

PIRAEUS BANK



## Q4.2014 Results Presentation

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19 March 2015

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# 01

## Highlights

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**1.1** Q4.2014 at a Glance

**1.4** Greece: NPLs Peak Following 6 Years of Uninterrupted Build Up

**1.2** FY.2014 Operating Performance

**1.5** Strong Capital Position After Absorbing AQR Losses

**1.3** Delivering on the Restructuring Plan



### Balance Sheet

- 1 1st quarter of negative NPL formation in Greece at -€82 mn after 6 years of deep recession
- 2 Modest loan deleveraging continued; -1% qoq and -2% yoy adjusted for write-offs
- 3 LTD ratio at 101% in Dec.2014, rises to c.115% at present, as a result of the recent turmoil
- 4 12.1% CET-1 ratio, with €2.3 bn buffer over 8% ratio. Fully loaded CET-1 ratio at 11.2%

### Income Statement

- 1 NII at €513 mn, up 1% qoq and 8% yoy, supported mainly by improving trend in domestic deposit rates
  - NIM at 284 bps, +5 bps qoq and +36 bps yoy
- 2 OpEx -12% yoy, with synergies practically completed (90% actioned)
  - 2<sup>nd</sup> VES with €40 mn payroll relief
  - C:I ratio 56% in FY.2014, -8 pts vs. 64% in 2013
- 3 Recurring PPI at €280 mn, +2% qoq, +32% yoy; Greece at €244 mn, +42% yoy
- 4 Q4 CoR at 288 bps (Greece 179 bps); Group NPL coverage at 57% and 124% including collateral

\* P&L data on normalized basis, excluding one-off items and trading results; fees of Q4.2013 normalized for agri-banking fee income



## 1.2 FY.2014 Operating Performance

**Core Revenues Up 7% in 2014, OpEx Down 11%**

Recurring PPI Drivers	FY.2014 (€ mn)	yoy (%)	yoy (€ mn)
NII	2,000	+14%	+251
NFI	333	+9%	+26
Revenues	2,412	+7%	<b>+163</b>
OpEx	-1,368	-11%	+161
<b>PPI</b>	<b>1,044</b>	<b>+45%</b>	<b>+325</b>

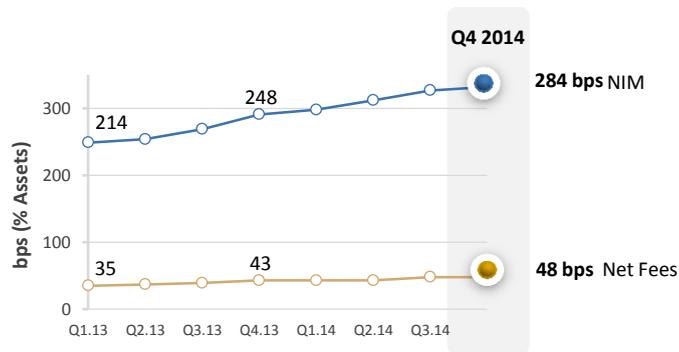
**Recurring PPI at €1,044 mn, +45% yoy**

- Greece +54% at €900 mn, Intl +8% at €144 mn

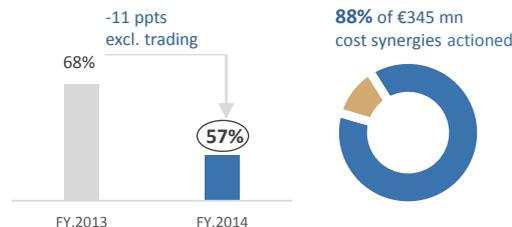
\* P&L on normalized basis, excluding one-off items and trading results

\* assets on a normalized basis, i.e. excluding EFSF bonds and seasonal agri-banking loan

**NIM on the Rise, Resilient NFI Despite Weak Activity**



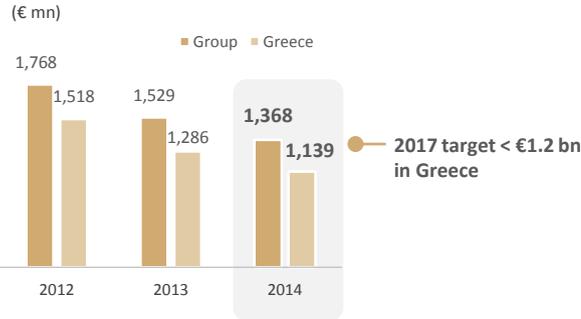
**C:I Ratio Improves Significantly as Synergies Crystallize**





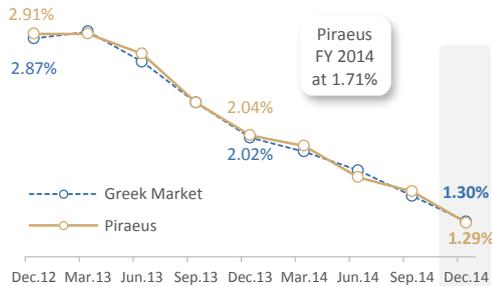
## 1.3 Delivering on the Restructuring Plan

### OpEx Contained on the Back of Synergies & Savings



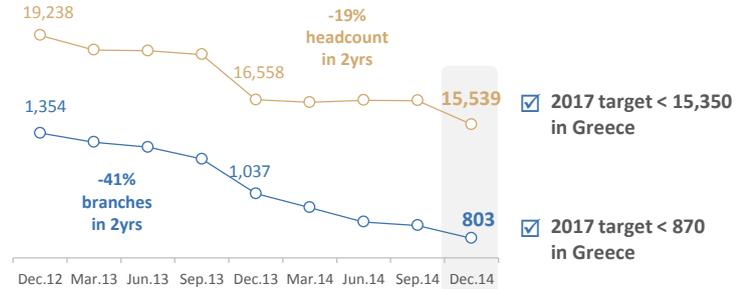
\* data on recurring and like-for like basis

### Lower Domestic Deposit Cost Fuels NII

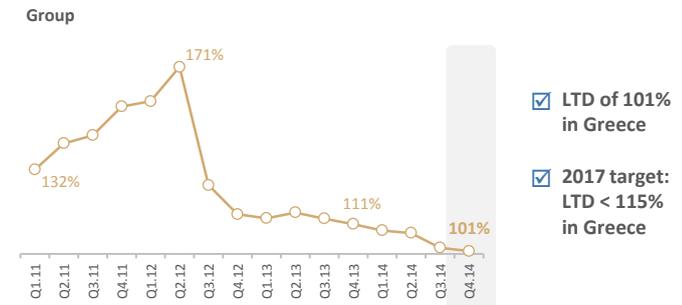


\* rates refer to monthly average

### Greek Headcount & Footprint 2017 Target Achieved



### LTD Ratio Consistently Improving



\* LTD ratios excluding seasonal agri-banking loan



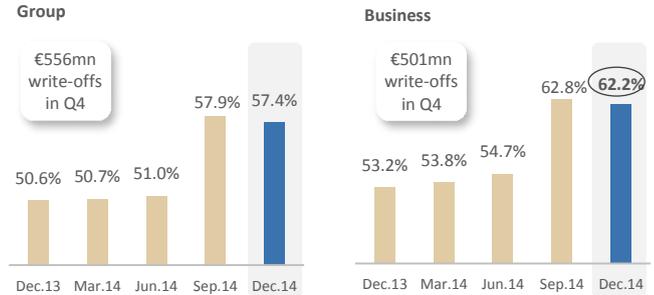
# 01

## 1.4 Greece: NPLs Peak Following 6 Years of Uninterrupted Build Up

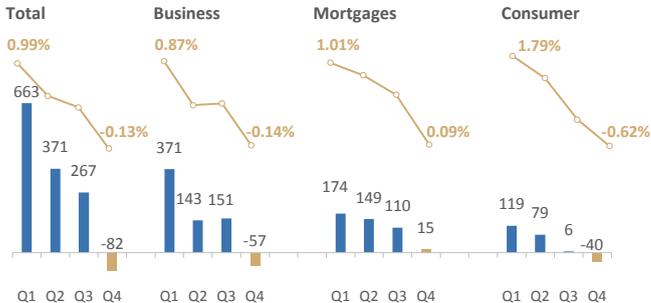
### NPL Formation Bottoms Out After 6 Years of Deterioration



### Strong NPL Coverage at 57%; 62% for Business NPLs (70% of stock)



### Greek NPL Formation Improves In All Segments in 2014



\* pre write-off quarterly NPL formation in € mn or as % of gross loans

### RBU Q4 Targets Met

- ✓ **83%** of SME and Corporate balances in RBU with agreed upon strategy
- ✓ **€2.3 bn** of troubled SMEs/Corporates (25% of total) with executed solutions
- ✓ Very positive results from campaigns targeting distressed retail (**77%** acceptance rate)



## 1.5 Strong Capital Position After Absorbing AQR Losses

### CET-1 Ratio

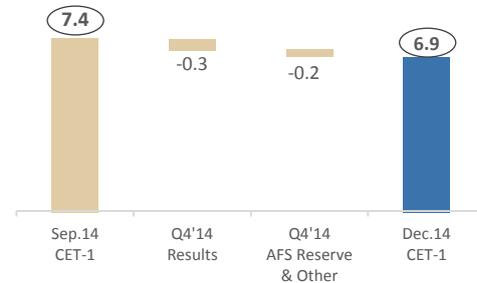
(€ bn | %)

Dec.2014

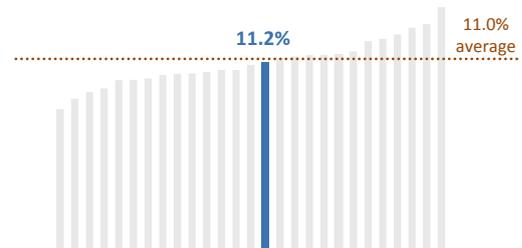
	Phased-in	Fully Loaded
CET-1 Capital	6.9	6.5
Total Regulatory Capital	7.0	6.6
RWAs	57.4	57.6
<b>CET-1 Ratio</b>	<b>12.1%</b>	<b>11.2%</b>
<b>Total Capital Ratio</b>	<b>12.2%</b>	<b>11.4%</b>

- ✓ DTC law enacted in Oct.2014 in Greece
- ✓ Opting into new regime was approved by Piraeus Shareholders' EGM on December 19th 2014
- ✓ €3.6 bn eligible DTAs for DTC, of which €1.3 bn PSI related and €2.3 bn arising from loan losses

### CET-1 Capital qoq Evolution (€ bn)



### CET-1 Fully Loaded Basel III Ratio in Line with European Peers



Note: Group of banks reporting Basel III fully loaded CET-1 ratios as at Q4.2014 within the Euro STOXX banks consists of BCP, BPER, Bol, Banco de Sabadell, Bankinter, Commerzbank, Bankia, BBVA, BNP, UniCredit, SocGen, Banco Popular, Erste, UBI Banca, Banco Popolare, Banco Popolare di Milano, Deutsche Bank, Credit Agricole, CaixaBank, KBC, Intesa Sanpaolo, Mediobanca, Santander, RBI, ING, Eurobank

PIRAEUS BANK



# 02

## 2015 Update

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**2.1** Trading Update

**2.2** Greek Market Liquidity Trends

**2.3** Piraeus Funding Update

**2.4** Piraeus Deposits Update



## 02

## 2.1 Trading Update

1

Deposit outflows intensified in pre-election period; stabilization since late February

*€7 bn outflows in 2015 ytd*

2

Eurosystem funding rises, to cover deposit outflows and loss of market repos

*€14 bn of ELA in Feb.2015*

3

Time deposit cost continues to fall, despite recent deposit flight

*Front book rate at 173 bps, -4 bps ytd*

4

Loan demand remains subdued; ytd balances affected mainly by CHF appreciation since mid Jan.2015

*FX impact +€0.6 bn in 2m.2015*

5

NPL formation under control; a weakening payment culture could delay the anticipated asset quality improvement

