



Bank of Valletta

Bank of Valletta p.l.c.

OFFICE OF THE COMPANY SECRETARY

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BOV/163

COMPANY ANNOUNCEMENT

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

Quote

Bank of Valletta p.l.c. (the Company) announces that the Thirty Fifth Annual General Meeting, held on Wednesday 17th December 2008, approved all the resolutions on the agenda, namely:

ORDINARY RESOLUTIONS

1. That the Profit and Loss Account and Balance Sheet for the year ended 30th September 2008, and the Directors' and Auditors' Reports thereon, be hereby received and approved.
2. That a gross final dividend of €0.0675 per share, which represents a gross payment of €9,000,000, as recommended by the Directors, be hereby approved for payment on the 18th December 2008.
3. That the reappointment of Deloitte & Touche Malta, jointly with Deloitte & Touche United Kingdom, as Auditors, be hereby approved, and the Board of Directors be hereby authorised to fix their remuneration.
4. That an election for Directors be held, pursuant to the provisions of Article 60 of the Articles of Association.

SPECIAL BUSINESS - EXTRAORDINARY RESOLUTIONS

5. Proposed amendments to the Memorandum and Articles of Association

Amendment to the Memorandum of Association

That the current text of clause 6 of the Memorandum of Association is deleted, and replaced by the amended text that will now read:

"6. The number of Directors should not be less than seven (7) and not more than ten (10), or eleven (11) solely in the circumstances indicated in Article 60.2.5 of the Articles of Association, and they shall be appointed in the manner provided in the Articles of Association."

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Registered Office: 58, Zachary Street, Valletta VLT 1130 - Malta Registration Number : C 2833

Bank of Valletta p.l.c. is authorised to act as a trustee by the Malta Financial Services Authority.

Bank of Valletta p.l.c. is a public limited company licensed to conduct Investment Services business by the Malta Financial Services Authority.

Bank of Valletta p.l.c. is a tied insurance intermediary of Middlesea Valletta Life Assurance Company Limited and regulated by the Malta Financial Services Authority.

Amendments to the Articles of Association

That a new definition is inserted in Article 2 “Interpretation” immediately after definition 2(i) “Listed Shares” to be numbered as 2(j) “Listing Rules”, that will read:

“(j) “Listing Rules” means the rules promulgated by the Listing Authority as in force from time to time regulating companies whose securities are listed and traded on a regulated market.”

The remaining definitions currently numbered as 2(j) to 2(n) will be renumbered as 2(k) to 2(o).

That a new Article 60.2.5 is inserted immediately after Article 60.2.4 which new Article 60.2.5 will read:

“60.2.5 In the event that, following the appointment and election of Directors in accordance with these Articles, the Board is of the opinion that none of the Directors appointed or elected as aforesaid is a non-executive independent Director competent in accounting and/or auditing as required by the Listing Rules relating to the composition of the Audit Committee, the Board shall appoint a person, who is independent and competent in accounting and/or auditing as a non-executive Director and shall appoint such person to the Audit Committee. Such appointment shall be made by the Directors during their first board meeting after the annual general meeting and such a Director will serve on the Board until the next annual general meeting.

Should such an appointment cause the number of Directors on the Board to exceed the number of ten (10), then, exclusively for the purpose of this appointment, the maximum number of Directors shall be eleven (11).”

That the current text of Article 62.1 is deleted, and replaced by the amended text so that Article 62.1 will now read:

“62.1 Any Director may be removed at any time by the Member or Members by whom he was appointed or, by the Board of Directors, in the case of a Director appointed pursuant to Article 60.2.5. The removal may be made in the same manner as the appointment. For the purpose of this Article the first Directors shall be treated as appointed by the subscribers to this Memorandum by letter addressed to the Company.”

That the word “or” is inserted at the end of the current sub Article 63(f) and that a new sub Article 63(g) is inserted immediately after the sub Article 63(f) so that sub Article 63(f) and the new sub Article 63(g) will read:

“(f) should he become of unsound mind, is convicted of any crime involving public trust, or declared bankrupt during his term of office; or

(g) if, in the case of a Director appointed pursuant to Article 60.2.5, the Board is of the opinion that he/she is no longer a non-executive independent Director competent in accounting and/or auditing as required by the Listing Rules relating to the Audit Committee.”

That the current Article 64.1 is deleted, and replaced by the amended text so that Article 64.1 will now read:

“64.1 Any vacancy among the Directors, other than the Director appointed pursuant to Article 60.2.5, may be filled by the co-option of a serving Director from those appointed or elected by the Members who had originally appointed or elected the Director vacated office. Such co-opted Director shall have two votes.”

That the current Article 64.3 is renumbered as Article 64.4 and that a new Article 64.3 is inserted after the existing Article 64.2 and preceding Article 64.4, which new Article 64.3 will read:

“64.3 Any vacancy of the Director appointed pursuant to Article 60.2.5 shall be filled in the same manner as the appointment pursuant to Article 60.2.5 by the Directors during their first board meeting after such vacancy arises.”

