Bank of Cyprus Group

Investor presentation

January 2017

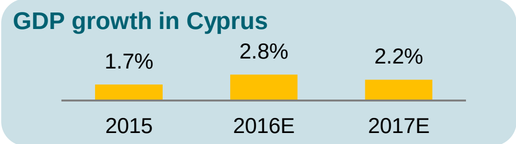
EUROMONEY
AWARDS FOR EXCELLENCE
2016
Bank of Cyprus
The Best Bank in Cyprus 2016

Bank of Cyprus

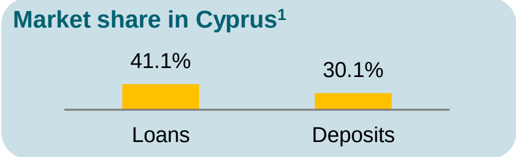
Key messages

Strong market position with a clear strategy going forward

- BOC is the largest bank in Cyprus
- Dominant position in a recovering Cypriot economy

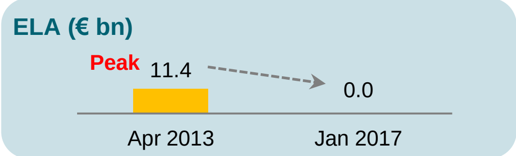


- Strategic focus on core Cypriot business and expansion of UK operations

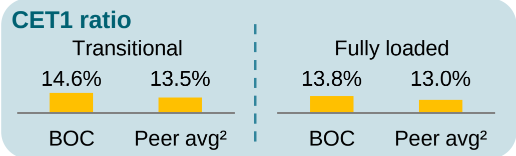


Significant progress achieved in normalising the Bank

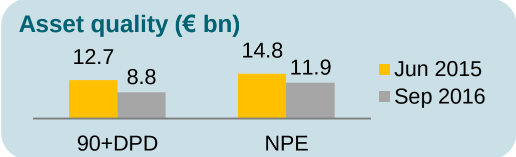
- Full repayment of €11,4 bn of ELA
- Funding structure normalised



- Strong capital position



- Significant reduction in 90+DPD[3] and NPEs



Strong leadership

- World class Board of Directors
- Experienced management team

- Strong local market insight
- Turnaround experience
- Proven track record of delivering results

Source: IMF, MOF
(1) As of October 2016
(2) Based on EBA Risk Dashboard Report, data as at 30 June 2016
(3) 90+DPD: 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)

Bank of Cyprus

Introduction: The journey so far…

Bank of Cyprus

Decisive actions and deleveraging have put the Bank on a firm path to normalisation

2013

March 2013:
- Sale of Greek operations

March 2013:
- Placed under Resolution:
  - absorption of Laiki Bank (including €9,1 bn of ELA)
  - bail-in of uninsured depositors
- Suspension of trading on CSE and ATHEX

Sep 2013:
- AGM and election of new BoD

Oct 2013:
- Sale of Kyprou Asset Management

Nov 2013:
- Appointment of new CEO

2014

Apr 2014:
- Sale of Ukrainian operations
- Sale of 10% stake in Banca Transilvania

May 2014:
- Sale of Serbian exposure

Jun 2014:
- Laiki integration completion

Sep 2014:
- €1,0 bn share capital increase

Sep 2014:
- Sale of various Romanian assets

Oct 2014:
- Successfully passes the 2014 ECB CA[1]

Nov 2014:
- Election of new BoD

Nov 2014:
- Sale of UK loan book[2]

Dec 2014:
- Relisting in Cyprus and Greece

2015

Jan 2015:
- Share capital increase: completion of Retail Offer

Feb 2015:
- Listing of the Retail Offer Shares and commencement of trading

Apr 2015:
- Sale of 95% stake in Marfin Diversified Strategy Fund

Sep 2015:
- Sale of Uniastrum and other Russian assets

Oct 2015:
- Covered bond becomes eligible asset for Eurosystem credit operations; ELA reduced to €4,5 bn

Nov 2015:
- Extension of CEO appointment

Dec 2015:
- Changes to ECB provisioning assumptions leading to enhanced coverage

2016

Mar 2016:
- Announcement of intention to list on the LSE

Jun 2016:
- Completion of voluntary exit plan for 354 personnel[3]

Jun 2016:
- Completion of the sale of Kermia Hotels Ltd and adjacent land for €26,5 mn

Aug 2016:
- Cancellation of €1bn Government Guaranteed Bonds

November 2016:
- Announcement that the Bank is applying for a standard listing on LSE;
- Publication of Shareholder circular and prospectus relating to the transaction

Dec 2016:
- ELA reduced to €0,2 bn
- EGM approval of resolutions in relation to creation of new holding company
- New holding company scheme of arrangement sanctioned by court

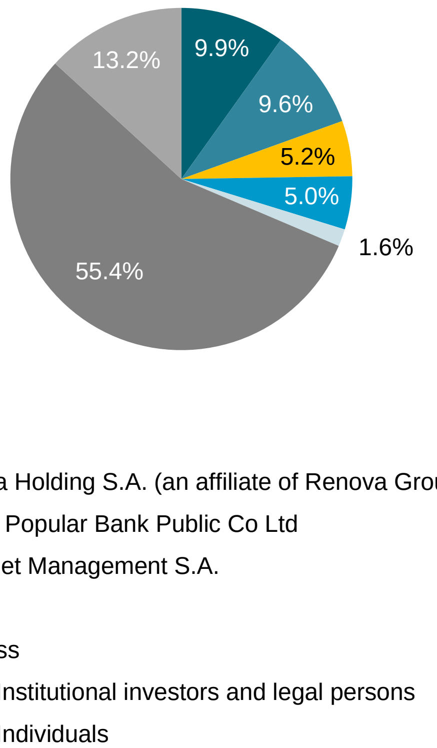
2017

Jan 2017:
- ELA fully repaid

(1) ECB Comprehensive Assessment
(2) Ex Laiki UK Loan portfolio
(3) Total VEP amounted to 429 (1st VEP: 75, 2nd VEP: 354)

Share capital increase in 2014 attracted reputed international investors and a world class Board

Current shareholding of BOC (Oct-2016)



Current Board composition

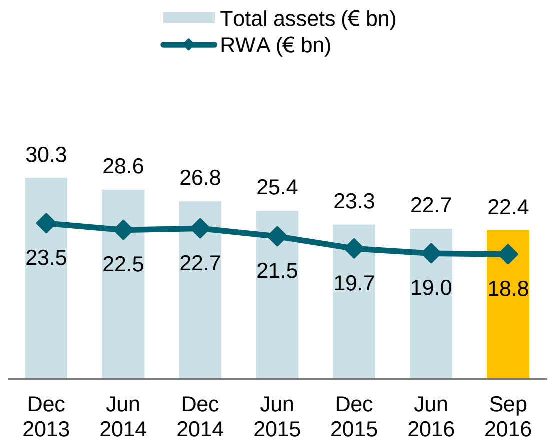
Name	Designation
Dr. Josef Ackermann	**Chairman** *Independent*
Mr. Wilbur Ross	**Vice Chairman** *Independent*[1]
Mr. Maksim Goldman	**Vice Chairman** *Non Executive*
Mr. John Patrick Hourican	**CEO** *Executive*
Dr. Christodoulos Patsalides	**Deputy CEO and COO** *Executive*
Mr. Arne Berggren	**Board member** *Independent*
Mr. Marios Kalochoritis	**Board member** *Independent*
Mr. Michalis Spanos	**Board member** *Senior Independent*
Mr. Ioannis Zographakis	**Board member** *Independent*
Dr. Michael Heger	**Board member** *Independent*
Ms. Lyn Grobler	**Board member** *Independent*[2]

(1) On 30 Nov 2016, representatives of the President-elect of the United States of America, Donald Trump, announced that the President-elect intends to nominate Wilbur L. Ross, Jr. to serve as United States Secretary of Commerce. Such nomination would be subject to confirmation by the Senate of United States of America. If such nomination and confirmation were to take place, Mr. Ross would be expected to be appointed United States Secretary of Commerce on 20 January 2017. In that event Mr. Ross may be required to resign from his current positions as a director and vice-chairman of BOCH and the Bank

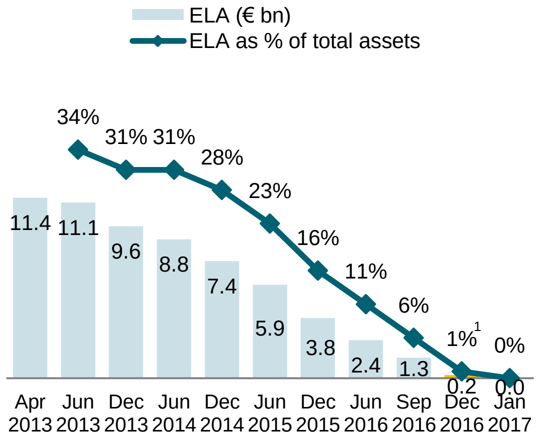
(2) Subject to ECB approval

Turnaround of the bank since 2014 has translated into improving financial indicators

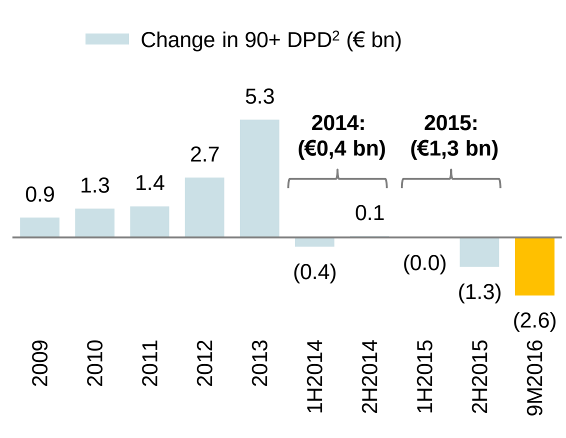
c.€8 bn (or c.25%) balance sheet deleveraging since 2013



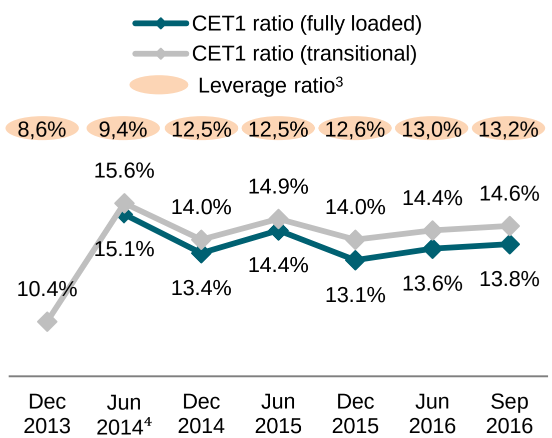
Full repayment of €11,4 bn of ELA



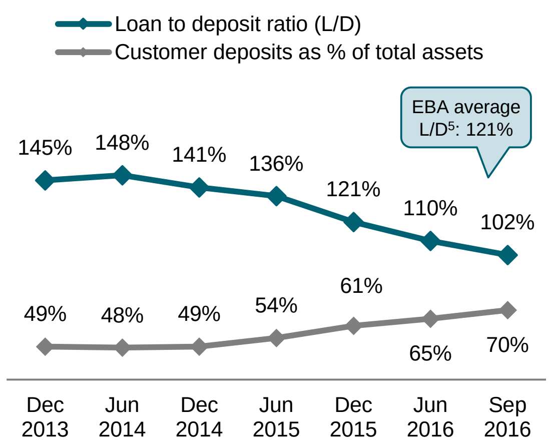
90+ DPD formation reversed; reduction of over €2,5 bn in 9M2016



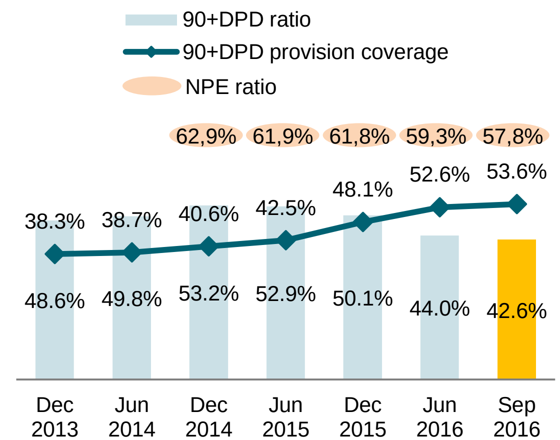
Strengthened capital position due to reduction in RWAs



Improving funding structure; moving closer to a self-funded franchise



Improving asset quality and coverage



(1) Ratio of ELA as a % of total assets for Dec 2016 is based on total assets as at 30 Sep 2016
(2) Mainly attributable to loan restructuring activity and slower formation of new problem loans
(3) Leverage ratio defined as tangible equity over total assets
(4) CET1 ratio includes positive impact of €1 bn capital increase; FL ratio as reported, transitional ratio estimated as 11,3% (reported) + 1,7% impact due to capital increase
(5) Based on EBA Risk Dashboard Report, data as at 30 June 2016

Bank of Cyprus

Strategic milestone and way forward

Cyprus-London listing – overview

Equity

Current listing

CSE + ATHEX

- ✗ Low levels of liquidity
- ✗ Low levels of research coverage – only covered by HSBC
- ✗ No index inclusion
- ✗ Athens listing no longer suitable given lack of Greek banking operations

New listing

CSE + LSE

- ✓ Greater visibility for the Bank and the Cypriot economy
- ✓ Broader shareholder base
- ✓ Further enhance the confidence of all stakeholders in the Group
- ✓ Standard listing is an intermediate step; aim is to achieve premium listing on the LSE and future inclusion in the FTSE UK index series
- ✓ Clean structure with higher standards of corporate governance
- ✓ Decoupling from Greece
- ✓ New Irish holding company to become the parent
- ✓ First Trading Date on CSE / LSE on [19] January 2017

Debt / Capital

Potential Tier 2 Transaction

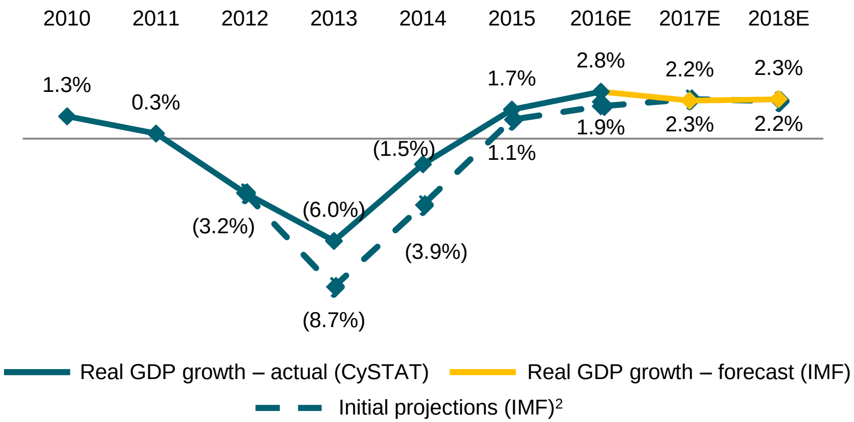
- ✓ CET1 levels stabilised and opportunity to optimise capital structure with non-CET1 capital issuance
- ✓ Limited issuance needs for Bank of Cyprus and expected to be a rare issuer in the capital markets
- ✓ Normalise funding structure, increase access to capital markets and explore options to create MREL eligible liabilities

Key Investment Highlights

Cypriot economic recovery faster than expected…

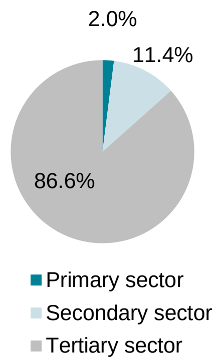
Broad-based economic growth…

Real GDP growth (%)

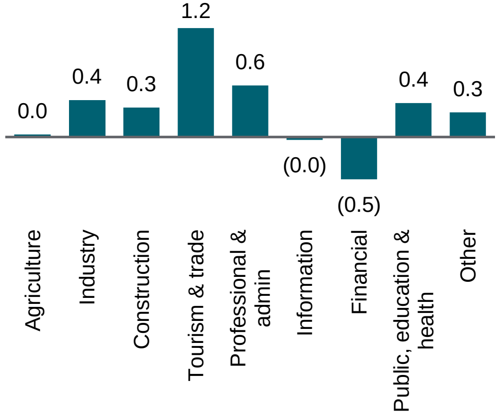


…with tourism and professional services as leading contributors

Distribution of real GVA[1] (2015)

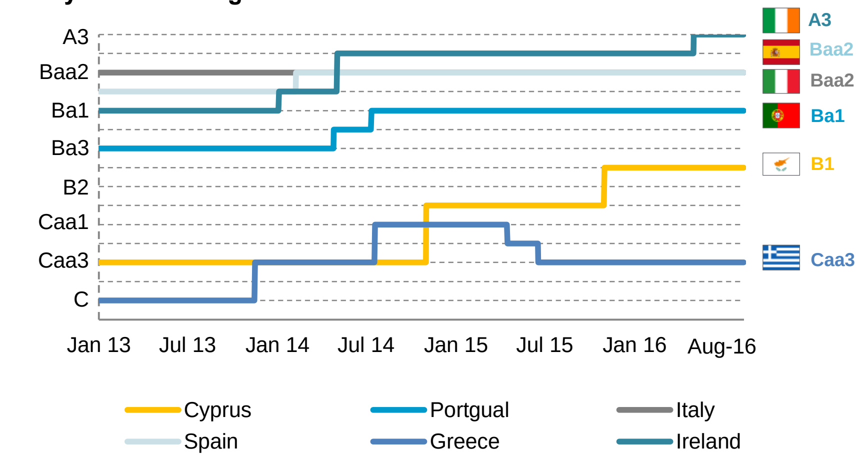


Contribution to 9M2016 GDP growth in percentage points (total 2,75%)



