

**SUPPLEMENT DATED 24 OCTOBER 2017
TO THE BASE PROSPECTUS DATED 25 AUGUST 2017**

PIRAEUS BANK



PIRAEUS BANK S.A.

(incorporated with limited liability in the Hellenic Republic)

€10 billion Global Covered Bond Programme

This supplement (the **Supplement**) to the base prospectus dated 25 August 2017 (the **Base Prospectus**) constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC (the **Prospectus Directive**) and Article 13.1 of Chapter 1 of Part II of the Luxembourg Act dated 10 July 2005, as amended, on prospectuses for securities (the **Prospectus Act**) and is prepared in connection with the €10 billion global covered bond programme (the **Programme**) established by Piraeus Bank S.A. (the **Issuer** or, as applicable, **Piraeus Bank**) under which Piraeus Bank may from time to time issue covered bonds (**Covered Bonds**).

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus.

Capitalised terms used in this Supplement and not otherwise defined herein shall have the meaning given in the Base Prospectus.

1. FINANCIAL STATEMENTS

1.1 Piraeus Bank S.A. mid-year financial report for the first half of 2017

On 30 August 2017, Piraeus Bank and its subsidiaries (together, the **Group**) published its unaudited semi-annual financial report as at and for the six month period ended 30 June 2017 (the **Group 2017 Unaudited Semi-Annual Report**). The financial statements contained in such Group 2017 Unaudited Semi-Annual Report were prepared in accordance with the International Financial Reporting Standards.

A copy of the Group 2017 Unaudited Semi-Annual Report has been filed with the *Commission de Surveillance du Secteur Financier (CSSF)* and, by virtue of this Supplement, the sections of the Group 2017 Unaudited Semi-Annual Report set out in the table below are incorporated by reference in this Supplement, and form part, of the Base Prospectus. Copies of the Supplement and all documents incorporated by reference in the Base Prospectus will be available to view on the website of Luxembourg Stock Exchange (*www.bourse.lu*) as mentioned on pages 60-61 of the Base Prospectus.

Group 2017 Unaudited Semi-Annual Report	Pages
<ul style="list-style-type: none">Independent auditors Review Report on Interim Financial Information	Pages 20-21 of the pdf
Consolidated unaudited interim condensed financial information as at and for the six month period ended 30 June 2017	
<ul style="list-style-type: none">Consolidated Interim Income Statement	Page 2 (page 25 of the pdf)
<ul style="list-style-type: none">Consolidated Interim Statement of Total Comprehensive Income	Page 3 (page 26 of the pdf)

• Consolidated Interim Statement of Financial Position	Page 4 (page 27 of the pdf)
• Consolidated Interim Statement of Changes in Equity	Page 5 (page 28 of the pdf)
• Consolidated Interim Cash Flow Statement	Page 6 (page 29 of the pdf)
• Notes to the Consolidated Interim Condensed Financial Information	Pages 7-52 (pages 30-75 of the pdf)
Non-consolidated unaudited interim condensed financial information as at and for the six month period ended 30 June 2017	
• Interim Income Statement	Page 2 (page 79 of the pdf)
• Interim Statement of Total Comprehensive Income	Page 3 (page 80 of the pdf)
• Interim Statement of Financial Position	Page 4 (page 81 of the pdf)
• Interim Statement of Changes in Equity	Page 5 (page 82 of the pdf)
• Interim Cash Flow Statement	Page 6 (page 83 of the pdf)
• Notes to the Non-Consolidated Interim Condensed Financial Information	Pages 7-40 (page 84-117 of the pdf)
ESMA Alternative Performance Measures (APM) at Group level	Pages 1-2 (page 18-19 of the pdf)

- 1.2 On 30 August 2017, Piraeus Bank issued a Press Release on the results of the Group for the six month period ended 30 June 2017 (the **Press Release**). The Press Release can be found at:

<http://www.piraeusbankgroup.com/en/investors/financials/financial-results-categories>

Cross reference list of the information contained in the Press Release:

Press Release dated 30 August 2017

Management Statements	1
H1.2017 P&L Highlights	2
Balance Sheet Highlights	3
Agenda 2020: Strategy Enablers Highlights	4
Selected Figures of Piraeus Bank Group	5-6
ESMA Alternative Performance Measures (APM) at Group level	7-8

The Press Release has been filed with the CSSF and by virtue of this Supplement, the Press Release is incorporated by reference in its entirety in this Supplement, and forms part of, the Base Prospectus.

- 1.3 The information incorporated by reference that is not included in the table and cross reference list in paragraph 1.1 above, is considered as additional information and is not required by the relevant schedules of Commission Regulation (EC) No 809/2004 (the **Prospectus Regulation**).

