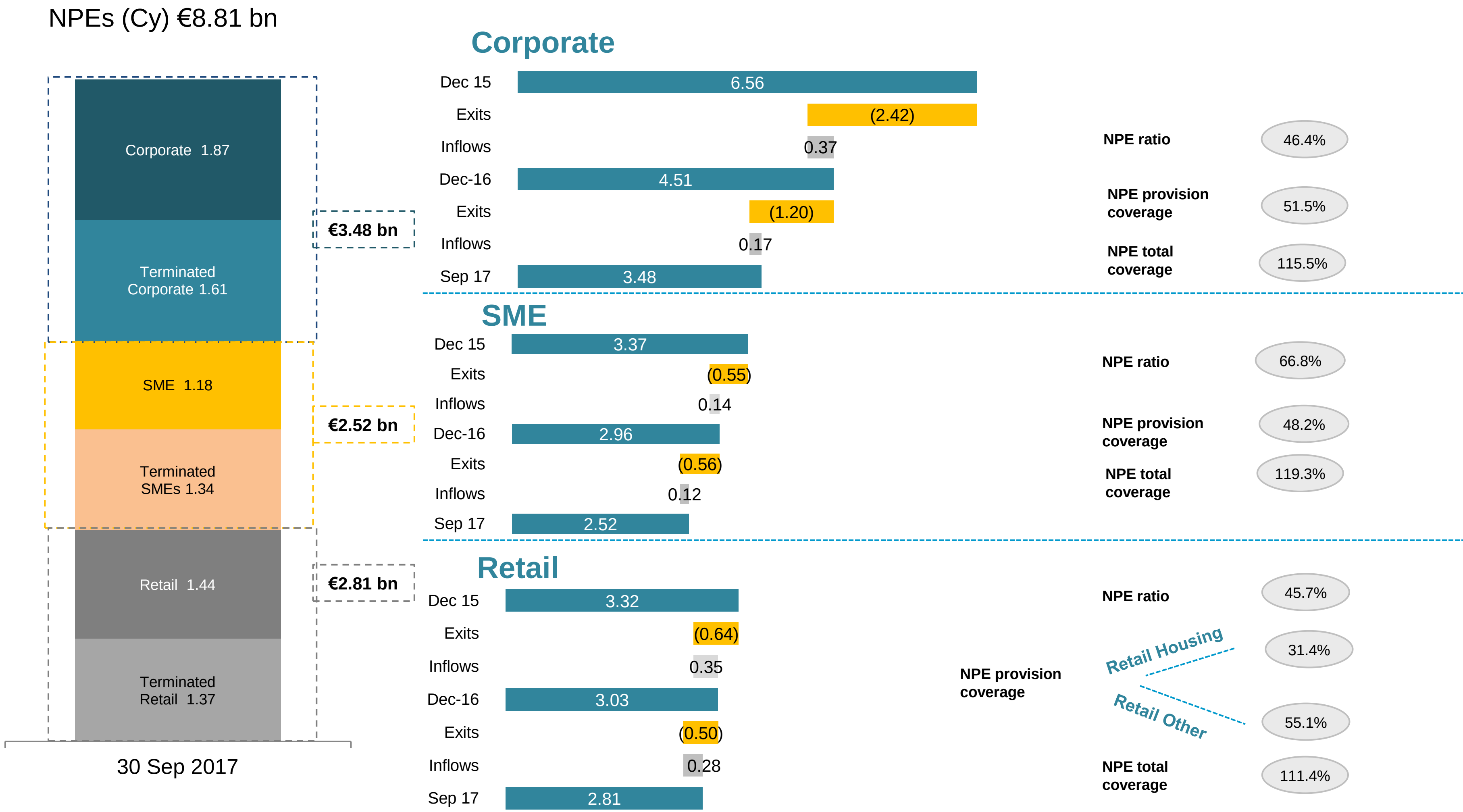
Quarter	Gross Contractual Balance € mn	Surplus/(Gap) in provisions € mn	No. of Customers
1Q2015	6.0	1.4	148
2Q2015	79.2	16.0	242
3Q2015	20.2	0.0	441
4Q2015	65.7	-2.1	551
1Q2016	158.3	0.5	1,276
2Q2016	266.9	12.1	2,298
3Q2016	124.5	13.9	115
4Q2016	71.9	-1.1	2,343
1Q2017	119.2	1.1	2,194
2Q2017	200.9	7.5	2,369
3Q2017	103.8	28.4	1,082
	1,216.6	**77.8**	**13,059**

- Resolution of cases within provisions **continued in 3Q17**
- Back-testing of 13,000 fully settled exposures over last 11 quarters on average within **c. 90% of existing provisions**

(1) Provisions for impairment of customer loans and gains/(losses) on derecognition of loans and changes in expected cash flows on acquired loans over average gross loans. Additional provisions of c.€500 mn charged in 2Q2017 are included in the calculation of Cost of Risk but are not annualised. The provisioning charge for 9M2017 was 4.1% Including impairments of other financial instruments, the provisioning charge was 1.2% and 4.1% for 3Q2017 and 9M2017, respectively

Continuous progress across all segments

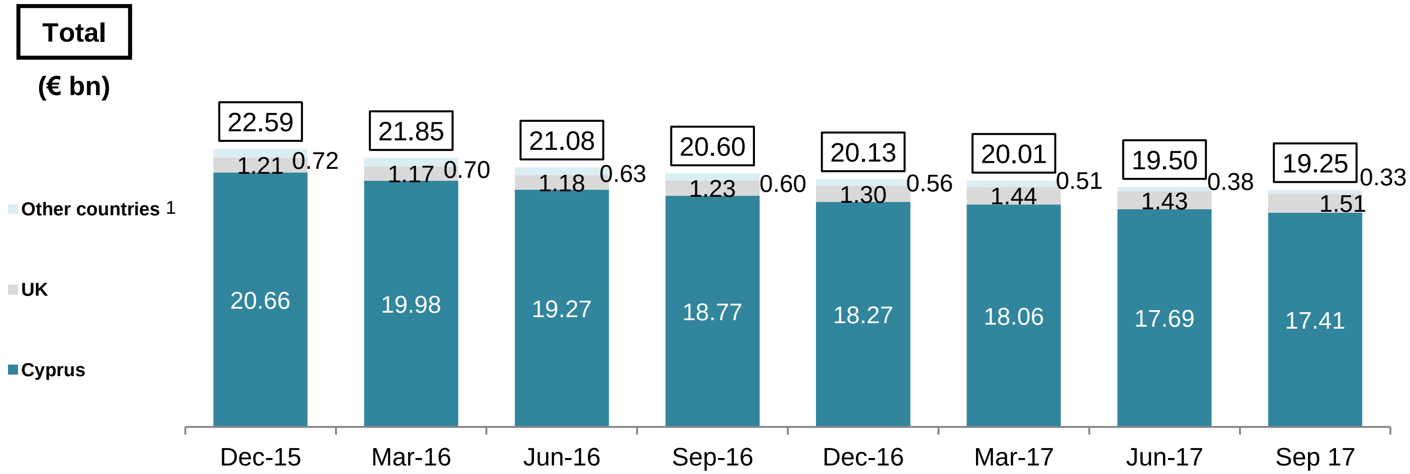
Focus shifts to Retail and SME after intense Corporate attention



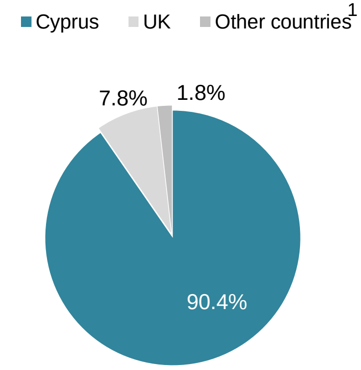
Bank of Cyprus

Gross loans by Geography and by Customer Type

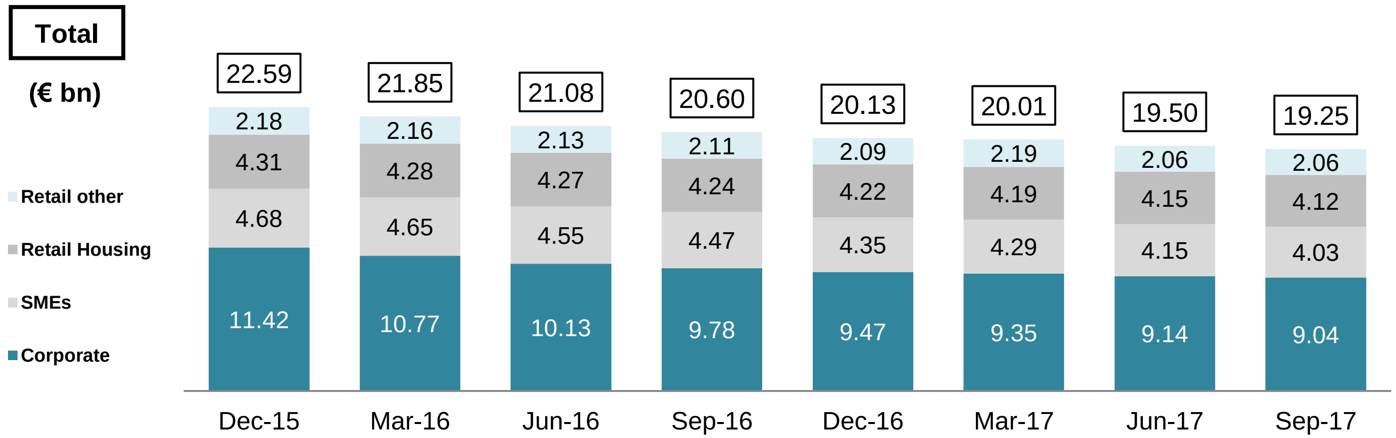
Gross loans by geography



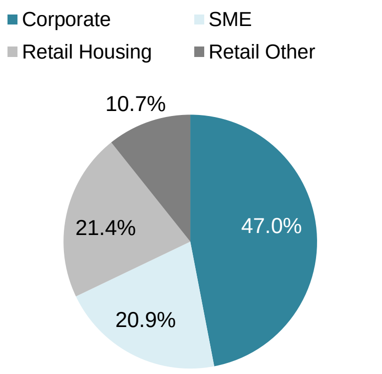
30 September 2017 (%)



Gross loans by customer type



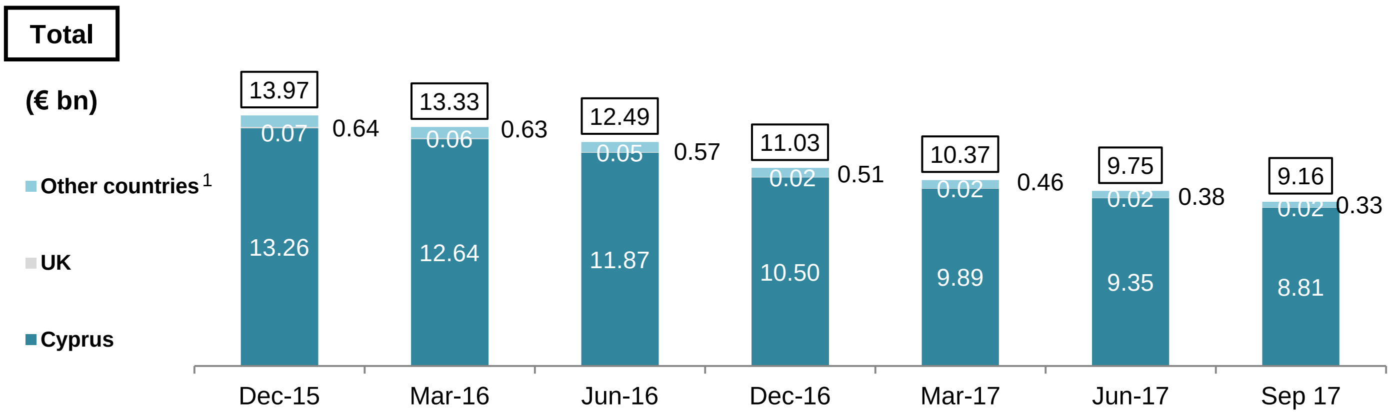
30 September 2017 (%)



