English Retranslated Version

USB BANK PLC

Unaudited Interim Management Statement for the period from 1 January 2011 to 4 May 2011

The Interim Management Statement of USB Bank Plc (the 'Bank') for the period from 1 January 2011 to 4 May 2011, is prepared in accordance to Article 11 of the Transparency Law of 2007 (L.190 (I)/2007).

1. Explanation of material events and transactions

On 17 February 2011, following the successful completion of the public offer for the acquisition of up to 100% of the Bank's issued share capital, BLC Bank SAL has a total participation of 93,85% in the Bank's share capital. BLC Bank SAL operates in Lebanon with 35 branches across the country and is a member of FRANSBANK Group.

Following the decision of the Bank's Board of Directors on a meeting held on 31 March 2011 for the immediate increase of capital in order to boost the Bank's capital base, an Extraordinary General Meeting was held on 4 May 2011 which approved the resolution for the increase of the Bank's share capital by €12.134.834 (the "Issue"). The strategic decision for this Issue is for the Bank to have strong capital indices allowing a strong growth while complying in a timely manner with the requirements of the regulatory authorities. The Issue will enhance the Bank's capital base and increase the indicative capital adequacy ratio as at 31 December 2010 from 9,38% to 12,72%.

During this period there were no other additional material transactions other than the Bank's ordinary operations that affected significantly the Bank's financial statements and no other profit or loss occurred from non recurring activities other than the Bank's ordinary operations.

2. Financial statements

The Bank during the four month period ended 30 April 2011 increased its turnover by 4% in relation to the corresponding period of the previous year reaching €11,4 million in relation to €11 million for the corresponding period of 2010 while maintaining its high liquidity with the gross loans to deposits ratio being 81% in relation to 77% for April 2010.

The customer deposits as at 30 April 2011 amounted to €473,2 million in relation to €467,3 million on 30 April 2010 while the credit facilities of the Bank increased by 3% reaching €325,3 million in relation to €315,6 million for the previous period. An important increase of 10% was achieved in the total assets, from €548 million on 30 April 2010 to €605 million on 30 April 2011.

The net interest income shows an increase of 10% from €4,3 million for the period ended 30 April 2011 in relation to €4,0 million for the period ended 30 April 2010, resulting from the credit expansion and the increased return on the Bank's investment of available funds.

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Other income decreased by 19% in relation to 2010 mainly because of the decrease in commission income while the total administration expenses remained at same levels of the previous period and amounted to €4,9 million.

As a result of the above the profit before provisions amounted to €326 thousand in relation to €145 thousand for the corresponding period of 2010.

Because of the prolonged financial crisis the provisions for impairment of loans and advances have increased by 54% in relation to the previous period and as a result the loss for the period is €962 thousand in relation to loss of €693 thousand of the previous corresponding period.

Nicosia, 4 May 2011