

## Announcement

### **Piraeus Bank agrees the sale of a retail NPE portfolio equivalent to €2,238mn of legal claims or €385mn gross book value**

Piraeus Bank S.A. ("**Piraeus**" or the "**Bank**" or the "**Group**") announces that it has entered into a binding agreement with APS Investments S.a.r.l. ("**APS**") in relation to the sale and transfer of non-performing, denounced unsecured retail consumer and credit cards exposures equivalent to €2,238mn total legal claims or €385mn on-balance sheet gross book value (the "**Portfolio**" and the "**Transaction**", respectively).

The closing of the Transaction is subject to customary conditions, including regulatory and other approvals by the respective authorities in Greece, including the consent of the Hellenic Financial Stability Fund.

The consideration of the Transaction amounts to 5% of the €1.0bn outstanding principal amount of the Portfolio. The Transaction is expected to generate circa 4 basis points of CET-1 capital ratio, as at 31st March 2018, while reducing the non performing exposure (NPE) ratio of the Bank by circa 30 basis points. Following the completion of the Transaction, Piraeus will have no control over the servicing of the Portfolio and will retain none of the risks and rewards associated with it.

"We announce today the agreement for Piraeus' second NPE sale for 2018, shortly after our secured commercial portfolio transaction almost a month ago. Our effort to decrease the NPE stock has been intensified and we are very pleased with the fact that both recent deals have been positive to our Group's P&L and accretive to our capital position", Christos Megalou, the Group's Chief Executive Officer, said.

"We at APS are delighted to seal another landmark project in the region. Greece is our fifteenth market to cover and we are dedicated to spending our time, expertise and resources on this great opportunity. We believe that Greece will become one of our top markets", said Martin Manchon, a Managing Director and Head of APS.

Ernst & Young is acting as exclusive financial advisor of Piraeus for the Transaction. White & Case is acting as international legal counsel to Piraeus and Koutalidis Law Firm as Greek legal counsel to Piraeus for the Transaction.

APS was supported in the transaction by following advisors: Dentons Europe LLP, Machas and Partners Law Firm, Sioufas & Associates Law Firm and Cepal Hellas Financial Services S.A.

#### About Piraeus Bank

Piraeus Bank, founded in 1916, is the leading lender in Greece with a 30% market share, offering a full range of financial products and services to more than 5mn customers. Total assets of the Group amounted to €64bn, net loans to €41bn and customer deposits to €43bn on 31 March 2018. Piraeus Bank employs 13 thousand people in Greece and operates a nationwide network of 600 units, ranking first in customer satisfaction in the Greek market. In parallel, the Bank is at the forefront of digitalization and innovation in Greece, catering for the needs of more than 1.5mn customers in e-banking services. For more information on Piraeus Bank: <http://www.piraeusbank.gr/en>.

#### About APS

APS is a leading CEE/ SEE distressed debt investment advisor and manager with headquarters in Prague and staff of more than 800 professionals in 14 countries: Austria, Bulgaria, Bosnia, Croatia, Cyprus, Czech Republic, Greece, Hungary, Luxembourg, Montenegro, Poland, Romania, Serbia and Slovakia. APS was founded in 2004 and has acquired 81 portfolios of distressed loans in the last 14 years in excess of €5.8bn nominal value of acquired debt and has above €7.5bn of claims under management.