

BANK OF CYPRUS GROUP
CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2003

	2003 C€000	2002 C€000
Turnover	<u>593 564</u>	<u>606 287</u>
Interest income	432 436	447 834
Interest expense	<u>(233 906)</u>	<u>(272 306)</u>
Net interest income	198 530	175 528
Fee and commission income	79 518	78 189
Fee and commission expense	(4 008)	(4 277)
Foreign exchange income	14 216	14 445
Losses on sale and revaluation of financial instruments	(792)	(622)
Income from insurance business	15 437	13 444
Other income	<u>4 211</u>	<u>4 888</u>
	307 112	281 595
Staff costs	<u>(123 337)</u>	(117 658)
Other operating expenses	<u>(83 198)</u>	<u>(74 214)</u>
Profit before provisions	100 577	89 723
Provisions for bad and doubtful debts	<u>(110 190)</u>	<u>(80 142)</u>
(Loss)/profit before provision for impairment of available-for-sale-investments	(9 613)	9 581
Provision for impairment of available-for-sale-investments	<u>(7 799)</u>	<u>(23 562)</u>
Loss before tax	<u>(17 412)</u>	(13 981)
Tax	<u>(11 391)</u>	<u>(7 417)</u>
Loss after tax	<u><u>(28 803)</u></u>	<u><u>(21 398)</u></u>
Loss per share (cents)	<u><u>(6,5)</u></u>	<u><u>(4,9)</u></u>

BANK OF CYPRUS GROUP
CONSOLIDATED BALANCE SHEET
as at 31 December 2003

	2003	2002
	C€000	C€000
Assets		
Cash and balances with central banks	545 602	570 478
Treasury bills	261 348	222 773
Placements with banks	1 325 309	923 691
Loans and advances to customers	5 279 892	4 766 742
Debt securities	1 066 488	1 056 317
Equity shares	35 083	45 574
Property and equipment	162 768	141 634
Intangible assets	15 881	17 125
Other assets	82 141	109 661
Prepayments and accrued income	98 246	95 777
	<u>8 872 758</u>	<u>7 949 772</u>
Life assurance business net assets attributable to policyholders	<u>189 070</u>	<u>176 156</u>
Total assets	<u>9 061 828</u>	<u>8 125 928</u>
Liabilities		
Amounts due to banks	263 234	205 896
Customer deposits	7 390 059	6 836 268
Debt securities in issue	151 263	288
Other liabilities	128 272	119 196
Accruals and deferred income	75 872	95 568
	<u>8 008 700</u>	<u>7 257 216</u>
Life assurance business liabilities to policyholders	<u>189 070</u>	<u>176 156</u>
Subordinated loan stock	<u>340 774</u>	<u>186 536</u>
Shareholders' funds		
Share capital	232 385	218 724
Share premium	238 955	218 464
Revaluation reserves	54 140	38 846
Exchange adjustments	(2 379)	(2 005)
Retained earnings	183	31 991
	<u>523 284</u>	<u>506 020</u>
Total liabilities and shareholders' funds	<u>9 061 828</u>	<u>8 125 928</u>
Contingent liabilities and commitments		
Contingent liabilities	<u>689 832</u>	<u>640 081</u>
Commitments	<u>1 015 169</u>	<u>976 325</u>

S. A. Triantafyllides, *Chairman*

Chr. S. Pantzaris, *Vice Chairman and Chief Executive of Bank of Cyprus*

E. Xenophontos, *Director and Group Chief General Manager*

Y. Kypri, *Group General Manager Finance*

Chr. Hadjimitsis, *Group Financial Controller*

BANK OF CYPRUS GROUP

NOTES

1. The consolidated income statement and consolidated balance sheet are extracts from the consolidated financial statements of the Bank of Cyprus Group for the year ended 31 December 2003.
The consolidated financial statements of the Group were drawn up in accordance with International Financial Reporting Standards.
 2. The consolidated financial statements for the year ended 31 December 2003 have been audited by the external auditors of the Group.
 3. The explanatory statement as required by Paragraphs 25 and 27(5) of Part IV of Appendix 6 (Regulation 81(1)) of the Cyprus Stock Exchange Law as well as the Financial Statements of the Bank of Cyprus Group for the year ended 31 December 2003, are available at the registered office of Bank of Cyprus Ltd and at the website of the Group as follows:
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