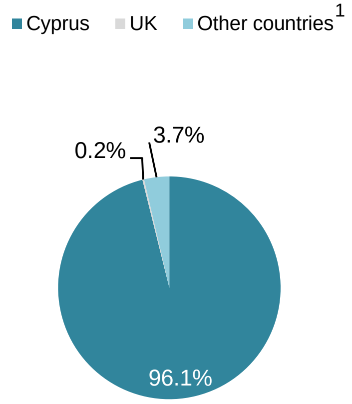
(1) Other countries: Greece, Russia and Romania

NPEs by Geography and by Customer Type

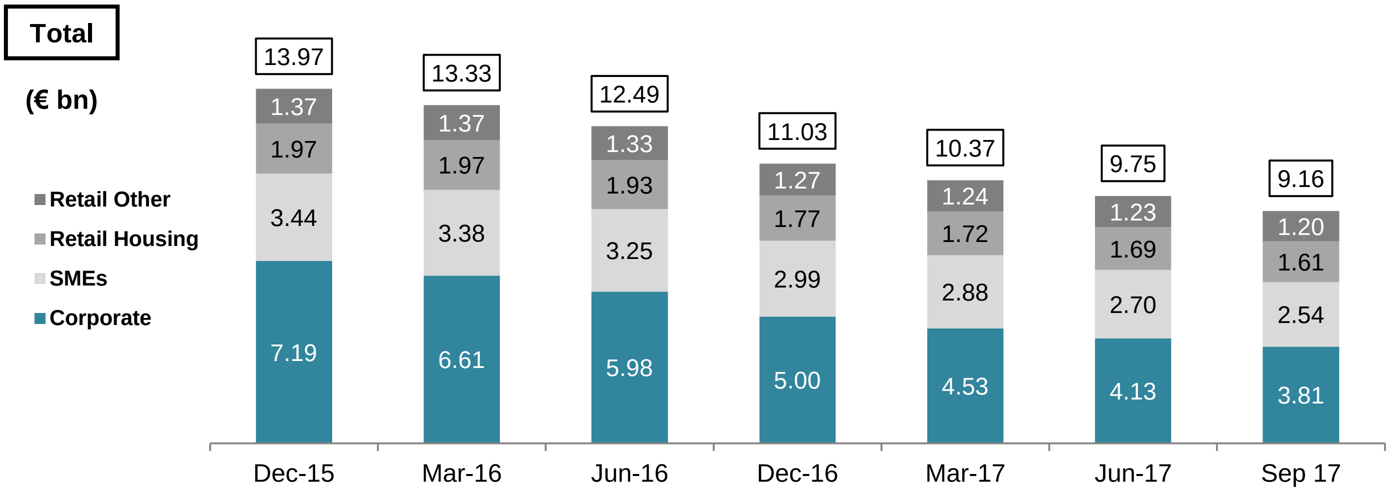
NPEs by geography



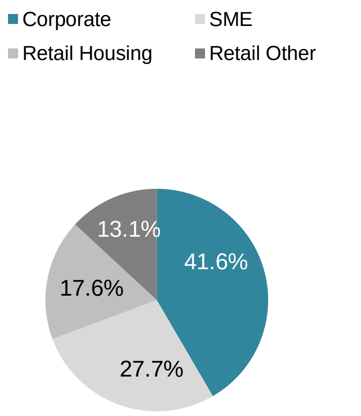
30 September 2017 (%)



NPEs by customer type



30 September 2017 (%)

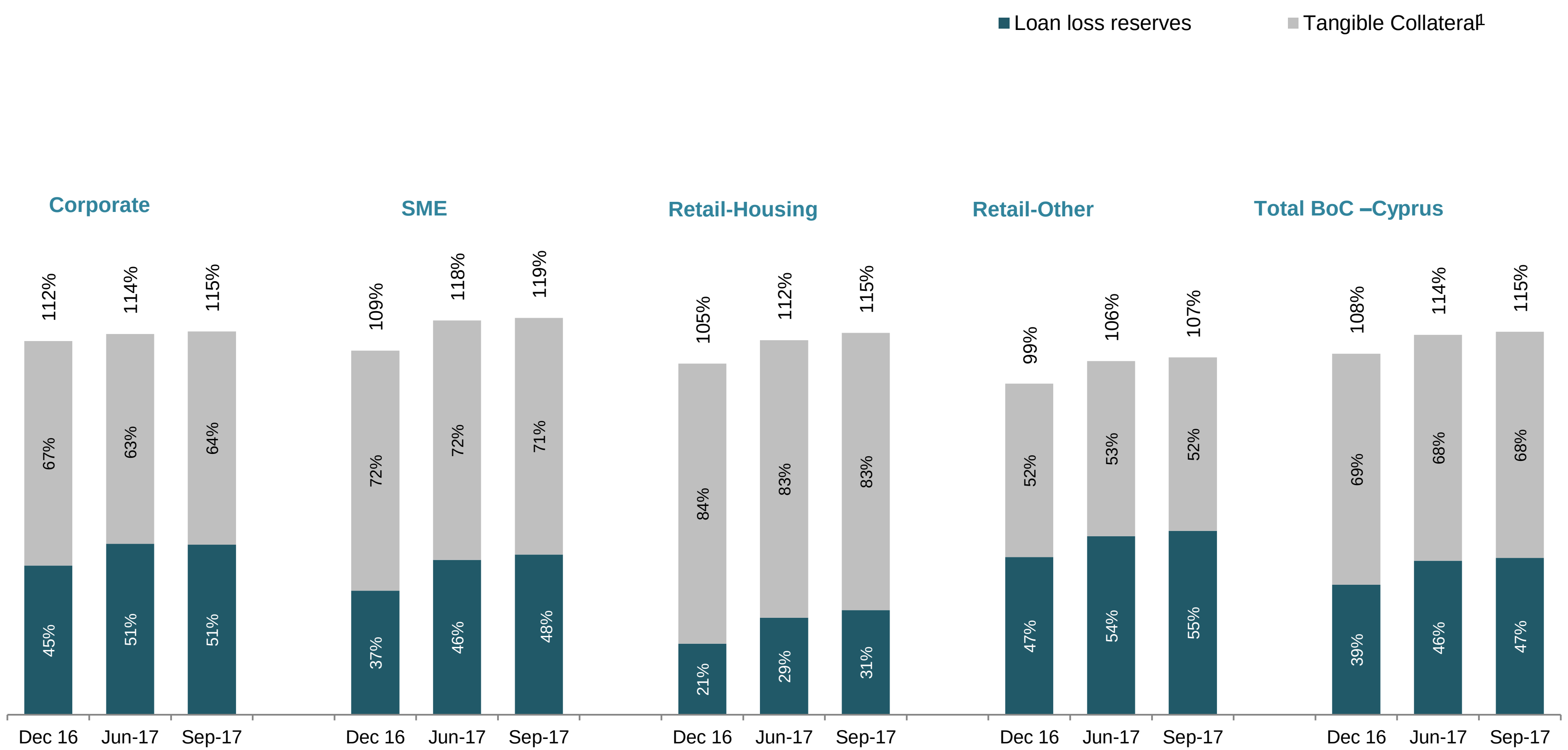


(1) Other countries: Greece, Russia and Romania

Bank of Cyprus

NPE provision coverage increasing to 47%; Total coverage (Cy) at 115%

Adequate NPE total coverage when collateral is included (Cyprus operations)



(1) Restricted to Gross IFRS balance

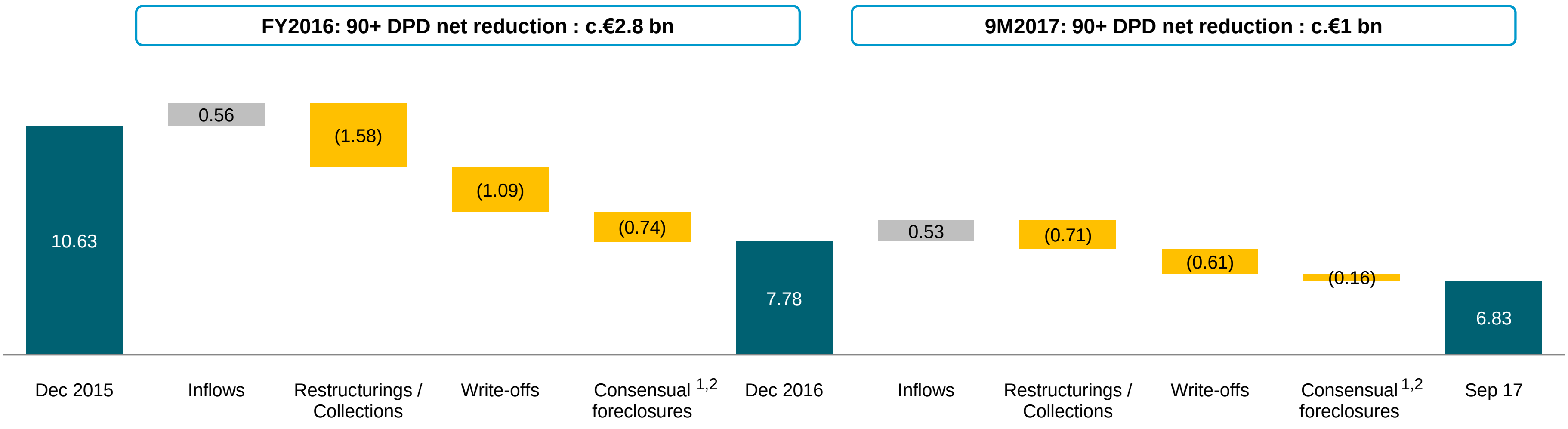
Asset Quality- 90+ DPD analysis

(€ mn)	Sep-17	Jun-17	Mar-17	Dec-16	Sept-16
A. Gross Loans after Fair value on Initial recognition	**18,532**	**18,693**	**19,142**	**19,202**	**19,607**
Fair value on Initial recognition	721	812	869	928	989
B. Gross Loans	**19,253**	**19,505**	**20,011**	**20,130**	**20,596**
B1. Loans with no arrears	**11,242**	**11,154**	**11,126**	**10,991**	**10,897**
B2. Loans with arrears but not impaired	**2,226**	**2,210**	**2,283**	**2,238**	**2,488**
Up to 30 DPD	520	468	454	455	587
31-90 DPD	309	322	420	375	344
+ 91-180 DPD	165	217	173	129	146
+ 181-365 DPD	264	201	164	141	144
+ Over 1 year DPD	968	1,002	1,072	1,138	1,267
+ **B3. Impaired Loans**	**5,785**	**6,141**	**6,602**	**6,901**	**7,211**
With no arrears	342	409	379	472	514
Up to 30 DPD	18	15	18	62	22
31-90 DPD	25	14	50	29	52
91-180 DPD	13	51	42	50	15
181-365 DPD	97	91	82	51	106
Over 1 year DPD	5,290	5,561	6,031	6,237	6,502
= **(90+ DPD)[1]**	**7,182**	**7,561**	**8,011**	**8,309**	**8,768**
90+ DPD ratio (90 + DPD / Gross Loans)	**37.3%**	**38.8%**	**40.0%**	**41.3%**	**42.6%**
Accumulated provisions (including fair value adjustment on initial recognition[2])	**4,470**	**4,638**	**4,334**	**4,519**	**4,703**
Gross loans provision coverage	**23.2%**	**23.8%**	**21.7%**	**22.4%**	**22.8%**
90+ DPD provision coverage	**62.2%**	**61.3%**	**54.1%**	**54.4%**	**53.6%**

