

PIRAEUS BANK



ΤΡΑΠΕΖΑ ΠΕΙΡΑΙΩΣ



PIRAEUS BANK

# Piraeus Bank

## Investor Update

October 2015



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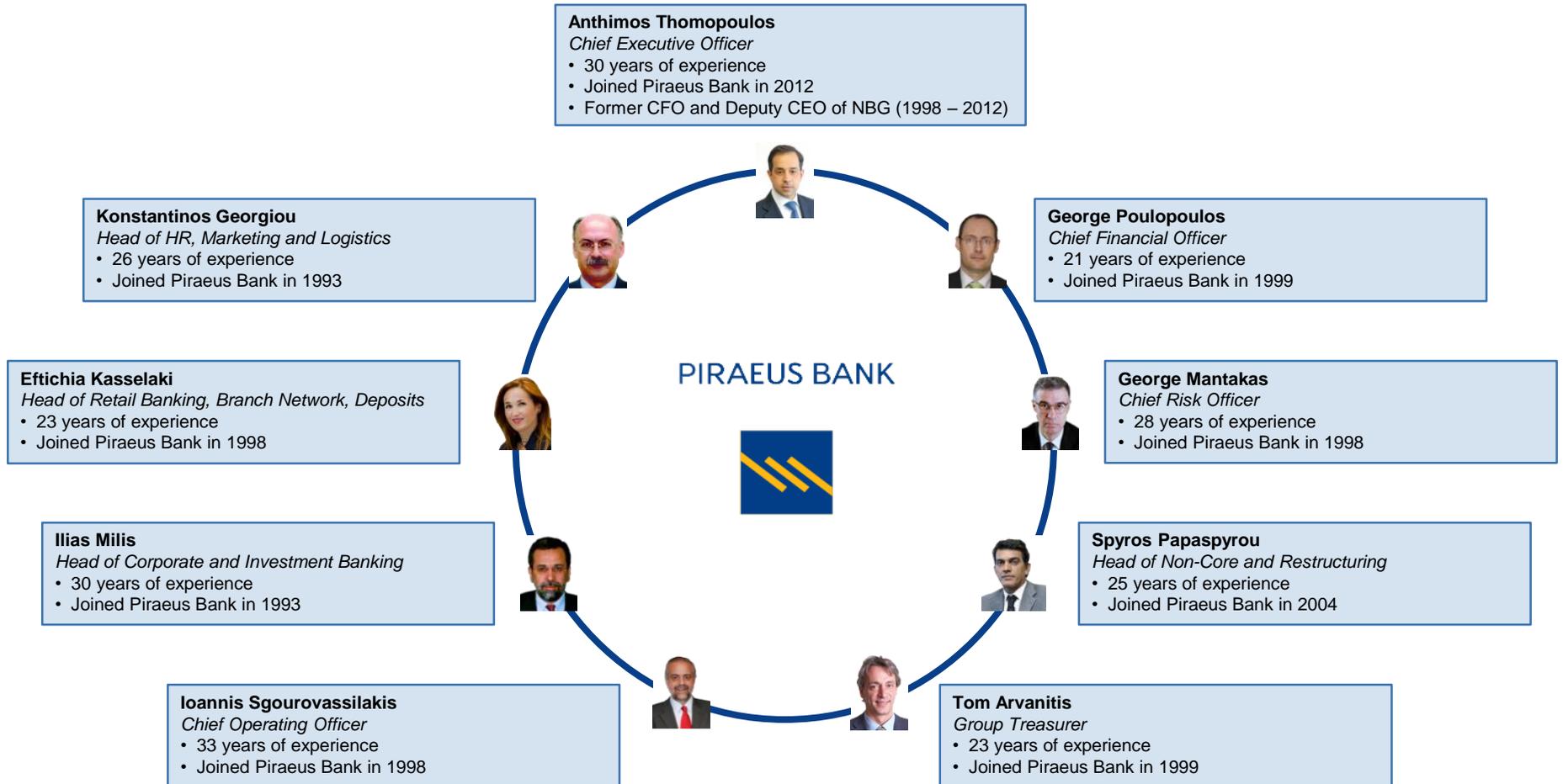
- A. An economy on the recovery path
- B. Focused NPL management through a dedicated Recovery Banking Unit
- C. Sustainable funding strategy
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- F. Reduced international presence to focus on home market

### 03 APPENDIX

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## Our senior management team



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01

## Strategy and vision

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We are the largest bank in Greece by loans and deposits<sup>1</sup>

(€mn)	Jun-15	Dec-14
Total assets	87,230	89,290
Gross loans to customers	70,007	71,178 <sup>5</sup>
Customer deposits	38,812	54,831 <sup>7</sup>
Eurosystem funding	37,265	14,101
o/w ELA funding	22,200	0
Pre-provision profit	1,100 <sup>3</sup>	1,075 <sup>2</sup>
Branches (#)	1,098	1,175
Employees (#)	21,917	22,372
Loan-to-deposit ratio (estimate for Jun.15)	137%	101% <sup>4</sup>
NPL ratio	39.4%	38.8%
Coverage ratio (estimate for Jun.15)	58%-61%	57%

Note: Loans, deposits, PPI, branches, L/D ratio, NPL coverage ratio excluding Egypt for Jun-15

- |   |   |
|---|---|
| 1. According to market data from BoG and standalone peer financial statements | 5. Refers to active customers                       |
| 2. FY'14 normalised PPI   | 6. Based on 1H'15 growth on 1H'14 for recurring PPI |
| 3. Annualised based on Q2'15 (€275mn)   | 7. Includes fiduciary deposits                      |
| 4. Excluding seasonal loan  | Source: Company information                         |

#1

in loans

#1

in deposits

4.9m

customers<sup>5</sup>

8.1 years

average length of customer relationship

3.9m

cards in circulation

>1.3mn

e-banking users

+11%

pre-provision income growth<sup>6</sup>

>180k

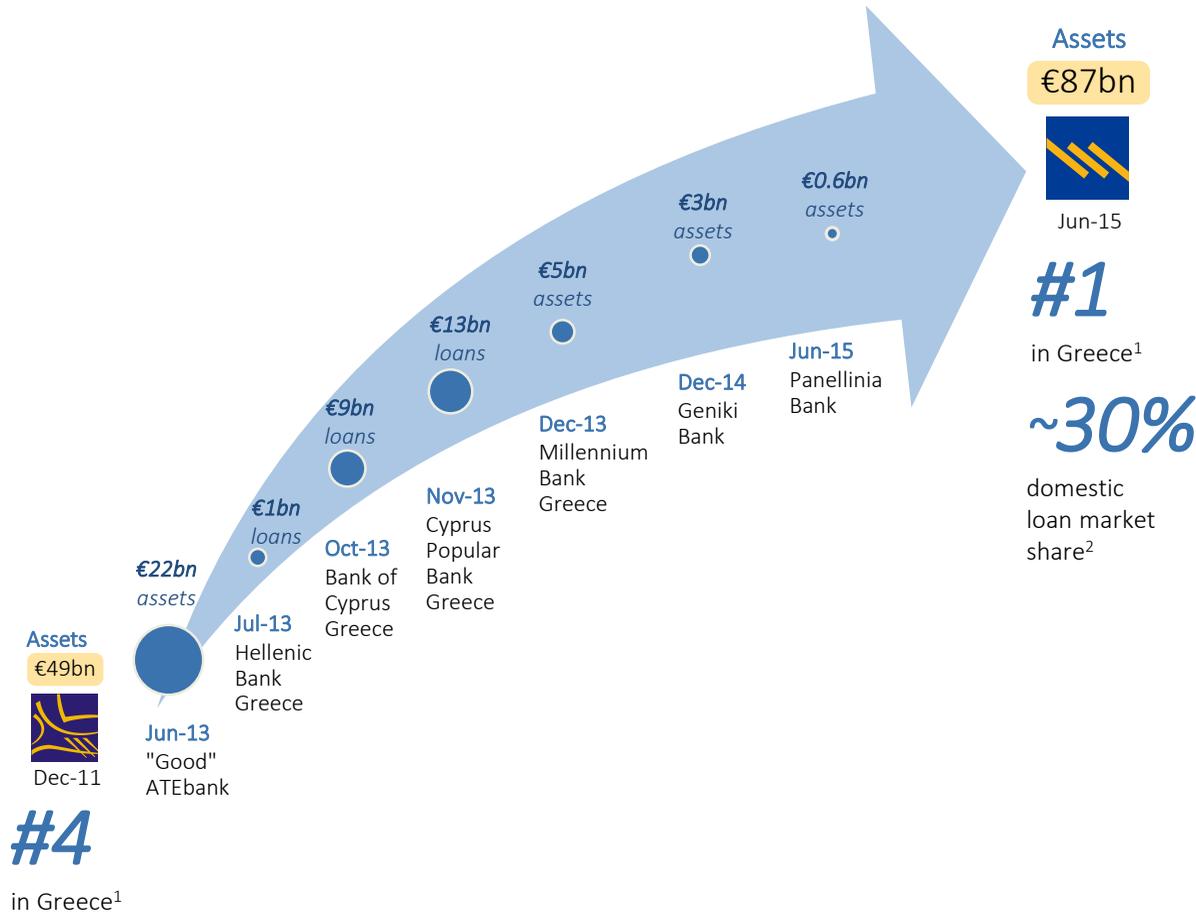
mobile banking users



# 01

## 1.2

We have successfully navigated our business through the crisis...



### 7 acquisitions completed since 2013

- All acquisitions already fully integrated
- 2013 acquisitions were integrated in 6 months<sup>3</sup>
- Strong track record of more than 20 mergers and acquisitions in Greece and abroad over the last 20 years

### Significant benefits from synergies

- Already achieved more than €500mn of synergies
- 100% of integration costs fully crystallised

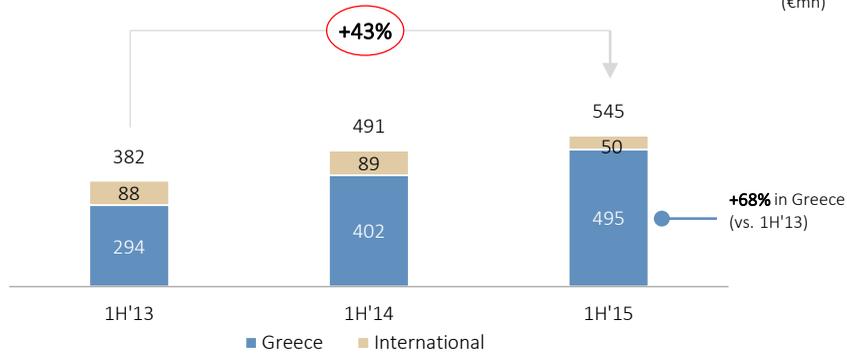
Note: Dates for acquisitions refer to the completion of integration of acquired banks  
 1. Based on loans and deposits on standalone financial statements of Greek parent company  
 2. As at Jun-2015  
 3. Excluding Geniki Bank, which operated as an independent subsidiary until Dec-2014  
 Source: Company information



...showing resilient performance under adverse conditions

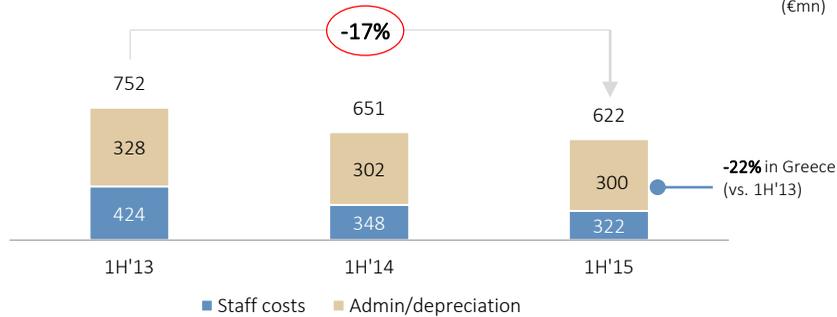
### Recurring PPI continues to expand<sup>1</sup>

(€mn)



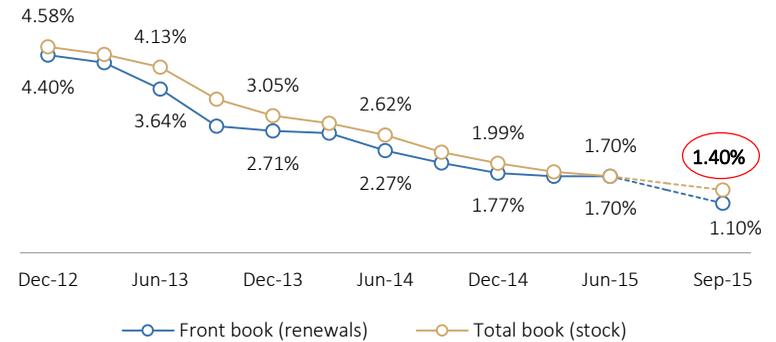
### Continued cost reduction | Group<sup>2,3</sup>

(€mn)



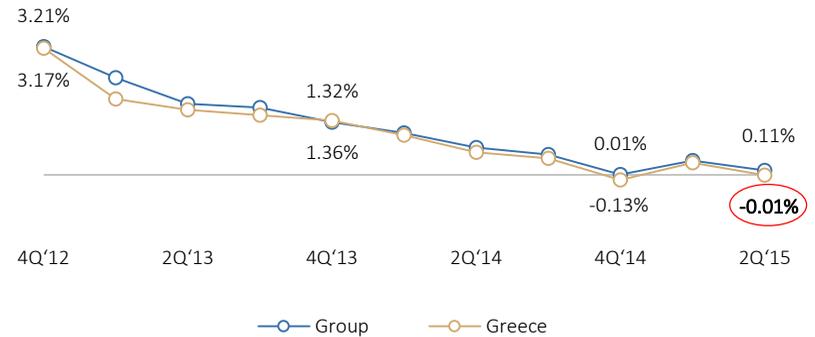
### Falling deposit rates in Greece

(Time deposit rates)



### Declining NPL formation<sup>4</sup>

(New NPLs in quarter over total loans stock)

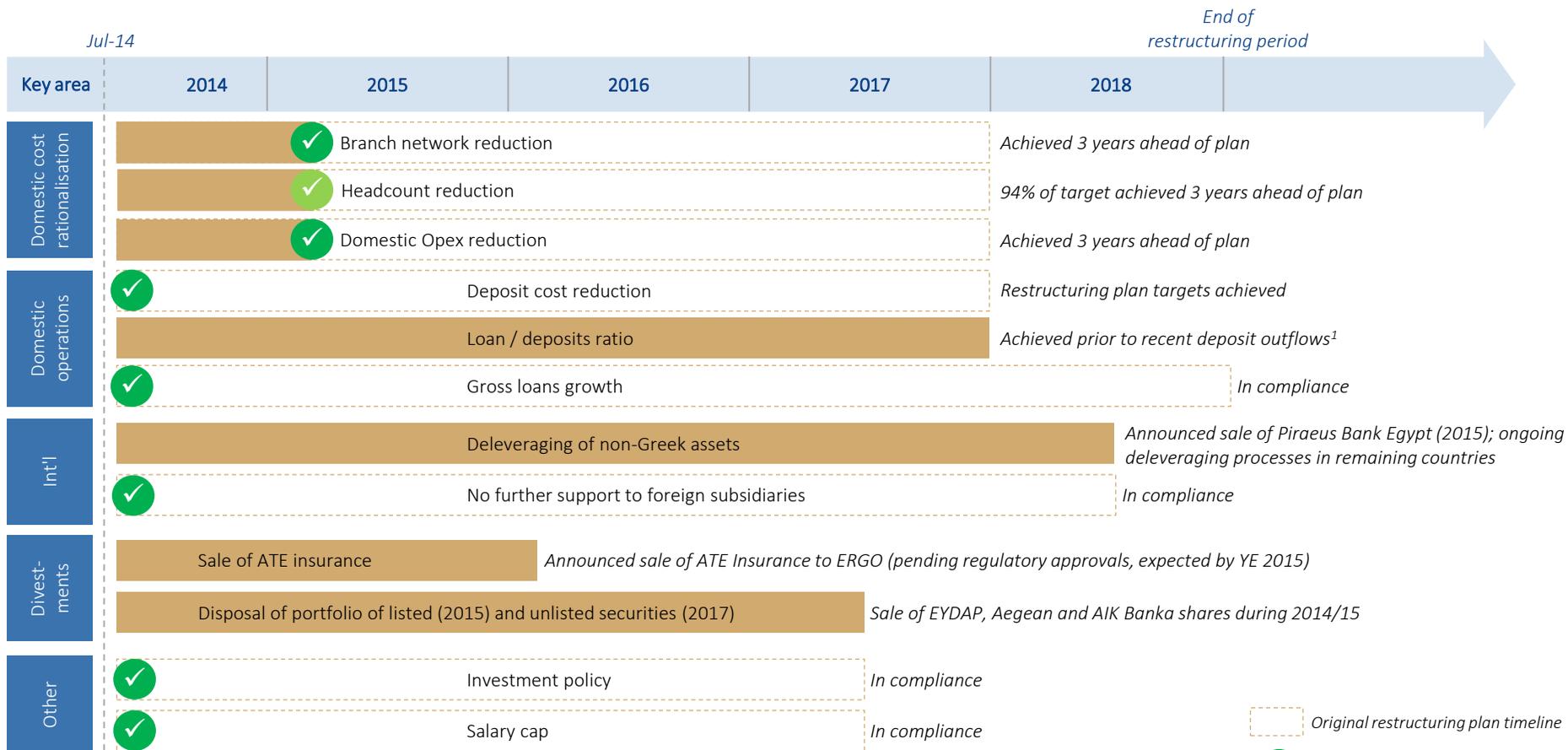


1. 1H'14 and 1H'15 figures exclude Piraeus Egypt  
 2. Opex normalised for one-offs  
 3. 1H'13 pro-forma for Cypriot and Millennium acquisitions  
 4. Q2'15 figures exclude Piraeus Egypt

Source: Company information



### We have front-loaded the execution of the restructuring plan...



Original restructuring plan timeline  
 Achieved / in compliance  
 >90% of target achieved

1. Loan / deposits ratio in Greece at 101% (excluding seasonal loans) as at end-December 2014, below Restructuring Plan 2017 target of 115% (loan / deposits ratio estimate at 139% as at end-June 2015 due to recent deposit outflows)

Source: Company information



...and we are fully prepared to implement a 3-year plan around 5 key strategic objectives...

# Mid-term Group Strategy

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- 1 Focused NPL management through a dedicated Recovery Banking Unit
- 2 Sustainable funding strategy and strong capital position
- 3 Increased efficiency through operational excellence
- 4 Income generation by diversifying revenue sources
- 5 Downsize international presence to optimise capital and focus on home market

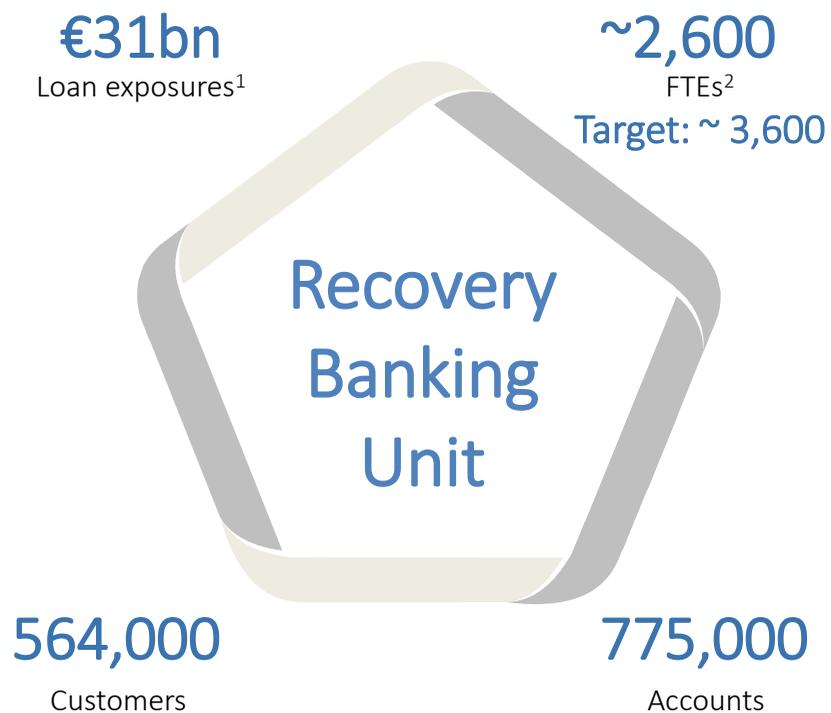


Strategic pillar	Strategic initiatives
<p><b>1</b> Focused NPL management through a dedicated Recovery Banking Unit</p>	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Boost RBU capacity to address NPLs through up-scaling and outsourcing</li> <li><input checked="" type="checkbox"/> Increase productivity of core RBU resources</li> <li><input checked="" type="checkbox"/> Accelerate deleveraging through offering co-investment opportunities for special situations</li> </ul>
<p><b>2</b> Sustainable funding strategy and strong capital position</p>	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Focus on deposit re-gathering applying advanced client analytics</li> <li><input checked="" type="checkbox"/> Re-establish independent funding sources</li> </ul>
<p><b>3</b> Increased efficiency through operational excellence</p>	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Restructure and optimise the distribution network</li> <li><input checked="" type="checkbox"/> Accelerate development and migration towards alternative distribution channels</li> <li><input checked="" type="checkbox"/> Maintain leadership in digital banking</li> <li><input checked="" type="checkbox"/> Continue right-sizing of back-office functions and shared services in the bank</li> </ul>
<p><b>4</b> Income generation by diversifying revenue sources</p>	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Optimise risk-return and capture leading share of Greek recovery</li> <li><input checked="" type="checkbox"/> Reposition transactional banking business</li> <li><input checked="" type="checkbox"/> Consolidate lead in agricultural banking</li> <li><input checked="" type="checkbox"/> Exploit full potential in affluent banking/wealth management</li> <li><input checked="" type="checkbox"/> Accelerate bancassurance sales and penetration</li> <li><input checked="" type="checkbox"/> Enhance leadership in debit cards &amp; payments business</li> <li><input checked="" type="checkbox"/> Exploit the untapped potential in Small Business</li> <li><input checked="" type="checkbox"/> Maximise product penetration in mass-retail</li> </ul>
<p><b>5</b> Downsize international presence to optimise capital and focus on home market</p>	<ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> Continue deleveraging the international business in line with DG Comp Commitments</li> </ul>

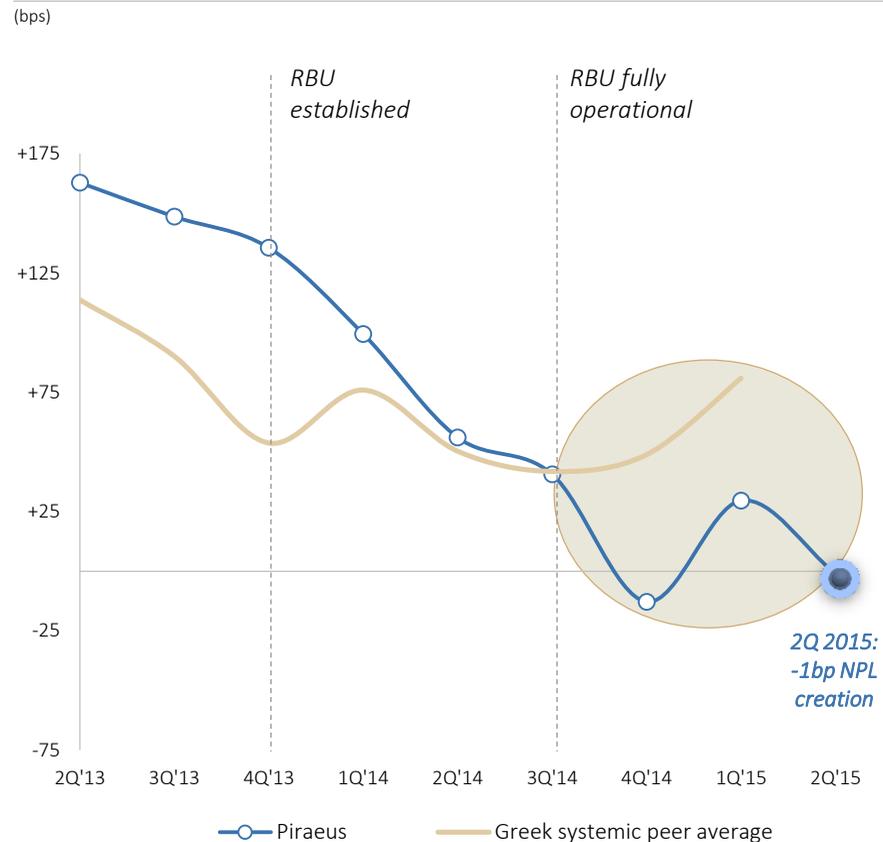


# The Recovery Banking Unit helped Piraeus contain NPL formation

## RBU at a glance



## NPL formation of Greek systemic banks<sup>3,4</sup>



1. As of 30-Jun-2015  
 2. As of Sept-15; includes support staff (520) and external vendors (820)  
 3. Pre write-off quarterly NPL formation (bps over end-quarter loans)  
 4. Greek systemic peer average includes Alpha Bank, Eurobank and National Bank of Greece  
 Source: Company information



Piraeus continues to invest in the RBU to improve its effectiveness

### Key planned improvements



**Boost capacity through**

- Up-scaling of internal resources
- State-of-the art outsourcing model and usage of service providers



**Increase productivity through**

- Incentive scheme for RBU (ROs/BROs/RMS and supporting teams)<sup>1</sup>
- Establishing specialised Middle Office and extended Loan Admin as well as Retail/SB support
- New training platform



**Leverage on special capabilities and support**

- Dedicated task force for large national industries (real estate, tourism, shipping)
- Use of internal Institutional asset sales capacities for liquidations



### Key performance indicators

Target  
NPL ratio < 17%  
Cured assets of €10- 11bn  
by 2018



Restructurings,  
return to  
performing,  
cash collections



Liquidations and  
recoveries



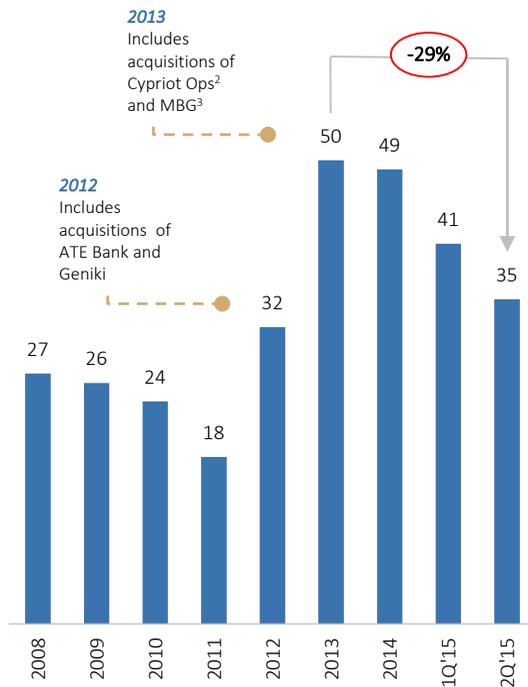
Write offs

1. RO: Restructuring Officers; BRO: Branch Restructuring Officers; RM: Relationship Managers



Deposit outflows were the result of political and macroeconomic uncertainty

Piraeus Bank (Greek operations) deposits<sup>1</sup>  
(2008-2Q 2015, €bn)



Piraeus can leverage its market position and advanced capabilities....

..to reverse deposit outflows

- Prioritise and target front line efforts to re-attract depositors
- Deploy advanced customer analytics to capture untapped potential of existing customers
- Enhance deposit offerings to maximise core stable deposits of selected customer segments
- Optimise deposit pricing

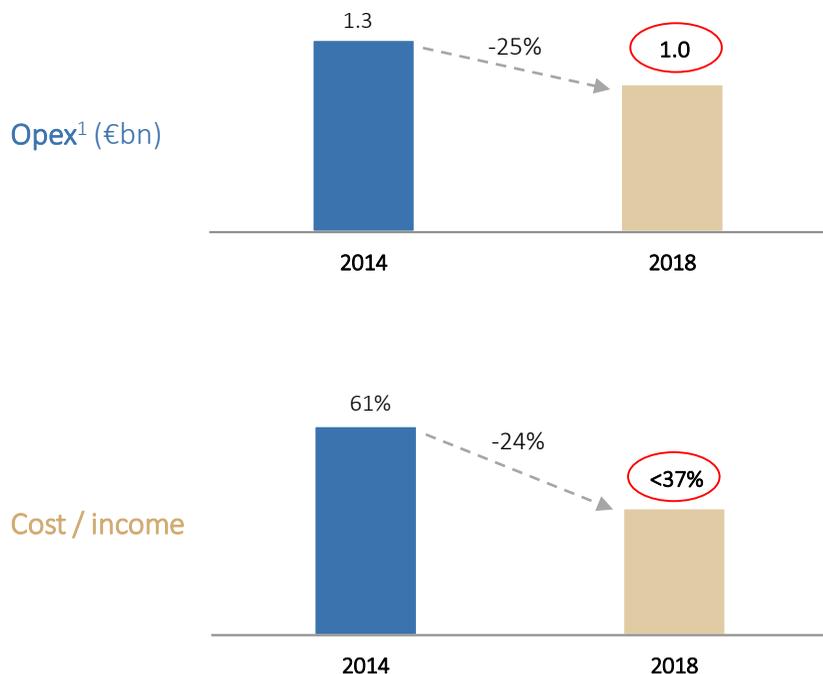
<115% target loan to deposit ratio in line with the restructuring plan

Reinforce deposits as part of the effort to **eliminate all ELA financing** in the mid-term

1. 2Q'15 figure includes the acquisition of Panellinia Bank  
 2. Refers to the Greek operations of the Cypriot banks (Bank of Cyprus, Hellenic Bank, Cyprus Popular Bank)  
 3. Refers to Millennium Bank SA



Key cost indicators | Greece



Main drivers of cost optimisation

- Optimisation and rationalisation of the distribution network**
- Redesign of front-to-back processes to reduce manual workload in branches**
- Right-size corporate centre**
- Enhanced automation of back-office activity by deployment of new systems**
- Further externalise non-core activities**
- Redesign of the procurement process and strategy**

1. Opex indicates all operating expenses (G&A, personnel costs, depreciation / amortisation) on reported basis

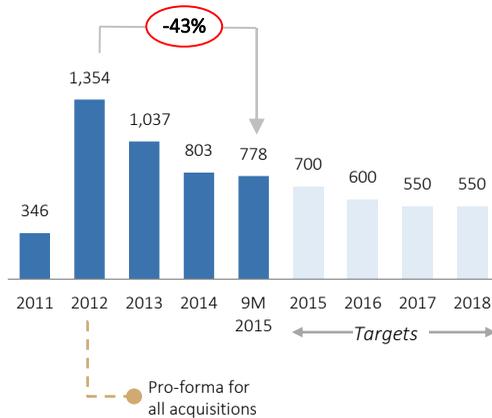


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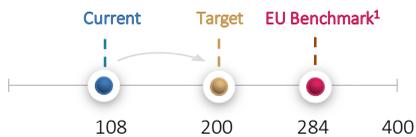
## 1.11 We target further network optimisation

### Piraeus will continue the rationalisation of its branch network...

Piraeus Greek branches

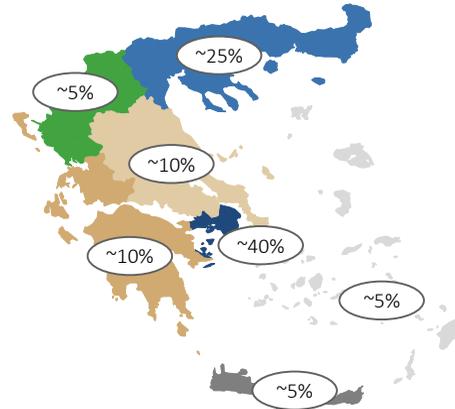


Deposits + Loans / branch (€mn)



### ...maintaining full country coverage while focusing on high potential regions...

Mid-term target, % of Piraeus branch network by region



### Hub-and-Spoke model



Network will be reorganised into a more efficient Hub-and-Spoke model with some remote regions retaining the traditional model

### ...through a full range of actions to bring network optimisation in line with best practice

- 1 Reduce geographic footprint while offering the broadest countrywide coverage
- 2 Increase focus in regions with strong commercial and economic prospects
- 3 Support customer migration towards alternative channels
- 4 Increase branch productivity to outperform Greek competition and match European peers
- 5 Reinforce leaner network turning customers towards up-scaled digital offering

1. EU average based on the simple average of 5 largest commercial banks by asset size in each of the 28 EU countries (subject to available data)

Source: Company information, SNL Financial



#### Strategic actions

#### Key highlights

#### Recent KPIs and medium-term targets



Further investment in omni-channel distribution...

- ✓ Implement channel migration of customers to self-service
- ✓ Further improve self-service offering

- ✓ Pursue increased self-service kiosk capabilities in the medium-term:

**2,300 ATMs**  
*(vs. 1,830 in Jun-2015)*



...continued leadership in online banking...

- ✓ Advanced web-banking platform
- ✓ Range of branch digital capabilities and tools
- ✓ Wide mobile presence
- ✓ Unique coupons and merchants rewards platform

- ✓ Recent growth trajectory in WinBank web banking platform

**49%** increase of active users<sup>1</sup>

**94%** increase in transactions<sup>1</sup>



...and growing penetration of web & mobile banking

- ✓ Accelerate migration of branch-based customers to digital channels
- ✓ Maintain Piraeus digital leadership through ongoing investment

- ✓ Aim to grow web-banking platform / penetration
- ✓ **Target registered online users:**

*Current<sup>2</sup>*                      *Medium-term*

1.3mn .....> **3.0mn**

1. % increase based on 8 months 2015 vs. 8 months 2014  
2. As at September 2015



# Piraeus aims to maintain a leading position in Business banking with increased focus on identified key segments

## Implementation of key strategic initiatives...

- Adjust the overall risk-return profile of the portfolio:**
  - Developing the ‘cured’ portfolio
  - Targeting sectors with a promising outlook
  - Selectively exiting unprofitable, high-risk clients
- Increase cross-sell revenue by repositioning transaction banking**
- Enhance service offering**

## ...through identified enablers...

### Segment-driven service model



- Base client approach on risk / return potential

### Enhanced RM role



- Pivotal role for all client-facing activity
- Coverage of non-lending clients

### Synchronisation with product factories



- Increased cross-selling through incentives and common budget
- Collaboration of RMs and experts

### Organisational and operational enablers



- Central team to be key on strategic direction and implementation

## ...expected to reinforce domestic market leadership, mainly in SME and Agriculture segments

- 1 SMEs**
  - Extract value from **current clients** through **cross selling** and **new products / services**
  - Cooperation with **Development organisations**
  - Extend **coverage to non-lending clients**

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- 2 Agriculture**
  - Leverage on **existing client reach** – **55%** domestic agri loans market share
  - Focus on key clients through **specialised advice**
  - Build **innovative services** (contractual agriculture)
  - Further expand **supply chain financing**

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- 3 Large corporate**
  - Leverage on structured finance
  - Administer structural funds**

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- 4 Green Banking**
  - Offer expertise** in the field
  - Perform the economic and technical capacity evaluation of every investment plan
  - Promote tailor-made / innovative products and services

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- 5 Transaction Banking**
  - Elevate Transaction Banking unit** to a priority line of business
  - Focus on SME cash management, capital goods trade finance and corporate B2B / B2C cash management



Piraeus has identified revenue opportunities across all retail segments with a focus on products with large fee generation potential

Segments

Mass retail



~7% Target annual loan growth between 2014-18E

- ☑ Utilise large customer base for "sticky" deposits
- ☑ Cost optimisation through channel migration
- ☑ Improved relationship management

Affluent



€6.5bn Full deposit recovery of recent outflows (mid-term target)

- ☑ Shift to higher margin products
- ☑ Targeted deposit re-acquisition to grow Affluent market share (incl. offshore funds)
- ☑ Enhanced Upper Affluent offering

Small Business



~10% Target annual loan growth between 2014-18E

- ☑ Benefit from recovering cyclical revenues
- ☑ Target SB employees, not just owners
- ☑ Focus on sectors with sustainable liquidity
- ☑ Increase fees through ancillary services

Selected products

Bancassurance



~12% Customer base penetration (mid-term target)

~12% Bancassurance fees<sup>1</sup> (mid-term target)

- ☑ Leverage on current market leadership (35% market share)
- ☑ Maximise use of branch salesforce to boost penetration

Cards & payments



95% Customer base with debit cards (mid-term target vs. 60% at end-June 2015)

- ☑ Digital banking leadership expected to give Piraeus a competitive advantage in cards
- ☑ Focus on co-branding, product bundling, promotions, loyalty schemes

Merchant acquiring



~20% SB / SME Card Present (CP) acquiring penetration (mid-term target vs. <5% at end-June 2015)

- ☑ Aggressive deployment of acquiring contracts into under penetrated SB customer base
- ☑ Defend market share in CNP business

1. % of total Piraeus fee income



Key priorities

A committed, pro-active action plan already in progress...

