€146mn Recurring Pre-Tax Profit in 9M.19
Continued Improvement of Operating Results
& Strengthened Capital Position

Profitability Driven by Growing Net Interest & Net Fee Income and Cost Efficiency

- 5th consecutive quarter of Net Profit
- Net Interest Income at €1,072mn, +2% yoy
- Net Fee Income at €227mn, +6% yoy on recurring basis
- Recurring Operating Expenses at €713mn, -6% yoy
- Recurring Pre Provision Income at €648mn, +8% yoy
- Cost of Risk at €489mn, 172bps over Net Loans
- Recurring Pre-Tax Profit at €146mn, up from €98mn in 9M.2018
- Net Profit at €87mn vs loss of €304mn in the same period last year

Healthy Loan Generation Under a Risk-Adjusted Approach and Solid Liquidity Profile

- Loan disbursements of €2.9bn in 9M.2019
- €1.8bn new loans to Greek corporates, €650mn to SMEs, €450mn to Retail
- Performing loan book in Greece expanded by €0.4bn year-to-date on a like-for-like basis
- Deposits at €45.2bn, with year-to-date private sector inflows at €1.4bn
- Liquidity Coverage Ratio at 107% vs 28% a year ago
- Loan to Deposit ratio at 84% vs 91% a year ago

Balance Sheet Repair Continues

- 16th consecutive quarter of NPE reduction
- Improving trend of defaults and re-defaults
- Steady pace at curing, restructuring and collection effort
- Recurring NPE reduction of €2.3bn year-to-date
- NPE reduction of €12bn from the peak of Sep.15
- NPE sale projects underway at c.€3.5bn

Organic Capital Generation Supports Capital Position

- Total Capital ratio at 16.0%, pro-forma for NPE sales, NPE servicer impact & 9M.19 profit
- CET-1 ratio at 15.1%, pro-forma for the above mentioned items
- Capital position enhanced by c.270bps since mid-2018 through strategic initiatives

Management Statement

"For another quarter, we have achieved tangible improvement across a number of priorities. Thanks to our decisive actions we have delivered five consecutive quarters of profit.

Pre-tax profit on a recurring basis stood at €146mn in nine months 2019, compared to €98mn in nine months 2018. ***Reported net profit amounted to €87mn compared to losses in the same period last year.*** *This was enabled by solid recurring core revenue generation, while the focus on cost efficiency continues to deliver. Both net interest and recurring net fee income were higher by 2% and 6% respectively against the same period last year. Operating expenses were down 6% on a recurring basis. As the operating environment strengthens, we are confident that our financial performance will progress further.*

Balance sheet developments are a testimony of the restoration of our business. The Bank's performing loan book increased by €0.4bn year-to-date as at September 2019 on a like-for-like basis, with business lending driving the trend. ***Loan disbursements reached €3bn in the nine months 2019.*** *The Group's net loan-to-deposit ratio further improved to 84% compared to 91% a year earlier, signifying that the Bank is in a position to respond to credit demand, which we expect to accelerate as we go further, enabling us at the same time to defend our net interest margin.*

On asset quality, ***the improving trends of defaults and re-defaults continue, while curings, restructurings and collections remain robust.*** *From the peak of September 2015, Piraeus Bank has reduced NPE balances by €12bn. Building on the positive track record that we have achieved so far, we are working to execute our NPE Plan, facilitated by the recent strategic partnership with Intrum, which will enhance this effort. We are currently in the preparatory phase of €3bn NPE securitisations, also in anticipation of the launch of the Hellenic Asset Protection Scheme ("Hercules"). We consider that the* ***successful implementation of HAPS****, coupled with* ***favorable conditions in the markets for the issuance of non-dilutive capital instruments****, will facilitate the* ***acceleration of the existing NPE reduction plan****. In this context, we intend to provide further details in early 2020.*

