FULL YEAR 2010 RESULTS

Organic Profitability Increased - Higher Provisions - Capital Strengthened

Athens - 24 March 2011

Management Statements

The improvement in the borrowing terms and the financial support mechanisms for Greece by the EU, facilitates significantly the implementation of the economic stabilisation and restructuring program. To this end, the Greek banking system contributes to this effort in a realistic and responsible manner, by consolidating and restructuring its assets, supporting the efforts of sound entrepreneurship and strengthening its capital base, despite the current liquidity constraints.

Piraeus Group's strategy is along these lines. Recently, the Bank enhanced its capital base by € 807 mn with a rights issue while it also safeguarded its balance sheet with increased provisions as a result of its healthy recurring profitability.

Michalis Sallas, Chairman of BoD

The Group's recurring profitability for 2010, i.e. pre-provision profitability excluding trading results displayed resilience and reached €611 mn compared to €600 mn in 2009 (+2%). Net interest income had the highest contribution in the Group's profitability as it increased by 9% y-o-y and amounted to €1,207 mn versus €1,105 mn in 2009, recording an increasing quarter on quarter trend for the year. This source of revenue comprised 81% of the Group's net revenues in 2010, and has recorded its best performance in the Group's history.

The annual reduction of operating costs by 4% in Greece and by 1% at a Group level was in line with the initial target set for 2010, while the goal for 2011 is a further reduction of 5% at a Group level. Provisions increased by 22% y-o-y (€601 mn vs. €491 mn in 2009) due to the economic conditions both in Greece and South Eastern Europe, with the coverage of loans in arrears by provisions and tangible collaterals at 112%. Increased provisions affected significantly FY'10 net profit which amounted to €4 mn.

Stavros Lekkakos, CEO

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Piraeus Bank Group (**www.piraeusbank.gr**) was founded in 1916 and was listed on the Athens Stock Exchange in 1918. The Bank operated through a period of private-ownership and management and in 1975 it passed to state-ownership until 1991 when it was privatized again. Since then, it has continuously grown in size and activities. At the end of December 2010, the Group possessed a network of 882 branches (360 in Greece and 522 internationally) and employed 13,320 people (6,370 and 6,950 respectively). Piraeus Bank Group's total equity amounted to €4.0 bn (pro-forma for the €0.8 bn capital increase in January 2011), customer deposits to €30.0 bn, net loans €37.6 bn and total assets to €57.7 bn.

Piraeus Bank Group, combining business development and social responsibility, endorses systematically its relations with its social partners through specific actions, as well as the broader social environment, while emphasis is placed on the protection of the natural and cultural environment.

Group Performance Highlights 1 January – 31 December 2010

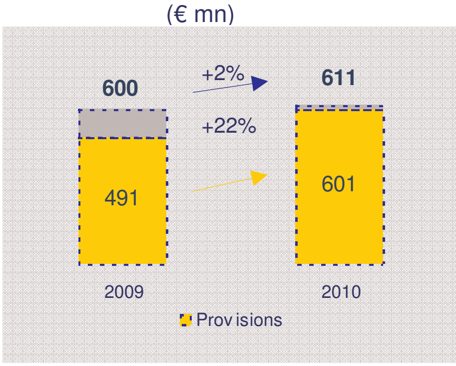
Full Year 2010 Results

- Pre-provision profit excluding trading results increased by 2% y-o-y at €611 mn (€600 mn in ‘09).
- Trading results at €0.1 mn in ‘10 vs. €177 mn in ‘09.
- Net interest income (NII) amounted to €1,207 mn, +9% y-o-y (€1,105 mn in ‘09). The systematic improvement of the asset side elements’ yield both in Greece and internationally overcompensated the high deposit cost. This performance is the best performance in net interest income for the Group historically.
- NIM (net interest income on average interest earning assets) increased to 2.7% compared to 2.6% in ‘09.
- Operating costs decreased by 1% y-o-y and amounted to €884 mn (€893 mn in ’09). In Greece, operating expenses decreased by 4% for a second consecutive year in 2010, as in 2009.
- Provisions amounted to €601 mn (+22% vs. €491 mn in ’09) corresponding to 155 bps on average loans (126 bps in ’09), as a consequence of the deteriorating economic environment both in Greece (GDP 2010: -4.5%) and in South Eastern Europe.
- Pre tax profit was €11mn in 2010, while net profit amounted to €4 mn. Including the €24.3 mn one-off tax, net result attributable to shareholders was -€20mn.