2. RECENT DEVELOPMENTS RELATED TO PIRAEUS BANK S.A.

On page 203 of the Base Prospectus, under “**PIRAEUS BANK AND THE PIRAEUS BANK GROUP - 17. Recent Developments (since 31 December 2016)**” the following paragraphs shall be added to reflect additional recent developments since the date of the Base Prospectus, as follows:

- 2.1 On 30 August 2017, Piraeus Bank announced that the Bancassurance Agreement with NN Hellas, which was due to end on 31 December 2017, has been renewed for a further ten (10) years and a further five (5) year extension possibility. The renewal is effective as of 1 January 2018.
- 2.2 On 1 September 2017, Piraeus Bank announced that its Board of Directors had approved the sale of 100 per cent. of the share capital of its subsidiary Olympic and Commercial Tourist Enterprises S.A. (**Olympic**). Olympic is the holder of the master franchise for Greece of Avis Rent a Car, Budget Rent a Car and Payless. The sale is to a consortium comprising Olympia Group S.A. and Virtus International Partners LP (the **Transaction**). On 18 September 2017, Piraeus Bank announced that the share sale and purchase agreement was executed on 15 September 2017. Completion of the Transaction is subject to the relevant regulatory and other approvals, as well as to Hellenic Financial Stability Fund consent. The consideration for the Transaction has been agreed at €80.6 million, implying an enterprise value for Olympic of €318.1 million, and will be paid fully in cash.
- 2.3 On 17 October 2017, Piraeus Bank announced the agreement to sell its Serbian banking and leasing operations to Direktna Banka A.D. for a total cash consideration between €58 million up to €61million, depending on the financial performance of the divested assets until completion of the transaction, through a combination of direct sale price and simultaneous reduction of capital in Piraeus Bank Beograd AD. The transaction is conditional upon the usual corporate and regulatory approvals, including those of the National Bank of Serbia and the Hellenic Financial Stability Fund. The transaction represents another step towards the implementation of Piraeus Bank’s Restructuring Plan commitments, as those were agreed with the Directorate General of Competition of the European Commission. The transaction is expected to close in the first quarter of 2018, following the receipt of all necessary approvals and is neutral to Piraeus’ CET-1 ratio.

3. ADDITIONAL INFORMATION

This Supplement also supplements certain information in the Base Prospectus. Accordingly, under the section headed “**GENERAL DESCRIPTION OF THE PROGRAMME**” commencing on page 62 of the Base Prospectus, the first paragraph adjacent to the heading “**Amortisation Test**” on page 81 of the Base Prospectus shall be deemed to be supplemented with the addition of certain text (as underlined below for clarity) as follows:

“**Amortisation Test**

In addition to the Statutory Tests and pursuant to the Servicing and Cash Management Deed, after the occurrence of an Issuer Event and so long as an Event of Default has not occurred, the Cover Pool will be subject to an amortisation test (the **Amortisation Test**). The Amortisation Test is intended to ensure that the Cover Pool Assets are sufficient to meet the obligations under all Covered Bonds outstanding together with senior expenses that rank in priority or *pari passu* with amounts due on the Covered Bonds. The Amortisation Test will be breached if the nominal value of the Cover Pool multiplied by the Asset Percentage is less than such amount.”

4. PROGRAMME AMENDMENTS

The Issuer and the other relevant parties have agreed to make certain modifications to certain Transaction Documents (together, the **Programme Amendments**), as a result of which certain amendments and additions to the Base Prospectus will be made, as more particularly described in the following pages of this Supplement. Following the passing of the requisite Extraordinary Resolution on 23 October 2017, the Programme has been modified accordingly, with the relevant contractual changes being effected on or about the date of this Supplement pursuant to documentation amending the relevant Transaction Documents. The Programme Amendments will therefore apply equally to all Series of Covered Bonds issued on or after the date hereof (subject to any further amendments that may be made in the future), as well as to all outstanding Covered Bonds (namely, the €1,000,000,000 Series 3 Floating Rate Covered Bonds due 2018 (ISIN XS1567737603) issued on 16 February 2017).

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been approved by the CSSF as a supplement issued in compliance with the Prospectus Directive and relevant implementing measures in Luxembourg.

Copies of this Supplement and any documents incorporated by reference in this Supplement can be obtained free of charge from the registered office of the Issuer (or from the specified office of the Principal Paying Agent in London and the specified office of the Luxembourg Listing Agent in Luxembourg as indicated on page 277 and page 278, respectively, of the Base Prospectus) and are available on the Luxembourg Stock Exchange website (www.bourse.lu).

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

There has been no material adverse change in the prospects of the Issuer, or the Group, since 31 December 2016 (the last day of the financial period in respect of which the most recent annual audited financial statements of the Issuer have been prepared), and no significant change in the financial or trading position of the Issuer or the Group since 30 June 2017 (the last day of the financial period in respect of which the most recent unaudited interim financial information of the Issuer and the Group has been prepared).