Following the two landmark transactions of 2019 -the issue of a Tier 2 instrument, and the strategic partnership with Intrum regarding the servicing of NPE and REO- and the continuous capital generation through organic and inorganic means, ***the Bank has increased its regulatory capital significantly above the capital requirement level****. At the end of September 2019, the pro-forma total regulatory capital ratio of the Bank was at 16.0% on a phased-in approach, versus a SREP requirement of 14.0%.*

We are stepping up our actions and we are working hard to make our Bank better and stronger. For the nine months 2019, ***Piraeus Bank produced a 2.0% Return on Tangible Equity****, with favourable prospects as we continue to progress with the execution of our "Agenda 2023" roadmap."*

Christos Megalou, Chief Executive Officer

P&L Highlights: Consistent Improvement driven by Core Banking Income

Resilient NII on the back of new loans and improved deposit costs

Net Interest Income (NII) in Q3.2019 reached €353mn, up 1% yoy, and €1,072mn in 9M.2019, 2% higher yoy. The €2.9bn new loans that were disbursed in the past 3 quarters are contributing to the top line, while deposit and due to banks funding costs have also been supportive. Subsequently, the qoq increase in the top line has almost absorbed the cost of the new Tier 2 issue. New time deposits rate dropped to 52bps in Q3.2019 vs 57bps in Q2.2019, while interbank repo rates have fallen to negative territory. NIM in 9M.2019 stood at 242bps, broadly stable vs 9M.2018 (245bps).

NFI growth continues

Net Fee and Commission Income (NFI) in Q3.2019 increased to €81mn, +6% yoy on a recurring basis, while the same annual percentage increase was posted on 9M.2019. Ancillary fee volumes, continued their improvement, as we bear the fruits of the increasing new loan generation, investment banking and asset management, as well as transaction banking. It should be noted that NII plus NFI, thus the core revenue lines, contributed 95% of net revenues for 9M.2019.

Operating expenses further reduced

Recurring operating expenses stood at €237mn in Q3.2019, down 2% yoy and 3% qoq; the recurring cost-to-income ratio stood at 51% in Q3.2019 vs 55% in Q2.2019. In the 9M.2019 period, the recurring cost-to-income ratio has fallen to 52% from 56% in the same period last year. Piraeus Bank proceeded with the recognition of an amount of €36mn in 9M.2019 related with Voluntary Exit Scheme costs. Administrative expenses in Q3.2019 decreased 11% yoy, as our effort to streamline our cost is progressing as planned. In all, we remain on track to reduce our Operating Expenses by a mid single-digit rate in FY.2019, after a 7% recurring decrease in 2018.

Pre provision income strengthens

Recurring Pre Provision Income (PPI) amounted to €648mn in 9M.2019, up 8% yoy after gaining pace in Q3.2019 at €231mn, up 13% qoq. Core PPI (NII plus NFI minus recurring OpEx) in 9M.2019, excluding trading and other income, rose 14% yoy standing at €586mn, demonstrating the strength of our core franchise and the effort we have made on streamlining our core Bank business.

Loan impairment charges

The 9M.2019 loan impairment charges rose 6% yoy, rising to €489mn compared to €461mn during the same period last year (including reversal from sold NPE portfolios in 9M.2018). The 9M.2019 loan impairment has been burdened by c.€100mn of cost of risk associated with NPE sales. Cost of risk for 9M.2019 was at 172bps over net loans or 136bps for the organic NPE flow.

Increasing net result

Recurring pre-tax profit in Q3.2019 (excluding VES costs) stood at €73mn, 46% higher qoq and 12% yoy. The respective pre-tax profit for 9M.2019 stood at €146mn, up 48% vs 9M.2018. The net profit for 9M.2019 amounted to €87mn from a loss of €304mn in the same period last year. Group net profit amounted to €49mn in Q3.2019, compared to €19mn in Q2.2019, while net profit from continued operations attributable to shareholders amounted to €44mn from €20mn respectively.

