



Bank of Valletta

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BOV/182

COMPANY ANNOUNCEMENT

The following is a company announcement issued by Bank of Valletta p.l.c. pursuant to Chapter 8 of the Listing Rules of the Malta Financial Services Authority:

Quote

Bank of Valletta p.l.c. announces Bond Allotment Policy €70,000,000 4.8% Subordinated Bonds 2020 (ISIN: MT0000021270)

Bank of Valletta p.l.c. (the "Bank") is pleased to announce the Allotment Policy to be applied to the applications received in respect of its 4.8% Subordinated Bonds 2020 (the "Issue"). In view of the overwhelming demand for the Bonds, the Bank closed the subscription lists shortly after opening on Monday, 8th March 2010.

The Bond Issue consisted of an offer of €50,000,000, with an over-allotment option of €20,000,000. Since the total amount of applications received exceeded the Issue amount, the Bank has exercised the over-allotment option in full, thereby increasing the Issue to €70,000,000.

The Bank received 1,712 applications from bondholders of the 6.15% Subordinated Bonds 2010 (the "Maturing Bondholders"), with a value of €27,704,500. In accordance with the terms of the Issue, such applications will be treated with preference and will be allotted in full.

The preferred allocation to Maturing Bondholders has left €42,295,500 for allocation in respect of applications received from the general public following opening of subscription lists.

By the 8th March 2010, the Bank had received a further 5,081 applications with a value of €68,768,900, and will be adopting the following Allocation Policy in respect thereof:-

- Applications up to €10,000 shall receive a 100% allocation;
- Applications in excess of €10,000 shall receive an allocation of *circa* 23.77%.

Pursuant to this Allocation Policy, *circa* 74.39% of Applicants participating in the Public Offer shall receive a full allotment.

Interest on the Bonds will commence accruing as from Monday, 15th March 2010. Allotment letters will be mailed and refunds of unallocated monies will be effected by not later than Monday, 22nd March 2010.

The Bank thanks the investing public, institutional investors, financial intermediaries and the banks for their strong and widespread support for this Issue.

Unquote

Dr. Catherine Formosa B.A., LL.D.
Company Secretary

12th March 2010