



Bank of Valletta

OFFICE OF THE COMPANY SECRETARY
58, Zachary Street, Valletta VLT 1130 - Malta
Telephone: (356) 2275 3032, 2275 3231 Fax: (356) 2275 3711

BOV/180

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

New Bond Issue

The Board of Directors of Bank of Valletta p.l.c. ("**BOV**" or the "**Issuer**") announces that it has formally submitted an application to the Listing Authority of the Malta Financial Services Authority requesting the admissibility to listing of €50,000,000 in new 4.8% Subordinated Bonds redeemable in 2020 subject to an over-allotment option of up to a further €20,000,000 (the "2020 Bond(s)" or the "Bond Issue").

Subject to the Listing Authority granting its approval to the admissibility to listing of the 2020 Bonds on the Official List of the Malta Stock Exchange and subject to the effective admission thereof, it is envisaged that the proceeds of the Bond Issue will be used to finance the redemption of the 6.15% BOV Subordinated Bonds 2010 maturing on the 15th March 2010 (the "**Maturing Bonds**"), to further strengthen BOV's (Tier II) Capital and for the general financing requirements of BOV.

The Issuer intends to give preference to the holders of the Maturing Bonds who indicate their willingness to surrender their existing holding, in part or in whole, in consideration of their application for the 2020 Bonds. The Board therefore announces that the Cut-Off Date for such eligibility shall be the 11th February 2010. Hence, the last trading day to obtain eligibility to this preference shall be the 5th February 2010. Applications from Maturing Bond holders to surrender their existing holdings for the 2020 Bond Issue must be received by Authorised Financial Intermediaries by not later than the 3rd March 2010.

Importantly, the investing public is reminded that the Maturing Bonds will become ex dividend on the 23rd February 2010. Therefore, the last trading day available for eligibility to the final interest payment is 17th February 2010. A request will be filed to suspend trading in the Maturing Bonds after the 3rd March 2010 so as to enable arrangements for the redemption and/or roll over of these bonds to be finalised.

Further detailed information on the 2020 Bonds shall, subject to the necessary approvals of the Listing Authority, be available in the Summary Note and Securities Note updating the Prospectus dated 20th May 2009. These Notes will be available on the BOV website (www.bov.com) from the 15th February 2010.

Unquote

Catherine Formosa

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

5th February 2010