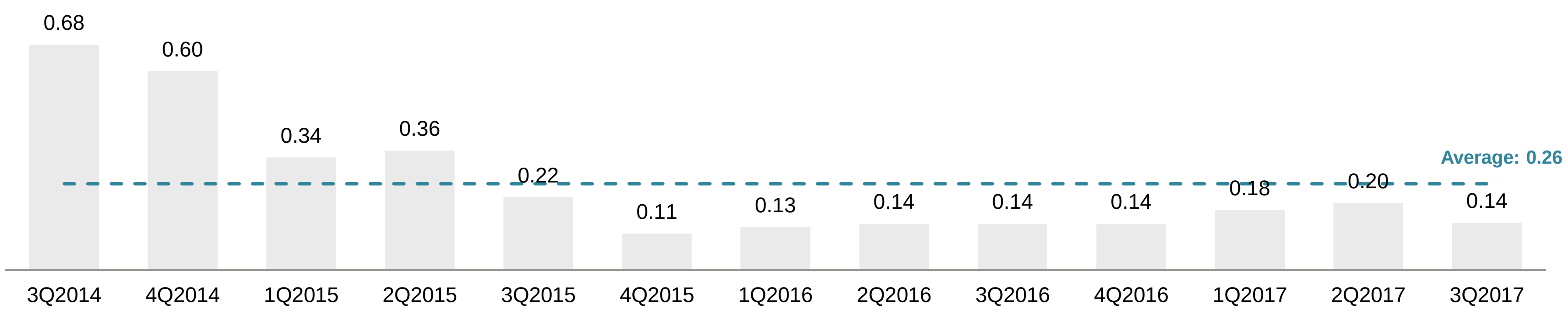
(1) Loans in arrears for more than 90 days (90+ DPD) are defined as loans past-due for more than 90 days and those that are impaired (impaired loans are those which are not considered fully collectable and for which a provision for impairment has been recognised on an individual basis or for which incurred losses exist at their initial recognition or customers in Debt Recovery)
(2) Including the fair value adjustment on initial recognition (difference between the outstanding contractual amount and the fair value of loans acquired from Laiki Bank) and provisions for off-balance sheet exposures

Momentum continues in 90+ DPD reduction as inflows are stabilised

Additional tools resolve long outstanding loan portfolios (Cyprus operations)



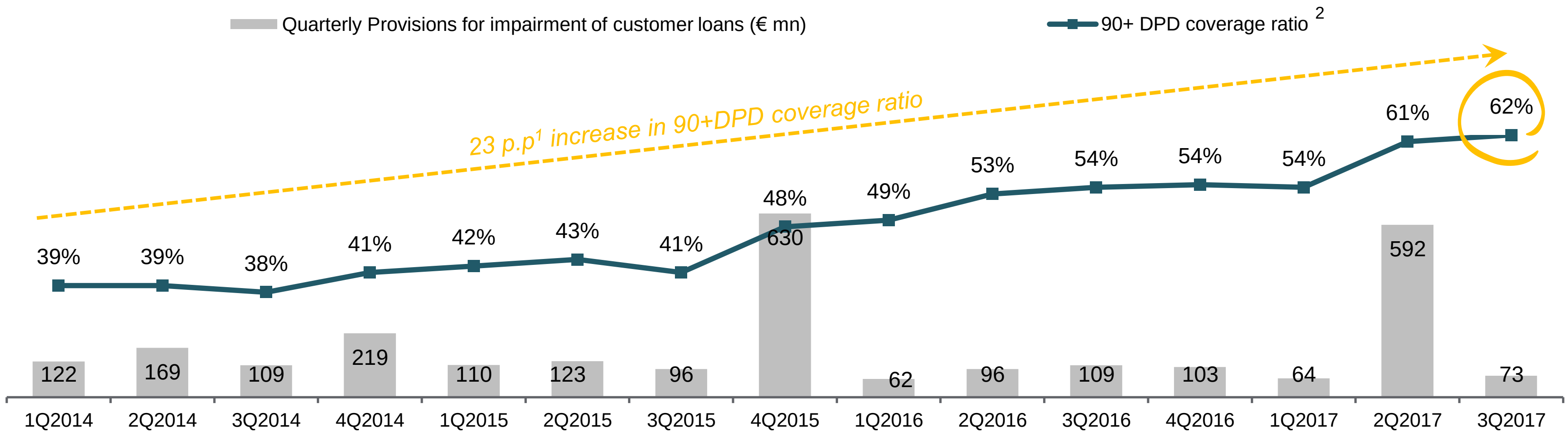
Stable 90+DPD inflows in Cyprus operations (€ bn)



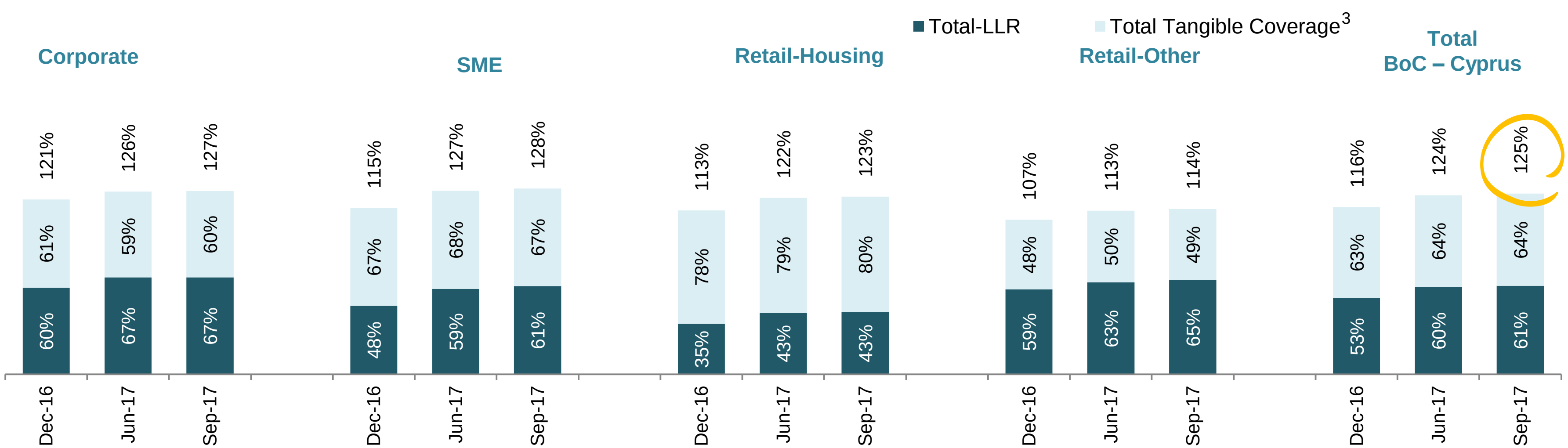
(1) Value of on-boarded assets is set at a conservative 25%-30% discount from open
(2) Includes debt for asset swaps and debt for equity swap

90+ DPD provision coverage boosted to 62%; Total Coverage (Cy) at 125%

23 pp[1] coverage ratio increase since 1Q2014; over €2.7 bn additional provisions



90+ DPD fully covered by Provisions and Tangible Collateral (Cyprus Operations)



(1) p.p. = percentage points
(2) Provisions for impairment of customer loans and gains/(losses) on derecognition of loans and changes in expected cash flows on acquired loans over 90+ DPD
(3) Restricted to Gross IFRS balance

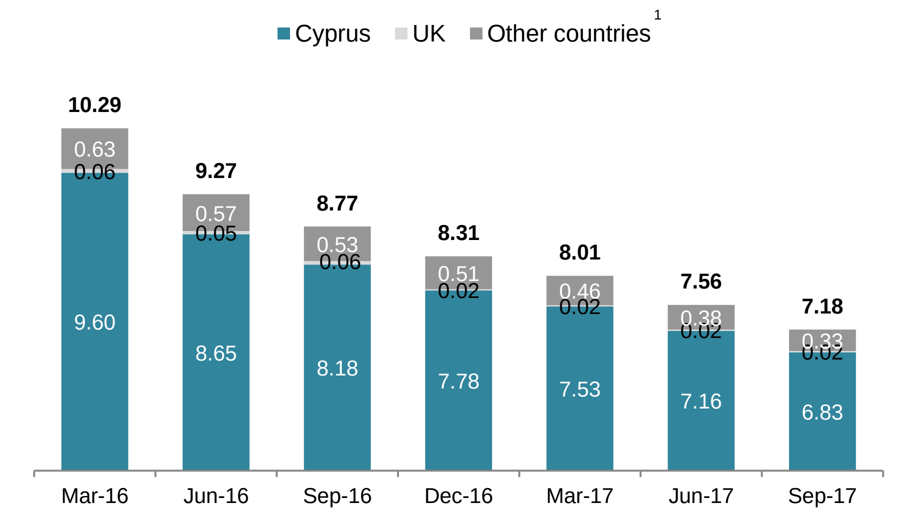
Bank of Cyprus

Fair value of collateral and credit enhancements held by the Group

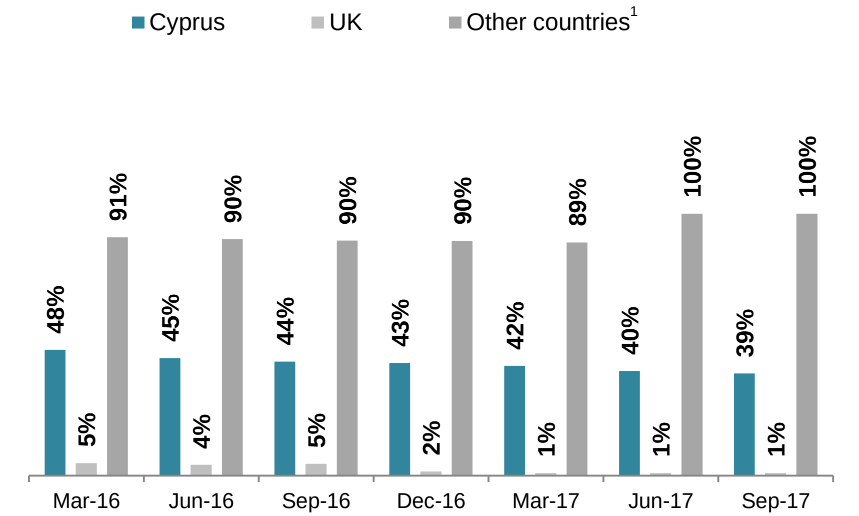
Loans and advances to customers	30 Sep 2017 (€ mn)
Cash	333
Securities	350
Letters of credit / guarantee	265
Property	21,775
Other	658
Surplus collateral	(10,212)
Net collateral	**13,169**

