

17 June 2014

ANNOUNCEMENT

Progress of arbitration against the Republic of Cyprus

Further to the announcements dated 18 and 23 January 2013, as well as September 3rd 2013, “MARFIN INVESTMENT GROUP HOLDINGS S.A.” (“MIG”) hereby announces the following:

1. MIG and another 18 Greek shareholders in Laiki Bank, have initiated a process of international protection against the Republic of Cyprus since January 2013, in accordance with the procedure provisioned by the bilateral treaty regarding the protection of investments between Greece and Cyprus (Law 2100/92, Gov. Gazette A191· in force on 26.02.1993), claiming damages for the loss of their investments amounting to approximately €1.1bn, of which €824m relates to the value of MIG’s investment.
2. The Republic of Cyprus did not acknowledge the communications for an amicable settlement of the dispute, which the claimants/shareholders have addressed in accordance with the provisions of the bilateral treaty. Therefore, following the expiry of the deadline without any result, the case has been brought to international arbitration, which since September 2013 is pending before the arbitral body for disputes between investors and states under the auspices of the World Bank (ICSID), with case number ARB/13/27. According to the multilateral international convention governing the ICSID arbitration (Washington Convention of 1965), which has been long ratified by Greece and Cyprus, the jurisdiction of the international tribunal is exclusive.
3. The applicants claim compensation for the expropriation of their investments as shareholders of Laiki Bank, and other related violations of the bilateral treaty by the Republic of Cyprus that led to the evisceration of their investments.
4. The Tribunal was constituted in full in March 2014 and is composed of the following members: Bernard Hanotiau (Belgium), appointed as President,

Daniel M. Price (U.S.A.) and Sir David A. O. Edward (Great Britain) appointed as arbitrators. On 28 April 2014, the Tribunal issued Procedural Order No. 1, determining the procedural timetable, the place of proceedings (Paris), the sequence of the proceedings and other procedural matters, resolving any differences between the parties on these matters. The Republic of Cyprus does not accept the jurisdiction of the Tribunal, yet it participates in the arbitration proceedings as a party.

5. According to the timetable that has been approved by the Tribunal, the exchange of memorials and supporting documentation of the parties including the production of documents to be requested, will be completed on 6 March 2016, while the hearing of the case has been set for the period 16-27 May 2016.
6. Further information is available on the website of the ICSID: <https://icsid.worldbank.org/ICSID/FrontServlet> in the section «Cases / Pending Cases».