



## Announcement

# Agreement for the sale of investment in CNP Cyprus Insurance Holdings Ltd

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Nicosia, 4 June 2019

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014.

### **Group Profile**

*The Bank of Cyprus Group is the leading banking and financial services group in Cyprus, providing a wide range of financial products and services which include retail and commercial banking, finance, factoring, investment banking, brokerage, fund management, private banking, life and general insurance. The Bank of Cyprus Group operates through a total of 108 branches in Cyprus. Bank of Cyprus also has representative offices in Russia, Ukraine and China. The Bank of Cyprus Group employs 4,156 staff worldwide. At 31 March 2019, the Group's Total Assets amounted to €21.7 bn and Total Equity was €2.5 bn. The Bank of Cyprus Group comprises Bank of Cyprus Holdings Public Limited Company, its subsidiary Bank of Cyprus Public Company Limited and its subsidiaries.*

Bank of Cyprus Holdings Public Limited Company (“**BOC Holdings**” and, together with its subsidiaries, the “**Group**”) announces that it has signed a binding agreement to sell its entire shareholding of 49.9% in its associate CNP Cyprus Insurance Holdings Limited (“**CNP CIH**”) that had been acquired as part of the acquisition of certain operations of Laiki Bank in 2013, to CNP Assurances S. A. (the “**Buyer**”), who currently owns the remaining 50.1% and is the controlling party. The sale is subject to regulatory approvals and is expected to be completed in the second half of 2019.

The sale consideration of €97.5 mn is payable in cash on completion.

On completion, the sale is expected to have a positive impact of c.30 bps<sup>1</sup> on both the Group’s CET1 ratio and Total Capital ratio. The carrying value of the Group’s investment in CNP CIH was €119 mn as at 31 March 2019. The accounting loss from the sale is estimated at c.€22 mn<sup>1</sup>.

The sale enables the Group to focus on its core assets and is in line with the Group’s strategy of delivering value for shareholders. The Group will continue to offer insurance services through its wholly owned insurance subsidiaries.

As required by the Cyprus Stock Exchange and according to paragraph 5.2.1.17(7) of the Decision of the Council of the CSE Concerning the CSE Market 379/2014 (as amended), the transaction is at arm’s length, it does not relate to or affect the interests of the Company’s Secretary or of any “designated person” in accordance with the meaning given to the aforementioned term in article 137(3) of the Cyprus Securities and Stock Exchange Law 14(I)/1993 (as amended).

### **Notes to the editor**

**CNP CIH** is the parent company of a group of insurance companies in Cyprus and Greece. Specifically, CNP CIH is 100% shareholder in CNP Zois S.A. which offers life insurance services in Greece, CNP Asfalistiki Limited, which offers general insurance services in Cyprus, CNP Cyprialife Limited, which offers life insurance services in Cyprus and CNP Cyprus Properties Limited, an investment holding company in Cyprus.

For further information, please contact Investor Relations at [investors@bankofcyprus.com](mailto:investors@bankofcyprus.com).

<sup>1</sup> Based on the Group financial results for the quarter ended 31 March 2019, pro forma for the sale of a portfolio of loans of €2.8 bn, known as Project Helix.