- 1 **Accelerated deleveraging policies**
  - Total assets of international subsidiaries reduced by €2.2bn (c.24%) between YE 2012 and end-June 2015
- 2 **Active NPL management**
  - RBU establishment in all major subsidiaries
- 3 **Reduction of funding reliance to the Parent**
  - Net parent funding to subsidiaries decreased by 26% since YE 2012
- 4 **Capital accretive deleveraging actions**
  - Sale of 98.5% stake in Piraeus Egypt<sup>1</sup>
- 5 **Operational optimisation**
  - Streamlining of operational capacity to create leaner banks tailored to the deleveraging business model

...designed to deliver ahead of the restructuring plan targets in a capital accretive way

Overview of international presence (RWAs per country)

(30-Jun-2015, €bn)



1. Expected to be completed by YE 2015



		June 2015	Target 2018	
1	The leading Greek bank...	Market share <sup>1</sup>	~30%	~30%
2	...with active NPL management...	NPL ratio	39%	<17%
		Cost of risk <sup>2</sup>	TBD	~50bps
3	...best in-class efficiency...	Branches	804	~550
		Opex / Assets <sup>3</sup>	179bps	<140bps
		Opex	€1.2bn <sup>5</sup>	~€1.0bn
4	...and increasing revenues...	NIM <sup>4</sup>	264bps	>300bps
		Fees / Assets <sup>3</sup>	44bps	>90bps
5	...to reach sustainable profitability	RoA <sup>3</sup>	-311bps	~150bps

Note: Perimeter includes total Greek operations unless stated otherwise

1. Market share of gross loans – Perimeter Piraeus Bank Greece (standalone financial statements)
2. Cost of risk measured as provision expense over average gross loans
3. Ratios computed excluding EFSF bonds (€14bn), seasonal loans and discontinued operations
4. NIM computed as net interest income over assets excluding EFSF bonds (€14bn), seasonal loans and discontinued operations
5. Opex: 1H'15 figure annualised

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02

## Highlights

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**A** An economy on the recovery path

**B** Focused NPL management through a dedicated Recovery Banking Unit

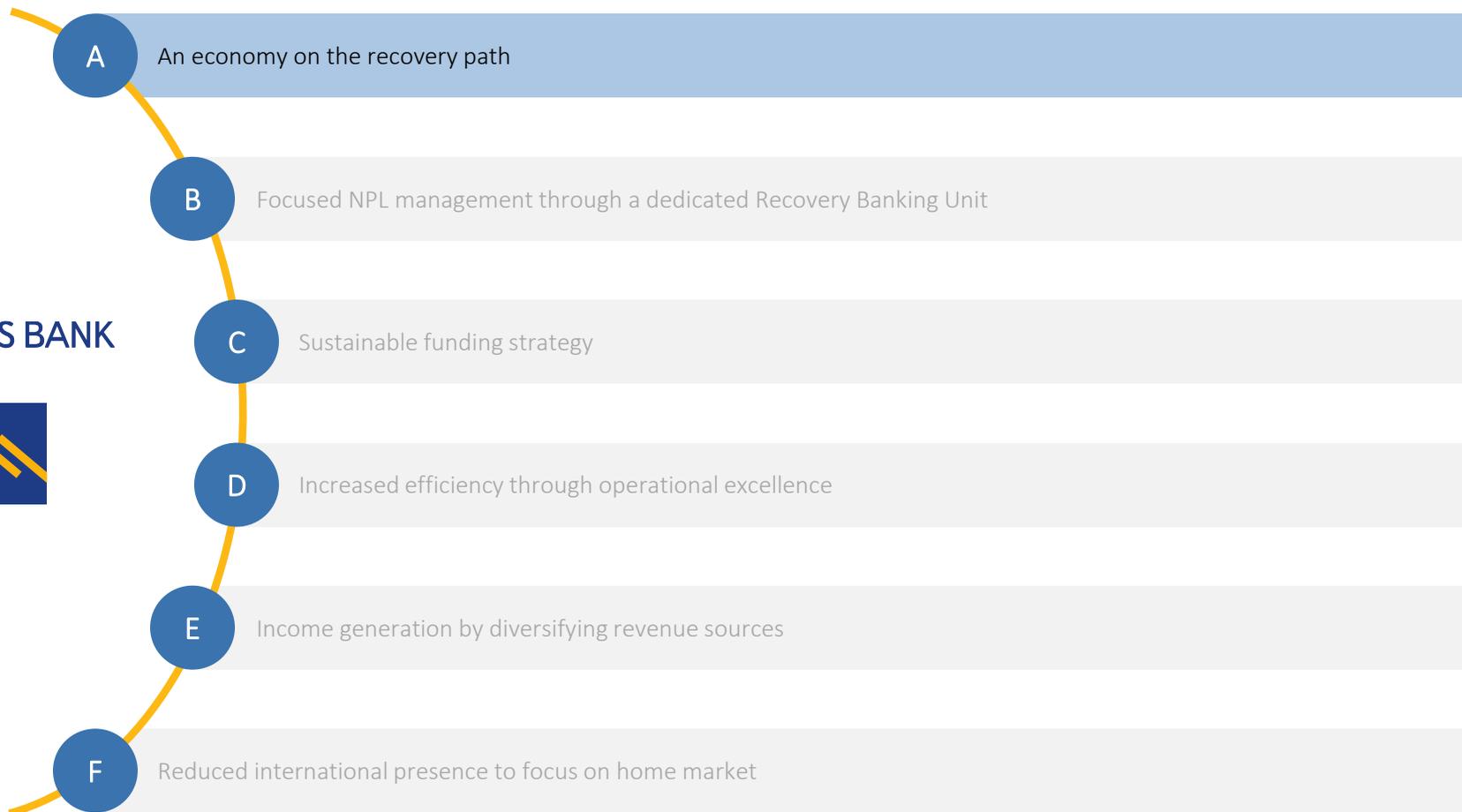


**C** Sustainable funding strategy

**D** Increased efficiency through operational excellence

**E** Income generation by diversifying revenue sources

**F** Reduced international presence to focus on home market

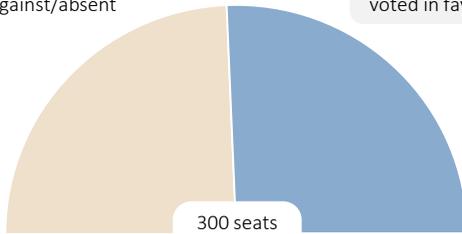




1<sup>st</sup> bailout programme Parliament vote (May-10)

130 MPs  
voted against/absent

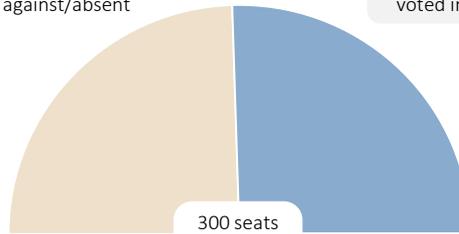
170 MPs  
voted in favour



2<sup>nd</sup> bailout programme Parliament vote (Feb-12)

101 MPs  
voted against/absent

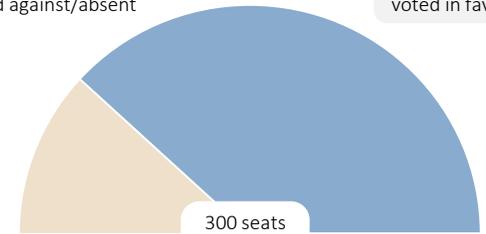
199 MPs  
voted in favour



3<sup>rd</sup> bailout programme Parliament vote (Aug-15)

78 MPs  
voted against/absent

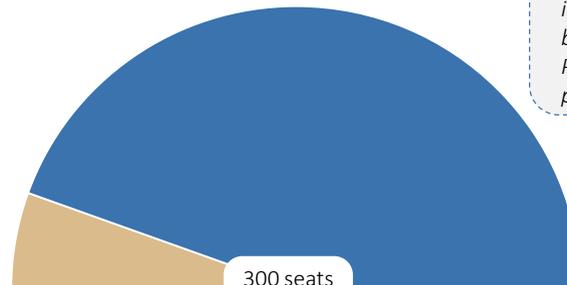
222 MPs  
voted in favour



New Parliament composition (Sep-15)

- ✓ The new Parliament comprises almost entirely (~90%) by MPs that support Euro membership and reforms
- ✓ This is expected to provide the new Government with legislative power to implement the reforms required by the MoU

267 MPs  
in new Parliament  
belong to  
Pro-European  
parties

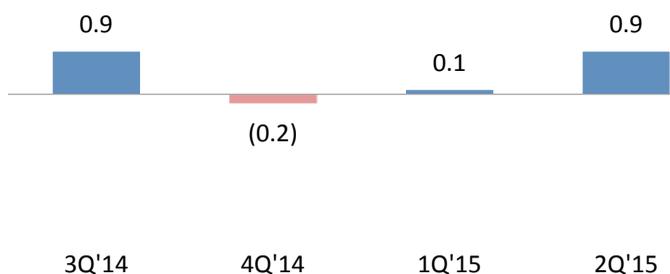




Greece is expected to return to growth in 2Q'16<sup>1</sup>

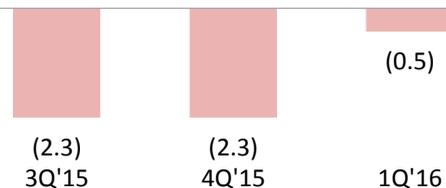
(Real GDP growth, QoQ%)

Key growth drivers at 2H'14 / 1H'15



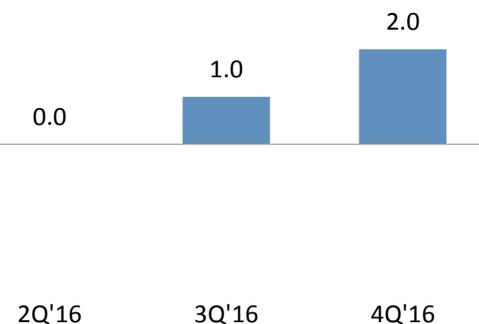
- ✓ 2013 positive momentum carried forward
- ✓ Substantial pick-up in tourism (2014 arrivals up 43% vs. 2012)
- ✓ Key sectors resilient despite political uncertainty during 3Q'14 – 2Q'15:
  - Manufacturing up 2.8%
  - Services up 2.2%
  - Retail sales up 0.8%
  - Tourism receipts up 10.1% y-o-y

Recession drivers during 2H'15 to 1Q'16



- ✓ Political uncertainty, bank holidays and capital controls
- ✓ New fiscal austerity measures up to 4.3% of GDP
- ✓ ~€18bn back-loaded payment of tax obligations by end of 2015

Key recovery drivers in 2016



- ✓ Clear political path with no elections scheduled until 2019
- ✓ Capital controls expected to be lifted / substantially relaxed in early 2016
- ✓ Utilisation of €11.5bn EU structural funds during 2015-16
- ✓ ~7bn liquidity injection in the economy through clearance of State's arrears to the private sector
- ✓ New FDIs through "mature" privatisations (e.g. Piraeus Port and regional airports)

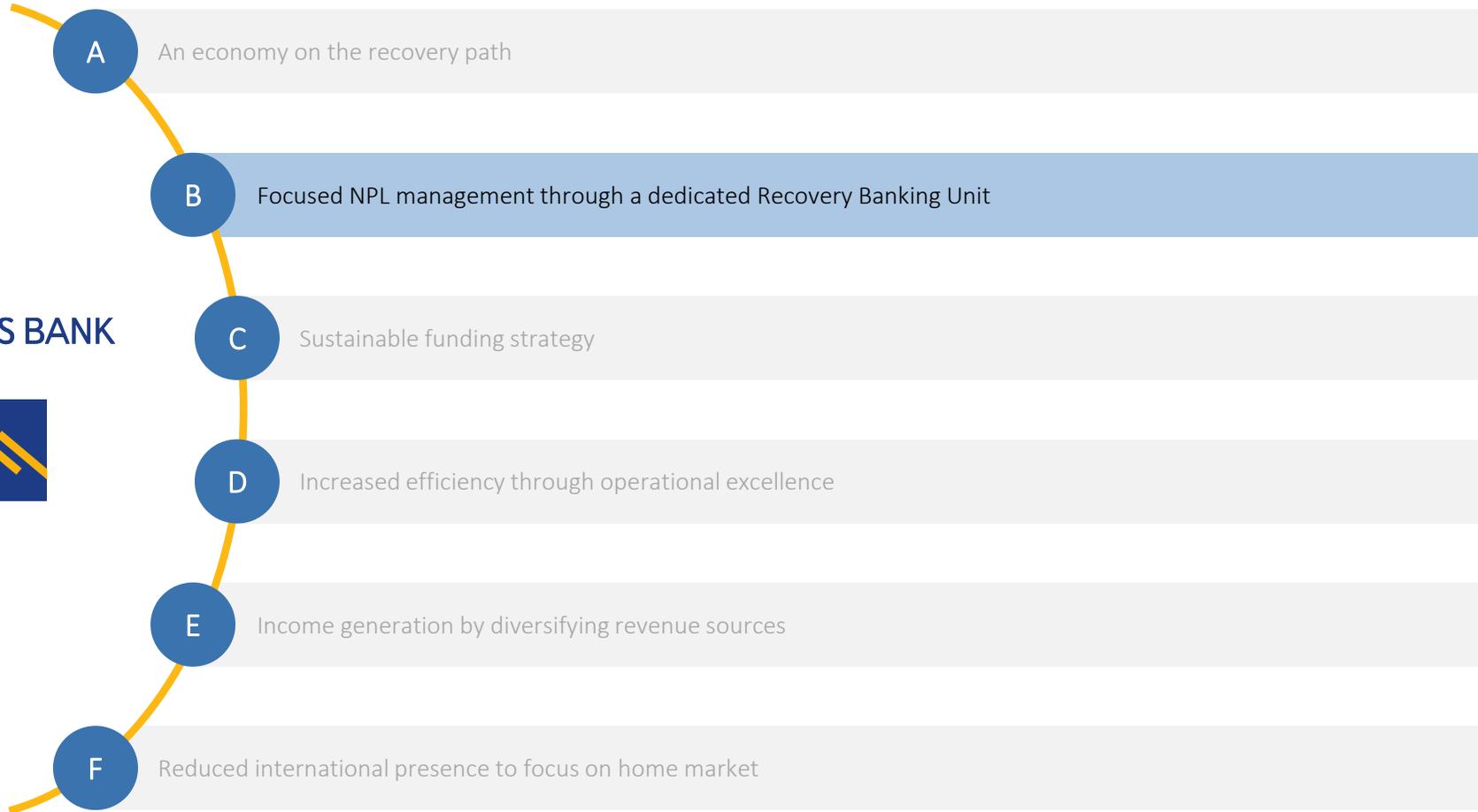
1. Piraeus Bank Research estimates post 2Q'15  
Source: Statistical Authority of Greece, Bank of Greece, Piraeus Bank Research



## Reduced execution risk for a heavily frontloaded Programme

	<i>1<sup>st</sup> Adjustment Programme</i>	<i>2<sup>nd</sup> Adjustment Programme</i>	<i>3<sup>rd</sup> Adjustment Programme</i>
<b>1</b> Duration	May-10 to Feb-12	Mar-12 to Jun-15	<b>Aug-15 to Aug-18</b>
<b>2</b> Fiscal consolidation	16.1% of GDP in 2 years	8.8% of GDP in 3 years	<b>4.3% of GDP in 4 years</b> (o/w 1.4% in 2015)
<b>3</b> Impact on GDP	Recession: -13.8% (2010 - 2011)	Recession: -9.5% (2012-2014)	<b>Growth: 2.1%</b> (2015- 2018)
<b>4</b> Public debt interest rates	~5.6% (2009-20 average)	~3.9% (2009-20 average)	<b>ESM variable funding cost plus low fee</b> (~1% currently)
<b>5</b> Structural reforms	70 actions	186 actions	<b>58 actions</b> (all to be voted in 2015)

- ☑ **The lowest level of fiscal consolidation** required, spread across 4 years
- ☑ **Very low interest rates** for new financial assistance
- ☑ **Potential future debt restructuring** can lead to further reduction of funding costs
- ☑ **Majority of austerity measures already implemented** in previous programmes
- ☑ **Highest political acceptance**, across parties





## Declining NPL formation with higher coverage ratios

### NPL formation | Greece

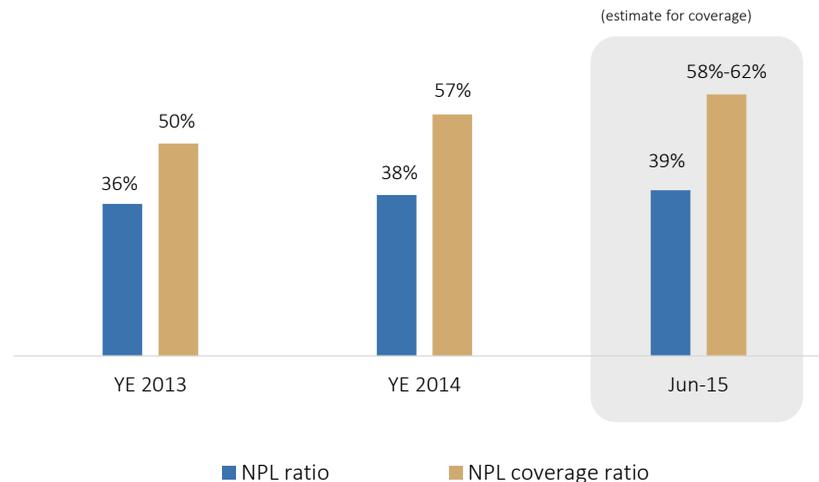
- Despite temporary increase in 1Q15, NPL formation has been consistently **declining every quarter since 2012**
- NPL formation** was **negative** in Greece for 4Q'14 and 2Q'15 despite escalating political uncertainty

(pre write-off quarterly NPL formation, €mn)



### Evolution of NPL and coverage ratios | Greece

- Piraeus has historically maintained a high-level of coverage against non-performing exposures
- Total domestic NPL coverage, including collaterals, stands markedly above 100% (estimates: 105-109% as at end-June 2015, 124-128% including guarantees)

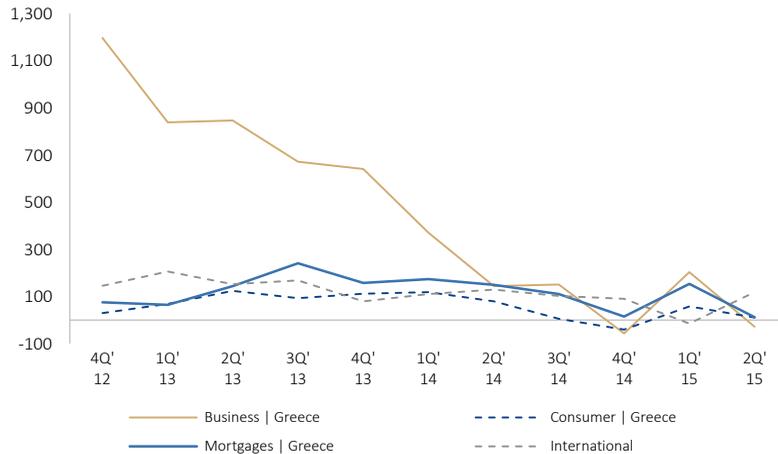




# Quality of loan portfolio has improved in recent quarters

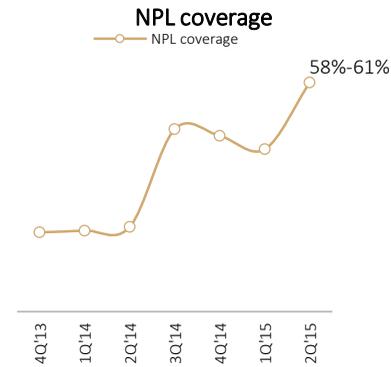
## NPL formation | Group

(€mn, pre write-off quarterly NPL formation)

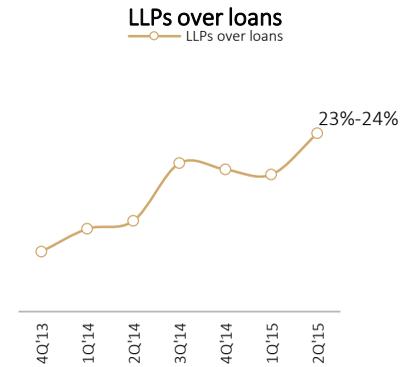


## Evolution of LLAs | Group (estimate)

### LLAs over NPLs

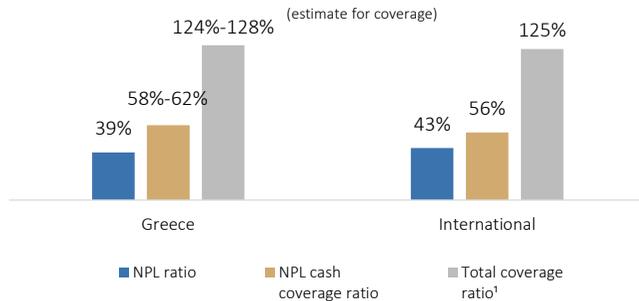


### LLAs over Loans



## Regional NPL overview

(30-Jun-2015, €mn)



## NPL and NPE<sup>2</sup> snapshot

(30-Jun-2015, €mn)

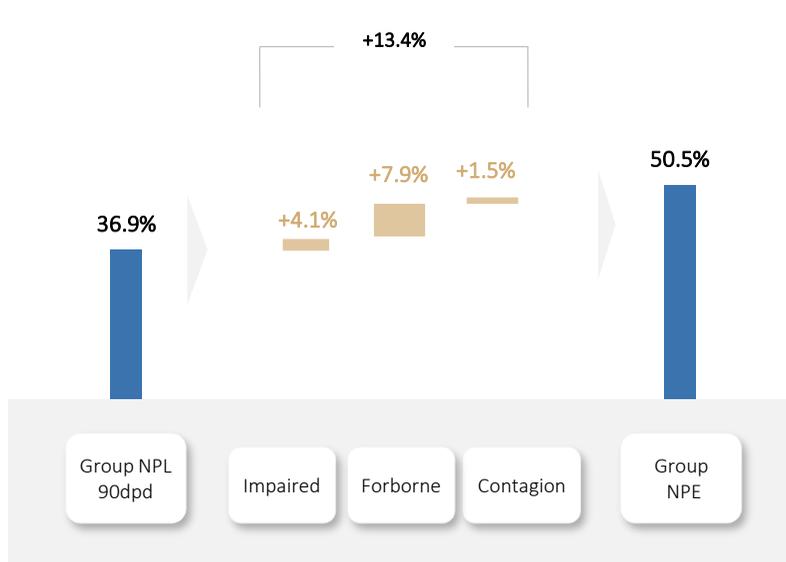
NPLs	Group	Greece	NPEs	Group	Greece
Business	19,040	16,888	Business	26,991	24,275
Mortgages	4,874	4,741	Mortgages	6,214	6,049
Consumer	3,690	3,490	Consumer	4,085	3,859
<b>TOTAL</b>	<b>27,605</b>	<b>25,119</b>	<b>TOTAL</b>	<b>37,290</b>	<b>34,183</b>

1. Loan loss allowance plus tangible collateral and guarantees  
 2. Non-performing exposures (detailed definition in page 2.9), on balance sheet exposure



NPL to NPE reconciliation

(30-Jun-2015)



- ☑ **Impaired:** exposures which are **not** past due by more than 90dpd but for which a specific provision exists
- ☑ **Forborne:** exposures that have forbearance measures (i.e. concessions towards a debtor facing or about to face difficulties in meeting financial commitments) and are classified as non-performing as per EBA Technical Standards
- ☑ **Contagion:** the additional effect of characterising all exposures to a debtor as NPL when the debtor has exposures in arrears more than 90dpd (pull-through effect) according to EBA Technical Standards

NPE perimeter (incl. off-balance sheet exposures)

(€bn, 30-Jun-2015)

	Loan Exposure	NPEs	NPE Perimeter			
			+90dpd	Impaired	Forborne	Contagion
Business	49.4	27.5	19.1	3.1	4.3	1.1
Mortgages	17.5	6.2	4.9	0.0	1.3	0.0
Consumer	8.1	4.1	3.7	0.0	0.4	0.0
<b>Total</b>	<b>75.0</b>	<b>37.8</b>	<b>27.7</b>	<b>3.1</b>	<b>5.9</b>	<b>1.1</b>

	+90dpd	NPEs	Coverage (estimate)	
			NPLs	NPEs
Business	19.1	27.5	67%	46%
Mortgages	4.9	6.2	30%	24%
Consumer	3.7	4.1	75%	67%
<b>Total</b>	<b>27.7</b>	<b>37.8</b>	<b>58%-61%</b>	<b>42%-45%</b>



# 02

## 2.10

Piraeus has been heavily investing in NPL management since early 2000s

1992

- ✓ A dedicated Commercial Workout Unit is established at the time of the Bank's privatisation
- ✓ Significant evolvement through a series of acquired portfolios leading to strong expertise in the denounced portfolio management

2005

- ✓ Retail unit is reshaped and a **very strong internal collection team** is formed
- ✓ Piraeus Bank is first to cooperate with leading advisers to **develop scoring models** at different stages of the credit cycle
- ✓ This **innovative** setup is **highly acclaimed** in the first Blackrock results in 2011

Since 2005

- ✓ In Wholesale lending **early warning signs** are employed to identify problematic situations and ensure **proactive handling** of **potential NPLs**



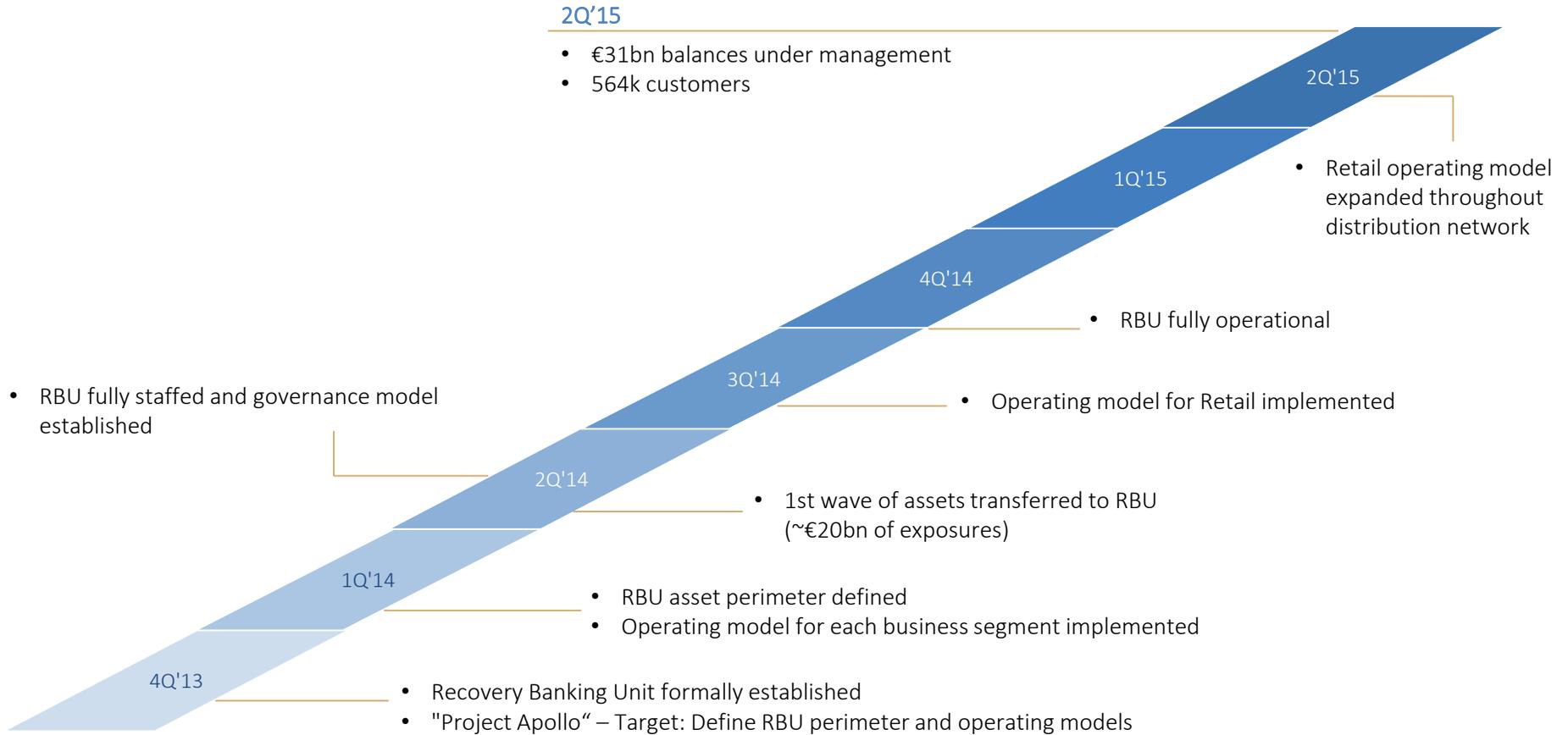
### Formal establishment of RBU in 4Q'13

based on the existing Collections, Workouts and Watchlist monitoring teams, leveraging on manpower from acquisitions



# 02

## 2.11 Piraeus was first to carve out a dedicated Recovery Banking Unit (RBU)



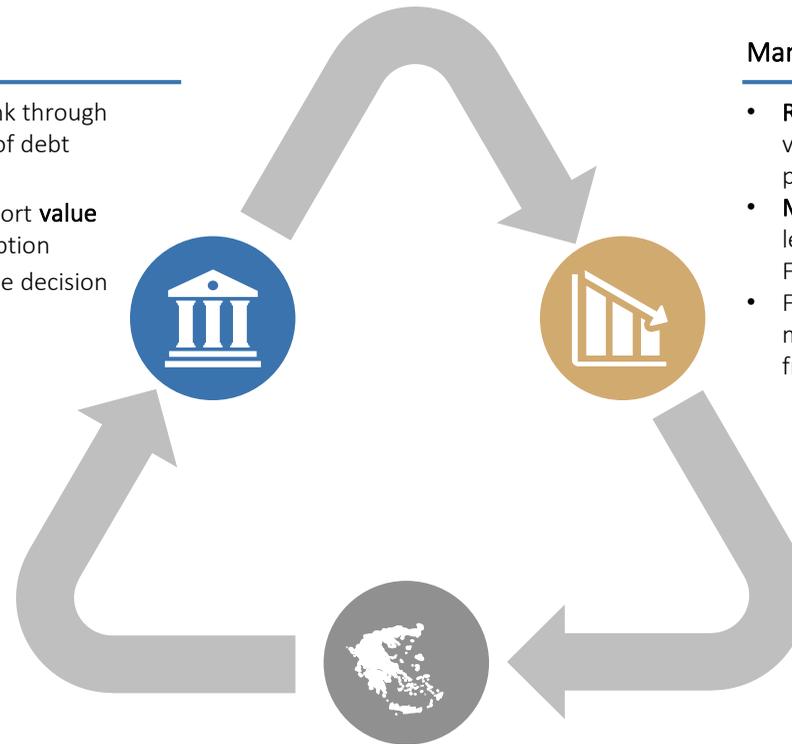


**Create value for Piraeus Bank**

- Increase recovery value of Piraeus Bank through adopting **viable solutions** and the use of debt adjustment techniques
- Achieve specific **financial goals** to support **value creation** by optimising capital consumption
- Enhance the **impairment model** and the decision models for interest accruals

**Manage NPL / NPE<sup>1</sup> stock**

- **Reduce NPL / NPE stock** by identifying viable/cooperative customers/businesses and providing rehabilitation for going concern customers
- **Maximise recoveries** through effective liquidation, leveraging the know-how of the RBU team, the Task Force team and its Real Estate subsidiary
- Focus on Strategic Defaulters and implement tailor made strategies, taking advantage of the new legal framework and the RBU analytics



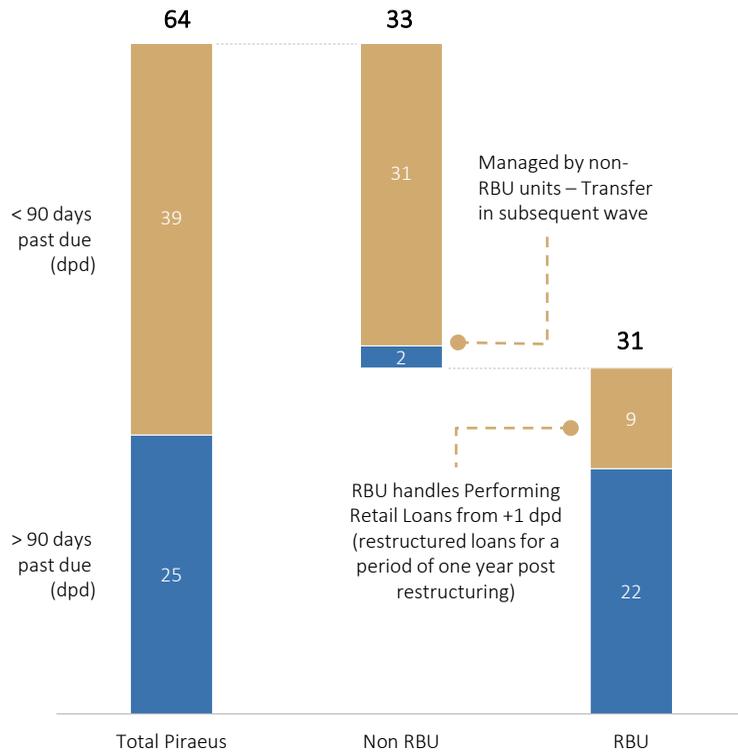
**Act based on customers' affordability**

- Act taking into account the **borrowers' needs, viability** and **affordability** in a through-the-cycle approach
- Take advantage of the **changes in the legal framework and the wealth of data** gained through acquisitions to deal with strategic defaulters



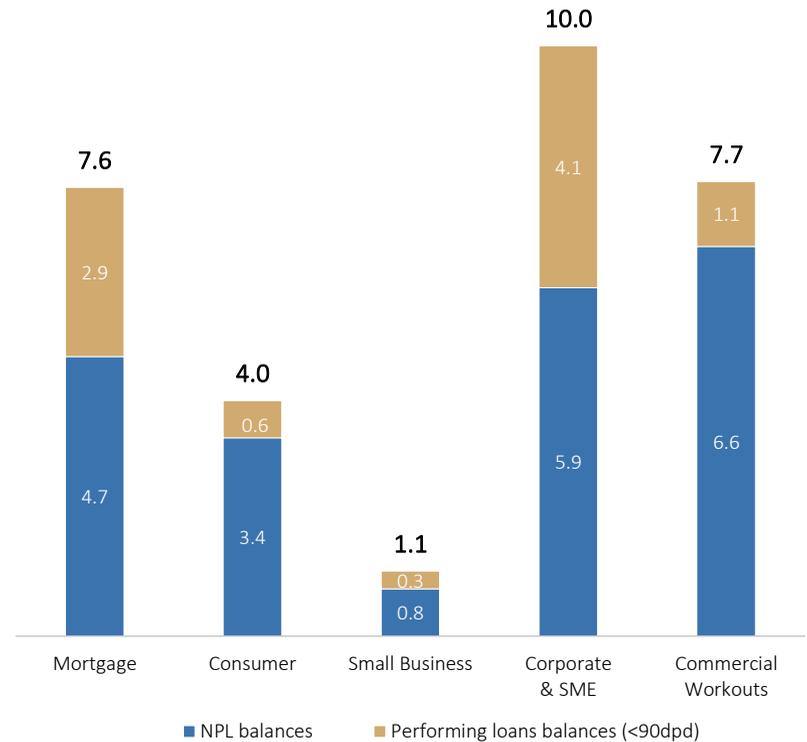
RBU balances overview

(€bn, 30-Jun-2015)



RBU balances by segment

(€bn, 30-Jun-2015)



Note: Figures display amounts for Piraeus Bank Greece. Sums of figures may deviate from totals due to rounding

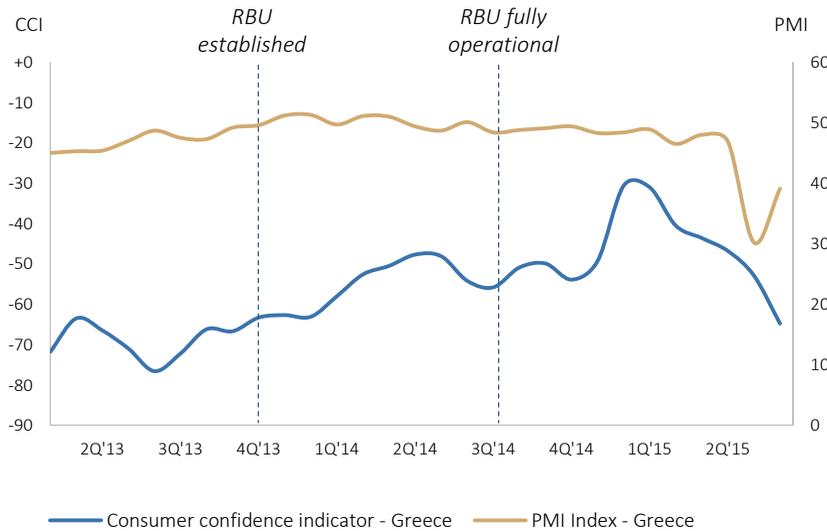


- |                                 |   |
|---------------------------------|---|
| <b>1</b> Strategy and mandate   | <ul style="list-style-type: none"> <li>• Strategic objective to <b>create value</b> for Piraeus</li> </ul>  |
| <b>2</b> Governance structure   | <ul style="list-style-type: none"> <li>• An <b>independent</b> and highly <b>autonomous</b> unit</li> <li>• A <b>dedicated Board of Directors</b></li> </ul>  |
| <b>3</b> Operating model        | <ul style="list-style-type: none"> <li>• <b>Segment specific</b> and <b>customer driven</b> operating models</li> <li>• Detailed customer <b>segmentations</b> and <b>assessments</b></li> <li>• <b>Innovative restructuring products</b> delivered through <b>dedicated channels</b></li> <li>• Close <b>cooperation of specialised teams</b> with specific expertise</li> </ul>   |
| <b>4</b> Talent and personnel   | <ul style="list-style-type: none"> <li>• <b>Skilled</b> and <b>experienced</b> management team</li> <li>• <b>Fully staffed</b> with <b>specialised</b> professionals in central units and across network <b>dedicated</b> to RBU</li> <li>• Specialised <b>support units</b> (Legal, Pre-Legal, Loan Admin)</li> <li>• Broad use of <b>3<sup>rd</sup> party vendors</b> (5 collection agencies, &gt;22 law firms and individual lawyers)</li> </ul> |
| <b>5</b> Performance management | <ul style="list-style-type: none"> <li>• <b>Specific</b> financial and operational target setting on all levels</li> <li>• <b>Regular</b> and <b>frequent reporting</b> monitoring capabilities</li> </ul>  |
| <b>6</b> IT infrastructure      | <ul style="list-style-type: none"> <li>• <b>Dedicated</b> and <b>specialised</b> IT systems well integrated into the bank's infrastructure</li> <li>• High degree of <b>automation</b></li> <li>• Highly sophisticated <b>treatment tools</b> for customer solutions</li> </ul>   |



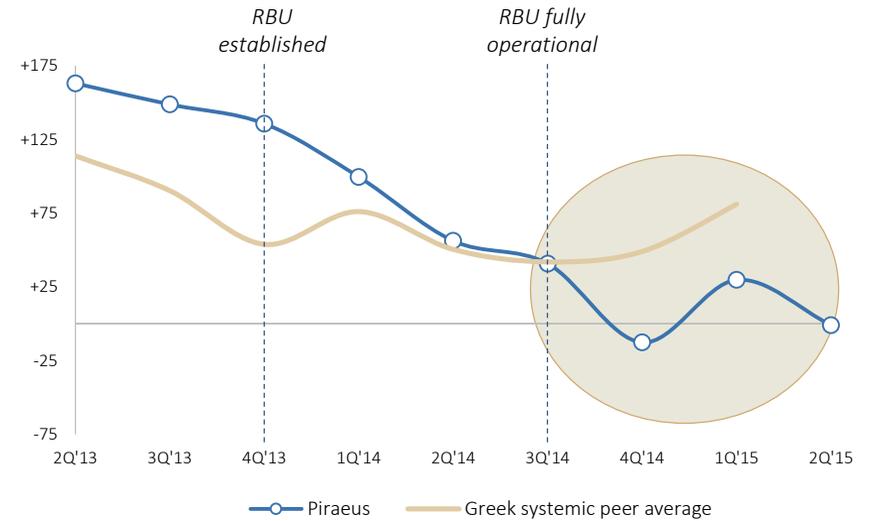
Consumer Confidence Index (CCI) and Purchasing Managers Index (PMI)

(bps)



NPL formation of Greek systemic banks<sup>1,2</sup>

(bps)