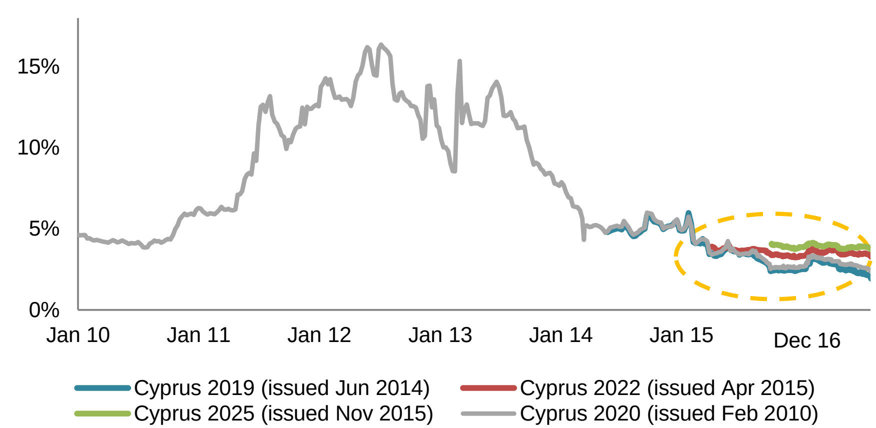
Credit ratings improving faster than peers…

Moody's credit ratings



…reflected in reduced government bond yields

Yield (%)



Source: IMF, Moody's, Cyprus Statistical Service, Bloomberg, BOC Economic Research

Notes:

(1) Gross value added

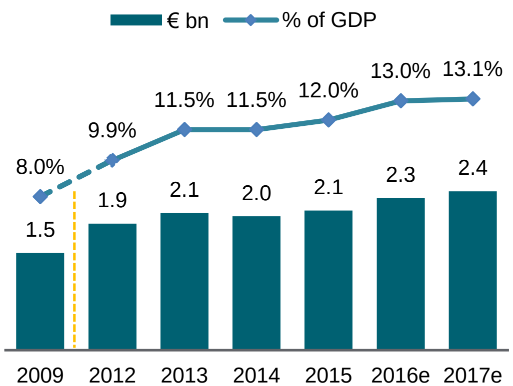
(2) IMF Country Report No.13/293, Sep. 2013, Review 1

Bank of Cyprus

…on the back of improving macro fundamentals

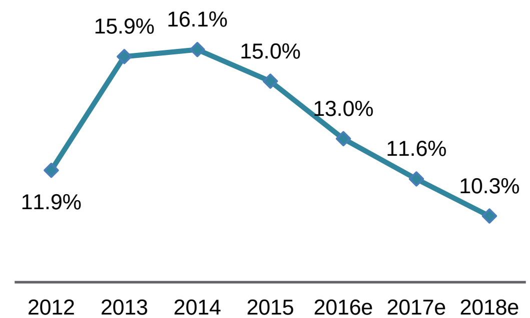
Growth in tourism activity

Tourism revenues



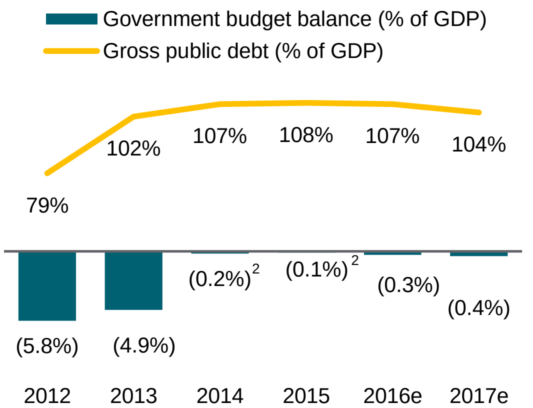
Falling unemployment rate

Unemployment rate



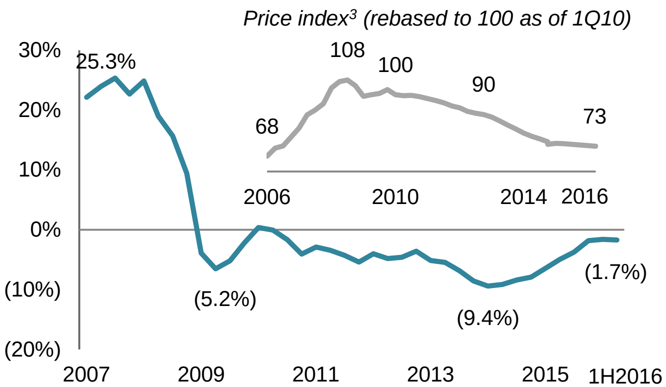
Stabilising fiscal position

Government budget and debt

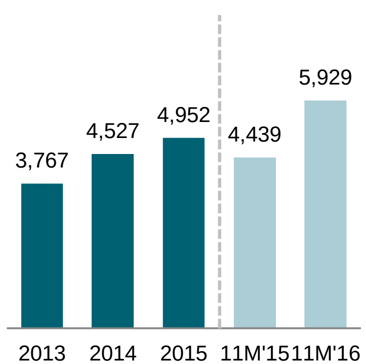


Recovering property prices

Residential property price index[3] (quarterly yoy change)

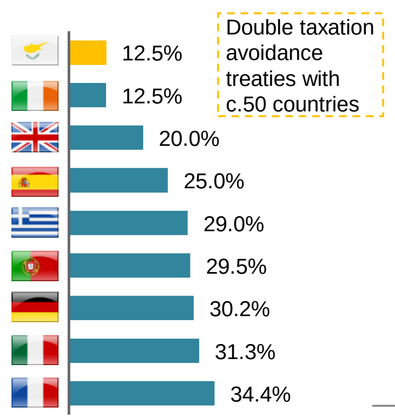


# of registered contract of sales

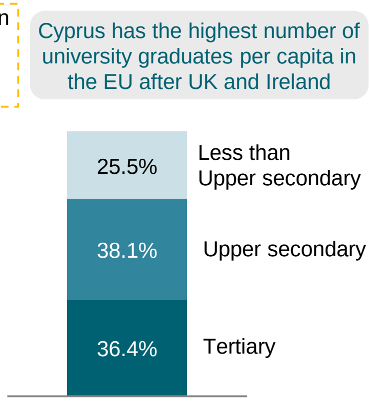


Support from key business enablers

Corporate tax rate (2016)



Level of education, age 15-64[1]

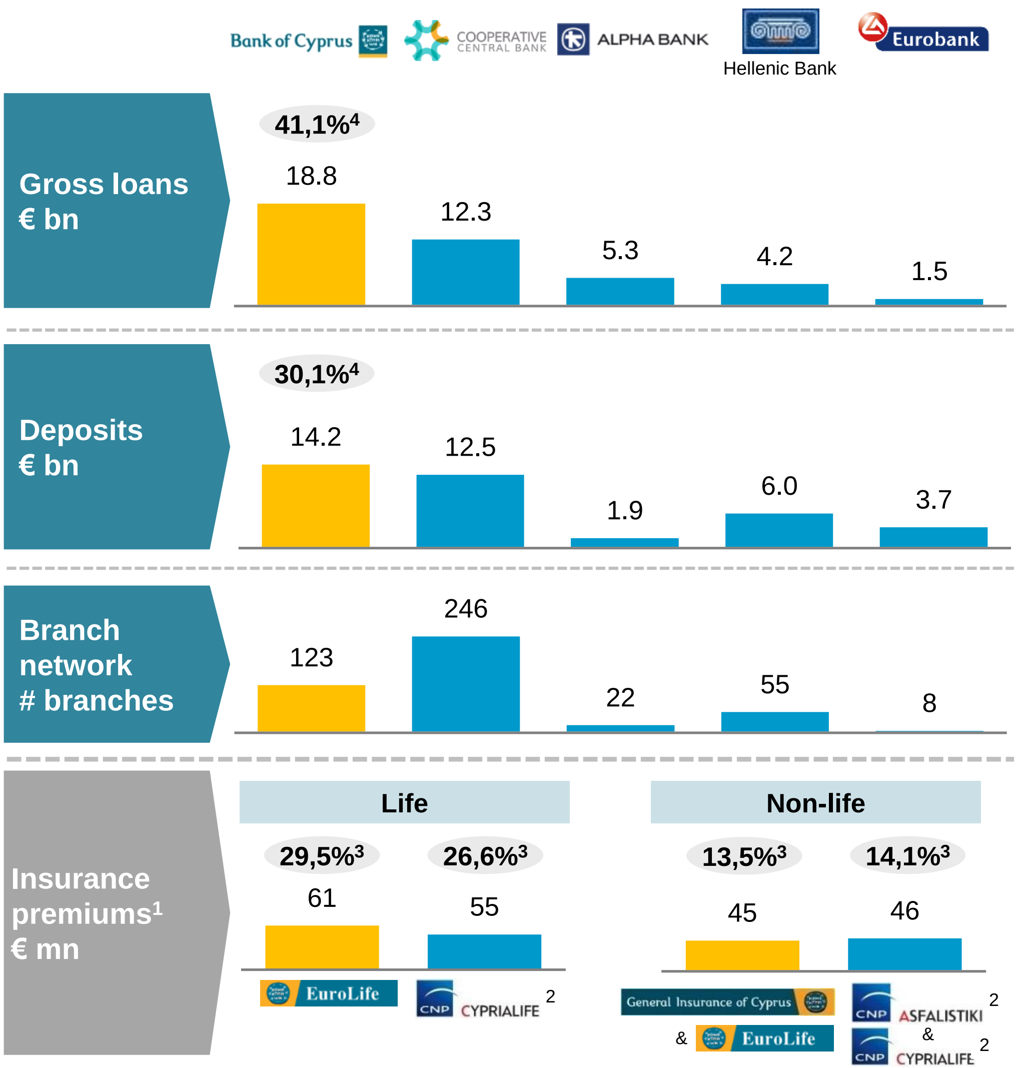


Source: CySTAT, BOC economic research, Eurostat, IMF (World Economic Outlook database), European Commission, CBC, Cyprus Ministry of Interior, OECD (2017), "Corporate Income Tax: Corporate income tax rates", OECD Tax Statistics (database) (DOI: http://dx.doi.org/10.1787/7cde787f-en, accessed on 3 Jan 2017)

(1) As of 2015
(2) Net of recapitalisation costs
(3) CBC Index

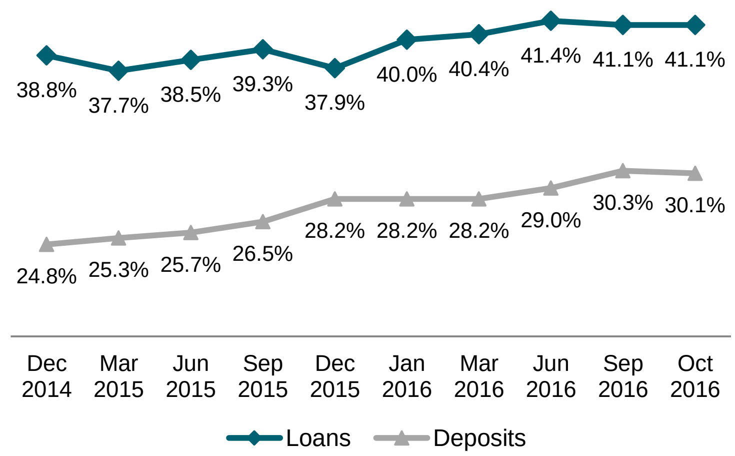
Bank of Cyprus has a privileged position in the Cypriot market…

Positioning BOC vs. market players



Market share gains since Mar 2015

Cyprus market share evolution



- New lending provided by the BOC Group in 9M2016 was €667,2 mn in Cyprus and (£296 mn) €327,6 mn in the UK
- In Cyprus, new lending is focused on the consumer, SME and corporate sectors
- Deposits in Cyprus increased by €0,90 bn (or 6%) qoq, and by €1,5 bn or 10% in 9M2016

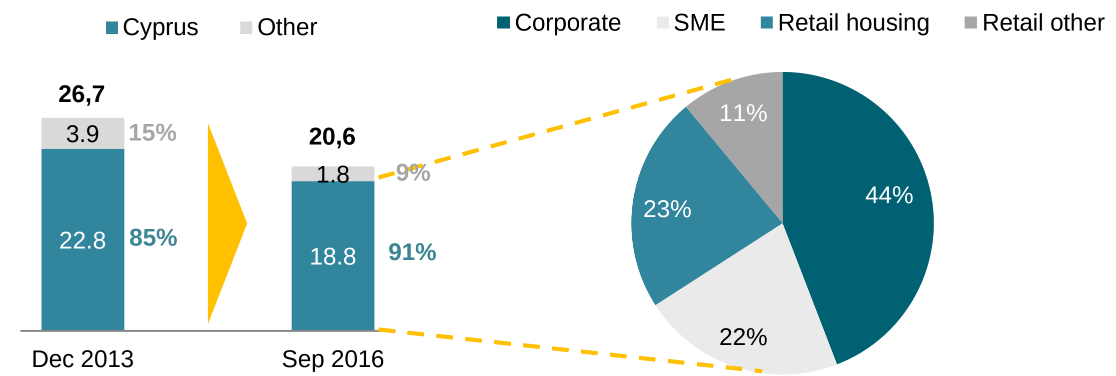
Source: CBC, company disclosure as of 9M2016
(1) 9M2016 (provisional results)
(2) 49,9% owned by the Bank
(3) Market shares for insurance premiums as at 30 September 2016 (on provisional results)
(4) As of October 2016

…with an attractive and profitable core Cypriot business…

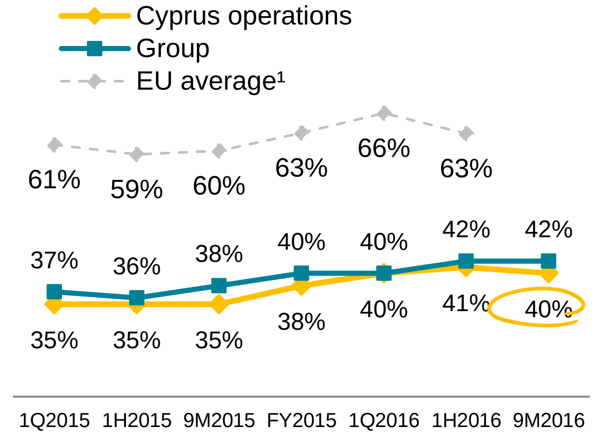
Refocus towards Cyprus with balance sheet deleveraging and selective lending to promising sectors

Gross loans by geography (€ bn)

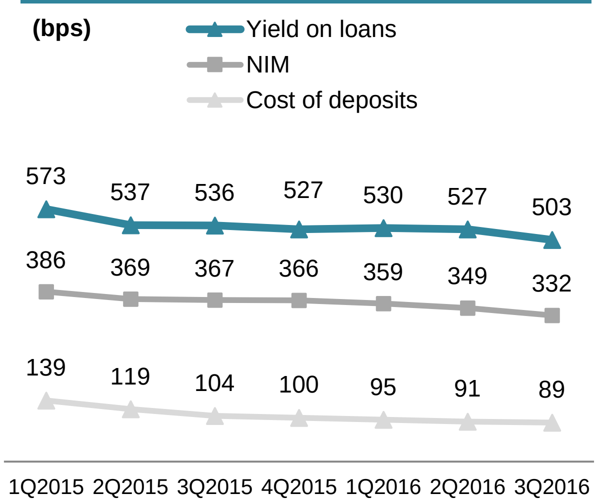
Gross loans by customer type (Sep 2016): €18,8 bn



Cost to income ratio

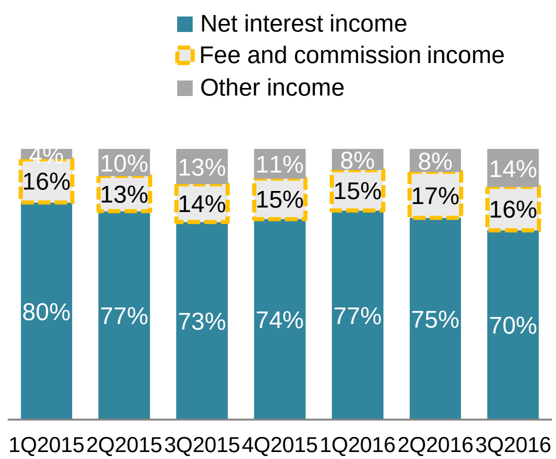


Resilient NIM in Cypriot operations



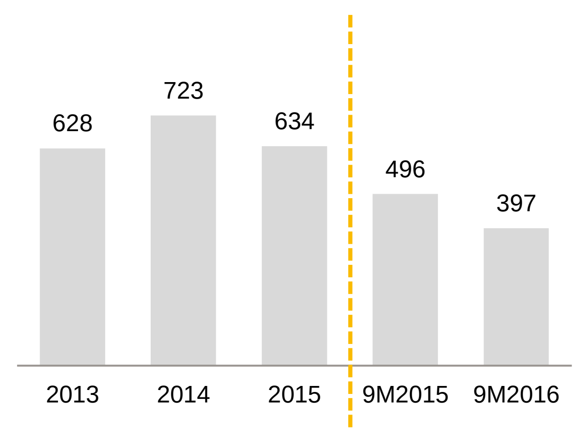
Stable fee income as a % of revenues

% of total income



PPI[2] directed at increasing provisions to de-risk the balance sheet faster

PPI[2] for Cyprus operations (€ mn)



(1) Based on EBA Risk Dashboard Report, Data as at 30 June 2016
(2) Pre-provisioning income