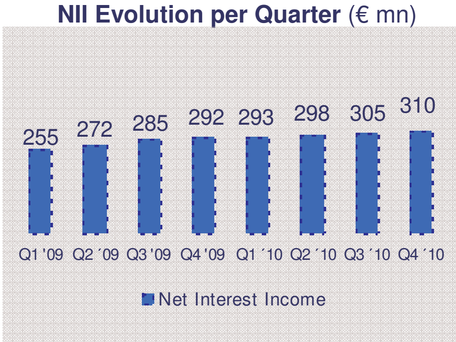
Volumes as of December 31st 2010

- Total assets reached €57.7 bn, increased by 6% y-o-y.
- Net loans amounted to €37.6 bn, remaining flat y-o-y.
- Deposits stood at €30.0 bn (-2% y-o-y). The outflow trend of domestic deposits was gradually decelerated after Q2’10
- “Loans to deposits” ratio at 107%, adjusted for self-funded loans, remained stable on an annual basis. International subsidiaries’ funding from parent Piraeus Bank was decreased by €0.6 bn in 2010, mainly due to the increase by 16% in international deposits.
- Loans in arrears above 90 days (IFRS 7) stood at 7.6%, with the respective provision coverage ratio at 48.4%. The coverage ratio reached 112%, when tangible collaterals are taken into account.
- Following the Bank’s capital increase by €807 mn, which was completed in January 2011, the Group’s total equity stood at €4.0 bn (pro-forma). Regulatory capital amounted to €4.3 bn, with the pro-forma for the rights issue capital adequacy ratio to stand at 11.2%, Tier I at 10.4% and Equity Tier I at 9.1%.

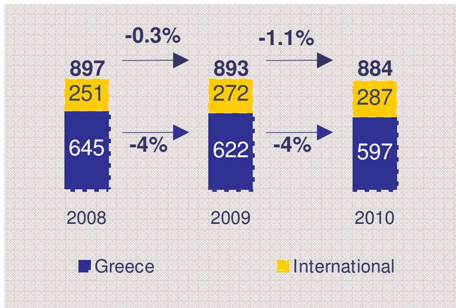
Pre Provision Profit excluding Trading
(€ mn)



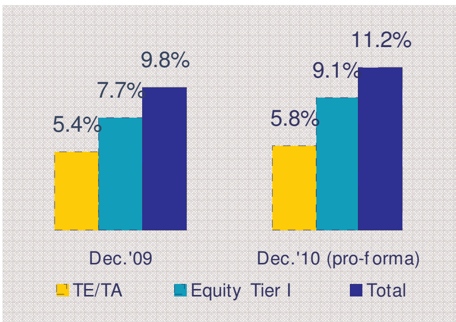
NII Evolution per Quarter (€ mn)



Operating Costs Evolution (€ mn)



Capital Adequacy (%)



TE/TA: tangible equity / tangible assets excluding intangible assets and pref shares

Equity Tier I: Tier I excluding hybrids and pref shares

Dec.’10 pro-forma for share capital increase €0.8 bn in January 2011

PIRAEUS BANK

Key Figures of Piraeus Bank Group in 2010

(balance sheet data at the end of the period, income statement data for the 12month period)

