

COMPANY ANNOUNCEMENTS

Mediterranean Bank plc

The following is a company announcement issued by Mediterranean Bank plc pursuant to Chapter 5 of the Listing Rules:

Quote

Mediterranean Bank plc (the “**Issuer**”) is pleased to announce the basis of acceptance for the issue of Euro equivalent of €15,000,000 6% Subordinated Unsecured Bonds 2019-2024 (or Euro equivalent of €25,000,000 in the case of exercise of the Over-Allotment Option) (the “**Bonds**”).

The Bond Issue was over-subscribed and, as a result, the Issuer elected to exercise the Over-Allotment Option and issued the Euro equivalent of an additional €10,000,000 in Bonds.

In terms of the Prospectus dated 3 November 2014, the Issuer reserved up to €15,000,000 in Bonds for holders of the 6.25% bonds due to mature on 30 October 2015 (the “**Exchangeable Bonds**”). Such holders of Exchangeable Bonds were given preference to subscribe to the Bonds by surrendering all or part of their respective Exchangeable Bonds, and also had the option to apply for additional Bonds. The Issuer received from holders of Exchangeable Bonds an aggregate total of €8,604,000, of which Exchangeable Bonds transferable to the Issuer in exchange for Bonds amounted to €4,960,000, with the remaining balance of €3,644,000 represented by subscriptions for additional Bonds. As such, in accordance with section 11 of the Securities Note, the aforesaid subscriptions to €8,604,000 in Bonds have been allocated in full.

The remaining Bonds available for subscription in the Intermediaries’ Offer amounted to the Euro equivalent of €16,396,000. Amounts subscribed for under Conditional Subscription Agreements by Authorised Financial Intermediaries and submitted to the Registrar by the 21 November 2014 reached £1,373,000 (equivalent to €1,714,000) for GBP Bonds and €21,570,000 for EUR Bonds, amounting to an excess of €6,888,000 over the said maximum aggregate amount of Euro equivalent of €16,396,000 available to the Intermediaries Offer.

In view of the above, the Issuer elected to satisfy in full all subscriptions received for the GBP Bonds, whereas in the case of EUR Bond subscriptions in the Intermediaries Offer, all amounts received were scaled down proportionately and have been allocated 68.067% of EUR Bond subscriptions to the level of €14,682,000. All amounts allocated have been rounded to the nearest €1,000.

Interest on the Bonds will commence on 28 November 2014. The dispatch of allotment advices and refunds of unallocated monies, where applicable, will be made by 5 December 2014. In accordance with the Prospectus, a discount of 4% is applicable to holders of Exchangeable Bonds who have transferred part or all of their holdings of Exchangeable Bonds in exchange for Bonds. The said discount will be paid by the Registrar by 5 December 2014. The Bonds are expected to be admitted to listing on the Official List of the Malta Stock Exchange on 9 December 2014 and trading is expected to commence on the following business day, 10 December 2014.

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

Unquote



Edward Jaccarini
Company Secretary
28 November 2014