

5 July 2013

PRESS RELEASE

ECB ANNOUNCES CHANGE IN THE ELIGIBILITY OF MARKETABLE DEBT INSTRUMENTS ISSUED OR GUARANTEED BY THE REPUBLIC OF CYPRUS

The Governing Council of the European Central Bank (ECB) has acknowledged the upgrades of credit ratings of the Republic of Cyprus following the successful completion on 1 July 2013 of the transactions previously announced by the country's Ministry of Finance. In light of the rating changes, the Governing Council has decided that marketable debt instruments issued or fully guaranteed by the Republic of Cyprus shall again constitute eligible collateral for the purpose of Eurosystem monetary policy operations. This is the consequence of the Governing Council's decision on 2 May 2013 to not apply the Eurosystem's minimum credit quality threshold in the collateral eligibility requirements for such operations in the case of marketable debt instruments issued or guaranteed by the Cypriot government.

This decision applies to all outstanding and new marketable debt instruments issued or guaranteed by the Cypriot government and will come into force on 5 July 2013 with the relevant legal act, which will also specify the haircuts applicable to these assets.

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