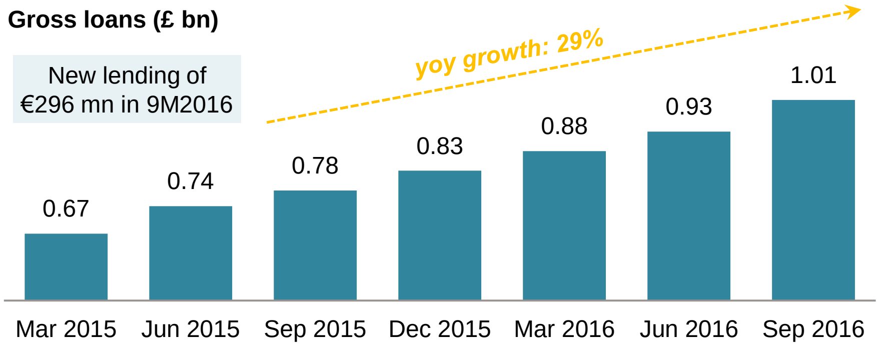
Bank of Cyprus

…and an intention to expand the UK operations

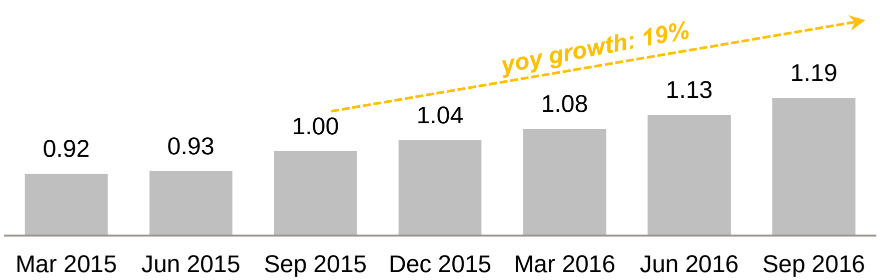
- BoC UK operates in London and Birmingham
- Target customer segments include entrepreneurs and owner-managed businesses; primarily funded by retail deposits
- Core competence in professional buy-to-let property market
- Expansion strategy includes adding a consumer division and business division

Gross loans and customer deposits

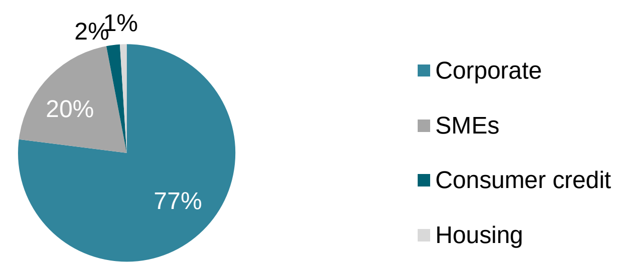
Gross loans (£ bn)



Customer deposits (£ bn)

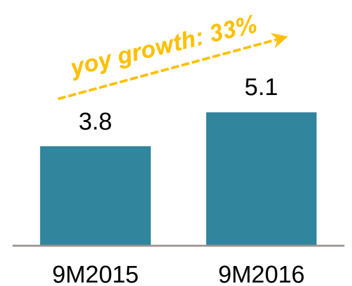


Loans by sector as at 30 September 2016

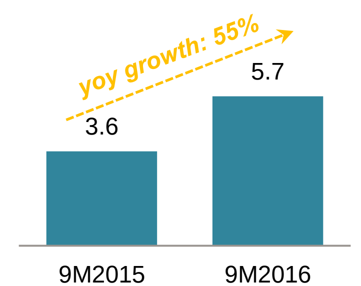


Profitability

Operating profit (£ mn)

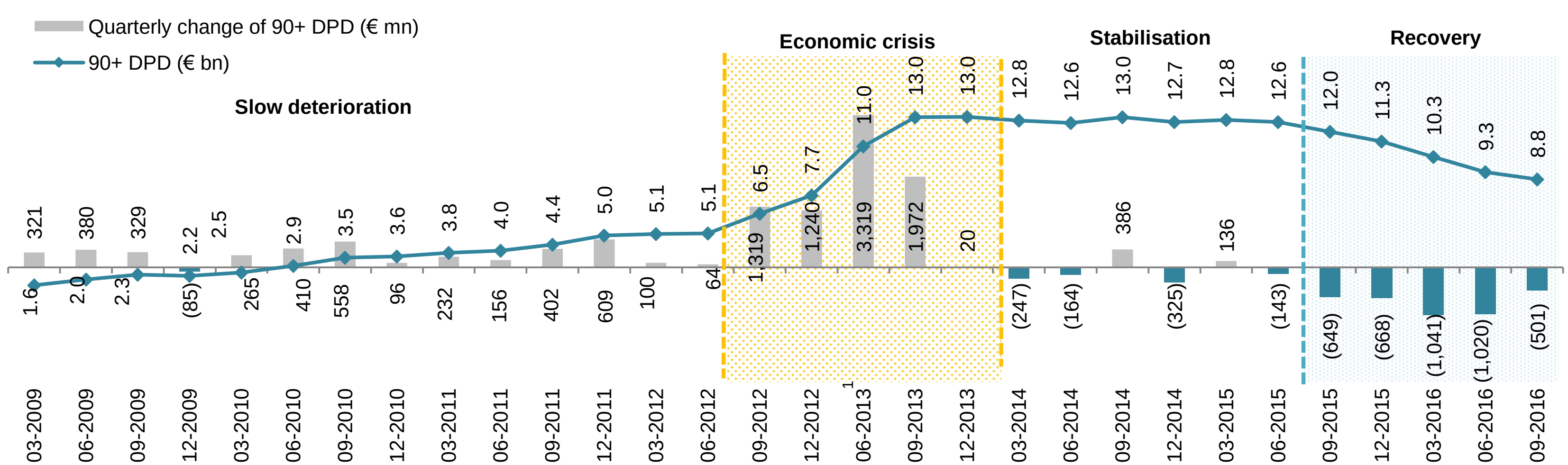


Profit before tax (£ mn)



Significant asset quality improvement delivered with focus now on completing the task

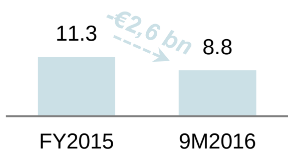
High correlation between formation of problem loans & economic cycle



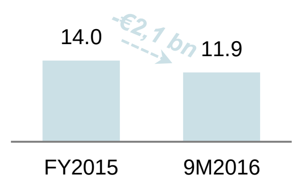
Current stock of 90+DPDs and NPEs

	FY2015	9M2016		FY2015	9M2016
90+DPD % of total assets	48,7%	39,2%	**NPEs % of total assets**	60,0%	53,2%
90+DPD ratio	50,1%	42,6%	**NPE ratio**	61,8%	57,8%
Provision coverage ratio[2]	48,1%	53,6%	**Provision coverage ratio[3]**	39,0%	39,5%

90+DPD (€ bn)



NPEs (€ bn)



- **Progress on asset quality underpinned by:**
  - **Robust strategy**
  - **Relentless execution**
  - **Economic improvement**

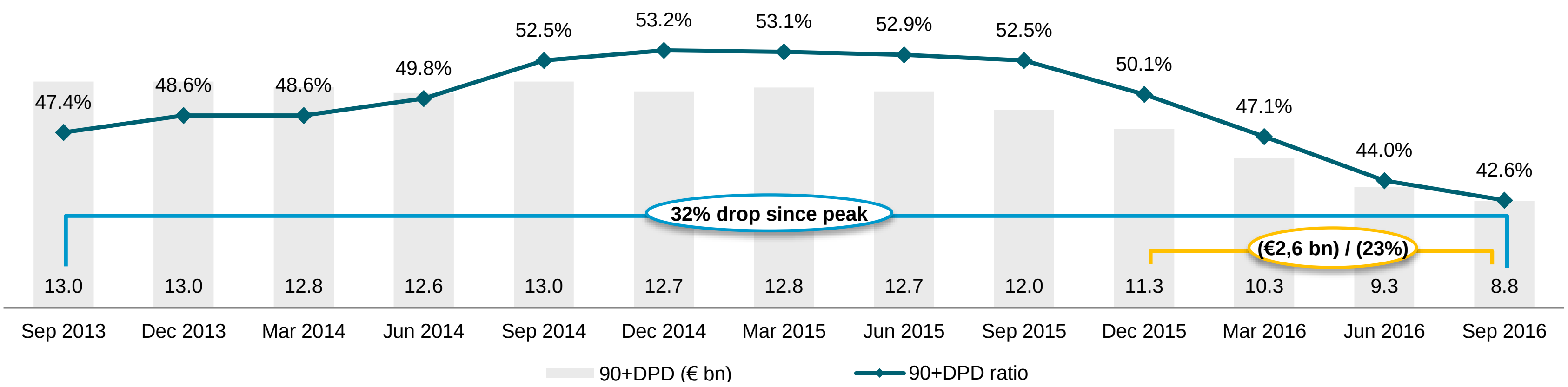
(1) Information for 1Q2013 and 2Q2013 is not available as it has not been possible to publish the financial results for the three months ended 31 March 2013
(2) 90+DPD cash coverage ratio
(3) NPE cash coverage ratio

Highlights so far

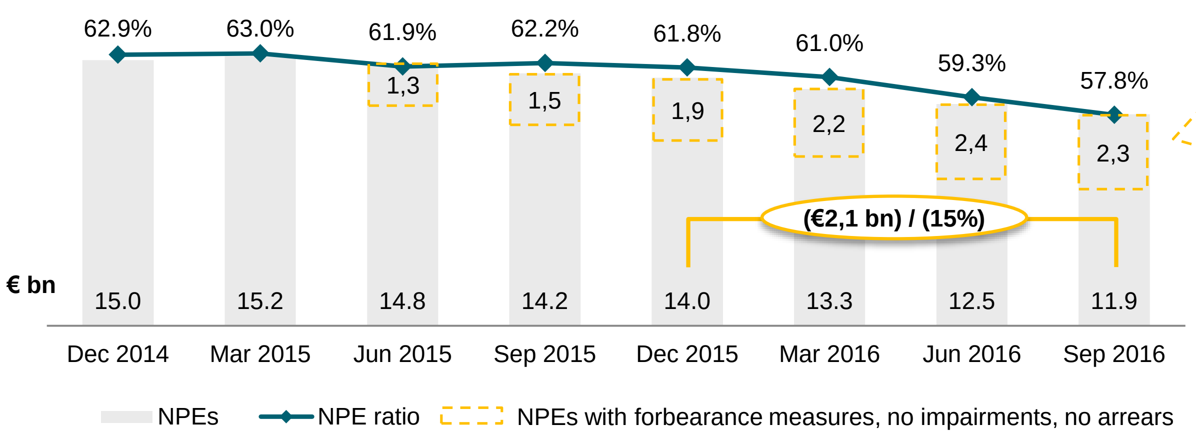
57% reduction in corporate 90+DPD	• 90+DPD of corporate portfolio as at end of Sep 2016 reduced by 57% since March 2015 • Very low redefault rate, on average over 90% of loans restructured since 2015 have no arrears as at end of Sep 2016
High performance of restructured SME and retail loans	• **€1,0 bn** of SME loans restructured from beginning of 2015 to Sep 2016 • Improving performance of restructured SME loans. Restructurings completed by end of Sep 2016, on average >75% present no arrears • **€2,4 bn** of retail loans restructured from beginning of 2015 to Sep 2016 • Improving performance of restructured retail loans. From beginning of 2015 to end of Sep 2016, on average only 11% of restructured loans present arrears over 90 days
12,6% improvement in coverage	• Increase in 90+DPD provision coverage by 12,6 percentage points to 52% in Cyprus yoy (as of Sep 2016)
13 assets sold in foreclosure auctions	• Completed 22 auctions in which we attempted to sell around 62 assets • Successfully completed the sale of 13 assets despite the high price floor set in foreclosure auctions
c.€900 mn of assets on-boarded	• On-boarded c.1,5k assets of €894 mn value and disposed over €100 mn during 9M2016

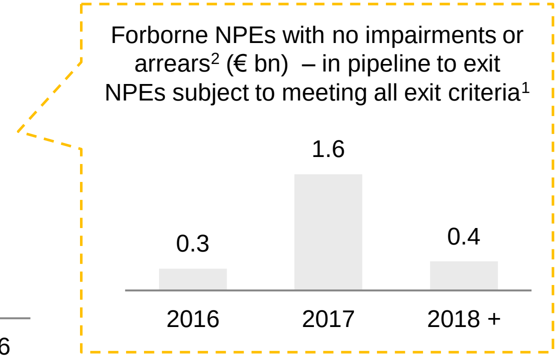
Strong track record of reduction in problem loans

32% drop in 90+DPDs since peak in September 2013



NPEs reduced by €2,1 bn (or 15%) in 9M2016

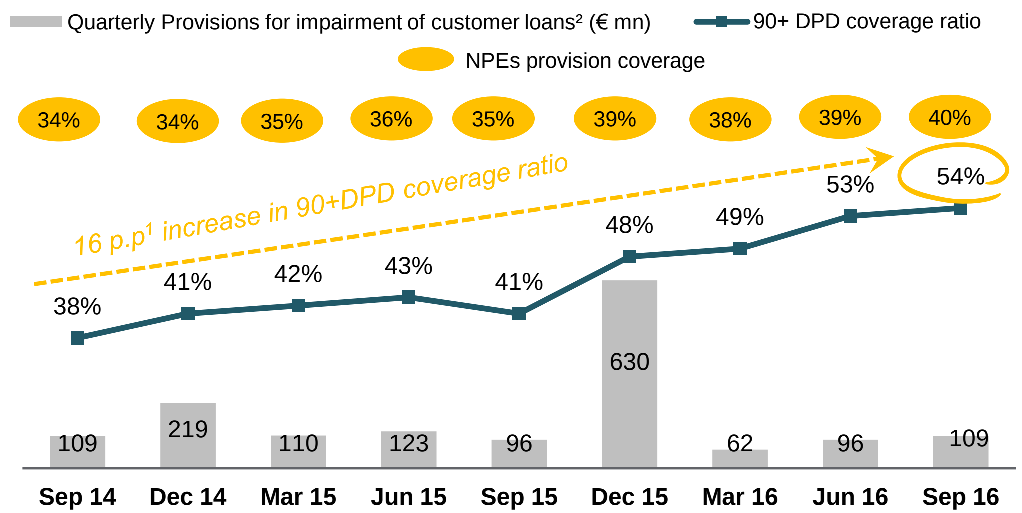




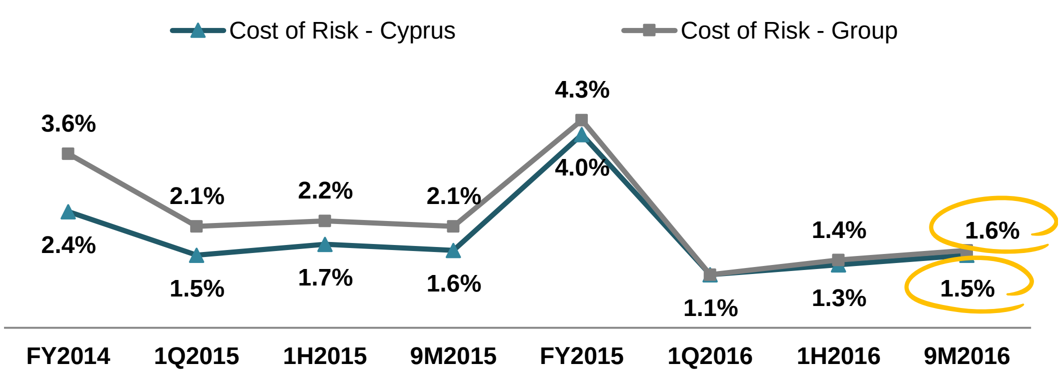
(1) Curing period of the NPEs with forbearance measures, but no impairments and no arrears, assuming no re-default
(2) Analysis provided on account basis. Accounts will not exit NPE status if not all exit criteria are met

New provisions taken and improvement in asset quality leading to increased coverage levels

Coverage ratio improvement of 16 p.p[1] driven by over €1,6 bn additional cumulative provisions since September 2014



Cost of risk[3]: PPI[4] directed at increasing impairment charges to de-risk balance sheet faster



- 90+DPD coverage ratio sequentially improving from Sep 2014 onwards
- 90+DPD stock fully covered, including tangible collateral, both at a Group level and across segments

(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
(3) 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
(4) Pre-provisioning income

Comprehensive strategy across segments adopted to tackle problem loans (1/2)

Overall approach

- Addressing asset quality identified as BOC's main priority
- Progress on asset quality handled by management with significant restructuring experience and dedicated teams for each segment
- Support from internationally experienced restructuring specialists and external lawyers
- Main components of BOC's strategy include:
  - Establishment of Restructuring and Recoveries Division (RRD) in 2014 to restructure and recover bank's 90+DPD loans
  - Establishment of Real Estate Management Unit (REMU) in Dec 2015 to manage and monetise portfolios comprised primarily of real estate assets
  - Improve lending policies and procedures, lending documents, securities / monitoring covenants

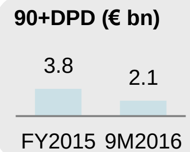
Tracking progress vs. medium term targets including:

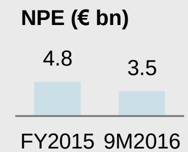
- **90+DPD ratio**
- **NPE ratio**
- **90+DPD and NPE coverage ratios**
- **Redefault rates**

Segmental approach

Corporate

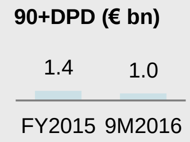
- Portfolio segmented based on size / complexity
- Create a specialised unit to manage debt >€100 mn
- Improve documentation via LMA documents for bigger exposures
- Product range enhanced, e.g. split & freeze, DFAs and DFEs

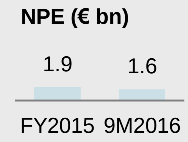




SME

- Separate clients in distress and provide special treatment via specialised units geographically spread across Cyprus
- Product range enhanced, e.g. split & freeze
- Implement a process to monitor clients and transfer to and from the RRD

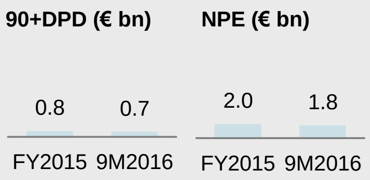




Comprehensive strategy across segments adopted to tackle problem loans (2/2)

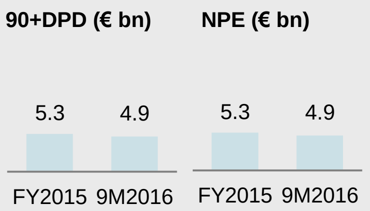
Retail

- Create a clear strategy for collection to ensure early and continuous engagement with clients
- Process for early arrears via the collections call center (CCC) and offer standardized solutions via the specialized unit Retail Arrears Management (RAM)
- Flexible products to manage specific segments, e.g. unemployed, CHF loans, etc.
- ➢ **Focus area for next year**



