

11 May, 2015

General Manager,
The Cyprus Stock Exchange,
Nicosia

Dear Sir,

ANNOUNCEMENT

Subject: Opinion of the Board of Directors on the Mandatory Public Takeover Bid of BLC Bank SAL for the acquisition of up to 100% of the share capital of USB BANK PLC

Further to the announcement dated 5 May 2015, we wish to inform you that the Board of Directors of USB BANK PLC ("the Bank") at its meeting held on 8 May 2015 examined and approved the Mandatory Public Takeover Bid ("Public Offer") by BLC Bank SAL to the shareholders of the Bank, for the acquisition of up to 100% of the Bank's share capital as well as the Independent Expert Report pursuant to the provisions of article 33 of the Takeover Bids Law of 2007, (as amended).

The Reasoned Opinion ("Directors' Report") of the Board of Directors of the Bank and the Independent Expert Report are attached and will be posted to the shareholders of the Bank who possess over 10.000 of the shares of the Bank.

Copies of both the above Reports will be available at the Bank's registered office at 83 Digenis Akritas Avenue, 5th Floor, 1070, Nicosia during the Public Takeover Acceptance Period and will be available on the Bank's website at the electronic address www.usbbank.com.cy, Investor Relations / Announcements / Mandatory Public Offer by BLC Bank SAL.

Yours sincerely,

A handwritten signature in blue ink, appearing to be "A. Theodorides", with a stylized flourish.

Andreas Theodorides
Secretary

c.c. Chairman, CySec

USB BANK PLC

T.Θ. 28510

2080 Λευκωσία, Κύπρος

Τηλ.: +35722 883333

Φαξ: +35722 875899

USB BANK PLC

P.O. Box 28510

2080 Nicosia, Cyprus

Tel.: +35722 883333

Fax: +35722 875899

SWIFT: UNVKCY2N

e-mail: usbmail@usb.com.cy

www.usbbank.com.cy