

August 16, 2012

Director,
Cyprus Stock Exchange,
71 – 73 Vryonos Avenue,
109 Nicosia

Dear Sir,

ANNOUNCEMENT

Conversion of Convertible Bonds 2010 – 2020 (USBCB) into shares

USB BANK PLC (the “Bank”) announces that in accordance to the terms of issue of the Convertible Bonds 2010 – 2020 (USBCB), the first period of their Conversion into shares issued by the Bank is the 15 – 30 September, 2012.

The procedure of the conversion and the relevant conversion form has been posted on the website of the Bank www.usbbank.com.cy (Investor Relations / Announcements).

Yours sincerely,

A blue ink signature of Andreas Theodorides, consisting of a stylized 'A' followed by a horizontal line.

Andreas Theodorides
Secretary

c.c. Chairman
CySec

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