Recoveries

- From inefficient legacy operations…
  - Rigid legal framework with very long execution timelines
  - Inefficient processes with significant time wasted
- …to revamped operating model
  - Client negotiation and client management teams
  - Tools to support negotiations and decision making
  - Training for all bankers on new tools and restructurings
  - Introduce new teams to specialize on receivership and foreclosure
- ➢ **Focus area for next year**



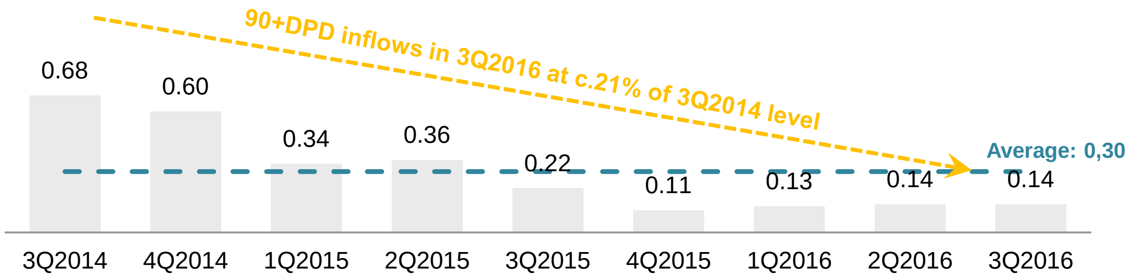
Deleverage of €0,7 bn

Foreclosures

- Private foreclosures commenced in late June 2016
- 22 auction events conducted relating to 62 assets
- 13 assets have been sold in total with total proceeds of €2.4m
- Foreclosure Task Force is up and running, aiming to boost foreclosure volumes
- Actions have been taken to improve awareness of auction events (flyers and mailing distribution lists)
- Servicing either completed or in progress for over 400 assets

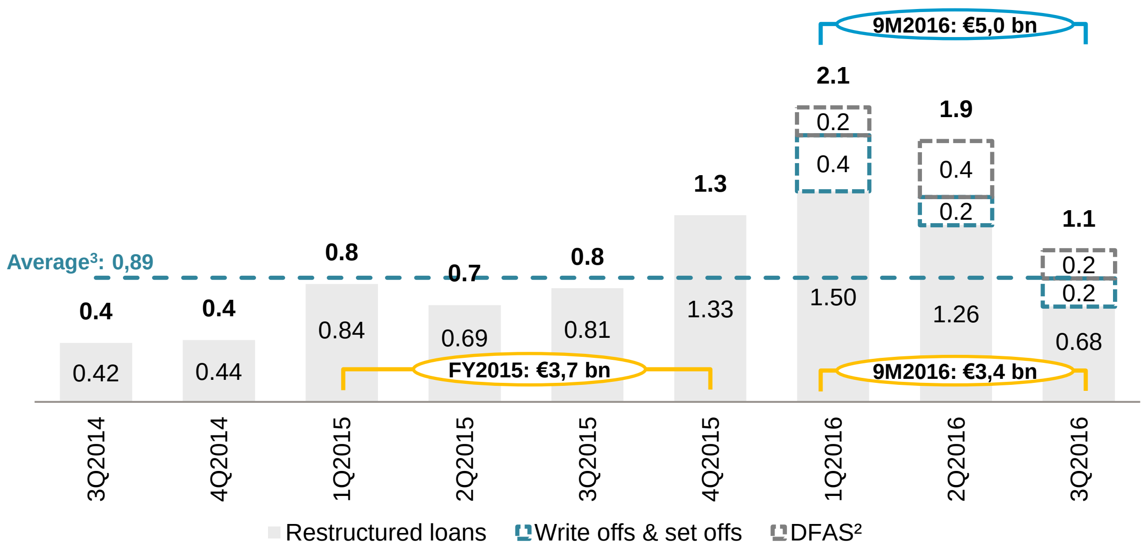
Strategy has dramatically lowered new redefaults and increased the pace of restructuring activity

90+DPD inflows in Cyprus operations[1] (€ bn)

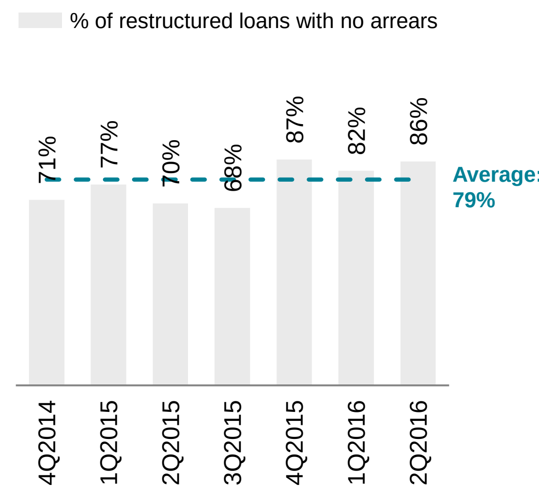


- Close monitoring to arrest deterioration of the portfolio
- Ramp up in restructuring efforts
- Economic recovery, bank capitalisation and trust rebuilt assist asset quality trends

Quarterly evolution of restructured loans[4] (€ bn)



79% of restructured loans have no arrears (Cy)

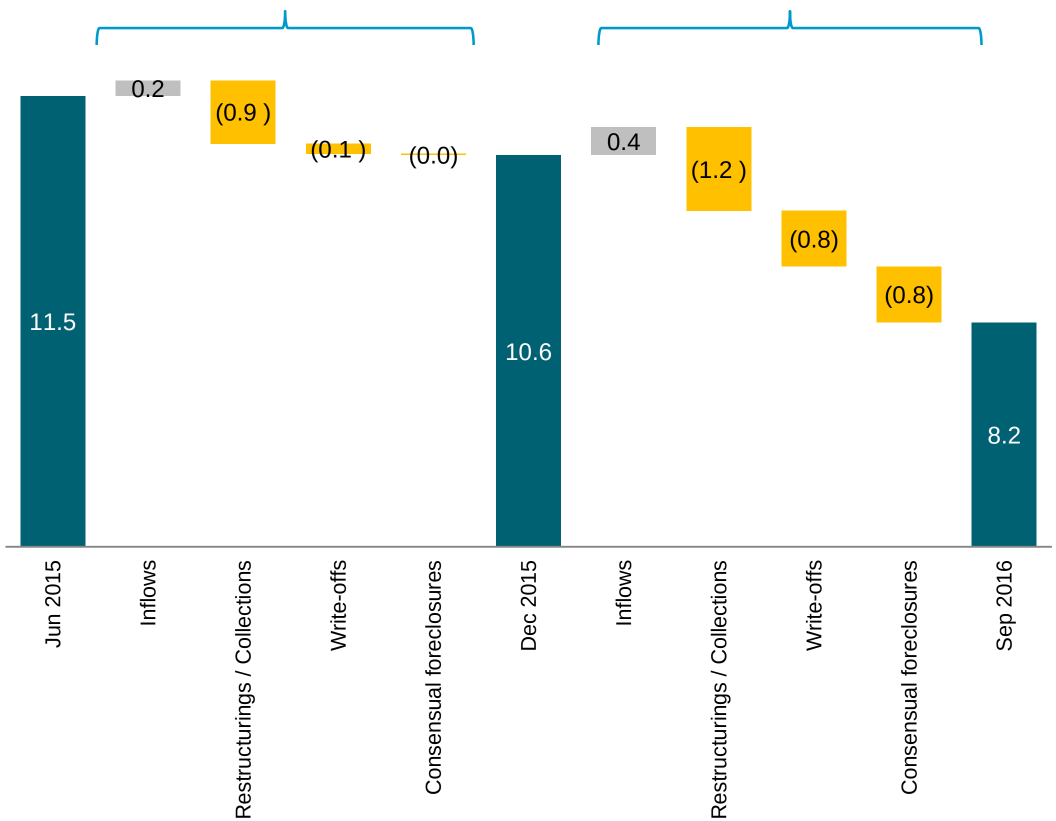


(1) The improvement in 90+DPD loans is due to the slower formation of new 90+DPD loans across all banking business lines in Cyprus and the continued acceleration in loan restructurings, although the origination of new loans does not match the rate of final repayment of existing loans
(2) Debt for asset swaps
(3) Average restructured loans excluding write offs & set offs and DFAS
(4) Total restructured loans is equal to restructured loans plus write offs & set offs and DFAS for 9M2016

Pace is being further enhanced to unlock problematic cases in Recoveries

Introducing additional tools to resolve long outstanding portfolios

Net reduction: c.€0,9 bn → **Net reduction: c.€2,4 bn**



Restructuring tools of short or long term nature

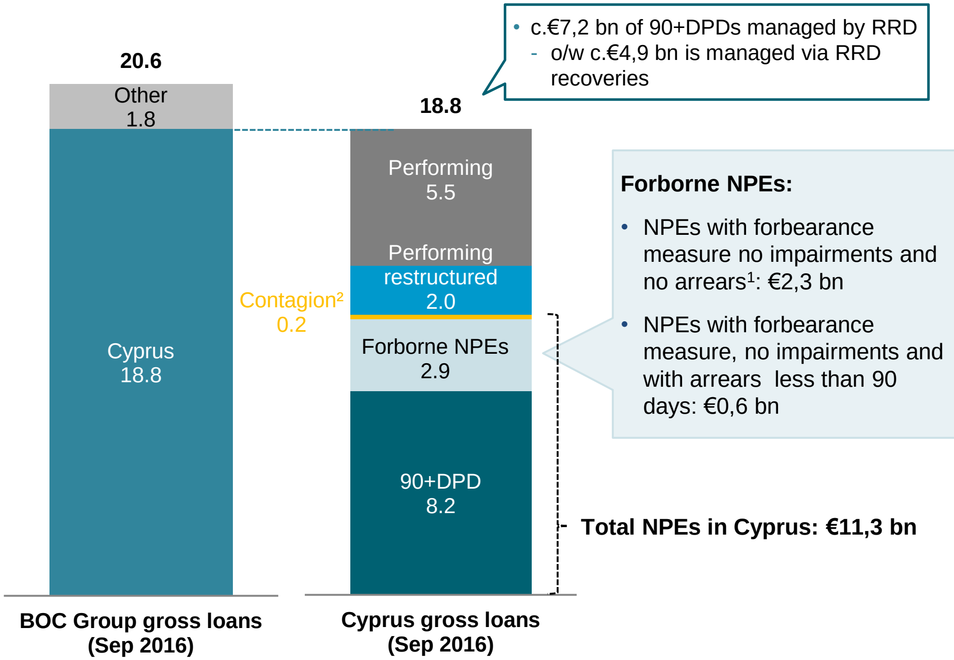
A combination of tools is usually used:

- **Extension of maturity via reduction of instalments**
- **Interest rate reduction**
- **Arrears and/or interest capitalisation**
- **Grace period**
- **Forbearance of penalties in loan agreements**
- **Debt consolidation**
- **Collateral or security strengthening**
- **Accelerated consensual foreclosure**
- **New loan facilities**
- **Equity-linked instruments**
- **Cash sweeps**
- **Split and freeze**
- **Debt/equity swaps**
- **Debt write-off**

Reduction in 9M2016 involved application of more complex solutions, as focus shifts towards tackling the recoveries portfolio

Plans are in place to maintain positive progress

1 Aggressive target setting



- Focus on NPEs meeting exiting criteria
  - Following high volume of restructurings performed in 2016, now is the time to capitalise on the performance of restructured loans
- Continue to drive the resolution of cases for reduction of 90+ DPD
  - Close monitoring of progress towards targets
- Capitalise on improvements made to the Recoveries operating model and experience gained in the past year

2 Industrialise foreclosure process

- Ramp up pace of cases driven through foreclosures, but remain sensitive to socio-economic needs and interests
- Use of foreclosure tool to resolve cases but also engage with clients to find a consensual solution
- Create pace and specialisation
- Enhance awareness of auction event (flyers and mailing distribution lists)

3 NPL trade

- Look for opportunities for an NPL trade or 3rd party servicing agreement with a view to improve the Bank's key ratios and fulfil its long term objectives

4 Enhance retail process

- Improve the industrialised process for retail – smaller tickets
- Ramp up pace of resolution of cases and available tools for segmentation and monitoring

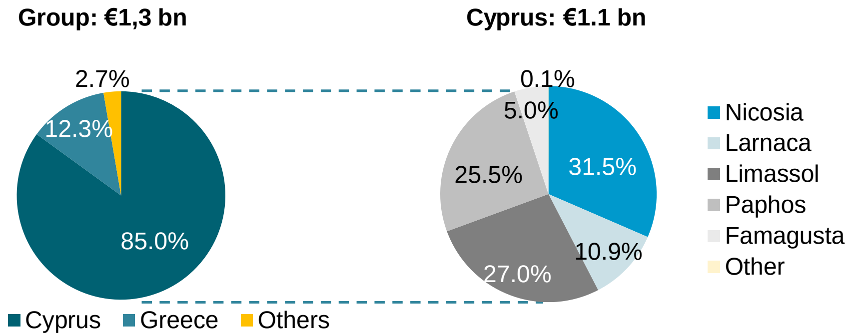
5 Further enhancements to recoveries

- Enhance systems and processes to improve efficiency to address the retail and SME cases
- Further enhance skills and capacity to address pace of case resolution

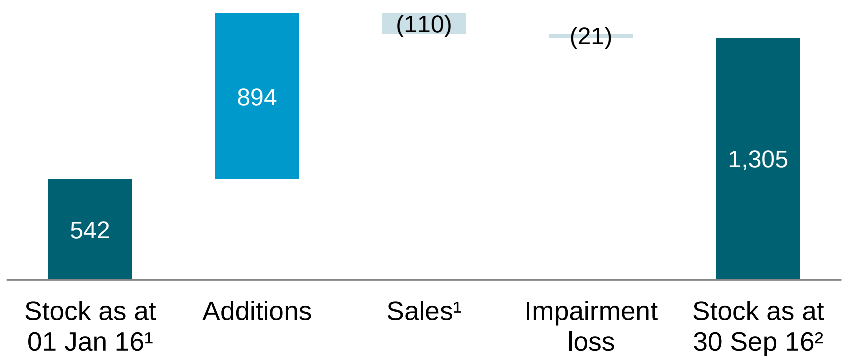
(1) In pipeline to exit NPEs subject to meeting all exit criteria; analysis based on account basis
(2) Contagion effect but not restructured

Real estate sales increasing with REMU

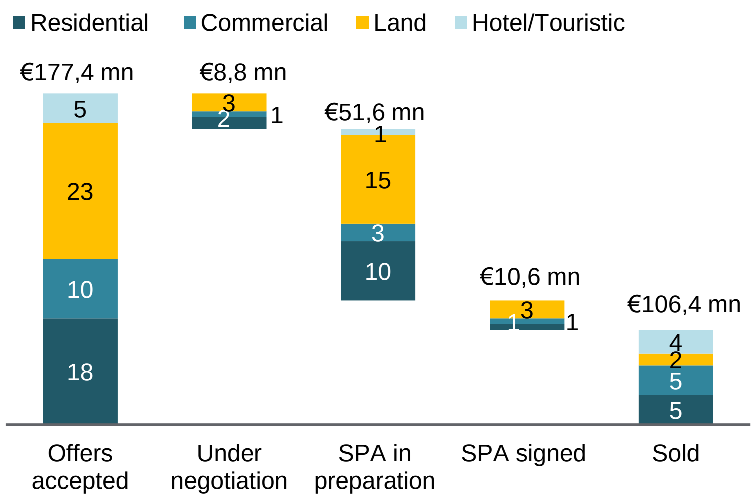
1 Property stock analysis (30 Sep 2016)



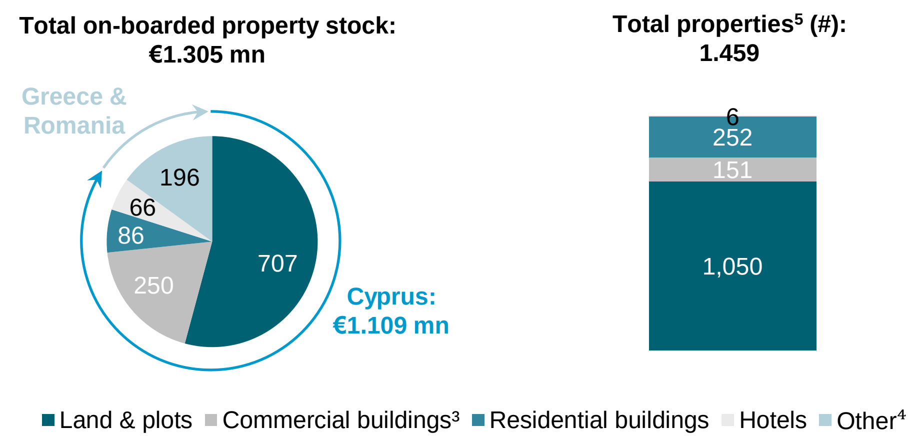
2 Property stock movement (Group) (€ mn)



