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ANNOUNCEMENT OF PIRAEUS BANK S.A.

Athens, 4 January 2011

PIRAEUS BANK SHARE CAPITAL INCREASE WITH PRE-EMPTION RIGHTS IN FAVOR OF EXISTING SHAREHOLDERS: EX-RIGHTS DATE AND SUBSCRIPTION AND TRADING PERIOD FOR PRE-EMPTION RIGHTS

Ex-Rights Date: 10 January 2011

Subscription Period: 17 January 2011 to 31 January 2011

Pre-Emption Rights Trading Period: 17 January 2011 to 25 January 2011

The Board of Directors of Piraeus Bank S.A. (hereinafter the "**Bank**") would like to inform shareholders of the following:

Pursuant to an authorization granted by Piraeus Bank's general shareholders meeting on 3 May 2007, as amended by the general shareholders meeting of 20 December 2010 and approved, on the same date, by the extraordinary general meeting of the Bank's preferred shareholder, the Board of Directors of Piraeus Bank (the "**Board**"), during its meeting on 3 January 2011, has decided to proceed with a rights issue of an amount of €242,116,213.50 in cash by way of pre-emption rights in favor of existing ordinary shareholders at a subscription ratio of 12 new ordinary registered shares for every 5 existing ordinary registered shares

(hereinafter the “**Rights Issue**”). In total, 807,054,045 new ordinary registered shares, of a nominal value of €0.30 each, will be issued (the “**New Shares**”) at a subscription price of €1.00 per New Share (“the **Subscription Price**”).

The difference between the nominal value of the New Shares and their Subscription Price, of a total amount of €564,937,831.50, shall be brought to credit the “Paid-in Capital from Issue of Shares above Par Value” liabilities account.

At completion of the Rights Issue, the Bank’s nominal share capital will amount to €712,997,968.38, divided into (a) 1,143,326,564 ordinary registered shares, of a nominal value of €0.30 each and (b) 77,568,134 redeemable preference shares owned by the Hellenic Republic, of a nominal value of €4.77 each. The gross proceeds of the Rights Issue will amount to €807,054,045.

With respect to the offering of the New Shares, the following persons (hereafter the “**Beneficiaries**”) shall have pre-emption rights in the Rights Issue:

- All ordinary shareholders of the Bank, who shall be recorded in the register of the Dematerialized Securities System (hereafter the “**DSS**”) of Hellenic Exchanges S.A. (hereinafter “**HELEX**”) on the second business day after the Ex-Rights Date, in essence 12 January 2011 (record date), and
- Those who acquire pre-emption rights during the pre-emption rights trading period on the Athens Exchange (hereafter the “**ATHEX**”).

In accordance with article 13, paragraph 7 of c.l. 2190/1920 and article 6, paragraph 2 of the Bank’s Articles of Association, the Hellenic Republic, following the Bank’s submission under Greek law 3723/2008, as a preference shareholder of the Bank, is entitled to exercise its pre-emption right up to the percentage holding of the Hellenic Republic in the share capital of the Bank and acquire New Shares at the Subscription Price, after the end of the Subscription Period and provided that New Shares remain unsubscribed by the Beneficiaries.

Rights are granted to the Beneficiaries, who exercise pre-emption rights, to unlimitedly subscribe for unsubscribed shares (hereafter the “**Unsubscribed Shares**”) at the Subscription Price (hereafter the “**Oversubscription Right**”).

As of 10 January 2011 (the “**Ex-Rights Date**”), the existing ordinary shares of the Bank will be traded on the ATHEX without the right to participate in the Rights Issue. From the same date, namely 10 January 2011, the price at which the existing ordinary shares of the Bank will start trading on the ATHEX will be determined in accordance with the ATHEX Rule Book and ATHEX Board Decision 26/17.07.2008 as in force.

The Subscription Period shall commence on 17 January 2011 and shall end on 31 January 2011 (inclusive). The rights commence trading on the ATHEX simultaneously with the initiation of the Subscription Period and will be tradable until four (4) business days prior to the expiration of the Subscription Period. The pre-emption rights are transferable and, as above, tradable on the ATHEX. Trading of pre-emption rights in the ATHEX electronic trading system will end at the end of the session on 25 January 2011.

The said rights shall have been credited with each beneficiary owner’s account with the Dematerialized Securities System (hereinafter “**DSS**”) on the date their trading begins. Pre-emption rights which are not duly exercised by the end of the subscription period (i.e. by 31 January 2011), shall lapse automatically.

The pre-emption rights may be exercised during business days and hours, either in person throughout the Bank’s branch network in Greece, or through operators of the securities accounts (brokerage firm or custodian). Beneficiaries, who wish to exercise their pre-emption

rights through their operators, will be required to submit a relevant request to them and authorize them accordingly.

In order to exercise the pre-emption rights through the Bank, the Beneficiaries must submit a Rights Certificate issued by HELEX and at the same time pay the price of the respective New Shares into the special bank account to be opened for the purposes of the Rights Issue. To obtain this certificate, shareholders should contact:

- i) The operator (brokerage firm or custodian) of their securities account with the DSS if their shares are not held in a Special Account with the DSS, and
- ii) HELEX if their shares are held in a special account with the DSS.

