FIRST QUARTER 2011 RESULTS

Revenues Improved - Operating Costs Decreased

Athens - 27 May 2011

Management Statements

"The recent share capital increase has strengthened the Group's balance sheet and has improved its capital adequacy ratios. In response to the unfavourable conditions of the Greek market, the path we pursue consists of containing our costs, improving our revenues and at the same time we remain prudent in managing risks and liquidity.

The fact that profit before tax and provisions increased by 28% in Q1'11, confirms the correctness of the Bank's priorities and its capacity to produce positive results.

Our efforts in this direction will continue in the future, while at the same time we focus on supporting the Greek economy and its productive sectors."

Michalis Sallas, Chairman of BoD

"Net revenues in Q1'11 increased by 11% y-o-y and amounted to €383 mn compared to €345 mn a year ago. The Group's recurring revenues, i.e. net interest income and commissions increased annually by 5% and 2% respectively, comprising 93% of the Group's total net revenues.

The annual reduction of operating costs by 3% in Q1'11 is in line with the target set for reducing Group's total costs by 5% in full year 2011. The increase in revenues and cost containment have significantly improved the cost to income ratio to 52% compared to 59% in Q1'10. Provisions increased by 28% and amounted to €171 mn compared to €134 mn in Q1'10 with the coverage of loans in arrears by provisions and tangible collaterals at 110% at the end of March 2011.

Consequently, pre-tax profit in Q1'11 amounted to €10 mn, while net profit attributable to shareholders was €2 mn.

Capital adequacy ratio stood at 11.6% and Tier I at 10.7%, following the share capital increase in January 2011. "

Stavros Lekkakos, CEO

Contact

▫ Investor Relations

Tel. +30 210 333 5026

Investor_Relations@piraeusbank.gr

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 March 2011, the Group possessed a network of 872 branches (360 in Greece and 512 internationally) and employed 13,155 people (6,300 and 6,855 respectively). Piraeus Bank Group's total equity amounted to €4.1 bn, customer deposits to €28.7 bn, net loans €37.0 bn and total assets to €56.6 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 March 2011

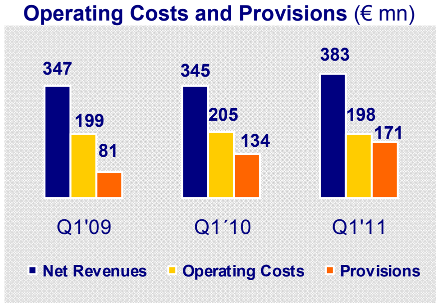
Q1 2011 Results

- Net interest income (NII) amounted to €309 mn, +5% y-o-y and almost at the same level as Q4'10 (€310 mn) which was the best quarter for the Group historically.
- NIM (net interest income on average interest earning assets) was 2.7%.
- Net commission income reached €49 mn, increased by 2% y-o-y. Commercial banking commissions amounted to €43 mn increased by 12% y-o-y.
- Net revenues increased by 11% y-o-y and amounted to €383 mn. Even when excluding trading results, net revenues amounted to €370 mn increased by 2% y-o-y.
- Operating costs decreased by 3% y-o-y at €198 mn (€205 mn in Q1'10). Operating expenses decreased both in Greece by 4%, and abroad by 1%.
- Group's personnel expenses decreased by 3% y-o-y at €101 mn, -5% y-o-y in Greece amounted to €72 mn.
- Pre tax and provision profit amounted to €181 mn increased by 28% y-o-y (€142 mn in Q1'10).
- Provisions amounted to €171 mn (+28% y-o-y compared to €134 mn in Q1'10) corresponding to 176 bps on average loans (138 bps in Q1'10), as a result of the deteriorating economic environment especially in Greece (GDP in Q1'11: -4.8% y-o-y).
- Pre tax profit was €10 mn in Q1'11, while net profit amounted to €2 mn. Income tax was increased in Greece, mainly due to recalculation of the deferred tax which was based on the new reduced corporate tax rate (20%) that was applied in Q1'11.