90+ DPD by Geography and business line

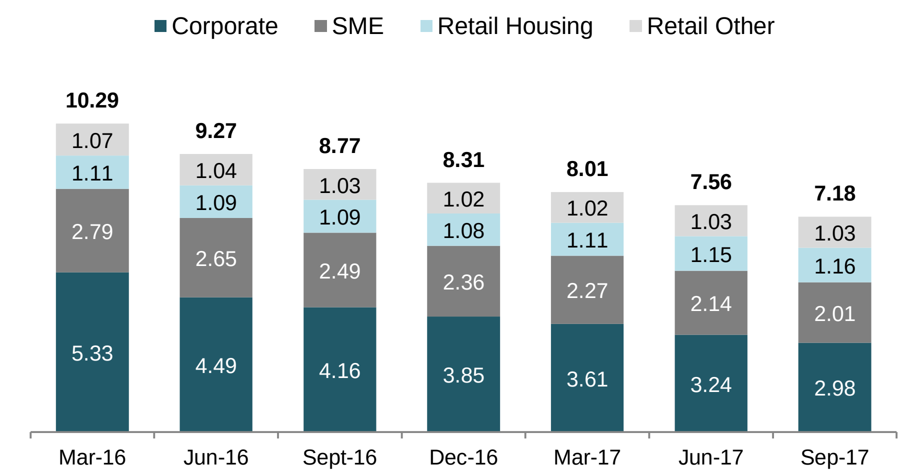
90+ DPD by Geography (€ bn)



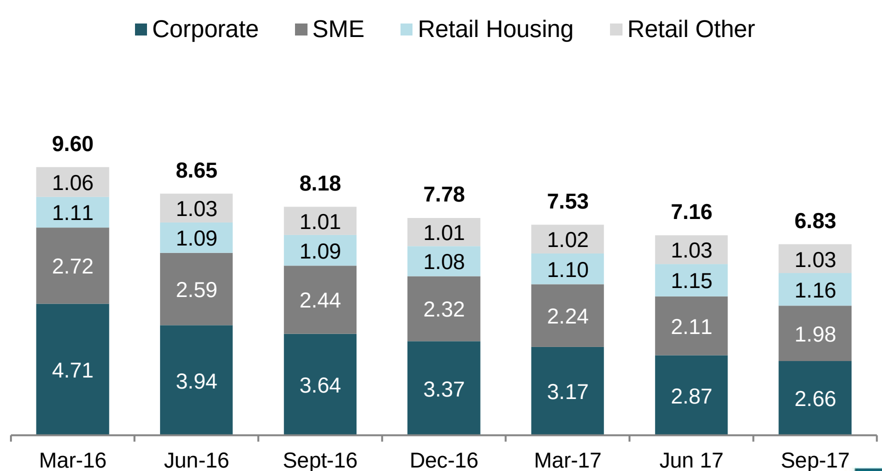
90+ DPD ratios by Geography



90+ DPD by business line (€ bn)



Cyprus 90+ DPD by business line (€ bn)



(1) Other countries: Greece, Russia and Romania

Further Analysis of 90+ DPD by Business Line[1]

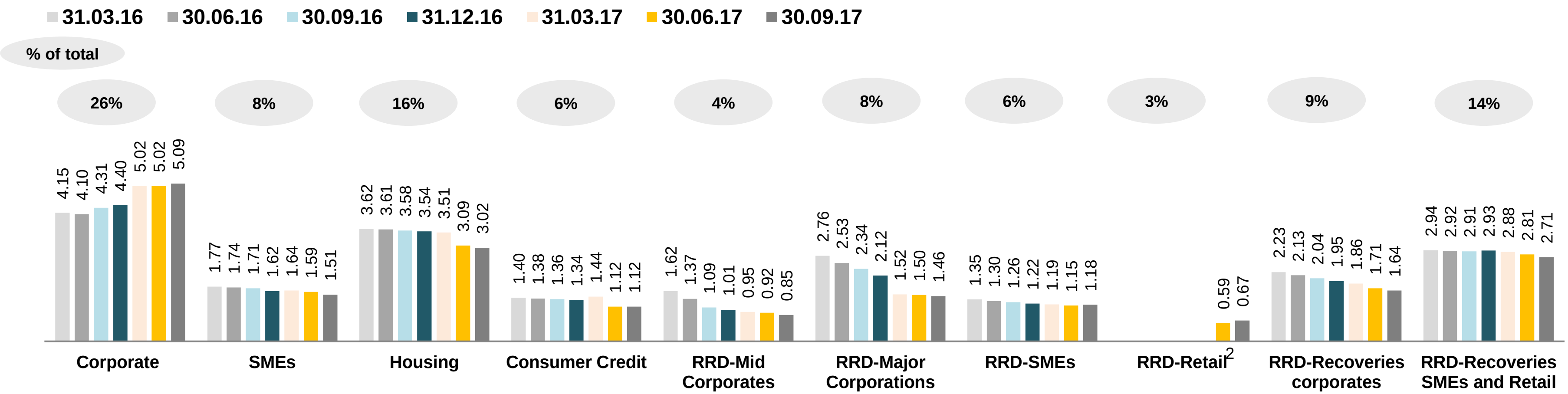
90+ DPD by business line (€ bn)

(1) As part of the restructuring of the Group, management is currently monitoring the loan portfolio of the Group using new business line definitions. An important component of the Group's new operational structure is the establishment of the RRD for the purposes of centralising and streamlining the management of its delinquent loans

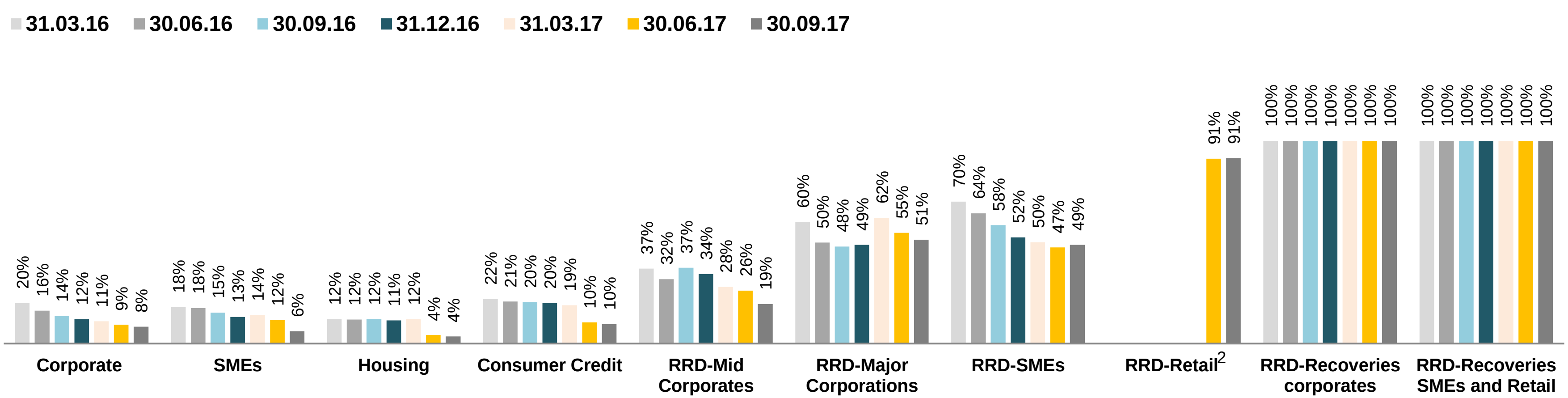
(2) New business line established in April 2017. It includes Retail Housing and Retail Other

Analysis of Loans and 90+ DPD ratios by Business Line[1]

Gross loans by business line (€ bn)



90+ DPD ratios by business line

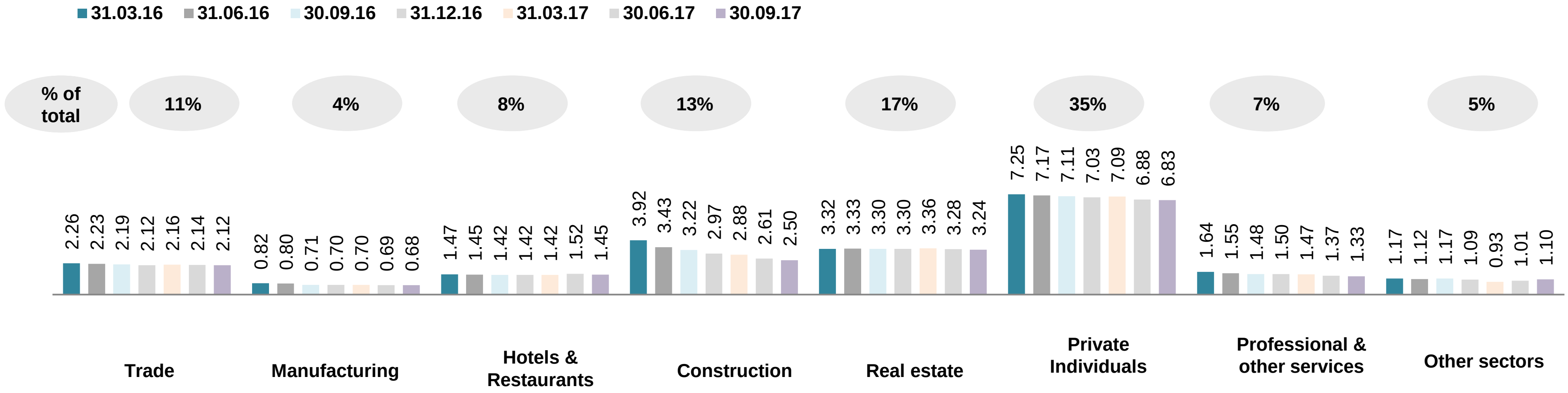


(1) As part of the restructuring of the Group, management is currently monitoring the loan portfolio of the Group using new business line definitions. An important component of the Group's new operational structure is the establishment of the RRD for the purposes of centralising and streamlining the management of its delinquent loans

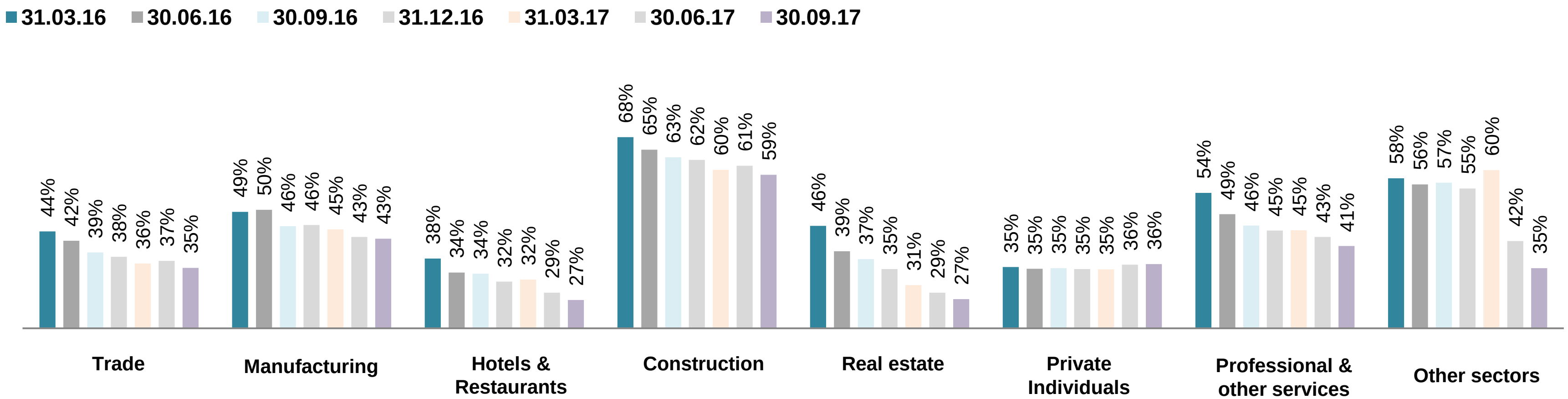
(2) New business line established in April 2017. It includes Retail housing and Retail Other