3 Property sales dynamics in Cyprus for 9M2016



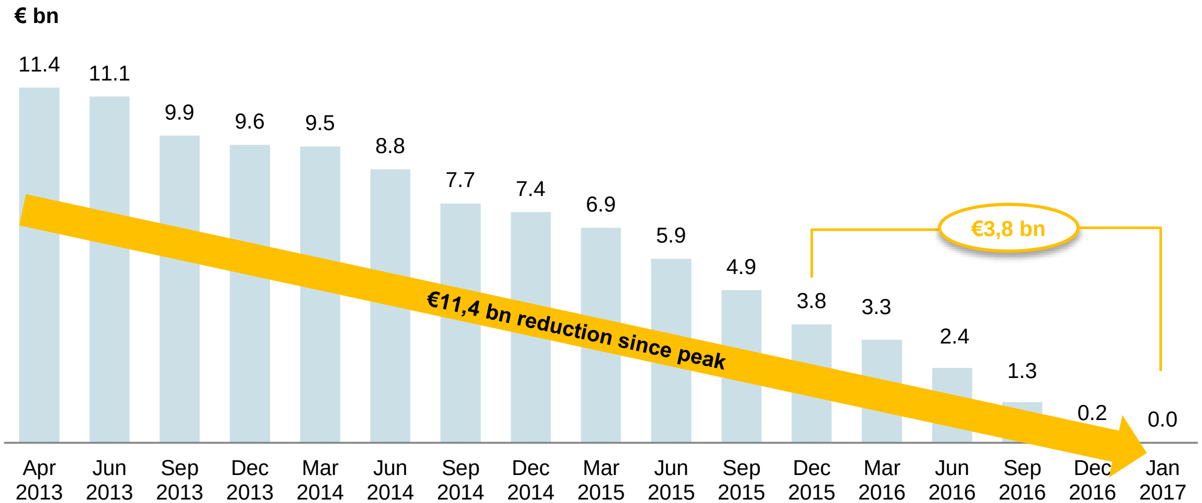
4 On-boarded property stock split (carrying value, Sep 2016, € mn)



(1) Includes Kermia Hotels Limited where disposal completed in June 2016
(2) Total Stock as at 30 Sep 2016 excludes investment properties and investment properties held for sale
(3) Includes manufacturing, industrial and under construction
(4) Relates to Greece and Romania
(5) Number of properties shown for Cyprus only

Full repayment of €11,4 bn ELA achieved

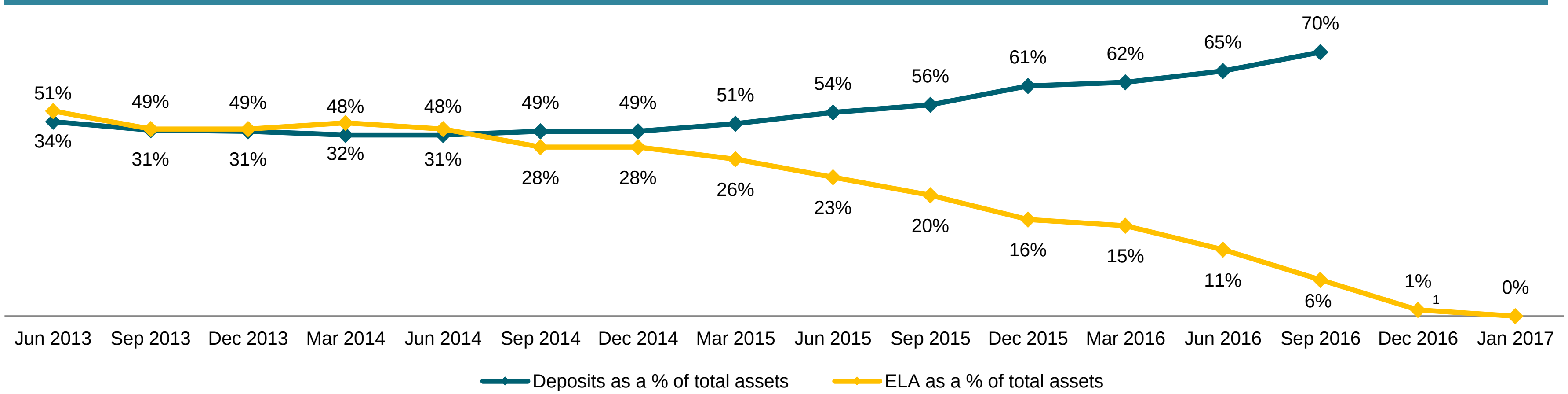
Full €11,4 bn ELA repayment achieved, with €3,8 bn reduction during 2016 and early 2017…



ELA eliminated through:

- Deposit Growth
- Proceeds from deleveraging
- Share capital increase
- Increased access to ECB Funding
- Retention of cash profits from operations
- Access to interbank market

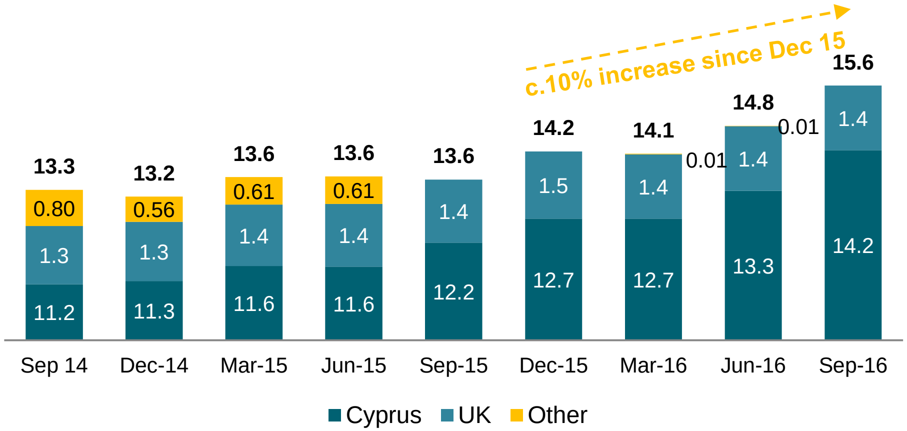
…reflected in an improving funding profile with continuous reduction in ELA to total assets since March 2014

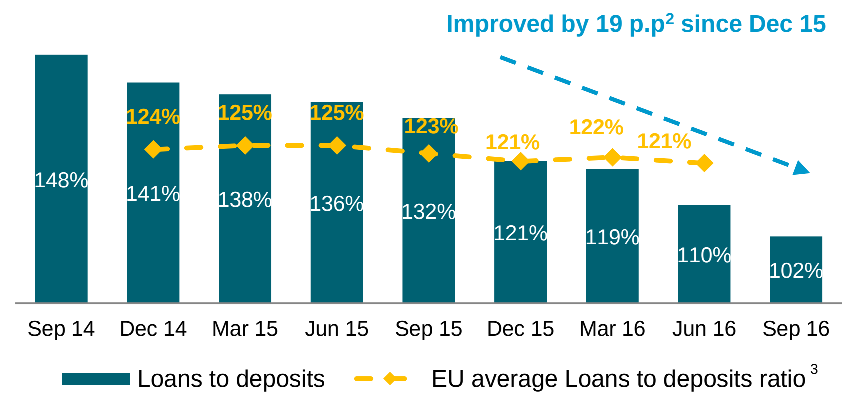


(1) Ratio of ELA funding as a % of total assets for December 2016 is based on total assets as at 30 September 2016

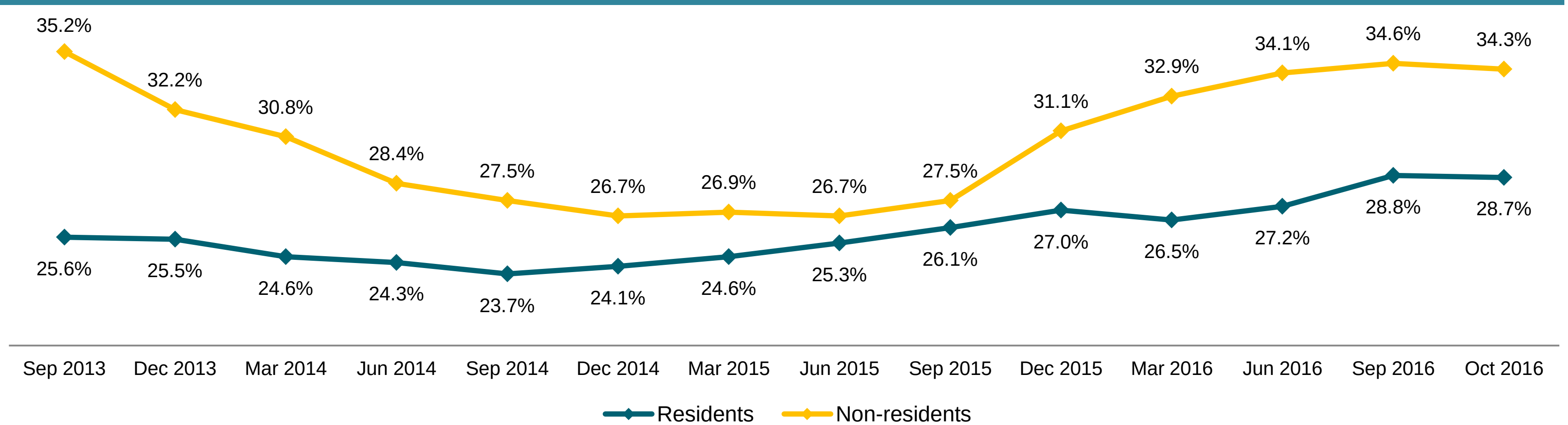
Growing deposit base resulting in improving liquidity and increasing market share

c.10% growth in deposits in 9M2016 and comprises c.70% of total assets with resulting improvement in loans to deposits ratio by 19 p.p[2] since December 2015[1]





Increasing market share in resident and non-resident deposits



(1) BOC Group's customer deposits were at €15,6 bn at 9M2016, a 6.1% increase vs. 1H2016 comprised of €831,6 mn in Cypriot resident deposits (a significant proportion of which were government deposits) and €65,1 mn in non-Cypriot resident deposits
(2) Percentage Points
(3) Based on EBA Risk Dashboard Report, Data as at 30 June 2016

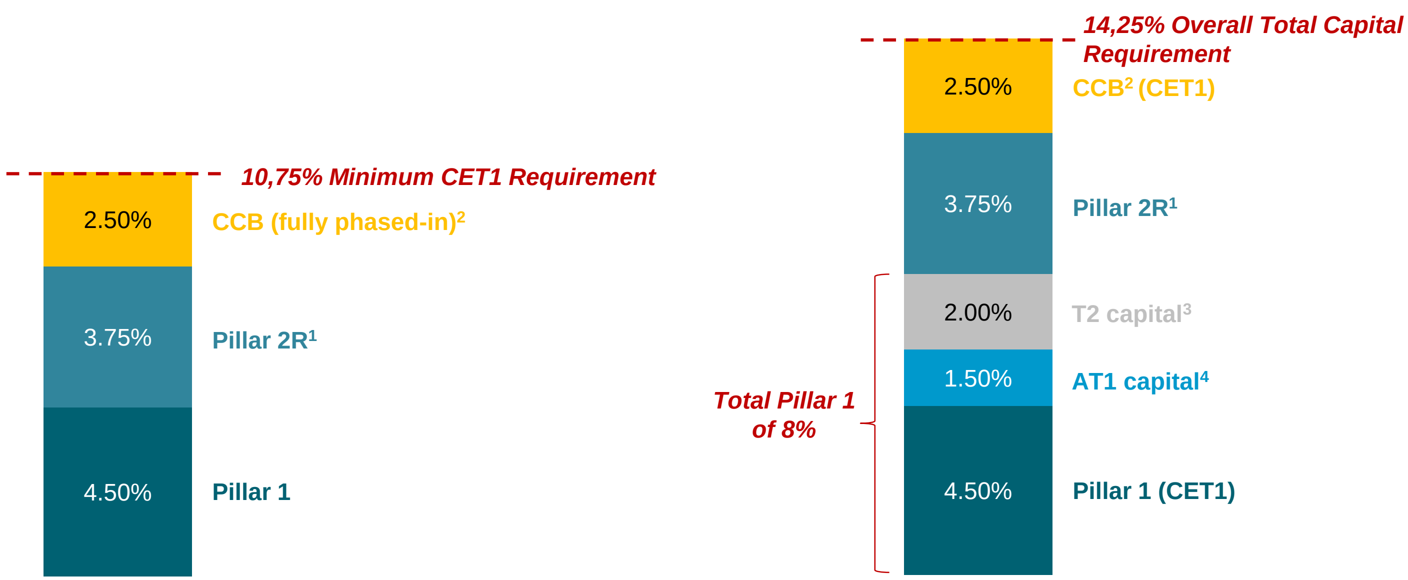
Bank of Cyprus

Regulatory view of BoC's capital requirements

- Following the Supervisory Review and Evaluation Process (SREP) performed by the ECB in 2016, the Group's minimum phased-in CET1 capital ratio was set at **10,75%** and the overall total capital requirement at **14,25%.** Both minimum ratios include 2,50% fully phased-in CCB
- Final confirmation in respect of SREP 2016 was delivered to the Bank by the ECB in December 2016
- ECB has also provided non-public guidance for additional pillar II CET1 buffer
- New SREP requirements are effective as of 01 Jan 2017

Minimum capital requirement as per SREP[5]

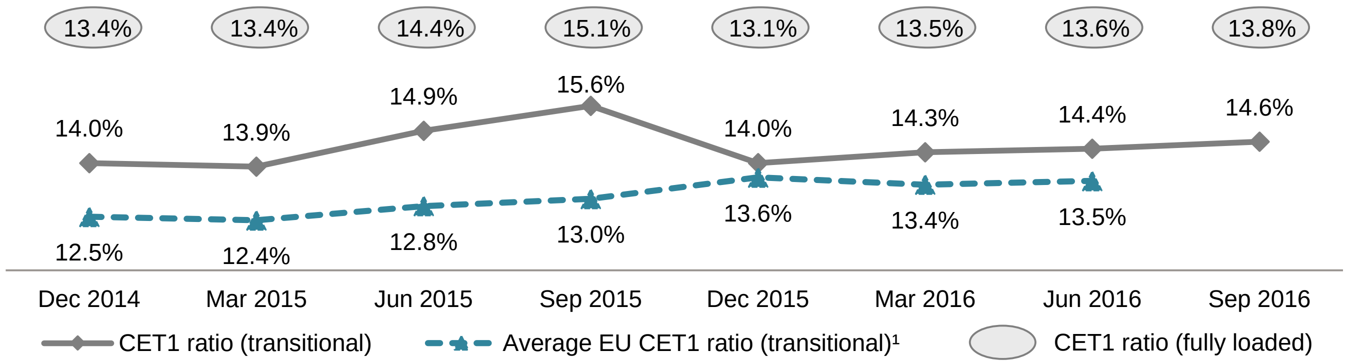
CET1 Capital Requirement | **Total Capital Requirement**



(1) Pillar 2 requirement in the form of CET1
(2) Capital conservation buffer
(3) Tier 2 capital
(4) Additional Tier 1 capital
(5) 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

Adequately capitalised relative to risk profile, positioning BOC favourably to focus on growing in Cyprus

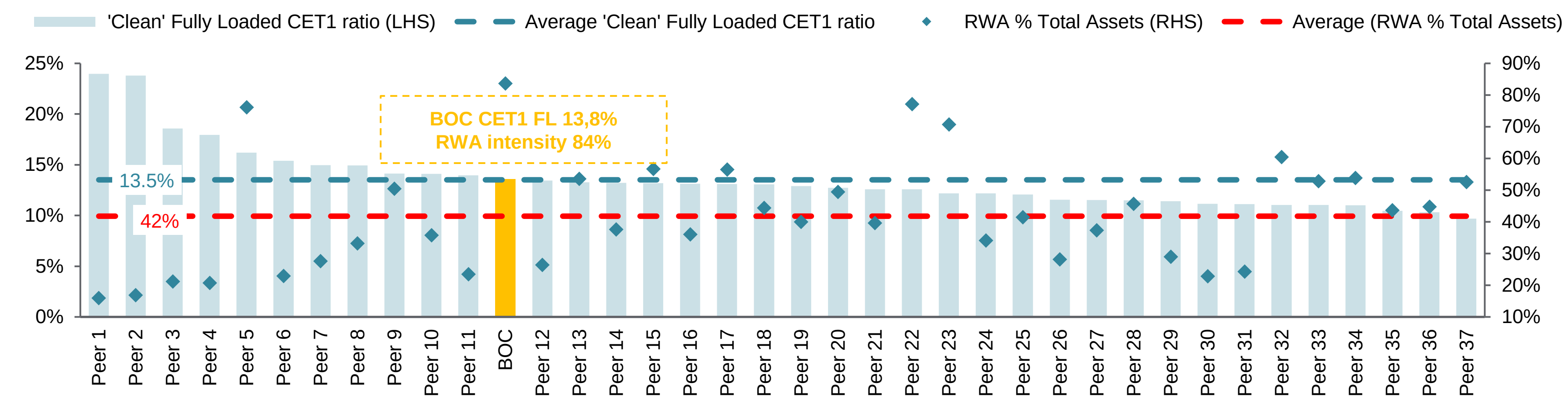
CET1 ratio (transitional) of 14,6% compares favourably vs. EU average of 13,5%...



