



**REPUBLIC OF CYPRUS
MINISTRY OF FINANCE**

PRESS RELEASE

Exchange of EUR 1,0 bn local Cyprus Government Bonds

The Ministry of Finance of the Republic of Cyprus announces that on June 27, 2013 the Republic of Cyprus will offer to exchange a number of existing local government bonds with a total nominal value of €1,0 bn, which mature during the economic adjustment programme period (2013-2016Q1), with 5 new bonds with correspondingly equal coupon rates and 5-10 year maturities.

This debt management exercise is in accordance with Cyprus's commitments under the programme agreed with international partners and in line with the political agreement reached in the March 25, 2013 Eurogroup. The transaction is intended to facilitate the cash-flow management of the Government and to ensure adequate funding with terms that do not compromise the achievement of our long-term public debt target. It is not directed at reducing public sector debt through the participation of private sector investors. With this transaction, the full programme commitment of the Republic of Cyprus for a €1 bn long-term domestic refinancing is completed and no further action is required in this respect.

Ministry of Finance
Nicosia - Cyprus
27 June 2013