Analysis of Loans and 90+ DPD ratios by Economic Activity

Gross loans by economic activity (€ bn)



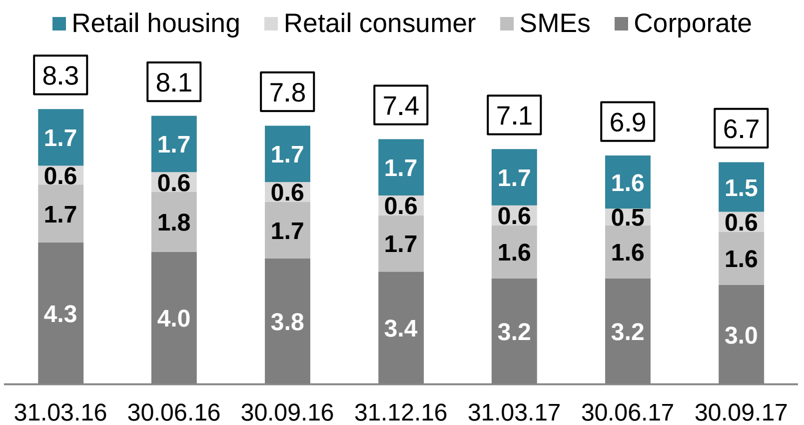
90+ DPD ratios by economic activity



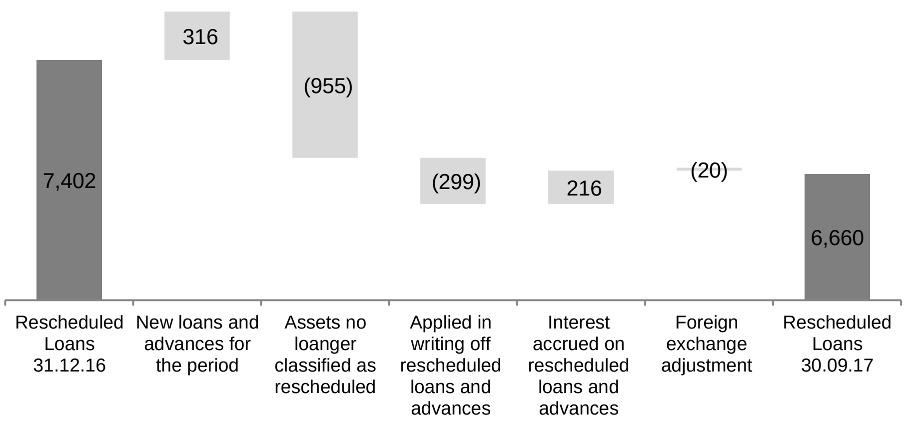
Bank of Cyprus

Rescheduled Loans for the Cyprus Operations

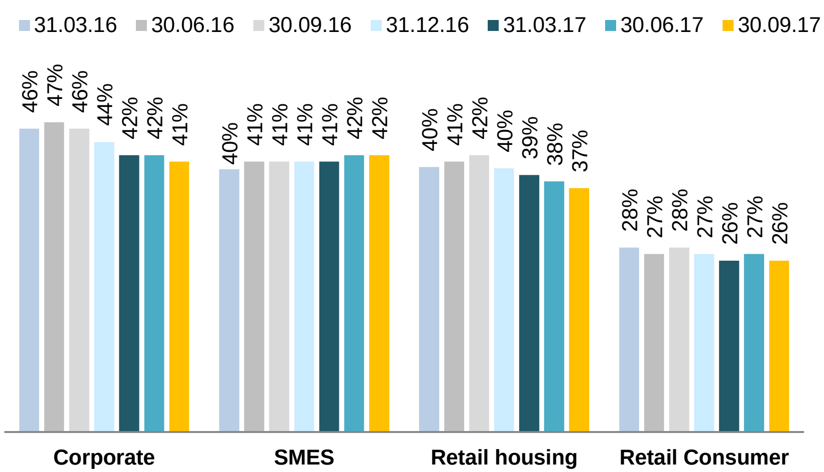
Rescheduled Loans by customer type (€ bn)



Rescheduled Loans (€ bn)



Rescheduled loans % gross loans[1] by customer type

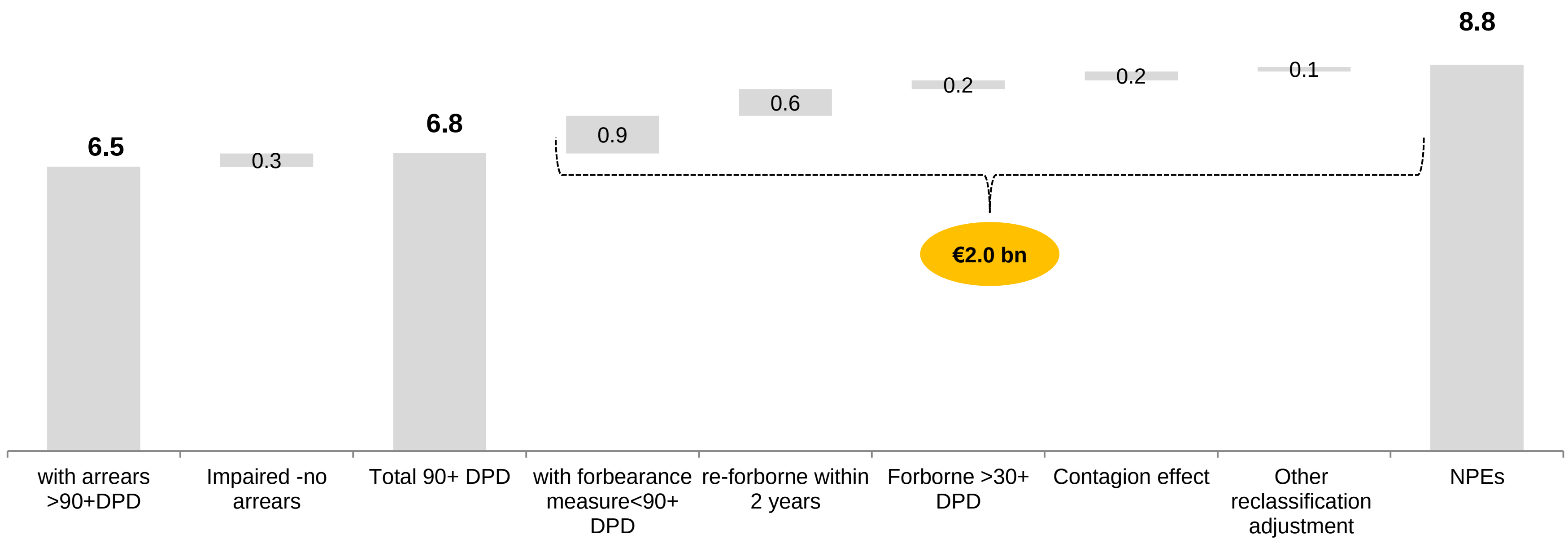


(1) Before fair value adjustment on initial recognition relating to loans acquired from Laiki Bank (difference between the outstanding contractual amount and the fair value of loans acquired) amounting to €721 mn for gross loans and to €335 mn for rescheduled loans (compared to €928 mn and €441 mn respectively at 31 December 2016), including loans of discontinued operations/disposal group held for sale

Rescheduled Loans – Asset Quality

€ '000	Cyprus	Greece	Russia	United Kingdom	Romania	Total
30 September 2017						
Neither past due nor impaired	3,459,877	-	-	4,839	96	3,464,812
Past due but not impaired	1,335,179	-	-	1,025	62	1,336,266
Impaired	1,865,243	338	77,102	1,927	39,415	1,984,025
Total	**6,660,299**	**338**	**77,102**	**7,791**	**39,573**	**6,785,103**
30 June 2017						
Neither past due nor impaired	3,653,747	-	-	3,885	113	3,657,745
Past due but not impaired	1,300,870	-	-	1,260	60	1,302,190
Impaired	1,985,185	336	78,234	1,973	56,557	2,122,285
Total	**6,939,802**	**336**	**78,234**	**7,118**	**56,730**	**7,082,220**
31 March 207						
Neither past due nor impaired	3,670,520	-	-	3,830	130	3,674,480
Past due but not impaired	1,322,277	-	-	950	61	1,323,288
Impaired	2,076,234	336	86,704	2,052	65,926	2,231,252
Total	**7,069,031**	**336**	**86,704**	**6,832**	**66,117**	**7,229,020**

Reconciliation of 90+ DPD to NPES Cyprus Operations (€ bn) (Sep 17)



Appendix – Additional financial information

Consolidated Balance Sheet

€ mn	% change	30.09.17	31.12.16
Cash and balances with Central Banks	82%	2,739	1,506
Loans and advances to banks	-11%	972	1,088
Debt securities, treasury bills and equity investments	52%	1,025	674
Net loans and advances to customers	-5%	14,833	15,649
Stock of property	8%	1,548	1,427
Other assets	-5%	1,736	1,828
Total assets	**3%**	**22,853**	**22,172**

€ mn	% change	30.09.17	31.12.16
Deposits by banks	10%	479	435
Funding from central banks	-2%	830	850
Repurchase agreements	1%	259	257
Customer deposits	5%	17,315	16,510
Subordinated loan stock	-	263	-
Other liabilities	9%	1,109	1,014
Total liabilities	**6%**	**20,255**	**19,066**
Shareholders' equity	**-17%**	**2,562**	**3,071**
Non controlling interests	3%	36	35
Total equity	**-16%**	**2,598**	**3,106**
Total liabilities and equity	**3%**	**22,853**	**22,172**

Income Statement Review

€ mn	9M2017	9M2016	3Q2017	2Q2017	qoq %	(9M) yoy%
Net Interest Income	454	524	138	160	-14%	-13%
Net fee and commission income	133	112	45	45	0%	19%
Insurance income net of insurance claims	39	35	14	15	5%	13%
Core income	*626*	*671*	*197*	*220*	*-10%*	*-7%*
Other income	67	46	26	17	42%	45%
Total income	**693**	**717**	**223**	**237**	**-6%**	**-3%**
Total expenses	**(313)**	**(299)**	**(99)**	**(107)**	**-7%**	**5%**
Profit before provisions and impairments[1]	**380**	**418**	**124**	**130**	**-4%**	**-9%**
Loan loss provisions[2]	(729)	(267)	(73)	(592)	-88%	173%
Impairments of other financial and non financial instruments	(38)	(34)	(2)	(4)	-61%	11%
Provision for litigation and regulatory matters	(73)	0	(38)	(18)	109%	-
Total Provisions and impairments	***(840)***	***(301)***	***(113)***	***(614)***	***-82%***	***180%***
Share of profit from associates and joint ventures	5	3	1	2	-36%	64%
(Loss)/profit before tax and restructuring costs	**(455)**	**120**	**12**	**(482)**	**-102%**	**-**
Tax	(76)	(16)	(4)	(66)	-95%	361%
Profit/(loss) attributable to NCIs	(1)	(3)	(0)	(1)	3%	-75%
(Loss)/profit after tax and before restr. costs	**(532)**	**101**	**8**	**(549)**	**-101%**	**-**
Advisory, VEP and other restr. costs[3]	(21)	(98)	(7)	(7)	7%	-79%
Net gain on disposal of non-core assets	-	59	-	-	-	-
(Loss)/profit after tax	**(553)**	**62**	**1**	**(556)**	**-**	**-**
Net interest margin	**3.18%**	**3.51%**	**2.86%**	**3.38%**	**-52bps**	**-33bps**
Cost-to-Income ratio	**45%**	**42%**	**44%**	**45%**	**-1 p.p.**	**+3 p.p.**
Cost-to-Income ratio adjusted for special levy and SRF contribution	**43%**	**40%**	**45%**	**43%**	**+2 p.p.**	**+3 p.p.**