*Jan. NPLs slightly up Feb. reversed trend*

6

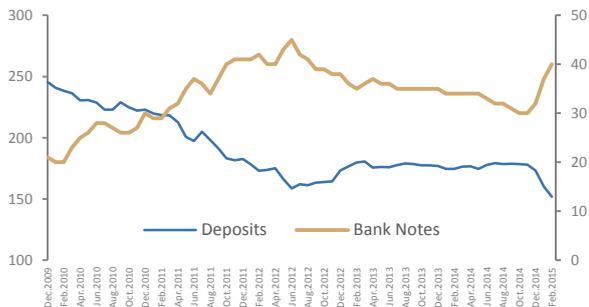
OpEx rationalization continues; further branch closures, system upgrades (eg card processing, targeting c.€12mn annual savings)

*-33 branches ytd (-11 in Greece)*

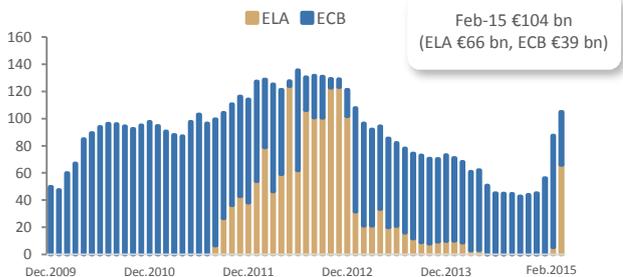


## 2.2 Greek Market Liquidity Trends

Deposits & Currency Circulation (€ bn)



Eurosystem Funding (€ bn)



Greek Market Liquidity Movements (€ bn)

Monthly Data (BoG)	Deposit Outflows	Bank Notes	Eurosystem Funding
Dec.2014	-€4.6 bn	+€2.2 bn	+€11.2 bn
Jan.2015	-€12.9 bn	+€4.9 bn	+€31.4 bn
Feb.2015	-€8.5 bn	+€2.7 bn	+€16.8 bn
<b>Total period</b>	<b>-€26.0 bn</b>	<b>+€9.8 bn</b>	<b>+€59.4 bn</b>

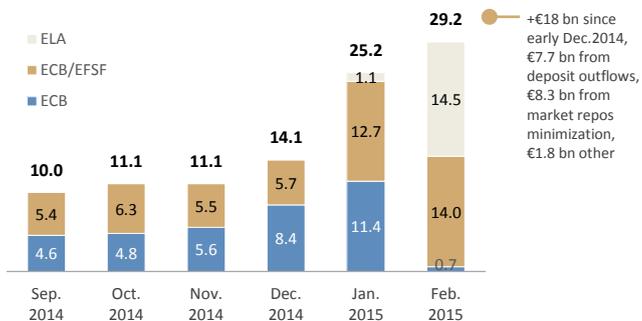
\* Feb.2015 data is an estimate; official market deposits will be available 26 Mar.2015

- From early Dec.2014, system deposits declined by c. €26 bn (resident deposits in €)
- Currency in circulation registered an increase; c.40% of the recorded deposits outflow were in bank notes
- Limited money transfers abroad contrary to 2012 experience
- Reliance of Greek banks on Eurosystem funding increased by c.€48 bn during Dec.14-Feb.15 period, replenish drop in deposits and market funding

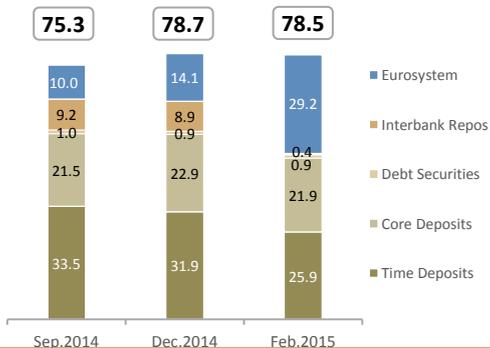


## 2.3 Piraeus Funding Update

### Eurosystem Funding (€ bn)



### Group Funding Mix (€ bn)



### Key Drivers in Eurosystem Funding (€ bn)

	Dec.2014	Jan.2015	Feb.2015	Period
Deposit Outflows	-€0.8	-€4.5	-€2.4	-€7.7
Market Repos	-€0.3	-€7.0	-€1.0	-€8.3
T-bill Increase	-€0.7	€0.0	-€0.3	-€1.0
Foreign Subsidiaries	+€0.1	-€0.4	-€0.5	-€0.8
<b>Movement</b>	<b>-€1.7</b>	<b>-€11.9</b>	<b>-€4.2</b>	<b>-€17.8</b>

Dec.2014-Feb.2015 Eurosystem increase

### Unencumbered ELA collateral above €15 bn (cash value)

### Collateral for Eurosystem Funding (€ bn)

Cash values

	Dec.2014	Jan.2015	Feb.2015
<b>ECB</b>	<b>€14.1</b>	<b>€24.1</b>	<b>€14.7</b>
EFSF Bonds	€5.7	€12.9	€14.0
Greek Sovereign*	€7.8	€10.4	-
Other	€0.6	€0.8	€0.7
<b>ELA</b>	<b>-</b>	<b>€1.1</b>	<b>€14.5</b>
Greek Sovereign*	-	-	€9.4
Loans & Other	-	€1.1	€5.1

shift to ELA post 11 Feb.2015 as per ECB decision

\* Greek Sovereign: GGBs (€0.3bn), T-bills, (€0.7bn), Pillar II (€6.7bn), Pillar III bonds (€1.7bn), data refer to cash values end Feb.2015

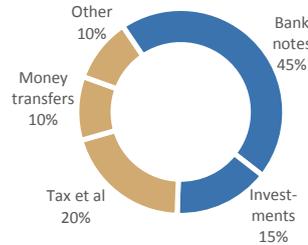


## 2.4 Piraeus Deposits Update

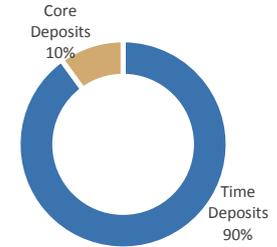
### Turmoil in Greece Influences Deposits (€ bn)



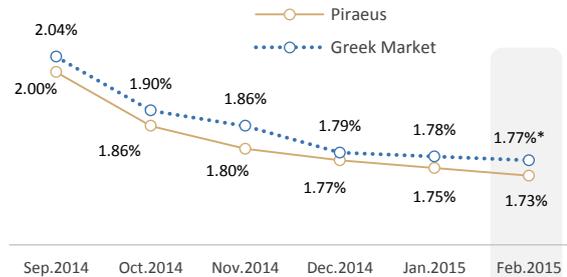
### Composition of Outflows (%)



### Outflows per Product (%)



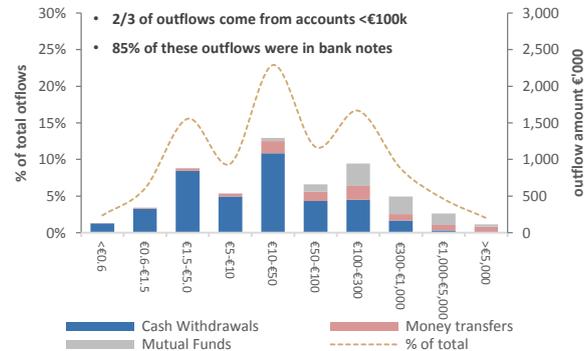
### New Greek Time Deposit Rates Continue to Fall



ELA cost 1.55%, i.e. < new time deposit cost in Greece (c.1.70%)

\* Greek market rate for Feb. 2015 is an estimate

### Retail Deposit Withdrawals Statistics (Dec. 2014-Jan. 2015)





# 03

## Q4.2014 Financial Results

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- 3.1** FY.2014 Group Balance Sheet
- 3.2** Balance Sheet Resilience
- 3.3** All time best LTD Ratio at 101% in Dec.2014
- 3.4** Eurosystem Funding Support in Line with Greek Market
- 3.5** Q4.2014 Group P&L
- 3.6** FY.2014 P&L per Region
- 3.7** Domestic Deposit Rate Improves Further
- 3.8** Q4 NII and NFI Soar by 8% yoy at €0.6 bn
- 3.9** Q4 Recurring OpEx Down 12% yoy
- 3.10** Almost 90% of Synergies Crystallized
- 3.11** FY.2014 Recurring PPI Up 45% yoy



### 3.1 FY.2014 Group Balance Sheet

#### Dec.2014 Group Balance Sheet at a Glance

€ mn	FY.2014	yoy	qoq
Cash & balances	3,838	33%	15%
Net loans	57,143	-8%	2%
Securities	17,559	0%	7%
Fixed assets	2,463	5%	3%
DTAs	4,019	40%	7%
Other assets	4,068	2%	-5%
<b>Total assets</b>	<b>89,090</b>	<b>-3%</b>	<b>3%</b>
Interbank	23,592	-10%	19%
Deposits	54,831	1%	0%
Other liabilities	3,345	15%	-10%
Total equity	7,322	-14%	-6%
<b>Total liabilities &amp; equity</b>	<b>89,090</b>	<b>-3%</b>	<b>3%</b>

- 1 Net loans in Q4 affected by seasonal loan to Greek farmers (€1.8 bn, repaid by early Feb.15), net of deleveraging (€0.4 bn) and write-offs (€0.6 bn)
- 2 Securities portfolio up qoq due to increased Greek T-bills holdings (Q4 +€1.3 bn at €1.5 bn)
- 3 Positive deposit trend in 2014 interrupted in mid December 2014. Deposits almost flat in Q4, Eurosystem +€4 bn qoq
- 4 Equity base impacted by Q4 loss (-€0.3 bn) and reserves movement (-€0.1 bn)



## 3.2 Balance Sheet Resilience

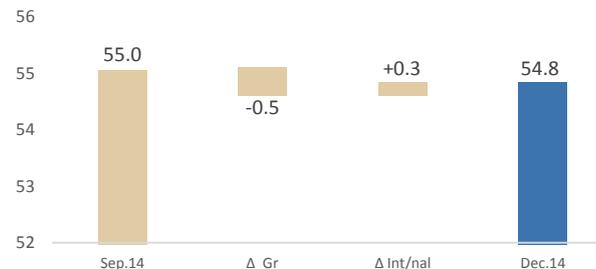
### Deleveraging Milder, Deposits Stable, LLPs at High Level

€ mn	Dec.2014	qoq	yoy
Assets	89,090	1% <sup>1</sup>	-3%
Gross Loans	72,983	-2% <sup>1</sup>	-4%
LLPs	15,840	-3% <sup>2</sup>	15%
Net Loans	57,143	-2% <sup>1</sup>	-8%
Deposits	54,831	0%	1%
Eurosystem	14,101	41%	-21%
Market Repos	8,936	-3%	20%
Equity	7,322	-6%	-14%

(1) excl. the €1.8 bn seasonal agri loan in Dec.2014, repaid in full by Feb.2015

(2) LLPs affected by Q4.2014 write-offs of €0.6 bn

### Deposits qoq Evolution (€ bn)

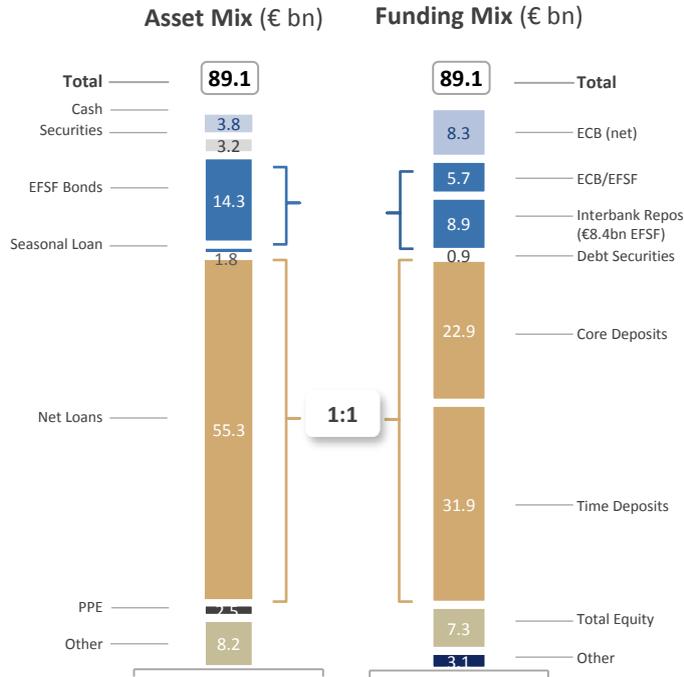


### Loans qoq Evolution (€ bn)



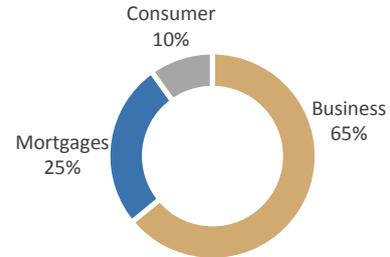


## 3.3 All Time Best LTD Ratio at 101% in Dec.2014



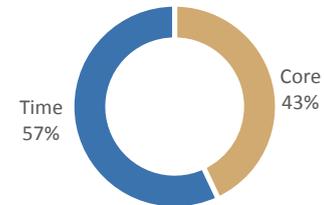
### Loans Breakdown (%)