- CET1 transitional increased by **20 bps** during 3Q2016 and by **60 bps** during 9M2016

…and also on a fully loaded basis vs. European peers

'Clean' fully loaded CET1 ratio[2,3]



On the back of evolving capital requirements such as MREL[4], BoC continues to consider funding options such as issuing Tier 2 capital to further diversify its capital, subject to market conditions

Source: Company filings

(1) Based on EBA Risk Dashboard Report, Data as at 30 June 2016
(2) As per SNL Financial Database, 'Clean' Fully Loaded CET1 ratio as 30 June 2016, excludes Deferred Tax Credits, AFS and Danish Compromise Estimated Impact
(3) The data used is based on 9M2016 financial results for 17 out of 38 EU Banks, including Bank of Cyprus, the data for the rest of the banks is based on 1H2016 financial results
(4) Minimum Requirement for Own Funds and Eligible Liabilities; precise calibration and ultimate designation of the Bank's MREL liabilities have not yet been finalised

Significant progress on KPIs with a clear strategy to meet Medium term targets

Category	Key performance indicators	2015	Sep 2016	Medium term targets	Progress
Capital	CET1 ratio (transitional)[1]	14,0%	14,6%	**>15%**	On course
Funding	ELA % assets[2] (€ bn)	16%; €3,8 bn	0%; €0 bn[3]	**Fully repay by 2017**	Achieved
	Net loans % deposits[4]	121%	102%	**100%-120%**	Achieved
Asset quality	90+ DPD ratio[5]	50,1%	42,6%	**<30%**	Focus area
	90+ DPD coverage[6]	48,1%	53,6%	**>50%**	Achieved
	Provisioning charge[7]	4,3%	1,6%[8]	**<1,0%**	Stabilising
Margins and efficiency	Net interest margin[9]	3,8%	3,5%	**~3,00%**	Stabilising
	Fee and commission income/ total income[10]	14,8%	15,6%	**>20%**	On course
	Cost to income ratio[11]	40,0%	41,7%	**40%-45%**	Achieved
Balance sheet	Total assets (€ bn)	€23,3 bn	€22,4 bn	**>€25 bn**	Selective growth

Strategic plan of action

1. Reduce problem loans
- Sustain momentum in restructuring
- Focus on recoveries portfolio – "accelerated consensual foreclosures"
- Real estate management via REMU

2. Normalise funding structure
- Eliminate ELA - achieved
- Boost deposit franchise
- **Access debt capital markets for senior and strategic non-core capital transactions**
- Access wholesale and interbank market
- Increase loan pool for the Additional Credit Claims ECB framework

3. Focus on core business
- Targeted lending in Cyprus into promising sectors to fund recovery
- New loan origination, while maintaining lending yields
- Revenue diversification via fee income from international business, wealth, and insurance
- Expand UK franchise by leveraging the UK subsidiary

4. Lean operating model
- Tangible savings through a targeted reduction program
- Introduce technology/processes to improve distribution channels and reduce costs
- HR policies aimed at enhancing productivity

5. Deliver returns
- Deliver appropriate medium-term risk-adjusted returns

(1) CET 1 capital ratio (transitional) is defined in accordance with the Basel II requirements
(2) ELA % assets is calculated as the ELA amount divided by the total assets
(3) As of January 2017
(4) Net loans to deposits ratio is calculated as the net loans and advances to customers divided by customer deposits, including deposits held for sale. Net loans are defined as gross loans less accumulated provisions (which is the sum of accumulated provisions for impairment of customer loans, fair value adjustment on initial recognition and provisions for off-balance sheet exposures)
(5) 90+DPD ratio means 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 (i) an individual basis or (ii) for which incurred losses exist at their initial recognition or (iii) for customers in Debt Recovery) divided by gross customer loans (gross loans are reported before the fair value adjustment on initial recognition relating to loans acquired from Laiki Bank (calculated as the difference between the outstanding contractual amount and the fair value of loans acquired)).
(6) Provisioning coverage ratio for 90+DPD is calculated as the sum of accumulated provisions for impairment of customer loans, fair value adjustment on initial recognition and provision for off-balance sheet exposures, divided by 90+DPD
(7) IFRS 9 impact, which is effective as from 1 January 2018, has not been taken into account for the purposes of the data. Data is determined based on the current regulatory environment. Provisioning charge (cost of risk) (year to date) is calculated as the provisions for impairment of customer loans and provisions for off-balance sheet exposures, including provisions of discontinued operations, net of gain on derecognition of loans and advances to customers and changes in expected cash flows divided by average gross loans (the average balance calculated as the average of the opening balance and the closing balance). The ratios for the six months ended 30 June 2016 and nine months ended 30 September 2016 are annualised
(8) 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.
(9) Net interest margin is calculated as the difference between the cost of lending and the interest income generated relative to the amount of interest-earning assets. Interest bearing assets include: cash and balances with central banks, plus placements with banks, plus repos, plus net customer loans and advances, plus investments (excluding equities and mutual funds) and derivatives
(10)Net fee and commission income/total income is the fee and commission income divided by total income, excluding gains/(losses) on disposals of non-core assets. Gains on disposal of non-core assets pre-tax was €0, €161.6 million, €54.2 million, €60.9million and €60.9 million for the years ended 31 December 2013, 2014 and 2015 and the six months ended 30 June 2016 and the nine months ended 30 September 2016, respectively
(11)Cost-to-income ratio is the staff costs and other operating expenses excluding restructuring costs divided by total income, excluding gains/(losses) on disposals of non-core assets. Restructuring costs amount to €98.3 million, €87.4 million, €43.1 million, €36.2 million and €156.8 million as at 30 September 2016, 30 June 2016, 31 December 2015, 31 December 2014 and 31 December 2013, respectively. Gains on disposal of non-core assets pre-tax was €0, €161.6 million, €54.2 million, €60.9 million and €60.9 million for the years ended 31 December 2013, 2014 and 2015 and the six months ended 30 June 2016 and the nine months ended 30 September 2016, respectively

Main challenges

External challenges – limited influence		Mitigants
Macro and geo-political factors	• Slower economic recovery or regress into recession • Failure of Government to cover funding needs post the end of the ESM / IMF financing Programme	• Stronger Bank is better able to stimulate the economy
	• Further deterioration of the Russian economy • Brexit impact, particularly on tourism industry (weaker GBP) • Proposed tax reform in other jurisdictions (e.g. Russia de-offshorisation)	• Diversification of business model away from Russia / Ukraine geographies • Gradual increase in tourist arrivals from other destinations
	• Economic uncertainty in Greece and potential impact to the periphery	• Minimum direct exposure in Greece

Internal challenges – able to mitigate		Mitigants
Asset quality	• Credit risk concentration – esp. large corporate exposures • High concentration of collaterals in real estate	• Success in restructuring/addressing large problematic exposures • Debt for asset swaps, debt for equity swaps, sale of loans • Focus on Recoveries portfolio
Funding	• Changes in existing and upcoming of new regulatory requirements e.g. 'MREL'[1]	• Deposits stabilising with launch of active deposit retention/gathering programme • ELA funding fully repaid • Availability of significant amount of ELA eligible assets in case of need • Intention to gradually return to wholesale funding markets in 2017 • Consider issuing Tier 2 capital to further diversify the Bank's capital, subject to market conditions
Litigation	• Pending legal claims including CySEC[2] investigations and bail-in related litigations among others	• Appropriate provisions have been made in respect of pending legal proceedings

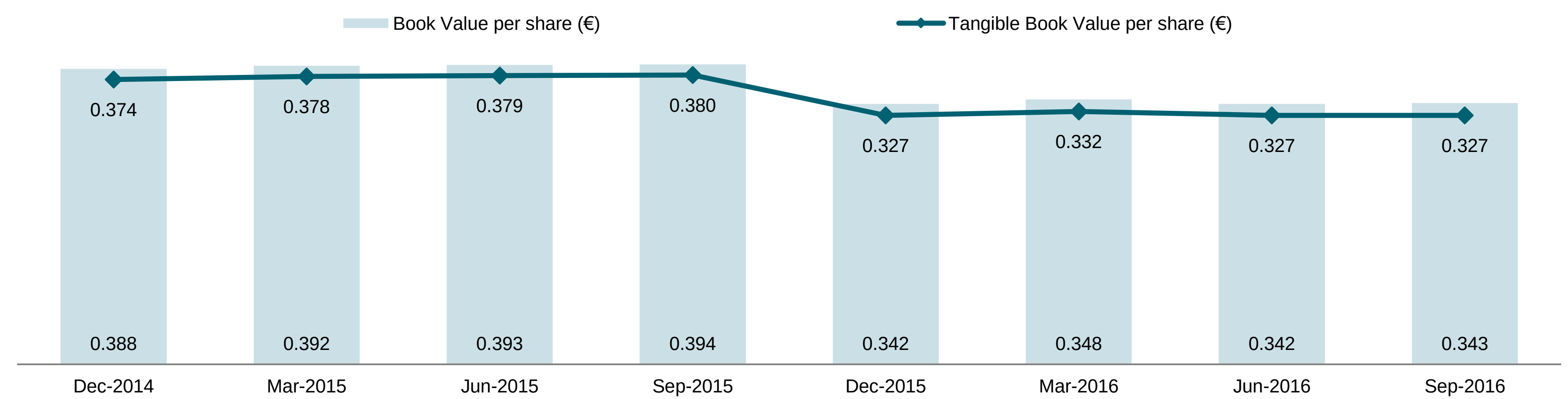
(1) Minimum Requirement for Own Funds and Eligible Liabilities.
(2) Cyprus Securities and Exchange Commission

Appendices

BOC - Main performance indicators

	Ratios	Group 9M2016
Performance	ROAA (annualised)[2]	0,4%
	ROTE (annualised)[3]	2,8%
	Net Interest Margin	3,51%
	Cost to income ratio	42%
	Loans to deposits	102%
Asset Quality	90+ DPD / 90+ DPD ratio	€8.768 mn (43%)
	90+ DPD coverage	54%
	Cost of risk (annualised)	1,6%[1]
	Provisions / Gross Loans[4]	22,8%
Capital	Transitional Common Equity Tier 1 capital	2.736
	CET1 ratio (transitional basis)	14,6%
	Total Shareholders' Equity / Total Assets	13,7%

Book value evolution



(1) Provisions for impairment of customer loans and gains/(losses) on derecognition of loans and changes in expected cash flows
(2) ROAA: profit after tax attributable to the owners of the company (€61,627 mn to be annualised) divided by the quarterly average of total assets (€22.750,451 mn)
(3) ROTE: profit after tax attributable to the owners of the company (€61,627 mn to be annualised) divided by the total equity (€3.102,664) minus the intangible assets (€142,297 mn)
(4) Provisions / gross loans: accumulated provisions before the fair value adjustments (€4.655,921 mn) on initial recognition relating to loans acquired from Laiki Bank plus off-balance sheet provisions (€46,649 mn) divided by gross loans before the fair value adjustment on initial recognition relating to loans acquired from Laiki Bank (€20.595,514 mn)

Bank of Cyprus

Consolidated Balance Sheet

€ mn	% change	30.09.16	31.12.15
Cash and balances with Central Banks	12%	1.587	1.423
Loans and advances to banks	-10%	1.184	1.314
Debt securities, treasury bills and equity investments[1]	-41%	595	1.009
Net loans and advances to customers	-7%	15.939	17.192
Other assets[2]	34%	3.065	2.284
Non current assets and disposal group held for sale	-76%	12	49
Total assets	**-4%**	**22.382**	**23.271**

€ mn	% change	30.09.16	31.12.15
Deposits by banks	53%	371	242
Funding from central banks	-56%	1.950	4.453
Repurchase agreements	-11%	329	368
Customer deposits	10%	15.643	14.181
Debt securities in issue	-100%	0	1
Other liabilities[3]	4%	986	944
Non current liabilities and disposal group held for sale	-100%	0	4
Total liabilities	**-5%**	**19.279**	**20.193**
Share capital	0%	892	892
Capital reduction reserve and share premium	0%	2.505	2.505
Revaluation and other reserves	-7%	241	259
Accumulated losses	-4%	(575)	(601)
Shareholders' equity	**0%**	**3.063**	**3.055**
Non controlling interests	79%	40	23
Total equity	**1%**	**3.103**	**3.078**
Total liabilities and equity	**-4%**	**22.382**	**23.271**

(1) Debt securities, treasury bills and equity investments include investments of €193 mn (Dec 2015: €588 mn) and investments pledged as collateral of €402 mn (Dec 2015: €421 mn)
(2) Other assets include derivative financial assets, life insurance business assets attributable to policyholders, prepayments, accrued income and other assets, stock of property, investment properties, property and equipment, intangible assets, investment in associates and joint ventures and deferred tax assets
(3) Other liabilities include derivative financial liabilities, insurance liabilities, accruals, deferred income and other liabilities, debt securities in issue and deferred tax liabilities

Income Statement Review

€ mn	9M2016	9M2015	yoy %	3Q2016	2Q2016	qoq %	1Q2016
Total income	**717**	**786**	**-9%**	**235**	**238**	**-1%**	**244**
Total expenses	**(299)**	**(296)**	**1%**	**(97)**	**(103)**	**-5%**	**(99)**
Profit before provisions and impairments[1]	**418**	**490**	**-15%**	**138**	**135**	**2%**	**145**
Provisions for impairment of customer loans net of gains/(losses) on loan derecognition and changes in expected cash flows	(267)	(329)	-19%	(109)	(96)	14%	(62)
Impairments of other financial and non financial assets	(34)	(37)	-9%	(12)	(14)	-10%	(8)
Share of profit from associates and joint ventures	3	3	-12%	1	1	96%	1
Profit before tax, restructuring costs, discontinued operations and net profit on disposal of non-core asset	**120**	**127**	**-5%**	**18**	**26**	**-32%**	**76**
Tax	(16)	(18)	-7%	(4)	(4)	0%	(8)
(Loss)/profit attributable to non-controlling interests	(3)	6	-162%	2	(5)	-142%	(1)
Profit after tax and before restructuring costs, discontinued operations and net profit on disposal of non-core asset	**101**	**115**	**-13%**	**16**	**17**	**-4%**	**67**
Advisory, VEP and other restructuring costs[2]	(98)	(27)	267%	(11)	(70)	-84%	(17)
Loss from disposal groups held for sale/discontinued operations	-	(38)	-100%	-	-	-	-
Net gain on disposal of non-core assets	59	23	154%	0	59	-100%	-
Profit after tax	**62**	**73**	**-16%**	**5**	**6**	**-15%**	**50**
Net interest margin	**3,51%**	**3,82%**	**-31 bps**	**3,35%**	**3,55%**	**-20 bps**	**3,63%**
Return on tangible equity (annualised)	**2,8%**	**2,9%**	**-1 p.p**	**0,7%**	**0,8%**	**-1 p.p**	**6,7%**
Return on Average Assets (annualised)	**0,4%**	**0,4%**	**-**	**0,1%**	**0,1%**	**-**	**0,9%**
Cost-to-Income ratio	**42%**	**38%**	**+4 p.p**	**41%**	**43%**	**-2 p.p**	**40%**

Key Highlights QoQ change

- **NIM** at 3,51% for 9M2016 compared to 3,59% for 1H2016 reflecting the reduction in customer loan balance primarily as a result of the elevated loan restructuring activity, including DFAs[3]
- **Total Income** down by 1% qoq due to lower NII
- **Total Expenses** down by 5% qoq primarily driven by the 7% decrease in staff costs reflecting the effect of the voluntary exit plan (VEP) completed in 2Q2016
- **Profit before provisions of €138 mn for 3Q2016,** up by 2%, a net result of the lower NII, the higher gains of financial instruments and the lower staff costs.
- **Impairments of other financial and non-financial assets for 3Q2016 totalled €12 mn,** compared to €14 mn for 2Q2016, including impairment losses of stock of properties in Cyprus, Greece and in Romania.
- **Profit after tax of €5 mn for 3Q2016**

(1) Profit before provisions and impairments, gains/(losses) on derecognition and changes on expected cash flows, advisory, VEP and other restructuring costs, gains/losses from disposal of non core assets and discontinued operations
(2) Advisory, VEP and other restructuring costs comprise mainly: 1) fees of external advisors in relation to: (i) disposal of operations (ii) customer loan restructuring activities which are not part of the effective interest rate and (iii) the contemplated listing on the London stock exchange and 2) voluntary exit plan cost.
(3) Debt for Asset swaps
(4) Income statement shown is based on the results press release rather than the prospectus

Cyprus: Income Statement by business line for 9M2016

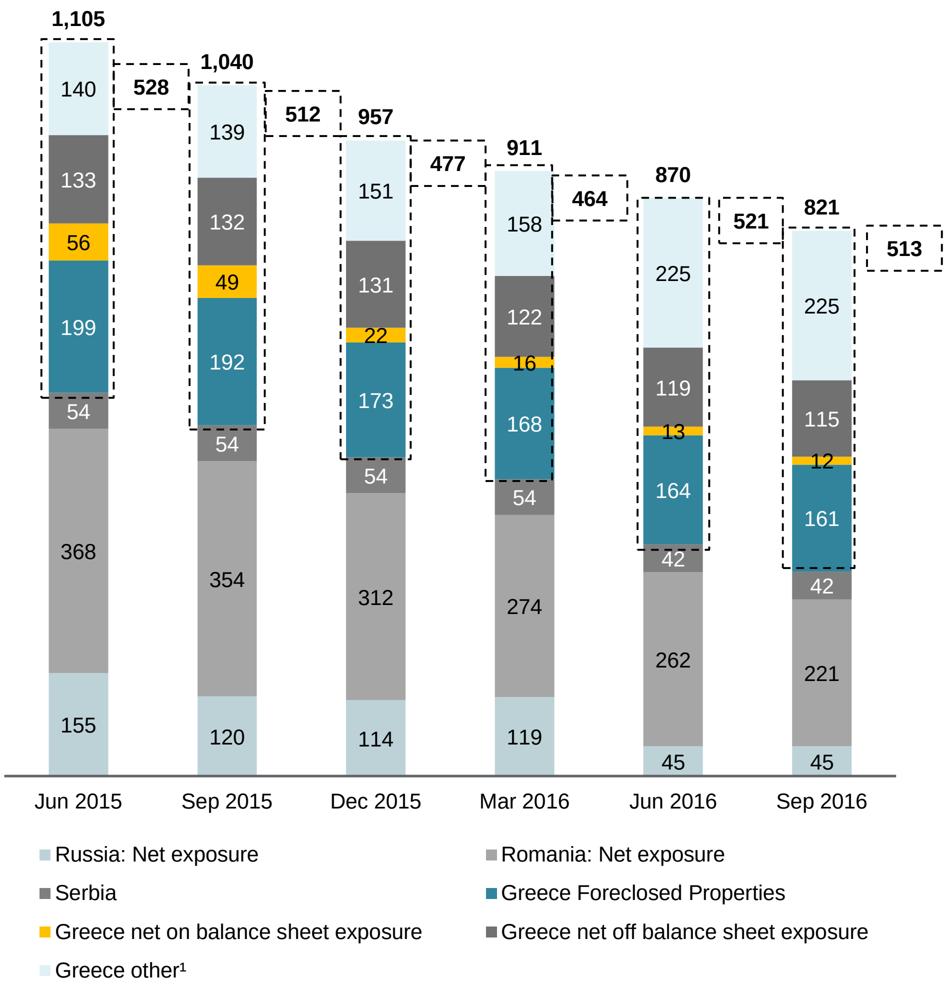
€ mn	Consumer Banking	SME Banking	Corporate Banking	International Banking	Wealth & Brokerage & Asset Management	RRD	REMU	Insurance	Other	Total Cyprus
Net interest income	187	48	60	46	6	160	(9)	-	(7)	491
Net fee & commission income	34	6	7	38	2	9	-	(3)	14	107
Other income[1]	3	0	1	5	3	0	(2)	35	21	66
Total income	**224**	**54**	**68**	**89**	**11**	**169**	**(11)**	**32**	**28**	**664**
Total expenses[2]	**(87)**	**(9)**	**(8)**	**(19)**	**(3)**	**(25)**	**(7)**	**(10)**	**(99)**	**(267)**
Profit/(loss) before provisions and impairments	**137**	**45**	**60**	**70**	**8**	**144**	**(18)**	**22**	**(71)**	**397**
Provisions for impairment of customer loans net of gains/(losses) on derecognition of loans and changes in expected cash flows	32	(14)	20	0	0	(263)	-	-	(1)	(226)
Impairment of other financial and non financial assets	-	-	-	-	-	-	(10)	-	(15)	(25)
Share of profits from associates	-	-	-	-	-	-	-	-	3	3
Profit/(loss) before tax	**169**	**31**	**80**	**70**	**8**	**(119)**	**(28)**	**22**	**(84)**	**149**
Tax	(18)	(4)	(10)	(8)	(1)	17	4	(2)	8	(14)
Profit attributable to non controlling interest	-	-	-	-	-	-	-	-	(4)	(4)
Profit/(loss) after tax and before one off items	**151**	**27**	**70**	**62**	**7**	**(102)**	**(24)**	**20**	**(80)**	**131**

(1) Other income in column "Other" excludes the gain on disposal of shares in Visa Europe Limited amounting to €58,3 mn
(2) Excluding restructuring costs

Bank of Cyprus

Reduction in Overseas Non-Core Exposures

Overseas non-core exposures (€ mn)



The non-core overseas exposures at 30 September 2016 were as follows:

Greece: Net exposure comprised:

a. Net on-balance sheet exposures (excluding foreclosed properties) totalling €12 mn;

b. 636 foreclosed properties with a book value of €161 mn;

c. off-balance sheet exposures of €115 mn; and

d. lending exposures to Greek entities in the normal course of business in Cyprus of €80 mn, and lending exposures in Cyprus with collaterals in Greece of €145 mn.