(1) Profit before provisions and impairments, gains/(losses) on derecognition and changes on expected cash flows , restructuring costs and discontinued operations
(2) Provisions for impairment of customer loans and gains /(losses) on derecognition of loans and changes in expected cash flows on acquired loans
(3) Advisory, VEP and other restructuring costs comprise mainly: 1) fees of external advisors in relation to: (i) disposal of operations and non-core assets (ii) customer loan restructuring activities which are not part of the effective interest rate and (iii) the listing on the London Stock Exchange and 2) voluntary exit plan cost

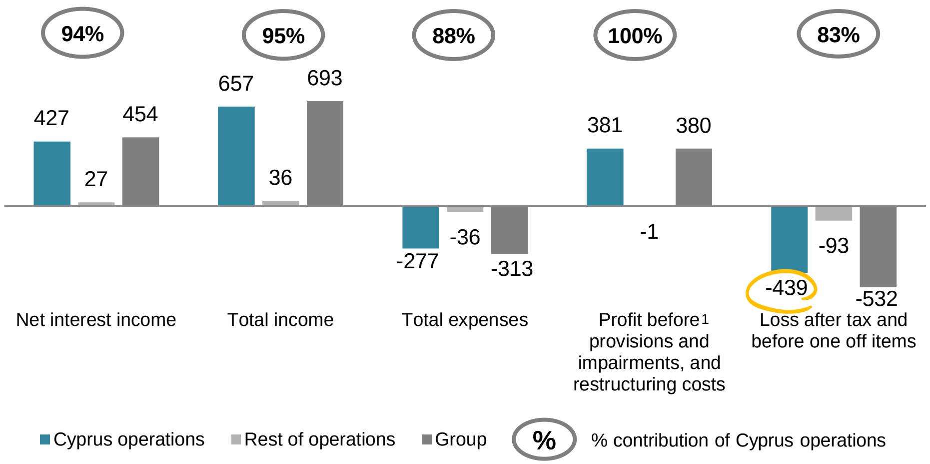
Analysis of Interest Income and Interest Expense

Analysis of Interest Income	1Q2016	2Q2016	3Q2016	4Q2016	1Q2017	2Q2017	3Q2017
Loans and advances to customers	231	217	203	204	195	200	180
Loans and advances to banks and central banks	1	3	4	(3)	2	1	0
Investments available-for-sale	3	2	3	3	4	5	5
Investments classified as loans and receivables	4	4	2	1	1	1	1
	239	**226**	**212**	**205**	**202**	**207**	**186**
Trading Investment	-	-	-	-	-	-	-
Derivative financial instruments	1	2	1	1	6	8	9
Other investments at fair value through profit or loss	0	0	0	0	0	0	-
Total Interest Income	**240**	**228**	**213**	**206**	**208**	**215**	**195**

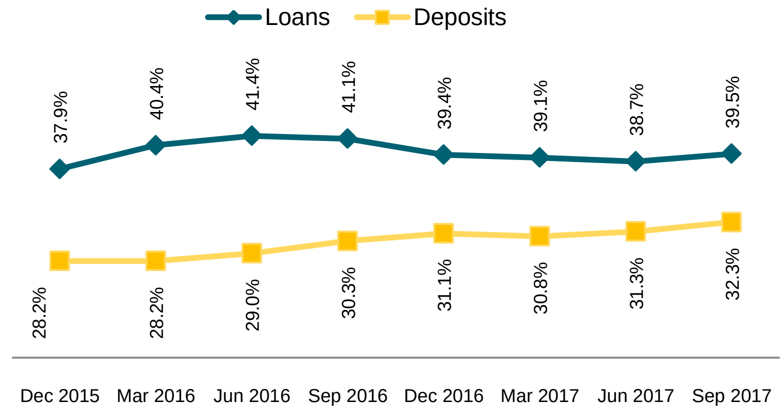
Analysis of Interest Expense	1Q2016	2Q2016	3Q2016	4Q2016	1Q2017	2Q2017	3Q2017
Customer deposits	(34)	(34)	(35)	(35)	(35)	(35)	(36)
Funding from central banks and deposits by banks	(16)	(13)	(8)	(4)	(1)	(1)	(1)
Subordinated loan stock	-	-	-	-	(5)	(6)	(6)
Repurchase agreements	(1)	(1)	(2)	(2)	(2)	(2)	(2)
	(51)	**(48)**	**(45)**	**(41)**	**(43)**	**(44)**	**(45)**
Derivative financial instruments	(4)	(4)	(4)	(4)	(9)	(11)	(12)
Total Interest Expense	**(55)**	**(52)**	**(49)**	**(45)**	**(52)**	**(55)**	**(57)**

Core Cypriot business

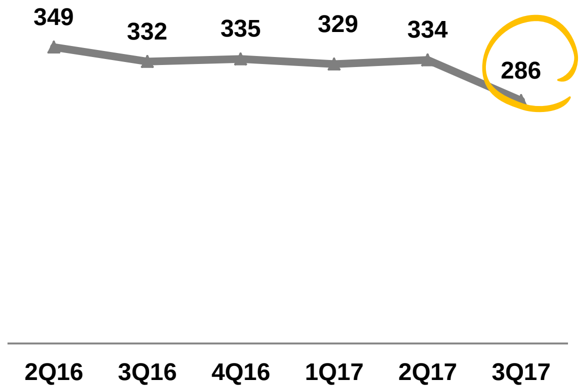
9M2017 Cyprus Vs Group performance (€ mn)



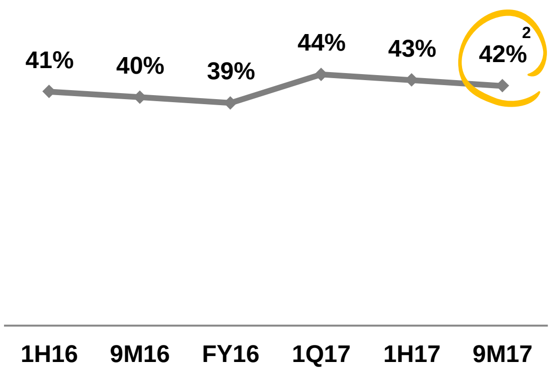
Strong market shares maintained



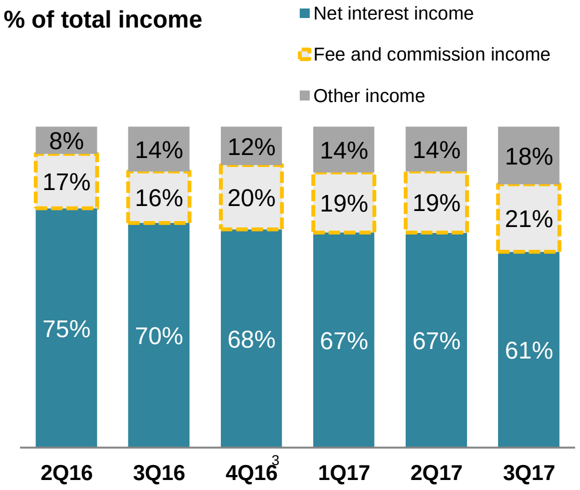
NIM in Cyprus operations



Healthy Cost to Income ratio for Cyprus operations



Improving fee income as a % of revenues



(1) Profit before provisions and impairments, gains/(losses) on loan derecognition and changes on expected cash flows and restructuring costs
(2) Cost to Income ratio includes the special levy and the SRF contribution and excludes the provisions for pending litigation
(3) Excluding non-recurring fees of approximately €7 mn

Bank of Cyprus

Income Statement bridge for 9M2017

€ mn	Underlying basis	Reclassification	Statutory Basis
Net interest income	454		454
Net fee and commission income	133		133
Net foreign exchange gains and net gains on other financial instruments	32		32
Insurance income net of insurance claims	39		39
Net gains from revaluations/disposals of investment properties	22		22
Other income	13		13
Total income	**693**		**693**
Total expenses	**(313)**	**(94)**	**(407)**
Profit before provisions and impairments, gains/(losses) on derecognition of loans and changes in expected cash flows and restructuring costs	**380**	**(94)**	**286**
Provisions for impairment of customer loans and Gains on derecognition of loans and changes in expected cash flows	(729)		(729)
Impairments of other financial and non-financial assets	(38)		(38)
Provision for litigation and regulatory matters	(73)	73	-
Share of profit from associates	5		5
Loss before tax, restructuring costs and discontinued operations	**(455)**	**(21)**	**(476)**
Tax	(76)		(76)
Loss attributable to non-controlling interests	(1)		(1)
Loss after tax and before restructuring costs, discontinued operations and net profit from disposal of non-core assets	**(532)**	**(21)**	**(553)**
Advisory and other restructuring costs[1]	(21)	21	-
Loss after tax	**(553)**		**(553)**

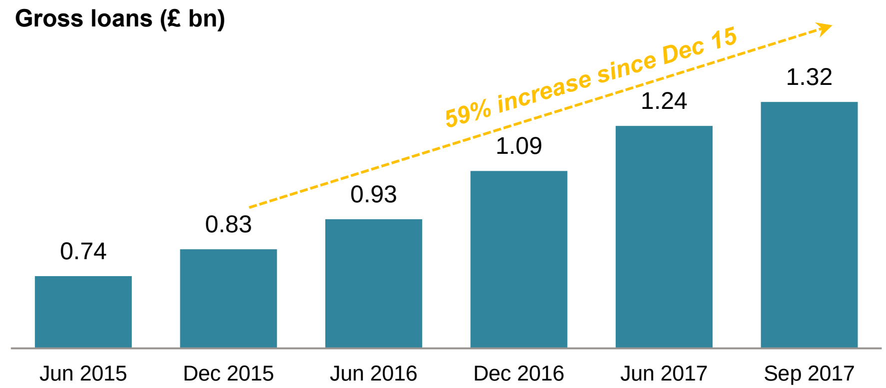
(1) Advisory and other restructuring costs comprise mainly: 1) fees of external advisors in relation to: (i) customer loan restructuring activities which are not part of the effective interest rate and (ii) the listing on the London stock exchange

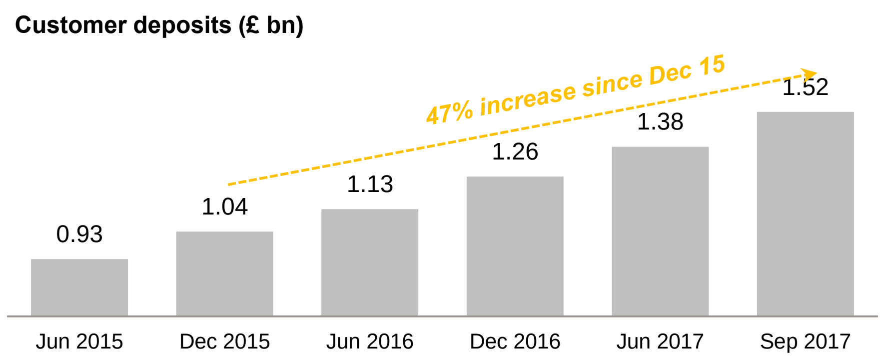
Cyprus: Income Statement by business line for 9M2017