There has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.

In accordance with Article 13.2 of Chapter 1 of Part II of the Prospectus Act, investors who have already agreed to purchase or subscribe for Covered Bonds before this Supplement is published have the right, exercisable within two working days after the publication of this Supplement (being by no later than 25 October 2017), to withdraw their acceptances.

This Supplement may only be used for the purpose for which it has been published.

The date of this Supplement is 24 October 2017.

GENERAL DESCRIPTION OF THE PROGRAMME

Under the section headed “GENERAL DESCRIPTION OF THE PROGRAMME” commencing on page 62 of the Base Prospectus, the following paragraphs shall be supplemented and amended as follows:

Paragraph (iv) adjacent to the heading “Eligibility Criteria” on page 77 of the Base Prospectus shall be deleted and replaced with the following revised paragraph (iv):

“(iv) It is secured by a valid and enforceable first ranking mortgage and/or mortgage pre-notation over property located in Greece that is used for residential purposes.”

The two paragraphs adjacent to the heading “Amendment to definitions” commencing on page 81 of the Base Prospectus shall be deleted and replaced with the following:

“Subject to certain conditions set forth in the Servicing and Cash Management Deed, the definitions of Cover Pool, Cover Pool Asset, Eligibility Criteria, Statutory Test and Amortisation Test may be amended by the Issuer from time to time, subject to Greek Covered Bond Legislation, without the consent of the Trustee only as a consequence of the inclusion in the Cover Pool of a New Asset Type and/or for the purposes of complying with any subsequent changes to Greek Covered Bond Legislation, provided that the Rating Agencies have been notified in writing of such amendment.”

Adjacent to the heading “Transaction Account” commencing on page 86 of the Base Prospectus, the first sentence of the fifth paragraph adjacent to that heading (appearing on page 87 of the Base Prospectus) shall be deleted and replaced with the following:

“Following the occurrence of an Issuer Event, (i) the Servicer shall procure that within two Athens Business Days after the occurrence of such Issuer Event, all collections of principal and interest on deposit in the Collection Accounts (or the Third Party Collection Account (as defined below)) be transferred to the Transaction Account and (ii) the Servicer shall, in accordance with the terms of the Servicing and Cash Management Deed, and the Trustee is entitled in its absolute discretion to, provide notification to all Borrowers and their guarantors (if applicable) that any and all future payments due under the Loan Assets are henceforth to be effected directly to a bank account opened in the name of the Issuer with the Replacement Servicer, a Greek credit institution or a Greek branch of a foreign credit institution whose long-term and short-term IDR are at least A and F1 by Fitch (or such other ratings which are consistent with the published criteria of the Rating Agencies), or with any other credit institution approved by the Trustee (acting upon the advice of a suitably qualified expert and/or as directed by an Extraordinary Resolution passed at a single meeting of the holders of all Covered Bonds of all Series then outstanding) (the **Third Party Collection Account**).”

Adjacent to the heading “Transaction Account” commencing on page 86 of the Base Prospectus, the following paragraph appearing on page 88 of the Base Prospectus shall be deleted:

“Following an Issuer Event, the Servicer and the Issuer (to the extent that Piraeus Bank is no longer the Servicer) shall procure that all payments in respect of the Cover Pool Assets are directed into the Third Party Collection Account and that all such amounts are transferred into the Transaction Account within two Athens Business Days of receipt.”

TERMS AND CONDITIONS OF THE COVERED BONDS

Under the section headed “TERMS AND CONDITIONS OF THE COVERED BONDS” commencing on page 97 of the Base Prospectus, the following paragraphs shall be supplemented and amended as follows:

In Condition 6.8 (Definitions), the definition of Extraordinary Resolution appearing on page 118 of the Base Prospectus shall be deleted and replaced with the following:

“**Extraordinary Resolution** means (a) a resolution passed at a meeting of the Covered Bondholders duly convened and held in accordance with the Trust Deed by a majority consisting of not less than

two-thirds of the persons voting thereat upon a show of hands or if a poll is duly demanded by a majority consisting of not less than two-thirds of the votes cast on such poll; or (b) a resolution in writing signed by or on behalf of the holders of not less than two-thirds of the Principal Amount Outstanding of the Covered Bonds of the relevant Series which would be entitled to attend a meeting if a meeting were convened, which resolution in writing may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the Covered Bondholders.”

In Condition 9 (*Issuer Events*), the following paragraph appearing on page 124 of the Base Prospectus shall be deleted:

“For the avoidance of doubt, an Issuer Event shall not be deemed to have occurred where there has been a failure to pay the Principal Amount Outstanding on the Covered Bonds on the Final Maturity Date or, as applicable, the Extended Final Maturity Date.”

