

MFSA

MALTA FINANCIAL SERVICES AUTHORITY

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Subject: EU Banking Sector Stress Tests Results

The Central Bank of Malta and the Malta Financial Services Authority have published the results and other information on the stress testing exercise pertaining to the Bank of Valletta plc. This exercise was coordinated across the EU by the Committee of European Banking Supervisors (CEBS) in collaboration with the European Central Bank (ECB) and national authorities.

The overall results confirm the resilience of Bank of Valletta plc to the extreme, but plausible shocks assumed in this exercise. The resultant Tier 1 capital ratio of the bank remains healthy at 9.3%, well above the 6% threshold set for this specific exercise by CEBS and the ECB. The regulatory minimum is 4%.

These results are to be interpreted as a "what if" scenario and do not in any way represent a forecast or a projection of the performance of Bank of Valletta plc.

The results for Bank of Valletta plc may be accessed through the websites of the Central Bank of Malta and the Malta Financial Services Authority, respectively.

According to the criteria set by CEBS and the ECB, HSBC Bank Malta plc was included in this exercise on a consolidated basis as part of the HSBC Holding plc, its parent institution. In this case, therefore, the stress test exercise has been conducted by the authorities in the United Kingdom.

Further information on the EU-wide stress testing exercise and the results for the 91 European banks in the exercise is available on the websites of CEBS and the ECB.