€ mn	Consumer Banking	SME Banking	Corporate Banking	International Banking	Wealth & Brokerage & Asset Management	RRD	REMU	Insurance	Other	Total Cyprus
Net interest income	164	39	76	51	8	106	(13)	0	(4)	427
Net fee & commission income	38	7	10	49	2	9	-	(4)	17	128
Other income	2	1	0	5	2	0	25	39	29	103
Total income	204	47	86	105	12	115	12	35	42	658
Total expenses	(86)	(9)	(9)	(20)	(3)	(22)	(6)	(13)	(109)	(277)
Profit/(loss) before provisions and impairments	118	38	77	85	9	93	6	22	(67)	381
Provisions for impairment of customer loans net of gains/(losses) on derecognition of loans and changes in expected cash flows	(35)	(14)	1	(9)	0	(655)	-	-	3	(709)
Impairment of other financial and non financial instruments	-	-	-	-	-	-	-	(0)	(10)	(10)
Provision for litigation and regulatory matters	-	-	-	-	-	-	-	-	(34)	(34)
Share of profits from associates	-	-	-	-	-	-	-	-	5	5
Profit/(loss) before tax	83	24	78	76	9	(562)	6	22	(103)	(367)
Tax	(10)	(3)	(10)	(10)	(1)	72	0	(2)	(107)	(71)
Profit attributable to non controlling interest	-	-	-	-	-	-	-	-	(1)	(1)
Profit/(loss) after tax and before one off items	73	21	68	66	8	(490)	6	20	(211)	(439)

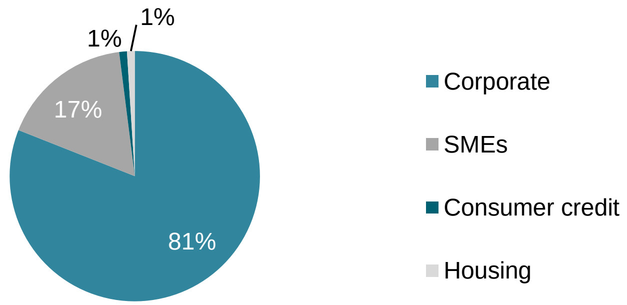
Careful Expansion of BOC UK operations

Gross loans and customer deposits

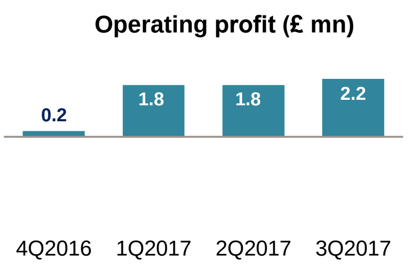


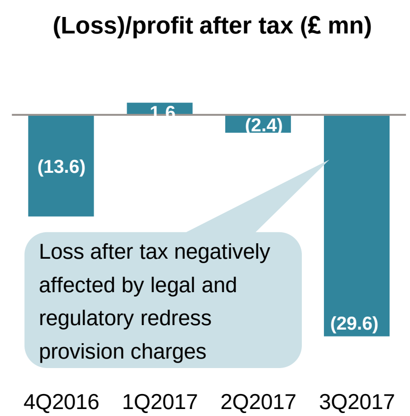


Loans by sector at 30 September 2017



Core operating profitability is rising





- Gross loans and customer deposits in the UK increased by 59% and 47% since Dec 15 to £1.32 bn and to £1.52 bn, respectively
- New lending of £369 mn during 9M2017
- Loss after tax of £29.6 mn for the 3Q2017, primarily relating to redress provisions for the UK operations.
- Expansion of UK operations that remains consistent with Group's overall credit appetite and regulatory environment

Bank of Cyprus

Risk Weighted Assets – Regulatory Capital

Risk weighted assets by Geography (€ mn)

	30.09.16	31.12.16	31.03.17	30.06.17	30.09.17
Cyprus	17,675	17,554	17,336	16,128	16,098
Russia	15	145[1]	33	32	30
United Kingdom	725	784	896	869	842
Romania	205	182	178	129	94
Greece	140	190	223	193	191
Other[2]	43	10	15	17	18
Total RWA	**18,803**	**18,865**	**18,681**	**17,368**	**17,273**
RWA intensity(%)	**84%**	**85%**	**83%**	**79%**	**76%**

Risk weighted assets by type of risk (€ mn)

	30.09.16	31.12.16	31.03.17	30.06.17	30.09.17
Credit risk	16,747	16,862	16,785	15,474	15,379
Market risk	6	6	7	5	5
Operational risk	2,050	1,997	1,889	1,889	1,889
Total	**18,803**	**18,865**	**18,681**	**17,368**	**17,273**

Equity and Regulatory Capital (€ mn)

	30.09.16	31.12.16	31.03.17	30.06.17	30.09.17
Shareholders' equity	3,063	3,071	3,079	2,543	2,562
CET1 capital	2,736	2,728	2,694	2,142	2,145
Tier I capital	2,736	2,728	2,694	2,142	2,145
Tier II capital	21	21	225	248	247
Total regulatory capital (Tier I + Tier II)	**2,757**	**2,749**	**2,919**	**2,390**	**2,392**

Reconciliation of Group Equity to CET 1

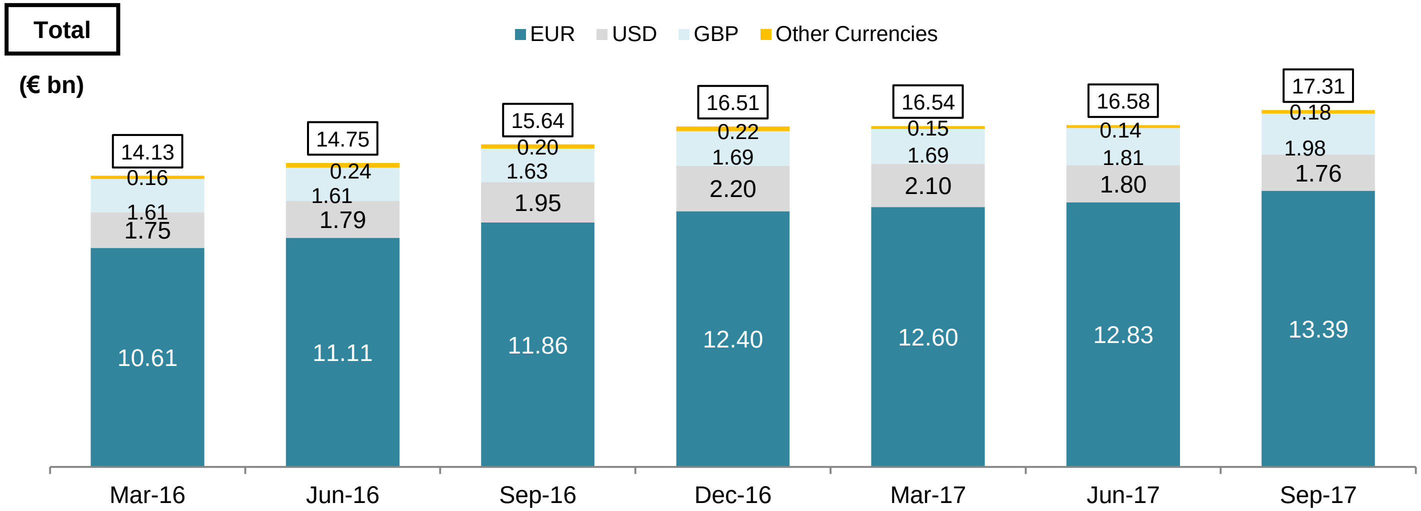
€ mn	**30.09.17**
Group Equity per financial statements	2,598
Less: Intangibles and other deductions	(26)
Less: Deconsolidation of insurance and other entities	(226)
Less: Regulatory adjustments (DTA and other items)	(151)
Less: Revaluation reserves and other unrealised items transferred to Tier II	(50)
CET 1 (transitional)	**2,145**
Less: Adjustments to fully loaded (mainly DTA)	**(98)**
CET 1 (fully loaded)	**2,047**
Risk Weighted Assets	**17,273**
CET 1 ratio (fully loaded)	**11.9%**
CET 1 ratio (transitional)	**12.4%**

(1) The increase in Russia RWA is due to one off regulatory adjustments on operational risk in relation to disposed operations where permission to exclude it received from regulators early January 2017
(2) Other countries primarily relates to exposures in Serbia