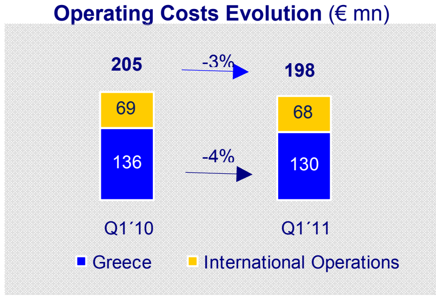
Volumes as of March 31st 2011

- Total assets reached €56.6 bn, -2% y-t-d.
- Net loans amounted to €37.0 bn, -2% on an annual and quarterly basis.
- Deposits reached €28.7 bn (-5% y-o-y, -4% y-t-d). The outflow trend of domestic deposits was similar to that of the greek market in Q1'11. Whereas, deposits stemming from international subsidiary banks increased by 4% y-o-y (or up 12% when deposits from Piraeus Bank Egypt are excluded).
- "Loans to deposits" ratio at 129% compared to 125% in March '10, with an increase in the ratio of domestic operations at 126% compared to 118% a year ago attributed to the contraction of deposits in Greece. Significant improvement in the Group's international operations with "loans to deposits" ratio at 142% compared to 160% in March 2010.
- Loans in arrears above 90 days (IFRS 7) stood at 8.6% in Q1'11 or 8.4% adjusting for the loan deleveraging effect. The provision coverage ratio stood at 47%. The coverage ratio reached 110%, 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 €4.1 bn in March 2011. Regulatory capital amounted to €4.3 bn. The capital adequacy at 11.6% increased by 27 bps compared to the pro-forma ratio in Dec.10. Tier I at 10.7% and Equity Tier I at 9.4%.

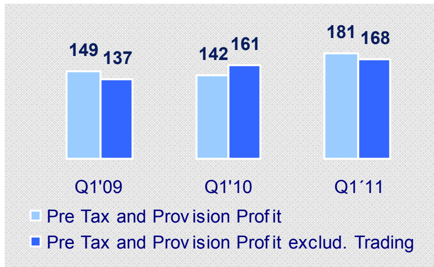
Net Revenues, Operating Costs and Provisions (€ mn)



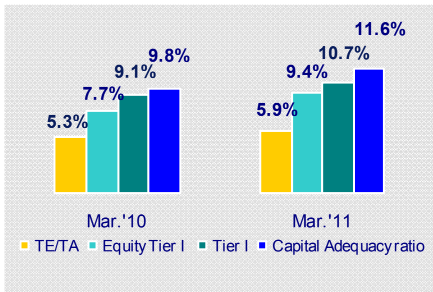
Operating Costs Evolution (€ mn)



Pre Tax and Provision Profit (€ 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

Key Figures of Piraeus Bank Group in March 2011

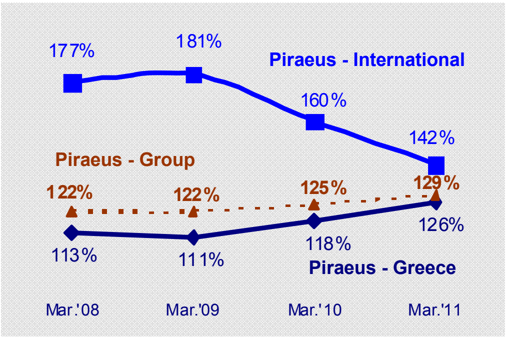
(balance sheet data at the end of the period, income statement data for the quarter period)