Romania: Overall net exposure of €221 mn

Serbia: Overall net exposure of €42 mn, in line with the previous quarter

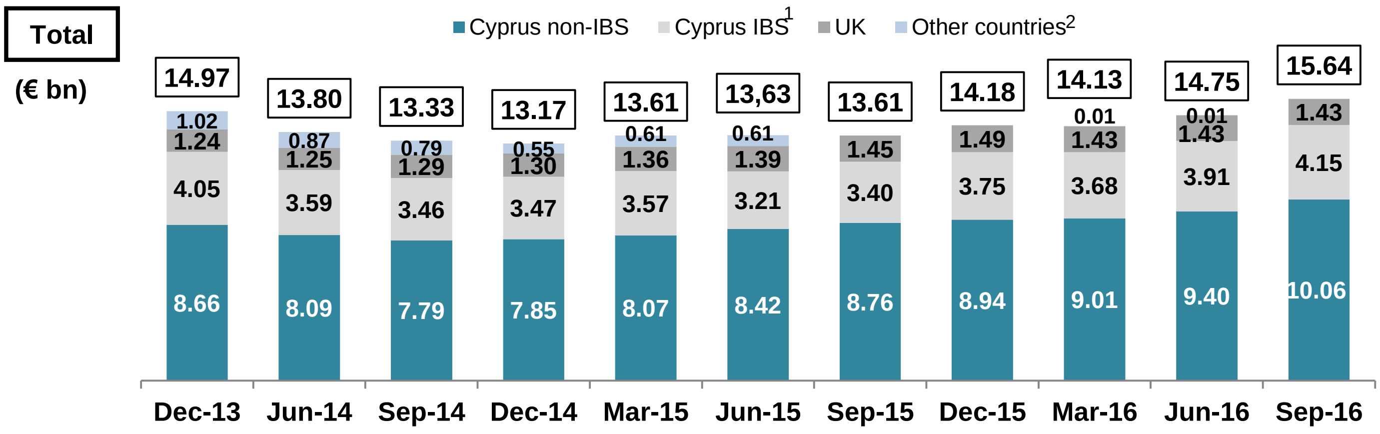
Russia: Remaining net exposure (on and off balance sheet) in Russia remained unchanged at €45 mn during 3Q2016 in line with the previous quarter.

As part of the Group's strategy of focusing on its core businesses and markets, the Group decided to close the operations of Bank of Cyprus Channel Islands Ltd (BOC CI) and to relocate its business to other Group locations.

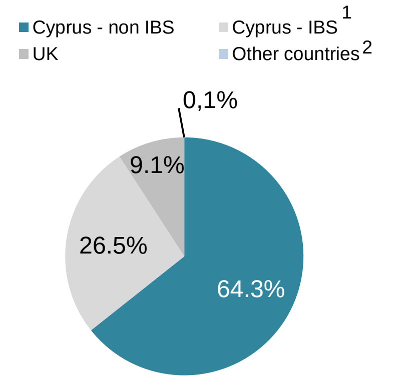
(1) Lending exposures to Greek entities in the normal course of business in Cyprus and lending exposures in Cyprus with collaterals in Greece

Analysis of Deposits by Geography and by Type

Deposits by geography

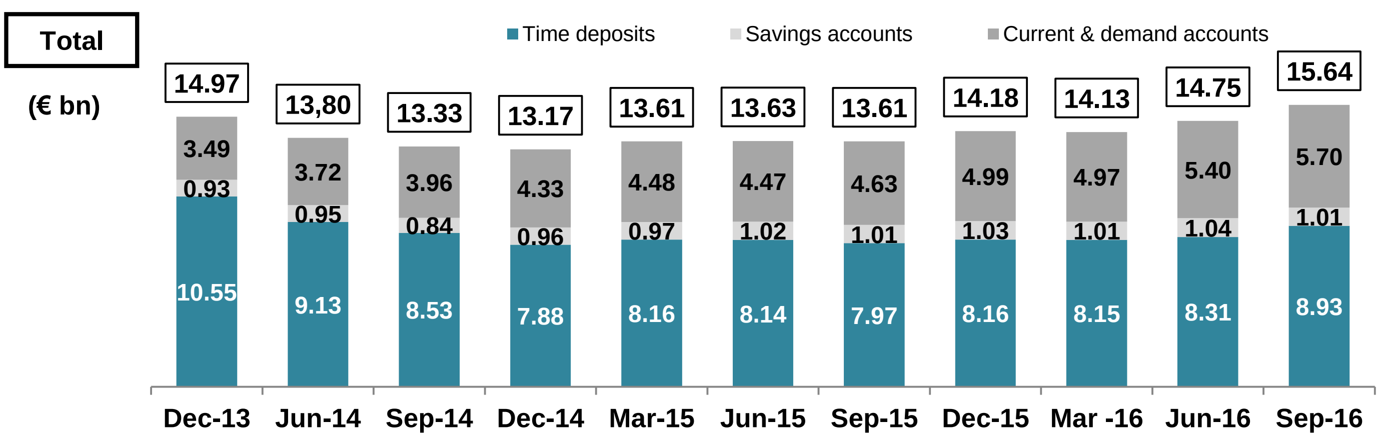


30 September 2016 (%)

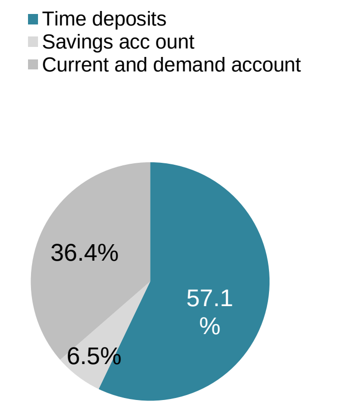


Total Cyprus 90,8%

Deposits by type of deposits



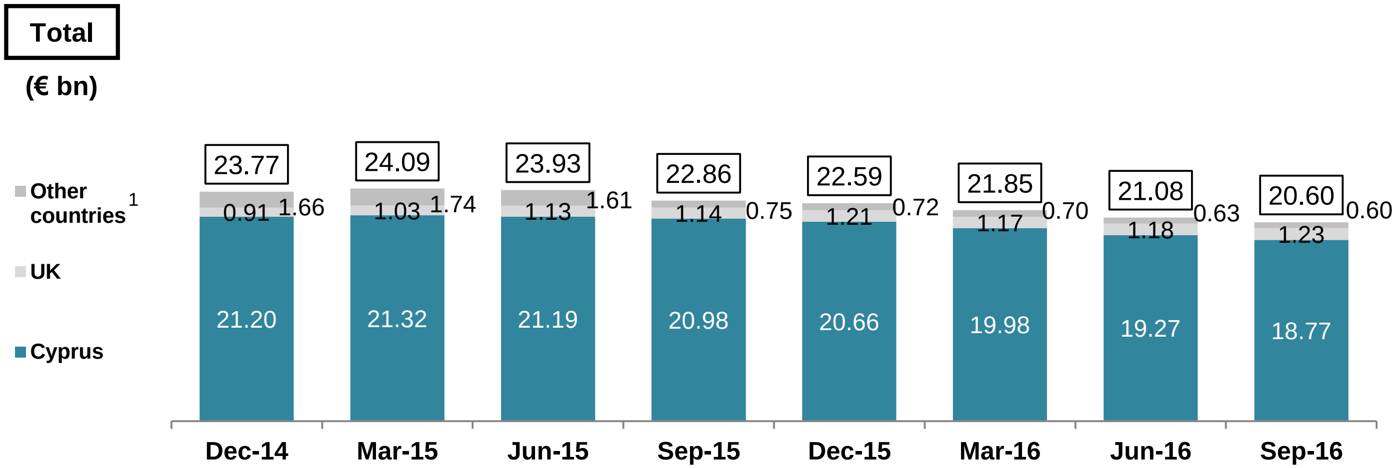
30 September 2016 (%)



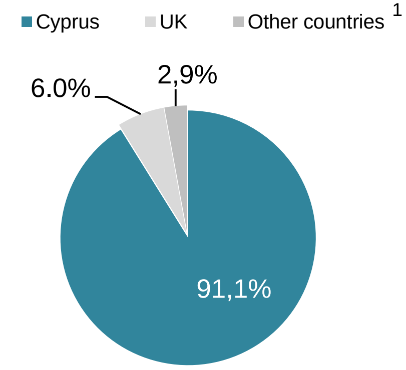
(1) IBS - Division servicing exclusively international activity companies registered in Cyprus and abroad and non-residents
(2) Other countries: Russia (until June 2015), Romania, and Ukraine (until March 2014).

Gross loans by Geography and by Customer Type

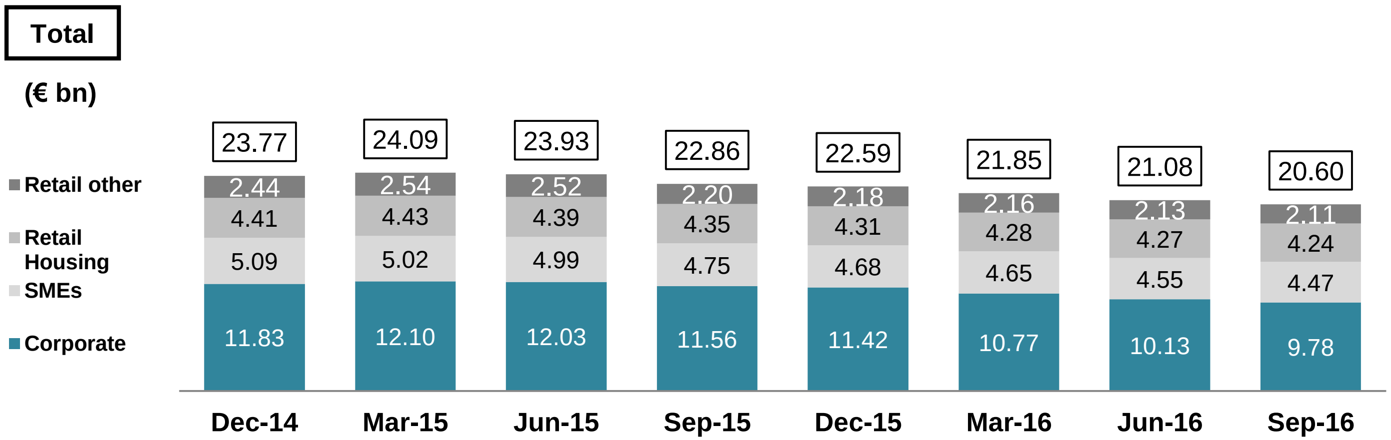
Gross loans by geography



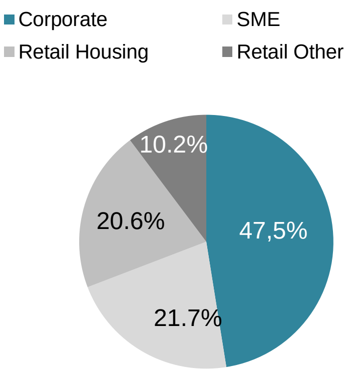
30 September 2016 (%)



Gross loans by customer type



30 September 2016 (%)



(1) Other countries: Russia, Greece and Romania

Asset Quality- 90+ DPD analysis

(€ mn)	Sept-16	Jun - 16	Mar-16	Dec-15	Sept-15
A. Gross Loans after Fair value on Initial recognition	**19.607**	**20.040**	**20.719**	**21.385**	**21.597**
Fair value on Initial recognition	989	1.043	1.130	1.207	1.266
B. Gross Loans	**20.596**	**21.083**	**21.849**	**22.592**	**22.863**
B1. Loans with no arrears	**10.897**	**10.879**	**10.551**	**10.443**	**9.925**
B2. Loans with arrears but not impaired	**2.488**	**2.607**	**2.901**	**3.049**	**3.611**
Up to 30 DPD	587	574	623	469	585
31-90 DPD	344	361	386	351	355
+ 91-180 DPD	146	121	133	144	200
+ 181-365 DPD	144	175	183	259	374
+ Over 1 year DPD	1.267	1.376	1.576	1.826	2.097
+ **B3. Impaired Loans**	**7.211**	**7.597**	**8.397**	**9.100**	**9.327**
With no arrears	514	647	860	876	848
Up to 30 DPD	22	25	36	78	66
31-90 DPD	52	41	57	24	60
91-180 DPD	15	95	49	65	152
181-365 DPD	106	123	157	310	464
Over 1 year DPD	6.502	6.666	7.238	7.747	7.737
= **(90+ DPD)[1]**	**8.768**	**9.269**	**10.289**	**11.329**	**11.998**
90+ DPD ratio (90 + DPD / Gross Loans)	**42,6%**	**44,0%**	**47,1%**	**50,1%**	**52,5%**
Accumulated provisions (including fair value adjustment on initial recognition[2])	**4.703**	**4.875**	**5.076**	**5.445**	**4.933**
Gross loans provision coverage	**22,8%**	**23,1%**	**23,2%**	**24,1%**	**21,6%**
90+ DPD provision coverage	**53,6%**	**52,6%**	**49,3%**	**48,1%**	**41,1%**

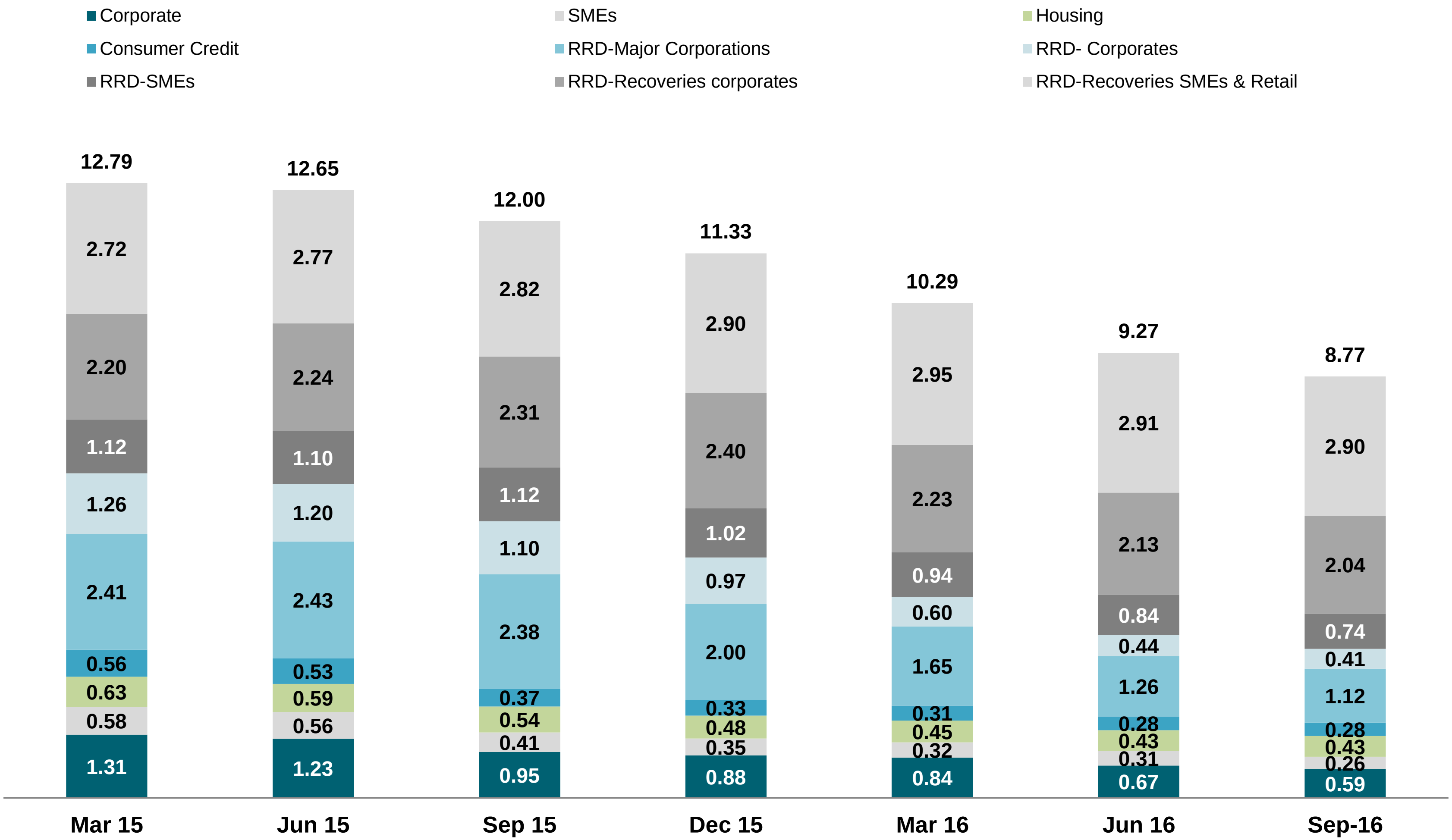
(1) Loans in arrears for more than 90 days (90+ DPD) are defined as loans past-due for more than 90 days and those that are impaired (impaired loans are those which are not considered fully collectable and for which a provision for impairment has been recognised on an individual basis or for which incurred 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.