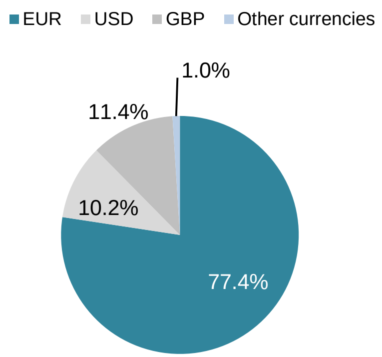
Bank of Cyprus

Analysis of Deposits by Currency and by Type

Deposits by Currency

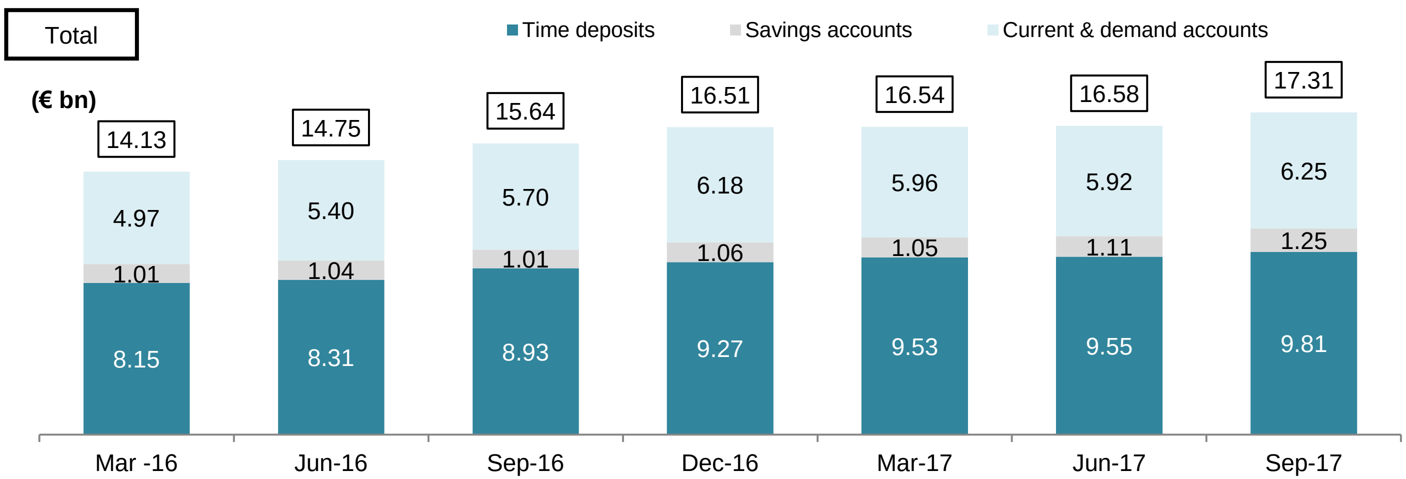


30 September 2017 (%)

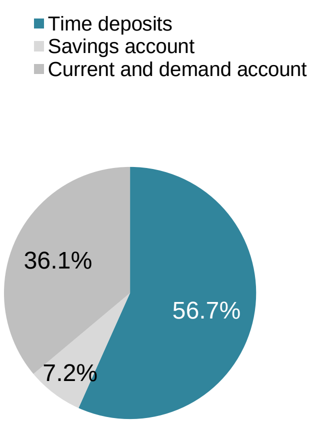


Total Cyprus 90.0%

Deposits by type of deposits

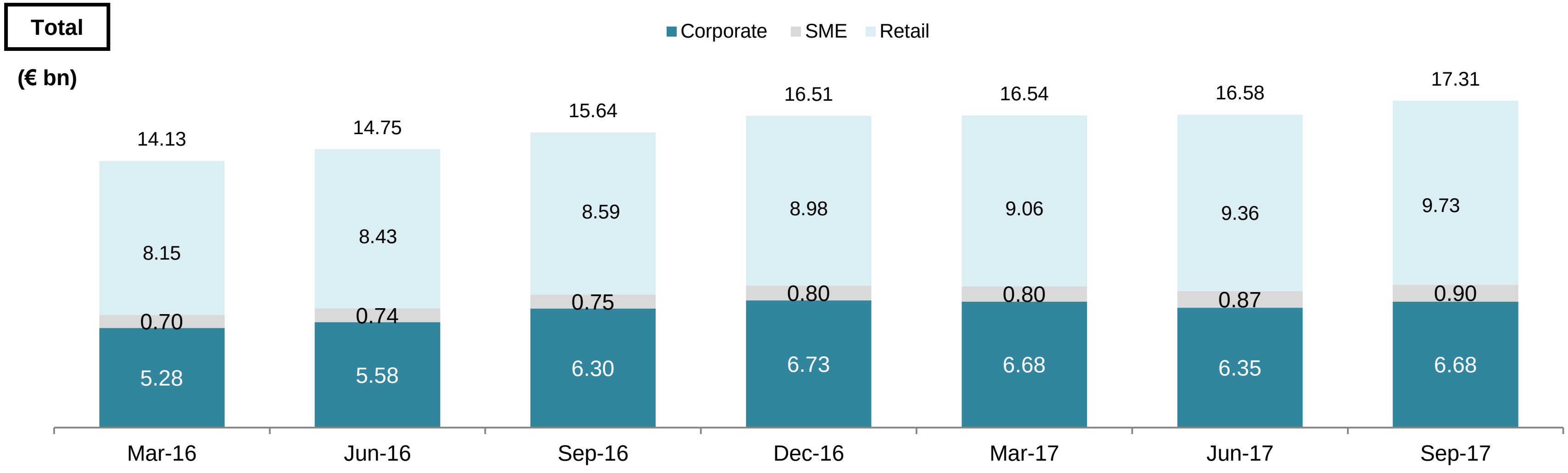


30 September 2017 (%)

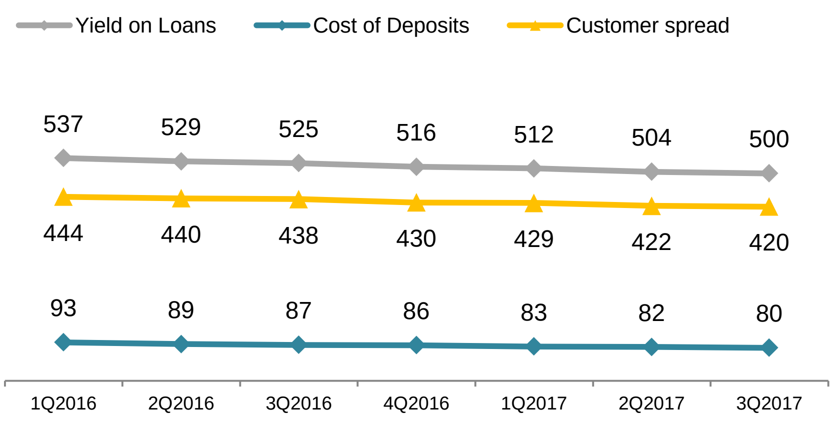


Analysis of Deposits by Sector and cost of deposits

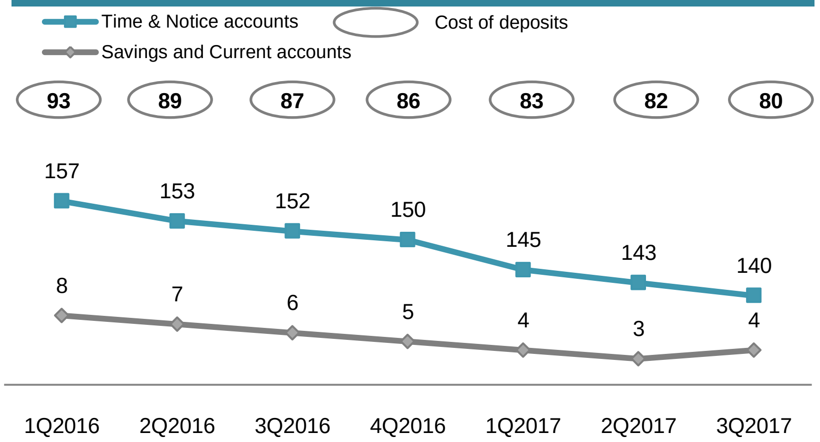
Deposits by customer Sector



Average contractual interest rates[1] (bps) (Cy)



Customer deposit rates decline further



(1) Interest rates were previously calculated as the Interest Expense over Average Balance. The current calculation which the Bank considers more appropriate is based on the weighted average of the contractual rate times the balance at the end of the month. The rates are calculated based on the month end contractual interest rates. The quarterly rates are the average of the three quarter month end contractual rates

Bank of Cyprus

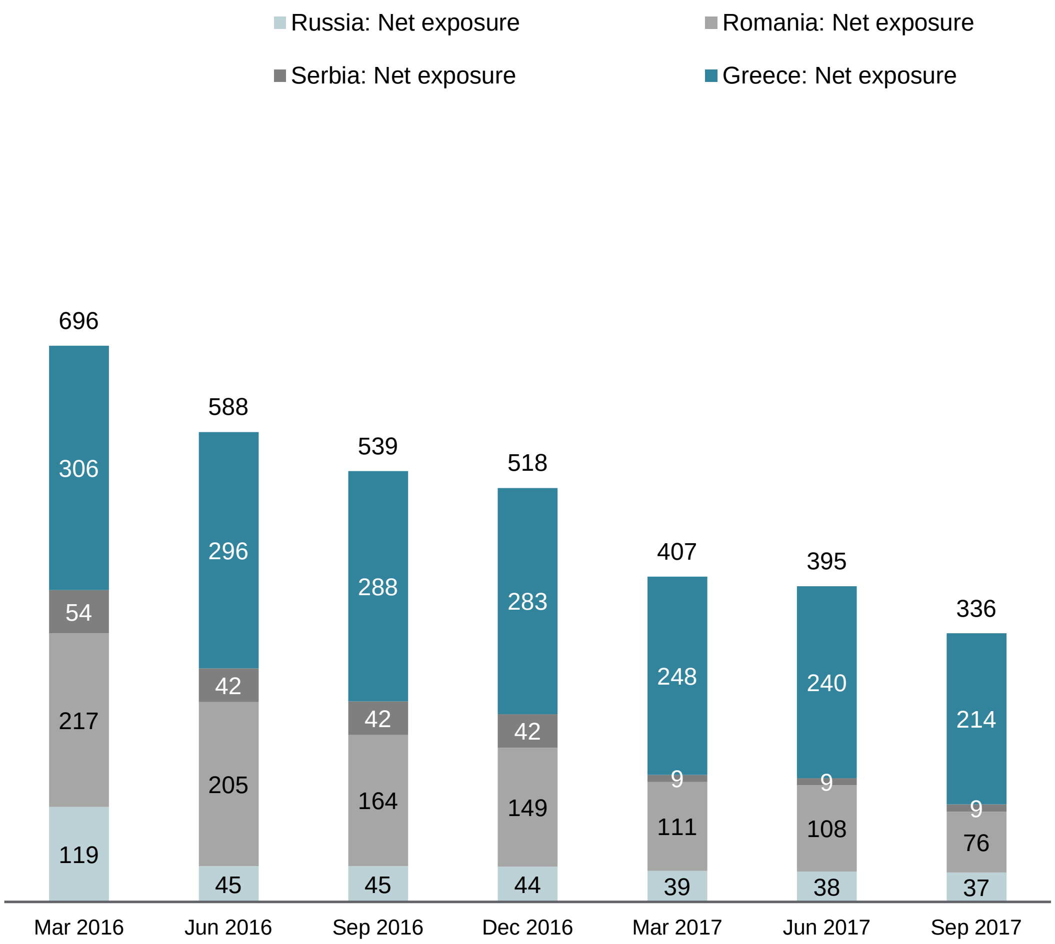
BOC - Main performance indicators

	Ratios	Group 9M2017
Performance	Net Interest Margin	3.18%
	Cost to income ratio	45%
	Loans to deposits	85%
Asset Quality	90+ DPD / 90+ DPD ratio	€7,182 mn (37%)
	90+ DPD coverage	62%
	Cost of risk (annualised)	4.1%[1]
	Provisions / Gross Loans	23.2%
Capital	Transitional Common Equity Tier 1 capital	2,145
	CET1 ratio (transitional basis)	12.4%
	Total Shareholders' Equity / Total Assets	11.2%

(1) Provisions for impairment of customer loans and gains/(losses) on derecognition of loans and changes in expected cash flows on acquired loans over average gross loans. Additional provisions of c.€500 mn charged in 2Q2017 are included in the calculation of Cost of Risk but are not annualised. The provisioning charge for 9M2017 was 4.1%. Including impairments of other financial instruments, the provisioning charge was 1.2% and 4.1% for 3Q2017 and 9M2017, respectively

Reduction in Overseas Non-Core Exposures

Overseas non-core exposures[1] (€ mn)



- In addition, at 30 September 2017, there were €169 mn of overseas exposures in Greece (€173 mn as at 30 June 2017) not identified as non-core exposures
- In accordance with Group's strategy to exit from overseas non-core operations, the operations of the Bank of Cyprus **branch in Romania are expected to be terminated during 2017, subject to regulatory approvals. The remaining assets and liabilities of the branch will be transferred to other entities of the Group.**

(1) Comparatives excluding core exposures
(2) Lending exposures to Greek entities in the normal course of business in Cyprus and lending exposures in Cyprus with collaterals in Greece

Non-Performing Loans definition

Non-Performing Exposures (NPEs) –as per the EBA definition: In 2014 the European Banking Authority (EBA) published its reporting standards on forbearance and non-performing exposures (NPEs). According to the EBA standards, a loan is considered a non-performing exposure if:

i. the debtor is assessed as unlikely to pay its credit obligations in full without the realisation of the collateral, regardless of the existence of any past due amount or of the number of days past due
ii. the exposures are impaired i.e. in cases where there is a specific provision, or
iii. there are material exposures which are more than 90 days past due, or
iv. there are performing forborne exposures under probation for which additional forbearance measures are extended, or
v. there are performing forborne exposures under probation that present more than 30 days past due within the probation period.

The exit criteria of NPE forborne are the following:

1. The extension of forbearance measures does not lead to the recognition of impairment or default
2. One year has passed since the forbearance measures were extended
3. There is not, following the forbearance measures, any past due amount or concerns regarding the full repayment of the exposure according to the post forbearance conditions.

90+DPD: Loans in arrears for more than 90 days (90+ DPD) are defined as loans past-due for more than 90 days and those that are impaired (impaired loans are those which are not considered fully collectable and for which a provision for impairment has been recognised on an individual basis or for which incurred losses exist at their initial recognition or customers in Debt Recovery).

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