Consolidated Data	31 March 2011	31 March 2010	Δ y-o-y
Selective Volume Figures (€ mn)			
Assets	56,628	55,220	3%
Net Loans	36,953	37,736	-2%
Deposits & retail bonds	28,683	30,084	-5%
Total Equity	4,064	3,579	14%
▫ Common Shareholders' Capital	3,558	3,045	17%
▫ Minorities	141	168	-16%
▫ State Preference Shares	366	366	0%
Regulatory Capital	4,303	3,689	17%
Summary Results (€ mn)			
Net Interest Income	309	293	5%
Net Fee & Commission Income	49	48	2%
Trading Results	13	-19	>100%
Other Income	13	22	-42%
Total Net Revenues	383	345	11%
Total Net Revenues (excluding trading)	370	363	2%
Personnel Expenses	101	104	-3%
Administrative Expenses & Depreciation	97	101	-3%
Total Operating Costs	198	205	-3%
Pre Tax and Provision Profit	181	142	28%
Organic profitability (Pre tax and provision profit excluding trading)	168	161	5%
Provision Expenses	171	134	28%
Pre-Tax Profit	10	8	25%
Tax	8	2	>100%
Net Profit Attributable to Shareholders	2	7	-73%
Key Ratios (%)			
Loans / Deposits	129%	125%	340 bps
o Greece	126%	118%	770 bps
o International Operations	142%	160%	-1,863 bps
NPLs > 90 days (IFRS 7)	8.6%	5.6%	294 bps
o Greece	7.9%	5.2%	268 bps
o International Operations	11.0%	7.0%	399 bps
Coverage of NPLs > 90 days	47%	50%	-361 bps
NIM / Average Earning Assets	2.67%	2.67%	1 bps
Cost / Income	51.8%	59.4%	-765 bps
Cost / Average Assets	1.39%	1.50%	-11 bps
Provision Expenses / Average Loans	1.76%	1.38%	38 bps
Capital Adequacy	11.6%	9.8%	182 bps
o Tier I ratio	10.7%	9.1%	162 bps
o Equity Tier I ratio	9.4%	7.7%	163 bps

Volumes Evolution

Deposits amounted to €28.7 bn at the end of March 2011, decreased by 5% y-o-y. The loans to deposits ratio stood at 129% compared to 125% a year ago. The ratio in Greece, was deteriorated due to the contraction in deposits, as opposed to the respective loans to deposits ratio of the international operations which was improved significantly by 19 percentage points at 142% attributed to the Group's targeted effort to enhance its deposits.

Loans to Deposits Ratio (%)



In Greece, Group deposits decreased by 6% y-o-y compared to the total market which contracted by 8% y-o-y. Whereas deposits stemming from international subsidiary banks, excluding Piraeus Bank Egypt, recorded a significant increase by 12% y-o-y (4% y-o-y when Piraeus Bank Egypt is included, as it recorded a decrease which was attributed to the political unrest). At the end of March '11, all international subsidiary banks in Southeastern Europe recorded an annual positive growth in their deposits.

Group **net loans** decreased by 2% y-o-y and amounted to €37.0 bn at the end of March 2011. In Greece, the loan portfolio balance amounted to €29.3 bn at the same level as in March 2010, while loans from international operations decreased to €7.7 bn (-8% y-o-y).

Per customer category, at the end of March 2011:

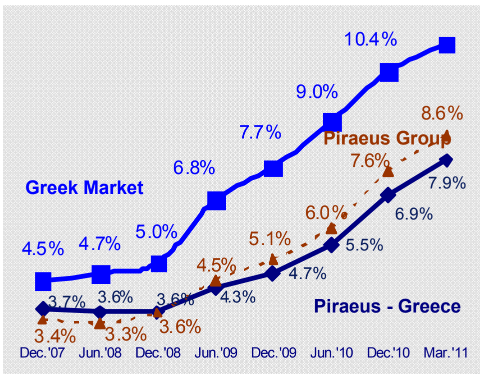
- total business portfolio decreased by 1% y-o-y,
- loans to individuals decreased by 5% y-o-y, mortgages increased by 1%, while consumer loans and credit cards decreased by 14%,
- loans to businesses constituted 72% of total net loans and loans to individuals 28% (18% mortgage, 10% consumer).

