

March 17, 2014

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

Dear Sir,

ANNOUNCEMENT

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

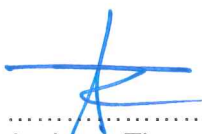
Further to our announcement dated February 13, 2014 we would like to remind the holders of Convertible Bonds 2010 – 2020 (USBCB) of USB BANK PLC (the “Bank”) which are traded on the Cyprus Stock Exchange, that as from today until March 30, 2014 they may exercise the conversion right of Convertible Bonds into shares of the Bank.

In accordance with the terms of issue of the Convertible Bonds (USBCB), the conversion price is set at the weighted average closing share price of the Bank traded during the previous 30 trading days before the start of the conversion period minus 15%, while the conversion price cannot be reduced below the nominal value of the shares.

It is noted that during the previous 30 trading days before the start of the conversion period, transactions for 627 shares of the Bank were performed at the weighted average closing share price of €0,641 and by applying 15% discount, the conversion price is decreased to the price of €0,54 per share.

However, pursuant to the above terms of issue, the final conversion price of the Convertible Bonds (USBCB) into shares of the Bank, was set at €0,57 which equals to the nominal value of the share of the Bank.

Yours sincerely,

A handwritten signature in blue ink, appearing to be "A. Theodorides", written over a dotted line.

Andreas Theodorides
Secretary

c.c. Chairman, CySec

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