Balance Sheet Highlights: Core Bank Loan Growth and Strong Liquidity

Customer deposits up 5% yoy at lower cost

Customer deposits amounted to €45.2bn at the end of 9M.2019, up by 5% yoy. Private sector deposits increased by €1.4bn year-to-date, with improvement in all retail customer segments. Deposit cost continued to decline to 38bps in September 2019 vs 40bps in June 2019 for the total book. The improvement in liquidity has made the Bank more cost conscious in the last quarters, in its effort to reach a balance between attracting deposits and reducing its interest expenses.

Improved liquidity and funding profile with LCR at 107%

Eurosystem funding was reduced to €0.8bn as at 30 September 2019 from the level of €2.0bn a year ago, supported from deposit growth, utilization of the interbank repo market at negative interest rates and the issuance of €0.4bn Tier 2 subordinated bonds in June 2019. Following the elimination of ELA funding in July 2018, Piraeus Bank has managed, in a short period of time, to increase its Liquidity Coverage Ratio (LCR) above the regulatory requirement of 100%, to the level of 107% as at 30 September 2019. At the same time, Net Stable Funding Ratio stood at 102%.

Performing loan book expands year-to-date

Gross loans before impairments and adjustments amounted to €49.8bn at the end of Sep.2019, while net loans amounted to €38.0bn. The Bank's domestic performing loan book increased by €0.4bn in 9M.2019 on a like-for-like basis, with business lending driving the trend. Loan disbursements reached €3bn in 9M.2019, with Q3.2019 emulating the performance of the previous two quarters, along with the macroeconomic recovery in the country. The Group's net loan-to-deposit ratio further improved to 84% vs 91% a year earlier, signifying that Piraeus is in a position to take advantage of opportunities arising from economic growth in Greece in the forthcoming period.

Capital generation further enhanced

The pro-forma Common Equity Tier 1 (CET1) ratio of the Group as at 30 Sep.2019 was at 14.4%, while pro-forma total capital, including the Tier 2 instrument issued in June 2019 stood at 15.3%, with both ratios including profit of the period and the positive RWA impact from NPE sales. Profitability, along with GGB revaluation gains, were the drivers for the improvement in capital. In addition, the NPE servicer transaction concluded in October 2019, further strengthens CET1 and total capital ratio at 15.1% and 16.0% respectively. The fully loaded CET1 ratio has been consistently improving in the past quarters. Fully loaded CET1 and total capital ratio stood at 12.4% and 13.3% respectively, pro-forma for all transactions post September 2019.

NPE reduction continues

NPEs stood at €25.7bn at the end of Sep.2019 down from €27.3bn at Dec.2018. The NPE coverage by cumulative provisions ratio was at the level of 46%. The Bank has concluded the sale of €0.5bn of shipping exposures (project Nemo) in July 2019 and is close to sign an agreement for the sale of €0.6bn of unsecured exposures (project Iris) and the sale of €0.3bn secured large corporate exposures (project Trinity) within Q4.2019. Moreover, Piraeus Bank has frontloaded workstreams on €2bn mortgage securitization (project Phoenix), with a time frame to completion in H1.2020, along with €1bn commercial securitization (project Bridge), for which the Bank is in a preparatory phase. It is noted that during Q3.2019 €0.7bn of loan exposures were classified as NPEs for technical reasons reflecting prudent approach the Bank has followed. All organic trends of NPE movement remained intact.


