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BOV/229

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by Bank of Valletta p.l.c. pursuant to the Malta Financial Services Authority Listing Rules:

Quote

European Banking Authority (EBA) report on the level of capitalization of European Banks

The EBA has today released a report on the level of capitalization of European Banks. The report shows that Bank of Valletta enjoys a strong Core Equity Tier 1 ratio of 10.6%, which is significantly above the minimum of 9% required by European regulation.

Core Equity Tier 1 ratio is the most commonly used measure of the adequacy of bank capital. It relates shareholder capital to risk-weighted assets. The capital strength of the Bank is the result of the strategic priority which the Group gives to capital management, with the objective of securing the sustainability of both the Group and of the Maltese financial system in the long term.

As the largest local financial services provider, Bank of Valletta participates regularly in stress tests conducted by the EBA, the Malta Financial Services Authority and the Central Bank of Malta. Stress tests and capital forecasting are carried out at the Bank on a regular basis, as a central part of the Bank's risk management process. Capital buffers are also monitored continuously by the Board and Executive Management.

Unquote

Catherine Formosa

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

3 October 2012