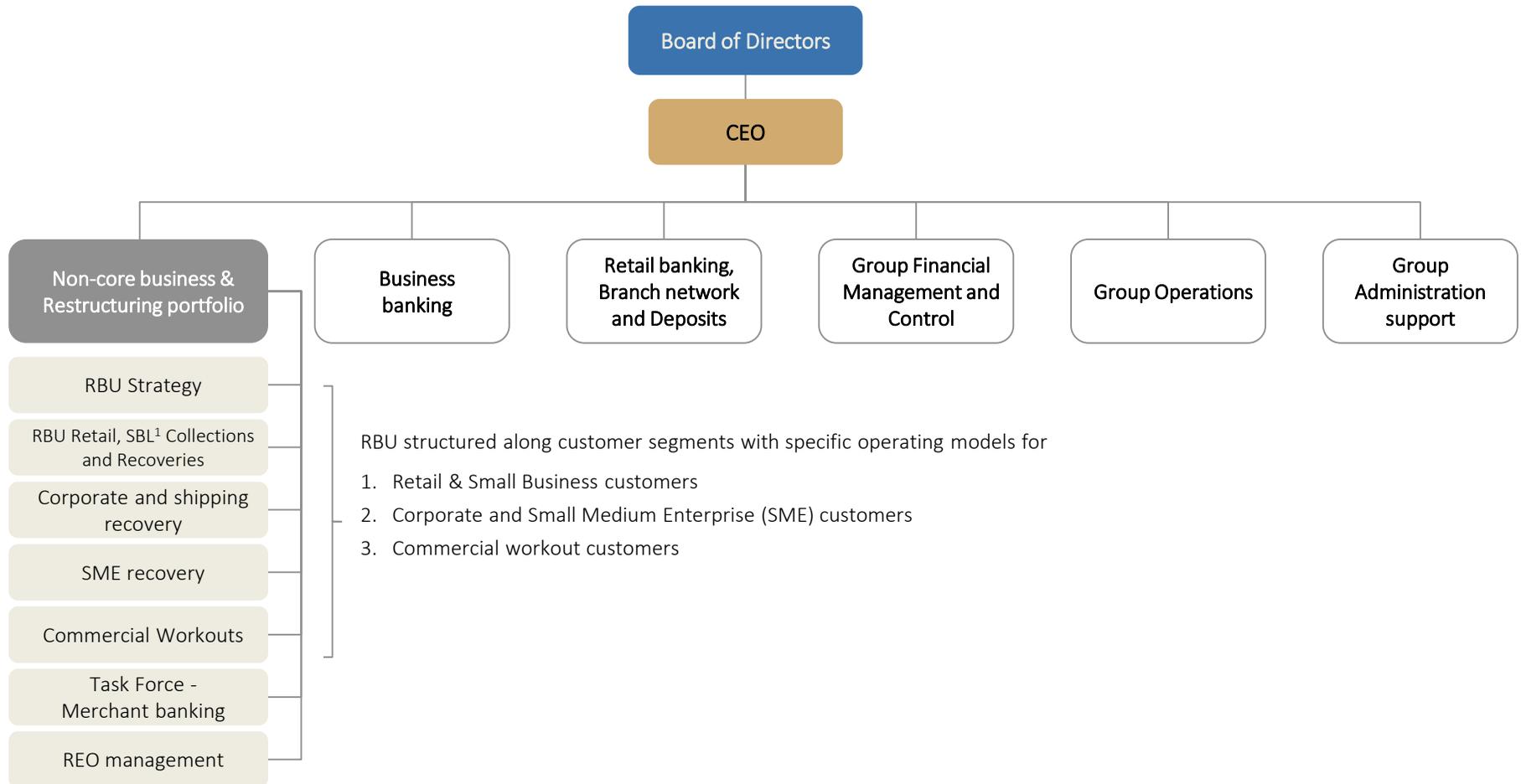
- RBU operated in challenging economic conditions
- Since September 2014, when RBU became fully operational, Consumer Confidence Index further plunged by 16% and Purchasing Managers Index fell by 19%

- Since 4Q 2013 Piraeus' NPL formation declined faster compared to the Greek systemic peer average, mostly due to the impact of RBU

1. Pre write-off quarterly NPL formation (bps over end-quarter loans)  
 2. Greek systemic peer average includes Alpha Bank, Eurobank and National Bank of Greece  
 Source: Company information, Markit Economics, European Commission



Piraeus Group organisational structure



1. Small Business Loans

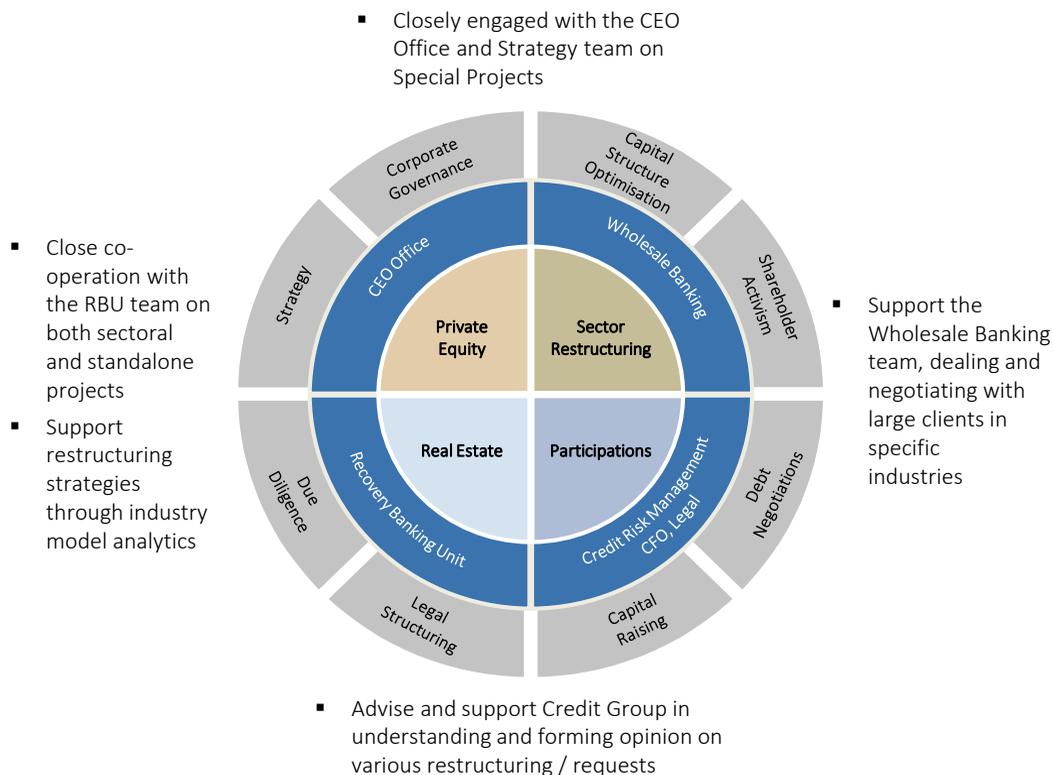


# Task Force has been established to restructure large-ticket special situations in the distressed portfolio

## Task Force creation

- ☑ The large corporate NPL portfolio often requires a “Deep Dive” into the industry and shareholder / lender involvement for its full recovery value to be captured
- ☑ As a result, Piraeus Bank has been increasingly involved in the turnaround and the restructuring of businesses in critical sectors where it may have high concentration of exposure across many competitors
- ☑ To tackle such sectors, Task Force was created as a dedicated team for “Deep Dive” business interventions across multiple industries, sectors and companies
- ☑ Task Force team consists of ~45 highly qualified experts
  - Strong background in Industry (Real Estate, Telecoms, Infrastructure), Banking and Asset Management / Private Equity

## Task Force positioning





## Typical Task Force support on Standalone Restructurings



### Sector / company analysis

- Analyse the company and the sector
- Perform financial legal and operational diligence
- Build bottom up financial models
- Assess capital structure and debt sustainability
- Identify alternative restructuring options



### Transaction management

- Negotiation with stakeholders
- Debt and shareholder activism
- Acquire debt from other debt holders
- Legal actions and measures



### Implementation and execution

- Restructure debt documentation
- Enhance management teams
- Effect changes in corporate governance
- Provide new funding

## Key rationale between Portfolio Restructuring options

### 1 Managed "Securitisations"

- Attractive legal framework: No loan transfer / claw back issues
- Maximum future recovery
- Assets actively managed by specialists, with new capital to restructure and grow
- Flexibility in commercial negotiations and use of bankruptcy law toolkit, reduces conflicts bank would face as both a lender and "owner"

### 2 Co-Investment structures

- Assets actively managed by specialists, with new capital injections aiming at restructuring and growth
- Minimises adverse capital and P&L impact of asset sales, allows shareholder and bondholder activism without conflicts
- Allows bank to participate in future recovery and asset upside and provides co-investor with preferred access to pipeline of similar non-core holdings

### 3 Outright Sale

- Most straightforward way to deleverage with immediate release of capital and management resources
- No participation in future upside, potential legal impediments and restrictions or adverse impact on P&L



Piraeus established a Task Force to facilitate institutional asset monetisation

**Health**

- Multiple cases
- €120m



**Real Estate**

- 4 cases
- €1.6bn



**Food & Beverage**

- 2 cases
- €100m



**Fish farms**

- 2 cases
- €170m



**Task Force works on solutions for Piraeus' large exposures to nationally important industries**

**Tourism**

- Multiple cases
- Potential up to €1.5bn



**Shipping**

- Multiple cases
- Potential up to €2.6bn



**Diversified investments**

- Multiple cases
- Potential up to €3.0bn



**Passenger ferries**

- 2 cases
- €200m



Key planned improvements



**Boost capacity through**

- Increase internal resources
- State-of-the-art outsourcing model and use of service providers
- Specialised fully dedicated Adjustment Centers across the entire distribution network



**Increase productivity through**

- Incentive scheme for RBU (ROs/BROs/RMS and supporting teams)<sup>1</sup>
- Specialised Middle Office and extended Loan Admin as well as Retail/SB support
- New training platform



**Incorporate special capabilities and support**

- Real estate, Institutional asset sales and use of external consultants
- Leveraging sector expertise in SME sector recoveries



Key performance indicators

KPI	Current	Target	Lever
Average # of customers per FTE (Retail)	170	100	<ul style="list-style-type: none"> <li>• Increased capacity</li> </ul>
Time per assigned portfolio (Retail)	3 months	1.5 months	<ul style="list-style-type: none"> <li>• Increased capacity</li> <li>• Lower number of customers per officer</li> </ul>
Contact rate (Retail)	~70%	~85%	<ul style="list-style-type: none"> <li>• Increased customer handling time</li> <li>• Improved training</li> </ul>
Handling capacity in cases per unit (Business)	~2,600 cases	~3,800 cases	<ul style="list-style-type: none"> <li>• Increased capacity for Corporate and SME RMs</li> <li>• Time reallocation to Middle Office (30%)</li> </ul>
Time per case per RM, days (Business)	~280 days	~180 days	<ul style="list-style-type: none"> <li>• Creation of a Middle Office</li> <li>• Customer assessment outsourced to external advisors</li> </ul>
Handling capacity in cases per unit (Workout)	~27,700 cases	~40,000 cases	<ul style="list-style-type: none"> <li>• Increased capacity for SB portfolio and expected transfers</li> </ul>

1. RO: Restructuring Officers / BRO: Branch Restructuring Officers / RMS: Relationship Managers  
 Note: Current refers to the latest available data as 1H 2015 and target refers to 2018



Extend outsourcing model

	Retail collections	Retail workout	Commercial workout
<b>Providers</b>	<ul style="list-style-type: none"> <li>5 collection agencies (~270 agents allocated to the task)</li> </ul>	<ul style="list-style-type: none"> <li>22 law firms</li> <li>~180 lawyers specialised in bankruptcy law</li> <li>~350 lawyers for small cases</li> </ul>	<ul style="list-style-type: none"> <li>Selected individual lawyers utilised as vendors</li> </ul>
<b>Outsourced Activities</b>	<ul style="list-style-type: none"> <li>Vendors are utilised across all arrears stages for collection activities</li> <li>No prioritisation of segments</li> </ul>	<ul style="list-style-type: none"> <li>Contact denounced customers</li> <li>Perform relevant legal action, to raise pressure to restructure (e.g. payment order, forced pre-notation)</li> </ul>	<ul style="list-style-type: none"> <li>Vendors utilised for collection and restructuring</li> <li>SBLs with exposure less than €20,000</li> </ul>

- Portfolio servicing options are under evaluation based on the proposed legislative changes

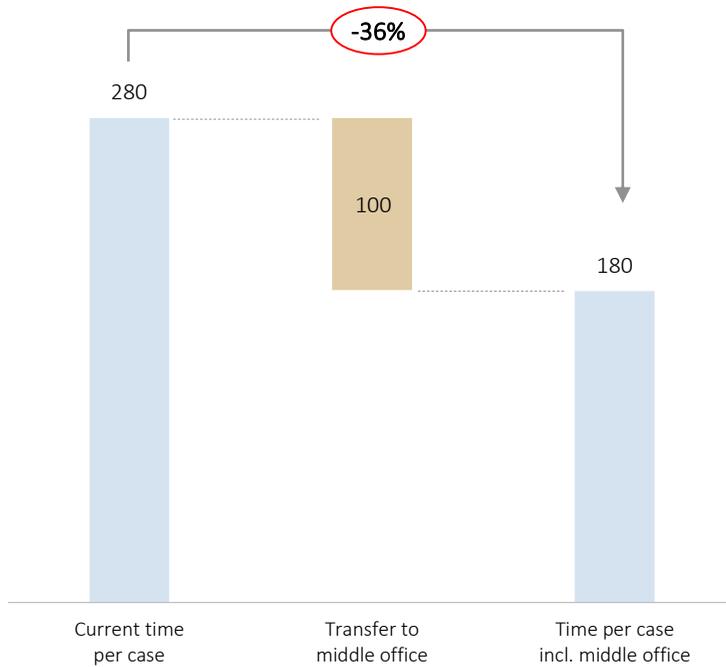


New Middle Office allows SME and Corporate RBU's capacity to increase by 36%

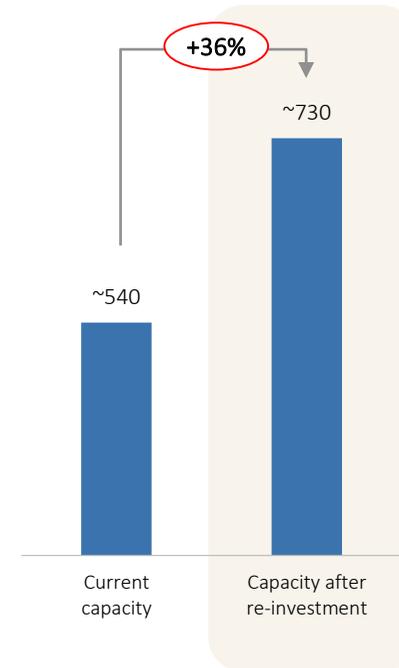
A strong Middle Office allows to reduce workload of Relationship Managers (RM) ...

... and re-invest the saved time in case handling capacity

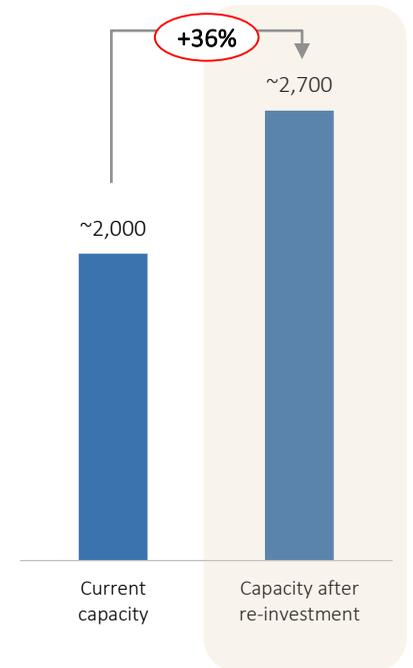
Corporate and SME – Time per case days



Corporate – Handling capacity # cases



SME – Handling capacity # cases





Business RBU is designed in both sectorial (Corporate) and geographic segments (SME)

Industrialised NPL management with SME sector approach

 <p><b>Corporate</b></p>	 <p><b>SMEs</b></p>
<p><b>Organisation:</b></p> <ul style="list-style-type: none"> <li>☑ Mostly headquartered in Athens</li> <li>☑ Large balances and complex situations</li> </ul>	<ul style="list-style-type: none"> <li>☑ Mostly headquartered in Athens</li> <li>☑ Classic restructurings and complex situations</li> </ul>
<p><b>RBU design:</b></p> <ul style="list-style-type: none"> <li>☑ <b>Corporate RBU</b> is segmented by <b>sector</b> <ul style="list-style-type: none"> <li>– 4 teams cover corporates by sector</li> <li>– 1 team covers shipping</li> </ul> </li> <li>☑ Teams develop specialised restructuring solutions</li> </ul>	<ul style="list-style-type: none"> <li>☑ <b>SME RBU</b> is segmented by <b>geography</b> <ul style="list-style-type: none"> <li>– 3 teams cover Athens</li> <li>– 6 teams cover the rest of Greece</li> </ul> </li> <li>☑ Specialised restructuring solutions are offered wherever needed</li> </ul>



- 1**

**Starting point – sector expertise**

  - Corporate teams built up strong sectorial expertise to design **industry-specific solutions**
  - SME RBU with **geographic orientation** taking into account unique local economic conditions
  
- 2**

**RBU design – SME sector approach**

  - **Leverage Large Corporate knowledge centrally** to support RMs in the application of complex solutions
  - Support RMs with **sector-specific solutions** to extend their know-how and leverage existing relationships
  
- 3**

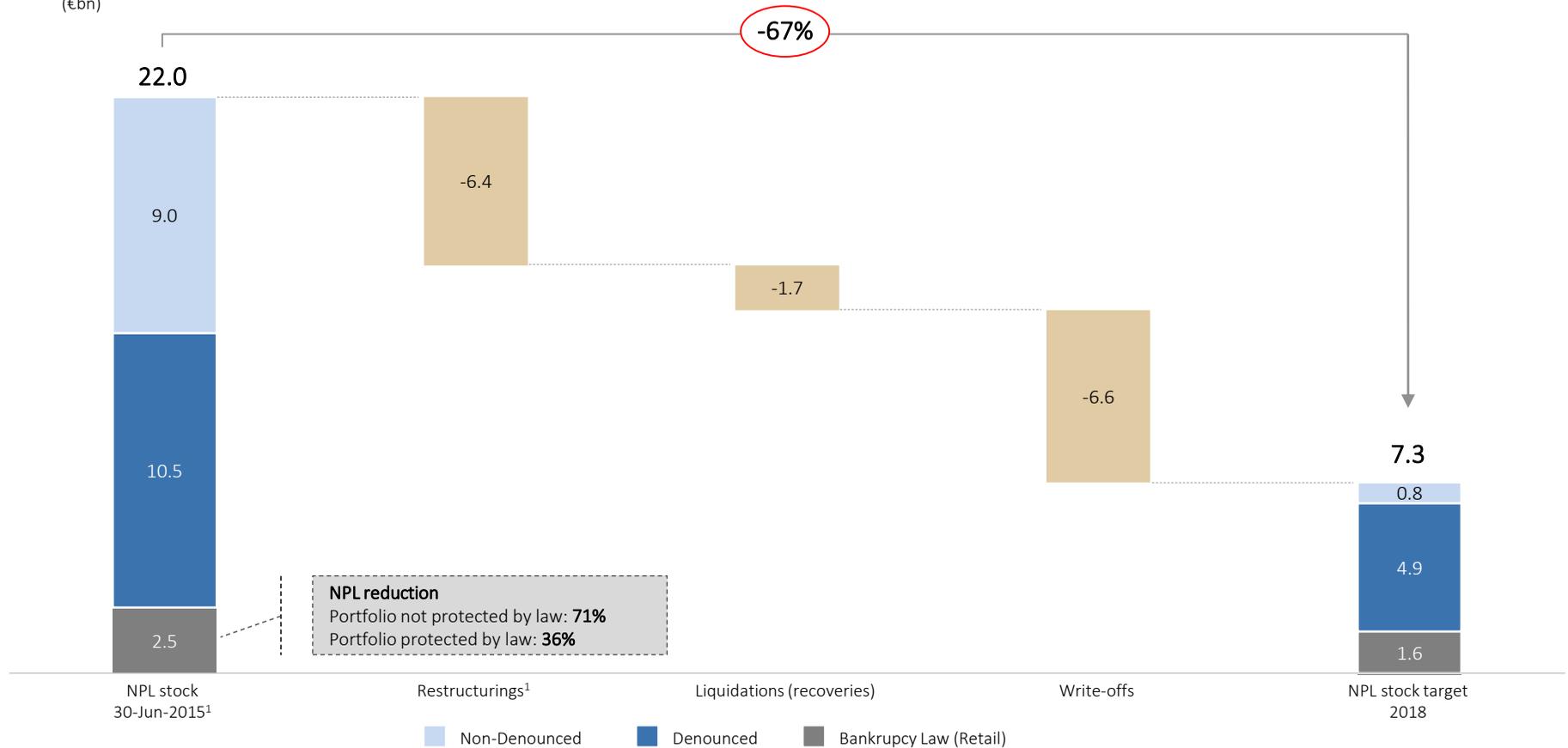
**Campaign management**

  - **Sector specific campaigns** rolled out across Greece to be applied by RMs
  - Support to RMs provided by **centres of sector expertise**



Targets RBU NPL development 2015 – 2018 (loan level)

(€bn)

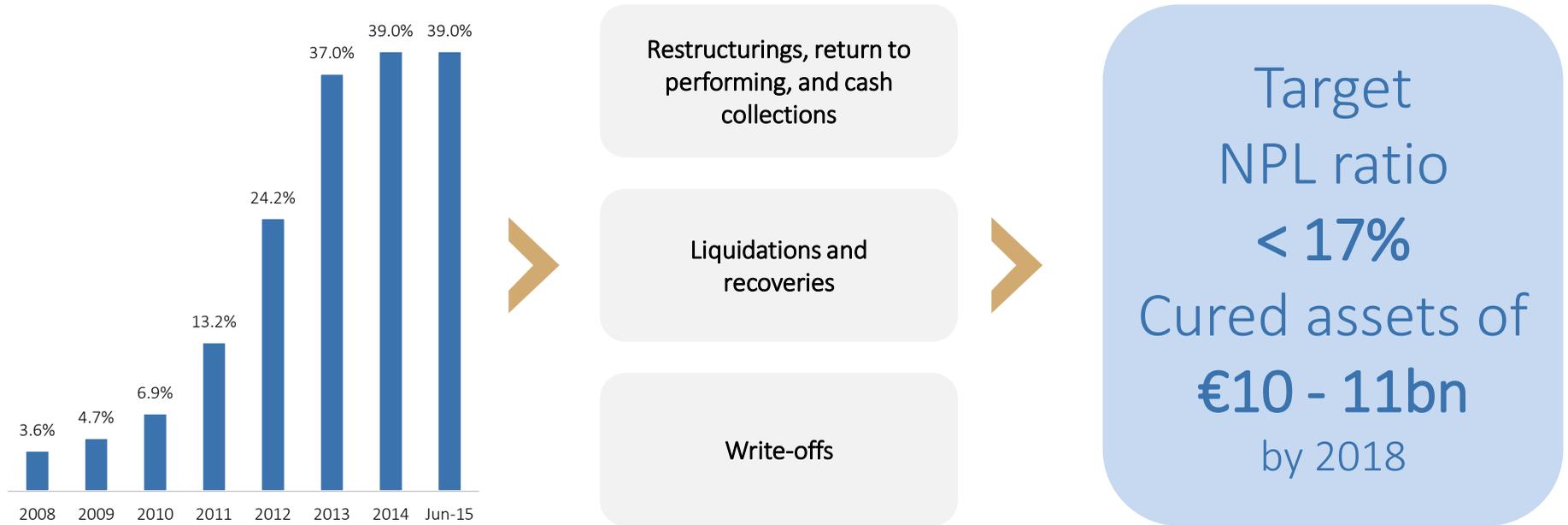


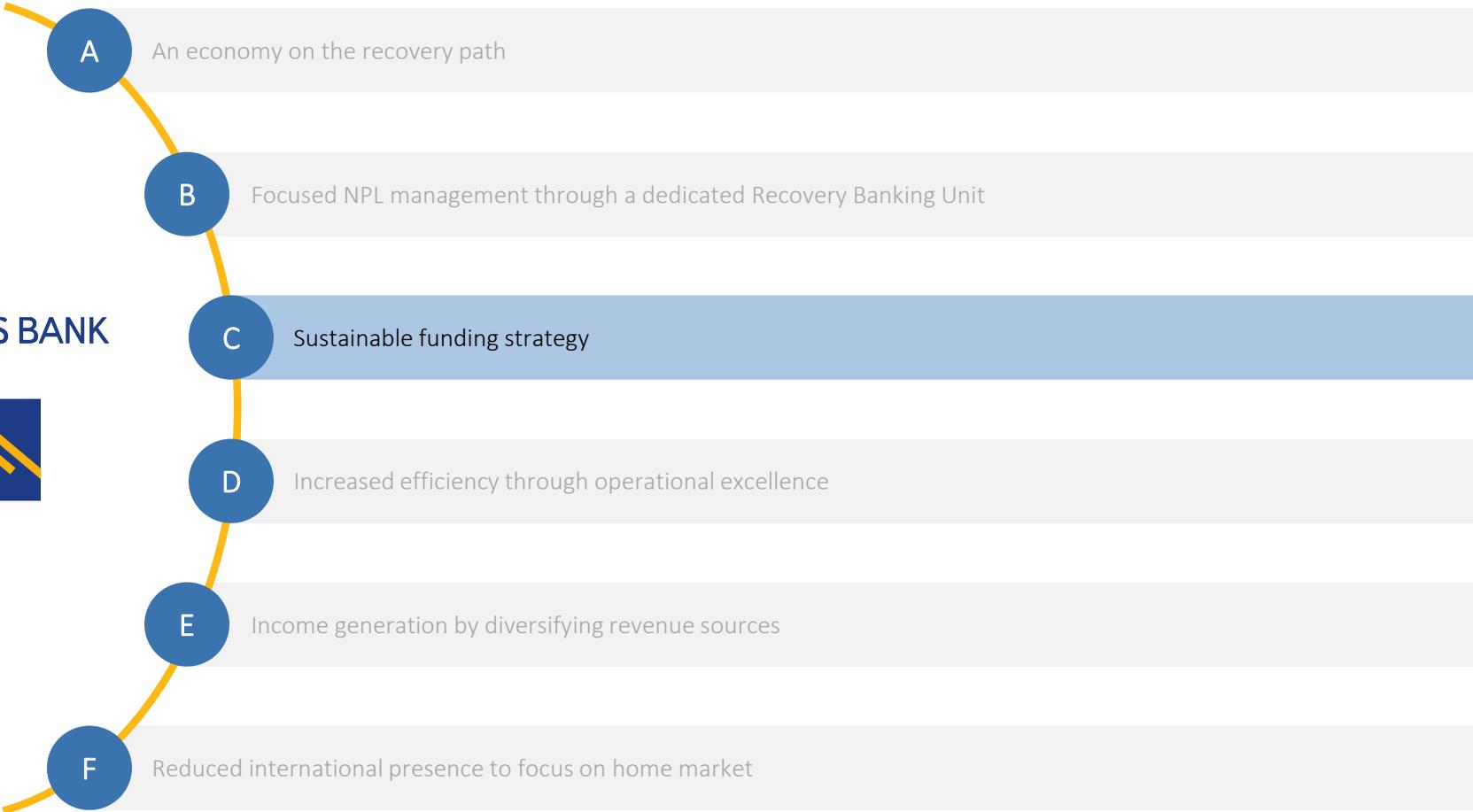
1. Net of re-defaults, includes returns to performing and cash collections  
 Note: Sums of figures may deviate from totals due to rounding



Piraeus Greece NPL ambition level

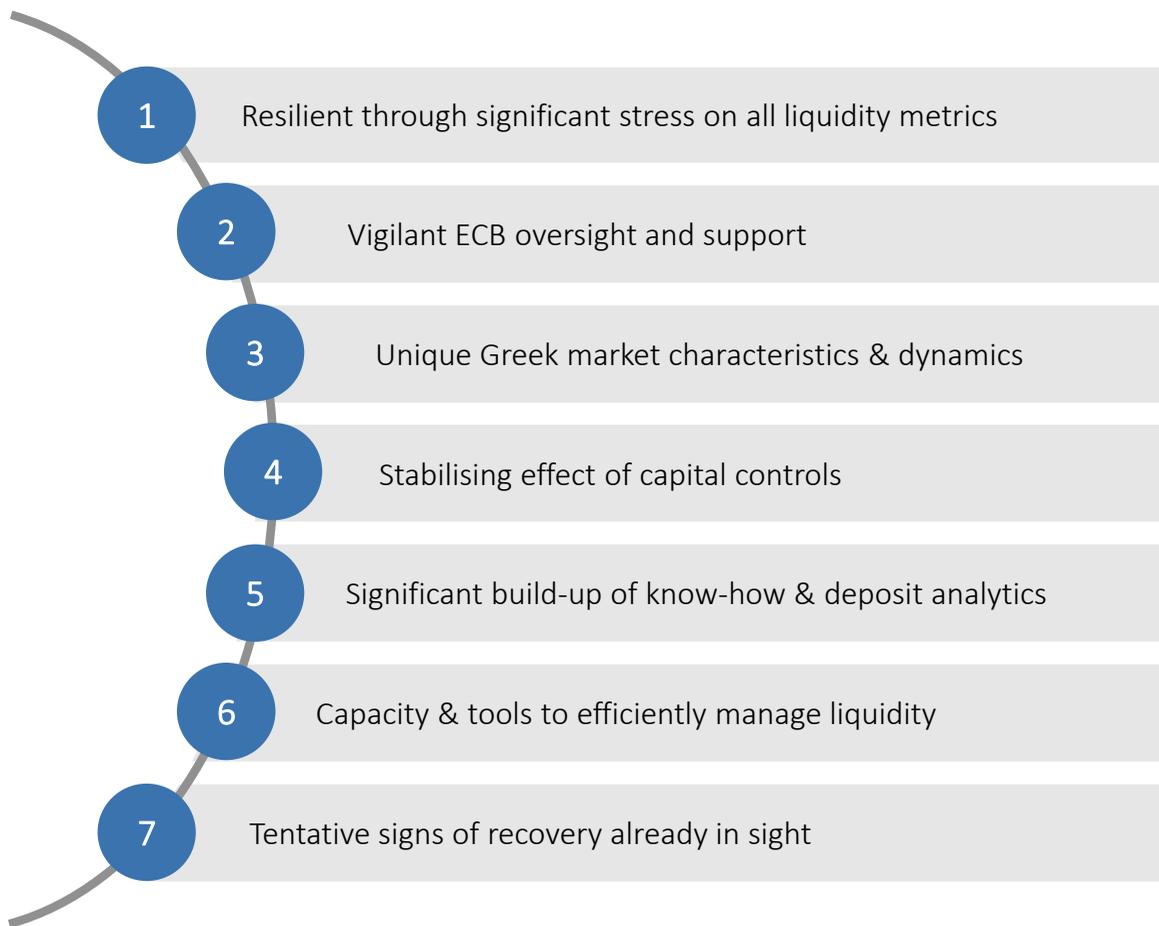
(NPL ratio, %)





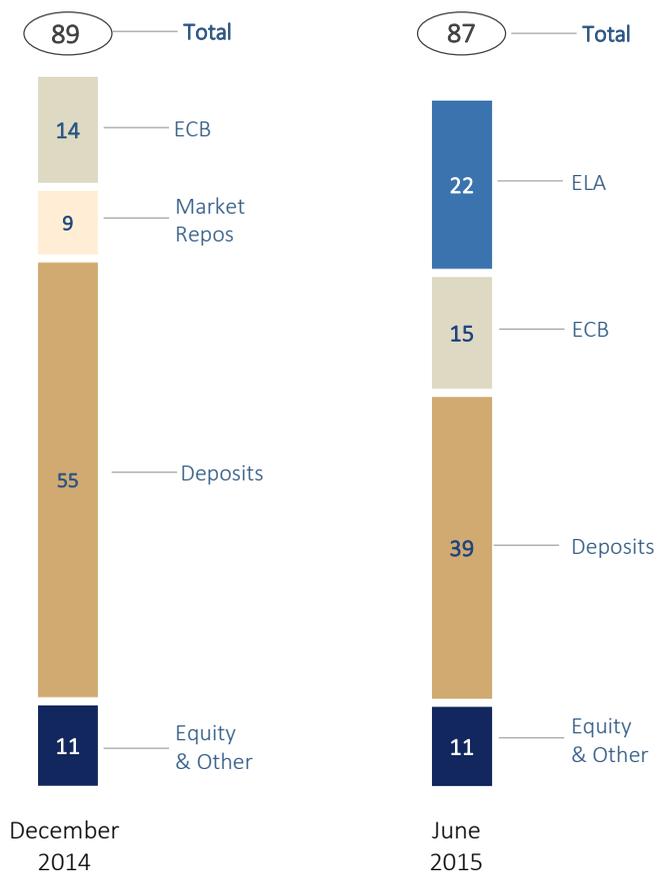


PIRAEUS BANK





Summary Group funding composition (€ bn)



Overview

- Seasoned and granular deposit base
- Stable liquidity conditions:
  - Capital controls
  - No rating triggers
  - No sizeable redemptions
  - Limited volatility from off balance sheet items
- High-quality collateral pool for interbank repos
- Lowest utilisation of State Guarantees (L.3723) among peers
- Limited cross-border funding flows with our international operations
- Non-Euro funding needs of c. €5bn equiv. covered in the market
- Securities currently in circulation €700mn:
  - ABS €105mn, SNR €368mn, LT2 € 211 mn, HT1 €16mn
- Vigilant ECB surveillance and support



1

Largest customer base, branch and ATM network in Greece

Strong deposit gathering culture and client analytics

4.9mn customers  
778 branches  
1,830 ATMs

2

Granular deposit base with low concentration and compelling demographics

c. 80% of deposits <€100k

3

1st Greek Bank to repay ELA in 2014

Biggest ELA reduction in absolute terms in 2012-2013

€31bn

4

Active collateral management

Biggest EFSF market repo books among peers throughout 2014

€12bn  
>10 counterparties

5

Wide range of issuance platforms

Lowest utilisation of Greek State L.3723 support

#20  
public placements

6

1st Greek bank to “reopen” wholesale markets in 2014 through the public placement of a 3Y senior bond

€500mn  
230 investors



## Utilised collateral

(€bn)	Nominal Values			Cash Values
	Dec.14	Jun.15	Sep.15	Sep.15
<b>ECB</b>	<b>16.6</b>	<b>15.3</b>	<b>14.8</b>	<b>14.6</b>
EFSF Bonds	5.7	14.1	13.7	13.9
Law 3723   Pillar 2	6.3			
Law 3723   Pillar 3	2.2		Shift to ELA post Feb 2015	
Greek T-Bills	0.8		lifting of Greek waiver	-
Greek Government Bonds	0.5			
Eligible Credit Claims	1.1	1.1	1.1	0.7
<b>ELA</b>	<b>-</b>	<b>38.7</b>	<b>34.3</b>	<b>21.2</b>
Law 3723   Pillar 2	-	9.4	10.4	5.7
Law 3723   Pillar 3	-	2.2	Repaid on Sep 30 <sup>th</sup>	-
Greek T-Bills	-	0.8	0.8	0.7
Greek Government Bonds	-	0.6	0.5	0.1
Customer Loans	-	17.9	17.0	12.0
ABS & Covered Bonds	-	7.7	5.6	2.7
<b>Total Eurosystem</b>	<b>16.6</b>	<b>54.0</b>	<b>49.1</b>	<b>35.8</b>

## Highlights

- Active Collateral Management
  - Monitored by dedicated unit within Group Treasury
  - Ongoing optimisation of Eurosystem collaterals
  - Continuous monitoring of Balance Sheet for eligible assets
  - Issuance capabilities: EMTN | Covered Bonds | ABS
  - Efficient use of L.3723 facilities | State Guarantees
  
- Piraeus Bank among peers:
  - Lowest utilisation of Greek state L.3723 support
  - Largest EFSF bond portfolio
  
- Unencumbered ELA collateral as of September 2015 in excess of €4bn excluding additional L.3723 support available and further collateral optimisation possible



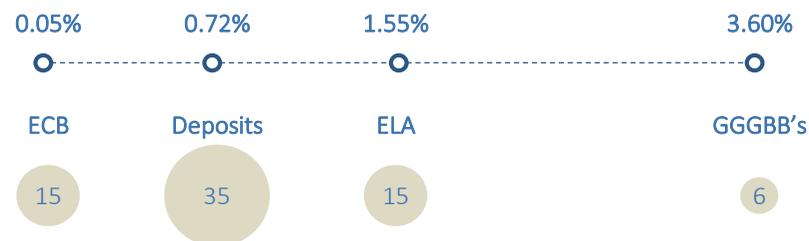
## 2.31 Wholesale funding evolution

Piraeus Bank Sources (€mn)

	Dec.2012	Dec.2014	Jun.2015	Sep.2015
<b>ELA</b>	<b>31,400</b>	<b>-</b>	<b>22,200</b>	<b>21,200</b>
<b>ECB</b>	<b>206</b>	<b>14,101</b>	<b>15,065</b>	<b>14,620</b>
o/w EFSF bonds	-	5,800	14,142	13,700
<b>Interbank Repos</b>	<b>540</b>	<b>9,168</b>	<b>-</b>	<b>580</b>
o/w EFSF bonds	-	8,400	-	384
<b>Debt Securities</b>	<b>858</b>	<b>894</b>	<b>764</b>	<b>700</b>
o/w senior bonds	75	526	429	368
o/w sub debt LT2	264	216	211	211
o/w hybrid T1	60	16	16	16
o/w RMBS	458	136	108	105
<b>Total Wholesale</b>	<b>33,004</b>	<b>24,163</b>	<b>38,029</b>	<b>37,100</b>

Funding cost key data points (Sep.2015)

(€bn)

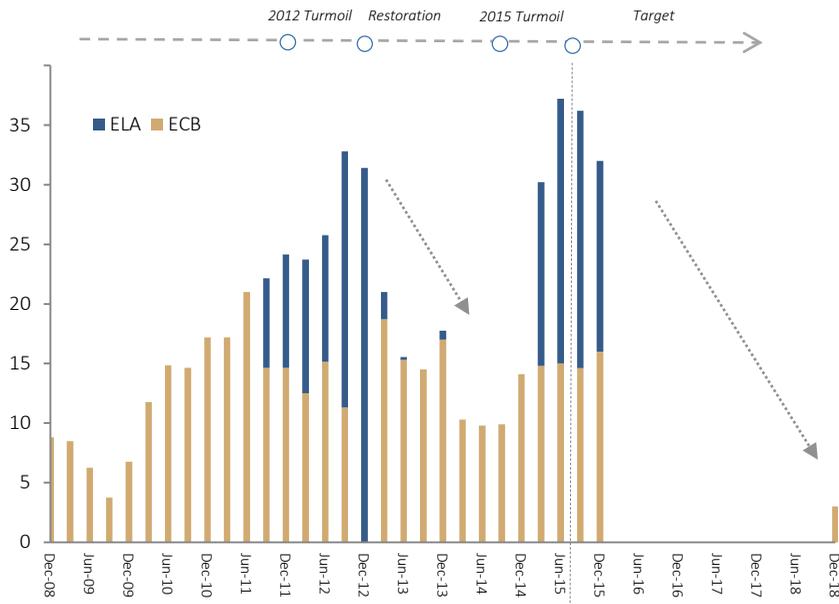


### Highlights

- ☑ ELA funding reached €22bn in June 2015, mainly to make up for customer deposit outflows and the disqualification of Greek bonds including Greek Government Guaranteed Bank Bonds (GGGBB's) as eligible ECB collateral (Feb.'15)
- ☑ Direct access to ECB funding remains intact and is used mainly through EFSF bonds (€14.2 bn of face value) and eligible credit claims
- ☑ Limited access to Interbank repo activity since Q2.2015. New pilot transactions already initiated in Q3.
- ☑ Cost of L.3723 GGGBB's c.1.15% p.a. on face value. Effective haircuts c. 45%



Piraeus Bank Eurosystem funding 2008-2018



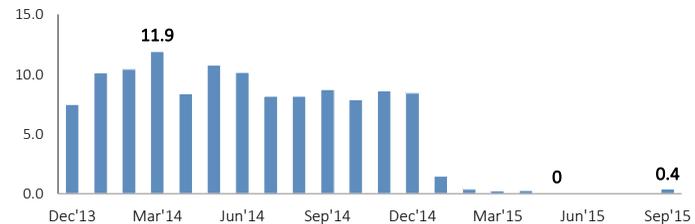
- Eurosystem reliance to be reduced by over €30 bn until 2018:
  - “Done it before, can do it again”
  - Targeting “zero” ELA funding and limiting ECB reliance
  - Ready to resume normal interbank repo activity

Eurosystem reduction drivers

- 1 Restoration of customer deposit base €20bn
- 2 Enlargement of Eurosystem collateral pool €3bn
  - ECB eligibility & haircuts for GGBs
  - Greek T-bills
  - Rating upgrades | covered bonds | credit claims
- 3 Normalisation of interbank repo activity €15bn
- 4 Issuance windows when opportunities arise €1bn
- 5 Other cash inflows €4bn

Total initiatives in excess of €40bn

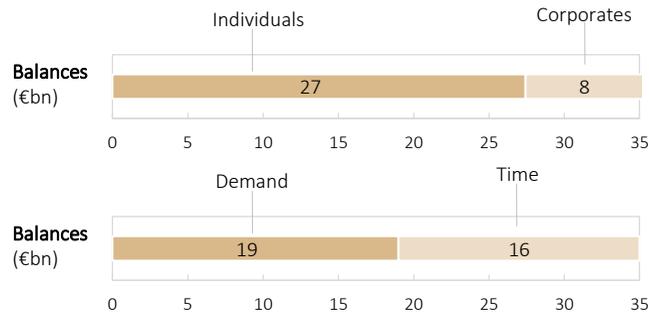
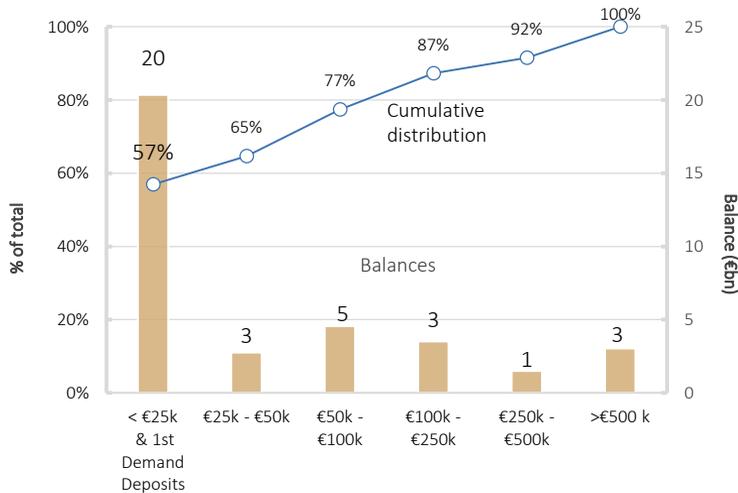
EFSS Interbank Repos Face Value (€ bn)





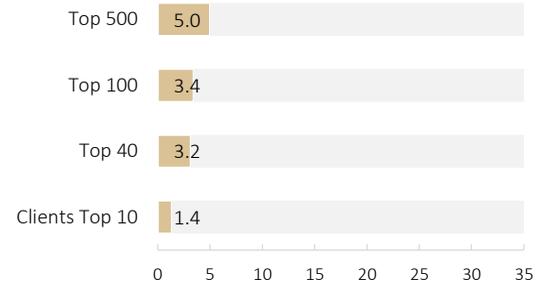
A highly granular deposit pool...

c. 80% of balances comprised of deposits of less than <100k



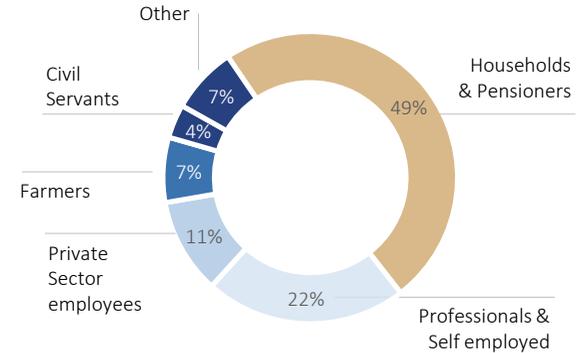
.. with low concentration & dependencies...

