



Piraeus Bank successfully priced a €500mn Senior Preferred Bond

Piraeus Financial Holdings S.A. announces that its subsidiary, Piraeus Bank S.A. (“Piraeus” or the “Bank”), has successfully completed the pricing of a new €500 million Senior Preferred Bond (hereinafter also called the “Bond”) at a yield of 5.00% attracting the interest of a large number of institutional investors. The Bond has a maturity of six (6) years and an embedded issuer call option after five (5) years. Settlement will take place on 16 April 2024 and the notes will be listed on the Luxembourg Stock Exchange’s Euro MTF market.

The issuance supports the achievement of the end-2025 target for minimum requirements of own funds and eligible liabilities (MREL). Proforma for the new €500 million Senior Preferred Bond, the RWA relief from the held-for-sale NPE transactions, as well as the capital accretion from the new issuance of Tier 2 delivered in Jan.2024, the Dec.2023 MREL ratio stands at 25.6%. This level is comfortably above the interim MREL target set by the supervisory authorities for Jan.2024 (21.9%), as well as Jan.2025 (24.9%).

The transaction attracted significant interest from more than 110 institutional investors, with 58% placed among asset managers, insurance companies and pension funds, 18% to banks and private banks, 17% to hedge funds and 7% to other investors. The total order book of the transaction exceeded €1.3 billion, being more than 2.7 times oversubscribed. On the back of strong investor interest, the final yield was set at 5.00%, versus an initial target of 5.25%, with more than 3/4 of the issue allocated to international institutional investors.

The success of the transaction is a clear testament of investor confidence in Piraeus Bank, reflected in a credit spread of 225bps for this transaction, which is more than 160bps lower than the spread required in the last similar transaction in November 2023.

BofA Securities Europe SA, Goldman Sachs Bank Europe SE, HSBC Continental Europe SE, J.P. Morgan SE and UBS Europe SE acted as joint bookrunners of the issue. Allen & Overy and Bernitsas Law Firm acted as legal advisors to Piraeus.

Athens, 10 April 2024