That the current text of Articles 89 and 90 is deleted, and replaced by the amended text so that Articles 89 and 90 will now read:

“89. Any dividend or other moneys payable in respect of a share will be paid by electronic means directly to the savings or current account held with any bank in Malta as designated by the holder or, in the case of a share held jointly by more than one Person, to the account designated by the Member nominated and named in the Register of Members. Should there be no such nomination, the dividend shall be paid into the account designated by the first named joint Member appearing on the Register of Members:

***PROVIDED** that, where no account has been designated by the Member, the dividend is to be kept by the Company for collection by the Member entitled to such dividend or for payment by electronic means as aforesaid when the account is made known to the Company by the Member.*

***PROVIDED** that, in the case of a share held by joint holders, any one of such holders may give an effective and valid receipt for all dividends and payments on account of dividends and payments in respect of such share. The payment of dividend to any account designated by one of the joint holders shall be deemed to be a good discharge to the Company.*

***PROVIDED FURTHER** that, nothing in this Article shall preclude the Company from offering to pay dividends to its Members by any other means, including scrip dividend option.*

90. Every such payment shall be effected at the risk of the Person entitled to the money represented thereby and shall be deemed a good discharge to the Company. The Company is not responsible for amounts lost or delayed in the course of making the payment as aforesaid.”

That the current text of Article 102.1(a) is deleted, and replaced by the amended text so that Article 102.1(a) will now read:

“a) for a period of twelve (12) years no dividend or any money payable in respect of a share as set out in Article 89 have been claimed by the Member or by the Person entitled by transmission to the share or stock and no communication has been received by the Company from the Member or the Person entitled by transmission;”

That the current text of Articles 33.2 and 73.2 is deleted, and replaced by the amended text so that Articles 33.2 and 73.2 will now read:

“33.2 The Register of Members for unlisted shares of the Company or any other register for unlisted Equity Securities and/or unlisted Debt Securities shall be kept at the Registered Office of the Company.”

“73.2 The minute book of general meeting of the Company shall be kept at the Registered Office of the Company.”

6. Changes to Share Capital

- (i) That, with effect from Thursday, 15th January 2009, the text of the current clause 4 on the Memorandum of Association is deleted and substituted by the following text:

“4. The authorised share capital of the Company is €200,000,000 divided into 200,000,000 shares of €1.00 each.

The issued and fully paid up capital is €160,000,000 divided into 160,000,000 ordinary shares of a nominal value of €1.00 each.”

- (ii) That, with effect from Thursday, 15th January 2009, the amount of €33,333,333 from the Company's retained earnings is capitalised for the purpose of increasing the current nominal and paid up value of the 133,333,333 shares in issue from €0.75 each share up to the new nominal and paid up value of €1.00 each share.

- (iii) (a) That, with effect from Thursday, 15th January 2009, the amount of €26,666,667 from the Company's retained earnings is capitalised for the purpose of a bonus issue of 26,666,667 fully paid ordinary shares of a nominal value of €1.00 per share, representing 1 bonus share for every 5 shares held, to be allotted to the members appearing on the Register of Members as at the close of business on the Malta Stock Exchange on the 15th January 2009 (Eligible Members), thereby increasing the issued share capital from the current 133,333,333 shares to 160,000,000 shares of €1.00 each fully paid up, resulting in a paid up capital of €160,000,000.

- (b) Since the allocation ratio of bonus shares to registered shares held by the Eligible Member is 1 bonus share for every 5 shares held, in the allocation process the Company shall, where the number of shares held by the Eligible Member is not exactly divisible by 5, round up the allocation to the nearest share whenever the mathematical result of the allocation formula contains a fractional entitlement which is of 0.5 of a share or more and round down to the nearest share in the event that the mathematical result of the allocation formula contains a fractional entitlement which is of less than 0.5 of a share.

7. Renewal of Authorisation of Share Buy Back

- (i) That, on the expiry of the current share buy back authorisation occurring on the 19th June 2009, which authorisation was given to the Directors on the 19th December 2007 during the 34th Annual General Meeting, the Directors be and are hereby authorised for all intents and purposes of law, including but not limitedly to Article 106(1)(a) of the Companies Act, Chapter 12 of the Listing Rules, and subject to the required regulatory approvals in terms of the relevant financial services legislation being forthcoming, to repurchase and acquire from any shareholder(s) up to ten per cent of the issued and paid up share capital of the Company being a maximum number of 16,000,000 shares at a price ranging from a minimum of €1.67 per share and a maximum of €4.00 per share (duly and proportionately adjusted for any share split or bonus issue undertaken during the relevant 18 month period of this renewed authorisation). This authorisation is hereby granted for a period of 18 months from the date referred to above namely the 19th June 2009 and will expire on the 19th December 2010.

- (ii) That authority is hereby also granted to the Directors to:
- (a) Hold for re-sale all or any number of the shares so acquired, at a price being not less than the price of acquisition of the shares. The authority to hold and re-sell the shares acquired pursuant to this resolution is being granted for a period of 36 months from the date of the acquisition.
 - (b) Cancel all or any number of the shares so acquired at any time of their choosing, provided that any shares so held by the Company after the lapse of the said 36 month period referred to in (a) above shall be cancelled by the Company, and the share capital of the Company shall be reduced accordingly.

Following the 35th Annual General Meeting, the BOV Board of Directors is composed of the following:

- ◆ Mr. Roderick E.D. Chalmers (Chairman)
- ◆ Mr. Joseph Borg
- ◆ Mr. Joseph Brincat
- ◆ Dott. Roberto Cassata
- ◆ Dr. Gordon Cordina
- ◆ Mr. George Portanier
- ◆ Mr. Norman Rossignaud
- ◆ Mr. Paul Testaferrata Moroni Viani
- ◆ Mr. George Wells

Regulatory approval for Dr. Cordina's appointment is currently being sought.

Unquote

Victor J. Cardona ACIB, BA (Hons) Econ. CSA
Company Secretary

19th December 2008