

COMPANY ANNOUNCEMENT

Bond Allotment Policy €5,000,000 6.25% Bonds 2015

The Board of Directors of Mediterranean Bank plc (the “**Issuer**”) is pleased to announce the basis of acceptance for the issue of €5,000,000 6.25% Bonds 2015 (the “**Bonds**”) which was held on Tuesday 21 June 2011 through an Intermediaries Offer. The Bonds have the same terms and conditions as the bonds issued by the Bank pursuant to the prospectus dated 13 September 2010, (the “**2010 Bonds**”) other than with respect to the date of issue and admissibility to listing.

In terms of the Securities Note dated 30 May 2011, the Issuer offered the above-mentioned Bonds for subscription by Calamatta Cuschieri & Co. Limited (“**Calamatta**”) and Charts Investment Management Service Limited (“**Charts**”), for their own account or on behalf of investors. Amounts subscribed for under subscription agreements, submitted to the Malta Stock Exchange plc as Registrar on 21 June 2011, being the Intermediaries Offer Date, exceeded €5,000,000. As a result, the amounts received from Calamatta and Charts by the close of the Intermediaries Offer were scaled down proportionately in line with the allotment policy adopted by the Issuer.

Refunds of un-allocated monies will be paid by Friday 24 June 2011. Interest on the Bonds will commence as from Wednesday 22 June 2011.

The Bonds are expected to be admitted to the Malta Stock Exchange Official List on Monday 27 June 2011 and trading to commence on Tuesday 28 June 2011. It is expected that the Bonds and 2010 Bonds will trade separately up until the first payment of interest (30 October 2011). Thereafter the said bonds will be merged and trade as one issue.

The Board of Directors of Mediterranean Bank plc thanks the investing public for supporting the Issue and everyone involved in making this Bond issue a success.



Edward Jaccarini
Company Secretary
21st June 2011