Fractions of New Shares will not be issued. Accordingly, it is recommended that shareholders collect a number of pre-emption rights that, when exercised, will produce an integral number of New Shares.

More specifically, in order to exercise the pre-emption rights through the Bank's branches, holders of such rights are required to:

- Provide their identification card, taxpayer identification number, a printout of their account data from the DSS and the Rights Certificate which they should obtain from the operator of their securities account (or from HELEX if their shares are held in the special account with the DSS);
- Disclose upon exercise of pre-emption rights their investor account number from the DSS, the securities account number and the authorized operator of their securities account; and
- Deposit, in full, the price of the New Shares, for which they are entitled to subscribe, into the special bank account that will be opened for the purposes of the Rights Issue.

If, according to DSS data and/or the particulars of the subscriber, more than one subscription by the same natural or legal person are identified, all these subscriptions will be treated as a single subscription. Beneficiaries shall be given a relevant receipt which is neither a provisional share certificate nor tradable.

Oversubscription Right:

Furthermore, rights are granted to the Beneficiaries, who exercise pre-emption rights, to unlimitedly subscribe for Unsubscribed Shares at the Subscription Price with the submission of the relevant written request and simultaneous payment of equivalent funds in accordance with the procedures stipulated herein.

Beneficiaries may, at the same time as their pre-emption rights, exercise the Oversubscription Right by submitting a written application at the Bank's branches or at their authorized securities' operator and at the same time paying the total funds corresponding to the Unsubscribed Shares for which they have subscribed.

Those who have exercised the Oversubscription Right will be satisfied if there are still Unsubscribed Shares, respectively, subject to the exercise of the Hellenic Republic's pre-emption right for the acquisition of Unsubscribed Shares, while if the number of Unsubscribed Shares is not sufficient to fully satisfy the demand expressed by these investors, they will be satisfied pro rata on the basis of the number of Unsubscribed Shares that they requested until all of them have been taken up in full. If, according to DSS data and/or the particulars of the subscriber, more than one over-subscription by the same natural or legal person are identified, all these over-subscriptions will be treated as a single over-subscription. The actual number of Unsubscribed Shares to be allocated to those investors will be determined by the Board, while the sums paid for subscriptions that are not used for acquiring Unsubscribed Shares, will be returned without interest to those who have exercised the respective right.

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In the event that a prospectus supplement is published, according to article 16 of Greek law 3401/2005, investors who have subscribed for New Shares, may revoke their subscription within three (3) business days from the publication of the supplement.

If after the exercise of a) the pre-emption rights of the Beneficiaries and b) the exercise of the Hellenic Republic's pre-emption right, there remain Unsubscribed Shares, such shares shall be offered by the Board to the following investors in a priority order as follows:

- To the persons having exercised the Oversubscription Right
- in Greece through a private placement in accordance with article 3 para. 2 of Greek law 3401/2005 and internationally to eligible investors. The price at which the Unsubscribed Shares shall be offered to such investors shall be determined pursuant to the above mentioned private placement process and in any case shall not be lower than the Subscription Price. The final allocation of Unsubscribed Shares to the above mentioned investors, who have participated in the private placement process, shall be made at the discretion of the Board.
- In case where, after the above, there are still Unsubscribed Shares remaining, such shares shall be offered to and subscribed for at the Subscription Price by Barclays Capital PLC, Credit Suisse Securities (Europe) Limited, Goldman Sachs International, Morgan Stanley & Co International plc, Keefe, Bruyette & Woods Limited, Mediobanca – Banca di Credito Finanziario S.p.A., ING Bank N.V., Macquarie Capital (Europe) Limited and MPS Capital Services S.p.A., in accordance with the subscription agreement that the Bank has entered into with them.

In case there remain Unsubscribed Shares despite all the above, the Board shall offer them at its discretion, and the Bank's share capital shall increase by the amount finally paid in the Rights Issue, according to article 13a of c.l. 2190/1920.

The New Shares resulting from the Rights Issue will incorporate the right to any future dividend on the profits (including any interim dividend), subject to the restrictions of Greek law 3723/2008 for as long as the Bank is subject to this law.

The Greek prospectus for the Bank's Rights Issue, as approved by the Hellenic Capital Market Commission (HCMC) on 4 January 2011, will be available to the public from 7 January 2011 onwards in electronic form via the websites of the Bank (www.piraeusbank.gr/amk), ATHEX (www.ase.gr) and the HCMC (www.hcmc.gr). Furthermore, the Greek prospectus will be available to investors in printed form, free of charge, at the Bank's branches throughout the 15-day Subscription Period.

The date of trading of the New Shares on the Athens Exchange, upon completion of the Rights Issue, will be decided by the Board and shall be announced accordingly on the Daily Official List and on the ATHEX website.

For further information, shareholders should contact the Bank's Corporate Governance Division - Shares Register Section, Korai 3 (1st floor), 105 64, Athens, Greece (Tel: +30 210 3288737, +30 210 3335211, +30 210 3288011, +30 210 3335039).

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