

Announcement

Following Piraeus Bank's press release published on July 8th, 2016 relating to the sale of Piraeus Bank Cyprus ("PBC") and a respective enquiry from the Hellenic Capital Market Commission, Piraeus Bank notes the following:

- Piraeus Bank has agreed the sale of 26% of PBC's shares outstanding (3.4 mn shares) to Holding M. Sehnaoui SAL ("HMS" or the "Buyer") for a corresponding amount of €3.2 mn, or €3.72 per share.
- In addition, PBC will proceed with a concurrent share capital increase of €40 mn without pre-emption rights. The subscription price of the share capital increase will equate to €3.72 per share.

Provided that according to the above points Piraeus Bank will sell 0.87 mn ordinary shares of PBC to HMS and will subsequently not participate in the share capital increase of PBC, following the completion of the aforementioned transactions Piraeus Bank will remain a holder of 2.5 mn shares of PBC out of the 14.1 mn shares outstanding, i.e. it will hold a 17.6% stake in PBC.

The CET-1 capital ratio of Piraeus Bank will improve by circa 15 basis points, based on 31.3.2016 financial data, predominantly due to the reduction of the risk weighted assets by €560 mn, as a result of the deconsolidation of PBC.

The envisaged timetable for the announced divestiture of PBC expects the completion of the transaction to occur before the end of 2016.