Selected Figures of Piraeus Bank Group

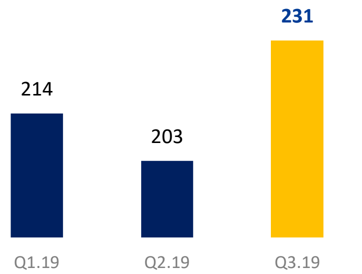
Consolidated Data (amounts in €mn)	30.09.19	30.06.19	30.09.18	Δ qoq	Δ yoy
Selected Balance Sheet Figures					
Assets	**59,089**	**59,238**	**59,264**	0%	0%
Deposits	**45,172**	**44,890**	**42,886**	1%	5%
Gross Loans before Adjustments	**49,758**	**50,757**	**52,788**	-2%	-6%
Cumulative Provisions	**11,805**	**12,581**	**13,917**	-6%	-15%
Total Equity	**7,758**	**7,651**	**7,401**	1%	5%
Selected P&L Results	Q3 2019	Q2 2019	Q3 2018	Δ qoq	Δ yoy
Net Interest Income	353	359	349	-1%	1%
Net Fees & Commission Income	81	77	124	5%	-35%
-excluding one-off items [1]	81	77	76	5%	6%
Net Trading & Inv. Securities Income	20	(0)	15	-	-
Other Operating Income & Dividend Income	13	13	11	2%	17%
Net Income	467	449	499	4%	-6%
-excluding one-off items [1]	467	449	451	4%	4%
Staff costs	(135)	(139)	(117)	-3%	15%
-excluding one-off items [2]	(115)	(123)	(114)	-7%	1%
Administrative Expenses	(92)	(92)	(103)	1%	-11%
Depreciation & Other Expenses	(30)	(30)	(26)	-1%	17%
Total Operating Costs	(257)	(261)	(246)	-1%	4%
- excluding one-off items [2]	(237)	(245)	(243)	-3%	-2%
Pre Provision Income	210	188	253	12%	-17%
- excluding one-off items [1,2]	231	203	209	13%	11%
Impairment Losses on Loans	(157)	(146)	(149)	7%	5%
Impairment Losses on Other Assets	(11)	(7)	(4)	66%	.>100%
Associates' Results	11	(0)	11	-	0%
Pre Tax Result	53	34	110	54%	-52%
- excluding one-off items [1,2]	73	50	65	46%	12%
Income Tax	(9)	(16)	(17)	-43%	-44%
Net Result	49	19	67	>100%	-27%
Net Result Attrib. to SHs Cont. Operations	44	20	94	>100%	-54%
Non-Controlling Interest Continuing Operations	0	(2)	(1)	-	-
Net Result from Discontinued Operations	5	1	(27)	-	-

(1) One-off revenue item refers to €48mn extraordinary quality commission for past performance for general insurance business booked in net fee income

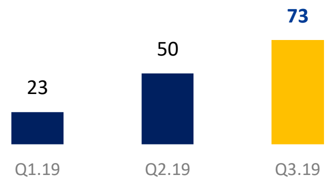
(2) One-off costs item refer to Voluntary Exit Scheme costs booked in staff costs amounting to €132mn, €4mn, €16mn and €20mn at Q1.18, Q3.18, Q2.19 and Q3.19 respectively

Note: Impairment losses on loans for 2019 include net gains/losses on modifications of contractual terms of loans and advances to customers

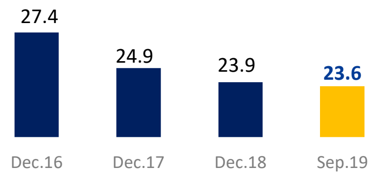
Recurring Pre Provision Income (€mn)



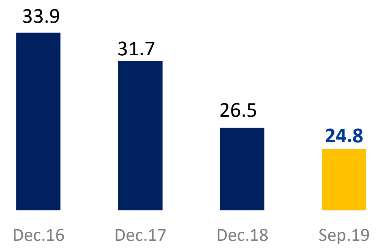
Recurring Pre-tax Profit (€mn)



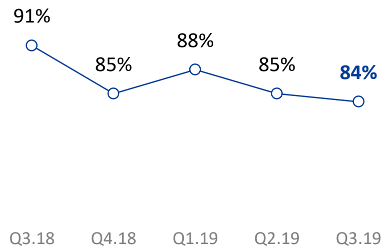
Performing Exposures | Greece (€bn)



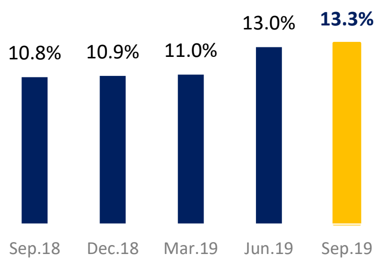
Non Performing Exposures | Greece (€bn)