(Piraeus in Greece)



### Deposits Breakdown (%)

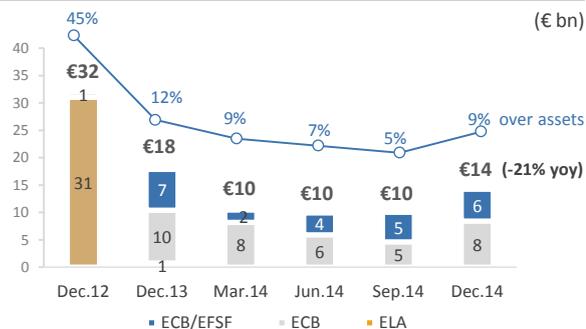
(Piraeus in Greece)





### 3.4 Eurosystem Funding Support in Line with Greek Market

#### Eurosystem Refinancing



#### Collateral for ECB Refinancing

Cash value mtm (€ bn)	Sep.2014	Dec.2014
EFSF bonds	5.4	5.7
L.3723/2008 Pillar II	4.0	5.2
L.3723/2008 Pillar III	1.4	1.6
GGBs, Greek T-bills	0.5	1.0
Non marketable assets	0.6	0.6
<b>Collateral Value Pledged</b>	<b>11.9</b>	<b>14.1</b>

- ✓ Rising Eurosystem utilization qoq reached 9% (net) of total assets at the end of 2014
- ✓ Net nominal quarterly increase of €4 bn, mainly due to higher loan balance qoq, increase in T-Bill holding and shift from maturing market repos to ECB refinancing
- ✓ Market repos with EFSF bonds at €8.4 bn as of Dec.2014
- ✓ L.3723 Pillar II bonds issued increased by €1 bn in Q4.2014
- ✓ Greek market Eurosystem funding rising to €56 bn at end Dec.2014 (+€13 bn qoq), yet down from €73 bn a year ago
- ✓ ELA facility at zero utilization as of 31 Dec.2014 for both Piraeus and Greek market



## 3.5 Q4.2014 Group P&L

### 2014 Group P&L at a Glance

€ mn	Q4.2014	qoq	FY.2014
Net interest income	513	1%	2,000
Net fee income	87	0%	333
Other	10	-57%	109
<b>Net recurring revenues</b>	<b>610</b>	<b>-2%</b>	<b>2,443</b>
<b>Net revenues exc. trading</b>	<b>640</b>	<b>4%</b>	<b>2,412</b>
Staff costs	(169)	-2%	(698)
Admin. & other	(192)	13%	(670)
<b>Recurring OpEx</b>	<b>(360)</b>	<b>6%</b>	<b>(1,368)</b>
<b>Recurring PPI</b>	<b>250</b>	<b>-10%</b>	<b>1,075</b>
<b>PPI excl. trading</b>	<b>280</b>	<b>2%</b>	<b>1,044</b>
Loan impairment	(519)	-77%	(3,718)
Other impairment	(179)	>100%	(286)
<b>Pre tax result</b>	<b>(593)</b>	-	<b>(3,047)</b>
<b>Net result attrib. to SHs</b>	<b>(332)</b>	-	<b>(1,972)</b>

- 1 FY.2014 includes Trading & Other Income one-off items of total €42 mn (Q4: Trading -€10mn from derivatives fair value change and Other Income -€42mn from investment property revaluation)
- 2 2014 includes VES related costs of €70 mn (Q4: €62 mn for c.1,000 FTEs leaving the Bank, €40 mn payroll relief as of 2015)
- 3 OpEx includes additional one-off integration costs of €89 mn (Q4: €20 mn)
- 4 Other impairments relate to investment securities, AFS securities recycled to P&L, own-used and repossessed real estate



## Performance of Greece & International Franchise

€ mn	Greece	yoy	Int/I	yoy
NII	1,695	14%	305	-6%
NFI	282	10%	51	3%
Revenues	2,039	9%	373	-1%
OpEx	(1,139)	-11%	(229)	-6%
PPI	900	54%	144	8%

\* P&L on normalized basis, excluding one-off items and trading results

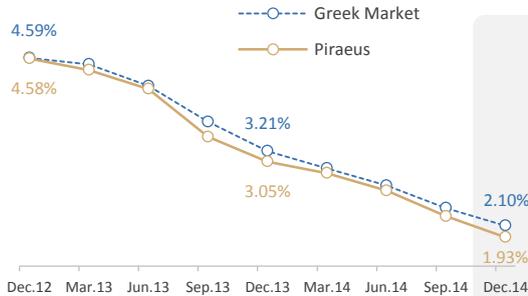
## 3.6 FY.2014 P&L per Region

- 1 NII in Greece positively affected by the significant decrease in deposit rates
- 2 NFI improved markedly and has further potential as soon as market stabilizes
- 3 OpEx burdened by one-offs in 2013 and 2014; as of 2015 level will be closer to run-rate OpEx base
- 4 All international subsidiaries register positive PPI except Ukraine; profitability was however impacted by high impairments
- 5 Q4 provisioning skewed to international operations (€230 mn out of €519 mn)



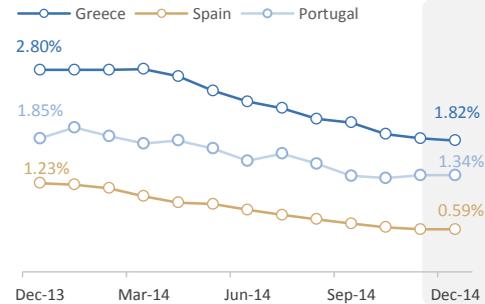
## 3.7 Domestic Deposit Rate Improves Further

### Greek Time Deposit Rates Continue to Decline

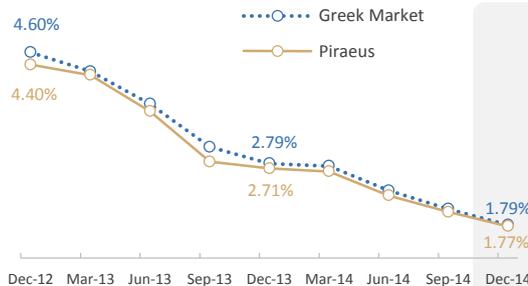


Piraeus  
FY 2014  
at 2.51%

### New Time Deposits Rates for Individuals: Greece-Spain-Portugal



### New Time Deposits Rates Beat Market Expectation



Piraeus  
FY 2014  
at 2.28%

- ✓ The highly concentrated nature of Greek banking system and market stabilization have contributed to lower deposit interest rates in 2013-14
- ✓ Further decrease in time deposit rates has been witnessed in Q4, for both Piraeus and market, despite recent market turmoil

\* rates refer to monthly average



## 3.8 Q4 NII and NFI Soar by 8% yoy at €0.6 bn

### Core Revenues: Steady Recovery



\* net fees in Q4.2013 normalized for agri-banking fee income, which from 2014 onwards is accrued quarterly

### Net Fee Income from Commercial Banking up 4% qoq



wealth mgmt AUM

€1.6 bn

M/F

€2.4 bn

\* AUM as at Feb.2015

### Net Interest Income Supported by Lower Deposit Cost

NII Breakdown	€ mn	Q4.14	Q3.14	qoq	Q2.14
<b>Greece</b>		<b>440</b>	<b>435</b>	<b>+1%</b>	<b>420</b>
Loans		562	576	-2%	572
Deposits		-172	-193	+11%	-199
Other		50	52	-3%	47
<b>International</b>		<b>73</b>	<b>73</b>	<b>0%</b>	<b>80</b>
<b>Total NII</b>		<b>513</b>	<b>509</b>	<b>+1%</b>	<b>500</b>

### Cross Sell Ratio in Piraeus-Greece Increases Further

(products per customer)





## 3.9 Q4 Recurring OpEx Down 12% yoy

### OpEx Significantly Contained yoy

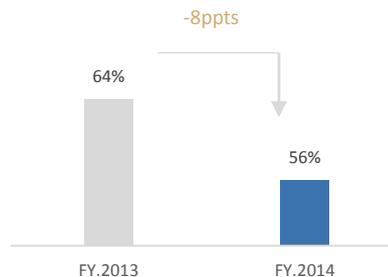


### OpEx Burdened by 2<sup>nd</sup> VES

€ mn	Q4.13	Q1.14	Q2.14	Q3.14	Q4.14
<b>One-off Costs</b>					
VES	102	7	1	-	66
Integration	29	25	27	17	22
Deposit Guarantee <sup>(1)</sup>	44	-	-	-	-
<b>One-off Costs</b>	<b>176</b>	<b>32</b>	<b>28</b>	<b>17</b>	<b>88</b>

(1) 2013 one-off contribution to Greek Deposit Guarantee Scheme to cover the build-up of the required funds for the resolution mechanism, from 2014 onwards accrued in admin expenses

### C:I Ratio Benefitting from Realization of Synergies



\* data exclude one-off items

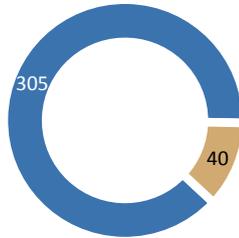
- Domestic OpEx on recurring basis already below 2017 target
- Group FY.2014 OpEx over assets at 185 bps, -40 bps yoy



## 3.10 Almost 90% of Synergies Crystallized

### Cost Synergies Fully phased: €345 mn

Actions already implemented

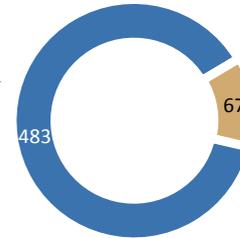


Actions taken crystallize **88%** of cost synergies

### Total Synergies Fully phased: €550 mn

(incl. €45 mn revenue synergies)

Actions already implemented

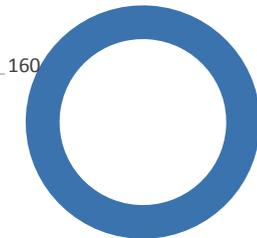


Actions taken crystallize **88%** of total synergies

*actions already taken to achieve 100% fully-phased synergies during 2015*

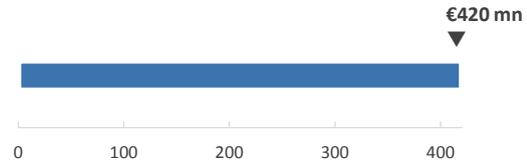
### Funding Synergies Fully phased: €160 mn

Actions already implemented



Actions taken crystallize **100%** of funding synergies

### Integration Costs

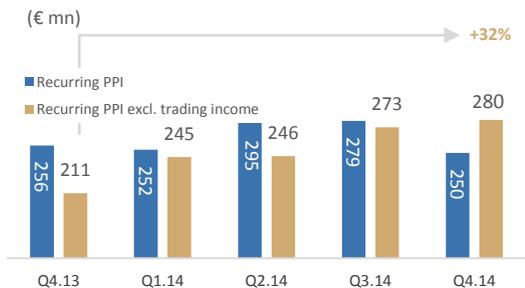


**100%** of integration costs incurred to date as last migration took place in Q4.2014 (Geniki Bank)

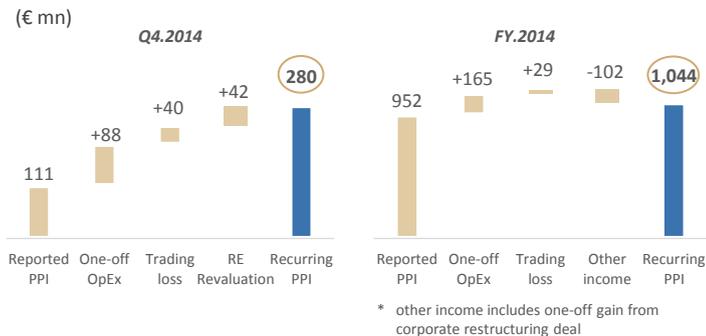


## 3.11 FY.2014 Recurring PPI Up 45% yoy

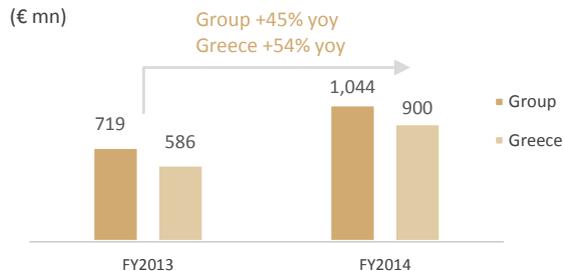
### Recurring PPI Further Expanded



### Recurring PPI Reconciliation (exc. Trading)



### FY.2014 PPI Significantly Improved on Normalized Basis



- ✓ FY.2014 PPI up 45% yoy at €1,044 mn
  - Greece +54% yoy, International +8% yoy
- ✓ Core banking income lines, NII and NFI (+10% yoy), and OpEx containment (-11% yoy) PPI drivers