Group Volume Analysis (€ mn)	**Mar.'11**	**Δ% y-o-y**
Net Loans per Type		
Loans to Businesses	26,477	-1%
Loans to individuals	10,476	-5%
Total Net Loans	**36,953**	**-2%**
• *Greece*	*29,280*	*0%*
• *International Operations*	*7,672*	*-8%*
Deposits per Type		
Sight-Savings	8,075	-10%
Term	20,607	-3%
Total Net Loans	**28,683**	**-5%**
• *Greece*	*23,273*	*-6%*
• *International Operations*	*5,409*	*4%*

Asset Quality

Loans in arrears over 90 days ratio (IFRS 7) reached 8.6% in 31.03.2011 versus 7.6% in 31.12.2010. It should be noted that the above ratio sets at 8.4% when it is adjusted for the deleveraging effect of the loan book in Q1'11. The increase in the loans in arrears over 90 days is mainly attributed to the business portfolio in Greece, as businesses are affected by the slowdown in economic activity (-4.8% GDP rate in Q1'11, -7.4% in Q4'10) and restricted liquidity.

Loans in Arrears > 90 days (%)



The NPLs>90 days coverage by cumulative provisions stood at 47% at the end of March '11 compared to 48% in December 2010. The write-offs in Q1'11 amounted to €55 mn.

PIRAEUS BANK

Evolution of Results

The increase in recurring revenues has been significant in Q1'11 with the main contributor being net interest income which recorded a 5% y-o-y increase and reached €309 mn. Operating costs amounted to €198 mn, decreased by 3% y-o-y, within the context of the target that was set for total operating expenses to be reduced by 5% in full year 2011.

Pre-tax and provision profit for Q1'11 increased by 28% and reached €181 mn compared to €142 mn in Q1'10. The Q1'11 results were burdened by the increase in provisions which amounted to €171 mn +28% y-o-y, due to the adverse economic conditions, especially in Greece.

Pre-tax profit for Q1'11 amounted to €10 mn, while the net income attributable to shareholders was €2 mn against €7 mn in Q1'10. However, Q1'11 was affected by the recalculation of the deferred tax which resulted from the reduction of the new corporate tax rate at 20% in Greece applied as of 01.01. 2011.

Group Results (€mn)	**Q1 '11**	**Δ% y-o-y**
Net Interest Income	309	5%
Net Commission Income	49	2%
Other Income	26	>100%
Total Net Revenues	**383**	**11%**
Operating Costs	**198**	**-3%**
Pre-Tax and Provision Profit	**181**	**28%**
Provision Expense	171	28%
Pre-Tax Profit	**10**	**25%**
Net Profit Attributable to Shareholders	**2**	**-73%**

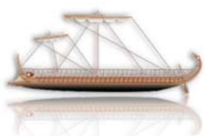
Evolution of Results per Geography

The Group's Net Interest Income (NII) in Greece recorded an increase of 10% y-o-y, while NII stemming from international operations marginally decreased by 2% due the decrease of net loans by 8% y-o-y.

Net Commission Income in Greece was slightly decreased by 3% y-o-y, while the Group's international operations displayed a significant increase of 17% y-o-y. It is worth noting that the commercial banking commissions in Greece, recorded an increase of 10% y-o-y. However commissions linked to investment banking and asset management were affected by the market conditions.

Domestic pre-tax and provision profit amounted to €121 mn, while International operations' pre-tax and provision profit amounted to €59 mn in Q1'11.

In Greece, the Group's provision expense was further increased and amounted to €130 mn as a consequence to the adverse economic environment, whereas abroad provisons were marginally decreased at €41 mn as the economies of countries in Southeastern Europe have entered into a gradual recovery phase. Thus, pre-tax results stemming from operations in Greece amounted to -€9 mn, whereas international operations' pre-tax profit amounted to €19 mn.