Balances (€ bn)



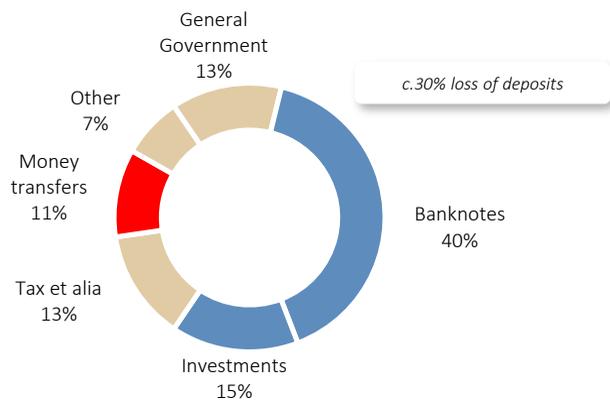
.. and compelling demographic characteristics.

High proportion of individuals' deposit balances held by client segments with a higher loyalty index and propensity to save

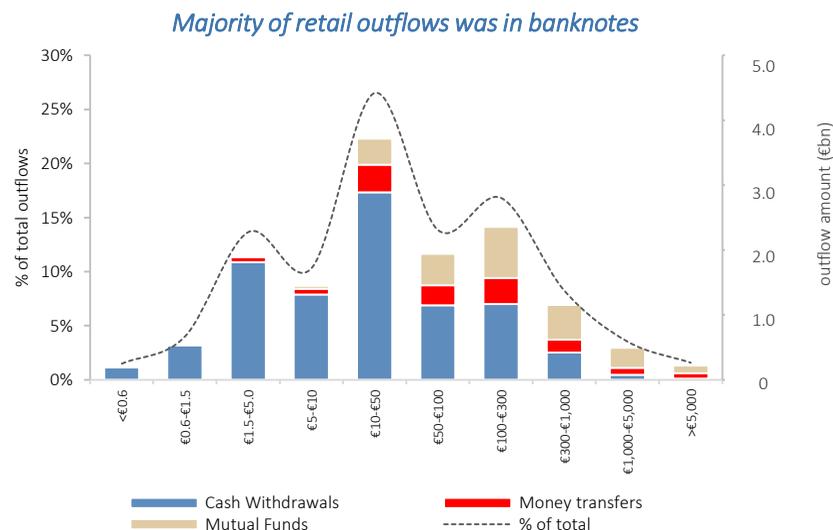




Composition of outflows



Retail deposit withdrawals



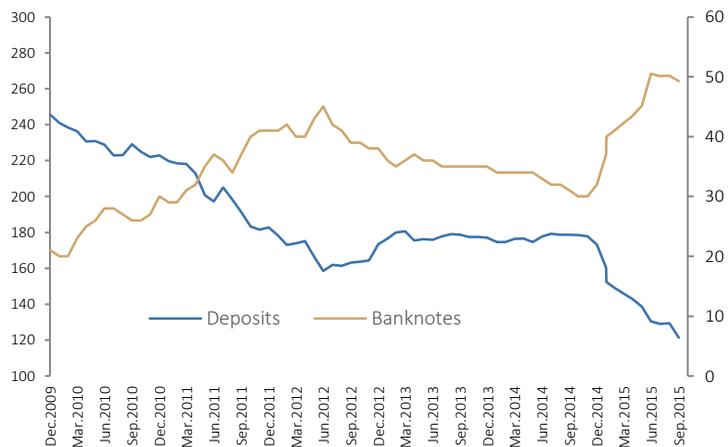
Majority of 2015 deposit outflows still onshore

- ✓ Largest proportion of private sector outflows remained in the country, either as banknotes or in the form of short-term investments
- ✓ Piraeus' clients invested more than €2bn in money market funds
- ✓ Limited outflows to banks abroad
- ✓ State-related entities instructed in Q2 to support state finances

- ✓ Majority of withdrawals attributed to customers with limited international access
- ✓ Erratic client behaviour | Outflows observed even for low wealth brackets
- ✓ Increased demand for safe deposit boxes throughout branch network
- ✓ > 10k private individuals withdrew banknote amounts in excess of €100k
- ✓ 24/7 use of ATMs and electronic banking



Market deposits & currency in circulation (€bn)



Source: Bank of Greece, Source: Piraeus Bank Business Planning-IR & Economic Research

Capital Controls - Current key points

- ☒ Weekly withdrawal limit €420 per week per account holder
- ☒ New account opening subject to specific criteria
- ☒ Trade Related Payments < €150k approved at a Bank Level
- ☒ All payments > €150k require approval of the Controls Committee
- ☒ No offshore foreign investments or transfer of Assets under Custody
- ☒ Limited success so far in establishing “new-money” incentives

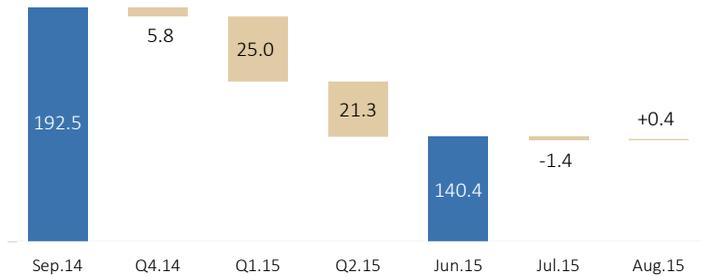
Highlights

- ☑ Customer deposits in Greece have dropped by more than €100bn peak-to-trough
- ☑ Banknotes in circulation currently c. €49bn almost 30% of GDP and more than double normal levels
- ☑ During H1, depositors sought to diversify balances by spreading amounts across Greek banks and including beneficiaries to achieve coverage by the Greek Deposit Guarantee Scheme (TEKE)
- ☑ Latest deposit outflows and subsequent capital control restrictions regarding early termination of time deposits have altered the mix in favor of demand deposits
- ☑ Average time deposit duration has shortened further to less than two months
- ☑ Pricing sensitivity has further subsided
- ☑ Greek State cash inflows and outflows significantly affect market



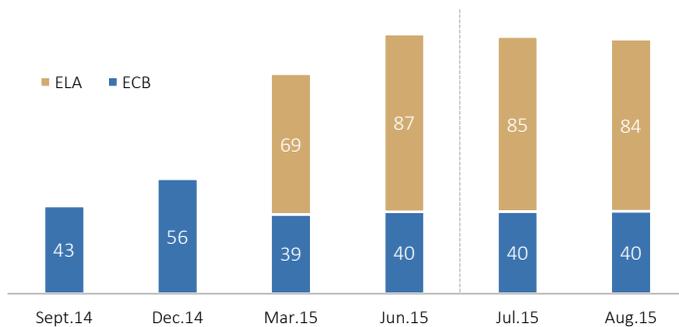
Depositor confidence expected to gradually be restored

Greek market deposit movements (€ bn)



Source: Bank of Greece, all residents deposit information included

Evolution of Eurosystem funding (€ bn)



Highlights

- Third Programme agreement and ongoing implementation
- Stable political environment post recent elections
- Realisation that capital controls will have a lesser impact on the economy than initially feared
- Eventual easing of capital controls, with a priority to trade-related payments
- Timely Greek bank recapitalisation will remove any deposit bail-in concerns
- Already announced European investment initiatives and subsidies
- Likely inclusion of GGBs in ECB QE programme

Greek Government Bond strip at one-year highs





## Segmental view of deposit outflows and target restoration

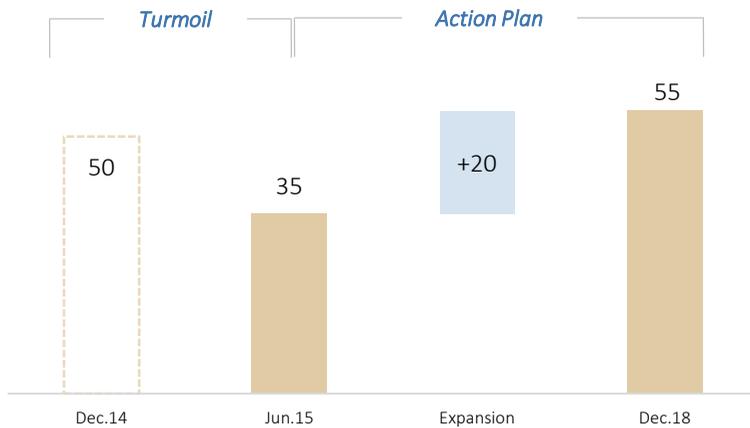
€ bn	Actual Outflows	Target Recovery
Segment	H1 2015	Mid-term
Mass	-3	+4
Affluent	-4	+7
Private Banking	-1	+1
Farmers	-1	+1
SBB	-1	+1
SME	-1	+1
Corporate	-1	+2
Public Sector	-2	+1
Institutional	-1	+2
<b>Total</b>	<b>-15</b>	<b>+20</b>

## Maximising core deposits via effective targeting &amp; servicing

- ☑ The Bank has carefully formulated a comprehensive 3-year plan that will serve as the roadmap towards the restoration of the deposit base, involving and coordinating all business units
- ☑ Full-implementation to commence in early 2016, when it is envisaged that market sentiment and depositor confidence will advance
- ☑ The plan foresees not only recovery of recent outflows, but also expansion of the deposit base
- ☑ Priority customer groups (e.g. affluent, farmers) have been identified and actions for each discrete segment and business channel have been formulated
- ☑ Max out on core deposits through “deepening” and establishing Piraeus as the primary banking relationship of our clients
- ☑ Mindful pricing and use of advanced pricing analytics, to further the downward trend on deposit costs
- ☑ Committed resources and initiatives including ‘roll-out’ of the new Affluent Banking Services involving more than 300 RM’s across the Branch network
- ☑ Inherent in the effort is the aim to address our clients’ off-shore wealth and maintain an on-going relation by providing off-shore booking capabilities and services



Targeted evolution for Piraeus' Greek deposit base



Key enablers & competitive advantages

- 1 Largest customer base, branch and ATM network<sup>1</sup>  

<b>4.9mn active</b>	<b>778</b>	<b>1,830</b>
<b>customers</b>	<b>branches</b>	<b>ATMs</b>
- 2 Strong deposit gathering culture coupled with customer-centric model, analytics, reporting and availability of historic data from seven banks
- 3 Capitalise on our strategic decision to ensure an uninterrupted 24/7 service to depositors across the country throughout the turmoil
- 4 Wide product offering, superior client services and acknowledged first choice in electronic banking (Winbank)
- 5 Market leader in banknote activity, systems and logistics in place to handle large volumes in physical cash transactions
- 6 Implementation of Value Based Management that includes customer segmentation and promotes ownership and accountability | New revised transfer pricing that reflects deposit profitability

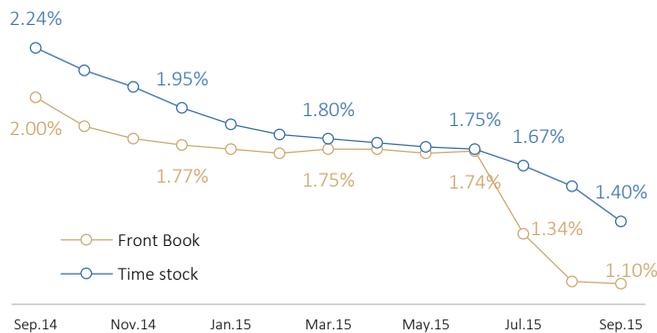
Source: Refers to Greek operations



Significant deposit cost reduction (%) ...



... with intensified and continuous effort



Source: ECB, new time deposit rates from households up to 1 year

Comparison to European periphery levels for time deposit cost

	Dec.2014	Jun.2015	Aug.2015
Greece	1.82%	1.80%	1.18%
Portugal	1.26%	0.71%	0.65%
Spain	0.59%	0.40%	0.38%
Euro Area	0.98%	0.80%	0.69%

Highlights

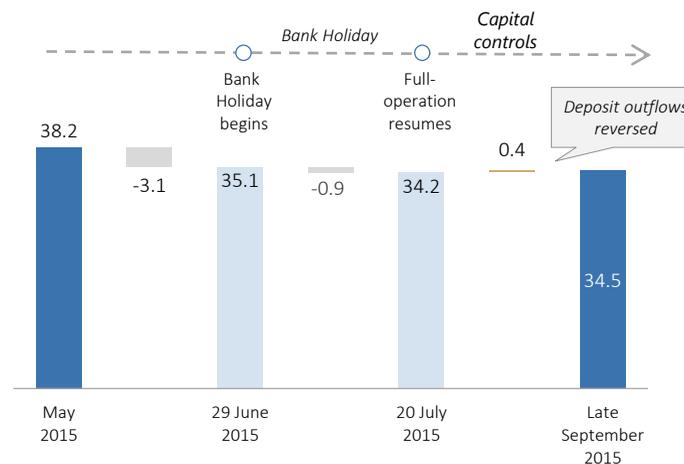
- Steady decrease of time deposit rates throughout 2015 and despite outflows
- Intensified efforts to bring deposit cost further down in Q3
- Significant room for further improvement vs Euro area avg and Periphery



Capital controls timeline



Deposit evolution post June 2015

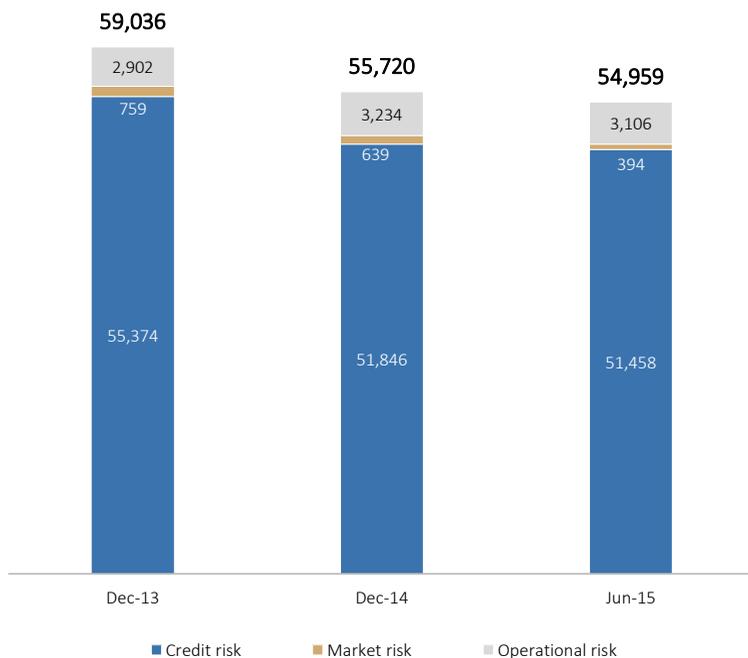


- ☑ Payments related to imports in Sep-15 stand at 75% of last year's figure
- ☑ Inflows from abroad at 40% of last year's figures
- ☑ Current limits attributed to each bank suffice to cover import activity requests
- ☑ Diminished cash withdrawals have been counterbalanced by rise in e-payments
- ☑ Processes related to approval and execution of payments steadily improve (avg. time to execution 1.5 days)



Capital requirements calculation<sup>1,2</sup>

(€mn)



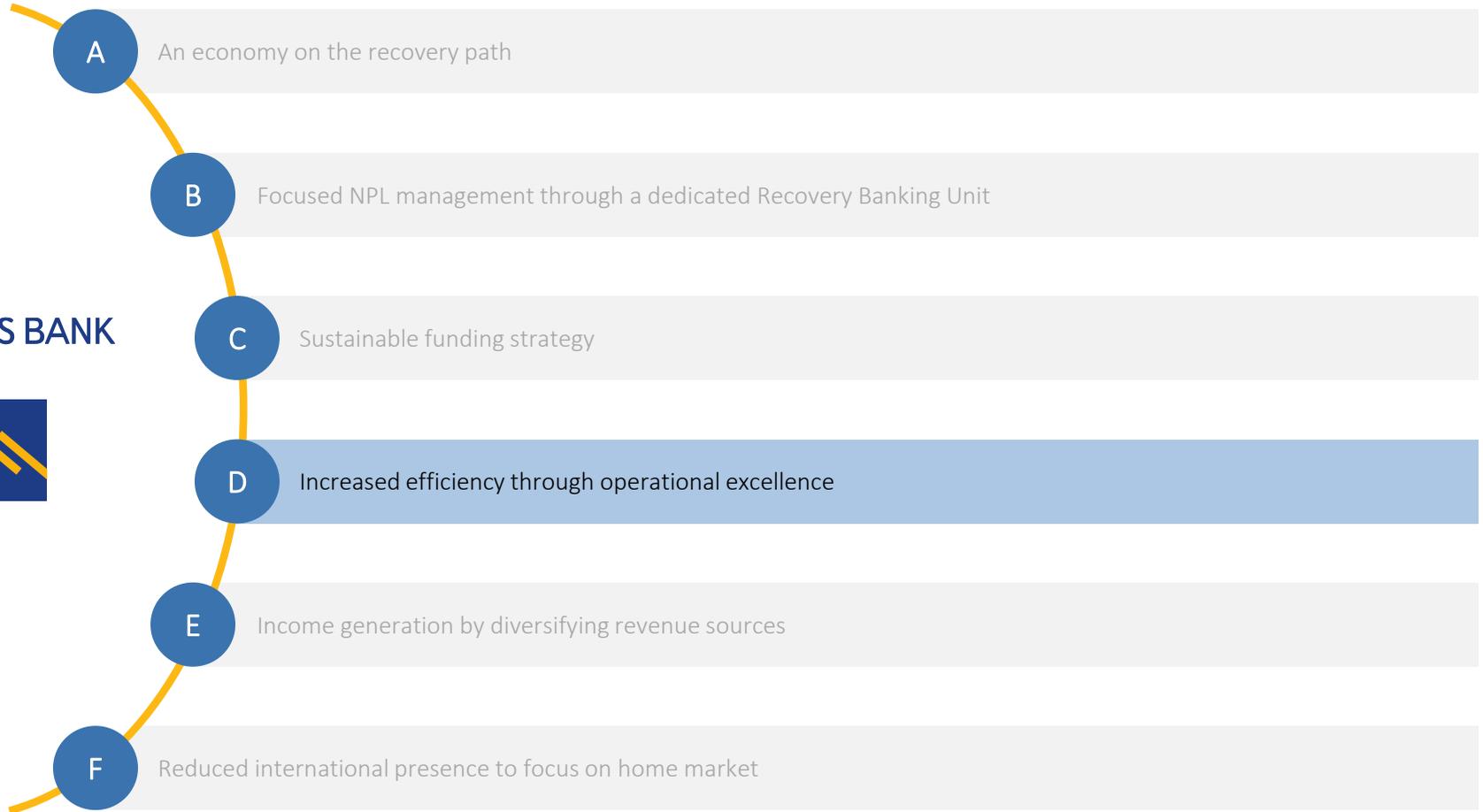
1. Dec-2013 Risk Weighted Assets before CRD IV (Basel III) implementation  
 2. Jun-2015 Risk Weighted Assets excluding Piraeus Egypt and ATE Insurance

Applicable risk methodology

Risk	Methodology
Credit risk	Standardised approach <span style="color: blue;">●</span> To lower post IRB approach implementation
Counterparty credit risk	MtM approach
Market risk	Standardised approach
CVA risk	Standardised approach
Operational risk	Standardised approach

Highlights

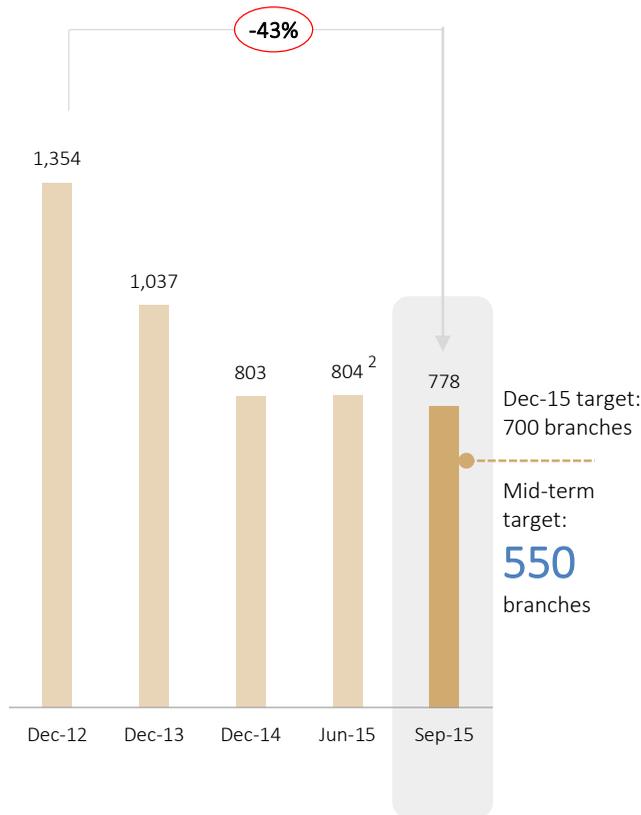
- Given Piraeus' low exposure to financial assets, majority of RWAs is concentrated in credit risk
- Piraeus is on track to switch to applying the IRB approach for credit risk calculation, expected to take effect as soon as market conditions normalise
- Despite 7 acquisitions over last 3 years, operational risk increased only marginally and remains low





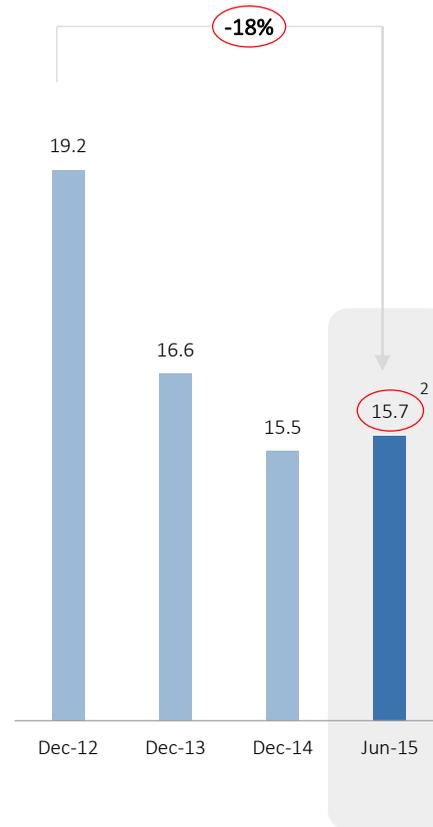
Rationalisation of domestic branch network<sup>1</sup>

(Branch network, #)



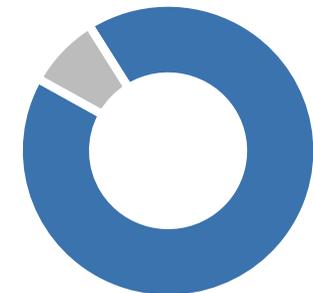
Domestic headcount reduction<sup>1</sup>

(Headcount, k)



Timely realisation of acquisition synergies

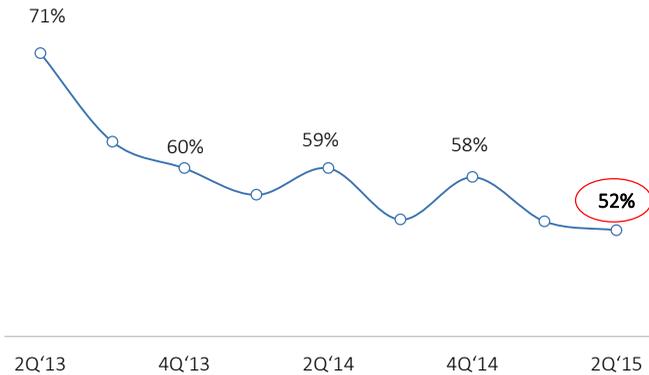
More than 92% of €349mn planned cost synergies stemming from the acquisition of 7 banks captured as of 30-Jun-2015



1. Pro-forma for all acquisitions in 2012  
2. Increase in Jun-15 by 26 branches and 161 employees due to acquisition of Panellinia; FTEs include seasonal effect from operating leasing (AVIS)

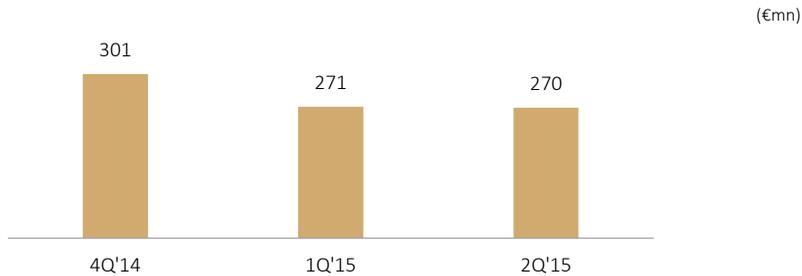


Evolution of cost-to-income ratio | Greece<sup>1</sup>



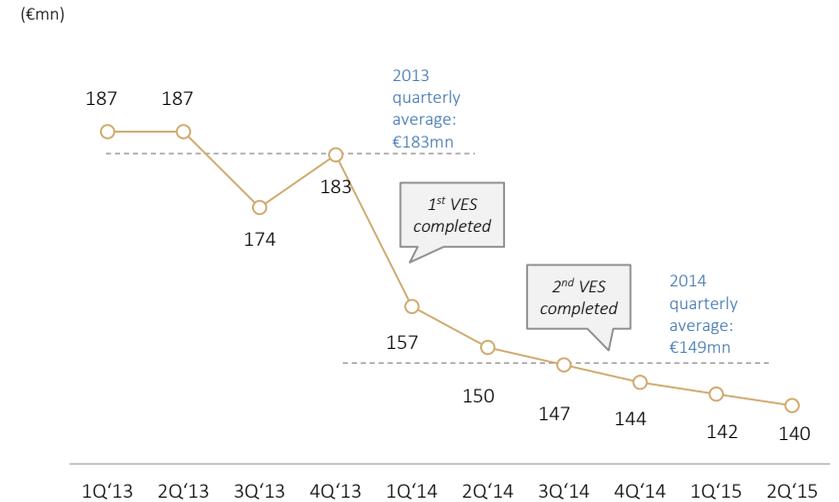
- Cost-to-income ratio continues to decrease driven by ongoing operational optimisation measures and crystallisation of cost synergies from the acquisitions

Overview of total opex | Greece



1. On a recurring basis  
2. Data like-for-like in 2013 for acquisitions and excludes one-off items

Evolution of staff costs<sup>2</sup> | Greece



- Completion of the initial VES in 2013 led to a significant decrease in staff cost levels
- The decline continues further post-completion of 2<sup>nd</sup> VES in 2014; staff costs in Greece decreased to c.€282mn in 1H 2015

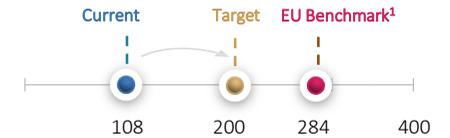


Key initiatives

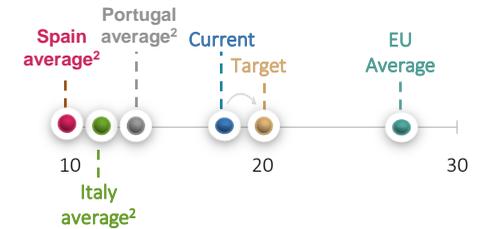
- ✓ Reduce geographic footprint while offering the broadest nationwide coverage
- ✓ Increase focus in regions with strong commercial and economic prospects
- ✓ Support customer migration towards alternative channels
- ✓ Increase branch productivity to outperform Greek competition and match European peers
- ✓ Reinforce leaner network through the presence of e-branches

Efficiency metrics

Deposits + loans per branch (€mn)

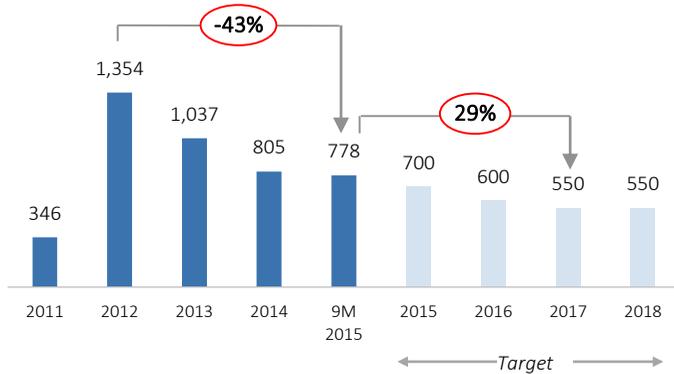


Bank FTEs per branch (#)



Planned rationalisation of domestic branch network

(Branch network, #)



<sup>1</sup> EU average based on the simple average of 5 largest commercial banks by asset size in each of the 28 EU countries (subject to available data)

<sup>2</sup> Average based on the simple average of 5 largest commercial banks by asset size in each of the countries (subject to available data)

Source: SNL financials

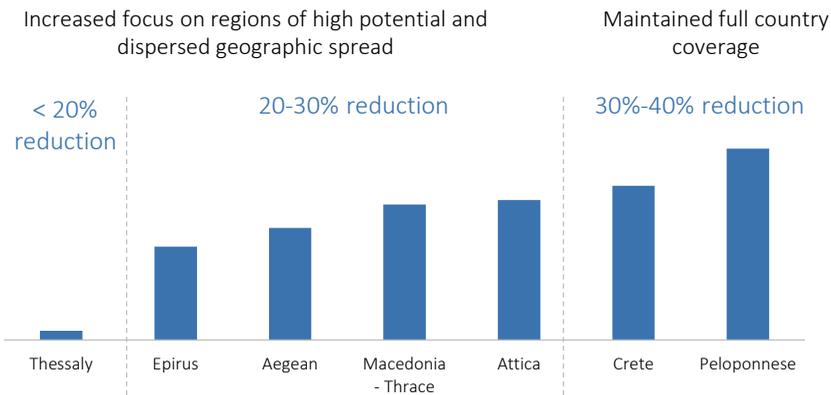


Rationalisation principles

☑ Rationalise network according to the following branch level criteria:

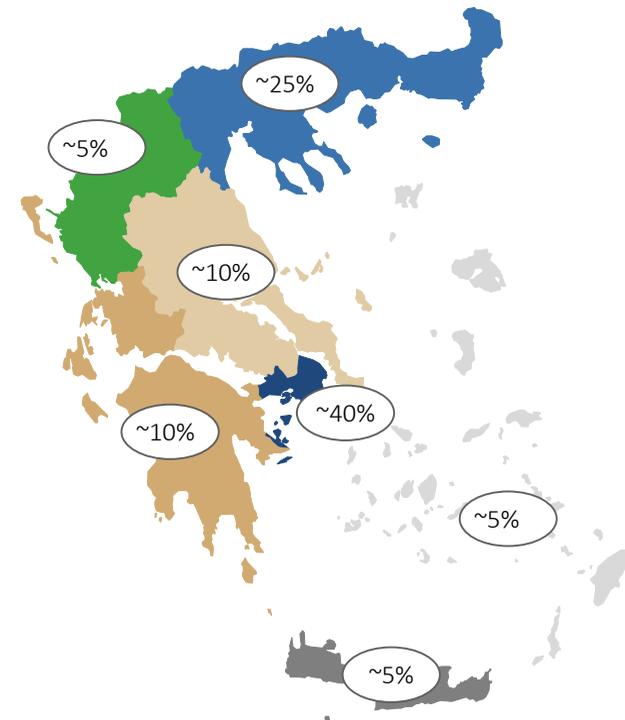
- Profitability and productivity
- Local market prospects
- Impact on customer base and retention
- NPL management need
- Distance and branch density in key areas
- Strategic positioning for specific segment (e.g. agriculture)
- No deposit attrition impact

Piraeus target branch reduction by region



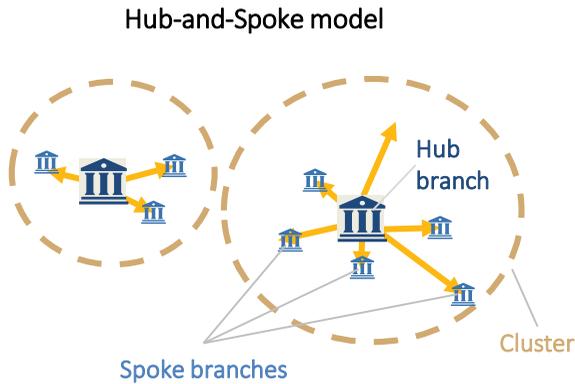
New geographic footprint distribution

(Target % of Piraeus branches per region in the mid-term)

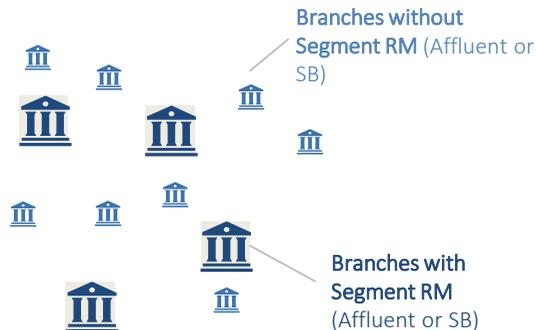




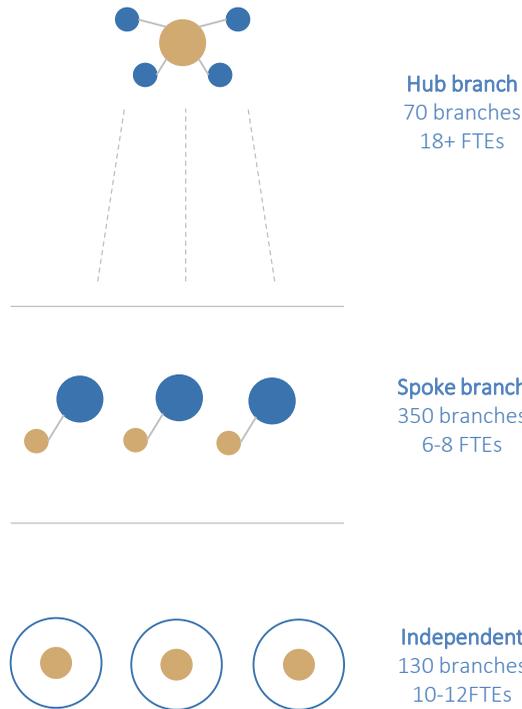
Hybrid operating model



Individual branch model



Operating model by branch type



Network further strengthened by e-branch deployment to maintain presence in areas not requiring independent branch or spoke

Roles and Services

- ☑ Responsible for branches in geographical cluster
- ☑ Full range of service and advice through allocated SB and Affluent RMs, including NPL management
- ☑ ATM, APS (self-service kiosks) & in-branch wi-fi

- ☑ Light branch reporting to / managed by local Hub
- ☑ Banking services focusing on Mass retail and NPL management
- ☑ ATM, APS (self-service kiosks) & in-branch wi-fi