# 04

## Asset Quality

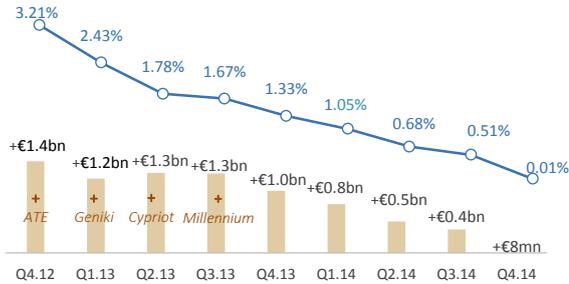
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- 4.1** Group NPL Formation Bottoms Out, Greece Turns Negative
- 4.2** Solid NPL Coverage in All Segments
- 4.3** LLRs & Collateral at Satisfactory Level in All Product Categories
- 4.4** RBU at a Glance at YE.2014
- 4.5** RBU Performance Evident in Loan Mix per Status of Arrears
- 4.6** Selected Issues: RBU Portfolio Coverage Level; Existing Personal Bankruptcy Law Statistics
- 4.7** NPEs Piraeus Bank Group



## 4.1 Group NPL Formation Bottoms Out, Greece Turns Negative

### New NPLs Have Bottomed Out

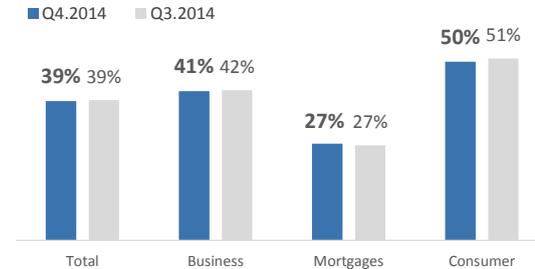


\* pre write-off quarterly NPL formation (amount & bps over end-quarter loans)

### NPLs Skewed to Business NPLs

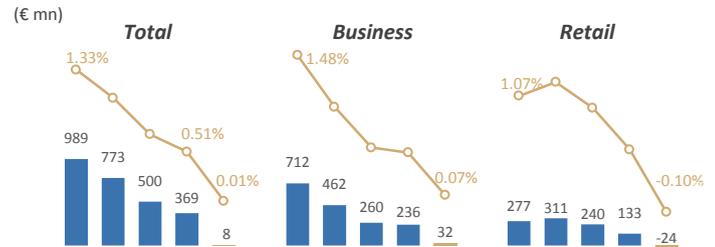
NPLs	Q4 2014	NPLs	Q4 2014
Business	€19.2 bn	Greece	€25.1 bn
Mortgages	€4.7 bn	International	€2.5 bn
Consumer	€3.7 bn		
<b>TOTAL</b>	<b>€27.6 bn</b>	<b>TOTAL</b>	<b>€27.6 bn</b>

### NPL Ratio +90dpd Stabilizes



\* ratios excl. seasonal agri-loan for total and business NPL ratio

### Group NPL Formation



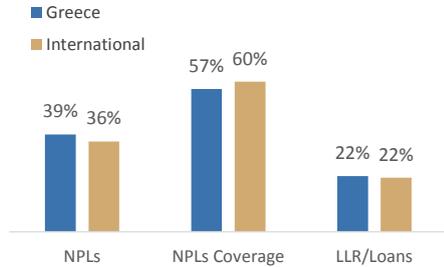
\* pre write-off quarterly NPL formation



# 04

## 4.2 Solid NPL Coverage in All Segments

### NPL Cash Coverage Strong

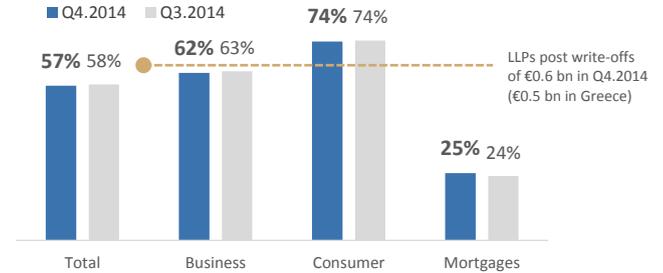


\* excl. seasonal agri-loan for total and business NPL ratio

### Group LLRs at €16 bn up 15% yoy

LLRs	Q4 2014	LLRs	Q4 2014
Business	€11.9 bn	Greece	€14.3 bn
Mortgages	€1.2 bn	International	€1.5 bn
Consumer	€2.7 bn		
<b>TOTAL</b>	<b>€15.8 bn</b>	<b>TOTAL</b>	<b>€15.8 bn</b>

### NPL Coverage Ratio



### Domestic Cost of Risk Lower

Greek LLRs/Loans	LLR / Loans	ECB CA	BRS2
Business	26%	27%	28%
Mortgages	7%	7%	5%
Consumer	39%	40%	45%

### Domestic Cost of Risk



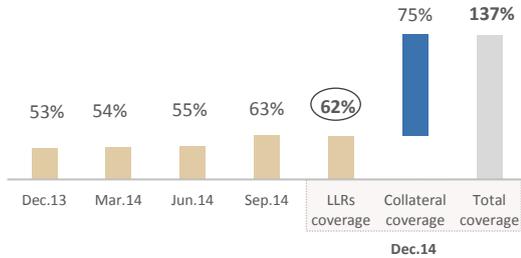
\* data as of Dec.2014 vs. result of comprehensive assessment of ECB/EBA (up to 2016) and BlackRock 2 diagnostic exercise (up to 2016)



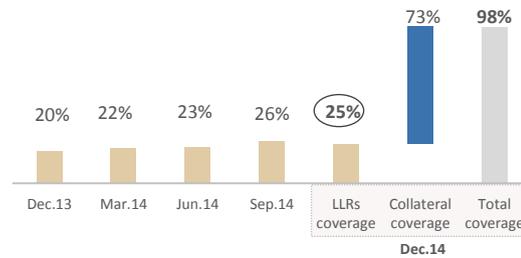
# 04

## 4.3 LLRs & Collateral at Satisfactory Level in All Product Categories

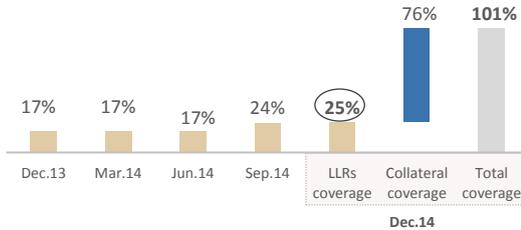
Provision & Collateral Coverage - **Business NPLs**



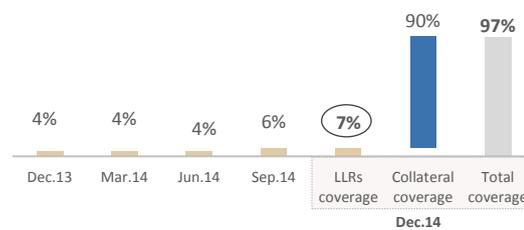
Provision & Collateral Coverage - **Total Business Loans**



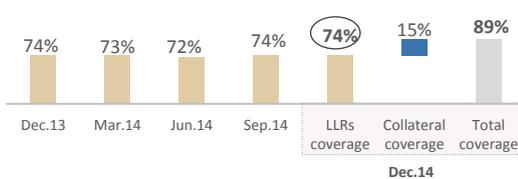
Provision & Collateral Coverage - **Mortgage NPLs**



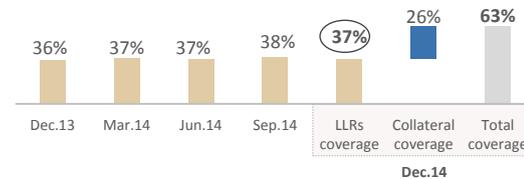
Provision & Collateral Coverage - **Total Mortgage Loans**



Provision & Collateral Coverage - **Consumer NPLs**



Provision & Collateral Coverage - **Total Consumer Loans**





## 4.4 RBU at a Glance at YE.2014

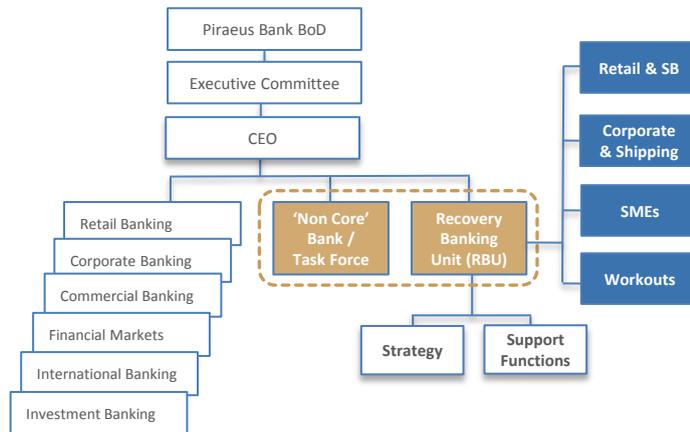
### RBU KPIs at a Glance

	Balances (€ bn)	Customers (#)	RMs (#)
Corporate	6.0	1k	58
SME	2.4	1k	121
Commercial Workouts	8.0	28k	265
SB	1.1	16k	
Retail	11.8	452k	610
-Mortgages	7.7	92k	
-Consumer	4.1	360k	
<b>Total</b>	<b>29.3</b>	<b>498k</b>	<b>1,055</b>

\* during Q4, RBU took over management of Geniki troubled assets (€1.9 bn) following its absorption by Piraeus in Nov.2014

- RBU includes c.85% of Piraeus Bank Greece NPL portfolio
- c.40% of RBU balances are denounced loans
- c.25% of RBU balances are <90dpd loans

### RBU: A Dedicated Internal Unit Fully Operational as of Q3.2014



◀ plus c.1,000 supporting RBU staff

- Non Core Bank / Task Force Unit** manages critical exposures in entire sectors of the Greek economy. Mission of the 'Non Core' Bank / Task Force Unit is to work on restructuring solutions for complex exposures in a dedicated structure



## 4.5 RBU Performance Evident in Loan Mix per Status of Arrears

Asset Quality KPIs (€ bn)		Dec.13	Sep.14	Dec.14
1	Performing - Satisfactory risk	24.3	28.5	29.4
2	Performing - Special mention	6.3	4.0	2.8
3	<b>Loans with no arrears</b>	<b>30.6</b>	<b>32.5</b>	<b>32.1</b>
4	1-89 dpd	12.1	7.3	6.7
5	+90dpd	8.1	3.8	2.8
6	<b>Loans with arrears</b>	<b>20.3</b>	<b>11.1</b>	<b>9.5</b>
7	Performing	2.9	3.5	3.5
8	1-89 dpd	1.5	1.1	1.2
9	+90dpd	19.0	24.5	24.8
10	<b>Impaired</b>	<b>23.4</b>	<b>29.1</b>	<b>29.5</b>
11	<b>Total loans</b>	<b>74.2</b>	<b>72.7</b>	<b>71.2</b>

