

September 15, 2014

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

Dear Sir,

ANNOUNCEMENT

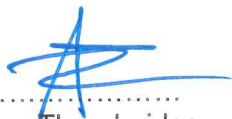
**Conversion Price of Convertible Bonds 2010 – 2020 (USBCB)
into shares of USB BANK PLC**

Further to our announcement dated August 6, 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 September 30, 2014 they may exercise the conversion right of Convertible Bonds into shares of the Bank, which according to the terms of issue of the (USBCB) it will be the last conversion period.

In accordance with the terms of issue of the (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 each conversion period minus 15%, while the conversion price cannot be reduced below the nominal value of the shares which is €0,10 per share.

It is noted that during the previous 30 trading days before the start of the conversion period, no transaction was performed. During the three calendar months before the start of the conversion period only a single transaction was performed at the price of €0,61 for 117 shares of the Bank. Applying the 15% discount, the conversion price was set at €0,52 per share.

Yours sincerely,



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Andreas Theodorides
Secretary

c.c. Chairman, CySec

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