In Condition 15 (*Meetings of Covered Bondholders, Modification and Waiver*), the final paragraph of Condition 15(a) (*Meetings of Covered Bondholders*) appearing on page 128 of the Base Prospectus shall be deleted and replaced with the following:

“In addition, a resolution in writing signed by or on behalf of the holders of not less than two-thirds of the Principal Amount Outstanding of the Covered Bonds of the relevant Series which would be entitled to attend a meeting if a meeting were convened will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Covered Bondholders.”

In Condition 15 (*Meetings of Covered Bondholders, Modification and Waiver*), the following additional paragraph shall be inserted on page 128 at the end of Condition 15(a) (*Meetings of Covered Bondholders*):

“For the purposes of this Condition 15 (*Meetings of Covered Bondholders, Modification and Waiver*), subject to and as further provided in the Trust Deed, those Covered Bonds of the relevant Series (if any) which are for the time being held by or on behalf of the Issuer or any of its Subsidiaries as beneficial owner shall (unless and until ceasing to be so held) be deemed not to remain outstanding, except for where the Issuer or any of its Subsidiaries hold 100% of the Covered Bonds of a Series then outstanding, in which case such Covered Bonds shall be deemed to be outstanding for the purposes of the definition of outstanding in respect of any matter to be determined in respect of that Series only and, for the avoidance of doubt, shall not be deemed to be outstanding in respect of any matter to be determined by or in respect of all or more than one Series of Covered Bonds (unless the Issuer or its Subsidiaries are the holders of 100% of all Covered Bonds outstanding under such Series in respect of which such matter is to be determined).”

DESCRIPTION OF THE TRANSACTION DOCUMENTS

Under the section headed “DESCRIPTION OF THE TRANSACTION DOCUMENTS” commencing on page 250 of the Base Prospectus, the section headed “Servicing and Cash Management Deed” commencing on page 250 of the Base Prospectus shall be revised and supplemented as follows:

Under the sub-section headed “Appointment of Replacement Servicer” commencing on page 251 of the Base Prospectus:

On page 251: the words “where the Issuer and Servicer are not the same entity:” shall be deleted; the word “only” shall be added immediately before the word “where” in “(where the Issuer and the Servicer are the same entity)”; and the words “, within a reasonable timeframe” shall be added immediately after “use its reasonable endeavours to” on the same page.

The two paragraphs under the sub-section headed “Amendment to definitions” on page 255 of the Base Prospectus shall be deleted and replaced with the following new paragraph:

“Subject to certain conditions set forth in the Servicing and Cash Management Deed, the definitions of Cover Pool, Cover Pool Asset, Eligibility Criteria, Statutory Test and Amortisation Test may be

amended by the Issuer from time to time, subject to Greek Covered Bond Legislation, without the consent of the Trustee only as a consequence of the inclusion in the Cover Pool of a New Asset Type and/or for the purposes of complying with any subsequent changes to Greek Covered Bond Legislation, provided that the Rating Agencies have been notified in writing of such amendment.”

The following two additional paragraphs will be added to appear immediately before the subsection headed “*Law and Jurisdiction*” on page 257 of the Base Prospectus:

“Third Party Collection Account

The Servicing and Cash Management Deed provides that the issuer must, immediately upon the occurrence of an Issuer Event, among other things, open the Third Party Collection Account with a Greek credit institution or a Greek branch of a foreign credit institution whose long-term and short-term IDR are at least A and F1 by Fitch (or such other ratings which are consistent with the published criteria of the Rating Agencies), or with any other credit institution approved by the Trustee (acting upon the advice of a suitably qualified expert and/or as directed by an Extraordinary Resolution passed at a single meeting of the holders of all Covered Bonds of all Series then outstanding), and the Issuer undertakes not to knowingly create or permit to subsist any Security Interest in relation to the Third Party Collection Account other than as permitted pursuant to paragraph 4 of Article 152 and by virtue of an analogous application of paragraph 15 of article 10 of Greek Law 3156/2003 or other than as created by the Statutory Pledge.

Following the occurrence of an Issuer Event, the Servicer shall, in accordance with the terms of the Servicing and Cash Management Deed, and the Trustee is entitled in its absolute discretion to, provide notification to all Borrowers and their guarantors (if applicable) that any and all future payments due under the Loan Assets are henceforth to be effected directly to the Third Party Collection Account.”

GENERAL INFORMATION

Under the section headed “GENERAL INFORMATION” commencing on page 274 of the Base Prospectus:

In the sub-paragraph headed “*No significant or material adverse change*” on page 274 of the Base Prospectus the reference to “31 March 2017” shall be deemed to be deleted and replaced with “30 June 2017”.