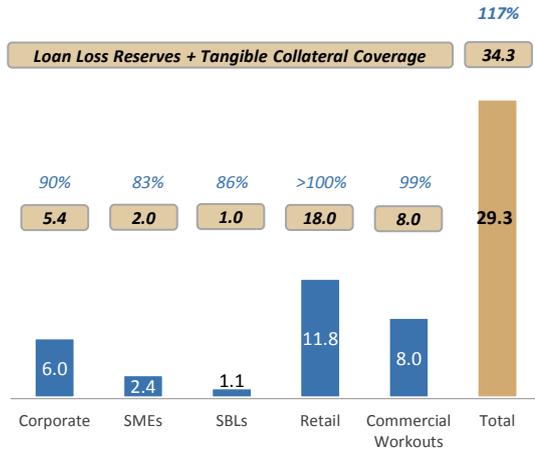
- ◀ Special mention exposure at 4% of total book, -56% yoy
- ◀ 1-89dpd loans contained throughout the year
- ◀ +90dpd with collective provisions gradually specifically provisioned
- ◀ c.90% of +90dpd loans included in the impaired category



## 4.6 Selected Issues: RBU Portfolio Coverage Level; Existing Personal Bankruptcy Law Statistics

### 117% Coverage of RBU Portfolio by LLRs & Tangible Collateral

(€ bn)



\* corporate portfolio includes shipping

### Retail Customers under Existing Personal Bankruptcy Law

L.3869/2010

Overdue Retail Loans

	Dec.2014
Applications In Court (#)	17.0k
Applications Not in Court yet (#)	60.0k
<b>Total (#)</b>	<b>77.0k</b>

✓ Number of applicants represents c.6% of Piraeus retail borrowers

✓ Average loan balance of €40k at YE.2014

Applications In Court

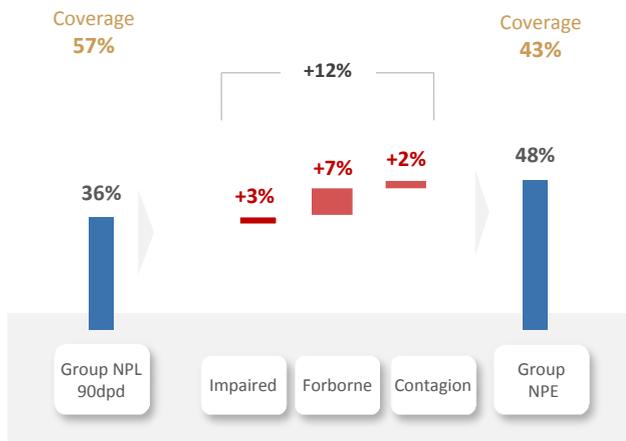
	Dec.2014
With Court decision (#)	4.7k
> rejected	<b>38%</b>
> accepted	62%
<b>Total</b>	<b>100%</b>

✓ c.40% of processed applications have been rejected by the Court



## 4.7 NPEs Piraeus Bank Group

### Piraeus Group NPL to NPE Reconciliation (Dec.14)



- Loans exclude agri seasonal loan
- NPL ratio over loans including off balance sheet exposures (LC,LGs). Likewise for NPE ratio for both numerator (€0.4 bn) and denominator (€5.0 bn)

### Piraeus Group NPL-NPE-LLR Data per Product (Dec.14)

€ bn	Loan Exposure	NPEs	NPE Perimeter			
			+90dpd	Impaired	Forborne	Contagion
Business	50.2	26.6	19.2	2.3	3.7	1.4
Mortgages	17.7	6.0	4.7	0.1	1.2	0.0
Consumer	8.6	4.2	3.7	0.0	0.4	0.1
<b>Total</b>	<b>76.5</b>	<b>36.8</b>	<b>27.6</b>	<b>2.3</b>	<b>5.3</b>	<b>1.5</b>

€ bn   %	+90dpd	NPEs	LLRs	Coverage NPLs	Coverage NPEs
Business	19.2	26.6	11.9	62%	45%
Mortgages	4.7	6.0	1.2	25%	20%
Consumer	3.7	4.2	2.7	73%	65%
<b>Total</b>	<b>27.6</b>	<b>36.8</b>	<b>15.8</b>	<b>57%</b>	<b>43%</b>



# 05

## Domestic Operations

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**5.1** P&L per Quarter 2014

**5.4** FY.2014 OpEx Down 11% yoy

**5.2** Banking Income Drives PPI

**5.5** Loan Portfolio in Greece

**5.3** Customer Portfolio Yields

**5.6** Deposit Portfolio in Greece



## Domestic P&amp;L: PPI is Trending Up as Market Recovers

	Q4	Q3	qoq	FY	yoy
Net Interest Income	440	435	1%	1,695	14%
Net Fee Income	74	74	1%	282	10%
Banking Income	514	509	1%	1,978	13%
Trading & Other Income	7	24	-71%	88	-66%
<b>Net Revenues (recurring)</b>	<b>521</b>	<b>533</b>	<b>-2%</b>	<b>2,066</b>	<b>3%</b>
- incl. One-Off Items	470	509	-8%	2,134	15%
Employee Costs	(144)	(147)	-2%	(598)	-18%
Administrative Expenses	(137)	(116)	18%	(457)	-1%
Depreciation & Other	(21)	(21)	-1%	(85)	-10%
<b>OpEx (recurring)</b>	<b>(301)</b>	<b>(284)</b>	<b>6%</b>	<b>(1,139)</b>	<b>-11%</b>
- incl. One-Off Items	(389)	(301)	29%	(1,304)	-14%
<b>PPI (recurring)</b>	<b>220</b>	<b>249</b>	<b>-12%</b>	<b>926</b>	<b>30%</b>
- incl. One-Off Items	81	208	-61%	830	>100%
Income from Associates	(6)	4	-	2	-
Impairment on Loans	(290)	(1,998)	85%	(3,120)	57%
Impairment on Other Assets	(129)	(6)	>100%	(190)	-13%
<b>Pre Tax Result</b>	<b>(344)</b>	<b>(1,793)</b>	<b>81%</b>	<b>(2,479)</b>	-
Tax	253	407	-38%	1,007	33%
<b>Net Result Attrib. to SHs</b>	<b>(88)</b>	<b>(1,386)</b>	-	<b>(1,468)</b>	-

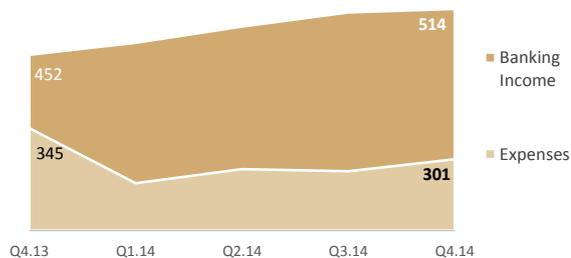
- ☑ Banking income is trending up (+1% qoq and +13% yoy), due to lower funding costs and fee repricing actions in 2014
- ☑ Recurring revenues up 3% yoy
- ☑ Staff costs to benefit further from 2<sup>nd</sup> VES
- ☑ Admin costs seasonality impact in Q4
- ☑ Recurring PPI +30% yoy
- ☑ Lower provisioning in Q4 post increased CoR in Q3.2014

Note: recurring data exclude one off items

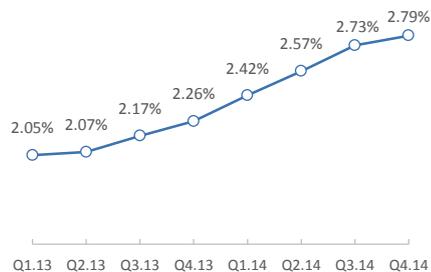


## 5.2 Banking Income Drives PPI

### Operating “Jaws” Widen in Line with NII and NFI



### Net Interest Margin Expanding



Notes: data like-for-like for acquisitions in 2013 and excluding one-off items  
NIM on assets of continued operations excl. EFSF bonds

### Domestic NII Driven by Lower Funding Cost

€ mn	Q4.14	Q3.14	qoq	Q2.14	Q1.14
<b>Loans:</b>					
Mortgages	89	91	-2	89	91
Consumer	74	77	-3	80	83
Corporate	398	408	-10	404	398
<b>Total loans</b>	<b>562</b>	<b>576</b>	<b>-14</b>	<b>572</b>	<b>571</b>
<b>Deposits:</b>					
Savings & Sight	-23	-21	-2	-13	-15
Term deposits	-149	-172	+23	-186	-199
<b>Total Deposits</b>	<b>-172</b>	<b>-193</b>	<b>+21</b>	<b>-199</b>	<b>-214</b>
Other NII	50	52	-2	47	43
<b>Total NII</b>	<b>440</b>	<b>435</b>	<b>+15</b>	<b>420</b>	<b>400</b>



## 5.3 Customer Portfolio Yields

### Customer Rates: Time Deposit Rate Further Down

	Q1.14	Q2.14	Q3.14	Q4.14
<b>Deposits</b>	<b>1.97%</b>	<b>1.84%</b>	<b>1.63%</b>	<b>1.41%</b>
<b>Sight</b>	0.87%	0.80%	0.80%	0.74%
<b>Savings</b>	0.37%	0.36%	0.36%	0.31%
<b>Time</b>	2.93%	2.71%	2.35%	2.06%
<i>avg 3m euribor</i>	<i>0.30%</i>	<i>0.30%</i>	<i>0.17%</i>	<i>0.08%</i>
<b>Loans</b>	<b>4.79%</b>	<b>4.86%</b>	<b>4.76%</b>	<b>4.70%</b>
<b>Mortgages</b>	2.84%	2.81%	2.75%	2.68%
<b>Consumer</b>	9.75%	9.70%	9.79%	9.94%
<b>Business</b>	5.11%	5.24%	5.14%	5.08%

Rates refer to total Greek banking operations

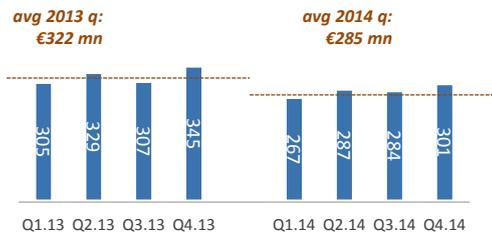
### Loan Rates: Front Book Steadily Above Legacy Book

	Q1.14		Q2.14		Q3.14		Q4.14	
<b>Loan Rates</b>	Total Stock	Front Book						
Mortgages	2.8%	4.4%	2.8%	4.5%	2.8%	4.3%	2.7%	4.3%
Consumer	9.7%	10.8%	9.7%	9.5%	9.8%	9.6%	9.9%	10.0%
Business	5.1%	5.8%	5.2%	5.8%	5.1%	5.5%	5.1%	5.8%
<b>Total</b>	<b>4.8%</b>	<b>5.8%</b>	<b>4.9%</b>	<b>5.9%</b>	<b>4.8%</b>	<b>5.6%</b>	<b>4.7%</b>	<b>5.9%</b>
<b>Business (Stock)</b>	Q1.14		Q2.14		Q3.14		Q4.14	
Corporate	4.5%		4.4%		4.4%		4.5%	
SME/SBL	5.9%		6.1%		6.0%		5.9%	
<b>Total</b>	<b>5.1%</b>		<b>5.2%</b>		<b>5.1%</b>		<b>5.1%</b>	

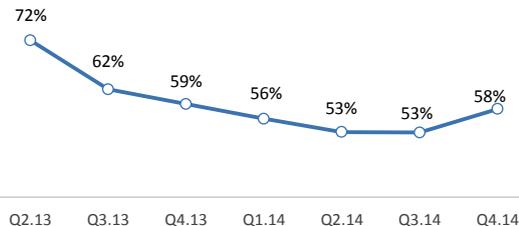


## 5.4 FY.2014 OpEx Down 11% yoy

### OpEx Slightly Increased Due to Seasonality



### C:I Ratio Benefitting from Synergies; Q4 Seasonality



### Staff Costs Further Declined post 2<sup>nd</sup> VES



### Admin Costs Up qoq Due to Collections & Promotion Expenses

€ mn	Q4.14	Q3.14	Q4.13
Rents	12	14	17
Third Parties	21	15	17
Product Servicing	8	14	22
Promotion	12	6	11
Taxes	35	23	29
Other	49	44	46
<b>Total</b>	<b>137</b>	<b>116</b>	<b>142</b>