Loan-to-Deposit Ratio (%)



Fully Loaded Capital Ratio* (%)



*pro-forma for post Sep.19 transactions and period profit

GLOSSARY / ALTERNATIVE PERFORMANCE MEASURES (APM) AT GROUP LEVEL

#	Performance Measure	Definition
1	**NII**	Net Interest Income
2	**NFI**	Net Fee and Commission Income
3	**DTAs**	Deferred Tax Assets
4	**PPA Adjustment**	Purchase price allocation (PPA) adjustments relating to the acquisition of the seven banks [i.e. former ATEbank, the Greek banking operations of Cypriot Banks in Greece (Bank of Cyprus, Cyprus Popular Bank, Hellenic Bank), Millennium Bank S.A., Geniki Bank S.A. and Panellinia Bank S.A.] amounting to €2.9bn at 30 September 2019, €3.2bn as at 30 June 2019, €3.5bn as at 31 December 2018 and €.4.0bn as at 30 September 2018
5	**Adjusted Total Assets**	Total assets excluding assets amounting to: 1) €3.3bn as at 31 December 2018 of discontinued operations in Albania and Bulgaria, the OPEKEPE seasonal agri-loan, and other discontinued operations 2) €1.2bn as at 31 March 2019 of discontinued operations in Bulgaria and other discontinued operations 3) €0.1bn of discontinued operation as at 30 June 2019 4) €0.1bn of discontinued operation as at 30 September 2019
6	**Gross Loans before Impairments & Adjustments**	Loans and advances to customers at amortised cost before Expected Credit Loss (“ECL”) allowance gross of PPA adjustment
7	**Net Loans**	Loans and advances to customers at amortised cost
8	**Net Loans to Deposits Ratio**	Net loans over Deposits excluding €1.6bn of agriloan for 31.12.2018
9	**Core (Banking) Income or NII+NFI**	NII + NFI
10	**Net Interest Margin (NIM)**	Net Interest Income (annualised) over adjusted total assets
11	**Net Fee Income on a Recurring Basis over Assets**	NFI (annualised) excluding the one-off items related to the corresponding period, as per item #12 over adjusted total assets
12	**One-off Items**	In Q1.2018, in Q3.2018, Q4.2018, Q2.2019 and Q3.2019 Voluntary Exit Scheme staff costs of €132mn, €4mn, €18mn, €16mn and €20mn respectively were classified as one-off In Q2.2018, €32mn of other impairment was classified as one-off, along with a reversal of loan impairment from sale of 2 NPE portfolios of €67mn In Q3.2018, €48mn on net fee income was classified as one-off
13	**Pre Provision Income (PPI)**	Profit before provisions, impairments and income tax
14	**Pre Provision Income (PPI) on a recurring basis**	PPI excluding the one-off items related to the corresponding period, as per item #12
15	**Cost to Income Ratio (Recurring)**	Total operating expenses before provisions over total net income excluding the one-off items related to the corresponding period, as per item #12
16	**CET1 Capital Ratio and Total Capital Ratio on Pro-forma Basis**	CET1 capital and Total Capital as defined by Regulation (EU) No 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact taking into account €0.4bn from the NPE servicer agreement, as well as profits for the period, over RWAs taking into account RWA impact of €0.2bn from the sale of NPE portfolios and Piraeus’ equity stake in NPE servicer