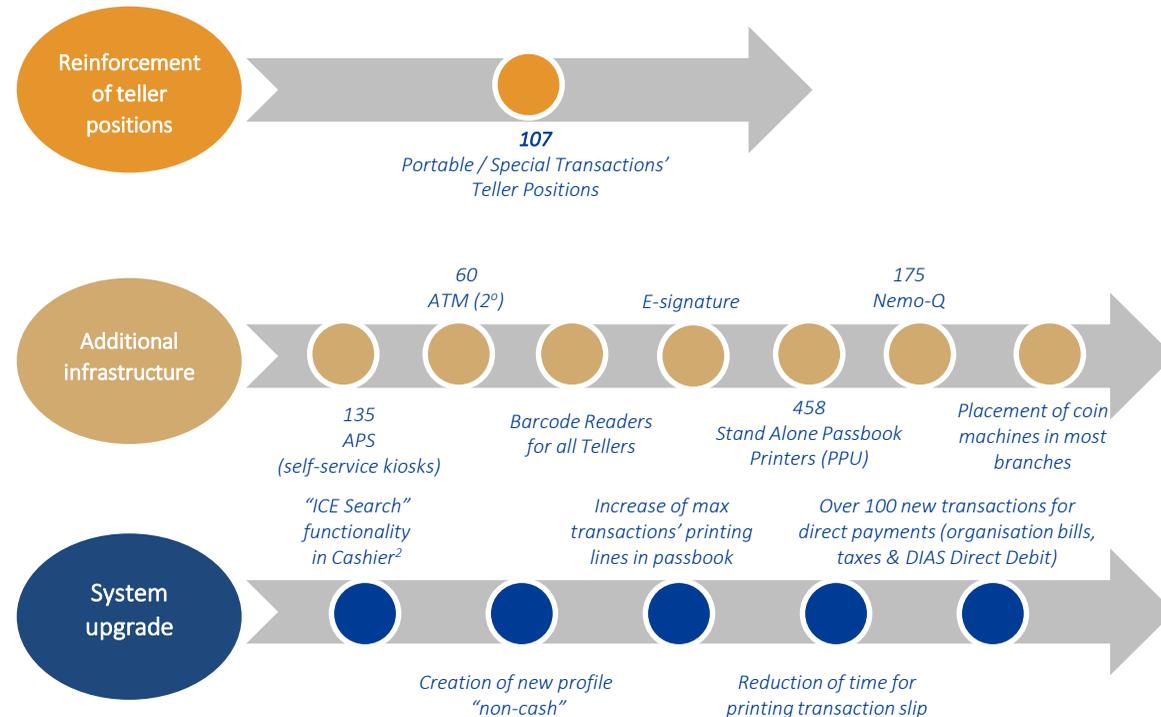
- ☑ Standalone branch (Two types: full and light)
- ☑ Scope of specialist services (Affluent, SB, Agricultural) dependent on local demand/staff
- ☑ Banking services and NPL management for all customers
- ☑ ATM, APS (self-service kiosks) & in-branch wi-fi



Key initiatives underway in branch

- ☑ **Reduction in teller FTEs and transactions**
    - Channel migration initiatives / customer education
    - Improvements in online / mobile banking, ATM and APS (self-service kiosk) functionality
  - ☑ **e-Signature “paper free” processes**
    - Use of signature-pad devices for all customers’ transaction & contract signatures
    - Faster simplified processes in branch and enhanced customer digital experience
  - ☑ **Instant Debit and Prepaid Cards issuing**
  - ☑ **Self-Service «Cash-or-Card» Payments & Passbook Printing machines**
  - ☑ **Public free wi-fi in all Branches/ATMs (largest free wi-fi network in Greece)**
- .... And further initiatives to come<sup>1</sup>
- ☑ Simplification of branch roles (from 17 roles to 6 core functions)
  - ☑ Instant Card based Customer Recognition and greeting

New technologies have already been deployed to free up teller time



Mid-term target: ~10 FTEs employed in each branch on average

1. Example initiatives, list non-exhaustive  
 2. Core-operational customer relationship management system



Functionality enhancements and incentives to accelerate channel migration



Enforce channel migration of traditional and advanced multi-channel customers

- Price incentives for channel switching
- Guiding customers to ATM / APS (self-service kiosks) automated passbook printers



Enhance ATM / APS

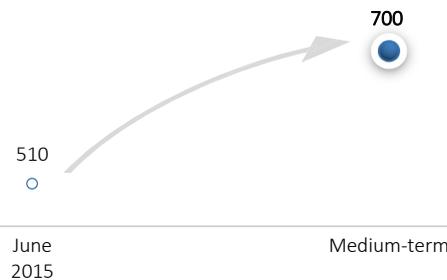
- Bill payments
- Mobile top-ups
- Deposits functionality
- Loan / credit card payments

Steady increase of ATM & APS (self-service kiosk) network (Greece)

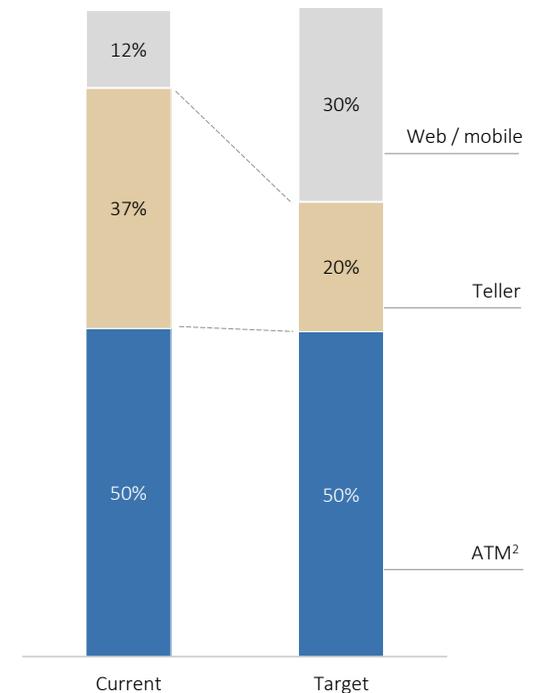
Target ATM network (#)



Target APS network (#)



On-going shift of transactions away from branches



Note: Current refers to the latest available data as of 1H2015  
 1. Other refers to alternative channels such as web and mobile. Based on South European benchmarks. More advanced markets show greater prevalence of mobile and internet channels (~75% of transactions) with ATM/APS covering ~15% of transactions and branches ~5%  
 2. Includes APS (self-service kiosks)

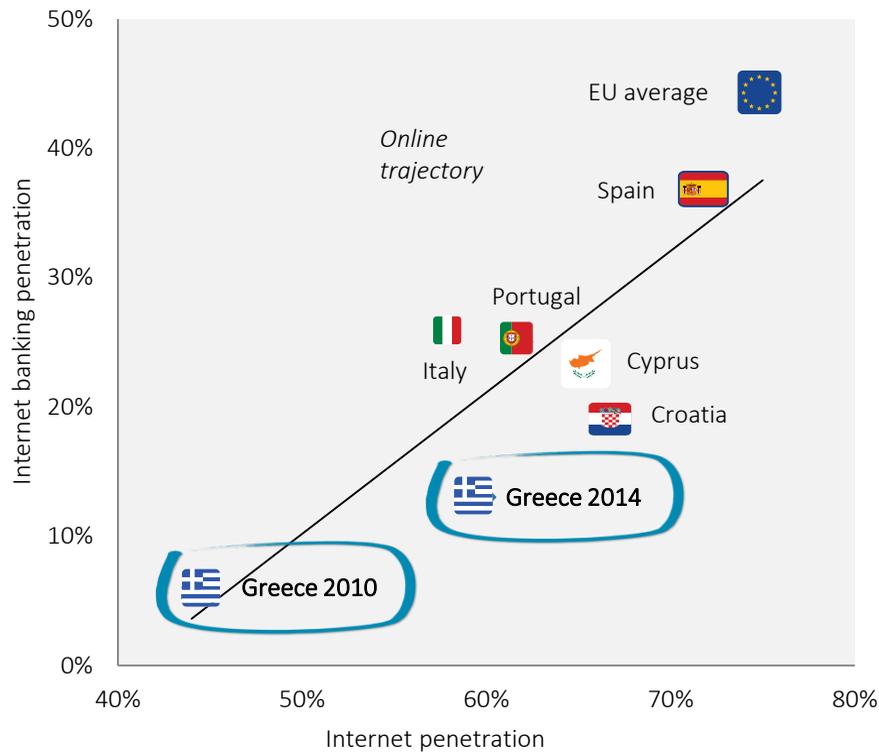


...which will be supported by overall market trend towards digital



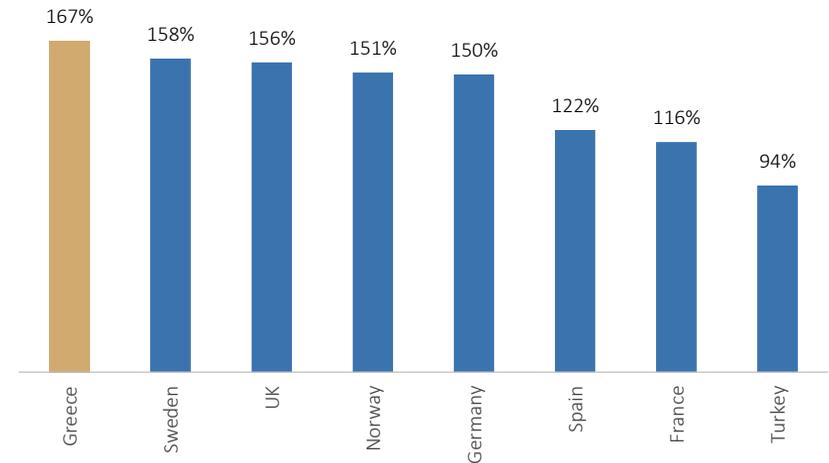
Internet banking penetration in Greece significantly below South European peers & EU average

Percentage points on total population, 2014



Mobile subscriptions penetration amongst the highest in Europe<sup>1</sup>

Selected European countries



Given high mobile usage, **mobile banking likely to become one of the key access points** for Greek online banking customers



Piraeus focuses its efforts to be at the forefront of technological developments in smartphone and online banking

1. Mobile-phone subscribers per 100 people  
Source: Eurostat – internet penetration and online banking penetration for EU



Leading innovator in digital banking...

- ✓ **60%** of all electronic payments in Greece
- ✓ **700,000** active Winbank users (including internet, phone, mobile)
- ✓ Internationally awarded web-banking
- ✓ Global Finance awards 2014 include “Best consumer internet bank in Greece” & “Best Mobile Banking App”

...with recognised digital infrastructure

- ✓ Advanced **multi-bank web-banking platform**
- ✓ Introduction of **e-signature capabilities, self service machines, mobile ticketing queuing**
- ✓ **Wide mobile presence** including native apps, wearables, NFC payments, mobile POS and geo-fencing capabilities
- ✓ Unique **loyalty and merchants rewards** platform
- ✓ **Free wi-fi** at all branches
- ✓ **Alerts services**



...strong growth trajectory



**Winbank Web banking**

**49%** increase in active users<sup>1</sup>

**94%** increase in transactions<sup>1</sup>



**Winbank mobile banking**

**73%** increase in active users<sup>1</sup>

**123%** increase in transactions<sup>1</sup>

...and already seeing the benefits

- ✓ **Faster processes** in branch and in customer contacting
- ✓ **Better archiving / retrieval** of digital data and documentation

1. % increase based on 8 months 2015 vs. 8months 2014



Key strategic initiatives in digital banking



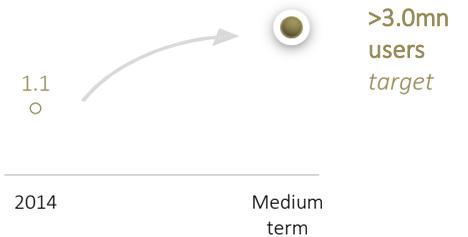
- Accelerate the migration of branch-based customers to digital channels by:**
  - Introducing KPIs and incentive schemes to push migration to digital in branches
  - Providing digital experience and assistance to clients through in-branch demos
  - Introducing pricing benefits to customers that use digital channels



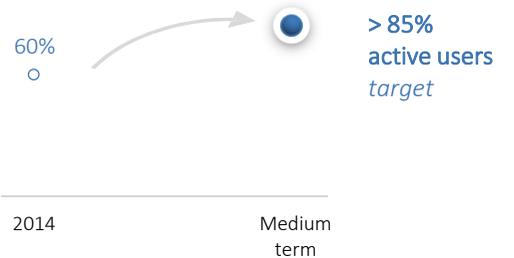
- Maintain Piraeus digital leadership through ongoing development of the digital channels by:**
  - Enhancing platform functionality and offering a unified user experience
  - Building a customer centric service
  - Developing innovative digital products

Key performance indicators

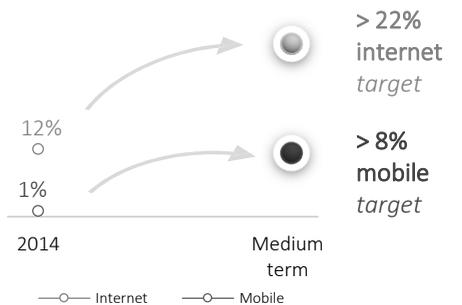
Target registered online users  
*(mn users)*



Targeted Active users  
*(% of total registered online users)*



Target online transactions  
*(% of total transactions)*

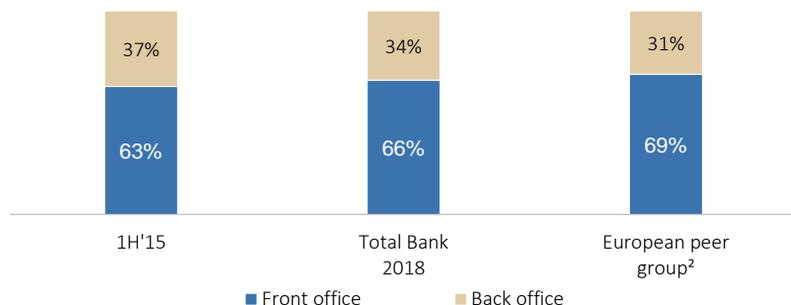




Right sizing of the corporate centre

- ✓ Redesign of front-to-back processes to reduce manual workload in branches
- ✓ Enhance automation of back-office activity by deployment of new systems
- ✓ Exploitation of sourcing strategies to further externalise non-core activities
- ✓ Redesign of the procurement strategy

Front to back office ratio<sup>1</sup>



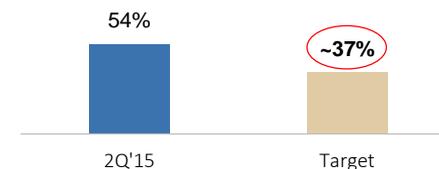
1. Ratio excluding unassigned staff (staff on long vacations or employed by subsidiaries)  
 2. Peer group defined as Southern European Banks with comparable size and business model  
 3. Based on the simple average of 5 largest commercial banks by asset size in each of the 28 EU countries (subject to available data)

Source: Company information

Efficiency metrics | Greece

Cost / income

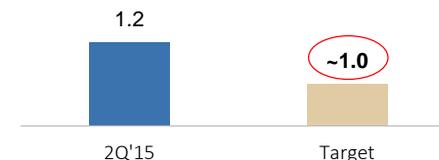
(%)



Opex

(annualised)

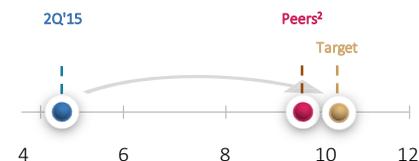
(€bn)



Volumes per FTE

(Group, net loans + deposits)

(€mn)





A

An economy on the recovery path

B

Focused NPL management through a dedicated Recovery Banking Unit

C

Sustainable funding strategy

D

Increased efficiency through operational excellence

E

Income generation by diversifying revenue sources

F

Reduced international presence to focus on home market

PIRAEUS BANK



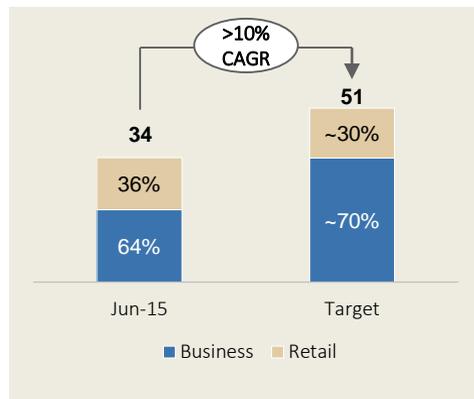


### Balance sheet growth assumptions

### Key assumptions

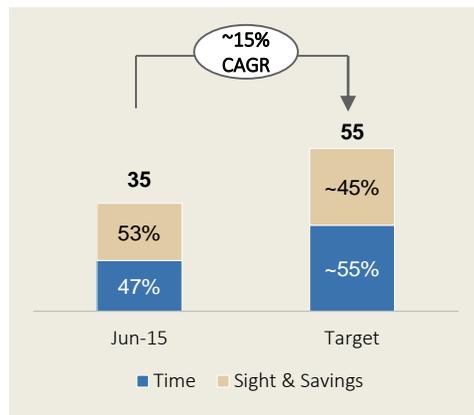
#### Loan book<sup>1</sup>

Segment	CAGR (Jun-15 – 2018E)
Business	>15%
Retail	~5%
<b>TOTAL</b>	<b>&gt;10%</b>



#### Customer deposits

Segment	CAGR (Jun-15 – 2018E)
Sight	~10%
Time	~20%
<b>TOTAL</b>	<b>~15%</b>



- Gross loan values in €bn, Piraeus Bank Greece, excluding non-banking operations. RBU excluded in balance growth metrics but included in spreads and margins metrics
- Loan interest income over average interest accruing loans in the period (PB Greece excl. non-banking operations) minus 3m euribor
- Deposit expense over customer deposits (PB Greece excl. non-banking operations) in bps minus 3m euribor
- Total fees over total assets (excl. EFSF bonds, seasonal bonds and discontinued operations) in bps. RBU segments do not generate fees



Piraeus Business Banking structure



Current business description

- SME Banking**
  - Provision of standard financing facilities to small and medium enterprises (turnover > €2.5mn)
  - Also provides bespoke products and services
  
- Agri Business**
  - Pioneering in the area of Agricultural Credit leveraging on the Agricultural Bank acquisition
  - Supporting the sector via Contract Farming Programmes and other services, based on innovation, technological and eco-friendly leadership
  
- Corporate and Project Finance**
  - Providing tailor-made products and services to large enterprises (turnover > €70mn) with a holistic approach to cover customer needs
  - Provides a range of specialised financing products and advisory services
  
- Green banking**
  - Provision of technical and financial project planning expertise, monitoring, financing and support in the project’s operational phase



### 1 SMEs

- ✓ #1 bank in SME segment
- ✓ Dedicated SME unit, with responsibilities for EU and Greek government funded programmes
- ✓ Segment offers significant potential for cross-selling and ability to re-price loans quickly
- ✓ >30% lending market share and 9,000 clients

### 4 Leasing

- ✓ #1 in financial leasing
- ✓ 100% owned subsidiary
- ✓ ~5,000 customers and ~45% market share

### 6 Green banking

- ✓ Offering of both "green" banking products and services as well as information on environmental behaviour and on 'green entrepreneurship' opportunities
- ✓ 2,322 Green project evaluations completed since 2009
- ✓ 17.8% of the total RES market

### 2 Agri Business

- ✓ #1 bank in Agri Business
- ✓ ~700k customers with ca. 55% lending market share among Greek banks
- ✓ Innovative product offering (e.g. Contract farming) increase leverage with limited risk

### 5 Factoring

- ✓ 100% owned subsidiary
- ✓ High expertise in factoring that will capitalise the current presence of the Group in order to gain the appropriate market share from ~10% currently

### 7 Shipping Finance

- ✓ Specialised unit dedicated to holistically manage relationships with shipping clients
- ✓ 70 shipping groups, 110 customers and ca. 35% lending market share among Greek banks

### 3 Large Corporate and Group Structured Finance

- ✓ Specialised large corporate unit, with sectoral expertise and proven strong credit analytics capabilities
- ✓ Structured Finance group, organised by:
  - Project Finance: Transportation, Energy, PPP, EU Structural Funds
  - Real Estate Financing: Specialised banking services for real estate/logistics
  - Recourse Financing (mainly Leveraged buyouts)

### 8 Syndicated loans

- ✓ Dedicated unit for structuring and execution of syndicated transactions
- ✓ Involvement in 220 transactions to date, with €3.9bn principal amount

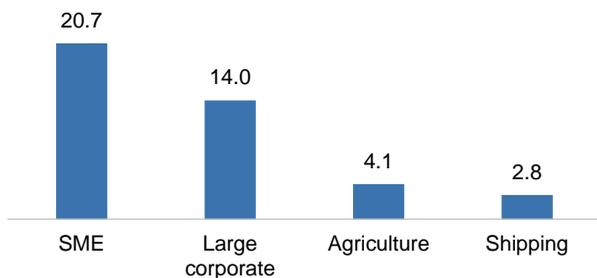


Current situation

- ✓ Piraeus commands a leading 35% market share in business banking
- ✓ Piraeus successfully tackled the challenges of integration and is well-positioned to receive the full benefit of optimising its inherited portfolio
- ✓ In the medium term, the focus of the Bank will shift towards generation of fee income a credit expansion opportunities remain subdued
- ✓ After allocating the majority of NPLs to RBU, significant volume growth is expected to come from cures in the short term

Loan portfolio<sup>1</sup>

(30-Jun-15, €bn)



Medium term initiatives



- ✓ **Adjust the overall risk-return profile of the portfolio:**
  - Targeting sectors with a promising outlook
  - Developing the ‘cured’ portfolio
  - Selectively exiting unprofitable, high-risk clients



- ✓ **Increase cross-selling and deepen customer relationships through:**
  - Transaction banking
  - Coordinating with other parts of the Bank in client targeting



- ✓ **Enhance service by:**
  - Upgrading RM role
  - Improving systems, tools and processes

1. Excluding intercompany loans, includes RBU and non-RBU balances



#1 bank for SMEs in Greece

- Piraeus is the leading franchise in SME banking in Greece**
  - Top (>30%) market share in Greece by lending volumes
  - Flexible approach combined with a comprehensive product and service offering
  
- Current portfolio offers major opportunities for extracting value**
  - Most resilient SMEs have stayed with Piraeus during and after the crisis
  - All risky clients have been transferred to the RBU
  - Non-organic growth of the portfolio creates opportunities to deepen client relationships

Medium term initiatives



- Enhance value from current clients**
  - Target clients to improve risk-return
  - Harmonise the strategy in the portfolio



- Deepen cross selling**
  - Provide Transaction Banking services
  - Provide advisory services



- Maintain and expand cooperation with Development Organisations to support the growth of SMEs**
  - Use own expertise and reach to attract financing
  - Use the programmes to enhance client relationships



- Expand banking coverage to non-lending clients to expand fee income**



Piraeus has a leading position in agriculture, a key segment of the Greek economy...

Agri and food sector is key for the Greek economic recovery



12%  
of Gross Value Added



15%  
of Greek labour force



19%  
of Greek exports

Source: Eurostat, Greek Statistical Authority

Piraeus is an undisputed market leader

#1 Bank for the Greek agricultural sector

55% domestic market share in agri loans

Disburses annual subsidies to 650k Greek farmers

- ✓ Integral part of Piraeus, boosted by acquisition of the “healthy” part of ATEbank in 2012
- ✓ Co-ordinated targeting of the sector across the Bank
- ✓ Agricultural segment is a key pillar of Piraeus’ ambition to be instrumental in the Greek economic recovery



Agri banking offers a range of specialised products and services...

- Contract farming programme:** Innovative loan agreement with both buyers of agricultural production and farmers, covering the entire value chain
  - 20% of Greek agricultural exports are already financed through the programme
  - 15,000 farmers financed through contract farming
  
- Investment financing for young/new farmers:** Development loan for young entrants/ new entrant farmers for fixed assets
  
- Subsidised mortgage programme:** Mortgage programme for farmers, subsidised by the Greek State
  
- Services for Agricultural Cooperatives:** Specialised services for Agricultural Cooperatives, including credit/debit and debt collection services

...with an ambitious vision, articulated in 5 strategic priorities



- Increase client loyalty through product sales and development



- Offer specialised advice to help growth



- Build innovative services (e.g. precision agriculture, specialty food produce financing)



- Further expand Supply Chain Financing

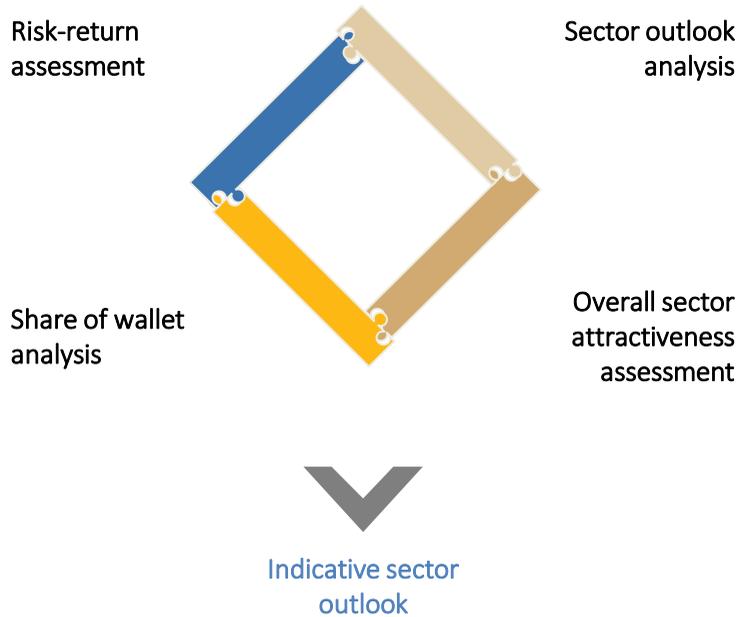


- Reinforce cross-BU collaboration



To optimise risk-return, Piraeus focuses on segmentation to ensure efficient customer targeting

Assessment of sector attractiveness



- Highly attractive sectors  
(for example Infrastructure, Tourism and Energy)

Large Corporate client segmentation

		Low risk		Medium risk		High risk
		Positive value	Negative value	Positive value	Negative value	
Share of wallet	High	<p>Keep current positioning &amp; evaluate further cross-selling</p>	<p>Enhance cross-selling or increase pricing</p>	<p>Evaluate selective lending with increase of collateralisation</p>	<p>Increase collateralisation and enhance cross-selling</p>	<p>Evaluate position in order to maximise recovery</p>
	Low	<p>Increase volumes</p>	<p>Increase pricing or evaluate exit</p>	<p>Defend credit through increase of collateralisation</p>	<p>Gradual exit from client</p>	<p>Exit from client</p>

Key

- High priority
- Priority
- Standard
- High risk



## Repositioning Transaction Banking to support fee income expansion

### Key strategic initiatives in Transaction Banking



#### ☑ Organisation

- Integrate Transaction Banking services as a separate unit within Business Banking prioritising trade finance and cash management services



#### ☑ Client coverage

- Focus on domestic clients
- Steer RMs to coordinate with Transaction Banking product experts
- Expand RM coverage to clients without a lending relationship

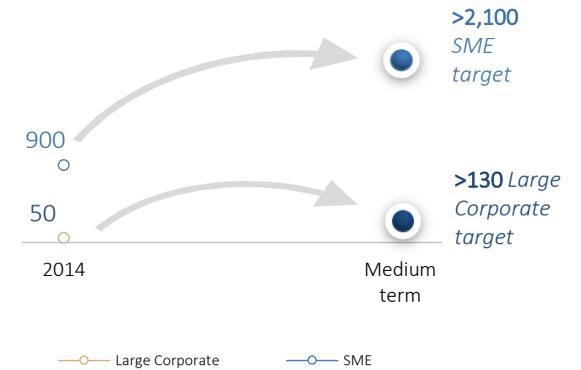


#### ☑ Product

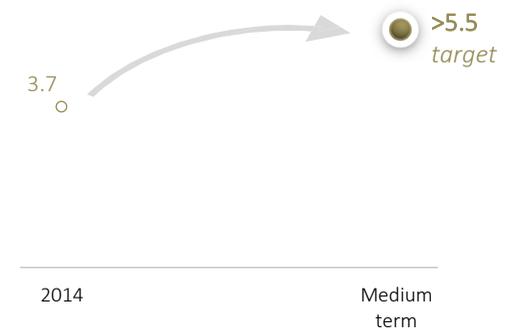
- Client specific product offering for value customers, while pre-packaged offerings serve most of the remaining business portfolio

### Key performance indicators

Target Transaction Banking clients (#)



Target products per client (#)





Service model tailored to segments

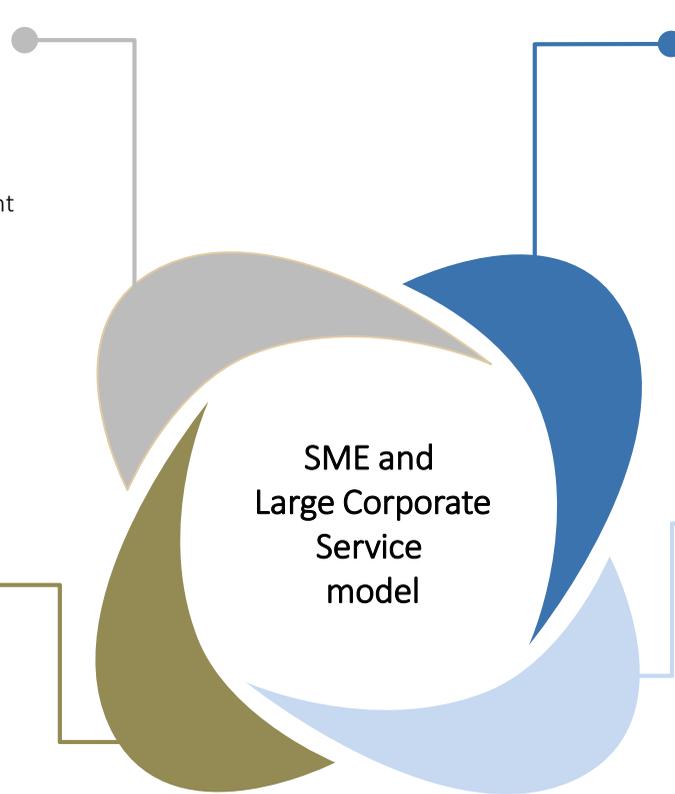


- New segment thresholds
- Introduce a periodic review of segment definition
- Differentiate treatment of SMEs according to client features

Organisational and operational enablers



- Central team owns data and analytical frameworks
- Transaction Banking Unit elevated to a separate line of business within Business Banking
- Establish collaboration framework between RMs and experts
- Free-up RM client-facing and business development time



RM role upgraded



- RM role as pivot for all client-facing activities
- Enable RMs with continuous training and further authority
- RM coverage for all key non-lending clients

Synchronisation with product factories



- Promote client specific product development
- Development teams within all main product factories provide competitive edge vs peers



# Piraeus will focus on project finance and aims to build on its financial leasing and shipping finance positions



## Project finance

- ✓ Project finance as a **driver of the new Greek economy** building on Piraeus' reach and sector expertise
- ✓ Focus on **administering the structural funds** to priority sectors
  - Providing liquidity in the economy
  - Below-market pricing to make terms attractive to companies
- ✓ Special area of focus will be **Green banking**, an area where Piraeus has a long track record:
  - Expertise in green entrepreneurship
  - Dedicated organisational structure with experienced staff and partners
- ✓ Key benefits for Piraeus are
  - **Growing share** in promising parts of the economy
  - **Fee income** from administration and management fees
  - **Cross-selling** opportunities with clients

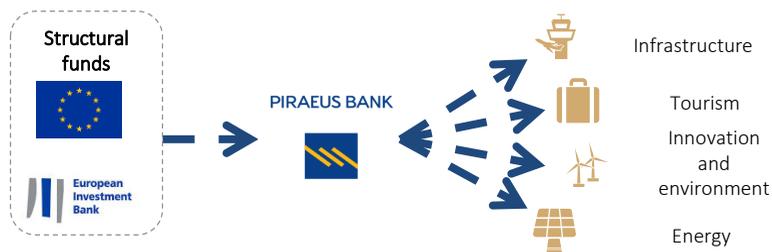
## Finance leasing

- ✓ The portfolio was built both organically and through recent acquisitions
  - Covers 5,000 customers with €2.3bn loans
- ✓ Piraeus will use its position for **optimal exploitation of finance leasing**
- ✓ Piraeus' focus is on **consolidating the portfolio** by merger with Bank of Cyprus Leasing (Greece) and Cyprus Popular Bank Leasing (Greece) and extracting full value through an improved product and service offering



## Shipping finance

- ✓ Portfolio was built both **organically** and through recent **acquisitions**
- ✓ **Improve risk-return through re-balancing** of the portfolio
- ✓ **Increase the digital offering** in line with global peers
- ✓ **Attract deposits** from shipping clients
- ✓ Promote **cross selling**
- ✓ Use **relationships with shipping clients seeking investment opportunities** in the Greek economy





Segments

1 Mass retail



- ✓ Large customer base of 5.4mn<sup>1</sup> customers with AUM <€70k
- ✓ Full range of customer profiles across all value, age and channel preference clusters
- ✓ Product mix focused on savings accounts (80% penetration) with significant opportunities to deepen relationships

2 Affluent



- ✓ Caters to ~180k customers<sup>2</sup>
- ✓ Key source of customer deposits: €12.8bn as at end-June 2015
- ✓ Customer portfolios mainly deposits based
- ✓ Segment served by ~320 Personal Banking branches and over 300 dedicated Affluent RMs

3 Small Business



- ✓ 480k SB customers with turnover of < €2.5mn p.a.
- ✓ Segment consists of professionals, sole proprietors and small legal entities
- ✓ Product mix weighted towards loans ~€3.6bn<sup>3</sup> vs. deposits of €2.7bn<sup>4</sup> for FY2014

4 Bancassurance



- ✓ €220m Net Written Premium and €36m in commissions in 2014
- ✓ 8% insurance product penetration
- ✓ Partnerships with leading global insurers: NN (Life) and ERGO (Non Life)

5 Cards & payments



- ✓ 61%<sup>3</sup> of Piraeus customers currently issued with a debit card
- ✓ 12% of all Piraeus cards issued since the introduction of capital controls (~600k cards)
- ✓ Ability to produce and issue a card on the spot in-branch, unique to the Greek market

6 Merchant acquiring



- ✓ Piraeus is the CNP<sup>5</sup> market leader with a ~65% market share of total CNP trade value
- ✓ 15,000 Business customer penetrated within CP<sup>5</sup> acquiring business
- ✓ Piraeus # CP transactions for June up 51% year on year

Selected products

1. Includes non-active customers (number of active customers amount to 3.2mn)  
 2. Affluent customers defined as affluent (>70k) and upper mass retail (>35k)  
 3. As at August 2015  
 4. Small business loans – Gross Balances  
 5. Deposit balances attributable to small business segment  
 6. CNP: Card Not Present, CP: Card Present



### The opportunity for Piraeus

1. Large customer base for saving deposits increase (“sticky money”)
2. Wide distribution of risk
3. Feeder for the SB and Affluent segments
4. Untapped revenue potential in underpenetrated customers
5. Reductions in servicing costs by encouraging adoption of alternative distribution channels

### Key strategic initiatives in Mass retail



#### ☑ Value proposition and smart pricing

- Enhanced but simplified product & service offering
- Leverage on widely recognised positive customer experience across channels
- Smart pricing to influence behaviors and increase value creation



#### ☑ CRM & Lifecycle processes

- Value based customer segmentation
- Key customer journey mapping
- Bank-wide loyalty programme commercialisation
- Attrition management & Early Warning Systems



#### ☑ Migration

- Embedding multichannel approach in the sales process
- Customer education on digital channels
- Leverage of potential branch network optimisation



# Affluent customers is the primary target group to increase deposits, fees and market share

## Key strategic initiatives in affluent



### Recover affluent deposit base:

- Uninterrupted active dialogue with customers throughout the crisis
- Targeted deposit re-acquisition campaigns, enhanced deposit offerings & advanced customer analytics for personalised pricing
- Use of target customer lists to capture higher market share of returning deposits



### Shift portfolio into higher margin off balance products

- Increase share of investments in the overall AUM mix
- Introduce investment advisory services addressing offshore or "unbanked" wealth
- Target universe of €50bn affluent customer funds' abroad, attracting and managing funds at an off balance sheet level
- Steadily increase volume of lending in product mix

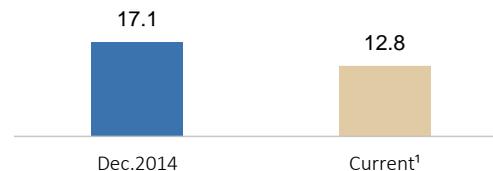


### Grow market share

- Target customers identified as Affluent elsewhere with transfer initiative
- Deepen penetration of 'Piraeus Personal Banking' brand
- Launch differentiated offering for 'Upper affluent customer'
- Target Affluent business owners in tandem with SB/ SME units

## Historical value of deposits signifies recovery potential

(€bn)



## Investments (excl. MM Funds)<sup>2</sup>

(% of AUM)



## Affluent customers

(# '000)



1. As at end-June 2015  
 2. MM: Money market funds  
 Note: Current refers to the latest available data as of 1H 2015 and target refers to the time horizon of the plan



Customer understanding & services



- Distinct product platform and branded offering
- Dedicated customer analytics and NPS<sup>1</sup> tracking
- Segmented offering by wealth level
- Non-financial Value Adding Services
- Full coverage of client needs

Communications, branding & technology



- Distinct branded offering
- Leading e-platform
- Dedicated CRM system
- Video Banking platform
- In-house application development

Advanced affluent banking capabilities

People development & commercial planning



- RM academy
- Regular skill testing and certification framework
- Value based management

Distribution & governance



- Vertically integrated unit
- Branches with new dedicated "Affluent Corners"
- Dedicated sales managers and RMs
- Dedicated call center

1. NPS: Net Promoter Score

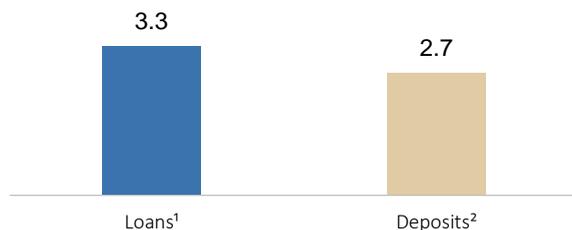


Small business segment offers a significant untapped opportunity, with expected growth driven from government structural funds

Piraeus low market share in small business market signifies natural growth potential...

### Loan & Deposit balances

FY2014, €bn



Small business loan market share of 16%<sup>3</sup> and deposits market share of 22%<sup>3</sup> significantly below Piraeus natural market share

Note: Small business is defined as legal entities, individual enterprises and sole proprietors with an annual turnover <€2.5m  
 1 Small business loans – Gross Balances  
 2 Deposit balances attributable to small business segment  
 3 Piraeus internal estimates for FY2014 based on Bank of Greece

...whilst the small business market represents an untapped revenue opportunity

- ☑ Commands higher premiums compared to Business banking customers (~ +200bps)
- ☑ Offers incremental value by serving small business owners and employees (e.g. payroll, cash management)
- ☑ Small business banking revenues are strongly cyclical with revenue growth usually 3x GDP growth

Significant government structural funds expected to be available to Greek businesses, driving growth in SB banking

- ☑ More than €20bn available during 2014 – 2020 to small businesses from EU and Government funds (EIB, Greek Government, Structural funds)
- ☑ Piraeus is strategically positioned to absorb a significant share of related banking business
  - Proven track record in absorbing investment funds in past 10 years
  - Internal integrated structure that offers the full range of services (consulting, evaluation and funding)
  - Develop special funding framework to support investment projects



Key strategic initiatives in the SB market



- Focus on sectors with sustainable liquidity and profitability potential**
  - Manage clients ‘upgrade or downgrade’ based on liquidity, profitability and competitiveness
  - Use advanced client profitability measurements and KPIs



- Differentiate service levels according to customer value**
  - Transform servicing model to free up RM time
  - Dedicated RMs for high growth priority customers
  - Translate superior customer experience into premium pricing



- Offer wide array of ancillary services aiming to increase fee generating income**
  - Cash management services
  - Advisory expertise on European funding programmes

**~10% CAGR** Medium term target Small business loans annual growth (from FY'14)

1 Small business loans – Net balances, as at end-Dec 2014  
 2 Deposit balances attributable to small business segment, as at end-Dec 2014



# 02

2.72

## Leverage distribution capacity to capitalise on the bancassurance opportunity

### Bancassurance is a priority and opportunity for fee generation...

- ☑ Bancassurance market in Greece is 18% of total insurance market vs. 58% in Portugal and 38% in Spain
- ☑ Primarily offer driven & highly correlated with bank offerings
- ☑ Bancassurance is expected to boom in emerging European economies with main growth driven by pension products
- ☑ High potential to increase penetration across all customer segments – for Piraeus in Life insurance vs. international peers
  - Mass market 2.2% vs. 12%
  - Affluent segment 5.3% vs. 20%

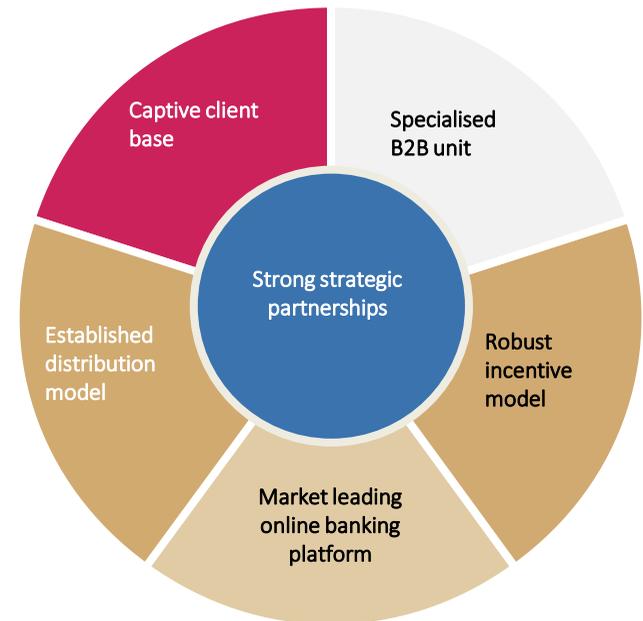
### ...with Piraeus well positioned for growth having...