Note: all data like-for-like for acquisitions in 2013 and excluding one-off items

Note: 3rd parties costs relate to consulting, IT advisory-support, card processing services, facility mgmt services



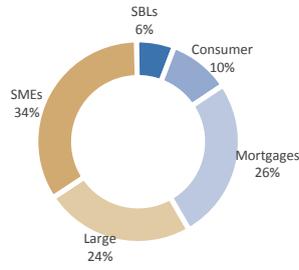
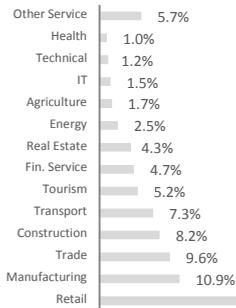
## 5.5 Loan Portfolio in Greece

### Gross Loans Evolution

	Dec.13	Mar.14	Jun.14	Sep.14	Dec.14	Δ qoq	Δ yoy
<b>Total</b>	<b>67,124</b>	<b>66,645</b>	<b>66,199</b>	<b>65,743</b>	<b>64,262</b>	<b>-2%</b>	<b>-4%</b>
<b>Business</b>	42,977	42,760	42,536	42,229	41,024	-3%	-5%
<b>Mortgages</b>	17,392	17,240	17,089	17,000	16,731	-2%	-4%
<b>Consumer</b>	6,756	6,645	6,574	6,515	6,507	0%	-4%

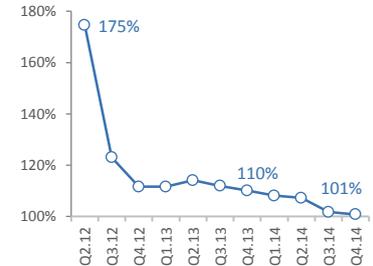
Notes: Dec.14 and Dec.13 exclude seasonal agri-loan

### Portfolio Mix: Diversified Across Industries



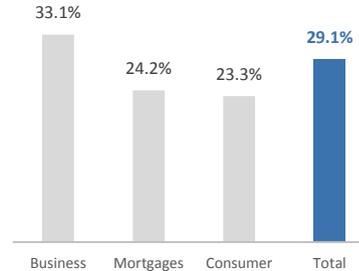
Note: transport includes shipping which is 5% of total loans  
All data exclude seasonal agri-loan

### Greece LTD Ratio



- ✓ Mild deleveraging continues; demand subdued as of Dec.2014
- ✓ CHF loan exposure at €2.5 bn in Greece, of which €1.4 mn mortgages

### Loan Market Share Skewed Towards Business Loans



Note: data for total and business exclude seasonal agri-loan

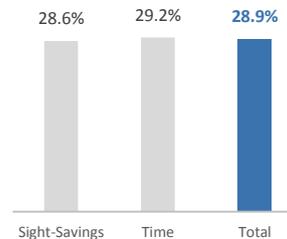


## 5.6 Deposit Portfolio in Greece

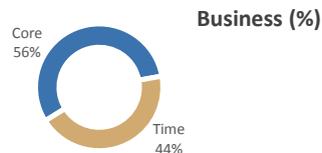
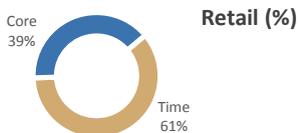
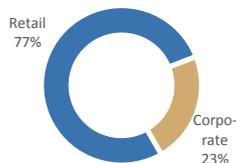
### Deposit Evolution

	Dec.13	Mar.14	Jun.14	Sep.14	Dec.14	Δ qoq	Δ yoy
<b>Total</b>	<b>49,650</b>	<b>49,801</b>	<b>49,494</b>	<b>49,903</b>	<b>49,450</b>	<b>-1%</b>	<b>0%</b>
<b>Savings</b>	12,550	11,959	11,869	11,905	12,888	8%	3%
<b>Sight</b>	8,421	8,519	8,017	8,134	8,500	5%	1%
<b>Time</b>	28,679	29,323	29,607	29,864	28,061	-6%	-2%

### Deposit Market Shares



### Deposit Mix per Segment



- Total deposits at the same level vs. Dec.2013. -1% in Q4.2014 as political uncertainty heightened as of Dec.2014
- Sight-savings deposits improved both on a quarterly and yearly level in 2014
- Deposit market share at 29%, stable compared to Dec.2013



# 06

## International Operations

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**6.1** P&L per Quarter 2014

**6.2** Higher Deposits Drive LTD to 101%

**6.3** Diversified International Presence

**6.4** Romania and Bulgaria: Piraeus' Largest International Presence



## International P&amp;L: Rationalization Continues

	Q4	Q3	qoq	FY	yoy
Net Interest Income	73	73	-1%	305	-6%
Net Fee Income	12	13	-2%	51	3%
<b>Banking Income</b>	<b>85</b>	<b>86</b>	<b>-1%</b>	<b>356</b>	<b>-5%</b>
Trading & Other Income	4	1	>100%	21	-13%
<b>Net Revenues (recurring)</b>	<b>89</b>	<b>87</b>	<b>2%</b>	<b>377</b>	<b>-5%</b>
<b>- including One-off Items</b>	<b>89</b>	<b>82</b>	<b>8%</b>	<b>350</b>	<b>-12%</b>
Employee Costs	(25)	(25)	1%	(100)	-4%
Administrative Expenses	(27)	(26)	5%	(100)	-6%
Depreciation & Other	(7)	(7)	0%	(28)	-14%
<b>OpEx</b>	<b>(59)</b>	<b>(58)</b>	<b>3%</b>	<b>(229)</b>	<b>-6%</b>
<b>PPI (recurring)</b>	<b>30</b>	<b>30</b>	<b>1%</b>	<b>149</b>	<b>-4%</b>
<b>- including One-off Items</b>	<b>30</b>	<b>25</b>	<b>21%</b>	<b>122</b>	<b>-22%</b>
Income from Associates	0	3	-99%	3	>100%
Impairment on Loans	(229)	(244)	-6%	(598)	96%
Impairment on Other Assets	(50)	(9)	>100%	(96)	3%
<b>Pre Tax Result</b>	<b>(249)</b>	<b>(225)</b>	<b>-11%</b>	<b>(568)</b>	<b>-</b>
Tax	1	53	-98%	61	>100%
<b>Net Result Attrib. to SHs</b>	<b>(244)</b>	<b>(172)</b>	<b>-42%</b>	<b>(504)</b>	<b>-</b>

- ☑ Banking income stable at the level of Q3.14
- ☑ FY.2014 revenues affected from FX losses (mainly in Ukraine due to currency devaluation)
- ☑ OpEx down 6% yoy in FY.14
- ☑ Higher provisioning in FY.14 related to clean-up actions in light of the forthcoming downsizing of portfolio

Note: recurring data exclude one off items



## 6.2 Higher Deposits Drive LTD to 101%

### Deposit Evolution: Robust Increase

(€ mn)	Dec.13	Mar.14	Jun.14	Sep.14	Dec.14	Δ qoq	Δ yoy
<b>Total</b>	<b>4,629</b>	<b>4,809</b>	<b>4,929</b>	<b>5,145</b>	<b>5,381</b>	<b>+5%</b>	<b>+16%</b>
Savings	320	324	341	373	410	+10%	+28%
Sight	916	1,076	1,106	1,135	1,163	+2%	+27%
Time	3,393	3,409	3,483	3,637	3,809	+5%	+12%

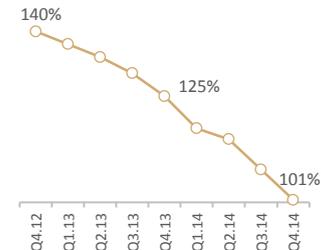
Deposits (€ mn)	Dec.13	Sep.14	Dec.14	Δ qoq	Δ yoy
Cyprus	910	1,153	1,226	+6%	+35%
Bulgaria	925	1,061	1,152	+9%	+25%
Romania	1,027	1,078	1,141	+6%	+11%

### Gross Loans Evolution: Stabilization qoq

(€ mn)	Dec.13	Mar.14	Jun.14	Sep.14	Dec.14	Δ qoq	Δ yoy
<b>Total</b>	<b>7,050</b>	<b>6,965</b>	<b>6,860</b>	<b>6,966</b>	<b>6,916</b>	<b>-1%</b>	<b>-2%</b>
Business	5,252	5,176	5,202	5,318	5,279	-1%	-1%
Mortgages	692	683	678	678	679	0%	-2%
Consumer	1,106	1,107	980	970	958	-1%	-13%

- ✓ Loan balances remain almost stable
- ✓ LTD slashed by 24 ppts yoy down to 101%
- ✓ Deposits grew markedly yoy, mainly in Bulgaria and Cyprus

LTD Ratio





## Market Shares (Dec.2014)

	Loans	Deposits
Albania	8.4%	8.0%
Bulgaria	4.5%	3.7%
Cyprus	1.4%	2.7%
Egypt	0.9%	0.5%
Romania	3.0%	1.9%
Serbia	2.8%	1.9%
Ukraine	0.2%	0.2%

Piraeus Bank volumes as per IFRS local books and Central Banks for market volumes

- 7 subsidiaries
- 2 branches (London, Frankfurt)

## Romania



Branches (#)	130
Employees (#)	1,605
Assets (€ mn)	2,086

## Bulgaria



Branches (#)	83
Employees (#)	953
Assets (€ mn)	1,749

## Cyprus



Branches (#)	14
Employees (#)	352
Assets (€ mn)	1,434

## Albania



Branches (#)	47
Employees (#)	460
Assets (€ mn)	745

## Serbia



Branches (#)	33
Employees (#)	511
Assets (€ mn)	549

## Egypt



Branches (#)	39
Employees (#)	1,270
Assets (€ mn)	1,025

## Ukraine



Branches (#)	24
Employees (#)	518
Assets (€ mn)	209

## London



Branch (#)	1
Employees (#)	22
Assets (€ mn)	1,174

## Frankfurt



Branch (#)	1
Employees (#)	15
Assets (€ mn)	122



## 6.4 Romania and Bulgaria: Piraeus' Largest International Presence

### Romania



#### Dec.14

Assets	€2.1 bn
Gross loans	€1.5 bn
Loan loss reserves	€0.3 bn
Deposits	€1.1 bn

Net parent funding*	€0.2 bn
Equity*	€0.2 bn
Capital adequacy*	14%

#### FY.14

Net Revenues	€133 mn
OpEx	€71 mn
PPI	€62 mn

#### Dec.14

NPLs (%)	26%
Coverage (%)	87%

### Bulgaria



#### Dec.14

Assets	€1.7 bn
Gross loans	€1.3 bn
Loan loss reserves	€0.2 bn
Deposits	€1.2 bn

Net parent funding*	-€0.2 bn
Equity*	€0.3 bn
Capital adequacy	29%

#### FY.14

Net Revenues	€57 mn
OpEx	€36 mn
PPI	€21 mn

#### Dec.14

NPLs (%)	33%
Coverage (%)	39%

- ✓ Loan balances on a deleveraging trend in Romania (-9% yoy) and Bulgaria (-1% yoy)
- ✓ Deposits are up by 11% in Romania and 25% in Bulgaria yoy
- ✓ Thanks to deposit growth, LTD ratio has improved to 102% in Romania (-8 ppts yoy) and to 100% in Bulgaria (-30 ppts yoy)
- ✓ In Romania, NPL ratio at 26% in Dec.14, with robust coverage of 87%
- ✓ NPL ratio in Bulgaria at 33%, with cash and tangible collateral above 110% (business portfolio accounts for 83% of the total)

(\*) Note: all data refer to country exposure apart from net parent funding, equity, and capital adequacy that refer to banking entity



# 07

## Macro Update

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- 7.1 2014: Year of Progress for the Greek Economy
- 7.2 Economic Activity Influenced by Ongoing Uncertainty
- 7.3 Current Account & Labor Market Positive Signs. 2014 Budget the Benchmark for Now
- 7.4 SEE Macro Outlook