#	Performance Measure	Definition
17	**NPLs - Non Performing Loans**	Gross Loans before Impairments & Adjustments in arrears over 90 days past due
18	**NPEs - Non Performing Exposures**	On balance sheet credit exposures before ECL allowances for loans and advances to customers at amortised cost gross of PPA adjustments that are: (a) past due over 90 days; (b) impaired or those which the debtor is deemed as unlikely to pay ("UTP") its obligations in full without liquidating collateral, regardless of the existence of any past due amount or the number of past due days; (c) forborne and still within the probation period under EBA rules; (d) subject to contagion from (a) under EBA rules and other unlikely to pay (UTP) criteria
19	**Recurring NPE Reduction**	NPE year-to-date reduction in 9M.2019 excluding the NPE classification of €0.7bn loan exposures in Q3.2019 that were classified as NPEs for technical reasons reflecting prudent approach the Bank has followed
20	**NPL Ratio**	Non-performing loans over Gross Loans before Impairments & Adjustments
21	**NPE Ratio**	Non-performing exposures over Gross Loans before Impairments & Adjustments
22	**NPL (Cash) Coverage Ratio**	Accumulated ECL allowance gross of PPA adjustment over NPLs
23	**NPE (Cash) Coverage Ratio**	Accumulated ECL allowance gross of PPA adjustment over NPEs
24	**Cost of Risk (CoR)**	ECL impairment losses on loans and advances to customers at amortised Cost of the period, annualized over Net Loans.
25	**Cost of Risk (CoR) for the organic NPE flow**	CoR minus losses booked for inorganic activity, i.e. NPE sales
26	**Return on Assets (RoA)**	Profit / (loss) for the period annualized over Adjusted Total Assets
27	**Net Results or Net Profit**	Profit / (loss) for the period attributable to equity holders of the Bank
28	**Cumulative Provisions**	Accumulated ECL allowance on loans and advances to customers at amortised cost gross of PPA adjustment.
29	**Operating Expenses (OpEx)**	Total operating expenses before provisions
30	**Loan Impairment Charges**	ECL impairment losses on loans and advances to customers at amortised cost
31	**Pre Tax Results**	Profit / (loss) before income tax
32	**Net Revenues**	Total Net Income
33	**Deposits or Customers Deposits**	Due to Customers
34	**Pre Tax Profit on a like for like basis**	Pre Tax Results, excluding one-off items as per item #12 above
35	**Performing Exposures**	Gross Loans before Impairments and Adjustments minus NPEs
36	**Performing Book Expansion on a Like-for-Like Basis**	Performing Exposures change year-to-date as at 30 September 2019 excluding the NPE classification of €0.7bn loan exposures in Q3.2019 that were classified as NPEs for technical reasons reflecting prudent approach the Bank has followed
37	**NPE Formation**	Change in the stock of NPEs after adding back write-downs or other adjustments i.e. loan sales or debt to equity transactions over loans and advances to customers at amortised cost.
38	**RoTE (Return on Tangible Equity)**	Annualized Net profit over:Tangible Equity (Total Equity minus contingent convertible securities minus intangible assets)
39	**ASF (Available Stable Funding)**	The portion of liabilities and capital expected to remain with the Bank for more than one year

#	Performance Measure	Definition
40	**RSF (Required Stable Funding)**	The amount of stable funding that the Bank is required to hold given the liquidity characteristics and residual maturities of its assets and the contingent liquidity risk arising from its off-balance sheet exposures
41	**NSFR (Net Stable Funding Ratio)**	ASF over RSF
42	**LCR (Liquidity Coverage Ratio)**	Liquidity coverage ratio is the amount of sufficient liquidity buffer for a bank to survive a significant stress scenario lasting one month
43	**RWAs (Risk Weighted Assets)**	Assets and off-balance-sheet exposures, weighted according to risk factors based on Regulation (EU) No 575/2013.
44	**RWA Density**	Risk Weighted Assets over Adjusted total Assets
45	**Gross Book Value**	Gross loans and advances to customers at amortised cost
46	**Recurring Operating Expenses**	Operating expenses excluding one-off items of VES as per item #12

Corporate Development & Investor Relations

4 Amerikis St., 105 64 Athens

Tel. : (+30) 210 3335026

Bloomberg: TPEIR GA | Reuters: BOPr.AT

ISIN: GRS014003024

investor_relations@piraeusbank.gr

www.piraeusbankgroup.com