**~5mn**  
active banking customers, largest amongst bancassurance competitors

**35%<sup>1</sup>**  
share of the bancassurance market

**3,500<sup>2</sup>**  
in branch certified insurance sales advisors, the largest sales network in the market

### ...a clear competitive advantage in the market



1. Current assessment for 2015  
 2. Personnel hold an insurance sales' certification (insurance intermediaries Level A), ~1.100 employees are certified to promote Unit Linked and other financial products



## Piraeus aims to increase insurance product penetration to grow Bancassurance

### Key strategic initiatives in Bancassurance



✓ Bancassurance product suite constructed on a complete and comprehensive product offering



✓ Maximise utilisation of a 3,500 strong salesforce to increase penetration of insurance products across the Retail / SB / SME segments



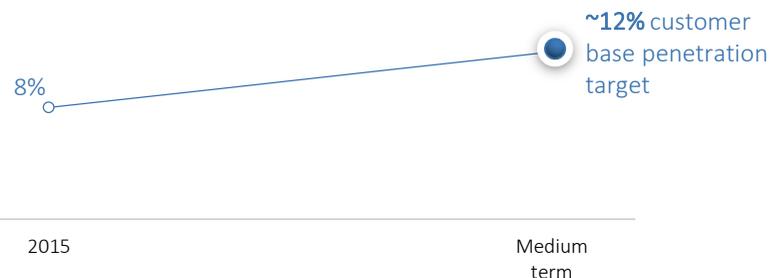
✓ Upgrade multichannel distribution model with market leading digital bancassurance platform



✓ Sharpen customer segmentation to target products to appropriate and most profitable customer segments

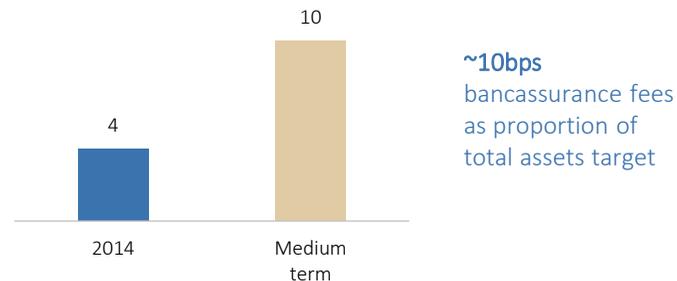
### Target penetration of customer base

(% of total customers)



### Target bancassurance fees<sup>1</sup>

(bps)



1. Calculated as bancassurance commission revenue over average total assets (excl. EFSF bonds, seasonal loans and discontinued operations)



# 02

2.74

## Piraeus seeks to increase customer penetration and cross sell in cards



### Piraeus well positioned for growth in the cards issuance market

- ✔ **Instant issuing capabilities**
  - Piraeus is a pioneer in the market in being able to issue a card on the spot
- ✔ **Market leading innovation & technological competence**
  - Piraeus is ahead in pre-paid cards & development of mobile payments
- ✔ **Low penetration of customer base implying significant growth potential**

~61%<sup>1</sup>

of Piraeus customers currently issued with a debit card

12%

of all Piraeus cards have been issued since the introduction of capital controls

### Key strategic initiatives in cards issuance



**Proactive outbound initiative for every Piraeus customer to hold a debit card**



**Expand card usage through co-branding, partnership promotions, a loyalty scheme and re-positioning of pre-paid cards**



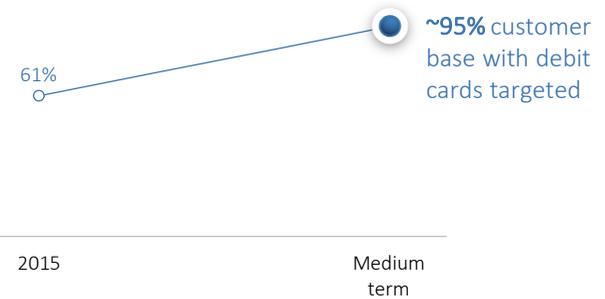
**Product bundling to capitalise on cross selling opportunities**



**Focus on underpenetrated SB customer base by offering commercial business cards**

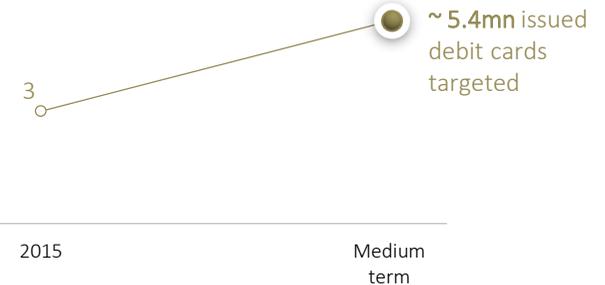
### Target debit card penetration

(% customer base with debit cards)



### Target total # debit cards issued

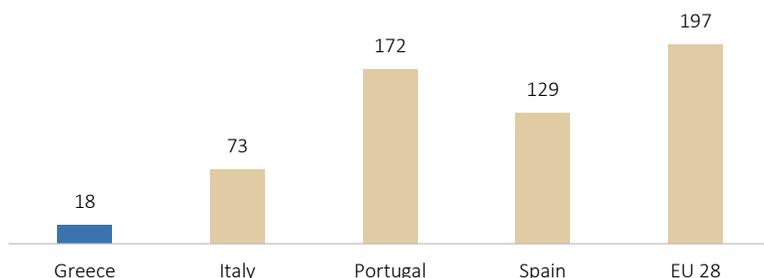
(mn)





Underdeveloped local payments market with significant potential for commissions

Non-cash payments per inhabitant<sup>1</sup>  
#, 2013



Piraeus is the leader in the local payments market

- ✓ Early recognition of payments opportunity ahead of peers, establishing a dedicated business unit responsible for Cards & Payments
- ✓ Introduced the “easypay POINT” channel to offer bill payment services and other VAS<sup>2</sup> through third parties (e.g. big retailers)
- ✓ Focused on mobile channels with a number of different apps offering payments functionality

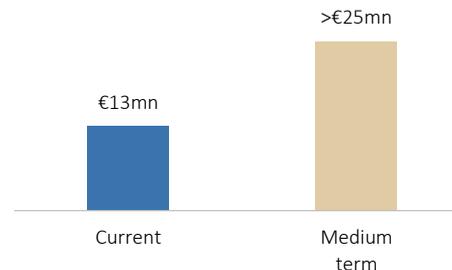
1. Source: ECB, Payment Statistics for 2013, 9/9/2014  
 2. VAS: Value Added Services  
 3. E-authorisation solution which enables safe digital payments and identity authentication through a consumer’s own online banking portal  
 4. PSD2: Payment authorisation requirements for mobile application payments initiated by the EU  
 5. TPPs: Third party payment service providers, refers to new market entities, licensed under the PSD2  
 Note: Current refers to YE 2015 estimate

Key strategic initiatives in payments business

- ✓ **Defend market leading position & introduce new payment solutions to local market:**
  - Interbanking person-to-person instant mobile payments scheme
  - “My Bank” EBA<sup>3</sup> solution for use in e-commerce merchants
- ✓ **Develop “easypay POINT” go-to-market model as the vehicle to align the organisation with the PSD2<sup>4</sup> requirements**
  - Engulf organisations acting as TPPs<sup>5</sup> following the PSD2 directive, increasing consumer accounts held in bank
- ✓ **Ensure a “develop once, deploy everywhere” approach for payments across web, mobile, tablet, etc.**

Target for payments commissions

(All bank channels, all means of payment)





Competitive advantages give Piraeus a strong positioning in the merchant acquiring market

- ☑ **Market leading CNP technology**

  - CNP technology platform that can compete with the best acquirers in Europe, ensuring a strong advantage in defending market position
- ☑ **Under penetrated small business and SME customer base**

  - Only ~2–3% of ~500,000 small business and SME customers currently penetrated within CP acquiring business
- ☑ **Competitive product and pricing offerings**

  - Highly granular pricing schemes with % and / or flat fee pricing structures
  - Only Bank to offer a branded Mobile POS solution with different versions addressing various segments

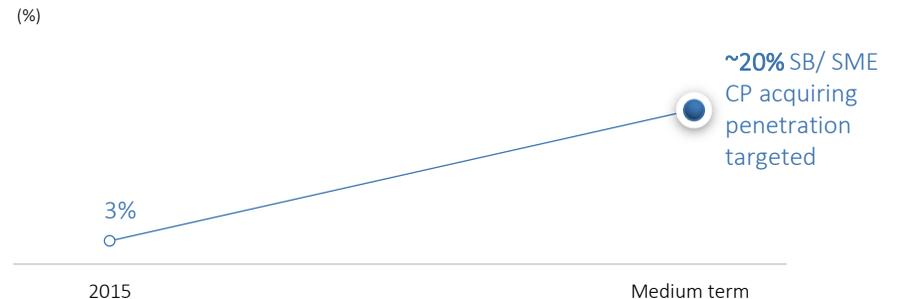
Key strategic initiatives in merchant acquiring

- ☑ **Leading market share in Card-Not-Present (CNP)**

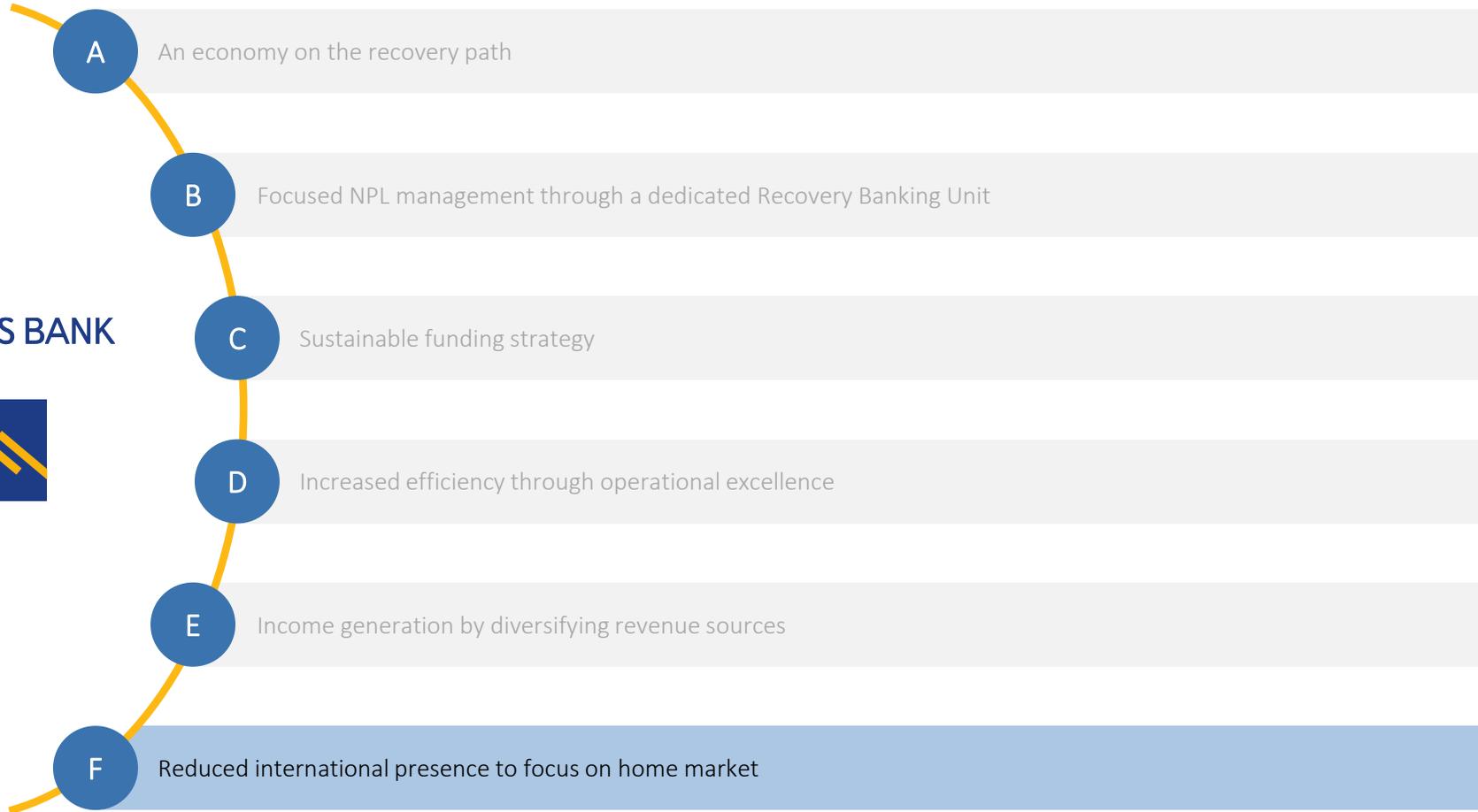
  - Strengthening of existing relationships & offer of innovative services to clients
- ☑ **Grow presence in Card Present (CP)**

  - Aggressive deployment of acquiring contracts into existing SB customer base
- ☑ **Competitive pricing to increase CP acquiring business**
- ☑ **Further rollout of innovative alternative merchant acquirer payment methods**

CP acquiring penetration within SB / SME base



1. CNP: Card Not Present, CP: Card Present





# 02

## 2.78 Overview of international operations

(€mn, as at June 2015)



Romania 	
Branches (#)	120
Employees (#)	1,512
Assets	1,893
Net loans <sup>2</sup>	1,089
Deposits	839

Bulgaria 	
Branches (#)	75
Employees (#)	882
Assets	1,534
Net loans <sup>2</sup>	1,084
Deposits	986

Cyprus 	
Branches (#)	13
Employees (#)	356
Assets	1,162
Net loans <sup>2</sup>	681
Deposits	940

Albania 	
Branches (#)	39
Employees (#)	430
Assets	669
Net loans <sup>2</sup>	254
Deposits	488

Serbia 	
Branches (#)	26
Employees (#)	475
Assets	459
Net loans <sup>2</sup>	336
Deposits	230

Ukraine 	
Branches (#)	19
Employees (#)	462
Assets	183
Net loans <sup>2</sup>	60
Deposits	51

### Branches

London 	
Branch (#)	1
Employees (#)	23
Assets	1,065
Net loans <sup>2</sup>	909
Deposits	25

Frankfurt 	
Branch (#)	1
Employees (#)	14
Assets	151
Net loans <sup>2</sup>	16
Deposits	138

Total international <sup>1</sup>	
Branches (#)	294
Employees (#)	4,152
Assets	7,116
Net loans <sup>2</sup>	4,429
Deposits	3,698

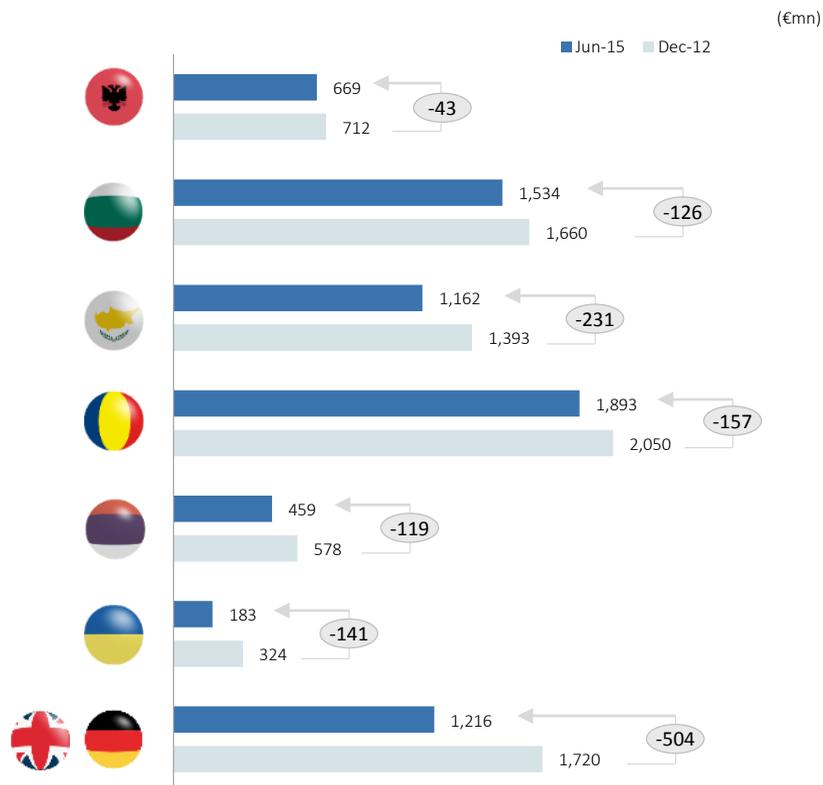
1. Consolidated financial data for international subsidiaries  
 2. Net loans are estimate



### Restructuring of the subsidiaries has already generated positive results

#### Total assets

(€mn)



RBU establishment	Branch closures Dec-12 to Jun-15	FTEs reduction Dec-12 to Jun-15
✓	-30%	-16%
✓	-10%	-3%
✓	-7%	+10%
✓	-28%	-22%
✓	-38%	-16%
Ongoing	-50%	-23%
n/a	-	+12%

**€12.2bn**  
total assets pre-crisis<sup>1</sup>

**€7.1bn**  
Jun-15 total assets

**€3.1bn<sup>2</sup>**  
Commitment for 30-Jun-18

**-35%**  
(-155 branches)

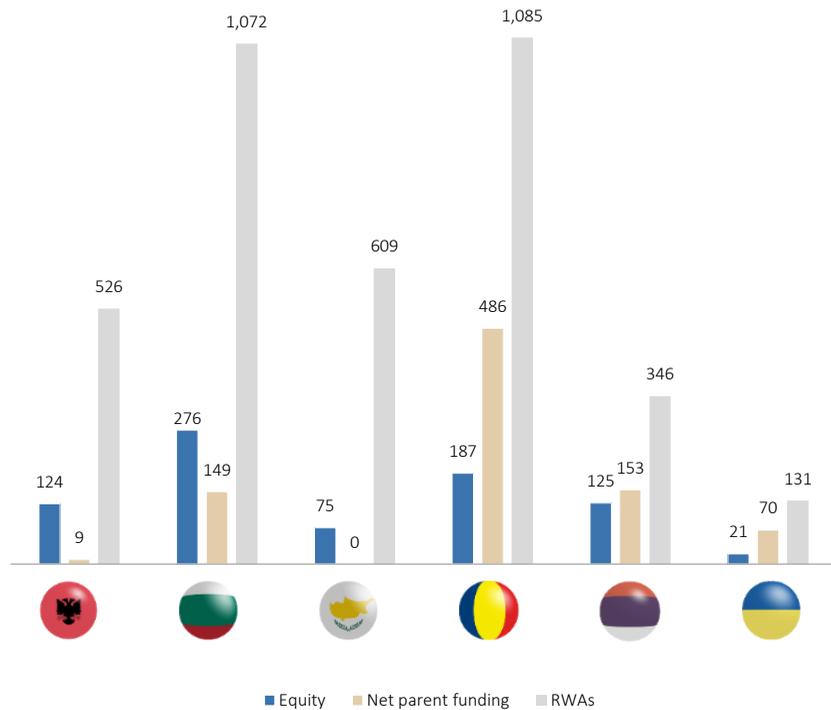
**-33%**  
(-2,080 FTEs)

1. As at 31-Dec-10  
2. Target of €4.1bn if Piraeus engages in an asset swap with another Greek bank  
Note: Financial data per country refers to consolidated data of local bank subsidiary

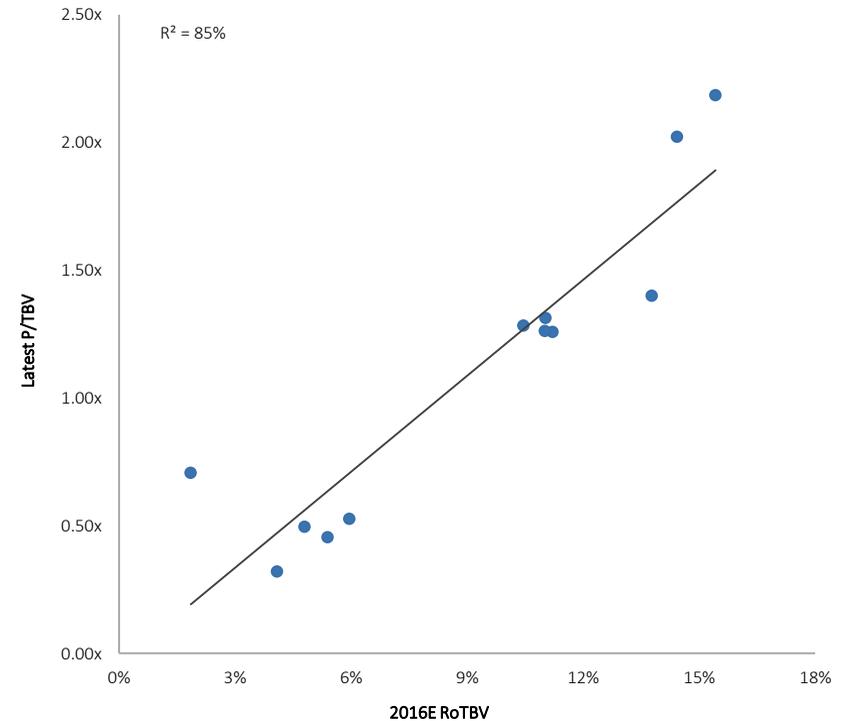


Key metrics per business<sup>1</sup>

(30-Jun-15, €mn)



Valuation of CEE banks



*Includes peer banks from Austria, Bulgaria, Czech Republic, Hungary, Poland and Romania*

1. Equity figures based on statutory accounts  
 Note: Financial data per country refers to consolidated data of local bank subsidiary  
 Source: Company information, market data and I/B/E/S consensus estimates as at 08 October 2015



Key actions	Commentary
<b>1</b> Accelerated deleveraging policies	<ul style="list-style-type: none"> <li>Total asset size of Piraeus' international subsidiaries has been reduced by €2.2bn (or 24%) since 2012</li> <li>Piraeus is only pursuing limited and high-quality loan originations with very rigid disbursement policies across all subsidiaries</li> </ul>
<b>2</b> Active NPL management	<ul style="list-style-type: none"> <li>Recovery Banking Unit established and fully operational in all major subsidiaries with focus on reducing outstanding NPL stock through accelerated write-offs and intensified collection efforts</li> </ul>
<b>3</b> Reduction of funding support	<ul style="list-style-type: none"> <li>Net parent funding to subsidiaries decreased significantly (by 26% since YE 2012, from €1,059mn to €781mn) despite imposed regulatory guidance in several countries minimising subsidiaries' placements to the Group</li> </ul>
<b>4</b> Capital accretive divestiture options	<ul style="list-style-type: none"> <li>In May 2015, Piraeus agreed to sell its 98.5% stake in Piraeus Bank Egypt to Al Ahli Bank of Kuwait for a consideration of US\$ 150mn, valuing the bank at 1.5x P/BV</li> <li>In addition to outright sales, Piraeus is also exploring portfolio sales (mainly NPLs)</li> </ul>
<b>5</b> Operational optimisation	<ul style="list-style-type: none"> <li>Elimination of branches with low profitability</li> <li>Streamlining of employees (HQ and branch network)</li> <li>Increased focus on ATM / APS networks and digital platforms</li> </ul>

PIRAEUS BANK



A

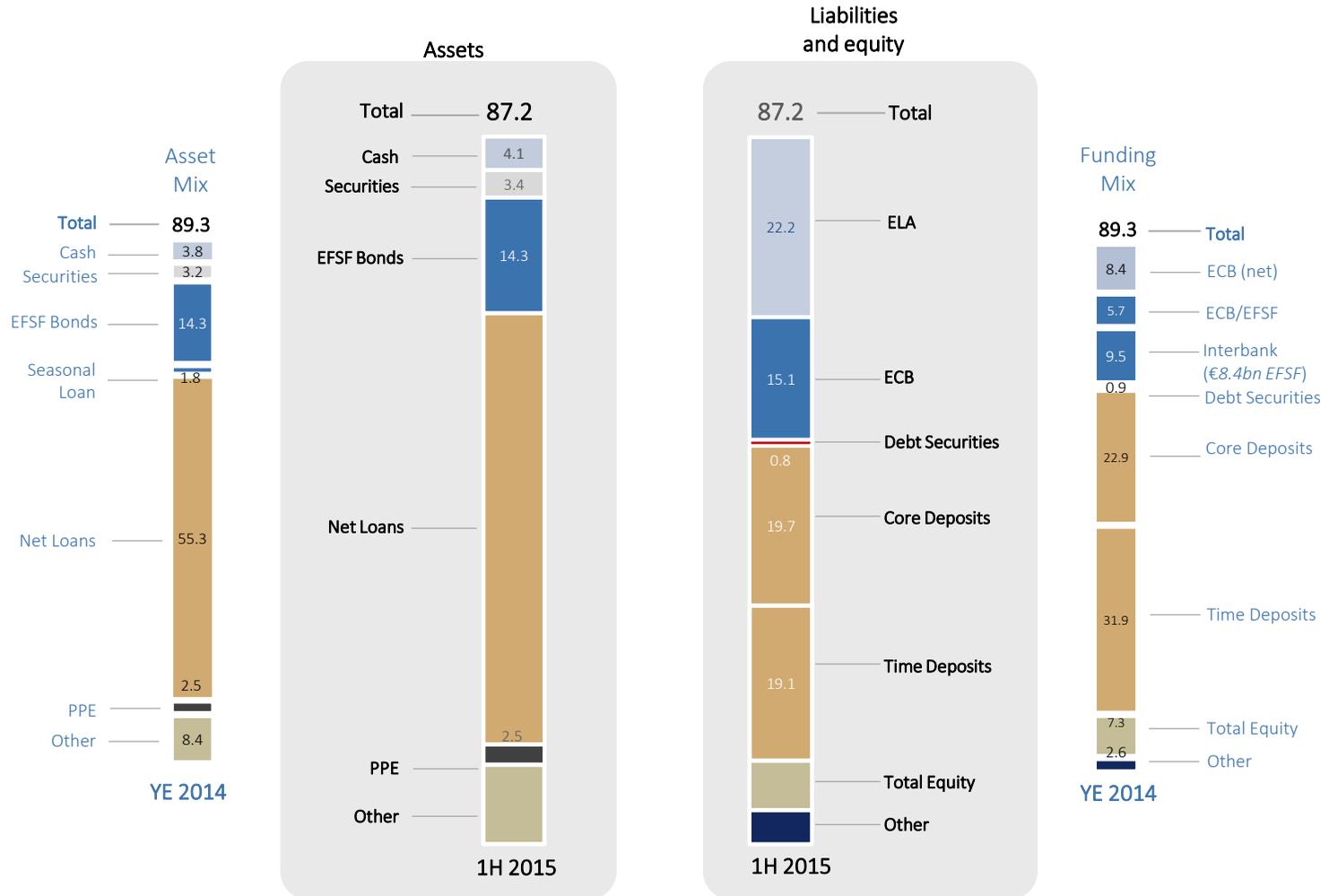
## Financial information

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# A

## A.1 Balance sheet composition (Group)





Income statement overview<sup>1</sup>

(€mn)	2Q 2015	1Q 2015	Δ% (q-o-q)	1H 2015	1H 2014	Δ% (y-o-y)
Net interest income	472	492	-4%	964	970	-1%
Net fee income	79	81	-2%	160	156	+3%
<b>Banking income</b>	<b>551</b>	<b>573</b>	<b>-4%</b>	<b>1,124</b>	<b>1,126</b>	<b>-</b>
Other income	38	4	n.m	43	194	-78%
<b>Total revenues</b>	<b>589</b>	<b>577</b>	<b>2%</b>	<b>1,167</b>	<b>1,320</b>	<b>-12%</b>
Staff costs	-171	-171	-	-342	-356	-4%
Administrative costs	-142	-136	5%	-278	-269	+3%
Depreciation	-28	-29	-3%	-58	-86	-33%
<b>Total operating costs</b>	<b>-342</b>	<b>-336</b>	<b>2%</b>	<b>-678</b>	<b>-711</b>	<b>-5%</b>
<b>Pre-provision income</b>	<b>247</b>	<b>241</b>	<b>3%</b>	<b>489</b>	<b>609</b>	<b>-20%</b>

Key highlights

- 1 Despite the negative impact of higher ELA cost, NII relatively stable (-1% y-o-y) as Greek deposit rates continue to decline
- 2 Sustainable recurring revenues (+4% y-o-y) despite domestic turmoil (-12% y-o-y on a reported basis due to one-offs in 1H'14)
- 3 Operating expenses fell materially (-5% y-o-y) on the back of cost synergies

1. Excluding Egyptian business



# A

## A.3 Income statement evolution | Group

(€mn)	2013 <sup>1</sup>	1H 2014	2014	1Q 2015	2Q 2015	1H 2015	Δ% (y-o-y)
Net interest income	1,810	970	1,977	492	472	964	-1%
Net fee and commission income	307	156	323	81	79	160	3%
Other income	280	194	147	4	38	43	-74%
o/w dividend income	15	14	14	0	6	7	-50%
o/w net trading income	149	33	-31	-9	19	10	-70%
o/w other income	116	147	164	13	13	26	-82%
<b>Total income</b>	<b>2,397</b>	<b>1,320</b>	<b>2,447</b>	<b>577</b>	<b>589</b>	<b>1,167</b>	<b>-12%</b>
Staff costs	-836	-356	-755	-171	-171	-342	-4%
Administrative expenses	-567	-269	-599	-136	-143	-278	3%
Depreciation and amortisation	-126	-86	-151	-29	-28	-58	-33%
<b>Total operating costs</b>	<b>-1,529</b>	<b>-711</b>	<b>-1,505</b>	<b>-336</b>	<b>-342</b>	<b>-678</b>	<b>-5%</b>
<b>Pre-provision income</b>	<b>868</b>	<b>609</b>	<b>942</b>	<b>241</b>	<b>247</b>	<b>489</b>	<b>-20%</b>



(€mn)	2013	1H 2014	2014	1Q 2015	2Q 2015	1H 2015	Δ% (y-o-y)
Net interest income	1,338	820	1,695	432	412	844	3%
Net fee and commission income	237	134	282	71	69	140	4%
Other income	3,972	201	157	7	34	41	-80%
o/w dividend income	13	14	13	0	5	6	-57%
o/w net trading income	124	47	-7	-5	16	11	-77%
o/w other income	3,834	140	150	12	12	24	-83%
<b>Total income</b>	<b>5,547</b>	<b>1,155</b>	<b>2,134</b>	<b>510</b>	<b>515</b>	<b>1,025</b>	<b>-11%</b>
Staff costs	-781	-314	-672	-151	-151	-302	-4%
Administrative expenses	-520	-225	-504	-114	-116	-230	2%
Depreciation and amortisation	-94	-74	-129	-24	-24	-48	-36%
<b>Total operating costs</b>	<b>-1,394</b>	<b>-614</b>	<b>-1,304</b>	<b>-288</b>	<b>-291</b>	<b>-580</b>	<b>-6%</b>
<b>Pre-provision income</b>	<b>4,152</b>	<b>541</b>	<b>830</b>	<b>222</b>	<b>223</b>	<b>445</b>	<b>-18%</b>

PIRAEUS BANK



B

## Loan portfolio

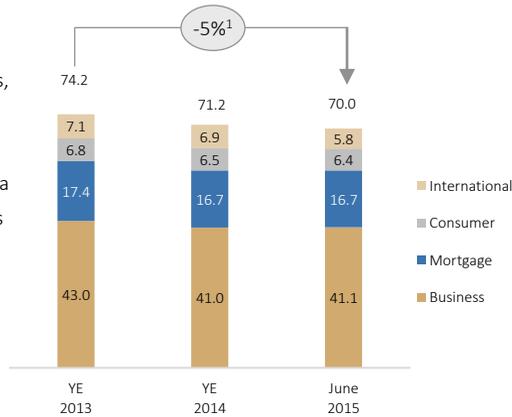
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Evolution of gross loans<sup>1,2</sup>

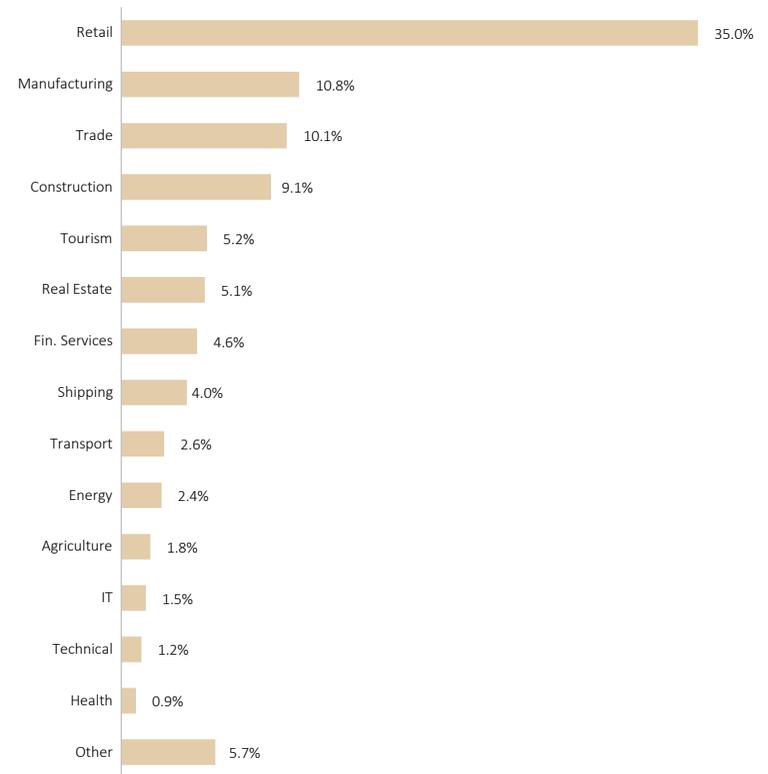
(€bn)

☑ Deleveraging actions, coupled with subdued domestic demand led to a circa 5% decrease in gross loans since YE 2013



Loan portfolio mix<sup>3</sup>: industry diversification

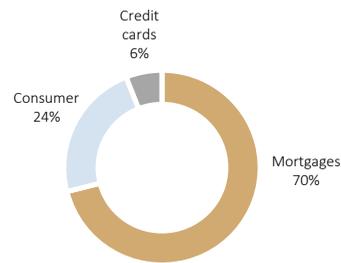
(30-Jun-15)



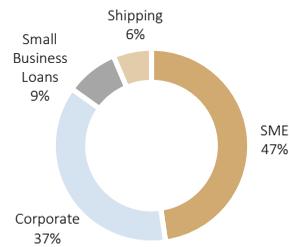
Loans breakdown

(30-Jun-15)

Retail portfolio



Business portfolio

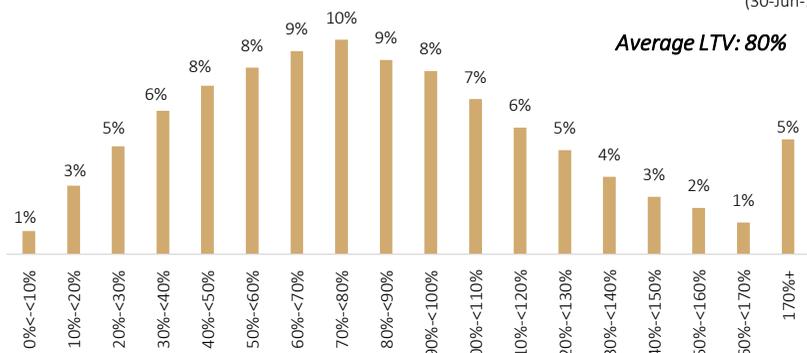


1. Like-for-like basis; June 2015 figure excludes Piraeus Egypt (€0.7bn)  
 2. YE 2013 and 2014 figures exclude seasonal loans  
 3. Loan composition excludes Piraeus Egypt



Mortgage loans | LTV analysis (Greece)

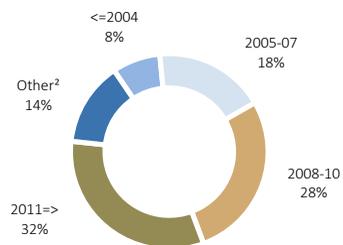
(30-Jun-15)



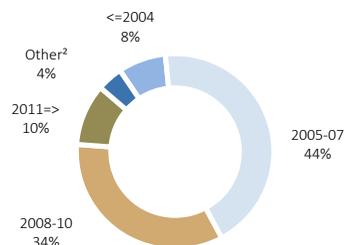
Vintage analysis | Retail loans (Greece)

(30-Jun-15)

Consumer<sup>1</sup>



Mortgages



1. Includes credit cards  
 2. Refers to data yet to be classified (from the integration of acquired banks)  
 3. Includes Piraeus Egypt

Maturity | Group

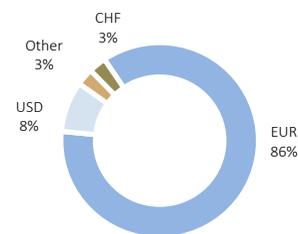
(31-Dec-14, €mn)

	<12 months	1-5 years	5-10 years	>10 years
<b>Business</b>	25,397	9,157	7,384	4,366
Mortgages	3,261	626	2,208	11,397
Consumer	2,478	1,059	1,145	1,212
Credit cards	1,487	3	0	0
<b>Retail</b>	7,225	1,688	3,353	12,609
<b>Total</b>	<b>32,622</b>	<b>10,845</b>	<b>10,736</b>	<b>16,976</b>

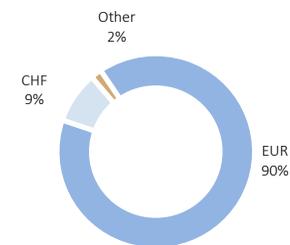
Loan portfolio by currency<sup>3</sup> | Group

(30-Jun-15)