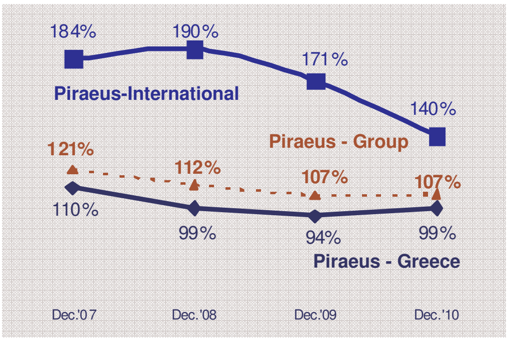
Consolidated Data	31 December 2010	31 December 2009	Δ y-o-y
Selective Volume Figures (€ mn)			
Assets	57,683	54,280	6%
Net Loans	37,638	37,688	0%
Deposits & retail bonds	29,995	30,755	-2%
Debt Securities to Institutional Investors	2,709	4,282	-37%
"Self-funded" Loans	5,633	4,933	14%
Total Equity*	4,032	3,614	12%
▫ Common Shareholders' Capital*	3,525	3,100	14%
▫ Minorities	141	148	-5%
▫ State Preference Shares	366	366	0%
Regulatory Capital *	4,284	3,679	16%
Summary Results (€ mn)			
Net Interest Income	1,207	1.105	9%
Net Fee & Commission Income	199	206	-3%
Trading Results	0	177	-100%
Other Income	93	174	-47%
Total Net Revenues	1,499	1,663	-10%
Total Net Revenues (excluding trading)	1,499	1,485	1%
Total Operating Costs	884	893	-1%
Pre-provision Profit	611	778	-21%
Organic profitability (Pre-trading and provision Profit)	611	600	2%
Provisions	601	491	22%
Pre-tax Profit	11	287	-96%
Net Profit / Loss Attr. to Shareholders	-20	202	>-100%
One-off tax **	25	34	-28%
Net Profit Attributable to Shareholders excluding one-off tax**	4	236	-98%
Other Key Information (%)			
Loans / Deposits (adj. for 'self funded' loans)	106.7%	106.5%	20 bps
NPLs > 90 days (IFRS 7)	7.6%	5.1%	249 bps
Coverage of NPLs > 90 days	48.4%	50.6%	-218 bps
NIM / Average Earning Assets	2.69%	2.57%	12 bps
Cost / Income	59.0%	53.7%	523 bps
Cost / Income (excluding trading)	59.0%	60.2%	-119 bps
Cost / Average Assets	1.58%	1.64%	-6 bps
Provision Expenses / Average Loans	1.55%	1.26%	28 bps
Capital Adequacy *	11.2%	9.8%	140 bps
▫ Tier I ratio *	10.4%	9.1%	129 bps
▫ Core Tier I *	9.5%	8.2%	133 bps
▫ Equity Tier I ratio *	9.1%	7.7%	134 bps

* December 2010 data pro-forma for the capital increase of €0.8 bn in January 2011
** total one off tax a) 2009: €34.2 mn, attributed to shareholders €33.8 mn & b) 2010: €24.6 mn, attributed to shareholders €24.3 mn

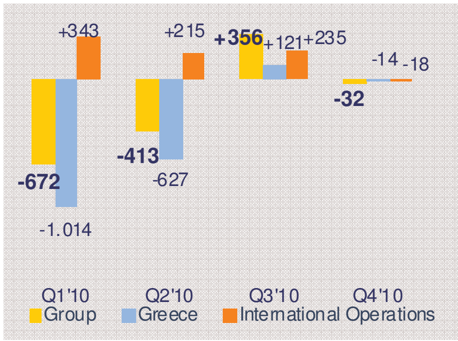
Volumes Evolution

Deposits (including retail bonds) amounted to €30.0 bn at the end of December 2010, decreased by 2% y-o-y. The loans to deposits ratio stood at 107% at the same level as a year ago.

Loans to Deposits Ratio (%)



Group Deposits' Evolution per Quarter 2010 (€ mn)



Deposits Evolution in 2010

During 2010, Greek market deposits decreased by 10%, of which almost ¾ was recorded in the first half 2010 and ¼ in the second half. The implementation of the economic adjustment program in Greece along with the support of IMF/EC/ECB contributed to stabilising the market, although outflows in deposits continued due to the economic recession, especially stemming from sight and savings accounts.

At the end of December 2010, the Group's deposits decreased by 2% y-o-y. In Greece, Group deposits decreased by 6% versus the total market -10%, while its deposits stabilised during the second half of 2010 and recorded a marginal increase. In contrast, deposits stemming from international subsidiary banks during 2010 recorded a significant increase by 16% (+€0.8 bn) in line with the strategy for reduction of subsidiaries' funding provided by the parent bank and its replacement by funds raised domestically for the enhancement of the operations in the local markets.

It is worth noting that despite the significant decrease of market deposits in Greece in 2010, the Geek bank's "loans to deposits" ratio was set at 114% (Sept.'10, Bank of Greece), which is better than the respective ratios of other European countries.

At the end of December 2010, Group net loans remained flat y-o-y and amounted to €37.6 bn. In Greece, the loan portfolio balance amounted to €29.7 bn (+1% y-o-y), while loans from international operations amounted to €7.9 bn (-5% y-o-y).

Per customer category, at the end of December '10:

- total business portfolio increased by 1% y-o-y,
- loans to individuals decreased by 4% y-o-y, mortgages increased by 3%, while consumer loans and credit cards decreased by 14%,
- loans to medium and small businesses constituted 47% of total net loans, loans to large enterprises accounted for 25%, loans to individuals 28% (18% mortgage, 10% consumer).