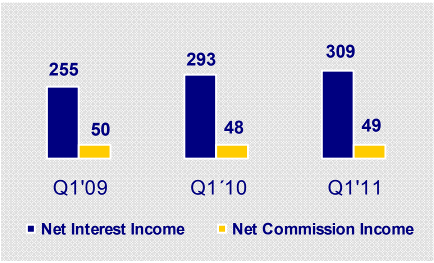


Selected Results per Geography (€ εκατ)	**Q1 '11**	**Δ% y-o-y**
Net Interest Income	**309**	**5%**
▫ Greece	203	10%
▫ International Operations	106	-2%
Net Commission Income	**49**	**2%**
▫ Greece	35	-3
▫ International Operations	13	17%
Net Revenues	**383**	**11%**
▫ Greece	256	26%
▫ International Operations	127	-10%
Operating Costs	**198**	**-3%**
▫ Greece	130	-4%
▫ International Operations	68	-1%
Pre-Tax and Provision Profit	**181**	**28%**
▫ Greece	121	75%
▫ International Operations	59	-18%
Provision Expense	**171**	**28%**
▫ Greece	130	45%
▫ International Operations	41	-7%
Pre-Tax Profit	**10**	**25%**
▫ Greece	-9	59%
▫ International Operations	19	-35%

Revenue Analysis

Net Interest Income (NII) reached to €309 mn in Q1'11, recording an increase of 5% y-o-y, as the cost of deposits decreased and the spreads on the asset side remain at a satisfactory level.

Net Interest and Commission Income (€mn)



Net Commission Income amounted €49 mn, increased by 2% y-o-y. It is worth noting that the commercial banking commissions recorded an increase of 12% y-o-y.

Net Commissions (€ mn)	**Q1'11**	**Δ% y-o-y**
Commercial Banking	43	12%
Investment Banking	4	-48%
Asset Management	2	-24%
Total	**49**	**2%**

Trading results were positive in Q1'11 and amounted to €13 mn compared to trading losses of €19 mn in Q1'10.

Other Operating Income amounted to €13 mn, reduced by 42% y-o-y mainly attributed to the unfavourable economic conditions. During Q1'11 revenues of this category come from financial services companies, with the largest part stemming from operating leasing activities.

Operating Expenses Analysis

Operating expenses in Q1'11 decreased by 3% y-o-y (€198 mn compared to €205 mn in Q1'10).

Per cost category, personnel expenses reached €101 mn with 3% reduction y-o-y. The respective reduction for Greece was 5%, while international personnel expenses remained flat year-on-year .

Other administrative expenses amounted to €73 mn decreased by 4% y-o-y, recording a contraction both in Greece (-6% y-o-y) and abroad (-2% y-o-y).

Operating costs to average assets stood at 1.39% in Q1'11, slightly decreased versus 1.50% in Q1'10. The cost to income ratio was improved to 52% from 59% in Q1'10.

Analysis for Selected Cost Elements (€ mn)	**Q1'11**	**Δ% y-o-y**
Personnel Expenses		
Greece	72	-5%
International Operations	29	0%
Total	**101**	**-3%**
Administrative Expenses		
Greece	46	-6%
International Operations	27	-2%
Total	**73**	**-4%**

Provision Expense

Impairment losses on loans and receivables rose to €171 mn in Q1'11 compared to €134 mn in Q1'10, recording an increase of 28% y-o-y as a result of the deteriorating economic environment especially in Greece.

Expressed as a percentage of average loans, the provision expense reached 176 bps (171 bps for Greece and 194 bps abroad) compared to 138 bps at group level in Q1'10 (120 bps in Greece and 200 bps abroad).

Share Price Data

During the last twelve months, Piraeus Bank's closing share price varied between €0.98 (minimum, on 12.05.11) and €2.87 (maximum, on 04.08.10) according to adjusted closing prices following the recent capital increase.

Piraeus Bank's market capitalisation, amounted to €1.1 bn on 26.05.11, ranked in the 11th position on the ATHEX.

Finally, the Ordinary General Meeting of shareholders on 20.05.11, approved the increase of the nominal value of each common share from €0.30 to €1.20 with a reduction of the number of common shares of the Bank from 1,143,326,564 to 285,831,641 (reverse split).

Athens, 27 May 2011