Business



Retail





## Loan rates | Front book

	Jan 2015	Feb 2015	Mar 2015	Apr 2015	May 2015	Jun 2015
Corporate	5.35%	4.87%	5.14%	5.16%	4.71%	4.70%
Shipping	2.59%	3.42%	4.94%	n/m	6.01%	6.91%
SME	6.03%	6.93%	5.87%	6.28%	6.65%	6.44%
SBL	7.80%	7.60%	7.42%	7.73%	7.65%	8.11%
<b>Business<sup>1</sup></b>	<b>5.54%</b>	<b>6.07%</b>	<b>5.62%</b>	<b>5.28%</b>	<b>5.78%</b>	<b>5.97%</b>
Mortgages	4.02%	4.12%	4.16%	4.10%	3.69%	3.52%
Consumer	9.35%	9.24%	9.62%	10.04%	10.01%	9.66%
<b>Total</b>	<b>5.56%</b>	<b>6.10%</b>	<b>5.69%</b>	<b>5.47%</b>	<b>5.86%</b>	<b>6.01%</b>

## Loan rates | Total stock

	Jan 2015	Feb 2015	Mar 2015	Apr 2015	May 2015	Jun 2015
Corporate	4.66%	4.48%	4.55%	4.59%	4.56%	4.57%
Shipping	3.59%	3.62%	3.64%	3.53%	3.51%	3.39%
SME	5.22%	5.21%	5.26%	5.14%	5.03%	4.92%
SBL	7.76%	7.87%	7.85%	7.80%	7.83%	7.82%
<b>Business<sup>1</sup></b>	<b>5.07%</b>	<b>5.04%</b>	<b>5.09%</b>	<b>5.02%</b>	<b>4.96%</b>	<b>4.92%</b>
Mortgages	2.63%	2.63%	2.61%	2.61%	2.52%	2.53%
Consumer	9.24%	9.35%	9.15%	9.15%	9.13%	9.32%
<b>Total</b>	<b>4.64%</b>	<b>4.63%</b>	<b>4.65%</b>	<b>4.62%</b>	<b>4.55%</b>	<b>4.54%</b>
<i>avg. 3m euribor</i>	<i>0.06%</i>	<i>0.05%</i>	<i>0.03%</i>	<i>0.00%</i>	<i>-0.01%</i>	<i>-0.01%</i>

1. Excludes subsidiaries and OPEKEPE loans  
 Note: Rates as of respective month-end



Collaterals | Group

(30-Jun-15, €mn)

	Collateral
Business	23,586
Retail	16,886
o/w mortgages	15,186
o/w consumer	1,690
o/w credit cards	10
<b>Total</b>	<b>40,472</b>

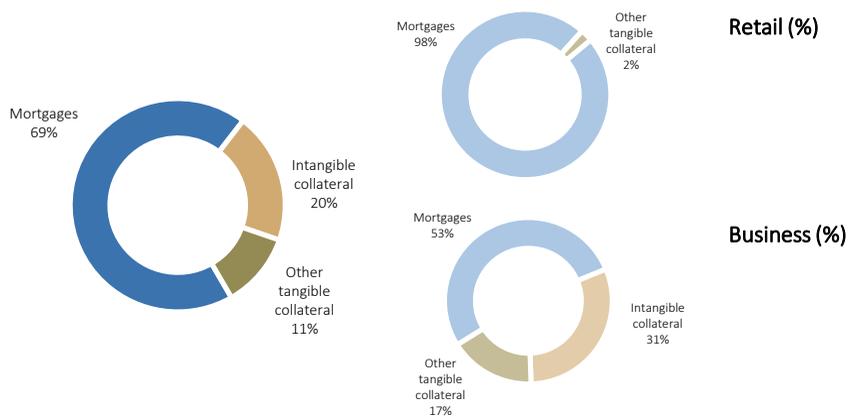
Collaterals | Greece

(30-Jun-15, €mn)

	Collateral
Business	20,207
Retail	15,989
o/w mortgages	14,609
o/w consumer	1,370
o/w credit cards	0
<b>Total</b>	<b>36,196</b>

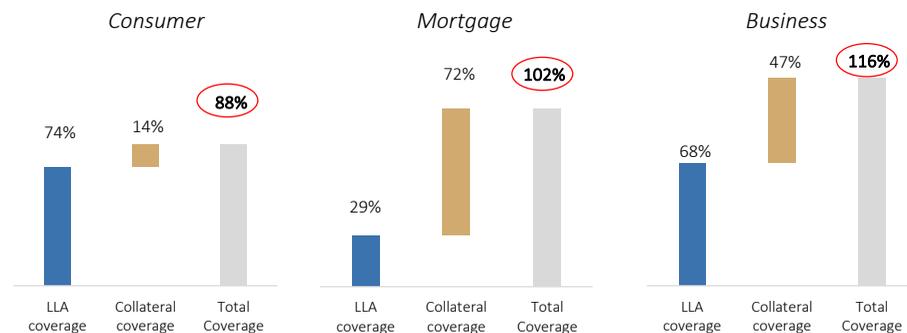
Collaterals by type | Greece

(30-Jun-15)



Total NPL coverage | Greece

(30-Jun-15)



Note: Tangible collateral coverage, LLA coverage ratios are estimates



## Loan portfolio overview by delinquency status

(30-Jun-15, €mn)

	Current	1-30	31-60	61-90	91-180	>180	Denounced	Total
<b>Total loans (Group)</b>	<b>33,128</b>	<b>4,615</b>	<b>2,151</b>	<b>2,509</b>	<b>2,823</b>	<b>9,541</b>	<b>15,240</b>	<b>70,008</b>
Business	21,049	2,412	1,139	1,862	2,194	7,739	9,107	45,502
Mortgages	9,424	1,731	796	497	456	1,166	3,253	17,323
Consumer	2,655	471	216	151	173	636	2,881	7,184
<b>Total loans (Greece)</b>	<b>30,964</b>	<b>3,833</b>	<b>2,001</b>	<b>2,263</b>	<b>2,758</b>	<b>9,389</b>	<b>12,973</b>	<b>64,180</b>
Business	19,651	1,837	1,056	1,676	2,151	7,615	7,122	41,108
Mortgages	9,028	1,640	770	476	446	1,156	3,139	16,655
Consumer	2,285	356	175	111	161	617	2,712	6,417



## Overview of NPL vs. YE 2014 (Greece)

(€mn)

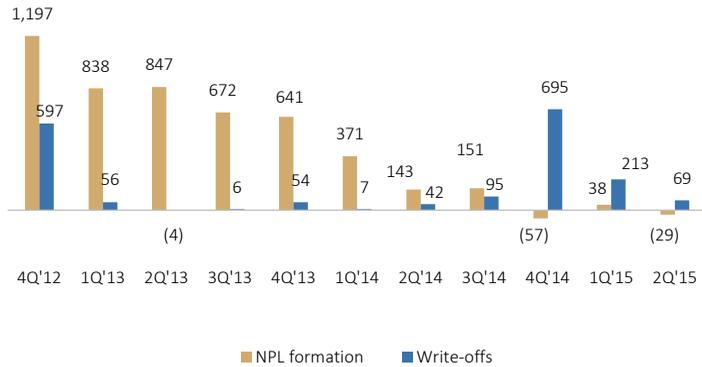
NPLs	Dec 2014	June 2015	Δ (%)
Large Corporate	4,934	<b>4,876</b>	-1.2%
SMEs	12,124	<b>12,012</b>	-0.9%
Mortgage	4,552	<b>4,741</b>	4.1%
Consumer	2,717	<b>2,746</b>	1.0%
Credit cards	758	<b>745</b>	-1.7%
<b>Total</b>	<b>25,085</b>	<b>25,119</b>	<b>0.1%</b>

NPL ratio	Dec 2014	June 2015	Δ (%)
Large Corporate	29.7%	<b>29.0%</b>	-0.7%
SMEs	49.6%	<b>49.5%</b>	-0.2%
Mortgage	27.2%	<b>28.5%</b>	+1.3%
Consumer	53.9%	<b>54.9%</b>	+1.0%
Credit cards	52.7%	<b>52.5%</b>	-0.2%
<b>Total</b>	<b>39.0%</b>	<b>39.1%</b>	<b>+0.1%</b>



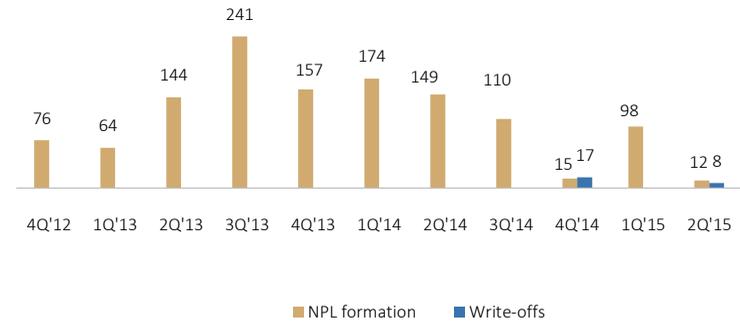
Business | NPL formation (Greece)

(€mn)



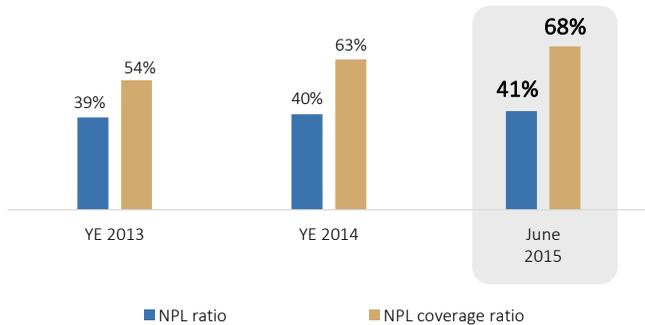
Mortgages | NPL formation (Greece)

(€mn)



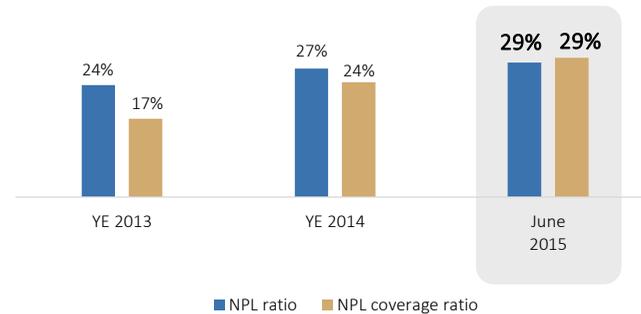
Business | NPL and NPL coverage ratios (Greece)

(estimate for coverage)



Mortgages | NPL and NPL coverage ratios (Greece)

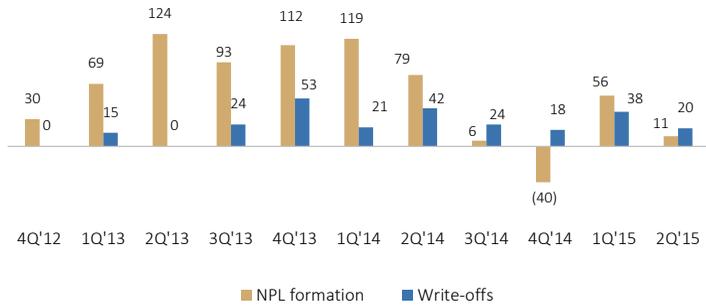
(estimate for coverage)





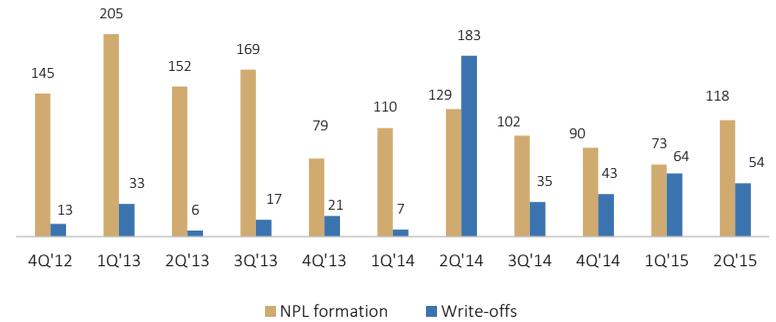
Consumer | NPL formation (Greece)

(€mn)



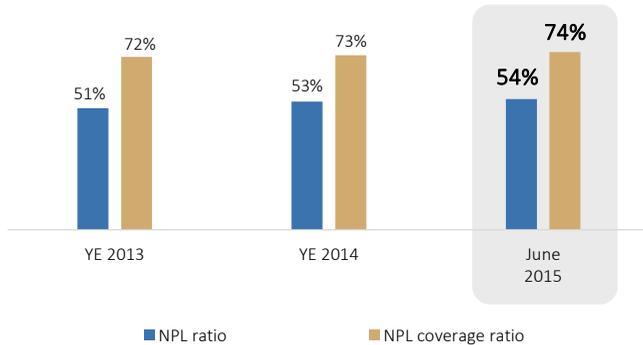
Total international | NPL formation

(€mn)



Consumer | NPL and NPL coverage ratios (Greece)

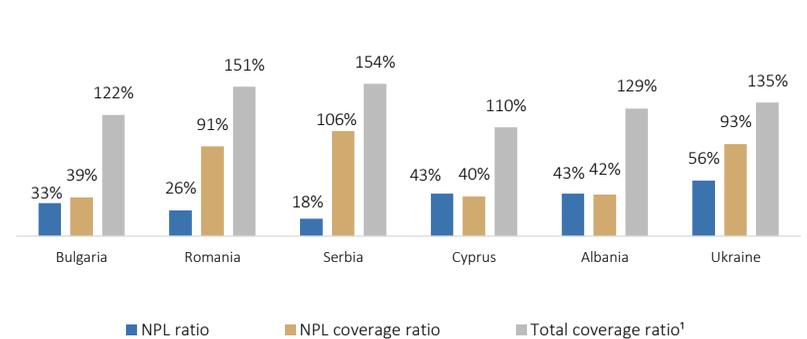
(estimate for coverage)



Total international | NPL and NPL coverage ratios

(30-Jun-15)

(estimate for coverage)



1. Includes collateral coverage.  
Note: Consumer includes credit cards.



## Top 20 performing loans

(30-Jun-15, €mn)

#	Outstanding loan amount	% of business loans
1	671	1.5%
2	608	1.3%
3	410	0.9%
4	373	0.8%
5	315	0.7%
6	300	0.7%
7	216	0.5%
8	212	0.5%
9	211	0.5%
10	198	0.4%
11	185	0.4%
12	184	0.4%
13	173	0.4%
14	170	0.4%
15	167	0.4%
16	139	0.3%
17	127	0.3%
18	117	0.3%
19	74	0.2%
20	45	0.1%
<b>Top-20</b>	<b>4,896</b>	<b>10.8%</b>

## Top 20 non-performing exposures

(30-Jun-15, €mn)

#	Outstanding loan amount	% of business loans
1	650	1.4%
2	184	0.4%
3	173	0.4%
4	167	0.4%
5	159	0.3%
6	154	0.3%
7	149	0.3%
8	138	0.3%
9	124	0.3%
10	115	0.3%
11	110	0.2%
12	110	0.2%
13	108	0.2%
14	106	0.2%
15	104	0.2%
16	98	0.2%
17	95	0.2%
18	91	0.2%
19	90	0.2%
20	87	0.2%
<b>Top-20</b>	<b>3,011</b>	<b>6.6%</b>

PIRAEUS BANK



C

# Restructuring plan

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## C.1 Overview of the restructuring plan

Key area	Commitment	Due date	Target	H1'15 actual	Comments
Domestic cost rationalisation	# of branches in Greece	2017	max 870	804	☑ Commitment on branches achieved 3 years ahead of target
	# of employees in Greece	2017	max 15,350	15,743 <sup>1</sup>	☑ Commitment on FTEs at c.94%, 3 years ahead of target (June15: 15,743 FTEs in Greece, incl. 161 FTEs from Panellinia)
	Total costs in Greece	2017	max €1.2bn	€580m <sup>2</sup>	☑ Commitment of domestic OpEx achieved 3 years ahead of target (H1 run rate at €1.1bn on the back of synergies and savings)
Domestic operations	Cost of deposits	Up to RP	Cost of Deposits decrease according to Restructuring Plan	1.12%	☑ Commitment to contain deposit costs is consistently followed despite market turmoil and huge deposit outflows; average total deposit rate in June 2015 at 1.05% vs. 1.30% in Dec.2014, currently heading significantly lower
	Loans / deposits	2017	max 115%	139% (estimate)	
	Growth rate of gross loans (y-o-y)	Per Year	Not higher than the market	-3% <sup>4</sup>	
International	Deleverage of non-Greek assets	June 2018	Total size of foreign assets (max €3.1bn / €4.1bn <sup>3</sup> )	€7.1bn	☑ Announcement of sale of PBG's 98.5% stake in Piraeus Bank Egypt to Al Ahli Bank of Kuwait for USD 150mn (+ c.30 bps to CET-1%), to close imminently
	Support to foreign subsidiaries	June 2018	Equity or subdebt less than the lesser of (i) 2% of 31-Dec-12 RWAs of each sub or (ii) €100mn on aggregate for all subs	n/a	☑ Further deleveraging ☑ Since the Restructuring Plan effective date, no additional equity or subordinated capital was provided to any foreign subsidiary
Divestments	Sale of insurance activities	2015	ATE Insurance	n/a	☑ Sale of ATE Insurance expected to be concluded by year-end 2015 (run-off of ATE Insurance Romania completed)
	Sale of securities	2015   2017	(Listed   Unlisted)	n/a	☑ Sale of EYDAP, AEGEAN stakes in 2014, sale of AIK participation in 2015
Other	Investment policy	June 2017	Not to purchase non-investment grade securities	€2.1bn <sup>5</sup>	n/a
	Salary cap	December 2017	Salary cap to the annual remuneration of the Governor of the BoG	n/a	n/a

Note: RP: Restructuring Plan, n/a: not applicable  
 1 Number of employees not including "Imitheia SA", result of debt/equity for Henry Dunant hospital  
 2 Incl. one-off items

3 If Piraeus engages into an asset swap with another Greek systemic bank (involving the sale of a business having at least €1.5bn of foreign assets in a country where Piraeus has presence)  
 4 June 2015 vs. June 2014 (Greece)  
 5 Refers to Greek Government Bonds and Bills



## Measures already undertaken to restore viability in Greece

### C.2

#### All 7 domestic banking integration-migration projects successfully completed

- ✓ 92% of €557mn synergies already crystallised
- ✓ 5 banking integrations in 2013 (ATE, BoC, Cyprus Popular, Hellenic, Millennium) and another one (Geniki) in November 2014
- ✓ Integration of “good” part of Panellinia in mid-July 2015 (acquired in April 2015). 26 branches closed on 17 July

#### Number of branches in Greece

- ✓ 2017 commitment (max 870 units) achieved 3 years ahead of target
- ✓ Revised internal target for YE-2015 at 700 units –currently already at 778 units, reassessing downwards the size for the following years (~550)

#### Deposit cost in Greece

- ✓ Commitment to contain deposit costs is consistently complied with, despite market turmoil and huge deposit outflows in the first half of 2015; average total deposit rate now at c. 0.72% (Sept 2015) vs. 1.30% (Dec 2014)
- ✓ Time deposits front book at c. 1.10% (Sept 2015) vs. 1.77% in (Dec 2014)

#### Number of employees in Greece

- ✓ 2017 commitment (max 15,350 FTEs) almost achieved 3 years ahead of target (June 2015 15,743 FTEs in Greece, incl. 161 FTEs from Panellinia acquired in April)

#### Opex in Greece

- ✓ 2017 commitment (max. €1.2bn) achieved 3 years ahead of target (H1'15 run rate €1.1bn on recurring basis, on the back of synergies and savings)



Other assets' divestitures

	<i>Gain</i>
<input checked="" type="checkbox"/> <b>EYDAP:</b> Sale of 9.9% stake	<b>€56m</b>
<input checked="" type="checkbox"/> <b>Aegean:</b> Sale of 4.7% stake through ABB	<b>€20m</b>
<input checked="" type="checkbox"/> <b>ATE Insurance:</b> Sale to ERGO (pending approval)	<b>€10m</b>
<input checked="" type="checkbox"/> <b>AIK Banka:</b> Sale of 20% stake	<b>Loss</b>

Internal organisation / policies

- Sound internal credit policy
- Effective organisational structure and adequate internal control system
- Full independence of Risk Management and Internal Audit functions
- Restrictions on connected-party borrowers (lending, loans restructuring)

RFA<sup>1</sup> compliance

- Compliance with HFSF Relationship Framework Agreement

Investment policy

- No purchase of non-investment grade securities<sup>2</sup>

Salary cap

- No employee's annual remuneration higher than the BoG Governor's

1. Relationship Framework Agreement  
 2. Excluding disallowed securities

PIRAEUS BANK



# Corporate governance and risk management

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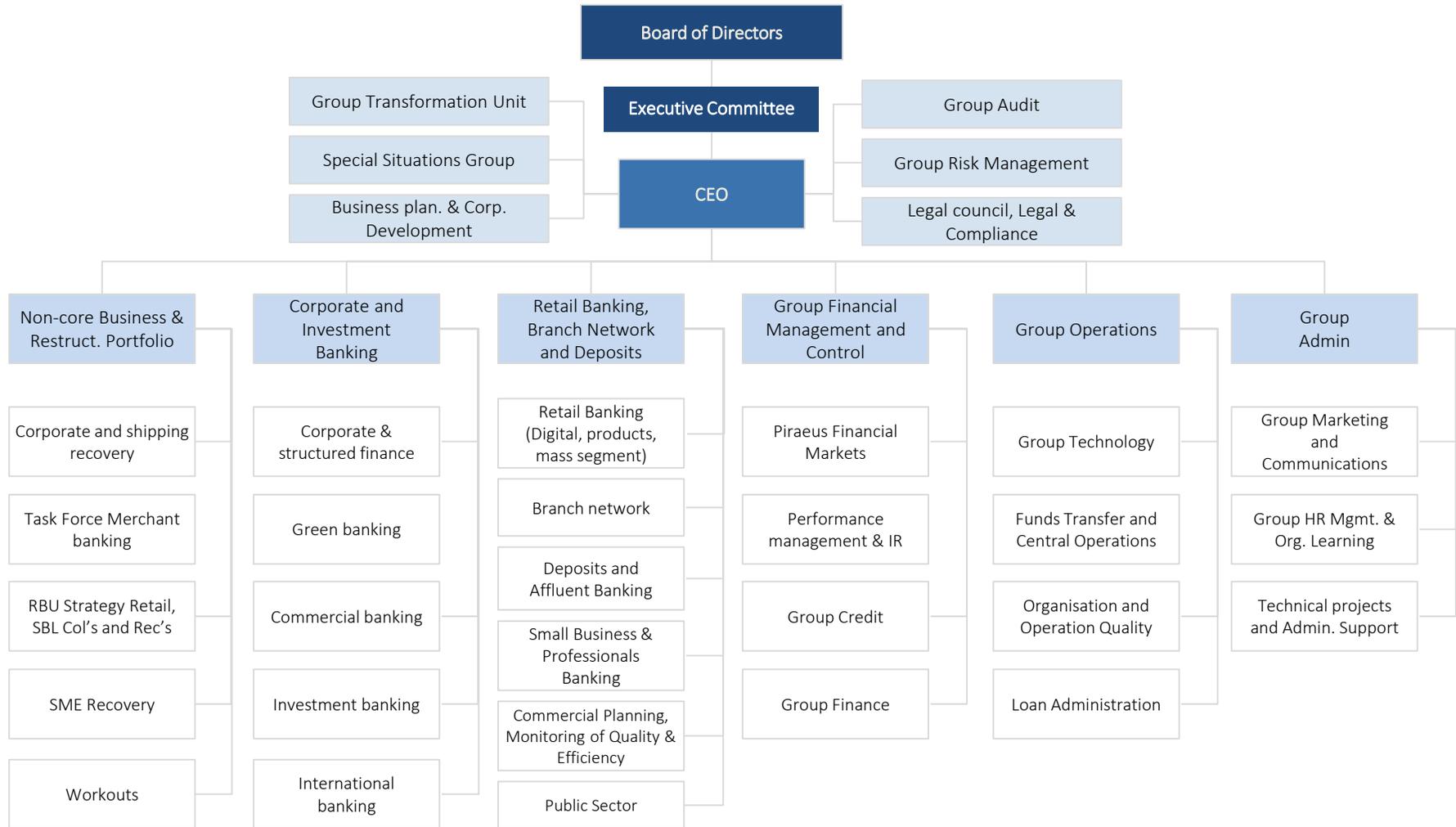
D

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# D

## D.1 Piraeus Bank organisational chart





Board of Director committees and composition

Committee	Main responsibilities
Audit Committee	<ul style="list-style-type: none"> <li>Monitoring and evaluation of adequacy and effectiveness of the Bank's internal controls</li> </ul>
Risk Management Committee	<ul style="list-style-type: none"> <li>Monitoring and review of bank's risk management strategy and risk appetite</li> <li>Monitoring and review of adequate coverage of all risks related to the Bank's operation</li> </ul>
Remuneration Committee	<ul style="list-style-type: none"> <li>Design, monitoring and periodical review of the Bank's remuneration policy</li> </ul>
Board Members' Nomination Committee	<ul style="list-style-type: none"> <li>Evaluation of Board of Directors and examination of skills of Board candidates</li> </ul>
Strategic Planning Committee	<ul style="list-style-type: none"> <li>Monitoring, analysis and decision-making for strategic choices of the bank</li> <li>Recommendation of appropriate actions to the Board</li> </ul>
Group Executive Committee	<ul style="list-style-type: none"> <li>Coordination of the bank and its subsidiaries</li> <li>Monitoring of the bank's and group's Business and Restructuring plans implementation</li> </ul>

Board of Directors composition

- 5 out of 15 Board members are independent
- 6 board members replaced since May 2014
- Only 2 Piraeus Bank executives (CEO and Legal Counsel)
- 1 representative of the HFSF and 1 representative of the Greek Ministry of Finance



## Key stakeholders' corporate governance rights

European Commission	<ul style="list-style-type: none"> <li>▪ Since January 2013, Monitoring Trustees were appointed to all Greek banks under restructuring that work on behalf of and under the direction of the European Commission</li> <li>▪ Monitoring Trustees are competent international auditing/consulting firms, with full independence from the banks</li> <li>▪ KPMG is Piraeus Bank's Monitoring Trustee</li> <li>▪ Main responsibilities:             <ul style="list-style-type: none"> <li>– Overseeing the implementation of restructuring plan and compliance with the applicable state aid rules and general regulatory framework</li> <li>– Monitoring of the banks' operations, with full access to accounting books, records and committee meetings</li> <li>– Review of group organisational structure to ensure independence of internal audit and risk management divisions</li> <li>– Monitoring of commercial practices (credit and deposit)</li> <li>– Submit quarterly reports on governance and operations and adhoc reports as needed</li> </ul> </li> </ul>
HFSF	<ul style="list-style-type: none"> <li>▪ Piraeus Bank's relationship with the HFSF is governed by a Relationship Framework Agreement ("RFA") following the 2013 share capital increase</li> <li>▪ Key powers of the HFSF under the HFSF law:             <ul style="list-style-type: none"> <li>– Up to 2 BoD members appointment</li> <li>– Veto on key corporate decisions of the Board of Directors</li> <li>– Call of Board or general shareholders meeting</li> <li>– Approval of CFO's appointment</li> <li>– Full access to accounting books and records of the bank</li> </ul> </li> </ul>
Hellenic Republic	<ul style="list-style-type: none"> <li>▪ Following the participation of Piraeus in the Hellenic Republic's Bank Support Plan, the Hellenic Republic has the right to appoint a representative to the Board of Directors</li> <li>▪ Key powers:             <ul style="list-style-type: none"> <li>– Ability to veto decisions of the Board of Directors and/or of the General Meeting relating to strategic issues or decisions</li> <li>– Full access to the Bank's accounting books and records, restructuring reports and plans for medium-term financing needs, as well as data relating to the level of funding of the economy</li> </ul> </li> </ul>



# D

## D.4 A robust risk management structure (1/2)

### Risk management framework

Board of Directors

Risk management committee



CRO

1

*Credit risk management*

- Development of credit risk management framework
- Monitoring of compliance with reg. requirements and limits
- Coordination of other units of the Bank

2

*Operational, Market & Liquidity risk management*

- Development of relevant risk management frameworks
- Monitoring of compliance with reg. requirements and limits
- Support of other units and int/nal subsidiaries of the Bank

3

*Capital management*

- Development of Group's capital management framework
- Pillar I capital requirements and adequacy ratios monitoring and reporting
- ICAAP process design and implementation
- Group solvency stress tests design and execution

4

*Corporate credit control*

- Development of corporate credit control framework
- Assessment of credit risk of corporate portfolio via systematic evaluations of exposures and practices
- Review of the Bank's credit policy and preparation of credit risk management manuals

5

*Group risk coordination*

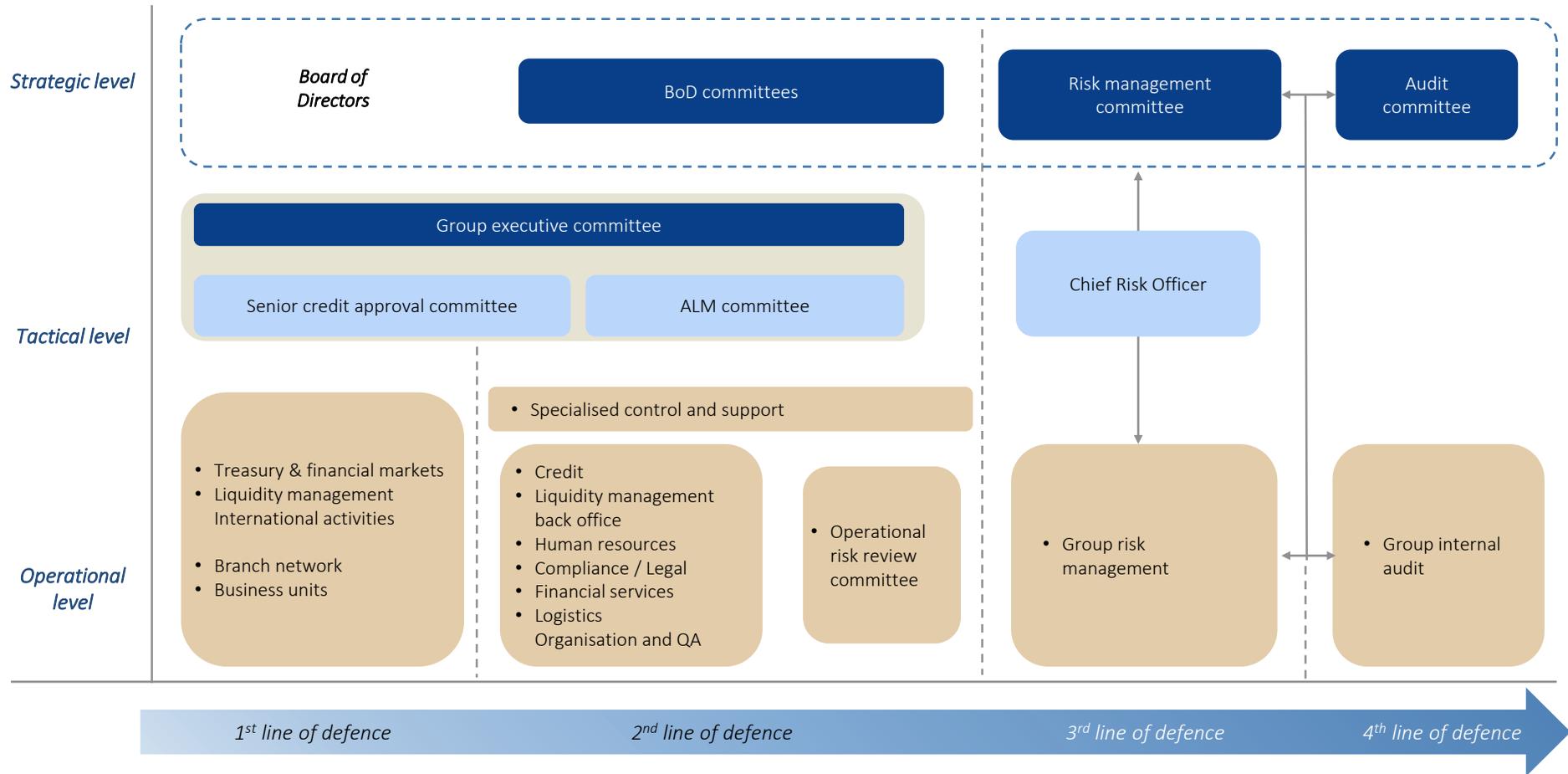
- Supervision over subsidiaries' Risk Management Framework
- Cooperation with international subsidiaries risk management units
- Regular on-site visits across the Group to review risk management practices and monitor implementation of Group recommendations



# D

## D.5

### A robust risk management structure (2/2)





1 Risk inventory	<ul style="list-style-type: none"> <li>• Business analysis (business strategy)</li> <li>• Identification of potential risks and assessment (risk assessment)</li> <li>• Development of risk strategy/policies including risk appetite framework for the Group</li> <li>• Development ICAAP and ILAAP for the Group</li> </ul>
2 Data management and models	<ul style="list-style-type: none"> <li>• Administration and continuous development (e.g. risk data, risk systems, market data)</li> <li>• Risk procedures, methods and assessment models (e.g. credit risk rating systems, collective provisioning models, capital adequacy calculation systems, market risk VaR). Annual reviews</li> <li>• Analysis of macroeconomic factors</li> </ul>
3 Risk steering/ portfolio management/ projects	<ul style="list-style-type: none"> <li>• Limit framework for credit, market, liquidity, operational and capital adequacy risks</li> <li>• Further development of risk strategy</li> <li>• Projects IRB, Basel III liquidity, SREP, value based management</li> </ul>
4 Monitoring and reporting risks	<ul style="list-style-type: none"> <li>• Position &amp; limit monitoring for each risk type</li> <li>• Clear escalation procedures and committee structure (inter alia Risk Management Committee, ALCO, Senior Credit Committee)</li> <li>• Group wide regular reporting (Group Risk Reports)</li> </ul>
5 Risk measurement	<ul style="list-style-type: none"> <li>• Market risk: VaR, price sensitivities</li> <li>• Interest rate risk: EaR, PV100</li> <li>• Credit risks: PD, LGD, EaD, collective provisioning models, Sector and Name Concentration risk</li> <li>• Liquidity risks: liquidity ratios, liquidity buffers, liquidity gap, funding composition, deposit evolution</li> <li>• OpRisk: VaR via Internal losses, Potential losses and Extreme scenarios for operational risk events</li> <li>• Stress tests for all risk types</li> </ul>

PIRAEUS BANK



E

## IT and operations

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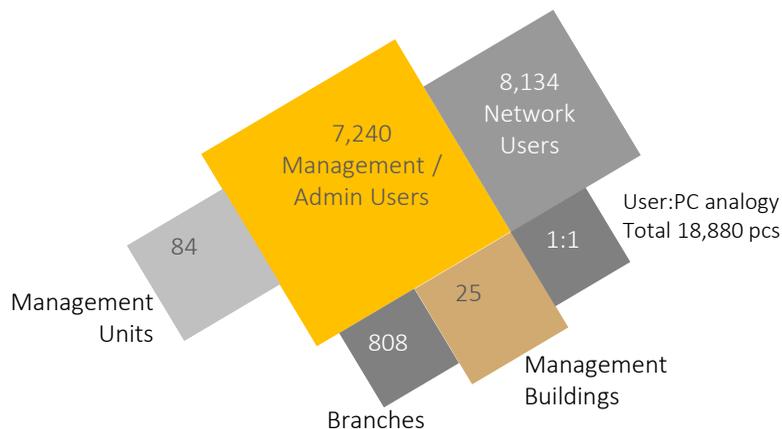


### Vision 2020 Key initiatives

1	Digital Transformation	Improving customer experience and optimising costs through enabling next generation digital services and evolving current successful offerings (e.g. e-signature, enhanced web presence, omni-channel)
2	Mobility & BYOD	Offer utmost customer flexibility and optimised experience in doing business with the Bank by taking advantage of emerging Mobility and Bring Your Own Device (BYOD) trends, technologies and capabilities
3	Big Data & Advanced Analytics	Exploit latest trends and technologies in Big Data and advanced data Analytics to enable use cases that will significantly improve the Bank's "real-time" decision making capabilities and performance in key areas such as customer centricity, risk management, business process improvement, etc
4	Cloud	Explore how Cloud elasticity capabilities, service delivery models and technologies could help Group Technology to offer better and lower cost services to the business with faster time to market
5	Branch Network Enhancements – Technology & Processes	Execute and enhance the "paperless" and "lean branch" strategy using state-of-the-art digital technologies, leading practices in process optimisation and the Bank's proven Business Process Management framework & platform
6	Innovation & Agile Development	Take advantage of the Bank's Innovation & Research Center, in order to explore and implement emerging technologies, modern services, agile development methods and state-of-the-art operating processes
7	Credit Risk Transformation Initiative	The adoption of IRB Approach by 2018 is a major transformation initiative, impacting all aspects of credit risk management, including data, IT systems, models, policies, processes and governance, supported by the development of an integrated credit risk IT architecture



Key numbers (Greece)



Infrastructure overview

- ☑ Primary Data Center is Tier 4 (Fault Tolerant) certified
- ☑ 2.700 virtual and 70 physical servers in primary data center (97.5% physical to virtual ratio)
- ☑ Citrix Application Virtualisation utilises 600 presentation servers to present 600 applications to 12.000 concurrent users
- ☑ Near Real time replication between Primary and Disaster Recovery Data Center ensuring zero data loss in case of problem
- ☑ Group Financial Markets utilises 150 free-sitting desks
- ☑ Cisco IP telephony is utilised throughout the Group and all employees have direct internal and external calling number

ATM Infrastructure

August 2015			
Country	Number of ATMs	Average Monthly Transactions	% Availability
Greece	1844	8,940,000	97,16 / 95,98
Cyprus	13	14,200	95,94 / 95,67
Romania	269	170,000	97,65 / 97,96
Albania	73	101,000 / 79,000	96,25 / 96,60

APS infrastructure

August 2015	
Key Metrics	2015 / month
Transactions	~478,000
Amounts Movements	~112,400,000
Supply renewals	220
Offsite APS Deals	130
Offsite Customer Request Management	28



Group technology key milestones & developments

IT Operations & Info Security

High availability embedded in all networks and systems

First certified Bank in the region according to the PCI DSS (Payment Card Industry Data Security Standards)

Certified with the TUV ISO/IEC 27001 Information Security Management System standard

Efficient Group Data Center and Disaster Recovery Data Center at a distance of 500km

Centralised operations for critical Group Systems

Extensive use of Virtualisation

Optimised IT spending

IT Systems and Services

Integrated best of breed architectural approach in information systems design

Sophisticated and automated Credit Approval processes (retail & corporate)

Internally developed Payments Hub providing automated, secure multichannel processing

High quality Operational & Analytical CRM platform, customer-centricity embedded in all systems design

Best in class alternative channels infrastructure, internally developed (winbank e-Banking, mobile banking etc.)

Enhanced customer in branch experience (via introduction of Digital services, self-service machines, etc.)