Bank of Cyprus

Analysis 90+ DPD by Business Line[1]

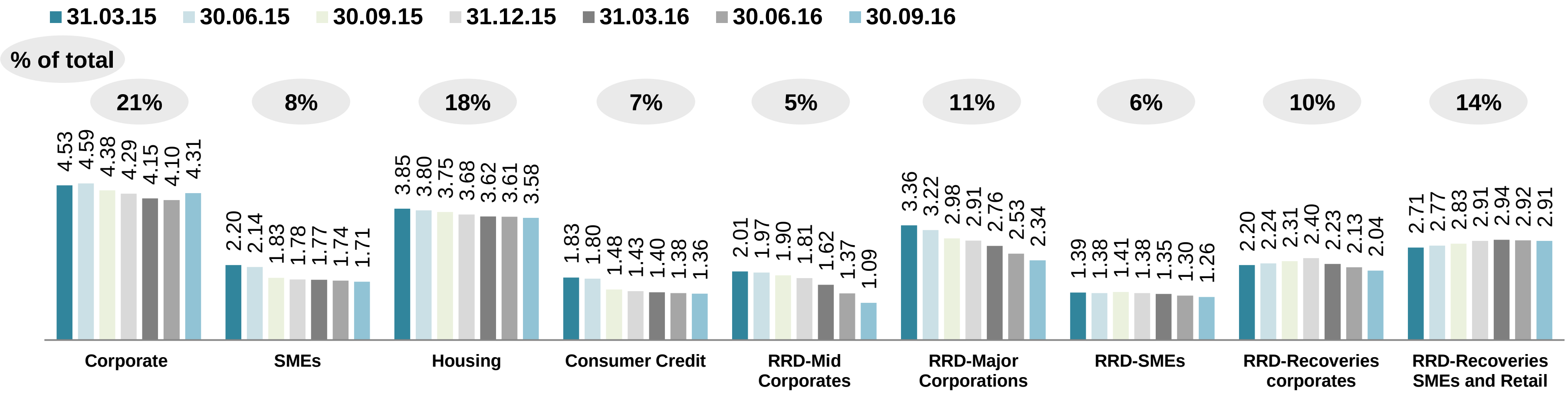
90+ DPD by business line (€ bn)



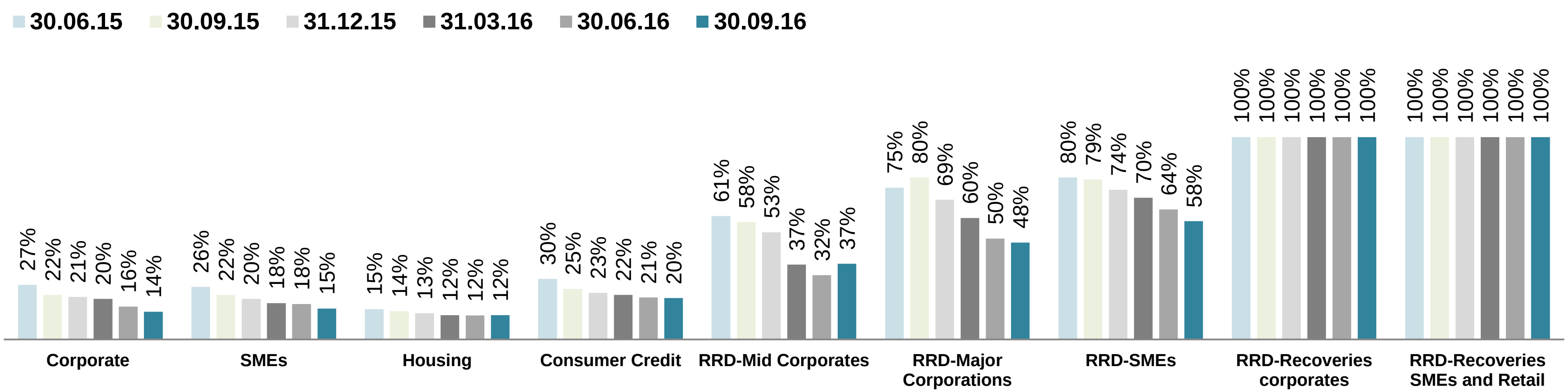
(1) As part of the restructuring of the Group, management is currently monitoring the loan portfolio of the Group using new business line definitions. An important component of the Group's new operational structure is the establishment of the RRD for the purposes of centralising and streamlining the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

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

Gross loans by business line (€ bn)



90+ DPD ratios by business line

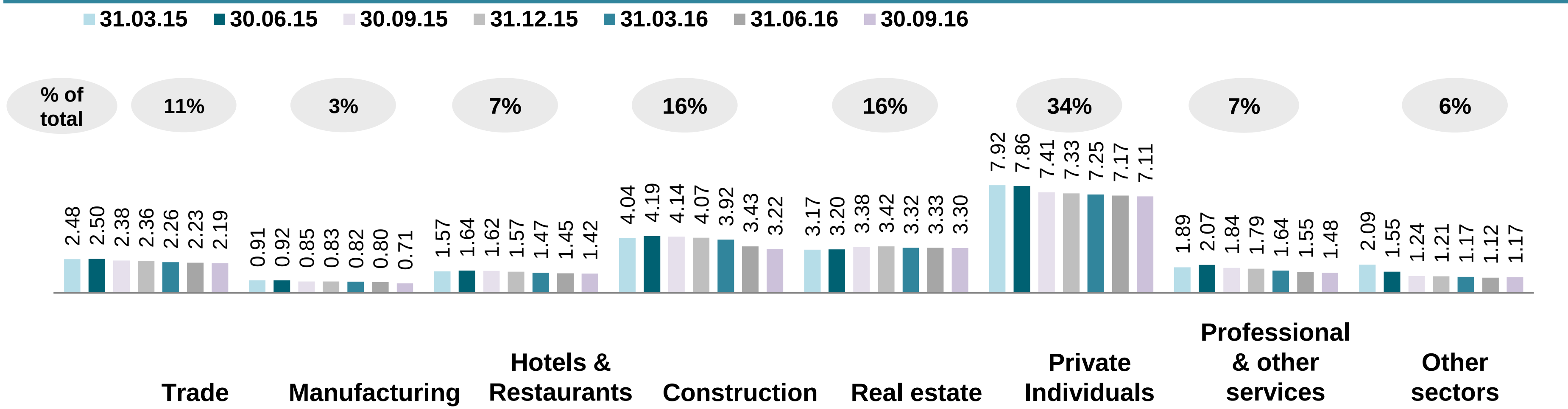


(1) As part of the restructuring of the Group, management is currently monitoring the loan portfolio of the Group using new business line definitions. An important component of the Group's new operational structure is the establishment of the RRD for the purposes of centralising and streamlining the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

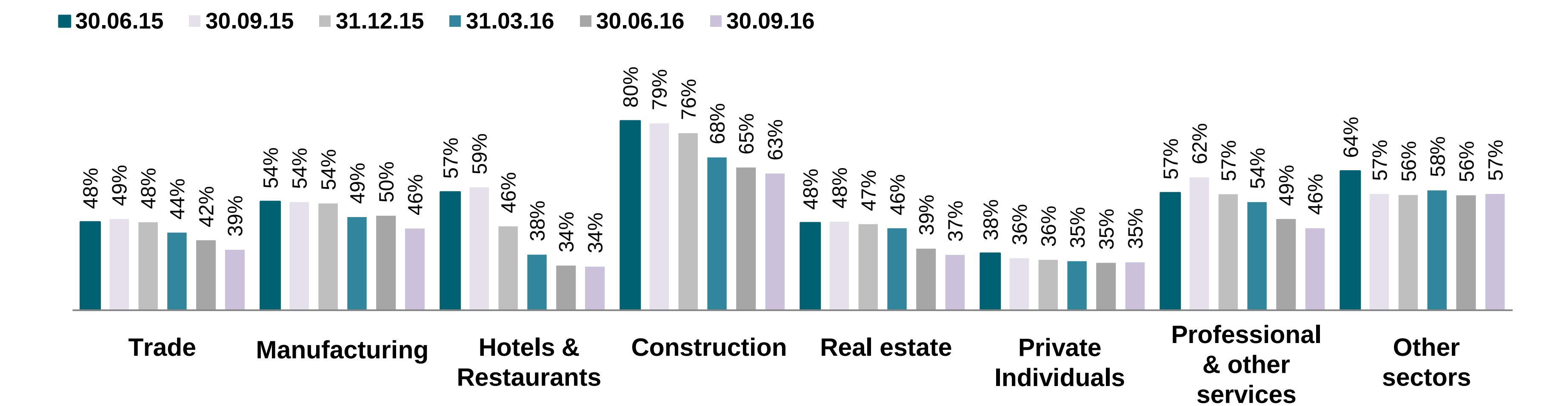
Bank of Cyprus

Analysis of Loans and 90+ DPD ratios by Economic Activity

Gross loans by economic activity (€ bn)



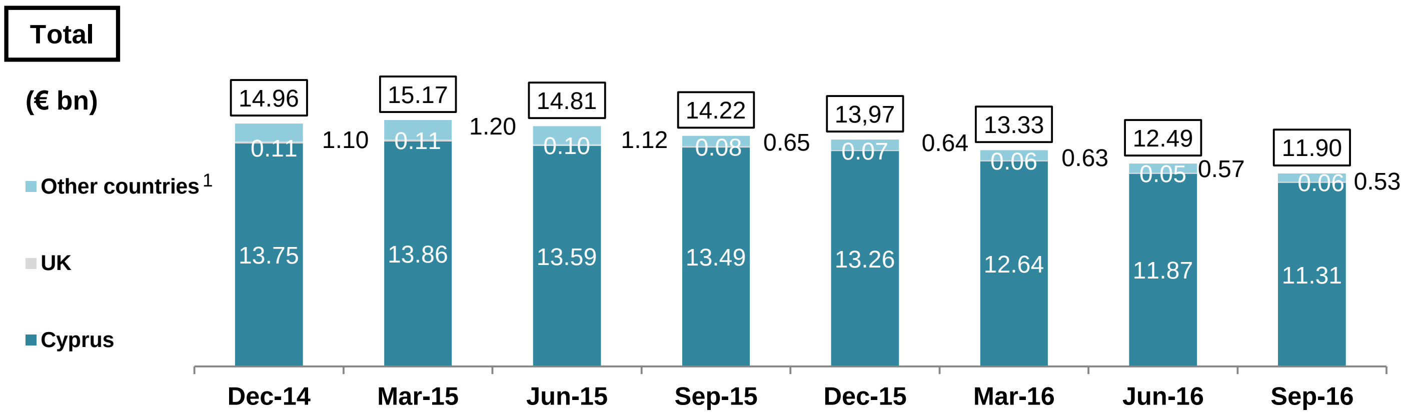
90+ DPD ratios by economic activity



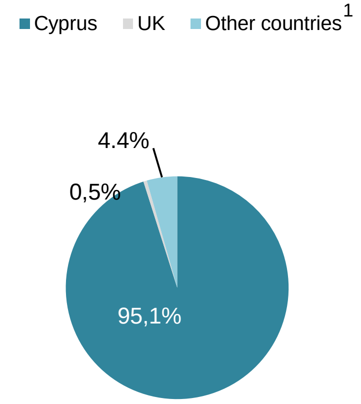
Bank of Cyprus

NPEs by Geography and by Customer Type

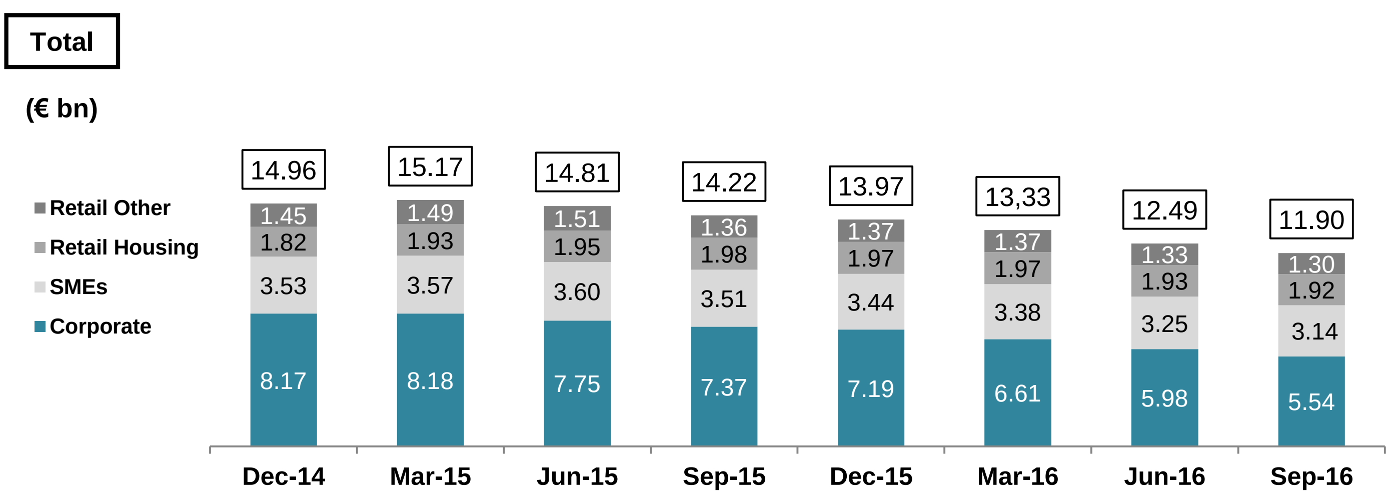
NPEs by geography



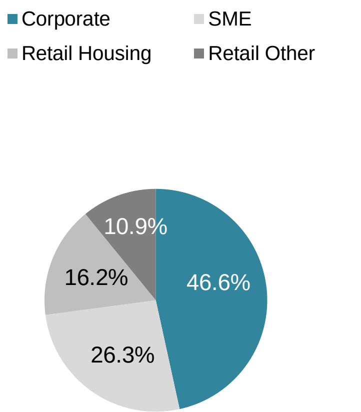
30 September 2016 (%)



NPEs by customer type



30 September 2016 (%)



(1) Other countries: Russia (until June 2015) and Romania

Bank of Cyprus

Legislative reforms helping in a number of important areas…

The toolkit to support debt restructuring is now largely in place…

Laws

- Insolvency framework enacted in May 2015
- Foreclosure law enacted in Sept 2014, 1st auctions completed in Jun 2016
- Legislation for the sale of loans enacted in 4Q2015
- Securitisation law expected to be passed in 1Q2017

Tax incentives

- Tax incentives for customers who agree to consensual solutions
- Tax incentives include exemption from CGT[1] and transfer fees in sale of property to the Bank

Other reforms

- Introduction of Examinership provides creditor 'cram down' mechanism for the first time
- Regulation of insolvency practitioners introduced in 2Q2015
- Ongoing passport scheme for international investors driving cash collections from property developers

…delivering a number of important benefits for the Bank

Incentivises faster consensual solutions	Reduces cost of restructurings	Reduced time to execute non consensual solution
Provides greater options to deleverage	Supports and incentivises faster cash collection	Improved quality and regulation of insolvency practitioners

(1) Capital Gains Tax

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, for example in case of a write off, a legal action against the borrower, or bankruptcy
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).

Disclaimer

This presentation has been prepared for information and background purposes only. It is confidential and neither it nor any part of it may be reproduced (electronically or otherwise) or redistributed, passed on, or the contents otherwise divulged, directly or indirectly, to any other person (excluding the recipient's professional advisers) or published in whole or in part for any purpose without the prior written consent of the Bank of Cyprus Public Company Ltd (the "Bank"). This presentation does not purport to be all-inclusive or to contain all of the information that a person considering the purchase of any securities of the Bank may require to make a full analysis of the matters referred to herein. Certain statements, beliefs and opinions in this presentation are forward-looking. Such statements can be generally identified by the use of terms such as “believes”, “expects”, “may”, “will”, “should”, “would”, “could”, “plans”, “anticipates” and comparable terms and the negatives of such terms. By their nature, forward-looking statements involve risks and uncertainties and assumptions about the Group that could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. We have based these forward-looking statements on our current expectations and projections about future events. Any statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Readers are cautioned not to place undue reliance on forward-looking statements, which are based on facts known to and/ or assumptions made by the Group only as of the date of this presentation. The Bank's ability to achieve its projected results depends on many factors which are outside management's control. Actual results may differ materially from those contained or implied in the forward-looking statements. We assume no obligation to update such forward-looking statements or to update the reasons that actual results could differ materially from those anticipated in such forward-looking statements. This presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any security in the United States, or any other jurisdiction. The delivery of this presentation shall under no circumstances imply that there has been no change in the affairs of the Group or that the information set forth herein is complete or correct as of any date. This presentation shall not be used in connection with any investment decision regarding any of our securities, which should only be made based on expressly authorised materials from us identified as such, nor in connection with any decision whether or how to vote on any matter submitted to our stockholders. The securities issued by the Bank have not been, and will not be, registered under the US Securities Act of 1933 (“the Securities Act”), or under the applicable securities laws of any other jurisdiction.