Group Volume Analysis (€ mn)	**Dec.'10**	**Δ% y-o-y**
Net Loans per Type		
Loans to Businesses	26,915	1%
Loans to individuals	10,723	-4%
Total Net Loans	**37,638**	**0%**
• *Greece*	*29,731*	*1%*
• *International Operations*	*7,908*	*-5%*
Deposits per Type		
Sight-Savings	8,620	-13%
Term	21,375	3%
Total Deposits	**29,995**	**-2%**
• *Greece*	*24.359*	*-6%*
• *International Operations*	*5.636*	*16%*

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Evolution of non-performing loans and impairment losses in 2010

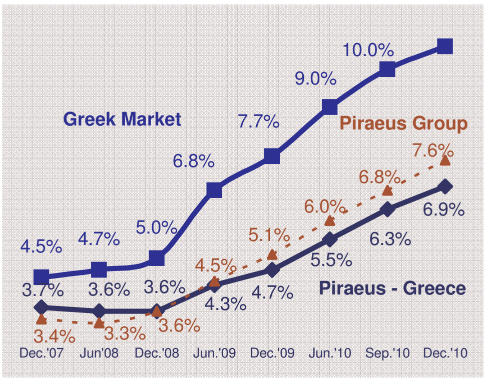
Greek market NPLs ratio exceeded 10% in 2010 impacted by the economic recession. With respect to its loan market segment, the NPLs ratio is higher for consumer and mortgages loans and lower for business loans, displaying the increased difficulties faced by households in meeting their debt repayment obligations due to the loss of income, whereas businesses are affected by the decrease in demand and also by the limited liquidity. In this context, banks' provisions increased during 2010, resulting to 43% coverage of NPLs for the Greek market versus 41% at the end of 2009 (source: Bank of Greece).

In the midst of these market conditions Piraeus Group's NPLs in Greece stood at 6.9% at the end of December 2010 compared to 6.3% at the end of September 2010. The Group's conservative risk profile, strong collaterals and guarantees, and in general its close relationships with customers for a number of years, enables the Group to manage effectively its credit relationships under these conditions. This management approach has helped Piraeus Group to have a more secured loan portfolio and at the same time to provide to its customers the necessary valuable support during the present economic environment.

Asset Quality

Loans in arrears over 90 days ratio reached 7.6% in 31.12.2010 versus 6.8% in 30.09.2010. This increase is mainly attributed to the business portfolio in Greece, as businesses are suffering from the slowdown in economic activity (-4.5% GDP rate in '10) and restricted liquidity. Households are now displaying a rather constant formation of new loans in arrears, as they were the first to be affected by the crisis since the second half of 2008 and they had a smaller degree of flexibility compared to businesses.

Loans in Arrears > 90 days (%)



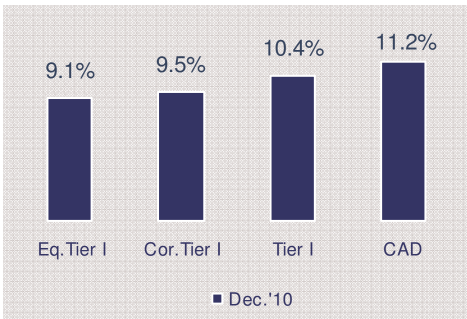
The NPLs>90 days coverage stood at 48.4% at the end of December 2010 compared to 48.5% a quarter earlier. The write-offs in 2010 reached €144 mn. Per loan segment, the NPLs > 90 days coverage from cumulative provisions for business loans was 48%, for mortgages at 15% while for consumer loans at 73%, matching the risk profile of each segment.

Equity - Capital Adequacy

At the end of December 2010, the Group's total equity, stood at €4.0 bn (pro-forma for the €0.8 bn capital increase which was completed in January 2011). Shareholders' equity (excluding Greek State's preference shares) amounted to €3.5 bn respectively.

At the end of December 2010, the pro-forma capital adequacy ratio stood at 11.2% with Tier I at 10.4%. Core Tier I ratio was 9.5% excluding the preference shares and adjusting hybrid for intangible assets. According to the international definition of Equity Tier I (excluding hybrid and preference shares), the ratio reached 9.1%.

Capital Adequacy & Quality Ratios* (%)



* Dec.'10 pro-forma for the €0.8 bn share capital increase was completed in January 2011

Evolution of Results

Pre-trading and provision profit for FY'10 increased by 2% and reached €611 mn against €600 mn in FY'09. Including trading results, pre-provision profit for FY'10 was also €611 mn against €778 mn in FY' 09 (reduced by 21%), as trading gains were marginal at €0.1 mn (2009: €177 mn). In Q4'10, pre-provision profit remained almost at the same level as the previous quarter which amounted to €151 mn compared to €149 mn in Q3'10.

