

## LAIKI CAPITAL PUBLIC CO LTD

### ANNOUNCEMENT

Laiki Capital Public Co Ltd (the "Company", "LC"), following its recent announcement regarding the decision of the Extraordinary General Meeting of Shareholders on January 29, 2015 for the sale of the shares held by the Company in Laiki Financial Services Ltd ("LFS") to the Bank of Cyprus Public Company Ltd ("BOC"), would like to announce that the sale has been completed and the Company has received the amount of Euro 3m., in cash.

LFS was the brokerage and investment banking services arm of the Cyprus Popular Bank in Cyprus. LFS was formed on January 1<sup>st</sup>, 2009, through the merger of Laiki Brokerage (Financial Services) Limited, Laiki Asset Management (Financial Services) Limited, Egnatia Financial Services (Cyprus) Limited and CLR Securities and Financial Services Limited.

LFS is a member of the Cyprus Stock Exchange and a remote member of the Athens Stock Exchange. It is licensed by the Cyprus Securities and Exchange Commission as an investment services provider (CIF License No. 002/03).

LFS provides brokerage, asset management and investment banking services. LFS activities also include provision of selected accounting services and share register services.

In the last three (3) years, due to the difficult conditions prevailing in the money market, and the events of March 2013, LFS incurred losses exceeding Euro 10m.. Part of the losses corresponds to the impairment of LFS bank deposits, amounting to Euro 7,2m., which, at the date of the implementation of the Resolution of Credit and Other Institutions Law of 2013, were deposited by LFS in the Cyprus Popular Bank.

The transaction with BOC was done at arm's length. Following this transfer, LFS ceases to be a 100% subsidiary of LC and becomes a 100% subsidiary of BOC.



No gain or loss will result from this transaction during the financial year 2015, since the value of the investment in LFS in the Company's books as at December 31, 2014 amounted to Euro 3m., as is the total consideration received by the BOC.

Additionally, it is noted that the Company is in the process of finalising with BOC an agreement by which any future potential revenues distributed from the impairment of the 7,2m. Euro bank deposits, which at the date of the implementation of the Resolution of Credit and Other Institutions Law of 2013 were deposited by LFS in the Cyprus Popular Bank, will be attributed to the Company by BOC.

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Maria Ioannou Achillides

Nicosia, February 11, 2015

CC: Cyprus Securities & Exchange Commission