Extensive Data-Warehousing, complete with dynamic analytics



### E- Signature

- Use of signature-pad devices to capture all customers' signatures for contracts and transactions
- Creation and archiving of digital signature-sealed documents, in a tamper-proof and secure digital vault.
- Directly send digital documents to customers
- Eliminate physical paper and all related processes (scanning, classification, transportation, archiving, storage)
- Faster and simplified processes in the branch
- Radically enhance customer digital experience
- Future capabilities for remote customer e-signing & authentication

### Web Presence

- Extremely successful "Winbank" branding from 2000 till today
- Unique multi-bank international web-banking platform for all subsidiaries, hosted in Greece, designed & built internally
- Most internationally awarded web-banking in Greece & abroad
- Executing 60% of all electronic payments in the Greek market
- New recently redesigned "piraeusbank.gr" web-site in place
- Specialised sites for e-payments, partners, customers & non-customers
- The Bank has launched a project to adopt and certify Winbank services in ISO/IEC 20000 IT Service Management standard



### Mobile Presence

- Plethora of specialised native Apps for iOS, Android, Windows
- Unique Instant-Cash solution based on mobile phone & ATMs
- Unique PIN-based and Apple Touch-ID secure Login
- Mobile Wallet app for NFC based payments in merchants, with internally owned HCE tokenisation solution
- First Wearables/Smartwatches app
- Geofencing based offers/campaigns/notifications apps
- 1st Greek bank with >160.000 mobile banking downloads/users

### Modern Customer Experience & Analytics infrastructure

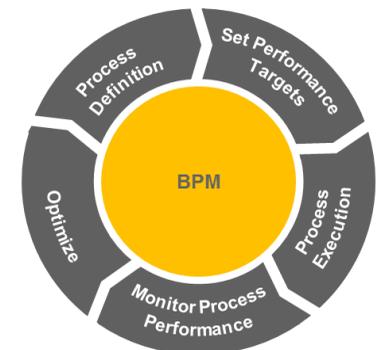
- I.C.E. Core Operational CRM System
- Unified Omni-Channel Campaigns platform (Branches, ATMs, Call-Center, eBanking, mBanking, email, sms)
- Real-Time Cross-Sell mechanism in branches (Cross Sell Advisor)
- Bank Wide Loyalty system
- Unique public "yellowday.gr" coupons & merchants platform
- Customer Feedback Management system
- Big-Data / Real-time customer analytics infrastructure



Bringing digital into branch

<p>01</p> <p>e-Signature “paper free” processes</p>	<p>02</p> <p>Instant Card based Customer Recognition and greeting</p>	<p>03</p> <p>Mobile ticket for queues, intelligent queues management</p>	<p>04</p> <p>Instant Debit and Prepaid Cards issuing</p>
<p>05</p> <p>Self-Service «Cash-or-Card» Payments machines</p>	<p>06</p> <p>Self-Service Passbook Printing machines</p>	<p>07</p> <p>Public free wi-fi in all Branches/ATMs (largest free wi-fi network in Greece)</p>	<p>08</p> <p>Exhibiting and onboarding customers to e-Services with tablets</p>

- The Bank has already embarked on a transformation journey to gradually move to full **paperless processes** (Digitisation of documentation, universal adoption of e-signature, extensive scanning and digital archiving, etc)
- Branch Network processes will follow the Bank’s **BPM Framework** so that they can constantly be improved in a leaner manner and to enhance customers’ service and experience





**Products & Services**

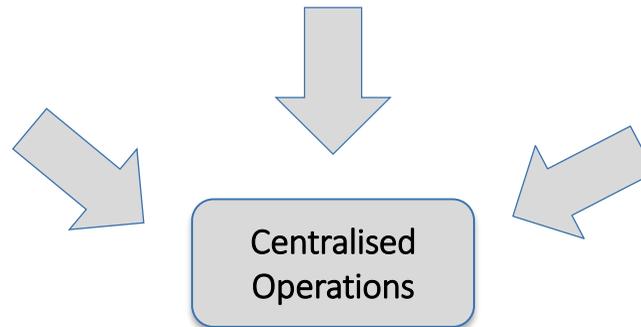
- Cheques: Administration and Control of Incoming / Outgoing Cheques
- Bills of Exchange: Administration and Control of Incoming / Outgoing Bills of Exchange
- Lending Products:
  - Credit Approval
  - Administration of Corporate Loans
  - Administration of Retail Loans
- International Trade Finance
- Letters of Guarantee
- Fund Transfers (Incoming / Outgoing Invoices)
- Custody
- Processing of Public Sector Payments

**Customer**

- Legalisations of Legal Entities and Heirs
- Management of declarations of Non Confiscated Accounts
- CRS Codes Merging
- Management of Customers' Complaints

**Other Operations**

- Administration of inactive/ dormant accounts
- Holds Administration for legal purposes
  - Confiscations
  - Assurance of Public Interests
  - Uncollected Debts
  - Mandates of Prosecutors
- Cash Administration
  - Branch Cash Transfer (Cash Orders, Cash Transportation)
  - Off Site ATM
  - Qualitative check of banknotes
- Legal Inspection and Technical Evaluation of properties
- Payment of Bank's supplies





## Improving Operational Effectiveness in Branch Network (1/2)

### Branch operational effectiveness has been a focus

- ✓ Aiming to increase Branch operational effectiveness, the “**Branch process cartography**” project was accomplished, to calculate key metrics:
  - FTEs per process,
  - average time and frequency of each task,
  - time allocated per task per Branch role
- ✓ And identify areas of improvement in branches’ operation

### Optimisation projects and actions have been undertaken aiming to improve effectiveness

- ✓ **The 5 most FTE-consuming processes** are identified below and respective optimisation projects & actions undertaken to improve effectiveness mainly through either automations or re-engineering rather than centralisation:
  1. **Cashier Transactions**
  2. **Document digitalisation**
  3. **ICE related tasks**
  4. **Controls/approval**
  5. **Correspondence**



## Improving Operational Effectiveness in Branch Network (2/2)

### Operational effectiveness initiatives

#### 1 Cashier Transactions

- Improvement of **Closing Account Process**
- Development of new **Cashier system functionalities**
- Improvement of **ATMs Reconciliation**

#### 2 Document digitalisation

- Launching of **E-signature technology**
- Replace old scanners and supply branches with sufficient number of scanners

#### 3 ICE Related tasks

- Development a workflow process for issuing cheque book
- Review of MiFID Documentation

#### 4 Controls and approvals

- Detailed analysis and review of the Manager's audit tasks through the available reporting applications
- Review of the number of approvals of Managers, Deputy Managers and other roles of responsibility

#### 5 Correspondence

- Effective management of electronic correspondence, especially the email alerts automatically sent by the system during the digitisation process, to reduce the number of email alerts received on a daily basis

For relieving Branch from time consuming operations besides the centralised operations the following functions have been outsourced:

#### 1 Digitalisation of merged banks' loan folders

- Digitisation of merged banks' loan folders, according to the digitisation standards for Piraeus Bank's and integration of digital documents in the respective IT systems.

#### 2 Management of land registry

- Monitoring of the geographical areas included in the Land Registry, notice of our rights in rem to the land registry and submission of objections for the cases, where differences arise over our rights.

#### 3 Physical file management of former ABG branches

- Sorting out, classifying, encasing files for storage or destruction. Photographs of the archived files are also available in branches in order to facilitate searching and recovery.



Maintain our leading role in Funds Transfers & Cash Services

- Innovative, high quality products & services in the area of Funds Transfers and Cash Services
- Comprehensive portfolio of Cash Management Services by enhancing the already offered ones
- Stay ahead of competition threats posed by new entrants in the payments' and cash services market

Increase commercial effectiveness & Market share

- Increase penetration in SBs and SMEs
- Give strong emphasis on digital channels
- Offer tailor made solutions to different customer segments
- Adopt different pricing models to different customers' values (high, medium, low)
- Provide full Cash Management services capable of maximising the retainment of customer's cashflows

Improve efficiency

- Further rationalise process management
- Increase automations and develop new infrastructures, where needed
- Reduce operational costs
- Train and up-skill all points of sale in our products portfolio

Improve risk management

- Improve risk control procedures
- Introduce risk evaluation reports in management decisions
- Introduce new pricing models for transaction with high operational costs

PIRAEUS BANK



F

# International operations

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## Key financials

(€mn)	2012	1H 2015	Δ%
<b>Balance Sheet</b>			
Gross loans	1,342	1,399	4%
<b>Net loans</b>	1,001	1,090	9%
<b>Total assets</b>	1,760	1,777	1%
<b>Customer deposits</b>	886	858	-3%
Net parent funding	374	486	30%
Total equity	298	187	-37%
<b>Income statement</b>			
Net interest income	141	32	-77%
Total income	159	42	-74%
Pre-provision income	89	7	-92%
<b>Key ratios</b>			
Loan-to-deposit ratio (net)	112.9%	127.1%	13%
NPL ratio	28.2%	26.4%	-6%
Coverage ratio	99.3%	91.4%	-8%
CET1 ratio	17.5%	10.2%	-41%
NIM (as % of total assets)	8.0%	3.6%	-55%
Cost-to-income ratio	44.1%	83.2%	89%
<b>Key operational metrics</b>			
Branches	167	120	-28%
Employees	1,935	1,512	-22%
<b>Market shares</b>			
Gross loans	4.5%	2.8%	-38%
Customer deposits	1.7%	1.4%	-21%

## Business overview

- ☑ Piraeus Group entered the Romanian market in 2000 through the acquisition of Pater Bank
- ☑ Piraeus Romania offers a broad range of services to retail, corporate and SME clients, as well as non-banking products such as leasing and real estate
  - Recently focused on improving SME platform through the launch SME business centres
- ☑ Due to deleveraging actions, Piraeus Romania has followed a selective loan disbursement strategy, increasing focus on high margin products on the retail side, mainly credit cards / overdrafts`

## Key strengths and strategic actions

- ☑ **Strong domestic footprint:** well-dispersed operational network with presence in all 41 counties of Romania
- ☑ **Well-advanced cost rationalisation plan:** elimination of low-profit branches complete; staff costs on a downward trend
- ☑ **Strong local management team** with strong experience in the Romanian banking sector
- ☑ **Completed RBU set-up:** Intensified active NPL management efforts resulting in declining NPL stock and decreasing gross NPL formation through collection efforts and restructuring measures



## Key financials

(€mn)	2012	1H 2015	Δ%
<b>Balance Sheet</b>			
Gross loans	1,395	1,198	-14%
<b>Net loans</b>	1,282	1,049	-18%
<b>Total assets</b>	1,584	1,444	-9%
<b>Customer deposits</b>	752	991	32%
Net parent funding	453	149	-67%
Total equity	320	276	-14%
<b>Income statement</b>			
Net interest income	58	16	-72%
Total income	74	21	-72%
Pre-provision income	40	2	-94%
<b>Key ratios</b>			
Loan-to-deposit ratio (net)	170.5%	105.9%	-38%
NPL ratio	22.2%	33.3%	50%
Coverage ratio	38.8%	39.3%	1%
CET1 ratio	16.7%	25.9%	55%
NIM (as % of total assets)	3.7%	2.2%	-40%
Cost-to-income ratio	46.0%	88.8%	93%
<b>Key operational metrics</b>			
Branches	83	75	-10%
Employees	908	882	-3%
<b>Market shares</b>			
Gross loans	5.0%	4.3%	-14%
Customer deposits	2.5%	3.1%	23%

## Business overview

- ☑ Piraeus Bulgaria is a well-established player in the Bulgarian market with over 20 years of presence
  - Offers leasing services through Piraeus Leasing Bulgaria
- ☑ Piraeus Bulgaria maintains a significant market share in gross loans (circa 5%) despite recent deleveraging actions and relatively limited loan disbursements
- ☑ Despite elimination of several branches with low profitability (8 branches in 1H 2015), Piraeus preserves a strong branch network in Bulgaria with established presence across the country

## Key strengths and strategic actions

- ☑ **Establishment of RBU and strict credit policies:** NPL formation on a downward trend while collection efforts have intensified through fully-operational NPL management unit
  - Entire NPL portfolio, as well as all retail loans in arrears (including 1 day dpd), transferred to the RBU and under rigid supervision
  - Total NPL coverage (including collaterals) at 122% as at 1H 2015
- ☑ **Strong capital position:** focus on strengthening capital position and maintains a comfortable capital buffer with CET1 ratio at 25.9% as at 1H 2015



## Key financials

(€mn)	2012	1H 2015	Δ%
<b>Balance Sheet</b>			
Gross loans	2,201	826	-62%
<b>Net loans</b>	2,147	686	-68%
<b>Total assets</b>	2,652	1,059	-60%
<b>Customer deposits</b>	1,090	949	-13%
Net parent funding	-3	0	-
Total equity	136	75	-45%
<b>Income statement</b>			
Net interest income	39	14	-63%
Total income	49	20	-60%
Pre-provision income	19	6	-67%
<b>Key ratios</b>			
Loan-to-deposit ratio (net)	196.9%	72.4%	-63%
NPL ratio	14.7%	42.6%	190%
Coverage ratio	43.4%	39.9%	-8%
CET1 ratio	14.5%	9.5%	-35%
NIM (as % of total assets)	1.5%	2.7%	84%
Cost-to-income ratio	60.5%	67.5%	12%
<b>Key operational metrics</b>			
Branches	14	13	-7%
Employees	323	356	10%
<b>Market shares</b>			
Gross loans	1.2%	1.3%	10%
Customer deposits	1.5%	2.1%	38%

## Business overview

- ☑ Established in 2008 through the acquisition of Arab Bank
- ☑ Key services include retail, SME and corporate products, as well as International Banking (mainly transactional services with non-Cyprus based customers)
- ☑ Operates a solid operational platform with 2 International Banking Units and 4 Business Centres complementing the branch network
- ☑ Well-diversified deposit base with an improving concentration profile (top 20 depositors only accounted for 16% of the total balance at YE 2014 versus 19% in YE 2013)

## Key strengths and strategic actions

- ☑ **Strong liquidity position** – despite sector-wide deposit flight in 2014 driven by the Cypriot crisis and the recent pressures resulting from the Greek macroeconomic turmoil, Piraeus Cyprus maintains a strong liquidity / funding profile (loan-to-deposit ratio at 72.4% as at 1H 2015)
- ☑ **RBU established:** NPL unit will be essential to fully-leverage on recent domestic legislative changes regarding insolvency / foreclosure frameworks



## Key financials

(€mn)	2012	1H 2015	Δ%
<b>Balance Sheet</b>			
Gross loans	416	400	-4%
<b>Net loans</b>	363	325	-11%
<b>Total assets</b>	546	442	-19%
<b>Customer deposits</b>	312	231	-26%
Net parent funding	153	67	-56%
Total equity	101	125	24%
<b>Income statement</b>			
Net interest income	10	11	10%
Total income	22	17	-21%
Pre-provision income	2	8	394%
<b>Key ratios</b>			
Loan-to-deposit ratio (net)	116.3%	140.7%	21%
NPL ratio	16.0%	17.5%	10%
Coverage ratio	78.6%	105.5%	34%
CET1 ratio	32.6%	21.7%	-33%
NIM (as % of total assets)	1.8%	4.8%	173%
Cost-to-income ratio	92.7%	54.4%	-41%
<b>Key operational metrics</b>			
Branches	42	26	-38%
Employees	566	475	-16%
<b>Market shares</b>			
Gross loans	2.6%	2.6%	0%
Customer deposits	2.3%	1.6%	-32%

## Business overview

- Piraeus Group entered the Serbian market in 2005 with the acquisition of Atlas Bank, later renamed Piraeus Bank Beograd ("**Piraeus Serbia**")
  - Piraeus Serbia offers a broad range of banking services to both individuals and businesses
- Despite targeted branch closures, Piraeus Serbia continues to have sizeable domestic coverage through 26 branches
- Piraeus Serbia focuses on retaining existing deposit base and following a strict credit policy in new lending to ensure strong structural liquidity going-forward

## Key strengths and strategic actions

- Operational optimisation plan in progress:** Closure of five branches with low profitability completed since January 2015 and headcount decreased by 36 in 1H 2015
  - Branch network well-tailored to size of the business post recent actions – cost-to-income ratio decreased significantly in recent quarters and landed at 54.4% in 1H 2015
- Active NPL management:** Transfer of entire non-performing loan portfolio to RBU completed – NPL ratio below 20%
- Strong coverage ratio:** NPL coverage stands above 100% (cash coverage) and at circa 165% including collaterals



## Key financials

(€mn)	2012	1H 2015	Δ%
<b>Balance Sheet</b>			
Gross loans	402	304	-24%
<b>Net loans</b>	365	249	-32%
<b>Total assets</b>	700	654	-7%
<b>Customer deposits</b>	522	489	-6%
Net parent funding	-50	9	-118%
Total equity	119	124	4%
<b>Income statement</b>			
Net interest income	19	9	-55%
Total income	24	11	-54%
Pre-provision income	10	5	-55%
<b>Key ratios</b>			
Loan-to-deposit ratio (net)	69.9%	51.0%	-27%
NPL ratio	31.8%	42.8%	35%
Coverage ratio	28.9%	41.8%	45%
CET1 ratio	16.6%	21.3%	28%
NIM (as % of total assets)	2.8%	2.7%	-3%
Cost-to-income ratio	56.9%	58.6%	3%
<b>Key operational metrics</b>			
Branches	56	39	-30%
Employees	474	430	-9%
<b>Market shares</b>			
Gross loans	10.2%	7.8%	-23%
Customer deposits	7.8%	7.1%	-9%

## Business overview

- ☑ Piraeus Group began activities in Albania in 1996 through Tirana Bank ("Piraeus Albania") – the first private bank to operate in the country
  - Offers leasing services through Tirana Leasing
- ☑ Piraeus Albania is an established player in the Albanian market, serving a customer base of 350k
- ☑ Piraeus Albania follows a conservative approach with focus on retaining deposit base and targeting selective loan disbursements
  - Loan-to-deposit ratio is at 51% as at 1H 2015
  - The bank requires very limited parent funding from Piraeus Group (€ 9m as at 1H 2015)

## Key strengths and strategic actions

- ☑ **Cost rationalisation on track:** Intensified cost containment measures on the operating expenses front have been highly effective, cost-to-income ratio as at 1H 2015 capped below 60% despite stressed top-line due to deleveraging efforts (circa 25% decrease y-o-y)
- ☑ **Fully-fledged NPL management efforts:** Albania was one of the first international subsidiaries to have a functioning RBU unit, positive results / experiences from Albania established a strong precedent for other subsidiaries in the periphery



## Key financials

(€mn)	2012	1H 2015	Δ%
<b>Balance Sheet</b>			
Gross loans	238	126	-47%
<b>Net loans</b>	153	60	-61%
<b>Total assets</b>	299	148	-51%
<b>Customer deposits</b>	97	52	-47%
Net parent funding	132	70	-47%
Total equity	64	21	-67%
<b>Income statement</b>			
Net interest income	17	4	-79%
Total income	20	6	-71%
Pre-provision income	0	2	-758%
<b>Key ratios</b>			
Loan-to-deposit ratio (net)	157.4%	116.2%	-26%
NPL ratio	47.0%	56.2%	20%
Coverage ratio	75.6%	93.2%	23%
CET1 ratio	30.9%	26.7%	-14%
NIM (as % of total assets)	5.8%	4.9%	-16%
Cost-to-income ratio	101.4%	68.9%	-32%
<b>Key operational metrics</b>			
Branches	38	19	-50%
Employees	597	462	-23%
<b>Market shares</b>			
Gross loans	0.3%	0.3%	-8%
Customer deposits	0.2%	0.2%	-18%

## Business overview

- ☑ Piraeus entered the Ukrainian market through the acquisition of International Commerce Bank in 2007, later renamed JSC Piraeus Bank ICB ("**Piraeus Ukraine**")
- ☑ In the recent years, Piraeus has actioned a focused deleveraging plan to substantially reduce the size of its Ukrainian operations given the overall negative market conditions and political uncertainty in the country
- ☑ Piraeus Ukraine maintains positive pre-provision result and a relatively healthy funding base in comparison to domestic peers
- ☑ Piraeus' strategy in the Ukraine will evolve as a function of macroeconomic and political developments

## Key strengths and strategic actions

- ☑ **Strong coverage ratio:** NPL coverage stands at almost 100% (cash coverage) and well-above 100% including collaterals
- ☑ **Firm capital position:** Piraeus Ukraine is adequately capitalised against potential future losses that might arise due to sector-wide asset quality deterioration
- ☑ **Streamlined operations:** Closure of five low profitable branches and reduction of headcount by 56 actioned in 1H 2015

PIRAEUS BANK



# Greek macroeconomic update

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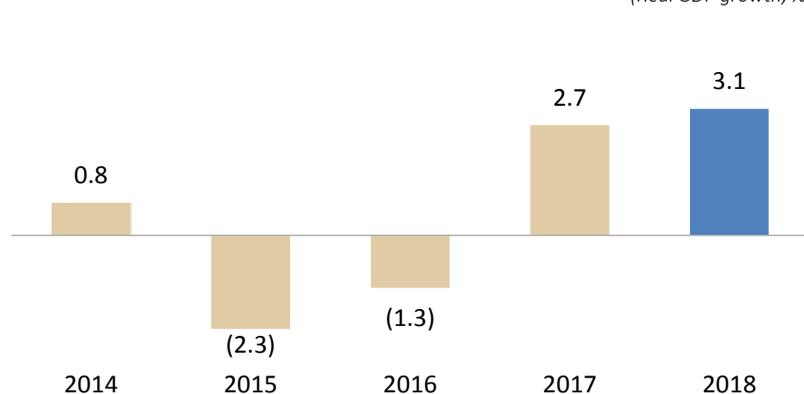
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# Fundamentals of the Greek economy are expected to improve in the near term

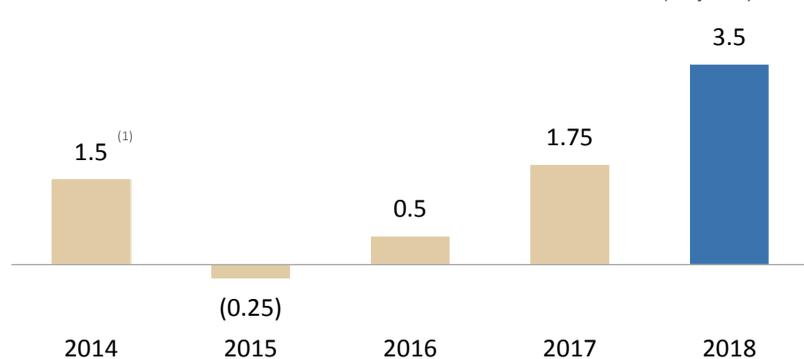
## Greece is expected to return to growth in H2'16

(Real GDP growth, %)

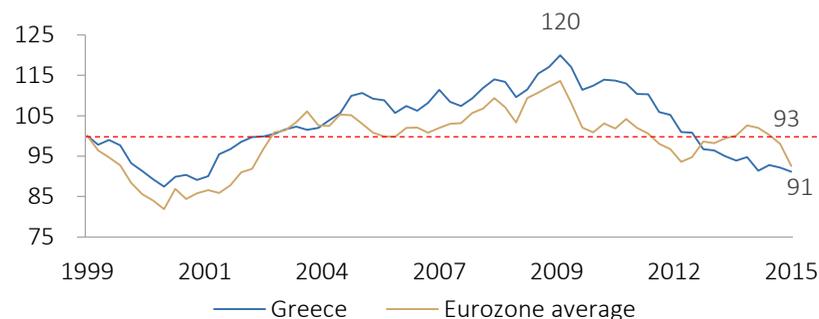


## Primary balance targets contained until 2018

(% of GDP)



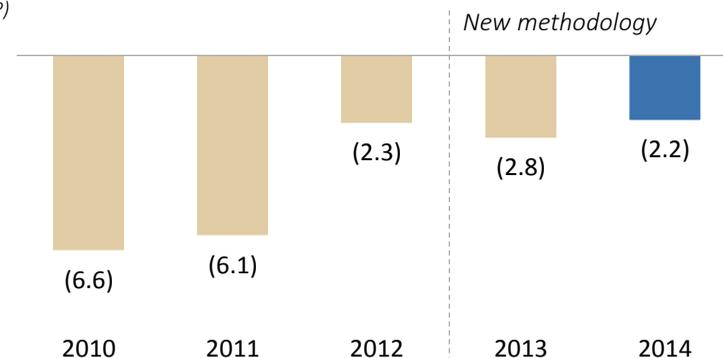
## Competitiveness at record high levels



Note: Harmonised competitiveness indicator based on unit labour costs indices. Negative change represents gain in competitiveness

## Reversal of trade deficit (Goods and Services)

(% of GDP)



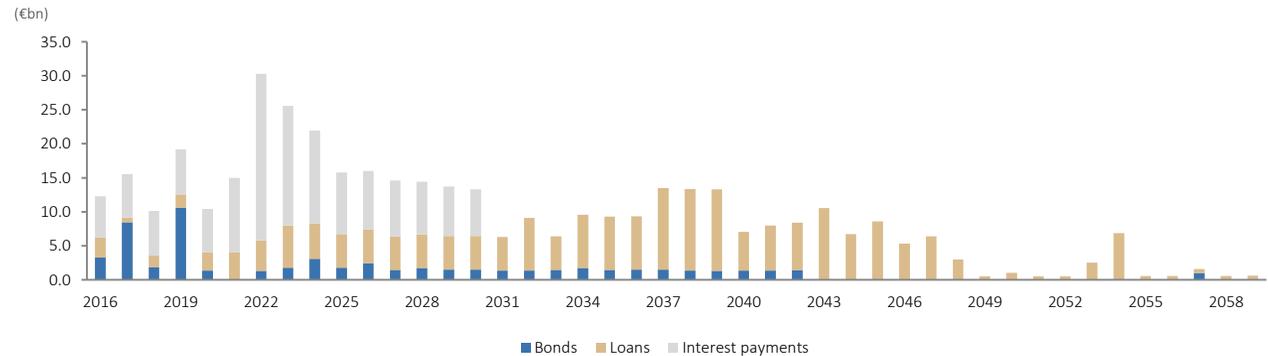
1. Fiscal target based on 2nd Economic Adjustment Programme; According to EC, weaker implementation of reforms during 2nd half of 2014 led to primary balance vs. primary surplus. Based on the latest data "MinFin, Draft Budget 2016, Oct 15" in 2014 the General Government primary balance is calculated at 0.35% of GDP

Source: European Commission, ECB, IMF, Bank of Greece

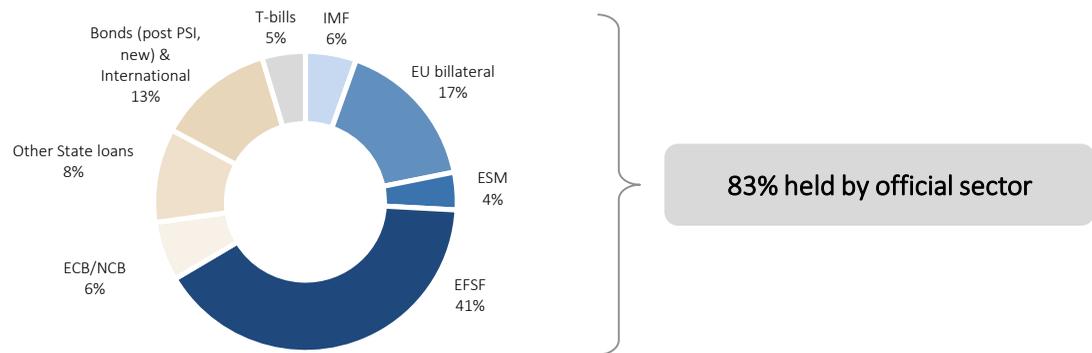


- ✓ The maturity profile of Greek Government debt spreads all the way to 2059
- ✓ Following the agreement with the Institutions (EU, ECB, IMF, ESM), Greece has manageable debt maturities in the coming years, while the programme is fully funded for 3 years
- ✓ Long-term debt sustainability can be achieved through a far-reaching and credible reform programme and additional debt relief through maturity extension
- ✓ The majority of Hellenic Republic's outstanding debt stock is held by the official sector

Debt distribution by maturity



Debt distribution by holder



Note: Interest payments calculated until 2030  
 Source: PDMA, Bloomberg, Piraeus Bank Research estimates



### 4 pillars of the third adjustment programme

Pillar	Key items
Fiscal sustainability	<ul style="list-style-type: none"> <li>Targeting <b>3.5% primary surplus by 2018</b> (from 0.25% primary deficit in 2015), through:                             <ul style="list-style-type: none"> <li>Increase revenue (VAT system and tax reform, fighting tax evasion, widening tax base)</li> <li>Contain cost base (<b>pension and healthcare system reform</b>, improvement of financial management and <b>public procurement</b>, reduce <b>military expenditure</b>)</li> <li>Restructure social welfare benefits</li> </ul> </li> </ul>
Banking sector stability	<ul style="list-style-type: none"> <li>Address <b>Greek banks capital and liquidity situation</b> through a committed €25bn capital envelope</li> <li><b>Tackle NPLs problem</b> in the domestic banking sector</li> <li>Improve banks' and HFSF's <b>governance</b></li> </ul>
Growth and investments	<ul style="list-style-type: none"> <li>Further <b>liberalise labour market</b> based on EU's best practices</li> <li>Implement key outstanding <b>OECD toolkit</b> items (e.g. Sunday trade, OTC pharmaceuticals sale)</li> <li><b>Open restricted professions</b>, reducing red-tap and nuisance charges</li> <li>Restructure of gas supply market and liberalising of Greek electricity market</li> <li>Proceed with existing <b>privatisations programme</b></li> <li>Establish <b>new asset development fund</b> to maximise value of State's assets, based on best practices</li> </ul>
Public administration	<ul style="list-style-type: none"> <li>Improve <b>efficiency of public administration</b>. Indicative measures include:                             <ul style="list-style-type: none"> <li>Reform state employees' wage grid, through connection of salary with skills, performance and responsibility</li> <li>Reduce political interference to public administration by appointing senior managers through transparent processes</li> </ul> </li> <li>Implement of <b>new Civil Procedure Code</b></li> <li>Prepare and implement a strategic plan for <b>total reform of judicial system</b></li> <li>Update and publish a revised <b>strategic plan against corruption</b></li> </ul>

### Programme funding

- Total amount: Up to €86bn
- Uses:
  - Debt service (€54bn)
  - Banks recapitalisation (up to €25bn)
  - Arrears clearance (€7bn)
- Maximum weighted average loan maturity: 32.5 years
- Interest rate: ESM funding cost plus low fees (ca 1%)
- IMF expected to contribute to the overall programme, after European creditors adopt debt relief measures (ensuring Greek debt sustainability) and once the steps on the authorities' programme have been taken



	Key actions	Responsible party	Target timing
Prior actions	▪ Establish insolvency administrators profession	Government	✓
	▪ Reactivate the Governing Council of Private Debt (Inter-ministerial council for addressing NPLs issue)	Government	✓
	▪ Amend corporate solvency law	Government	✓
	▪ Amend household insolvency law, focused on addressing issue of strategic defaulters	Government	Pending
	▪ Develop a credible strategy for addressing the issue of non-performing loans	Government	Pending
MoU actions	▪ Implement an updated Code of Conduct around restructuring of NPLs for Greek banks	BoG	Aug-15
	▪ Deliver report on (i) segmentation of NPLs on banks' balance sheets and (ii) assessment of banks' capacity to deal with each NPL segment	BoG	Oct-15
	▪ Provide an analysis on constraints and impediments for the development of a dynamic NPL market	HFSF / BoG	
	▪ Establish a debt information network and debt information centre to assist debtors	Government	Nov-15
	▪ Strengthen the institutional framework to facilitate NPL resolution, through (i) improving judicial, framework, (ii) establishing an independent Credit and Wealth Bureau, (iii) amending the out-of-court workout law, and (iv) fully operationalising the courts' specialist chambers for corporate insolvency	Government	
	▪ Identify mechanisms and processes to accelerate NPL resolution and appoint a dedicated team to focus on facilitating banks' NPL resolution	HFSF	
	▪ Establish process for monitoring individual liquidators performance vs KPIs	BoG	
	▪ Address issue of debtors with large public and private debts potentially allowing for fast-track liquidation of unviable entities (by end Mar-16) and the completion of clean-up process	Government	Dec-15
	▪ Adopt legal instruments for the framework and rules for the insolvency administrator profession	BoG / Banks	Feb-16
	▪ Establish operational targets for NPL resolution and the creation of joint ventures	BoG / Banks	
	▪ Evaluate bank's management based on NPL-related KPIs	HFSF	
	▪ Present and implement an NPL resolution action plan to enhance coordination among banks and accelerate the restructurings of large corporates / entire sectors	HFSF	Mar-16
	▪ Revise Code of Conduct for debt restructuring guidelines to deal with groups of borrowers and introduce fast-track mechanisms	BoG	
	▪ Assess the effectiveness of the legal / institutional framework and introduce required amendments	Government	Jun-16
▪ Start reporting to the BoG against KPIs	Banks		



## Key advantages of the new legislation

- ☑ Changes in legislative framework (reform of civil procedure code for secured creditors) expected to significantly **enhance the protection of creditors**, especially the ones secured by way of a pledge or a mortgage during the enforcement proceedings



- 1 Significant reduction in the required time for the completion of the enforcement procedure (**less than 12 months**)
  - Reduction of enforcement procedure time will **minimise possible losses** resulting from decreasing property values
- 2 **Increase and standardization in claim recoverability**; banks receive between 65% and 100% of the commercial value
- 3 **Significant cost reduction** for the banks, estimated at circa 20%

## Revised enforcement procedure timeline



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# Targets and assumptions

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## Disclaimer

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The below information and all references thereof in this presentation constitute operational and financial assumptions of the management of Piraeus Bank S.A. These assumptions are statements of fact relating to the operations and financial condition of Piraeus Bank S.A., its subsidiaries and affiliates (the “Piraeus Group”), and they have been taken into account by the management of Piraeus Bank S.A. for purposes of determining and evaluating operational and financial targets of the management of Piraeus Bank S.A. These assumptions are presented for illustrative purposes only and in connection with the related operational and financial targets of the management of Piraeus Bank S.A., they are subject to inherent uncertainties and risks and subject to change and there is no assurance that these assumptions will be realised nor that the related targets will be achieved. As such, you should not place undue reliance on them. The below information and all references thereof in this presentation do not constitute an offer to sell or a solicitation of an offer to buy or a recommendation to buy or invest in any form of security issued by Piraeus Bank S.A. or its subsidiaries or affiliates, and none of Piraeus Bank S.A., its subsidiaries and affiliates nor any of their respective directors, officers, employees, agents or advisers accepts any liability for any loss howsoever arising, directly or indirectly, from any use of this information or in connection therewith.

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	Latest	Medium term	Page	Definition
<b>Key targets</b>				
Market share of gross loans	~30%	~30%	p.21	<i>Piraeus Bank Greece (excluding non banking operations)</i>
NPL ratio	39%	<17%	p.13, 21	<i>+90dpd balances over total gross loans</i>
Cost of risk (bps)	TBD	~50	p.21	<i>Impairment charges over average gross loans</i>
Branches (#)	778	550	p.16, 21	
Operating expenses / assets (bps)	179	<140	p.21	<i>Assets exclude EFSF bonds, seasonal loans and discontinued operations</i>
Operating expenses (€bn)	1.2	~1.0	p.21	<i>Recurring basis</i>
Net interest margin (bps)	264	>300	p.21	<i>Net interest income over assets excluding EFSF bonds, seasonal loans and discontinued operations</i>
Fee income margin (bps)	44	>90	p.21, 77	<i>Fee income over assets excluding EFSF bonds ,seasonal loans and discontinued operations</i>
Return on assets (bps)	-311	~150	p.21	<i>Excludes EFSF bonds and discontinued operations</i>
<b>RBU assumptions</b>				
Cured loans	-	€10 - 11bn	p. 13, 47	
Target FTEs	-	~3,600	p.12	<i>Includes support staff and external vendors</i>
Average # of customers per FTE - Retail	170	100	p.42	<i>Refers to total number of unique customers</i>
Time per assigned portfolio - Retail (months)	3.0	1.5	p.42	
Contact rate – Retail (of assigned customers)	~70%	~85%	p.42	
Time per case per RM - Business (days)	~280	~180	p.42	
Handling capacity per unit – Business (# of cases)	~2,600	~3,800	p.42	<i>RBU Corporate / SME division capacity</i>
Handling capacity per unit – Workout (# of cases)	~27,700	~40,000	p.42	<i>RBU Workout division capacity</i>



	Latest	Medium term	Page	Definition
<b>Balance sheet structure assumptions</b>				
Loan-to-deposit ratio	139% (estimate)	<115%	p.14	<i>Net basis / deposits</i>
Loan book growth		>10%	p.77	<i>CAGR (Jun-15 – 2018E)</i>
Business loan growth		>15%	p.77	<i>CAGR (Jun-15 – 2018E)</i>
Retail loan growth		~5%	p.77	<i>CAGR (Jun-15 – 2018E)</i>
Loan portfolio composition	64% / 36%	70% / 30%	p.77	<i>Business / Retail</i>
Deposits growth		~15%	p.77	<i>CAGR (Jun-15 – 2018E)</i>
Sight deposit growth		~10%	p.77	<i>CAGR (Jun-15 – 2018E)</i>
Time deposit growth		~20%	p.77	<i>CAGR (Jun-15 – 2018E)</i>
Deposit composition	47% / 53%	55% / 45%	p.77	<i>Time / Sight</i>
Eurosystem funding (€bn)	37	~3	p.54	<i>Total Eurosystem funding including ELA and ECB</i>
o/w ELA funding (€bn)	22	0	p.14, 54	
<b>Efficiency and profitability</b>				
Cost / income	52%	<37%	p.15	<i>Recurring basis</i>
<b>Pricing</b>				
Lending spread	4.5% <sup>1</sup>	~3.9%	p.77	
Time deposit spread	1.8% <sup>1</sup>	0.3%	p.77	
Total deposit spread	1.1% <sup>1</sup>	0.3%	p.77	
Euribor 3M	2bps	40bps		<i>2018E</i>



	Latest	Medium term	Page	Definition
<b>Operational assumptions</b>				
Deposits + net loans per branch (€mn)	108	200	p.16,67	<i>Net loans</i>
Total Bank FTEs per branch (#)	18	20	p.67	
FTEs per branch (#)	10	~10	p.70	
Front-to-back office ratio	63%	66%	p.75	<i>Front office staff as % of total FTEs</i>
ATM (#)	1,830	2,300	p.17, 71	<i>Greek network</i>
EASYPAY kiosk (APS – self service kiosk) (#)	510	700	p.71	
<b>Retail segment assumptions</b>				
Affluent deposits recovery target (€bn)		6.5	p.19	
Small Business lending growth		~10%	p.19, 93	<i>CAGR (Jun-15 – 2018E)</i>
Bancassurance customer penetration	8%	~12%	p.19, 95	<i>Bancassurance customers as % of total customer base</i>
Bancassurance fees	4bps	~10bps	p.95	<i>Over total assets (excluding EFSF bonds, seasonal loans, discontinued)</i>
Debit card penetration	~60%	~95%	p.19, 96	<i>Customers with debit cards as % of total customer base</i>
Number of debit cards (m)	3.0	~5.4	p.96	<i>Total number of debit cards in circulation</i>
Payment commissions (€mn)	13	>25	p.97	<i>Includes all bank channels and all means of payment</i>
Card-Present (CP) penetration	<5%	~20%	p.19, 98	<i>Card-Present (CP) penetration within SB / SME customer base</i>
Affluent customers – AuM investment target	6%	~20%	p.90	<i>Affluent investments as % of total AuM (excl. money market funds)</i>
Affluent customers	180k	250k	p.90	<i># of affluent customers</i>
<b>Business segment assumptions</b>				
<b>Transaction banking</b>				
Products per client (#)	3.7	>5.5	p.85	
Number of clients (#)	900 / 50	>2,100 / >130	p.85	<i>SME / Large Corporate</i>



	Latest	Medium term	Page	Definition
<b>Alternative channels assumptions</b>				
Registered online users (mn)	1.3	3.0	p.17, 74	<i>Latest figure at 1.3mn (Dec-2014 at 1.1m)</i>
Active users	60%	>85%	p.17, 74	<i>As % of total registered online users</i>
<b>Non-branch transactions</b>				
				<i>As % of total non-branch transactions</i>
Web / mobile	12%	30%	p.71	
Teller	37%	20%	p.71	
ATM	50%	50%	p.71	