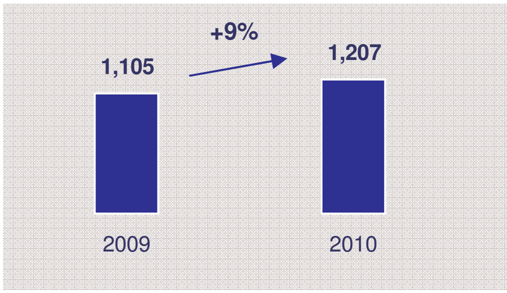
The increase in recurring revenues has been significant with the main contributor being net interest income which recorded a 9% y-o-y increase and reached €1,207 mn.

Operating costs amounted to €884 mn, decreased by 1% y-o-y, enabling the Group to achieve its target for the total operating expenses for 2010 to be lower than 2009. The results of 2010 were burdened from the 22% y-o-y increase in provisions which reached €601, due to the adverse economic conditions.

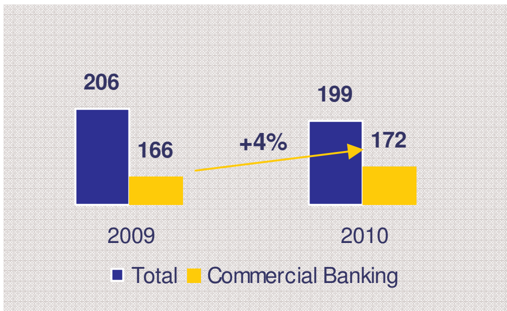
Pre-tax profit for 2010 amounted to €11 mn, while the net income attributable to shareholders was €4 mn against €236 mn in 2009. However, the one-off tax €24 mn, which was imposed on all large Greek companies for a second consecutive year resulted at -€20 mn net result attributable to shareholders (2009: net profit €202 mn).

Results (€mn)	**FY'10**	**Δ% y-o-y**
Pre-trading and provision profit	**611**	2%
Pre-provision profit	**611**	-21%
Provision Expense	**601**	22%
Pre-tax profit	**11**	-96%

Net Interest Income (€ mn)



Net Commission Income (€ mn)



Profitability of International Operations

International assets constitute 21% of the Group's total assets, with a broad dissemination (presence in 9 countries). International operations represent 48% of Group's pre provision profit, 37% of Group's net interest income, 59% of the Group's branch network, and 52% of the total personnel employed by the Group.

International operations' pre-tax and provision profit amounted to €294 mn in 2010, comprising 3.4% of the average loans. Provisions further increased by 7% y-o-y, while provision expense over average gross loans stood at 2.8%. Pre-tax profit from international operations in FY'10 reached €52 mn reduced by 39% y-o-y, due to the decrease of other income and the increase of provisions. However it is worth noting the momentum of net interest income and commissions.

In 2011, the countries of South Eastern Europe where the Group operates, are showing signs of economic recovery with GDP expected to grow by 1.5%-5.0%.

Analysis of International Results (€ mn)	**FY'10**	**Δ% y-o-y**
Net Interest Income	444	7%
Net Commissions	53	9%
Other Income	82	-31%
Total Net Revenues	**580**	**0%**
Total Operating Costs	**287**	**5%**
Pre-provision profit	**294**	**-6%**
Provision Expense	242	7%
Pre-Tax Profit	**52**	**-39%**
Net Profit Attributable to Shareholders	**34**	**-57%**

Revenue Analysis

Total operating revenues in 2010 stood at €1,499 mn, reduced by 10% vs. 2009. Excluding trading, operating revenues recorded a marginal increase of 1% y-o-y. In more detail:

- Net Interest Income (NII) reached to €1,207 mn recording an increase by 9% y-o-y due to the improved return on asset side which offset the increased cost of deposits. On a quarterly basis, net interest income amounted to €310 mn increased by 2% q-o-q, which represents the historically high quarterly NII performance at a Group level.
- Net Commission Income amounted €199 mn, reduced by 3% y-o-y, and increased by 7% q-o-q. It is worth noting that the commercial banking commissions recorded an increase of 4% y-o-y. Net commission income displayed resilience in Greece, despite the adverse economic environment, while those stemming from international operations increased.

