



Bank of Valletta

Office of the Company Secretary

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BOV/286

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

Offer for subscription of €50,000,000 3.50% Subordinated Notes 2030 by Bank of Valletta p.l.c.

Bank of Valletta p.l.c. (the “Bank” or the “Issuer”) is hereby announcing that it will be offering for subscription to the public a maximum nominal amount of €50,000,000 3.50% Subordinated Notes 2030 (the “**Subordinated Notes**”). The Subordinated Notes to be offered form part of the Issuer’s Subordinated Debt Issuance Programme (the “**Offering Programme**”) which was approved by the Listing Authority on the 16 October 2015. The maximum aggregate nominal amount of subordinated notes that the Issuer may issue under the Offering Programme will not exceed €150,000,000 (or its equivalent in any other currency). Subordinated notes under the Offering Programme may be issued in a continuous or repeated manner up to 15 October 2016. An aggregate nominal amount of €75,000,000 of subordinated notes under the Offering Programme was issued by the Bank in December 2015 *via* two tranches designated as Series 1/2015, Tranche 1 and Series 2/2015, Tranche 1 (the “**First Tranches**”).

The Subordinated Notes being offered by the Bank consist of two tranches which will be fungible with the First Tranches and are, accordingly, designated as Series 1/2016, Tranche 2 and Series 2/2016, Tranche 2 (the “**Second Tranches**”). The Issuer has issued final terms (the “**Final Terms**”) dated 19 February 2016 in relation to each of the Second Tranches. The maximum nominal amount of €50,000,000 of Subordinated Notes will be offered for subscription in any one or a combination of the Second Tranches. Application has been made to list the Second Tranches on the Official List of the Malta Stock Exchange.

Since the Second Tranches will be fungible with the First Tranches, this effectively means that the Second Tranches will be identical to the First Tranches in all aspects except for the issue dates and interest commencement dates. Accordingly, the Second Tranches will, as in the case of the First Tranches, be issued with the following features:

- (i) an interest rate of 3.50% p.a.;
- (ii) interest payment dates to fall on 8 February and 8 August in each year; and
- (iii) a maturity date of 8 August 2030.

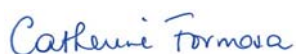
Immediately after the first interest payment of the First Tranches and the Second Tranches, which will take place on the 8 August 2016, fungibility will take effect. Accordingly, on such date, Series 1/2016, Tranche 2 Notes will be consolidated with Series 1/2015, Tranche 1 Notes to form one security with one ISIN. Likewise, on such date, Series 2/2016, Tranche 2 Notes will be consolidated with Series 2/2015, Tranche 1 Notes to form one security with one ISIN.

Rizzo, Farrugia & Co. (Stockbrokers) Ltd and Jesmond Mizzi Financial Advisors Limited are the joint sponsors to the Offering Programme. Copies of the Prospectus dated 16 October 2015 (the "**Prospectus**"), the Supplement dated 9 November 2015 (the "**Supplement**") and the Final Terms dated 19 February 2016 (the "**Final Terms**"), as well as application forms can be obtained during office hours from the 23 February 2016 from branches of Bank of Valletta p.l.c. and from other authorised financial intermediaries, contact details of which can be found in Annex II of the Final Terms. The Prospectus, the Supplement and the Final Terms may also be downloaded from the website of Bank of Valletta p.l.c. (www.bov.com).

Application forms in respect of Series 1/2016, Tranche 2 Notes will be available from all branches of Bank of Valletta p.l.c. and other Authorised Financial Intermediaries. Application forms in respect of Series 2/2016, Tranche 2 Notes will be available **only** from other authorised financial intermediaries.

The Notes are complex financial instruments and may not be suitable for all types of retail investors. The Notes are subordinated and unsecured. The value of investments may increase as well as decrease. Past performance is not an indication of future performance. The full prospectus outlines the risk factors relating to this issue which a prospective investor should be aware of. Prospective investors should seek professional advice by consulting a licenced financial intermediary before investing in the Notes.

Unquote



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

19 February 2016