## 7.1 2014: Year of Progress for the Greek Economy

### Highlights of 2014 Economic Performance

- ✓ Q4.2014 **real GDP** growth at 1.3%, in positive ground for the 3rd consecutive quarter. GDP grew by 0.8% in 2014, registering the first increase since 2007
- ✓ Greek **economic sentiment** index at 98.2 ppts in Febr.2015 due to improvement of consumer confidence index by 18.7 ppts. +3.1 ppts yoy and above its long term average (Jan.2000-Nov.2014: 97.6 ppts)
- ✓ **Employment** on the rebound: +1.6% yoy in Q4.2014; unemployment rate down to 26.1% vs. 27.8% in Q4.2013
- ✓ 2nd record year for **tourism**: 24 mn arrivals in 2014, c.20-25% contribution to Greek GDP
- ✓ **Exports of goods and services** up €1.2 bn in 2014

### Real GDP Growth Post 6 Years of Recession



**GDP +0.8%  
in FY.2014**



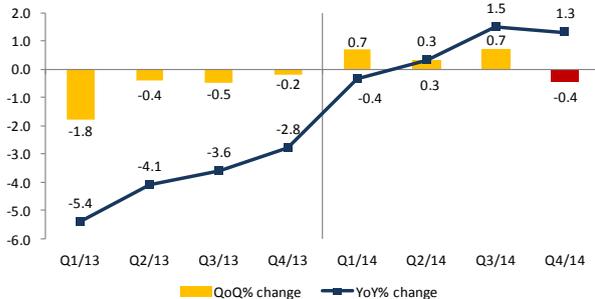
## Economic Sentiment Indicator Signals Uncertainty

(seasonally adjusted data, base period 1990-2014=100)



## GDP Negative Quarterly % Change in Q4.2014

(% change)



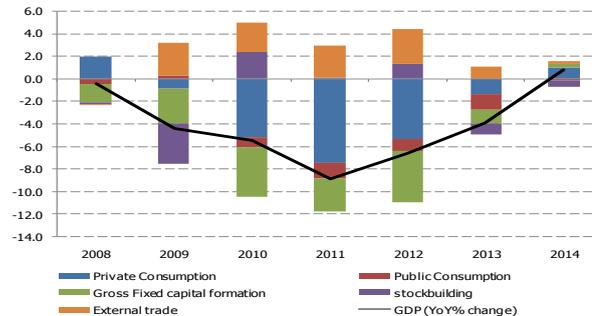
Sources: European Commission DG ECFIN, ELSTAT, Piraeus Bank Economic Research

## 7.2 Economic Activity Influenced by Ongoing Uncertainty

- ✓ At end-2014 political and economic uncertainty took a toll on the economic environment. According to ESI, business expectations seem to have been negatively affected; nevertheless, Jan.2015 elections strengthened consumers' expectations. In February, the increase of the ESI is directly linked to the improvement of the consumer confidence index by 18.7 ppts
- ✓ On 20<sup>th</sup> February 2015, Eurogroup agreed upon the extension of the existing Master Financial Assistance Facility Agreement (MFFA) for Greece. The purpose of the extension is to provide time to complete the review and allow for discussions on a possible follow up arrangement
- ✓ During Q4.2014, real GDP declined by 0.4% qoq, curbing the upward trend since the beginning of 2014. However, FY.2014 real GDP grew by 0.8%, ending a prolonged recession that begun back in 2008. In 2014, domestic demand and to a lesser extend foreign trade made a positive contribution

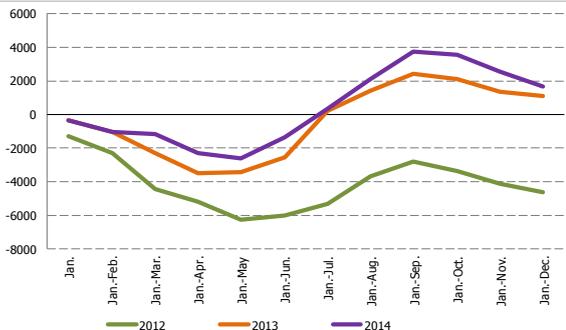
## Contribution of Main Components to GDP % Change

Domestic Demand Had a Positive Contribution to Growth (% points)

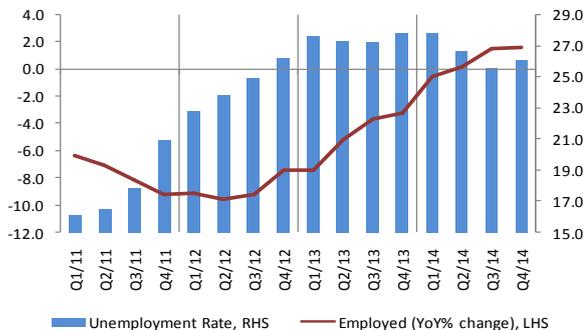




## Current Account Balance Has Further Improved (cumulative, € mn)



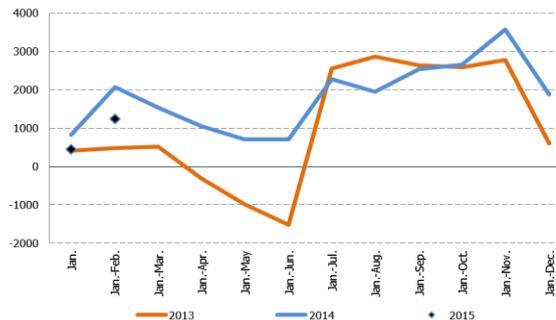
## Labor Market Positive Signs



## 7.3 Current Account & Labor Market Positive Signs. 2014 Budget the Benchmark for Now

- ☑ In 2014, the current account balance improved further, posting a surplus of €1.7 bn (0.9% of GDP) from €1.1 bn in 2013 (0.6% of GDP), mainly due to the improvement of the balance of services
- ☑ Job creation schemes have had a substantial impact on the labor market, leading to stabilization in payroll figures. In 2014, the number of employed increased by 0.7%, while the unemployment rate was down to 26.5% from 27.5% in 2013
- ☑ Until the newly established government and the institutions arrive on an agreement regarding Greece's new fiscal targets, last year's budget is maintained as Piraeus Economic Research current benchmark

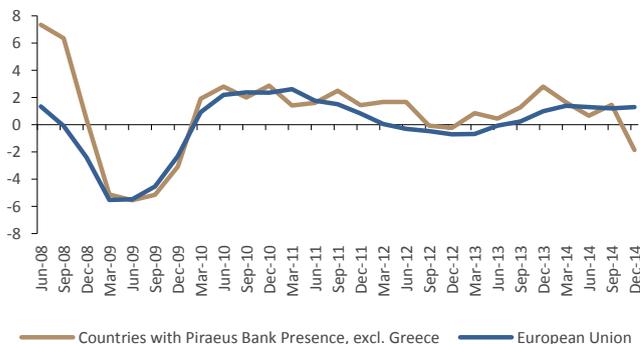
## Primary State Budget of 2014 is the Benchmark for Now (in a modified cash basis, € mn)





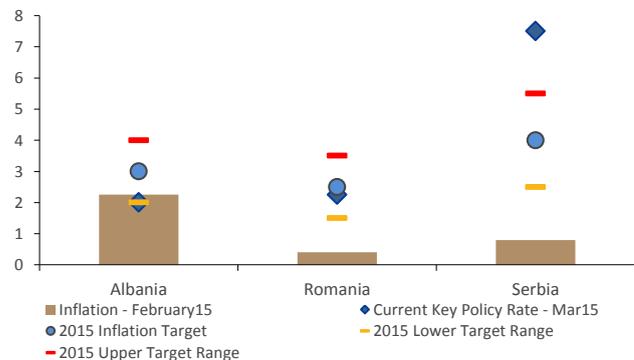
## 7.4 SEE Macro Outlook

**Economic Growth Remains Below EU Average**



- ✓ Below-par growth, in conjunction with the global deflationary environment and substantial declines in commodity prices, has led to a significant deceleration in local inflation rates
- ✓ In turn, low inflation has allowed central banks to implement aggressive loosening of monetary policy, thus supporting economic growth and easing debt servicing costs
- ✓ Fiscal policy will remain contractionary in Bulgaria and Cyprus, where deficits will continue to decline, but in all other countries expanding fiscal deficits will continue to support local economic activity
- ✓ External imbalances persist, but have significantly improved as economic activity and exports gain momentum

**The Deflationary Environment Continues**



**Table of Economic Forecasts**

	Real GDP (% y-o-y)			Inflation			Fiscal Balance (% GDP)			Current Account Balance (% GDP)		
	2013	2014e	2015f	2013	2014	2015f	2013	2014e	2015f	2013	2014e	2015f
Albania	1.5	1.9	2.5	1.9	1.6	2.5	-5.0	-5.2	-4.0	-10.8	-11.0	-11.5
Bulgaria	0.9	1.5	1.9	0.9	-1.4	-0.3	-1.8	-3.9	-2.9	2.1	0.1	1.9
Cyprus	-5.4	-2.3	0.5	-0.4	-1.4	-0.5	-5.1	0.4	-1.0	-3.1	-9.0	-5.0
Egypt	2.1	2.2	3.8	6.9	10.1	12.0	-14.1	-12.8	-10.8	-2.7	-0.8	-1.5
Romania	3.3	2.9	2.9	4.0	1.1	1.5	-2.5	-1.9	-1.9	-1.1	-0.5	-1.9
Serbia	2.6	-1.8	0.5	7.9	2.1	3.0	-5.7	-6.7	-6.5	-6.5	-5.3	-5.0
Ukraine	0.2	-6.6	-3.0	-0.3	12.1	-19.5	-4.4	-7.0	-10.0	-9.2	-4.0	-2.0

Sources: Piraeus Bank Research, IMF, National Statistical Sources



# 08

## Appendices

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**8.1** Group P&L and Balance Sheet

**8.4** Loan and Deposit Portfolio

**8.2** Group P&L per Quarter 2014

**8.5** Piraeus Key Fixed Income Holdings

**8.3** Group Results: Domestic & International



## 8.1 Group P&L and Balance Sheet

### Profit & Loss (€ mn)

	FY 2014	FY 2013	yoy
Net Interest Income	2,000	1,810	11%
Net Fee Income	333	307	9%
Trading & Other Income	109	280	-61%
<b>Total Net Revenues (recurring)</b>	<b>2,443</b>	<b>2,397</b>	<b>2%</b>
- including One-off Items	2,485	2,249	10%
Employee Costs	(698)	(836)	-16%
Administrative Expenses	(557)	(567)	-2%
Depreciation & Other	(113)	(126)	-11%
<b>Total Operating Costs (recurring)</b>	<b>(1,368)</b>	<b>(1,529)</b>	<b>-11%</b>
- including One-off Items	(1,533)	(1,762)	-13%
<b>Recurring Pre Provision Income</b>	<b>1,075</b>	<b>868</b>	<b>24%</b>
- including One-off Items	952	487	95%
Income from Associates	5	(29)	-
Impairment on Loans	(3,718)	(2,288)	62%
Impairment on Other Assets	(286)	(319)	-10%
<b>Profit Before Tax</b>	<b>(3,047)</b>	<b>(2,149)</b>	<b>-42%</b>
Tax	1,068	802	33%
<b>Net Profit Attributable to SHs</b>	<b>(1,972)</b>	<b>(1,331)</b>	<b>-48%</b>
Discontinued Ops Income	7	30	-77%

Notes: FY.13 is pro-forma for 2013 acquisitions as of 01.01.13 in Greece, excl. negative goodwill of €3.8 bn; discontinued operations refer to ATE Insurance and ATE Insurance Romania

### Balance Sheet (€ mn)

	Dec.14	Dec.13	yoy
Cash/balance with Central Banks	3,838	2,875	33%
Loans & Advances to Banks	297	293	1%
Gross Loans	72,983	76,114	-4%
(Loan Loss Reserves)	(15,840)	(13,748)	15%
Securities	17,559	17,583	0%
- o/w EFSF Bonds	14,275	14,322	0%
Intangibles & Goodwill	313	300	4%
Fixed Assets	2,463	2,354	5%
Deferred Tax Assets	4,019	2,862	40%
Other Assets	3,152	3,019	4%
Assets of Discontinued Ops	305	358	-15%
<b>Total Assets</b>	<b>89,090</b>	<b>92,010</b>	<b>-3%</b>
Due to Banks	23,592	26,275	-10%
Deposits	54,831	54,279	1%
Debt Securities	894	561	59%
Other Liabilities	1,947	1,794	8%
Liabilities of Discontinued Ops	504	557	-9%
<b>Total Liabilities</b>	<b>81,767</b>	<b>83,467</b>	<b>-2%</b>
Total Equity	7,322	8,543	-14%
<b>Total Liabilities &amp; Equity</b>	<b>89,090</b>	<b>92,010</b>	<b>-3%</b>