Net Commissions (€ mn)	**FY'10**	**Δ% y-o-y**
Commercial Banking	172	4%
Investment Banking	19	-39%
Asset Management	9	-12%
Total	**199**	**-3%**

- Trading results were marginally positive in 2010 (€0.1 mn) versus trading gains of €177 mn in 2009.
- Other Operating Income amounted to €86 mn, reduced by 47% y-o-y mainly attributed to decreased revenues posted by real estate subsidiaries due to unfavourable economic conditions. Revenues of this category come from financial services companies, with the largest part stemming from operating leasing activities.

Operating Expenses Analysis

Operating expenses in 2010 decreased by 1% y-o-y (€884 mn vs €893 mn respectively). The operating costs in Greece decreased by 4% on a yearly basis for a second consecutive year (2008: €645 mn, 2009: €622 mn, 2010: €597 mn), whereas operating expenses abroad increased by 5%.

Cost containment was a pivotal target for 2010 and remains a priority for 2011, with a target for a further decrease of 5%.

Per cost category, personnel costs reached €411 mn with 4% reduction y-o-y, stable rate for a second consecutive year. The respective reduction rate for Greece was 7% in 2010 following the 3% decrease in 2009. Other administrative expenses amounted to €377 mn and remained flat y-o-y, these expenses recorded a decrease in Greece and an increase abroad.

Analysis for Selected Cost Elements (€ mn)	**FY'10**	**Δ% y-o-y**
Personnel Costs		
Greece	294	-7%
Abroad	117	6%
Total	**411**	**-4%**
Administrative Expenses		
Greece	259	-1%
Abroad	118	2%
Total	**377**	**0%**

Operating costs to average assets stood at 1.58% in 2010 slightly decreased versus 2009 (1.64%). The cost to income ratio was set at 59% from 54% in 2009 (or 60% in 2009 when excluding trading results).

Provision Expense

Impairment losses on loans and receivables rose to €601 mn in 2010 vs €491 mn in 2009, recording an increase of 22% as a consequence of the deteriorating economic environment especially in Greece but also affected by the prevailing conditions in South Eastern Europe.

Expressed as a percentage of average loans, the provision expense reached 155 bps (118 bps for Greece and 282 bps abroad) from 126 bps at group level in 2009 (88 bps in Greece and 257 bps abroad). In Q4'10 the provision expense reached 186 bps (167 bps Q4'09).

The coverage ratio stood at 48.4% in December 2010 from 48.5% in September 2009.

Recent Developments

On January 31, 2011 Piraeus Bank's capital increase of €807 mn was completed. As a result, total equity capital of Piraeus Bank Group amounted to €4.0 bn (pro-forma for Dec'10 data), strengthening the capital adequacy ratios by approximately 200 basis points.

On February 9, 2011 Piraeus Bank issued €1.25 bn of covered bonds, of a 3-year tenor with a view to further enhance its liquidity. The transaction has been rated "A-" by Fitch Ratings agency and is listed in the Luxembourg Stock Exchange. The transaction has been issued under Piraeus Bank's €3bn covered bond program.

On March 8, 2011 Moody's Investors Service proceeded with a downgrade of the Bank's long-term rating by 2 notches to Ba3 with negative outlook, pursuant to the agency's downgrade of Greece's government bond ratings by three notches to B1 with negative outlook. It should be noted that following the aforementioned revision, Piraeus Bank and other major Greek Banks are one notch higher than the long-term rating of the country.

Finally, on March 23, 2011, Piraeus Bank was selected to act as one of the advisers on plans to develop the site of the Athens' old airport at Hellenikon.

Share Price Data

During the last twelve months, Piraeus Bank's closing share price varied between €1.40 (minimum, on 08.03.11) and €3.63 (maximum, on 29.03.10) adjusted closing prices following the recent capital increase.

Piraeus Bank's market capitalisation on 23.03.11, amounted to €1.7 bn, ranked in the 10th position on the ATHEX. Following the bank's rights issue which was completed in January 2011, the current number of common shares is 1.146,326,564.

Financial Calendar 2011

The annual financial statements for 2010 will be available on the Bank's corporate site www.piraeusbank.gr on March 28, 2011.

In accordance with section 4.1.4.3.1 of the Athens Stock Exchange Rule Book, Piraeus Bank announces the Financial Calendar for 2011:

- **Annual Analysts' Briefing**

  March 24, 2011

- **Publication in the Press of the FY 2010 Condensed Financial Information and Data**

  March 29, 2011

- **Annual General Meeting of shareholders**

  May 20, 2011

Athens, 24 March 2011