Note: Gross Loans include €1.9 bn and €1.8 bn agri-seasonal loan OPEKEPE in Dec.2013 and Dec.2014 respectively



## 8.2 Group P&L per Quarter 2014

### PPI Evolution (€ mn)

	Q4.14	Q3.14	qoq	Q2.14	Q1.14
Net Interest Income	513	509	1%	500	479
Net Fee Income	87	87	0%	80	80
<b>Banking Income</b>	<b>599</b>	<b>595</b>	<b>1%</b>	<b>580</b>	<b>559</b>
Trading & Other income	11	25	-57%	57	16
<b>Total Net Revenues (recurring)</b>	<b>610</b>	<b>620</b>	<b>-2%</b>	<b>637</b>	<b>575</b>
- One-off Items	(51)	(29)	-	144	(22)
<b>Total Net Revenues (incl. one-offs)</b>	<b>559</b>	<b>591</b>	<b>-5%</b>	<b>781</b>	<b>553</b>
Employee Costs	(169)	(172)	-2%	(175)	(183)
Adm. Expenses & Depreciation	(192)	(170)	13%	(168)	(140)
<b>Total Operating Costs (recurring)</b>	<b>(360)</b>	<b>(341)</b>	<b>6%</b>	<b>(343)</b>	<b>(323)</b>
- One-off Costs	(88)	(17)	401%	(28)	(32)
<b>Total OpEx (incl.one-offs)</b>	<b>(448)</b>	<b>(359)</b>	<b>25%</b>	<b>(371)</b>	<b>(355)</b>
<b>Pre Provision Income (recurring)</b>	<b>250</b>	<b>279</b>	<b>-10%</b>	<b>295</b>	<b>252</b>

### PAT Reconciliation (€ mn)

	Q4.14	Q3.14	qoq	Q2.14	Q1.14
<b>PPI (recurring)</b>	<b>250</b>	<b>279</b>	<b>-10%</b>	<b>295</b>	<b>252</b>
PPI(incl. one-off items)	111	232	-52%	411	198
Impairment on Loans	(519)	(2,242)	-77%	(476)	(481)
<b>Profit Before Tax (recurring)</b>	<b>(269)</b>	<b>(1,963)</b>	<b>-</b>	<b>(181)</b>	<b>(229)</b>
- One-off Items	(139)	(46)	-	116	(54)
- Other Impairments	(179)	(15)	-	(58)	(35)
- Associate Income	(6)	7	-	8	(4)
<b>Pre Tax Result</b>	<b>(593)</b>	<b>(2,018)</b>	<b>-</b>	<b>(114)</b>	<b>(322)</b>
Tax	254	460	-45%	279	75
<b>Net SHs Result (continued ops)</b>	<b>(332)</b>	<b>(1,558)</b>	<b>-</b>	<b>164</b>	<b>(247)</b>



## 8.3 Group Results: Domestic / International

## Greece (€ mn)

	FY.14	FY.13	yoy
Net Interest Income	1,695	1,486	14%
Net Fee Income	282	257	10%
<b>Banking Income</b>	<b>1,978</b>	<b>1,743</b>	<b>13%</b>
Trading & Other Income	88	256	-66%
<b>Total Net Revenues (recurring)</b>	<b>2,066</b>	<b>1,999</b>	<b>3%</b>
- including One-off Items	<b>2,134</b>	<b>1,851</b>	<b>15%</b>
Employee Costs	(598)	(731)	-18%
Administrative Expenses	(457)	(461)	-1%
Depreciation & Other	(85)	(94)	-10%
<b>Total Operating Costs (recurring)</b>	<b>(1,139)</b>	<b>(1,286)</b>	<b>-11%</b>
- including One-off Items	<b>(1,304)</b>	<b>(1,519)</b>	<b>-14%</b>
<b>Pre Provision Income (recurring)</b>	<b>926</b>	<b>712</b>	<b>30%</b>
- including One-off Items	<b>830</b>	<b>332</b>	<b>&gt;100%</b>
Income from Associates	2	(30)	-
Impairment on Loans	(3,120)	(1,982)	57%
Impairment on Other Assets	(190)	(224)	-15%
<b>Pre Tax Result</b>	<b>(2,479)</b>	<b>(1,905)</b>	<b>-30%</b>
Tax	1,007	791	27%
<b>Net Result Attrib. to SHs</b>	<b>(1,468)</b>	<b>(1,105)</b>	<b>-33%</b>
Discontinued Ops Result	7	30	-77%

Notes: FY.13 is pro-forma for 2013 acquisitions as of 01.01.13 in Greece, exc. negative goodwill of €3.8 bn; discontinued ops refer to ATE Insurance & ATE Insurance Romania

## International (€ mn)

	FY.14	FY.13	yoy
Net Interest Income	305	324	-6%
Net Fee Income	51	50	3%
<b>Banking Income</b>	<b>356</b>	<b>374</b>	<b>-5%</b>
Trading & Other Income	21	25	-13%
<b>Total Net Revenues (recurring)</b>	<b>377</b>	<b>399</b>	<b>-5%</b>
- including One-off Items	<b>350</b>	<b>399</b>	<b>-12%</b>
Employee Costs	(100)	(104)	-4%
Administrative Expenses	(100)	(106)	-6%
Depreciation & Other	(28)	(33)	-14%
<b>Total Operating Costs (recurring)</b>	<b>(229)</b>	<b>(243)</b>	<b>-6%</b>
- including One-off Items	<b>(229)</b>	<b>(243)</b>	<b>-6%</b>
<b>Pre Provision Income (recurring)</b>	<b>149</b>	<b>156</b>	<b>-4%</b>
- including one-off items	<b>122</b>	<b>156</b>	<b>-22%</b>
Income from Associates	3	1	-
Impairment on Loans	(598)	(305)	96%
Impairment on Other Assets	(96)	(95)	0%
<b>Pre Tax Result</b>	<b>(568)</b>	<b>(244)</b>	<b>&gt;-100%</b>
Tax	61	11	>100%
<b>Net Result Attrib. to SHs</b>	<b>(504)</b>	<b>(226)</b>	<b>&gt;-100%</b>
Discontinued Ops Result	(0)	(0)	-



## 8.4 Loan & Deposit Portfolios

### Gross Loans Evolution (€ mn)

	Dec.13	Mar.14	Jun.14	Sep.14	Dec.14	yoy	qoq
<b>Group</b>	<b>74,175</b>	<b>73,610</b>	<b>73,059</b>	<b>72,709</b>	<b>71,178</b>	<b>-4%</b>	<b>-2%</b>
<b>Business</b>	48,229	47,936	47,738	47,547	46,303	-4%	-3%
<b>Mortgages</b>	18,084	17,923	17,767	17,678	17,410	-4%	-2%
<b>Consumer</b>	7,862	7,752	7,554	7,485	7,465	-5%	0%
<b>Greece</b>	<b>67,124</b>	<b>66,645</b>	<b>66,199</b>	<b>65,743</b>	<b>64,262</b>	<b>-4%</b>	<b>-2%</b>
<b>Business</b>	42,977	42,760	42,536	42,229	41,024	-5%	-3%
<b>Mortgages</b>	17,392	17,240	17,089	17,000	16,731	-4%	-2%
<b>Consumer</b>	6,756	6,645	6,574	6,515	6,507	-4%	0%
<b>Intl</b>	<b>7,050</b>	<b>6,965</b>	<b>6,860</b>	<b>6,966</b>	<b>6,916</b>	<b>-2%</b>	<b>-1%</b>
<b>Business</b>	5,252	5,176	5,202	5,318	5,279	1%	-1%
<b>Mortgages</b>	692	683	678	678	679	-2%	0%
<b>Consumer</b>	1,106	1,107	980	970	958	-13%	-1%

### Deposits Evolution (€ mn)

	Dec.13	Mar.14	Jun.14	Sep.14	Dec.14	yoy	qoq
<b>Group</b>	<b>54,279</b>	<b>54,609</b>	<b>54,423</b>	<b>55,047</b>	<b>54,831</b>	<b>1%</b>	<b>0%</b>
<b>Savings</b>	12,870	12,283	12,210	12,277	13,298	3%	8%
<b>Sight</b>	9,337	9,595	9,123	9,269	9,663	3%	4%
<b>Time</b>	32,072	32,731	33,090	33,501	31,870	-1%	-5%
<b>Greece</b>	<b>49,650</b>	<b>49,801</b>	<b>49,494</b>	<b>49,903</b>	<b>49,450</b>	<b>0%</b>	<b>-1%</b>
<b>Savings</b>	12,550	11,959	11,869	11,905	12,888	3%	8%
<b>Sight</b>	8,421	8,519	8,017	8,134	8,500	1%	5%
<b>Time</b>	28,679	29,323	29,607	29,864	28,061	-2%	-6%
<b>Intl</b>	<b>4,629</b>	<b>4,809</b>	<b>4,929</b>	<b>5,145</b>	<b>5,381</b>	<b>16%</b>	<b>5%</b>
<b>Savings</b>	320	324	341	373	410	28%	10%
<b>Sight</b>	916	1,076	1,106	1,135	1,163	27%	2%
<b>Time</b>	3,393	3,409	3,483	3,637	3,809	12%	5%

Note: Dec.13 and Dec. 14 data exclude agri seasonal loan of €1.9 bn and €1.8 bn respectively



## Sovereign Fixed Income Holdings by Issuer and Unit (€ mn)

Date: 16-Mar-2015

Face Value

	ISSUER / UNIT	PIR	AL	BG	CY	EG	RO	RS	UA	Total
1	Hellenic Republic-['T-Bills']	GR	1,827	-	-	-	-	-	-	1,827
2	Hellenic Republic ['Bonds']	GR	565	-	-	-	-	-	-	565
3	EFSF [Special]	EU	14,142	-	-	-	-	-	-	14,142
4	EFSF [Free]	EU	-	-	-	15	-	-	-	15
5	EIB	EU	-	-	-	60	-	-	-	60
6	Netherlands	EU	-	-	-	60	-	-	-	60
7	Finland	EU	-	-	-	40	-	-	-	40
8	France	EU	-	-	-	60	-	-	-	60
9	Belgium	BE	-	40	-	60	-	-	-	100
10	Austria	NL	-	-	-	60	-	-	-	60
11	Albania	AL	-	142	-	-	-	-	-	142
12	Bulgaria	BG	-	-	7	-	-	-	-	7
13	Cyprus	CY	-	-	-	-	-	-	-	-
14	Egypt	EG	-	-	-	-	170	-	-	170
15	Romania	RO	-	-	-	-	-	256	-	256
16	Serbia	RS	-	-	-	-	-	-	11	11
17	Ukraine	UA	-	-	-	-	-	-	3	3
18	<b>Total</b>		<b>16,534</b>	<b>182</b>	<b>7</b>	<b>355</b>	<b>170</b>	<b>256</b>	<b>11</b>	<b>3 17,518</b>

## EFSF Holdings by Maturity (€ mn)

	ISIN	Issue Date	Maturity Date	Cpn	FV
1	EU000A1G0AL3	19-Apr-12	19-Apr-18	6m € +46	2,340
2	EU000A1G0AM1	19-Apr-12	19-Apr-19	6m € +57	2,340
3	EU000A1G0AN9	19-Apr-12	19-Apr-20	6m € +64	2,340
4	EU000A1G0AP4	19-Apr-12	19-Apr-21	6m € +71	2,240
5	EU000A1G0AQ2	19-Apr-12	19-Apr-22	6m € +77	2,240
6	EU000A1G0A57	19-Dec-12	19-Dec-22	6m € +34	484
7	EU000A1G0A65	19-Dec-12	19-Dec-23	6m € +35	983
8	EU000A1G0A73	19-Dec-12	19-Dec-24	6m € +36	1,176
9	<b>Total &amp; Average</b>		<b>5.8 Yrs</b>	<b>6m € +58</b>	<b>14,142</b>

## EFSF Interbank Repo (€ bn)





## Communication - Disclaimer

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